

Town of Medway

Finance Committee

155 VILLAGE STREET • MEDWAY, MASSACHUSETTS 02053
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Meeting Minutes

April 8, 2014 at 7:00 p.m.

Sanford Hall, Town Hall

Present: Chairman Frank Rossi; Members, Ellen Hillery, Chris Lagan, Todd Alessandri, Jim Sullivan (remotely), Meghan Hoffman, Barry Schroeder; Town Administrator Michael Boynton; Selectman John Foresto; Finance Director Melanie Phillips; and Town Accountant Carol Pratt.

At 7:08 p.m., Chairman Rossi called the meeting to order.

Public Hearing for May 11, 2015 Special and Annual Town Meeting Warrants:

At 7:10 p.m., Vice Chair Lagan moved to open the Public Hearing for the purpose of hearing public comments relative to the May 11, 2015 Special Town Meeting Warrant and Annual Town Meeting Warrant; Todd Alessandri second; No discussion; 6-0-0 (Barry Schroeder not present).

Chairman Rossi invited those present to make any comments relative to the May 11, 2015 Special Town Meeting Warrant and Annual Town Meeting Warrant. There were no comments.

At 7:11 p.m. Meghan Hoffman moved to close the Public Hearing; Todd Alessandri second; No discussion; 6-0-0 (Barry Schroeder not present).

May 11, 2015 Annual Town Meeting Warrant:

The Committee reviewed, discussed and voted on the following articles.

Article 15 (Capital Project: Construct and Improve Playgrounds – CPC Funds)

Town Administrator Boynton and Selectman Foresto reported that the proposal for the playground project was presented to the Community Preservation Committee (CPC) on Monday April 6, 2015. The CPC postponed any decisions on this matter until the fall. They want additional information before they make a decision. This article will be dismissed at the Annual Town Meeting. The Finance Committee does not need to vote on this article.

Article 20 (Appropriation: Community Preservation Committee)

This item is on the warrant every year. The Board of Selectmen has not voted on this article because the numbers were not finalized until Monday night. \$10,000 was added for the design development of the amphitheater. This project was put on hold in the fall but the CPC would like to move forward. The will be used for an engineering study to better understand the site and possible access points.

Meghan Hoffman moved that the Finance Committee approve Article 20 of the May 11, 2015 Annual Town Meeting Warrant; Todd Alessandri second; No discussion; 5-0-1 (Jim Sullivan abstained and Barry Schroeder was not present).

Article 21 (Acceptance of MGL chapter 64L, § 2 Local Option Meals Tax)

The Department of Revenue (DOR) has estimated that the meals tax would generate approximately \$140,000 in additional revenue for the Town. Finance Director Melanie Phillips said the DOR's

estimates are based on actual data. Town Administrator Boynton said the DOR estimated that Walpole would receive an additional \$360,000 in revenue if they imposed a local meals tax and in the first year they collected \$400,000. Finance Director Phillips reviewed the process for instituting the local meals tax. Selectman Foresto said Selectman Crowley has reached out to the owner of Restaurant 45 but they have not spoken. The Committee then discussed how Article 21 and Article 22 are linked. Vice Chair Lagan said he is not opposed to the local meals tax but he does not believe a portion of the revenue should fund the Other Post-Employment Benefits (OPEB) Trust. The Committee discussed what would happen if Article 21 passes but Article 22 does not. Town Administrator Boynton said the revenue collected from the meals tax would flow to the General Fund. He added that the anticipated revenue has not been built into the FY16 budget. He said that the Capital Budget was negatively impacted this year due to the snow and ice deficit and the revenue could be used to supplement this budget. Todd Alessandri said he thinks it is important for the two articles to be linked so that it is clear how the funds will be used. The Town has allocated a portion of Certified Free Cash to the OPEB Trust for the last three years. Vice Chair Lagan said there are three large projects coming online in the next several years and he thinks it is a better idea to use a significant portion of this revenue to fund the OPEB Trust. Selectman Foresto said that this item will need to be voted on each year at the Annual Town Meeting so the funding source could be changed in future years. Town Administrator Boynton said he, the Board of Selectman and the Town's finance team support Article 22. He added that the revenue from the projects that are coming online will likely not be realized until FY17 or FY18. He said something needs to be done for FY16 to address the concerns that were raised by the auditing firm. The Committee discussed the problem with not contributing anything to the OPEB Trust in FY16, including the Town possibly losing its AA+ stable bond rating. Finance Director Phillips said they were told it is possible for the Town to achieve an AAA bond rating if they continue on their current trajectory. The Town is undertaking several large capital projects over the next several years and maintaining their current bond rating is critical and will result in significant savings. Town Administrator Boynton said that every community in Massachusetts with the exception of Wellesley is faced with this issue. The residents of Wellesley approved an override to fully fund the OPEB Trust.

