

**BOARD OF FINANCE
MINUTES OF REGULAR MEETING
October 4, 2011**

The Regular Monthly Meeting of the Board of Finance was held on Tuesday, October 4, 2011 at 7:30 p.m. in Seminar Room 300, Board of Education Administrative Offices, 501 Kings Highway East, Fairfield, Connecticut.

MEMBERS PRESENT

Robert Bellitto Jr., Ken Brachfeld, James Brown, Christopher DeWitt, Thomas Flynn, Mary LeClerc, Robert Mayer, Robert Stone

MEMBERS ABSENT

Kevin Kiley

ALSO PRESENT

Paul Hiller, Chief Fiscal Officer and Clerk of the Board of Finance (BOF)
Michael Tetreau, First Selectman, Town of Fairfield
Twig Holland, Director of Purchasing, Town of Fairfield
Sands Cleary, Director of Health, Town of Fairfield
Eileen Kennelly, Assistant Town Attorney, Town of Fairfield
Sol Briks, Town Facilities Commission (TFC), Town of Fairfield
David Title, Superintendent of Schools, Board of Education (BOE)
Tom Cullen, Director of Operations, Board of Education
Sal Morabito, Manager of Construction, Security & Safety, Board of Education
Michael Shutler, Tecta America New England, LLC

ACTION TAKEN:

1. Approved the minutes of the Board of Finance Quarterly Review Meeting held on July 27, 2011 and the Board of Finance Regular Meeting held on September 8, 2011.
2. Approved a transfer of funds from an increase in state grant revenue be made in the amount of \$55,655 per year for each of three years, for a total of \$166,965.00, to cover the cost of Fairfield's continued planning in preparedness for, and response to, bioterrorism, pandemic influenza and other public health emergencies, and further resolve that the First Selectman is authorized to make, execute, and approve on behalf of the Town of Fairfield, any and all contracts or amendments thereof with the State of Connecticut Department of Public health to conduct activities described in the Personal Service Agreement Log with regard to an August 10, 2011 through August 9, 2014 Cooperative Agreement Award from the Centers for Disease Control through the State of Connecticut. These costs are 100% reimbursable.
3. Approved to make the following amendments to the Bond Resolution language:
The title of the Bond Resolution should read, "A RESOLUTION APPROPRIATING AN AMOUNT NOT TO EXCEED \$901,467 FOR THE COSTS OF REPAIRS TO THE ROOFS TO EXTEND THEIR USEFUL LIVES AT SHERMAN SCHOOL, NORTH STRATFIELD SCHOOL, OSBORN

HILL SCHOOL, RIVERFIELD SCHOOL, AND HOLLAND HILL SCHOOL AND
AUTHORIZING THE ISSUANCE OF BONDS TO FINANCE SUCH APPROPRIATION.”

Paragraph 1 of the resolution should read, “As recommended by the Board of Selectmen and the Board of Finance, the Town of Fairfield hereby appropriates an amount not to exceed the sum of Nine Hundred One Thousand Four Hundred Sixty-seven and 00/100 (\$901,467) Dollars to fund the costs of repairs to roofs to extend their useful lives at Sherman School, North Stratfield School, Osborn Hill School, Riverfield School, Holland Hill School, inclusive of design, oversight, extended warranty, finance, and other costs associated with such repairs (collectively, the “Projects”).”

In paragraph 6 of the resolution, the following sentence “shall be in serial form maturing in not more than ten (10) annual installments of principal, the first installment to mature no later than three (3) years from the date of issue and the last installment to mature not later than ten (10) years from the date of issue.” shall be amended to read, “shall be in serial form maturing in not more than five (5) annual installments of principal, the first installment to mature no later than five (5) years from the date of issue and the last installment to mature not later than five (5) years from the date of issue.”

4. Approved the amended Bond Resolution titled, “A RESOLUTION APPROPRIATING AN AMOUNT NOT TO EXCEED \$901,467 FOR THE COSTS OF REPAIRS TO THE ROOFS TO EXTEND THEIR USEFUL LIVES AT SHERMAN SCHOOL, NORTH STRATFIELD SCHOOL, OSBORN HILL SCHOOL, RIVERFIELD SCHOOL, AND HOLLAND HILL SCHOOL AND AUTHORIZING THE ISSUANCE OF BONDS TO FINANCE SUCH APPROPRIATION.”
5. Approved a series of Transfers of Funds to correct overdrafts in department budgets as detailed in Agenda Item #6.
6. Approved a request from the Fiscal Officer to approve Schedules “A”, “B”, “C”, “D”, “E”, and “F” (included with Agenda) carrying over funds for encumbrances and re-appropriations as of June 30, 2011 as supported by purchase orders or letters of request by Department Heads or the Fiscal Officer.

