

Fairbank Community Center Task Force Meeting Minutes

Thursday, February 2, 2017

7:30 PM – DPW Conference Room

In attendance: Patricia Brown – Selectman, Task Force Chair, Jim Kelly – Facilities Director, Jack Ryan - COA, John Beeler – COA, Sam Merra – At Large, Debra Galloway-Senior Center Director, Michael Ensley - Park and Recreation Commission, Jim Marotta- Park and Recreation Commission, Richard Tinsley- School Committee, Kayla McNamara – Park and Recreation Director, Jose Garcia-Meitin- Finance Committee

Absent: Lisa Kouchakdjian-School Committee, Christopher Morely – At Large, Bryan Semple (Finance Committee).

Also attending: Melissa Rodrigues (Town Manager), Michael Melnick (Permanent Building Committee), Joe Bausk and Ron Riggert (both Friends of Sudbury Seniors)

Pat opened the meeting at 7:33 pm.

Pat Brown will compose minutes for this meeting from the SudburyTV recording.

Proposal for review by Town Staff (Town Manager Melissa Rodrigues)

The Town Manager had proposed, in a memo dated January 4, 2017, that town staff including the Town Manager, Assistant Town Manager, Finance Director, Facilities Director, Park & Recreation Director, and Council on Aging Director form a working group for a period of six to eight weeks to study programming needs and finances and put together a comprehensive proposal to bring back to the Task Force for review. She stressed multiple times that this was not in lieu of the RFP approved by the Task Force on November 3, 2016. She proposed a parallel path: 1) Put the RFP out to bid. The scope of this RFP must be limited by the available funding (\$50,000). It typically takes about four to six weeks to put together and advertise an RFP, receive responses and review them. 2) Conduct a review by the staff working-group of existing programming and new programming for which staff perceives a demand, and determine how much it would cost to operate those programs. (This would not include capital costs.) Using this information the RFP could possibly be structured with add-on options to permit reducing the scope by omitting the items that staff can do in-house to keep the RFP cost within the available funding. The Town Manager also observed that the Fairbank project has been going on for some time, and that sustained staff involvement may help push things forward. She is focused on understanding the net operating expense for the facility so that we have a good handle on what expenses will not be covered by fee-based revenue. The town must pay for any further operating costs from tax receipts. While the Fairbank Center currently uses town revenues to operate, the Town Manager wants to be sure it operates cost-effectively so the taxpayers are not funding a major increase in operating subsidy.

Mike Melnick from the Permanent Building Committee spoke briefly about the process leading up to the current design proposal. Following the presentation of the BH+A report in the spring of 2015, the project stopped progressing. He perceives the current proposal for a new RFP to determine community “willingness to pay” and operating costs as redundant, and thinks that there is sufficient information in the current report (the March 2015 Fairbank Community Center Feasibility Study from BH+A) to estimate the operating costs of the proposed facility. He would like to move forward with the information that we have. It will still take years to actually complete a building project.

Jim Marotta from the Park & Recreation Commission stated that there were no constraints, either capital or operating, in creating the designs in the 2015 report. A subsequent operations analysis by Ballard King in summer of 2016 proposed a facility with a \$30 million capital cost, increased operating costs almost two-fold from current levels, and predicted an increase in operating revenue of 2.5 fold from current levels, with 90% of the operating revenue and expense coming from Park & Recreation. He does not believe this is feasible for Sudbury. Michael Ensley pointed out that the Task Force fundamentally splits on whether the previous work, particularly the financial analysis, by BH+A and Ballard King presents an accurate assessment. While half of the Task Force believes that it does, the other half has significant issues with the process, the assumptions, and the outcome of that work. He proposed that either the Task Force allow town staff to take the Fairbank project over and move it forward, or that the RFP process as approved by the Task Force move forward.

Selectmen’s Project Prioritization (Pat Brown, Selectman)

Pat stated that the Selectmen’s first priority for large capital projects, as discussed at the Selectmen’s January 10, 2017, meeting, was to move SPS Administration out of the space in the Fairbank Center. Project planning for the Fairbank Center remains a priority, but with a new target date of spring of 2018. The Selectmen had requested that SPS Administration place an article on the spring 2017 Town Meeting warrant, but they did not meet this deadline. Next steps are unclear.

Mike Melnick described a solution for SPS Administration of moving them to an addition next to the Nixon School. By using existing space in the Nixon building for part of the administration’s offices, the cost could be reduced to (in his estimate) something like \$3 million. He suggested that using \$40,000 or \$50,000 of the proceeds from the sale of the old police station on Route 20 for design or this addition would allow construction relatively soon. Once SPS Administration is no longer housed in the Fairbank Center, the space they occupy could be used as “swing space” for the Senior Center and the Park & Recreation Department programs. This would allow work on the Fairbank Center to occur as a series of smaller projects spread over time.

Michael Ensley expressed concern that SPS Administration will receive new space when both the Senior Center and Park & Recreation Departments have equally important constituencies and needs and will be consigned to the old space for the foreseeable future. Further, he observed that the community is faced with a long list of very expensive capital projects. Leaving the Fairbank Center to request financing multiple times later in this list increases the likelihood that the

taxpayers will simply be exhausted and that the Fairbank Center improvements will not receive funding.

Richard Tinsley, having just come from the SPS Administration space in the Fairbank Center, clarified that—contrary to the image of people covering their desks with plastic every time it rains—while the space is not ideal, it is currently usable. It may not be in a few years, but it is usable now. Mike Melnick described the use of swing space to keep programs operating while construction (renovation or new building) occurs on other parts of the existing facility in multiple staged projects. Michael Ensley voiced his concern that this can both drive up the total construction cost and allow for the project to stall if any stage is delayed or denied. Another possibility to manage the transition is to build adjacent to the existing facility and move in when construction is complete.

