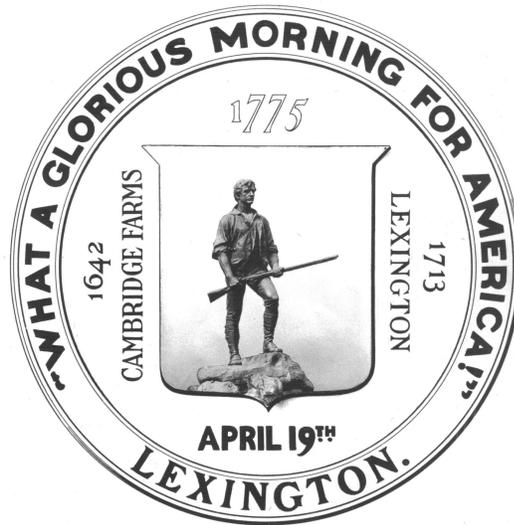


CAPITAL EXPENDITURES COMMITTEE

TOWN OF LEXINGTON



REPORT TO THE

September 21, 2016, SPECIAL TOWN MEETING (STM)

2016-5

Released September 14, 2016

Submitted by:

Jill I. Hai, Chair
David G. Kanter, Vice-Chair & Clerk
Elizabeth DeMille Barnett
Rodney Cole
Wendy Manz

Starts on Reverse

Warrant-Article Explanations and Recommendations

Cites of the “Town Warrant” refer to “TOWN WARRANT, Town of Lexington, Special Town Meeting 2016-5” for the Meeting on September 21, 2016.

Article 2: LAND PURCHASE-171-173 BEDFORD STREET	Fund Authorization Requested	Funding Source	Committee Recommends
	\$4,443,000 (\$4,300,000 for acquisition + \$143,000 for collateral acquisition and for post-acquisition services as scoped in the Article)	GF (Debt) (potentially for inclusion in a subsequent Debt- Exclusion Referendum)	Approval (4-1)

“To see if the Town will vote to authorize the Selectmen to purchase or otherwise acquire, or take by eminent domain for municipal or school purposes, any fee, easement, or other interest in all or any part of land known as 171-173 Bedford Street and shown as Lot 76 on Assessors’ Property Map 64, owned by the Liberty Mutual Insurance Company and to lease a portion of said land to Liberty Mutual Insurance Company or an affiliated entity thereof, subject to terms acceptable to the Selectmen; and for design, engineering and architectural services for plans and specifications and related costs;....”

“DESCRIPTION: This article requests funding to purchase the property at 171-173 Bedford Street for municipal or school purposes and for engineering services related to the potential uses of the property by the Town. The article also provides for Liberty Mutual to lease a portion of the building back from the Town if it needs to do so on a short-term basis while its new space is being completed.”

[Town Warrant]

ANALYSIS

Renovations or replacements of the Towns’ public-safety facilities have been two of the Town’s top three priorities for many years. STM and Annual Town Meeting (ATM) actions earlier this year have begun to address the third priority: School Buildings needs.

