

**Minutes**  
**Town of Belmont**  
**Capital Budget Committee**

To: Capital Budget Committee

From: Michael Speidel

Re: Minutes of March 10, March 17 and March 31, 2005 meetings

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The Capital Budget Committee (the “CBC”), consisting of members Joseph Barrell, M. Patricia Brusch, Mark Clark, John Conte, Angelo Firenze, Donna Griswold and Michael Speidel, met on four separate occasions to formulate its recommendations with respect to Articles 8, 10, 13, 14 and 20 of the Spring 2005 Annual Town Meeting. The CBC convened on March 10, 2005 at 7:30 p.m. in Town Hall Room 4, on March 17, 2005 at 7:30 p.m. in Town Hall Room 2, on March 31, 2005 at 7:30 p.m. in Town Hall Room 4, and at 7:30 p.m. on April 14, 2005 in Town Hall Room 4.

The combined list of departmental and committee requests for the Fiscal 2006 capital budget is attached. At its March 10<sup>th</sup> meeting, which was attended by Mrs. Brusch, Mr. Clark, Mr. Conte, Mrs. Griswold and Mr. Speidel, the CBC received presentations from the following representatives:

<u>Department/Function</u>	<u>Representative(s)</u>	<u>Addendum</u>
Schools	Gerry Missal Bob Martin Lee McCanne	B
Accounting and Treasurer (financial software replacement)	Barbara Hagg Daniela Boccia Lee McCanne Dave Petto	C
Community Development (GIS system)	Glenn Clancy Ralph Jones <sup>1</sup>	D
Town Technology	Lee McCanne	E

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<sup>1</sup> Chairman of the Sewer and Stormwater Advisory Committee

David Petto

Community Development  
(sewer/stormwater & pavement mgmt.)

Glenn Clancy

F & G

At the conclusion of this meeting, the members present discussed and voted unanimously to endorse the Fourth Draft Reserve Policy dated February 17, 2005 attached hereto as Addendum A.

At its March 17<sup>th</sup> meeting, attended by Mrs. Brusch, Mr. Clark, Mr. Conte, Mr. Firenze, Mrs. Griswold and Mr. Speidel, the CBC received presentations from:

<u>Department/Function</u>	<u>Representative(s)</u>	<u>Addendum</u>
Council on Aging	Nava Niv-Vogel	H
Building Services	Kevin Looney	I
Library	Maureen Connors Jil Westcott	K
Emergency Communications	Andrew O'Malley, Jr. David Petto	L
Police Department	Andrew O'Malley, Jr. Richard Lane Dan MacAuley Richard Santangelo	M
Fire Department	David Frizzell	N

At the March 17<sup>th</sup> meeting, at the request of the Fire Station Building Committee, the CBC voted 6-0 to endorse the borrowing of an additional \$1.5 million under the previously-approved debt exclusion to cover cost overruns on the fire station project. Most of the CBC members had attended a February 28, 2005 presentation by the Fire Station Building Committee at a joint meeting of the Board of Selectmen and the CBC, at which the facts and circumstances regarding the overrun were explained.

On March 31st, with all members present, Mr. Speidel first reviewed briefly the draft warrant articles for the upcoming annual and special town meetings affecting the CBC, including the pending acquisition of the Magsam residence on Concord Avenue. On behalf of the Community Development Department and the Sewer and Stormwater Advisory Committee, Ralph Jones withdrew the previous \$1 million request for the inflow/infiltration program (see Addendum F), explaining

that instead a larger I/I project was proposed to be funded via a bond issue per ATM Article 14.

Then, on behalf of the Accounting, Treasury and IT departments, Barbara Hagg presented a request for \$75,000 for consulting services in order to prepare and implement a request for proposal for the replacement financial management software package (Addendum O), in the hope that this system may be funded by a special town meeting later in Fiscal 2006. The CBC also reviewed an updated cost estimate for the request to reconfigure the Main Library circulation area (see Addendum K) and, with Gerry Missal and Bob Martin, reviewed detailed cost estimates for the School Department's previous requests for the White Field House stairs, the High School phone and voicemail system, and the Viglirolo Rink restrooms (see Addendum B).

