

**THE MINUTES
OF THE
WARRANT COMMITTEE MEETING
March 13, 2002**

Chairman Brusch called the meeting to order at 7:38 PM.

Member absent: Linda Oates

Also present: Selectman William Brownsberger and Town Treasurer Ernest Fay.

"Plan B" for the Annex

Member Hilgenberg discussed with the Committee the decision on renovating the Town Hall Complex and that the decision should go to Town Meeting, not the Board of Selectmen. She talked of dissatisfaction of many people in the Town and recommended the Committee look at some of the realities if the debt exclusion does not pass. It would be cheaper to operate one building instead of two. However, space and lack of storage would be issues. The latest figures for the project are around \$11.8 million to renovate. Member Hilgenberg recognized that the Committee has done its best to make their decisions. She is voting in favor of the debt exclusion.

Member Heigham thanked Member Hilgenberg for her description of the process and added his related support for the debt exclusion. He noted the Town is spending a lot of money for design documents ordered by the Court. A lot of time and money has gone into going forward with the decision to renovate. The Town should not take the chance for the judge to think the Town is disregarding his decision.

Member Clark also showed support for the debt exclusion for many reasons including the "getting on with it" argument. Other reasons include: getting a very good project with the Annex (fine, historic space, well used, and new inside), the preservation argument is entitled to some weight; there really isn't a good alternative.

Member Flewelling told the Committee he would reluctantly be voting yes. His main concern is that if the debt exclusion does not pass, it will affect the financial well being of other Departments in the Town. He did advise the Town think long and hard about putting another building in the Historic District.

Member Curtis supports the debt exclusion, as does Member Morley. Member Morley thinks this is the best option, and most importantly, the Town has to do it. She is afraid if the Committee votes "No," then the Town will think the renovation/ADA issue is optional. Member Flewelling interjected the Town needs to know the Annex project is mandated by the Federal Court. Chairman Brusch told the Committee of the different media getting that information to the public. Town Counsel advised Chairman Brusch of some interpretations of the case law resulting in the Building Committee not being able to publicize the debt exclusion with a brochure. Member Hilgenberg informed the Committee of group called the Committee for the Rehabilitation of the Town Hall Annex. They are sending out a letter with factual information about the project.

Member McCormick said if he had his druthers, he would not support the debt exclusion. However, he will reluctantly. We need to be creative in addressing the problems with the Annex. The financial crunch of the Town is the main issue regarding FY2003.

Selectman Monahan discussed the reasoning on changing his decision, as part of the Board of Selectmen, from tearing it down to preserving it. For the reasons already stated, he decided to preserve the Annex. Member McCormick congratulated Selectman Monahan on making the decision unanimous for the Board of Selectman.

Member Hofmann expressed his opposing vote for the debt exclusion citing costs of maintaining both buildings as a specific example.

Member Hilgenberg moved for the Warrant Committee to vote in favor of supporting the debt exclusion of the Town Hall Complex. Member Heigham seconded said motion. Chairman Brusch specified there would be no dollar amount on the ballot for the debt exclusion. Chairman Brusch and Member Hilgenberg discussed financial and grant opportunities regarding the Complex. Member Hilgenberg recalled an example of having to maintain the rules of the historical aspect of the Town Hall when renovating that building. Lighting fixtures of a certain area were \$20, which is an amount the Building Committee would never have chosen if the building were not in the control of the Historic District Commission. Discussion then ensued on the process of the Committee specifying cash to be used.

Voted yes:

Joanna Hilgenberg, Philip Curtis, Lawrence McCormick, William Monahan, Pat Brusch, Penny Schafer, Patricia Morley, Susan Kendall Freiner, Walter Flewelling, Michael Widmer, Mark Clark, James Heigham, Robie White, Dianne Hobbs and Kathy Miller

Voted no:

William Hofmann III - Member Hofmann restated his reason for his opposition saying the Historic Commission is costing the Town too much in the way of forcing the Town to do something as well as the millions of dollars spent on these projects.

Member absent:

Linda Oates

Member Hilgenberg stated that we should not scapegoat the Historic Commission. The decision is based on so many other factors than just the Historic Commission.

The Committee discussed putting an operating budget override on the ballot. Chairman Brusch reminded the Committee that is not just going to effect the School budget, but all the budgets if the debt exclusion does not pass. Selectman Monahan opined if the debt exclusion passed, then some residents would not vote for an operating budget override. Treasurer Fay has received the recent cost estimate for the Town Hall Complex and will inform the Committee on the current thinking for borrowing.

Member Miller asked the Committee what will the Committee tell people if the debt exclusion fails. The Committee discussed possible solutions for getting through the FY2003 operating budget if the debt exclusion does not pass. Member Schafer stated the Committee might have to tell people that at some point, the Town will need to have the debt exclusion or be forced to dip into the Kendall School insurance money.

