

DRAFT

STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD
REGULAR MEETING MINUTES

Meeting Date and Time: Thursday, July 13, 2023, 10:00 AM –12:00 PM

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

Call-In Instructions: Telephone: 1 860-840-2075
Meeting ID: 635 551 514

Members in Attendance: Jeff Beckham (Secretary), David Biller, Tom Hamilton, Matthew Brokman and Susan Weisselberg, Andrea Comer (State Treasurer's Designee) and David Brockman

Teams Attendees: Mark Waxenberg

Municipal Officials in Attendance: Mayor Luke Bronin, Leigh Ann Ralls, Julian Freund, Philip Penn, Neil Cavallaro, David Taylor, Matthew Cavallaro, Rick Spreyer, Ken Carney, Michelle Demicco, Connie and Cheryl Blanchard

Staff in Attendance: Kimberly Kennison, James Caley, Simon Jiang, John Mehr, Bill Plummer, Michael Reis, Chris Collibee, Lori Granato and Lori McLoughlin

I. Call to Order & Opening Remarks by Secretary Jeff Beckham

Secretary Beckham called the meeting at 10:00 a.m. noting that there was a quorum. He commented that Lisa Hammersley will be joining the board in September. She is replacing Matthew Brokman.

- II. Public Comment Period – *The Public Comment portion of the agenda will be announced by the Chair. Members of the public will be provided with an opportunity to speak. Before making their comments, members of the public wishing to speak must be recognized by the Chair. Speakers may be asked to limit their comments due to time constraints of this meeting.*

There were no members of the public in attendance. No public comment.

III. Approval of Minutes: June 15, 2023, Regular Meeting

A motion to approve the June 15, 2023, meeting minutes was made by Ms. Comer and seconded by Mr. Biller. Motion passed unanimously.

IV. City of Hartford

b. Review, Discussion and Possible Action: Labor Contracts

i. MOU - City of Hartford and Local 1716, Council 4, AFSCME

The term of this Agreement is from July 1, 2023, to June 30, 2025, for the Maintainer II positions. The City provided the package which includes the agreement, a step analysis, a cost impact analysis and a market comparison. This contract is the last in the bargaining group of maintainers, maintainers II, for the purpose of pay scale adjustments for recruitment and for retention purposes. The underlying contract goes through December 31, 2024. The projected cost impact is \$275,000.

Mr. Waxenberg asked about the number of vacancies. Mr. Freund stated there were six vacancies, but four positions are new in this budget. Mr. Hamilton asked about a 10% increase for this contract, and if this brings the maintainer group up to market rates for equate purposes. Mr. Freund said yes. Mr. Hamilton asked will there be any other labor groups. Mayor Bronin said yes there will be a few labor groups including the firefighters' contract with pay equate adjustments and clerical union contracts will be forthcoming.

A motion was made to approve the MOU by Mr. Biller and seconded by Mr. Hamilton. Motion passed unanimously.

c. Review and Discussion: Monthly Financial Report: May 2023

Mayor Bronin discussed the Monthly Financial Report as of the end of May 2023. He is projecting a surplus of \$25.6 million. Increases are due to increases in interest income, tax collections and licenses and permits. The City plans to dedicate a portion of surplus to fund balance and a portion to increase the "pay as you go" capital fund.

Mr. Penn from the Board of Education reported that there are no major changes in the May monthly financials over the prior month. Revenue coming in lower includes Medicaid, 3rd party medical and special education charges assessed to other districts. Mr. Penn has been working aggressively to mitigate any deficit at the end of the fiscal year and plans to breakeven.

Mr. Hamilton asked Mr. Penn to comment on what he would like his successor to know. Mr. Penn recommended keeping track of the vacancies rate during the 2023 -2024 budget year.

Secretary Beckham thanked Mr. Penn for his service and all the best in the future.

d. Milliman contract update

Ms. Kennison stated that Milliman has all the data now to complete the report but wants the board to see a draft report before it is released. The report is due in September.

V. Town of Sprague

a. Review, Discussion and Possible Action: Labor Contracts:

i. Tentative Agreement – Town of Sprague and MEUI, Local Union 506

The term of this Tentative Agreement is from July 1, 2023 to June 30, 2025, for six positions at the Public Works department.

Ms. Blanchard indicated that this is a 2-year contract with a 2.5% increase. The contract also includes increases to the premium cost share for insurance.

A motion was made to approve the contract by Mr. Biller and seconded by Ms. Comer. Motion passed unanimously.

b. Review and Discussion: Monthly Financial Report: May 2023

Ms. Blanchard remarked that the revenues and expenditures are similar to the past years. Income interest is coming in higher. The Board of Education is estimating a \$75,000 surplus at the end of the year with a portion of the surplus being deposited into the non-lapsing account.

