

TOWN OF STONINGTON
BOARD OF FINANCE MEETING
Stonington Police Department Meeting Room
Wednesday, December 7th, 2022
7:15 PM

A meeting of the Board of Finance was held on this date at the Stonington Police Department Meeting Room. Members present were Chairman Tim O'Brien, Michael Fauerbach, Deborah Norman, Lynn Young, Bryan Bentz, Bob Statchen and Chris Johnson.

The Chairman called the meeting to order at 7:15 pm.

Public Comments: None.

The Chairman requested a motion to move the award of the South Anguilla Road Bridge project bid discussion to after the 'head count' of the number of public present at this Board of Finance (BOF) meeting, on the agenda. Ms. Norman made the motion, and Mr. Johnson seconded it. The Chairman called for discussion, there was none, and the motion was passed unanimously.

The Chairman requested a motion to add a discussion item following line-item transfer requests, from the BOE Director of Finance for a line-item transfer request for January 2023 boiler repairs, from the current BOE HVAC CIP funds. Mr. Fauerbach motioned, and Mr. Bentz seconded the motion. The Chairman called for discussion and there was none. The motion was unanimously passed.

Previous Minutes: The Chairman called for a motion to approve the November 2nd meeting minutes. Ms. Young motioned, and Ms. Norman seconded the motion. The Chairman asked Members for any addenda or corrections to the minutes, and there were none. The Chairman requested a vote on the motion to approve the minutes. The motion was unanimously passed.

Award of the bid for the South Anguilla Road Bridge project discussion: The Town Engineer, Chris Greenlaw, requested that the BOF award the South Anguilla Road Bridge project bid to Suchocki & Son, Inc. The reason this request is being made of the BOF rather than of the Board of Selectmen (BOS), is because Suchocki & Son, Inc. was not the low bid, and in instances where the Town chooses to go with a contractor other than low bid, it requires the approval of the BOF, as well as the recommendation of the BOS. Mr. Greenlaw presented a summary of the project requirements and the bidding process, and explained why the second-lowest bidder, Suchocki & Son, Inc., should be awarded the bid for the amount of \$388,455.00. Mr. Greenlaw explained that the Town received bids from five contractors, noting that the lowest bid was from Old Colony Construction, LLC (OCC) for \$322,334.00. Mr. Greenlaw, along with, Jay Costello, a representative from WMC Consulting Engineers (WMC), reviewed with Board Members,

correspondence from the project consultant, WMC, which explained their reasoning for recommending the second low bidder, Suchocki & Son, Inc., for the project, rather than Old Colony Construction, LLC, which was low bidder. Mr. Greenlaw also confirmed project funding is sufficient to award the contract, and commence with the project, and requested the Board award the project to Suchocki & Son, Inc. at this time.

The Finance Chairman noted, for the other board members, that the Town Attorney reviewed the bid request document and advised that the Town was under no obligation to accept the lowest bid, and has the discretion to award the project on the basis of other criteria, and all pertinent, available information. Mr. Greenlaw and Mr. Costello opined that based on the concerns raised in WMC's recommendation letter, and feedback from other municipalities familiar with OCC's past work, it would be in the best interest of the Town to award the project to Suchocki & Son, Inc. Board Members asked Mr. Greenlaw for clarification related to the differences in bid costs, and inquired further about the feedback from other municipalities that had used OCC in the past.

Mr. Costello, of WMC, stated that in WMC's prior experience with OCC, customers have incurred unanticipated project administrative expenses, due to OCC requiring more on-site supervision and administrative costs by WMC staff. Mr. Fauerbach asked Mr. Greenlaw to discuss the memo OCC submitted to the First Selectman, claiming WMC's recommendation was inaccurate. Mr. Greenlaw confirmed he had looked into OCC's assertions and had verified several key concerns outlined in WMC's report. The Board asked Mr. Greenlaw and Mr. Costello additional questions pertaining to the memo and details regarding the bid process.

The Chairman requested a motion to approve the request to award the South Anguilla Road Bridge project bid to Suchocki & Son, Inc., as per the Town Engineer's request, for the amount of \$388,455.00. Mr. Statchen put forth the motion, which was seconded by Ms. Young. The motion was passed unanimously.

