

**Town of Medway**

**Finance Committee**

155 VILLAGE STREET • MEDWAY, MASSACHUSETTS 02053  
(508) 533-3200 • FAX: (508) 533-3201

**Meeting Minutes**

**October 22, 2014 at 7:00 p.m.**

**Sanford Hall, Town Hall**

**Present:** Chairman Frank Rossi; Members Rohith Ashok, Jeff O’Neill, Meghan Hoffman, Ellen Hillery, Barry Schroeder, Chris Lagan, Jim Sullivan (participated remotely); Selectman Dennis Crowley; and Town Administrator Michael Boynton.

At 7:05 p.m., Chairman Rossi called the meeting to order.

**Public Hearing for 2014 Fall Town Meeting Warrant:**

Chairman Rossi opened the Public Hearing at 7:05 p.m.

No residents attended the Public Hearing.

Chairman Rossi closed the Public Hearing at 7:06 p.m.

**Fall Town Meeting Warrant:**

**Article 1: (Operational Stabilization Reserve Transfer)** – The request is for \$113,500 for the items below. This amount was originally \$229,000 but was paired down. The balance of the Operational Stabilization Fund is \$196,000. The alternative to using stabilization funds was to raise the levy, which would increase residents’ tax bills. Selectman Crowley said the Operational Stabilization Fund was created with stimulus money several years ago. The intent was to set aside these funds to supplement salaries and avoid layoffs if the economy slowed down. Selectman Crowley said the Board always intended to draw the fund down to zero when it was no longer needed. The items that they are requesting funds for under this article are mostly recurring items that will need to be built into the FY16 budget. Administrator Boynton said they will hold off on making any hires for the new positions until they have a clear picture of next year’s revenue. He said at this point it looks like there will be enough revenue available.

<u>Dept. Name</u>	<u>Amount</u>
Police	\$48,000
Fire	\$10,000
Inspectional Services	\$12,500
Public Services	\$33,790
Library	<u>\$ 9,210</u>
<b>Total</b>	<b>\$113,500</b>

The Public Service positions will only be funded for the second half of the fiscal year. The \$9,210 will allow the Library to stay open 8 additional hours per week for the second half of the fiscal year.

**Meghan Hoffman moved that the Finance Committee approve Article 1 of the 2014 Fall Town Meeting Warrant as written; Ellen Hillery second; No discussion; All ayes 8-0-0.**

**Article 2: (Free Cash Appropriation: OPEB Trust Account)** – The request is for \$150,000 of Certified Free Cash to be moved to the Other Post-Employment Benefit Trust Account. The intent is to show bonding agencies that Medway is serious about their OPEB obligation and is trying to make headway. Finance Director Melanie Phillips had indicated to the Town Administrator that this will be extremely important in April when she goes out to bond. The current balance of the OPEB Trust Account is \$100,000. Selectman Crowley said the Board of Selectmen has had preliminary discussions about finding a recurring funding stream for this item. They are considering implementing a meals tax. The Department of Revenue estimated that the sales tax would create \$140,000-\$150,000 of additional revenue annually for Medway. Selectman Crowley said many of the surrounding towns have implemented the tax. If this was implemented, the meals tax would increase from 6.25% to 7%. Medway has over 30 restaurants and businesses that this would apply to. Administrator Boynton said Walpole raised their meals tax and it generated approximately \$410,000. The Committee discussed how other towns are handling this issue. Selectman Crowley said funding the OPEB Trust Account is enormous issue for 90% of the towns and cities in Massachusetts. Medway would need to fund this account with \$3 million annually to fully fund it. There is currently no legislation that penalizes cities and towns for not funding the account in full. Medway currently has a AA+ bond rating and the Finance Director has theorized if Medway does not vote to add funds to this account at the Fall Town Meeting it will likely impact its rating and its cost to borrow in April. Selectman Crowley said they are currently conducting the FY14 Audit and they will invite the Finance Committee to the Audit Review to hear from the auditors on this issue.

**Meghan Hoffman moved that the Finance Committee approve Article 2 of the 2014 Fall Town Meeting Warrant as written; Jeff O’Neill second; No discussion; All ayes 8-0-0.**

**Article 3: (Rescind Borrowing: Deficit Financing)** - Asking to rescind \$1,000,000 of the unissued balance of \$3,000,000 that was authorized under Article 2 of the March 20, 2006 Special Town Meeting and further authorized by the Commonwealth of Massachusetts by Special Legislation Chapter 70 of the Acts of 2006 for deficit financing. The Town did not need the entire amount that was authorized. Mr. O’Neill asked Selectman Crowley about the article that was in the Milford Daily News relative to Medway paying off its deficit-financing loan. Selectman Crowley said Medway will no longer be required to go to the State for approval when borrowing. This will also free up a reserve of about \$795,000. This will be discussed at the Annual Town Meeting in May.

