

**TOWN OF SUDBURY  
FINANCE COMMITTEE JOINT MEETING WITH THE  
SUDBURY BOARD OF SELECTMEN  
MEETING MINUTES  
February 23, 2016**

**ATTENDENCE**

Finance Committee Members Present: Susan Berry, Chair, Jeff Barker, Joan Carlton, Adrian Davies, Jose Garcia-Meitin, Bryan Semple

**Also Present:**

Patricia A. Brown, Chair, Susan N. Iuliano, Vice-Chair. Charles C. Woodard, Selectman, Leonard A. Simon, Selectman, Melissa Rodrigues, Town Manager, Andrew Vanni, Finance Director/Treasurer Collector, Jim Kelly, Facilities Director, Bill Miles, Fire Chief

**Absent:** Fred Floru, Jeff Atwater, Mark Minassian, Robert C. Haarde, Selectman

**CONVENE:**

The meeting was called to order at 7:40 p.m., by Chairman, Patricia Brown at the Lower Town Hall, 322 Concord Road, Sudbury, MA 01776

**Joint Meeting with the Sudbury Finance Committee - Presentations of Annual 2016 Town Meeting Articles 13, 14, 16, 17, 18, 19, 21, 22, and 23**

At 7:50 p.m., Chairman Brown welcomed the Finance Committee, and she opened a joint meeting with the Board of Selectmen to hear presentations regarding several articles submitted for the Annual 2016 Town Meeting (ATM).

Chairman Berry similarly opened the Finance Committee's joint meeting with the Selectmen. The Committee was previously in receipt of copies of Warrant Articles 13, 14, 16, 17, 18, 19, 21, 22, and 23. Chairman Brown stated there would be another joint meeting of the Board and Finance Committee on March 7, 2016 where the Capital Improvement Advisory Committee (CIAC) will share its position on these articles.

ARTICLES 14A and 14B - Fire Chief Bill Miles provided information to the Boards regarding Article 14A - Purchase of a Fire Department Ambulance - FY17 Capital Exclusion and Article 14B - Purchase of Fire Department Ladder Truck - FY17 Debt Exclusion. He explained the request is for \$265,000 for the

purchase of a new ambulance and associated equipment and \$875,000 for the purchase of a new ladder truck/pumper combination and associated equipment. He displayed photographs of the existing and the proposed new equipment. Chief Miles stated the ambulance was in service from 2008 to 2015 and has 105,000 miles on it and needs extensive repairs. He also stated the existing ladder truck would be approximately 18 years old by the time the Town takes ownership of a new replacement. Chief Miles emphasized, that given the nature of the equipment's use, it must always be in working condition and ready to perform. Finance Committee member Adrian Davies asked what would happen to the 2008 Ambulance. Chief Miles stated it would likely be a trade-in. Due to proposed new developments in Town, he also stated the Town may need to consider owning three ambulances in the future. Finance Committee member Bryan Semple asked how much a used ambulance is worth. Chief Miles stated approximately \$10,000, but it is difficult to estimate a trade-in value for approximately two years from now, which is the time estimate for receipt of a new ambulance.

Regarding Article 14B, Chief Miles displayed photographs of the existing and the proposed new ladder truck, and he explained how it is used as first-line equipment, and there is no reserve ladder truck. He explained the new truck would have a 103-foot ladder, and he emphasized the extra reach and height provided can be critical when there is a fire to suppress. Chief Miles stated a trade-in value for the used ladder truck is estimated at approximately \$50,000. Selectman Simon asked if the proposed new ladder truck would be able to access the new developments proposed by Sudbury Station LLC and National Development. Chief Miles stated development plans are reviewed carefully regarding access. Selectman Woodard noted Chapter 40B developments must comply with fire public safety regulations.

Mr. Semple stated the new ladder truck proposes a significant increase in capability, and he asked what the difference in cost is for a piece of equipment similar to what the Town currently has. Chief Miles stated he was not certain of the variance, but he noted this equipment is expensive, and he estimated the enhanced capacity may only cost approximately \$100,000 more, which he believes would be a good value for the Town.

Mr. Semple asked if there is a tally being kept of extra costs, which may be incurred by the Town for future developments. Town Manager Rodrigues stated fiscal impact studies are being prepared by both Chapter 40B developers to be presented to the Town for review.

