**FINANCE COMMITTEE**

**Meeting Minutes**

**Tuesday, March 15, 2016, 6:30 PM**

**Lower Conference Room, Dedham Town Hall**

**Members Present:** John Heffernan (Chair), Maureen Hanlon, Sue Carney, Dave Roberts, Liz O’Donnell, Cecilia Butler, Kevin Hughes, Marty Lindemann and Kevin Preston.

Mr. Heffernan called meeting to order at 6:37 PM.

Article 33: Proposed Legislation: an act authorizing the Town to establish an additional excise on sale of gasoline & diesel fuel

Brian Keaney was present to represent the article. He explained that this article would propose a 3 cent tax be added to all gasoline sold in the Town. There was a Town in western Massachusetts that came up with the idea. The intent is to get additional money from people do not live in Dedham but are just passing through Town. Mr. Keaney explained that he counted about a dozen gas stations and approximately 72 pumps in Town. His estimate is that this will raise the Town about $250,000 per year. He confirmed that the tax will also impact those who live in Town.

Kevin Preston expressed concerns of a possible risk of retaliation from other Towns, and also the risk of Dedham gas stations losing business. Mr. Keaney responded that he does not expect those types of issues given the success of the Robin Reyes fund which does not appear to have hurt too many restaurants or hotels in Dedham.

Ms. Hanlon expressed concern of people circling Dedham in order to avoid the Town’s gas stations as a result of this, and to have it affect Dedham businesses. She explained that she is all for avoiding taxes where possible.

Ms. O’Donnell asked if this was on a state ballot a few years ago. Mr. Keaney explained that was to repeal a gas tax. Ms. O’Donnell explained that she would like to see more data on what the typical person spends on gas annually.

Mr. Heffernan asked why Mr. Keaney chose the 3 cent amount. Mr. Keaney responded that he literally copied what another Town had done.

Mr. Kern explained that the Patrick administration proposed a 19 cent increase at one point. He also explained that this seems like it could weaken the Town’s case if they asked for more money from Chapter 90.

Mr. Preston commented that he thinks the majority of the tax would be collected from people who live in Dedham, and that mostly residents would see it as an extra tax on them. He added that the tax is aggressive.

Michael Butler commented that this has been percolating western part of state for a couple years. He was interested in hearing whether people would see it as a way to offset property taxes because as a selectman, they hear often about high property taxes. One of the reason the taxes are high is the Town is playing catch up with its infrastructure. The idea is this is a way to maintain roads, and the responsibility is shifted to the user of the roads. The Town would have a choice of what to do with that money. Mr. Butler agreed with Mr. Preston that this tax is aggressive, and for that reason he does not think Dedham would want to be the first to make the move to doing this as there seems to be a disadvantage with being the first. Mr. Butler added that for the hotels and meals tax, just about every town inside 495 has adopted it, so there is no advantage or disadvantage over other neighboring towns.

Mr. Heffernan asked Mr. Keaney if he had considered changing the tax to 1 or 2 cents. Mr. Keaney explained that would be fine with him as it would be better than nothing at all in his opinion since it is money that they otherwise would not have had.

Ms. Butler commented that she thinks 3 cents puts the Town at a disadvantage. She would be more in favor of a penny or two. She added that since Dedham is closer to the city that they are typically paying less than Towns further from the city. She also does not want to put any of the Town’s gas stations out of business.

Ms. O’Donnell commented that if there was any way that they could get some better data rather than guessing that would be helpful, because she thinks the idea is interesting.

6:57 PM: Town Manager Budget

James Kern, Town Manager, presented on the Town Manager’s budget.

Mr. Kern explained that the only position that was significantly increased by a full grade, as a result of the management compensation study, was that of the Assistant Town Manager. Concurrent with that he thought it would be appropriate to increase the responsibility of the position and have 5 department heads from human services type departments as direct reports to the Assistant Town Manager.

