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MEMBERS OF THE PUBLIC: IN LIGHT OF COVID-19, AND PURSUANT TO EXECUTIVE ORDERS 7B and 9H, THE TOWN IS CONDUCTING THIS MEETING VIA WEBEX ONLY.

Public Comment:

- ✓ The public may send their comments before or after the meeting to the following email: bof@fairfieldct.org. As you would in a public meeting, please include your name and home address with your comment. All comments received and verified will be included in the minutes with your name and home address, but your email address will be excluded.
- ✓ Information pertaining to BOF meetings can be found at www.fairfieldct.org/bof.

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Board of Finance Regular Meeting
Tuesday, November 17, 2020
7:30 pm
Via Webex

A Regular Meeting of the Board of Finance was held virtually on Tuesday, November 17, 2020 at 7:30 pm in Fairfield, Connecticut.

FINAL MINUTES

Members Present: Jim Brown, Chair, Chris DeWitt, Vice-Chair, Mary LeClerc, Secretary, Ed Bateson, Lori Charlton, Sheila Marmion, John Mitola, Jack Testani, Jim Walsh

Others Present: CFO Jared Schmitt, Attorney John Stafstrom, CAO Tom Bremer, Jim Olsen of Tighe & Bond

1. Call to Order

Chairman Jim Brown called the meeting at 7:32 pm. He reminded the public they can email the Board a comment pertaining to an item before or after the meeting which is being run by Webex.

2. Pledge of Allegiance

Chairman Brown led the Pledge of Allegiance.

3. To hear an update on the fill pile

CAO Tom Bremer gave an overview on the fill pile – he discussed where the Town is today and what the bond resolution is about. He said since April, the Town received a number of NOV's. Mr. Bremer said the Town wanted to make sure that before it moved ahead with any remediation it needed to get State DEEP sign off so negotiated back and forth for 1-2 months. He said the berm didn't have DEEP approval before it was built which caused a number of problems.

Mr. Bremer said negotiations were bogged down over a few months and the Town couldn't get anywhere to the satisfaction of the Administration so the Town entered into a consent order with DEEP which the Town recently signed to clean everything up. Mr. Bremer said as the Town cleans up and gets the LEP to sign off, it is protected by the consent order.

Mr. Bremer said after significant testing on all sites is performed, a remediation plan will be put together to help give a sense on what to do as well as the cost. He said cleanup has started on two sites and then cleanup of the other sites will take place, but there isn't enough funding. He said the \$2.2 million for legal fees, testing, etc. was already used up.

Mr. Bremer said as results are sent to the State, the State typically asks the Town to go back and test specific areas of a test site. He said the Town will write up a remediation plan. He said some sites may need ground water monitoring. He said the last data analysis will cost about \$200,000. He said there needs to be another data analysis on Penfield. Mr. Bremer said if this begins in the next few months, then it will take about another 2-3 months.

Regarding #11, Mr. Bremer said there are about 30-40 small sites that need testing in the amount of about \$70,000. He said the testing will give a definitive sense on how much remediation needs to be performed on these sites. Mr. Bremer said in about a month, he'll come back to the BOF to discuss the cost to write up the remediation plan and after that is done, he'll come back to the BOF to discuss the cost to remediate the remaining sites,

Regarding #10, Mr. Bremer said Selectmen Flynn felt the amount should be split up into two bond resolutions to more effectively look at expenses on an ongoing basis. Mr. Bremer said he felt testing should be done all at once. He discussed what happened at the WPCF where the wall is being built and said PCBs were discovered along the path of the wall requiring remediation of that entire site. He said the Town has worked out with the State to continue to build the wall as long as that area is remediated. He said the State wants an analysis of the entire WPCF site costing about \$200,000. Mr. Bremer said much of the contamination is more historical; the site was built on the old Nike site where lots of contamination was dumped for decades before regulations were put in place. Mr. Bremer said the sheet shows such things as a breakdown of numbers like contractors and where remediation is taking place. He said the most expensive item is taking the bad dirt somewhere else.

Ed Bateson asked if #11 is for consultant and access, but not for cleanup costs making these open ended which Mr. Bremer responded yes. Mr. Bateson asked for a ballpark for these three sites. Mr. Bremer said he can't give an amount for cleanup of these three sites now without having any data or remediation plan. Mr. Bateson asked if the Finance Department can in the future keep a running total on where the Town is with cleanup expenses and not split that up by fiscal year. He said to include in the next schedule what last fiscal year's numbers were and how it was funded. Mr. Bremer said nothing has been bonded yet; it has all been out of operating expenses. Mr. Brown asked if Mr. Bremer can have this schedule for the BOF at its December 1, 2020 meeting. Mr. Bremer replied yes.

Ms. Charlton asked Mr. Bremer to clarify what he means by fixing and if it is going above and beyond what is required by State. Mr. Bremer said all the sites on the list have exceeded the allowable ranges by the State. He said everything on the list is committed to be consistent for what the State requires.

