

The regular meeting of the Council of the City of Norwich was held August 16, 2021 at 7:30 PM in Council Chambers. Present: Mayor Nystrom, President Pro Tem Bettencourt, Ald. Nash, Gould, Myles. City Manager Salomone and Corporation Counsel Michael Driscoll were also in attendance. Ald. Wilson and DeLucia had an excused absence. Mayor Nystrom presided.

Ald. Nash read the opening prayer and President Pro Tem Bettencourt the members in the Pledge of Allegiance.

Please be advised that meetings of the Norwich City Council can be viewed in their entirety on the City of Norwich website “norwichct.org”.

Mayor Nystrom called for citizen comment.

Heather Romanski, 297 Scotland Rd., made a brief statement on the Board of Education finances stating that they are committed to upholding their pledge of staying within budget.

Rodney Bowie, 62 Roosevelt Ave., spoke on his personal displeasure with the Police Department.

Robin Vilchez, 33 Pratt St., asked that the American Rescue Money be directed towards the Community Center.

Brian Kobylarz, 16 Hobart Ave., stated that the American Rescue Money should be used on the water and sewer systems that would benefit all the people in the City.

Judith Hershey, stated that the American Rescue Money should go into development, for example the vacant Foxwoods Parking make it a Drive-In theatre.

Shiela Hayes, 382 Laurel Hill Ave., questioned the use of the American Rescue Money and the PPE/Covid money during the last year. She wants the money to go towards a citywide benefit not just certain areas.

Mayor Nystrom declared citizen comment closed.

Mayor Nystrom call for second reading and action on the below ordinance previously presented;

Upon a motion of Ald. Nash, seconded by Ald. Gould, on a roll call vote it was unanimously voted to waive the reading of the full text and incorporate it into the minutes this ordinance being given its second reading.

Upon a motion of Ald. Nash, seconded by Ald. Gould, on a roll call vote it was unanimously voted to put the following ordinance introduced by President Pro Tem Bettencourt on the floor.

AN ORDINANCE AMENDING ZONING REGULATIONS SECTION 2.2- SUMMARY OF USES BY DISTRICT; AND ZONING REGULATIONS SECTION 2.5, PLANNED COMMERCIAL DISTRICT, PC, PRINCIPAL USES AND ACTIVITIES IN THE PC ZONE; OF THE NORWICH CODE OF ORDINANCES TO ADD THE FOLLOWING:

Section 2.2 (Table) Under USE category “Storage rental facility,” – Add as Special Permit Use in the Planned Commercial District

Section 2.5.2.4 Under “Requires Special Permit” – Add .4 - storage rental facility

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH THAT

1. Section 2.2 (Table), Planned Commercial District be amended to add storage rental facilities as a Special Permit Use.
2. Section 2.5, be amended to at a Section 2.5.2.4 to require Special Permit for storage rental facilities.

On a roll call vote of 5-0 the above Ordinance passes.

Mayor Nystrom call for a public hearing on AN ORDINANCE AMENDING AN ORDINANCE AMENDING ARTICLE VI OF CHAPTER 21 OF THE NORWICH CODE OF ORDINANCES BY ADDING SECTIONS 21-135, 21-136, AND 21-137 RELATIVE TO THE EXTENSION OF A WATER MAIN AND OTHER IMPROVEMENTS TO SERVICE PROPERTIES IN THE CITY OF NORWICH, INCLUDING, BUT NOT LIMITED TO, PROPERTIES WITHIN THE COUNTRYSIDE DRIVE ASSOCIATION, AND PROVISIONS FOR THE LAYING OF ASSESSMENTS, ENTERING INTO WRITTEN AGREEMENTS REGARDING SUCH IMPROVEMENTS AND THE PAYMENT, COLLECTION, AND ASSESSMENT LIENS REGARDING THE SAME

Speaking in favor:

Mark Perkins, 81 Lawler Ln., gave some history about the area and supports the need for this Ordinance.

Speaking in opposition: None

There being no further speakers Mayor Nystrom declared the public hearing closed.

Upon a motion of Ald. Gould, seconded by Ald. Myles, on a roll call vote it was unanimously voted to waive the reading of the full text and incorporate it into the minutes this ordinance being given its second reading.

Upon a motion of Ald. Gould, seconded by Ald. Myles, on a roll call vote it was unanimously voted to put the following ordinance introduced by Ald. Gould on the floor.