**Meghan Hoffman moved that the Finance Committee approve Article 3 of the 2014 Fall Town Meeting Warrant as written; Jeff O’Neill second; No discussion; All ayes 8-0-0.**

**Article 4: (Rescind Borrowing: Middle School Project)** – This is to rescind \$9,600,000 of the unissued balance of \$22,100,000 that was authorized under Article 8 of the November 15, 2010 Fall Town Meeting. Medway was required by the State to borrow the entire amount of the project even though they would be reimbursed for a portion of it. The State wants to be sure that there is a defined financing mechanism in place. Selectman Crowley confirmed that Medway has received the reimbursement.

**Meghan Hoffman moved that the Finance Committee approve Article 4 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**Article 5: (Free Cash Appropriation: Medway Design Guidelines)** – Asking for \$15,000 from Certified Free Cash for a review and revision of the Medway Design Guidelines. The guidelines will be clarified and illustrated to make expectations clear to residents and business owners.

**Meghan Hoffman moved that the Finance Committee approve Article 5 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**Article 6: (Free Cash Appropriation: Choate Park Building Maintenance Repairs) -**

They are requesting another \$35,000 to complete the project. The Town approved \$50,000 at the May 2014 Annual Town Meeting. The project was a lot more involved than they anticipated. They need to completely gut the interior of the building. They are also adding security cameras and automatic door locks.

**Meghan Hoffman moved that the Finance Committee approve Article 6 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**Article 7: (Free Cash Appropriation: Urban Renewal Plan for Oak Grove) -**

They are requesting \$80,000 to create the Urban Renewal Plan for the Oak Grove area. This area is by the Industrial Park on Trotter Drive and is known as the Bottle Cap Lots. It is made up of more than 1,000 20 by 80 square foot parcels. The Redevelopment Authority needs to create the plan and present it to the State before they can begin to assemble the lots. The Redevelopment Authority has the ability to do eminent domain takings. The Town owns about 30% of the lots in this area and Mr. Richard Williams owns another 30%. Selectman Crowley said they have not acquired the lots from Mr. Williams. The goal is for the Town to identify the owners of the other 40% of the lots and acquire them. All of the lots together total about 43 acres. The Committee discussed at length the amount of money that has been spent on this project and the potential benefit the Town may receive. Selectman Crowley said the Board of Selectman has recently discussed this matter in Executive Session and they are confident the benefits outweigh the liabilities. Selectman Crowley said the assessed value of the individual lots is very low but some owners have approached the Town to buy the land at a much higher figure. Jim Sullivan asked if the Finance Committee could receive a summary of what has been spent to date and an estimate of future costs. Administrator Boynton said he will forward the Committee the information from the Board's Executive Session. This information is confidential as it could affect possible future negotiations.

**Meghan Hoffman moved that the Finance Committee approve Article 7 of the 2014 Fall Town Meeting Warrant as written; Ellen Hillery second; No discussion; 7-1-0 (Jeff O'Neill nay).**

**Article 8: (Water Retained Earnings Appropriation: Purchase Chlorinators) -**

The request is to take \$165,000 from Water Retained Earnings to purchase and install chlorinators in the Town's water tanks. The water supply is currently chlorinated at the pump station but this presents challenges as the chlorine dissipates as it goes through the system. Chlorinating the tanks will improve the quality. There are approximately \$1.1 million in Water Retained Earnings.

**Meghan Hoffman moved that the Finance Committee approve Article 8 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**Article 9: (Free Cash Appropriation: Fund Streetlight Conversion to LED) –**

The request is to use \$20,000 of Certified Free Cash to continue the LED streetlight conversion project. Administrator Boynton said it is far cheaper to operate LED lights and there is about a two year payback. He said DPS has information on the savings and he will forward it to the Finance Committee.

**Meghan Hoffman moved that the Finance Committee approve Article 9 of the 2014 Fall Town Meeting Warrant as written; Chris Lagan second; No discussion; All ayes 8-0-0.**

**Article 10: (Prior Year Bills) –** There is an unpaid FY14 unemployment insurance invoice in the amount of \$2,204. An invoice from April was overlooked because it was the same amount as the previous month. Administrator Boynton said there is enough money in the FY15 budget to cover this item.