He said Gould Manor Park is not on the list because it is not subject to the consent order because it has nothing to do with the Julian fill except for the sidewalk; contaminants are historical. Mr. Bremer said the question is what level the Town wants to clean up the park. He said he is not aware of any other site the Town has to decide what the level of cleanup should be. He said the Town is cleaning up to the level required by the State.

Mr. Mitola asked if there is a time limit to clean up the sites per the consent order. Mr. Bremer said yes; it would take about a year to put the remediation plans together, but the Town doesn't have to cleanup in a year; it has to move things along. Mr. Mitola asked if #s 8, 9 or 11's costs could be spread out over a number of years. Mr. Bremer said the Town took great lengths to make sure there are no safety concerns at these sites. He said he wants the sites to be cleaned up as quickly as possible, but to be cost efficient too. Mr. Mitola asked if the consent orders are on the Town website. Mr. Bremer replied yes and he will send members the consent orders.

Chris DeWitt asked the reasoning for bonding this. Bond Counsel John Stafstrom said costs are bondable. He said they are long-term costs because the sites will hopefully be remediated forever. He said he is clearly of the opinion that this is bondable. Mr. DeWitt asked about the reasoning for the 20-year bonding. Mr. Stafstrom said the timing of the bonds are related to the life of the infrastructure. He said remediation will hopefully be longer than 20 years.

Mr. Walsh asked about the numbers put together in this document in April of 2020 by the Finance Department. He asked if \$300,000 was added to the total revised budget and if so, when. Mr. Brown asked Mr. Schmitt to confirm with Controller Bosse tomorrow. He said he believes the BOF voted to move this amount from debt service into this fund.

Mr. Walsh asked if Mr. Bremer plans on redoing the forms. He said he needs this document continuously updated so the BOF knows how much was spent on remediation on an ongoing basis to see where the Town stands on the total amount of remediation plus the date of transfers. Mr. Walsh asked when the Jennings Beach parking lot first came to light. Mr. Bremer said this isn't new; the Town has known about this for a while. Mr. Walsh asked Mr. Olsen of Tighe & Bond to get the BOF a summary of remediation at each of these sites and advise why the consultant oversight cost is at least the same amount as the remediation cost. Mr. Olsen explained what the consulting cost consisted of and gave a quick summary of each site.

Mr. Walsh asked if #1-7's remediation costs have anything to do with the alleged Julian contaminated at the fill pile. Mr. Bremer said these are all related to Julian. Mr. Walsh said in regards to #s 8, 9 and 11 if Tighe & Bond needs to figure out what's there. Mr. Olsen explained what the costs are for each of these sites plus #10. Mr. Walsh asked if a 10% contingency is normal. Mr. Olsen said he generally uses a higher percent. Mr. Bremer said he put in the 10% which he is fairly confident about. Mr. Walsh asked what the \$180,000 is for. Mr. Bremer said it's for the lawsuits; the Town is unable to bond litigation fees, but it can bond legal counsel fees. Mr. Walsh asked if money is spent what account has been reimbursed. Mr. Bremer said an account was set up so that when costs are incurred because of the fill pile, the account shows where the money that has been allocated is put and that money will be used for additional expenses. Mr. Walsh asked if the account has a positive balance today. Mr. Bremer said he believes it does, but said it's a small amount left. Mr. Walsh went back to his question about the April 23, 2020 legal fees spent and money encumbered for future legal fees for about \$63,000 more.

Mr. Bremer said Wiggin and Dana is the bulk of the \$180,000 because this is the outside lawyer for the fill pile; he said he is not sure about Coles, Baldwin and Kaiser, LLC. Mr. Walsh asked Mr. Schmitt to get the answer to whether the \$180,000 is an additional amount to get a handle on legal fees. Mr. Walsh said the Town shouldn't bond for money for accounts already set up; it should bond for legal fees the Town will need to pay. Mr. Walsh said he needs an analysis on money spent on legal fees and whether the Town is bonding for future legal fees. Mr. Bremer said he wants the \$180,000 back in the account so if there are expenses for legal fees the Town could use some of that money.

Mr. Walsh asked how much has been spent on some of the sites. Mr. Bremer said money was spent on #5 and #6 – the small ones because the Town doesn't have enough money. Mr. Walsh said he thought when a budget for the fill pile was set up that it was decided costs would not be bonded at that time unless the Town ran out of cash. Mr. Brown asked if money was spent since April that the Town didn't have. Mr. Schmitt replied no. Mr. Brown asked if there is still money in the file pile account that is being utilized to this day. Mr. Bremer replied yes, but it's almost depleted. He said the Town hasn't yet reconciled what was spent since last April from this account.

Mr. Walsh suggested getting a quote from the Town Attorney on what he thinks the legal fees will be related to the pile. He wants to see all fill pile costs broken down. Mr. Bremer said sites will be cleaned up to residential direct exposure. Mr. Walsh asked Mr. Stafstrom if the bonding falls under infrastructure and thinks this Board shouldn't try to change its bonding policy. Mr. Stafstrom said it's up to the Board. He said land is part of infrastructure. Mr. Walsh wondered if another category like hazardous waste could be created. Mr. Brown suggested getting an update on the fund balance at some point.

