

**TOWN OF LAKEVILLE**  
**Board of Selectmen and Finance Committee**  
**Meeting Minutes**  
**December 5, 2016 – 6:30 PM**

On December 5, 2016, the Board of Selectmen held a meeting at 6:30 PM at the Town Office Building in Lakeville. The meeting was called to order by Chairman Hollenbeck at 6:30 PM. Selectmen present were: Selectman Hollenbeck, Selectman Powderly and Selectman Burke. Also present were: Rita Garbitt, Town Administrator, and Christine Weston, Recording Secretary. LakeCAM was recording the meeting.

Chairman Petruzzo called the Finance Committee to order at 6:31 PM. Members present included: Michael Petruzzo, George Vlahopoulos, Ryan Trahan, and Daniel Holland.

**Discuss Capital Projects**

**A. Funding for Police Station**

Chairman Hollenbeck stated that she wanted to discuss some Capital Projects, before it is Budget and Capital Project season. The Town very recently received the Technology Budget, which has a lot in it with respect to the Technology needs for the Town. Regarding the Police Station, it is important to determine if the Town should go in the direction of a Debt Exclusion for all or a portion of the costs, or fund it through the Operating Budget. Selectman Burke stated that it is being assumed that the Town wants a new Police Station. Back in 2007, the square footage deemed necessary was about 16,000 to 17,000 square feet, predetermined according to growth rate and all kinds of Federal regulations. An estimated figure of \$5 million is projected for the Station; however, that is not including the soft costs of Design and Project Management. Presently, the Police are working in a facility under 5,000 S.F. For a 10,000 square foot building, on the high side, it would be \$6 million. Though that is an expensive square foot cost, it includes specialized aspects, which make it more costly. If the Town receives approval at Town Meeting, then the next step is to go out to bid. It should take about six (6) months to construct the building. After Town Meeting approval, the Police should have a facility in approximately 16 months. The Town will have to continue proceeding through the Legislative process for site approval. It is important that the process is done by competent professionals, who understand how to build such a building. Paying for the right people to do the job is money well spent, even though the amount may be high.

Chairman Hollenbeck provided some scenarios for paying for the Police Station. Payments on a \$6 million dollar debt, extending out 20 years with 2% interest would be \$365,000 a year with the first payment due in 2019. If \$5 million is borrowed and then reserves are used for the remaining balance, the payments would be \$303,000 per year. If \$4 million is borrowed and reserves are used for the remaining balance, the payments would be \$242,000 for 20 years. Chairman Hollenbeck referred everyone to the two (2) page Debt Schedule, which was provided (Long and short term Debt Schedule FY18 – updated 7-26-16) with exempt and total debt on the second page. In 2018 there should be \$234,000 in the Operating Budget, since there will be fairly substantial payments for the Fire Pumper Truck and the Police Station Design. In 2019, there will be \$450,000, and then some major projects do fall off the Debt Schedule. There is

nothing on the Capital Project list that is as big as the Police Station. It is a substantial piece of debt, and should not be funded through the Operating Budget. The impact per household can be generally determined so that people will have an understanding of how much their taxes may increase. Ms. Garbitt stated that she can ask the Financial Advisor for that information on the full amount. They have the average impact column for the taxpayer. There is some money in a Debt Service Stabilization Account. \$700,000 has already been authorized for the Police Station Design and Project Management, which is already cutting into the \$6 million, so it is really \$5.3 million needed. Ms. Garbitt pointed out that actually it is \$800,000 since two (2) authorizations were done in the amounts of \$400,000 and \$400,000. Ms. Garbitt stated that she would ask the Financial Advisor to run both the \$6 million and \$5 million schedules.

