

**Needham Finance Committee
Minutes of Meeting of March 24, 2010**

The meeting of the Finance Committee was called to order by the Chair, Lisa Zappala, at approximately 7:05 pm in the PSAB Building (temporary Town Hall.)

Present from the Finance Committee:	Lisa Zappala, Chair Matthew Borrelli John Connelly	Richard Creem Richard Lunetta Michael Taggart
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Also Present: Kate Fitzpatrick, Town Manager
David Davison, Assistant Town Manager – Finance Director
Dan Gutekanst, Superintendent, School Department
Anne Gulati, Director of Financial Operations, School Department
Lee Newman, Planning Director
Jeanne McKnight, Chairperson, Planning Board
Matt Talcoff, Member, Council of Economic Advisors (CEA)
Denise Garlick, Member, Council of Economic Advisors (CEA)
Moe Handel, Member, Council of Economic Advisors (CEA)
Martin Jacobs, Member, Council of Economic Advisors (CEA)
Rick Merson, Superintendent, Department of Public Works
Tony DelGaizo, Town Engineer

Citizen Requests: There were no citizen requests to address the Finance Committee.

Discuss and Vote Draft May Town Warrant Article: Establish Public School Transportation Program

Ms. Gulati stated that the article seeks to broaden the scope of the existing revolving fund. The implementation of the article in FY 2011 has 2 phases: (1) To replace one mini-bus which is due for replacement, and (2) to purchase 2 buses for the KASE program. The KASE buses would be big buses that could be used not only for transportation to and from school, but also on an after-hours basis for transportation to athletic and other events. In response to a question from Ms. Zappala, Ms. Gulati stated that the mini-bus would be acquired with stimulus money. However, the School Department seeking to be able to bill out for certain uses of the van to obtain funds to replace assets and to help offset rising SPED costs. SPED costs are increasing faster than revenue.

Mr. Gutekanst explained that there are 2 issues at play. First, the School Department needs to replace the mini-bus, and is expecting to use federal stimulus funds designated for SPED to purchase the mini-bus. The cost of the mini-bus has not been budgeted by the Town Manager because stimulus funds can be used for it. The mini-bus is smaller than a regular bus, but bigger than a van. Second, the School Department wants to buy regular buses, so that they can use fewer contracted Connelly buses. They will need to

hire a driver, but they will gain the capacity to use their own transportation more, and save money. They intend to use KASE money to purchase the 2 big buses.

Ms. Zappala noted that the consultant report used accounting methods to determine that owning buses would be cost effective. She asked about the worst case scenario. Mr. Gutekanst stated that the worst case should be that the costs are about the same as continuing to rely as much on contracted buses, but that the Schools should save money with extended use of the Town-owned buses. Ms. Gulati stated that contract costs increase 5% per year, and that there are also demand increases. She stated that operational costs will not increase as much under the new plan, and that the incremental savings will become more apparent if you look out 5 years because of the lower increases. There will also be more assets to offset the costs. There will be savings when they can use a town-owned mini-bus in situations where they must now use a big Connelly bus, such as recreation programs taking children to the pool, for seniors, or for athletic teams. Mr. Gutekanst said that currently, they must rent a big bus even for smaller teams or groups, and that the big bus costs the same, regardless of the number of riders.

Ms. Zappala asked where the buses would be serviced, as the consultant noted the lack of a maintenance facility. She wanted to avoid the possibility of new hires in the future just to make the program work. Ms. Gulati stated that the School Department is already more than half-way ready to run the program, as there is a Transportation Director with a half-time assistant, which would likely need to become full time, and that the additional cost is already accounted for in the budget. Also they have the funding for necessary routing software. Mr. Gutekanst acknowledged that there will be additional responsibility for the School Department, but that they can manage it.

Mr. Borrelli asked about the consultant's estimate that it would take 200-300 hours of billing out each bus per year to keep up the program and buy new buses on schedule. Ms. Gulati stated that it would be hard to know upfront, as the program is not running, and that they probably would not bill out that much. However, they currently pay \$170,000 to the bus vendor each year, and without that expense they can replace one van per year, and will also be able to bill out to offset costs. She noted another possibility they considered was to set up an Enterprise Fund. Even without such a fund, she felt they could accomplish a staggered replacement schedule.

