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**BOARD OF FINANCE**  
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## MINUTES

Thursday, July 12, 2018 - 7:00 PM  
Board of Finance Meeting Room, 4<sup>th</sup> Floor

### [Video Part 1](#)

**Call to Order:** Chair Richard Freedman (*Video 00:00:00*)

**Pledge of Allegiance:** Chair Richard Freedman

<b>Approval of Minutes:</b>		<b>Approved</b> <b>5-0-0</b> <b>Motion by:</b> <b>D. Kooris</b> <b>Second by:</b> <b>M. L. Rinaldi</b>
June 14, 2018 Regular Monthly Meeting	( <i>Video: 00:00:00</i> )	

**Public Participation:** There was none.

**Reports to the Board:** There were none.

## OFFICE OF THE MAYOR

### **Possible Discussion – Pending Contract Negotiations**

<i>Item 1</i>	The Mayor may address the Board of Finance in executive session on any pending contract negotiations.		<b>No discussion.</b>
	<b>Action Requested:</b>	Possible discussion	
	<b>Amount:</b>		
	<b>Fund/Budget:</b>		
	<b>Submitted by:</b>	Mayor David Martin	

Board Member Kieran Ryan arrived at the meeting at this point in the meeting.

**Bond Resolution – General Obligation to Fund Capital Appropriations**

<i>Item 2</i>	This request is for approval of a resolution with respect to the issuance and sale of \$25,000,000 General Obligation Bonds of the City of Stamford, Connecticut, Issue of 2018 Bonds to fund the capital appropriations set forth in Schedule A attached to the resolution.		<b>Approved 6-0--0 Motion by:  D. Williams Second by: D. Kooris</b>
	<b>Action Requested:</b>	Approval of General Obligation Bonds	
	<b>Amount:</b>	\$25,000,000	
	<b>Fund/Budget:</b>	Capital	
	<b>Submitted by:</b>	Michael Handler, Director of Administration	
<i>Video: 00:01:10</i>	Jay Fountain, Director of OPM and Tony Romano, OPM Management Analyst provided details of this request and answered questions members of the Board posed.		

**Discussion – Custodial Overtime – Board of Education**

<i>Item 3</i>	The Board of Finance has requested that members of the Board of Education (BOE) attend the meeting and be prepared to discuss custodial overtime within the BOE, including why it is so far over budget, specific numbers and what the plan is to address the problem. Executive Session might be needed to discuss a matter related to labor negotiations.		<b>DISCUSSION</b>
	<b>Action Requested:</b>	Discussion	
	<b>Amount:</b>		
	<b>Fund/Budget:</b>		
	<b>Submitted by:</b>	Board of Finance	
<i>Video: 00:09:27</i>	<p>Present were: Mr. Earl Kim Superintendent of Schools; Board of Education representatives: Clarence Zachery CFOSO, Hugh Murphy Director of Finance and David Mannis Board President; ABM Regional Director Brendan Cremins, and Representatives Tom Martin, Sr. VP Eastern Region, Andrew Canicatti Regional VP, Will Villa Regional Operations Manager, Rich Lyons, Facilities Director; and Subcontractor BME representative Georgie Mennis, President, and Paul Senecal, President of AffinEco.</p> <p>Mr. Kim provided Board members with a background on why custodial overtime, which had been running about \$1.2M per year, has increased steadily over the last few years to \$2.6M this past year. \$1.45M was budgeted.</p> <p>Members of the Board requested that they be provided custodial overtime numbers for the last five (5) years and included with these numbers how many full-time and part-time custodians were employed during those years.</p> <p>There was also a lengthy discussion with Mr. Cremins who suggested the need for Executive Session to further discuss the matter.</p> <p>(00:57:57) A motion to enter Executive Session to discuss labor negotiations was made by Mr. Kooris and seconded by Ms. Rinaldi. The Board then voted unanimously to enter Executive Session at 7:59 p.m.</p>		

Present during Executive Session were: Board Members Freedman, Rinaldi, Gabriele, Kooris, Ryan and Williams; Messrs. Kim, Mannis, Zachery, Murphy, Cremins and Senecal.

