

# **THE MINUTES OF THE WARRANT COMMITTEE MEETING FEBRUARY 11, 2004**

*Handout(s) given out tonight:*

1. *2003-04 Warrant Committee roster*
2. *IT spending from capital budget email from Mike Speidel on 1/27/04*
3. *Available Funds for paying the Burbank oil release cleanup costs*
4. *Capital Project balances as of 2/10/04*
5. *Burbank Oil Spill Cleanup Financing – borrowing and repayment options*

Members absent: P. Callanan and L. Oates

Also present: Selectman Paul Solomon, Town Administrator Mel Kleckner, Town Accountant Barbara Hagg, School Director of Finance & Administration Dr. Gerry Missal, School Director of Technology Lee McCanne, Town IT Manager Karen Martin, Capital Budget Committee Chair Mike Speidel, Police Chief Andrew O'Malley and Treasurer Susan Kendall Freiner

Chairman Widmer called the meeting to order at 7:40 PM.

### ***Acceptance of Minutes***

The Committee discussed and the minutes of the February 4, 2004 meeting.

- *Member Hofmann made a motion, Member Heigham seconded said motion, and the Committee unanimously voted to accept the minutes as amended of the February 4, 2004 meeting.*

### ***Technology Capital Requests***

Capital Budget Committee Chair Mike Speidel came to ascertain a policy for some things that are becoming recurring requests (about \$200K - \$125K to \$150K School related and \$50K Town and/or network related). Within that \$200K to \$325K per year are a bunch of smaller, individual requests that would eventually get bundled into a larger request, but their recurring nature and behavior are more like operating expenses than capital expenses. He asked the Warrant Committee how they felt about leaving it to the individual departments or Technology Coordinator where the money gets spent most effectively during the year.

Member Heigham reminded the Committee this issue came up regarding police cruisers a while back. The cruisers have been in the operating but were taken out of the operating budget and moved to the capital budget for FY05.

Mr. Fitzgerald asked if the computers were leased or bought outright. Mr. McCanne responded all the computers are bought outright.

Vice Chairman White asked which process (capital or operating) would give us a more relative view of IT expenditures. He asked Mr. Speidel if putting this money into the operating budget would lead to better decisions? Mr. Speidel answered that sharper and more focused expenditures would be made within the operating budget.

Member Curtis thinks it is logical to have certain expenditures still in the capital budget, for example a large server. On the other hand, things such as software and individual workstations that are directly related to a certain department should be in operating.

Selectman Brownsberger said the system ought to be looked at as a unit. Town Administrator Kleckner agrees and plans to compile those requests (a monitor for one department, a printer for another) together under Ms. Martin's leadership.

Mr. Fitzgerald recommended leasing some items to cut costs, instead of buying. Mr. McCanne said leasing could be explored. In the past, there have been no guarantees that when the lease ran out, the equipment could be bought, a newer model leased, or if there would even be the money to lease another. Town Accountant Hagg is not sure it is feasible to lease due to fixed asset versus operating expense costs. Mr. Speidel added leasing is not conducive to the capital budget. We now have that flexibility for leasing under the operating budget.

Mr. Speidel said based on historical sense, it would be approximately \$50K for the Town and \$20K for Town-wide network maintenance per year. Member Schafer wondered which option would foster more purchasing coordination between the Town and Schools.

Mr. Speidel suggested the Capital Budget Committee owns it in FY05 with the understanding that in future years, the option of leasing is fully vetted. If it comes back as something that makes a great deal of sense, then that would mean it would come under the operating side. Chairman Widmer said that sounds like a reasonable suggestion. The Committee agreed.

Mr. Speidel also brought up two improvement projects in the coming fiscal year: Clafflin Street between the existing lot and retail area for \$210K adding about 43 spaces, and a proposal to spend an additional \$70K to add spaces adjacent to the old Belmont Municipal Light Department building on Concord Avenue adding about 10 spaces.

For Clafflin Street, Mr. Speidel wondered what is the appropriate public/private split? We have been using a \$2 million for a Town parking study (1/2 publicly funded, 1/2 privately funded). The Capital Budget Committee would appreciate some guidance on that before they make a recommendation.

Finally, we have been talking about the Belmont Center parking study as a part of the Capital Projects (about \$300K). Kendall insurance money might be an appropriate

source of funds. He asked the Warrant Committee and Board of Selectmen to give guidance on this.

