

**Needham Finance Committee
Minutes of Meeting of December 16, 2015**

The meeting of the Finance Committee was called to order by the Vice Chair, Rick Zimbone, at approximately 7:03 pm in the Selectmen's Chambers at the Town Hall. Chair Louise Miller arrived at approximately 7:07 pm.

Present from the Finance Committee:

Louise Miller, Chair; Richard Zimbone, Vice Chair

Members: Barry Coffman, John Connelly, Kenneth Lavery, Richard Lunetta, Richard Reilly, Carol A. Smith-Fachetti (arrived 7:18 pm)

Others present:

David Davison, Assistant Town Manager/Finance Director

David Roche, Building Commissioner

Philip Droney, Retiring Police Chief

John Schlittler, Incoming Police Chief

Dennis Condon, Fire Chief

Deborah Bonnano, Fire Department, Director of Administrative Services

Citizen Requests to Address Finance Committee

There were no requests.

Approval of Minutes of Prior Meetings

MOVED: By Mr. Lunetta that the minutes of December 9, 2015 be approved. Mr. Lavery seconded the motion. The motion was approved by a vote of 6-0. (Ms. Miller and Ms. Smith-Fachetti had not yet arrived.)

FY2017 Departmental Budget Requests:

Building Department

Mr. Reilly introduced the budget. He stated that there is a small increase in the salary line, and that expenses are essentially flat. He stated that the contract for the Mass. Division of Weights and Measures accounts for 40% of the department's expense budget. Budget growth has appeared uneven in recent years due to a timing issue. He stated that fee revenue is approximately 2-3 times the cost of operating expenses, and noted that other departments also review the plans, which is part of the fee. He stated that the Building Inspector has proposed a new fee schedule based on construction costs rather than square footage. Mr. Connelly asked if the change was imminent. Mr. Roche stated that there have already been two hearings with the Board of Selectmen. The changes make the Town's structure consistent with other towns. He stated that the department requires a copy of the signed construction agreement to determine the project cost. He stated that there is also a national reference guide for estimating construction costs. Mr. Davidson stated that the Town reviewed the operating budget and realized that the fee revenue was not commensurate with the department costs. Mr. Roche gave examples of the additional revenue that would have been gained if the new fee structure had been in effect in recent years.

Mr. Reilly stated that there are four DSR4s requesting: administrative support, two additional inspectors, and the transfer of fire inspection consultant costs from the Fire Department to this department. Mr. Zimbone questioned whether the request to transfer work from another department should be a DSR4 request. Mr. Davison stated that it should not be, but that they wanted to make the change clear.

Mr. Reilly stated that there is a request for an additional Department Assistant. There are currently two Department Assistants. They have been working hard to improve the reputation of the department. Mr. Reilly stated that he had asked whether the projected additional work seems like a one-time spike in work, or whether the increase in work will continue. He also asked about using more automation for efficiency. Mr. Roche stated that the work is very labor intensive. He stated that he has looked into online permitting, which is best for mechanical permits. This would not eliminate all need for review. He stated that the cost is \$25K for startup, and \$25K annual costs. Mr. Davison stated that the purchase would need to go through the procurement process. He stated that state law requires the Town to store paper copies of building plans. Mr. Roche stated that the laws have loosened up. Mr. Lunetta asked about the work flow, how far behind they were, and how much a new administrative person would help. Mr. Roche stated that with a third person, the department would keep up with the work, and not fall behind when people are sick, on vacation or absent. He stated that he expects an upcoming spike in work. He stated that he would not ask for additional staff if it were not needed. He stated that in a couple of years, it might be possible to reduce the extra person to part-time if the software is in place, but he would probably not be able to eliminate the position. Mr. Zimbone asked if it would help to have additional hours or to open on Saturdays. Mr. Roche stated that the inspectors come in early, and they close the window before the end of the day to close out the day's transactions.

Mr. Reilly stated that there is a demonstrated need for the additional inspectors. He stated that there is money for substitutes, who are called in to make sure no one waits two days or more, otherwise projects are held up. He stated that substitute inspectors make \$100 per hour working for themselves, and \$26 per hour working for the Town, so it is best to have people come in with guaranteed hours. These positions also have benefits. Mr. Coffman asked how feasible it is to find a part-time inspector with the necessary credentials. Mr. Roche stated that it is not easy, and that most jobs in this area are full time. He stated if all projects pending in Town happen at the same time, they will not be able to handle it. Mr. Lunetta asked about outsourcing the work. Mr. Davison stated that contractors would not have enforcement authority. He stated that they need people to represent the Town's interests. Ms. Miller suggested sharing a plumbing and gas inspector with another Town. She also stated that there is software for storing building information which real estate agents have. Mr. Roche stated that there are huge upfront costs. Mr. Connelly asked whether overtime could be used to avoid additional staff since benefits costs are so high. Mr. Roche stated that many inspectors don't want to work overtime, and that often that the additional time would fall at a time that is dark, when it is difficult to inspect properly. Mr. Connelly stated that he has heard that the department is running better, and has not heard complaints of long waits for inspections. Mr. Reilly noted that it might not be a good idea for service to decrease at the same time fees are being raised.

Police Department

Mr. Lunetta introduced the budget. He stated that salaries are increasing in accordance with a new collective bargaining agreement. He stated that there is an increase in fuel use combined with a decrease in price. He stated that the budget includes the costs of replacement cruisers. There is a request for new fingerprint hardware and software as recommended by the State Police. He stated that there is a DSR4 request for 4 additional police officers. The staff level has been the same since 1990 and is below the Department of Transportation's recommended levels for the size of the Town. Chief Droney stated that there are space issues, partly because of the need to store building plans. Mr. Davison stated that there is an existing appropriation for a document management system which is out to bid for the third time since previous bids have all been high. He stated that they keep scaling back the request.

