

Town of Southington
Board of Finance
Wednesday, June 10, 2015

STENOGRAPHER'S NOTE: The Minutes are now being prepared in summary style. Please refer to the audio or videotape for more details.

Appropriations from Contingency Account:

Approved to date	\$ 750,200
Approved this meeting.....	<u>19,700</u>
Total Appropriations.....	\$ 769,900

Appropriations with Revenue Offsets:

Approved to date	\$ 325,070
Approved this meeting.....	<u>978,648</u>
Total Appropriations.....	\$1,303,718

Chairman John Leary called the Regular Meeting of the Town of Southington Board of Finance to order at 7:04 p.m. in the Council Chambers of the Town Hall with the following members in attendance:

Joseph Labieniec, Edward Pocock, Jr., James Coleman, Sr., & Sandra Feld

Also in attendance: Garry Brumback, Town Manager

Absent: Kevin Beaudoin, Commissioner
Emilia Portelinha, Finance Director

The Pledge of Allegiance to the American Flag was recited by everyone in attendance.

JOHN LEARY, CHAIR, Presiding:

III. Public Hearing Items

1) ORDINANCE APPROPRIATING \$2,000,000 FOR ACQUISITION OF LAND, OR EASEMENTS, INTERESTS OR RIGHTS THEREIN, FOR OPEN SPACE PURPOSES; AND AUTHORIZING THE ISSUE OF BONDS AND NOTES IN THE SAME AMOUNT TO FINANCE SAID APPROPRIATION.

Mr. Brumback clarified this \$2 million that the council is requesting that the residents approve. There are no designated open space parcels this is directed to. The open space committee will strategically use this money as open space parcels become available.

Mr. Coleman asked Mr. Brumback to explain the process in floating the bond and securing the property. Mr. Brumback said the property would be

identified, enter into a contract, front the financing and follow with the bond. We only bond when absolutely necessary. The primary reason for this is to preserve the open space and also prevent future development.

Mr. Coleman stated he wasn't comfortable with the idea of borrowing money to buy or secure raw land. Is there another way for something like this to occur? Mr. Brumback said the cash could be appropriated. Mr. Coleman said having the cash would be more realistic than floating the bonds.

Mr. Labieniec asked if this moves forward and approved at referendum, is there a statute of limitations on it or is it approved in perpetuity. Mr. Brumback said the ordinance is approved in perpetuity. To spend it is a policy decision of the council.

Mr. Coleman stated then you have in perpetuity a \$2 million open-ended pool or potential pool that we can be indebted for at the drop of a dime in order to secure property.

Ms. Feld asked the planning & zoning commission's role in this. Mr. Brumback said it is limited. We would go through the 8-24 process to make sure everything was on the up and but we wouldn't be developing it so there really is no approval process.

Ms. Feld asked about the strike committee's role. Mr. Brumback stated it would be limited, as well.

Mr. Coleman said he didn't like the way this is worded and put in place for the fact that there is no control over how efficiently an individual deal is structured. The pool of dollars is right there. Gave an example of buying development rights, for instance, family dwellings versus 55 and over dwellings. Mr. Brumback said that is really not the intent of preserving the open space.

Different options for using this bonded money were discussed by the commissioners. (Development rights)

The Chair pointed out the use really is to preserve the open space part of it or the recreational use part of it and prevent over development. Mr. Brumback agreed.

Mr. Coleman stated the question would be: Does it make sense to use debt in order to do that? And, the way this is written, they can use debt for planning studies, feasibility studies, appraisals, testing and consulting fees, surveys, et cetera. So very open-ended. I would think it should be much tighter.

The capital plan was discussed and how this plays in.

Mr. Coleman further stated this ordinance eliminates the thinking about more creative measures for buying open space. (Tax Abatement)

Mr. Brumback pointed out that the town always seeks out the least expensive way to do things. The least cost to the taxpayer. We always seek grants and this does not preclude us from using grants. This keeps all of our options open.

Mr. Coleman said this is like a line of credit. Mr. Brumback stated it is the authority. Mr. Coleman asked about the checks and balances. Mr. Brumback said it has to go through the process. This provides the financial tool to get into the conversation.

