

**BOARD OF FINANCE
AUGUST 28, 2014**

THESE MINUTES ARE SUBJECT TO APPROVAL BY THE BOARD OF FINANCE.

The Board of Finance held their regular meeting on Thursday, August 28, 2014, in the Council Chambers at the Municipal Center, 3 Primrose Street, Newtown, CT. Chairman John Kortze called the meeting to order at 7:33pm.

PRESENT: John Kortze, Harry Waterbury, Joseph Kearney, John Godin, James Filan, Mike Portnoy (7:45)

ALSO PRESENT: Legislative Council Members MaryAnn Jacob, Neil Chaudhary, Ryan Knapp, Bob Merola, Tony Filiato, Phil Carroll, George Ferguson, Dan Amaral, Joe Girgasky, Paul Lundquist, Dan Honan, Lisa Romano, First Selectman Pat Llodra, Finance Director Bob Tait, Director of Planning George Benson, Superintendent of Schools Joe Erardi, Board of Ed Members John Vouros, Kathy Hamilton, Laura Roche, David Freedman, Michelle Ku, Keith Alexander, Debbie Leidlein, Director of Facilities Gino Faiella, Business Director Ron Bienkowski, Deputy Director of Planning Rob Sibley, Michele Hiscovitch, Chuck Boos of Kaestle Boos Associates, GERALYN HOEFAUF of Diversified Project Management, four members of the public, one press.

VOTER COMMENTS: None

COMMUNICATIONS: None

MINUTES: MR. KEARNEY MOVED TO ACCEPT THE MINUTES OF THE REGULAR MEETING OF AUGUST 11, 2014. SECOND BY MR. WATERBURY. APPROVED.

FIRST SELECTMAN REPORT: Mrs. Llodra reports the current excavation on the FHH campus is the completion of the utility loop. The conduit is being laid for phone, cable and power. With the \$200,000 infrastructure grant received 18 months ago, lights, materials and supplies were purchased to complete the loop. Public works is doing the work.

FINANCE DIRECTOR REPORT: None

NEW BUSINESS: Discussion and possible action:

Presentation and overview of space needs study the First Selectman and Superintendent: *Attachments A, B & C* Mrs. Llodra reports the Board of Selectman took action to establish an initiative for a strategic plan for municipal facilities for long term planning, including the reuse of existing buildings. The gift from GE answered the community center initiative in the CIP, combining the resources for a senior center and aquatic center. We have been tracking Senior Center, Police Station and Community Center, but they have been place holders in the CIP. We also have a declining school population which adds to complexity of the discussion. The Board of Selectmen has created a multi phased project-Municipal Buildings Strategic Plan. Phase 1 has been endorsed and funded. GERALYN HOEFAUF, reports the advisory committee will have its first meeting mid- September. Her role is as facilitator and administrator of the process. Plans/recommendations will be developed by the committee. Five steps of the Strategic Plan: 1. Determine goals; Develop comprehensive plan for use and potential improvement of municipal buildings. 2. Collect and analyze the facts. Ms. Hoefauf is gathering existing information on municipal buildings, including plans, maintenance records, improvements, building studies. Advisory committee will review information to determine what is missing. Consultants may be needed to review physical condition of Senior Center, Hook & Ladder and Town Hall South and the cost of improvement or renovations because last assessment was in 1999. 3. Test concepts presented by the facts. 4. Develop alternatives for use of buildings, the costs, and timelines. 5. Finalize and submit a report.

Dr. Erardi stated a facility study done in isolation is not the best plan. The Board of Ed needs to complete 2 things prior to space needs study. The Boards launched a Needs & Enrollment study last spring that will be completed on or before November 1. The 2014 graduating class was 425. The incoming Kindergarten class is 240. We need to look at long term enrollment. The second piece is looking at present space in all our buildings. Around December 1, the Board of Ed should be all in with the space study.

Mrs. Llodra noted this is first time we have done a comprehensive assessment and planning of municipal facilities with town and school together. Everyone needs to address this in a fair, balanced and open minded way.

