

TOWN OF STONINGTON
BOARD OF FINANCE
Stonington Police Department Meeting Room
Wednesday, October 2, 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, Lynn Young, Blunt White, Tim O'Brien, Michael Fauerbach and Danielle Chesebrough. Director Jim Sullivan was in attendance.

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

Pledge of Allegiance

Comments from the public: None

Previous Minutes: Mr. Frishman made a motion to approve the September 4th minutes, Mr. O'Brien seconded. After a few corrections were noted, the amended minutes were approved. The motion was unanimously approved. **Motion carried.**

New Business:

Chairwoman Strunk asked the members to move the order of the agenda with respect to Public Works Director Barbara McKrell, who had recently returned to work after an injury and limit her time required at the meeting. Mr. Frishman motioned to change the order of the agenda; Ms. Young seconded. The motion was unanimously approved. **Motion carried.**

Bid Waiver Request:

Public Works Director Barbara McKrell requests bid waiver to purchase bulk salt from Morton Salt Inc. at a fixed price per ton for the season at \$65.87 a ton, per CRCOG bid #686. The salt is delivered to the Town by Morton Salt. Director McKrell pointed out that Morton Salt is the low bidder and actually \$1.00/per ton less than last year. Last year, a light winter, the town used 882 tons of salt, the year previous, 1,430 tons. Approximately 80 -100 tons of salt are used per treatment for the entire town road system. Ms. Young motioned to approve the bid waiver request; Mr. Fauerbach seconded. The motion was unanimously approved. **Motion carried.**

Additional Appropriations:

First Selectman requests an appropriation of fund balance of \$10,000 for additional compensation for the Town Engineer and Highway Supervisor, of \$5000.00 each, for the extra duties each had to undertake during the absence of the Director of Public Works. Ms. Young made a motion to approve the request, Mr. Frishman seconded.

Selectman Rob Simmons spoke to the board noting that upon Director McKrell's accident and subsequent absence from her duties, he had appointed Town Engineer Scot Deledda as Acting Director of Public Works for Facilities and Highway Supervisor Tom Curioso as Acting Director of Public Works for Highway for a period of ten (10) weeks. Both accepted the appointment and immediately began performing in Selectman Simmons's opinion, an outstanding manner. Selectman Simmons stated that it is also his opinion that when staff members step up in an emergency to fill a gap and do an extraordinary job that some type of recognition is necessary, and past precedent is to provide a certain amount of stipend on the basis of the work they've done.

Director of Administrative Services, Vincent Pacileo added that per contract, the Town is able to provide a one-time performance award for exemplary performance. The award will compensate Mr. Deledda and Mr. Curioso for their service during those ten (10) weeks, calculated at 5.5% of their annual salary. The motion was unanimously approved. **Motion carried.**

First Selectman Rob Simmons requests an appropriation of fund balance of \$35,000 for drainage project at 67 Moss Street, Pawcatuck. Mr. Frishman made a motion to approve the request, Ms. Chesebrough seconded.

Selectman Simmons had received a call from Mr. Brandon Murphy, homeowner of 67 Moss Street. Mr. Murphy had received a permit from the Town of Stonington to install a pool at his residence and upon so had hired a contractor to install the pool. When the contractor dug the hole, they found a drainage pipe. There is no easement and no real indication that there was a pipe there, that in fact travels under three (3) properties. Selectman Simmons stated a number of alternatives were considered and the most beneficial long-term solution is to redirect the storm drainage along Locust Street to the existing system within Moss Street. This stormwater runoff will not require treatment at the sewer facility. The cost of this resolution is approximately \$35,000.

Selectman Simmons also stated he will be asking for a bid waiver to enable to project to move quickly. Any delay could see the cold weather close in and the homeowner will end up with a huge hole in their backyard throughout the winter, in addition to not being able to do any digging and blacktopping on the street as all of the blacktop factories shut down.

Selectman Simmons stated that in his opinion, the homeowner did everything correctly, however, the Town's records were not complete. Noting that this is frequently encountered, not due to what the Town has done or failed to do but due to the process during a time many decades ago when records didn't accurately reflect all of the work performed.