Council’s Amending Ordinance

AN ORDINANCE AMENDING AN ORDINANCE AMENDING ARTICLE VI OF CHAPTER 21 OF THE NORWICH CODE OF ORDINANCES BY ADDING SECTIONS 21-135, 21-136, AND 21-137 RELATIVE TO THE EXTENSION OF A WATER MAIN AND OTHER IMPROVEMENTS TO SERVICE PROPERTIES IN THE CITY OF NORWICH, INCLUDING, BUT NOT LIMITED TO, PROPERTIES WITHIN THE COUNTRYSIDE DRIVE ASSOCIATION, AND PROVISIONS FOR THE LAYING OF ASSESSMENTS, ENTERING INTO WRITTEN AGREEMENTS REGARDING SUCH IMPROVEMENTS AND THE PAYMENT, COLLECTION, AND ASSESSMENT LIENS REGARDING THE SAME

WHEREAS, on March 16, 2020, the City Council adopted an ordinance entitled “AN ORDINANCE AMENDING ARTICLE VI OF CHAPTER 21 OF THE NORWICH CODE OF ORDINANCES BY ADDING SECTIONS 21-135, 21-136, AND 21-137 RELATIVE TO THE EXTENSION OF A WATER MAIN AND OTHER IMPROVEMENTS TO SERVICE PROPERTIES IN THE CITY OF NORWICH, INCLUDING, BUT NOT LIMITED TO, PROPERTIES WITHIN THE COUNTRYSIDE DRIVE ASSOCIATION, AND PROVISIONS FOR THE LAYING OF ASSESSMENTS, ENTERING INTO WRITTEN AGREEMENTS REGARDING SUCH IMPROVEMENTS AND THE PAYMENT, COLLECTION, AND ASSESSMENT LIENS REGARDING THE SAME” (“Ordinance No. 1784”); and

WHEREAS, certain amendments are required to Ordinance No. 1784 to renumber Articles and Sections of Chapter 21 of the Norwich Code of Ordinances, to delete reference to the number of properties within the Countryside Drive Association, to include a maximum assessment amount per property within the Countryside Drive Association and to make certain amendments to the collection and lien language in the Ordinance.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH that Ordinance No. 1784 is amended and restated to read as follow:

ARTICLE VIII - ASSESSMENTS FOR WATER MAINS AND SYSTEMS

Sec. 21-157. – Countryside Drive Association community well system.

- (a) Notwithstanding Sections 21-131 to 21-134 of the City of Norwich Code of Ordinances, the purpose of Sections 21-157 to 21-159, inclusive, is to provide for (i) the levying of assessments upon properties in the City of Norwich (including, but not limited to, the properties within the Countryside Drive Association) which are benefitted by the extension of a water main beginning on Lawler Lane from the existing Norwich Public Utilities water main on Canterbury Turnpike and Lawler Lane, which water main will continue on Sunrise Street and Evergreen Street and loop back onto Canterbury Turnpike (together with lateral extensions to individual curb valves), (ii) the levying of assessments upon properties in the Countryside Drive Association which are benefitted by the extension of service lines from the new water main to the premises currently served by the failing and to be abandoned Countryside Drive Association community well system, and (iii) the methods of payment and other terms and conditions of such assessments, all in accordance with and subject to the limitations set forth in Section 7-137c of the Connecticut General Statutes.
- (b) The cost of the construction and installation of the new water main which will be assessed to the properties able to be served by said system in the following manner:
 - i. The final cost of the new water main extension and expenses incidental thereto, including engineering, inspection and other professional fees and interest, less any federal or state grants received by the City of Norwich or Norwich Public Utilities in connection with the construction and installation of the new water main extension, shall be divided equally among the properties within the Countryside Drive Association to initially be served by the system.
 - ii. Said assessments shall be paid by the property owners in one of two following ways: (1) payment in full within 30 days of the first billing; or (2) payment over a period of twenty (20) years in two hundred and forty (240) equal monthly installments plus interest of 2.00%.

