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Cc:

BOARD OF FINANCE
MARCH 12, 2009
SPECIAL MEETING

1. CALL TO ORDER

The Special Meeting of the Board of Finance was called to order at 8:15 P.M. in the Auditorium at Simsbury High School, 34 Farms Village Road, Simsbury, CT. The following members were present: Paul Henault, Peter Askham, Nicholas Mason, Anita Mielert and Kevin North. Also present were Board of Education Business Manager David Holden, Superintendent of Schools, Diane Ullman, Board of Education member Chris Kelly, Director of Finance Kevin Kane, Town Engineer Richard Sawitzke and other interested parties.

2. ACTION ON PROPOSED CAPITAL PROJECTS

Mr. Henault asked Mr. Sawitzke to address a question posed at the Public Hearing as to why the existing building can not be fixed, why golf carts are not leased, and if the proposed project is Phase 1 of a larger project with future obligations. Mr. Sawitzke stated that the proposal is for a single-phase project that could be expanded should the storage facilities located at the Apple Barn and the Performing Arts Center be converted to alternate uses in the future. He added that the proposal does not address all storage needs, but does address all service needs. Mr. Sawitzke stated that fixing up the existing space would do nothing to accommodate the storage of 95 pieces of equipment. He added that the building is not in good condition and was originally just tacked on to another building and has no ventilation, plumbing or septic system.

Mr. Mason asked if there would be a measurable decrease in insurance costs that could be realized by storing equipment all in one place. Mike Wallace, Golf Course Superintendent, stated that a citation from an OSHA inspector was avoided about three years ago by showing that construction of this facility was on the capital plan. Mr. Sawitzke stated that there could be a potential savings relative to fuel storage and that the

hazardous substance storage liability would decrease with proper storage facilities.

Mr. Askham confirmed with Mr. Sawitzke that the old building that currently houses the golf carts would be removed and the golf carts would be housed outside. Orlando Casiano, Parks Superintendent, stated that the golf carts are currently leased by the pro and are housed in cold storage during the winter. Mr. Askham asked Mr. Sawitzke if \$68/square foot was a reasonable cost for a Butler building. Mr. Sawitzke stated that the basic cost is \$45/square foot and that there is another \$156,000 for HVAC, water supply, etc.

Ms. Mielert was concerned about the financing relative to cash flow. Mr. Kane stated that he anticipated that there would be a bond issue around March/April 2010 and that there would be a slight increase in debt service.

Mr. Mason stated that he was concerned about the shifting that had taken place in the amounts of the projects that were presented to the Board at their February 24th meeting by the Board of Education for their capital projects and the amounts that were presented this evening. He noted that the cost of the generator, which had been presented as being \$200,000, was now \$150,000; the cost of the Central School project, which had been presented as being \$150,000, was now \$120,000; and the core switches, which had been presented as being \$95,000, were now \$180,000 and that firewalls, gateways and server upgrades had been added. Mr. Holden stated that the BOE had since received firm quotes on the generator and gotten better pricing on the Central School project and the project had been scaled back so as to incorporate the entire network connectivity project, which the Board of Education had identified as their top priority, within the \$450,000 total.

Mr. Mason responded that the Board of Finance went forward on February 24th with a 3-2 vote that was based on the understanding that they were approving basic maintenance projects and were surprised by the capital improvement plan and resultant bond language that did not comport with the amounts that were presented to the Board on February 24th. Mr. Henault stated that, after the February 24th meeting, he was focused on the \$450,000 total amount and that bond language had to be published prior to the Board's March 9th meeting. He stated that he had discussions with Mr. Kane and Mr. Holden, who indicated that the numbers had been further refined.

Mr. North stated that focusing on a \$450,000 total was not the spirit of his motion. He stated that the maintenance projects were put forward with some reluctance and that there had been a fairly extensive discussion surrounding them due to their emergency maintenance nature. It had been his understanding from Mr. Holden that what were absolutely needed were the switches and that the other items were deferrable. Although his motion only spoke to the \$450,000, Mr. North stated that the tapes will reveal that he very specifically discussed \$200,000 for the generator, \$150,000 for the Central School project and \$100,000 for the switches.

Mr. North indicated that post-meeting he reached out to Mr. Holden on the topic of the generator and Mr. West on the topic of the building looking for any opportunity to further reduce these costs in this year. Mr. North said that he thought that the cost of the generator was a bit high and that he was looking for savings, not transfers. He also asked Mr. West to look very carefully at the programming to see if, since the building was indeed modular, the project could be scaled back to 6,000 square feet rather than 8,000 square feet. Mr. North stated that there now exists an unfortunate set of circumstances where he put forth a motion based on some specific expectations of what the maintenance of these projects entailed and not did not include anything new. He said that he would like to see what he said in the discussion reflected in the minutes.

Mr. Kelly stated that one technical position that had been eliminated as part of their operating budget was a tech support position. The proposed improvements to the infrastructure would be helpful in dealing with the increased workload. Further, he noted that classroom technology has resulted in more frequent web access and human resource functions are now web-accessible and, as such, firewalls are critical. Therefore, he felt that the additional funds are maintenance related and justified.