Chairwoman Strunk acknowledged that over the past several budget years Planning Director Jason Vincent has asked for funding for a technological unified system that would match up maps and records. Chairwoman Strunk asked Director Vincent if this system would reduce incidences such as this. Director Vincent stated that the Geographic Information System is the a very good asset management tool and continued investment in this system would certainly create a good framework for the Town.

The motion was unanimously approve and the **motion carried** for the appropriation of fund balance in the amount of \$35,000.

Review of year to date additional appropriations from fund balance for fiscal year FY19/20:

Chairwoman Strunk reviewed the additional appropriation calculations provided to the Board from Finance Director James Sullivan. The additional appropriations that are allowed for FY19/20 is \$368,244 or .5% of the annual adopted budget of \$73,648,820. To date \$25,497 has been appropriated, with \$45,000 pending after this evening's meeting for a total requested additional appropriations YTD of \$70,497.

Bid Waiver Requests

Town Engineer requests bid waiver for Town Dock tank removal project.

Town Engineer Scot Deledda spoke to the Board on the status of the tank removal project. The town dock has an existing 20,000 gallon underground storage tank which was used for diesel fuel for the commercial fishing fleet. This tank has reached its useful life and needs to be removed. Mr. Deledda briefly discussed the flowable fill option that had been brought up during previous meetings and noted that during his conversations with Mr. Plato Doundoulakis, the licensed environmental professional working with the Town on the project, it was stated that the flowable fill option is used when the tank can not be removed from the ground and that is not the case. Mr. Doundoulakis provided specifications for the tank removal.

During the tank removal process, the tank and immediate area will be examined for any signs of leaks. If it is determined that there are other issues in the ground that are not associated with the tank, Mr. Deledda was told that it is not regulated under the UST program. Some spot soil remediation may be required and that will be under the supervision of Mr.

Doundoulakis.

Three (3) bids were solicited for the tank removal process and Mr. Deledda provided a memo to the Board dated October 2nd listing the bid results and a construction estimate. Service Station Equipment, Inc. represents the lowest qualified cost at \$17,328. There are other costs associated with the project that are not currently included in the bid such as backfill material, filter fabric, LEP and inspection services. These items can be provided by the town to the contractor at cost, allowing additional savings. The current request is for a bid waiver in the amount of \$17,328 and the use of approximately \$38,000 of funds from the remaining UST budget which has \$117,000.

Mr. Blunt White made a motion to approve the bid waiver in the amount of \$17,328 for Service Station Equipment. Ms. Lynn Young seconded. The motion was unanimously approved. **Motion carried.**

Town Engineer requests bid waiver to contract with Peter Turello, LLC to perform drainage work at Locust and Moss Streets for \$18,900. Mr. Frishman made a motion to approve the waiver, Mr. White seconded. All members of the Board agreed this was discussed during the fund appropriation request from the First Selectman and approved Mr. Deledda's request. The motion was unanimously approved. **Motion carried.**

The K-12 Building Committee requests a bid waiver to have G. Donovan Associates, Inc. build a GAGA pit at Dean's Mill School for \$26,692.00. G. Donovan is an approved vendor on the CT State bid list. Ms. Young motioned to approve the waiver, Ms. Chesebrough seconded.

Ms. Chesebrough, along with other members of the Board, questioned Chairwoman Strunk on what a GAGA pit was. Chairwoman Strunk stated that GAGA is a Hebrew word for touch and the GAGA pit is an enclosed area where the children play a type of dodgeball with soft foam balls. The Dean's Mill School has had a GAGA pit for several years, however, during the construction phase the pit had to be moved several times and now the structure can no longer be put back together and a new pit and permanent placement is being sought. The actual enclosure is inexpensive, the cost is in the cement base, walkway and ADA ramp walkway. Mr. O'Brien asked if any of the other schools have a GAGA pit, and they do not. Ms. Chesebrough asked if a cement base was the best and only option and Mr. Fauerbach stated it was his understanding that previously the base was not cement. Based on this decision to have the cement pit, Chairwoman Strunk said that the pit cannot be installed on the playground area as that area has a cushioned surface and a GAGA pit would ruin the surface area. A current sensory garden in the area between the two playgrounds prevents it from being installed there. Therefore, the area available is outside the playground area on a sloped, elevated area, which will require cement walkways and ADA accessibility.

