Needham Finance Committee
Minutes of Meeting of January 29, 2020

The meeting of the Finance Committee was called to order by Vice Chair Carol Smith-Fachetti at approximately 7:12 pm at the Center at the Heights.

Present from the Finance Committee:
Carol Smith-Fachetti, Vice Chair/Acting Chair
Members: Barry Coffman, Joshua Levy, Richard Lunetta, Louise Miller, Garrett Parker, Richard Reilly

Others present:
David Davison, Assistant Town Manager/Finance Director
Timothy Muir McDonald, Director of Health & Human Services
Sara Shine, Director of Youth & Family Services
LaTanya Steele, Director, Council on Aging
Tara Gurge, Assistant Public Health Director
Dr. Edward Cosgrove, Board of Health
Richard Merson, Director, Department of Public Works
Anthony DelGaizo, Town Engineer
Carys Lustig, Director of Finance and Admin/Public Services
Cecelia Simchak, Administrative Analyst, Public Works
Barry Dulong, Director of Building Maintenance, Public Works
Dan Gutekanst, Superintendent of Schools

Citizen Requests to Address Finance Committee

No citizens requested to speak.

Approval of Minutes of Prior Meetings

MOVED: By Mr. Coffman that the minutes January 15, 2020 be approved as distributed, subject to technical corrections. Mr. Levy seconded the motion. The motion was approved by a vote of 5-0. (Mr. Parker and Mr. Lunetta had not yet arrived.)

FY 2020 Department Budget Requests / Capital Plan

Department of Public Works

Mr. Levy stated that the liaisons had reviewed the budget and met with the DPW. Their questions focused mostly on DSR4 requests. They also looked closely at stormwater costs in the general DPW budget as well as in the Water and Sewer budgets. He noted that contracted services were increasing a lot for FY21. Ms. Lustig stated that the budget includes the same services, and that the DSR4 are looking for additional funds mostly to address capacity issues. She stated that there have been more construction projects, so there is more need for maintenance work, and there are also smaller projects in the building maintenance division, all with the need for appropriate supervision. There is also a need for garden bed maintenance that had been done by volunteers at the schools. She stated that after the NPDES report was submitted last summer, they took a year to evaluate what was needed. This budget includes funding to support the grounds maintenance contract which has a cost increase due to changes in the labor market. She stated that they performed a cost/benefit analysis a few years ago after they lost a full time position, and started using an outside service at that time. They reviewed the costs again, and using outside work is not as cost effective as it had been, but they are still not close to break even when benefits and equipment costs are factored in.

Ms. Lustig stated that the Town is now paying more for single stream disposal than for municipal waste, but by statute, the Town is required to separate it out. Mr. Reilly noted that there is a 1000% increase in the cost of recycling commingled containers on p. 3-176 of the budget book. Ms. Lustig stated that the amount of municipal solid waste coming in has increased, in part due to the closure of a commercial solid waste disposal facility in Dedham. She stated that there may be a request for a Reserve Fund transfer since the additional costs were not anticipated. She stated that there will be additional revenue but that comes into the general fund as revenue and does not reduce the budget. She stated that the tipping fees cover more than the costs of processing.

Ms. Lustig stated that the highest priority DSR4 is a new position: Assistant Director of Building Maintenance. She described the current staffing and stated that this position would be between the Director and the supervisors. She stated that there has been no increase in managerial staff in building maintenance since 2012. She stated that the number of buildings has increased from 17 to 22, the square footage has increased from 1 million to 1.4 million, and the number of non-managerial FTEs has increased from 45 to 51. She stated that there has also been an increase in the number of outsourced buildings from 2 to 3. She stated that capital funds being used for building maintenance have increased from $484k to $2.5 million. She stated that this division is handling more construction, such as the building of Mitchell bathrooms, and the Public Works boiler room. A project manager position was requested to supervise construction and make sure that contractors show up and do the work they are supposed to do. Mr. Levy asked if there has been a problem with people not showing up. Ms. Lustig stated that there are often tight timelines in the summer, and more supervision should help them hit more benchmarks to stay on schedule. Mr. Coffman asked what work is not getting done that will be done by the additional staff, and how the issue would be resolved with an additional manager. Mr. Dulong stated that summer is a big piece of the need for the new Assistant Director, but not the whole need. He stated that there is a constant need to keep up with the contractors, and to be a liaison with the schools. Mr. Dulong stated that the newer buildings are more complex to run. He stated that the new person would better manage the preventative maintenance system and create more efficiency. Mr. Dulong stated that this would also allow Building Maintenance to have more involvement in the design of buildings and to advise on different systems and required maintenance.

