

**EAST LYME BOARD OF FINANCE  
REGULAR MEETING MINUTES  
Wednesday, DECEMBER 14th, 2016**

**Members in Attendance:** Camille Alberti, Chairperson  
Lisa Picarazzi, Secretary  
Peter DeRosa  
William Weber

**Also In Attendance:** Mark Nickerson, First Selectman  
Anna Johnson, Finance Director  
Sgt. Mike Macek, ELPD  
Joe Bragaw, Director of Public Works

**Absent:** Beth Hogan, Jason Pazzaglia

**A. Call Meeting to Order**

Chairperson Alberti called this Regular Meeting of the East Lyme Board of Finance to order at 7:01 PM.

**B. Pledge of Allegiance**

The Pledge was observed.

FILED

**C. Delegations**

Ms. Alberti called for delegations.  
There were no delegations.

Dec 20 2016 AT 10:00 AM/PM  
Karen Galbo, CL  
EAST LYME TOWN CLERK

**D. Approval of Minutes**

▪ **Regular Meeting – September 14, 2016**

Ms. Alberti called for a motion for approval or any changes to the Board of Finance Regular Meeting Minutes of September 14, 2016.

**\*\*MOTION (1)**

Ms. Picarazzi moved to approve the Board of Finance Regular Meeting Minutes of September 14, 2016 as presented.

Mr. Weber seconded the motion.

Vote: 3 – 0 – 1. Motion passed.

Abstained: Ms. Picarazzi

▪ **Special Meeting – November 30, 2016**

Ms. Alberti called for a motion for approval or any changes to the Board of Finance Special Meeting Minutes of November 30, 2016.

**\*\*MOTION (2)**

Ms. Picarazzi moved to approve the Board of Finance Special Meeting Minutes of November 30, 2016 as presented.

Mr. Weber seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

**E. Reports**

♦ **Board of Education – Jeffrey Newton, Superintendent of Schools; Eric Bauman, Board of Ed**  
Jeffrey Newton, Superintendent of Schools presented an update on the school projects, enrollment and potential re-districting (see attached). He said that they need to upgrade the overall elementary school facilities environment and are concerned with the \$55M+ debt service of the Town, State budgetary constraints which may lead to increasing cost burdens to municipalities and then directly to taxpayers, and

the education operating budget that is further constrained by recently negotiated contracts with bargaining units. This brings the conclusion that building new or renovating as new is not an option in today's economic situation. Therefore, they are looking to develop an alteration plan for the elementary schools with a price tag not to exceed \$30M. Further, the NESDEC projections for enrollment have seemed to escalate with some of the difference coming from births (recently built homes) and move-ins. They are also reviewing all aspects of potential re-districting with the possibility of moving 89 children out of Flanders with most going to LBH and moving 111 children to NCS with most coming from LBH. This is in the very early discussion stages with many items to be considered and worked out.

Ms. Picarazzi asked if they expected more growth in the Flanders School than others.

Mr. Newton said yes; noting that with the draft information that they have now that the northern end of Town is where the growth will be.

Ms. Picarazzi asked how the re-districting task was received by the task force.

Mr. Newton said that he thought that it has been received well noting that they have a variety of people on the committee.

Ms. Alberti said that it looks like the numbers will go down in re-districting for LBH and asked if that would mean that LEARN would stay and continue to rent there.

Mr. Newton said yes.

Mr. DeRosa asked what factors were used to attribute to the enrollment, and if the future expansion at electric boat was a factor.

Mr. Newton said that there are a number of factors that are considered including Electric Boat, move-ins (our good schools) and Pfizer.

Mr. DeRosa said that he was concerned with being able to trust the numbers.

Mr. Weber said that a 30% change in 2 years time does not 'smell right' and does not align with the good school or good place to live concepts as those are not new concepts. Also, they can only guess what Pfizer or Electric Boat are going to do from year to year so it does not seem that the numbers that they are projecting are right. It would be better to have another projection done.

Ms. Picarazzi said that she did not think that there was another company that did those projections and they use NESDEC.

Eric Bauman, Board of Education member said that they are trying to be transparent with the budget and that it is a basic budget outside of the contractual obligations. They also hope to present some new items such as the student campus where information can be obtained.

Ms. Picarazzi asked about the turf field and how long they have had it and how they are planning for the replacement.

Mr. Newton said that they have had it for 5 years now and that it would need to be replaced at 15 years.

Ms. Picarazzi asked if they are keeping a fund for the replacement so that they will not come back looking for money to do the work. She recalled to them that when this was moved forward that was one of the items that they had stressed when they approved it.

Mr. Newton said that they are tossing around ideas on some revenue generators for the replacement.

Ms. Alberti asked about the projected enrollments and that while there is perhaps an increase in the elementary area, that overall the enrollment is decreasing.

Mr. Newton said that there is a little decrease at the middle school level and that the high school has stayed basically the same.

Ms. Alberti asked Mr. Newton to be mindful of staffing and to not keep staffing in place in anticipation of an increase when there isn't one.

#### ◆ **First Selectman**

Mr. Nickerson reported on the following:

- They set up a Police Commission last week and are hoping to get our own Police Department in operation sometime between April 1, 2016 and July 1, 2016 as there is a lot to do. This should be a cost neutral change.
- Darlene Stevens who has served as the Executive Assistant to seven (7) First Selectmen over 27 years is retiring. December 30, 2016 will be her last day. Her replacement, Sandy Anderson will start next week and will be trained by Ms. Stevens before she leaves.
- An early retirement package was offered that four people were eligible for. Two people have taken it to date – Ms. Stevens and Mr. Holyfield. Mr. Holyfield, Highway/Sanitation Superintendent has, with his time here and a previous Town a total of 39 years in municipal service. He will be leaving in 2017.
- It is anticipated that another three or four town employees will retire in the upcoming year. He said that they will have to prepare for the payouts that go with this and that he will be seeking a line item to help with this.
- He noted that they are still in discussion with the Oswegatchie Hills developer, Glenn Russo and trying to effect a land swap or some sort of buy-out. The discussion continues on some sort of agreement.
- They have been hit with many FOI requests from Mr. Godbout in the past few weeks. He said that they need to be aware that this cost us quite a bit and that it involved attorney time which is costly.

