

**CITY OF BRIDGEPORT
CONTRACTS COMMITTEE
OCTOBER 27, 2015
SPECIAL MEETING**

ATTENDANCE: Milta Feliciano, Co-Chair; Howard Austin Sr., Co-Chair; Alfredo Castillo; Melanie Jackson; Michelle Lyons; Eneida Martinez; Tom McCarthy, Council President; James Holloway; Richard Salter

CALL TO ORDER

Co-Chair Feliciano called the meeting to order at 6:35 PM. A quorum was present.

AGENDA

186-14. Proposed Tentative Agreement from LIUNA, Local 200 regarding the terms and conditions of employment for their membership.

Neil Austin, Labor Relations Official, came forward to speak on the item. He stated that the proposed tentative agreement features the following changes:

1. With a 4 year contract, wages will feature a potential 3% raise after 1 year, a 3% raise after 2 years, a 2.5% raise after 3 years, and so forth.
2. City insurance buyouts will be reduced over the next 3 years, eventually being phased out.

Mr. Austin stated that this agreement will not only create savings for the city of Bridgeport, but also bring personal costs down for union members once they reach Medicare age. He stated that LIUNA has consistently been amenable and proactive when the City government has requested assistance in making changes, and that for new employees hired after the agreement is ratified, these changes will come into effect immediately. Mr. Austin stated that he would like to thank the union and Cory Bromley for being instrumental in collaborating on the new contract.

Committee Member Eneida Martinez entered the meeting.

Mr. Austin stated that the terms of the proposed agreement are identical to the previous agreement in place for 20 years, with the exception of the above terms. He stated that he believes this to be fair and consistent with all other contracts being negotiated. He further noted the sizable union presence at the meeting.

Committee Member Holloway asked, in relation to the medical buyouts, what benefits individuals would receive now, as opposed to in the future. Mr. Austin stated that if an individual is seeking the buyout in 2016, the amount is being reduced (for example, from \$2000 to \$1500), and that it will incrementally decrease from there. Committee Member Holloway asked if the

number of individuals staying on insurance plans will cost the city more money, and Mr. Austin stated that, as the city remains self insured, it will not.

Committee Member Martinez asked where the entire contract is, as the items given to the committee members appeared to be incomplete. Mr. Austin stated that, as the contract has already been agreed and voted upon, all the committee is voting upon is the tentative agreement, and thus was not provided. He stated that the contract in its entirety could be found online under the Labor Relations Office.

Co-Chair Austin stated that he felt LIUNA has done an excellent job over the years, and has done their fair share in regards to helping union members receive their just dues. He expressed his support for the item, and his intention to vote in favor.

Co-Chair Feliciano stated that going forward, as previously requested, members of the committees should receive full copies of pertinent contracts in order to review all of the information, and thus have a full picture of the item before voting. Mr. Austin stated that he would be happy to comply with the request and provide documents for informational purposes in future.

Council President McCarthy stated that LIUNA has acted as backbone union for the city, and does a great deal of middle management work without a great deal of recognition. He stated that whenever the city has needed assistance in the past, LIUNA has historically offered their support, and done so first. He stated that he thinks it is important to give justified raises and recognize the long-term benefits of the contract.

Committee Member Castillo stated that LIUNA has worked hard, pushed meetings, and that the ratification of this tentative agreement has been long overdue.

Committee Member Michelle Lyons entered the meeting.

Committee Member Martinez asked where the funding will come from if the vote is cast, and if the incremental raises are in the budget. Mr. Austin stated that at a previous meeting, Tom Sherwood indicated this was an anticipated change, and while he cannot speak to the specifics of the budget in the coming year, they always take into account what has expired and how to proceed in order to make allowances for anticipated contracts. Council President McCarthy stated that estimates are made in the budget for a number of items.

