

STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD
DRAFT SPECIAL MEETING MINUTES

Meeting Date and Time: Thursday, October 3, 2024, 10:00 AM

Meeting Location: Legislative Office Building
Room 1D
300 Capital Avenue
Hartford, CT 06106

Meeting materials can be found at
<https://portal.ct.gov/OPM/Marb/Full-Board-Meetings-and-Materials>

Call-In Instructions: Telephone: 1-860-840-2075
Meeting ID: 697 825 485

Members in Attendance: Secretary Jeffrey Beckham, Kevin Alvarez (State Treasurer's-Designee). TEAMS: David Biller, Lisa Hammersley, Sal Luciano, Mark Waxenberg, and Robert White (left 11:20AM).

Municipal Officials in Attendance: Mayor Arunan Arulampalam, Julian Freund and Paul Foster, Mayor Dorinda Borer, Michael Gormany, Rick Spreyer, Paul Dorsi, Chief Michael Terenzio. TEAMS: David Taylor, Chief James O'Brien, Ron Quagliani, Nicholas Pascale, Ken Carney, and Matthew Cavallaro.

Staff in Attendance: Kimberly Kennison, John Mehr, Simon Jiang, Rachel Moser, and Lori McLoughlin. TEAMS: Bill Plummer.

OAG Staff in Attendance: James Caley, Assistant Attorney General

Whittlesey Staff in Attendance: Edward Engberg and Chris Wisneski

Protiviti Staff in Attendance: Zack Unger, Sharon Chung, and Charles Dong

- I. Call to Order & Opening Remarks by Secretary Jeffrey Beckham and Kevin Alvarez (State Treasurer's Designee).

The meeting was called to order at 10:05 AM.

- II. Public Comment

There was no public comment.

- III. Approval of Minutes

- a. August 29, 2024, Special Meeting

Mr. Luciano made a motion to approve the August 29, 2024, Special Meeting Minutes, seconded by Mr. Biller. Motion carried.

IV. City of Hartford

a. Review, Discussion and Possible Action: Hartford 5-Year Plan

Mr. Freund provided the City's revised FY2025-FY2029 5-Year Plan and some of the changes made to it. The City pension actuarial firm updated projections that were favorable to reduce projected deficits in the out years. The City was able to absorb \$1 million in the Board of Education (BOE) budget relating to the school crossing guards.

Mayor Arulampalam updated the MARB on two studies being performed at the BOE. The first is the State of Connecticut Department of Education has hired a consultant to evaluate the BOE components of financial management. The second study is by a Blue Ribbon Commission on education that the Mayor has formed that is looking at possible solutions in terms of performance and the budget in order to come up with a long term strategic plan. The goal is to have reports from these studies by the beginning of next year.

Mr. Luciano made a motion to approve the City of Hartford's 5-Year Plan, seconded by Mr. Biller. Motion carried.

b. Review and Discussion:

i. City and BOE Financials – FY June 2024 and Monthly - August 2024

Mr. Freund provided the City's pre-audit FY2024 June financials. The projected surplus for June 2024 is \$41.5 million compared to \$21 million for May 2024. This change is due to property tax collection in excess of budget. Other revenue items are additional license and permitting fees and the increase of interest income. On the expenditure side there are vacancy savings, favorable employee benefits, and lower utilities costs. The Mayor said the \$9 million of the surplus is committed to capital projects continuing "pay as you go" policy so to avoid bonding and \$5 million to unassigned fund balance. The City intends to add to assigned fund balance for settlements relating to property tax appeals.

Mr. Foster presented the BOE preliminary FY2024 results that reflect a deficit of \$4.9 million. The drivers of the deficit are tuition, transportation costs, noncertified salaries, and fringe benefits. To reduce the deficit, the BOE is looking to transfer funds from the OPEB Trust for retiree health benefits and to request from the City the use of non-lapsing funds to balance FY2024.

Mr. Foster provided an update on the August 2024 financials with the pattern of spending being consistent with previous years. He described two assumptions to balance the FY2025 budget, the remaining Elementary and Secondary School Emergency Relief III (ESSER3) funds and the full amount in the non-lapsing funds.

ii. Status of FY 2024 Audit

Mr. Freund stated the City's Finance Department is reviewing funds and preparing financial statements. Fieldwork has been scheduled with the auditors, CliftonLarsonAllen (CLA), to be on site beginning on November 4th. The first draft of the financial report is scheduled for December 16th with the goal to have it filed with OPM by December 31, 2024.