Ms. Jacob presumes while the committee is doing their fact finding, the Board of Ed will be ready to become full partner in the space needs study. Ms. Hoefauf said it is probable. She is anticipating adding the additional scope. Mr. Merola asked if the past school study will be considered. Mrs. Llodra hasn't given the document to them yet. Mr. Filan asked if it would be better to have Board of Ed people on committee now. Mrs. Llodra said that was left open ended so Dr. Erardi could add members at any time. Ms. Hoefauf said it would help the committees work. Mr. Amaral asked about the past energy audit done on buildings, will it be used. Ms. Hoefauf, said it will be used. Mr. Kearney asked Dr. Erardi what is the current student population and what it is compared to budget projections. Dr. Erardi said we are down 17 in kindergarten but up 27 students over all. Mr. Kearney asked Ms. Hoefauf if she had a timeline of when the committee will be finished. Ms. Hoefauf said she did not because she does not know what information is missing, the committee is all volunteer, if consultants are needed, and because of interaction with various boards. Mr. Kearney is asking because he wants to know if they can rely on some of this info for the next budget. Ms. Hoefauf's hope is they will have a document in 12 months for planning.

Mr. Lundquist asked what the document is going to look like. Ms. Hoefauf said it is the committees plan. She will facilitate and guide the process. The plan will be a compilation of documentation of buildings, projections of what to do with buildings and staff, and implementation of recommendations. The plan will be the aggregate of all the info.

Ms. Jacob pointed out a very good working relationship between the four boards and this is a major project they are working on as a team and they will do more joint meetings for them to facilitate the process.

Mr. Kortze asked if Ms. Hoefauf anticipated the committee meetings being public and recorded.

Mrs. Llodra said they will be public. They may not be recorded based on location, but they will be clerked. Mr. Kortze asked if the scope will include every municipal building and school. The town is anxious to see how the ebbs and flows, such as enrollment, are being addressed. Enrollment and schools is a critical component.

Dr. Erardi said they will be prepared with the data necessary to move forward with the partnership by December 1st. One of the greatest drivers for the budget will be student enrollments. Student enrollment study and space and facilities study will be done.

Mrs. Llodra added not all municipal buildings require an in-depth analysis. The three buildings identified, the multipurpose building, hook & ladder and town hall south, require more. The process is layered. We are being careful how we fund this. The first stage has been funded. Mr. Kortze asked Ms. Hoefauf if she has ever compiled data such as 'what it costs to run a building'. He is interested in cost avoidance. Ms. Hoefauf said she can provide information. She noted these are questions that will be asked in the analysis of buildings.

Board of Selectman CIP: Mrs. Llodra noted there are many moving parts to the CIP, to focus on next year as subsequent years will likely change based additional information from the space needs study strategic plan and the energy audit.

Year 1: Capital Road Program; Amount is increased by a planned \$250,000 each year. Bridge Replacement program will be its fourth year. The State may fund Toddy Hill Rd Bridge. Hook and Ladder, this is year three of three. Year 1 and 2 funds are available, but have not been appropriated because plans are not finalized for construction of the new facility. Addition to Sandy Hook Firehouse substation is due to old equipment needing replacement. New equipment does not fit in the old structure. The fire apparatus replacement, which they have been saving for in capital non-recurring account, is in Year 2. Dickenson parking lot refers to the lower parking lot which has deteriorated. It has a high level of use. Eichlers Cove improvements have been on CIP for 5 years, bath house improvements, facilities and parking lots. Community Center Phase 1 is supported by grants. Streetscape Plan: The Board of Selectmen is recommending carrying in the CIP as a standard item of \$350,000 each year for streetscape sidewalk improvements throughout the community. Streetscape Plan is one of the moving parts. Mrs. Llodra reports they just learned we are likely to receive a HEFCO grant that would be used for sidewalks. Open Space Acquisition: \$250,000 carried every year in CIP. Not for a specific proposal. Funding open space is one of the keys to successfully obtaining grants, it demonstrates a commitment to open space. FFH Building Demolition: We just received a \$200,000 Brownsfield assessment grant to help us identify the level of hazardous material in the buildings and approximate the cost of abatement. Previous 2011 estimate was 3million each to remove larger buildings and \$400,000 each for smaller buildings. We need to continue to make progress on the campus. This is the first time for the Edmond Town Hall and the Library in the CIP. They are iconic to our town and are struggling for resources to maintain buildings.

