

**BOARD OF FINANCE
REGULAR MEETING
MAY 13, 2008**

MEMBERS PRESENT:

Neil Budnick	John Laird
Mary Davis Cody	Susan LaPerla
Kathleen Corbet	Roger Smith
Robert DiPanni	Robert Spangler
John Emert	C. Daniel Ward
Paul Giusti	

Jeb Walker, Chairman

ALSO PRESENT: George Maranis, Administrative Officer; Gary Conrad, Chief Financial Officer; Robert Mallozzi and Sally Hines, Selectmen; Dr. Michael Lagas, Business Manager, New Canaan Public Schools; Tiger Mann, Senior Engineer and Assistant Director of Public Works; Michael Pastore, Town Engineer; Randy Salvatore, Chairman, Town Hall Building Committee ; Bill Leopold, Principal, WFL Real Estate Services; Jim Beall, Melanie Chairman, Police/EMS Building Committee; Melanie Barnard and Lt. Mike Handler, NCVAC; Police Chief Edward Nadriczny, Police Sgt. David Ferris; Police Commissioner Jim Cole; Judy Neville; Colleen Flaherty, New Canaan Advertiser.

Mr. Walker convened the meeting at 8:04 p.m., called the roll and noted the absence of Mr. Laird, Mr. Spangler and Mr. Giusti, all of whom arrived shortly after the meeting began.

The Board addressed Item 1, **Approval of the Minutes** of the Budget Meetings of February 5, 2008, February 7, 2008, February 12, 2008, February 26, 2008, February 28, 2008, March 5, 2008 and March 6, 2008; the Public Hearing on the Budget of March 18, 2008 and the Regular Meeting of March 18, 2008. After noting two errors in the minutes from February 26, 2008, the Minutes were unanimously approved, as amended, by motion of Ms. Corbet and second of Mr. DiPanni (with members abstaining, where appropriate, due to absences.)

Upon request by Mr. Walker, The Board then addressed Item 6, **Presentation by the Business Manager of the New Canaan Public Schools of a status report on the disposition of the 2007-2008 appropriation of \$1,000,000 for the New Canaan Public Schools Security Project.**

Dr. Lagas said that \$293,757 of the \$1 million appropriation has been spent, principally on door repairs. A contract in the amount of \$333,492 is "in hand" for surveillance cameras and a School security grant of \$51,140 has been received. Approximately \$350,000 is expected to be returned to the Town's General Fund. Upon motion of Mr. Smith and second of Ms. Corbet, the Board voted unanimously to approve the status report.

Item 3, **Approval of a request from the Recreation Department to redesignate the Kiwanis Stone/Coviello Continued Capital Account, with a balance \$10,000, as the Kiwanis Park Well Repair Account to fund the drilling of a well for the swimming facility at the Park.**

Upon motion by Mr. Smith and second of Mr. Spangler, the Board unanimously voted to approve the redesignation of the funds.

The Board addressed Item 4, **Approval of a request from the Department of special appropriation from General Fund Contingency of \$25,000 to repair the Multi-Use Trail System at Irwin Park due to storm damage.**

Mr. Mann presented this request to the Board, explaining that storm run-off had damaged the Trail because of drainage issues. Mr. Mann said that once the FlexiPave surface is installed, the water will sheet off more easily and yearly maintenance will be at a minimum. The repairs have to be done before the FlexiPave is completed. There are no additional funds from the FlexiPave project that could be put toward these repairs. Upon motion of Ms. Corbet and second of Ms. LaPerla, the Board unanimously approved an amount not to exceed \$25,000 from Contingency to repair the Multi-Use Trail at Irwin Park.

The Board addressed Item 5, **Approval of a request from the Town Hall Building Committee for a special appropriation from General Funds of \$60,000 for additional architectural costs and fees in connection with the renovation of Town Hall.**

Mr. Salvatore gave a brief overview of the renovation project. Until the flood in October 2007, the project was running smoothly. After the flood, alternative plans needed to be considered since it was problematical that Town offices could be relocated to the basement as there is no guarantee that all drainage issues could be resolved. The first plan involves increasing the present footprint, taking out the garage and adding space. The second option would convert the now temporary Town offices at Irwin Park into permanent space. Mr. Salvatore said that approximately \$225,000 of the original \$450,000 in architectural costs has been spent for Step I. Step II, for \$150,000, is for construction drawings, and the final step, for \$75,000, is for construction management and the bidding process. The \$60,000 request is an addition to these fees, and is considered to be part of the first phase. Approximately \$18,300 of the request is directly related to the flood, and these costs have already been incurred. The remaining \$41,700 are costs to be incurred in developing alternative plans for the renovation of Town Hall. Upon motion by Mr. Ward and second of Ms. Cody, the Board unanimously approved an appropriation \$41,700 from the General Fund for architectural costs to be incurred in developing alternative plans for the renovation of Town Hall.