Ms. Picarazzi asked about the retirement offer.

Mr. Nickerson said that it added six years and they could not cash in their sick time but could use it as part of their pension. Also, the un-used comp and vacation time had to be spread out over time in being paid out.

Ms. Picarazzi asked if the OT was included in the pension calculations.

Mr. Nickerson said that they do not get overtime as they are unaffiliated, some get comp. Police and Fire do but there are caps on it.

#### ◆ Finance Director

Ms. Johnson said that the November reports had been sent out in their packets. Current revenues are \$285,000 less at this point than what has been projected.

Ms. Alberti asked what the reason for this was.

Ms. Johnson said that she had looked at projections and has found that building permits, tipping fees and land fill are running behind at this time. She said that she reviews the figures every month to see where they are at that time.

Ms. Picarazzi asked how they were doing with overtime for Police and Fire.

Ms. Johnson said that both Fire and Emergency Mgmt. are on target so far. On the Police side they have some people out for various reasons so they have more overtime. In November they spent \$8,000 more.

In other areas she said that for Animal Control they have a full time and a part time employee so they may need another \$15,000 by the end of the year. Waterford would pay half (\$7500). They are also looking at possibly a \$30,000 shortfall in the combined legal accounts. For the Pension account they had to add due to a spike and they are also struggling with the Health Insurance. In September & October they were okay however November has been a terrible month. They still have large claims – 6 large claims exceeding \$62,000 and 4 exceeding the stop loss of \$125,000.

## F. New Business

### a. Special Appropriation and transfer \$1,396 from Contingency for purchase of file cabinets – Building Department

Mr. Nickerson explained that the building department needs to keep paper copies and that with some of the building code changes more paper comes in that has to be kept.

Ms. Alberti said that she does not have a problem with this request but would have liked to see two different vendor prices instead of two different product prices from the same vendor. She called for a motion.

**\*\*MOTION (3)**

Mr. Weber moved to approve the use of up to \$1,396 from account #01-01-120-200-500 (Contingency) for the Building Department to purchase four (4) HON filing cabinets. This purchase is necessary due to the increased documentation required for building permits as a result of code changes.

Mr. DeRosa seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

**b. Special Appropriation Click It or Ticket Enforcement Grant - \$8,000**

Sgt. Mike Macek explained that they take part in this CT Dept. of Transportation Click It or Ticket Enforcement Campaign each year and that the grant is 100% reimbursable to the Town. The WAVE 51 & 52 program is effective 11/21/2016 – 11/28/2016 and 5/22 2017 – 6/4/2017.

**\*\*MOTION (4)**

Mr. DeRosa moved to approve a Special Appropriation in the amount of \$8,000 to budget account 01-25-216-100-519 (Grant Overtime) and corresponding revenue account 01-04-400-409 (Police OT Grants) to participate in the Click-IT or Ticket Enforcement WAVE #'s 51 & 52.

Ms. Picarazzi seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

**c. Special Appropriation \$13,350 CT DOT Comprehensive DUI Grant**

Sgt. Macek said that this is the annual comprehensive DUI enforcement program that they participate in. It allows for more people to be on the road doing this enforcement. The Town has been awarded more this year - \$73,350 in Federal Funds.

**\*\*MOTION (5)**

Ms. Picarazzi moved to approve a Special Appropriation in the amount of \$13,350 to budget account 01-25-216-100-519 (Grant Overtime) and revenue account 01-03-300-006 (State Grant DUI) for the comprehensive DUI Enforcement Grant #0197-0722-CA.

Ms. Alberti seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

(This item requires Town Meeting approval)

**d. Bonding Resolution \$398,444 for Planning and Design and Modifications and Upgrades to Well 1A and Well 6**

Mr. Nickerson explained that there is a need to improve the #1 producing well in Town. The filter system needs an upgrade. Joe Bragaw, Public Works Director is here to answer any questions.

Mr. Bragaw said that the Town is the bonding authority for Water & Sewer. There are seven wells in Town. Well 1A is behind the fields and Well 6 is close by and has the ability to filter the iron and manganese. They want to run a 1500 ft. pipe from Well 1A to Well 6 and expand the Well 6 building to have the proper filtration. He bonding resolution is for the engineering to start the design process in the spring. The project will cost around \$3M.

Ms. Picarazzi asked if the rate payers pay for this.

Mr. Bragaw said yes, they do and that it would be put into the Water & Sewer budget.

Ms. Picarazzi asked if it adds to the debt of the Town.

Mr. Bragaw and Mr. Nickerson said yes – but it is offset by revenue from Water & Sewer.

Ms. Alberti noted that the Feds raised the rates and indicated that they would raise them more in 2017. She asked if that would affect the 2% here.

Ms. Johnson said that the 2% is firm as it is the DWSRF (Drinking Water State Revolving Fund) rate.

**\*\*MOTION (6)**

Ms. Picarazzi moved the resolution appropriating \$398,444 for the planning and design for modifications and upgrades to the East Lyme Well 1A and Well 6 water treatment plant project and authorizing the issuance of \$398,444 bonds of the Town to meet said appropriation and pending the issuance thereof the making of temporary borrowings for such purpose.

Mr. Weber seconded the motion.  
Vote: 4 – 0 – 0. Motion passed.  
(This item requires Town Meeting approval)

**e. Board of Finance By-Laws**

Ms. Alberti explained the draft that she had put together for the Board of Finance Bylaws (copy attached). She asked that they review them so that they can discuss them at their next meeting. She said that she had used the Board of Selectmen Bylaws as a guide along with other information she had found.

