

**CITY OF BRIDGEPORT
BUDGET AND APPROPRIATIONS
COMMITTEE
REGULAR MEETING
JUNE 14, 2021**

ATTENDANCE: Scott Burns, Co-chair; Ernest Newton, Co-chair; Jorge Cruz, Jeanette Herron, Mary McBride-Lee, Matthew McCarthy, AmyMarie Vizzo-Paniccia (6:05 p.m.)

OTHERS: Council Member(s): M. E. Brantley, M. Brown, A. Castillo, M. Pereira & R. Roman-Christy; T. Gaudett, Mayor's Aide; K. Flatto, Finance Director; N. Nkwo, OPM Director; Veronica Jones, Tax Collector; Atty. John Stafstrom, Bond Counsel; Lt. P. Grech; Dennis C. Murphy, Esq.; he, him, his; iPhone, Call in User 1; 203-576-7934; 203-880-5666, 203-243-0572; 203-414-0712; 475-422-3720

CALL TO ORDER

Co-chair Burns called the meeting to order at 6:03 p.m. A quorum was present.

Co-chair Newton said that there would be a Public Speaking Session on the funding from Washington on June 15, 2021.

Approval of Committee Minutes: March 8, 2021 (Regular Meeting); April 15, 2021; April 22, 2021 & April 27, 2021 (Public Hearings); April 7, 2021; April 8, 2021; April 10, 2021; April 12, 2021; April 14, 2021; April 15, 2021; April 17, 2021; April 20, 2021; April 21, 2021; April 22, 2021; April 24, 2021; April 28, 2021; April 29, 2021 & May 1, 2021 (Special Budget Hearing Meetings).

**** COUNCIL MEMBER NEWTON MOVED THE FOLLOWING MINUTES:**

APPROVAL OF COMMITTEE MINUTES: MARCH 8, 2021 (REGULAR MEETING); APRIL 15, 2021; APRIL 22, 2021 & APRIL 27, 2021 (PUBLIC HEARINGS); APRIL 7, 2021; APRIL 8, 2021; APRIL 10, 2021; APRIL 12, 2021; APRIL 14, 2021; APRIL 15, 2021; APRIL 17, 2021; APRIL 20, 2021; APRIL 21, 2021; APRIL 22, 2021; APRIL 24, 2021; APRIL 28, 2021; APRIL 29, 2021 & MAY 1, 2021 (SPECIAL BUDGET HEARING MEETINGS).

**** COUNCIL MEMBER HERRON SECONDED.**

The following correction was noted:

Page 2, paragraph 8, Line 2: please change the following from:

“were from the Police and Nurses unions.”

To: “were from the Police and NAGE.”

Council Member Vizzo-Paniccia joined the meeting at 6:05 p.m.

**** THE MOTION TO APPROVE THE MINUTES AS LISTED ABOVE AS CORRECTED PASSED UNANIMOUSLY.**

Presentation by OPED re: review of status of Steelpointe Bonding Reimbursement.

Council Member Burns said that Mr. Gill, the OPED Director would not be joining the call tonight.

72-20 Municipal Suspense Tax Book.

**** COUNCIL MEMBER NEWTON MOVED AGENDA ITEM 72-20 MUNICIPAL SUSPENSE TAX BOOK.**

**** COUNCIL MEMBER HERRON SECONDED.**

Council Member Cruz asked for clarification on the Suspense Tax Book. Ms. Jones said that each year, the Tax Collector’s and Assessor’s determine which accounts cannot be collected because something has happened like a business relocating and they cannot find them. Other businesses have been out of business for a few years.

Council Member Newton asked what the total was. Ms. Jones said that from 2005-2019 there was \$54,000.

Mr. Nkwo asked if someone could come back to Bridgeport to do business without paying the back taxes. Ms. Jones said that they would resurrect the back taxes.

Council Member McCarthy asked if 2005 would be eliminated next year. Ms. Jones said that they can only collect on items for 15 years.

Council Member McCarthy asked about deceased individual. Ms. Jones said that the deceased individuals had to be included on the list to show the amount was uncollectable. Next year, that individual will drop off the list, but the entry will remain in the system.