Selectman Powderly pointed out that the 77 houses which will be built at LeBaron will bring in taxes; however, they have not even broken ground. We need to be cautious when considering New Growth. Selectman Powderly asked where the proceeds of the land sale at Howland Street went. Ms. Garbitt explained that \$50,000 was used to pay down the note. The balance is in a Special Revenue Account. It had been sold for \$760,000. The excess Water Tower funds are in an Enterprise Account in the amount of \$160,000. Then there are the betterments of approximately \$220,000, which will be used to hook up the Police Station to Taunton Water. Selectman Powderly cautioned the use of Free Cash as some of that is just a one-time thing. Paying for the Police Station through Short Term Borrowing would be 1%. To bond the rate is 2.5% – 3%. Ms. Garbitt pointed out that if the amount was borrowed short term, it could be extended ten (10) years. Then there are no disclosure fees. Selectman Burke suggested taking a look into various scenarios; it may be possible that a combination of both could be done to offset the risk. Chairman Hollenbeck stated that the figures should all be known well before going to Town Meeting. Spreadsheets can be put together to show the impact on households, and an explanation can be given of what is being done, why, and show how the options have been researched.

Ms. Garbitt stated that the motion at Town Meeting will have to be exact for a debt exclusion. Chairman Hollenbeck stated that it will be necessary to know if the Town wants to have a debt exclusion, use money from the Operating Budget, or a combination of both. Selectman Powderly stated that the Town will then sell the old Police Station and the Assessors Building. Mr. Trahan asked how many tax paying parcels there were. Ms. Garbitt responded that there are approximately 3,500 for year round homes.

## **B. Pavement Management**

Chairman Hollenbeck stated that according to the Pavement Management Program, the cost to do all that is necessary with the roads is \$5.9 million. Selectman Powderly explained that having the fuel leak used approximately \$2 million of Chapter 90 funds that could have been used for the roads. Looking at the Rush Pond Road area, those roads have been done in the past two (2) years. Taking that off the repair cost money, it has been said that the intent is to spend \$1,368,000 to do those roads. Kenneth Welch Drive is still on the list; however, most of it has been done already. The Town was able to do close to \$1.4 million of road projects for approximately \$700,000. He wondered if the overall amount is much higher than it really needs

to be. Chairman Hollenbeck asked if the amount is just materials or does it include some estimate of labor? Ms. Garbitt stated that the labor is included.

Mr. Trahan mentioned that there has been a huge drop in the price of asphalt over the past year and a half to take into consideration. Selectman Powderly stated that \$255,000 was authorized to be spent on Route 79, which brings the amount spent on non-road related projects to \$2 million. The Pavement Management Plan is not something to bring to the taxpayers right now, since there are a lot of questions in the plan, like not wanting to do a dead end road. The Plan needs to be looked at regarding the need, not so much the pricing/cost. Maybe everyone could take a drive on the roads to determine if it is seen that particular roads really need to be done, and if so, what should be done. It is important that if there is very low travel on a particular road, it may not be a primary road to be done. Another example would be paving a road with ten (10) houses on it versus a road that has 500 cars travel it a day. Both the Fire and Police Chiefs have ranked the highest traveled roads that need to be stayed on top of such as: Highland Road, Rhode Island Road, Precinct Street, etc. The Chiefs were asked for the five (5) highest roads of importance to do in Town. Another consideration is if the road should be done over completely or just milled and overlaid. Mr. Trahan suggested that traffic be taken into consideration as a component and that a portion of the roads should be done at a time, then review what has been done and slowly continue to proceed. Chairman Hollenbeck stated that she would rather not go out to bond on this either, but we cannot rely on the State providing funding. It does seem like a good idea to have the Superintendent of Streets do a particular amount of roads with a certain amount of funding, and then review what he has been able to achieve and continue along in that fashion. Selectman Powderly noted that a fair amount of crack sealing had also been done. There should be a new report coming from BETA, which weighs what the Town got done and the amount of traffic over the roads. Then it can be determined which roads should be done next, which to mill and overlay and which to crack seal.