Mr. Nickerson noted that the Vice-Chairman item – if they checked the Charter that all see the Chairman and Secretary designation. Also, Roberts Rules does speak to how to run a meeting in the absence of the Chairman and Secretary.

**G. Old Business**

**a. Purchasing Policy**

Ms. Alberti asked for comments on the Draft that they had received.

Ms. Picarazzi asked which Towns the draft was based on.

Mr. Nickerson said that this has been the policy of the Town for some time and was in operation when Ms. Hogan was here. He said that he wished that she was present so that she could speak on it.

Ms. Picarazzi said that she was concerned over the time that it took to get this to them and that she wants to know what it is based on.

Mr. Nickerson said that they have always had a policy and that now it has been committed to writing in one document. Further, it is the Board of Selectmen who set policy, and as such he said that he is not opposed to change and if they would like to make suggestions the Board of Selectmen can review them and potentially make some changes.

Ms. Picarazzi said that she sees more exit clauses to it than not. She looked at three other Towns and they have lower thresholds to go to the bidding process. We have \$50,000 and the greatest of the other three is \$15,000. She said that she does not like giving the Selectmen so much latitude.

Mr. Nickerson suggested that perhaps they should have a Board of Finance subcommittee to review this and he will set up a Board of Selectmen subcommittee on suggested changes.

Ms. Alberti said that she does not think that there is any impropriety with out managers however, one does read about such things in the newspaper all the time. She said that she thinks it is an excellent idea for a subcommittee of Board of Finance and Board of Selectmen members. She said that she did not see a break on it for Town contractors and that she would like to put Mr. Pazzaglia on the subcommittee.

Mr. Weber said that he would like to be on it as this is what he does everyday at work.

Ms. Picarazzi agreed that Mr. Weber should be on it.

Mr. DeRosa also volunteered for the subcommittee.

Mr. Weber and Mr. DeRosa are the subcommittee members from the Board of Finance

**H. Public Discussion**

Ms. Alberti called for Public Discussion.

There was no Public Discussion.

**I. Board Comments**

Ms. Alberti called for Board comments.

Ms. Picarazzi said that she would like to benchmark with other Towns on their pension and benefits and how they handle sick time and other benefits as we are all grappling with it and she wants to know if we can lower our cost structurally. She wants to see creative ways on the pay scale to reduce costs.

Mr. Weber asked Ms. Alberti if she had used other Board and Commission By-Laws as a guide/benchmark for her draft.

Ms. Alberti said that she had not.

Mr. Weber said that he said that he had searched and had found different things on the qualifications of the members and that he would do another search for By-Laws as she had mentioned the word Charter sometime ago and that elicits different information.

Ms. Johnson said that she believes that the Board of Selectmen updates their By-Laws after each municipal election.

Mr. DeRosa asked about a Board of Finance member on the BOE Steering Committee –  
Ms. Picarazzi said that she is on it.

### **J. Adjournment**

Ms. Alberti called for a motion to adjourn.

#### **\*\*MOTION (7)**

Mr. Weber moved to adjourn this Regular Meeting of the East Lyme Board of Finance at 9:10 PM.

Mr. DeRosa seconded the motion.

Vote: 4 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,  
Recording Secretary

# East Lyme Public Schools Elementary School Facilities

Presented to the East Lyme Board of Finance  
on December 14, 2016

Attachment submitted BOT 12/14/16

①

# **Discussion Agenda**

1. Review where we have been and where we are now
2. Enrollment Projections
3. Alteration Requirements
4. Redistricting

# Design Steering Committee

## Meetings To Date:

Aug 18, 2016      Sep 20, 2016      Dec 8, 2016  
Sep 7, 2016      Nov 1, 2016

## Committee Membership:

Tim Hagen	Jeff Newton	Linda Anania	✓ Lisa Picarazzi
Eric Bauman	Melissa DeLoreto	Bill Derry	Linda Johansen
Ray O'Connor	Jeff Provost	Marc Salerno	John Whritner
John Rhodes	Mark Nickerson	John Arnold	Maria Whalen

## **Town of East Lyme Fiscal Picture**

- **ISSUE:** We need to upgrade the overall environment of our Elementary School facilities.

- **CONCERNS:**

- East Lyme has a total debt service of over \$55 million
- The State has serious debt and budgetary constraints which may lead to increasing the cost sharing burden to state municipalities and/or directly to the tax payer
- East Lyme Education operating budget will be constrained by recent negotiated contracts with bargaining units and insurance cost increases

- **CONCLUSION:** Building new or renovating-as-new is not a fiscally prudent option in today's situation