- iii. If additional properties connect to the new water main extension during the assessment payment period, such additional properties may be assessed by the board of public utilities commissioners based on the special benefits accruing to the properties and any additional costs incurred by the department of public utilities relating to such connection. The board of public utilities commissioners shall determine the amount of any assessment, the methods of payment (including any installment payments), and the due dates for such assessments. The department of public utilities shall send written notice to the owner of such properties, which notice shall describe any proposed improvements, set forth the preliminary cost estimate of the improvements and be accompanied by a form prepared by the department of public utilities on which the owner shall indicate whether the owner is willing to share in bearing the cost of such improvements and which the owner shall return to the department of public utilities within 10 days of said notice.
- (c) The cost of the construction and installation of the service lines beginning at the curb valves and extending to the outside of the foundation wall of the properties currently served by the failing and to be abandoned Countryside Drive Association community well system will be assessed to such properties in the following manner:
- i. The final cost of the service lines and expenses incidental thereto, including engineering, inspection and other professional fees and interest, less any federal or state grants received by the City of Norwich or Norwich Public Utilities in connection with the construction and installation of the service lines, shall be divided equally among the properties within the Countryside Drive Association to initially be served by the system.
 - ii. Said assessments shall be paid by the property owners in one of two following ways: (1) payment in full within 30 days of the first billing; or (2) payment over a period of twenty (20) years in two hundred and forty (240) equal monthly installments plus interest of 2.00%.
- (d) Notwithstanding (b) and (c) above, the maximum assessment amount against any property within the Countryside Drive Association to initially be served by the water main and service lines described in (b) and (c) above, shall be Two Thousand Eight Hundred Dollars (\$2,800.00). Said maximum assessment amount shall include the property owner’s net cost for both the installation of the water main described in (b) above and the installation of the service line described in (c) above.

Sec. 21-158. – Countryside Water System - Notice.

Prior to the commencement of any construction, the Norwich Public Utilities will enter into a written agreement with each of the owners of the properties within the Countryside Drive Association to initially be served by the Countryside water system, which agreement shall describe the proposed improvements, set forth the preliminary cost estimate of the improvements, and provide for the property owner’s agreement to share in bearing the cost of such improvements. After all such agreements are signed and returned to Norwich Public Utilities, the department of public utilities shall proceed forthwith with such project and the assessment of same upon completion. In the case of any conflict between the agreement and this Ordinance, the agreement shall control.

Sec. 21-159. - Countryside Water System - Collection and liens.

- (a) All assessments for the Countryside water system which are levied shall become a debt due from the property against which they are assessed, to the board of public utilities commissioners, and may be, in addition to other remedies provided by law, recovered by any proper action in the name of such board.

- (b) In accordance with the Connecticut General Statutes, including Sections 7-137d and 7-140 of the Connecticut General Statutes, whenever assessments for the Countryside water system have been lawfully made and such system has been completed and certificates of lien have been signed by the duly constituted authorities, describing the premises upon which any such lien is claimed and stating the amount claimed as a lien thereon, and have been lodged with the town clerk, such assessments of benefits shall be and remain a lien upon the land upon which the same have been made. and neither the City of Norwich nor Norwich Public Utilities shall be required to lodge for record any further certificate of any such lien. Any assessment or any installment thereof, not paid within thirty days after the due date, shall be delinquent and shall be subject to interest from such due date at the interest rate and in the manner provided by the Connecticut General Statutes, including Sections 7-254 of the Connecticut General Statutes, for delinquent property taxes. Each addition of interest shall be collectible as a part of such assessment.
- (c) One certificate of lien as aforesaid may continue more than one lien and said board may include in one certificate any number of assessments for the Countryside water system not previously continued by a certificate and due within the year ending on the date of such filing.
- (d) All assessment liens for the Countryside water system levied by the board of public utilities commissioners may be foreclosed in the name of such board in the same manner as a lien for taxes may be foreclosed.

The fees for all certificates, recordation and releases pertaining to liens for the Countryside water system shall be the same as provided for in the matter of tax liens