Chairman Flynn called the meeting to order at 7:37 p.m.

Chairman Flynn asked for a moment of silence for all fire and police personnel who gave their lives in the line of duty this past year.

AGENDA

1. A. To approve the minutes of the Quarterly Review Meeting held on July 27, 2011.
B. To approve the minutes of the Regular Meeting of September 8, 2011.

On a motion from the Board, the minutes of the Board of Finance Quarterly Review Meeting held on July 27, 2011 and the minutes of the Board of Finance Regular Meeting held on September 8, 2011 were approved unanimously.

2. To hear an update from the Director of Public Works on the current status of the fuel tank

removal project at Fire Station #1, Reef Road.

Chairman Flynn noted that there is to be no action taken on this item tonight.

Mr. Hiller presented this item to the Board. Mr. Hiller explained that there is a problem tank (2,000 gallon diesel tank) that has been leaking for some time at the site at fire station #1 and the DEP has been notified. Mr. Hiller reviewed handouts on this project with the Board. Mr. Hiller noted that most of the figures are estimates. Mr. Hiller also explained that the short term intent is to expense this in the DPW budget and then come back for an appropriation at a future date.

Mr. Stone asked Mr. Tetreau to get a legal ruling on the need to remediate the contamination at the site. Mr. DeWitt noted that the original appropriation included work at Fire Station #2 but due to the overruns at Fire Station #1, that work will not be able to be done. Mr. DeWitt asked that when this item is brought back for additional funding, the request should include the monies to do the proposed work at Fire Station #2 as well as the extra monies needed for the work at Fire Station #1.

PUBLIC COMMENT

None

3. Resolved that a transfer of funds from an increase in state grant revenue be made in the amount of \$55,655 per year for each of three years, for a total of \$166,965.00, to cover the cost of Fairfield's continued planning in preparedness for, and response to, bioterrorism, pandemic influenza and other public health emergencies, and further resolve that the First Selectman is authorized to make, execute, and approve on behalf of the Town of Fairfield, any and all contracts or amendments thereof with the State of Connecticut Department of Public health to conduct activities described in the Personal Service Agreement Log with regard to an August 10, 2011 through August 9, 2014 Cooperative Agreement Award from the Centers for Disease Control through the State of Connecticut. These costs are 100% reimbursable.

Sands Cleary presented this item to the Board.

Mr. Cleary reported that this is the same amount that has been requested over the last several years but the State has decided to get a three year approval at one time instead of going through an annual approval process.

PUBLIC COMMENT

None

Mr. Bellitto Jr. moved and Mr. DeWitt seconded to approve a transfer of funds from an increase in state grant revenue be made in the amount of \$55,655 per year for each of three years, for a total of \$166,965.00, to cover the cost of Fairfield's continued planning in preparedness for, and response to, bioterrorism, pandemic influenza and other public health emergencies, and further resolve that the First Selectman is authorized to make, execute, and approve on behalf of the Town of Fairfield, any and all contracts or amendments thereof with the State of Connecticut Department of Public health to conduct activities described in the Personal Service Agreement Log with regard to an August 10, 2011 through August 9, 2014 Cooperative Agreement Award from the Centers for Disease Control through the State of Connecticut. These costs are 100% reimbursable.

Motion passed unanimously.

4. To review, discuss and act upon revised Purchasing Regulations and Guidelines for all Town Departments, including the Board of Education as proposed by the Director of Purchasing. Such

Regulations and Guidelines are pursuant to ARTICLE XII, SECTION 12.9 of the Charter of the Town of Fairfield.

(Tabled from the Regular Monthly Meeting held on September 8, 2011)

Twig Holland and Eileen Kennelly presented this item to the Board. Ms. Holland reviewed and discussed the handouts with the Board. Ms. Holland informed the Board that, after some research on her part, she has found that internet bidding is not being done in either the public or private sectors at this time. Ms. Holland noted that specific concerns are approval process documentation and an audit trail with an internet sale since many internet sites show no physical address for contact information and verification. Ms. Holland reported that her department uses the internet for benchmarking for some of the traditional bid documents. Ms. Holland cautioned that, in her opinion, some very specific guidelines will need to be put in place before pursuing any internet purchasing.

Ms. Kennelly reviewed and discussed her legal opinion paper on this subject with the Board.

Ms. Holland was asked to perform an experiment checking on the internet pricing for traditionally bid items and report back to the Board with the results of the experiment in about 6 months.

Mr. Hiller was asked to provide the Board members with the current Town credit card policy.

Mr. Hiller was also asked for an analysis of the voucher system currently in place in the Town.

PUBLIC COMMENT

None

Mr. Mayer moved and Mr. DeWitt seconded to approve the revised Purchasing Regulations and Guidelines for all Town Departments, including the Board of Education as proposed by the Director of Purchasing. Such Regulations and Guidelines are pursuant to ARTICLE XII, SECTION 12.9 of the Charter of the Town of Fairfield.