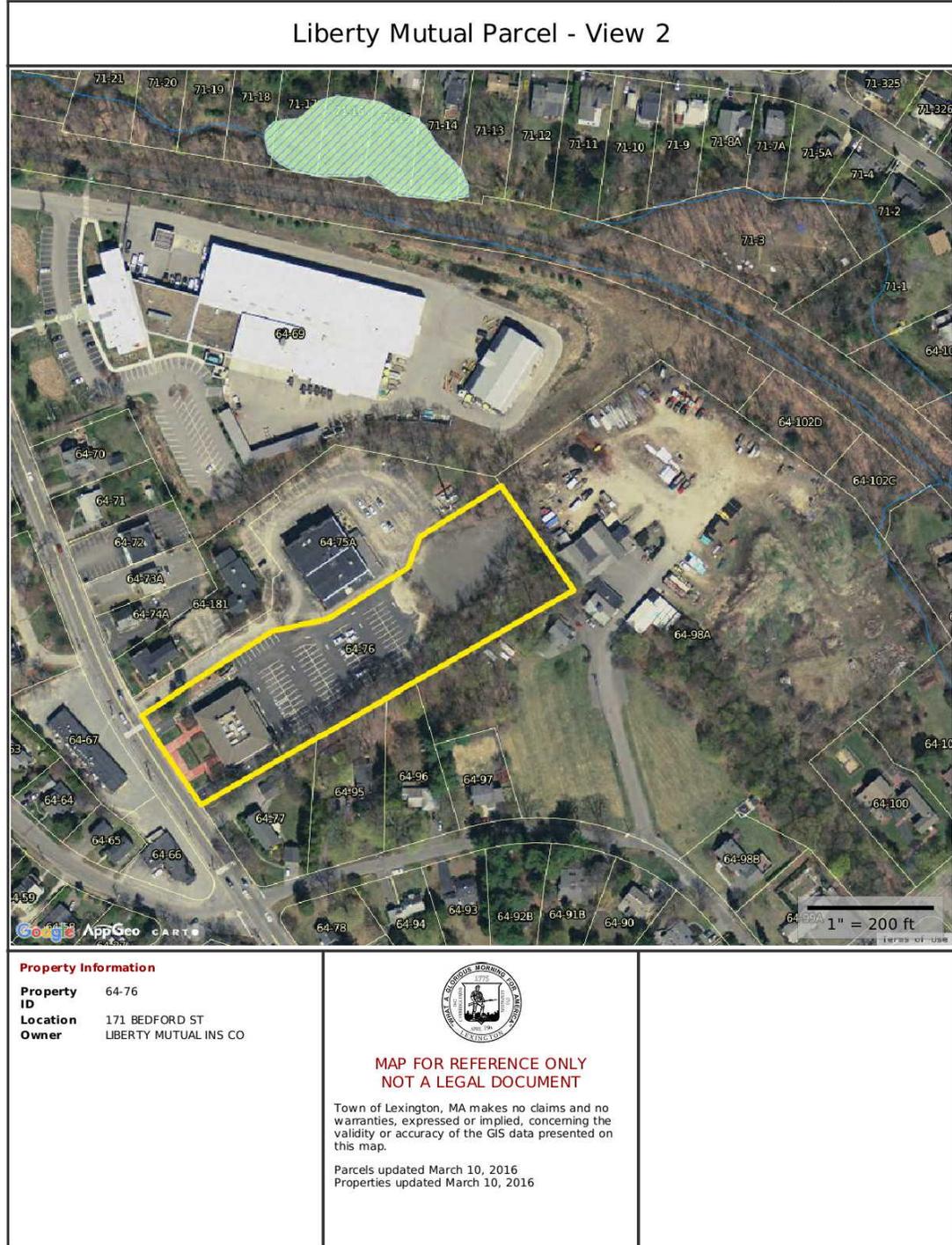
The Central Fire Station (LFDHQ—at 11,841 sq. ft. at 45 Bedford Street) and Lexington Police Station (LPDHQ—at 12,500 sq. ft. at 1575 Massachusetts Avenue) were constructed over 60 years ago when the population of Lexington was less than half what it is today. The buildings do not meet current accessibility or sprinkler codes; and in the case of the LPDHQ, seismic-resistance codes; and exhibit several structural and mechanical deficiencies. In addition, the work of today’s public safety departments is vastly different from what was contemplated at the time of the current facilities’ construction. Donham and Sweeney Architects conducted a “Public Safety Building Feasibility Study”, dated 9 July 2010, and a “Lexington Police Station Schematic Design Study”, dated 15 February 2011. Those space-needs studies found then that each facility was undersized by at least half, for the technology, staffing, and work performed in the public safety fields at that time.

The Town has extensively sought and considered appropriate sites for relocation of the public safety facilities as well as examined options for reconstruction of the existing facilities. The Town does not currently possess any site that could be used as a replacement location or as transitional (swing) space for either department during reconstruction.

