

Town of New Hartford
Board of Finance –Regular Meeting
New Hartford Town Hall
Tuesday, September 9, 2014 @ 7:00 p.m.

PRESENT: Chairman Ben Witte, Members: Steve Tuxbury, Reggie Smith, Maria Moore, Alternates: Steve Roth, Bill Coates, First Selectman Dan Jerram, BOE Chairman Josh Adams, David Krimmel, Dave Battista (Lenard Engineering), David Childs, Dan Eddy, Kathryn Boughton (Republican American reporter), Bob Moore, Denton Butler, Roy Litchfield, Bookkeeper Annie Witte, Town Treasurer Gordon Ross, Recording Secretary Penny Miller and members of the public.

ABSENT: Dan Charest, Jim Fitzgerald

Chairman Witte called the meeting to order at 7:00 p.m.

Seating of Alternates: Steve Roth for Jim Fitzgerald

Public Comments: David Krimmel said that if the issues come to referendum that they should be done separately and not bundled together. He thinks there should be opportunity for people to vote independently on the school project and the Carpenter Road Bridge. Member Smith said that the Board of Selectman makes this decision to handle them separately not the Board of Finance.

David Childs supports what Dave Krimmel says.

Dan Eddy read the following comment and asked that it be included in the minutes.

“Thoughts and comments on lot purchase and to me what is a waste of \$11,000(+, -).

First and foremost the town appraisers appraise the lot at 269,700 why in the world would anyone pay nearly 62% over appraised value. We are giving Griffin (a tax evader) \$100,000 for what.

P & Z has demanded Dunkin Donuts relocate their driveway to create a longer drive thru line, for safety reasons and we are suggesting the town might put another drive through venture in the same location.

While a park like setting would be wonderful, who would use it, local kids (trash issues) downtown residents, I’m not so sure; would you sit on a park bench at that intersection and watch the world go by, or walk 300 yards across the river and use Calahan park.

Parking lot ?? would this really enhance the looks of our down town area.

Cost ?? 260,000 + 11,000 phase one (probably phase two 15,000 it was a gas station) 30,000 to 50,000 to clean it up, your looking at close to \$325,000 for a park, or parking lot.

Could you resell it, at \$325,000 empty lot costs, I really doubt it, it is nearly an acre (only .95). With road offsets, site line requirements on two major highways, and building line set backs, not to mention the steep slopes (behind the tree line) that would probably require a mining permit to make the land usable, the resulting building would be very small.

All the downtown businesses sited by the first selectman were grandfathered in and did not have to meet these restrictions except Dunkin Donuts and it now has P&Z issues.

Please consider all these issues.

Please don't take this next comment the wrong way, but the selectman and to some degree the BOF VERY strongly suggested the WPCA shut off the water to delinquent users, why haven't the selectman been as diligent as they expect the WPCA to be and foreclose on this property. According to town records Mr. Griffin bought this property 8 years ago for \$9,500. According to Mr. Jerram he is four years delinquent on property tax. My suggestion foreclose and get the property for back taxes.

Most importantly why are we paying an EXTRA \$100,000 nearly twice the appraised value."

Potential Bond Projects:

Carpenter Road Bridge – Dave Battista of Lenard Engineering gave a quick summary on what required the closing of the Carpenter Road Bridge. There are certain restrictions on what type of bridge can be placed there. Most likely it will be a bridge with deep piles of 60-100' down. He would like a box culvert but doesn't think the regulatory department will allow it. The new bridge will allow two cars to pass by each other. If they change the bridge size then they let more water through during flooding season. They are looking at Alternative no. 3 – integral concrete bridge. The new bridge will be similar to what is currently there. Currently it is 14-15' and they would make it 24-25' across. Member Moors asked does the state let the town decide where to put the bridge or do they make a recommendation. Will they look at the number of people the bridge is servicing as it relates to cost? Mr. Battista responded if the town wants to rebuild the bridge – they are okay with that. As Dennis Dix could not be present, Mr. Jerram gave his comments saying: "The premise is cost net of reimbursement but there is issuance cost and short term interest built in." Mr. Jerram said the Board of Selectman did move on both projects as is and they were unanimous decisions.

Antolini School renovations – Denton Butler and Roy Litchfield spoke on the investigation of the roof and masonry so that we wouldn't be doing one project only to discover that another project needed to be considered. The glass blocks on the north wall of the gymnasium showed no corrosion of the brick ties but they should come out to prevent further issues.

The total budget cost is \$4,488,000 and after state reimbursement \$3,592,800. It goes up to \$3,792,800 with issuance costs.

Discussion centered on needing to say what this is going to cost the taxpayers. Mention should be made of the debt retirements and how that will impact your taxes. It should be a referendum with each one listed and voted separately. Some of the bridge cost will be reimbursed by the state.

MOTION: by Smith, second Roth to approve \$4,488,200 for school construction costs for Ann Antolini School.

Aye: Smith, Roth, Tuxbury, Moore, Abstentions: None, Opposed: None

Motion carries.

MOTION: by Smith, second Roth to bond \$3,592,800 plus the issuance and short term interest costs estimated around \$200,000 for the Ann Antolini School construction project.