Mr. Gutekanst stated that the cost of the mini-bus, \$90,000 would be beyond their reach, and would need to have been funded as part of a capital plan, but now they hope to use stimulus funds. Ms. Zappala pointed out that while the stimulus funds would get the program started, the town would need to fund it to continue. Mr. Gutekanst agreed that without the stimulus funds to get started, the program would not have been considered. Ms. Gulati added that there may ultimately be the benefit of sustaining jobs—that if the program is able so save money and bring in funds, it may save a teacher's position.

Mr. Borrelli asked about liability. Ms. Gulati responded that there is a provision for insurance. The drivers would be town employees with benefits, and there would be

liability insurance for the vans. There is a line in the report for approximately \$3600 per year per van for insurance. Mr. Gutekanst stated that there are current employees that have licenses for driving buses that might be interested in driving. Ms. Gulati said that there is likely a pool of retirees in town interested in bus driving. Ms. Zappala noted that the report mentioned also teachers and coaches as potential drivers.

Mr. Connelly questioned whether this type of program had been tried in town in the recent past. Ms. Gulati stated that the town had been using Connelly's services at least 20 years. She explained that the goal is not to own an entire fleet of buses but to allow some flexibility. She added that the School Department can handle the program, and that the biggest need is to set up a maintenance contractor, but that they already have a driver, and are responsible for training.

MOVED: By Mr. Connelly that the Finance Committee recommend adoption of the Draft May Town Meeting Warrant Article entitled "Article to Establish Public School Transportation Program Chapter 44 Section 53E-1/2 Revolving Fund" authorizing the School Department to spend \$819,000 in revolving fund monies. Mr. Taggart seconded the motion. The motion was approved by a vote of 6-0.

Mr. Gutekanst noted that the plan for next year is to get more information and work on details. The School Department is not planning to buy the vans to be ready during the summer for next fall. Staff training still needs to be set up. Ms. Gulati added that the SPED money is coming in installments, with some this year, and some next. This year's money is expected this week. Also, no further circuit breaker reductions are expected.

Vote on Draft May Town Meeting Warrant Article: Establish Elected Officials' Salaries

Ms. Zappala explained that the committee is concerned about raising the Town Clerk salary in a year where the balanced budget was reached because most employees agreed to a COLA of zero. Ms. Fitzpatrick specified that the Town Clerk's salary in the warrant should read \$66,079 and the Town Clerk with 6 years of service should read \$81,686.

Ms. Fitzpatrick described the history of the Town Clerk salary provision. For years, the Town Clerk salary was set without a method. Then in 1998, a consultant reviewed the Town Clerk position relative to other positions in town and determined it would be an M2 level if the position were full time, and not elected. For years, the Town Clerk salary was set at approximately 95% of the top of the M2 scale. Another study increased the M2 salary range, but neglected to tie the Town Clerk position to that increase. So this year, the Board of Selectmen is recommending the Town Clerk's salary to be \$81,686, which is just over 86% of the top M2 salary. This would not represent a merit increase or a cost of living adjustment, but is a market adjustment to get the Town Clerk's salary at an appropriate level. While Ms. Fitzpatrick agreed that the timing is not ideal, she felt it was a unique situation.

Mr. Lunetta said that the increase is really a mechanical change. Mr. Creem agreed that this situation is unique, since the position is the only full-time appointed official in town. Ms. Zappala suggested the vote be delayed a few minutes while Ms. Fitzpatrick retrieved the actual language of the warrant article. (In the meantime, the committee discussed and voted on the articles Change for Delinquent Tax Charge and the Energy Challenge, below.) Upon her return, in response to a question from Mr. Borrelli, Ms. Fitzpatrick confirmed that going forward, the town planned to keep the Town Clerk salary in the range of 95-96% of the M2 salary.

