

Westborough Advisory Finance Committee
Minutes of Meeting No. 10, FY2012
October 13, 2011

Approved
December 5, 2011

Members Present: John E. Arnold, Chair, Bill Linnane, Jo Lown (7:10 p.m.), Jim Tepper, Kathy Rosenblum Senie, J. J. Malone, Lisa Blazejewski (7:35 p.m.). Absent: Ed Behn, Pete Allen.

At 7:00 p.m. Mr. Arnold called the meeting to order in the Selectmen's Meeting Room.

Call to Order/Open Forum

There were no requests to address the Committee.

Approval of Minutes

Meeting No. 08, October 3, 2011

Mr. Linnane moved to accept the minutes. The vote to approve the minutes is 5 in favor, with 5 being present.

Meeting No. 09, October 6, 2011

Ms. Rosenblum Senie moved to accept the minutes. The vote to approve the minutes is 4 in favor, 1 abstention (Linnane), with 5 being present.

AFC Preparations for Special Town Meeting

Library Trustees/Director re: Library HFAC Article

Library Director Maureen Ambrosino, Library Trustees Jim Holmes and Lisa Freeman, and Town Manager Jim Malloy appeared before the Committee to provide an update on Article 11. Mr. Malloy distributed a summary of the engineer's report which he had prepared. Reinhardt Associates had looked at the existing system and outlined the following options:

- **Basic Option:** replace the existing system with a similar system, with the minimum rated efficiency (85%) to qualify for incentives (the current system has an efficiency of 75%). The cost would be \$489,000.
- **Option 2a:** install a single high-efficiency boiler with a rated efficiency of 91%, at a cost of \$514,000.
- **Option 2b:** install two high-efficiency boilers (to provide redundancy), at a cost of \$531,000.
- **Option 3a:** same as 2a, but with an energy recovery ventilator, at a cost of around \$541,000.
- **Option 3b:** same as 2b, with energy recovery ventilator, at a cost of \$558,260.

Mr. Malloy had compared the life-cycle cost of the various options over 20 years, and found that Option 2a provided the shortest payback period. He had also done a debt service analysis, to determine the annual impact of the various options on the budget; again, the best option was Option 2a. Mr. Malloy had also taken another look at the Town's Free Cash and stabilization funds and found that the Town will be at 8.4% reserves after Special Town Meeting's articles are accounted for. Even if Free Cash was used for this article, the Town would still have 4.8% remaining in Free Cash with 7.6% in reserves overall going into Annual Town Meeting. Mr. Malloy noted that the interest costs alone for borrowing these funds would be \$166,000; therefore, he recommends the Town go with Option 2a, using funds from Free Cash.

Mr. Malloy explained that the work most likely would take place in the spring of next year. Mr. Malone wanted to know if there were any asbestos issues with removing the old boiler. In answer to a question from Ms. Lown, Ms. Ambrosino assured the Committee that there are no plans for moving the library to another location. Mr. Arnold noted that the Committee will wait and vote on the recommendation for this article at Town Meeting on Monday evening.

Mr. Malloy's updates of Article 2 and 13

Mr. Arnold noted that there had been changes to Articles 2 and 13. Mr. Malloy explained that due to an arbitration hearing which the Town lost, a higher-ranking employee would need to be re-instated and a more junior position eliminated. Though this turn of events has changed the numbers somewhat, there is still a substantial savings, he added. In reference to Article 13, Mr. Malloy noted that, because the employee was terminated in June, the Town must pay back wages, which increases the amount included in the article. Ms. Lown would like details on the cost to the Town for arbitration, as well as unemployment insurance.

Mr. Arnold noted the good cooperation between the Library Trustees and the Town Manager in working through the Library HVAC requirements. Mr. Malloy felt credit was also due to Ms. Ambrosino. Mr. Malloy added that the whole point of having a sufficient level of reserves is so borrowing can be avoided when a major expense of this type becomes necessary.

Other STM Topics

Mr. Arnold displayed a proof copy of the booklet. He intends to pick up the copies and deliver them to the High School on Monday. He thanked everyone for their help in getting the booklet finished. Ms. Lown felt Mr. Arnold and Mr. Behn had done a great job putting the report together.

Chairman, Committee Liaison, and Department Liaison Reports

Mr. Arnold noted that a set of Town office closings for 2012 is now available. He also reminded Ms. Rosenblum Senie, Ms. Blazejewski, and Mr. Behn of the upcoming meeting of the Association of Town Finance Committees. Ms. Lown felt it would be helpful for them to take notes and report back to the Committee. Mr. Arnold will email some potential dates for the Committee to go over its budget.

Mr. Linnane noted that the Wastewater Treatment Plant is now 98% complete, two months ahead of schedule.

Ms. Lown has been in contact with Chief Perron.

Mr. Arnold reminded liaisons to meet with their departments before budget crunch time. Ms. Lown noted that the liaison form documents would be helpful for making notes, and to provide a historic record to pass on to future liaisons.

Comments and Concerns of Committee Members

Mr. Arnold reminded members of the meeting on Monday evening, 6 p.m., at Westborough High School, prior to Special Town Meeting. If Town Meeting goes over into Tuesday, Mr. Behn will chair.

Adjournment

Mr. Linnane moved to adjourn the meeting at 8:05 p.m. Vote to adjourn was 7 in favor, with 7 being present.

Document List

Final AFC Report & Recommendation.

Westborough Library HVAC Report.

Westborough Library Window Replacement Study.