Ms. Blanchard also mentioned the sale by the Town of a foreclosed apartment building that is scheduled to close this month with the funds going into fund balance.

VI. City of West Haven

a. Subcommittee Update

There was no June Subcommittee meeting.

b. Tier IV Updates:

i. Update on Whittlesey's Assessment

Ms. Kennison gave a brief update. The city is still making progress on their action items for Whittlesey. There is a meeting scheduled with the City, OPM and Whittlesey to discuss short-term and long-term action plans. The City's IT department has provided all the information to Whittlesey for their review.

ii. Update on Tier IV Corrective Action Plan – minimal work done since last meeting.

iii. Update on RFP for Finance Manager – final contract will be executed soon.

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

i. Discussion of West Haven ARPA Grant Awards Process

Mr. Spreyer commented that the ARPA committee is looking to disburse three grant programs which consist of an \$800,000 disbursement for Business Lease/Rental Incentive Program, \$100,000 for Support for Community Mental Health Grant, and \$500,000 for the Support for Arts Community Grant. The ARPA Committee will be conducting interviews in a public session. The ARPA Committee will make recommendations to the City Council for approval.

Secretary Beckham asked who serves on the ARPA Committee. There are eleven volunteer members on the committee and grant agreements will be drafted by outside attorneys and

outside accountants specific to ARPA. He also asked if grant agreements over \$50,000 would be brought before the board. Mr. Spreyer responded in the affirmative.

Ms. Kennison asked if these grants are reimbursable. Mr. Carney responded that they are all reimbursable expenses.

ii. Pre-Approval of Purchase for Boilers at Carrigan School \$500,000

The City is requesting pre-approval for the purchase of boilers for Carrigan School in order to buy on a State or a national contract for the refitting of the boiler for the school. The budget amount for this project is \$500,000 using ARPA funds. The engineer has created specifications and a price quote is included as an estimate. Mr. Carney mentioned that the replacement of the boilers needs to be completed so that the heat in the school can be turned on by October 15th. Mr. Biller asked for clarification of the process to ensure that the board will be apprised of the bid package. Mr. Spreyer responded that documentation will be provided to the Board.

A motion was made by Mr. Hamilton for pre-approval to purchase the school boilers for Carrigan School by a competitive or state bid up to \$529,000 with a second by Mr. Biller. Motion carried unanimously.

iii. FieldTurf USA, Inc. – High School Athletic Fields Reconstruction using ARPA Funds

The contract is between the City and FieldTurf USA, Inc. to replace West Haven High School's athletics field. The contract amount is \$2,560,650 and is to be completed no later than December 15, 2023 using ARPA funds. Mr. Carney stated this is a contract procured through the association of educational purchasing agencies. This is a time sensitive project to be complete before the beginning of the school season. This is a synthetic turf for football, soccer, lacrosse, track, and softball fields.

Ms. Weisselberg led a conversation regarding FieldTurf and drainage in general and how it impacts the City and its fields. Mr. Carney provided an overview.

Mr. Hamilton asked if these projects could be reimbursable with school construction grants. Mr. Cavallaro remarked that the City received special legislation for the high school project and had to leave the fields off the grant request due to nature of getting approved on the school construction priority list. The project was just renovating the high school building, not the athletic fields.

A motion was made by Mr. Waxenberg with a second by Mr. Biller. Motion carried unanimously.

iv. Imperial Company Restoration Contractor Inc. – Noble Street Child Development Center Roof Replacement, ARPA Funds

The contract is between the City and the Imperial Company Restoration Contractor for the roof replacement at the Noble Street Child Development Center. The Imperial Company was the lowest of two bidders that responded to an RFP. The contract amount is \$469,000 with a completion date by September 29, 2023, using ARPA funds. Mr. Brokman asked if the City owned the facility. Mr. Spreyer responded in the affirmative.

A motion was made by Ms. Comer with a second by Mr. Hamilton. Motion passed unanimously.

v. East River Energy – Gasoline and Diesel Pricing, State Contract

The contract is between the City, BOE and Allingtown Fire District with East River Energy to lock in the gasoline and diesel rates for approximately \$812,000 total value utilizing a State contract. East River Energy is willing to engage into a locked-in rate for one year with a price extension if over 100,000 gallons.

A motion was made by Ms. Weisselberg with a second by Ms. Comer. Motion passed unanimously.

vi. CDM Smith Inc. – Stormwater Master Agreement Task Orders #38 & #39

The two task orders are from the Master Agreement with CDM Smith Inc. for environmental services. The terms of these orders are 7/1/2023-6/30/2024 for the total amount of \$500,000.