MOVED: By Mr. Lunetta that the Finance Committee adopt the article as follows:

ELECTED OFFICIALS' SALARIES

To see if the Town will vote to fix the compensation of the following elected officers of the Town as of July 1, 2010, as required by Massachusetts General Laws, Chapter 41, Section 108:

Town Clerk	\$66,079
Town Clerk with 6 years of service in that position	\$81,687 (1)
Selectmen, Chairman	\$1,800
Selectmen, Others	\$1,500

(1) In addition, such compensation shall also include payment of longevity in the amount of \$4,902 the accumulation of 15 days of non-occupational sick leave per fiscal year; and payment for 25% of unused sick leave at the time of retirement from Town Service in accordance with M.G.L. c. 32, in an amount not to exceed \$38,854. The annual salary of \$81,687 includes compensation for five weeks of vacation leave, any unused portion of which will be paid at the time of separation from Town service in an amount not to exceed \$8,326. At the time of separation from Town service, the Town Clerk shall also be paid for seven (7) weeks of accrued, unused vacation time in an amount not to exceed \$11,657; or take any other action relative thereto.

Mr. Creem seconded the motion. There was no further discussion. The motion was approved by a vote of 6-0.

Local Option to Change the Demand Charge for Delinquent Taxes

Ms. Zappala explained that this article would change the fee charged for delinquent taxes from \$5 to \$10. Mr. Davison stated that the warrant article now calls for a change of the demand charge for delinquent taxes to \$10, though the earlier draft showed \$30. He also stated that the Board of Selectmen has not yet voted a position on this article, but that only one member seemed concerned about the fee changing. Mr. Davison explained that by law, the demand fee could be waived by the town only if the fee is \$15 or less, including interest. Interest begins to accrue the day the fee is assessed, so if the fee were \$15, and any interest accrued, the town would not be able to waive it, as there can be no partial waiver. Thus he recommended the fee be set at \$10. In response to a question from Mr. Borrelli, Mr. Davison stated that the fee is not required to be an increment of \$5, but that all the local towns are using such increments. Mr. Davison added that

\$30,000 is at issue, since the town was receiving about \$15,000 worth of fees at \$5 per fee.

MOVED: By Mr. Creem that subject to the Proponent's (Board of Selectmen's) recommending adoption of the article entitled "Local Option to Change the Demand Charge for Delinquent Taxes", that the Finance Committee recommend adoption of such article, with the amount of \$10 for the fee inserted in the article where the draft read \$30. Mr. Connelly seconded the motion.

In response to a question from Mr. Borrelli, Mr. Davison confirmed that the demand fee can be changed annually.

The motion was approved by a vote of 6-0.

Discuss and Vote Draft May Town Warrant Article: Appropriate for Energy Challenge/LED Traffic Lights

Ms. Zappala stated that the Finance Committee has supported energy saving efforts in town, but that a safety issue was raised about LED traffic lights. There is concern about whether snow would build up and block the visibility of LED traffic lights which give off less heat than other traffic lights. Mr. Davison distributed a memorandum he had written to the Town Manager about this issue. He added that there had been an article in the New York Times regarding accidents apparently caused by such snow build-up. He asked the town engineering department their view on whether the article raised a valid concern for Needham. He was told that Needham winters are less intense and shorter, and not as windy, than in the Midwest, where the accidents referred to happened.

Mr. Davison also explained that the LED traffic light covers are only a half circle, allowing snow to drop, and that they are brighter than other lights, so that the light can be seen though some snow. The LED lights do give off some heat, so they will eventually melt snow. Further, there are 2 sets of signals at each intersection, so it is improbable that both would be obscured completely. The town has a number of these lights in use already, and snow build-up has not been an issue. He was told that 1-2 times snow has started to build up but has dropped off before needing to be cleared.

MOVED: By Mr. Borrelli that the Finance Committee recommend adoption of the Draft May Town Meeting Warrant Article entitled "Appropriate for Energy Challenge/LED Traffic Signals" in the amount of \$10,000. Mr. Lunetta seconded the motion. The motion was approved by a vote of 5-1, with Mr. Taggart dissenting.

