

## City of Dunkirk Finance Committee Meeting

For

December 15, 2016

### Minutes

- Present: Chairman Woloszyn, , Councilman Williams, Councilman Gonzalez, Treasurer Woods, FAO Halas, Mayor Rosas, Randy Woodbury, Gus Maas, Bob Lawrie
- Absent:
- Chairman Woloszyn opened at 4:00pm
- **Gus Maas Water project updates**
  - Gus opened the meeting by explaining the water tank project on Benton St and that they accepted the lowest bid from Global, which was \$290,000 lower than the next closest bid. Work was supposed to start during the summer but was delayed due to the BAN. Therefore, there are changes orders currently submitted due to needing a 1,000,000 BTU heater for the inside of the tank and a generator to run it all. It was originally thought the electric service on site was big enough at 400amp, but the label was incorrect and there ended up being only 300amps there, hence the need for the generator. The interior sand blasting concluded Friday, but upon inspection they found large corrosion pits in the steel liner of the tank. Therefore to combat this and to make sure the interior paint last the 30 years, they will need to do 2 coats of paint over the entire interior, which will be covered in a change order.
  - Many questions/concerns followed. Gonzalez questioned why these expenses are the city's and not the contractor's feeling that the contractor should have accounted for this in the bids. Maas followed by saying the city is the one who mislabeled the electric panel, which is not the contractor's fault. And they would have had no idea about the pitting until they sandblasted, so there was no way to foresee the

expense to repair the pitting. Gonzalez was not satisfied that answer. Williams agreed with Gonzalez. Halas brought up the concern that this is a small portion of the entire Phase 3 project and that very small portion has already incurred a large % of the contingency budget, which is not good moving forward. Halas noted it is ironic that the tank contingency fund of \$35,000 was almost the exact amount needed. Woloszyn asked that going forward that Maas would contact Randy AND Mayor Rosas simultaneously to address any further surprise expenditures, all agreed.

- Maas then went through the remainder of the Phase 3 timeline and projects/costs. He stated that the new permanent tank generator will be completed in the Spring 2017, the Water Plant Upgrade Part A will be completed in the Fall 2017, and the Water Plant Upgrade Part B was agreed to be delayed until March 2020.

- **Finance Officer / Treasurer Report**

- Audit & Accounting Proposals - Halas stated that Baghat & Baghta had started their research and accounting work this week in preparation for the Auditors.
- Water project billing – Halas handed out a AIA document to show us how the water plant projects, that we previously spoke about in this meeting with Mass. is billed.
- KVS presentation – he spoke with the reps and is still trying to sort out a good date for them to come and explain the update procedure to us.
- Woods handed out the November income reports for the city and reviewed it, with no questions following.

- \* **Mayor**

- Financial Restructuring Board – Mayor emphasized that this is NOT a control board, and after speaking with them that they are planning on starting sometime in early 2017.
- **Councilman Williams -**
  - KVS Update – Woods and Halas both stated that instead of going through all the presentations and wasting more time, that they both will begin the KVS update and phase it in slowly
- **Councilman Gonzalez –**
  - Boardwalk sale was gain discussed and it was determined that we need to have an official fact finding meeting with everything on the table so that we can make our best educated decision on how to proceed. Woloszyn explained some further things that need to be considered at the February meeting as pertaining to real estate sales and value. Gonzalez February Econ Dev meeting will that fact finding meeting. Woods and Halas were asked to have any/all pertinent information regarding the income and expenses of the Boardwalk operation in report form and presented to the meeting in February.
- **Councilman Woloszyn –**
- Public question/concerns – none
- Motion to Adjourn Williams, 2<sup>nd</sup> Gonzalez, closed at 5:31pm