4. To hear, consider and act upon the following resolution as recommended by the Board of Selectmen: *(requires RTM approval; pending BOS approval on 11/16/20)*

Resolved, that the attached Bond Resolution entitled, "A resolution appropriating \$1,686,000 for environmental testing and remediation costs at various locations in the Town of Fairfield, Connecticut related to contamination at the Town's reclamation yard and authoring the issuance of bonds to finance such appropriation" be, and hereby is, approved.

Mr. DeWitt made a motion to approve the item. Mr. Mitola seconded the motion.

Mr. Brown made an amendment for the bond resolution to be divided into two separate bond resolutions as approved by the Board of Selectmen at the Board of Selectmen meeting on November 16, 2020. Mr. Testani seconded the amendment which carried unanimously.

The Board then voted on each bond resolution separately.

Mr. Brown read the first resolution: To hear, consider and act upon the following resolution as recommended by the Board of Selectmen: Resolved, that the attached Bond Resolution entitled, "A resolution appropriating \$1,484,000 for environmental testing and remediation costs at various locations in the Town of Fairfield, Connecticut related to the contamination at the Town's reclamation yard and authoring the issuance of bonds to finance such appropriation" be, and hereby is, approved.

Mr. Testani made a motion to approve the first bond resolution. Ms. Charlton seconded the motion which carried unanimously.

Mr. Brown read the second bond resolution: To hear, consider and act upon the following resolution as recommended by the Board of Selectmen: Resolved, that the attached Bond Resolution entitled, "A resolution appropriating \$202,000 for the costs associated with an environmental hazard investigation and remediation of the Town's Water Pollution Control Facility and authorizing the issuance of bonds to finance such appropriation" be, and hereby is, approved.

Mr. DeWitt made a motion to approve the second bond resolution. Mr. Walsh seconded the motion which carried unanimously.

The main motion, as amended, carried unanimously.

5. To hear an update on COVID-19 expenses

Mr. Schmitt presented this item. He said the Town submitted about \$399,000 in COVID expenses for reimbursement to FEMA and a fund administered by OPM. Mr. Schmitt discussed what the expenditures were used for. Mr. Walsh asked Mr. Schmitt for a general consensus on some of the COVID expenses. Mr. Bateson requested through Mr. Schmitt that Chief McCarthy send the Board a memo on the \$18,000 federal fire grant related to COVID that the Town didn't receive.

6. To hear an update on the Purchasing Policy

Mr. Brown said the background on this policy is in the September 1, 2020 draft minutes. He said this policy needed to be updated based on the result of the DPW audit. Mr. Brown said a working committee developed this policy with employees and some Board members. He said at some point, this Board will need to vote on this policy.

Mr. DeWitt said he and Ms. Charlton both concluded that the policy didn't show what they expected it would so they asked Mr. Centofanti to review it. Mr. DeWitt shared some of Mr. Centofanti's comments which include there being no section on vendors nor how you get them, no referencing of a document like a Code of Ethics, no direct alignment with audit findings, the structure isn't grouped well and threshold for POs was increased without any analysis. Mr. DeWitt said it may be worthwhile to see how much Mr. Centofanti would charge to review this policy.

Ms. Charlton said an outside auditor should look at this policy before the Board votes on it. She wants to see good internal controls and good practices in place to protect the Town.

Mr. Bremer said he can go through answers to questions the Board has at the December meeting. He discussed the recommendations already implemented. Mr. Walsh said he'd like to see the draft to be prepared for December's meeting. Mr. DeWitt will have the draft sent to the Board tomorrow. Mr. Walsh asked Mr. Bremer if First Selectwoman Kupchick met with Superintendent Mike Cummings about the BOE's purchasing policy. Mr. Bremer said this meeting will be occurring soon. Ms. Charlton said this is not the draft she and Mr. DeWitt won't ultimately be commenting on. She wants Mr. Centofanti to look at this policy before she reviews it. Mr. Brown said after Mr. Centofanti reviews it will be turned back to the purchasing policy working committee. He said the Audit Committee will see Mr. Bremer's draft at its December 1, 2020 meeting.

7. To hear, consider and approve the meeting minutes of September 1, 2020 and September 15, 2020

Mr. Testani made a motion to approve the minutes of September 1, 2020 and September 15, 2020. Mr. DeWitt seconded the motion.

Mr. Walsh said a statement he made at the September 15, 2020 meeting on page three regarding an increase or decrease on home private never received that number that public is requesting but not getting. Mr. Brown said he'll invite the BOE next week to follow-up on this matter.

The motion carried 7-0-1, Ms. LeClerc abstained and Mr. Bateson wasn't present for this vote.

8. To Hear, Consider and Act Upon Any Communications

Ms. Charlton asked if public comment would be included during future BOF meetings like other boards have started to do. Mr. Walsh agreed with having public comment during these meetings and wants the public to see the Board members during the virtual meetings.

9. Adjourn

Ms. Charlton made a motion to adjourn the meeting at 10:47 pm. Mr. Walsh seconded the motion which carried unanimously.

Respectfully submitted,

Jennifer S. Carpenter
Recording Secretary