V. City of West Haven

- a. Executive Session pursuant to Connecticut General Statutes Sections 1-200(6), Section 1-210(b), Section 1-225(f), and 1-231 for the purpose to review the Whittlesey and Protiviti Consultants' Draft Reports for the City of West Haven, and to discuss the settlement of a personal injury claim.

Secretary Beckham stated that the MARB members will be going into Executive Session pursuant to Connecticut General Statutes section 1-200(6),1-210(b), 1-225(f), and 1-231 for the purpose to review the Whittlesey and Protiviti consultants' draft reports for the City of West Haven and to discuss the settlement of a personal injury claim. Also joining the Executive Session will be Attorney James Caley; Mayor Dorinda Borer, Michael Gormany, and Attorney Paul Dorsi from West Haven; Edward Engberg and Chris Wisneski from Whittlesey; Zach Unger, Sharon Chun, and Charles Dong from Protiviti; and OPM staff.

Mr. Luciano made a motion to go into Executive Session with a second from Ms. Hammersley. Motion carried. The MARB went into Executive Session at 10:33 AM.

Mr. Luciano made a motion to leave the Executive Session with a second from Mr. Biller. Motion carried. The MARB returned to the Special Meeting at 11:44 AM.

Secretary Beckham stated that the MARB discussed the two consultants draft reports and a personal injury claim. The MARB was in Executive Session from 10:33AM to 11:44AM and is now back in Special Session. The MARB will be taking up Item V–b.i. on the special meeting agenda.

- b. Discussion and Possible Actions:

- i. Settlement of a Personal Injury Claim

Secretary Beckham asked for a motion on the settlement of the claim. Mr. Biller made a motion to approve the settlement of the claim, with a second from Mr. Luciano. Motion carried.

- c. Mayor's Executive Summary

Mayor Borer provided an update on the City of West Haven. She stated that the City will be meeting with the rating agency, Standard and Poor's later in the month. They have changed the review process and added more categories which may impact municipalities that have had challenges in the past, including West Haven. She congratulated the Finance Team for closing the June 2024 books by September 30, 2024. The Finance Department is now fully staffed. They continue to recruit for the positions of Water Pollution Control Authority Superintendent, City Planner and a Grants Director. A new control page has been added to contracts that requires sign offs by the department head, the finance director, and the Corporate Counsel before the Mayor signs any City contract.

The City is using ARPA funds to create a grant program for small businesses to secure up to \$10,000 for windows, doors, patio upgrades and facade upgrades. They rolled out \$125,000 in arts grants also using ARPA funding. The Mayor has brought together downtown business owners to help them create a downtown merchant's association. The Mayor applied for and received a Community Investment Fund grant for \$250,000 for downtown planning. Working with Department of Economic Development, the Mayor secured \$2 million to invest in the downtown. Also, they created a new tax incentive program for businesses looking to relocate or begin in West Haven.

The City-owned Savin Rock Conference Center, where the ill-fated Brewery was going to be developed, went out to bid again. A City-formed panel interviewed the bidders and selected one. The Mayor will

be working with City Council to move this project forward. Additionally, Stiles School went back out to bid and got 3 bidders. The City will be interviewing one of the bidders next week. The North End Field property the City is interested in selling, has completed environmental reports and a land survey in order to initiate an RFQ on the property. The City is meeting with developers on the Havens property, comprises twenty-six acres on the shoreline. Lastly, the City has invested funds in a hotel on Beach Street and is working with the owners to transition the property.

The Mayor plans to meet with the new President of University of New Haven and with the President of Yale University to strengthen the partnership with the City. She has also been working with the South-Central Regional Council of Governments (SCRCOG) trying to secure funding for traffic lights, sidewalks, and patching projects.

d. Review and Discussion:

i. City and BOE Monthly Financials – July 2024

Mr. Gormany provided an update on the July 2024 financials. With this being the first report of the fiscal year, so far there are no areas of concern. The focus is on tax collections and the City has collected 44.22% of budgeted amount.