This site (171/173) (see following diagram), if acquired, will first serve as swing space for the LFDHQ during the reconstruction of the current LFDHQ. That use, and the preparation for it, is likely to occupy 171/173 for up to four years. Options for subsequent use include, but are not limited to, LPDHQ swing space during reconstruction, possible relocation of the LPDHQ (see discussion under Article 5), and other municipal or School Department needs, either short term or long.

Town of Lexington, MA

August 2, 2016



Location is the key to siting public safety facilities as they must first and foremost maintain emergency response time to all areas of town, have adequate ingress and egress, and minimize negative traffic impact.

171/173 is over 2.5 acres, adjacent to our Public Services Facility (PSF) (201 Bedford Street), and only 0.6 miles from the current LFDHQ. It provides appropriate swing space during reconstruction of the LFDHQ. The existing building at 171/173 (at over 19,000 sq. ft.) would provide adequate space for all LFDHQ personnel during the transitional use of the building—eliminating the need to house part of the operation in temporary (unplumbed) trailers in the parking lot, which has been done for over 15 years at the existing LFDHQ. A heated tent would be erected in the space behind the existing building to house the vehicles necessary for operations. The reserve ambulance, a pumper, and a brush truck would likely be housed at the PSF (which already houses at least one back-up pumper for which there is no space at the existing LFDHQ). The adjacency of 171/173 and the PSF will improve the access to those vehicles. In addition, an ambulance whose operation currently “floats” between being out of the two stations during the day would now operate out of the East Lexington Fire Station all the time. There is space at 171/173 for any needed additional storage containers. A temporary, wireless, traffic signal would be installed at the entrance to 171/173, which will be “on demand” operation, as is the one at the East Lexington Fire Station. The wireless signal would not require disruption of the roadbed. The existing 171/173 building does not have an emergency generator, but the generator at the LFDHQ may be able to be relocated during occupancy. A booster antenna is likely to be required to guarantee radio coverage. Fire Chief John Wilson believes the LFDHQ can adequately operate for up to two years at 171/173.

The traffic pattern at 171/173 for pull-in/pull-out would be less disruptive than the current necessity of backing trucks into the station, minimizing impact on Bedford Street though some curb cuts may be required. The Fire Department typically operates approximately 8–10 emergency runs/day from the LFDHQ, and already follows a policy that restrains use of sirens between 10 P.M. and 6 A.M.

The deliverables for the services to be provided under this request would provide schematic designs and estimates for a transitional LFDHQ facility, associated legal fees, property surveys, environmental and architect & engineering (A&E) surveys, and a traffic study evaluating the impact of the LFDHQ at 171/173.

Subsequent steps (with dates to be determined) related to 171/173 and the LFDHQ include—but are not necessarily limited to:

- Fund the schematic design (SD) & design documents (DD) for modifications to 171/173 for swing space for the Fire Department
- Fund the SD & DD for the new LFDHQ
- Fund the build-out at 171/173
- Fund the DD for the new LFDHQ
- Hold Debt-Exclusion Referendum for the LFDHQ construction (likely including the amount of the appropriation requested under this Article)
- Fund the new LFDHQ construction
- Construct the 171/173 build-out
- Move out of existing LFDHQ and into 171/173
- Construct the new LFDHQ
- Move out of 171/173 and into new LFDHQ
- 171/173 available for next use (likely Police Department swing-space or new construction)

CONCLUSION

The Town needs to rebuild or reconstruct both of its Public Safety facilities. The Town owns no location where either can be temporarily or permanently relocated. This property, adequately sized and with an existing building of appropriate size, adjacent to our Public Services Facility, 0.6 mile from the existing LFDHQ, can be fitted to serve as swing space for the LFDHQ in the short term and has additional possible uses subsequent to that.

The debt-financing-impact model produced last year for Town Meeting and incorporated in this Committee’s Report to the 2016 ATM projected LFDHQ replacement project funding in FY2018 and

FY2019 and LPDHQ funding in FY2019 and FY2020. Without acquisition of this property there is no chance to stay on track for these needed replacements/renovations.

