

TOWN OF STONINGTON

BOARD OF FINANCE

Stonington Police Department Meeting Room

Wednesday, September 4, 2019

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 Chairwoman June Strunk, Glenn Frishman, Blunt White, Tim O'Brien, Michael Fauerbach and Danielle Chesebrough. Director Jim Sullivan was in attendance. Lynn Young was absent.

Chairwoman June Strunk called the meeting to order at 7:15 pm.

Pledge of Allegiance

Comments from the public:

Mr. Ian Camfield of Westerly addressed the board with his concerns regarding flood planning, storm resilience and septic systems in flood prone areas. The property owner of Stonington Meadows on Stonington Road, Mr. Camfield inquired about long term flood planning and addressed climate change and the potential for larger and more dangerous storms in the future. Mr. Camfield stated that as a long time tax payer of Stonington he feels not enough attention is given to those in flood prone areas that don't have sewer hookups, while new construction which will weigh heavily on the sewer system is being applauded. Also of concern was the Town's treatment plants and their vulnerability. Mr. Camfield asked the Board members why funds are being put into the Borough facility when in his opinion the facility, due to its location and aging infrastructure, would be better off being replaced. Agreeing that there is an immediate need for action, Mr. Camfield stated that a solid plan of action would be to address the current sewer system issues while taking into consideration the potential for rising sea level and climate change.

Chairwoman Strunk, while noting that during public comments the Board does not interact, did want Mr. Camfield to know that the Stonington Planning Department is addressing and working with the issues brought up.

Previous Minutes:

Mr. Frishman made a motion to approve the minutes dated August 7, 2019, Mr. O'Brien seconded. Noting a few clerical errors and other corrections, the **motion carried**.

Ms. Chesebrough motioned to approve the special meeting minutes dated June 12, 2019, Mr. White seconded. **Motion carried.**

Mr. White made note that the memo dated May 22, 2019 and authored by him did not show as an attachment to the online June 5, 2019 minutes as discussed in the August meeting. This will be checked by the Meeting Secretary and a copy of the memo provided to the Town Clerk for posting.

New Business:

Chairwoman Strunk asked to change the order of new business and make additions to the agenda. Mr. White motioned to change the order and make additions, Mr. Fauerbach seconded. **Motion carried.**

Bid Waiver Requests:

Lieutenant Bryan Schneider of the Stonington Police Department requested bid waivers for FY19/20 acquisition for the upfitting of four (4) police vehicles by Strobes N'More for \$35,788.98. Mr. Frishman motioned to approve the request, Mr. O'Brien seconded. Mr. Fauerbach inquired if this cost was within the amount calculated for upfitting as discussed in last month's BOF meeting, Lieutenant Schneider confirmed it was, and was hoping for a reduction in this figure as well. **Motion carried.**

Additional Appropriations:

IT Manager, Roger Kizer, requests additional appropriation to CIP account #4022020-88001 "Town Hall Technology Upgrade" to purchase an Uninterrupted Power Supply (UPS) for the Town Hall from SNS Electric for \$25,497.00. A bid waiver had previously been granted but the funds had not been allocated. This UPS is required to replace the current UPS that had been damaged. Mr. Frishman motioned to approve the request, Ms. Chesebrough seconded. **Motion carried.**

Year-End Line Item Transfers:

Director Sullivan discussed a few of the larger FY18/19 year end line item transfers as presented on a spreadsheet to the Board members. Most items were to cover overages in underfunded departmental budgets. It was noted that the Planning & Zoning Commission advertising line item had a shortfall of \$14,845 that was due to additional meetings, it was further noted that this account has been perpetually underfunded in the past but has been addressed in the FY19/20 fiscal budget. Members asked about the \$30,792 increase in police overtime. The Finance Director noted this overage was due to having to station an officer at Dean's Mill School for half the year and the Stillman Avenue mill property during the Mill demolition. Mr. Fauerbach did bring up the decrease in the Community Service Officer line item and expressed concern, especially with the

increase in police overtime. It was noted that the positions did not have applicants to fill those Community Service positions. In total there were \$245,364.00 of FY18/19 line item transfer requests which were funded from other line items that had surpluses for the fiscal year. Mr. Frishman motioned to approve the request, Mr. Fauerbach seconded. **Motion carried.**