Discussion.

Mr. Coleman discussed as an alternative to bonding, a sinking fund type of process.

Further discussion of the process for purchasing land with this bond money.

Mr. Coleman stated his concern is we have so many projects that need to be bonded and we are talking about raising our debt limit potentially and then this \$2 million, at some point in time you have to decide what is more beneficial to the town because we can't afford both. And, the \$2 million is always there by decree. I'm not so sure that is the most intelligent thing for us to have out there.

Discussions.

Ms. Feld pointed out if this is passed, it would go on the authorized but not bonded list. No definite time when it would come off that list and be bonded. Mr. Brumback said it is a policy decision. It can be cancelled by the council at any time.

Discussion.

Those from the public wishing to speak on this item:

Arthur Cyr, 103 Berlin Avenue spoke in favor of this public hearing item. I respect you all in your professional opinions but I am amazed at some of the things I heard tonight. One was no bank would give you \$2 million to buy land. We're not a bank and we're not a corporation. We're a town.

Checks and balances are we have a town manager, a town attorney, town council. Over the years large parcels of land have become available that have been snapped up by developers because the seller doesn't want two years for the decision to go to referendum.

Discussion of Orchard Hills on Meriden Waterbury Road. We should have been able to snap that up but we didn't have the buying authority. They have scaled it back to only 100 homes which will explode South End School's population. There is a reason why this town needs the authorization to buy.

Discussion.

I am in full support of a \$2 million authorization for our town council, our current town council, current board of finance and our future boards to have the ability to step up to the plate when something comes up and put a bid in on it. Testing is important to make sure there is not some hazardous chemical there that was buried 150 years ago. That cost involved in buying open space I believe is important.

We are about 15 years behind other towns in buying open space.
Discussion.

This is just the ability to bid on something.

Hearing no further comment, the Chair closed this item and moved to Item 2.

2) ORDINANCE APPROPRIATING \$9,400,000 FOR COSTS RELATED TO THE DESIGN, CONSTRUCTION, FURNISHING AND EQUIPPING OF A NEW SENIOR CENTER TO BE LOCATED ON THE CALENDAR HOUSE SENIOR CITIZEN CENTER SITE, INCLUDING THE DEMOLITION OF THE EXISTING FACILITY; AND AUTHORIZING THE ISSUE OF \$9,400,000 BONDS AND NOTES TO FINANCE SAID APPROPRIATION.

Mr. Brumback introduced Bob Celata from BL Companies to give you an overview. This project has been a good partnership between the State of Connecticut who has funded the research and the Calendar House and Mark White has represented the membership. This project began at about \$12.5 million and through their efforts has pared it down to about \$9.5 million. This does not preclude us from pursuing every opportunity for grants and funding to pare this down. This provides us the ability to build what is currently being proposed.

Bob Celata, Director of Architecture & Building Engineering at the BL Companies. He walked the commission through the project.

Our company did a number of studies; we worked with Bob and his team. We looked at different options; spoke with all the program directors to find out their needs.

What resulted and the council approved was Option 2-A. That is an option to build a new senior citizens center on the existing site and eventually demolish the existing senior center that is there now.

The building will be designed to house an emergency shelter with backup power.

The cost for construction of the 22,000 sf facility is \$7.8 million. That takes care of the construction. We have a budget of \$1.4 million for soft costs. We have passed out an 11 x 17 floor plan of the facility.

This is a great project. They provide a lot of services for the town and they are in need of a new facility.

The Chair asked what is missing in it compared to other senior centers and facilities you've designed. Mr. Celata said nothing is missing. This has all the services that we need for a really good senior center.

Discussion.

Bob Verderame, Executive Director, Calendar House, 388 Pleasant Street stated there is room for expansion. (Patio, bocce courts) As far as this structure is concerned, we have more classrooms which were definitely needed. This facility gives us the room to house everybody.

Also, it is an emergency shelter with adequate bathroom space, showers, et cetera.

Discussion.

The Chair said this commission's role is that if we move forward with something and we recommend something, it is something that is built with quality and built to the specifications that the citizens that use it need.

Discussion.