**Jeff O'Neill moved that the Finance Committee approve Article 10 of the 2014 Fall Town Meeting Warrant as written; Meghan Hoffman second; No discussion; All ayes 8-0-0.**

**Article 11: (CPA Fund Transfer: Amphitheater)** – The request is to transfer \$20,000 from the Community Preservation Act Fund Open Space Reserves to the Open Space Committee for the purpose of establishing handicap accessibility to the Amphitheater. The \$20,000 is for the engineering study. The Finance Committee said the language of the article is misleading. Selectman Crowley said the Board of Selectmen want additional information on this project, including the estimated cost of project. The area is very steep and it may not be possible to create access that is ADA compliant. The area has historical significance to the Town. The Board of Selectmen voted to keep this article as To Be Determined.

**Meghan Hoffman moved that the Finance Committee keep Article 11 of the 2014 Fall Town Meeting Warrant as To Be Determined; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**Article 12: (CPA Fund Transfer: Housing Production Plan)** - Requesting a transfer of \$6,800 from the Community Preservation Act Fund Community Housing Reserves to the Affordable Housing Trust for the purpose of funding an update to the 2010 Medway Housing Production Plan in order to comply with May 2013 Guidelines. The Housing Production Plan protects the Town from “unfriendly 40B” developments. The current balance of the Community Preservation Act Fund is about \$5 million. The fund is broken up into four sub-accounts. The balances are as follows:

Community Housing	\$597k
Open Space	\$860k
Historical Preservation	\$950k
Unreserved	\$2.1 million

**Meghan Hoffman moved that the Finance Committee approve Article 12 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 7-0-1 (Jim Sullivan abstained).**

**Article 13: (Adjustment: Community Preservation Fund Statutory Set-Aside)** – This item is on the warrant every year. Funds need to be moved from the Unreserved line item to the other three line items. \$36,001 will be moved into Community Housing, Open Space, and Historical Preservation for a total of \$108,003.

**Meghan Hoffman moved that the Finance Committee approve Article 13 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**Article 14: (Street Acceptance: Azalea Drive)** – Over the last several years the Board of Selectmen has made it a priority to accept one or two streets per year. Many of the streets have been unaccepted for years. The Town is able to maintain and plow unaccepted roads but they cannot make repairs without a vote at Town Meeting. The benefit to accepting streets as public ways is they are included in the Town’s inventory, which increases its Chapter 90 funding. There are still other streets that the Town needs to accept but they are more complicated and will require more time.

**Meghan Hoffman moved that the Finance Committee approve Article 14 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**Article 15: (Street, Drainage Parcel and Infrastructure Acceptance: Morningside Drive)** – This is a request to accept Morningside Drive as a public way. The development is off of Holliston Street across from the VFW. The subdivision plan included the drainage parcel.

**Meghan Hoffman moved that the Finance Committee approve Article 15 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**Article 16: (Easement Acceptance: Applegate Subdivision)** – The Applegate Subdivision is made up of 12 lots. There were drainage issues on Ellis Street that affected one of the lots that is for sale. The Town and owner have agreed to undertake a portion of the work. This will resolve the issue.

**Meghan Hoffman moved that the Finance Committee approve Article 16 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**ARTICLE 17: (Utility Easement Grants: Route 109 Project)** – The Town has already authorized the Board of Selectmen to take easements relative to the Route 109 project. In addition, the Board of Selectmen needs to be authorized to grant easements to the utility companies as the utility poles will be on Town property. Selectmen Crowley said they anticipate going out to bid in September 2015 and hope to begin the work in the spring of 2016. The project is 100% funded by the State except for the costs associated with the easements. Selectman Crowley said the cost of the easements will be about \$400,000-\$500,000 and they plan to use Chapter 90 funds. The Committee discussed whether the middle turning lane will remain and to what extent.

**Meghan Hoffman moved that the Finance Committee approve Article 17 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**Article 18: (Utility Easement Grant: Adams St. Athletic Field)** – This will allow NSTAR to install and maintain a transformer on Town property.

**Meghan Hoffman moved that the Finance Committee approve Article 18 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**Article 19: (Zoning Map Revision: Portions of ARII to Commercial V)** – They are asking to rezone certain parcels from Agricultural Residential II district zoning to Commercial V district zoning. The parcels in question are on Summer Street and Milford Street near Restaurant 45. The rezoning of these parcels will create consistency in the area. Some of the abutters have expressed concerns and this may come up at Town Meeting. Selectman Crowley said there is a benefit from an economic development standpoint but the abutters concerns also need to be considered.

**Meghan Hoffman moved that the Finance Committee approve Article 19 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**Article 20: (Zoning Map Revision: Adaptive Use Overlay District)** – The district was amended previously for the Medway Mill Conversion Subdistrict but the map was never amended to reflect the changes.

