

TMMA Warrant Information Report



November 2011

This report has been prepared by the Town Meeting Members Association to provide information to Town Meeting members concerning the articles of the warrant for the Special Town Meeting beginning November 14, 2011. The TMMA is grateful for the cooperation of the officials and employees of the town who have provided information used in preparing this report. The following people participated in research, composition, editing and proofreading:

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For new and updated information, please refer to the
TMMA website at

www.LexingtonTMMA.org

Conflict of Interest Guideline for Town Meeting Members

In 1976, Town Meeting adopted the following non-binding Conflict of Interest Resolution:

Resolved, that Town Meeting Members abstain from voting in any particular matter in which to his knowledge, he, his immediate family or partner, a business organization in which he is serving as officer, director, trustee, partner, or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has any economic interest in the particular matter under consideration.

Please note that Town Meeting Members are specifically excluded from the responsibilities posed by the State conflict of interest statute, Chapter 268A.

Revisions:

29 October 2011: revision 1.0 – printed version

Special thanks to:

Christopher Bing for the cover artwork

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Note About Dollar Amounts in this Report

Please note that all dollar amounts listed in this report are NOT final. The final dollar amounts will be provided in motions presented at the Special Town Meeting on November 14.

Also note that the information provided in this report was current as of the publication date (see page ii); some circumstances may have changed since then. See the TMMA web site for new and updated information.

Article 2 Appropriate for Bridge and Bowman Schools Reconstruction

To see if the Town will vote to appropriate a sum of money to remodel, reconstruct and make extraordinary repairs to the Bridge and Bowman schools, including architectural and engineering services, original equipment and landscaping, paving and other site improvements incidental or directly related to such remodeling, reconstruction or repair; determine whether the money should be provided by the tax levy, by transfer of available funds, by borrowing, or by any combination of these methods; or act in any other manner in relation thereto.

(Inserted by the Board of Selectmen at the request of the School Committee)

Funds Requested: *unknown at press time*

Description: *This article requests funds for the reconstruction of the Bridge and Bowman schools to extend their useful lives. Funds for the costs of design, engineering and generation of construction documents were approved at the 2010 and 2011 Annual Town Meetings.*

BRIDGE AND BOWMAN

SUMMARY: This Article would appropriate money to reconstruct Bridge and Bowman Schools to extend their useful lives.

FUNDS REQUESTED: Unknown at press time

Overview (as of 10/26/11)

This article requests money for the renovation (or reconstruction) of Bridge and Bowman schools. At press time, the estimated amount was \$22.6M; this number may change if revised estimates come in before Town Meeting. If Town Meeting approves this Article, there will likely be a debt exclusion override vote sometime in January. It is expected that this debt exclusion override will be on the same ballot as a question to approve funds for the construction of a new Estabrook School.

At the 2010 Annual Town Meeting, we voted \$750,000 for design funds for the renovation of Bridge and Bowman. The project would include primarily long-deferred maintenance work identified by the 2009 LPS (Lexington Public Schools) pre-K to 12 Master Plan and approved by the Master Planning Committee – fire alarm replacement, heating and ventilation system replacement, building envelope upgrades, and architectural and accessibility improvements – and was estimated to cost \$13.7M. This maintenance was deemed necessary both for the safe and effective operation of the facilities and for creating an acceptable learning environment.

Thought has been given to replacing the existing Bowman and Bridge buildings with new buildings. The Massachusetts School Building Authority (MSBA) has identified Bridge and Bowman schools in the statewide inventory as generally good condition, so it is unlikely that the MSBA would support a request to share in the expenses of construction of entirely new schools.

Should this article not be approved, it is unlikely that the problems at Bowman and Bridge will be addressed any time soon. Hastings and other priority Town facilities will likely come before funding for new Bowman and Bridge buildings.

The renovation was originally expected to extend the useful life of the schools by 5 – 10 years, and accommodate about 460 students in each school. The population of each school is currently over 500 students, and growing.

