

## **MINUTES OF THE FINANCE COMMITTEE**

April 24, 2017

Meeting held at Town Hall, 139 Main Street, Rowley, MA

7:00 p.m.

**MEMBERS PRESENT:** BOS Chairman Joseph Perry; BOS Vice Chairman Robert Snow; BOS Clerk Cliff Pierce; BOS MEMBER Robert Merry; BOS MEMBER David Petersen; FINCOM Chairman Larry White; FINCOM MEMBER Sharon Emery; FINCOM MEMBER Jami Snow; FINCOM MEMBER Janet Bridges; FINCOM MEMBER Peter Censullo; FINCOM MEMBER Dennis Roy (Town Administrator Deborah Eagan, Assistant Town Administrator Amy Lydon)

**MEMBERS ABSENT:** FINCOM MEMBER Paul Jalbert

**PUBLIC ATTENDEES:** Emma Hunt - Pine Grove School Building Committee; Chris Kneeland - Pine Grove School Building Committee; Michelle Cresta - Triton School Business Administrator; Henry Rolfe; Mark Emery - Water Commissioner; Steve Comley; Brett Alger; Tina Tzortzis; Richard Ziemiak; Joan Petersen - Moderator; Bernie Cullen - 283 Wethersfield Street; Karen Summit - Treasurer/Collector; Susan Bailey - Town Accountant; Sean McFadden - Principal Assessor; Patrick Snow - Highway Surveyor; MaryBeth Wiser - Water Superintendent; Scott Dumas - Police Chief; James Broderick - Fire Chief; Brent Baeslack - Conservation Agent; Kirk Baker - Town Planner; Frank Marchegiani - Health Agent; Pamela Jacobson - Library Director; Brienne Walsh - COA Director; Andraya Lombardi - Pinck & Co., Larry Berger - Pinck & Co., Meridith Corsetti - 22 Arthur Gordon Drive

### **7:00 p.m. JOINT MEETING WITH FINANCE COMMITTEE**

- Informational Hearing on the May 1, 2017 Annual Town Meeting Warrant and May 1, 2017 Special Town Meeting Warrant

Chairman Perry asked the audience to keep their comments under three minutes if possible, and to identify themselves with their address. He said the meeting is being audio and visually recorded digitally.

Chairman Perry called the Joint Meeting with the Finance Committee to order by a roll call vote of the Board of Selectmen. Bob Snow so moved, Cliff Pierce second, all in favor – roll call vote: Joe Perry – aye, Bob Snow – aye, Cliff Pierce – aye, Bob Merry – aye, Dave Petersen – aye.

Finance Committee Chairman White called the Finance Committee Meeting to order. Chairman White announces that the meeting is being audio and video-recorded digitally by Rowley Community Media. It is not being shown live tonight, but will be shown later this week on RCM.

Chairman White called the Joint Meeting with the Board of Selectmen to order by a roll call vote of the Finance Committee. Sharon Emery so moved, Jami Snow second, all in favor – roll call vote: Larry White – aye, Sharon Emery – aye, Jami Snow – aye, Janet Bridges – aye, Peter Censullo – aye, Dennis Roy – aye. Paul Jalbert – ABSENT.

Joint meeting opened at 7:09 p.m.

Chairman Perry asked if there were any questions on the Annual Town Meeting Articles, #3-19. There were no questions or comments on these articles.

The following comments were made about Article 20, which is the article to fund the refurbishment of the Pine Grove School:

Richard Ziemiak said the cost to refurbish the Pine Grove School (PGS) is \$39,000,000, and Newburyport just replaced an elementary school for that amount. He asked the Board for comments about this. Perry said they have been having meeting about this project for well over a year. He said PGS is in desperate need of renovations. He said \$50,000 has been budgeted in the Triton budget this year for emergency repairs to the school, and over \$100,000 has been spent this year. He said two years ago, we received a call that there was no heat at the school. He said the boilers are over sixty years old, and the manufacturer is out of business, we can't get parts for them, and the boilers need to be replaced. He said we also need to install a sprinkler system, fix the fire alarm system, and upgrade the electrical system. He said the electrical system is so bad that something needs to be unplugged before you can plug something new in. He said the 90,000 square foot roof leaks everywhere. He said the kitchen equipment is sixty years old, and some equipment is no longer in use. He said the school doesn't meet the ADA code. He said with the state funding, we can get a lot more work done, and we can bring the school up to code in addition to the needed fixes. He said he realizes this will be a big increase in taxes, and he is a senior living on a fixed income.

Richard Ziemiak said he understands that the PGS needs these items to be fixed, but asked why not build a new school. Perry said a new school was discussed, but where would it be put? He said per the state, Rowley only needs a 70,000 square foot building for our population, which is 20,000 square feet smaller than the current building.