Mr. Reilly asked if this work was more project management than building maintenance. Ms. Lustig stated that if there were only one new position, then the Assistant Director would be involved in project management. Mr. Dulong stated that with more than 20 buildings, there are constantly new projects, and that it is critical that an Assistant Manager would participate in project management on some projects, and oversee smaller projects. Ms. Lustig stated that the Assistant Director of Building Maintenance position would focus on the building maintenance division and projects, and a project manager would do work across all of DPW, but she considered the positions to be either/or request. She noted that the School Department has accelerated its construction schedule to get more work done faster, which requires more staff to accomplish. Ms. Miller stated that the person would need both horizontal and vertical skills, but they can probably find a manager who could do both. She noted that the project manager position was not recommended by the Town Manager, but should be resubmitted next year. She stated that it will be difficult to fill. Mr. Coffman asked if the position could replace the position in the Building Construction and Design Department. Ms. Miller confirmed that it could, and that it is a position that the DPW could really use.

Ms. Lustig stated that there is a request for an additional custodian for the new building. The Building Maintenance department has not been fully staffed in 2 years, and that there has always been a position to fill. She stated that they need an additional FTE but it will be hard to fill in the strong economy.

Ms. Lustig provided a handout showing the Town's buildings and the square footage maintained per custodian. Mr. Reilly asked why the number varied widely. Ms. Lustig stated that there was more work, and the amount of square footage covered by a custodian depends on the building and its utilization, such as having a cafeteria. She noted that the firefighters clean their own living space, and not custodians. Ms. Miller stated that it would be helpful to know the target square footage per custodian. Mr. Dulong stated that the goal is 28,000 square feet per custodian in the schools, but the number would depend on programming and uses. Ms. Simchak stated that the current average is 24,000 square feet per custodian, excluding the contracted buildings. Ms. Lustig stated that they do move people and backfill or use overtime where possible. Mr. Coffman noted that the study recommended adding a new managerial position. Ms. Lustig stated that the management position would help them to use the work order software more effectively. At the current staffing level, it is difficult to input all of the information needed to function best. She stated that the program they use is the industry standard software, and they are investigating upgrades.

Dr. Gutekanst advocated on behalf of additional building maintenance. After significant investments in the facilities, the schools are getting larger and more complicated to maintain, and there is not enough staff to keep up with the maintenance needs. He hoped that a new Assistant Director would have technological expertise to address the demands.

Mr. Levy stated that there is a request for funding for vehicle washing. Ms. Lustig stated that the NPDES permit requires that water pollutants must be captured. The Town has no vehicle washing facility. They can take smaller vehicles to the Muzi car wash. This request would provide funding for a company to come in and wash the larger vehicles and catch the runoff. She stated that nearby towns were not able to provide washing facilities, and that this is less expensive and building an in-house washing facility.

Mr. Levy stated that there is a request for preventative roof maintenance. Ms. Lustig stated that there is an on-call person for roof repairs, but this would provide preventative maintenance to make sure the roofs live up to their warranties. She stated that roof replacements can be $1-$3 million. Mr. Levy asked if there have been problems with roof maintenance. Mr. Dulong stated that some roofers are knowledgeable, but that there are many types of roofs in Town, and most roofers can't be certified in everything. The company would have more specialized knowledge and will be able to recognize issues before they become problems. Mr. Parker asked if there is a roof replacement schedule. Ms. Lustig stated that it is rare to redo a roof and it is too expensive to stick to a specific schedule. She stated that there are no roofs in the 5-year capital plan, so preventative maintenance is necessary. Ms. Miller stated that roof replacement is $65 per square foot. Mr. Parker asked for the square footage of roof.