# Town of East Lyme Fiscal Picture

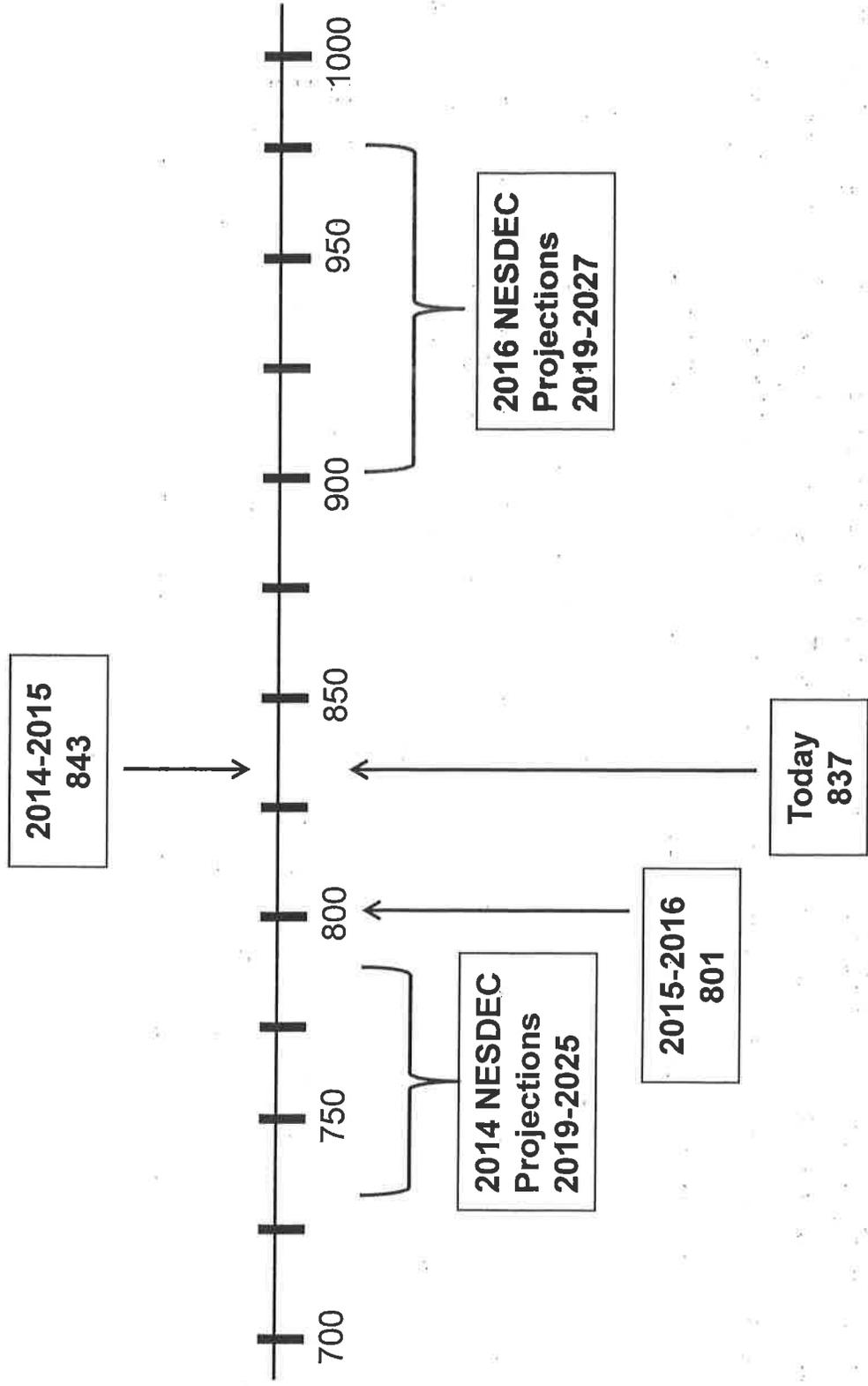
- **ISSUE:** We still need to upgrade the overall environment of our Elementary School facilities
- **POINTS:**
  - Interest rates still remain very low
  - Fixing our Elementary School facilities will have cost savings on the operational budget
  - Working with the Town, up to \$30 million could be an affordable budget to address our Elementary Schools
- **CONCLUSION:** Develop an alteration plan for the Elementary School facilities with a budgetary goal to East Lyme of \$30 million.



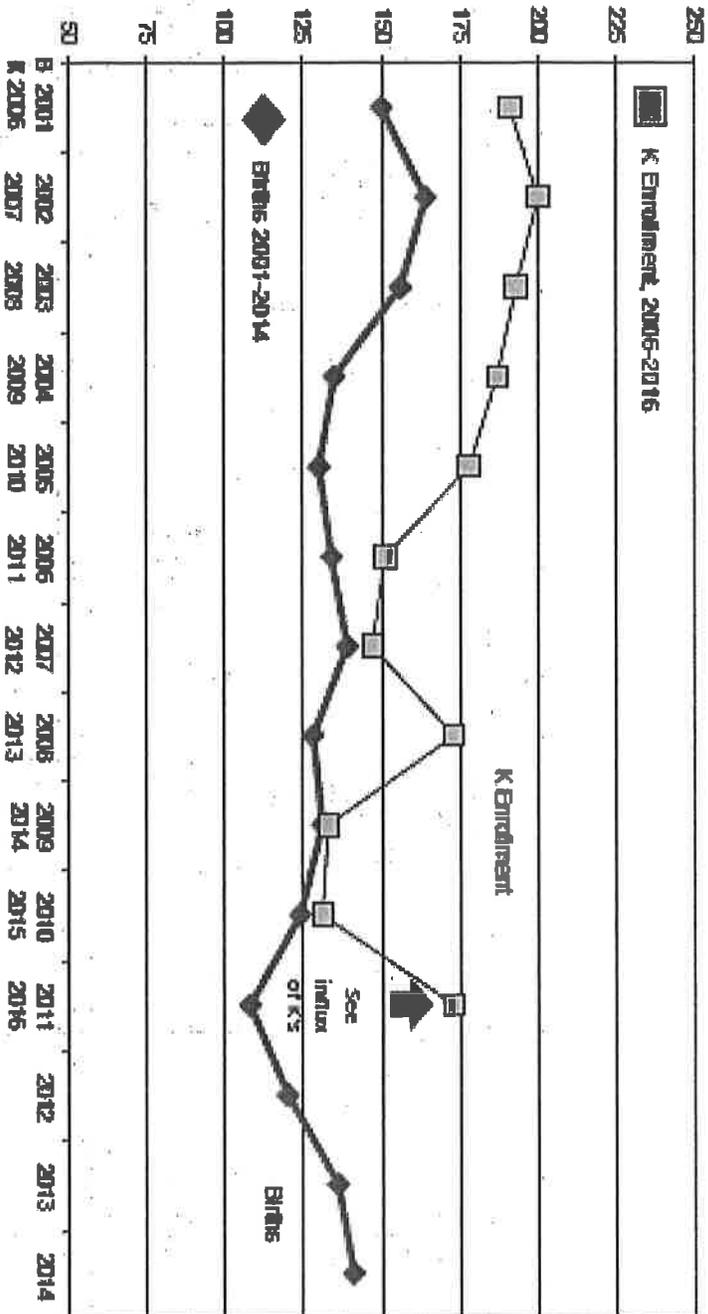
# ENROLLMENT

# Elementary School Alteration

How many K-4 students should we plan for?