## EXECUTIVE SESSION

### Video Part 2

(Video: 00:00:00) At 8:35 p.m. the Board came out of Executive Session. Chair Freedman said that a motion to come out of Executive Session was made by Mr. Kooris and seconded by Mr. Williams and that there were no actions taken, no decisions made and no votes taken.

At this point Superintendent Kim addressed the question of where the money will come from to pay for this cost overrun. He acknowledged that the City is doing its best to manage the budget closely. Although the focus has been on the \$1.2M cost overruns, it has not been addressed where the funds will come from. About half of the amount has been raised by cost avoidance and contracted services that the BOE is not performing; \$500,000 is coming from vacancy savings from custodians who are out on long-term leaves or other reasons. About \$600,000 remains. The BOE had frozen the budget in the first part of the year because of questions concerning State funding and didn't fill vacant positions, and they have the vacancy savings to draw from. Mr. Kim further explained that the cost overruns occurred when there were full-time custodians out on leaves and the part-timers - who would normally fill in - were not available, the current custodians then extended their days and worked the shift at the overtime rate. He added that almost half of the overtime expense occurred this way. At the request of Board members, the Superintendent will be invited to come back to the Board of Finance in 90 days at the October 11, 2018 meeting, to explain how the cost overrun was rectified and how things have changed.

### **Approval of Contract – Milliman – Actuarial Services**

<i>Item 4</i>	<p>RFP No. 738, Consulting for Actuarial Services, was issued on February 13, 2018 to elicit proposals to provide the City and Board of Education for their pension and OPEB plans' consulting actuarial services. A total of seven (7) firms responded with proposals. A selection committee of eleven (11) members was formed to review and rate the proposals. The proposal selection criteria was as follows: general qualifications and experience of the firm; proposed approach to this engagement; resources and capabilities of the firm to meet the City's actuarial service needs; perception of ability to meet City's required timelines; and proposed fee arrangements.</p> <p>After reviewing the proposals individually, the selection committee met to discuss the proposals received and select firms to interview. The committee selected the three (3) strongest, most responsive proposers, a 45-minute presentation by each of these was given and, after discussing each proposal, the Selection Committee determined Milliman's proposal and presentation best satisfied the selection criteria.</p> <p>Milliman's fees for 2018-19 are listed below.</p>		<p><b>Approved (*with provisions) 6-0-0 Motion by: D. Kooris Second by: D. Williams</b></p>
	<i>Action Requested:</i>	Approval of contract for actuarial services.	
	<i>Amount:</i>	\$75,000 - Pension Valuation and GASB 67/68 \$37,000 - OPEB Valuation and GASB 74/75 \$280 - Hourly Rate for Work Outside the Allowance	
	<i>Fund/Budget:</i>		
	<i>Submitted by:</i>	Jay Fountain, Director of OPM	
	<i>(Video: 00:06:23)</i>	<p>Mr. Fountain explained the process of selecting this firm and said that it has a large presence in Connecticut, is nationwide and is well respected. The cost is slightly more than that of the previous vendor; however, the benefits are such that the City is getting a lot of additional services in return.</p> <p>*Because the selection has just been made, and the contract has not yet been signed, the Board's approval is conditioned upon the contract being signed, with the allowance for non-substantive edits.</p>	

## GRANTS

### ***Additional Appropriation – Health Department/WIC – Grant-funded***

<i>Item 5</i>	This is a request for approval of an additional appropriation due to receiving a grant award larger than anticipated. Initially \$892,534 was appropriated – the actual award is \$919,310.		<b>Approved 6-0-0</b> <b>Motion by: S. Gabriele</b> <b>Second by: M. L. Rinaldi</b>
	<b>Action Requested:</b>	Approval of Additional Appropriation	
	<b>Amount:</b>	\$26,776 (100% Grant-funded) – 2017/18 fiscal year	
	<b>Fund/Budget:</b>		
	<b>Submitted by:</b> (Video: 00:10:14)	Jennifer Calder, Health Department Director  Ms. Cammarota was available to answer any questions .	