Finance Committee Guidance (Jose Garcia-Meitin)

The Finance Committee voted on January 30, 2017, to provide this guidance to the Fairbank Task Force.

- 1) The capital costs for the proposed new facility must be clearly stated.
- 2) The operating costs also must be clearly stated and signed off by all parties to this project. Jim Marotta stated that Park and Recreation Commission explicitly does not sign off on the operating costs and revenues as presented by Ballard King in their analysis. The Town Finance Director would validate the estimates of operating costs and revenues. Again, Jim Marotta stated that, while town staff and particularly the Finance Director, can validate the day-to-day operating expenses of a particular design, the question of what to build is distinct from the question of what it costs to run a particular building. There would need to be iterations relative to design to narrow in on operating expense.

The Finance Committee stated that, while they do not expect the community center to be “revenue neutral”, they would scrutinize the project more closely if the annual operating subsidy increases from that provided to the existing facility.

The current operating subsidy is comprised of the budgets of the Park & Recreation and of the Council on Aging, and the expenses for the pool not covered by the Pool Enterprise Fund (employee benefits). [The Field Maintenance Enterprise Fund is not part of this calculation.] This currently totals less than \$500,000 annually.

- 3) The Finance Committee requires a detailed quantified description of the “refurbishment” option for the Fairbank Center. (This is the demolition and reconstruction of “the 60’s wing” at a cost around \$10 to \$12 million.) This option should be fully explored and developed.

Discussion of RFP Proposal (Jim Marotta)

Jim Marotta is seeking a valid understanding of what the town is willing to pay (capital and operating cost) for a community center. He sees feasibility as “likelihood of happening” and is looking for a realistic view of what the town would support, acceptable capital cost and a balance between subsidies and offsetting revenues for services. He expressed concern that if the Task

Force moves forward with the current design and the town does not approve, the Task Force will be in the same position two years from now.

Jack Ryan proposed allowing town staff to proceed with the project review proposed by the Town Manager. This would not delay the RFP or require funding. Town staff would address questions #1 and #2 from the Finance Committee above. He also proposed paying BH+A to flesh out the support for the “refurbishment” option described in the March 2015 feasibility study to address question #3.

Jim Marotta stated that the Finance Committee questions are addressed in the RFP proposal. He pointed out that the Ballard King financial analysis discussed a \$3 million annual operating budget—in which \$50,000 is one week’s expense. He is very concerned that not doing the analysis during design could lead to constructing a facility generating large ongoing operating shortfalls.

Next Steps

1) The Town Manager proposed she meet with staff weekly for eight weeks to review the project. At their first meeting they’ll assemble a description of what they’re going to do. She will then meet with Jim Marotta to verify that this corresponds with the RFP the Task Force has approved. Town Staff will present their findings to the Task Force at the end of the eight weeks.

Jim Kelly noted that the Task Force has not gone through the RFP proposal yet to discuss what we expect from it. Jim Marotta, Jim Kelly, and Melissa Rodrigues will meet and come up with a new draft of the RFP to distribute to the Task Force for review and discussion. The Task Force will then meet again when Town Staff is prepared to present their findings.

2) The Task Force will prepare for 2018 Annual Town Meeting, rather than fall 2017 Town Meeting.

3) The response to the Finance Committee guidance will come out of the information from the consultant and town staff.

Town Annual Report

The Chair did not prepare a draft, so there was nothing to approve.

What do we need to make a recommendation?

Jim Marotta questioned the inclusion of this item on every agenda. Pat Brown responded that when the Task Force goes before Town Meeting, we need a single design that we all support and a “business plan” which describes what operating subsidies will be required. This is the Task Forces’s goal.

November 3, 2016, minutes were approved unanimously.

December 15, 2016, minutes were approved unanimously.

Future Meetings

The Task Force will meet once to discuss the revised RFP—the sooner the better—and again in April to discuss Town Staff’s review. We were unable to determine a date, and will schedule by e-mail.

Sam Merra moved to adjourn at 9:03 pm. There were numerous seconds, and the motion carried unanimously.

Respectfully Submitted,

Pat Brown

February 9, 2017

Approved April 20, 2017

Documents presented at this meeting and posted as “Supporting Materials” with the minutes:

- 1) Fairbanksmemo_TownMgr_17.01.04 – the Town Manager’s memo of January 4, 2017 to the task force offering the assistance of Town Staff to address parts of the RFP.
- 2) FinCom Input to Fairbank Task Force – Finance Committee guidance to the Fairbank Task Force approved at the January 30, 2017 meeting
- 3) BOS Prioritization of large capital projects – Prioritization of projects by the Board of Selectmen approved at the January 10, 2017 meeting
- 4) Deliverable Checklist – Fairbank RFP – 2017-01-06 – Expanded list of deliverables for the RFP approved by the Task Force on November 3, 2016. The RFP, dated November 1, 2016, is posted as “Supporting Materials” to the November 3, 2016 Task Force meeting.

Other Documents:

1. <https://sudbury.ma.us/fairbankstudy/bk-fairbank-community-center-final-operations-budget/> Operations analysis from the summer of 2016 by Ballard King.
2. https://sudbury.ma.us/fairbankstudy/?attachment_id=247 Assumptions for Operations analysis from the Summer of 2016 by Ballard King.
3. https://sudbury.ma.us/fairbankstudy/?attachment_id=101 BH+A report in the spring of 2015