

JOINT FINANCE COMMITTEE AND BOARD OF SELECTMEN MEETING

January 6, 2016

Page 1 of 4

Meeting Date: January 6, 2016

Called to Order: 5:00 PM

Location: 1 Avenue A, Turners Falls MA

Finance Committee Members Present: John Hanold, Michael Naughton, Fred Bowman, Greg Garrison, and Chris Menegoni. Patricia Pruitt was absent.

Selectmen Present: Chris Boutwell and Rich Kuklewicz. Michael Nelson was absent.

Others Present: Town Accountant Carolyn Olsen, GMRSD Director of Operations and Finance Joanne Blier, Tom Kondel (Owners Project Manager), and Loren Belida (Architect)

Minutes

Selectmen Moved:

To approve the minutes of December 2, 2015.

Vote: 2 In Favor 0 Opposed 0 Abstained

Finance Committee Moved:

To approve the minutes of December 9, 2015.

Vote: 3 In Favor 0 Opposed 2 Abstained

GMRSD Window Project

GMRSD Director of Operations and Finance Joanne Blier, Tom Kondel (Owners Project Manager), and Loren Belida (Architect) presented information on the Sheffield windows project.

- Bids for project came in higher than anticipated. The low bid for the contractor came in about \$60,000 over budget. While the higher amount will fit within the total project costs, the entire amount will not be reimbursable.
- The low bidder is Gardner Construction & Industrial Services, Inc. of Chicopee. The only other bidder came in over the total project budget.
- The bottom line for the town is that the final debt service for non-reimbursable costs may be higher than originally expected.
- Execution of contract for the project has been postponed until this meeting; the timing of the project is still on track to do the work this summer.
- Options at this time are to accept the low bidder, go out to bid again, or not do the project. Not doing the project would mean we could not request MSBA assistance for the project in the future, so this option isn't really on the table.
- Bids for Window projects are currently running over budget due to supply and demand. Mr. Kondel believes it's in the best interest of the town to accept the low bid rather than go out for a second bid process.
- A security monitor is included in the downstairs windows and doors, which costs more than anticipated. One option to reduce project costs is to install the contacts, but defer the wiring until later. This would save about \$20,000, which would provide about \$50,000 in remaining contingency allowances. If the project goes

smoothly and contingency funds aren't needed, the wiring would then be done as part of the project.

Finance Committee Moved:

To recommend approval of the contract with the low bidder, with the knowledge that there is a risk that additional funding may be required later.

Vote: 5 In Favor 0 Opposed 0 Abstained

Selectmen Moved:

To recommend approval of the contract with the low bidder, with the knowledge that there is a risk that additional funding may be required later.

Vote: 2 In Favor 0 Opposed 0 Abstained

Public Works Building Committee

The committee has been filled, but Mr. Ramsey would encourage someone from the Finance Committee to attend meetings as a non-voting liaison to the Finance Committee. Mr. Hanold made it clear that other members were welcome to volunteer, but he is willing to take this role. There were no other volunteers, so Mr. Hanold will act as liaison.

Mr. Kuklewicz asked about the possibility of a private company building a facility and then leasing it to the town for a long contract term.

Mr. Jensen said that State law stipulates that towns can not lease a property built on town land, nor could you have a lease that resulted in town ownership at the end, as these are deemed to be circumventing public bidding laws.

Fiscal Year 2017 Budget Requests

Meetings are already scheduled for both school districts, the Information Technology Administrator, and the DPW, WPCF, and Police departments.

- Other departments to meet with will be Libraries and Parks and Recreation.
- The Board of Health and Building Inspection will be invited to discuss their software requests. The IT Administrator will also be asked to attend the meeting to discuss software needs.
- The chairman of the Cemetery Commission has asked the Selectmen and Board of Health to purchase a plot of land and establish a new town cemetery. Once a request is received, this issue may require a meeting.
- It was requested to have a separate meeting to discuss building maintenance needs with a plan for moving forward. Mr. Nelson will be contacted to see if he's leading the process, and schedule the discussion.
- Mr. Hanold has some specific questions for the Airport regarding increasing costs and the revenue forecast. These will be asked via e-mail.
- Everyone was asked to forward any specific questions for individual departments to Mr. Hanold by January 12th. Mr. Hanold will compile the results and transmit them to department heads.

Board Stipends

Mr. Naughton reviewed the results of his survey of the boards of Selectmen, Assessors, and Health.

- Currently all stipends are \$1,500 per year.
- In reviewing the surveys, the Board of Selectmen does a lot more than either of the other two boards. While all of the boards are important, the selectmen have more responsibilities overall and have a larger time requirement.
- The Boards of Health and Assessors seem to, overall, have similar levels of responsibilities.
- Mr. Naughton noted that these are all essentially volunteer positions, as stipends are not intended to fully compensate the board members for their time and efforts.
- Mr. Naughton does not see a compelling reason to change the stipends for Health and Assessors, but would recommend \$2,040 per year for each Selectman. (The extra \$40 is to make the amount evenly divisible by 12.)
- Ms. Olsen will adjust the Selectmen's budget request to reflect this change.

Finance Committee Moved:

To recommend stipends of \$2,040 for each Selectman and \$1,500 for each member of the Boards of Assessors and Health.

Vote: 5 In Favor 0 Opposed 0 Abstained

Topics not anticipated within in the 48 hour posting requirements

- Mr. Hanold noted that Mr. Abbondanzio has, for several years recently, budgeted a placeholder in anticipation of his possible retirement. Mr. Hanold asked the Selectboard what their plans and intentions are for budgeting for the Town Administrator function upon Mr. Abbondanzio's eventual retirement. The Selectmen expect that there will be adequate time to address a succession plan when needed, and noted that the issue of changing to a Town Manager may be considered.

Next Meeting:

- January 13th – Meet with IT Administrator, Reserve Fund Transfer request, Review Capital Requests, including non-capital special articles and determine preliminary use of reserves
- January 20th - Initial review of actions in support of Financial Policies; review Schedules I & II
- January 27th – Review Governor's proposed budget (due this day)

Future Items:

- Discuss how to handle process for the appropriation for WPCF Capital Stabilization Fund, use of revenues from solid waste process.
- Financial Policy regarding annual appropriations to Town General Stabilization Fund

- Finalize revenue estimates

Meeting adjourned at 7:45 PM

List of Documents and Exhibits:

- Minutes of December 9th
- Handout on Sheffield windows project
- Questions and answers for Police Department
- Questions and answers for WPCF