

Wellesley Advisory Committee
Juliani Room, Town Hall
May 18, 2016, 7:00 PM

Present: Tom Frisardi, Mary Crown, Tom Fitzgibbons, Chad Harris, Mike Hluchyj, Mark Kaplan, Michael Mastrianni, Frank Pinto, Alena Poirier, Sara Raveret, Mason Smith, Ria Stolle, Scott Tarbox, and Kathleen Woodward.

Tom Frisardi opened the meeting at 7 p.m.

7:00 Citizen Speak

There was no one present for Citizen Speak.

7:05 Board of Public Works (BPW), request for appropriation from Reserve Fund

BPW Chairman David Donohue, BPW Secretary Owen Dugan, Department of Public Works (DPW) Director Mike Pakstis, and DPW Assistant Director David Cohen were present.

The DPW is requesting the transfer of \$60,840 from the Advisory Reserve Fund to cover an increase in commercial trash based on projections between now and the end of the fiscal year. The DPW budgeted for approximately 1,000 tons but is now projecting 2,100 tons. In December, the DPW raised commercial tipping fees from \$125/ton to \$140/ton with the hopes that the price increase would slow down the increase of commercial trash. It costs about \$86 to dispose of each ton. It is projected that the DPW will bring in an additional \$152,000 of revenue. Commercial trash is paid for out of the operating budget, but the revenue goes into the town's general fund.

There has been a decrease in residential trash; the reasons are unclear.

The total recyclable amount coming in to the town is about \$600,000.

Sara Raveret made a motion to approve the transfer of \$60,840 from the Advisory Reserve Fund to the Board of Public Works; Mason Smith seconded. The motion carried unanimously, 13-0.

7:12 Discussion of Public Works budget matters with Board of Public Works and staff

The BPW presented its proposal for a definitive benchmarking study. The proposed benchmarking categories are the DPW Organization and Staffing; Programs, Subprograms, and Functions; and Inventory and Statistics. The categories for

evaluating performance are Management Approach and Performance Measurement; Targets and Measures; and Benchmarking Inputs/Outputs. Expected Advisory questions are on the work for others, outsourcing, and facilities.

The DPW and the Water/Sewer fund have a total of 119 employees: 90 in the DPW and 29 in Water/Sewer. There are five divisions: Director's Office, Engineering, Management Services, Park & Highway, Recycling & Disposal, Water & Sewer (enterprise funds). There are 11 programs: Engineering, Management Services, Street Opening Permits, Fleet Maintenance, Park & Tree, Highway, Winter Maintenance, Solid Waste, Recycling, Water, and Sewer.

There was a question on a period of reduction of employees from 1970 to 1980; the cutbacks were primarily due to Proposition 2 ½.

Programs and subprograms: facilities maintenance is being taken over by the Facilities Maintenance Department (FMD) as of July 1. Municipal Light Plant (MLP) facilities are separate.

The following are the proposed Annual Benchmarking Measurement Categories: Park & Tree (Active Recreation, Passive Recreation, Tree Management, Small Equipment Repair); Highway (Streets, Sidewalks, Drainage, Facilities); RDF (Recycling, Trash, Earth Products, Facilities); Engineering (Planning & Design, Survey & Inspection, Town Plans & GIX, Stormwater Management, Street Occupancy Permits); Fleet Maintenance (Preventative Maintenance, Vehicle Repair, Welding & Fabrication, Equipment Procurement); and Management (Director's Office, Budgets & Accounting, System Administration, Safety & Environmental Compliance, Facilities).

All employees are based on Municipal Way except for those who work for the Recycling and Disposal Facility (RDF).

When we think of benchmarking against other towns, every function has a list of items we need to look at—so we need to look at the subprograms. We need to analyze costs and efficiencies for subprograms--what do we do and what do they do? For example, the Highway Program has a function called Streets & Sidewalks. We can look at how many miles of streets are paved in a given year at what cost. We also have miles of sidewalks, and miles of curb. Under Stormwater Drainage, we can look at how many miles of storm drains, miles of brooks and streams, etc. We need to decide what to measure and how to measure it.

Current Wellesley Performance Measures include the number of divisions and programs; personnel headcount; annual operating costs by division, program, and subprograms; annual capital costs by division; use of contractors; DPW annual cost as % of annual budget, per taxable entities (residents, commercial, etc.), and other. Extensive performance measures are performed today by all managers and the BPW. The DPW/BPW is always looking at "best practices"; however, there is no forum for a discussion among neighboring towns.

Comparative Performance Measures: Should we compare services? Should we compare costs? Should we compare responsiveness?