# East Lyme, CT Birth-to-Kindergarten Relationship



# PROJECT ALTERATIONS

# **Elementary School Alterations**

## **Non-Negotiables:**

- Essential to ensure every child has an equal opportunity to learn in the best educational setting
- Ensure that staff are provided the best opportunity to educate our children in the most positive environment
- Remain focused on the balance between educational needs and fiscal responsibility
- Listen to our community stakeholders in an ongoing effort to gather input

# **Elementary School Alterations**

## **Alterations Design Requirements:**

- Provide best practices for school facility security and safety
- Upgrade facilities for handicap (ADA compliant)
- Maintain class sizes consistent with current practices and BOE guidelines
- Upgrade environmental and air quality systems
- Provide balanced schools in size and support services
- Enhance both internal and external building finishes
- Total alterations approximately \$30 million

# REDISTRICTING

# Distribution Study for Redistricting ELPS Students by Grade K-4

**\*Present**

**\*Proposed**

Grade	FL	HA	NC	Grade	FL	HA	NC
K	84	57	32	K	66	52	53
1	60	47	32	1	50	45	47
2	62	62	33	2	47	56	55
3	86	72	37	3	69	62	62
4	73	64	36	4	62	56	55
<b>Total</b>	<b>365</b>	<b>302</b>	<b>170</b>	<b>Total</b>	<b>294</b>	<b>271</b>	<b>272</b>

\*Using current enrollment numbers for 2016-2017 SY = Total 837 students

## **ELPS Elementary Redistricting Ad Hoc Committee**

12/5/16

### **Membership:**

Superintendent, BOE Members (2), Director Special Services, Elementary Principals, Teachers (2) and Parents (2) (from each school), ELTA Presidents; Invited: First Student Transportation Manager

### **Committee Charge:**

The Board of Education has determined that redistricting our elementary schools will provide equity for all Kindergarten through grade 4 students. Therefore, the ELPS Elementary Redistricting Ad Hoc Committee is charged with developing and presenting to the Board an implementation plan for the 2017 – 2018 school year. The plan should include the following: An outline of the redefined school boundary lines, identify and address challenges with proposed remediation's, a communication plan, estimated costs of the selected plan, clearly articulated rationale for the identified solution including educational benefits, impact on annual general fund budget, and impact on students and families.

# ELPS Elementary Redistricting Ad Hoc Committee (Continued)

## Timeline:

The committee work shall be completed and presented to the Board of Education on or before February, 28, 2017

## Meeting Dates:

Wednesday, December 14, 2016, 4:15 p.m., Central Office  
Tuesday, December 20, 2016. 4:15 p.m., Central Office  
Wednesday, January 4, 2017, 4:15 p.m. Central Office

## **What would redistricting require?**

- Move 89 children out of Flanders with most going to LBH
- Move 111 children to NCS with most coming out of current LBH

So about 200 children would be moved to a new school (includes about 40 K students)

- Number of students relocated may be less with examination of bus routes for LBH and NCS
- Staff redistribution would be required
- Support services would be shared across the three schools
- Realign classroom and grade level assignments
- Possible interior classroom modifications?

**TOWN OF EAST LYME, CONNECTICUT  
BOARD OF FINANCE**

**BYLAWS**

**ARTICLE I**

**Name**

The board shall be known as the Town of East Lyme Board of Finance.

**ARTICLE II**

**Purpose and Authorization**

The purpose of the Board of Finance (the Board) shall be to provide oversight and guidance in all financial matters relating to the Town of East Lyme, CT. The Board shall have full authority to act as set forth in Chapter 106 of the Connecticut General Statutes, and in accordance with the Town of East Lyme Charter, Ordinances and Special Laws.

The General Statutes give the Board specific responsibility for:

1. Preparing the town budget.
2. Setting the property tax rate.
3. Approving deficiency and special appropriations and transfers between appropriations.
4. Determining how Town financial records are to be kept.
5. Arranging for an annual audit of town accounts.
6. Publishing the annual town report.

**ARTICLE III**

**Office of The Board of Finance**

The office for the East Lyme Board of Finance will be located at East Lyme Town Hall (Town Hall), where all Board records will be maintained. Communication sent to any member of the Board at Town Hall will be copied and maintained in the Board's office, and distributed to all Board members, by a designated municipal employee.

**ARTICLE IV**

**Election of Officers**

At the first meeting following the bi-annual Town elections, the Board shall convene with the First Selectman as acting Chair. The Chair will take nominations for the office of the Chair of the Board of Finance from the members of the Board. After all nominations are complete, the Board members will vote on the Chair of the Board of Finance in the order the nominations were made. The first nominee to receive more than 50% of the vote shall be elected Chair.

**TOWN OF EAST LYME, CONNECTICUT  
BOARD OF FINANCE**

**BYLAWS**

Once a new Chair has been elected, he or she will conduct the election for the office of the Vice Chair.

**ARTICLE V**

**Officers and Their Duties**

The officers of the Board shall consist of a Chair, and a Vice-Chair. The position of Secretary will be filled by a paid municipal employee, and referred to as the Recording Secretary.

The Chair shall preside at all scheduled Board of Finance meetings and hearings. The Chair may from time to time, call special meetings in order to properly and efficiently transact Town business. He or she shall have the duties normally conferred by parliamentary usage on such officers, and generally perform other duties as may be prescribed by these bylaws. The Chair shall have the authority to appoint members to committees, and certify expenditure of funds within the budget for the Board of Finance up to \$300.00 without prior approval of the Board.

The Chair shall be a Board member, having all the discussion and voting rights afforded to all Board members.

The Vice-Chair shall have the authority and assume the responsibilities of the Chair in the Chair's absence. The Vice-Chair shall be a Board member, having all the discussion and voting rights afforded to all Board members.