As the design process went forward, it became clear that additional changes were desirable to accommodate the increased population at both Bridge and Bowman. It also became clear that the timeline for any replacement of these schools would be further in the future than originally anticipated, because they would have to get in line behind Hastings and other priority Town facilities. So, at the 2011 Annual Town Meeting, we voted an additional \$280,000 for additional design work so that the revised project would extend the life of the schools for 20-25 years, accommodate 560 children in each school, and provide other upgrades. The expected cost at this time was approximately \$19.4M. The expanded scope would include, in addition to the original upgrades, four additional classrooms per school, small educational spaces, security enhancements, sprinkler systems, and centralized ventilation systems that will greatly improve energy efficiency.

Since the Annual Town Meeting, the cost estimate for this project has risen from \$19.4M to \$22.6M. The increase results from the following factors:

Market conditions \$850,000

Design Detail \$500,000 (i.e. more detailed information about costs)

Phasing Allowance \$1.1M (originally it was hoped that construction could occur over two summers; however some work will have to be done while children are in school, incurring additional costs. Such work would be done outside of school hours, partitioning off and cleaning up work areas and providing air filtration as necessary)

Code Requirements \$300,000 (e.g., new Bowman roof must meet earthquake-resistant requirements)

Hazardous Materials \$250,000 (increased estimate of abatement cost)

To reduce the impact of these increases, several relatively minor reductions in scope were made, including deferring exterior painting and locker replacement, and eliminating generator enclosures and new doors. These reductions are reflected in the cost of \$22.6M.

Included in the original base scope of the renovation was replacement of the old single-pane windows with double-pane windows, estimated at about \$400,000 per school. While thermally-efficient windows would result in energy savings (about \$10,000 per year) that are relatively small compared to their cost, they would provide increased comfort, especially in summer when they would keep the classrooms cooler. The planned “partial cooling system”, a small air-conditioning system capable of cooling to about 78 degrees and dehumidifying the air, would provide moderate comfort even if the single-pane windows are re-used. To allow for flexibility, the window replacements will be priced separately in the bid documents, as an “Add Alternate”,

and the Permanent Building Committee (PBC) will recommend to include them (or not) based on the actual bids. Thus, if the bids come in lower than expected, the windows will be included. If bids are higher than expected, the windows will likely be excluded from the project.

To understand the debate on this Article, it is important to realize that the chief opposition comes from those who advocate replacement of the schools rather than this renovation project.

Proponents' View

Proponents of the Article believe that the problems with the existing school buildings can be satisfactorily addressed by renovation. The renovation will address the current problems with the buildings, add needed space, and greatly extend the useful lives of the buildings.

In addition to space constraints and the problems noted above, Bowman and Bridge families and staff note the following problems with the current facilities:

- Leaking roofs
- Noisy, inconsistent and inefficient heating and ventilation systems
- Safety and building code issues (i.e., no sprinklers)
- Security issues (i.e., entrance is not visible from office)

Proponents believe that renovation will address all of these issues in the most cost effective manner possible and with a much more certain timeline than rebuilding would offer. Finally, they believe that renovation will entail much less disruption to student and community lives, and lower environmental impact.

While new construction would lead to lower energy costs, these differences would yield only minor improvements over renovation. Nor would they compensate for the waste that demolition and disposal of a whole building would require, or for the higher capital outlays that would be necessary.

New construction at Bowman and Bridge would require identifying “swing” space to house classes during construction, as the sites will not permit students to remain in the old buildings while new ones are built. The only facilities that could be used for this purpose are the old Harrington (currently housing school administration) and Estabrook.

Finally, proponents say that the time to fix these issues is now, and failing to begin this process now would leave the Bowman and Bridge communities without any viable plan and unable to tell parents and students when, and even whether, anything would be done.

The PTA/PTO Presidents of all nine schools are united in their support of Article 2. In addition, the Presidents of the Bowman and Bridge PTA/PTO report that there is widespread support from their parent communities for these projects.