Member Clark agreed that it is impossible to think about a Plan B without discussing FY2003 budget and reductions. He also suggested for "Plan B" to try to take anything the Town can get out of the Historic District, not just the Annex. Member Clark discussed the Capital Budget Committee (CBC) meeting from last week regarding a spreadsheet of the projects that the CBC needs to talk about. Next week, the CBC is going to start meeting to propose a plan for all of the projects in the near pipeline. He acknowledged the tax rate discussion will occur at the next meeting. One thought: does the Town get through this year's operating crunch without spending a lot on capital items and go for an override next year? He would not try to get both a debt exclusion and an override too close together. If this debt exclusion fails, he suggests we go back to the drawing board and see what is to be done better. Member Clark recommends getting through this year's operating budget by borrowing, and plan for an override next year. He strongly believes something needs to be on the table in case the debt exclusion does not pass. Member McCormick's suggestion: put the Town Library at the Annex and take the Library building for the Town offices.

Member McCormick suggested that if a new Town Library is built where the Annex is, and put the Annex where the Library was, and then there would be a reimbursement for the Library that could go towards the Annex. Member Hilgenberg stated that wherever the Annex is, a parking problem would follow. Also, the reason for keeping Town Hall Complex offices together is because they work well together for employees and residents alike.

Chairman Brusch reviewed and the Committee discussed a variety of "Plan B" Ideas (taken from 3/6/02's minutes as a review):

- Take the Annex out of the Historic District and build a new building. Sell the School Administration Building. - *Chairman Brusch does not recommend this be the solution as a "Plan B."*
- A 2nd debt exclusion in September.
- Take the \$4.5 million in Kendall insurance money and use the McLean tax capacity to borrow the remaining \$7 million.
- Ask for the \$7 million as a debt exclusion.
- Take the design money out of the operating budget for FY03 (\$500K - \$800K).
- Fund all of the Town Hall Complex from the operating budget and go for a series of operating overrides.
- Use the McLean Tax Capacity in FY03 to fund the design and in future years, commit it to pay down Town Hall Complex debt.
- A stepped plan.
- ½ half: go ahead and try to get Town Meeting to let us borrow the money for the design
- 2nd ½: several different ways to fund the remaining money (overrides, debt exclusions, McLean Tax Capacity, etc.).

Member Schafer gave "Plan B" options if the debt exclusion does not pass (similar to #7 above): raise taxes using the McLean tax capacity, use the insurance money, cut the operating budget even further, and/or borrowing the \$900K on top of the other borrowing that is planned.

Chairman Brusch reminded the Committee that April 1, 2003 is when the Town has to go out to bid for the Complex Project.

Selectman Brownsberger cautioned the Committee that "Plan B" might need to be determined by the spread of the debt exclusion vote. Member Hilgenberg noted the Committee would not know why constituents voted no, so if their motivations are unknown, then "Plan B" cannot be geared to anything in particular.

The Committee continued to discuss "Plan B," making it clear that "Plan B" is not the solution to the problem. A debt exclusion, an override or something else would still need to be done. Chairman Brusch concluded the topic and reviewed possible solutions with the Committee.

Member Heigham made the motion, Member Flewelling seconded said motion, and the Committee voted unanimously for Chairman Brusch to give the aforementioned "Plan B" solutions (initiated by Member Schafer earlier) to the League of Women Voters next week.

Discussion of borrowing \$1.5 million instead of funding Capital Budget from available funds.

Chairman Brusch reviewed with the Committee her telephone calls with members of the Capital Budget Committee regarding the borrowing \$1.5 million issue.

Selectman Monahan stated the Board of Selectmen has not reached an official decision. However, he mentioned he would like to borrow at least some money of an undetermined amount. Selectman Monahan would like to put a question on the ballot and let the constituents determine this issue.

Member Widmer questioned if the Town borrowed \$1.5 million for McLean, how long the term of the borrowing be? Treasurer Fay stated 10 years.

Chairman Brusch explained to the Committee how the money used to pay McLean came in 3 shots: \$800K in the stabilization fund, the generation of that money came from a one-time payment from the State for the Winn-Brook Burbank project, the 2nd amount came from the proceeds from the interest earned from the cable endowment fund of almost \$383K, then this Fall the remaining \$317K came from Free Cash. And that money would have gone into this year's revenues and gone into either the operating budget or operating capital budget.

The Committee discussed amounts and borrowing of capital projects in prior and current years. Treasurer Fay supplied amounts and time periods relating to the borrowing. He informed the Committee that as of June 30 2001, undesignated funds were over \$9 million. In regards to our AAA bond rating, the rating company likes to see at least 6% of our expenditures in reserve. The Town is currently at 8% with capital endowment and designation for tax rate stabilization (better known as the Stabilization Fund) both excluded.

Member White stated that discussion on bringing an override to the voters cannot occur until the Committee discussed FY2003 Budget reduction ideas. Selectman Monahan informed the Committee the Town did get \$240K in additional revenue when meeting with the Board of Assessors today.

Member White made a motion, Member Hofmann seconded said motion and it was unanimously voted to adjourn the meeting at 10:27 PM.

Respectfully submitted,

Kristina E. Frizzell

Interim Recording Clerk