

**Capital Improvements Committee Meeting Minutes**  
**First Floor Conference Room - Town Hall**  
**One Avenue A, Turners Falls MA 01376**  
**Wednesday, February 8, 2017**

Meeting opened at Town Hall at 3:00 PM. Attendees included Capital Improvement Committee (CIC) members Fred Bowman, Don Valley, and Greg Garrison, and Town Administrator Steven Ellis. Also in attendance were members of the Public Works Facility Building Committee including its chair, Ken Morin, Mark Williams, and DPW Superintendent Tom Bergeron and Town Planner Walter Ramsey. Miranda Davis of the Recorder was in the audience.

**Review and approval of minutes**

- Mr. Valley moved to approve the minutes of February 1, Mr. Garrison seconds. Motion passes 4-0.

**Discussion of the New DPW Facility**

Mr. Morin reported that the project has not been modified substantially from presentations made last fall and the cost remains at \$11.5M. The Building Committee intends to request a debt exclusion override vote to construct a new public works facility on the site of the old burn dump behind Judd Wire at the 2017 Annual Town Meeting.

Mr. Garrison explained that the CIC's role in the process is advisory in nature. That its objective is to ensure it does its due diligence in examining the project as a basis for making a recommendation to the Finance Committee. The CIC finds the need compelling, but needs to examine the costs and understand the project better.

Mr. Morin stated that the Building Committee contracted with Weston & Sampson, which began by developing estimates of the facility's specifications based on staffing and current industry practices. The need to follow increasingly tough codes and requirements, ADA requirements, and create facilities for both men and women are all part of what increases costs. He noted that the facility will have a minimally heated space for equipment that keeps it out of the weather and ready for immediate use when plowing and sanding must be done.

Mr. Morin and Mr. Bergeron noted a range of deficiencies at the existing garage. Beyond code and safety issues, it doesn't offer near-sufficient storage for fleet, and the bays aren't wide enough to accommodate larger plows. This leaves vehicles and equipment outside, which can decrease life expectancy, adding ongoing cost to the town. It also results in lost staff time required to mount plows, warm and prep trucks for plowing, et cetera. He noted that the new facility actually doesn't have enough space to house all DPW vehicles and that is a limitation of the plan that might require continued use of the old garage for cold storage, as well as the town hall annex.

Mr. Ramsey noted that the committee did seek to verify the cost estimates provided by Weston & Sampson. This included getting an independent third party estimate of the costs proposed. That estimate differed in some details but confirmed the overall cost of the project as being in this vicinity. They are confident they properly vetted the cost estimate. Noted that it includes a 20% contingency, which is important given that we are proposing to build on a former burn dump site.

Mr. Garrison asked what proportion of the fleet would have indoor space in this new plan and Mr. Bergeron estimated the figure at 70-80%. He's been told that inside storage may add 5-7 years to the life expectancy of our vehicles. On the safety side of the indoor vehicle storage conversation, Mr. Moran said he visited the new Deerfield highway garage and saw the safety benefits of a modern facility sized and equipped to maintain DPW vehicles, as well as the added safety of working with plows under indoor vs outdoor conditions. Saw safety and efficiency there.

Mr. Valley expressed concerns regarding the cost of the solution to what he sees as a clear need for a better facility. Asked whether the Town could "ready-line" trucks inside and add a double width canopy outside. He estimates this would reduce inside space by 7500 ft<sup>2</sup>. Mr. Ramsey said the committee considered reducing the vehicle storage area, but that this offers limited reductions in the overall cost relative to what's being given up. This is the least expensive part of the build out. At about \$2.5M overall, it might save a million dollars. He noted that there is about \$9.2M in construction costs with the remainder being soft costs such as management and engineering, and a 20% contingency. Mr. Valley suggested \$1M is a meaningful sum to save.