Mr. Brumback stated this was a collaborative effort. A series of prioritizations were considered. If the service were already provided in town elsewhere there was no need for redundancy. This is a building designed to meet the needs with what we can support and operate and we think it is a good product. We have the blessing of the senior citizen membership, the architect and the staff.

Discussion.

Mark White, 396 Mulberry Street. Member of the senior commission and a member of the seniors advisory committee.

Currently we have about 6,000 members. People in town use other facilities as they have things we don't have. He stated in town we have 45% of the population at Calendar House age and that'll grow to 51% in ten years. We are not fully supporting the senior population as we don't have the space at the moment.

We have between 35 and 45 scheduled activities every week in our facility. We over use the rooms. We don't have the space for the activities that people want. Space is a need.

Discussion.

Administrative office location was discussed as being in the wrong location. We have lots of open space in corridors and some events actually take place in the corridors.

We do need this new facility and we do need the space. We have pared out the things we don't need. This is a plan that'll give us a building we can afford and we really should go for it.

Mr. Celata explained "value engineering" and budgets.

Those from the public wishing to speak on this public hearing item:

Arthur Cyr, 103 Berlin Avenue. It is \$9.4 million for the senior citizen center. I was duly impressed with what has happened with the original study/plan for this center. Option 2-A is what you are looking at.

Discussion of Option 3 which would have been across the street.

With the documentation provided, this could've been a \$13.5 million project. I know from the end result of 2-A, I was able to say: great job.

They took into consideration what was redundant or what they didn't need and things that would've added to the town manager's annual budget for more personnel. This doesn't do that much. It may add a half a person a year.

This is a change from the way we used to do things in town as it has been since you were elected in 2009 and since then. Gave the police department facility as an example of a building not having what is needed.

We're not cutting corners, using cheap stuff. This \$9.4 million is probably 5 to 7 years overdue. They said there are 6,000 members at the senior center. The vast majority of the 55 to 95 year old people vote. If you want me to be here next year, I would ask you to give them the option to vote in November and pass this. If you don't pass this tonight, we can't vote in November. This ordinance will pass by probably the biggest margin you will ever see in town.

Hearing no further comments, the Chair closed this public hearing item and the public hearing items section.

IV. Old Business

1. Approval of Minutes from the meeting of May 13, 2015.

Mr. Labieniec made a motion to approve which Mr. Pocock seconded. Motion passed unanimously on a voice vote.

Mr. Pocock suggested moving up on the Consent Agenda, Item C and on the Manager's Memos, Item 13. We have a representative here.

Unanimous consent was given.

Consent Agenda

C. Appropriation \$10,658 * Fire Dept. - Vehicle Maintenance - Loss/Damage (Spec Rev)

Chief Clark went over the items. This was an accident. The money has come in from the insurance company. We're looking for that to be appropriated.

Ms. Feld made a motion to accept. Mr. Pocock and Mr. Coleman seconded. Motion passed unanimously on a voice vote.

Manager's Memos

13. Transfer \$2,400 Fire Dept. - Fuel Pump Repair

The pumps are aging. We did a lot of work on them and they are better. I talked to the town engineer as they are 20 years old and in the ground, we plan to get all the tanks out of the ground and have above them above ground. That is planned for 2018.

Transfer \$18,000 Fire Dept. - Vehicle Repair

The Chief said they are still working their way through the old trucks and fixing them. Computer screens are \$3,000 apiece and they're going. They are vendor specific.

Transfer \$1,446 Fire Dept. - Snow Plowing

This should take care of the snowplowing for this year.

Transfer \$55,000 Fire Dept. - Overtime Pay

This is a transfer to hold us over until we know a solid number. Right now we are projecting about \$123,000 total needs to be transferred or appropriated. Of the \$123,000, \$28,442 has been paid out because of retro for the two years we were negotiating. We had \$20,000 from WC. Explained.

From the \$123,000 we are down to \$74,000 and 55 of that is what I am transferring. I'm trying to bring the appropriation amount down as low as I possibly can. I am projecting about a \$ 71,000 shortfall after the transfer today but I can get down with other transfers next month. I will have a final number of appropriations next month which will be between \$50,000 and \$70,000. Having three people out for the amount of time they have been has really hurt us. Had we not had the civilian position we would have been farther in the hole. We have realized \$68,000 in overtime saved by having the extra person on.