In the interest of expediency, the Chair may, at his or her discretion, poll the Board members to determine whether a majority of the Board can be achieved for a scheduled meeting. In the known absence of both the Chair and Vice-Chair, the Chair shall have the authority to appoint a remaining Board member to assume the responsibilities of the Chair for that meeting. In the absence of both the Chair and Vice-Chair, where no Board member has previously been appointed by the Chair, the First Selectman will call the meeting to order, and entertain a motion to nominate a Board member as acting Chair for that meeting.

The Recording Secretary shall not be a Board member, and have neither discussion nor voting rights. He or she shall be responsible for keeping meeting minutes and records of the Board, filing same with the Town Clerk, and distributing same to Board members.

**TOWN OF EAST LYME, CONNECTICUT  
BOARD OF FINANCE**

**BYLAWS**

**ARTICLE VI**

**New Member Orientation**

Newly elected members of the Board of Finance will be furnished with printed materials, or directed to on-line sources, dealing with information about the municipality, including, but not limited to:

1. East Lyme Board of Finance Bylaws
2. Printed list of names and contact information for Board members and key Town personnel
3. Town of East Lyme, CT Charter
4. Chapter 106 of State Statutes
5. Current Financial Reports
6. Current Year Approved Budget
7. Most recent Audit Report
8. Annual Calendar

The Chair of the Board of Finance shall coordinate with the Town's Director of Finance, and the First Selectman to ensure delivery of these materials to the newly elected members.

**ARTICLE VII**

**Meetings of the Board of Finance**

The regular meetings of the Board shall be held on the second Wednesday of each month, called at 7 p.m., and be conducted at Town Hall, unless otherwise specified by notice.

All regular and special meetings conducted by the Board shall be deemed public meetings and recorded on tape. Said recording shall be filed in the office of the Town Clerk and shall remain there, available for listening by a member of the public, for ninety days after which the tape shall be erased and reused. A transcript of a recording of any meeting will be made upon a majority vote of the Board.

Meetings may be closed to the public for executive sessions, subject to the Freedom of Information Act, as recorded in the Connecticut General Statutes, after stating publicly the reasons for executive sessions.

Unless otherwise specified in these bylaws, the Board will follow procedures in accordance with Robert's Rules of Order when conducting meetings.

**TOWN OF EAST LYME, CONNECTICUT  
BOARD OF FINANCE**

**BYLAWS**

**ARTICLE VIII**

**Agenda**

The agenda for each meeting shall be in writing. Board action will take place only on those items specifically listed as part of the written agenda for that particular meeting, except that items may be added to the agenda of any regular meeting by a two-thirds vote of those present and voting. The order of business conducted by the Board shall follow the Agenda outlined below:

1. Call Meeting to Order
2. Pledge of Allegiance
3. Public Delegations
4. Communication and Correspondence
5. Approval of Minutes for Previously Conducted Meetings
6. Information and Reports
  - a. Board of Education (if present)
  - b. First Selectman
  - c. Finance Director
7. New Business
8. On-going Business
9. Public Comments
10. Board Comments
11. Adjournment

A motion from the Board must be made and passed in order to dispense with any item on the agenda or change the order of business.

The Board of Finance recognizes the value of public comment on Town issues and the importance of allowing members of the public to express themselves on matters of community interest. In an effort to assure the regular agenda of the Board is completed, and to recognize the nature of the Boards' time and to use that time efficiently, the Board reserves the right to limit comments during Public Delegations to five minutes per speaker. Public Delegations should not be interpreted as an opportunity to discuss on-going business with the Board, but rather, as an opportunity to express an opinion on an item listed on that evening's agenda. The Board may ask a question of the speaker for clarification purposes, but should refrain from engaging in a "back and forth" discussion.

It shall be the policy of the Board to acknowledge e-mails or other correspondence received by a member of the general public and addressed to a majority of the Board. The correspondence may be read aloud at the discretion of the Chair, but nonetheless, shall become part of the public record. All correspondence should be attached and made part of the minutes of the meeting.

**TOWN OF EAST LYME, CONNECTICUT  
BOARD OF FINANCE**

**BYLAWS**

The Board reserves the right to limit speakers during Public Comments to five minutes per speaker. This is an opportunity for the public to exercise their 1<sup>st</sup> Amendment rights and make their opinions known. This is not the appropriate time for the Board to engage in “back and forth” discussion with the public speaker, particularly if the subject matter is not an agenda item. If a Board member desires to address an issue raised during “Public Comments”, he or she should first move to add that item to the agenda. If that motion passes by an affirmative vote of two thirds of the Board members present and voting, it may be added to the agenda and then be discussed.

The Board Comments agenda item is intended to provide each member of the Board an opportunity to address comments and opinions made during Public Delegations and Public Comments, to exercise his or her own 1<sup>st</sup> Amendment rights and make known his or her opinions, to request an item be added to the agenda for the next meeting, or simply to make an announcement of general or community interest.

**ARTICLE IX**  
Amendments

The Board of Finance may suspend any and all provisions within these bylaws when it deems necessary, except where required by law, by reaching a majority vote on the suspension.

These bylaws may be amended by a majority vote of the entire voting membership of the Board, only after the proposed change has been read and discussed at a previous regular meeting.

Prepared: December 14, 2016

Revised: \_\_\_\_\_

Adopted: \_\_\_\_\_

# PURCHASING POLICY

Draft November 9, 2016

## *Policy Purpose*

This Policy is intended to supplement Chapter 6 of the Town of East Lyme Charter.

To establish procedures for the purchase of goods and services for the Town of East Lyme including all Boards and Commissions, except the Board of Education. It is intended for the Water and Sewer Commission to follow this policy.

Specifically, this document is intended to provide guidance to Town employees as to how and when certain services should be competitively bid. The Policy is intended to promote fairness among the competitive bid process while maintaining a flexible system of service procurement.

To ensure against datedness, the thresholds within this Policy will be adjusted periodically for inflationary impact as determined by the First Selectman and Director of Finance.