Although much discussion about the proposed GAGA pit took place, Mr. O'Brien pointed out that it is the Board's objective to approve or disapprove the K-12 Building Committee's request for a bid waiver to G. Donovan Associates for the installation of the GAGA pit, the Board has no say in the merit of the proposal. Chairwoman Strunk agreed, stating that the money had already been budgeted.

Mr. Fauerbach inquired on why there was such an urgency that a bid waiver is required. Chairwoman Strunk stated that the K-12 Committee had approved the plan and they want it installed before the concrete plants shut down for the season.

Many of the Board members agreed that the \$26,692 dollar price seemed high when the GAGA ball pit itself is \$1,500. The remainder of the cost is excavation, concrete and ADA compliance. Chairwoman Strunk did state that the ADA compliant sidewalk will also be used to gain access to a shed so it will have dual usage. Another concern of the Board members was being left with an expensive concrete pit should interest in GAGA wain or a child gets injured and the decision is made not to use it.

The final decision to approve the request for the bid waiver was five (5) yes votes (Strunk, Frishman, Chesebrough, White and O'Brien) and (2) no (Young, Fauerbach). **Motion carried.**

Mr. Jason Vincent, Director of Planning requests Board approval to engage a consultant to help with Historic Building designation status for portions of Pawcatuck Village.

Director Vincent provided a Project Overview to Board members outlining the project proposal. The cost of the proposal will be paid for using a portion of the Planning Department professional services line item. Director Vincent would like to hire a historic preservation expert to create a historic district nomination for the Pawcatuck River Bridge area. There are approximately 20 properties in this neighborhood, which are not part of either of the abutting National Register of Historic Districts of Downtown Westerly or Mechanic Street, Pawcatuck. By securing a State Register of Historic Places designation, the Town may be able to remove some of the barriers that limit private investment and preservation of these properties. Many of the older buildings located in this neighborhood are located in a FEMA (Federal Emergency Management Agency) designated floodplain. Buildings located within a floodplain must comply with FEMA and State Building Code floodplain requirements when improvements are proposed. However, historic buildings are exempt from many of these requirements, provided the historic elements are not eliminated. The most significant floodplain limitation is the Substantial Improvement threshold, which limits improvements to 50% of the value of a structure.

This is a significant barrier for properties that have any vacancy. For example, the recently acquired 34 West Broad Street has a building value of \$244,000, providing the property owner with the ability to invest only up to \$122,000 in the building over the course of a year.

Director Vincent discussed a letter from the State Historic Preservation Office (SHPO) stating that four (4) properties along West Broad Street are eligible for listing in the State Register of Historic Places as a district at the local level for their historical significance. This would be solely a recognition program and not a regulatory program. By hiring a consultant to assist with the approval process they could provide insight and guidance towards gaining that approval.

Mr. White had concern that these buildings were located in flood prone areas, and any bank willing to consider financing would request that the building be raised. Mr. White asked Director Vincent how that could be accomplished on these older buildings. Director Vincent suggested property owners had other methods of financing available to them and the 1st floor of these buildings could be made flood proof. Mr. White still expressed concern, and cautioned labeling a building as historic possibly limiting reconstruction and/or removal/rebuilding at a later date.

Mr. O'Brien concurred with Mr. White's statement, adding that they are dealing with two structures at the Mystic Boathouse that cannot be torn down due to their designation as historic. Understanding that certain properties in the downtown Pawcatuck district should be designated as historical, Mr. O'Brien also expressed caution labeling structures that may need to be torn down.

Ms. Chesebrough added that without the possibility of historic designation and private investment, many of these older buildings will not be considered for rehabilitation and also added there are options that would allow water to pass through the 1st floor of a building rather than having to raise an entire building.

The purpose of the discussion was informational, and the Board thanked Director Vincent for his time.

Review of Board of Education monthly line item transfers.

There were no monthly line item transfers noted. The Stonington Public Schools Global Report for month ending August 31, 2019 and found online on the BOE website was reviewed.

Ms. Chesebrough inquired to Chairwoman Strunk if she had received any response to the Finance Board's request to have the Board of Education Finance Director in attendance to answer questions and concerns of the Board of Finance. Chairwoman Strunk stated that Superintendent Dr. Van

Riley has relayed to her that he would like a specific list of questions that the Board of Finance has on line item transfers so that they could be addressed and returned. Chairwoman Strunk had replied that the Board of Finance would like to have someone at the meeting to explain and discuss the questions.