BOE Monthly Line Item Transfers:

Ms. Chesebrough inquired if any requests had been made to the Board of Ed for a member to attend the Finance meeting to answer any questions on the transfers and reports. Chairwoman Strunk stated that the request was presented, however, she did not receive a reply. Two (2) Stonington Public School Global reports dated for month ending May 31, 2019 and month ending July 31, 2019 had been downloaded from the school website and provided to the board members. It was noted that the report dated July 31st was representative of the end of year (June 30, 2019) reporting.

Mr. Fauerbach asked the board members if stronger messaging could be sent to the Board of Ed to request attendance of the Board of Ed Finance Director at a Board of Finance meeting as he as well as other board members had questions on the reports. While it is understood that the BOF does not have line item authorization, in the interest of transparency the Board of Finance would like to discuss the reports provided. Chairwoman Strunk agreed and noted that she will be meeting with the Superintendent and will ask for a Board of Ed member be present at the next meeting.

Mr. Sullivan, the Town Finance Director, was asked whether the Board of Ed would be returning any monies to the Town. Director Sullivan replied that according to the Ed Department's latest fiscal report, it would be returning \$6,289.

Discussion of WPCA Capital Needs:

Mr. Doug Nettleton, WPCA Director presented to the Board a memorandum dated September 4, 2019 outlining the WPCA Capital Improvements estimated for the next 3 - 5 years of operation.

In the memorandum Director Nettleton provided a priority needs listing of the collection system, which includes the (16) pumping stations as well as the forecasted work which will be required at the (3) treatment facilities which the WPCA operates. The work is over and above the work currently scheduled to be accomplished during the Diversion Project which is funded under this year's CIP, or any work which may be required as a result of the I&I study to be started in the next 2 - 3 months. The total pump station improvements is estimated at \$2,271,000 along with \$676,000 for the treatment facilities for a combined total of \$2,947,000.

Mr. O'Brien asked if any items on the list were currently deficient or in need of immediate attention. Director Nettleton explained that with the exception of the camera system, small vac, and bypass pump with level sensors, everything should be considered critical. One of the priorities is the replacement of most if not all of the guiderail systems for the submersible pumps. In the event of a pump failure these guiderail systems allow the pump to be raised and lowered to be repaired and/or replaced, without these rails the work becomes very involved and problematic.

Director Nettleton also told the Board that he would like to have a third pump, as a backup, for each pump station. With lead times on a new pump purchase as long as sixteen (16) weeks, having a spare pump would eliminate down times due to pump failure. Mr. Frishman asked if the pumps were standardized at each station so that one spare might backup multiple stations. Director Nettleton said they were not. Mr. Fauerbach asked if there was an opportunity to standardize the pumps going forward and Director Nettleton explained that most of them are different sizes due to the volume of flow at each station, however he would like to see the new control systems and mission systems standardized.

Ms. Chesebrough asked Director Nettleton if he would be able to address any of the concerns that the member of the public had earlier with regards to the pump stations and flooding. Town Engineer Scot Deledda said that he felt some level of protection had been implemented during the building of some of the stations, allowing for some level of resiliency. Director Nettleton agreed, but added those protections may not be up to what are considered today's standards. Mr. Deledda noted that the Climate Change Task Force which has worked on a sea level rise study for the Town of Stonington has undertaken quite a few initiatives to look at the risks associated with global warming and sea level rise. Consequentially, Mr. Deledda feels that with regards to upgrades performed at the pump stations steps could be taken to address possible sea level rise such as raising electrical equipment and considering watertight, covered electrical parts or panels.

Director Nettleton also addressed his request for by-pass connections at the pump stations. These would entail pipes being installed at the stations that would allow a spare pump to be run by a generator, providing its own pumping ability, allowing by-pass of the station. After a bad storm the hope would be a generator and pump would allow the station to be immediately back in service if the station did not suffer structural damage.