Chief Droney stated that the request for more officers is based on the build-up in the business area, including a new hotel, and possibly another hotel, along with the approved new residential development and marijuana dispensary. He stated that 6-7 officers would actually be needed to cover the shifts including Sundays and nights. Mr. Zimbone asked if factors other than population are used to help inform the number of officers needed. Chief Droney stated that the number of calls and the time spent on class is included, and that they expect to use traffic data going forward. He stated that it has been difficult to find data showing the number of people working in an area.

Mr. Reilly asked why the overtime needs are higher in the budget. Chief Droney stated that there is an increased need for training that is either legally mandated or obligated under the labor contract. Most training is done on an overtime basis. Mr. Reilly asked why grant funding went into the General Fund. Mr. Davison stated that it is the same in all departments, and depends on whether the grant pays up front or as reimbursement. Chief Droney explained that there is also a request for computer training with use of force scenarios. He stated that the cost is about \$40K for 5 years. There is a portable unit that can be used in the current space. Mr. Reilly asked about body cams. Chief Droney stated that they have begun discussions during collective bargaining. He stated that Massachusetts law requires two-party consent for audio recording. The cost of data storage is the biggest related expense. There are also issues with public records handling. Mr. Coffman asked why the vehicles are replaced so often. Chief Droney stated that the front sector patrol cars needed for emergency response turn over every two years because after that they break down and have mechanical issues. After two years, the vehicles can be used for other purposes.

Fire Department

Mr. Lunetta introduced the budget. He stated that there is a DSR4 request for a special inspector to review Town buildings and document exits and hazards with photographs and other information in order to protect first responders. He stated that doing this project at 9 hours per week may take too long. He suggested combining the work with other departments to get it done. Chief Condon stated that the new software package has room to create the database of building information. The information would be available to dispatchers to advise responders on the way to an emergency scene and on tablets at the scene. He stated that they could use the recently retired fire inspector for the work since he has the local knowledge and experience. He stated that the current inspectors are too busy for this work. Mr. Connelly asked why they are requesting 9 hours per week. Chief Condon stated that they felt that 9 hours of consulting was appropriate, though it may be insufficient. Mr. Reilly asked if they were accommodating the schedule of the previous inspector. Ms. Bonnano stated that he has not been part of the conversation. Chief

Condon stated that his preference is to have the project done as quickly as possible. He stated that they have some information, but not the specifics about the hazards. Ms. Bonnano stated that they do not know how much time will be needed for the project. Chief Condon stated that it is important that there is someone who understands their perspective and the information they need. Mr. Zimbone suggested getting an estimate from a consultant. He added that if there is not much snow this year, this work could possibly get done quickly with a Reserve Fund transfer since the existing software is underutilized.

Mr. Lunetta stated that the DSR4 request for additional staff should be considered when Fire Station 2 has been expanded and there is room for an additional ambulance. Chief Condon stated that the plan is to have a feasibility study in 2016 to make specific recommendations on the expansion. He stated that the new ambulance will be available in the spring. The current Rescue 1 will become Rescue 2, and the current Rescue 2 will become Rescue 3, used only for backup when another vehicle is being repaired. Mr. Reilly asked what the average bid for an ambulance run is when the service is outsourced. Chief Condon stated that it depends on whether it is ALS or DLS. Mr. Davison stated that the average is approximately \$1300 average. He stated that the price is lower than in neighboring communities, and will be revised. Mr. Zimbone asked why fuel expenses are higher when the cost of fuel is decreasing. Ms. Bonnano stated that FY15 consumption was used for the request. Mr. Davison stated that the budget is based on vehicle running time, not mileage. He stated that the FY16 fuel budget was reduced by a percentage during the budget process which affects the increase. Mr. Reilly asked there is a need to increase hours for payroll entry. Ms. Bonnano stated that the new system made payroll entry slower in this department, and changed the work from taking 2 hours per pay period to 1.5 days. She stated that having additional hours of administrative help would free her up for grant writing. Mr. Davison stated that the new software package is school-oriented, and paid for entirely by the School Department budget, and does not work as well for hourly employees.

Finance Committee Updates

Mr. Connelly stated that he attended a PPBC meeting. He stated that the High School cafeteria project bids are up to \$200K below construction estimates. He stated that the project faces scheduling challenges, since the work must be done in the summer. He stated that there is a cushion in the budget for overtime.

Mr. Connelly stated that there was discussion about purchasing 609 Central Ave., a lot not in the recent land purchase, for the Hillside School replacement project. He stated that there had been no communication with the property owner, but the Town had requested that the architect see what effects the additional property would have on the design. He stated that the architect made 4 design options with different effects on how traffic will enter the school. He stated that it is unclear how to value the options. Mr. Zimbone expressed concern about the Town spending money to explore options beyond the scope of what was presented to Town Meeting. Mr. Connelly stated that the PPBC and the School Committee were surprised by discussion of the additional lot.

Mr. Reilly requested Committee approval to pursue the issue with the Town Manager and potentially the Technical Advisory Review Board regarding the creation of a database of building plans. There was no objection.

Adjourn

MOVED: By Mr. Connelly that the Finance Committee meeting be adjourned, there being no further business. Mr. Zimbone seconded the motion. The motion was approved by a vote of 8-0 at approximately 9:00 p.m.

Town of Needham, Departmental Spending Requests, December 2015

Respectfully submitted,
Louise Mizgerd
Staff Analyst

Approved January 6, 2016