Pierce said nobody can predict with accuracy what the student enrollment will be five to ten years down the road. He said we would have to address how to handle a potential population increase if we had a smaller building. He said the most sensible approach is to renovate the existing building.

Dave Petersen said the MSBA offers two different programs to either build a new building or renovate an existing building. He said Rowley was one of fifteen communities, out of ninety applications, which was approved for funding a renovation. He said if we went back to the MSBA for a new building, we would have to throw our name back in at the beginning of the process. He said there would also be the cost to

tear down the current building. He said professionals looked at the school and it is feasible to renovate it. He said the school has a sound structure and is well built. He said it needs what Perry detailed, and this will give us the best bang for the buck and bring it up to code. He said it is in a good location with adjacent playing fields. He said if this doesn't pass, we will be looking at spending multi-million dollars for needed repairs, and the Town will have to pay 100% of these repairs. He said this is an investment in our children and home values. He said we got our money worth out of the school, and it is time to renovate it.

Perry said he has been asked if we are guaranteed to not go over budget. He said we have Pinck & Co., as the Owner's Project Manager, and they have done an excellent job with the paperwork for the MSBA. He said Dore and Whittier is the architect for the project, and WT Rich is the Construction Manager. He said we have a super team, and he is confident that if this is voted for, it will come in on budget and on time with their commitment to the project. Perry introduced Brad Dore, and John Richardson from Dore and Whittier, and Andraya Lombardi from Pinck & Co., who will make a presentation on the project. Perry thanked the Department Heads for being here tonight.

Andraya Lombardi provided an overview of the process and key players. PGS Principal Kneeland presented the urgent needs of the school slides. She said there are constant repairs, which cost from \$2,000 to \$4,000 each time. She discussed the problems with the leaks through the doors and ceilings, electrical issues, kitchen equipment issues, and problems with carpets, mold, lighting and ceiling tiles.

John Richardson of Dore and Whittier presented the slides on the renovation scope. He said the proposed enrollment is 415, and all grades will have three classrooms instead of four. He said the classrooms will be reorganized for proper grouping, and the space from the existing fourth class per grade will be preserved in case it is needed in the future. He said the bones of the school and its structure are good, it is larger than needed, and it is more cost effective to renovate it. He said there are three septic systems currently, and this will be replaced with one centralized system. He said the estimate of \$39,000,000 was estimated by WT Rich using the drawings from Dore & Whittier, and Dore & Whittier did an in-house estimate as well. He said the MSBA will reimburse the Town approximately 50% and the time is now to do the project and get the reimbursement from the State. Lombardi reviewed the slides regarding the project cost.

Steve Comley Jr. of 50 Mansion Drive asked why the cost is so high. He said current construction costs \$200 - \$211 per square foot, and this project costs \$433 per square foot. Lombardi said the \$39 million includes hard and soft costs. Richardson said the hard costs are \$330 per square foot, and new construction costs are now \$500 per square foot. Richardson said this is a very good design, and escalation costs are included.

Brett Alger said if the Town votes this down and some simple repairs are made, at what point does the school become uninhabitable. Petersen said the school is running on a day to day basis and at some point the boilers will break and need to be replaced. He said the problems will compound, and it is essential to move forward with this project. He said if not, the Town will need to do major repairs, without reimbursement from the State. He said at some point the Fire Chief and Building Inspector will say it cannot be used because it is not safe. He said building costs are increasing 5% per year, and it is essential that we get this done since it will never be cheaper or easier.

Fire Chief James Broderick said he has done the annual inspection of the school for the last nineteen years, and they find a list of things that are wrong. He said there is no sprinkler system, the fire alarm system is antiquated, there is not complete access around the school for the Fire Department, the leaky roofs will cause mold and the Board of Health will get involved and the building will be condemned. He said if the building becomes structurally unsound, it will be condemned. He said this project is as important as the Police and Fire Station project. He said the Safety Committee and Triton has done a great job making the building safe. He said in 1957 there was a fire in a Chicago school without a sprinkler system and 27 kids were killed. He said PGS has a hodge podge carbon monoxide detection. He said there is no emergency power at the school, and if power is lost, the kids would need to be bused to Triton. He said the school has lived its life and the time is now to fix it.

Don Booth from 162 Haverhill Street said we are all calling this a derelict facility. He asked if last year the Town voted for a new Police and Fire Station. Perry said yes the vote was for \$11,700,000 for that project. Booth asked if last year it was voted to fix the school. Perry said no, last year a feasibility study was submitted to the MSBA which cost \$800,000, which the State will reimburse the Town 50%. Booth asked what the cost and method of payment will be for the school project. Petersen said a debt exclusion override needs to be voted on at the May 9<sup>th</sup> election. Snow said if we don't fix this now, we won't get the State reimbursement. Booth said it will cost \$11,700,000 for a new facility, and \$39,000,000 for a used facility. Snow said yes, the Town's infrastructure is old. Perry said you can't compare a school building that houses 400 plus students and staff to a Police and Fire Station that holds four/five trucks and staff. He said the current school is 90,000 square feet, the outside frame is in good shape and we don't have to start from scratch.