Update on 75 Stillman Avenue Demolition Clean Up:

Town Engineer Scot Deledda provided a handout to the Board members outlining the project status of the former CT Casting Mill demolition.

Mr. Deledda informed the Board that Standard Demolition Services Inc., the demolition contractor, as of this date, has completed 11 of the 15 days of the base period of the contract. Mr. Deledda stated that during a conversation with the project manager from Standard Demolition, he informed Mr. Deledda that they may have a week and a half remaining. The reason for the additional required time is, initially when the project began, it required a lot of additional time to segregate waste that wasn't initially anticipated. By having this separation of material at the site, the Town was able to save considerably on the disposal cost per tonnage when it was shipped offsite for disposal. There have been twelve (12) 22-Ton loads of material waste shipped from the site.

In addition, clean up along the river edge may be a bit more time consuming as well. The slab is more complex than originally thought. Now that the demolition has been removed, holes and sluice ways in the slab have been brought to light.

Mr. Deledda estimates the remaining work to entail thirty (30) 25-ton loads to be removed, 2-1/2 weeks of labor, additional asbestos monitoring, and miscellaneous expenses (slab treatment, fencing, site stabilization, etc) for an approximate cost between \$400,000 - \$450,000. This figure together with the past expenses of demolition (Ocean Trace, Chemscope and environmental services) brings the estimated total close to \$635,000. A total of \$725,000 has been set aside for the project.

Danielle Chesebrough asked Mr. Deledda if the number included any testing of the soil in and around the area to determine what future uses could be at the site. Mr. Deledda stated no, the Town is only focused on building debris removal at this time and making sure the property is stable and secure. A lien has been placed against the property for the demolition and cleanup of the area. As Mr. Frishman noted, it is probable that the Town will take possession of the property due to the lien, back taxes, and fines owed by the owners.

Update on Town Dock Fuel Tank Replacement:

Mr. Deledda brought the Board up to date on the Town Dock Fuel Tank, noting that the Town is working with two consultants on the project. The plan for the Town Dock is a two-phase project. The first phase is to implement a short term mobile fuel service at the town dock to serve the fishermen while the tank removal is in process, and thereafter. The Town is working with fishermen and environmental consultant at CMG, towards that end. The consultants at CMG are in the process of completing a layout of the mobile fuel service with a containment type of pump and preliminary assessment. Mr. Deledda noted once he receives this information back he will relay the information to the Board on the scope, details and cost of the project. The second phase of the project is the tank removal. Mr. Plato Doundoulakis of Atlas Environmental is the LEP (Licensed Environmental Professional) and he is about 95% complete on the

specifications for removing the tank.

Mr. Deledda inquired of the Board of finance if they would be favorable with moving forward on the tank removal portion of the project. Mr. Deledda stated he has had interest from the private sector in submitting proposals for the tank removal. The estimated cost for the project is in the \$40,000 range. This would include tank removal, minor amounts of remediation, environmental testing and the close out. Mr. Deledda would like to receive a number of proposals based on the specifications set forth by Mr. Doundoulakis and then come before the board for a bid waiver on the project.

Chairwoman Strunk received approval from the Board members for proposals to be received for the tank removal, however, Mr. O'Brien did express concern and noted that he was in agreement only if this process didn't lock them out of options further on down the road. Mr. Deledda noted that in his opinion it would not limit options going forward. The DEEP has relayed that it would like the tank removed, and should the Town do so, a better understanding of the soil conditions could be obtained and with a small amount of remediation of possible diesel contaminates, a tank closure could be completed, possibly creating a site for a more permanent and efficient mobile fuel service delivery system. Mr. Deledda will have further conversation with DEEP officials regarding the site and the tank removal and will update the Board members with that information once received. In addition, Mr. Deledda will move forward in obtaining quotes from the private sector on tank removal and will come before the Board with that information.

It was noted by Ms. Chesebrough that the grace period provided by Best Energy, the mobile fuel truck provider, ends on September 12th, and the fuel costs will be increasing an additional \$1,250 per week for the fishermen, creating a sense of urgency to move forward towards a solution.