One member opposes this Article as there has been no formal space-utilization study done at the Public Services Facility to confirm it cannot provide swing space for the LFDHQ.

Article 3: SUPPLEMENTAL APPROPRIATION FOR MIDDLE SCHOOLS — ADDITIONS AND REMODELING	Fund Authorization Requested	Funding Source	Committee Recommends
	Not Applicable	Not Applicable	Indefinite Postponement (4-0)

“To see if the Town will vote to appropriate a sum of money, in addition to the amount voted under Article 2 of the Special Town Meeting 2016-3, for constructing, originally equipping and furnishing additions to the Clarke and Diamond Middle Schools and for remodeling, reconstructing and making extraordinary repairs to the existing Middle Schools, including original equipment and furnishings, and for the payment of all other costs incidental and related thereto; determine whether the money shall be provided by the tax levy, by transfer from available funds, by borrowing, as approved by the voters by referendum on May 3, 2016 pursuant to MGL Chapter 59, Section 21C; or by any combination of these methods; determine if the Town will authorize the Selectmen to apply for, accept, expend and borrow in anticipation of state aid; or act in any other manner in relation thereto.”

“DESCRIPTION: Bids for the Middle School expansion project are due in early September. This Article is requested as a precaution in case bids exceed the amounts appropriated under Article 2 of Special Town Meeting 2016-3.”

[Town Warrant]

The cost of the middle-school renovations and expansion is expected to come in below the \$62,197,000 appropriated at that STM. When adjusted for what would be an allocation for insurance expenses, the trade sub-bids came in approximately \$2.5 million below the estimates used in determining the request in that STM. While negotiations are continuing with Bond Brothers, the Construction Manager, regarding the overall-project contract—which includes the work by those trades—the Town is confident the total cost will be below the appropriated amount; therefore, there is no need for a supplemental appropriation at this time.

Article 4: SUPPLEMENTAL APPROPRIATION FOR SCHOOL FACILITIES CAPITAL PROJECTS	Fund Authorization Requested	Funding Source	Committee Recommends
	\$910,000	GF (Debt)	Approval (4-0)

“To see if the Town will vote to appropriate a sum of money, in addition to the amount voted under Article 2 of Special Town Meeting-1 on November 2, 2015 for: the Fiske, Hastings and Harrington Elementary Schools and the Clarke and Diamond Middle Schools; for design, engineering and architectural services for these projects; and for the related remodeling, reconstruction or making extraordinary repairs to these or other school facilities; for the construction of the buildings, including original equipment and landscaping, paving and other site improvements incidental or directly related to such remodeling, reconstruction or repair; determine whether the money shall be provided by the tax levy, by transfer from available funds, by borrowing, as approved by the voters by referendum on May 3, 2016 pursuant to MGL Chapter 59,

Section 21C; or by any combination of these methods; determine if the Town will authorize the Selectmen to apply for, accept, expend and borrow in anticipation of state aid for such capital improvements; or act in any other manner in relation thereto.”

“DESCRIPTION: Bids for the Elementary Schools modulars are due in August. This Article is requested as a precaution in case bids exceed the amounts appropriated under Article 2 of the November 2, 2015 Special Town Meeting.”

[Town Warrant]

That November 2, 2015 STM #1 total appropriation of \$5,386,000 provided funding related to projects at the Diamond & Clarke Middle Schools, the new Hastings Elementary School, and six modular classrooms (modulars) to be purchased and installed at the Bowman, Bridge, and Fiske Elementary Schools. (The plan was, and remains, for 2 modulars at each of those schools.)

The appropriation did not formally constrain a specific dollar value to any one of the covered efforts (i.e., use of the total appropriation is fungible among efforts within the Motion’s broad language). When building the total appropriation, one component was \$2,915,000 for the purchase and installation of six modulars and another was \$520,000 needed for Schematic Design of the new Hastings if that project were not accepted by the Massachusetts School Building Authority (MSBA) for its support. (See this Committee’s report to that STM.) Also, \$85,000 had previously been applied toward the modulars under Article 2 of the March 23, 2015, STM #1.