**Meghan Hoffman moved that the Finance Committee approve Article 20 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

**Article 21: (Amend Zoning Bylaw: Commercial District I)** – This will allow the owners of the plaza to possibly add a second level that could be used for office space or apartments. Selectman Crowley said they are in preliminary discussions with the owner on this matter.

**Meghan Hoffman moved that the Finance Committee approve Article 21 of the 2014 Fall Town Meeting Warrant as written; Ellen Hillery second; No discussion; All ayes 8-0-0.**

**Article 22: (Amend Zoning Bylaw: Adult Retirement Community Planned Unit Development) –** This will allow an Adult Retirement Community Planned Unit Development to include local convenience retail, adult daycare, and medical offices or clinics. As a result, the development will not need to contain a certain percentage of affordable housing units. An Adult Retirement Community Planned Development is being proposed. This will provide a substantial tax base and will not add any additional burden to the school system. Selectman Crowley said the Planning and Economic Development Board is trying to be proactive and attract commercial businesses.

**Meghan Hoffman moved that the Finance Committee approve Article 22 of the 2014 Fall Town Meeting Warrant as written; Jim Sullivan second; No discussion; All ayes 8-0-0.**

**Article 23: (Zoning Bylaw Amendment: Temporary Special Event Signs) –** This article pertains to the banners that are hung over Route 109 to announce Town events. The banners will no longer need to be approved by the Design Review Committee. The goal is to expedite and simplify the process. The Town Administrator will have the authority to approve the banners. Only one banner can be hung at a time and the banners need to promote a community event.

**Meghan Hoffman moved that the Finance Committee approve Article 23 of the 2014 Fall Town Meeting Warrant as written; Rohith Ashok second; No discussion; All ayes 8-0-0.**

The 2014 Fall Town Meeting is November 10, 2014. The Finance Committee will meet prior to the meeting to discuss Article 11 that the Committee left as TBD. Michelle will ask Jeanette to reserve meeting space.

**Reports:**

- Ellen Hillery attended the Community Preservation Committee meeting on October 6, 2014. They discussed the Housing Production Plan and creating access to the amphitheater. She said the general consensus is they need more information on the amphitheater project.
- Barry Schroeder provided the Committee with an update on the Finance Committee Reserve. They have not received any Emergency Transfer Requests (ETR) to date. The balance of the fund is \$100,000. Chairman Rossi asked Chris Lagan to share the conditions that must be met to determine whether a request qualifies as an ETR. Chris Lagan said the request must be unanticipated, unbudgeted and necessary.
- Chairman Rossi said he and Chris Lagan attended the Board of Selectmen's meeting last night to hear the discussion on Article 1 of the Fall Town Meeting Warrant. He said a group of residents attended to voice their concerns about the crumb fill that is being used on the new turf fields. NBC News recently reported that there may be a link between the crumb fill and cancer. He said it was a lengthy discussion and the residents asked the Board to consider an alternative fill. The Board said they have considered the other fills and reiterated that there is no proven scientific link between the fill and cancer. They added that none of the alternative fills have been tested. Chairman Rossi also reported that the DPS Facility Committee has started to meet. He said it is important for a member of the Finance Committee to attend these meetings. He also asked members to make sure they receive meeting notices for the committees they are a liaison to.
- Jim Sullivan reported that there will be a joint meeting with the Board of Selectmen, Finance Committee, and School Committee on November 25, 2014 at 7:00 p.m. at the Middle School. Also, the School Committee is holding an open forum on December 4, 2014. Chairman Rossi

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asked about student enrollment numbers. The Committee discussed how enrollment is leveling off but the budget is increasing dramatically. The Committee discussed that this will be a tight budget cycle and went on to discuss Medway's taxes and how they compare to neighboring towns.

**Meeting Minutes:**

**Chris Lagan moved that the Finance Committee approve the meeting minutes from October 16, 2014 as amended; Meghan Hoffman second; No discussion; 7-0-1 (Jeff O'Neill abstained).**

**Meghan Hoffman moved that the Finance Committee approve the discussion notes from October 8, 2014 as amended; Chris Lagan second; No discussion; 6-0-2 (Jeff O'Neill and Barry Schroeder abstained).**

**Jeff O'Neill moved that the Finance Committee approve the meeting minutes from September 10, 2014; Chris Lagan second; No discussion; All ayes 8-0-0.**

**At 9:13 p.m., Meghan Hoffman moved to adjourn; Rohith Ashok second; No Discussion; All ayes 8-0-0.**

Respectfully submitted,  
Michelle Reed