Mr. Ward made a motion to appropriate \$18,300 from the General Fund for payment for architectural services rendered in connection with the flooding of Town Hall, without prejudice to any claims the Town may have under existing insurance policies or from federal or state reimbursements. After further discussion, the Board discussed taking the \$18,300 from Contingency, but this was not done. Mr. Ward withdrew his motion. Upon further motion of Mr. Ward and second of Mr. DiPanni, the Board then unanimously approved an appropriation of \$18,300 from the General Fund, specifying that it was for architectural services already incurred in connection with the flood.

The Board addressed Item 7, **Approval of a request from the Public Works Department of (1) a special appropriation from General Funds of \$90,000 and (2) a line item transfer of the unspent balance of \$84,000 from the Irwin Park Start-up Costs Account towards the cost of the Multi -Use Trail and the installation of two baseball fields (and related equipment) at Irwin Park.**

Mr. Ward expressed his concern over the circumstances surrounding this Item, referring specifically to “the undermining of the budget process.” Mr. Smith agreed, and Mr. Emert and Mr. Spangler also questioned whether there had been sufficient vetting of the issue and necessary approvals. The Board concluded that this Item merited a thorough discussion, including plans for the development of Irwin Park, related contracts, and accounting procedures controlling expenditures. Given the length of the evening’s Agenda, it was agreed to defer this Item to future meeting, perhaps a Special Meeting devoted exclusively to the subject. Upon motion of Mr. Smith and second of Mr. Ward, the Board voted unanimously to defer this Item to a future Special Meeting, the date to be set by the First Selectman.

The Board addressed Item 8, **Approval of a request from the Public Works Department for an appropriation of \$600,000 for capital repairs and improvements to the New Canaan Playhouse Property at 93 Elm Street in New Canaan, CT.**

Mr. Pastore explained that there are four items that make up the request, and he and Mr. Leopold described the work that had to be done, as follows:

- Exterior: Approximately \$115,000 for a new roof, front and side gutters, and second floor windows.
- HVAC: \$400,000 in estimated expenditures, including the removal of existing and the installation of new boiler, steam piping, chiller, piping, pumps, handlers, coils, etc.
- Electric and Sidewalk: \$35,000. The electric panels are getting wet from water that leaks down from the sidewalk. The sidewalks need to be replaced to address the drainage issues, and the electric panels need to be replaced due to damage and rust from the water leaks.
- Contingency of 10%.

Upon motion of Mr. Spangler and second of Mr. DiPanni the Board voted unanimously to approve an appropriation of \$600,000 from the General Fund for capital repairs and improvements to the New Canaan Playhouse, but to delay action on Item 9, below, until the funding issue could be determined.

The Board took no action on Item 9, **Approval of a resolution entitled “Resolution Appropriating \$600,000 For Capital Repairs And Improvements To The New Canaan Playhouse Property At 93 Elm Street in New Canaan, CT And Authorizing The Issuance Of \$600,000 Bonds Of The Town To Meet Said Appropriation And Pending The Issuance Thereof The making Of Temporary Borrowings for Such Purpose.”** Mr. Spangler asked if

the Playhouse Property qualified for historic designation and related tax credits, and also if thought had been given to qualifying the property, perhaps by means of a not-for-profit subsidiary of the Town, for tax-exempt bond status.

The Board addressed Item 10, Approval of a request from the Police/EMS Building Committee for an appropriation of \$3,500,000 for the construction of a new building for the New Canaan Volunteer Ambulance Corps, Inc.

Mr. Beall presented the request to the Board. He reviewed the details of the proposed plans for the new NCVAC building and parking area. The lower level will house five vehicles and provide a storage area. This level will also house sleeping quarters and showers. The upper level comprises the living area, which includes dining and television rooms, offices and a small meeting room.

Approximately \$1.8 million has been raised privately toward building construction. In addition, there are plans to apply for certification as a “green” building. The construction work was bid with a budget of \$2,575,000, and Mr. Beall reported that the apparent winning bid came in at \$2,577,000. Upon motion of Mr. DiPanni and second of Mr. Smith, the Board voted unanimously to approve an appropriation of \$3.5 million for the construction of the new NCVAC building.

Item 11, Approval of a resolution entitled “Resolution Appropriating \$3,500,000 For The Construction Of A New Building For The New Canaan Volunteer Ambulance Corps, Inc. And Authorizing The Issuance Of \$1,420,000 Bonds Of The Town To Meet A Portion Of Said Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose.” Upon motion of Ms. Corbet and second of Mr. Smith, the Board voted unanimously to approve the Resolution.

