

Board of Finance Capital Plan Workshop
Wednesday, January 12, 2022
7:00 pm
Via Webex

The Board of Finance Capital Plan Workshop was held via Webex on Wednesday, January 12, 2022, at 7:00 pm in Fairfield, Connecticut.

A recording of this meeting can be found here: <https://www.youtube.com/watch?v=TD8wFufiO-I>.

FINAL MINUTES

MEMBERS PRESENT: Lori Charlton-Chair, John Mitola-Vice Chair, Sheila Marmion-Secretary, Craig Curley, Christopher DeWitt, Mary LeClerc, Kevin Starke, Jack Testani, Jim Walsh
OTHERS PRESENT: CFO Jared Schmitt, First Selectwoman Brenda Kupchick, CAO Tom Bremer, Superintendent of Schools Mike Cummings, FPS' Executive Director of Maintenance and Facilities Angelus Papageorge, BOE Chair Christine Vitale, BOE member/BOF liaison Jeff Peterson, DPW Interim Director John Marsilio, Parks and Recreation Director Anthony Calabrese, RTM Democrat liaisons Sharon Pistilli and John Kuhn, RTM Republican liaisons Ed Bateson and Amy Ruggiero

1. Call to Order

Chair Lori Charlton called the meeting to order at 7:00 pm.

2. Pledge of Allegiance

Ms. Charlton led the Pledge of Allegiance.

3. To Review and Discuss Town and BOE Non-Recurring Capital and Capital Projects Planning Document, Their Timing and Related Subsequent Bonding Requirements and Estimated Impact on Debt Service Levels Over the Next Several Years

First Selectwoman Brenda Kupchick presented this item. The full presentation is included in the backup documents online as well as the recording of the meeting. Some of the highlights of the presentation were:

- A comprehensive list/needs assessment of all projects considered by the Town and not the list after cutting projects out; and
- A proposed plan for capital funding for next year (2022-2023); and
- Financial estimates and benchmarks in terms of yearly bonding capacity to balance needs of the Town and BOE and keeping the Town's AAA bond rating; and
- Identifying sources for funding capital projects; and
- Providing updates on status of FY 22 projects.

First Selectwoman Kupchick said she took a different approach this year and identified all the capital needs for the sake of transparency so taxpayers understand the full scope. She said the proposal is significantly higher than in previous years because of the fill pile and Penfield Pavilion.

First Selectwoman Kupchick said despite the financial needs listed in the presentation, she is committed to keeping the debt service at 8.5%. She stated that she would like to form a bipartisan working group to assemble an attainable five-year plan.

Ms. Charlton opened up the discussion with the board and liaisons from the RTM which included two Republicans and two Democrats. There were discussions about the paving plan and the expenses in the next five-years only covering part of the Town's roadways. It was explained that the next five years are to catch up on paving that hadn't been done and needed to be and the expenses are reduced after 2028 to show regular maintenance. Penfield Pavilion will be closed at the end of October and the Town is hoping to get approval to start cleaning the area so it will be ready to open for the 2023 beach season. Renovations on the kitchen and bathrooms at the Jacky Durrell Pavilion will need to be done as it will be used more while work is being done at Penfield.

It was noted that Lake Mohegan is also in need of repairs due to storm damage. These repairs need to be done as soon as possible to accommodate fishing season in April and the beach opening on Memorial Day. If FEMA does declare an emergency, funds will be available for reimbursement. Parks and Recreation Director Anthony Calabrese said he will follow the details necessary for reimbursement and will work with the Town's grant coordinator.

There was also a discussion about trucks purchased for DPW last year and that there are adjustments made every year on the Non-Recurring Capital Plan. DPW Interim Director John Marsilio said he created a request in the last Capital Plan for five years, but was only approved for three. Lead time was discussed, and Mr. Marsilio said DPW ordered seven snowplows right after the approval. He said though, none had arrived because they are being held up in different parts of the country due to COVID. He said every truck on the Non-Recurring plan is replacing trucks that desperately need replacing, but are still being used.

The debt service and bond rating were discussed at length as the concern of how many projects will need to be bonded increased. The BOF will not increase the debt service to anything over 10% and would like to keep it less than that in order to keep the town's AAA bond rating.

Ms. Charlton noted the following points regarding the Capital Plan and discussions at future meetings:

- Having a town-wide facilities plan review; and
- Discussing the financing of paving; and
- Discussing bonding capacity and the effect on future budgets (the Town's financial advisor will be invited to attend February's BOF meeting); and
- Getting a fill pile update (there's a joint board meeting on Tuesday, January 18); and
- Looking at the process of the Capital Planning and establish a working group.

Ms. Charlton then asked the BOE to present its plan. BOE Chair Christine Vitale said the BOE waterfall was approved at the September 2021 BOE meeting. She said the BOE wanted to fast track the HVAC improvements in schools over five years instead of ten. She said the format and priority of the waterfall has changed. She said one capital project, the RLMS roof project, was approved already due to possible supply chain issues.

Ms. Vitale said right now, the focus of the BOE's waterfall is improving the existing infrastructure, HVAC, improving the heating systems, improving building and maintenance systems and improving safety and security. She said the BOE is concerned about air quality. She said the BOE is learning how important air circulation and ventilation is.

BOE member Jeff Peterson, BOF liaison, school buildings were not designed to have windows and doors always closed, but due to security issues, they need to be closed which reduces the air quality.

Executive Director of Maintenance and Facilities Angelus Papageorge said the waterfall document members received by email had several blank pages so once they are removed members will receive a cleaner version. He said there's no large project changes from last year, but there is a larger dollar amount this year because of the air conditioning projects that were added for the next three years.

Mr. Papageorge reviewed the projects that are listed on the Waterfall and said they are either related to indoor air, safety or security. He noted that a few years out from now, there will be additions made to Dwight and Jennings schools. Mr. Papageorge said the \$14.6 million for A/C for TMS, Fairfield Woods Middle School and Walter Fitzgerald does not include ARPA reimbursement so the full amount is bonded. He said this doesn't reflect the \$1 million of the Town's ARPA funds.

The discussion continued about the HVAC and how the schools were prioritized and how the cost was determined. Mr. Papageorge said some schools already have A/C, some have partial A/C and some don't have it at all. He said increased costs due to inflation are reflected in the overall number.

There was a discussion about Dwight Elementary School and the \$52 million cost for its renovation. Mr. Papageorge said the school is not currently at full capacity and hasn't been recently. Mr. Papageorge said the BOE is currently updating its 10-year projections and the number of students in the school system.

Ms. Charlton said the key point discussed with the BOE is for the BOE and the Town to prioritize projects and stay within the debt service policy.

4. To hear, consider and act upon any communications

There were no new communications.

5. Adjourn

Jim Walsh made a motion to adjourn the meeting at 10:04 pm. Chris DeWitt seconded the motion which carried unanimously.

Respectfully submitted,

Pru O'Brien
Recording Secretary