

BOARD OF FINANCE
TOWN OF SOUTHTON
DECEMBER 11, 2019

The Board of Finance of the Town of Southington held a Meeting on Wednesday, December 11, 2019 at the Town Hall Council Chambers, 75 Main Street, Southington, CT. Edward Pocock, Jr, Acting Chair, called the meeting to order at 7:00 o'clock, p.m.

Appropriations from Contingency Account (Regular & Salary):

Approved to date.....	\$ 0
Approved this meeting.....	<u>141,878</u>
Total Appropriations.....	\$141,878

Appropriations with Revenue Offsets:

Approved to date.....	\$ 2,500
Approved this meeting.....	<u>\$ 58,038</u>
Total Appropriations.....	\$ 60,538

The following board members were present:

John Leary,* Edward Pocock, Jr., Kevin Beaudoin, Tony Morrison & Susan Zoni

Staff: Mark Sciota, Town Manager
Emilia Portelinha, Director of Finance
Keith Hayden, Director of Public Works**

(*Arrived at 7:30 with meeting in progress.)
(** Left meeting where noted in the Minutes.)

Absent: Joseph Labieniec

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

EDWARD POCOCK, JR., Acting Chair presiding:

III. Public Hearing Items

NONE.

IV. Old Business

1. Approval of Minutes of November 13, 2019 meeting

Mr. Beaudoin made a motion to approve the Minutes of November 13, 2019 as submitted. Mr. Morrison seconded. Motion passed unanimously on a voice vote.

2. Approval of 2020 Meeting Schedule

Ms. Portelinha explained the approval of two schedules and the schedule of workshops with various departments. The budget schedule is just for your information. It doesn't list the departments yet, but if you are okay with the dates, I will contact the departments.

Mr. Sciota added we have the dates and then the BOF tells us who to have come in besides the big six or seven. You don't have to make that decision now.

Mr. Beaudoin made a motion to approve the 2020 meeting schedule. Mrs. Zoni seconded. Motion passed unanimously on a voice vote.

V. Assess current financial state of the town

1. Review revenues vs budget

Ms. Portelinha reported on five months into the year. Prior years taxes are about \$30,000 over budget. Building permits are \$120,000 over budget. Interest on investments are \$270,000 over budget. Town Clerk fees are \$60,000 over budget. A total of \$480,000 currently.

2. Review expenses vs budget

Ms. Portelinha noted in reviewing the expenditures to date, we did not find any expenditures that would require an appropriation other than possibly library maintenance. You will see an appropriation tonight for \$25,000. Chances are, she will probably be back before the end of the year for additional monies if things continue the way they are.

Mr. Sciota said we were hoping we could do it in two installments. This one will carry us for the next several months. Emilia, the library director and I will re-evaluate it and if we have to, we will come back to you if necessary, for another appropriation.

Mr. Morrison brought up the fire overtime. How many periods went into the figure in here? Is it eleven periods because it is five months? That's \$23,000 which is over \$600,000 on a \$500,000 budget. Ms. Portelinha advised this covers the summer period with vacation time.

Mr. Sciota advised the two new firemen hit the floor this week so we are hoping to do a little bit better for the second half. I agree we keep an eye on this and I meet with the Chief every two weeks on this. But we have the two firemen out of the academy actually on the floor on shift.

3. Review Capital Projects in Budget (Quarterly)

Ms. Portelinha advised that will be reviewed after the quarter is finished.

4. Town Council Sub Committees (Emphasis on financial aspects)

A. Sewer Committee (Tony Morrison)

Mr. Morrison advised the new sewer committee hasn't met yet. That'll be tomorrow. But there has been an issue since last week. The Town Manager wrote up a proposal for us today and I turn it over to them.

a) Action on Blatchley Pump Station

Keith Hayden, Director of Public Works gave a report on the Blatchley Pump Station. He advised he was built in 1973. It was planned for replacement this coming Spring. We were going to take it out of service and install a gravity line through the open space and connect the Blatchley Road sewer out to the Meriden Waterbury Turnpike.

