

## Minutes

### Town of Belmont Capital Budget Committee

To: Capital Budget Committee

From: Michael Speidel

Re: Minutes of November 18, 2004 meeting

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The meeting was called to order at 7:35 p.m. in Conference Room #4 at the Town Hall. Committee members present were M. Patricia Brusch, Mark Clark, John Conte, Donna Griswold, Paul Solomon and Michael Speidel. Invited guests in attendance were Barbara Hagg, Gerry Missal, Joel Mooney and Scott Stratford. Mr. Speidel was unanimously re-elected Chairman of the Committee for Fiscal 2005. Before consideration of warrant articles four through seven of the upcoming November 29, 2004 began, there was a discussion of the recent meeting of the capital project mega-group.

I. STM Article 4 - \$350,000 for A&E services – new Wellington School (Addendum A)

Ms. Griswold gave a brief review of the history of the project including the two Superintendent's advisory committees which both concluded that replacing the school was the most cost-effective option for the Town. Dr. Missal then presented the proposal. The intention is to form a building committee, hire a project architect, develop a design program, and develop a schematic design and cost estimate prior to seeking a debt exclusion in Spring 2006. The building committee will also determine whether it is better to undertake the new construction while leaving the existing school occupied or unoccupied. In the event of a successful debt exclusion, working drawings will be developed and the project will be bid prior to submitting a proposal to the SBA for state matching funds.

Dr. Missal also reviewed recently proposed changes to the School Building Assistance program:

- The SBA has been moved from the Department of Education to the Treasurer's Office, as an independent state authority with its own borrowing authority and capacity.

- There is a moratorium on new submissions to the SBA until July 1, 2007, with plans for a large single state bond issue designed to clear the existing backlog.
- The post-7/1/07 program is likely to reimburse municipalities up-front for the Commonwealth's share of projects, which will reduce municipal borrowing and state and local interest costs.
- It is proposed that, beginning in Fiscal 2006, 1% or one-fifth of the state sales tax will be dedicated to the SBA program, phased in over seven years at a rate of one-seventh per annum.
- For planning purposes, the School Department is assuming the minimum 40% state reimbursement, although the actual rate could be higher.
- School renovation is permitted as well as new construction, but there is no promise that "phased construction" will receive SBA support beyond the first phase. This could have implications for the proposed renovation of Belmont High School

After a discussion the Committee voted 6-0 with Mr. Barrell absent to support the STM Article 4.

II. STM Article 5 - \$279,440 for purchase of modular units behind Belmont High School (Addendum B)

Ms. Brusch and Dr. Missal presented the joint proposal from the Permanent Building Committee and the School Department, explaining that it represents a pre-negotiated buyout right in the existing rental agreement, and that the modular units were constructed in 2000 for Lexington High School prior to being transported to their present location. The expected life is at least 20 years, particularly if they are not moved frequently. They include handicap-accessible bathrooms and dedicated parking on the High School site. Potential future users for temporary project "swing space" afforded by the units include the senior center, the Wellington School, the High School and the Highway Department.

Although all Committee members were supportive of the purchase in concept, the discussion turned to the funding source, with Mrs. Brusch and others supporting the motion to utilize the Kendall insurance monies and Mr. Speidel advocating for using a portion of the Town's unexpected \$780,000 in free cash. Mr. Speidel reminded the Committee that, of the \$5,843,769 original insurance settlement, the Town will have expended 35% or \$2,031,964 including STM Articles 4 and 5, leaving only \$3,811,805 (of which \$943,850 is in the Capital Endowment Fund and \$2,867,955 is unencumbered.)

After a discussion the Committee voted 5-0 with Mr. Speidel abstaining and Mr. Barrell absent to support STM Article 5.

III. STM Article 6 - \$97,000 reimbursement to the School Department for emergency elevator repairs (Addendum C)

Dr. Missal reviewed the genesis and history of the state-mandated repairs, which were performed in the Summer of 2004 in advance of school opening. The work was able to be performed under a waiver of the normal bidding requirements given the compressed time frame.

After a discussion the Committee voted 6-0 with Mr. Barrell absent to support STM Article 6.

IV. STM Article 7 - \$12,700 for purchase of telephone system for Town Hall (Addendum D)

Mr. Mooney reviewed the efforts among the Town Hall Complex Building Committee and town departments to coordinate use of the fiber optic "backbone" installed throughout the Town, including within the Town Hall complex. Although the conduit which will connect the fiber optic cabling to Town Hall was installed during the Town Hall Complex project at the Building Committee's expense, the Town Hall cabling and phone system technically is outside of the Building Committee's jurisdiction and budget. However, analysis has demonstrated that it would be very cost-effective to connect Town Hall at this time, rather than waiting for the FY06 budget cycle to request the needed funds.

After a discussion the Committee voted 6-0 with Mr. Barrell absent to support STM Article 7.

The Committee adjourned at 9:00pm.