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MINUTES
TOWN OF BELMONT
WEDNESDAY, APRIL 27, 2016

APPROVED
BOARD OF SELECTMEN
DATE: 6-21-2016

JOINT MEETING
BOARD OF SELECTMEN AND WARRANT COMMITTEE
CHENERY MIDDLE SCHOOL-COMMUNITY ROOM
7:30 P.M.

CALL TO ORDER

A joint meeting of the Board was called to order in open session at 7:31 p.m. by Chair Mark Paolillo in the CMS Community Room. Selectmen Sami Baghdady and Jim Williams were present. Town Administrator David Kale was also present; Assistant Town Administrator Phyllis Marshall was not present.

Discussion on Annual Town Meeting Warrant Articles and Special Town Meeting (STM) Warrant Articles and Amendments

WC Vice Chair Epstein introduced the two representatives of Minuteman and invited Dr. Bouquillon to present to the Board of Selectmen and to the Warrant Committee (WC) on Article 1 of the Special Town Meeting.

STM Article 1: Minuteman New School Project (Debt)

Mr. Bouquillon began by acknowledging Belmont's concern around enrollment. He discussed the enrollment number of 628 students for the proposed new facility. He noted that interest among grade 8 students is strong. He cited that other voc technical schools are also seeing vigorous enrollment numbers. He said the new agreement will incentivize new students.

He then discussed the cost of the project and said that the MSBA has agreed to invest \$44M in the project. MSBA will not support a school of less than 600 students. If this project is not approved by the member towns, the expenses and losses will be clear and real. He spoke to other potential losses, e.g., ongoing capital expenses, cutting of programs, etc.

WC Vice Chair Epstein began the inquiry from the WC. He asked about the process that would follow, should a community (such as Belmont) vote to not approve this project. Dr. Bouquillon stated that the MSBA would need to approve any next steps, but he suggested that a district-wide ballot would likely happen. WC Vice Chair Epstein asked several other questions concerning the land appraisal, the admissions process for non-member towns, the enrollment stipulation from the MSBA, and the low student/teacher ratio.

WC Member McLaughlin then asked several questions. The first concerned the expense of Minuteman and the expectation of attracting out-of-district students – given the capital fee. He also asked about the size of the new school – which is 90% as large as the existing school, for only half the number of students that school was built for. Dr. Bouquillon noted that the

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educational programs at Minuteman dictate the necessary square footage. WC Member McLaughlin asked about the athletic fields. His final question concerned Belmont withdrawing from the district.

WC Member Gammill asked about how much legal and regulatory flexibility Minuteman had in terms of program offerings, and, in particular, whether Minuteman could offer courses to students who were enrolled in their local high schools. Dr. Bouquillon replied that Minuteman could do that. Member Dash asked about the size of the new school and whether it could be made smaller.

WC Vice Chair Epstein reviewed Belmont's costs vis-à-vis its current enrollment: with capital costs, it is \$870,000. He noted that, as a non-member community, Belmont's all-in cost would be about \$100,000 less. This scenario was discussed. Mr. Weis stated that this scenario is a snapshot of a point in time; it could change. SPED costs and transportation costs may impact this. Mr. Weis stated that, from a financial perspective, non-member tuition is beneficial compared with member tuition.

WC Member McLaughlin stated that the member-towns will continue to be subsidizing non-member towns – both in capital and operating costs. If the new facility gets turned down, the school will get renovated for the same money. There could be an enormous negative impact to Belmont's financial sheet.

Chair Paolillo stated that the proposed building is “the wrong building at the wrong time”. He spoke to the size of the new building given the member-town enrollment. Minuteman is relying on non-member towns for its enrollment and member-towns will continue to subsidize these towns. Belmont is unlikely to send many more kids to Minuteman. The per-pupil cost is over \$40,000 compared to \$12,000 in BPS. He said Belmont may want to stay in the district and try to resolve the issues. He said he can't support a building of this size and the continued subsidizing of the non-member towns.

The Board and the WC continued discussing issues relating to the Minuteman project.

Dr. Bouquillon noted that, with lower enrollment, the costs do not significantly decline. WC Member Gammill stated that, while this is a close decision, he will support it. WC Vice Chair Epstein stated that he too would be willing to take the risk; Belmont could help to make the new school a success. He added that Belmont may want to redeploy some of the CPA money to fund Minuteman.