Friday night at 2:30 am, --- the pump station is not a typical pump station in that it doesn't really have pumps. It has ejector pods. There are two large 50-gallon drums. They fill up with sewage. They alternate and then there are air compressors in there and with compressed air it actually ejects out of the station into the force line into the north end of Blatchley and hits the gravity line.

One the 50-gallon pods blew out on the bottom. The entire station, which is normally dry full of functioning equipment, flooded with sewage. Everything in there is unsalvageable. The compressors, the electronics, the electric motors, everything is ruined.

Fortunately, we had our Assistant Superintendent install float alarms in numerous manholes throughout town and he happened to put one in the manhole that is immediately upstream of this station. So, the crew responded to a high-level alarm and responded with a vac truck and was able to use the vac truck and avoid any overland spillage of sewage.

The bottom line is this pump station is non-functional and we have the plans completed for the gravity line. We'd like to accelerate that project.

We've installed a temporary pump in here with more alarms and we've notified DEEP of the emergency situation but we got a price from Martin Laviero through the EZICQ Program. We've used that numerous times before in town with very good success. And, we got a price of \$547,200. So, we're asking for \$600,000 to use with the extra contingency in case we hit extra ledge as we're coming through the woods. Any time you have ledge, there could be hills and valleys in it. If there's extra ledge, we want to have enough money to cover it.

Mr. Sciota advised under the charter, the manager has the ability to request of the council the declaration of an emergency for public safety purposes and we are able to appropriate a certain amount of money.

In this particular case, the Resolution I'm asking for and I got permission from the council on Monday night was for \$600,000. Now, the plan is that we "borrow" the money from the undesignated sewer balance is between \$7 million and \$9 million. Plenty of money.

And, we are going to bond in the Spring and then the money goes back into the sewer fund.

Although this is not perfect, this is what we were going to do any way. We would have gone through the normal bonding process this Spring, got the money through the normal process (Town Council, BOF and the PZC) and then bond counsel. Then the money would've been appropriated and we would have moved forward with the overland gravity sewer to take the pump station completely off line. A good thing.

We'll have to do it about six months earlier than we wanted to, but because of the public safety aspect of it, I went to the council and they agreed that we cannot wait and do this next Summer. We're on by-pass pumps and we want to get this done as quickly as possible.

By doing it this way, we are able to shorten the time period by about six months. That's what we are hoping to do.

The council approved it upon condition of this Board.

Ms. Portelinha advised we are looking for an emergency appropriation of \$600,000 from the sewer fund for the Blatchley Pump Station.

Mr. Hayden discussed the time period. After meeting with Martin Laviero, the contractor, we walked the project and they gave us the price which is actually below our estimate. We think it's a very good price. He could start as early as December 23rd with the tree clearing and then he is ready to mobilize right away and get going. By early March, we think, we can be done. They'll work all winter. He's off the road. We don't have a traffic issue. His hours will be during the day. No bother to the neighbors because he won't be working at night.

We have an easement in place where we are cutting through the Dube's property out to the Meriden Waterbury Road. The easement is already in place and the Dubes are agreeable to us starting now. They understand the emergency nature of the situation and they are fully supportive of that. We're ready to go.

This is the original equipment from 1973. Well past it's design life. The equipment in here we can't bury. We have to take it out and then we'll fill it full of flowable fill and cut the entrance tube down below ground level and just walk away. Leave it entombed in the ground. That will be a separate contract for the demolition. Tighe-Bond is designing that. They're at 90% plans. That will go the normal course in the Spring. That is a different contractor from a line contractor.

Mr. Morrison stated we have other pump stations in a similar time period. With one going, the likelihood of others going and things wearing out and happening, you have a plan to replace them? Mr. Sciota said it is in the capital plan. Mr. Morrison asked if this would happen again, the emergency before the replacement? Mr. Hayden said he couldn't say it won't happen, but we've prioritized the other stations. The other stations are different because they are actual pump stations. They have two pumps and the electronic controls allow it to start on a different pump every time it pumps so they pump evenly. If one pump goes out, it can operate on one pump because you have redundancy. We're unlikely to have a catastrophic event like this. This is different because it flooded and shorted out all the equipment. If that happened and we're running on one pump, we could go and replace the second pump as an emergency situation. It wouldn't be the same as this. They're old. We're doing one a year. We have three more to go. You'll see that in our capital request for this year. Plantsville is the next one in line.

