

**Needham Finance Committee
Minutes of Meeting of August 9, 2017**

The meeting of the Finance Committee was called to order by Chair Richard Reilly at approximately 7:00 pm in the Selectmen's Chambers at the Town Hall.

Present from the Finance Committee:

Richard Reilly, Chair; Barry Coffman, Vice Chair

Members: John Connelly, Tom Jacob, Kenneth Lavery, Louise Miller, Carol Smith-Fachetti

Others present:

Kate Fitzpatrick, Town Manager

David Davison, Assistant Town Manager/Finance Director

Dan Matthews, Board of Selectmen

Marianne Cooley, Board of Selectmen

Anne Gulati, Director of School Financial Operations

Steve Popper, Director, Public Facilities, Director of Design and Construction

Chief John Schlittler, Police Department

Chief Dennis Condon, Fire Department

Citizen Requests to Address Finance Committee

No citizens requested to speak.

Approval of Minutes of Prior Meetings

MOVED: By Mr. Connelly that the minutes of June 28, 2017, be approved as distributed, subject to technical corrections. Mr. Lavery seconded the motion. The motion was approved by a vote of 5-0. (Ms. Miller and Ms. Smith-Fachetti had not yet arrived.)

Public Safety Facilities - Capital Project

Mr. Reilly asked if the recent cost information about the High School project will affect the Facilities Financing Plan. Mr. Davison stated that he had assumed a project cost of \$12 million, and the project is now expected to cost an additional \$1.4 million, but the funding will be found elsewhere and the additional amount will not be folded into the facilities plan.

Ms. Fitzpatrick discussed the plans for the new Police and Fire Headquarters. She stated that there will be increased parking for Police and Fire needs, though decreased public parking in the area. She stated that there is increased parking for the public to use for Police/Fire business. Mr. Connelly stated that it will be important to ascertain whether the parking plan satisfies the requirements of the Planning Board.

Ms. Fitzpatrick stated that three members of the Design Review Board have been sitting in on project meetings. The building is being designed to be attractive from both sides because of its visible location. She noted that the design for the headquarters has been discussed more than the design for Station 2.

Mr. Popper stated that there will be reconciled numbers available at the end of August showing the construction dollars needed. Other budget costs will be worked out during the last week of August. The PPBC will vote on the numbers at their meeting of September 11. Mr. Connelly asked about the costs for temporary relocation. Mr. Popper stated that the current numbers are only placeholders. Ms. Fitzpatrick stated that two options are being considered: Hillside and Avery buildings.

Mr. Connelly asked if four bays are truly needed in the shooting range. He expressed concern whether the project has been constrained. Chief Schlittler stated that staff currently travels to the Town of Hopkinton to rent space at their shooting range, and that there are other locations as well, but that he is unsure whether these options will remain available. He stated that shooting space is dwindling. The department requires shooting training twice per year per person. Mr. Reilly asked for a determination of the relative cost of renting space at an offsite range and traveling versus building the shooting range. Ms. Miller asked also to check whether other communities would be interested in renting space in Needham if the shooting range is built.

Mr. Reilly stated that at a meeting in June, he sought to come up with some metric to evaluate the programming and building requirements as part of the Committee's due diligence in making a recommendation to Town Meeting. He stated that the programming drives the building size, and the size drives the project cost. Ms. Fitzpatrick stated that the chiefs met with the architect to describe needed space for offices, personnel and operations, and the architect used that information with his expertise to design the buildings. Mr. Connelly stated that it would be helpful to have a chart to line up what will be included in the new facility, and what is the same, and what is new space, in order to discuss the changes and the reasons behind them.

Mr. Coffman asked why the Medfield building is so low cost. Ms. Fitzpatrick stated that the Medfield project was bid at the period of lowest cost, the staff is smaller than in Needham, and the building is pared down. Ms. Fitzpatrick stated although it is not official, the Chief Condon recommends increasing Fire staff by 8, and that the building will be able to accommodate an additional 8. She stated that the Station 2 design is expandable. Chief Schlittler stated that there is an addition office in the Police command staff area so that the department does not outgrow the space.