The CBC then received a presentation from the Public Works Department, assisted by Kevin Looney for that portion of the presentation pertaining to the Viglirolo Rink:

<u>Department/Function</u>	<u>Representative(s)</u>	<u>Addendum</u>
Public Works	Peter Castanino Michael Santoro Gerry Schultz Bill Gardner	P

Mr. Looney then reviewed an update to his previous list of Building Services requests (see Addendum I).

Following the departmental presentations, Mrs. Bruschi updated the group on the March 30, 2005 Warrant Committee meeting. She related the Warrant Committee's request that the CBC provide a preliminary list of items to be requested pursuant to Article 10, ordered by funding priority, with an initial group totaling approximately \$1,670,000 and a second group bringing the total to approximately \$1,954,000.

Before discussing the Warrant Committee's request, the CBC voted unanimously to recommend favorable action on the appropriation of \$324,429 in Chapter 90 funds for the pavement management program under Articles 8, and on the appropriation of \$1,112,500 for Sewer and Water Enterprise capital projects under Article 13, as follows:

Source of Funds

Water Receipts	\$851,800
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Uses of Funds

Water Department:

Water main replacement program	\$647,300
Replace 1989 backhoe and purchase hydraulic hammer	96,000
Map and model water distribution in GIS system	65,000
Purchase GIS file server with licenses (split cost with Sewer Dept)	18,500
Update water distribution system study	25,000

Subtotal	\$851,800
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Source of Funds

Sewer Receipts	\$260,700
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Uses of Funds

Sewer Department:

Replace 1991 front-end loader	\$87,500
Replace 1986 four-wheel-drive pick-up truck	39,400

Community Development Department:

Map and model sanitary and storm drainage in GIS system	115,300
Purchase GIS file server with licenses (split cost with Water Dept)	18,500

Subtotal	\$260,700
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Total, Article 13	\$1,112,500
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With respect to the Warrant Committee's request, the CBC members discussed each department capital request proposed to be funded from general revenues per Article 10 and, while the CBC did not take a vote on a recommendation under Article 10 at this meeting, they did conclude unanimously to propose for the Warrant Committee's deliberation the following preliminary list of projects:

Priority One - \$1,668,300

Public Safety:

Replace 1988 frontline pumper truck	365,000
Purchase automated fire department shift filling software	35,000
Replace three police cruisers	111,600
Replace 50 police handguns and security holsters	16,000
Upgrade fire alarm signal digitizer	18,800

Education:	
Replace public address systems at BHS, Burbank and Winn Brook	80,000
Finance:	
Consulting for replacement financial management software package	50,000
Community Development:	
Pavement & sidewalk management program	300,000
Public Works:	
Purchase 15,000 lb GVW dump truck	46,200
Replace 1996 street sweeper	117,700
Building Services:	
Re-point Town Hall	390,000
Re-point Police Station	48,000
Continue facility and life safety repair program	90,000
Subtotal, Priority One	\$1,668,300
<u>Priority Two - \$291,100</u>	
Library:	
Replace phone and voicemail system <sup>2</sup>	\$23,800
Education:	
Replace phone and voicemail systems at BHS and elementary schools	95,000
Public Works:	
Purchase sixteen-foot cut lawnmower with five-ton trailer	72,300
Education:	
Replace 1970 #4 fuel oil burner at Winn Brook	25,000
Replace translucent panels at BHS (third year of five-year program)	75,000
Subtotal, Priority Two	\$291,100
TOTAL	\$1,959,400

Further, the CBC voted unanimously to recommend to the Warrant Committee that capacity be reserved within the Fiscal 2006 budget to accommodate short to medium-term borrowing within the Proposition 2 ½ tax cap for up to \$600,000 for