## *Responsibility*

All employees, including supervisors and department heads and any others authorized to make purchases for the Town will be responsible for following the provisions outlined in this Policy when making purchases with Town funds. It shall be the First Selectman's responsibility to sign-off on all purchase orders. Subsequent payments against purchase orders shall be signed off by the designated department. It shall be the responsibility of the Director of Finance and designated staff to review all purchase order requests to ensure availability of funds.

## *Procedures*

### *Purchase Order Requirements*

The Town of East Lyme's purchasing process begins at the departmental level. Each department identifies its need and initiates an on-line purchasing requisition. If funds are available the requisition will be approved first by the Director of Finance and then by the First Selectman for final approval. After all approvals are acquired, the First Selectman or designee will convert the requisition into a purchase order and funds will be available for spending.

Department approvals will still be required on all invoices prior to being processed by the Finance Department. Purchase orders in advance will be required for all items or services greater than \$1,500. The purchase order will be reviewed and processed by the Finance Department and then forwarded to the First Selectman's Office for formal

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approval prior to being processed by the Finance Department. Caution should be used when there are several purchases against the same account for under \$1,500 to ensure that there will be sufficient funds available once the order is processed. Although not required, it is recommended that a purchase order for items costing less than \$1,500 be used in advance of making the purchase as well.

During construction or implementation of approved budgeted projects, the \$1,500 limit can be exceeded when ordering materials, projects or authorizing work to keep on expected construction schedules. Purchase orders shall be processed as soon as practicable.

#### Review and Control of Purchase Orders:

Department heads shall review all open purchase orders on a regular basis to determine the receipt/completion of goods/services or whether the purchase order should be cancelled. The Finance Department will review purchase orders on a quarterly or bi-annual basis to determine the status of all open encumbrances.

#### Blanket Purchase Orders:

Blanket purchase orders may be issued for items purchased on a frequent basis following the limitations under this policy. Selected examples include miscellaneous hardware purchases, auto parts and other miscellaneous repairs and supplies from Town Departments.

#### *Requirements for Competitive Bidding*

##### Competitive and Sealed Bids:

For purchases of material, equipment and services to exceed \$50,000 the formal bid process must be utilized unless waived.

Specifications are prepared by the user department. The bid document contains the bidding information, general terms and conditions, technical specifications and any other requirements that might apply. Formal bids are assigned a time and date for bid opening. Bids received after the time and date are not accepted by the Town.

A concerted effort is made to obtain as many qualified bid proposals as possible. The Invitation to Bid may be advertised in a local newspaper, on the town web-site or other appropriate publication.

At the specified date and time, bids are publicly opened and read aloud. Bid results are tabulated for distribution to the user department, to all bidders and other interested parties. The requesting department evaluates the bids to determine the

successful bidder. Criteria used in the evaluation process includes price, compliance to the specifications, ability of vendor or contractor to provide goods or perform service,

prior performance and ability to deliver or complete the contract in a timely manner. Upon recommendation from the requesting department, and a recommendation from the Director of Finance, the bid will be awarded by the First Selectmen, to the lowest responsible, qualified, vendor. After the award decision is made, written notification to the successful bidder is required to obtain all items needed for contracting. Once an award has been made and the vendor contacted the department may request a Purchase Order Requisition.

A purchase order will be issued by the First Selectman once all contracts and other bid requirements are completed. If written contracts are executed, a copy must be filed with the Town Clerk. Bid bonds or other surety, when required, are to remain with the issuing department and returned promptly to the bidder when no longer needed.

*Non-Bidding Requirements (Please see the section "Review and Control of Purchase Orders" for more on bidding requirements)*

Price Quotations:

For goods or services from \$1,500 to \$15,000, employees must obtain at least two price quotations and electronically attach them to the completed purchase order requisition.

Quotation Exceptions

1. If a unique product or service is being purchased, or if it is difficult to obtain quotations, employees must note this in writing in the general notes section of the requisition.
2. If for continuity purposes, purchasing the same type of goods and/or services from the same vendor is in the best interests of the Town (i.e. buying the same fleet maintenance and/or water and sewer parts for stocking and installation purposes, experienced vendors which provide vital services to the everyday operation of the water and sewer departments).
3. During construction or implementation of approved budgeted projects, the \$1,500 limit can be exceeded when ordering materials, projects or authorizing work to keep on expected construction schedules. Purchase orders shall be processed as soon as practicable.

For purchases of material, equipment and services from \$15,001 to \$50,000, employees must follow a local invited bid process. The same three exceptions identified above to this threshold as well. A short form bid package may need to be prepared and e-mailed or mailed to appropriately qualified bidders. Opportunity shall be given for

competitive bidding from at least two or three qualified bidders. Award will be by purchase order to the lowest responsible responsive bidder. Under certain circumstances, such as sole source of supply or emergency situation, it may be more appropriate to proceed with a purchase without seeking more than one quote. This will occur only when the First Selectman determines it is in the best interest of the Town to do so.

### *Policy Exceptions*

This Policy will not apply to the following circumstances:

1. Professional services: Professional services shall be exempt from the purchasing guidelines and are defined as being services which meet the following tests:
  - a. Work requiring knowledge of an advanced type or field of science or learning, including but not limited to engineers, architects, appraisers, attorneys, auditors, medical services, or;
  - b. Work that is original and creative in character in a recognized field or artistic endeavor and the result of which depends on a person's invention, imagination or talent, or;
  - c. Work as a certified teacher or trainer.

Depending on the scope of the project, the First Selectman may require that the designated project manager develop RFP specifications so that multiple proposals for a professional services contract are evaluated on a somewhat competitive, albeit a subjective basis. In some cases there may be preemptive legislation that may require a formal bidding process. Refer to exception #5.