**** COUNCIL PRESIDENT MCCARTHY MOVED TO APPROVE ITEM 186-14 RE: PROPOSED TENTATIVE AGREEMENT FROM LIUNA, LOCAL 200 REGARDING THE TERMS AND CONDITIONS OF EMPLOYMENT FOR THEIR MEMBERSHIP.**

**** CO-CHAIR AUSTIN SECONDED THE MOTION.**

**** MOTION PASSED UNANIMOUSLY.**

**** FOR OFFICIAL RECORD PURPOSES, CO-CHAIR FELICIANO WOULD HAVE RECUSED HERSELF HAD SHE NOT BEEN CHAIRING THE MEETING, AND THUS BEEN INELIGIBLE TO VOTE.**

187-14. Proposed Thermal Energy Supply Agreement with NuPower regarding the Use of Waste Heat from Landfill Fuel Cell to Supply Heating and Cooling to Municipal and Commercial Buildings.

John Cottell and Ron Pacacha came forward to present on the item. Mr. Pacacha handed out a number of documents, including a PowerPoint presentation for general background on the project.

Mr. Cottell stated that the technology being proposed is widely used in Europe for over 30 years, and that it is similar to Hartford's steam loops, but that it employs hot water instead. The presentation handout displayed the following:

1. Page One: Sources of heat, wheel braiders, non-illuminating fuel cells at the entrance of the landfill, a combined cycle facility, natural gas generators, and other sources of heat not being captured and being wasted in the atmosphere.
2. Page Two: Well-insulated, slightly flexible pipe roughly 18 inches down with shallow coverage and easy installation capabilities to be run through Bridgeport roads.

Committee Member Holloway asked if this was the same project that came to the committee roughly 2 years ago. Mr. Cottell answered in the affirmative. Committee Member Holloway stated at the time, they had discussed the issue of what is in Bridgeport roads, particularly sewer lines. He stated that they were supposed to contact the Engineering Department to determine the schematics of the road, and that it does not appear they have done so. Mr. Cottell stated that he did not know, as this predates his involvement with the project. Committee Member Holloway stated that this is not a simple project, and that there will be a difficult time trying to run two lines across the city. He stated that he did not think the item should be discussed further until the City Engineer provides them with a schematic of where everything is.

Council President McCarthy asked what is in the roads. Committee Member Holloway stated, there are sewer lines, electrical lines, gas lines, and transmission lines for cable, and that where those lines intersect is unclear. He stated that they were previously told to confer with the Engineering Department, and Mr. Cottell stated that they cannot say they didn't. Mr. Pacacha stated that in the process of pulling easements and street opening permits, they would have to come back and receive permissions to begin any sort of construction on the roads.

**** COMMITTEE MEMBER HOLLOWAY MOVED TO TABLE ITEM 187-14 RE: PROPOSED THERMAL ENERGY SUPPLY AGREEMENT WITH NUPOWER REGARDING THE USE OF WASTE HEAT FROM LANDFILL FUEL CELL TO**

SUPPLY HEATING AND COOLING TO MUNICIPAL AND COMMERCIAL BUILDINGS.

Co-Chair Austin asked for clarification of whether they were proposing the procedure to get permission to start looking for what Holloway notes, or if the plan was to start implementing the plan and figure out what was beneath the roads as they went. Mr. Cottell stated, as they have state permission to put things in the road, and that the contract states once they have the system in the ground, the city will be a recipient in several sites. Co-Chair Austin stated that there are a lot of old crumbling sewers, and asked how they intended to proceed without knowing what is in the ground. Mr. Cottell stated that this item is a contract to be a customer of this technology and company, and that they would still have to go through the permitting process.

Council President McCarthy stated that it is a chicken and egg situation, with there being concern over starting the project without informational due diligence, but being unable to do so without a contract ratified. He asked for the realities in terms of timing, as a table would likely put off the project's contract approval until early 2016. Mr. Cottell stated he did not know whether there was a date of death for the funding, and Mr. Pacacha stated that they planned to have the system installed by the second quarter of 2016. Mr. Pacacha stated that the city would earn a guaranteed 10% cost over natural gas costs, and that this is a contract to become a customer of the thermal loop, not a development agreement. Council President McCarthy clarified that the company could still go into the ground and begin installation should they have other customers, and Mr. Cottell answered in the affirmative, stating that the city would be an anchor customer.