There was question on the acquisition of the North 40: there hasn't been much additional maintenance to date. There's been some additional work in the gardens, where the DPW supports the Natural Resource Commission (NRC). The main trail is the aqueduct: the DPW has already been maintaining that. The Trails Committee cleans brush, but calls the DPW for large branches.

Obtaining personnel levels from other towns for benchmarking should be straightforward; Function Inventory less so. Measuring performance and stakeholder performance should be included.

A member pointed out that personnel head count is not necessarily the most accurate benchmark.

There was a question on intermunicipal collaboration: it includes working with other towns to supply information or assisting other towns during projects.

There was a question on hosting DPW leaders from other towns to pool information: it has been done in the past, but it's difficult to get the parties to regroup.

Evaluate Performance/Targets & Metrics includes, but is not limited to

- Measuring percentage of projects completed and estimates for ongoing work and completion dates.
- Targets met: statistics on functions, recycling, and commercial trash.

There was a question on how data is tabulated: done by Management Services group and is included in weekly statistics reports.

A member suggested gathering cost per mile data and asking other towns to participate. The DPW has met with Natick and Belmont to gather information measures and to discuss how to measure, but it has been difficult to get the parties back to the table.

There was a question on the DPW's internal process reviews; there are year-to-year measures.

Rates are a good way of benchmarking. When looking at a chart of winter maintenance expenditures for 20 neighboring towns, Wellesley is in the middle. However, this looks at snow spending per mile of roads, but Wellesley also clears 60 miles of sidewalks. (For example, Natick plows 41 miles of sidewalks and Needham plows 52 miles of sidewalks.)

There was a question as to why Needham and Natick have more contract plows than Wellesley. Wellesley is staffed for ten months of the year; the cost for service is comparable. For example, Wellesley staff can work on park maintenance in January if there is no snow. Wellesley has much more control of employees than towns that use contractors. Some communities have to pay stipends that the contractors require—a sum of money to be ready to serve the town. Winter-only equipment that Wellesley owns includes sanders and sidewalk tractors. Other equipment used for snow removal is also used for other purposes.

Some have commented that Wellesley has more staff than Needham—why? The biggest differences in staffing numbers in comparison with peer towns appear to be in Highway, Fleet, and RDF. Numbers don't answer questions about quality and level of service; e.g., Wellesley RDF is open more days than Needham. Needham has one water treatment plant, while Wellesley has three. Stormwater is handled by Wellesley DPW, but it is handled by Water/Sewer in Needham. It is difficult to compare “apples to apples.”

There was a question on the difference between the public works spending for Wellesley and Needham: Wellesley spends \$7+ million, while Needham spends \$4+ million. The recycling disposal costs are not included in the Needham figure (approximately \$2 million). Also, Needham stormwater dollars are built into their enterprise fund, so are not included in this figure.

What conversation do we want to have? The BPW would like to conduct a definitive study that will put questions “to bed.” The BPW wants to understand the differences with benchmark towns, so that we can learn from the differences.

There was a question whether traffic volume affects the Highway department numbers. Would analyzing vehicle miles in each town be useful in comparing the size of the Highway budget? Main roads may fall under Chapter 90. It's unclear to what extent traffic volume justifies staffing levels.

There was a question on performing vehicle maintenance in house vs. contracting it out: there is a difference in responsiveness. The DPW no longer maintains Police Department vehicles; there are extended warranties on cruisers and vehicles are turned over quickly.

A member pointed out that Advisory and the Board of Selectmen and the BPW need to narrow the information focus; otherwise the information will be too broad. Another member pointed out that quality of services is difficult to measure; quality of services affects every day life and property values and could help to narrow the focus.

The BPW would be happy to come back to discuss their “work for others” in more detail.

The DPW has their own work order system, similar to the Facilities Maintenance Department's (FMD) system.

Eight DPW buildings have been assigned to FMD to maintain; as a result, \$287,201 has been transferred to the FMD budget.

\$77,803 was returned to Free Cash in FY15.

There was a question on the amount of time spent on transfers: only a couple of hours per month are spent on transfer bills.

Questions that need to be answered are what is the BPW going to do in the first phase of the benchmarking study? What detail should be included? What towns should be selected? Which Divisions/Programs/Subprograms/Functions should be studied? Do we simply evaluate cost? Or do we evaluate service, too? If we evaluate service, how do we quantify it?

8:52 Review of School Budget matters, year in review, with School Committee liaisons

Matt Kelley, School Committee Chair, was present. Mary Crown outlined objectives and additional questions.

Schools have been terrific in answering all questions from Advisory. A thought about going forward is that maybe Advisory should focus on less "nitty gritty" questions and focus more on big picture items. For example, staff head count is a huge part of the school budget, yet it often gets lost in the discussions.