Motion carried with a vote of 7 yeas, 0 nays, 1 abstention (Brachfeld).

5. To hear, consider and act upon a request from the Board of Education for a bond appropriation in the amount of \$901,467 to fund a Roof Warranty Extension Program at Sherman, North Stratfield, Osborn Hill, Riverfield, and Holland Hill Elementary Schools.

(Tabled from the Quarterly Review Meeting of July 27, 2011)

Tom Cullen presented this item to the Board.

Mr. Tetreau noted that the Board of Selectmen (BOS) has not reviewed this item. Mr. Cullen reported that the time sensitivity of this item is based on the manufacturer's product warranties. Mr. Cullen stated that some of the work is repair work and some of the work is warranty work. Mr. Cullen further stated that some of the work could be done with students in the buildings but most of the work would need to be done when school is closed due to the hazardous nature of the job.

Mr. Briks reported to the Board that he is a member of the TFC and he has depth in the area of roofing.

Mr. Briks stated that he has investigated extended warranties on roofs at or near the end of their predictable life and, in his experience, it is not typical to extend a warranty at the end of the life of a roof but rather, activate a maintenance program in an effort to maintain the roof for as long as possible. Mr. Briks stated that, in his opinion and experience, he has not found that there is a good track record of companies standing behind extended warranties. Mr. Briks stated that, in his opinion, he feels it is not worth doing this wide-spread warranty effort, and he would rather see a maintenance team inspect the roofs and make repairs as needed.

Mr. Brachfeld noted that it appears that the \$885K in repair work to be done is being driven by the companies providing the \$15K warranties.

Mr. Cullen reported that the warranty work in town has saved a lot of money for the town over the past several years with roof membranes especially; one year \$60K and another year \$40K. Mr. Cullen reported that this work would result in getting 10 more years out of each roof mentioned in this project. In response to a question from the Board, Mr. Morabito reported that a new roof for one of the schools would cost about \$1.2M.

Mr. Shulter reported that the work specified in the handouts would bring the roofs back to the condition to be able to extend the life of the roofs. Mr. Shulter recommended this project be done in an effort to manage the entire portfolio of the buildings in the school system.

Mr. Morabito stated that the BOE works their warranties and they are getting returns from those warranties. Mr. Morabito also stated that the estimates on the repair costs are just estimates and Mr. Shulter added that the estimates are based upon meeting every criteria the manufacturer has specified. Mr. Shulter also reported that the estimates are worst case scenario amounts. Mr. Shulter also noted that with an aging portfolio, the BOE has a greater exposure for immense costs in roof replacements. Chairman Flynn noted that this discussion is reminiscent of the paving situation in the DPW where those costs were moved from Capital Expenditures to a line item in the DPW Operating Budget over the course of several years.

Mr. Morabito stated that there are maintenance dollars in the BOE budget.

Mr. Tetreau expressed his surprise that this item was on the BOF agenda because he had not been able to get it on the BOS agenda yet. Mr. Tetreau acknowledged that this project was included in the data presented at the Capital Summit held on September 20th. Mr. Tetreau noted that if this item is brought back to the BOS, it could cause a delay of 30-60 days or more especially since elections are coming soon which could alter the membership in Town bodies. Mr. Hiller noted that looking at the timeline, with elections looming, this item could be on the RTM agenda in January at the earliest.

PUBLIC COMMENT

None

Mr. Flynn moved and Mr. Mayer seconded to make the following amendments to the Bond Resolution language:

The title of the Bond Resolution should read, “A RESOLUTION APPROPRIATING AN AMOUNT NOT TO EXCEED \$901,467 FOR THE COSTS OF REPAIRS TO THE ROOFS TO EXTEND THEIR USEFUL LIVES AT SHERMAN SCHOOL, NORTH STRATFIELD SCHOOL, OSBORN HILL SCHOOL, RIVERFIELD SCHOOL, AND HOLLAND HILL SCHOOL AND AUTHORIZING THE ISSUANCE OF BONDS TO FINANCE SUCH APPROPRIATION.”

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later than five (5) years from the date of issue and the last installment to mature not later than five (5) years from the date of issue.”
Motion passed with a unanimous vote.

PUBLIC COMMENT
None

Mrs. LeClerc stated that she would like to see a plan outlining how the BOE is going to get back on track with the roof maintenance.

Chairman Flynn stated that he would like to see how to move this item from Capital Expense to a budget line item in the BOE budget as has been done with the paving issue in the Town DPW budget.

Mr. Brown asked to see the actual quotes for the work to be done and compare these estimates before any money is spent on this project.