Mr. Levy stated that there is a request for a new parts manager for the Fleet Division. Ms. Lustig stated that the Town Manager has recommended funding for this position. She stated that there are 4 people on the floor, including a master mechanic. She stated that there have been more efforts to be proactive, and there is more work done for vehicles beyond the DPW. She stated that they are getting stretched thinner and need someone else with more experience. She stated that the Fleet includes $60 million of assets and an additional person is needed to manage the day-to-day operations in the garage and to have better oversight of parts ordering. She stated that this position is common in other towns. This one position is modeled on 2 positions in Framingham. Ms. Miller asked if the fleet manager is a licensed mechanic. Ms. Lustig stated that he came from a service manager role, so this position will complement that. Mr. Levy asked whether a mechanic would be better. Ms. Lustig stated that there are physical constraints since there are no additional bays. Also, mechanics don't necessarily have the skills for strategic ordering of parts. Mechanics are currently very hard to find. Ms. Miller suggested that the position could be made broader since there is demand for this kind of service across the DPW. Mr. Parker stated that it would save money at the end of the day to stay ahead of the service needs. Mr. Merson stated that although the division is small, there are 175 pieces of equipment.

Ms. Lustig stated that the HVAC technician was not recommended by the Town Manager. She stated that there are more buildings, and more systems to maintain. The new systems are more efficient in terms of using less energy and providing more heat or cooling, but they can require more maintenance. Ms. Miller stated that it would be helpful next time to know the spending on contracts for this work. Mr. Coffman stated that something similar to the landscape analysis would be good. Mr. Dulong stated that significant repairs cannot be done in-house because they require specific training in the system involved. Mr. Dulong noted that this is another reason why Building Maintenance should have some input during building planning. Staff cannot be trained in so many different systems.

Mr. Lunetta asked who is doing the work that that proposed project manager would do. Ms. Lustig stated that the work is spread across many people. Mr. Lunetta suggested that one of the project managers in the Building Design department might have the bandwidth to manage these projects. Ms. Lustig stated that one person there did take one of the DPW projects.

Ms. Lustig stated that the request for funds for roadway markings would cover the cost of doing markings on an outsourced basis twice a year instead of once because of the wear. It would also cover the overtime costs for the additional oversight by the Highway Division. Mr. .Coffman asked why this cost is 2nd priority if it involves safety. Ms. Lustig stated that it could be 1st priority, but they are already doing it once a year.

Ms. Lustig stated that the request for garden bed maintenance seeks to address the requests by school principals for additional maintenance of gardens. She stated that the work had been done by volunteers, but that is not reliable. She stated that the Parks and Forestry division does not have the capacity, so this would be outsourced, to be done annually, possibly twice per year.

Ms. Lustig stated that the RTS overtime would fund time for maintenance of ornamental trash barrels (to prolong their lives) when the RTS is not open to the public. She stated that it would be for one person 8 hours per week, 52 weeks. The barrel replacement is $3500 each. She stated that there is also a request for overtime for Sunday trash pickup at containers at facilities that are heavily used on Saturdays. It would be limited to spring and fall at fields and similar locations.

Ms. Miller asked if revolving funds could cover the cost. Mr. Davison stated that there would also be pickup unrelated to paid activities at places such as the Town Common or Greene's Field.