Discussion of possible bond refunding:

Chairwoman Strunk updated the Board members informing them that the bond refunding for older outstanding debt will be taking place. The bond issued in 2012, for \$8 million at the 20-year bond rate of 3.2% will be callable in April 2020, meanwhile, in February 2020 a new bond will be issued for 1.9% at an interest savings to the town of about \$500,000. The terms of the bond will remain the same. The funds from the new bond will be placed in escrow until the 2012 bond is called. This gained approval by the Board of Selectmen at their meeting last week.

Discussion of school project bonding:

Chairwoman Strunk states there is a BAN (bond anticipation note) coming due in October. It was anticipated that when the BAN became due a final

funding for the schools could take place. With the delay in completion, it was proposed that rather than do a full 20-year bond for another \$6-1/2 million, that the BAN extend one more year. After discussion with Director Sullivan it was determined that a final bonding of \$4-1/2 million should be undertaken to final bond for the school projects.

Discussion of projected year end fund balance:

The Board members reviewed a Fund Balance History dated 8/26/2019. Director Sullivan noted a correction on the spreadsheet, the add back savings for the teacher's retirement and contingency for MBR was already taken into consideration and therefore should be removed. The total coming back to fund balance from unused CIP totals \$1,029,000. It was discussed and decided that these monies will remain in CIP, and allocated to future CIP projects. Actual fund balance is two (2) months operating budget.

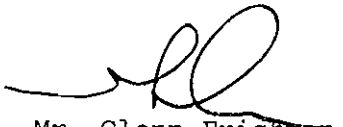
K-12 Bid Waiver request: Mr. Frishman made a motion to approve the bid waiver request for Edward French & Son in the amount of \$10,400 to excavate existing stone dust in the West Vine Street School sensory garden and replace with paved asphalt. The bid was the lowest bid received. The work is being performed due to rain washing away the stone dust, the landscape architect has suggested the paved asphalt will be a permanent fix. Mr. O'Brien seconded. **Motion carried.**

Discussion of Meeting Secretary Stipend: Chairwoman Strunk proposed an increase to the secretary's stipend. Mr. Frishman made a motion to increase the stipend and Ms. Chesebrough seconded. The increase is suggested due to the length of the meetings, the detail of the minutes and the hours required by the secretary. The rate was increased to \$225 per meeting. **Motion carried.**

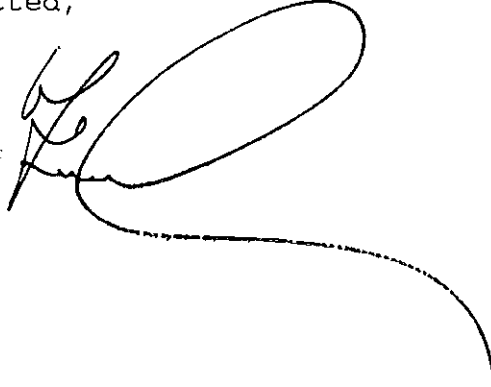
Discussion of WPCA/Housing Authority Audit: Mr. White made a suggestion to the Board that for this audit year, one of the additional tasks that the Board could ask the auditor to comment on is WPCA and Housing authority's compliance with the state statutes. State statutes set certain accounting requirements for authorities, and the auditor could determine whether these authorities are meeting the minimum accounting requirements. Director Sullivan stated the Housing Authority has their own audit completed annually, with compliance with federal and state statute. He also stated that the WPCA is included in the Town's audit. The actual fund balance in excess of two months operating on July 1, 2019 is \$5,019,668 of which \$3,065,497 is currently budgeted for use of fund balance.

With no further business Mr. Frishman made a motion to adjourn the meeting at 9:38 p.m, Mr. O'Brien seconded. **Motion carried.**

Respectfully submitted,



Mr. Glenn Frishman
Secretary



2019 Stonington Pump Stations Priority List

Diving St.