Therefore, subject to reallocation of the use of that STM #1 appropriation, the total, prior, appropriated allocation for the modulars project was \$3,000,000. However, as MSBA did accept the Hastings project for its support, that \$520,000 component for it became available to apply toward another of the other three uses cited in that Motion.

The Town went to bid for the six modulars to be installed by December 19, 2016, but there were no bidders. The Town put out a second request for proposal with a relaxed delivery schedule of by May 15, 2017. That produced two bids; however, both came in over the available funds. The selected bid would raise the overall project cost by \$1,430,000—which would bring the total project cost to \$4,430,000. That increase over the budget is attributed to higher-than-estimated square-foot costs and reconsidering locations from those planned when the modulars would have been acquired on a 3-year-rental basis, but now are to be purchased units with a 10-year design life. (The new locations, among other things, increased the square-footage of connectors to the main building and necessitated storm-water collection.) However, as the \$520,000 remains available from the November 2, 2015 STM #1 appropriation, the Town plans to use that \$520,000 for the modulars; thereby reducing the need for a supplemental appropriation to the \$910,000 being requested under this Article. This Committee endorses that approach.

The Lexington School System (LPS) continues to face a severe space shortage in the elementary (K–grade 5) levels due to a growing enrollment. The projected enrollments for grades K–5 from the LPS are in Table 1. These projections are for enrollments as of October 1st of each school year and were produced November 15, 2015, by the LPS. The enrollment as of August 31, 2016, is 3,046—67 students below the latest projection, but is within the expected variation from the projections. Enrollments typically grow over the first month of the school year; that is why the official enrollment data used by the State is the enrollment on October 1st. Thus this year’s enrollment is expected to be closer to projection by October 1st.

Table 1: Projected enrollments by school year for grades K–5.

	2016–2017	2017–2018	2018–2019	2019–2020	2020–2021
Median	3,113	3,169	3,246	3,296	3,344
High	3,203	3,285	3,389	3,467	3,542

The school-system capacity as the buildings are currently used is given in Table 2. (See the table title for the presumptions made in that data.) In this scenario, the additional space will just keep up with expected enrollment growth as seen by comparing the enrollment projections to the Capacity in Table 2. Note,

however, that as currently used, the Bowman, Bridge, and Fiske are severely overcrowded judged against their designed capacity; “keeping up” with enrollment growth means maintaining the current level of overcrowding.

Table 2: Total Elementary School Capacities by school year with currently used classrooms, six additional modulars starting 2017, 9 additional classrooms assuming Hastings comes online in 2019, and LPS policy of averaging 21.5 students per class.

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Bowman	27	29	29	29	29
Bridge	26	28	28	28	28
Fiske	22	24	24	24	24
Estabrook	25	25	25	25	25
Harrington	22	22	22	22	22
Hastings	21	21	21	30	30
Total General-Education Classrooms	143	149	149	158	158
Student Capacity	3,075	3,204	3,204	3,397	3,397

Table 3 is similar to Table 2, but the number of classrooms is for the schools at their design capacity.

Table 3: Total School Capacities by school year with the number of classrooms at design capacity, six additional modulars starting 2017, 9 additional classrooms assuming Hastings comes online in 2019, and LPS policy of averaging 21.5 students per class.

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Bowman	22	24	24	24	24
Bridge	21	23	23	23	23
Fiske	19	21	21	21	21
Estabrook	27	27	27	27	27
Harrington	22	22	22	22	22
Hastings	21	21	21	30	30
Total General-Education Classrooms	132	138	138	147	147
Student Capacity [†]	2,840	2,969	2,969	3,161	3,161

[†] Includes adjustments for rounding .

Table 4 shows the school-by-school enrollment as of August 31, 2016. Bowman, Bridge, and Fiske are all severely overcrowded and will remain so even with the additional modular classrooms regardless of whether one considers the schools sized with current classroom counts or at “right-sized” classroom counts.

