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**MINUTES
TOWN OF BELMONT
CAPITAL BUDGET COMMITTEE
Town Hall Conference Room 1
Thursday, February 8, 2018
8:00 AM**

I. CALL TO ORDER

A regular meeting of the Capital Budget Committee (CBC) was called to order at 8:03 a.m. by Chair Anne Marie Mahoney.

Members Present: Chair Mahoney, M. Patricia Brusch, Mark Paolillo (BOS) [arrived at 8:40 a.m.], Jenny Fallon (WC), Stephen Pinkerton (PB), Susan Burgess-Cox (SC), and Rebecca Vose

Also Present: Patrice Garvin, Town Administrator
Glen Castro, Budget Analyst
Phyllis Marshall, Assistant Town Administrator [arrived at 8:29 a.m.]

Introductions were made around table. Chair Mahoney then reviewed the agenda and turned to the first item.

II. Approval of Minutes (11-8-17)

The minutes of November 8, 2017 were approved, with one abstention (Mr. Pinkerton was not a member of the CBC at the time of the meeting).

Chair Mahoney shared two thank-you notes: one from the Burbank community, and one from the Press Box people.

III. Discussion and Vote on Borrowing Policy

Chair Mahoney noted that the CBC reviews and votes its borrowing policy every year. The policy states that not more than 1/3 of the budget will go toward debt service. The CBC discussed that once financed projects are complete the money allocated for debt service should come back to the CBC for other capital budget expenditures.

Ms. Garvin stated that the town's financial policies, such as this one, will be reviewed going forward. (Belmont recently received grant money from the state to hire a financial consultant.) The Board of Selectmen and Warrant Committee will be included in this review.

Ms. Brusch moved: To approve the CBC policy related to debt service and funding of multi-year projects.
The motion passed unanimously.

IV. Fire Stations Repair Update

Ms. Garvin provided an update on the fire station repairs (necessitated as a result of water damage). The amount of \$1.1M will be sought to fix issues caused by poor construction at the Leonard Street Station. Chair Mahoney noted that almost \$1M has already been allocated for fire station repairs – most of that funding was used for the Trapelo Road Station. Ms. Brusch provided some background information on this issue, including the past lawsuit. The flashings are non-existent around the station windows and the insulation has been found to be wet, which points to a larger issue than merely a lack of flashings.

The CBC discussed issues relating to the fire station repairs, e.g., the past lawsuit, the past insurance settlement pay-out, how the current repairs will be financed, and the flashing/insulation issues.

Chair Mahoney noted that the CBC allocation this year is roughly \$1.4M (not including roads). If the CBC funds the necessary fire station repairs, it will wipe out this year's CBC allocation. Ms. Fallon noted that the CBC allocation has been stable for many, many years, but perhaps it should be increased, as it has not been sufficient to cover all the requests and new items (modular units, technology requests, etc.) that are added each year.

Ms. Marshall provided some additional fire station information. The question of where the money (for the current repairs) will come from was again briefly explored.

V. Updates on Building Committees: DPW/BPD, Library, BHS

DPW/Police Station

Chair Mahoney noted that things are moving along for the dual DPW/BPD Building Committee. The OPM is on board, and the design selection team is about to be named.

Library

Ms. Fallon noted that the Library Building Committee has met twice and is currently recruiting an OPM. It will start the designer selection process soon and will hopefully have a designer on board by summer.

BHS Building Committee (BHSBC)

Mrs. Brusch noted that the feasibility stage is being submitted to the MSBA this month; the MSBA will review and then rule. The School Committee (SC) voted on a 7-12 grade configuration for the high school, and the BHSBC approved an anticipated location for the new building – a location that allows the retention of the pool and field house. The SC will need to decide the 7-12 organization: 7-8 and 9-12, or 7-9 and 10-12, etc. She then reviewed the MSBA timeframe, going forward. The community has been attending the BHSBC meetings. The BHSBC will soon be meeting with the Planning Board as well as the Traffic Advisory Committee.