The discussion turned to how building operating costs were expected to change. The committee did not offer an estimate, but felt some efficiencies would be gained through co-location of the facility with the transfer station and gas pumps, as well as previously mentioned labor savings from having indoor storage. The conversation turned to the ongoing cost of maintaining other buildings, most specifically the old garage but also the town hall annex. Mr. Garrison noted that it could be difficult to transition the old garage to private hands due to possible contamination. Wondered what the town can expect to pay for ongoing upkeep of these building if they are in service still. There's a desire not to see ongoing capital improvement requests for the old garage.

Mr. Valley noted the significant impact of this proposal on tax rates. The assessor and treasurer helped him estimate the impact at 11 cents per thousand residential and 16 cents per thousand for business rate tax payers. Did the committee really focus on affordability? We are currently making debt payments of about \$600,000/year and this would add another \$700,000/year. At that level of debt we will be near our limit of spending for the next 12-13 years. This is a question of what will it take to maintain our current quality of services. We don't expect our quality to improve. This is a difficult sell. It's hard to pass a 2/3 vote on a debt exclusion of this size.

Mr. Williams noted that the primary focus of the committee was ensuring the town had a safe and functional public works facility that would meet town needs and this is where it came out at. Cost containment was a consideration, but the committee's focus needed to be on building an appropriate facility.. Mr. Bowman feels that an additional \$175/year (on an average home valued at \$200,000) is not unreasonable. Worries that if we don't build it now on our terms the state will step in and force us to build to a standard they dictate. It was noted that clearly accounting for operating cost impacts is a pressing concern for the Finance Committee.

Mr. Garrison reiterated that the CIC's focus is on doing due diligence to explore and understand the project. Mr. Bergeron states that we are building a 50-year building, not a 25 year building. He noted that equipment and facility demands may change or remain the same. Size and sophistication of machines may increase, demanding more space over time. We know the road miles in our town will remain the same.

There was brief discussion of the costs of waiting. Mr. Ellis noted that borrowing rate estimates have increased from 4.5% last fall to 5% this spring. Inflation will affect other areas of cost, as well as increasingly strict regulations. We had a chance to do this for much less in the early 2000s and now regret taking action then.

Mr. Ellis noted that his concern with the current plan is the lack of accounting for cost of keeping existing buildings in service when we know they are likely to require capital improvement. Is not looking to further increase cost, but would prefer that any plan account for all of the costs. Mr. Bergeron said that with the current plan the old garage would still need to be used for cold storage, but the smart thing to do would be to add a cold storage "butler" building at the new site. That hasn't been priced out. Mr. Garrison noted that from an investment standpoint it makes sense to move all operations into a single location.

There was a discussion of infrastructure costs required to hook the new facility up to utilities, which Mr. Ramsey indicated are not accounted for in the current plan. It is hoped that FRTA will build a new garage in the area behind Judd Wire's parking lot. This would create the infrastructure we need and perhaps avoid as much as \$350,000 in infrastructure costs that will otherwise be associated with the project. Such a deal is not yet finalized.

Mr. Bergeron reiterated that a better but still not sufficient highway garage is not the solution we need. Mr. Williams elaborated that affordability was a concern and that they trimmed the most expensive space—for administration—first. They were focused on making a safe, modern building. We compared this project to projects in similar towns and found that our proposal comes out in the middle from a cost perspective, even though we have more miles to maintain than most other towns.

The Building Committee's goal is to pursue a town meeting vote for the design and construction process. There is no sense paying for design if the vote for construction is not there. Design is expected to take about 6-12 months.

Mr. Ellis confirmed that the committee has an opportunity to report out to town meeting on March 2<sup>nd</sup> when a Special Town Meeting will be held. It is the first item on the agenda for that 7pm meeting at TFHS.

**Discussion of items for next week's meeting agenda**

- Discussion of possible change of bylaw to reduce membership of the CIC to 5 members

Need to address the following unresolved items:

- \$75,000 DPW Discretionary project funding request.
- Allocation of \$200,000 in the WPCF Capital Stabilization Fund.
- Other late arriving capital items that may require action.

**Meeting adjourned at 4:30pm**