Mr. Cavallaro stated that there has been very limited activity, as school is not in session. Ms. Kennison asked about year-end 2024 BOE transfers. Mr. Cavallaro stated that the transfers are on the BOE's agenda for the October 7th meeting. Once approved, they will come to the MARB.

ii. Status of FY 2024 Audit

Mr. Gormany stated that the FY2024 closing of the books went relatively smooth with the process being completed on October 2nd. The auditors, PKF O'Connor Davies LLP (PKF), have been provided trial balances, performed sample testing, and is planning to have biweekly meetings with the City. Ms. Kennison asked if the OPEB Trust was funded. Mr. Gormany said the OPEB Trust was funded for the budgeted amount for FY2024.

e. Review, Discussion and Possible Actions: Non-Labor Contracts:

i. Milestone Construction Services, LLC – Expanding the Vietnam Veterans Memorial - ARPA Funds

The City went out for bids seeking proposals for the expansion of the West Haven Vietnam Veterans Memorial project at Savin Rock Park. Two bids were received. The City is seeking approval to award this bid to Milestone Construction Services LLC, New Haven, CT for \$103,566.46. This project is being funded with ARPA funds for parks improvements.

Mr. Luciano made a motion to approve the Milestone Construction Vietnam Veterans Memorial expansion contract with a second by Mr. Alvarez. The motion was approved unanimously.

ii. Center Fire District – ARPA Subaward Agreement with the City for \$1.025 million

The City is seeking approval of an ARPA Subaward Agreement between the City of West Haven and the Center Fire District for \$1,025,000. These funds would be used by the fire district to purchase property that borders the Elm Street fire station, and to purchase radios. This project is being funded with ARPA funds that were appropriated for the Center Fire District by the City Council.

Mr. Luciano made a motion to approve the ARPA Subaward Agreement between the City and the Center Fire District with a second by Mr. Alvarez. The motion was approved unanimously.

iii. National Water Main Company – Dawson Avenue Sewer and Manhole Rehabilitation Construction

The City went out for bids seeking proposals for the sewer and manhole rehabilitation construction project for Dawson Avenue. Three bids were received. The City is seeking approval to award this bid to National Water Main Cleaning Company, Canton, MA for \$808,665. This project will be funded with a Clean Water Fund Grant and a Clean Water Fund Loan.

Mr. Luciano made a motion to approve the National Water Main Company contract with a second by Mr. Alvarez. The motion was approved unanimously.

iv. Gengras Ford LLC – Purchase of Six Police Interceptor Utility Vehicles

The City of West Haven is looking to purchase six (6) 2025 Ford Police Interceptors for the Police Department at a total price of \$404,498. The vendor is Gengras Ford LLC, which has a State Contract. The source of funds for this purchase is the FY2025 City Bonding.

Mr. Luciano made a motion to approve the purchase of six (6) 2025 Ford Police Interceptors with a second by Mr. Alvarez. The motion was approved unanimously.

v. Utility Communications, Inc. – Traffic Cameras and License Plate Recognition Systems

The City went out for bid seeking proposals from Dealers / Resellers for the procurement, installation, and configuration of traffic cameras and license plate recognition (LPR) systems for thirteen (13) site locations. Three bids were received that were reviewed by the Police Department. Based on the recommendation of the police review team, the City is seeking approval to award this bid to Utility Communications, Inc., Hamden, CT for \$310,665. This project is being funded from the Special Duty Service Account.

Mr. Luciano made a motion to approve the contract for traffic cameras and license plate recognition (LPR) systems for \$310,665 with a second by Mr. Alvarez. The motion was approved unanimously.

vi. Connecticut Trailers, Inc. - Purchase of a Heavy-Duty Construction Trailer

The City of West Haven is looking to purchase a new construction trailer for the Public Works Department in the amount of \$75,207 from Connecticut Trailers. Connecticut Trailers has, through the Federal Supply Service, a General Services Administration (GSA) Cooperative Agreement, a purchasing type co-op used by the City. This purchase is using FY2025 Bond funds.

Mr. Luciano made a motion to approve the purchase of the new construction trailer with a second by Mr. Alvarez. The motion was approved unanimously.

vii. Freightliner of Hartford, Inc. – Sandblast and Paint the Bodies and Frames of Fourteen Plow Trucks

The City of West Haven is looking to repair the frames for fourteen (14) of its plow trucks for \$120,540. The contractor is Freightliner of Hartford, East Hartford, CT and has a State Contract. This repair work is using FY2025 Bond funds.