Discuss and Vote Draft May Town Warrant Articles: Amend Zoning By-Law – Temporary Meteorological Towers; Amend Zoning By-Law – Temporary Meteorological Towers Overlay District

Ms. Newman described that the first article sets up the regulatory framework to install meteorological (“met”) towers, and the second re-zones the area into an overlay district. She explained that the towers measure wind speed and determine if a wind turbine would be effective. These articles do not authorize a wind turbine, but just a test tower for a 2 year period, extendable to 5 years if circumstances warrant. After that the property must be put back to its original condition.

Ms. Zappala asked about the financial impact to the town. Mr. Creem stated that any financial impact is remote and speculative, as any next step depends on the test results. There seems to be no cost to the town. Ms. Newman stated that Green Needham Collaborative has raised private funds of \$10,000 and gotten a grant of \$16,747 from Renewal Energy Trust. She noted that the costs of the project are going up, and they have the funds if they can act soon. Mr. Creem asked if they foresee any cost to the town, such as maintenance. Ms. Newman stated that the town may support the installation, but there are no other costs for the town. She also pointed out that the state DEP has already approved placement of the towers on the landfill site. Mr. Borrelli asked whether liability has been considered. Ms. Newman stated that the grants cover insurance. Mr. Lunetta asked whether the grant covered the dismantling of the towers. Ms. Newman was not sure. Ms. Newman confirmed Mr. Borrelli’s thought that there are no abutters. Ms. Newman stated that only this site is at issue, and the current goal is only to see if a wind turbine would work.

Discuss and Vote: Amend Zoning By-Law – Driveway Openings

Ms. Newman described that in Needham Center, a second curb cut cannot be made where there is one driveway to allow for additional traffic. This article would allow a new curb cut that widens an existing curb cut and provides a single driveway for two or more properties, thereby expanding service to a primary property and allow another access for a secondary property. This will allow the Town Hall to have better access to its parking lot, and the also allow another access for the bank behind. Ms. Newman stated that the pedestrian crossing is far enough away from this driveway to be safe. Mr. Creem noted that they did not go through the Zoning Board of Appeals because they don’t have the authority to allow this.

Ms. Zappala commented that there could be a financial implication, because the parking lot is very difficult to use now, so it could be an economic benefit to town businesses to have easier access.

MOVED: By Mr. Creem that the Finance Committee recommend adoption of the Draft May Town Meeting Warrant Article entitled “Amend Zoning By-Law – Driveway Openings.” Mr. Lunetta seconded the motion. The motion was approved by a vote of 6-0.

Discuss and Vote: Amend Zoning By-Law – Minimum Side and Rear Line Setbacks

Ms. McKnight recused herself from the discussion as she had property that could benefit. Ms. Newman stated that this article would exempt swimming pools from certain setback requirements, so that pools could be closer to the owner's house, or to a pool house. The setback requirements with respect to abutting properties and streets would not be changed. In response to a question from Mr. Borrelli, Ms. Newman said this issue has been raised by people who have built or are seeking to build pool houses closer to pools, and feel the existing by-law is unreasonably restrictive.

Ms. Zappala stated that one could argue there is a financial implication because allowing these structures to be built could increase property values and taxes. Mr. Taggart stated that he preferred to have the committee take no position. Mr. Connelly and Mr. Borrelli agreed. Mr. Creem said that while it barely reached a threshold for financial implication, he would be satisfied with taking no position.

MOVED: By Mr. Taggart that the Finance Committee take no position with respect to the Draft May Town Meeting Warrant Article entitled "Amend Zoning By-Law – Minimum Side and Rear Line Setbacks: Accessory Structures." Mr. Connelly seconded the motion. There was no further discussion. The motion was approved by a vote of 6-0.

Discuss and Vote: Amend Zoning By-Law – Accessory Uses

Ms. Newman stated that this article is for housekeeping purposes, to correct an oversight that occurred when a new district was made regarding how many garage spaces would be allowed. The district at issue is the only one in town that currently has no such restriction. Mr. Borrelli commented that this seemed to have no financial implication.

MOVED: By Mr. Creem that the Finance Committee take no position with respect to the Draft May Town Meeting Warrant Article entitled "Amend Zoning By-Law – Accessory Uses." Mr. Taggart seconded the motion. There was no further discussion. The motion was approved by a vote of 6-0.

