

**TOWN OF CROMWELL - BOARD OF FINANCE
SPECIAL MEETING
TUESDAY, SEPTEMBER 23, 2008
CROMWELL TOWN HALL
DINING ROOM
7:30 p.m.**

MINTUES AND RECORD OF VOTE

Present: Michael Gengler, Ed Maley Jr., John Flanders, Loraine Caruso, Joe Corlis, Jack Henehan, Alternate Jamie Kiefer

Absent: Alternate Julius Neto

Also Present: Finance Director Marianne Sylvester, Public Works Director Eric Hood

A. CALL TO ORDER

Chairman, Michael Gengler called the meeting to order at 7:40.

B. SEAT ALTERNATES

There were no alternates seated.

C. APPROVAL OF AGENDA

Motion was made by John Flanders, **seconded** by Jack Henehan, to approve the agenda. All were in Favor. *Motion Passes.*

D. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

1. Special Meeting, September 2, 2008

Motion was made by Ed Maley Jr., **seconded** by Loraine Caruso, to approve the minutes of the September 2, 2008 Special Meeting. All were in Favor. (Michael Gengler abstained) *Motion Passes.*

E. CITIZENS COMMENTS

Chairman Gengler introduced Dan Kelly who was nominated by the Democratic Town Committee to be seated as an alternate for the Board of Finance.

F. BUDGET REPORT (August 2008)

Finance Director Sylvester had provided the Board with a report reviewing the 2 months of the current fiscal year. Mr. Maley Jr. initiated a discussion on the incumberances of many of the employee benefit items such as insurance, but not payroll. Ms Sylvester discussed how many of the benefit items are handled through the purchase order system, but the payroll changes throughout the year. Mr. Maley Jr. asked if a line could be added to the report for actual expenditures. Ms Sylvester explained that the current software did not provide this capability. The Board discussed the software costs associated to add the function.

G. REPORT OF THE TAX COLLECTOR

The Tax Collector had provided the Board with a report. There were no comments.

H. OLD BUSINESS - None

I. NEW BUSINESS

1. Recommendation to Special Town Meeting on a 15-year municipal leasing agreement for the financing of an energy savings performance contract with Siemens Building Technologies.

Director of Public Works Eric Hood discussed the audit report to the Board. Mr. Hood will provide Board members with a copy of the Audit report. Mr. Hood discussed the analysis of mechanical and energy usage, for example, the replacement of the chiller and boiler in the Town Hall. Mr. Maley Jr. asked what type of contract was in place for the current chiller. The Board discussed the concerns for this current contract. The Board discussed their concern of liability incurred by the Town if this energy savings contract does not go through. Ms Sylvester was informed that the Town Attorney had approved the contract. Mr. Maley Jr. asked for a recess to call the Town Attorney.

Chairman Gengler called a recess at 8:13pm.

Meeting resumed at 8:15pm.

The Town Attorney was not reached.

Chairman Gengler addressed Mr. Hood about the proper channels for needs and financing.

Mr. Hood discussed that Siemens has provided a Performance Assurance to protect the Town if it does not meet what was expected. Ms Kiefer questioned why the Service TSP numbers are so different in the spreadsheets from the one received previously to the one received today. Ms Sylvester stated she would have to check on the change. Mr. Maley Jr. expressed concern with the absorption of the current contract.

Motion was made by Loraine Caruso, **seconded** by Joe Corlis, to approve the Recommendation to Special Town Meeting on a 15-year municipal leasing agreement for the financing of an energy savings performance contract with Siemens Building Technologies. All were in Favor. *Motion Passes.*

Ms Kiefer expressed concerns about charges described on Page 8. Ms Kiefer also pointed out that on Page 11 that a dedicated phone line was required and have the expenses been worked out for these requirements.

The Board questioned whether the maintenance of the equipment would be provided. Mr. Hood explained that those costs are separate and may be provided by a separate contract or contractor. Mr. Flanders found a clause in the contract that if equipment is altered that Siemens could charge additional expenses to recertify the equipment into the program. The Board discussed that there are several contractual items that they felt needed to be looked at including the addition of the previous contract, but that they can only act on the financing.

Chairman Gengler asked Mr. Hood if he has seen this program in action. Mr. Hood said that he had.

Mr. Maley Jr. commented that he was not happy how this contract came about and clarified his reasons. Such as his concern that if this had come for another item such as a police cruiser or dump truck, not a chiller that it would have been handled differently.

Chairman Gengler explained the benefit of not going out for a bond on these items right now but that these items should be kept in mind in the future if a better rate could be met.

Mr. Maley Jr. asked that legal clarification be given regarding the Board of Selectman appropriation.

Motion was made by John Flanders, **seconded** by Loraine Caruso to request the Chairman to ask the Legal Authority to submit in writing whether in this case or any case the BOS appropriation as the amount to be spent incurred was allowed to be approved. All in Favor. *Motion Passes.*

J. BOARD OF EDUCATION- LIASON REPORT

Joe Corlis discussed that on September 9, 2008 at the BOE meeting that it was stated they ended the year with a \$12, 316.94 surplus. This was \$490 over the previous year. There was about a \$3000 discrepancy with the previous finance report. Mr. Corlis informed the Board on the AP program at the High School.

The Solar Panel Committee has picked a firm. Chairman Gengler added that an attorney has been hired to help with the contracts.

K. CHAIRMAN'S COMMENTS

Chairman Gengler remarked that the CCM Convention is next month if anyone would like to attend. Chairman Gengler also encouraged Board members to attend the Town Meetings tomorrow night.

L. VICE CHAIRMAN'S COMMENTS-None

M. GOOD AND WELFARE-None

N. ADJOURNMENT

Motion was made by John Flanders, **seconded** by Loraine Caruso, to adjourn the meeting at 9:00pm. All were in Favor. *Motion Passes.*

Respectfully Submitted,

Jennifer L. Donohue
Finance Clerk