Mr. Kern explained that the Town has gone through an RFP process and chosen a website vendor. It is expected to be $27,000 to create the website, and approximately $6,000 to maintain it. One of the items they liked about this vendor was that design credits were included in the maintenance fees. He explained that the staff had visited the Town of Arlington to meet with their full-time staff to get their insight on the vendor and it was all positive. Mr. Kern explained there is also a state grant to work with communities and it will help the Town focus on civic engagement.

Mr. Kern explained that $7,500 is for livable Dedham. This will allow the Town to work on things together to make decisions on transportation, housing, etc.

Mr. Kern explained that the bus service has been increased by half an hour.

Civic pride was also increased to $12,500 for civic pride as they are a terrific benefit to all parts of Town.

Mr. Roberts asked how they arrived at the $18,500 increase for the bus service if they were only increasing it by a half hour. Mr. Kern confirmed there were other adjustments made, but that was the biggest change.

Ms. Hanlon asked if the fare was ever increased. Mr. Kern responded that seniors went from $0 to $0.75, and other riders went from $.50 to $1.50 per ride.

Mr. Lindemann asked where ridership is now versus where it was. Mr. Kern responded that they are at baseline this year.

Ms. O’Donnell asked if what the web vendor will be doing is all front end stuff, or if they are also doing any of the back end work. Mr. Kern responded that they are building the content management system that the Town will use to post things.

Mr. Lindemann commented that he is sitting on the livable Dedham planning committee as a representative from the Finance Committee, and he strongly urged people fill out the survey which is on the website or in paper form.

Kevin Preston informed the Committee that he is the husband of Diane Barry Preston whom is leading the Livable Dedham initiative.

Ms. Carney commented that was the first time she hears a name associated with Livable Dedham. When she received a survey in the mail from livable Dedham, she had no idea who they were or what their intentions were. Mr. Kern explained that it is really a community movement right now, and they still have some decisions to make.

Ms. Hanlon asked who would be doing constant updates on the new website. Mr. Kern responded that some percentage of Lisa Bazinet’s position is social media/website and they will probably spend some time identifying how much of her job should be devoted to the website. They will need to determine how much of her time is really required to do this right. A number of people have told him that he needs to put a full-time person in the Town for the website. He is resisting that for a couple of reasons. He doesn’t want to spend the money until he knows that they have to. The backup for Lisa will be the Town Manager’s office. He doesn’t mind paying Lisa to help departments to troubleshoot posting on the website, but he doesn’t want to pay her to do it for them. Lisa is going to be doing a lot of trying to get the organization to function well on the website, and to get the website up and running. He will give department heads the message that they will need to stay on top of this.

Ms. Hanlon asked who is going to train department heads. Mr. Kern responded that Vision is going to do some training, and we are also going to do a train the trainer. Ms. Hanlon commented that there are a lot of department heads who will likely not be into doing this and hopefully Mr. Kern will be able to convince them that they need to be because without all of the right people doing the input it just doesn’t work. Mr. Kern responded that the Town has an obligation to not see it as optional.

Article 2: Personnel By-law Changes and Bargaining Agreements: Nothing to discuss

Article 5: Elected Officials Salaries

The only elected official remaining with a salary is the Town Clerk. The amount will be included with the motion.

Article 6: Transfer from Prior Years Special Articles: Nothing to discuss

Article 9: Appropriation to Stabilization Fund: Nothing to discuss

Article 13: Additional Contract Term with Fallon Ambulance Service

Mr. Kern explained went out to bid, Fallon was the successful bidder. They negotiated a 3 year contract with 2 extensions.

Article 18: MWRA I/I Local Financial Assistance Program- Phase 10

Jason Mammone explained that this article would allow the Town to go into agreement with the MWRA for Phase 10 funding which is basically a 75 percent grant, 25 percent interest free loan for a total of $913,000 to do inflow and infiltration removal within the Town's aging sewer infrastructure.

7:30 PM: Article 19: Rescind Authorized Debt Unissued for Various Projects

Jane Lepardo, Treasurer/Collector was present to discuss Article 19.

Ms. Carney asked why it took so long to address some of these, especially those that go back to 2007 or 2008. Ms. Lepardo responded that she can't speak to what happened before her time with the Town. Ms. Carney confirmed with Ms. Lepardo that in her experience in other Towns she has seen situations where they go back this far.