- Electrical Controls need complete up-grade:
 - New 3 phase pumps, automation, vfd's
 - New Alarm system
 - No depth to wet well / 4 feet from the beach
 - Purchase and install Missions System to Replace SCADA
 - New Control System
 - Cost 45,000

Pump Station Work In Progress

Cutter Dr.
Replacing Pump #1 & #2
Replacing Rail system

River RD. PS#3

- Both pumps run most of the time:
 - Quote for installation of third pump
 - Automation control for three pumps
 - On the Pawcatuck River
 - High Priority – takes two pumps to pump flow. Pumps cannot be serviced as needed.
 - Purchase and install flow monitoring equipment
 - Purchase and install Missions System to Replace SCADA
 - Cost \$183,000

Ensign Ln.
Replacing Pump #2
Replacing VFD #2

Extrusion Dr.

- Pumps #1 and #2 cannot be pulled:
 - By-Pass Pump
 - Electrical upgrade
 - Rail system for Pump #1 & Pump #2 installation
 - Purchase and install flow metering
 - Purchase and install Missions System to Replace SCADA
 - Cost -\$88,000

Spellman Dr. Pump Station #2

- Pumps #1 and #2 cannot be pulled:
 - By-Pass Pumping required
 - Rail system for Pump #1 & Pump #2 installation
 - Purchase and install flow metering
 - Purchase and install Missions System to Replace SCADA
 - Costs \$108,000

White Rock

- Pumps #1 and #2 cannot be pulled:
 - By-Pass Pump
 - New pumps
 - Rail system for Pump #1 & Pump #2 installation
 - New Control System
 - New Alarm system
 - Purchase and install flow meter
 - Purchase and install Missions System to Replace SCADA
 - Cost: \$108,000

Mechanic St. PS #1

- One new pump - \$50,000
- Flow meter purchase and install
- Purchase and install Missions System to Replace SCADA
- \$58,000

Walcott Ave.

- #1 and #2 pump original pumps, pulled and de-ragged 2-3 times per week.
 - New pumps
 - New Control System
 - New Alarm system
 - Flow meter purchase and install
 - Purchase and install Missions System to Replace SCADA
 - Cost -\$78,000

Boulder Ave.

- #2 is original pump, pulled and de-ragged twice a week.
 - New Pump
 - New Control System
 - New Alarm system
 - Flow meter purchase and install
 - Purchase and install Missions System to Replace SCADA
 - Cost \$78,000

Quarry Path

- Broken discharge valves, RTU communications intermittent.
 - Replace discharge valve
 - New Control System
 - New Alarm system
 - Flow Meter purchase and install.
 - Purchase and install Missions System to Replace SCADA
 - Cost \$98,000

Pawcatuck Ave.

- Needs Automation up-grade, No level control in wet well
 - New Control System
 - Purchase and install flow metering equipment
 - Spare Pump
 - Purchase and install Missions System to Replace SCADA
 - Cost - \$55,000

Maritime Dr. Pumping Station

- New Control System
- Purchase and install flow metering equipment
- Spare Pump
- Replacement of generator
- Purchase and install Missions System to Replace SCADA
- Cost - \$118,000

Shawondassee Dr. Pumping Station

- New Control System
- Purchase and install flow metering equipment
- Spare Pump

- Purchase and install Missions System to Replace SCADA
- Cost - \$45,000

Hewitt Rd Pumping Station

- New Control System
- Purchase and Install flow metering equipment
- Spare Pump
- Purchase and install Missions System to Replace SCADA
- Cost - \$56,000

Cutter Drive Pumping Station

- New Control System
- Purchase and Install flow metering equipment
- Spare Pump
- Purchase and Install Missions System to replace SCADA
- Cost - \$55,000

Lindberg Rd Pumping Station

- New Control System
- Purchase and install flow metering equipment
- Spare Pump
- Purchase and Install Missions System to replace SCADA
- Cost - \$55,000

North Mystic Pumping Station

- New Control System
- Purchase and install flow metering equipment
- Spare Pump
- Purchase and Install Missions System to replace SCADA
- Cost - \$55,000