### ***Additional Appropriation – Education through Adventure***

<i>Item 6</i>	This is a request for funds that have already been collected in the form of fees paid from community groups including schools, faith-based organizations, foundations, small businesses, etc., and also from individuals. The program operates at Scalzi Park and is staffed by seasonal, trained adventure facilitators.		<b>Approved 6-0-0</b> <b>Motion by: M. L. Rinaldi</b> <b>Second by: D. Kooris</b>
	<b>Action Requested:</b>	Approval of Additional Appropriation	
	<b>Amount:</b>	\$444,755 – 2017/18 fiscal year	
	<b>Fund/Budget:</b>		
	<b>Submitted by:</b> (Video: 00:10:51)	Teresa Drew, Director of the Youth Service Bureau  Ms. Cammarota was asked to check into the reason this item needs BOF approval.	

### ***Additional Appropriation – Emergency Management/Generator – Grant-funded***

<i>Item 7</i>	The State Department of Emergency Management has made additional funding available to replace emergency generators. These funds will supplement an already existing grant to upgrade the generator that supports the Emergency Operations Center and 911 call area. No City funds are required.		<b>Approved 6-0-0</b> <b>Motion by: S. Gabriele</b> <b>Second by: M. L. Rinaldi</b>
	<b>Action Requested:</b>	Approval of Additional Appropriation	
	<b>Amount:</b>	\$40,000 (100% Grant-funded) – 2018/19 fiscal year	
	<b>Fund/Budget:</b>		
	<b>Submitted by:</b> (Video: 00:14:07)	Karen Cammarota, Grants Officer  Ms. Cammarota was present had there been any questions.	

**Additional Appropriation – Single Stream Recycling**

<i>Item 8</i>	This is a request for approval of an additional appropriation because the City of Stamford had to re-bid the hauling and disposal of single stream recycling and it will no longer be a revenue stream but is <i>now an expense</i> . We are expecting 12,000 tons of recycling in the 2018/19 fiscal year at a new bid cost of \$65 per ton minus 20% of the commodity price for mixed paper. The current price of mixed paper will reduce the price to \$58 per ton.		<b>Approved 4-0-2</b> <b>Motion by:</b> <b>D. Williams</b> <b>Second by:</b> <b>D. Kooris</b> <b>Abstentions:</b> <b>K. Ryan</b> <b>S. Gabriele</b>
	<b>Action Requested:</b>	Approval of Additional Appropriation	
	<b>Amount:</b>	\$700,000 - 2018/19 fiscal year	
	<b>Fund/Budget:</b>	Contingency	
	<b>Submitted by:</b>	Mayor's Office	
(Video: 00:15:19)	Dan Colleluori, Supervisor of Solid Waste, spoke about the situation that has evolved since China stopped accepting recycling and the impact it has on the City. The City was anticipating \$90,000 in revenue from recycling this year.		

**Additional Appropriation – Human Resources – To Audit and Evaluate the Current 457 and 401(a) Vendor Performance**

<i>Item 9</i>	<p>The City of Stamford, as the fiduciary for the 457 and 401(a) plans, has a responsibility to review fees associated with these plans, and to seek to lower fees whenever possible. Prior to July 1, 2017, the City had three (3) 457 vendors (ICMA, Nationwide and Mass Mutual) and one (1) 401(a) vendor, ICMA. Each charged different fees.</p> <p>Specifically, the City has the responsibility to:</p> <ul style="list-style-type: none"> <li>Review the service provider's performance;</li> <li>Read any reports they provide;</li> <li>Check actual fees charged;</li> <li>Ask about policies and practices (such as trading investment turnover, and proxy voting); and</li> <li>Follow up on participant complaints.</li> </ul> <p>By working with the City's 401(a) and 457 investment advisor, we were able to secure approximately \$14,800 in refunded fees from Mass Mutual. This money has been returned to the City and we would like to use these funds to pay the investment advisor to ensure that the City, as the fiduciary, is in compliance and to audit and evaluate the new vendor's performance.</p>		<b>Approved 6-0-0</b> <b>Motion by:</b> <b>M. L. Rinaldi</b> <b>Second by:</b> <b>D. Williams</b>
	<b>Action Requested:</b>	Approval of Additional Appropriation	
	<b>Amount:</b>	\$14,800 – 2018/19 fiscal year	
	<b>Fund/Budget:</b>	Revenue	
	<b>Submitted by:</b>	Clemon Williams, Director of Human Resources	
(Video: 00:24:40)	Mr. Williams gave an overview on why Human Resources consolidated to one (1) 457 plan vendor and why they are monitoring the performance. This appropriation will enable an audit of the performance.		