2. Cooperative purchasing: This Policy will not apply when goods or services are acquired through cooperative purchasing agreements. Primary examples shall include State, local & regional bids and cooperative bids including but not limited to the Capitol Region Purchasing Council, CREC, and CCM.
3. Emergencies: Inevitably there are emergencies when normal procedures must be suspended to ensure the timely delivery of goods or services. The First Selectman or his/her designee shall be empowered to suspend the normal procedures during an emergency situation.
4. Other Town/State Bids: This policy will not apply when goods or services are acquired through the use of formal bids or contracts from other Municipalities or States including but not limited to the CT Department of Administrative Services (DAS) bids.
5. Preemptive Legislation: This Policy will not apply to special goods, services or projects, the procurement of which is preempted by state or federal legislation.

Selected examples include but are not limited to federal CFR Regulations, Davis-Bacon provisions or state prevailing wage requirements.

6. Recurring Expenditures: Recurring expenditures such as utility bills, service maintenance contracts, specialized printing such as voter ballots and professional development costs shall be exempt from the Policy provisions.
7. Technology Enhancements: The procurement of technology equipment and services shall be exempt from the Policy provisions. This includes communication equipment and services that are essential to Town Departments. Since hardware and software standardization is critical to the efficient operation of the Town's computer system, it is not in the Town's interest to intermingle different brands or styles of computer equipment. All desktop computers shall be of a design consistent with the Town's technology inventory as determined by the Town's technology staff. In situations where multiple vendors carry the same standard platform of products utilized by the Town, departments will be required to obtain competitive quotes.
8. Bid Waiver: By Resolution the Board of Selectmen may at any time waive the formal bid requirements if such waiver is in the best interest of the Town.
9. Single Source: Those items having a single source supply.
10. On-Line Reverse Auctions: Pursuant to State Public Act 08-141 approved June 5, 2008.
11. Surplus Purchases: Purchases made through Local, State or Federal surplus agencies.
12. On Call Bids: The Town may produce On-Call bids for construction and other services (example: paving, curbing, drainage, trucking, tree trimming, scrap metal, earthwork, etc). These are sealed bids given to local qualified contractors for unit price work. These bids will be awarded on the results of the cost of a theoretical number of unit items. The Term of these contracts will be for one year unless extended by the specifications of the bid for an additional year. If items arise during work that are not in the bid documents, the Town has the right to negotiate with the contractor in good faith to get additional unit or lump sum costs for a particular project in addition to the bid items. These On-Call bids will take the place of normal bidding procedures for projects that fall in to the general scope of the On-Call bid criteria.
13. Waiver by First Selectman: In certain situations the bidding, quotation and proposal processes may be waived even though the estimated cost exceeds the

14. dollar threshold established within this policy. The formal process may be waived for any of the following reasons:

- a. Time is a critical factor.
- b. A formal process would result in substantially higher costs to the Town or inefficient use of personnel, or cause substantial disruption of Town services.

A waiver of a formal bid threshold other than those permitted in this policy requires the approval of the First Selectmen. For a requesting Department to obtain a waiver, a written waiver request including specific reasons for the waiver shall be provided to the First Selectman. The request must be signed by the Department Head. Upon receipt of the waiver request, the First Selectman will notify the requestor and the Director of Finance if the waiver has been granted.

***Contracts:***

All contracts for service must have two names on them one always being the First Selectman while the other signature should be "Recommend for Approval" by either the Director of Finance or applicable Department Head. Copies of contracts for service must be forwarded to the Finance Department and kept on file.

***Credit Card Purchasing:***

1. The Town has a credit card available to be used in conjunction with the aforementioned provisions to purchasing when necessary to order online, to order from a new vendor with whom the Town does not have an established account or in the case of emergencies or immediate necessity. The Town credit card is to be kept locked in the Selectman's Office, signed out by the person requesting its use, and an original receipt or on line confirmation must be handed into the Finance Department with the appropriate budgetary code included on the receipt to charge the payment to. Certain Department Heads are also in possession of Town credit cards and should follow the same guidelines above for use and receipts.

***Personal Reimbursement:***

**Credit Card**

It is preferable that an employee use the Town credit card for town purchases rather than a personal card both for their own protection and the Town's. In the event of

accessibility or emergency that necessitates personal credit cards to be used, the employee must adhere to the purchasing provisions and present proof of purchase with either an original itemized receipt, online proof of credit card payment of purchase or copy of the credit card statement. Every attempt should be made to have a sales tax free transaction.

#### Cash Purchases

It is preferable that an employee conduct business with a vendor that the Town has an established account with so that the purchase can be placed on the Town's account or the Town credit card be used. However, in exceptional circumstances and keeping the policy parameters in mind, reimbursement for personal purchases will be made only with proof of an original receipt. Every attempt should be made to have a sales tax free transaction.

#### *Travel Reimbursement Policy*

This policy shall govern all travel expenses incurred by employees who attend an approved conference/training program involving overnight travel. **Note that all requests for Town reimbursement will be considered within the confines of the established budgetary limitations.**

#### **Approval Process:**

All employees interested in attending out of town overnight conferences or educational seminar must request approval from the First Selectman at least two weeks prior to the conferences commencement date. No commitments for registration, travel, etc., shall be made until the travel authorization has been approved by the First Selectman and documented to the Finance Department on the travel approval form.

#### **Acceptable Travel Costs:**

Reimbursable travel costs may include lodging, transportation, meals, registration fees and related incidentals. Other reasonable expenses shall be reimbursed in full if supported by receipts. Employees shall submit all their reimbursement request receipts along with the travel reimbursement form with all expenditures summarized.

#### **Mileage Reimbursement:**

Employees shall be reimbursed for mileage expenses at a rate consistent with that established by their respective bargaining unit. (If no such provision exists, the personnel rules or other appropriate authority shall be referenced for payment information.) If no other document provides guidance for the mileage rate, then the rate will be based on the current IRS allowable reimbursement rate for mileage. Reimbursement requests should be made on the mileage reimbursement form and include employee name, dates of travel, origination, destination and purpose of the trip along with the amount of mileage.