Mr. Brachfeld stated that he will be voting no on this item because he thinks the process has been flawed. Mr. Brachfeld stated, that in his opinion, this method just gives the BOE \$900K+ to spend while, if approval was just given for architects to define the problems and come up with more valid estimates, the project may be found to be much less costly than the current estimates indicate.

Mr. Bellitto moved and Mr. Brown seconded to approve the amended Bond Resolution titled, “A RESOLUTION APPROPRIATING AN AMOUNT NOT TO EXCEED \$901,467 FOR THE COSTS OF REPAIRS TO THE ROOFS TO EXTEND THEIR USEFUL LIVES AT SHERMAN SCHOOL, NORTH STRATFIELD SCHOOL, OSBORN HILL SCHOOL, RIVERFIELD SCHOOL, AND HOLLAND HILL SCHOOL AND AUTHORIZING THE ISSUANCE OF BONDS TO FINANCE SUCH APPROPRIATION.”
Motion passed with a vote of 5 yeas, 3 nays (Brachfeld, DeWitt, Stone), and 0 abstentions.

6. To hear, consider and act upon a series of Transfers of Funds to correct overdrafts in department budgets as follows:

\$ 22,996.32	From: Town Planning and Zoning Regular Payroll	
	To: First Selectman’s Office Regular Payroll	\$ 22,996.32
\$ 38,019.79	From: Finance Regular Payroll	
	To: Legal Services-Fees & Professional Svcs.	\$ 38,019.79
\$ 37,544.55	From: Human Resources-Property Insurance	
	To: Retiree Benefits Life Insurance	\$ 37,544.55
\$ 82,801.77	From: Contingency	
	To: Unemployment Compensation	\$ 82,801.77
\$110,582.13	From: Police Regular Payroll	
	To: Fire Overtime Earning-Vacancy Relief	\$110,582.13

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\$ 10,838.36	From: Hydrant & Water Services-Utilities Water	
	To: Street Lights-Utilities Electricity	\$ 10,838.36
\$335,507.83	From: Contingency	
	To: Public Works Operations- Overtime Earnings-Snow Removal	\$195,498.66
	To: Public Works Operations- Rental Storage	\$140,009.17
\$ 14,364.01	From: Waterfront & Mooring-Seasonal Payroll	
	To: Smith Richardson Golf-Utilities-Water	\$ 14,364.01

Mr. Hiller reviewed this item with the Board.

Mr. Bellitto Jr. moved and Mr. Stone seconded to approve a series of Transfers of Funds to correct overdrafts in department budgets as follows:

\$ 22,996.32	From: Town Planning and Zoning Regular Payroll	
	To: First Selectman's Office Regular Payroll	\$ 22,996.32
\$ 38,019.79	From: Finance Regular Payroll	
	To: Legal Services-Fees & Professional Svcs.	\$ 38,019.79
\$ 37,544.55	From: Human Resources-Property Insurance	
	To: Retiree Benefits Life Insurance	\$ 37,544.55
\$ 82,801.77	From: Contingency	
	To: Unemployment Compensation	\$ 82,801.77
\$110,582.13	From: Police Regular Payroll	
	To: Fire Overtime Earning-Vacancy Relief	\$110,582.13
\$ 10,838.36	From: Hydrant & Water Services-Utilities Water	
	To: Street Lights-Utilities Electricity	\$ 10,838.36
\$335,507.83	From: Contingency	
	To: Public Works Operations- Overtime Earnings-Snow Removal	\$195,498.66
	To: Public Works Operations- Rental Storage	\$140,009.17
\$ 14,364.01	From: Waterfront & Mooring-Seasonal Payroll	
	To: Smith Richardson Golf-Utilities-Water	\$ 14,364.01

Motion passed unanimously.

7. To hear, consider and act upon a request from the Fiscal Officer to approve Schedules "A", "B", "C", "D", "E", and "F" (included with Agenda) carrying over funds for encumbrances and re-appropriations

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as of June 30, 2011 as supported by purchase orders or letters of request by Department Heads or the Fiscal Officer.

Mr. Hiller reviewed this item with the Board.

**Mr. DeWitt moved and Mr. Brown seconded to approve a request from the Fiscal Officer to approve Schedules “A”, “B”, “C”, “D”, “E”, and “F” (included with Agenda) carrying over funds for encumbrances and re-appropriations as of June 30, 2011 as supported by purchase orders or letters of request by Department Heads or the Fiscal Officer.
Motion passed unanimously.**

8. To hear, consider and act upon any communications.

Chairman Flynn informed the Board that he had received a letter from the Fire Union informing him that Fire Ops 101 training will take place on Saturday, October 15, 2011 from 8:30 until mid afternoon sometime.

9. To hear, consider and act upon any other business which shall properly come before this meeting.
None

The meeting was adjourned at 11:35 p.m.