

**Town of  
Arlington, Massachusetts**

**Report of the  
Finance Committee  
To the Special Town Meeting**



**Monday, November 16, 2020**



**ARTICLE 23**

**CAPITAL BUDGET/DPW YARD**

To see if the Town will vote to appropriate a sum of money for remodeling, reconstructing, or making extraordinary repairs to the DPW Yard and associated buildings, including original equipment and landscaping, paving and other site improvements incidental or directly related to such remodeling, reconstruction or repair, and determine whether such appropriations shall be raised by taxation, transferred from available funds, borrowed or provided by any combination of the foregoing; or take any action related thereto.

(Inserted at the request of the Town Manager)

**VOTED:** That the Town appropriates eight million, nine hundred thousand dollars (\$8,900,000) to pay costs of remodeling, reconstructing, or making extraordinary repairs to the DPW Yard and associated buildings, including original equipment and landscaping, paving and other site improvements incidental or directly related to such remodeling, reconstruction or repair, and that to meet this appropriation, the Treasurer, with the approval of the Select Board, is authorized to borrow said amount under and pursuant to G.L. c. 44, §7(1) or any other enabling authority, and to issue bonds or notes of the Town therefor. Any premium received upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with M.G.L. c. 44, §20, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

(15-3)

**COMMENT:** The Town is requesting an appropriation of \$8.9 million for the DPW Yard Project. If approved, the total project cost will increase to \$38,930,000. At our Committee hearing, the Capital Planning Committee indicated that there are three primary drivers of the cost increase: \$4.7 million is caused by construction industry cost inflation; \$2.7 million is caused by a change in contracting method (Construction Manager at Risk and an increase in contingencies) which will work to contain future cost increases; and \$1.5 million is caused by an increase in project scope, specifically moving the IT and Facilities Departments to the location, and the addition of concrete walls for the salt shed. The IT and Facilities scope change represents a transfer of cost from the voter-approved exempt Arlington High School Project Budget to the non-exempt Capital Budget.

At our hearing, Finance Committee members expressed concern about the increase in project cost and the \$400,000 in annual cuts that will happen in the Capital Budget to keep it in balance. Given these concerns, a future request for more funding could be met by opposition from the Finance Committee.