

Board of Finance Special Meeting
Thursday, March 2, 2023, 7:30 pm
Via Webex &
In Person at BOE Room 295 A/B
501 Kings Highway East, Fairfield, CT

A recording of this meeting can be found here: [BOF Special Meeting 3/2/2023](#).

FINAL MINUTES

MEMBERS PRESENT: Chairwoman Lori Charlton, Vice-Chair John Mitola, Secretary Sheila Marmion, Craig Curley, Christopher DeWitt, Mary LeClerc, Kevin Starke, Jack Testani, James Walsh
OTHERS PRESENT: Attorney John Stafstrom, WPCA Vice-Chair Joe D'Avanzo, CFO Jared Schmitt, Controller Caitlin Bosse, Budget Director Frank Magneri, Engineering Manager Bill Hurley, WPCA Project Manager Christine Pacelli, CAO Tom Bremer, Engineering Project Manager Elias Ghazal, FairTV, members of the public

- 1) Call to Order
Chairwoman Lori Charlton called the meeting to order at 7:30 pm.
- 2) Pledge of Allegiance
Chairwoman Charlton led the Pledge of Allegiance.
- 3) To hear, consider and adopt a bond resolution entitled, "A resolution approving the reallocation of surplus proceeds for projects previously approved for bonding authority".
See Full Resolution in Backup.

Craig Curley made a motion to put Item 3 before the board. Christopher DeWitt seconded the motion.

The full resolution is in the backup on page two and the detail is included on page three.

Controller Caitlin Bosse said this is a clean-up of Capital Projects that goes back to 2003. She said school projects need to be audited by the State before they can be closed out. Ms. Bosse went through each project to be sure she was doing the right thing to take some of the projects off the books. She said there are two ongoing audits that date back to FY 2010 and cannot be closed until closed by the State. She said there is \$1.6 million that has been allocated to the open BOE school air conditioning project. Ms. Bosse said the surplus is from projects already bonded and have excess bond proceeds. She said the proceeds can be transferred to a project that might be short on funds and would need to request additional money. There was a discussion about funding and projects.

James Walsh made a motion to postpone the discussion of transferring this money for 60 days to the May 4th meeting. Jack Testani seconded the motion which failed 3-6-0 (Walsh, Testani, LeClerc in favor).

The original motion carried unanimously.

- 4) To discuss WPCA finances and operations

Chairwoman Charlton said there is no comprehensive financial plan for the WPCA and they have many projects that need to be done and funded. She said there is a 10-year plan that is in the backup on page four. WPCA Vice-Chair Joe D'Avanzo said this is not a 10-year financial plan, but a projection plan. He said the revenue comes from increased user fees which have increased by 3%. Mr. D'Avanzo discussed the financial status of the WPCA and the potential for grants. The WPCA budget process was reviewed. The second digester and other equipment were discussed. Mr. D'Avanzo said the WPCA is hiring a consultant to look at costs. He also explained that water use is down due to lower water toilets and air toilets. Mr. D'Avanzo said the outside consultant will cost \$15,000.

- 5) To hear, consider and act upon the following resolution as recommended by the Board of Selectmen: (*requires RTM approval*)

To hear, consider and adopt a bond resolution entitled, "A resolution appropriating \$6,250,000 for the costs associated with the inspection and construction phase of the East Trunk Wetlands Crossing Project, Authorizing a grant to reimburse \$750,000 of such appropriation and authorizing the issuance of bonds in an amount not to exceed \$5,500,000 to fund the balance of such appropriation."

See Full Resolution in Backup.

Sheila Marmion made a motion to bring Item 5 before the BOF. John Mitola seconded the motion.

Chairwoman Charlton said the full text is in the backup on page 19. She said the backup begins on page 24 and includes details of the cost increase. Engineering Manager Bill Hurley explained the job details which have been presented at prior meetings. He said construction is ready to begin once funding is approved and has been put out for bid. He said the construction should be 16 months at most. Mr. Hurley reviewed the financing and increases and told the BOF that there is a 60-80 year service life for this project. He said the bid will be out in April. Mr. Hurley took questions from the BOF.

The motion carried unanimously.

