

Devens Economic Analysis Team ("DEAT")

**Minutes of March 23, 2011 Meeting
7:30pm - 9:00pm
Fireplace Meeting Room, Old Library**

Orville Dodson, Clerk

Members Present: Victor Normand, Paul Green, Steve Finnegan, Steve Colwell.

Victor Normand called the meeting to order at 7:30pm.

It was announced that Jean Russell has resigned from the DEAT.

Paul Green summarized the Devens utilities situation and passed out copies of his draft letter to Jim Moore, manager of utilities at Devens. Steve Finnegan asked what tools we have for analyzing the financials of the utility. Partly in answer, Victor presented some of his knowledge about Devens' utilities ("DU"). DU is a pretty standard setup. It buys wholesale, sells retail, and maintains the Devens utility infrastructure. It is an unregulated utility and can take some risks not allowed by regulated utilities. DU has built for future anticipated needs so the infrastructure at Devens has capacity much beyond the current needs. Mass Development used to co-mingle all income but separated out utility income when Mass Dev went for a bond rating. DU will probably be the smallest public utility in the Commonwealth. This argues for its contracting out for maintenance and operation. Victor recommended that we re-cast the letter to Jim Moore to focus on mechanisms rather than policy. Indicate in the letter that we'd like to compare DU with regular utilities and go over DU's budget. Review the budget with member(s) of the Devens finance office. The budget being referred to is the utilities budget appearing in the Devens Annual Report.

The meeting then turned to the question of Devens' impact on school population. Steve Finnegan reported that he has the data from John Kennedy of DESDAC. It shows 74 students currently from Devens. They expect 74 more with the 282 housing unit buildout. The current 74 students come from the 106 housing units currently existing and from the shelter (which produces 22 students). Taking the current 74 students coming from Devens as a given, the future numbers about which there is some uncertainty are: 1) The projected reduction by 334 over 20 years of students coming from Harvard proper, and 2) The expected 74 additional pupils coming from Devens' buildout to 282 units. So there are a total of 408 student slots (334+74) in the 10-year projections subject to uncertainty. Victor observed that student population changes are slow and it also takes years for trends to change. School construction takes time. The impact of schools on the municipal budget should be minimal since the decline in Harvard proper will be somewhat offset by increases at Devens and will take time to play out.

Next, the materials the DEAT will present at Town Meeting were discussed. The discussion reached the conclusion that a 1-page summary will be distributed at Town Meeting. It will include a link to our full PowerPoint presentation on the town website. We should think of our summary as an executive summary which can be read in a few minutes. We will mention that we have presented a conservative snapshot at this point in time. It is a progress report, as will be all future reports from us. Victor will also prepare more full report to be titled "Progress Report to Town Meeting" and send it around for review by DEAT members.

Victor reported that both our state Representative and Senator have sent letters to George Ramirez asking that Mass Dev put out requests for bids for municipal services at Devens.

It was moved and seconded that the meeting adjourn and the meeting adjourned at 8:55 pm.