Ordinance No. 1784 As Amended

ARTICLE VIII - ASSESSMENTS FOR WATER MAINS AND SYSTEMS

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- (b) The cost of the construction and installation of the new water main which will be assessed to the properties able to be served by said system in the following manner:
 - i. The final cost of the new water main extension and expenses incidental thereto, including engineering, inspection and other professional fees and interest, less any federal or state grants received by the City of Norwich or Norwich Public Utilities in connection with the construction and installation of the new water main extension, shall be divided equally among the properties within the Countryside Drive Association to initially be served by the system.
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- (c) The cost of the construction and installation of the service lines beginning at the curb valves and extending to the outside of the foundation wall of the properties currently served by the failing and to be abandoned Countryside Drive Association community well system will be assessed to such properties in the following manner:
 - i. The final cost of the service lines and expenses incidental thereto, including engineering, inspection and other professional fees and interest, less any federal or state grants received by the City of Norwich or Norwich Public Utilities in connection with the construction and installation of the service lines, shall be divided equally among the properties within the Countryside Drive Association to initially be served by the system.
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- (b) In accordance with the Connecticut General Statutes, including Sections 7-137d and 7-140 of the Connecticut General Statutes, whenever assessments for the Countryside water system have been lawfully made and such system has been completed and certificates of lien have been signed by the duly constituted authorities, describing the premises upon which any such lien is claimed and stating the amount claimed as a lien thereon, and have been lodged with the town clerk, such assessments of benefits shall be and remain a lien upon the land upon which the same have been made. and neither the City of Norwich nor Norwich Public Utilities shall be required to lodge for record any further certificate of any such lien. Any assessment or any installment thereof, not paid within thirty days after the due date, shall be delinquent and shall be subject to interest from such due date at the interest rate and in the manner provided by the Connecticut General Statutes, including Sections 7-254 of the Connecticut General Statutes, for delinquent property taxes. Each addition of interest shall be collectible as a part of such assessment.
- (c) One certificate of lien as aforesaid may continue more than one lien and said board may include in one certificate any number of assessments for the Countryside water system not previously continued by a certificate and due within the year ending on the date of such filing.
- (d) All assessment liens for the Countryside water system levied by the board of public utilities commissioners may be foreclosed in the name of such board in the same manner as a lien for taxes may be foreclosed.

The fees for all certificates, recordation and releases pertaining to liens for the Countryside water system shall be the same as provided for in the matter of tax liens

On a roll call vote of 5-0 the above ordinance passes.

On a motion by President Pro Tem Bettencourt and second by Ald. Nash it was unanimously voted to suspend the rules to add the City Manager’s Report.

City Manager Salomone report:

To: Mayor Nystrom and members of the City Council
From: John Salomone, City Manager
Subject: City Manager’s Report
Date: August 16, 2021

Meetings attended included, State representatives and legislators, Southeastern Council of Governments (SCCOG), Region 4 Emergency support Plan, NPU-City Coordination Meeting, Fire Chief and Public Safety. I also met with the Project Managers for the American Rescue Plan to coordinate and advise them of the informational presentations for August 17th and August 30th in Council Chambers.

The City received the Live United Award for Community Collaboration from the United Way at an event held at the Mohegan Sun on August 12th. The City received the award based on our involvement with food drives, hosting the Tommy Toy Collection and increased donations. Thank you to Lee-Ann Gomes, Director of Norwich Human Services who was campaign co-chair and Mayor Peter Nystrom for spearheading the food drives that were held in memory of Jason Vincent and to all the volunteers and contributors.

The Recreation Department Summer Day Camp has had record numbers of children this summer and ends on August 20th. Our youth have experienced sports, enrichment, positive youth development and field trips. Registration is still open for basketball camp, which will be held August 23rd – 27th. Details are on the City website at www.norwichct.org. The Spaulding Pond beach will be closing on Tuesday, August 24th after a great season and steady turnout throughout the summer. The Fall brochure guide will be out the end of August with programs starting the week of September 20th.

Rayallen Bergman from Youth and Family Services collaborated with the Eastern Connecticut Prevention Coalitions to create a film about youth substance and risky behaviors. The film called Exposed: What every parent of teens should know to prevent risky behaviors will be a Facebook live event on Wednesday, August 18th at 6pm and include a follow-up discussion to answer questions and provide resources. A registration link is on the City and Norwich Prevention Councils Facebook page.

Uncas Falls was featured in a Bronx news broadcast on August 5th called "Explore eastern Connecticut's Shetucket River Water Trail." It highlights the 22 mile scenic river that is part of the National Heritage Corridor with its waterfalls and dams. A link has been posted on the City's Facebook page.

Thank you to Griffin Health who administered 55 Covid-19 vaccines during the five days they were at City Hall during tax time in July.