Mr. Heffernan asked how you know when something is ready to be rescinded. Ms. Lepardo responded that typically it is when a project is completed.

Mr. Heffernan asked how often she plans to do this; once or twice a year at Town Meetings? Ms. Lepard responded that she thinks it will normally be once per year.

7:40 PM: Article 34: Acquisition of Kehoe Park from the State

Ms. Baker explained that they are asking the state to turn over Kehoe Park to the Town. This was requested and approved by Town meeting in the past, but was not appropriately filed by the state.

Ms. Carney confirmed with Ms. Baker that the state has been doing most of the maintenance to the park up until this point.

Ms. Carney asked if in a year from now the DPW would request additional money to take care of this additional park.

Mr. Preston asked what the practical impact would be of taking this on; is there a use that the Town is envisioning.

7:50 PM: Article 17: Reports of Committees

Mr. Heffernan explained that tonight they will be hearing an update on the Municipal Campus project.

Town Manager James Kern explained how there were changes to the scope of the building which has increased the cost of the Ames building from $10 million to $14 million.

Mr. Roberts confirmed with Mr. Kern that changes were made that drove the increase in cost.

Mr. Lindemann commented that he does not see this as a change order, he sees it as being a more political bait and switch. The politics of getting into that building were such that the cost was minimized and the evaluator was not asked the right questions and now the Town is being asked to pay more for the project. The sense in the community for some be that this is a bait and switch kind of thing, so Mr. Kern may want to remember that when he writes something up for Town Meeting to describe the updates.

Mr. Kern explained that citizen groups such as the BPCC are asked to make decisions and as that process goes through the ideas can change.

Mr. Lindemann commented that people may also ask what of these costs is necessary now that the cost is increased by millions of dollars.

Mr. Heffernan asked if there is anything they could have done differently to identify these items earlier to help those people who may feel this was a bait and switch understand what happened.

Mr. Preston commented that his recollection was that this project would be funded from the Robin Reyes fund.

Mr. Kern explained that the BPCC decided to do an early demolition to try to reduce the amount of uncertainties.

Mr. Kern the Committee has made decisions to make the building more modern today so that it is less expensive to run in the future.

Mr. Kern explained the second part of the change in the plans is a combined public safety building. He doesn’t want to back engineer the Fire building. With 3 buildings they are several parking spaces too short as it relates to the Town's bylaw requirements. They have been visiting other Towns public safety buildings. The design of public safety buildings is crucial as compared to an office building. Shared space is beneficial for savings. The site has already had buildings on it which is also beneficial. The are still estimating the required square footage of the building around 32000 square feet. They are estimating $22.4 Million, but he has put a placeholder for $25 million.

Ms. Carney asked how square footage is determined and whether it is based on geographical size or on population.

Mr. Kern responded that on the Police side it is based on calls for service and population. Fire is similar as it is based on calls for service, equipment, number of bays, administrative, number of other stations, etc.

Mr. Kern discussed how the timing impacts price. For every year they wait they estimate an additional cost of $1 million. They have determined that it is not an additional cost when you consider the impact of timing.

Mr. Preston commented that the figures are a little misleading as they are being presented. He felt that the actual comparison was not being given, and it should be, including the cost comparison of building a building in the same year.

Mr. Lindemann commented that he has never seen a Town do building replacement projection analysis; someone who works maintaining facilities may think about that but he wondered what the public perception would be of this.

Ms. Carney doesn’t think that people will have difficulty with the Town projecting far out.

Mr. Lindemann asked if they are planning a controlled underground parking for the Public Safety Building. Mr. Kern responded that is likely, but they have not started to design the project at all.

The committee continued to discuss the best approach for communicating this and other information to Town Meeting.

9:01 PM: Ms. Carney asked for an update on the backup information that she had requested for internships. Ms. Baker confirmed that they are still working on this.

Mr. Lindemann made a motion to adjourn at 9:07 PM, seconded by Ms. Carney, UA.