Committee Member Holloway stated that Bridgeport is rock, where not everything is underground like Manhattan, and that this could have far reaching implications on traffic and construction issues. He expressed his concern that they did not take the committee's prior directive into consideration.

Committee Member Jackson stated that as Downtown Bridgeport is one of the most heavily trafficked areas in the city, and that it is a major area in the project, it would be favorable to know what the impact would be on the people who live and work there. She asked for more information on the state program that ties into this, and who would be funding the pipe discovery. Mr. Cottell stated that paid engineering firms would be responsible for that, and that they have certain state funding.

Co-Chair Feliciano stated that she received phone calls from two state representative who stated they had received something along the lines of \$6 million in funding for the project. Mr. Pacacha stated that they have a letter from the National Development Council, detailing funding as follows:

1. \$28 million total.
2. Commercial investment of \$15.9 million.

3. State grant of \$9 million.
4. Equity investment of \$3.9 million.

Committee Member Lyons asked for clarification on the map, and Mr. Pacacha provided it.

Council President McCarthy asked if they had financing documents, and Mr. Pacacha answered in the affirmative. Council President McCarthy requested the documents.

Co-Chair Feliciano stated that the project was promising, but that if someone from Engineering or New Power had been present, it would have been very helpful.

Mr. Pacacha stated that the agreement is about becoming a customer, not about development, and that he did not believe it was appropriate for that to be the subject of discussion at the meeting.

Committee Member Lyons cited a previous incident in which the gas company started digging up the roads prior to exploring their internal workings, and asked if there were alternative options in terms of the company to install this technology. Mr. Pacacha stated that they did not come through RFP, and that the company approached the city. He stated that he did not know of anyone else offering this type of technological installation. Committee Member Lyons stated that she believed in the voracity of the project, but was concerned about a similar situation to the previous gas company installations.

Committee Member Salter stated that while the city wants to be a customer, they would need an infrastructure map to go forward, and if not he would second the motion to table.

**** COMMITTEE MEMBER SALTER SECONDED THE MOTION.**

Mr. Pacacha stated that the matter before the committee is a supply agreement, and that the following item is a tax agreement. He stated that they intended to present incrementally, and that he could provide all of the information now, but it would be somewhat out of order.

Council President McCarthy requested the information.

Mr. Pacacha stated that he would never have known that engineering questions would arise in this meeting.

**** MOTION PASSED WITH ONE (1) VOTE IN OPPOSITION (MCCARTHY).**

Committee Member Holloway exited the meeting.

190-14. Proposed Tax Assessment Agreement for a Project in an Enterprise Zone.

It was discussed whether or not it was possible to vote in the affirmative or negative on this item, given that it was contingent on the first. It was determined that it was not.

**** COMMITTEE MEMBER SALTER MOVED TO TABLE ITEM 190-14 RE: PROPOSED TAX ASSESSMENT AGREEMENT FOR A PROJECT IN AN ENTERPRISE ZONE.**

**** COMMITTEE MEMBER JACKSON SECONDED THE MOTION.**

**** MOTION PASSED WITH ONE (1) VOTE IN OPPOSITION (MCCARTHY).**

195-14. Proposed Agreement for Solar Power at Wonderland of Ice Facility.

Atty. Mark Anastasi and Chris Anastasi came forward to speak on the item. Atty. Anastasi stated that the city has put a number of solar panels on roofs throughout the city, primarily schools, and that they have a long-term lease with Wonderland of Ice. Atty. Anastasi provided documents to the committee- a system site lease agreement, purchase, and letter with the proposed resolution attached.

Co-Chair Feliciano expressed her concern that they were not given the documents ahead of time in order for them to review, ask questions and get answers. Atty. Anastasi stated that only document not provided was his letter, which was essentially a letter and a 2-3 paragraph summary of the project and a copy of the resolution.