**Bid Waiver #942 – Agreement with GovInvest, Inc., - Analysis of Pension and OPEB Costs Software**

<p><i>Item 10</i></p>	<p>This request is for approval of a bid waiver to allow the City of Stamford to proceed with an agreement with GovInvest, Inc., to provide actuarial consulting and technology service which includes the cloud-based software Defined Benefit Pension Plan and Post-Retirement Healthcare benefit proprietary software for the pension and healthcare plan of the City. The bid waiver is being requested pursuant to Section 23-18.3 B. (1) (c) and (d) of the Purchasing Ordinance. GovInvest, Inc. is the only provider to offer Total Liability Calculator software applications (Pension and OPEB Modules) as they were developed and are distributed solely by GovInvest, Inc. No other vendor develops and distributes similar software applications which have the same functionality as GovInvest. These include actuarial calculations made simple to use for non-actuaries with visual and immediate results, using employee census data. The purchase license of GovInvest software is to perform analysis of pension and OPEB costs for future years. <i>See related Item 11 below.</i></p>	<p><b>WITHDRAWN</b></p>	
	<p><b>Action Requested:</b></p>	<p>Approval of Bid Waiver</p>	
	<p><b>Amount:</b></p>	<p>\$70,875</p>	
	<p><b>Fund/Budget:</b></p>		
	<p><b>Submitted by:</b></p>	<p>Jay Fountain, Director of OPM</p>	
	<p><i>(Video: 00:29:42)</i></p>	<p>This item has been withdrawn as it does not require Board of Finance approval.</p>	

**Agreement - GovInvest, Inc., - Analysis of Pension and OPEB Costs Software**

<p><i>Item 11</i></p>	<p>Approval of an Agreement between the City of Stamford to provide the services and equipment identified in the Services Agreement shown in Exhibit 11 for the purchase license of GovInvest software to provide actuarial consulting and technology services which outline the cloud-based software Defined Benefit Pension Plan and Post-Retirement Healthcare benefit proprietary software for the pension and healthcare plan of the City. <i>See related Item 10 above.</i></p>	<p><b>WITHDRAWN</b></p>	
	<p><b>Action Requested:</b></p>	<p>Approval of Agreement</p>	
	<p><b>Amount:</b></p>	<p>\$70,875</p>	
	<p><b>Fund/Budget:</b></p>		
	<p><b>Submitted by:</b></p>	<p>Jay Fountain, Director of OPM</p>	
	<p><i>(Video: 00:29:42)</i></p>	<p>This item has been withdrawn as it does not require Board of Finance approval.</p>	

**Bid Waiver #968 – Agreement with Wengell, McDonnell & Costello, Inc. – Design Contract for the West Main Street Bridge Rehabilitation Project**