Discussion of the catastrophic event on Meriden Avenue years ago.

Mrs. Zoni noted the Dubes are scheduled to get a new driveway. How does this impact them personally? Are we ripping up their yard and not able to repave right away? Mr. Hayden said the work would be in the Spring. The new line is going down the driveway. And, then instead of charging us for the easement, the agreement was we would pave the driveway. It will be gravel during the winter. Useable for them. They're okay with that. The yard is going to be a mess for the winter and they understand that. They're very nice people and they've been very helpful and wonderful to work with.

Mr. Sciota said the town is very, very grateful to the Dube Family. They will be inconvenienced. They understand the situation. Their conversations with Keith and my office have been nothing but cordial. The town thanks them for that.

Secondly, the foresight of the sewer committee and Keith's office, originally this was going to be a replacement of a pump station. As you know, that costs in the neighborhood of \$900,000 and has the additional maintenance that goes on for years and years and years.

With that foresight, they designed it as a gravity system. Not only is the pump leaving the site and filled in with floatable fill as Keith mentioned, there will not be any forward maintenance as it will be a gravity line.

It gets lost in the shuffle because it's a rush and an emergency situation, but please don't let that get lost. That is long term savings for the sewer department that comes from the foresight of the sewer committee and Keith's office.

The Acting Chair agreed the family has been very, very cooperative. The other thing is with the free flow system you've devised, it is cost effective down the road. Quite a bit savings, I'm sure.

Mr. Sciota read the Resolution into the record. (Resolution verbiage attached hereto.)

Mr. Morrison questioned the last clause. What is to stop us from paying for this out of the undesignated sewer fund balance which is quite large. Then we wouldn't bother to bond it the money to replace it. Mr. Sciota said that is a choice of this board and the council come Springtime. You don't have to bond it. This is leaving the option open.

Tonight, you are giving us permission to get \$600,000 of the undesignated sewer fund which didn't go through the normal process explained Mr. Sciota.

Mrs. Zoni made a motion to adopt the Resolution to approve the emergency funding for the sewers. Mr. Morrison seconded. Motion passed 5 to 0 on a roll call vote.

(Mr. Hayden left the meeting.)

B. Public Works Committee (Ed Pocock & Susan Zoni)

Mrs. Zoni reported on a few things.

- Huge changeover in personnel at the public works meeting.
- New schedule for bulky waste is approved and out for next year. Look on the town's website and it will be posted.
- On extremely busy days, they are looking to reduce the cost for police presence and to reduce the need for a left turn. They're looking to put up signs and cones on the busy days to limit left turns into the site when there are a lot of people. So, there are no difficulties with people entering and we don't have any anger management issues at the transfer station.
- Leaves were on schedule. The snow pushed back the return to Zone 1.

Mr. Sciota said the second pass of Zone 1 has been started. We got a small way through and got sidetracked with snow. We're hoping to get back to that next week and finish up Zone 1 next week.

- Regarding the police department generator bid that went to the council, they are replacing the current generator with diesel. The existing generator is going to go to the municipal center. The bid came in with the contingency and it is all included in the budget. The amount is about \$160,000 and it will be done soon.

Mr. Sciota explained the generator is going to the municipal center now that we have the jurisdiction to buy. The fire station will have a new generator.

We are removing the last underground tank under my jurisdiction. Therefore, we will have no underground tanks on the government side. I know Pete and the BOE are working diligently to try to get all the tanks out on the BOE side. Nobody wants to have the underground tanks.

And, part of the bid is to light the municipal center when the generator is put in.

(Mr. Leary entered the meeting.)

JOHN LEARY, Chair, assuming the Chair:

C. Open Space Committee (Ed Pocock)

Mr. Sciota advised it does not meet until later this month.