Year 2: Phase 2 of Fire apparatus replacement. There is \$400,000 in capital non-recurring costs. Community Center: Phase 1 proposal is a 35,000sq ft. building with a senior center and aquatic center. RFQ have gone out. There have been healthy responses; 17 ALE's and 13 CM's. A short list will be developed from those respondents. The short list people will be invited to interview and develop RFP's, with specific cost proposals. Anticipating it will be a standalone building on the former site of Litchfield Hall. Phase 2 of what could be a 3 phase project, is to add a connector building between the community center and NYA. There is an interest by the owners of NYA for the town to purchase the facility. It would house the activities and programs that currently take place in the schools. This is an unknown to be determined. Treadwell Park needs to develop an additional lot.

Year 3: Police Facility Design; conditions in Town Hall South not appropriate for police force. There are four services in the building, Police, Dispatch, Parks & Rec and Social Services. If Community Center is executed, Parks & Rec and Social Services could be moved out of Town Hall South. Dispatch remains an open question. Rebuild or remodel a police facility. Many questions to answer over the next several months.

Mr. Waterbury asked about Dr. Draper's sidewalk project, is it the same project in the CIP. Mrs. Llodra said no, Dr. Draper is doing the sidewalks on the north side of Church Hill Rd. from the flagpole to Sandy Hook.

Mr. Kortze asked why Eichlers Cove Phase 1 is in year 1, but Phase 2 is not until year 3. Mrs. Llodra said they are 2 separate projects. *Attachments D & E*

Board of Education CIP: Ms. Hamilton noted changes were made since last year. The board reviewed the Hawley projects, Phase 2 was increased and Phase 3A and 3B were added. The roof needs to be done sooner, and was separated from the project and placed in year three. Should the building is repurposed based on the space needs study strategic plan, the roof will still need to be done. The Board looked at restoring roofs versus replacing roofs. Mr. Faiella informed the board if a roof is in good condition it can be restored and extend the life for 10 years for significant savings. All the roof projects are in the years they need to be according to the report done in 2013. The NHS auditorium project has changed. This project goes back to 2002. They also discovered last year when the 12/14 Foundation held their productions, that the rigging and lighting are not usable. The board is asking to increase the project by 1.3 million to also address the ADA issues and access to the stage. Mr. Kortze asked if any auditorium work was done during the last renovation. Ms. Hamilton said the last change was done in 1995. Mr. Kortze asked if there is work being done on the auditorium this year for 2.2 million. Ms. Hamilton said yes this is all one project. They need approval of the full 3.5 million dollar project to apply to the state for reimbursement of an anticipated \$534,000 for the code compliance. Mr. Kortze clarified we have a project in the current budget for 2.2 million to be bonded that does not include the ADA issues or any reimbursements. Ms. Hamilton said that is correct and that this needs to be one project for reimbursement. Mr. Kortze asked why this wasn't done last year. Ms. Hamilton said they did not know about the rigging and stage issues. Mr. Boos suggested they address the ADA issues because they could be reimbursed. Mr. Kortze asked how the 1.3 million can be added now after the 2.2 million has already been approved. Mr. Tait said the 1.3 million can be added to next year's budget as the project spans 2 fiscal years. Mr. Filan asked if we would lose the grant if the project is not approved now. Ms. Hamilton said that is correct. Mr. Boos stated instead of doing repairs to the auditorium, we will be getting a new facility that is totally code compliant. Mr. Filan asked how confident Mr. Boos is in getting the \$534,000 reimbursement and is there a chance of additional grants for ceiling changes. Mr. Boos said his degree of confidence is high because it is a code project which the state reimburses for. It is reasonable for the reimbursement to go as high as \$800,000. The project needs to be funded before negotiating with the state for reimbursement. Mr. Kearney thought that certain buildings were grandfathered regarding codes. Have we been cited? Mr. Boos said we have not been cited, and we are not grandfathered. Building code is grandfathered depending on how much you are spending when renovating. ADA is not building code, it is Federal Law. Fire codes are not building codes. Both are always evolving. Mr. Kortze asked what the approved 2.2 million includes. Ms. Hamilton said new seating, duct work, lights, curtains. Mr. Kortze asked if the scope of the project necessitates it being brought up to ADA compliance. Mr. Boos said that is the decision of the local official, but we are in violation. Mr. Kortze said 2.2 million was approved last year. Did we have the wrong number, should the 2.2 million have included the ADA compliance. Mr. Boos said in his opinion if you are going to spend 2.2 million on a room, it should meet current standards. Ms. Hiscovitch added in the 1995 renovations, minimal renovations were done in the auditorium. During the second renovation nothing was done. Seats are falling apart. Audience and floor lights don't work. Duct work is damaged. That was the initial project. Then the 1214 Foundation came in.

