

**Advisory Committee
Meeting #14
December 9, 2009**

Peter Cory, Chair, called the meeting to order at 7:30 p.m. Those present included Judi Donnelly, Virginia Ferko, Jack Haley (8 pm), Rick Hill, Kathy Macdonald, Barbara McMahon, Rich Page, Caren Parker, Derek Redgate, Steve Simons, Steve Sykes and Marc Taylor. Absent: Maura Murphy (apologies received) and Jason Whittet.

Minutes. Upon a motion made by Mr. Sykes and seconded by Mr. Simons, the minutes of the Advisory Committee meeting of December 2, 2009 were unanimously approved as written.

Facilities Maintenance Department FY11 Capital Budget. The Committee was joined by Selectmen Chair Barbara Searle, Director of Facilities John Moran, School Committee member Stephen Burt; and Deputy Director of General Government Christopher Ketchen.

Ms. Searle provided a brief history on the establishment of the Facilities Maintenance Department. She noted that current capital funding for maintenance of the Town's buildings is inadequate to preserve the Town's key assets. The FY2011 request begins a phase-in to a more appropriate level of spending for building maintenance. She indicated the run-rate target for appropriately reinvesting in facilities maintenance is approximately \$2 million annually. She indicated that the Selectmen have discussed the possible redirection of funds currently allocated to debt service payments inside the levy limit to cash capital facilities maintenance projects as the existing debt is retired. Current debt service inside the levy for facilities is approximately \$3 million in FY2010 which will be retired by FY2019.

Mr. Burt, who served on the Schools' facilities maintenance capital subcommittee, briefly discussed the Schools requests totaling \$243,747. Mr. Moran then reviewed the overall capital request for facilities maintenance which totals \$499,597 including the Schools section.

Ms. Searle noted that the five-year capital plan is not ready to be presented since the current list is not a "prioritized" or complete list of work that will be required in the next five years, but rather a 'wish list' submitted by each department head. Mr. Cory indicated he understands the plan is incomplete, but a five-year outlook is helpful in providing a sense of what the trends are or likely to be in the near future.

In response to Ms. Searle's suggestion of using retired debt service to increase the facilities maintenance appropriation in out years, Mr. Cory reminded the group that funds freed up from debt service retirement were considered when Advisory set the one percent guideline for operating budgets for FY11 earlier this year. In addition, there was concern by Advisory members that while such a "policy" might in principle be accepted by ATM, it cannot be binding on future TMs; that it may prove to be too inflexible and rigid given competing demands for resources; and that it may require that that all significant new non-maintenance capital projects be funded with debt service outside the levy limit in the future.

Ms. Searle recognizes that there will always be projects that need to be addressed and put a stress on the Town's budget, however, it must also be recognized that the Town's assets have been neglected for a number of years, and the Selectmen are making an effort to determine a realistic amount that is needed to adequately fund maintenance of its buildings. If there are times in the future that funds are needed for other services, they will be addressed as the need arises.

Advisory requested that staff share the benchmarking work that was done to determine the \$2 million annual run-rate that is being proposed. Mr. Ketchen will provide the specifics to Advisory.

Questions were raised as to whether some of the items listed in the Schools maintenance requests, such as ladders and hedge trimmers, which are estimated to cost under \$300, should be considered as capital or operating items. Ms. Berdell, Business Manager in the School Department, explained that 'maintenance equipment' in aggregate has always been defined as capital in the Schools budget.

Discussion ensued on the need for a Town-wide policy on the definition of capital versus operating items, and the threshold for the cost of capital items.

Mr. Moran discussed several of the projects listed in the FY11 capital plan including work at the WMS fieldhouse, and repairs at the Hardy School.

Mr. Cory wondered why the Library maintenance vehicle, used primarily to shuttle books (and some maintenance equipment) from the branches to the Main Library, is still included in the Facilities Maintenance budget, and whether funds from branch donations should be used to purchase the vehicle. He requested that this item be removed from the Facilities Maintenance budget.

Mr. Cory asked the status of the \$200,000 in the Facilities Maintenance Reserve Account? Ms. Searle indicated these funds have not been used as yet, however, they may be used towards to the repair of the Central Street Fire Station floor.

Upon questioning, the Committee was informed that the staffing plan for the Facilities Maintenance Department is not complete as yet.

Mr. Burt reviewed the highlights of the Schools five-year maintenance capital plan including a roof replacement for a portion of the Sprague School, parking lot replacements, and work at the Middle School which has not yet been quantified.

Liaison Reports.

Selectmen. Mr. Cory reported that the 2010 Annual Town Meeting will begin on April 5, 2009. The Warrant opened on December 8, 2009 and will close on January 8, 2010. Motions are due to the Board of Selectmen on March 1, 2010. He reviewed this schedule as it relates to preparation of the Advisory Report. The Committee discussed the use of a flip chart during discussions of controversial articles In order to facilitate the preparation of Advisory's recommendation in the report, providing a full and accurate depiction of members' views.