Mr. Levy stated that the liaisons also discussed the water and sewer enterprise fund budgets. Ms. Lustig stated that there were not many questions. There is one DSR4 in the Sewer Division to comply with NPDES stormwater requirements. Mr. Levy stated that they provided the breakdown of the budgetary expenses related to NPDES requirements. Ms. Miller asked why there are additional costs for catch basins and drain cleaning when the Town was already doing those things responsibly. Mr. DelGaizo stated that the Town is trying to get as much done as possible now to provide a baseline to know how many potential pollutants are being removed. Ms. Lustig stated that the request is to increase the volume of what is already being done. She stated that they are targeting one of the Town's 5 watershed bodies for an exhaustive review. Mr. DelGaizo stated that they have divided the Town into different areas to understand what is needed to comply with the NPDES requirements. Mr. Davison stated that this work will indicate the needed repairs. There is a companion request in the capital plan for stormwater management. There may be a request in the FY22 operating budget for more work. Ms. Miller stated that a financial warrant article may be better to determine the baseline because the work is not limited to the FY21 fiscal year and also because the needed funds could be recalculated each year rather than having a fluctuating operating budget. That would also allow for saving up the allotted funds that are not needed in one year for a bigger expenditure in another year. Mr. Davison stated that he would consider it. Mr. Merson noted that this request will address stormwater quality and that the capital request will be addressing capacity. Ms. Miller stated that it is important to separate out drainage work because it is required, and stormwater treatment is different.

Mr. Levy noted that the expenses to support NPDES requirements in the capital plan increases from $770K in FY21 to almost $1 million in FY25, and asked the scope of the work. Mr. Davison stated that the Town Manager has recommended $34.5K for the program in FY21, and the $770K was Tier 2, and only if funds are available. Mr. DelGaizo stated that the handout showed a breakdown of the capital and the operating costs for stormwater requests. Ms. Lustig stated that the work next year would identify the scope for the following year, and there would be no implementation work. Then in Year 2, the needs identified in Year 1 would be implemented, while additional issues would be identified for the following year. Ms. Miller asked what the catch basin work covered. Ms. Lustig stated that they wanted to clean all catch basins to provide a baseline to establish a predictive cleaning schedule going forward.

Mr. Levy stated that there were no DSR4s for the Water enterprise fund operating budget. Ms. Lustig stated that there were increases in contract prices. She stated that bids for materials that were metal-based had significant increases. She stated that they used actual numbers from bids.

Mr. Lunetta stated that the organizational chart showed 2 supervisors for 52 custodians. He asked if they considered a supervisor rather than an Assistant Director. Ms. Lustig stated that they need a position with additional authority. She stated that they could consider another supervisor in addition to the Assistant Director, but not in lieu of it. Mr. Lunetta stated that, based on Dr. Gutekanst's comments, more work rather than more supervision is needed, and that the plan could be top heavy.

Health and Human Services

Mr. McDonald introduced the leaders of the divisions within the department. He stated that in addition to the submissions in the budget book, there is a joint DSR4 for IT and HHS which would fund two software programs: one for medical recordkeeping that is HIPAA compliant, and a second program called My Rec that would allow online program registration and payment, as well as bookkeeping. My Rec is already being used by Aging Services, so this would expand that. Mr. Davison stated that this request was recommended by the Town Manager in the IT budget.

Mr. McDonald stated that there is a DSR4 for expanded services for Aging Services. The Friends of the CATH have supported the fitness operations in recent years. They covered $40K and then $20K, and no longer plan to fund the fitness programs due to a lack of additional funds. Ms. Miller stated that the funding was intended to function like a grant, and that the programs would be moved into the operating budget to continue. Mr. McDonald stated that the Council on Aging board feels that the fitness programs are important to members and should be funded in the annual operating budget. Mr. McDonald stated that they have expanded the hours and activities of the fitness center into the evening because the programs have been very popular. Ms. Steele stated that they also plan to open on Saturdays. She stated that the programs are announced in the newsletter, which has grown from 16 pages to 32 pages this year, and is available online and also sent by mail to senior residents. In response to a question from Ms. Miller, Mr. McDonald stated that they charge for the fitness programs, but waivers are available.

Mr. McDonald stated that there is a request for additional hours for van drivers to accommodate the expanded hours of the CATH facility. He stated that the van driver and the fitness programs were recommended by the Town Manager, but funding for a support assistant for the Aging Services newsletter was not recommended. Mr. Coffman asked if HHS collaborated with other Town organizations on social programs. Mr. McDonald stated that they collaborate with many organizations where it is feasible, and described how they work with the food pantry.