Construction work will begin at North Main St. and Roosevelt Ave. this week. NPU and contractor crews in partnership with Providence and Worcester railroad will be replacing a water main. This project will require a two-week alternating traffic pattern and a four-day road closure. The 8th St Bridge will be completely closed to all traffic from North Main St. to Roosevelt Ave. from August 19th – 23rd. Detour signs and traffic patterns will be in place and are posted on our website.

Attached is the [Fire Chiefs report](#) that I presented at the August Public Safety meeting.

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Mayor Nystrom called for citizen comment on resolutions.

Heather Romanski, 297 Scotland Rd., spoke in favor of Resolution #3 Board of Education unexpended education funds for fiscal year 2020-21.

Mayor Nystrom declared citizen comment closed.

Upon a motion of Ald. Myles, seconded by Ald. Gould on a roll call vote it was unanimously voted to adopt the following resolution introduced by President Pro Tem Bettencourt and Ald. Gould.

WHEREAS, the City of Norwich has been awarded a grant in the sum of \$544,020.00 from the Connecticut Port Authority under the Small Harbor Improvement Projects Program (SHIPP) to be used in connection with the repair, replacement and updating of the docks and related facilities located at Howard Brown Park (the "Project"); and

WHEREAS, the City of Norwich will be required to enter into an Assistance Agreement by and between it and the State of Connecticut acting by the Connecticut Port Authority, a copy of which is attached hereto as Exhibit A, which Assistance Agreement sets out terms and conditions applicable to the grant funding provided to the City of Norwich.

NOW THEREFORE, BE IT RESOLVED, BY THE COUNCIL OF THE CITY OF NORWICH, that, City Manager John Salomone be and hereby is authorized and directed to enter into, execute, and deliver said Assistance

Agreement, to make non-material modifications to the same including, but not limited to, substitution of his name from Mayor Peter A. Nystrom as the duly authorized officer of the City of Norwich for purposes of the Assistance Agreement, and to provide or arrange for the provision such other documents, communications or reports as are necessary in the performance of the Project under the terms and conditions of the Assistance Agreement.

SHIPP Agreement

Upon a motion of Ald. Nash, seconded by Ald. Myles, on a roll call vote it was unanimously voted to adopt the following resolution introduced by City Manager Salomone.

WHEREAS, the City Manager John L. Salomone has reappointed with Council approval as **regular members** of the Inland Wetlands, Water Courses and Conservation Commission for a term to expire on June 15, 2023 or until a successor is appointed:

Richard Morell (D)
Douglas Lee (U)

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Norwich hereby acknowledges the appointments of the above named to the Inland Wetlands, Water Courses and Conservation Commission.

Upon a motion of Ald. Nash, seconded by Ald. Gould, on a roll call vote it was unanimously voted to adopt the following resolution introduced by President Pro Tem Bettencourt, Ald. Gould and Myles.

Relative to deposit of unexpended education funds of the fiscal year 2020-21 general fund budget into the nonlapsing account for unexpended education funds.

WHEREAS, the Council of the City of Norwich, through the passage of ordinance 1799 on June 21, 2021, established a nonlapsing account for unexpended education funds pursuant to Connecticut General Statutes Section 10-248a; and

WHEREAS, at its July 29, 2021 special meeting, the Norwich Board of Education (BOE) authorized the Superintendent to send a letter to the Council of the City of Norwich to request that an amount not to exceed 2% of the total BOE general fund operating budget for FY 2020-21 be deposited into the nonlapsing account for unexpended education funds; and

WHEREAS, Superintendent Stringfellow sent a letter to the Council of the City of Norwich on August 6, 2021 requesting that 2%, or \$1,684,802 of the total BOE general fund operating budget for FY 2020-21 of \$84,240,102 be deposited into the nonlapsing account for unexpended education funds; and

WHEREAS, Comptroller Pothier and City Manager Salomone, in consultation with BOE Business Administrator Sirpenski, certify that;

1. the BOE will have unexpended general fund operating budget funds of at least \$1,684,802 for FY 2020-21,
2. the deposit requested by the BOE will not cause the nonlapsing account for unexpended education funds to exceed the limit of 4% of the budgeted appropriations for education for fiscal year 2020-21, and
3. the City's General Fund unassigned fund balance will be approximately 12% - the minimum level prescribed by Norwich Code of Ordinances Sec. 7-131.2.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NORWICH, that \$1,684,802 of the total BOE general fund operating budget for FY 2020-21 be deposited into the nonlapsing account for unexpended education funds.