Mr. Brumback explained what he had asked the Chief to do which he is doing. We recognized we cut this deeper than his request in the first place. He is trying to solve the problem to the best of his ability within his own

resources by economizing where he possibly can. An extraordinary amount of effort on his part.

Transfer \$191 Fire Dept. - Dues & Conferences

Transfer \$485 Fire Dept. - SCBA & Masks

Mr. Coleman made a motion to approve. Mr. Pocock seconded.

Mr. Pocock explained the repairs to the trucks were definitely safety problems. Unfortunately, we all know we are way behind. We are getting there.

Ms. Feld brought up the \$18,000 for vehicle repairs. The Chief had a list and he went through it item by item. Nothing was under warrantee.
Discussion.

Motion passed unanimously on a voice vote.

Mr. Pocock requested we move up the vote on the ordinance for the Calendar House. Ms. Feld seconded. The Chair noted with unanimous consent we'll move them up.

Manager's Memos:

1-B: ORDINANCE APPROPRIATING \$9,400,000 FOR COSTS RELATED TO THE DESIGN, CONSTRUCTION, FURNISHING AND EQUIPPING OF A NEW SENIOR CENTER TO BE LOCATED ON THE CALENDAR HOUSE SENIOR CITIZEN CENTER SITE, INCLUDING THE DEMOLITION OF THE EXISTING FACILITY; AND AUTHORIZING THE ISSUE OF \$9,400,000 BONDS AND NOTES TO FINANCE SAID APPROPRIATION.

Ms. Feld made a motion to accept. Mr. Labieniec seconded. Motion passed 5 to 0 on a roll call vote.

1. Consent Agenda

A.	Appropriation	\$1,546	*	Youth Services - Juvenile Review Board Grant (Spec Rev)
	Appropriation	\$100	*	Youth Svcs - Kristen's Kloset (Spec Rev)
	Appropriation	\$385	*	Youth Svcs - Outside Programs (Spec Rev)
	Appropriation	\$150	*	Youth Svcs - STEPS Donations (Spec Rev)

B.	Appropriation	\$143,022	*	Education- Operations
C.	Appropriation	\$10,658	*	Fire Dept. - Vehicle Maintenance - Loss/Damage (Spec Rev)
(See earlier in the Agenda for explanation.)				
D.	Appropriation	\$45,231	*	Education - Operations
E.	Appropriation	\$1,654	*	Engineering- Program Services (Spec Rev)

Motion to accept the Consent Agenda in its entirety was made by Mr. Labieniec. Mr. Pocock seconded. Motion passed unanimously on a voice vote.

2. **Manager's Memos**

1. Bond Ordinance \$2,000,000 See Public Hearing Item #1

Mr. Labieniec made a motion to approve. Mr. Pocock seconded.

Mr. Coleman said he felt that although I understand the value of open space and the importance that it may have, with everything I know about capital projects we have coming and our debt situation with the town, to leave a perpetual \$2 million debt against our citizens, I don't think that I can vote for that at this point in time with what I know and the way this is written in the ordinance.

Roll Call vote:	Mr. Pocock:	Yes
	Ms. Feld:	No
	Mr. Labieniec:	Yes
	Mr. Leary:	Yes
	Mr. Coleman:	No

Motion fails as you need 4 affirmative votes to pass.

Discussion of the 35-day rule.

The Chair suggested having the open space committee and the town planner come and discuss how open space is financed. More background.

Ms. Feld said her issue is the open-endedness.

Mr. Pocock said he disagreed with that as any money spent has to come from the BOF first. You have control over it by refusing to spend the money. Ms. Feld felt that the town council could approve it without us.

Discussion.

Mr. Brumback said this is just the authority to sell the bond. Cash would eliminate the need to do this at all if that was the will of the BOF and the town council. This provides a means to resource it. Not the sole means, but it is a means. This puts a bond ordinance before the people to vote in November. Subsequently we go through the process.

Discussion.