Mr. Davison stated that HHS requested 2 positions that were recommended by the Town Manager in the top priority DSR4. The Town Manager recommended funding the Substance Prevention Alliance of Needham (SPAN) positions that constitute 1.5 FTEs which will be funded for ¾ of FY21 because there is a grant for ¼ of the year. They will be fully funded in the operating budget in FY22. Mr. McDonald stated that the request is a continuation of current services, not an expansion. Ms. Shine stated that someone from the Youth Services office attends every SPAN subcommittee meeting. Ms. McDonald stated that having all of HHS under one umbrella allows the divisions to work together more closely.

Mr. Lunetta stated that Youth and Family Services used to depend on a significant amount of donations and in-kind support. Mr. McDonald stated that they are trying to move the core responsibilities from funding via donations to the operating budget. Ms. Shine stated that there have been donations and a fundraiser that provided $5K for youth mental health, but the division is also trying to expand services to meet needs.

Mr. McDonald stated that the Town Manager did not recommend funding the request for additional staffing in the Public Health Division. He stated that the Public Health Director position is a priority of the Board of Health. He stated that the request for an environmental health inspector was not funded. Mr. McDonald stated that the current inspectors work hard to keep up with the inspections. There is a new food code so that the frequency of inspections now depends on risk associated with the foods or the population being served. Mr. McDonald stated that the pest problems are a challenge. They can inspect but lack the capacity to be more proactive. Mr. Levy asked if the pest control costs could be avoided with more prevention measures. Mr. McDonald stated that prevention is important, but there need to be funds to address a problem that comes up.

Ms. Fachetti asked why the Town Manager did not recommend the additional positions for Public Health. Ms. Miller stated that the Board of Health objected to the HHS Director position from the start because there would be no Public Health Director. Mr. McDonald stated that he has less time for the Board now that he is Director of Health and Human Services, and that means less time to be researching and directing health policy. Mr. Cosgrove stated that with Mr. McDonald's other responsibilities and the new facilities, he feels that it is essential to have a full-time Director of Public Health to check facilities and make sure regulations are followed. Ms. Miller asked if there have been staffing changes since Mr. McDonald became the Director of Public Health. Mr. McDonald stated that an environmental health agent was added, as well as 1/3 FTE administrative person in Public Health. He stated that the Emergency Management coordinator has moved to public safety, but HHS remains very involved. He stated that they are all caught up on the back work, and are building up to doing more emergency drills.

Finance Committee Updates

Ms. Mizgerd stated that the next meeting was 2/12 and suggested members think about budget changes in order to focus the discussion. The draft operating budget will need to be voted and submitted to the Town Manager by 2/22

Mr. Reilly stated that the need for a Public Health Director seems real, but the Town Manger recommended against it. Ms. Miller stated that the BOPH is an elected board and has state requirements to meet, and they need support. She does not feel that they need a director, however. Mr. Coffman stated that it could be a question for the Town Manager whether the position would mitigate the issues.

Mr. Levy stated that pest control should be under one roof, and not in separate budgets. Mr. Davison stated that the pest control in Municipal Parking is different. It only focuses where there are known problems, and needs to be done every year at every lot.

Adjournment

MOVED: By Mr. Coffman that the Finance Committee meeting be adjourned, there being no further business. Mr. Reilly seconded the motion. The motion was approved by a vote of 7-0 at approximately 9:32 p.m.

Documents: FY 2021 Proposed Annual Budget, Office of the Town Manager, Town of Needham; FY2021-FY2025 Capital Improvement Plan; DPW Handout: Organizational chart/NPDES costs/Services and supplies/Square Foot per Custodian; FY2021 Form DSR4 – ITC via HHS Electronic Medical Record and Program Registration.

Respectfully submitted,
Louise Mizgerd

Staff Analyst

Approved February 12, 2020