Mr. White made the observation that the BOE's first financial report of the year to the Board of Finance (Global August 2019) shows a continuance in the shorting of monthly payments due to the Town for BOE employee health insurance coverage. If the BOE continues this course of conduct it will be the 3rd consecutive year of their unilateral action to short the monthly payment amounts as determined and required by the Town's Actuary (Lockton) for payments into the Town's self-funded health insurance plan. Mr. White rhetorically asked what would happen to us as individuals if we shorted our monthly health insurance premium payments?

Chairwoman Strunk stated that currently they are looking at bifurcating the health insurance accounts as there is a significant difference in the amount of monies that is used to offset for claims on the government side vs. the education side. This is due to the types of plans provided. With the BOE plans, 90% of all participants are in a high deductible plan and that is not the case on the government side. The BOE is going by their consultant's determination of what should be contributed into the plan. Part of the memorandum of understanding, which is close to being completed, splits up the dollars contributed to the plan, so each party knows how much they have in their pool for claims. Should any one of those pools of money goes to zero, which due to the stop loss insurance would be very difficult, one plan pool could borrow from the other plan's pool to offset that gap for a period of one fiscal year. That money would need to be paid back immediately in the next fiscal year. Further discussion is expected.

Chairwoman Strunk brought attention to certain Board of Ed documents meant for delivery to Chairwoman Strunk that were discovered in the interoffice mailbox at the Town Hall which Director Sullivan delivered at this evenings meeting. The documents, some dated as of November 2018, were Memorandums of Understanding for BOF-BOE Revenue, Interoffice Memo's, Summary of Enrollment 2010-2018, CIP drafts for FY19/20, and summary of the new Stonington Public Schools District Office Learning Annex. After a very brief review, the documents were returned to Director Sullivan and he will make copies and deliver to all Board members for their record.

Update on 75 Stillman Avenue (CT Casting building demolition) cleanup.

First Selectman Rob Simmons briefed the Board on the collapse of the building at 75 Stillman Ave earlier this year. Over the intervening months, the Town Engineer, Dept of Public Works, Planning Dept, Police and Fire Departments have been intensely engaged in trying to first stabilize

the property, which was done on emergency order through the CT Dept of Public Health, then secondly, remove the materials that formed the mass of the demolished building.

There was a rumor of asbestos, but it has been determined that most of the asbestos remediation had previously taken place. There are PCB's underground on the property and they remain underground on the property. The Town is not considering excavation to remove that hazard for the obvious reason it could be extremely expensive. There are other hazards on the property, namely lead, usually from lead paint. The site is currently remediated from the standpoint of all of the environmental hazards. The yellow tape and warning signs have been removed, and the Town has moved to stabilize and secure the site.

Selectman Simmons stated that it is his opinion that the owner has abandoned the property. The Town does not own the property. The Town attorneys are working on a final disposition of the ownership of the property and the Town does have a lien against the property for the demolition costs incurred by the Town. Certain items that may be considered as having value have been secured, mostly granite sills and lintels.

There are also three boats on the property, all in disrepair and with lapsed registrations. The Town has traced the ownership of the boats, the owners have been contacted, and they have stated they do not want the boats. The Town has arranged to remove the boats from the Stillman Ave property and relocate them to the transfer station for safekeeping, having first photographed them so that any claims might be avoided. The current property owner had nothing to do with the boats, but a potential purchaser of the property, the deal of which had fallen through, had discarded the boats on the property. The Town Attorney will be documenting and protecting the Town from any future claims.

The challenge that the Town faces now is calculating the cost of the Town's investment in securing and cleaning the property and placing it with the Town Attorney for additional liens on the property. Finance Director Jim Sullivan will be discussing the situation with CIRMA, the Town Insurer, whether the Town can make any insurance claims on the basis of what the Town had to do. The Planning Department will also be looking into any State monies available to offset the cost of the demolition.

Planning Director Jason Vincent spoke to make a specific point that the only environmental remediation that has been done on the property has been remediation of all the structural elements, the subsurface has not been remediated. Selectman Simmons added that through discussions with the EPA, it has been discovered that the EPA's records of the site's PCB contamination have been destroyed. After a month of inquiries to different entities within the State of CT, a report from an environmental remediation group was discovered.