Discuss and Vote: Appropriate for Planning Study of the New England Business Center

Ms. Newman asked the members of the Council of Economic Advisors to join her. She explained that the article helps fund a planning study to follow up to the rezoning in 2001 to generate business at the New England Business Center. The town is not seeing the redevelopment that was hoped for. Although the economy is not good, there are other similar areas along Route 128 that have seen growth in these years. They are seeking to unlock the development potential of the area. The study will seek to answer 3 questions: Is the zoning broad enough? Should it be expanded to increase retail development? Are the dimensional requirements adopted in 2001 too restrictive, making it too expensive to develop? Since this is a more narrow study than the one done for downtown, it should be

faster and less expensive. The town is looking for a partnership with businesses. This study would cost the town \$25,000 and the other \$25,000 would be privately funded. Ms. Zappala asked if the town did not authorize the \$25,000, would there be no study conducted, or a smaller one. Ms. Newman replied it would be smaller. In response to a question from Mr. Borrelli, Ms. Newman stated that the Council of Economic Advisors would oversee the study for the town. She noted that Muzi has already given \$1000 to support the study, and that they expect to have more funds raised before Town Meeting.

Mr. Borrelli stated that he is concerned about high tax rates in town, and is hoping that funding this study can provide a better understanding of issues, including retail and traffic issues, in order to bring in more commercial taxpayers. Mr. Taggart asked whether there was sufficient expertise of town staff to understand these issues. Ms. Newman stated that they need people who know the development field and are able to do traffic studies.

Ms. Garlick stated that they want to take advantage of the economic downturn to take steps so that when the economy turns, everything is ready for developers who want to build in the park. The study will require a small amount of money to start an ambitious project. Mr. Handel added that the town needs to have the infrastructure capacity to bring the businesses in. Mr. Talcoff added that they had heard that the planned changes in roads and traffic patterns will be very positive. They want to be ready when the roads are ready. He said the area is a great asset. Mr. Handel stated that they don't want to lose potential tenants, which will happen if they are not ready. Ms. Garlick said that the area needs work to be able to market it properly. She noted that if they can go to the town with a professional opinion, it helps the zoning process. Ms. Newman stated that they plan to give the consultant narrow questions to answer.

MOVED: By Mr. Creem that the Finance Committee recommend adoption of the Draft May Town Meeting Warrant Article entitled "Appropriate for Planning Study of the New England Business Center" in the amount of \$25,000. Mr. Borrelli seconded the motion. There was no further discussion. The motion was approved by a vote of 5-1, with Mr. Taggart dissenting.

Discuss and Vote if Appropriate Draft May Town Meeting Articles: Appropriate the FY 2011 Sewer Enterprise Fund Cash Capital

Ms. Zappala stated that the committee has discussed the first two items in the article: Core Fleet Replacement for \$52,500 and Large Specialty Equipment for \$98,500, and that the third item Wastewater Pump Station Improvement for \$1,000,000 has been withdrawn. The total requested appropriation is now \$376,000. Ms. Zappala stated that the remaining issue is Sewer System Rehabilitation (I/I) for \$225,000. Mr. Merson explained that "I & I" has two components: Infiltration: water leaking into the sewer system through old joint, and Inflow: extraneous sources being put into the system. The goal is to control both. Thus far, they have had great success dealing with inflow in the areas they have done work. Now, they are focusing on area 19-1 (area around Oak St., Marked Tree Rd., and Highland woods.) The inflow in that area is primarily due to the

packed rocky soil that traps groundwater that gets into basements and is likely pumped into the sewer system. They need to find other solutions.

I & I studies have shown which areas are putting high levels of I & I into the system. The priority of the work to be done is based on the number of gallons getting into the system. In response to a question from Ms. Zappala, Mr. Merson stated that the expense figures were based on preliminary engineering work to see what needs to be done. They have used television cameras to view the pipes and see the specific types of leakage and the locations. He explained that the process has 2 steps: first, to investigate with cameras to inventory and identify the issues, and second, to design the project and make repairs. In area 22 (Broadmeadow, Harris Avenue, railroad tracks, upper Highgate to Great Plain Ave.), and area 16 (behind High School, Tower Hill and Harris Ave.), the investigation has been done, and design work is next.