ARTICLE 13 - Through a PowerPoint presentation, Town Manager Rodrigues presented her FY17 Capital Operating Budget. She explained the Budget was developed and recommended by Town staff, and projects may include items from all three cost

centers. Town Manager Rodrigues stated the budget is increasing almost 3%, by \$11,250, and she explained the items included are less than \$50,000 in one year, or less than \$100,000 over multiple years. She presented the FY17 recommended capital amounts by departments and by item for an approximate total of \$404,000. Town Manager Rodrigues stated \$50,000 has been budgeted for various Town building improvements, \$50,000 for school floor replacements which have not been replaced in 10-15 years, \$27,000 for the Haynes phone system, which has aging hardware and cannot be repaired, \$50,000 for Town carpet replacements in Goodnow Library and other buildings, \$50,000 for a Fire Station tight tank, which is currently a Department of Environmental Protection (DEP) standard, \$50,000 for a bobcat loader, which is used year-round, \$31,000 to replace the sidewalk paving roller, which was purchased in 2005 and is in need of repairs totaling \$5000, \$46,000 for Fire Car 3 replacement, which is used by the shift commander, and \$50,000 to replace 15 conventional hard-wired master boxes with new wire-less radio boxes in Town buildings. She displayed photographs of some of the floor and carpet replacements made in recent years at the schools and examples of some of the current and proposed equipment upgrades. Chairman Berry asked how long it would take to install the radio boxes. Chief Miles stated \$50,000 was appropriated last year, and with this year's \$50,000, the boxes could be replaced in the Town's 15 buildings by the end of next year. He also stated all businesses in Sudbury have been notified they will need to upgrade their radio boxes.

ARTICLES 16, 17, 18, 19, 21, 22, 23 - Combined Facilities  
Director Jim Kelly provided information to the Boards regarding Article 16 - School Rooftop HVAC Unit Replacement. He stated the article requests \$75,000 to replace the rooftop HVAC unit at either the Curtis Middle School or the Loring School. He explained both systems are approximately 16-18 years old, and they are near the end of their useful life. Mr. Kelly displayed pictures of the existing unit at the Loring School, and he stated repair calls have increased.

Mr. Kelly also presented information regarding Article 17- Town and Schools Parking Lots, and Sidewalks Improvements. He explained the driveways, sidewalks and parking lots at the Town facilities and Sudbury Public Schools (SPS) are in need of major repair. Mr. Kelly showed slides of improvements made in the past two years at the Curtis School and the Goodnow Library and pictures of failing pavement and sidewalks. He stated the article requests \$150,000 for the DPW to continue the improvements, noting he is cognizant of financial limitations for taxpayers.

Mr. Kelly presented information regarding Article 18- Nixon School Crosswalk Traffic Signal, noting the article requests \$25,000 to install a solar-powered crosswalk traffic signal at the intersection of Concord Road/Morse Road, and the driveway entrance to the Nixon School. He stated he believes this will be a safe improvement, which is less costly than the originally planned \$85,000 traffic light. Mr. Kelly explained the crosswalk will also be reconfigured and there will be new signage. He displayed a picture of the current relevant area at the Nixon School.

Mr. Kelly presented information regarding Article 19 - Town and School Security and Access Controls. He explained residents supported an article last year to begin implementation of new security and access controls in the SPS, the Flynn Building and the Goodnow Library. Mr. Kelly stated the article requests \$195,000 to continue the installation of electronic card access and exterior security cameras at Curtis, Haynes, Noyes, Nixon and Loring Schools and the Flynn Building, Goodnow Library, the Fairbank Community Center and Atkinson Pool.

Mr. Kelly presented information regarding Article 21- Schools Maintenance Garage. He stated the article requests \$95,000 for the construction of a new metal building maintenance garage for the Sudbury Public School Department. Mr. Kelly stated it is possible it might be located on the Nixon School property. He also noted the final design is yet to be determined, but preliminary plans suggest a possible 32'x62' building.

Mr. Kelly presented information regarding Article 22- DPW Cold Storage Garage Addition. He explained the article requests \$225,000 to construct a shed roof addition off the back side of the DPW garage located at 275 Old Lancaster Road. Mr. Kelly explained this would add approximately 6,370 square feet for vehicle storage, which will protect more pieces of equipment and Town assets. It will also save time from clearing the vehicles of snow and it will prolong the life of the equipment by being under cover. He noted the DPW garage was originally intended to be 10,000 square feet larger than what was eventually built.