There was discussion about whether the design scaled back at all from department requests and which additional elements were considered for the building and not included in the current plan. Mr. Kent stated that each element of the plan was carefully considered to determine the minimum required needs of the present and future, though these elements were not quantified. In response to a question from Mr. Reilly, he stated that the expertise came from the chiefs and the architect. Mr. Kent stated that they can provide reasoning behind every included element. Ms. Fitzpatrick stated that she could provide a list of items requested by the chiefs that were not included. Chief Schlittler stated that the needs were determined after a careful review with the architect including a 150-page questionnaire he filled out. Mr. Kent stated that the PPBC is responsible to Town Meeting to make sure the building is appropriate for needs. Mr. Popper stated that they have constantly pushed the architect toward the minimum square footage because square footage drives costs. For example, in Fire Station 2, the circulation space was pulled out so that foot traffic will move through programming spaces because circulation space adds 20% to a building. Mr. Kent stated that they can provide evidence of efficiencies. He stated that they pushed back virtually every step of the way.

Ms. Fitzpatrick stated that the design money will be requested at the Special Town Meeting in October. There will also be two zoning changes to make allowances for the headquarters and for Station 2. She stated that there will be a debt exclusion vote on April 10, 2018 to authorize borrowing for construction of this project. She stated that completion is expected in October 2022. In response to a question from Ms. Miller, Ms. Fitzpatrick stated that the costs of temporary relocation will be included in the project cost and part of the debt exclusion. Mr. Matthews stated that the debt exclusion will be the largest non-school debt exclusion vote, and it will be important to satisfy the questions of the Finance Committee and the public.

Finance Committee Updates

High School project update: Ms. Miller stated that she would like to see a breakdown of the project costs. Mr. Kent stated that he will be able to provide preliminary cost numbers in the last week of August. They are using an independent cost estimator. He stated that once he and Mr. Popper reconcile the numbers, they will not likely change. The PPBC will vote on September 11. Ms. Miller stated that when the Finance Committee considers issues after another board has voted, the only option is to vote up or down. Ms. Gulati stated that the numbers she used in a recent memo were from the feasibility study.

Committee membership: Mr. Reilly stated that the Moderator has a candidate for the open seat.

DPW steering group: Mr. Davison has been requested and approved by the Town Manager and Board of Selectmen to form a steering group to evaluate whether the RTS should continue as an enterprise fund. He asked whether a member of the Finance Committee would be interested to join. Ms. Miller volunteered.

Ms. Fitzpatrick stated that funding will be requested at the Special Town Meeting for a study of the structure and staffing of the maintenance department now at the DPW. The estimated cost is approximately \$50K, to be funded with a budget transfer from the Reserve Fund.

Move into Executive Session, Exception 6, Not to return to open session

Mr. Reilly declared that an executive session is necessary to protect the negotiating position of the Town with respect to the purchase, exchange, lease or value of real property, under Exception 6 to the Open Meeting Law.

MOVED: By Ms. Miller that the Finance Committee go into Executive Session to discuss the purchase, exchange, lease or value of real property, and to adjourn from the executive session and not to reconvene in Open Session. Mr. Jacob seconded the motion. The motion was approved by the following roll call vote at approximately 7:50 p.m.: Mr. Jacob: Aye; Ms. Miller: Aye; Mr. Coffman: Aye; Mr. Lavery: Aye; Mr. Reilly: Aye; Mr. Connelly: Aye; Ms. Smith-Fachetti: Aye.

Documents: Floor Plans, Elevations and Cost Information for Police/Fire Headquarters and Fire Station 2.

Respectfully submitted,

Louise Mizgerd

Staff Analyst

Approved September 6, 2017