Mr. DelGaizo added that since the 1990s, the DPW has had different types of failures that have needed various types of repairs. Based on that work, they have estimated how much it will cost to do the different types of work in this project. They came up with preliminary estimates of needed work based on what they saw on the cameras, and based on cost related to other sewer system failures. They have identified the areas where there is additional flow due to I or I, and are targeting the areas with heaviest additional flow, and working down until there are no more areas of serious flow.

Ms. Zappala noted that this funding would be for design work, and asked how the cost was estimated. Mr. DelGaizo responded that the estimate of the design work is based on linear feet of pipe. She asked whether this design work would be contracted out. Mr. DelGaizo answered that the town does not have enough cameras and other equipment to carry this out on its own. In response to a question from Mr. Connelly, Mr. DelGaizo confirmed that they would put out an RFP.

Mr. Borrelli asked how they would be able to prevent inflow from residents' basements. Mr. Merson replied that the key to that problem is to try to improve drainage so there would be the least damage to homes. The sewer pipes are sized to handle water from homes used for bathing, laundry, cleaning, etc. They are smaller than the pipes for road drainage, and cannot handle additional water from other sources. The big problem is that soil on Needham's hills is rocky and was heavily compacted by glaciers, but is much less compacted around homes where a foundation has been dug and filled around. As a result, water tends to pool there. Sump pumps should pump water to road drainage, not into sewer. They also aim to intercept water before it goes into basements. Mr. Borrelli asked if they would use a literature campaign. Mr. Merson replied yes, and that in the 1980s they also reached 87% of homes going door-to-door. Mr. Merson stated that they need to identify where there are sump pumps, and figure out the way for drainage. Area 19-1 was one of the worst areas for inflow.

Mr. Connelly pointed out that the figures show that the design costs are close to 20% of the projected construction costs for this program, and felt that seemed like a high ratio. Mr. DelGaizo said that the investigation costs are based on the linear feet of pipe to be

checked by camera, that it is a pretty straightforward cost. The information generated by the investigation determines how extensive the design will be. If the pipe needs to be lined, there is not much design needed. But it is more complicated if the pipe needs spot repairs, or needs replacing requiring them to match pipes. The design is usually about 15% of the construction cost, but it should be noted that the construction costs are the farthest away, and thus least definite. He added that usually they take the design cost, assume it to be 4-5% of the construction cost, and they inflate the cost for the future. Mr. Connelly asked whether they were satisfied with the design value for the cost. Mr. DelGaizo responded that he was satisfied, that it was standard for the business.

Mr. Connelly asked where they go the names of the contractors they used. Mr. Merson stated that they put out an RFQ 12-14 years ago, and they rely on the companies on that list. He said that they are in the process of putting together another RFQ, to refresh their list. He noted that the qualification process for finding contractors is different from determining project pricing. The site investigation for I & I is unique and specific, different from other types of drainage work. Mr. Connelly noted that it would be helpful to see examples of successes when they were able to accomplish work for less than estimated costs.

Ms. Zappala stated that an issue had been raised earlier about the fact that the sewer rodder that would be replaced in the line Large Specialty Equipment has low mileage of 24,300. Mr. Merson replied that it cleans out sewer lines, and doesn't drive around much. Ms. Zappala stated that hours of use might be a more helpful statistic. In response to a question, Mr. Merson stated that this request is for the full cost of purchasing a new piece of equipment. In the past, they have had success putting older equipment up for auction after it has been replaced, but that it is uncertain what equipment can be sold or how much it might bring in.

MOVED: By Mr. Connelly that the Finance Committee recommend adoption of the Draft May Town Meeting Warrant Article entitled "Appropriate for Sewer Enterprise Fund Cash Capital" in the amount of \$376,000. Mr. Borrelli seconded the motion. There was no further discussion. The motion was approved by a vote of 6-0.