Bond Ordinance \$9,400,000 See Public Hearing Item #2

See earlier in the Agenda.

2. Transfer Library - Longevity (Withdrawn)
 Transfer \$4,000 Library - Temporary/Seasonal

Mr. Brumback referred to the accompanying letter on this item.

Mr. Pocock made a motion to approve. Mr. Coleman seconded. Motion passed unanimously on a voice vote.

3. Tax Collector Suspense List

This is the annual moving of what is being considered uncollectible to the suspense list. (Read letter accompanying this request.)

Ms. Feld made a motion to approve. Mr. Pocock seconded. Motion passed unanimously on a voice vote.

4. (Not used)

5. A. Transfers/Appropriation \$250,000 Capital Budget -
 Repair/Replace sidewalks
- B. Transfers/Appropriation \$150,000 Capital Budget - Town Wide IT
 Infrastructure
- C. Transfers/Appropriation \$200,000 Town Hall Roof
- E. Transfers/Appropriation \$100,000 Capital Budget - Fire
 Headquarters Generator

F. Transfers/Appropriation \$240,000 Capital Budget - Highway
Garage Interior Renovation

G. Transfers/Appropriation \$300,000 Parks Department- Parks
Complex Lighting

H. Transfers/Appropriation \$58,000 Parks Department - Recreation
Pool Plaster

Mr. Brumback explained the transfer. You will see a detailed list of where these funds came from and whom. We have been able to meet the need we had hoped for and harvested approximately \$1.5 million to support different items.

Discussion of the rebate and settlement figures and their inclusion.

Mr. Labieniec made a motion to approve. Mr. Coleman seconded. Motion passed unanimously on a voice vote.

6. Transfer \$24,357 Misc - Accumulated Payout

This is for additional retirees we didn't originally program. Mr. Labieniec made a motion to approve. Ms. Feld seconded. Motion passed unanimously on a voice vote.

7. Transfer \$2,024 Misc - Tuition Reimbursement

This is a good thing. We have more people than previously budgeted take advantage of our tuition reimbursement program. Criteria are strict. We had more than expected take advantage of it this past year.

Mr. Labieniec made a motion to approve which Ms. Feld seconded. Motion passed unanimously on a voice vote.

8. Transfer \$25,000 Sewer fund - Plant - Overtime Pay

Transfer \$3,120 Sewer fund - Plant - On-Call

Mr. Brumback reviewed the accompanying letter. Mr. Labieniec made a motion to approve. Mr. Pocock and Mr. Coleman seconded. Motion passed unanimously on a voice vote.

9. Appropriation \$19,700 Highway Department - Gasoline & Diesel

This is a result of plowing operations and extensively more fuel expended than predicted in the budget. There is no money to transfer to cover it.

Mr. Coleman made a motion to approve. Mr. Labieniec seconded. Motion passed unanimously on a voice vote.

10. Transfer \$3,300 Central Dispatch - Overtime Pay

Mr. Brumback reviewed the accompanying letter. The Chair commented on the letter being an extremely detailed depiction. Mr. Brumback said the police department is the standard we are pushing everybody to do.

Mr. Labieniec made a motion to approve. Mr. Pocock seconded. Motion passed unanimously on a voice vote.

11. Transfer \$10,000 Police Dept. - Other Professional Services

Mr. Labieniec made a motion to approve. Mr. Coleman seconded. Motion passed unanimously on a voice vote.

12. Transfer \$8,500 Barnes Museum - building maintenance

Mr. Brumback stated this is as the result of a sink hole at the driveway of the Barnes Museum. Unexpected expense. Due to energy efficiency projects the library has undertaken there is money available in the utility account.

Mr. Pocock made a motion to accept which Mr. Coleman seconded. Motion passed unanimously on a voice vote.

13. Transfer \$2,400 Fire Dept. - Fuel Pump Repair

Transfer \$18,000 Fire Dept. - Vehicle Repair

Transfer \$1,446 Fire Dept. - Snow Plowing

Transfer \$55,000 Fire Dept. - Overtime Pay

Transfer \$191 Fire Dept. - Dues & Conferences

Transfer \$485 Fire Dept. - SCBA & Masks

Item discussed and vote on earlier in the Agenda.