Chair Paolillo stated that voting No allows for flexibility, while supporting this project is fixed. There are options that can be explored with a No vote.

In answer to a question about renovation, Dr. Bouquillon stated that it will take up to 10 years and will cost more money, in the end. A renovation will displace students and programs. WC Member Helgen noted that if Belmont sends more kids, the tuition goes up. She wondered if the non-member towns will pressure DESE to reduce the capital fee, and if so, would DESE capitulate? Dr. Bouquillon said that this is a very reasonable concern.

Selectman Baghdady stated that the Board of Selectmen voted Unfavorable action on this article on Monday night. That vote passed unanimously. He noted that Belmont would not have joined the district today (as it did 45 years ago) if it knew it was going to send 26 kids and subsidize the non-member towns. There are risks on both sides, he said, but if this isn't passed, the risks slow down and Belmont has a chance to make it right. This is Belmont's one opportunity to make some changes and to get it right.

Chair Paolillo spoke to the path ahead for Belmont if it votes No. He said Minuteman will get its needs attended to, and perhaps with added member-towns. WC Member Fallon asked about outside sources of funding for this project. Dr. Bouquillon said he believes outside funding is possible and that public/private partnerships are being explored.

WC Member Sarno spoke to the possible scenarios going forward.

WC Member McLaughlin moved: Unfavorable action on Article 1.
The motion passed with 8 in favor and 6 opposed.

Amendment to STM Article 2: Appropriation of Woodfall Road Sale (\$1.75M) to fund BHS Proposed Project

WC Member McLaughlin said he is concerned that the Amendment to Article 2 is beyond the scope of the motion.

Selectman Williams stated that that he believes the Kendall Fund's purpose is to fund feasibility studies. The Woodfall Road funds (\$1.75M) could be put to other purposes in the general fund. He said he wants to give Town Meeting the choice. Selectman Baghdady noted that the other option for the Woodfall Road money was to transfer into the Capital Debt Stabilization fund, which would then fund the BHS Building Committee.

Mr. Carman, Town Treasurer, joined the table and provided some background information. He stated that the Woodfall Road money should be placed with the BHS Building Committee to fund soil testing, schematic design, etc. The Kendall money is now at about \$3.2M, but it may have been \$5.8M (or more) initially. Regardless, the Kendall Fund will be needed and likely used to fund feasibility studies for several other capital projects, e.g., Police, DPW, Library, etc.

Mr. Kale stated that the \$1.75M money has not yet been appropriated. Mr. Carman stated that it has been a standing policy that one-time money should be used for one-time projects.

Chair Paolillo agreed with WC Member Dash that, should this money fall into free cash, it could go toward operating expenses. He would have supported the amendment if it had placed the \$1.75M into the Capital Debt Stabilization Fund.

WC Member Gammill moved: Unfavorable action on the Amendment to Article 2.

WC Member Sarno agreed with Chair Paolillo. WC Member Helgen asked about MSBA

reimbursements. Mr. Carman explained that, if there are reimbursements, money would go back in to the BHS Building Committee. And when the project is complete, if there are any leftover funds – these will go toward the next capital project. WC Member McLaughlin stated that any reimbursable money (from the MSBA) will go toward the BHS debt. WC Member Lisanke asked if the Kendall money was invested? Mr. Carman said that yes, and the interest is going back into the general fund. Mr. Kale said the cost for the BHS feasibility study is not yet known – as it is dependent on many factors, such as the programs, the potential size, etc.

From the audience, Mr. Ed Kazanian, TMM Precinct 6, asked about the practice of bonding these costs as opposed to using the one-time \$1.75M. This money (needed by the BHS BC) could be rolled into the overall bond. Mr. Carman explained that to bond this money and pay interest costs does not make sense when the \$1.75M is there.

The motion passed with 13 in favor and one abstention.

Approval of Minutes

The minutes of 4/13/16 were approved with one abstention.

Free Cash Update

Mr. Kale provided an overview of the status of free cash. The remaining free cash is \$4.2M, before turn-backs or over-revenues are certified. When it is certified next fall, the free cash number will be higher.

NEXT MEETINGS [BOS]

Friday, April 29, 2016 at 8:00 a.m. Working Session Budget Meeting
Monday, May 2, 2016 at 6:00 p.m. BHS Conference Room

The Board moved to adjourn the meeting at 9:35 p.m.



Mr. David Kale, Town Administrator