Upon a motion of Ald. Myles seconded by Ald. Gould on roll call vote it was unanimously voted to waive the full reading set a public hearing on September 7, 2021, at 7:30 pm for the second reading and action for the following ordinance introduced City Manager Salomone.

AN ORDINANCE AMENDING PORTIONS OF ARTICLE VI OF CHAPTER 7 OF THE CODE OF ORDINANCES MODIFYING PENSION FUNDING POLICIES AND ESTABLISHING A GENERAL OBLIGATION PENSION BONDS RESERVE FUND

WHEREAS, the City of Norwich (the "City") has established the City of Norwich Employees' Retirement Plan (the "Plan") for the benefit of certain employees and their beneficiaries; and

WHEREAS, retirement benefits for members of the Plan are paid from the Employees Retirement Fund (the "Fund"); and

WHEREAS, the assets of the Fund consist of pooled monies that include appropriations from the City and contributions from members of the Plan; and

WHEREAS, the Plan has a large unfunded actuarial accrued liability in the approximate amount of \$144 million and, as a result, the City's annual actuarially determined contribution to the Fund is projected to increase significantly each year; and

WHEREAS, section 7-374c of the Connecticut General Statutes, as amended, authorize municipalities to issue general obligation pension bonds to fund all or a portion of an unfunded actuarial accrued liability, as determined by an actuarial valuation, and the payment of costs related to the issuance of such bonds; and

WHEREAS, due to historically low interest rates for municipal debt, it is anticipated that the proceeds from the issuance of such bonds, when invested as part of Fund assets in higher yielding asset classes, should achieve a long-term rate of return that is greater than the interest rate owed over the term of the bonds; and

WHEREAS, the City's Comptroller projects that the issuance of such bonds is expected to lower the long-term net cost of the Plan, thereby improving the City's fiscal stability; and

WHEREAS, with Ordinance 1802, the City Council has authorized the issuance of general obligation pension bonds in the amount of \$145 million; and

WHEREAS, the City wishes to establish a reserve fund for the purpose of mitigating potential increases in the required annual actuarially determined contribution to the Fund in the event of significantly adverse market performance of pension assets.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORWICH, that the following modifications be made to the ordinances governing the City's pension and funding policies:

Sec. 7-132. - Pension and other post-employment benefits funding.

The city shall have actuarial valuations of its pension and other post-employment benefits ("OPEB") plans performed at least biennially.

Sec. 7-132.1. - Actuarial cost method.

The city shall use an actuarial cost method which conforms to the current actuarial standards of practice and allocates s normal costs over a period beginning no earlier than the date of employment and ~~should~~

~~not exceeding no later than~~ the last assumed retirement age. The selected actuarial cost method should be designed to fully fund the long-term costs of contractual benefits while equitably allocating the costs over the employees' period of active service.

Sec. 7-132.2. - Actuarial asset method.

The city shall recognize actuarial gains or losses on the differences between actual investment returns and the assumed rate of return over no longer than five years on a straight-line basis.

Sec. 7-132.3. - Amortization of unfunded actuarial accrued liability.

The Unfunded Actuarial Accrued Liabilities ("UAALs") as reflected in the regular Actuarial Valuation of the Fund shall be amortized over a closed period of 26 years starting on the July 1, 2021. Once the closed period reaches 10 years, the amortization method shall switch to a 10-year layered basis.

~~(a) Generally, The Unfunded Actuarial Accrued Liabilities ("UAALs") that exist as of the last published valuation date prior to the adoption of this ordinance shall be amortized over no longer than 25 years. Changes in UAALs that occur after this date shall be amortized over no longer than 20 years.~~

~~(b) Plans closed to new entrants. The UAAL amortization for such plans shall be treated the same as in a) until such plans have no remaining active members. When a plan is closed to new entrants and has no remaining active members, changes in the UAAL shall be amortized over no longer than ten years.~~

Sec. 7-132.4. - Contributions.

(a) Generally, The city shall contribute the ~~amount recommended by its actuary~~Actuarially Determined Contribution ("ADC"), as defined by Government Accounting Standards Board Statements 68 and 75, each fiscal year unless the amount varies by more than 15 percent ± from the previous year. This variance shall be calculated by division (e.g., Norwich Public Utilities, Norwich Public Schools, Police, Fire, Volunteer Fire, and all other General City).