V. Assess current financial state of the town**1. Review revenue vs budget**

Mr. Brumback explained revenues are continuing to go very well. Much higher than expected property tax revenue received and prior tax revenue along with interest. The investment committee has far exceeded its original budget.

The only real area we are falling short from a revenue projection standpoint is building permits. That was a very aggressive increase in expected revenue. We had received about \$650,000 and we jumped it to \$850 and we are going to fall short.

We are till net way ahead of the ball game from a revenue perspective. We noted the BRRFOC rebate and the Pond View settlement.

2. Review expenses vs budget

Most of the department heads have done a good job. The only one that was struggling was the highway department. You have seen the need to appropriate to that department. All the rest of the departments are going to be able to live within their existing budget, save fire for next month. And, even though some amounts are small, they've been able to give back a little bit.

The self insurance fund continue to stay with its head above water and we do not project use of the contingency fund beyond what we've asked for today and today it rested at about \$99.8 thousand out of the original \$850,000. This reflects a really strong effort by the department heads during the course of the year.

3. Sub Committee Reports (Emphasis on financial aspects)**A. Sewer Committee**

Mr. Leary reported the committee met today. Work is being done on the project to renovate and that you'll see in referendum in November 2016 once the scope of the work and true costs are totally understood. Routine testing is going on. Small rebuilds are occurring. A huge emphasis on the odor control issue.

B. Public Works Committee

Mr. Coleman stated a lot of things were discussed. The first one is the continuing street light project. We had 2,824 lights completed or 75% done. That'll continue to accrue savings to the town.

Safe Routes to School project. Originally we thought the cost was \$400,000 and its \$268,000. A savings.

The trail extension is costing \$285,000 with 100% funding from the state reimbursed.

C. Middle School Building Committee

Mr. Pocock advised we are in the final phase. Our time line is going to be met in August for the schools to open. One of the biggest things is to move that pile of loam up at DePaolo and get the fields straightened out.

The schools are coming along real great. We're still running on budget.

D. Open Space Committee

Mr. Pocock had nothing to report at this meeting.

E. Self Insurance Committee

Mr. Labieniec advise we had a good April, \$63,000 under budget. Right around a half a million dollars under budget for the year. We budgeted about 5% over prior and we're only 3.7% over prior. Two months left. Things are looking much better now than during the first quarter.

F. Gura Building Committee

Mr. Brumback said they are making good progress. This big pit on the east side of the building has been filled in. That was for the footings to prepare for the elevator. Progress is continuing to be made inside. They are moving right along.

G. Investment Committee

Mr. Coleman had nothing to report. A report for the second quarter will be given next month.

H. Parks Board Liaison Report

No report this evening.

I. Economic Development Strike Committee

Mr. Coleman noted no meeting due to lack of quorum.

J. Other Committees

No report.

4. Board Communications

No report.

VI. Public Communications (Excluding Public Hearing Items)

Arthur Cyr, 103 Berlin Avenue. This is the last meeting of the fiscal year. I feel obligated to note Page 2 of your Agenda tonight. As a taxpayer of this town, I thank our town manager for harvesting around \$600,000 along with other monies that came in. He has promised to do that for the last three years and he has done it for the last three years.

I remind all members of this board, that what you saw on the back of this Agenda was what he accomplished so that you didn't have to spend 3 hours a night for 4 nights back earlier in the year cutting the budget line items.

He did a great job.

Some people still think you should go through the 200 page budget with a red pen and cut line by line with no knowledge of what department manager's need.

This is 2015-16 and this is the way this town runs now. It runs successfully and I thank the town manager and the BOF for trusting him for the last three years.

On to next year!

VII. Review Long Range Plan and Priorities**1. Review status of LRP items in current fiscal year budget****A. Status /Reprioritizations****B. Strategy Discussion**

No specific items.

IX. Meeting Adjournment

Mr. Coleman made a motion to adjourn. Ms. Feld seconded. Motion passed unanimously on a voice vote.

(Whereupon, the meeting was adjourned at 8:34 o'clock, p.m.)