The Board addressed Item 12, **Approval of a request from the Police/EMS Building Committee for an appropriation of \$965,000 for work at the New Canaan Police Station, comprising \$535,000 for construction of a Police Pistol Training Range, \$250,000 for a garage addition, \$95,000 for brick and mortar and related repairs and \$85,000 for paving of parking areas.**

Mr. Beall presented this item to the Board. He began by saying that the Police building was constructed in the 1920-1927 time frame as the high school, and converted to the Police building in 1980. The interior has been in use for over 28 years with no changes and is in need of updating and repair. The estimated cost of the entire renovation is \$5 million to \$5.5 million. The initial phase is estimated at \$1.7 million, and a new slate roof and cupola have already been completed, as well as renovation of the third floor. The next phase, 2008-09, is proposed to cost approximately \$965,000 and is described below. The final phase, 2009-10 will comprise the first and second floor renovation, including a new jail and male and female locker rooms, estimated to cost \$2.5 million to \$3 million.

Mr. Beall proceeded with the presentation of the request for \$965,000, focusing first on the new shooting range estimated at \$485,000 plus a \$50,000 contingency. He described the components of the range and their cost, explaining that the new range will require a high powered ventilation system. Mr. Ward questioned the need for a new range. Mr. Beale explained that the annual cost of using facilities in other towns is estimated to be \$15,000 to \$20,000, but that the justification for the new range is not economic - quality, safety, insurance and liability issues are what justify the facility .

Chief Nadriczny explained that the old shooting range was closed in 2005 due to heavy concentrations of lead from ammunition. He said that in the 30 years that he has been in New Canaan, police firearms have been fired five times, but that training remains a critical need.

Commissioner Cole spoke in support of a new range.

Sgt. Ferris said that when the New Canaan range was closed in 2005, other police departments were contacted for use of their ranges. No department would agree to let New Canaan officers practice four times a year, the minimum number of practice sessions. Sgt. Ferris pointed out that in the event of a lawsuit against the Town or the Police Department, adequate training would be an issue.

Mr. Beall proceeded to discuss the proposed police garage. It will have spaces for three vehicles and be approximately 1,000 square feet in size, replacing existing spaces on the northeast corner of the existing building. The estimated cost is \$200,000 plus a \$50,000 contingency.

Mr. Beall then discussed the brick and mortar repairs, indicating that brickwork will include re-pointing brick walls on the north and south walls and removing caps and re-sealing them. The estimated cost is \$95,000. Finally, he addressed the paving of the parking areas on the north and west sides of the police building, estimated to cost \$85,000, including contingency.

Mr. DiPanni made the motion to approve the appropriation of \$965,000 and it was seconded by Ms. Corbet. Mr. Ward made the motion to amend Mr. DiPanni's motion to remove \$535,000 from the appropriation, and this was seconded by Mr. Smith. The motion to amend did not carry, Mr. Ward and Mr. Smith in favor, and 6 opposed.

Mr. DiPanni's motion to approve the \$965,000 appropriation carried 6-1-1, Mr. Ward abstaining, and Mr. Smith opposed.

The Board addressed Item 13, **Approval of a resolution entitled "Resolution Appropriating \$965,000 For Work At The New Canaan Police Station, Comprising \$535,000 For Construction Of A Police Pistol Training Range, \$250,000 For A Garage Addition, \$95,000 For Brick And Mortar And Related Repairs and \$85,000 For Paving Of Parking Areas And Authorizing The Issuance of \$965,000 Bonds Of The Town To Meet Said Appropriation And Pending The Issuance Thereof The Making Of Temporary Borrowings For Such Purpose."** Upon motion of Mr. DiPanni and second of Ms. Corbet, the Board approved the resolution by a vote of 7 -1, Mr. Smith opposed.

The Board addressed Item 14, **Setting of the Mill Rates for the 2008-2009 fiscal year.**

Mr. Conrad reviewed the status of the Town's General Fund, disclosing that the Fund's balance as of June 30, 2008 is expected to approximate \$11 million. He further indicated that the balance in the Capital and Non-recurring Fund, after close-out of capital projects, is expected to be \$3.4 million. Given that 7 ½% of expenditures of \$110 million, or \$8.25 million, is considered a comfortable level for the General Fund, there is a projected excess of \$2.75 million. Discussion then centered on the increase to be recommended in the mill rate from the previous year and arguments were made for increases between 3.8% and 4.25%

Upon motion of Mr. Spangler and second of Ms. Corbet the Board voted 7-1, Mr. DiPanni opposed, to transfer \$1,678,000 from General Fund balance to achieve a mill increase of 4% over the 2007-2008 fiscal year

Upon motion of Mr. Ward and second of Ms. Cody the Board voted unanimously to transfer \$34,000 from the Sewer Fund to achieve a mill rate increase of 4% over the 2007-2008 fiscal year.

There being no further business, the Board voted unanimously to adjourn at 11:35 pm.

Respectfully submitted,

Robert DiPanni, Secretary