<p><i>Item 12</i></p>	<p>To award the design contract for the West Main Street Bridge Rehabilitation project to Wengell, McDonnell &amp; Costello, Inc. (WMC), under Purchasing Ordinance Section 23-189-3.B(2).                  The West Main Street Bridge has been under consideration for repair/replacement since 2000. Given that significant time is still required (2-3 years) to start construction of a replacement bridge, the City is undertaking a rehabilitation effort to allow start of construction to begin Summer 2019. WMC has been involved in the various design efforts since 2000 and brings a thorough understanding of the history and design requirements needed for this rehabilitation effort. With this involvement on the project, WMC will be able to complete the design by Spring 2019 therefore allowing construction to proceed shortly thereafter. The Consultant design fee is \$457,300. <i>See related Item 13 below.</i></p>	<p><b>Approved</b>                  (*with below condition)  <b>4-0-2</b>  <b>Motion by:</b>  <b>D. Kooris</b>  <b>Second by:</b>  <b>M. L. Rinaldi</b>  <b>Abstentions:</b>  <b>R. Freedman</b>  <b>S. Gabriele</b></p>
	<p><b>Action Requested:</b> Approval of Bid Waiver</p>	
	<p><b>Amount:</b> \$457,300</p>	
	<p><b>Fund/Budget:</b> Capital Project No. CP2220</p>	
	<p><b>Submitted by:</b> Michael Pollard, Chief of Staff; Louis Casolo, City Engineer</p>	
	<p>(Video: 00:29:47)</p> <p>Mr. Michael Pollard began the discussion with an explanation of why the Bid Waiver was being requested and provided a background on the project. Mr. Casolo further provided information pertaining to the capabilities of the Wengell, McDonnell &amp; Costello group and its knowledge of historic renovations.</p> <p>There was a lot of discussion as to why this item was not put out to bid.</p> <p>Chairman, Mill River Park Collaborative Arthur Selkowitz said the Collaborative was given a \$2 million grant and it became clear to them that the rehabilitation of this bridge was long overdue and would be an attractive addition to the park.</p> <p>*The motion was approved with the condition that Corporation Counsel provides the BOF with a document justifying the necessity for this bid waiver as a critical public safety concern and that Mr. Casolo also sign the letter.</p>	

**Agreement – Wengell, McDonnell & Costello, Inc. - Design Contract for the West Main Street Bridge Rehabilitation Project**

<p><i>Item 13</i></p>	<p>This is a request for approval of an Agreement between the City of Stamford and Wengell, McDonnell &amp; Costello, Inc. (WMC) for the rehabilitation of West Main Street Bridge and to accelerate the design in order to start construction in the Summer of 2019; details as noted in Bid Waiver #968. <i>See related Item 12 above.</i></p>	<p><b>Approved</b>  <b>5-0-1</b>  <b>Motion by:</b>  <b>D. Kooris</b>  <b>Second by:</b></p>
	<p><b>Action Requested:</b> Approval of Agreement (Bid Waiver #968)</p>	<p><b>D. Williams</b></p>
	<p><b>Amount:</b> \$457,300</p>	<p><b>Abstention:</b></p>
	<p><b>Fund/Budget:</b> Capital Project No. CP 2220</p>	<p><b>R. Freedman</b></p>
	<p><b>Submitted by:</b> Louis Casolo, City Engineer</p> <p>(Video: 01:19:00)</p>	

**Operating Transfer – Environmental Protection Board (EPB) Salaries to EPB Seasonal**

<i>Item 14</i>	EPB needs to transfer \$25,000 in vacancy savings from salaries to a seasonal account in order to hire Leigh DeMarco, who just left, as a seasonal employee until we are able to find a replacement. EPB has open office hours from 8 a.m. to 12:00 noon in addition to reports and field inspections and that is why someone is needed to fill the gap as soon as possible.	<b>Approved 6-0-0 Motion by S. Gabriele Second by:</b>
	<b>Action Requested:</b> Approval of operating transfer	<b>D. Kooris</b>
	<b>Amount:</b> \$25,000 – 2018/19 fiscal year	
	<b>Fund/Budget:</b> From: 01423401100 – EPB/Salaries To: 01423401203 – EPB/Seasonal	
	<b>Submitted by:</b> Louis Casolo, City Engineer	
<i>(Video: 01:19:30)</i>	Mr. Casolo presented this item on behalf of Ralph Blessing, Land Use Bureau Chief. The request is to re-allocate funds in order to provide part-time seasonal employment to assist the Board until the position is filled.	

***This Meeting is on Video.***

***Next Regular Meeting of the Board: Thursday, August 16, 2018 at 7:00 P.M.***

***Adjournment: 9:56 p.m. (Motion by D. Kooris, second by S. Gabriele to adjourn: 6-0-0)(Video: 01:22:17)***

**Cynthia R. Winterle**

**Cynthia R. Winterle**

**Clerk of the Board**