The rigging company did inspection of the stage area and lighting and rigging were in code violations. Mr. Kortze asked if the lighting and rigging were to be addressed in the original 2.2 million. Ms. Hamilton said they were not. Mr. Godin asked what degree the floor should be for compliance. Mr. Boos said it needs to be less than 5% and it is currently 8-9%. Mr. Godin asked about the stage. Mr. Boos said if you make the floor complaint, you don't have a stage any more. The stage has to be raised. Access to stage needs to be compliant. Mr. Filan asked with the additional 1.3 million, when the project is done, what will remain to be done to the auditorium. Ms. Hamilton said nothing. Mr. Kortze clarified there is a \$100,000 design fee for the auditorium, so the total project cost is 3.6 million. Ms. Hamilton confirmed. Mr. Kortze stated regarding the Hawley projects, looking at previous CIP's, the numbers continue to morph. He is glad the project has been phased to do the critical part. The 3.7 million is different from the previous years. Is that part of a phase and the balance has been pushed beyond the five years? Ms. Hamilton said it is in the outer years. Phase 1, which has been completed, was replacement of boilers in the 48 section of building. Mr. Kortze asked what the numbers for Hawley's project are in the 6th year of the CIP. Ms. Hamilton said for Phase 3A, 2.65 million and Phase 3B is 6.9 million. She is not recommending the project. Mr. Kortze asked why the Board of Ed would recommend doing anything of this ilk considering the space needs study. Ms. Hamilton said that is why it was pushed past year five.

Attachments F, G, H, I

Senior Tax Relief: Ms. Llodra reviewed Senior Tax Relief for fiscal 2014. Next year considerations for medical costs will be added to the tax abatements. Mr. Kortze asked of the people in the top bracket, do you think we set the program up to attract as many as possible. Mrs. Llodra was not sure it was well known because the decision was made late. Mr. Kortze attended the ordinance committee meeting regarding income limits/asset test and stressed it has to be needs based. *Attachment J*

Transfers:

MR. KEARNEY MOTIONED TO APPROVE THE TRANSFER FROM (1-101-13-500-5580-0000) \$600 FROM DUES, TRAVEL & EDUCATION, (1-101-13-650-5430-0000) \$2,200 FROM REPAIR & MAINTENANCE SERVICES, (1-101-13-650-5615-0000) \$50 FROM GERNERAL MAINENANCE SUPPLIES AND (1-101-13-650-5622-0000) \$150 FROM ELECTRICITY TO (1-101-13-500-5626-0000) \$600 FOR STREET LIGHTS AND (1-101-13-650-5411-0000) \$2,420 FOR WATER/SEWERAGE. SECOND BY MR. WATERBURY. APPROVED. *Attachment K*

