

Town of Bedford Finance Committee

Joint Meeting With Capital Expenditure Committee

Town Hall, Selectmen’s Meeting Room

March 5, 2020

Minutes

Finance Committee Members in attendance: Ben Thomas (Chair), Elizabeth McClung (Vice Chair), Paul Mortenson, David Powell, Stephen Steele, Karen Dunn, Stephen Carluccio and Erica Liu

Others in attendance: Victor Garofalo, (Finance Director, Treasurer)

Capital Expenditure Committee Members in attendance: Tony Bataglia, Bill Moonan – SelectBoard, Eric Dahlberg

Sarah Stanton – Town Manager, Amy Fidalgo – Assistant Town Manager, Charlie Ticosky – Assistant to the Town Manager

Ed Pierce – SelectBoard, Margot Fleischman – Select Board

David Grunes – Fire Chief

Joe Piantedosi – 14 Putnam Road, David Dillen – 45 Springs Road, Stephen DeBarysle – 13 Webber, Katherine Dunn – 21 Webber, David Gauelih – 29 Webber, Shawn Kennery – 43 Washington street, John Daniels – 119 Davis, Mark Daly – 4 Green Street, Mark Sullivan – 61 Hillside Ave., Emily Prince – 66 South Road, Mark Siegenthaler – 20 Anthony Road, Eli Jammal – 175 Great Road,

Julie Turner – Bedford Citizen

Chair Thomas called the meeting to order at 7:00 pm.

REGULAR BUSINESS

1. Land Acquisition – Fire Station (ATM Warrant Article 26)

Chair Thomas explains that this is a public meeting and not a public hearing. The difference is that that there is no audience participation at a public meeting and tonight he will not invite public participation. There are two forums scheduled that are designed completely and solely to answer all public questions and will have access to town officials who are presenting this proposal. For efficiency and for the best interaction and best absorption of material, Chair

Thomas will run this meeting in such a way that, with the consent of the presenters, the presentation will proceed without questions or interruptions. We will hold all questions for them until the end of the presentation. At that point, the Chair will move around the table and everyone will get a chance to talk. The person talking will be the only person talking until finished. The Chair will then move to the next person. The Chair will not recognize anyone for questions or rebuttals or explanations.

Chair Thomas states that there are multiple moving parts here and multiple entities involved. This is about 171 and 175 The Great Road. 175 and 171 are owned by the same entities. The building on 175 is owned by a different entity. There is no building on 171. The taxes on 175 are about \$65,000 per year. For 171, the taxes are less than \$100 per year. 171 has no independent street address and it is believed, therefore, to be unbuildable. The Selectmen have been the drivers of this project.

Town Manager Sarah Stanton begins the presentation. She has about 14 slides to present and then will take questions. There have been a series of meetings held. The Fire Department is holding two Open Houses on each of the next two Saturdays. In addition, the Chief and Ms. Stanton will be hosting two forums, one next Tuesday night and the other on Thursday night.

Chief David Grunes continues the presentation by stating that this process began in 2015 when the Selectmen commissioned a study to look at the space and program needs of the Fire Department. There had been a study in 1994. The 2015 study looked at the programs and the methodology of the study has been provided to the Committee. This included the program space needs and a comparison of the space needs findings between 1994 and 2015, based on the same methodology, shows the space needs to be greater. The study looked at the existing building, the condition of that building and its infrastructure as well as the space required for the Fire Department programs. The 2015 report came out with three recommendations, that we increase our current square footage from 12,300 to 21,000 with a footprint of approximately 13,000. To accomplish that there were three different options. One is renovating the existing building, or tearing the building down and rebuilding at the current location or relocating and building on another site.

Spent the next three years evaluating these options. In 2018, the consultants came back and re-evaluated the earlier findings with a review of how the Fire Department programs had grown further in the three year period. In 2020, we spent additional time to look at the current location. We could not make the current location work for a number of different reasons. We have spent the last six years looking at initially 19 sites, reduced to 9 sites and by the end of 2019, we had reduced it to 2 sites. We are before you tonight with the one site chosen as best.

Chief Grunes discusses the evaluation criteria that were used including response time and travel routes. Also looked at the overall number of emergency responses made which have increased. Also looked at the size recommended in 2015 and the restrictions that would come with various

suggested parcels. Also looked at the historical impact of the various sites and commercial versus residential areas. The consultant had studied actual driving times and study shows that the Department responds to all areas of the Town.

Ms. Stanton states that the consultant stated that in order to stay within the required response times, the building would have to be located between Wilson Park and Loomis Street. Many of the sites that met those criteria also posed other serious challenges. She states that they looked hard at the current site and re-evaluated it. That site had been ruled out by Town Counsel twice because of easements with respect to School Way. The consultant also ruled it out since the site is less than half of the current needed space.

