

FINCOM
Meeting Minutes – September 24, 2013

Members Present: Steve (Chair), Alan, Heidi, Don, Laura

Not Present: Rudy, Alice, Bob

Others: BOS, CPIC

Location: Town Hall Meeting Room

Marie opened the joint meeting at 8:00PM

Marie Sobalvarro briefed the joint committees on the Town Hall Building project:

- Subcontractor bids received and opened – came in 30% higher than expected at \$561K.
- GC bids opened on 9/18 at 2:00 and also came in significantly higher
- Total expected budget shortfall of \$849K

Marie passed out a couple of handouts:

- Project Update and Options overview as of 9/24
- Article 18: Board of Selectman – Town Hall Budget Project Article from last ATM
- Budget Analysis & Cost Projection Spreadsheet from 9/19

Bidders have been asked to hold pricing/bids until 11/15

Building Committee and BOS will raise GC Contingency (line 103) from 7% to 10%

Additional relocation expenses have been figured in estimates

Latest estimate of project is \$4.9M with approx \$1.1M shortfall on top of \$3.9M already appropriated and voted on at ATM.

Discussion included:

- Risks associated with going to Town Ballot should it not pass?
- Do we really need to keep the same footprint even if we start over?
- Agreement that we need to do this project right the first time so as to not jeopardize/taint public opinion on expected future capital projects.
- Emphasize that to delay would likely result in increased costs with expected rising interest rates and material/bid costs
- Consensus to put the \$1.1M to town vote as excluded debt
- Need to outline costs associated with not approving the \$1.1M
- Emphasize that the total cost is really the \$1.1M plus the debt costs bringing total project cost to:
 - \$6.2M at 2%
 - \$7M at 4%
- Need to outline why it is going to a ballot question as excluded debt

- Why borrowing at current low rates makes sense vs. using cash
- Emphasize that the new building is expected to meet town requirements for at least the next 20 years

What information is needed for us to make an informed decision?

- What is the actual number agreed by BOS?
- What is the actual number the Building Committee stands behind?
- What additional relocation expenses incurred with the delay?

Timeline discussed:

- 10/1 (Tues) BOS creates warrant article
- 10/2 (Wed) Warrant Article Posted (without FINCOM recommendation language)
- 10/2 (Wed) FINCOM reviews warrant and creates position language
- 10/3 (Thurs) CPIC meets to review article

The joint meeting adjourned at 8:52 pm.

Respectfully submitted,
Don Ludwig