

FINANCE COMMITTEE

LEWISTON, MAINE

August 15, 2005

PRESENT:

Robert Reed, Ronald Paradis and Councilor Mark Paradis. Councilor Lillian LaFontaine O'Brien arrived at 5:25 p.m.

ABSENT:

Roger Provencher

The meeting was called to order at 5:18 p.m. by the Clerk.

On motion of Mr. Mark Paradis, seconded by Mr. Reed it was

VOTED:

(92-2005) To elect Ronald Paradis Chairman Pro-Tem for this meeting.

VOTE: 3-0

On motion of Mr. Reed, seconded by Mr. Mark Paradis it was

VOTED:

(93-2005) To dispense with reading of the minutes of the previous meeting dated July 25, 2005 and to accept and place them on file as submitted by the Clerk.

VOTE: 3-0

On recommendation of the Purchasing Agent and on motion of Mr. Mark Paradis, seconded by Mr. Reed it was

VOTED:

(94-2005) To award Bid 2005-040 on the annual requirements of Police Uniforms to Ben's Uniforms, Amesbury, MA, only bidder to bid on all items at a total estimated award of \$23,650.

VOTE: 3-0

FINANCE COMMITTEE MINUTES

August 15, 2005

On recommendation of the Purchasing Agent and on motion of Mr. Mark Paradis, seconded by Mr. Reed it was

VOTED:

(95-2005) To authorize Change Order #16 to the contract with Ganneston Construction on the Library Expansion Project for the following items:

- 1. Install 2 window mullions & 4 new windows \$5,587.88
 - 2. Replace 2 concrete bases w/granite bases 2,048.24
 - 3. Rehabilitate steel beam facade on Lisbon Street 1,826.80
 - 4. Furnish/install fire rated gypsum board to cover all ledger boards in basement .. 3,066.82
 - 5. Furnish/install additional sprinkler head & piping 306.36
 - 6. Furnish/install wall mounted computer cabinet 790.14
 - 7. Complete additional painting in various areas of the library 1,793.00
- Total Change Order #16 \$15,419.24**

VOTE: 3-0-1

Councilor Lillian O'Brien abstained

At this time, the Committee considered Amendment #1 to Task Order #11 with Camp Dresser & McKee for services related to compliance with the Safe Drinking Water Act. The original Task Order called for assistance to update the 1993 Turbidity and Bacteria Study and advice on how to implement the work. This Amendment will allow for implementation of the work based on this study. The cost of the Amendment is \$50,000 and would be shared with the Auburn Water District on a 50/50 basis.

On recommendation of the Purchasing Agent and on motion of Mr. Reed, seconded by Mr. Mark Paradis it was

VOTED:

(96-2005) To authorize Amendment #1 to Task Order #11 with Camp Dresser & McKee for services related to compliance with the Safe Drinking Water Act to allow for the implementation of the work plan on the Turbidity and Bacteria Study at a total cost of \$25,000 for the Lewiston Water Division.

VOTE: 4-0

The Committee considered award of the bid on a 3/4 ton 4X4 Pick Up Truck for the Police Department that was to be obtained through the State Homeland Security Grant Program. The vehicle would be utilized for transporting a trailer with WMD and HAZMAT equipment. Committee members had several questions relative to the need for a vehicle of that size as well as the overall intended use of the vehicle. There being no one available from the Police Department to respond to many of the questions, it was agreed to award the bid and that additional information be obtained and provided to the Committee for the next meeting.

FINANCE COMMITTEE MINUTES

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On recommendation of the Purchasing Agent and on motion of Mr. Mark Paradis , seconded by Ms. O'Brien it was

VOTED:

(97-2005) Subject to approval by the State Security Grant Program, to award Bid 2005-041 on a 4X4 3/4 ton Pick Up Truck to Auburn Motor Sales, Auburn, Maine, low bidder at their total bid price of \$26,195.30.

VOTE: 4-0

The Urban Park and Recreation Recovery Program had awarded the City a grant in the amount of \$48,000 for rehabilitation of Pierce Street Park and the stairways leading to the park from both Blake Street and Pierce Street. Only one bid was received on the project from St. Laurent & Son at a total base bid of \$85,574. The original completion date of the project was September 15, 2005 as required by UPAR. Since the bid exceeded the amount available and was largely due to the short time frame to complete the project, UPAR has agreed to extend completion of the work to May 31, 2006.

On recommendation of the Purchasing Agent and on motion of Mr. Mark Paradis , seconded by Mr. Reed it was

VOTED:

(98-2005) To reject the bid received on Bid 2005-038 for the Pierce Street Park Rehabilitation Project and to solicit new proposals later in the year for early spring construction.

VOTE: 4-0

Pursuant to Section 58-111 of the City Code of Ordinances, a Cost of Living Adjustment is to be given to Pensioners under the old City Pension Plan on an annual basis. The Committee reviewed the report and recommendation from the Finance Director to adjust the cost of living based on adjustments made to active employees which average 3.40% for fiscal year 2005 and 3.24% for fiscal year 2006.

On recommendation of the Finance Director and on motion of Mr. Mark Paradis , seconded by Ms. O'Brien it was

VOTED:

(99-2005) To authorize a Cost of Living Adjustment for retired City employees or their beneficiaries under the Non-Contributory City Pension Plan in the amount of 3.40% for fiscal year 2005 retroactive to July 1, 2004 and in the amount of 3.24% for fiscal year 2006 retroactive to July 1, 2005.

VOTE: 4-0

FINANCE COMMITTEE MINUTES

August 15, 2005

The Finance Director requested authorization from the Committee to negotiate a new three (3) year agreement with Cannon Cochran Management Services (CCMSI), South Portland, Maine, for administration of the City's Self-Insured Workers' Compensation Program. The services include claims administration, loss prevention and brokerage services for excess insurance coverage. The present three (3) year contract is scheduled to expire in January of 2006. Because of the success in working with CCMSI over the past three years and due to the fact that the next lowest bidder when proposals were solicited three years ago was 43% greater, it would make sense to attempt to re-negotiate a new three year contract at terms that would be favorable to both parties.

On recommendation of the Finance Director and on motion of Ms. O'Brien, seconded by Mr. Mark Paradis it was

VOTED:

(100-2005) To authorize the Finance Director to negotiate a three (3) year renewal contract with CCMSI for claims administration, loss prevention services and brokerage services associated with the City's Self-Insured Workers' Compensation Program and to bring the contract to the Finance Committee for final approval.

VOTE: 4-0

The Finance Director reviewed the results of an Actuarial Valuation of the City's Self-Insured Workers' Compensation Program prepared by Liscord Ward & Roy as of June 30, 2005. The report indicates that the loss and loss adjustment expenses as of June 30th combined with a safety margin, amounts to \$4,012,667. This amount is a \$57,088 reduction from last year's reserves at the same 75% confidence level. The amount of funds available as of June 30th was \$2,608,330 leaving a deficit of \$1,404,337 if the entire program were to be fully funded to include the safety margin. During the past year, the City Council authorized a transfer of \$1.4 from the City's undesignated fund balance to the Workers' Compensation fund which resulted in a substantial reduction of the deficit.

After questions by Committee members the following action was taken.

On motion of Mr. Reed, seconded by Mr. Mark Paradis it was

VOTED:

(101-2005) To accept and place on file the Actuarial Valuation of the City's Self-Insured Workers' Compensation Program prepared by Liscord Ward & Roy as of June 30, 2005.

VOTE: 4-0

VOTED:

To adjourn at 6:00 p.m.

Richard T. Metivier
Clerk
Finance Committee