



## FINANCIAL PLANNING COMMITTEE

### MEETING MINUTES

Thursday, March 13, 2014

Selectmen's Meeting Room

---

---

#### **Present:**

Jason Perreault, Chair  
Richard Smith, Vice-Chair  
Heidi Bourque-Gleason  
David DeVries  
Michael Hodge  
Roger Leland

#### **Also Present:**

John Coderre, Town Administrator  
Dan Nason, Town DPW Director  
Fred Litchfield, Town Engineer  
John Campbell, Chair, Community Preservation Committee  
June Hubbard-Ward, Town Finance Director

Meeting convened at 7:02pm by Chairman Perreault.

#### Approval of Meeting Minutes

January 30 2014 regular meeting - Motion to approve (DeVries) was seconded (Leland) and passed 6-0.

Remaining agenda items were taken out of order so that Mr. Coderre would be able to move to the Appropriations Committee meeting taking place in the Selectmen's Meeting Room later in the evening.

#### Overview of FY15 Capital Budget and CIP

Mr. Coderre first noted a change to the DPW Highway Department capital projects as presented at the Committee's meeting on January 30. The Mini Excavator (\$70,000) has been pushed out to FY16. This, in combination with resources conserved from the MIS/GIS Wide-Area Network project, will allow the design costs for the Church Street and Otis Street culvert projects to be paid from available Free Cash rather than be financed by debt.

Mr. Coderre next presented a matrix detailing the funding sources for the proposed FY15 capital budget. Funding sources include \$893.5K free cash, \$46,000 cable license fees, \$165K from water/sewer enterprise fund balances, and \$1.975M water/sewer enterprise fund bond issuance, accounting for all expenditures other than the Lincoln Street School renovation project. Funding sources for the school renovation project are \$14.854M debt-excluded bond issuance, \$268K repurposed bond proceeds (remaining from the completed Library and Senior

Center projects, and which can only be applied to another 20-year, debt-excluded project), and \$10.4M grant from Massachusetts School Building Authority.

Finally, Mr. Coderre presented an update to the FY15 Free Cash Plan. Per the allowed uses specified in the Free Cash Policy, from the \$2.075M certified amount, \$150K is allocated to reserves, \$500K is applied to subsidize the operating budget, and the above-mentioned \$893.5K is applied to one-time capital expenditures, leaving a balance of \$531K.

#### DPW Presentation: Water and Sewer Capital Projects

DPW Director Nason reviewed FY15 capital requests for the DPW Water and Sewer divisions:

- Hudson Street Pump Station Improvements           \$ 150,000     (Sewer)
- Vacuum/Jetter Combination Trailer                 \$ 100,000     (Sewer)
- Meter Replacement and Billing System               \$ 1,500,000   (Water)
- Edmunds Hill Tank Rehabilitation                 \$ 325,000     (Water)
- One-Ton Service Truck w/ Plow                     \$ 65,000       (Water)

The Hudson Street Pump Station is a critical component that handles nearly all sewer flow pumped from the Town to the Marlborough treatment plant. It requires long overdue improvements to keep it in good working order.

The Vacuum/Jetter replaces a 30-year old unit. It is used to clear blockages in sewer lines and clean water lines.

The Meter Replacement project replaces all Town water meters for more cost-efficient operation, more extensive data capture, and improved leak/fault/tamper detection. Mr. Nason handed around samples of the current and new meters as he explained the benefits of the project.

The Edmunds Hill Tank Rehabilitation project reflects needed periodic maintenance and update to comply with current safety standards.

The Service Truck replaces two vehicles that have reached end of useful life.

Mr. Nason also mentioned that, in response to a suggestion made by Ms. Bourque-Gleason at the Committee's January 30 meeting, a consultant is working to identify and inspect other structures in Town that may be deteriorating, similar to the Church Street and Otis Street culverts.

Mr. Coderre left the meeting at 8:05pm to join the Appropriations Committee meeting. Ms. Hubbard-Ward arrived at 8:15pm from the Appropriations Committee meeting.

#### Presentation by Town Planner and Community Preservation Committee

Mr. Campbell, Chair of the Community Preservation Committee, explained that Town Planner Kathy Joubert was unable to attend the meeting. He first reviewed the current CPC fund balances; noted that the state matching amount had increased from prior year's 28% to 52%; and summarized the philosophy of allocating the minimum required amount to each of the program's three fund categories (Historic Preservation, Open Space/Recreation, Affordable

Housing) and retaining the balance in an unreserved fund, thus maintaining maximum flexibility to direct the unreserved funds to any category for which a favorable project arises.

Next, Mr. Campbell reviewed the nine CPC project proposals for FY15. Of these, three were the subject of some discussion:

- Memorial Baseball Field observation platform renovation -- The project cost is a conservative estimate, not an actual bid amount; reluctance to delay it a full year in order to secure bids. Uncertainty about the urgency of this project with respect to safety.
- K-8 Schools Basketball Court Rehabilitation -- The court at Lincoln Street School is omitted since that school may undergo a comprehensive facility and site renovation. Suggestion made that it should be included conditionally according to whether or not school renovation is approved.
- Funds transferred to Conservation Fund for open space purposes -- Clarified that the total cost of proposed CPC projects exceeds the year's anticipated revenues, and that most of the funding for this proposal is a transfer from the unreserved account. It is anticipated that there will be some upcoming land acquisition opportunities in the next few years.

#### Schedule a Date to Tour and Inspect Fire Station

The Committee plans to hold one of its next two meetings at the Fire Station in order to tour and inspect the Fire Station. As the Committee will have other business to conduct, it was agreed that the meeting start time should remain 7:00pm, the meeting should begin with the tour, the tour should last no more than 30 minutes, and focus be confined to issues with the building (not vehicles and equipment). Mr. Perreault will contact Chief Durgin to agree on a date.

#### Next Meeting Date and Committee Meeting Schedule

Next two meeting dates are March 20 and March 27.

#### Any other business to come before the Committee

Mr. Perreault took suggestions for items to be included in the General Comments section of the Committee's report, which he will draft and distribute in advance for review at the next meeting on March 20. The Committee plans to vote its recommendations for FY15 capital projects at the March 20 meeting. The report will be updated with the recommendations, then reviewed and finalized at the subsequent meeting on March 27.

Meeting adjourned at 9:07pm.

Respectfully submitted,

Jason Perreault  
Chairman

#### Documents used during the meeting:

1. Minutes of January 30, 2014
2. Capital Improvement Program Summary
3. FY2015 CPA Applications and CPA 2015 Budget
4. CIP DPW Project Detail Sheets

y:\john\financial planning\minutes\2014\03.13.14 fpc minutes.docx