D. Self Insurance Committee (Joe Labieniec & Kevin Beaudoin)

Mr. Beaudoin reported on the data through October for the claims and fees and October was a tough month. We are over budget by \$580,000. Year to date, we are over budget by approximately, \$90,000. Ms. Portelinha added that October is traditionally a lower month when you average it over three months. It is a lower budget month. So, let's see what November brings.

Being over budget \$90,000 year to date is pretty much on target. We have our meeting on Monday so I have nothing else to report.

E. Committee of the Chairs (John Leary)

The Chair advised he was appointed to the committee of the chair, but I understand from town council it won't be a regularly schedule meeting but will be scheduled as needed. I'll keep everybody posted.

Every time I do go, I represent the board. And, if it is my personal opinion, I tell them. But if it is a board consensus, I tell them what direction we're going in as a board. I can't speak for everybody. I tell them what is coming up or something we are looking at.

F. Economic Strike Committee

The Chair informed everyone we did not get an appointment to that committee and we are looking into that. Mr. Morrison added he spoke to Chair Triano and she advised she is trying to narrow down the people on committees and she didn't feel there was a need for somebody. We had someone before when it did exist three years ago but that person apparently was always not a voting member, just an ad hoc member there to discuss anything with relevance to finance. I'm disappointed, but that's the way they intend to run things.

5. Board of finance Sub Committees and Liaison Reports
(Emphasis on financial aspects)

A. Investment Committee (Kevin Beaudoin)

Mr. Beaudoin had nothing more to add beyond what Ms. Portelinha had said earlier about our finances.

B. Liaisons to Board of Fire Commissioners (Ed Pocock & Kevin Beaudoin)

Mr. Beaudoin reiterated they had two new firefighters start this past Sunday. And, the fire commission is out there looking for volunteers. At the White Christmas in Plantsville, they were at Firehouse Co #2. I was there hanging out and they had a table for people interested in volunteering. They have like eight to twelve applications for volunteers. It is a start. They are proactively looking for volunteers. If anyone out there is interested, contact the fire department. A great way to serve. If you can only be there on the weekends or at night or during the day, they can use any help they can get.

C. Other Committees

Nothing this evening.

6. Board Communications

Nothing this evening.

VI. Public Communications (Excluding Public Hearing Items)

None this evening.

VII. Review Long Range Plan and Priorities

1. Review status of LRP items in current fiscal year budget

A. Status / Reprioritizations

2. Strategy Discussion

Mr. Sciota informed the BOF he had his department head meeting two days ago and I went through the process this board had given me as guidance. The department heads understand. I did use the same numbers I used with you. Obviously, I talked about a 1% growth in the

Grand List. I talked about flat everywhere else including fees, taxes and the Governor's budget. Emilia and I did some numbers and we gave to the department heads what we believe the expenditure side is to look like. They all understand that.

I did tell them that obviously, if there is a new program that goes above the number, I gave them, we will sit down and talk about it. Let me decide whether I want to come to you with a specific number of more than the number I gave them.

I think every department head understood where I was coming from. For us, it is very easy to explain getting to mill rate. They have to understand how the expenses, revenues and getting to that mill rate is.

We spent sometime in explaining to them where we expected to be and why we're getting to that point. Obviously, to be determined when I see them at the end of the first week in January, but I think they understand where we're coming from.

Discussion.

Mr. Beaudoin brought up contracts. Mr. Sciota said we did three new contracts this year. I am never of the theory, you don't put your budget together, take my salaries, increase them by 2.5% (sic) and then I start my budget from there. That's not how I accept budgets. Just because salaries went up 2.25% (sic) doesn't mean your budget, which is 85% of your budget, and now you work from there. That's not necessarily how it works. The department heads, as with their budgets through me, they don't think that way, either.

Yes, the increases have to be included in the budget, but it is not a fixed number that they are automatically going up that just for salaries alone. There are other parts of the budget. Do I expect the budgets to go up? Absolutely. Do I expect them to go up more than the numbers we gave them? No.

