

- **Belmont Warrant Committee Meeting Minutes**
- **FINAL**
- **January 7, 2009, 7:30 p.m.**
- **Chenery Middle School Community Room**

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- Present: Chair Curtis; Members Allison, Brusch, Callanan, Epstein, Heigham, Libenson, Lynch, McLaughlin, Millane, Smith, Widmer; BOS Member Leclerc, School Committee Chair Bowe

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- Town Administrator Younger, Assistant Town Administrator Conti, Town Accountant Hagg

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- Absent: Members Paolillo, Hofmann and BOS Chair Firenze

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- The meeting was called to order at 7:32 pm by Chair Curtis.

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- Chair Curtis began the meeting requesting that Member Brusch give an update on the Wellington School building committee and the MSBA.

- ***Wellington School Building Committee Funding Options***

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- Member Brusch: The MSBA has been writing contracts and guidelines in a new way concerning the Project Manager (PM) and architect. The MSBA has written the contract and guidelines for the PM. The Wellington Building Committee (WBC) had hired a PM in 2005 to do the work, however, this fall that firm notified us that they were not willing to sign the MSBA contract as written. The MSBA advised us to advertise and hire a new PM.

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- The MSBA guidelines give the PM far more responsibilities than they have had in the past. Also, PM costs have increased dramatically. Prior to 2005, the hiring of a PM was optional. But the legislature made hiring a PM mandatory and that has enabled PM firms to charge far higher prices. Even given that, the WBC expected that \$20K would be sufficient for the remainder of this phase (6-8 weeks), with perhaps \$10K required by the PM firm and \$5K for another cost estimate. However, the PM fee was requested at \$50K.

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- The Wellington Building Committee needs guidance from the WC on how to proceed. The money could be taken from the Kendall insurance fund, as was the original appropriation, but this would require Town Meeting approval. Another option is for the School Department to front the \$100K and then get reimbursed at April's TM. The amount needed is \$100K because the WBC also received a proposal from the architect for \$50K for his work to revise the drawings and to complete this phase. As the architect presented his proposal Thanksgiving week, he was willing to wait until April for his money. But he is owed the money, is doing the work right now, and if we are going to pay the PM, we need to also pay the architect for the same phase. We are still aiming for

an early Spring debt exclusion and so need the money now to get the appropriate approvals from MSBA.

- Member Allison asked that in light of the dramatic downturn in construction, why couldn't we negotiate with the PM and architect. Member Brusch explained that while the construction market is depressed right now, the PM market is not, especially not for school projects. There are close to 100 towns looking to move forward with school building projects and all are needing to hire a PM. The WBC had only 5 responses to the RFS, and one of those firms was hired by another town in late December, meaning that they probably no longer have the capacity to add a new town right now.

- Member Allison asked why this wasn't addressed at TM on Dec 1, 2008. Were all these charges known then? Member Brusch stated that the architect proposal was not received until immediately prior to TM, which was too late for getting it on the warrant. As for the PM fee, that was not known until mid-December. As previously stated, the WBC thought that the money currently in the account would suffice for this, otherwise they clearly would have requested the money from the Kendall fund at the Dec 1, TM.

- Chair Curtis: The Wellington school building committee will need \$100K more to go forward. The Kendall insurance fund has been used for the past several years to provide seed money for feasibility studies and schematic designs. Member McLaughlin asked about a reserve fund transfer for the \$100K. Chair Curtis noted that that fund may be needed to cover winter plowing costs that can't be covered anywhere else. The Kendall reserve fund, Curtis added, is the appropriate place for this. Since the school department is willing and able to provide the \$100K up front, the money can be reimbursed from the Kendall fund in April.

- SC Chair Bowe noted that whether it is the WC's reserve fund or the school department putting up the \$100K – the money is being borrowed and will get replenished in April. Member Widmer said that given the timeliness question (January 26th meeting), one could argue that this is an emergency appropriate to a reserve fund transfer. Town Accountant Hagg reminded the WC that the reserve fund transfer law states the funding must be an emergency OR unforeseen, and that this is clearly unforeseen.

- Member McLaughlin moved that the WC transfer \$100K from its reserve fund to the Wellington building committee on the premise that TM will be requested to replenish the fund in April. The motion passed unanimously. ***Oil Bid Update***

- Town Administrator Younger updated the WC on the cooperative bid with the town of Brookline consortium. The bid prices on oil, gas, and diesel are on average down 47%. ***Possibility of Additional Cuts in Local Aid*** Town Administrator Younger: There is a possibility that there will be reductions in local aid which will impact FY09 based on revenue estimates being low in September. The state has four options: midyear cuts, withdrawing from its stabilization fund (will impact the budget later), the federal stimulus package (for ready to go projects), and an increase in the gas tax (which will fund transportation needs). Member Widmer added that the state will announce possible local aid cuts in the next 3 or 4 weeks. Member McLaughlin asked:

What happens for if we're short for FY09? Town Accountant Hagg: The last time that the Town was faced with the state's 9C cuts was in FY03 when \$283,000 was cut mid year. The Town did not have a special TM to address this issue, but rather relied on other estimated receipts coming in higher than anticipated as well as year end turn backs (free cash) to cover the budget.

- ***Planning for Joint Meeting of January 14*** Chair Curtis: The BOS, the WC and the SC are meeting next week. What, he asked, does the WC want to see covered? BOS Member Leclerc asked if the federal stimulus fund opportunity could be discussed. Member Widmer pointed to a conversation that might happen next week which pertains to the town thinking differently about what it can afford. The 7% increase that the school puts forth each year is not possible, he said. Four percent is the reality. The equation is changing, there will be marginal increases (at best) in local aid down the road and with Prop. 2 → – the structural deficit is a reality. How do we as a town only spend 4%? One question to ask, Widmer continued, is: can we afford the benefit structure that we have today? We may have to either adjust that benefit or make cuts. Member Callanan suggested that the WC state – up front – its goals for this meeting. She added that two possible areas for change (that can be addressed next week) are: regionalization and consolidation. Member McLaughlin said that layoffs need to be *clearly* discussed, not vaguely hinted at.

- Chair Curtis: There are specific things that can be accomplished in a time of crises and certain questions that must be asked: What can we do to make Belmont more efficient? Are these budgets sustainable? What can be expected for the FY10 budget? We will continue to explore consolidation, he said, and we will need, at some point, to have an override discussion. Has an override been discussed by the SC, Curtis wondered.

- SC Chair Bowe announced the four finalists in the Superintendent search: Marie Doyle from Carlisle public schools; George Entwistle from Falmouth, Maine; Richard Hoffmann from the Ashland public schools; and James Kelleher from the Situate system. The search committee hopes to make its selection next month.

- Member Heigham moved that the WC adjourn at 8:45 pm.

- Submitted by Lisa Gibalerio
- WC Recording Secretary