Bid Waiver Request from the BOE Director of Facilities (purchase of plow truck): The BOE Director of Facilities, Peter Anderson, requested a bid waiver to purchase a plow truck from Gengras Ford, at an estimated cost of \$45,535.20. The Chairman requested a motion to approve the bid waiver request. Mr. Fauerbach made the motion, and Ms. Young seconded the motion. Mr. Anderson explained to Board Members that due to mechanical failure, one of the plow trucks no longer works, leaving the school reliant on two functional plows out of the fleet. The Chairman asked Mr. Anderson if the purchase will be from a state-approved contractor, and Mr. Anderson confirmed Gengras Ford is on the State bid list. Ms. Young asked Mr. Anderson how the BOE employs its plow trucks, and Mr. Anderson provided a summary of what areas the BOE's staff maintain vs. what areas the Town Public Works department maintains, relative to snow plowing. Mr. Fauerbach asked Mr. Anderson if the new plow was a budgeted CIP item, and Mr. Anderson explained the cost of the plow will be covered by the current year's CIP funding. The Chairman called for further questions, and there were none.

The Chairman called for a vote on the bid waiver request, and the motion was passed unanimously.

Bid Waiver Request from the BOE Director of Facilities (purchase of floor polishing machine): The BOE Director of Facilities requested a bid waiver to purchase a floor polishing machine

from Hillyard New England, at an estimated cost of \$24,906.86. Mr. Statchen motioned, and Ms. Young seconded the motion. Mr. Anderson stated the purchase request is for four full size floor polishing devices, one for each of the four schools, along with a small hand-held unit, for cutting in of small areas, which will be shared amongst the schools. The Chairman asked Mr. Anderson to clarify if the request was for a total of five devices (including four floor machines and a doodle scrub), and Mr. Anderson confirmed the request was for five polishers. The Finance Director, Mr. Sullivan, informed the Board that the polishers aren't included in the 22/23 BOE CIP request, and that Mr. Anderson will be requesting a line-item transfer later in the meeting to fund this purchase. Mr. Statchen asked if Hillyard New England was a state-approved contractor, and Mr. Anderson confirmed that they are on the state bid list.

The Chairman requested a vote on the bid waiver request, and the motion unanimously passed.

Line-item Transfer Requests

The Chairman called for a motion to approve a line-item transfer request (for the prior fiscal year's CIP budget) from the BOE, to transfer \$162,287.00 from BOE CIP account #4022020-88291 "Entry Wall Security-SMS" to various other BOE CIP accounts. Ms. Young motioned, and Mr. Fauerbach seconded the motion. Mr. Sullivan provided context on behalf of the BOE, indicating the line-item transfer will help to fund the purchase of five items which the BOE Facilities department has requested. Mr. Sullivan explained to the Board that during the 2019/2020 fiscal year, approximately \$209,000.00 was awarded to the BOE CIP budget for SMS security entrance upgrades. Mr. Sullivan noted that instead of hiring outside contractors for the upgrades, the school performed the upgrades in-house for approximately \$45,000.00, which left a line-item surplus of \$162,287.00 in the prior year's CIP account. Mr. Sullivan stated the CIP account surplus will be transferred, to purchase the new floor polishers noted previously, the snowplow noted previously, and in the future, a new A/V system along with further security improvements.

Board Members asked Mr. Anderson for a summary of the proposed projects. Mr. Anderson provided a detailed account of several ongoing upgrades that he and Chris Williston, the BOE Director of Technology, wish to implement. Mr. Anderson and Mr. Williston continued, answering Member questions about the school upgrades, the BOE CIP budget and future bid waiver considerations.

Mr. Johnson requested a breakdown regarding the costs of the proposed SMS A/V project. Mr. Williston provided Board Members with specific A/V equipment costs, and discussed operating funds and grants he's hoping to secure for the improvement of district-wide A/V system upgrades. The Chairman called for further questions, and there were none.

The Chairman called for a vote, and the line-item transfer request was unanimously passed.

Area-wide Boiler Replacement Discussion

The Chairman introduced the BOE's request to transfer funds from the BOE's SMS HVAC project, which was funded in the 22/23 BOE CIP budget, to a new CIP account to fund two new boilers at the Stonington Middle School. At this time, this is just a forum for Board discussion

regarding this line-item transfer request, which can't formally be approved until after January 1st, 2023. The Chairman expressed that with Mr. Anderson in attendance, it would allow him to share insight on the boiler replacement projects, and thus expedite next year's boiler replacement requests. The Chairman noted that after speaking with the BOE Finance Director, Alisha Stripling, it was evident the \$500,000.00 in CIP funds for the SMS HVAC replacement was underfunded, and the CIP funds could be used toward the boilers instead.

