

Finance Committee

Meeting Minutes
September 24, 2024
7:30 PM

Present: Jason Cole (Chair) (remote), Scott Sullivan (Vice Chair), Steve Noone, Adam Nolde, Roland Bourdon, Corinne Hogseth, Dave Wellinghoff (remote), Christi Andersen, Allison Jones (remote), Greg Jarboe and Gang Chen

Mr. Sullivan called the meeting to order.

1. Citizen's Concerns

David Martin spoke about the DPW Facility:

4 years ago town began discussion; in 2021 conceptual design; in 2022 Select Board created a Feasibility Study Committee; in 2023 at Annual Town Meeting voted overwhelmingly \$1.2m design funds, a 2:1 margin; this past summer - a goal of Select Board. Acknowledged that FinCom expressed disapproval of this project at recent meetings. The second meeting of the DPW Building Committee is this coming Thursday, 9/26.

Public Works provides services to the whole community. Because of climate change, there will be more work in the future. It is unreasonable to ask DPW staff to continue to work in an inadequate facility. Financial benefits include things such as protecting equipment from inclement weather. FinCom spoke against a debt exclusion at last meeting, but this will not affect tax bills in FY26.

Ms. Andersen - DPW is back-to-school night, will Thursday evening's meeting be recorded?

Mr. Jarboe - more than a quorum, can we attend? Mr. Noone - yes, as long as we don't deliberate.

Mr. Sullivan asked who is planning on attending: Corrine Hogseth, Adam Nolde and Greg Jarboe. The meeting begins at 7:00pm on Thursday.

Dr. Chen asked if there are materials that can be shared with the FinCom. Mr. Martin confirmed, yes, materials will be shared. There was discussion of an 86-page due diligence report a consultant drafted a few years ago.

2. Cost Cutting Initiative

Ms. Andersen reported out: It has been confirmed FinCom can form this Focus Group. The Group would periodically attend FinCom meetings. Start working with the Focus Group immediately after the completion of the Listening Sessions. She is hopeful the make-up of the Focus Group is still acceptable.

Charge has not changed, focus is FinCom will now formulate the deliverables.

The plan is to hold 2 evening and 2 weekend sessions.

For the Listening Sessions, ideally, Oct, Nov, December and January and televised. Remote participation may be challenging.

Ms. Andersen asked for input on how to choose members. How did the Schools choose the public members? Ms. Rebeccah Wilson of the School Committee spoke, she didn't know exact answer, but knew it was a small group who reviewed the applications submitted. Ms. Andersen said FinCom can make the assignment to a FinCom member. Mr. Cole suggested it be Ms. Andersen as Chair of this Focus Group and Mr. Cole as Chair of FinCom. All members agreed.

Focus Group - Will be in person at FinCom meetings, once/month. Start in January, go through April; then one after Town Meeting, another for final recommendations, then another meeting in June, after Select Board and School Committee presentations.

Ms. Andersen will pick dates for the Listening Sessions.

3. DPW Discussion

Mr. Cole - Two competing thoughts. Reached out to Town Manager, Corey York and Dean Charter to present this evening; they suggested to wait until after Thursday evening's meeting.

Mr. Cole is looking for answers to the right questions. Yes, something has to be done. However, truly identifying the right needs. Has been asking for a while. Acknowledge there is a list of deficiencies, but do we really need to have all the equipment inside. Wants full accounting of all equipment and replacement. Cost of keeping equipment outside vs. inside compared to cost of a new facility to house equipment inside. What are the needs we're trying to resolve? Do we need the number of service bays planned compared to a public/private partnership of contracting out for services performed on fleet. What is best use of our money.

Two main issues:

1. Timing - after operating override
2. Never addressed what we're trying to solve

So, next step should be to generate all the questions we (FinCom) have.

Mr. Cole looked at the charge of the original Feasibility Study. It was tasked with recommending which version of a new building to build.

Mr. Wellinghoff - acknowledgement Mr. Martin's comments. His challenge is with the price tag, it's a large number. What do the residents get for this? Appreciate what Mr. Martin said, but price tag doesn't fit the benefit to the residents. This will be a hard sell right now. Has to be convinced.

Ms. Jones - agrees with Mr. Wellinghoff, she hasn't yet been convinced.

Dr. Chen - agrees with Mr. Wellinghoff. Also, from the POV, the need of a consensus on a strong spending plan. With Capital Projects, want to see different options in order to have a better understanding to make a decision.

Ms. Hogsweth - agrees with Mr. Wellinghoff. Understands the building is in bad shape. But, will it require another tax override? Want to see permanent savings from the School District first.

Mr. Nolde - He and Mr. Bourdon sat on the DPW Feasibility Study Committee, so let Mr. Bourdon speak first.

Mr. Bourdon - obviously something has to be done. Does Town Engineer, DPW Director, Secretary and other staff have to be at the DPW facility, ways to cut down building size. How many bays do we need and do we have to service all equipment; meaning, what are the efficiency gains? Realize borrowing basis points are going down, but have to build to the right size.