Mr. Kelly presented information regarding Article 23- DPW Underground Fuel Storage Replacement. He noted the article requests approximately \$250,000 to remove the current gas and diesel underground storage tanks and replace them with above ground tanks with an updated fuel tracking system. Mr. Kelly stated the current tanks and systems are approximately 21 years old, and their 20-year warranty has expired. In addition, they have begun to need significant repairs. He noted it is difficult to find antiquated parts for service and the current fuel tracking system is not compatible with current technology.

Regarding Article 23, Selectman Simon stated he assumed having the tanks above ground would help prevent water and soil contamination. Mr. Kelly confirmed this to be true, but he noted even above ground equipment requires maintenance, but problems would be more easily detected. He also stated there will be a lot of new storm water management permitting regulations with which to comply. Selectman Simon asked if any underground leaks have occurred, and Mr. Kelly stated none have been detected.

Regarding Article 17, Selectman Woodard asked if any work is planned for Lincoln-Sudbury Regional High School (LSRHS). Mr. Kelly stated LSRHS was part of the process, but no projects are proposed for the High School. Chairman Berry asked if it can be assumed that recurring requests will appear each year for replacement of HVAC units and parking lots and sidewalks. Mr. Kelly stated it is likely and it is probably the cheapest way to keep up with a maintenance program. Mr. Davies asked how these projects would be funded. Mr. Kelly stated they would all be capital exclusions. Selectman Woodard explained there is no Free Cash available to defray the costs, and that all the projects would be handled as a one-year exclusion, except for the fire truck, which would be covered over five years.

Chairman Brown requested Town Manager Rodrigues' and Mr. Kelly's presentation slides be posted to the Town website. She also asked if there is quantifiable information, which could be presented at Town Meeting regarding how much is saved by keeping equipment under cover. Mr. Kelly stated the CIAC made a similar request, and he will try to address this, including quantifying staff time. Mr. Davies asked if, over time, replacement of HVAC units should be part of the operating budget. Mr. Kelly stated it might be considered sometime in the future. Selectman Woodard noted that, if the item were in the operating budget, it would only have to be approved by Town Meeting and not also on the Ballot. Mr. Kelly stated presenting the article as a capital exclusion is a lot of work, but he believes it provides transparency for the public.

Mr. Semple stated he had submitted questions regarding the articles in advance of the Meeting, and he asked if Mr. Kelly was prepared to address them. Mr. Kelly stated he was prepared to address them. Mr. Semple asked if there have been repair costs for the HVAC unit proposed to be replaced stating he is unsure that enough specific information has been provided to justify the expenditure. Mr. Kelly explained there have been costly repairs in recent years. He further explained it would be determined this summer which unit is in most need of replacement. Mr. Semple stated he would like to take his time asking questions about the articles because they total

approximately \$1 million for capital projects. He later stated there is not enough rationale presented in the HVAC article as to why it is needed now when the unit is still functioning. Mr. Kelly stated the Town does not want to be in the situation where it is performing a reactionary maintenance plan following an equipment failure. Mr. Semple asked if parking lots are handled as maintenance projects in the operating budget in other communities. Mr. Kelly stated replacing a parking lot, or portions of one, is a major improvement project, which includes many complex components. Selectman Woodard explained projects of this magnitude would not be able to be accommodated in the operating budget, and the character of the project is of a capital nature. In the interest of time, Chairman Berry suggested Mr. Semple's questions could possibly be addressed at the March 7, 2016 meeting. Selectmen Woodard noted tonight's joint meeting was to consolidate presentations for both groups, but no one is being asked to vote on the articles tonight. Mr. Semple questioned whether a building is being constructed for the School Maintenance Garage, which will deteriorate in 15 years. He asked why the equipment couldn't be stored at the DPW Building. Mr. Kelly stated there is no room at the DPW facility, as shown in the pictures shared tonight. He believes it is more appropriate to store the equipment at one of the Schools. Mr. Semple asked if space at the DPW garage has always been a problem. Mr. Kelly stated the building was probably built too small, and space has been a problem since 2012. Regarding Article 23, Mr. Semple asked if it is typical for towns to have their own fuel system. Fire Chief Miles stated this is customary because public safety needs access to fuel 24 hours a day and seven days a week. Selectman Woodard asked Mr. Semple to email the Board his questions. Regarding the HVAC replacement unit, Vice-Chairman Iuliano clarified that Mr. Kelly has identified the most problematic units, based on their current condition and age, and that his selection is not random. Mr. Kelly confirmed this to be accurate, noting the article provides some flexibility for the Town to replace the piece of equipment, which is most needed.

