

BOARD OF SELECTMEN and BOARD OF FINANCE
SPECIAL JOINT MEETING

6:30 P.M.

October 18, 2023

Main Meeting Room - Oxford Town Hall

A joint meeting between the Board of Selectmen and the Board of Finance was held in the Main Meeting Room at Oxford Town Hall on October 18, 2023; the meeting was called to order at 6:43 p.m., and the Pledge of Allegiance was recited.

Attendance:

Board of Selectmen - First Selectman George Temple, Selectman David McKane,
Administrative Assistant Kristyn Rosa

Absent: Selectman Arnold Jensen.

Board of Finance - Chairman Jack Kiley, Paula Jensen, Kathryn Dennen, and Susan Arpin

Absent: Dana Flach and Diane Sorocco

The Board of Selectmen and the Board of Finance held a Joint Meeting to discuss the following purposes.

- 1) To consider pursuant to Section 6-10(A) of the Town Charter, the request for an appropriation in the amount of \$4,255,000.00 and bond issuance authorization in the amount of \$950,000.00 for Great Oak Elementary School HVAC Project.

Discussion:

First Selectman George Temple asked Board member Herman Schuler from the Great Oak School Evaluation and Improvement Committee for a status update on the project.

Mr. Schuler stated that there is currently a complete design and a contract for \$4,255,750.00, including \$53,000.00 in contingency with Air Temp Mechanical Services. This contract needs to be signed.

We have a grant in the amount of \$1,888,759.50. The project will take nine months to complete. If we do not finish the project by October 1, 2024, we will lose \$417,000.00 in Eversource rebates. Mr. Schuler already asked Eversource to extend the completion date till the end of the year, and they refused.

Mr. Schuler also explained that we have a 1.8 million dollar grant from Oscar through the Board of Education, which will be given if we complete the project by December 31, 2024. We need to start this project, or we are in danger of losing the grants according to the timeline.

First Selectman George Temple asked the Town Attorney, Kevin Condon if he had the opportunity to review the contract. Attorney Condon said he has, and some changes were made. It now has a start date of December 31, 2023, and is to be completed within ten months.

First Selectman Temple and Selectman McKane asked if Air Temp would work in the building while school is in session. Mr. Schuler explained that in the RFP and part of the contract references to allow Air Temp to enter the building at 5:00 p.m. and leave by 5:00 a.m. Monday through Friday. Saturday 5 am to Monday 5 am. The workers will clean up daily, and you will not know they are there. During summer hours, they have access to the building 24 hours a day.

First Selectman Temple asked Superintendent Robert Miller and the Board of Education if they had a problem with the logistics of allowing Air Temp access to the schools. Dr. Miller confirmed that he does not have any problems and that this project is a must-do project. Some classrooms currently are overheated, and some classrooms are freezing. This is a high priority, and the Board of Education and the Superintendent fully support Air Temp working evenings and weekends to complete the project.

First Selectman George Temple asked if there were any drop dead times on this project. Mr. Schuler stated that it would take a minimum of 9 months to complete the project. That is a reasonable amount of time, he stated. Mr Schuler reiterated again that if we do not complete the project by October 1, 2024, we will lose the Eversource rebate. Eversource cannot extend this deadline.

Mr. Schuler also reiterated that we have a 1.8 million dollar grant from OSCAR, which was received by the Board of Education and will be given to us if the project is completed by December 31, 2024.

First Selectman George Temple asked Attorney Condon to include a Time Is Of The Essence clause in the contract with separate consideration and also in the clause to state that we have the grant from Eversource that can be in danger if not finished by October 1, 2024.

Mr. Schuler stated he would like the project to start immediately. Dr. Miller stated that he understands that there will probably be something that will delay the process, whether it be weather-related or difficulty in getting parts, etc., so the earlier we start this project, the better.

First Selectman Temple agreed and stated that, yes, a tour de force provision must also be in the contract. We can not hold people to work if it's weather-related, but this project should be done within nine months.

First Selectman George Temple moved the discussion on funding and the possibility of a bond.

Finance Director Jim Hliva stated the bond is going to supersede the money that was appropriated from the general fund. Board of Finance Chairman Jack Kiley said he and Mr. Hliva reviewed the numbers, and current funds are available in the budget. There are cash funds available for the project now. There is a lot of legal work to get a bond. We have the funds available.

First Selectman Temple asked Mr. Kiley if he wanted to pay for it that way instead of bonding, and Mr. Kiley said yes, he supports using available funds for this project instead of bonding. He went on to say we have a good balance on hand and we have money in other accounts to utilize for this project.

Mr. Hliva stated we have to authorize a bond, but we won't issue the bond. At the next Board of Selectman meeting, you will have to authorize it. Then, it will go back to the Board of Finance at their next meeting, and they will set a date for a public hearing. The Board of Finance will have a public hearing, then meet and vote on it to be forwarded to a Town Meeting to finalize.