Discuss and Vote if Appropriate Draft May Town Meeting Articles: Appropriate General Fund Cash Capital

Ms. Zappala stated that the original draft article contained an appropriation of \$2,662,949. The Town Manager identified which expenses were primary priority, and which were secondary. The Finance Committee had discussed funding primary needs. Ms. Zappala read the list of items specified in the article, as previously discussed, which are a primary priority:

Fund:	Description:	Recommended amount:
General Government	Financial Application Hardware	\$150,000

General Government	Network Services & Upgrades	\$30,000
General Government	Microsoft 2007 Upgrade	0
Public Safety	Communications Systems	\$68,000
Public Safety	Fire Inspection Vehicle	\$30,000
Public Schools	Copier replacement	\$51,700
Public Schools	Technology replacement	\$38,600
Public Schools	Furniture and Musical Equipment	\$55,950
Public Schools	Pollard School Condition Analysis	\$30,000
Public Works	Core Fleet Replacement	\$221,200
Public Works	Large Specialty Equipment	0
Public Works	Small Specialty Equipment	0
Public Works	Snow and Ice Equipment	\$298,000
Public Works	Brook and Culvert Maintenance	\$25,000
Public Works	Storm Drainage Discharge Improvements	0
Public Facilities	Core Fleet Replacement	\$34,114
Public Facilities	Small Specialty Equipment	0
Public Facilities	Facilities Maintenance Program	\$400,000
Community Services	Memorial Park Bleachers	\$43,000
Community Services	Library Collection Supplement	\$25,000
Community Services	Library Technology Replacement	0
Community Services	Athletic Facilities Improvements	0
TOTAL APPROPRIATION		\$1,500,564

Ms. Zappala also noted the following: The balance of the Public School Technology Replacement would be funded directly from schools. For Brook and Culvert Maintenance, the Town Manager designated that \$75,000 was a secondary priority. The other items with zero funding were also deemed secondary priorities.

Ms. Zappala stated that the town now has a fairly large unspent Reserve Fund right now. She said she thought the committee should consider, but not vote tonight, the approximately \$500,000 available. In the Special Town Meeting warrant, the committee will want to take unused Public Facilities money to fund almost all the secondary priority cash capital items. The Special Town Meeting warrant will close on April 6. The committee will likely skip a meeting on March 31, and address the STM articles on April 7 and 14. She said she plans to send assignments to Finance Committee members soon regarding the articles so that they can prepare for Town Meeting.

Ms. Zappala stated that the committee should vote the General Fund Cash Capital if members felt comfortable doing so. Mr. Borrelli asked whether the purchase of a hybrid vehicle in the Core Fleet request is fiscally prudent with lower cost of gas recently. Mr. Davison said that they had looked into diesel vehicles as well as hybrids. He said that fuel costs can rise, providing for bigger savings in the long run. And that they also considered that hybrids pollute less. He said it is usually about a \$3000-\$6000 difference in initial cost to buy a hybrid.

Mr. Taggart stated that he had a problem with including the expense of new bleachers for Memorial Park in the Cash Capital article. The bleachers would benefit only sports fans, and that usually Needham fans sit on the other side, so that it would benefit mainly non-residents. He believes that in a difficult year, this expense seems frivolous. Ms. Fitzpatrick noted that the previous bleachers had been condemned as unsafe, and had to be removed. She stated that the new bleachers are considered a high priority by the Trustees of Memorial Park. Mr. Taggart remarked that he would like to reduce that line item to zero. Ms. Zappala asked whether he did not support this expense in any year, or this year because the budget is tight. Mr. Taggart responded that his opinion was based in large part on the tight budget this year. He added, however, that bleachers had been removed from DeFazio Park, which did not affect the teams. Mr. Connelly stated that he disagreed with Mr. Taggart's position.

MOVED: By Mr. Creem that the Finance Committee recommend adoption of the Draft May Town Meeting Warrant Article entitled "Appropriate for General Fund Cash Capital" for the itemized list in the warrant with a total amount of \$1,500,564, in the amounts read at this meeting by the Chair. Mr. Connelly seconded the motion. There was no further discussion. The motion was approved by a vote of 5-1, with Mr. Taggart dissenting.