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<sup>2</sup> Although the Library and School phone and voicemail systems are listed separately, the CBC intends that they be considered of equal importance. In fact, the two systems should be installed at the same time.

repairs and replacements to ice-making capacity at the Vigliolo Rink, for up to \$700,000 for the proposed financial management software program, and for the acquisition of the Magsam residence at 303 Concord Avenue. Mr. Speidel agreed to put the CBC's recommendations to the Warrant Committee in the form of a memorandum to Interim Assistant Town Administrator Rebecca Vose (attached as Addendum Q).

At the Capital Budget Committee's April 14th meeting, attended by Mrs. Brusch, Mr. Conte, Mr. Firenze, Mrs. Griswold and Mr. Speidel, first Mrs. Brusch updated the CBC on the Warrant Committee's FY06 budget deliberations to date, including alternatives which have been discussed for funding three proposed major capital projects: needed improvements to the ice-making capacity at the Vigliolo Rink, a new financial management software package, and the acquisition of the Magsam property at 303 Concord Avenue. Alternatives which have been discussed by the Warrant Committee and Board of Selectmen include a \$3 million capital override, a \$2 million capital override, and a five-year borrowing within the Proposition 2 1/2 cap. The initial estimate of the FY06 budget impact of the latter is \$280,000-\$300,000, assuming full interest and principal for the rink and financial software and interest-only for the Magsam acquisition. CBC discussion of the potential impact of these alternatives on Article 10 was deferred until the conclusion of the meeting. Mrs. Brusch also informed the CBC that the financial articles will be dismissed at the upcoming Annual Town Meeting, and instead will be presented at a Special Town Meeting on June 6<sup>th</sup>.

Ralph Jones, representing the Community Development Department and the Sewer and Stormwater Advisory Committee, updated the CBC on the inflow/infiltration program. Thinking on the I/I project has evolved to the point where it is likely that a \$5 million, twenty-year bond issue to be repaid from Sewer Enterprise funds will be proposed under ATM Article 14 or its equivalent at the June 6<sup>th</sup> STM. He presented the financial impact of such a borrowing under two scenarios: a 4.75% interest rate with a traditional borrowing, and a 2.5% interest rate if funds can be borrowed from the MWRA (see Addendum R). The CBC asked Mr. Jones to work with the Town Treasurer to examine the feasibility of a level debt service borrowing so as to even the annual impact on the sewer rate-payers. Since the proposal is not yet complete and will not be taken up until June 6<sup>th</sup>, the CBC took no formal position on the Article.

Then Jil Westcott, representing the Library Trustees, presented the rationale for TM Article 20 (Addendum S), which calls for Town Meeting to support the concept of the preliminary design which has been developed for a new library on the existing Memorial Library site and an application by the Trustees for a state construction grant for the new library. The estimated cost based upon the

preliminary design is \$17.6 million in present dollars and \$22.3 million in future dollars, and the estimated state grant award is \$4.6 million. The remainder of the cost would be funded from a combination of a Town debt exclusion and private fundraising.

At 7:42 p.m., the CBC went into executive session for an update by Town Administrator Thomas Younger on negotiations between the Town and the Magsam family regarding the acquisition of 303 Concord Avenue. Mr. Firenze recused himself from this portion of the meeting. The executive session concluded at 8:00 p.m.

Afterwards, the CBC members present voted 4-1, with Mr. Speidel opposed, to recommend favorable action on Article 20, and the CBC continued its earlier discussion regarding the FY06 capital and operating budgets and its options under TM Article 10. The members concluded that it would be premature to take a vote on Article 10 or to amend its April 1, 2005 letter to Rebecca Vose (Addendum Q).

Prior to adjournment, the CBC reserved May 19, May 26 and June 2, 2005 as potential dates on which to meet again to prepare for the June 6<sup>th</sup> Special Town Meeting.