Mr. Nolde - Almost immediately after taking tours of the building, radically inadequate. Agree, we have to define our needs. We trust there isn't waste. Hard pill to swallow is the cost. \$1.9m/year, 50 years of depreciation, maybe \$500,000/year. Committee that he and Mr. Bourdon sat on was unanimous that a new building was needed.

Mr. Noone - 2015 Town did a town-wide Facility Study. DPW was one of those buildings earmarked for needed repairs; was some of those repairs made? Second, trucking companies with similar equipment, they leave them outside. If clear financial reason, they would be storing them inside. Want to see clear quantifiable financial justification. Regarding performing maintenance in-house versus contracting out, what is that analysis? Has an environmental assessment been conducted? Conduct a 21E. Compared when the town purchased the Caouette property and found out later on it wasn't clean land. Want to find that out beforehand.

Mr. Jarboe - In agreement with all comments made so far. Classic situation: we're looking for a trade-off analysis. Recognize coming up with money, there needs to be trade-offs. What will we not be able to afford going forward if this project is done. FinCom does not have the resources to come up with numbers; instead, some

members attend a Mass Municipal Association (MMA) meeting in November about how to make ends meet in this environment; find there is a town that wrestled with this, what did that community do.

Ms. Andersen - Debt is falling off \$189 off the tax bill. Would like to know estimate of how much this project would be. Could it be a staged project. For example, offices, then locker rooms, then garage, etc.. Vetted by the capital plan for equipment investment over the next 5 years?

Mr. Bourdon commented about the Caouette property; also, the Lazaro property and the dam (53 River Street). So, need to look at that site very well. Also, take into account the neighbors. Will it make their lives better. Also, acknowledged that Lazaro and other similar companies keep their equipment outside.

Mr. Jones - To Mr. Jarboe's comment about looking at the MMA meetings, there was one today about the Town of Arlington.

Mr. Sullivan - Suspect the number (cost) is going to change. Fear will find something during construction that will increase the cost.

Mr. Cole - Don't want to fall into analysis paralysis. But, just because of work over past 4 years, doesn't convince him. Spent \$1.225m, but Thursday's meeting is only the second meeting and showing 60% of plan (design). Ms. Andersen believes it is close to 75% of design.

Mr. Wellinghoff - Can FinCom get information? Mr. Cole commented on the Building Committee website page, (under Boards and Committees). Only piece of information is a past Agenda.

4. Finance Committee Business

Minutes:

Mr. Cole recommended to review each meeting minutes separately

- June 25, 2024 - no recommended changes
- July 23, 2024 - no recommended changes
- August 13, 2024 - section 2 paragraph 6 Mr. Cole recommended to change absolute value effort, not from a community perspective
- August 27, 2024 - Section 3 Mr. Cole commented there was much discussion about fiscal sustainability and that should be noted. Additional debt exclusions and affordability. Last paragraph: Stay at 3% unless earmarked for a specific purpose regarding free cash.
- September 10, 2024 - no recommended changes

Mr. Noone made motion to accept all minutes as amended, Mr. Jarboe seconded. Unanimous 11-0-0

Liaison Reports:

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Water District meeting - Ms. Jones: Reviewed annual audit with favorable discussion. Discussed outdoor water use restrictions, PFAS and Kelley's Corner. Pipes at risk with 10/16 deadline.

Economic Development Committee - Mr. Jarboe: Julie Pierce announced her resignation, next meeting in October.

HIT - Mr. Sullivan: Trying to get guidance on money BCBS is requesting and can reserved money, about \$500,000 be used for runoff.

Mr. Charter as Vice Chair of Select Board spoke. Mr. Cole invited the Town Manager and others to this meeting. The Town Manager is out of town at a conference and Mr. Charter just came from a CPA meeting.

For this project, the Project Manager is PMA and Architect is Weston & Sampson. Widely advertised this Thursday evening meeting. A feasibility study was conducted and project was approved by the Committee on 10/19/22 by reviewing the feasibility study.

A new committee was established in 2023, a Building Committee, focused directly on getting the building done.

On May 21, 2023, \$1.22m approved for design.

As a note, An OPM first has to be hired before hiring an Architect.

At this Thursday's meeting, Mr. Charter will be asking for approval of the minutes of the last meeting.

The Select Board's goal is to bring this project to Town Meeting in May 2025.

A new fuel depot is also needed. Plan is a phased construction.

Town Manager has offered a special meeting including FinCom, suggested October 8, 2024.

Mr. Cole apologized if FinCom didn't hold this conversation tonight until Mr. Charter could arrive. Spoke about concern about increasing costs, comparing to what happened with the NAFS.

Ms. Andersen - will Thursday evening's meeting be recorded? Mr. Charter knows the town reached out to Acton TV. Again, please come to October 8th meeting. Ms. Andersen stated that is the first night of the School Budget Task Force.

Dr. Chen made motion to adjourn, Ms. Andersen seconded. Motion passed unanimously 11-0-0.

Documents and Exhibits Used During this Meeting

None