(b) ~~Contribution recommended by actuary~~If the ADC is less than 85 percent of the previous year's contribution~~, T, t~~ the city shall contribute an amount equal to 85 percent of the previous year's contribution.

(c) ~~Contribution recommended by actuary~~If the ADC is greater than 115 percent of the previous year's contribution~~, T, t~~ the city shall contribute an amount equal to 115 percent of the previous year's contribution.

~~(d) Notwithstanding, the city, and its respective divisions, may contribute less than the amounts prescribed by subsections (a), (b), and (c) to the other post employment benefits fund for fiscal years 2018-19 through 2021-22.~~

[NEW] Sec. 7-133 – Pension obligation bonds and pension reserve fund.

Whenever the city has outstanding pension obligation bonds ("POBs"), Sec. 7-133 and its subsections shall supercede the contribution provisions in 7-132.4 for the pension fund or funds for which the POBs were issued and the divisions (within the meaning of Sec. 7-132.4) participating in such pension fund or funds.

[NEW] Sec. 7-133.1 – Pension reserve fund.

Upon issuance of POBs, the city shall establish a pension reserve fund. The pension reserve fund shall be a special revenue fund with the purpose of mitigating the volatility of future ADCs and shall be accounted for by division.

[NEW] Sec. 7-133.2 – Contributions.

- a) During the fiscal year in which the City issues POBs, the divisions shall contribute an amount equal to what their ADC would have been for that fiscal year to the pension reserve fund.
- b) During fiscal years subsequent to the issuance of POBs, the divisions shall contribute the ADC into the pension fund or funds for which the POBs were issued.
- c) In any fiscal year, if the amount of a division’s ratable ADC plus its ratable debt service on the POBs decreases from the prior fiscal year, that division shall contribute the decreased amount in the following order until the specified limits provided below have been satisfied:
 - i. To the pension reserve fund in an amount equal to such difference capped at (1) – (2), where (1) is equal to six percent (6%) of the division’s pension actuarial accrued liability as of the valuation date that determined the ADC for the current fiscal year, and (2) is equal to the division’s pension reserve fund balance as of the same date ; then
 - ii. To the pension trust in an amount equal to such difference less any amounts contributed per (i) capped at (3) - (4), where (3) is equal to one hundred fifteen percent (115%) of the division’s pension actuarial accrued liability as of the valuation date that determined the ADC for the current fiscal year, and (4) is equal to the division’s pension actuarial value of assets as of the same date; then
 - iii. To the OPEB trust in an amount equal to such difference less any amounts contributed per (i) and (ii) capped at (5) - (6), where (5) is equal to one hundred fifteen percent (115%) of the division’s OPEB actuarial accrued liability as of the valuation date that determined the ADC for the current fiscal year, and (6) is equal to the division’s OPEB actuarial value of assets as of the same date.

[NEW] Sec. 7-133.3 – Distributions from the pension reserve fund.

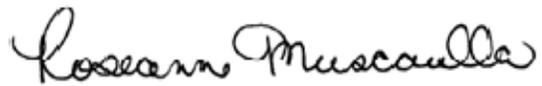
- a) In any fiscal year, if the amount of a division’s ratable ADC plus its ratable debt service on the POBs increases by more than three percent from the prior fiscal year, such division may use some or all of its share of the balance in the pension reserve fund to offset such increase in excess of three percent.
- b) After the POB debt is extinguished, the City Council may approve by resolution the use of a division’s remaining balance in the pension reserve fund for one or more of the following purposes:
 - i. Additional contributions to the pension trust if such division's pension actuarial value of assets as of the most recent valuation date is less than one hundred fifteen percent (115%)of the division's pension actuarial accrued liability as of the same date;
 - ii. Additional contributions to the OPEB trust, if applicable to such division, if such division's OPEB actuarial value of assets as of the most recent valuation

- date is less than one hundred fifteen percent (115%) of the division's OPEB actuarial accrued liability as of the same date;
- iii. Capital improvements to benefit such division; or
- iv. Contributions to a self-insurance fund to benefit such division.

Purpose:

To amend pension funding policies, establish a pension reserve fund to further reduce volatility in the event the City issues pension obligation bonds, and remove language which will sunset in June 2022.

Upon motion of Ald. Nash, seconded by Ald. Gould, on a roll call vote it was unanimously voted to adjourn at 8:20 PM.



Assistant City Clerk