Kimlo Road – The Selectmen discussed but have not voted yet on the possibility of taking by eminent domain the property at Kimlo Road. The Selectmen also discussed the issue of outstanding property taxes for this lot and how the developer was able to purchase this property without paying the outstanding taxes. Mr. Sykes explained that either the contractor has owned the property for a number of years and the taxes have accrued since he purchased the property, or that it was acquired without a bank loan, avoiding the need for a “clean” title.

FY2010 Tax Rate. Mr. Cory reported the 2010 tax rate calculation was presented to the Selectmen, and he distributed to the Committee the summary prepared by the Assessors. Mr. Cory reviewed how the tax rate is calculated, noting that it is \$10.48 per thousand for FY2010. The issue of dual versus unitary tax rate was also reviewed at the Selectmen's meeting.

27 Washington Street – The Selectmen discussed the new proposal presented by the developers of this property. The front of the building will remain for retail/office use, however, the number of apartments has been reduced to 138, and are now designated for senior housing in the form of independent and assisted living only.

Schools. Ms. McMahon reported the high school project is going well. The recommended FY2011 School budget request is at 5.35 percent, including ST&T, which equates to \$1.65 million over budget guidelines. This is a work in progress, and the School Committee will be making some adjustments through the reduction of staffing and expenses, elimination of the busing subsidy, and the possible use of additional stimulus funding.

Human Resources. Ms. Donnelly reported the Human Resources Board is scheduled to meet with Advisory on January 6, 2010. In addition to reviewing the FY11 operating budget request, they plan to discuss the salary adjustment for 40 series and the development of a pool for 50 series employees to bring those employees on the lower ender of the salary scale up to an equitable level.

Public Works. Mr. Hill reported the DPW will be meeting with Advisory on January 13, 2010. The DPW's operating budget has met Advisory guideline of one percent, as did the capital and the Water/Sewer enterprise fund budgets.

Green Ribbon Committee. Ms. Parker informed the group that the Green Committee will be recommending to Town Meeting that it be designated a standing committee, and they will be requesting part time administrative assistance. The Green Ribbon Committee has been working with Executive Director Hans Larsen and MLP Director Richard Joyce on this issue.

Planning Board. Mr. Sykes reviewed issues being considered by the Planning Board including further clarification of the Large House Review; clarification of the PSI review process to avoid duplication of presentations and hearings; and they are working on a fairly comprehensive re-codification of the sign bylaws.

Permanent Building Committee. Mr. Taylor reported the School project now has 100 percent construction designs. The contractor is turning in monthly reports on the project.

Fuller Brook Master Plan.

The Committee discussed the Fuller Brook Master Plan presentation at the December 2, 2009 Advisory meeting. Although Advisory members feel there is a lot of validity to this project, there are also a number of concerns including the following:

- How much funding can be provided by CPC for this project if it is deemed historical? Who deems it historical? The project likely cannot proceed without CPC funding, and qualification for such funds is not clear.
- A formal estimate of annual maintenance costs must be prepared and presented.
- Questions were raised as to who has oversight of the project, as well as validating the estimated costs for the project.
- Members raised the possibility of dividing the project into sections, prioritizing the work, and accomplishing the most critical tasks, rather than the entire project.
- The width of path was questioned, and the cost impact of a narrower path.
- There is concern with the projected five-year timeline for completion of the work.
- There was also concern that the project as presented may be perceived as a negative in that a paved path would remove the rural look and 'personality' of the path as it now exists. Some felt that a gravel or dirt path is more desirable in this area and presents part of Fuller Brook Path's charm.
- There is a strong sense that the project has not been adequately vetted, and that the public is not aware of the magnitude of this project. Additional public hearings and informational sessions must be held to adequately inform park users and abutters of the path as well as all town residents.

FY11 Facilities Maintenance Capital Discussion. The Committee discussed the proposed financial plan suggested by Ms. Searle. Members were concerned that there will be other Town budgetary needs that may arise and they hesitate to earmark these funds specifically for facilities maintenance. If these funds are committed, how will this decision be handled by future town meetings, since a present Town Meeting cannot bind future town meetings. There was a sense that additional detailed information is needed on the items presented in the facilities maintenance capital plan. There was also discussion that it would be helpful to formalize standard financial policies that Advisory could use as a benchmark on how to apply funds for various purposes.

FY11 Capital Funding. Mr. Cory asked members to consider how the gap between the FY11 cash capital requests and Advisory's one percent guideline should be addressed.

Adjournment. Upon a motion made by Ms. Donnelly and seconded by Ms. Macdonald, the Committee unanimously voted to adjourn at 10 p.m.

Respectfully submitted,

Adeline G. Doherty
Administrative Assistant