Ms. Stanton also stated that there was talk about having a sub-station. We would still need a centralized Fire Station for many reasons. Having a sub-station would not reduce the needed footprint for the proposed new building. We need 21000 square feet for the main building and that would not change if we had a sub-station. Determined that having a substation would reduce the service currently given to the town now, would not improve the service and would not save the town money.

The search was narrowed down to two sites. One was the current CVS site, the next door dry cleaner site and the parcel directly behind. The CVS property is considered by commercial appraisers as the highest and best value. Also provides the town a pharmacy drive-thru. Taking all three parcels would be a very expensive land acquisition. That left us with 171 and 175 The Great Road. We reached out to all the experts that have been retained and asked them to give us all the information needed. That is how we got to the number before you tonight of \$7.6 million.

We then went back to look at other areas we had not considered in or around the Historic District. None would work. Also looked at Town Center but ruled that out since size of new building would overpower the area and cause problems with current uses including the High School.

The current proposal is for \$7.6 million in land acquisition costs which assumes an eminent domain taking process. Included would be costs of relocation for current tenants, the property and land values and the legal costs associated with the eminent domain taking process. The tax impact for this part of the project is estimated at \$9.09 per \$100,000 in value. That is a conservative estimate since it assumes borrowing costs of 4.5%. Our current borrowing is less based on the current market and our current bond rating being so high.

Have not yet designed the building since that will not be done until we know where the building will be located.

Chief Grunes states that the current plans come from the substantial increases in our call volume and the costs of programs, among other increased expenses. By the time we do this, we will be building a 20 year station and we know that this location can accommodate that. When we did

the last renovation on the current building, we knew that there would be no ability to make any further renovations due to size limitations including the size of our apparatus.

Ms. Stanton states that if anyone has thought of a site being appropriate, so have we and so have the consultants. It will have already been checked and evaluated. All of this has been done in Executive Session since these issues are sensitive. There has been a great deal of hard work done on this issue.

Chair Thomas begins the questions from Members.

Member Steele states that he feels that the need is clear and that everyone has done their homework.

Member Mortenson asks if the involved parties in the process are unanimous in this proposal and whether the properties in the town center were rejected for a particular reason .

Ms. Stanton states that there is unanimity with respect to this proposal.

Chief Grunes explains the problems with the properties in question which were numerous.

Selectman Moonan states he has been involved in this issue for quite some time and has no questions.

Member McClung asks about the costs involved with eminent domain of residential properties versus more expensive commercial properties.

Ms. Stanton explains the residential properties in question would also have to include the taking of a substantial commercial building which would significantly increase costs. Also explains the use of Executive Session for privacy. Also further explains the multiple reasons why historic homes would not be used.

Member McClung asks about property near Papa Gino's area.

Chief Grunes explains that response time issues would prevent building any further east than Loomis Street.

Member McClung asks about any estimate of building costs.

Ms. Stanton states that the design cost would be \$2,000,000 and the building costs would be \$20,000,000 which is based on recent construction of other fire stations including most recently one in Andover.

Chair Thomas states for confirmation that both Committees and the Town Manager's Office have received a letter from the building's owner and that all have had time to read it.

Member Dunn states that her biggest concern is the eminent domain issue.

Ms. Stanton discusses the consideration of the D'Angelo Drive and Loomis area and all the difficult issues involved.

Member Carluccio asks what the estimated time would be for the property taking.

Ms. Stanton provides the estimate if a negotiated sale and an estimated cost of 1 year to 1.5 years for eminent domain.

Member Carluccio asks about selling the present property location after the new station is constructed.

Ms. Stanton states that this is obviously an option to reduce the ultimate cost of the project.

Capital Member Dahlberg asks about the comment by Chief Grunes that this would be a 20 year station building.

Ms. Stanton explains the reference and agrees that there would be additional space for potential expansion.

Member Liu asks about what is involved in the estimated land acquisition costs.

Ms. Stanton states that she does not want to get overly specific but gives a general overview of the costs involved.

Member Liu asks about tax impact statement.

Ms. Stanton describes what is involved with impact on average homeowner and the impact to the town on the loss of taxes for the buildings involved.

Ms. Liu asks about whether there will be additional traffic signalization since the proposed location is very busy.

Chief Grunes explains the plans which actually should increase the potential for easing traffic issues at that spot.

Member Liu asks why not the Bedford Motel property.

Ms. Stanton explains that it would increase response time.

Capital Chair Bataglia asks about how the ownership of the proposed land being in trusts might affect the eminent domain process.

Ms. Stanton explains the trust and non-trust ownership issues. Requires the use of expert assistance in dealing with these issues.

Member Powell asks about the extension of the fiber optic network.

Ms. Stanton explains that it will be extended since we were planning to extend it to the DPW anyway.