Council Member Pereira asked for a definition for Miscellaneous. Ms. Jones said that occasionally, there are errors, such as a duplicate listing or listing for a business that no longer exists. Also, a taxpayer might come in and state they were out of business during a particular year. The office cannot remove that entry from the list.

Council Member Pereira asked for clarification on deceased individuals. Ms. Jones said that if it was a Chapter 7 for a vehicle, it would be cleared. If the vehicle was deeded or given to a relative, the taxes have to be paid.

**** THE MOTION TO APPROVE AGENDA ITEM 72-20 MUNICIPAL SUSPENSE TAX BOOK PASSED UNANIMOUSLY.**

75-20 Proposed Approval of Tax Anticipation Notes (TANS) To Pay Current Expenses and Obligations of the City – FY2022.

Mr. Flatto requested that the item be withdrawn. Due to the cash flow coming into the City and the Federal funding, the City will not need to utilize TANS this year.

Council Member Burns said that the procedure would be that the Committee would table the item and Mr. Flatto should file a letter withdrawing the item with the City Clerk.

****COUNCIL MEMBER HERRON MOVED TO TABLE AGENDA ITEM 75-20 PROPOSED APPROVAL OF TAX ANTICIPATION NOTES (TANS) TO PAY CURRENT EXPENSES AND OBLIGATIONS OF THE CITY – FY2022.**

**** COUNCIL MEMBER VIZZO-PANICCIA SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

73-20 Proposed Approval of General Obligation Bonds – To Fund Certain Capital Improvement Projects.

Mr. Flatto said that each year, the City prepares a list of projects and then goes out to bond. The list includes projects that had not previously bonded. The list was included at the end of the resolution. Most of the projects were included in the Capital Plan last spring, but there are a few from the previous Capital Plans, such as the Bassick High School Plan. He then reviewed the details for Bassick.

Mr. Flatto then reviewed the details around the Public Facilities Equipment bonding and some project that had been approved last spring, such as the Congress Street Bridge. They are basically 20-year bonds, except for the Bassick High School, which is a 30-year bond.

Mr. Stafstrom said that the language was the standard language. He said that this was the second step in the process since the projects had all been previously been approved.

Council Member Cruz said that he was having a problem with the extra \$8 million for Bassick. He requested that the \$8 million for the project be removed from the item.

Council Member Newton said that there was extra money for the paving and was to pave more streets. Mr. Flatto said that there was \$3 million from last year and there was some LoCIP funding left over. Mr. Nkwo said that they were using some leftover money for paving rather than bonding for more paving funds.

Council Member Newton said that there was an article in the newspaper on Sunday about putting Bassick on State Street. He cautioned everyone about what Hartford had said. Bridgeport needs to get their act together or they will lose the allocated funding. The \$8 million was already

approved by the Council for Bassick. Council Member Newton said that he thought they had allocated money to pay the contractors and others.

Mr. Flatto said that when a project comes forward, the Council hears about it in the Capital Plan. He said that the final project does not come forward to the Council because they had already been authorized to bond up to the previously approved amount. Discussion followed.

Council Member Newton pointed out that the BOE approved this purchase and signed off on it. The City did the same thing for Harding and Central. Taking the \$8 million out of the project would send the wrong message to Hartford.

Council Member McCarthy had several detailed questions about how the bond funding would be used and if it could be re-allocated. Mr. Flatto said that any new use would have to be approved by the Committee. He noted that if there was grant money available for a particular project, they will use the grant funding for the initial project and re-allocate the bonded funding to another previously approved project.

Council Member McCarthy asked if there were any projects that had not been bonded. Mr. Flatto said that there were a few items. He and Mr. Stafstrom have a spreadsheet where they track these items. Discussion followed.

Council President Nieves said that in 2017, the project had been presented to the Education and Social Services Committee and the goal was to renovate as new. Later, it was discovered that renovating the building to new cost more than new construction. She then gave a brief overview of the history involved in allocating the additional \$6 million.