Discuss and Vote Draft May Town Warrant Article: Approve Borrowing Authorization (Minuteman feasibility study)

Ms. Fitzpatrick stated that this is a request to approve a borrowing amount of \$725,000. It will increase the town's assessment. Ms. Zappala stated that the feasibility study is \$725,000 before reimbursement, which is expected to be 40%, but it may be higher. The town's estimated portion is \$18,616 over 5 years beginning in FY 2012. The town's share of debt service would be approximately \$4000 per year for 5 years.

MOVED: By Mr. Creem that the Town Warrant reflect that the Finance Committee will make a recommendation at Town Meeting regarding the article entitled "Approve Borrowing Authorization." Mr. Borrelli seconded the motion. The motion was approved 6-0.

Mr. Connelly stated that he spoke with Ford Spaulding at Minuteman, and he said that Minuteman's plan is to go forward with this article at all town meetings, although if one town votes down the provision the study will not be funded. They want to know the count of towns in favor of moving forward. Ms. Zappala noted that vocational schools draw money for a different MSBA pool of funds than the public schools, so that the 40% expected to be funded by the MSBA is a floor amount. Mr. Davison confirmed that there is a different basis for determining funding for vocational schools.

Vote to recommend or defer to Town Meeting - Fund Collective Bargaining Agreement – Independent Town Workers' Association; Fund Collective Bargaining Agreement – Public Works

Ms. Fitzpatrick stated that these articles may be withdrawn if they don't require an appropriation.

MOVED: By Mr. Creem that the Town Warrant reflect that the Finance Committee will make a recommendation at Town Meeting regarding the two articles entitled "Fund Collective Bargaining Agreement – Independent Town Workers' Association" and "Fund Collective Bargaining Agreement – Public Works." Mr. Connelly seconded the motion. The motion was approved 6-0.

Vote to recommend or defer to Town Meeting: Appropriate for Community Preservation Fund

Mr. Davison recommended that the article be kept open, as this article depends on whether the other CPC articles pass. There will be dollar amounts in the final warrant that assume the other CPC articles pass.

MOVED: By Mr. Creem that the Town Warrant reflect that the Finance Committee will make a recommendation at Town Meeting regarding the article entitled "Appropriate to Community Preservation Fund." Mr. Borrelli seconded the motion. The motion was approved 6-0.

Remaining Articles

MOVED: By Mr. Creem that the Town Warrant reflect that the Finance Committee will make a recommendation at Town Meeting with respect to any articles not yet voted. Mr. Connelly seconded the motion. The motion was approved 6-0.

Meteorological Towers

Ms. Zappala noted that the Committee had not voted the two articles pertaining to temporary meteorological towers. She said it could be argued that there is no financial impact since it is funded by all outside sources. Mr. Lunetta noted that many people in town support green initiatives, and that the towers are seeking information about potential energy savings. In the long term, there could be a financial impact.

Mr. Borrelli added that since the towers would be on town land, there could be an impact to the town. Mr. Creem stated that he needed more information about the funding and how it works, and where liability may be. Ms. Fitzpatrick pointed out that the articles simply change the zoning to allow for the towers to be put up. Whether the wind turbines would eventually be put up would be a later issue. Ms. Zappala stated that while Town Meeting would not be funding the project, allowing the zoning change would mean the towers would be put up, and the committee needs to figure out the implications. She

decided to hold off voting without more information. She noted that the last motion would encompass these articles.

Minutes of March 10

MOVED: By Mr. Connelly that the Finance Committee approve the minutes of March 10, 2010. The motion was seconded by Mr. Borrelli. The motion was approved 5-0-1, with Mr. Taggart abstaining.

Finance Committee Updates

Ms. Zappala stated that before the Town Manager form of government, the Finance Committee held public hearings to discuss the budgeting process with residents. The meetings were not well attended. She recommends that the committee go to the informational sessions held by the League of Women Voters on April 26. Mr. Lunetta agreed, stating that the League of Women Voters event is higher visibility, and well-attended. Mr. Creem stated that there are usually 5 rooms for residents of different areas of town, and usually there are 2 committee members per room.

Adjourn

There being no further business, Mr. Connelly moved to adjourn the meeting at approximately 9:52 pm. Mr. Lunetta seconded the motion. The motion was approved by a unanimous vote: 6-0.

Respectfully submitted,

Louise Mizgerd,
Executive Secretary