Discussion then took place on the intersection at Routes 18 and 79 regarding the roundabout versus traffic lights. MassDOT wants to do the roundabout like the one in Freetown; however the Town would rather the signalization. Selectman Burke noted that MassDOT has indicated that some of the things they are suggesting can be waived, like the bike lane and the sidewalk, so that just a road can be done. Chairman Hollenbeck stated that the intersection does need improvements. Selectman Burke said there needs to be a way to highlight the specific streets that the Town wants to do. He added that he would like to try and commit more funding towards the roads. Mr. Trahan stated that he would like to see an update from BETA, and have the opportunity to speak with Mr. Peck during budget review, and allow him to have some influence on what he feels should be done. Selectman Powderly stated that the members of the Selectmen and Finance Committee should drive down the first five (5) reclaimed streets and the mill and overlay streets. Knowing a new report is needed from BETA, how would the streets be financed; by providing another \$200,000-\$300,000 a year? Chairman Hollenbeck suggested Free Cash. Mr. Trahan suggested to perhaps dedicate more money towards the roads, depending on the amount and type of Capital Projects each year.

### **C. Technology Planning**

Chairman Hollenbeck stated that the Board has received the Strategic Plan from the Technology Consultant. About 2/3's of the way into the report are nice segments about the projects and the costs. The first phase is ongoing right now. Portions are in place and with costs appropriated. The Plan is set up year by year. Not being done this year is the Citizen Centric Website and some other remaining things from 2016, which were not done or appropriated. There is approximately \$30,000 that has not been appropriated for this fiscal year. There is approximately \$25,000 in the budget, however, that is designated for hardware. The plan does not have giant heavy hits for the second year. In years three (3) and four (4), there are some renewal costs. The Consultant stated that he can give the Board pick and choose options, depending on what is deemed to prioritize. Ms. Garbitt mentioned that there are some items on the State Bid List, which then eliminates a layer of Request for Proposals and Request for Quotes. Chairman Hollenbeck stated that the Strategic Plan can be reviewed for Capital Projects, since there does seem to be a lot for long term planning. Then there is the permitting software. Mr. Peck just started on the GIS. The software conversion has been approved, and People GIS for the Storm Water and Complete Streets will be underway. Chairman Hollenbeck stated that she would like to get a demonstration of the new company trying to break into MA.

Selectman Powderly stated that the Capital Budget for the past two (2) years was \$500,000 and \$774,000. Prior to that, it was only about \$250,000 for three (3) years. It needs to be determined where things are heading. The Town cannot afford what has been spent in the past two (2) years, do Road Management and build a Police Station. There is also an ambulance purchase coming up.

### **New Business**

Chairman Hollenbeck stated that another meeting can be set up when there is more information about the Police Station figures and the updated BETA report has come in for Pavement Management. Regarding Other Post Employment Benefits, maybe the Finance Committee would like to come in to go over the PCOT Trust. Selectman Powderly stated that his concern is if \$17 million is the correct number? Chairman Hollenbeck stated that it is an actuarial. It is based on actual people, since employee dates and other information has to be provided. An Average Mortality Table is used. The anticipated Rate of Return is 3%. The Rate of Return goes up to 7% if the Town joins PCOT. It is amortized over 15 years and that repeats. Selectman Powderly stated that he was fine putting aside at least \$230,000 for this each year.

### **Old Business**

There was no old business presented for discussion.

### **Any other business that may properly come before the meeting**

The next joint meeting for the Board of Selectmen and the Finance Committee was set for Tuesday, January 10, 2017 at 6:30 PM.

### **Adjournment**

Upon a motion made by Mr. Holland; seconded by Mr. Trahan it was:

VOTED: To adjourn the Finance Committee Meeting at 7:53 PM.  
Unanimous in favor.

Upon a motion made by Selectman Burke; seconded by Selectman Powderly it was:

VOTED: To adjourn the Board of Selectmen at 7:54 PM.  
Unanimous in favor.