At 8:55 p.m., Chairman Brown suspended the joint discussion with the Finance Committee to next take out of order agenda item #4, a presentation on the Town of Sudbury, Massachusetts Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2015; the Town of Sudbury, Massachusetts FAO and OMB A-133 Reports for the Fiscal Year Ended June 30, 2015; and the Town of Sudbury, Massachusetts Management Letter June 30, 2015.

**Joint Meeting with the Sudbury Finance Committee - FY17 Budget and Other Issues Discussion**

At 9:35 p.m., Chairman Brown resumed the discussion with the Finance Committee and opened the discussion regarding the FY17 budget.

Finance Committee Chairman Susan Berry distributed copies of a spreadsheet entitled "General Operating Capital and Available Sources/Uses" to the Board and Committee members tonight. Ms. Berry reviewed that the Finance Committee, based on preliminary revenue figures, gave guidance last fall to the three cost centers that their cumulative growth, combined, could be no more than 2.6%. She stated each cost center presented a budget with growth of 2.6%, but Sudbury Public School (SPS) indicated it would need to eliminate four to five full-time equivalents (FTEs) for approximately \$325,000 to meet the 2.6% goal. In addition, Ms. Berry stated there was a shift upward in the percentage of the assessment Sudbury will pay for the Lincoln-Sudbury Regional High School. She explained the three cost centers were asked to come to the joint Finance Committee and Budget Strategies Task Force (BSTF) meeting on February 10, 2016 with suggestions of how to close this gap. Ms. Berry stated LSRHS adjusted its circuit breaker reimbursement assumption for next year and it reduced its anticipated transportation increase from 5% to 3%, which resulted in a \$156,000 reduction to its budget and a reduction of approximately \$133,000 to Sudbury's assessment. She further stated Town Manager Rodrigues and her team contributed another \$133,000 in budget reductions from a variety of accounts. In addition, Ms. Berry explained SPS contributed \$55,000 from a one-time savings in benefits and a reduction in its Technology line item. Following the February 10th meeting, Town Manager Rodrigues stated adding \$55,000 to the Local Aide line item would be prudent. Ms. Berry stated the Finance Committee discussed all the information provided, and it voted 6-2 to recommend a no override budget of \$90,943,226, as presented in tonight's handout. She explained the budget gives SPS back the money for its Technology line item, includes an additional \$125,000 toward the amount needed to ensure there are no FTE cuts and a \$12,000 reduction in the Minuteman assessment. Ms. Berry further stated some Committee members are concerned about the impact in future years of FTE additions to the Town and LSRHS. She explained how the calculations to cover the SPS potential FTE reductions were derived. Ms. Berry highlighted the Committee's recommended budget includes a contingency to review the SPS out-of-district costs at its April 11, 2016 meeting, with the possibility of adding up to another \$100,000 from Free Cash if it is needed for the out-of-district tuition. She stated the budget as voted results in about a 1.9% increase in the Town's budget, a less than 2.1% increase in the LSRHS budget, and a 2.8% increase in the SPS budget. Ms. Berry thanked the representatives from the three cost centers who worked together toward a no override budget. Vice-Chairman Iuliano asked where

the Committee stands on funding the Other Post Employment (OPEB) obligation. Ms. Berry stated it was discussed as to whether the amount should be lowered in FY17- FY19, but all three cost centers decided to keep it at two-thirds this year. Selectman Woodard noted this was the first year the Budget Strategies Task Force worked with the Finance Committee, and he believes it was a meaningful change for the three cost centers to work together to develop a budget for the entire Town. Chairman Brown asked how the Task Force assisted the budget process this year, and whether there will be a report drafted at some point. Chairman Berry stated the Finance Committee plans to discuss how the process worked at a later date, noting that, personally, she believes it helped the discussions. Chairman Brown asked if the budget has been posted, and Chairman Berry stated it would be published in the Warrant.

#### **ADJOURNMENT**

At 9:48 p.m., Chairman Brown formally adjourned the Joint Meeting with the Finance Committee.