Table 4: Current Enrollment (August 31, 2016) versus Capacities at the six elementary schools using Current Enrollment.

	Current Enrollment	Current Right-sized Student Capacity	Current (Shortage)/ Available Capacity	Right-sized with modulars Student Capacity	Right-sized with modulars (Shortage) /Available Capacity
Bowman	560	473	(87)	516	(44)
Bridge	564	452	(112)	495	(69)
Fiske	477	409	(68)	452	(25)
Estabrook	536	581	45	581	45
Harrington	465	473	8	473	8
Hastings	444	452	8	452	8
Total Elementary	3,046	2,840	(206)	2,969	(77)

Because the six-school elementary system is overcrowded, balancing the enrollment across schools cannot alone solve the overcrowding problem—even with the new Hastings school; additional space is needed. Bowman, Bridge, and Fiske bear the most severe overcrowding and this Committee sees this continuing at least for the next several years. This Committee, and then that November 2, 2015, Special Town Meeting, recognized this when that appropriation was made. The need for six additional modular classrooms to relieve some of the burden on Bowman, Bridge and Fiske remains. For this reason this Committee believes it is necessary and appropriate to move forward to purchase and install six modular classrooms. Given the degree of current overcrowding, even if enrollments level off, this additional appropriation will have been prudent.

Article 5: APPROPRIATE FUNDS FOR POLICE STATION FEASIBILITY STUDY	Fund Authorization Requested	Funding Source	Committee Recommends
	\$65,000	GF (Cash)	Approval (5-0)

“To see if the Town will vote to appropriate a sum of money for studying the feasibility of siting, constructing and equipping a new police station;...”

“DESCRIPTION: This article is to request funding for evaluating potential sites for a police station.”
[Town Warrant]

As already noted in our discussion under Article 2, renovation or replacement of the Towns’ Public Safety Facilities has been the top Municipal Capital priority for many years. The current Lexington Police Station, at 12,500 sq. ft. and built in 1955, is inadequate for today’s policing requirements.

The previously identified Donham and Sweeney Architect space-needs studies (see above Article 2, Analysis) reported that the facility was 16,000 sq. ft. short of recommended space; lacked a sprinkler system; had limited universal access; did not conform to Building Code for seismic resistance; had old, inefficient heating, ventilating, and air conditioning (HVAC); needed electrical systems replaced; lacked adequate training, locker room, storage, equipment, and staff space; as well as significant security features now considered to be standard for police operations. The 2010 study reported “the physical constraints of the building pose challenges to the day to day operation of the Department: there is no training space within the building; the locker room is half the size needed for today’s equipment, clothing and operation manuals storage; there is no secure sally port; prisoner entry to the building is unsecure and dangerous; there is a critical lack of storage space such that sensitive records are not able to be stored securely; there is no elevator for moving heavy equipment, files or persons with disabilities; and the sub-basement firing range is inadequate in all regards including the required qualification testing.” That report recommended

that the existing building be renovated and expanded. In the subsequent six years, the force and its equipment, evidence-retention requirements, dispatch, and technology have all grown. The space required to conduct those expanded operations as well as to create welcoming space, encouraging open and positive relationships between the community and the police, was not included in the allocations considered in the prior reports. In 2013, the Ad Hoc Town-wide Facilities Master Planning Committee issued its final report, recommending that the current Police Station be replaced with a new facility, and recommended the Town “Review sites, including a Bedford Street site, as well as review of options at the current site.”

This request would fund an update to the space-needs studies done in the past as well as an analysis of where best to fit those needs. The deliverables under this effort would provide conceptual designs and estimates. The funding would be available from the now-projected revenue in excess of that in the FY2017 budget as approved at the 2016 ATM. (See the discussion under Article 7 for details of that revenue increase and all of the proposed uses of it.)