Aye: Smith, Roth, Tuxbury, Moore, Abstentions: None, Opposed: None

Motion carries.

The New Hartford Fund Balance (surplus) analysis was distributed.

MOTION: by Smith, second Tuxbury to approve \$735,000, net to the town \$387,000 plus issuance and short term interest costs around \$75,000 for the Carpenter Road Bridge project.

Aye: Smith, Tuxbury, Roth, Witte, Abstentions: none, Opposed: Moore

Motion carries.

MOTION: by Smith, second Tuxbury to approve for bonding the Carpenter Road Bridge (bridge #091013) over the Nepaug River of \$387,000 plus \$75,000 in estimated issuance and short term interest costs and said bond shall be combined with school bond, if applicable.

Member Moore is against bonding projects like this and thinks we should pay cash for them. First Selectman Jerram stated that the Board of Selectman moved on this on August 26, 2014 and made a recommendation for approval.

Aye: Smith, Tuxbury, Roth, Witte, Abstentions: none, Opposed: Moore

Motion carries.

Approval of Minutes:

MOTION: by Tuxbury, second Witte to approve the minutes of the August 12, 2014 minutes.

MOTION: by Tuxbury, second Smith that the minutes are amended to read: On page 5, last sentence in the first paragraph should read. "Mr. Michaud had indicated that the WPCA needs any new development in the proposed district for the new plant to be required to extend lines and to connect to the plant."

On the amendment:

Aye: Smith, Tuxbury, Moore, Roth, Abstentions: none, Opposed: None

On the minutes as amended:

Aye: Smith, Tuxbury, Moore, Witte, Abstentions: Roth, Opposed: None

Motion carries.

Bookkeeper's Report:

Bookkeeper Witte reported a surplus as of June 30, 2014 of \$437,202.00. There were savings in health insurance, trooper and RRDD#1. The projected change to Surplus of \$437,000 is almost the same as last year. The tax collection rate is 98.61% as of June 30, 2014.

Proposed line item transfers as of June 30, 2014 was presented. This is subject to audit.

MOTION: by Smith, second Roth to approve the proposed line item transfers for the Fiscal Year 2013-2014 as presented.

Aye: Smith, Roth, Tuxbury, Moore, Abstentions: none, Opposed: none

Motion carries.

A copy of the Proposed Line Item Transfers Fiscal Year 2013-14 is filed with these minutes.

Member Moore would like to look at the last 3 years for over and underfunding of these accounts.

For the current fiscal year – line item transfer – 2014-15 filed with these minutes.

In the current fiscal year new line items were set up for the registrar salaries. There was an error in the formulas that wasn't picked up in the budget season. It will be taken from the health insurance line item where we have significant savings. Annual savings of \$62,000 and these two transfers will be taken from this line item.

MOTION: by Roth, second Moore to approve these proposed line item transfers for Fiscal Year 2014-15.

Aye: Smith, Tuxbury, Roth, Moore, Abstentions: none, Opposed: none

Motion carries.

Treasurer's report:

Town Treasurer Ross reported the balance in the short term interest doesn't include town expenses. This number is artificially high. His report is included with these minutes.

Selectman's report:

First Selectman Jerram reported the lowest bid on the Maple Hollow Bridge came in at \$235,000 which was higher than the budget estimate. By leaving the guardrail intact they are back on budget. The repairs will start the end of the month. As this is a two-month process, the neighbors have been notified. The town may have to pave the top of the bridge out of their budget.

Work is continuing with the Hemlock Corporation on the sand and salt shed at Antolini. It is hard to find contractors that will bid on a project like this. In the future, member Moore would like Mr. Jerram to advertise for projects like this in a trade paper.

The order is in for a new police car. Research is still being done on a chipper. There is a savings of \$62,000 in health care. Former Recreation Assistant, Christy Tellier has been hired for the part-time position of Recreation Director.

Member Smith would like to see our town emblem on the new police car and have it marked as a police car.

The Mobil station on Route 44 has been sold for \$430,000 to J&S Associates of Middletown. The new owners plan to operate the building on an interim business through the winter and work with P&Z to demolish the current building and rebuild it as a convenience store and a 3 island gas station.

Bill Michaud of the WPCA has come to Mr. Jerram about the recent line collapse that cost \$50,000. Moving forward a proposal will be needed to show where the lines are and Mr. Michaud said it might be difficult for them to pay for this. He is working on the proposal but Mr. Jerram hasn't received anything yet.

Other Items to Come Before the Board: None

MOTION: by Smith, second Roth to adjourn at 9:00 p.m.

Aye: Smith, Roth, Tuxbury, Moore, Abstentions: none, Opposed: none

Motion carries

Respectfully submitted,

Penny Miller
Recording Secretary

Attachments:

1. Dan Eddy's comments to BOF
2. Antolini Projects for Bonding Consideration
3. Bond Scenarios
4. New Hartford fund balance (surplus) analysis
5. Projected Revenues
6. Proposed Line Item Transfers Fiscal year 2013-14
7. Proposed Line item Transfers FY 2014-15
8. Account Balances