Member Brusch talked of a discussion she had yesterday with Kevin Foley. The figure of \$210K is the Town portion only. The real figure is about \$275K in total (\$60K to be paid by Locatelli, who owns about ? of Belmont Center). The Clafflin Street area looks relatively straight forward and easy, but the Concord Ave. one seems more difficult. She suggested a debt exclusion would not be a bad idea, keeping it separate from the Fire Station project. Mr. Speidel wants to decide as a Town whether we are going to fund this ourselves or if it is appropriate for others to assist.

Selectman Brownsberger is not sure whether we need a study first, then deal with the larger expenditure. Chairman Widmer asked Selectman Brownsberger if this should come through the Board of Selectmen and then the Warrant Committee. Selectman Brownsberger thinks it fall back to the Board to discuss first.

Member Hofmann thinks the Clafflin Street project is a great idea. His concern is that Belmont Center owners thinking that since it will be one big municipal lot with the Town earning money from it, the Center owners do not want to contribute.

Member McCormick reminded the Committee that when a street is abandoned, the owners of each side of the abandoned street now own up to the middle of the street. That may be expanding Locatelli's area that he owns, and in that case, he should contribute more money.

Selectman Brownsberger is going to bring this issue up at a Board of Selectmen meeting. He told Mr. Speidel this project should be on his Capital Budget Committee radar screen and to possibly expect a request for next year for these projects.

### ***Oil Release Subcommittee***

Member Hofmann said for the clean up piece alone is \$1,350,000. We will have to pay the majority of this in this fiscal year (FY04). The Committee reviewed and discussed (*Handout 5*).

Member Hofmann reviewed (*Handout 3*) which listed many financing options. He added the subcommittee is not prepared to make a recommendation on funding this issue, but he wanted to give the Committee the options available.

Town Administrator Kleckner spoke of the NESWC Stabilization Fund, which is a consortium of 23 cities and towns. In 2006, the disposal costs drop significantly. The Town banked money in the early years that Belmont participated. We have been able to level our tip fee to \$100/ton through the end of the contract. We expect to have a Fund surplus of \$1.5 to \$2 million at the end, which some could be used for cleaning up the landfill.

Member Brusch reviewed (*Handout 4*), noting that much of the capital spending was frozen since the oil release issue. She was hoping to un-freeze these projects if we can use other money to cover the oil release. Member Hofmann said the Health Insurance Trust Fund is the only one the subcommittee was in unanimous agreement to use the whole fund for the oil release costs.

Chairman Widmer suggested Town Administrator Kleckner put together a recommendation or a few options the Warrant Committee could review.

Member Stratford mentioned bonding this project and having a payment stream coming from NESWC directly.

The subcommittee and Town Administrator Kleckner will work together and come up with a recommendation in about three weeks.

- *Member Heigham made a motion, Member Flewelling seconded said motion and the Committee unanimously voted to allow the already appropriated Capital Projects be “unfrozen” and able to be spent according to their allocations.*

### ***Fiscal Year 2005 Budget***

Town Administrator Kleckner noted the Board of Selectmen has concluded their budget hearings. He is in the process of compiling all the issues that came up during those hearings, which will be shared with the Warrant Committee.

### ***Other***

Member Tillotson expressed concerns about a group operating in a Town-owned facility, which is a huge liability risk. What is the Town’s liability on this issue? Member Curtis responded there are a lot of us who share those concerns. He volunteered to put together a set of protocols for fund-raising organizations to use. The protocols will be on a future Warrant Committee’s agenda. Town Administrator Kleckner feels comfortable the Schools have some good protocols in place.

Vice Chairman White asked if we are scurrying around to find a use for the new Senior Center’s second story, since it was reaffirmed the Library does not want to go there. If that is the case, we should re-examine the project. Selectman Brownsberger responded that at the time Town Meeting voted approval of a second story, it was clear the Library was not going in there. There is not a change of circumstance that bears revisiting.

Member Brusch noted the Building Committee is going to come to the Board of Selectmen in the next few weeks, to tell the Board that it is their responsibility to decide who will go in there, not the Building Committee.

Member Hofmann made a motion, and it voted unanimously to adjourn the meeting at 9:29 PM.

Respectfully submitted,

Kristina E. Frizzell

Recording Clerk