

From: SimsburyCT Postings April 16, 2009 4:04:39 PM
Subject: Board of Finance Minutes 03/12/2009 - Public Hearing
To: SimsburyCT_FinanceMin
Cc:

BOARD OF FINANCE
MARCH 12, 2009
PUBLIC HEARING

1. CALL TO ORDER

The Board of Finance Public Hearing on the 2009/10 Capital Improvement Projects was called to order at 7:40 PM in the Simsbury High School Auditorium. The following members were present: Chairman/Moderator Paul Henault, Peter Askham, Nicholas Mason, Kevin North and Anita Mielert. Also present were Board of Education Business Manager David Holden, Finance Director/Treasurer Kevin Kane, Superintendent of Schools Diane Ullman, Board of Education member Chris Kelly, Town Engineer Richard Sawitzke and other interested parties.

2. OVERVIEW

Mr. Henault introduced himself, the members of the Board of Finance and all others who would be presenting the budgets and answering subsequent questions. He reviewed the Public Hearing agenda, the budget process, the role of the Board of Finance and the purpose of Public Hearings which are required by Town Charter.

Mr. Henault reviewed the Town capital requests, which totaled \$550,000 for a Parks/Golf maintenance facility, and the Board of Education capital requests, which totaled \$450,000 (\$150,000 for a generator replacement at Squadron Line School, \$120,000 for brownstone repointing and stairs rebuild at Central School, and \$180,000 for district network infrastructure). The source of funding for these projects would be a 10-year bond.

Mr. Henault stated that the Board of Finance adopted a debt policy in 1989 that allows for 5%-7% of the General Fund budget to be used for debt service. This policy is not intended to prohibit major projects as are warranted and are approved by the voters, as evidenced by the high school project which has resulted in current debt service that slightly exceeds

7%.

Mr. Henault indicated that the impact of these projects on the budget would increase

debt retirement from 7.17% in 2008/09 to 7.35% in the outlying years when the projects are approved.

3. PRESENTATION OF 2009/10 CAPITAL PROJECTS

Board of Education

Mr. Kelly gave an overview of the three capital projects that are being requested by the Board of Education:

- \$150,000 – Squadron Line generator replacement

The generator is 38 years old and provides temporary power in the event of a power outage. Squadron Line School is also utilized as an emergency shelter.

- \$120,000 – replacement of brownstone, repointing and rebuilding of stairs at Central School

The project entails rebuilding the brownstone egress stairs in the north and south ends of the 1911 original Central School building as well as a partial repointing of the brownstone and the masonry on the building. The building is on the National Registry of Historical Buildings.

- \$180,000 – fiber connectivity and district network infrastructure

The project entails the replacement of core switches, firewalls and gateway security and server upgrades for network equipment that services the schools and the Town.

Board of Selectmen

Mr. Sawitzke gave an overview of the capital project that is being requested by the Board of Selectmen:

- \$550,000 – Construction of a combined maintenance equipment/ service and storage facility for Simsbury Farms golf course, as well as all of the Parks & Recreation facilities in Town.

Those functions are currently housed in five locations, four of which are at Simsbury Farms. Of those five locations, only the "Golf Maintenance Building" was actually constructed for maintenance purposes 40 years ago. The red storage barn is very small and is used for cold storage. The Apple Barn facility is mainly used for meetings and Parks and Recreation administrative offices has some small storage space attached to it, which could be used for other things. The "Park Maintenance Building" is an add-on to a parts storage building and was originally installed as a temporary structure many years ago.

The project is intended to provide a means for housing the facilities in a safe, modern manner and could serve as an expandable project. The Apple Barn and the red barn at the Performing Arts Center can continue to be used for storage, but those buildings may be used for other things in the future, in which case, the design of the building being proposed allows for future expansion.

The \$550,000 project is for 8,000 square feet of modern, code-compliant space to allow for vehicle storage and servicing as well as some administrative offices, a training room, employee lockers, bathrooms and lunchroom, safe and secure storage for pools, and specialty uses such as grinding. The Parks and Recreation operation currently encompasses an ice skating facility, six swimming pools, and 1,600 acres of parks and open space. Their combined operations involve 95 pieces of equipment, which are worth approximately \$2 million. The proposal is to put a new facility next to the current Golf Maintenance Building and would have high bays that are needed for an equipment servicing area.

Mr. Henault gave an overview of the cost to the taxpayer for all the proposed projects. Assuming a ten-year-bond at a 4% blended interest rate, a net taxable grand list of \$2.7 billion, and a tax collection rate of 98%, and an average residence assessed at \$244,000 (or a \$349,000 market value), the funding of the debt service would cost the average resident \$12 per year, or \$118 cumulatively.

Mr. Henault reviewed the Town projects that have been authorized over the past ten years, totaling \$119 million.

4. PUBLIC AUDIENCE

Joan Coe, 26 Whitcomb Drive, asked the Board to reject the proposal for the \$550,000 Parks/Gold Maintenance facility. She felt that false testimony had been made by local golf lobbyists at the Board's prior meeting implying

that the Recreation/Park facility was falling down and endangering those working in it. She thought that the building could be repaired. She added that the Town should have a capital improvement plan for the maintenance of Town buildings with a needs assessment list that is prioritized. She felt that all capital expenditures should be deferred for another year due to the current economic conditions, especially since the Town employees have taken freezes and unpaid furlough days in order to keep the taxes down.

Ron Patterson, 5 Catherine Lane, stated that he served on the Simsbury Complex Committee that examined the merits of the maintenance building proposal over a number of months. He said that the conditions have existed for several years and the project is essential to maintain the Town's investment in equipment and address health and safety issues. He stated that the Simsbury Farms complex is a "jewel" for the Town that attracts people and helps with housing values. He said that there is an immediate need to address this project (which has been deferred for years) and that the original \$850,000 cost was reduced to a modular approach so that it could be considered this year.

Ed Dudley, 24 Southbridge Court, stated that he wished to reinforce Mr. Patterson's comments, adding that operational efficiencies would result from this facility and that doing nothing at this time will increase future repair and maintenance costs.

David Bush, 4 Catherine Lane, stated that he is the Vice Chairman of the Parks and Recreation Commission. He said that the proposal has involved a great deal of analysis and has been on their radar for 4-5 years. He stated that the safety issue could result in additional workers compensation costs. He noted that there currently are not proper storage facilities for chemicals and the new facility could alleviate this problem. He also said that steps are being taken to make Simsbury Farms as profitable as it can be and the existing structure is an eyesore and safety hazard at the bottom of the hill that is the last view one has upon exiting the facility. Further, he felt that the efficiencies that would be introduced could minimize the impact of staffing constraints.

Mr. Henault presented the timetable for the Board of Selectmen/Board of Education budgets, noting that, if approved, the projects will be forwarded to the Board of Selectmen to approve the legal language and then be sent forth to Town Meeting. He added that a notice would appear in the newspaper on March 31st, if approved. In addition, the Planning Commission would have to approve the legal language on March 24th of any proposed capital projects.

5. ADJOURNMENT

Mr. Henault closed the Public Hearing at 8:10 PM.

Paul Henault, Chairman & Moderator
Clerk

Debra L. Sweeney,