The Chair brought up budgeting the salary line. Is it a rule you have to fully fund the salary line even though you know statistically that that salary line won't pay out? Mr. Sciota said the charter requires us to fully fund the lines that we have. I have to submit to you a budget which is fully funded.

Discussion.

Ms. Portelinha stated that the thought process is we have to have the funds available to hire the individual. I think the departments take that into consideration.

The Chair discussed the same theory applying to the BOE. Mr. Sciota said that would be a discussion for the BOE.

Mr. Morrison asked if the BOF got an invitation to attend the BOE workshops. The Chair said he saw a notice in the paper and he said he received a notice, he believed. Usually the BOE will send an invite, but we are certainly welcome to go. Try to make one of the couple of sessions. It's good to hear the discussion. We can ask questions and put our grid together when the time comes. We can even start asking the questions now. The BOE wants to feel like they are doing everything possible to inform us with great transparency. We have to ask and make all that work.

VIII. Conduct Administrative Business

1. Consent Agenda

A.	Appropriation	\$1,000	*	Fire Dept - CRR Program
	Supplies (Spec Rev)			
B.	Appropriation	\$1,772	*	Fire Dept - Vehicle Maint -
	Loss/Damage (Spec Rev)			
C.	Appropriation	\$970	*	Youth Services - STEPS
	Donations (Spec Rev)			
D.	Appropriation	\$200	*	Town Council - Walkley
	Fountain (Spec Rev)			
E.	Appropriation	\$57,438	*	BOE - Operations
F.	Appropriation	\$420	*	Youth Services - Outside
	Programs (Spec Rev)			
	Appropriation	\$260	*	Youth Services - STEPS
	Donations (Spec Rev)			
	Appropriation	\$6,484	*	Youth Services - YS
	Enhancement Grant (Spec Rev)			
G.	Appropriation	\$2,750	*	Town Council - White
	Christmas Prog (Spec Rev)			
H.	Appropriation	\$600	*	Parks/Highway - Overtime
	Pay			

Mr. Beaudoin made a motion to approve the Consent Agenda as presented as one group. Mr. Morrison seconded. Motion passed unanimously on a voice vote.

2. Manager's memos

1. Appropriation \$25,000 Library - Building Maintenance

Mr. Sciota explained the appropriation. He advised they have done everything they could with transfers. It doesn't make any sense

bleeding lines and they have to come back to us for. This is one and we'll probably see another one come late Winter or early Spring.

Mrs. Zoni made a motion to approve the appropriation of \$25,000 for the library for building maintenance. Mr. Pocock seconded. Motion passed unanimously on a voice vote.

2. Transfers \$13,600 Fire Dept - Building Maintenance

Mrs. Zoni so moved the motion to approve. Mr. Beaudoin seconded.

Mr. Morrison asked if the line item for legal services has enough money in it. Mr. Sciota said that anticipates the contract that we negotiated last year and it didn't get carried over. The Chief felt there was the money in there.

Motion passed unanimously on a voice vote.

3. Appropriation \$10,000 * Capital Fund - Senior Center Facility

Mr. Sciota explained this was for the building committee. Mr. Pocock has no issue ethically and he can vote on this as it has nothing to do with the Calendar House, it has to do with the building part of it.

Mrs. Zoni so moved the motion which Mr. Morrison seconded. Motion passed on a majority voice vote with Mr. Pocock abstaining.

4. Appropriation \$116,878 * Contingency - Salary Increases (Change to Regular Wages)

The Chair noted this is for the fire department for regular wages. Ms. Portelinha asked to have the agenda changed. I had written salary increase by accident. The memo is correct and the agenda wasn't.

We negotiated the contracts. And, the numbers are here. Mr. Sciota advised this is retroactive. It moves from the contingency into regular wages because of contract negotiations.

After explanation by Mr. Sciota, the Chair clarified it was budgeted but not in the right line item. This is not additional to the budget.

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

IX. Meeting Adjournment

Mr. Morrison made a motion to adjourn which Mr. Beaudoin seconded. Motion passed unanimously.

(Whereupon, the meeting was adjourned at 7:46 o'clock, p.m.)