Co-Chair Austin asked if they wanted to use the solar power to cut back on the UI costs, and Atty. Anastasi answered in the affirmative. Co-Chair Austin clarified that as Wonderland is the tenant, the City does not lose or gain anything, and that they effectively act as a guarantor should something go awry (i.e. the property going into default).

Committee Member Lyons stated that something to keep in mind in relation to solar panels is their hindrance of first responders in instances of fire, because the electrical current is still running throughout the facility. Atty. Anastasi acknowledged the concern, and stated that they have been approved to be put on high risk facilities throughout the city (i.e. schools). Committee Member Lyons asked if the excess power would be purchased by Wonderland, and Atty. Anastasi stated that it is a provision which at this stage will likely not come into play. He stated that the system is designed to produce slightly less than currently being used at Wonderland, and while there is contemplation of a possible second phase at the other rink, Wonderland is obligated to purchase any excess, not Bridgeport. Committee Member Lyons asked why the provision exists at present if it doesn't appear to be a current consideration, and Atty. Anastasi stated that it isn't essential, and that they would be amenable to changing the language. He

further stated that City does not want any part of buying theoretical excess electricity generated from the facility.

Co-Chair Feliciano asked about the length of the lease with Wonderland. Atty. Anastasi stated that the lease was originally signed in 1989, with a 15 year extension and a 10 year option created in 2004, but that this is not triggered until a certain amount of investment and capital improvements are made. He stated that the parties are still technically and legally still functioning under an expired lease, and that the placement of the solar panels is actually triggering the facility's need to sign the lease. Co-Chair Feliciano asked if they should be concerned about the lease prior to the panels, and Atty. Anastasi stated that the lease had already been approved, and that the old lease will continue until the new one is signed.

Committee Member Salter asked if the City had to pay for the installation of the panels, and Atty. Anastasi stated that the developer is putting them in to generate electricity, and that the city pays nothing. He further stated that it appears the developed is receiving state funding from an environmental preservation organization.

Council President McCarthy inquired about the risk to the city, and Atty. Anastasi stated that it would be minimal or none. He stated that the worst case scenario would be Wonderland going into default, resulting in the city taking over the rink and thus buying energy at 6.9 cents per kilowatt hour, with an escalator over 30 years.

Co-Chair Feliciano asked how many phases were intended, and Atty. Anastasi stated that there was really only one. Mr. Cottell stated that they don't aim to produce more energy than they use. Co-Chair Feliciano asked how much money the city makes per year off of the Wonderland lease, and Atty. Anastasi stated that the lease contains a \$72,000 a year minimum rent, with the added benefit of a facility that services citizens and youth. He stated that under the new lease (to be signed), there is a minimum investment of \$51,500 for architectural services, a sound system, and skates, and that there is to be a capital improvement of \$362,500. Co-Chair Feliciano asked if the city had matched that, and Atty. Anastasi answered in the negative.

Committee Member Castillo expressed his support for the item.

Atty. Anastasi stated that they are not making any money through the deal, but are investing in a facility they own, and are effectively seeing improvements without any sort of financial contribution. He further stated that it will improve the facility, make it more financially feasible to operate, and that they could charge higher rent or see lower operating cost should Wonderland ever default.

**** COUNCIL PRESIDENT MCCARTHY MOVED TO APPROVE ITEM 195-14 RE: PROPOSED AGREEMENT FOR SOLAR POWER AT WONDERLAND OF ICE FACILITY.**

**** CO-CHAIR AUSTIN SECONDED THE MOTION.
** MOTION PASSED UNANIMOUSLY.**

ADJOURNMENT

**** CO-CHAIR AUSTIN MOVED TO ADJOURN.
** COMMITTEE MEMBER JACKSON SECONDED THE MOTION.
** MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:00 PM.

Respectfully submitted,

Catherine Ramos
Telesco Secretarial Services