



TOWN OF DARTMOUTH MASSACHUSETTS

Finance Committee
400 Slocum Road
Dartmouth, MA 02747
Phone (508) 910-1802
Fax (508) 910-1885

Shannon Jenkins, Chair
Mary Louise Nunes, Vice-Chair
Stephen Mitchell, Clerk

Pursuant to a call to order and notice duly given in the manner required by law and the By-laws of the Town of Dartmouth, a meeting of the Finance Committee was held on Thursday January 7th, 2010 at 6:30P.M. at the Dartmouth Town Hall, Room 315.

Members Present: Peter Friedman, Greg Lynam, Stephen Mitchell, David Ferreira; Shannon Jenkins, Jason Wentworth, Patrick Roth, Barry Walker, Mary Louise Nunes

Members Absent:

Pledge of Allegiance / Agenda Overview

Approval of meeting minutes from December 18th 2010 & December 8th, 2010.

Motion Made by Shannon Jenkins to approve minutes.

2nd: Peter Friedman

Vote: 9-0-0

Reserve fund transfer - \$800 travel expense for town officials to visit compost site in Delaware.

Discussion: David Cressman, Administrator provided an overview about the opportunity to visit a site in Delaware. The committee asked questions about who would be attending and why were three people necessary. The rationale made by Mr. Cressman was that three individuals provide unique insight to the operation and can ask the right questions during the visit so the Town of Dartmouth can make the appropriate decision about the opportunity being proposed to bring this type of composting type site to Dartmouth.

Motion made by Mary Louise to approve the \$800 requested to send (3) candidates to Delaware.

2nd: Greg Lyman

Discussion:

Patrick asked about the \$1,000 still showing in the account. Is there a schedule for this amount? David Cressman answered that he would be attending the Spring Meeting which would exhaust the rest of the funds in this line item account. Therefore a request for \$800 from the Reserve Fund is being made. After further discussion it was agreed that the \$1,000 presently in the line item be used first in lieu of this RFT request. If additional funds are required at a later date then a request for those funds would be entertained at that time.

Motion made by Mary Louise to table this RFT request.

2nd: Barry Walker.

VOTE: 9-0-0

Shannon Jenkins: Defined the process of Reserve Fund Transfers.

Discussion on Wind Turbines –

Barry Walker asked the question: Would you live near a public project like this? YES –
Mr. Walker asked for clarification about from the Alternative Energy Commission – Who is responsible for the bidding of the project? – He stated he would like to see a value in choosing reputable firm to construct. He also stated we need further discussion with in regard to the planning the operation of the twin turbines. Mr. Walker also suggests we begin the conversation to discuss how the revenue from the wind turbines will be managed. i.e.; town-wide enterprise fund with shared revenue to all departments.

Mary Louise asked, when it goes to bid do we have to accept lowest bid? Dave Cressman – In MA yes but there is an exception for a project like this. Mr. Cressman further states that a \$6MM project requires a project manager. Questions still remain about Public Works Chapter or Public Building.

Shannon offered that reputation and quality matter with a project like this. She suggested we higher two firms but one served as a consultant only. Shannon also offered that idea that we should not discuss the management of turbine revenues, since the Turbines are not fully approved by Town Meeting yet.

The AEC Members present stated that they would not be involved in the RFP process - This would be handed over to the town.

David Cressman - Payments VS. Credits - we do not have the answers yet which will dictate how we create the funds and strategy about how revenue will be treated. All we know is that there will be large meters at the Turbines which will be reviewed monthly.

Greg Lyman- Much research has been given and I have made my peace with noise and other factors – Finances are sound at the 100M level. Last concerns include; what are we tasked with in regard to liabilities and liability insurance?

Dr. DiPippo states that there is Warranty periods First 2 years - extended year by year for years 3-5. The town can also purchase a warranty. The maintenance contract is what we purchase right up front. Insurance would require a review and there should be insurance since this is an investment

Committee: How do we cover a \$5MM dollar item?

David Cressman - This will be a special item such as a watercraft for example – We don't know deductible? Dr. DiPippo states that this is Replacement vs. Deductible - Insurance is a condition of the project to build.

Greg Lyman states: As a FinCom we know we need to know the cost of these insurances.

Barry makes a statement: The O&M contract is incomplete - What if it catches on fire? What parts does it cover and which are not?

Jason Wentworth asked for clarification – After 5 years we are on our own in terms of warranty coverage? Correct – except for purchase of warranty coverage.

Patrick Roth states: – Some cost we will not know, but we will never know truly future costs and this needs to be an accepted part of the risk of the investment.

RESERVE VS WARRANTY :

Stephen Mitchell suggested an Insurance Committee Review and investigation is needed - make a presentation to the FinCom to gain further clarification of the cost benefit.

Mike Watson, Selectman, states: The FAA Denied the 100M hub height - no changes to by-law since it approved 100M but it may have a small impact to the economics of the project since one tower will be smaller.

Greg Lyman asked: Why did the cost go from \$9.2MM to \$9.5MM?

David Cressman answered: To capture a small extra amount for contingencies so we would not have to go back to Town Meeting to ask for another approval.

Motion made by Mary Louise to approve Article 1STM

2nd: Jason Wentworth

VOTE: 9-0-0

Announcement of Executive session. The Committee will not reconvene to open meeting.

M.G.L Chapter 39, 23B

Executive Session to hold an initial screening of candidates, including interviews if they are part of the initial screening process, by preliminary screening committee or subcommittee appointed by a governmental body if an open meeting would have a detrimental effect in obtaining qualified candidates.

Stephen D. Mitchell
Clerk