Mr. Luciano made a motion to award the plow trucks frame repair work to Freightliner of Hartford with a second by Mr. Alvarez. The motion was approved unanimously.

viii. Gengras Ford LLC – Purchase of a 2024 F-250 Super Cab 4X4 Pickup

The City of West Haven is looking to purchase a 2024 F-250 Super Cab 4X4 prepped for snow plowing at a total price of \$67,220.52. The vendor is Gengras Ford LLC, which has a State Contract. The source of funds for this purchase is FY2025 Bond funds.

Mr. Luciano made a motion to approve the purchase of a 2024 F-250 Super Cab 4X4 with a second by Mr. Alvarez. The motion was approved unanimously.

ix. Gengras Ford LLC - Purchase of a 2024 F-350 with Dump Body

The City of West Haven is looking to purchase a 2024 F-350 4x2 with a dump body at a total price of \$77,538.80. The vendor, Gengras Ford LLC, which has a State Contract. The source of funds for this purchase is FY2025 Bond funds.

Mr. Luciano asked what this truck would be used for and Mr. Spreyer said this is a regular dump truck to be used for in-house construction projects.

Mr. Luciano made a motion to approve the purchase of a 2024 F-350 with a dump body that was seconded by Mr. Alvarez. The motion was approved unanimously.

x. Gengras Ford LLC - Purchase of a 2024 F-550 with Reading Body

The City of West Haven is looking to purchase a 2024 F-550 Super Cab 4X4 Diesel with a Reading Body, a Vanair Gas Viper Compressor, and a Tommy Gate at a total price of \$128,939.20. The vendor is Gengras Ford LLC, which has a State Contract. The source of funds for this purchase is FY2025 Bond funds.

Secretary Beckham asked what this truck would be used for. Mr. Spreyer said the F-550 is a utility truck to be used by the City's construction crews.

Mr. Luciano made a motion to approve the purchase of a 2024 F-550 Super Cab with a second by Mr. Alvarez. The motion was approved unanimously.

xi. Vac-Con, Inc. – Purchase of New Jet/Vacuum Sewer Cleaner Truck

The City of West Haven is looking to purchase a New Jet/Vacuum Sewer Cleaner Truck for \$587,925 for the Water Pollution Control Authority (WPCA). The vendor is Vac-Con, Inc., from Green Cove Springs, FL. Vac-Con has a Sourcewell contract, a purchasing type co-op used by the City of West Haven. This purchase is using FY2025 Bond funds.

Mr. Luciano made a motion to approve the purchase of a New Jet/Vacuum Sewer Cleaner Truck with a second by Mr. Alvarez. The motion was approved unanimously.

xii. The W.I. Clark Company – Purchase of a 2024 John Deere 320P Backhoe Loader

The City of West Haven is looking to purchase a John Deere 320P Backhoe Loader for the Public Works Department for \$238,725.01. The vendor is W.I. Clark Company that is part of the

Sourcewell contract, a purchasing type co-op used by the City of West Haven. This purchase is using is FY2025 Bond funds.

Mr. Luciano made a motion to approve the purchase of a John Deere Backhoe Loader with a second by Mr. Alvarez. The motion was approved unanimously.

xiii. Versalift - Purchase of a Bucket Truck (Revisit)

At its August 29, 2024, meeting, the MARB approved the City's purchase of a bucket truck for up to \$148,043 for the Public Works Department with the understanding that the City would be seeking to purchase a different make at a lower price with both vendors having a Sourcewell contract. However, the City ended up losing out on both of those bucket trucks.

The City of West Haven is still looking to purchase a bucket truck and is now seeking approval to purchase a 2024 Dodge 5500 4X4 cab and chassis with a diesel engine that also includes a telescopic aerial platform lift. Due to the diesel engine and other additional features, the cost is \$168,601. The vendor is Versalift from Waco, TX, and is part of the Sourcewell contract. This purchase is using is FY2025 Bond funds. Mr. Luciano said that this type of equipment that is not used all the time by the town should be shared with other municipalities.

Ms. Hammersley made a motion to approve the purchase of a bucket truck from Versalift, seconded by Mr. Alvarez. Motion carried with Mr. Luciano abstaining.

VII. Adjourn

The next MARB Meeting, scheduled for November 7, 2024, will be rescheduled until a later date. OPM Staff will be in contact with MARB members as soon as a new date is selected.

Mr. Biller made a motion to adjourn, seconded by Mr. Alvarez. The meeting was adjourned at 12:22 PM.