Mr. Kiley stated that we are talking about \$950,000.00, which he and Jim agreed they have more than sufficient funds from other accounts; he asked Mr. Hliva why we have to go to authorize the bond issue.

Mr. Hliva explained that the extra money we have came from the middle school, which came in under budget. He explained that due to the IRS rules, money could only be used for another bonded project. To use this money, we need a bonding authorization. He recommended we use the bond funds for this project. First Selectman Temple asked Mr. Hliva if this was under the cheaper interest rate. Mr. Hliva responded that yes, it's under the 1%. He explained that to use this money, it has to go under bond authorization.

First Selectman George Temple discussed the next steps to move this process along due to the importance of time. A special meeting will be held on Monday, October 23, 2023, at 4 PM to consider, act upon, recommend to the Board of Finance, set a Town Meeting date, and take all action necessary to authorize the Great Oak Elementary School HVAC project and bond financing as outlined in the resolution entitled.

The Board of Finance has a regularly scheduled meeting on October 23, 2023, at 7 p.m. They can take any consideration or action needed at that time.

First Selectman George Temple asked Attorney Condon to get the contract modified and get it back this week so that we can move this along as quickly as possible. Attorney Condon stated he would make the adjustments and prepare the contract for the Monday Special Meeting.

- 2) To consider pursuant to Section 6-10(A) of the Town Charter the request for an appropriation in the amount of \$2,000,000.00 for the replacement of the Towner Lane Sewer Force Main from the Towner Lane Pump Station To Larkin Bridal Trail Sewer Right-Of-Way Access.

Discussion:

WPCA committee member Larry Ellis explained that just in the last two months, there have been two Sewer main breaks. The pipes need to be replaced. The cost to repair is about \$64,000.00 to \$100,000.00 per break to fix. The project is estimated to cost \$2 million to repair ½ of the pipe and \$5 million for the entire pipeline. The WPCA has been putting band-aids on the work that needs to be done. First Selectman Temple agreed that to keep patching the breaks is not cost effective. Mr. Larry Ellis suggested doing the work in phases. He pointed out that the pipes are very old and deteriorating.

First Selectman George Temple stated this is not a project that just affects Towner Lane. It also affects the Industrial Park. Chairman Jack Kiley stated the Board of Finance is aware of the situation. The pipes are rusted out or eroding. He understands that when they were initially installed, they were not installed correctly. With doing this work, the hope is that Towner Lane will be fine for years.

Mr. Scott Halstead reviewed the estimate from Nafis & Young Engineers, Inc. The engineer estimated Phase 1 to cost approx. \$2 million, which is for the first 4000 feet, which is the big problem right now. The whole project overall is about a 5 million dollar project.

For the estimated construction cost of the Towner Lane Pump Station Force Main, the estimated recommendation cost is \$4,500,000 if done in 2024, as prices are increasing rapidly.

Chairman Jack Kiley asked what would be done differently this time than when initially constructed. Mr. Halstead stated the original pipes were steel. The pipes that will be installed now are plastic. They do not corrode like the steel ones that were initially used years ago. At that time, steel was the most cost-effective.

First Selectman George Temple said he agreed with the suggestion to do the project in phases. This needs to go out to bid. Mr. Temple said we need someone to oversee the job as it moves along. We will need someone who has a background in this area. First Selectman Temple asked Jim Hliva for his input on the best way to move forward.

Mr. Hliva responded that the best way to proceed would be to add this to the agenda for the Special Meeting on Monday, October 23, 2023, at 4:00 PM. First Selectman said we will add this on the agenda to send it out to bond.

Chairman Jack Kiley asked Mr. Halstead to clarify the dollar amount. Mr Halstead stated that the recommended amount was \$2 million, which was a recommendation per the Engineers analysis. First Selectman George Temple asked what the current rate for a bond is. Mr.Hliva stated a 20-year bond is currently just under 5%.

Selectman David McKane inquired about the use of other funds. He asked that if this project was to go over, could ARPA funds be used? Mr. Jim Hliva said yes, it is eligible for ARPA funding.

First Selectman George Temple stated we do have funds in our budget for this project. We don't need to use the ARPA funds. The ARPA funds have a long list of items on it.

Selectman David McKane asked why there is a 20% contingency. Mr. Halstead stated that was recommended by Nafis & Young.

First Selectman George Temple said we will take care of this on Monday and then forward it to the Board of Finance for approval.

Adjournment:

MOTION:

Selectman David McKane moved to adjourn the Board of Selectmen meeting at 7:20 p.m. This was seconded by First Selectman George Temple. 2 Ayes. Motion carried.

MOTION:

Chairman Jack Kiley moved to adjourn the Board of Finance meeting at 7:20 p.m. Kathryn Dennen seconded this. All Ayes. Motion carried.

Respectfully Submitted By

Kathleen Sundstrom
Clerk

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TOWN OF CHATHAM
TOWN CLERK