MR. KEARNEY MOTIONED TO APPROVE THE TRANSFER FROM (1-101-12-320-5115-0000) \$1,000 FROM SALARIES & WAGES – PART TIME, (1-101-12-320-5220-0000) \$950 FROM SOCIAL SECURITY CONTRIBUTION, (1-101-12-320-5580-0000) \$11,000 FROM DUES TRAVEL & EDUCATION, (1-101-12-320-5745-0000) \$3,500 FROM FIRE EQUIPMENT, (1-101-12-320-5749-0000) \$3,400 FROM CAPITAL, (1-101-12-320-5520-0000) \$900 FROM INSURANCE, OTHER THAN EMPLOYEE TO (1-101-12-320-5290-0000) \$4,800 OTHER EMPLOYEE BENEFITS, (1-101-12-320-5310-0000) \$1,600 PROFESSIONAL SERVICES – OFFICIAL/ ADMINISTRATION, (1-101-12-320-5412-0000) \$2,450 HYDRANTS, (1-101-12-320-5435-0000) \$1,400 RADIO & PAGER SERVICE, (1-101-12-320-5436-0000) \$10,500 TRUCK REPAIR. SECOND BY MR. WATERBURY. APPROVED. *Attachment L*

MR. KEARNEY MOTIONED TO APPROVE THE TRANSFER FROM (1-101-15-490-5340-0000) \$1,900 PROFESSIONAL SERVICES – TECHNICAL, (1-101-15-490-5550-0000) \$800 PRINTING, BINDING & MICROFICHING TO (1-101-15-490-5350-0000) \$2,700 PROFESSIONAL SERVICES-LEGAL. SECOND BY MR. WATERBURY. APPROVED. *Attachment M*

MR. KEARNEY MOTIONED TO APPROVE THE TRANSFER FROM (1-101-11-740-5300-0000) \$30,000 FEE & PROFESSIONAL SERVICES, (1-101-11-740-5110-0000) \$3,048 SALARIES & WAGES – FULL TIME, TO (1-101-15-490-5110-0000) \$15,000 SALARIES & WAGES FULL TIME, (1-101-15-490-5220-0000) \$1,148 SOCIAL SECURITY CONTRIBUTIONS, (1-101-11-740-5210-0000) \$7,650 GROUP INSURANCE, (1-101-11-870-5210-0000) \$4,650 GROUP INSURANCE, (1-101-11-740-5230-0000) \$3,475 RETIREMENT CONTRIBUTION, (1-101-11-870-5230-0000) \$1,125 RETIREMENT CONTRIBUTION. SECOND BY MR. WATERBURY. APPROVED. *Attachment N*

MR. KEARNEY MOTIONED TO APPROVE THE TRANSFER OF \$207,070 AS RECOMMENDED TO (1-101-25-890-5870-0000) TRANSFER OUT \$207,070 PER THE ATTACHED DOCUMENT. SECOND BY MR. WATERBURY. APPROVED. *Attachment O*

Year End Re-Appropriation Requests: Mr. Tait reports these are specific funds in the budget that have not yet been spent that are carried to the next fiscal year. MR. KEARNEY MOTIONED TO APPROVE THE YEAR END RE-APPROPRIATION REQUESTS AS PRESENTED. SECOND BY MR. WATERBURY. APPROVED. *Attachment P*

ANNOUNCEMENTS: The Board received a questionnaire regarding fraud. It will be addressed at their next meeting.

ADJOURNMENT: There being no further business, the meeting was adjourned at 9:33pm.

Respectfully Submitted,
Carey Schierloh
Carey Schierloh, Clerk

Attachment A: Program Management Proposal Municipal Buildings Strategic Plan

Attachment B: Strategic Plan Outline

Attachment C: Board of Education Projected Timeline Facility Planning and Superintendent's Goals

Attachment D: Board of Selectmen CIP

Attachment E: Town of Newtown 2015-2016 CIP Forecasted Project Amounts

Attachment F: Board of Education CIP Summary

Attachment G: Kaestle Boos Cost Estimate NHS Auditorium Renovation

Attachment H: Roof renovation/replacement comparison

Attachment I: Combined Board of Selectmen/Education CIP

Attachment J: Senior Tax Relief Report

Attachment K: Transfers

Attachment L: Transfers

Attachment M: Transfers

Attachment N: Transfers

Attachment O: Transfers

Attachment P: Year End Re-Appropriation Requests