Opponents' View

Opponents of this article believe we should rebuild the schools rather than renovate them. This preference is based on:

- A desire to provide the best – and most equitable – solution across all districts

- Concern that renovation will cost more and take more time than expected
- Belief that rebuilding will ultimately provide better value and lower long term cost than renovation
- The opportunity to use new construction materials and methods to produce extremely efficient “green” schools

In 2001, after a review of our 50+ year old school buildings, the Town articulated a commitment to providing excellent facilities and parity across all districts by building new schools to replace all of the existing facilities. After the construction of the new Fiske School, and in light of declining state funding, we have backed away from this commitment. The opponents believe that, with low interest rates and construction costs, this is a unique opportunity to renew that commitment.

Opponents note that the management of a renovation project is very different from that of a construction project. With renovation, you don’t know what you are going to find behind each wall – as demonstrated by the problems we have discovered at Estabrook. When negative surprises arise, there can be a cascade effect across subcontractors that results in delays and cost increases. While new construction is subject to similar issues, the frequency of surprises in new construction tends to be much lower.

Building technology has improved and continues to do so. A renovated facility might be out of date in 10 years, and need to be torn down in 20. New construction will allow us to provide a leading edge, truly green and efficient facility that should have a life of 50 years or more, and cost much less over the long term.

Opponents believe that, by building new, we will create the best learning environment for our students. We will also create the best environment for our Town. There will be positive impacts on property values and, over the long term, on Town finances.

Finally, opponents maintain that the cost of building new could be \$30 million per school or less (the same amount as was estimated at the Spring Town Meeting, even though the cost of renovating the schools has risen by over 15% since then). They believe that building new fulfills the Town’s commitments, that this is the time to build and finance this project, and that building new will, over time, be the best way to address the issues at Bowman and Bridge.

Article 3**Appropriate for Fire Communication System**

To see if the Town will vote to appropriate a sum of money to upgrade the Fire Communication System; determine whether the money should be provided by the tax levy, by transfer of available funds, by borrowing, or by any combination of these methods; or act in any other manner in relation thereto.

(Inserted by the Board of Selectmen)

Funds Requested: *unknown at press time*

Description: *The Fire Department has been experiencing recurring problems with its radio communications system in certain parts of the Town that have resulted in temporary losses of communications. A team composed of representatives from the Fire Department, Police Department, MIS, Dispatching and the Town's radio consultant are recommending the following upgrades to the radio system to stabilize the system and bring it to acceptable standards of reliability by making the following improvements: 1) the addition of two radio repeaters; 2) converting the repeater at the Dispatch Center to a transmitter; 3) installation of fiber optic communications lines to those portions of the system that are connected via leased copper phone lines; and 4) replace and upgrade two repeaters that are incompatible with the overall communications system. Some portion of the improvements may also include the Police radio system where fire and police share common radio sites.*

FIRE COMMUNICATION SYSTEM

SUMMARY: This Article alleviates a radio communications problem that Fire Department vehicles experience in certain parts of town.

FUNDS REQUESTED: Unknown at press time

Overview (as of 10/26/11)

This Article will alleviate a radio transceiver communication problem that Fire Department vehicles now experience in certain parts of town that have resulted in temporary losses of communications. Currently, radio communication is transmitted from a radio station to a fiber-optic tower to another radio station. There are 3 receiver sites and two transmitter sites.

The Article proposes to change the Dispatch Center receiver site to a 3rd transmitter site and adds receiver sites at Fiske School and in East Lexington. In addition, the Verizon copper lines will be replaced by the more reliable fiber.

Questions:

Question #1: What are the anticipated costs?

Answer #1: At this time \$180,000 is being reserved for costs associated with this project.

Question #2: Is this a long-term solution or an interim solution?

Answer #2: This is an interim solution. The long-term solution is to establish a wireless network that will allow fire department vehicles to communicate station to station. It is anticipated that a request for a study as to how best to achieve this long-term solution will be made at the next Annual Town Meeting. If the long-term solution is approved, the implementation period would take two years. At this point, the fiber optic network will be the backup system.

Question #3: How will this article affect the Fire Department's current response time?

Answer #3: There will be no effect on the current 6-7 minute response time.