The School Construction Committee received a letter from Hartford regarding Bassick. There was no funding from Goodwin. She urged the Committee to remember that they had been working on the Bassick project for many years. All of the previous decisions have been documented in the minutes and were approved by the Council. There has been interference by Council Members who have written letters and contacted Hartford about the project. However, she repeated that all the bonding approvals are listed in the minutes.

Mr. Nkwo said that he had been on staff while the last four new schools were built. Council approves the Capital bonds and then the School Building Committee takes the project over from there.

Council Member McBride-Lee said that she remembers what Council President Nieves mentioned. It is time for Bassick to get their due.

Council Member Pereira said that the application will expire on June 30th and the legislature will not be reconvening until 2022. She wished to know why they were bonding now.

Mr. Flatto said that it would come back to the Committee as a new Capital Plan. Until they get an approval from the State, they can't start work. The State has indicated that they may be able to increase their share of the building cost. If they don't have an approval, then the State will be

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looking to see if there was some money lined up. They need to present the details to the State to establish a timeline.

Council Member Pereira said that the City Council never voted for land acquisition appropriations. Council Member Pereira said that she was on the Board of Education at that time. The \$27.5 million was strictly the 31% plus for new construction costs. They never approved land acquisition or appropriated funds for land acquisition, which is why they don't have the money. She said that Mr. Flatto had admitted that they had bonded \$7.5 million which was 27.5%.

The School Building Committee wire transferred \$6 million for the purchase of 12 UB parcels without any City Council authorization. There was \$600,000 spent on useless architectural design because Bassick was always going to be on the original site. There was no need for land acquisition. So that was a waste of \$600,000. Another \$25,000 was wasted putzing around on the Hubble site. So, that means there's only another \$875,000 left of the original \$7.5 million.

Council Member Pereira said that she wished to be clear. She played a critical role in having a Senator and Board Member indicted for wire transfers. This \$6 million dollar wire transfer was completely illegal. Council Member Pereira stated that she was pursuing this issue with the FBI.

Council Member Newton said that Council Member Pereira's remarks were totally uncalled for. The person that was indicted is not relevant to the issues being discussed. He requested that Council Member Pereira not be allowed to speak again in the meeting. He reminded everyone that Council Member Pereira is not a member of the Budget and Appropriations Committee and her remarks were totally out of place.

Council Member Pereira objected and said that she had not violated any rules. Council Member Burns stated that he had not called on her and told Council Member Pereira she was out of order.

Mr. Flatto said that a project could evolve and require land acquisition. The costs associated with a demolition exceeded the cost of new construction on new land.

Council Member Cruz said that he had voted in favor for Bassick, but as far as he was concerned, they were not using it for the right reasons. He felt that the Building Committee has too much power and they do what they want, along with the Board of Education. It is uncomfortable to see one Committee making these kinds of decisions. They should revisit the Hubble site and forget about Bassick coming to the South End where they would be in a flood zone. They should buy the buildings from UB and convert them into affordable housing.

Council Member McCarthy said that he would like to move the question.

Council Member Castillo claimed that the Committee was not letting others talk.

Council Member Herron said that if people have read the paper recently, BOE Chair Walden has requested to demo the buildings so they can start construction. The buildings belong to the City, not the BOE. If they keep Bassick on site, there is no swing school. Putting it on UB has started

conspiracy comments. The opportunity for the students to go into one of three colleges right on the same campus is a win/win. This is a positive move for the students.

Council Member McBride-Lee said that bullying is a crime in Connecticut. She does not like being threatened. Those who step on others when they are down are not good people.

Council Member Newton said that he would yield to Council Member Brown.

Council Member Brown said that he has been listening to the conversations from City Council Members on Bassick in person, on social media and in the paper. It is scary to hear colleagues accusing other colleagues of nefarious actions based on power that they may or may not have. He said that he would never say that the School Building Committee was committing nefarious acts by stealing money that they don't have the authorization to spend. He would never do that.

Bassick is located in Council Member Brantley's and his District. It is sad that they will have to give it up, especially to a District that doesn't seem to want it. Bassick has gone through a few different changes in the plans and material costs have tripled. He asked which school construction had not gone through without a hitch. Costs overrun. It's almost to be expected with a project this big.