Richard Ziemiak of 26 Hammond Street said nobody denies that this needs to be done, but they don't want to see a fiasco like the Water Treatment Plant, where more money is requested at each Town Meeting. He said all items should be included at the start of the project, and incompetence won't be stood for again. Perry said this project has been done right, and we hired an OPM. He said the Selectmen aren't professionals for this type of project, so Pinck & Co, Dore & Whittier and WT Rich were hired, and he is confident the project will be brought in on budget and on time. Joan Petersen said the State will make sure every nickel is spent properly. Perry said the School Building Committee will still be involved until 2019 overseeing this project. He said they will be getting monthly reports with the costs from the professionals working on this project.

Richardson said they just finished the schematic design, and part of the contract is to deliver a project that meets the budget of \$39 million. He said that number includes contingencies, the Construction Manager at Risk is on board and the cost estimates have been done to make sure the estimates are on target.

Merrick Corsetti from Arthur Gordon Drive asked if studies have been done regarding the liability we will have with the Triton budget increase. Perry said Triton has submitted a budget and that will be approved at Town Meeting. Larry White said the Triton budget is increasing by \$434,000 for Rowley.

There were no questions on Articles 21 and 22.

Richard Ziemplak of 26 Hammond Street asked if we have looked at the HVAC for the Town Hall in Article 23. Petersen said we have gotten two quotes, one for \$75,000, and another for \$85,000. He said we are requesting \$100,000 but will look to get the cost lower than that. He said any unused money will stay in the article to be re-appropriated for a different project. Treasurer/Collector Karen Summit said money left over from capital projects can be re-appropriated to fund another similar capital project. Ziemplak said this year is tough and a tighter estimate could be used to keep taxes down.

There were no questions on Articles 24, 25 and 26.

Petersen said Article 27 is for funding for the land behind PGS, adjacent to the existing fields. He said we will have to close Haley Field, which is in the well field and is dangerously close to Route 133. He said the field could be relocated to this new land, and there will hopefully be additional space for soccer and lacrosse fields. He said the land is flat and there are no woods, and we could start planning the fields right away.

Brett Alger said he is the current Open Space Committee Chair, and he has no issue with the amount requested under Article 28 for the Annex Elevator, or making the building ADA compliant. He asked if CPC money can be used for acquiring a new historic building, or to repair an existing historic building. He asked if the Selectmen view anything happening to a historic building as appropriate for CPC funding. He asked if the Selectmen will be going to the CPC for the actual construction costs of this project. Perry said this money is for the preliminary design, and there will be construction costs potentially requested from the CPC. Petersen said the Annex is a historic building, and you can use CPC money to make the building ADA compliant. He said an elevator will provide access to the basement and the second floor, which will increase office space and provide a second conference room. He said this is the first of two phases of the project, and at the Fall Town Meeting, we will look for funding for the construction. He said the whole project will cost approximately \$1,000,000, and be paid with CPC money so there is no additional impact on the tax rate. He said the Town is growing and the infrastructure needs to keep up.

There were no questions on Article 29. Merrick Corsetti from Arthur Gordon Drive asked what the unfunded liability is for OPEB under Article 30. Town Accountant Sue Bailey said it is approximately \$6,000,000.

There were no questions on Articles 31 and 32.

Chairman Perry reviewed each of the articles on the Special Town Meeting warrant. There were no questions on the Special Town Meeting Articles. Perry said Article 12 is for the Mehaffey Farm project, which has been allocated \$450,000 in CPC funds, but the Town was only committed for \$100,000, with the remaining \$350,000 coming from Greenbelt. He said this article moves the \$350,000 back into the CPA fund.

Chairman Perry called for a motion to close the Joint Meeting with the Finance Committee. Cliff Pierce so moved, Bob Snow second, all in favor – roll call vote: Joe Perry – aye, Bob Snow – aye, Cliff Pierce – aye, Bob Merry – aye, Dave Petersen – aye.

Chairman White called for a motion to close the Joint Meeting with the Board of Selectmen. Sharon Emery so moved, Dennis Roy second, all in favor – roll call vote: Larry White – aye, Sharon Emery – aye, Jami Snow – aye, Janet Bridges – aye, Peter Censullo – aye, Dennis Roy – aye. Paul Jalbert – ABSENT.

Joint Meeting closed at 8:33 p.m.  
Respectfully submitted,  
Amy Lydon  
Assistant Town Administrator