



BOARD OF FINANCE

Clifford J. Hurgin Municipal Center, 1 School Street
Bethel, Connecticut 06801 Telephone: (203) 794-8501

MINUTES OF REGULAR MEETING

Tuesday, June 11, 2013

7:00 p.m.

CJH Municipal Center - Meeting Room "A"

PRESENT: William Kingston, J. Phillip Gallagher, Patricia Smithwick, Eileen Freebairn, Claudia Stephan, Gary Regan and Timothy Draper. Also in attendance were Comptroller Robert Kozlowski, Assistant Comptroller Brad Heering, Town Counsel Martin Lawlor (portion of meeting), Selectmen Straiton and Selectman Szatkowski. William Cratty, Chairman of the Energy Outreach Committee also attended the meeting.

Call to order/Pledge of Allegiance: William Kingston called the regular meeting to order at 7:00 p.m.

Public Comments: William Michael, Cynthia McCorkindale, David Glahn, Dominic Ippolito, Diane Benedetto, Jack Dietter, Tom Cheslock, Bob Crnic, and Shani Specht all spoke regarding the water purchase proposal and urged, among other comments, that more information be obtained, a public hearing be held before the Board of Finance passes this on to the voters, and do a water acquisition study. Roy Steiner and Michael Boyle both spoke in favor of the water purchase proposal, and among other comments, offered there are many benefits of selling the system due to the regulations, cost of repairs, etc.

Correspondence: None

Minutes of previous meetings:

January 8, 2013 - William Kingston made a motion, which was seconded by Patricia Smithwick, to approve the minutes as presented. Vote, all in favor, motion unanimously approved.

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February 19, 2013 - Patricia Smithwick made a motion, which was seconded by Gary Regan, to approve the minutes as presented. Vote, all in favor, motion unanimously approved. Timothy Draper abstained from the vote.

February 21, 2013 - Gary Regan made a motion, which was seconded by Patricia Smithwick, to approve the minutes as presented. Vote, all in favor, motion unanimously approved. J. Phillip Gallagher abstained from the vote.

February 26, 2013 - Patricia Smithwick made a motion, which was seconded by William Kingston, to approve the minutes as presented. Vote, all in favor, motion unanimously approved.

February 28, 2013 - Eileen Freebairn made a motion, which was seconded by Patricia Smithwick, to approve the minutes as presented. Vote, all in favor, motion unanimously approved.

March 19, 2013 - Patricia Smithwick made a motion, which was seconded by Gary Regan, to approve the minutes as presented. Vote, all in favor, motion unanimously approved. William Kingston abstained from the vote.

March 26, 2013 - Patricia Smithwick made a motion, which was seconded by Gary Regan, to approve the minutes after J. Phillip Gallagher requested they be amended to reflect that during the discussion of Account 240 Highway Department, it was the sentiment of the members that the goal is to see the road construction account be increased to a level sufficient to maintain the roads upon the completion of the road construction bond project, and to correct the typographical error on page 14, that the Board of Finance reduce Account 460 - Board of Education Maintenance by \$30,150 not \$130,150. Vote, all in favor, motion unanimously approved

Public Hearing of April 9, 2013 - Patricia Smithwick made a motion, which was seconded by William Kingston, to approve the minutes with the request by J. Phillip Gallagher that they be amended to reflect the sentiment of the members that they would like to see the road construction account be increased to a level sufficient to maintain the roads upon the completion of the road construction bond project. Vote, all in favor, motion unanimously approved.

April 22, 2013 - William Kingston made a motion, which was seconded by Gary Regan, to approve the minutes with the amendment that under Account 400 the typographically error

that has two "voting in favor of the motion" should read one "voting in favor of the motion" and one "voting against the motion". Vote, all in favor, motion unanimously approved.

May 8, 2013 - William Kingston made a motion, which was seconded by J. Phillip Gallagher, to approve the minutes as presented. J. Phillip Gallagher requested the following be included in the minutes:

ADDITIONS TO BOARD OF FINANCE MINUTES OF MAY 8, 2013

PRESENT ALSO: Selectmen Richard Straiton, Paul Szatkowski and EDC Chairman Michael Boyle

Board of Finance Members asked a number of questions and made several observations, **Gary Regan** emphasized that the sales contract to Aquarion is very explicit about Aquarion having the SOLE DISCRETION regarding the return of land to the Town of Bethel.

Timothy Draper asked and did not receive a definitive answer regarding what will happen to the \$4,000,000--\$5,000,000 received from Aquarion over and above the reimbursement of the General Fund.