The School Building Committee does have authorization to spend money and has the approval from the State School Construction Committee. Based on conversations that Council Member Brown has had with the State Representatives, it sounds like this project approval will be included in this year's Special Sessions, not 2022.

The State authorized cities and towns to create School Building Committees and the Bridgeport City Council did by ordinance was the establishment of a School Building Committee. There are to be three members of the Bridgeport City Council on the Committee, two of which are to serve as Chair and Vice Chair. The other members include Board of Education members, the School Superintendent and the City Engineer.

Council Member Brown said that he was reading the by-laws that the City Council voted on to establish the School Buildings Committee and contrary to Council Member Pereira's statement that the School Building Committee did not have the authority to purchase property.

Council Member Brown then read the following into the record:

Number four – By-laws of the Building School Committee: The Committee shall select as necessary the site for the project and take or acquire or request others to take all action necessary to acquire the site for the project.

He reminded everyone that these were the rules that the Council Members in office at the time voted on and all subsequent Council Members have approved since this was adopted. School Building Committee has the authority to purchase the site with the money that the City Council authorized. Stating that the School Building Committee is committing nefarious acts is not based

in reality but based on a lack of information. He urged the Budget Committee to approve this project.

Council Member Brantley said that they have been working on this since 2014 with the intent of the school relocating. The community asked for a new football field and track. She asked the Committee to approve the plan with the money for Bassick. She supports this 100%. Shame on the Council for filing reports against one another.

Council Member Castillo said he was not voting on this when it comes to the floor. \$6 million was used to purchase land from UB which is in a flood zone. They were trying to save taxpayer money. As an elected official, they wanted to renovate the old Bassick high School and increase the size of the building. The land was purchased out of the blue. You can't just take \$6 million to buy the land without coming to the Council. Now they are coming back to the Council for \$8 million dollars. The land was never approved by the State for the school. Council Member Castillo said that Mr. Flatto told them he was not going to touch it. Now they are coming to the Council about putting the school on a flood zone. It is not an open textbook that they can spend the money, slow down.

Council Member Vizzo-Paniccia said that this move for Bassick would be a plus. She worked on a committee in 1995 that was looking to shut Bassick down. This would be something for the students to look forward. This is a win/win for the City.

Council Member McCarthy requested to move the question. Council Member Vizzo-Paniccia seconded. Council Member Newton requested a roll call vote.

**** THE MOTION TO APPROVE AGENDA ITEM 73-20 PROPOSED APPROVAL OF GENERAL OBLIGATION BONDS – TO FUND CERTAIN CAPITAL IMPROVEMENT PROJECTS PASSED WITH FIVE (5) IN FAVOR NEWTON, VIZZO-PANICCIA HERRON, MCCARTHY AND MCBRIDE-LEE) AND ONE (1) OPPOSED (CRUZ).**

74-20 Proposed Approval of General Obligation Bonds – To Refund Certain General Obligation Bonds.

Mr. Flatto said that they had previously been planning on refunding some bonds, but COVID happened. He displayed a chart showing the debt service that would drop due to pension decreases. The refunding will help with the debt service over the next five to six years. The resolution spells out which bonds will be refunded. Some of the bonds from last year's proposal are included.

Council Member Burns asked about the premiums. Mr. Flatto reviewed the details with him. Council Member Burns wished to know what the length of term was. Mr. Flatto said that it was about 8 years.

Council Member McCarthy asked what the savings would be. Mr. Flatto said that it was hard to project that because the market is in motion. Per year, it might be millions of dollars in the first few years. Mr. Flatto said that they hoped to get these bonds out for refunding in 60 to 90 days.

**** COUNCIL MEMBER NEWTON MOVED TO ENTER A DOCUMENT TITLED DEBT SERVICE COMPARISON UNTIL FY 2049 AS EXHIBIT 06-14-2021-1.**

**** COUNCIL MEMBER CRUZ SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

**** COUNCIL MEMBER NEWTON MOVED TO APPROVE AGENDA ITEM 74-20 PROPOSED APPROVAL OF GENERAL OBLIGATION BONDS – TO REFUND CERTAIN GENERAL OBLIGATION BONDS.**

**** COUNCIL MEMBER HERRON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

Presentation by OPED re: Review of Status of Steelpointe bonding reimbursement CONT'D.