Article 4 FY2012 Budget Operating and Enterprise Fund Budgets

To see if the Town will vote to make supplementary appropriations, to be used in conjunction with money appropriated under Articles 4 and 5 of the warrant for the 2011 Annual Town Meeting, to be used during the current fiscal year, or make any other adjustments to the current fiscal year budgets and appropriations that may be necessary; to determine whether the money shall be provided by the tax levy, by transfer from available funds, or by any combination of these methods; or act in any other manner in relation thereto.

(Inserted by the Board of Selectmen)

Funds Requested: *unknown at press time*

Description: *This is an article to permit adjustments to current fiscal year (FY2012) appropriations of the general fund and enterprise fund budgets.*

Article 5 Establish and Appropriate to Specified Stabilization Funds

To see if the Town will vote to create and/or appropriate sums of money to Stabilization Funds in accordance with Section 5B of Chapter 40 of the Massachusetts General Laws for the purposes of: (a) Section 131 Zoning By-Law, (b) Traffic Mitigation, (c) Transportation Demand Management, (d) School Bus Transportation, (e) Special Education, (f) Center Improvement District; (g) Debt Service, (h) Transportation Management Overlay District (TMO-1) and (i) Avalon Bay School Enrollment Mitigation Fund; determine whether the money shall be provided by the tax levy, by transfer from available funds, or by any combination of these methods; or act in any other manner in relation thereto.

(Inserted by the Board of Selectmen)

Funds Requested: *unknown at press time*

Description: *This article proposes to establish and/or fund Stabilization Funds for specific purposes. Money in those funds may be invested and the interest may then become a part of the particular fund. The use of these funds may be appropriated for the specific designated purpose by a two-thirds vote of Town Meeting.*

Article 6 Appropriate to Stabilization Fund

To see if the Town will vote to appropriate a sum of money to the previously created Stabilization Fund in accordance with Section 5B of Chapter 40 of the Massachusetts General Laws; determine whether the money shall be provided by the tax levy, by transfer from available funds, or by any combination of these methods; or act in any other manner in relation thereto.

(Inserted by the Board of Selectmen)

Funds Requested: *unknown at press time*

Description: *Money may be appropriated into the existing Stabilization Fund. The balance of the Fund may be invested and the investment income will become part of the fund. These funds may later be appropriated, by a two-thirds vote of an Annual or Special Town Meeting for any lawful purpose.*

Article 7**Appropriate for Authorized Capital Improvements**

To see if the Town will vote to make supplementary appropriations to be used in conjunction with money appropriated in prior years for the installation or construction of water mains, sewers and sewerage systems, drains, streets, buildings, recreational facilities or other capital improvements and equipment that have heretofore been authorized; determine whether the money shall be provided by the tax levy, by transfer from the balances in other articles, by transfer from available funds, including enterprise and community preservation funds, by borrowing, or by any combination of these methods; or act in any other manner in relation thereto.

(Inserted by the Board of Selectmen)

Funds Requested: unknown at press time

Description: This is an article to request funds for capital improvement project expenditures that exceed the level of appropriation.

ARTICLES 4 through 7**FY 2012 Budget Adjustments**

SUMMARY: Articles 4 through 7 represent changes to the FY 2012 operating budget, fund balances and capital appropriations from those amounts approved at the 2011 Annual Town Meeting. Based on modifications to revenue projections and changes to specific expense amounts, Articles 4, 6 and 7 are intertwined; Article 5 asks to approve new appropriations for specified stabilization funds.

FUNDS REQUESTED: See write-up below.

Overview (as of 10/27/11)**Articles 4 and 7 - FY2012 Operating and Capital Budget Adjustments:****Revised Revenue Adjustments:**

1. Property Tax	\$1,200,000	Additional new growth. Shire TIF calc still pending
2. State Aid	-67,214	Reflects final State Aid figures
3. Local Receipts	-124,834	Reductions of: \$46K-music fees, \$42K-municipal receipts, \$36K-fines and forfeits
4. Available Funds	108,046	Final transfers from Available Funds made at ATM
5. Revenue Offsets	<u>330,953</u>	Reflects \$300,000 reserved for 2011 snow/ice deficit
6. Total	\$1,446,951	Additional funds available for appropriation

Proposed Supplemental Appropriations:

Under

Article

4	Snow/ice deficit	\$655,000	FY11 snow/ice deficit
4	Incr. Reserved Fund	350,000	For potential FY12 snow/ice deficit
3	Fire Dept. radio sys.	180,000	To address dead zones and Verizon wiring issues

4	Veterans' Benefits	100,000	Requests for benefits have increased
4	Veterans' Officer	30,000	Placeholder if State requires staffing change
4	Noise Bylaw tech. Sup	5,000	For consulting services related to noise complaints
4	Special Election-Debt	20,000	For Bridge/Bowman/Estabrook Debt Exclusion
4	Recording Secretary	1,800	For Historical Commission – 15 hours/month
4	Fire Dept vehcl Maint	60,000	Emergency repairs to Ladder truck
7	Capital-Clarke School	65,000	<i>Paving project-bids greater than anticipated</i>
4	Facilities Dept.	36,400	Oversight on sewer charges and incr. price of oil
4	Finance-Expenses	50,000	Legal fees for Assessing Dept.-Appellate cases
4	Town Manager Exps	20,000	Police Sergeant Assessment Center (req. for hiring)
4	Health Insurance	<u>-1,250,000</u>	Revised (reduced) budget based on final rates
	Total	\$ 323,200	Supplemental Budget Request
		<u>\$1,446,951</u>	Additional funds available for appropriation
	Net	\$1,123,751	<i>To be addressed under Article 6</i>

Total request under article 4: \$78,200 (\$323,200 - 180K [article 3] - 65K [article 7])

Total request under article 7: \$100,000 (\$65K for Clarke School, \$35K for Library Archives project to be funded from the CPA [this was approved by the CPC])

Articles 4 and 7 Questions

Question #1: When might we know the impact and value of the Shire TIF calculation?

Answer #1: The final calculation is pending.

Question #2: Under article 7, are the Clarke School paving project and the Library Archives project the only items being appropriated?

Answer #2: The bids for both the Clarke School and Library Archives projects came in higher than originally budgeted. Therefore, the additional requests are necessary. No other requests are being made under article 7.

Article 5 – Establish and Appropriate to Specified Stabilization Funds:

Funds being appropriated under Article 5 represent payments that have been made to the Town since the Annual Town Meeting. When payments are made to the Town the money is deposited in a holding account until such time Town Meeting can approve transferring the funds to the specified stabilization funds. The amounts to be transferred under Article 5 include \$10,500 for the Transportation Demand Management Stabilization fund, \$28,500 for the Traffic Mitigation Stabilization Fund and \$378,306 for the Avalon Bay Stabilization Fund. The payment by

Avalon Bay fulfills the commitment Avalon made to address the cost of school enrollment being higher than that projected from the development.

Article 6 – Appropriate to Stabilization Fund:

What to appropriate to the Stabilization Fund versus other spending needs is a policy decision to be determined by the Board of Selectmen, School Committee, Appropriation Committee and Capital Expenditures Committee. The possible appropriation options being discussed are to 1) the Stabilization Fund, 2) to streets and roads and 3) to apply it to the anticipated FY12 snow/ice deficit or 4) to Free Cash. For the total to be appropriated to the Stabilization or other uses, other possible adjustments to the net above include:

Net from above	\$ 1,123,751	
State Aid	<u>+ 93,000</u>	Reflects a supplemental Cherry Sheet distribution
Total	\$1,216,751	

This sum of \$1,216,751 could be appropriated to the Stabilization Fund or for other uses. This amount will be further adjusted once the Shire TIF calculation is complete and further analysis of the FY12 budget is completed.

Article 6 Questions

Question #1: When will we recognize the \$97K in increased State Aid?

Answer #1: The distribution is pending the Governor's signature.

Question #2: When will we have a final decision regarding appropriating available funds to the Stabilization Fund or to other uses?

Answer #2: At the October 24th Board of Selectmen meeting, a decision was made to appropriate \$350,000 from available funds to the Appropriation Committee's Reserve Fund. While other uses were discussed, the BOS took a preliminary position to let the balance of the available funds flow to "Free Cash".