Member Powell asks if the demolition costs would be included in the \$700 per square foot number.

Chief Grunes states no, those costs are in the \$20 million number.

Member Powell asks whether there has been any assessment of environmental issues for the site or other types of site issues such as ledge.

Ms. Stanton and Chief Grunes state that there is some information available but some studies cannot be done unless you are the owner of the property.

Member Powell asks about the potential impact on the abutting owners.

Ms. Stanton states yes these issues have been considered. They have met with them already and have a further meeting set for next week. There are a number of issues that need to be further discussed and the Selectmen understand that these issues must be considered and dealt with.

Selectman Moonan states for clarification that the 60,000 sq. ft. number is for the land while the building size is 21,000 sq. ft.

Chair Thomas asks what the national practice standard is now for response time.

Chief Grunes states that national standard and standard used by Bedford are the same..

Chair Thomas asks about any other opportunities for discussion other than the forums discussed earlier.

Ms. Stanton states that there may be additional opportunities if requested.

Chair Thomas asks of the opinions of the town's counsel as to whether this is doable.

Ms. Stanton states that they feel it is.

Chair Thomas asks about the \$7.6 million and its potential effect on the town's remaining under the 10% debt level.

Ms. Stanton states that this will still be under the 10% debt level. Also as the project goes forward we will continue all efforts to remain under the 10% debt level.

Chair Thomas asked if there will be potential for additional capacity built into the building since he doesn't see the town stopping its growth.

Chief Grunes states that the goal is to build a capacity for vehicles, maintenance, staff, both suppression and administration, for 20 years, what we consider the foreseeable future.

Chair Thomas states that he doesn't want people in years to come to criticize this project for not providing sufficient area for future growth.

Ms. Stanton states that this is being considered.

Chair Thomas asks about the special considerations that must be involved in building a fire station and whether these cause the overall costs to be higher. Also does the proposed site have the ability to handle this.

Chief Grunes states that the site does have that capacity as will the intended building design.

Chair Thomas refers to comment that 175 is the worst possible location other than all the rest.

Member Powell asks about Net "0".

Ms. Stanton states that we are not talking about the building or its design tonight but it is less expensive to include Net "0" when building a new building.

Chief Grunes discusses the existence of exhaust capture systems with respect to the environment and the impact on the neighbors.

Ms. Stanton understands that this is a lot to take in. We will be available to discuss further questions from you should they come up.

Chair Thomas thanks Ms. Stanton and Chief Grunes and all the other people that are working with them for all their work and effort on this important project.

Motion of Finance Committee to recommend approval of Article 26 by Member Mortenson.

Second by Member Powell

Vote: 8-0-0

Motion carries.

Motion to adjourn the Joint Meeting by Member Mortenson.

Second by Member Steele

Vote: Unanimous

Motion carries.

Motion to begin the Finance Committee Meeting by Member Mortenson.

Second by Member Steele

Vote: 7-1-0

Motion carries.

2. Annual Town Meeting Warrant

3. Annual Town Meeting Write-ups

Chair Thomas discusses a tentative draft of the write-up for Article 26 done on expectation that the Committee would recommend approval.

Committee members suggest possible edits needed.

Member Liu asks about the Article 27 write-up and members recommend edit with respect to comparison with other towns as far as recommended new fees. Members agree to edits.

Chair Thomas states that the Committee is now done with respect to write-ups for 2020 Annual Meeting..

Ms. Stanton discusses the efforts being made by various groups with respect to supporting Article 26 and getting the 2/3's vote needed for passage. Notes that there is no Plan B for this project.

NEW /SPECIAL BUSINESS

1. Minutes

Motion to approve the Minutes for January 23, 2020, as amended, by Member Steele.

Second by Member Mortenson.

Vote: 8-0-0

Motion carries.

Motion to approve the Minutes for February 6, 2020, as amended, by Member Mortenson.

Second by Member Steele.

Vote: 7-0-1

Motion carries.

Motion to approve the Minutes for February 13, 2020, as amended, by Member Mortenson.

Second by Member Steele.

Vote: 8-0-0

Motion carries.

2. Meetings attended

None.

3. New Business

None.

4. Open Discussion

Member Powell asks about the date of next meeting.

Chair Thomas states that since we are finished with current work, the next meeting would be at 6:30pm the night of Town Meeting in the High School.

Member Powell asks if we anticipate two nights of Town Meeting.

Ms. Stanton agrees.

Motion to adjourn by Member Mortenson.

Second by Member Steele.

Vote: 8-0-0

Motion carries.

John B. Connarton
Recording Secretary

DOCUMENTS LIST

Agenda for March 5, 2020 Meeting

2020 Annual Town Meeting Warrant

Draft of Annual Town Meeting 2020 Finance Committee Recommendations