- 6) To hear, consider and act upon the following resolution as recommended by the Board of Selectmen: (*requires RTM approval*)

To hear, consider and adopt a supplemental resolution:

WHEREAS, the Town of Fairfield (the "Town") has adopted at the request of the Water Pollution Control Authority ("WPCA") a Resolution entitled "A resolution appropriating \$6,250,000 for costs associated with the inspection and construction phase of the East Trunk Wetlands Crossing Project, authorizing a grant to reimburse \$750,000 of such appropriation and authorizing the issuance of bonds in an amount not to exceed \$5,500,000 to fund the balance of such appropriation" (the "Resolution"); and

WHEREAS, the Resolution appropriates \$6,250,000 (the "Appropriation") for costs associated with the inspection and construction phases of the East Trunk Wetlands Crossing Project (the "Project"); and

WHEREAS, the Appropriation shall be funded by several sources including: 1) \$750,000 in grant funds from the State of Connecticut's Urban Act Grant Program (the "Grant"); and 2) \$5,500,000 in bonds issued by the Town (the "Bonds"); and

WHEREAS, the Resolution authorizes the Appropriation, the negotiation and acceptance of the terms of the Grant and authorizes the Bonds in an amount not to exceed \$5,500,000; and

WHEREAS, while the Town is liable for the debt service on the Bonds, for internal accounting purposes, it is appropriate that all costs of the Project including debt service on the Bonds be allocated to, and reimbursed to the Town by, the WPCA; and

WHEREAS, the WPCA has agreed to pay for the costs of the Project and the debt service on the Bonds authorized by the Resolution; and

NOW, THEREFORE, IT IS HEREBY:

RESOLVED,

- 1) That the debt service on the Bonds as such debt service becomes due shall be paid by the WPCA from its own funds and the obligation of the WPCA shall be set forth in a memorandum of understanding (the "MOU") with the Town satisfactory to the First Selectwoman; and
- 2) That the First Selectwoman is hereby authorized to execute the MOU on behalf of the Town.

Kevin Starke made a motion to bring Item 6 before the BOF. James Walsh seconded the motion which carried unanimously.

- 7) To hear and consider an update on environmental remediation costs and liabilities

Mr. DeWitt made a motion to put Item 7 before the BOF. Mr. Mitola seconded the motion.

Chairwoman Charlton said the details of the money set aside for this is on page 42 of the backup. She said it includes a summary of payments made and status of remediation that has been done. CFO Jared Schmitt went through the money that has been spent and encumbered and CAO Tom Bremer discussed what happens going forward. There was a discussion about \$8.5 million in surplus and how it would be spent if it would be transferred to remediation for the fill pile. Mr. Bremer said the Town has remediated all but seven sites out of 40. He said the goal is to be finished with the sites by July 1st. Mr. Bremer said he included backup lists and cost estimates. He said the engineering company raised its fees so there will be another bid for the remaining sites. There was a discussion about spending. Chairwoman Charlton said she would like to go back and look at spending. There was a discussion about the sites and estimated costs including Penfield and the actual fill pile. Mr. Bremer said there is also a need to test at the Water Pollution Control Facility. He said since this used to be the Nike site, there is a combination of historical contamination as well as possible fill pile contamination there. Mr. Bremer said Penfield and the fill pile have a possible price of \$14 million and the other seven sites could cost between \$2 to \$3 million. Mary LeClerc suggested researching Brownfield grants for the historical contamination remediation. Ms. Charlton thanked Mr. Bremer for the report and asked for quarterly updates.

- 8) To hear committee updates

Mr. DeWitt gave updates on the Budget meetings. Budget Director Frank Magneri said he provided a google sheet for questions. Mr. DeWitt said the Purchasing Policy Committee had a meeting today.

He said Purchasing Director Adam Tulin and BOE CFO Courtney LeBorious will be working together to deliver a combined Purchasing Policy document by March 31st to the Committee. He said some items might still need to be reconciled. He said he is hoping for the BOF to vote on the policy at the June meeting.

Mr. Mitola gave an update on the Audit Committee which he said met today with external Auditor Joe Centofanti and Internal Auditor Connie Saxl. He said Ms. Saxl went over outstanding audit items and gave updates.

Mr. Walsh suggested CFO Jared Schmitt write a letter to the BOE and FPS CFO Courtney LeBorious about the \$1.6 million being put aside for the school air conditioning project so there is an understanding that it doesn't mean the BOE can spend that same amount on something else. Mr. Schmitt said he will follow up with Ms. LeBorious and if there needs to be clarification, he will write a letter.

9) Adjourn

Mr. Walsh made a motion to adjourn. John Mitola seconded the motion which carried unanimously.

The meeting adjourned at 10:44 pm.

Respectfully submitted,

Pru O'Brien
Recording Secretary