<i>Article 6: AMEND FY2017 OPERATING, ENTERPRISE FUND AND COMMUNITY PRESERVATION BUDGETS</i>	Fund Authorization Requested	Funding Source	Committee Recommends
	\$40,000	CPF (Undesignated Fund Balance)	Approval (5-0)

“To see if the Town will vote to make supplementary appropriations, to be used in conjunction with money appropriated under Articles 4, 5 and 8 of the warrant for the 2016 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, from Community Preservation funds or by any combination of these methods; or act in any other manner in relation thereto.”

“DESCRIPTION: This article allows an adjustment to the current fiscal year (FY2017) appropriations as approved at the 2016 Annual Town Meeting.”

[Town Warrant]

Of the actions expected in the Motion under this Article, there is only one on which this Committee reports: The Community Preservation Budget. That would be to appropriate the requested, additional, sum to the Community Preservation Fund (CPF) debt service in order to retire the \$40,000 bond anticipation note (BAN) issued in June for short-term financing of the Community Center project. The BAN is due in February 2017, and because there is enough cash available in the CPF, the BAN can be retired then rather than being converted to a longer-term Note (with the attendant interest expense over its life). Under Article 8(p) of the 2016 ATM, \$3,289,721 was appropriated for FY2017 CPF Debt Service; approval of this Article 6 would raise the total to \$3,329,721—which also includes the funds needed to pay the \$548.89 interest due on the retiring of the BAN.

<i>Article 7: ESTABLISH AND APPROPRIATE TO AND FROM SPECIFIED STABILIZATION FUNDS</i>	Fund Authorization Requested	Funding Source	Committee Recommends
	\$1,878,771	GF (Cash)	Approval (4-0)

“To see if the Town will vote to create, amend, rename and/or appropriate sums of money to and from Stabilization Funds in accordance with Section 5B of Chapter 40 of the Massachusetts General Laws for the

purpose of: (a) Section 135 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), (i) Avalon Bay School Enrollment Mitigation Fund, and (j) Capital;....”

“DESCRIPTION: This article proposes to establish and/or fund Stabilization Funds for specific purposes and to appropriate funds therefrom. Money in those funds may be invested and the interest may then become a part of the particular fund. These funds may later be appropriated for the specific designated purpose, by a two-third vote of an Annual or Special Town Meeting, for any lawful purpose.”

[Town Warrant]

Of the actions expected in the Motion under this Article when this report was written, there is only one for a Stabilization Fund (SF) that has Capital implications and, therefore, on which this Committee reports: (j) Capital.

The final State budget provided Lexington \$1,512,488 more in Local Aid (approximately \$1.46 million of which was in Chapter 70 School Aid) than had been contemplated when the FY2017 budget was approved at the 2016 ATM. In addition, there are two other changes that also provide funds available for appropriation. The following table also reflects the proposed application of those funds at this STM:

Proposed Application of Additional, Available, FY2017 Revenue	
Additional Funds	
Additional Local Aid	\$1,512,488
Increase in New Growth Projection	\$200,000
Use of \$300,000 Reserve Set-aside for Excess FY2016 Snow-Ice Expense (net of increased FY2017 Cherry Sheet Assessments and plus Cherry Sheet adjustments)	\$289,993
Total Available for Appropriation	\$2,002,481
Applications	
Increased Town Clerk’s Budget to Cover Early Voting	\$6,250
Potential Supplement Town’s Contribution to the REV Shuttle between Hartwell Avenue and the Alewife MBTA Station	\$22,460
Vision 20/20 Committee Update Study of Citizens Attitudes & Expectations	\$30,000
Article 5 Police Station Feasibility Study	\$65,000
Total of Other Applications	\$123,710
Balance Available for Appropriation to Capital SF	\$1,878,771

The Capital SF has three purposes: Capital Projects, Debt Service Reserve, & Building Renewal. In the face of on-going and pending, long-term-debt-financed, School & Municipal projects, the current planning is to use this SF as primarily—if not totally—a Debt Service Reserve. Its funds would subsequently be incrementally appropriated to reduce future peaks in the debt-service burden on the taxpayer.

The requested appropriation would raise the SF’s balance of \$21,848,523 as of July 31, 2016, to \$23,727,294.