Replacement of dimlnutors (3)

Cost \$45,000 / unit = \$135,000

Total Capitals – Pumping Stations = \$1,418,000

Collection System – TV Camera Trailer \$148,000

Small Vac trailer mounted unit - \$165,000

By-Pass Pump with level sensors - \$85,000

By-pass valving at 13 of the 17 pump stations at a cost of 25,000 - \$35,000 each. (\$455,000)

Totals Pump Station Improvements and collection system equipment – \$2,271,000

2019 Stonington Plant Maintenance Priority List

Pawcatuck

- #1 Primary Tank Repairs
 - Cross collectors motor & gearbox; NEP&V order & install
 - Suez to drain tank & Inspect; W&S quote of repairs - \$105k
- Secondary Clarifiers
 - Scum Troughs; Suez drain & repair
- Bio filter- Media replaced & piping repairs – 29,000
- Mobile Generator 240v 15 kw; out of service- Replace -\$35,000
- Roof Replacement - \$165,000 SWAG

Stonington Borough- Diversion Project

- Consider covering U-V channels - \$27,000/ Plant X(3) = \$81,000
- Service Water has leaks and no automation; Replace- \$131,000
- Roof Replacement - \$130,000 SWAG

Mystic

- BioMag- DEEP Parts List suggested stock parts- Quoting
 - Compressor -
 - Kady Mill -
 - Dryer –

****I&I Study** – Since this study has not been started to date but will hopefully be completed in the next 15 to 18 months, I can't estimate what the costs to remove the I&I issues within the collection system at this time.

*****Diversion Project** – Many of the improvements to the Borough Facility and to the Rose Lane Odor control Facility not listed here have been included in this project.

Facility CIP - \$676,000 not included in the Diversion Project.

Totals with collection system improvements \$2,947,000

STONINGTON FISCAL YEAR	15/16	% Increase	16/17	% Increase	17/18	% Increase	Projected 18/19	% Increase	Budgeted 19/20	% Increase
BUDGETED REVENUES	61,218,458	5.13%	63,463,013	3.67%	65,703,180	3.53%	67,401,486	2.58%	70,583,323	4.72%
BUDGETED EXPENDITURES	(61,218,458)	4.61%	(64,013,013)	4.56%	(67,596,480)	5.60%	(70,251,486)	3.93%	(73,648,820)	4.84%
Budgeted Increase (Decrease) in Fund Balance	-		(550,000)		(1,893,300)		(2,850,000)		(3,065,497)	
FUND BALANCE 07/01/NX	13,971,325		15,189,339		16,524,365		17,946,471		17,294,471	
Actual Net Increase (Decrease) in Fund Balance	1,218,014		1,335,026		1,422,106		(652,000)		(3,065,497)	
PROJECTED FUND BALANCE AS OF 06/30/NX	15,189,339		16,524,365		17,946,471		17,294,471		14,228,974	
Reserve for following year's budget- 2 Months Operating Unrestricted	10,668,836 4,520,504 <u>15,189,339</u>		11,266,080 5,258,285 <u>16,524,365</u>		11,708,581 6,237,890 <u>17,946,471</u>		12,274,803 5,019,668 <u>17,294,471</u>		12,520,299 1,708,675 <u>14,228,974</u>	
	(10,668,836)		(11,266,080)		(11,708,581)				50,000 110,000 <u>160,000</u>	
08/26/19										
18/19 Revenues	69,267,028						SMS A/C W/ Fi controller		22,000	
18/19 Expenditures	(69,919,025)						SMS parking plan		109,000	
18/19 Increase (Decrease) to fund balance	(651,997)						Bus Yard 2020		290,000	
							Bus Yard 2014		108,000	
							MMS Roof		500,000	
									1,029,000	
Total coming back to fund balance									<u>1,189,000</u>	
Projected Adjusted fund balance 06/30/20									<u>15,417,974</u>	
Anticipated unused bonding authority:										
PMS									239,900	
DMS									1,661,400	
WVSS									218,900	
CM Contingency									1,100,000	
									<u>3,220,200</u>	