Questions on where the school budget stands right now: we are expecting more in the substitute budget. There are three SPED hearings coming up, which will result in increased legal costs. No update on contract negotiations; the process is ongoing. Still unanswered question on whether changes could/should be made to payroll process.

There was question on reforecasting payroll: it is being worked on; more information will be available at the June 7 meeting.

There was a question whether offset money, grants and general funds are rolled over: it depends on source; different types of grants are earmarked for specific purposes.

The increase in substitutes includes long-term substitutes; it has been trending higher for the past five years.

Supplemental appropriation would be a Town Meeting matter.

The school liaisons also commented that the school budget timeline is difficult for Advisory to work with: the budget isn't available until early December and isn't voted on by the School Committee until late January/early February, making it difficult for Advisory to incorporate the information into the Advisory Report. Because the school budget is the largest part of the town's budget, it is important for Advisory to fully vet it and provide insightful comments to Town Meeting; however, the timeline makes that difficult.

The budget process begins the first or second week of September, but having a discussion in the early fall could be beneficial. There was an additional comment that projections that remain relatively the same could be submitted ahead of the budget; early projections can change, and the School Committee wouldn't want to be tied to early projections. It was suggested that a meeting with Schools and Advisory after the "books are closed" would be beneficial to get a head start on future budget discussions.

There was a question on what the percentage breakdown of hourly salary is in the classroom and out of the classroom; the answer was not readily available.

There was a question on the review process of job descriptions year in and year out. How do they self audit both classroom and non-classroom teachers from year to year? Perhaps new growth in personnel could be eliminated by updating job descriptions.

One member commented that there is ever-constant change in what it means to educate our students, how to meet the needs of our students, and what the priorities of the town should be . . . in addition to complying with state mandates. We should re-shape our conversation about the school budget around these issues and not focus on cost of inflation and pure statistics.

There was a comment on the SPED budget. The numbers are difficult to predict; is the accounting method currently used the most beneficial? The numbers can be unexpectedly higher than predicted. The possibility of a supplemental budget has been raised in the past. Should another means be used to segregate out the SPED budget?

It was noted that Needham once segregated the SPED budget out, but they have put it back into their regular budget. We should talk to Needham to learn from their experiences.

When SPED costs go over what was projected, the School Committee has two choices: cut costs in other areas to "find" the money; or go to Town Meeting to ask for a supplemental appropriation.

One member pointed out that when our classes are "under guidelines," that is a good thing. It means our kids are getting a better education.

The Schools have benchmarks on class sizes and will share that information.

There was a comment that budget meetings in December and January should be in a more public venue, not in the school administration building, and in the evening. The school budget is the largest part of the town budget and should be discussed in a more open forum. There was also an observation that the school administration leads the budget process, while the School Committee should drive some of the suggestions of what to cut or not cut. Also, daytime meetings eliminate a large number of people who would consider running for school committee.

There was a comment that enrollment at each of the elementary schools has significantly changed over the last 8 years; however, the district has not realigned the geographic areas for each school. Geographic adjustments could eliminate transportation costs; the current model does not appear to be efficient.

One member pointed out that in order for the schools to maintain level services and even attempt to implement any part of the strategic plan, the guidelines need to be closer to 4.5% (not 4%).

Matt Kelley pointed out that scheduling meetings during the day is easier for staff, and evening meetings are more difficult for staff and volunteers with children. Meetings in the school administration building are not currently recorded. Advisory members questioned whether a system for recording meetings in the school buildings could be created. It was also suggested that audio recordings could be made (instead of video).

There was a recommendation that the School Committee identify key drivers and solutions for discussion in the fall.

9:45 Liaison Reports

The HHU Master Plan Committee has met twice. There is currently no chair yet. They are discussing possible enrollment studies and are arranging school visits. The committee will be working through the summer and will meet every Thursday night.

The 900 Worcester Street Committee has received one RFP proposal. The committee will meet again next Wednesday.

The library's roof leak claims were denied; the leaks were fixed out of the FMD budget. This raises the question as to whether it makes sense for the town to pay for warranties if the warranties do not actually cover problems that arise. The FY17 budget space utilization study for the library needs to be deferred; the FMD cannot currently manage the project. The second chimney at the Hills branch needs to be repaired; FMD has put out an RFP of no more than \$35,000 for an envelope study. The library board thinks a historical architect should do the work.

One member commented that it might make sense next year for the Annual Town Meeting start date to be pushed back. Advisory should push for that if it makes sense.

9:57 **Old business/New Business**

Sara Raveret made a motion to approve the revised minutes for April 27; Mason Smith seconded the motion. The motion carried unanimously, 13-0.

An Advisory meeting is scheduled for June 15th if necessary.

Tom Frisardi adjourned the meeting at 10 p.m.