- J. Philip Gallagher:
- 1) Asked if Bethel can get the right of first refusal if Aquarion later tries to sell the Water system?
 - 2) Why isn't the legal closing site in Bethel where citizens can observe rather than at Aquarion's attorney's Hartford Office?
 - 3) What is the status of Bethel's pending lawsuit in Superior Court against the Danbury Planning Commission, which is now in Discovery?
 - 4) How broad is Bethel's post closing liability as identified in the **Indemnification paragraph** on page 37 of the contract?
 - 5) Could there be a Union grievance or lawsuit for providing Aquarion with the personnel records of Bethel's employees?
 - 6) Mr. Gallagher stated that he was stunned when the three Selectmen indicated that they did not plan in sending the decision on the contract to a referendum vote.
 - 7) What is the estimated replacement value of the entire assets being sold?

Eileen Freebairn questioned, among other things, why Mr. Gallagher's requested additions don't reflect that he asked numerous questions, why does he only want these 7 in the minutes and, why doesn't he want the answers included?

William Kingston made a motion, which was seconded by Gary Regan, to table consideration of the minutes. Vote, all in favor, motion unanimously approved. Patricia Smithwick and Claudia Stephan abstained.

May 22, 2013 - Patricia Smithwick made a motion, which was seconded by William Kingston, to approve the minutes with the amendment that Page 2 should reflect that a 5

minute recess was held. Vote, all in favor, motion unanimously approved. Timothy Draper abstained from the vote.

Old Business

- 1.) Consideration of the Board of Selectmen recommendation for approval for the sale of real estate included within the terms of the sale of the Bethel Water System, pursuant to the Town of Bethel Charter.**

Previously, the approval of the Board of Selectmen recommendation for approval for the sale of real estate included within the terms of the sale of the Bethel Water System, pursuant to the Town of Bethel Charter, was tabled. William Kingston made a motion, which was seconded by Patricia Smithwick, to put the approval back on the table.

J. Phillip Gallagher amended the motion, which was seconded by Timothy Draper, to table the proposal until the rate payers are heard from and authorize the Chairman to urge the Board of Selectmen to hold a public hearing. Voting in favor of the motion: J. Phillip Gallagher, Gary Regan and Timothy Draper. Voting against the motion. Patricia Smithwick, Eileen Freebairn, Claudia Stephan and William Kingston. Motion fails.

Discussion continued on the topic. Members J. Phillip Gallagher, Gary Regan and Timothy Draper maintained their belief that the Board of Finance should not act on the proposal until a formal public hearing is held.

Selectman Straiton and Selectman Szatkowski who were present maintained that the town will be holding a public hearing but that if the Board of Finance does not approve sending this proposal forward, there would be no point in holding a public hearing.

William Kingston, Patricia Smithwick, Eileen Freebairn and Claudia Stephan maintained that the proposal is sound, and meets the economic criteria of the Board of Finance and that the proposal should be sent forth to the voters to decide.

Voting in favor of the motion to approve the Board of Selectmen recommendation for approval for the sale of real estate included within the terms of the sale of the Bethel Water System, pursuant to the Town of Bethel Charter: Patricia Smithwick, Eileen Freebairn, Claudia Stephan and William Kingston. Voting against the motion. J. Phillip Gallagher, Gary Regan and Timothy Draper. Motion passed.

New Business

1.) Consideration of recommendation from the Board of Selectmen – Amaresco Energy Contract

William Cratty, Chairman of the Energy Outreach Committee, was present. He explained that the Board of Selectmen has recommended a contract with Ameresco Energy. This group performs an investment grade audit and the development of an energy plan. He noted that the investment grade audit would take 60-90 days and covers every aspect of our energy usage in town and school buildings and prepares a summary of what can be improved and/or replaced with energy saving equipment. The costs of the replaced items are paid through the energy savings. Once the audit is complete, then the town can decide which projects they would like to do that would receive the most “return for their investment”. If the town does not move forward with the energy audit, then the cost is \$25,000. If the town does proceed, there would be no funding required since the cost of improvements would come from the savings.

William Kingston made a motion, which was seconded by Timothy Draper, to approve the Board of Selectmen recommendation. Vote, all in favor, motion unanimously approved.

As there was no further business on tonight’s agenda, J. Phillip Gallagher made a motion, which was seconded by William Kingston, to adjourn the meeting at 9:00 p.m. Vote, all in favor, motion unanimously approved.

Respectfully submitted,



Wendy Smith, Recording Secretary