



Town of Griswold

**Board of Finance/Senior Center Building Committee
Special Joint Meeting
March 4, 2021
7:00 PM
Griswold Middle School Gym/Via Teleconference
MINUTES**



1. Roll Call/Call to Order: The meeting was called to order at 7:00 PM

Board of Finance Members Present:

Scott Davis – Chairman
Alex Grzelak– Vice Chairman
Steve Mikutel
Valerie Grills
Amanda Brycki
Gail Rooke-Norman
Dan Webster

Senior Center Building Committee Members Present:

Rob Parrette – Chairman
Jim Barnie
Joe Lussier
Judy Merrill
Ed Stradczuk

Also Present:

Erik Christensen, Finance Director
Todd Babbitt, First Selectman
Rich Grabowski, Second Selectman
Jared Picco, Third Selectman (via Zoom)
Tina Falck, Senior Center Director

4 other people in person, 20 other people via Zoom

2. New Business

a. Discussion and possible action on potential cost overruns for the new senior center construction project.

S. Davis began the meeting by apologizing for audio issues at the last meeting and coordinating the audio to resolve any issues so everyone accessing via Zoom can hear everything. S. Davis then stated he has received e-mails both against the extra costs and in favor of the project. He stated after thinking about the current situation, the problem is voters approved a project for \$7.5 million and the Board of Finance had to decide if it was fiscally prudent and decided to send it to referendum based on the \$7.5 million cost. S. Davis continued on to say the \$7.5 million was based on incomplete drawings and the original contract was for over \$8.3 million before deferring over \$1 million items that would have to be addressed later. Another problem he has was there were also over \$570,000 of cost savings that were rejected in addition to relying on a \$500,000 savings for the infrastructure. He also stated that the Board was informed that all avenues for grant

funding were going to be explored and to date no grant funding has been received. His final concern is that the Board of Finance was never notified until recently there was a \$1.3 million shortfall that needed to be addressed and there was no notice of the shortfall in the Building Committee meeting minutes. S. Davis stated at the end of the day it was now the Board of Finance's problem to close the \$941,000 shortfall. S. Davis then wanted to discuss the value engineered pieces to look for cost savings. D. Webster then asked R. Parrette if he had the listing of value engineered items. R. Parrette provided the Board of Finance with a detailed listing of kitchen equipment and millwork.

S. Davis asked E. Christensen what avenues can be taken to address the shortfall. E. Christensen responded that the options are taking the amount out of unassigned fund balance, which you can elect with an ordinance to pay yourself back over a five year period, we could add it to the final bond amount which would be more costly, or we can add it to the budget next fiscal year. D. Webster asked if reducing the fund balance to 12% would affect our interest rates on upcoming bonds. E. Christensen replied that he didn't think it would, but it is possible. Discussion followed regarding the affect on the mil rate in future years if we were to pay ourselves back. E. Christensen stated it would be about .25 mil per year depending on the final numbers. S. Davis asked E. Christensen if he received any answers on if we can go to referendum. E. Christensen responded that the First Selectman reached out to two people in the Governor's office regarding the executive order last week and we have not received a response and also reached out to CCM for guidance and they were not certain and was going to look into it. E. Christensen stated some Towns have had referendums, but he is not sure if it was legal or not, but they have not had any repercussions. The Town of Thompson's attorney told them they could hold a referendum, but our Town attorney has stated his interpretation of the executive order is that we cannot. S. Davis stated he is concerned that if the Board was to forward the additional appropriation to referendum, the Board of Selectman can use the executive order to sign off on the appropriation and not have a referendum.

The Board reviewed the items distributed by R. Parrette. There was discussion regarding the difference in price from the detailed listing of the kitchen equipment of \$221,000 and the listing of deferred costs of \$237,500 and the detailed listing of kitchen equipment. R. Parrette stated the price was negotiated down. He also stated there were other possible savings of \$4,500 for lighting and \$9,000 for the ceiling package as a result of using other vendors or materials. S. Davis asked R. Parrette what items on the deferred items list are required to obtain a CO. R. Parrette replied he is not a licensed building official and could not answer in that capacity, but most items are common sense. S. Davis asked if he had discussions with PAC Group and he stated he did not. Discussion followed regarding deferred and rejected items.

S. Davis asked T. Babbitt what the process was when the contract was signed and if there was any discussion amongst the Board of Selectman on whether the contract should be signed based on the deferred costs. T. Babbitt stated it would have been discussed and approved at a Board of Selectman meeting. S. Mikutel stated he wants to know why the Town Attorney would have reviewed it and approved it. G. Rooke-Norman asked who rejected the possible cost savings items. R. Parrette responded that it would have been a Committee decision. D. Webster stated the minutes from September 25, 2019 showed there was concern then about the shortfall and deferred costs in the GMP and following meetings were cancelled due to lack of agenda items. He stated he asked at all Board of Finance meetings he asked if the project was on time and on budget and was always told

yes with the exception of COVID delaying the project and increasing some costs.

S. Davis stated after the reductions we are looking at a shortfall of \$911,200.94. He stated we have a \$7.6 million building that we are going to have to start paying for and will be paying for it for the next twenty years and we can't use it or occupy it so where do we go from here. Discussion followed regarding trying to lower the costs for items not yet completed and the amount of the additional appropriation prior to going to referendum. The Board requested the Building Committee to put together a detailed listing of items not yet completed including the finishes and what the alternatives are to lower the cost. The Board also requested a detailed listing of items required to be completed with a dollar figure attached to obtain a CO. R. Parrette responded that he would meet with the Building Official and have a list forwarded to the Board of Finance for their next regular meeting.

3. Adjournment

MOTION: D. Webster made a **motion** that was seconded by V. Grills to adjourn the meeting at 8:37PM. All in favor; **motion carried.**

Respectfully Submitted,

Erik Christensen
Finance Director