Mr. Anderson reported to Board Members that the SHS boilers are reaching their end of life. Mr. Anderson presented two viable boiler options: condensing boilers, or horizontal tube boilers. Mr. Anderson reported horizontal tube boilers are costlier, but offer replaceable parts, and run at 94% efficiency using both oil or natural gas, for 30 to 40 years. Mr. Anderson continued, explaining the condensing boilers are over 98% efficient, but require four or five boilers per 10M BTU capacity, and have a typical lifespan of 15 to 18 years. Ms. Young asked Mr. Anderson about the cost differences in boiler options, and Mr. Anderson stated tube boilers cost roughly 25% more, and cited \$850,000.00 as the boiler budget for SHS alone. Mr. Anderson discussed with Board Members anticipated project costs, and lead times which may impact the boilers installation. The Chairman called for further questions pertaining to the boilers, and reminded the Board that no action will be taken today on the matter, but will be addressed at the January 4th BOF meeting.

Mr. Fauerbach asked Mr. Anderson if the boiler replacement was solely for the SHS boilers. Mr. Anderson replied that in January he will be asking for funding just for the two boilers at the SMS for a cost of \$246,000.00, funded from the \$500k allocated for SMS HVAC in the 22/23 CIP budget, but ultimately all the schools in the district will need to have their boilers upgraded or replaced.

Additional Appropriation Requests and Summary for fiscal 2022/2023

Mr. Sullivan announced that there are approximately \$348,000.00, of funding requests to be acted upon at the January 4th meeting of which approximately \$80,000.00 may be funded from projected surpluses in other line-items.

Tentative approval of fiscal 2023/2024 budget meeting calendar

The Chairman asked if the proposed BOF budget meeting dates and times had been booked in their corresponding venues. Mr. Sullivan stated that after consulting with the Town Selectman, all BOF meetings booked through March 29th shall take place at the District Office. The Chairman requested that Board Members confirm the proposed dates work for Board Members, with the general consensus among Members being the scheduled meeting times were acceptable.

The Chairman requested a motion to add to the agenda a Town budget targets discussion. Ms. Norman motioned, and Mr. Fauerbach seconded the motion. The Chairman called for a vote, and it was unanimously passed.

Ms. Young explained that every year since her joining the BOF, public attendance during budget discussions has dwindled, and suggested that the BOF should take proactive steps to help inform the public as to the BOF's budget priorities. Ms. Young observed in other towns, a memorandum is distributed before the budget is put forth which explains how the budget is divided among

departments, how things are taxed, and property assessments. Ms. Young continued, noting the budget referendum should have a larger attendance, so the budget isn't solely decided by department heads, but the Town's constituents. Ms. Young proposed a memorandum to inform the public on mandates, maintenance issues, and other budget topics, to rouse additional public discourse.

There was extensive discussion and feedback among the Board Members, suggesting how to best communicate budget matters to the public in time for the fiscal 23/24 budget. The Chairman opined that this budget season may not be the best time to introduce new measures due to there being a new BOE administration, a new police chief, and the vacant DPW Director position, and that because of these reasons he is anticipating a difficult 23/24 budget season. The Chairman suggested that Board Members consider ways to reach the public regarding the 23/24 budgeting process and that any ideas can be discussed at January's BOF meeting.

Correspondence

The Chairman announced a revision of the October 2021 motor vehicle supplement figures had been submitted. Mr. Sullivan stated that the motor vehicle figures came in higher than were previously budgeted for.

Liaison Reports

CIP Liaison Report: Ms. Young reported she was unable to attend the most recent CIP meeting and had nothing new to report.

WPCA Liaison Report: Ms. Young reported there was nothing noteworthy to report.

BOE Liaison Report: Ms. Young suggested to the education department that it create an itemized list of district needs, maintenance issues, and state mandates, to help guide the boards of education and finance when prioritizing budget funding for future projects and expenses.

Other Liaison Reports: The Chairman announced he met with the Retirement Board, and next year's contribution will see a 14% increase, based on an actuarial smoothing method for pension funds. The Chairman continued, noting the pension fund is closed, and has 335 people eligible and/or receiving pensions, but only 150 employees are still contributing, so in future years the Town may see an increased burden on the Town to fully fund the plan. The Board Members discussed the organization and administration of the Town pension plan and funding, and the Finance Director and Chairman answered Members' questions about the plan.

The Chairman called for a motion to adjourn the meeting. Mr. Statchen motioned, and Ms. Young seconded the motion. The motion passed unanimously, and the meeting was adjourned at 8:43 pm.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Justin Eckert', written in a cursive style.

Justin Eckert

Board of Finance Recording Secretary