VI. Debt Service Discussion

Mr. Floyd Carman, Town Treasurer, joined the conversation. He reviewed the document entitled *Capital Project Inventory FY19, Debt Service Cost FY19*. The CBC discussed this handout. It was noted that nothing is coming off the books that year (i.e., no debt is retiring). Mr. Carman noted that the vast majority of debt is incurred via debt exclusions, although some is bonded.

VII. Discussion on 2018 Six CPA Projects

1. Architectural Drawings for Music Bandstand at Payson Park	\$ 5,000 (design only)
2. McLean Barn Stabilization	\$200,000
3. Town Field Playground Restoration	\$180,000
4. Construction – Grove St. Park Walking Path	\$780,087
5. Belmont Veterans Memorial	\$103,000
6. Housing Trust Funds (set aside)	\$250,000

Chair Mahoney provided a brief overview of the projects.

Mr. Pinkerton reviewed the Grove Street Walking Path project. He noted that this allotment would complete the project; the request includes funding for landscaping. Chair Mahoney noted that this project also includes funding for an OPM, which is useful to see in the planning process. Mr. Carman raised the eligibility issue and is consulting with Stuart Saginor (CPA attorney/guru) concerning this project. The CBC discussed several issues pertaining to this CPA project.

Mr. Carman explained the \$250K Housing Trust request. This funding will be set aside for the Housing Trust. However, the Housing Trust will need to apply to the CPA to use this money. The “turn-around” process for the request of funds/bills was explained.

Regarding the Payson Park bandstand, it was noted that an actual bandstand design had been missing from the application process in the past and the cost of a design (\$50,000) is what is being requested in this CPA application.

Architectural Drawings for Music Bandstand at Payson Park: \$50,000

Ms. Fallon moved: Approval on this project.
The motion passed unanimously.

McLean Barn Stabilization: \$200,000

Ms. Brusch moved: Approval on this project.
The motion passed unanimously.

Town Field Playground Restoration: \$180,000

Mr. Pinkerton moved: Approval on this project.

The motion passed unanimously.

Construction – Grove St. Park Walking Path: \$780,087

Ms. Fallon moved: Approval on this project, contingent upon a ruling from the state-level CPA authorities (discussed above).

The motion passed, with an abstention from Mr. Pinkerton (as an abutter).

Belmont Veterans Memorial: \$103,000

Ms. Brusch moved: Approval on this project.

The motion passed unanimously.

Housing Trust Funds: \$250,000 (set-aside funds)

Ms. Fallon moved: Approval on this project.

The motion passed unanimously.

Selectman Paolillo raised the concern about spending this amount of money (the CPA surtax) on projects that are not necessarily the town's top priorities. Chair Mahoney raised the issue of potentially reducing the CPA surtax by a half percent, which would involve a town-wide vote. This notion was briefly explored.

VIII. MCPWG Update

Chair Mahoney noted that the Major Capital Projects Working Group has not met and is on hold until the building committees (e.g., Library, DPW/Police Station) proceed with their work. However, it was noted that the long-term solutions (for the DPW and the Police Station) will need to be explored in the very near future. The next MCPWG meeting is Friday, February 23 at 8:30 a.m.

Selectman Paolillo raised a question about the need for long-term financial planning, given the demands being placed on the budget. Financial modeling is necessary. A long-term plan needs to be presented to the residents, he said, one that will address the needs of the town, the fiscal impact of those needs, as well as the scheduling of priorities. The work of the Financial Task Force (FTF) was discussed. It was noted that the FTF was successful in that it created transparency and planning concerning the fiscal needs of the town.

Project prioritizing was further explored. Ms. Brusch raised concerns about the volunteer-run advocacy groups. They put a lot of effort into their projects and may not understand how items get prioritized. Selectman Paolillo noted that the communication to Town Meeting (concerning financial modeling and the setting of priorities) will need to be more clear going forward.

IX. Setting of Future Meeting Dates (Department Head Meetings)

Thursdays: March 8, 15, 22, 29 and April 5 and 12 at 8:00 a.m.

The CBC moved to adjourn the meeting at 9:35 a.m.

Respectfully submitted,

Rebecca Vose
Secretary