It is Selectman Simmons vision to place off street parking on the north side, fill that area and run steps down to the south side, cover it with earth and grass and call it open space. Due to its location in a flood zone and what may be underground he does not see the property ever being developed again.

Execution of "2020 Regular Meeting Schedule".

The Board discussed the meeting schedule for the calendar year 2020. The Board will meet on the 1st Wednesday of each month, with the exception of January which due to the holiday will be changed to January 8, 2020. The meeting time will commence at 7:15pm and be held at the Stonington Police Department community room. Mr. Frishman made a motion to approve the schedule as discussed, Mr. White seconded. The motion was unanimously approved. **Motion carried.**

Liaison Reports:

Library Sub-Committee:

Ms. Chesebrough was pleased to announce a very productive library sub-committee meeting had taken place. An agreement with the libraries has been reached with all parties satisfied with the outcome. The original formula that was on the table, to distribute available funding as 50% to Stonington Free Library, 25% to Westerly Public Library and 25% to Mystic-Noank Library was agreed upon. Ms. Chesebrough will be forwarding an email to the Board members outlining the decision. Being an active part of the discussion and meeting, Ms. Young added that an important note of mention is the fact that the libraries provide many more services than people imagine and they are truly intergenerational. There's no particular demographic and they provide a list of services that range from helping a senior citizen load an app onto their phone to audio books, newspapers, and films in addition to community meetings and meeting rooms. Ms. Young stated she will be requesting additional funding for the libraries going forward.

WPCA Liaison Report:

Mr. White distributed a memo to the Board members dated 9/19/2019 regarding a Review of WPCA CIP Memo 9/4/2019 and Financial Analysis - Liaison Recommendations.

Per Mr. White, during a Board of Finance meeting on September 4, 2019. WPCA Director Doug Nettleton presented estimated CIP costs for the next 3 5 years totaling \$2,947,000. It is Mr. White's recommendation that the

Board of Finance recommend to the Board of Selectmen and WPCA the development of a formalized funding plan.

Ms. Young had questions and concerns regarding Mr. White's proposal and it was suggested that further discussion take place during a scheduled WPCA Sub-Committee meeting.

Chairwoman Strunk gave an update to the Board members on the S&P Rating meeting that happened on this day. On October 9th the rating agencies will decide what the rating of the Town will be. The items of interest that were pointed out as far as the Town's fiscal responsibility were all answered in a positive response. Chairwoman Strunk noted that last time, if not for the fiscal problems with the State of CT, a triple A rating could have been realized. After the reaffirmation or rating change the next funds are going to be sold on October 17th.

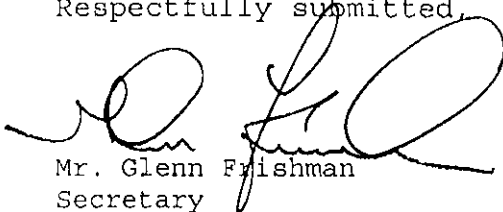
Mr. Fauerbach informed Board members that in his role as liaison to the Town Offices, he was invited to a demo on a new online permitting system called Viewpoint. Whereas right now permitting is a very manual process, this system integrates information from different departments across the Town, all done online, and links into the GIS System. When inspectors go on site, they would utilize their iPad where they would have access to all of the regulations allowing the permitting process to be automated, including the end user fees which would be collectible online. Mr. Fauerbach stated this company has a contract with all of the towns in the State of Rhode Island and he expects the Board will be hearing an additional appropriation request from Director of Assessment Marsha Standish whose department will benefit greatly from such a resource.

As Chairwoman Strunk is running for Second Selectwoman, this was her last meeting on the Board of Finance. She thanked everyone for working together and stated that it has been an absolute profound privilege and an absolute pleasure to be Chair and she will greatly miss being on the Board.

Ms. Danielle Chesebrough, running for First Selectwoman, and this being her last meeting as well, echoed the Chairwoman's statement, thanking the Board members for all of their work and stated what a pleasure it has been working with everyone.

With no further business Mr. Frishman made a motion to adjourn the meeting at 9:17 p.m, Ms. Young seconded. The motion was unanimously approved.
Motion carried.

Respectfully submitted,



Mr. Glenn Frishman
Secretary