Council Member Burns said that he had asked Mr. Gill to address this issue, but Mr. Gill declined to attend the meeting because there are negotiations underway. Mr. Flatto said that they did not expect to have the reimbursement from the item this fiscal year, but felt that there would be funding coming in.

Council Member Newton said that he was disappointed that Mr. Gill did not come in. He asked that a letter be sent to OPED expressing his displeasure because this is disrespectful. Council Member Cruz seconded.

Council Member McCarthy asked for clarification on Mr. Gill's comments. Council Member Burns said that Mr. Gill did not want to speak about this issue. Council Member McCarthy said that he agreed with Council Member Newton. Discussion followed.

Council Member Newton then spoke about the Implementing Budget which spells out what is in the budget.

Council Member Vizzo-Paniccia pointed out that there may be contractual issues that prevent Mr. Gill from speaking about the negotiation. This is common practice.

General Discussion re: Review of the Monthly Financial Report.

Mr. Flatto then gave a brief overview of the Financial Report.

Council Member Newton asked Mr. Flatto to review the fund balance, a.k.a. the "Rainy Day Fund". The budget is over \$500 million and \$27 million is about 5%. He spoke about the Federal reimbursement and noted that there was about \$1 million in extra reimbursement.

Council Member Newton asked why the Nutrition shortfall was not covered by COVID since the students were not in school. Mr. Flatto said that they had not gotten the reports yet. However, they can bill direct costs to the Federal government.

Council Member Burns asked about the open positions in the City and noted that while there are some savings, they are losing opportunities. Mr. Nkwo said that the Grant Office now is fully staffed.

Council Member Newton pointed out that the positions were sitting there and B&A Committee talks about the open positions. The City needs a Fire Chief, a Police Chief and a Personnel Director. Before they said it was testing, but now they have the funding. Maybe the Budget Committee should send a letter to the Mayor to fill these positions.

Mr. Nkwo said that they were working on these positions. The police tests are being held. Council Member Burns suggested that they have Labor Relations give the Committee an update.

Council Member Cruz said that the Health Department Director was also vacant. There is a serious homeless problem. The administration is lacking in advertising these positions. They need to write these letters and demand accountability.

130-19 Proposed resolution committing to reallocating certain funds from the Police Department to address the safety, security, educational and social services needs of Bridgeport residents.

**** COUNCIL MEMBER NEWTON MOVED AGENDA ITEM 130-19 PROPOSED RESOLUTION COMMITTING TO REALLOCATING CERTAIN FUNDS FROM THE POLICE DEPARTMENT TO ADDRESS THE SAFETY, SECURITY, EDUCATIONAL AND SOCIAL SERVICES NEEDS OF BRIDGEPORT RESIDENTS.**

**** COUNCIL MEMBER CRUZ SECONDED.**

Council Member Burns said that this was a matter that was developed in response to the murder of George Floyd and the City has many needs for social services.

Council Member Herron said that they were looking to boost the social services available to the Police Department and that had moved forward. This is a great start.

Council Member Newton said that they could do more, but this was a start. He asked if the language in the resolution was still warranted since they had implemented many of the goals in the resolution. Council Member Burns said that they were looking to reorient themselves and are moving in the right direction,

Council Member Newton asked if they should vote this out to the full Council or table it. Council Member Burns said they should vote it to the full Council.

Council Member McCarthy noted that while the resolution means something, they had actually already completed many of the goals.

Council Member Newton said that they should explain to the full Council the various items they had already accomplished.

Council Member Pereira said that nothing was accomplished and there was no money taken away from the police budget.

**** THE MOTION PASSED WITH (NEWTON, CRUZ, HERRON, MCBRIDE-LEE, AND MCCARTHY) AND ONE (1) OPPOSED VIZZO-PANICCIA UNANIMOUSLY.**

ADJOURNMENT

**** COUNCIL MEMBER NEWTON MOVED TO ADJOURN.**

**** COUNCIL MEMBER HERRON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 8:15 p.m.

Respectfully submitted,

Telesco Secretarial Services