This is a continuation of consent decrees in MS4 permit compliance with the 2015 agreement with CDM Smith. Each contract is listed at \$250,000 like previous contracts brought before the MARB.

Mr. Hamilton asked if CDM Smith is their engineer of record for all engineering and if it's time to rebid the services given, since they have been with the city for 8 years. Mr. Spreyer responded that they are in fact the engineer firm of record for MS4, for WPCA, and for overall issues in the City. It would be difficult for a different firm to come in and work with another firm's plans.

A motion was made by Mr. Hamilton and seconded by Mr. Biller. Motion carried unanimously.

vii. PKF O'Connor Davies - Audit Services – 5 Year Cost Proposal – Year 3

City Council has approved the City Auditor's FY 2023 engagement letter. The audit fee for FY 2023 is \$173,300. Ms. Kennison asked whether the City Council approved the 3-year or the 1-year contract. Mr. Taylor responded that the Council only approved the 1-year contract but he plans to return to the Council for the following 2 years. Initially, PKF provided a 5-year contract with this being year three.

A motion was made by Ms. Comer with a second by Mr. Hamilton. Motion carried unanimously.

viii. BOE has an existing contract with Winkle Bus Co. of West Haven for providing public school transportation services.

In May 2023, the City went out for an RFP for public school bus service from FY24 to FY28. Bids were received in June 2023 with the current bus service, Winkle Bus Company being the only bidder. BOE is seeking approval for the contract renewal with Winkle Bus with price no more than the bid. The contract has not been finalized due to the closing of an elementary school, resulting in logistic changes with new bus routes.

Ms. Kennison asked whether this is a renewal of an existing contract or a new bus contract. Mr. Cavallaro from the BOE answered an amendment to the existing contract. Ms. Weisselberg asked if this bus contract is within the BOE operating budget. Mr. Cavallaro answered yes. She also asked if the buses were electric or diesel. The buses are diesel.

Mr. Hamilton asked if the RFP was sent out to bus companies. Mr. Spreyer answered yes, 5 or 6 companies. Mr. Hamilton asked if there was any follow-up as to why those companies did not submit a bid. Mr. Spreyer answered no. Mr. Hamilton recommends following up with those companies that did not submit a bid.

A motion was made by Ms. Weisselberg and seconded by Mr. Waxenberg. Motion carried unanimously.

xi. Pending Contracts

BOE has the following pending contracts for MARB's awareness:

- Public School Security Services – Proposals Due July 13, 2023
The budget for school security is \$1.2 million. The BOE will review the proposals as the need to award the bid soon in case there is a transition period. Security services need to be in place by the start of school.
Ms. Kennison stated that if the school related service contracts information is in hand at OPM, she would entertain a special MARB meeting in August to approve these school related service contracts.
- Public School Food Service Management – State approval of the food service contract was received on July 13, 2023.

Secretary Beckham reminded the group that the next regularly scheduled MARB is in September.

d. Review and Discussion: Monthly Financial Report: May 2023

Mr. Taylor indicated that the City is projecting that revenue will be \$2 million greater than budget with investment income coming in higher. With expenses coming in lower, this will provide funding for the Internal Service Funds. The City Council approved transfers that will be coming soon to the MARB for approval as well as the City Council approved \$1.2 million to fund the emergency Chestnut Street repairs with the Sewer General Fund funding these repairs.

Mr. Cavallaro reported that the BOE financials through May projecting a surplus of \$92,164. During the year end close, BOE will be looking for expenses that can be shifted to grants. The Excess Cost payment of \$2.9 million has been received. The BOE is planning to provide its approved transfers at the September MARB meeting.

e. Update on FY 22 Audit

Mr. Taylor has been talking with the auditors and answering their questions. He is working with the auditors for the completion of the audit and the release of the financials in September. With the maturity of the BANS in September, the timing of the release of the audited financials will determine the funding of the maturing BANS.

f. Open Item List

Mr. Biller asked about the brewery project. Mr. Taylor said that negotiations continue with the City Council but the project has been withdrawn until a new contract is submitted. Mr. Biller also asked about the area of the land for the mall. Mr. Taylor said that the owners have demolished the buildings.

VII. Other Business

Ms. Kennison is recommending that the West Haven subcommittee meeting in July be held in West Haven. With a new fire station in the five-year plan, it would benefit the committee members to have an onsite tour of the fire stations in the three fire districts to see what the needs are in the district.

VIII. Adjourn

Motion to adjourn made by Mr. Biller seconded by Ms. Comer. Motion carried unanimously. The meeting was adjourned at 11:28 a.m.