

Needham Finance Committee
Minutes of Meeting of May 13, 2024

The meeting of the Finance Committee was called to order by Chair Carol Smith-Fachetti at approximately 6:50 pm in the Great Plain Room at Needham Town Hall.

Present from the Finance Committee:

Carol Smith-Fachetti, Chair ; John Connelly, Vice-Chair (arrived 7 :30pm)
Karen Calton, James Healy, Paul O'Connor, Barry Coffman

Others Present:

David Davison, Deputy Town Manager/Director of Finance
Molly Pollard, Finance Committee Executive Secretary
Carys Lustig, Director of Public Works
Eliza Echevarria, Director of Administration of Public Works

Citizen Requests to Address the Finance Committee

None

Approval of Minutes of Prior Meetings

MOVED: By Mr. Coffman that the finance committee that the minutes of meeting May 1, 2024, be approved as distributed, subject to technical corrections. Mr. Healy seconded the motion. The motion was approved by a vote of 4- 0 at approximately 6:51pm.

Reserve Fund Transfer Requests

Documents: Request for Reserve Fund Transfer: Public Works Department; Spreadsheet: Bldg, Location, Account; Request for Reserve Fund Transfer: DTM/Finance Director Snow and Ice

DPW Building Cleaning Services

Ms. Lustig explained that last year, after the expiration of a previous contract, the Town went out to bid on a contract for custodial services at Newman, Pollard, and the High School. ABM services provided a good quote and was selected, however was subsequently unsuccessful at meeting the contract. The DPW had to provide services, supplies and equipment that ABM was unable to. Mr. Coffman asked for clarification of the timeline, to which Ms. Lustig responded that the contract began over the summer and by September the Town was forced to take action.

Ms. Lustig continued, the state contractor FM&M took over the cleaning services through the spring at which point they will continue with the High School and Pollard, while Newman will be serviced by the Town. The DPW general fund was able to absorb the costs to insourcing Newman and some of the cleaning supplies. The reserve fund transfer request covers the delta of the FM&M contract compared to the ABM contract, but also some of the supplies and staffing costs incurred last summer when ABM was under contract. Ms. Lustig provided a spreadsheet with details.

Mr. Coffman clarified the timeline with respect to the budget, to which Ms. Lustig clarified this is for costs from fiscal year 2024 and the Town will try to absorb costs in 2025 as much as possible. Mr. Healy asked if this would be more expensive than the ABM costs, to which Ms. Lustig said yes. Mr. Healy responded, asking for a more detailed presentation in the future, particularly with regards to the costs of insourcing vs outsourcing. Ms. Lustig agreed and noted that in the current strong hiring market we are able to provide many services in house in a cost effective manner. The Finance Committee also made several inquiries about different school and administrative buildings and what thresholds might need to be met in terms of the number of buildings to make outsourcing cost-effective. Ms. Lustig replied that it makes sense to come back and present this all in a more detailed proposal as conversations with contractors progress.

MOVED: By Mr. Healy that the Finance Committee approve the Request for Reserve Fund Transfer in the amount of \$366,000. Ms. Calton seconded the motion. The motion was approved by a vote of 5-0 at approximately 7:01pm.

Mr. Healy inquired as to the timing of this request, asking if it was typically done this late in the fiscal year. Mr. Davison explained that the timing was largely due to the timing of the contract negotiations still being underway.

Snow and Ice Removal Expenses

Mr. Davison explained that request is due to a delta between the FY2024 budget for snow and ice removal, compared to the actual costs (assuming there are no future snow and ice events). Ms. Smith-Fachetti asked for clarification due to the lack of snowstorms this year. Mr. Davison replied that there were several ice events. Ms. Lustig added that there were 2 events where snow was continuously expected, during which many staff needed to be paid despite lower snowfall totals occurring. Mr. Healy asked if there was any pre-purchasing, to which Mr. Davison replied no.

MOVED: By Mr. Healy that the Finance Committee approve the Request for Reserve Fund Transfer in the amount of \$250,878. Mr. Coffman seconded the motion. The motion was approved by a vote of 5-0 at approximately 7:06pm.

Recess

MOVED: By Mr. Healy that the Finance Committee meeting be recessed to be reconvened as needed during the 2024 Annual Town Meeting and May 2024 Special Town Meeting. Mr. Coffman seconded the motion. The motion was approved by a vote of 5-0 at approximately 7:07pm.

Reconvened

MOVED: By Mr. Connelly that the Finance Committee recommend adoption of the Town Meeting motion to refer Article 44 to the Planning Board. Mr. Healy seconded the motion. The motion was approved 6-0 at approximately 10:37pm.

Adjournment

MOVED: By Mr. Coffman that the Finance Committee meeting be adjourned, there being no further business. Ms. Calton seconded the motion. The motion was approved by a vote of 6-0, at approximately 10:37 p.m.

Documents: *Request for Reserve Fund Transfer: Public Works Department; Spreadsheet: Bldg, Location, Account; Request for Reserve Fund Transfer: DTM/Finance Director Snow and Ice*

Respectfully submitted,

Molly Pollard

Executive Secretary, Finance Committee