Mr. North asked Mr. Holden to detail the \$180,000 amount. Mr. Holden responded that it consisted of core switches, gateway security and Tootin Hills School fiber optic connectivity.

Ms. Mielert stated that the Town must taken care of what it has as well as take advantage of reduced costs in labor and maintenance.

Ms. Mielert made a motion to forward all four projects to Special Town Meeting. There was no second.

Item 1:

Mr. North introduced the following resolution, which was seconded by Ms. Mielert:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury appropriate \$120,000 for the re-building of the brownstone egress stairs on the north and south ends of the 1911 original Central School building and partial re-pointing of the brownstone/ masonry on the building. The appropriation may be spent for design and construction costs, equipment, materials, engineering fees, legal fees, project management, net interest on borrowing and other financing costs, and other expenses related to the project or it's financing; that the Town issue bonds or notes and temporary notes in an amount not to exceed \$120,000 to finance the appropriation; and that the term of the bonds or notes not exceed ten years.

The resolution was approved by 5 votes in favor and 0 votes opposed.

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Item 2:

Mr. North introduced the following resolution, which was seconded by Mr. Askham:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury appropriate \$150,000 for the acquisition and installation of a replacement generator for Squadron Line School to provide temporary power in the event of a power outage or when the site is utilized as an emergency shelter. The appropriation may be spent for acquisition and installation, legal fees, net interest on borrowing and other financing costs, and other expenses related to the project or it's financing; that the Town issue bonds or notes and temporary notes in an amount not to exceed \$150,000 to finance the appropriation; and that the term of the bonds or notes not exceed ten years.

The resolution was approved by 5 votes in favor and 0 votes opposed.

Item 3:

Ms. Mielert introduced the following resolution, which was seconded by Mr. Henault:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury appropriate \$180,000 for replacement of core switches, firewalls and gateway security, and server upgrades for network equipment that services the schools and the Town; that the Town issue bonds or notes and temporary notes in an amount not to exceed \$180,000 to finance the appropriation; and that the term of the bonds or notes not exceed ten years.

The resolution failed by 2 votes in favor (Mr. Henault and Ms. Mielert) and 3 votes opposed (Mr. Askham, Mr. Mason and Mr. North).

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Mr. Mason introduced the following resolution, which was seconded by Mr. North:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury appropriate \$100,000 for replacement of core switches that service the schools and the Town; that the Town issue bonds or notes and temporary notes in an amount not to exceed \$100,000 to finance the appropriation; and that the term of the bonds or notes not exceed ten years.

The resolution passed by 3 votes in favor and 2 votes opposed (Mr. Henault and Ms. Mielert).

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Ms. Mielert felt that the Board was being “pennywise and pound foolish” as firewalls are greatly needed. Mr. North stated that, with all due respect, the difficulty that arises out of a meeting that Ms. Mielert had not attended at which there was extensive discussion around this issue. At that meeting, he, Mr. Mason and Mr. Askham had voted in favor of a motion based on expectations that were formed around information that was presented that night. Subsequently, they saw something entirely different in the bond language and in the submissions this evening from what had been discussed. Mr. North also noted that the Chairman voted against all of the projects that night and it is now ironic that all the positions have now changed.

Mr. Henault stated that he knew that the Board would have an opportunity to discuss the issue and have the Board of Education make their case for this amount. He noted that there would also be an additional opportunity for the voters to weigh in on it at the Special Town Meeting. Therefore, given the tight timeframe involved to publish the legal language in the newspaper, he gave a verbal authorization to do so. He stated that he was proceeding based on his recollections of the prior meeting.

Mr. Askham stated that the entire spirit of the original motion was maintenance items, bonding and qualifying for bonding. He questioned if the pieces other than the switches even qualified for bonding. Mr. Kane thought that it would be allowed. Mr. Askham also pointed out that, if the other items are not approved now and they are that essential, they could be included in the BOE’s CNR items. In short, the safety of the children would not be compromised by the decisions made this evening.

Item 4:

Mr. North introduced the following resolution, which was seconded by Mr. Mason:

RESOLVED, that the Board of Finance recommends that the Town of Simsbury appropriate \$550,000 for the design and construction of a new,

combined parks and golf maintenance facility to be situated at 76 Hopbrook. The appropriation may be spent for design and construction costs, equipment, materials, site improvements, engineering fees, legal fees, project management, survey work, testing, net interest on borrowing and other financing costs, and other expenses related to the project or it's financing; that the Town issue bonds or notes and temporary notes in an amount not to exceed \$550,000 to finance the appropriation; and that the term of the bonds or notes not exceed ten years.

The resolution was approved by 4 votes in favor and 1 vote opposed (Mr. Henault).

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3. MINUTES

Mr. Henault asked for a motion to accept the minutes for the February 24, 2009 Regular Meeting and none was made.

4. ADJOURNMENT

Mr. Askham made a motion to adjourn the meeting at 9:10 P.M. Mr. Mason seconded the motion and it passed 5-0.

Paul Henault, Chairman
Clerk

Debra L. Sweeney,