Todd Alessandri moved that the Finance Committee approve Article 21 of the May 11, 2015 Annual Town Meeting Warrant; Jim Sullivan second; No discussion; 5-2-0 (Meghan Hoffman and Chris Lagan opposed).

Article 22 (OPEB Trust Funding from Meals Tax)

The article asks the Town to allocate \$100,000 of the local meals tax revenue to the OPEB Trust. Chairman Rossi reminded the Committee that this item needs to be voted on every year. He asked if it is possible to use Certified Free Cash like in past years. Administrator Boynton said that the Town would need to wait until the end of the fiscal year and vote on it in the fall. The Committee also discussed what would happen if the Town did not collect \$100,000 in revenue from the local meals tax. Town Accountant Pratt said they could not transfer anything in excess of the revenue that was collected. The Committee discussed the article language and whether it needed to be revised. Administrator Boynton said the language does not need to be revised; the residents are voting on the intent of the article.

Todd Alessandri moved that the Finance Committee approve Article 22 of the May 11, 2015 Annual Town Meeting Warrant; Ellen Hillery second; No discussion; 4-3-0 (Meghan Hoffman, Jim Sullivan, and Chris Lagan opposed).

Article 23 (Acceptance of Sidewalk Easement)

Director of Economic & Community Development Stephanie Mercandetti and Planning & Economic Development Coordinator Susy Affleck-Childs joined the meeting to discuss the article. The property

owner of a small piece of sidewalk on Milford Street in front of Cumberland Farms needs to grant an easement to the Town.

Meghan Hoffman moved that the Finance Committee approve Article 23 of the May 11, 2015 Annual Town Meeting Warrant; Todd Alessandri second; No discussion; 7-0-0.

Article 24 (Zoning Bylaw Recodification)

Ms. Mercandetti and Ms. Affleck-Childs explained that funds were set aside at last year's Annual Town Meeting to recodify the Zoning Bylaws. The Town hired Judi Barrett to assist them with this project. The main goal was to streamline and reorganize the existing bylaws. The sections on enforcement and fines were revised. The fines were increased from \$25 to \$100 and are consistent with surrounding towns. Ms. Affleck-Childs said the bylaws were reduced by about 40-50 pages and are much more user friendly. She added that they identified additional content related work that needs to be addressed in the future.

Meghan Hoffman moved that the Finance Committee approve Article 24 of the May 11, 2015 Annual Town Meeting Warrant; Todd Alessandri second; No discussion; 7-0-0.

Article 25 (Amend Zoning Bylaw: New Sub-Section for Multifamily Housing)

This article proposes adding a new sub-section on multi-family housing. The group reviewed a map of the Town and the areas where this type of housing would be allowed. Ms. Affleck-Childs explained how the areas were determined, including being within reasonable walking distance of commercial areas. This sub-section would apply to structures with three or more units. Applicants would be required to apply for a Special Permit and go through a review process with the Planning & Economic Development Board. A structure could not have more than 12 units and a site could not have more than 40 units total. Language restricting limitations on bedrooms was removed per Town Counsel.

Meghan Hoffman moved that the Finance Committee approve Article 25 of the May 11, 2015 Annual Town Meeting Warrant; Todd Alessandri second; No discussion; 7-0-0.

Article 26 (Establishment of a Business Transition Zone)

An article expanding Commercial V was not approved previously. After discussions with property owners and abutters they determined they should create a new zone around Commercial V. Retail and drive thrus will not be permitted in the Business Transition Zone. Meetings have been held with abutters and many of their concerns have been addressed. Ms. Affleck-Childs said the structure must have residential character, including a residential style roof. The purpose is to create more commercial opportunities and further the goals of the Medway Master Plan. The Committee said they believe the new zone is a nice compromise. A traffic study will be done during the Site Plan Review. This article requires 2/3rd vote at the meeting.

Meghan Hoffman moved that the Finance Committee approve Article 26 of the May 11, 2015 Annual Town Meeting Warrant; Todd Alessandri second; No discussion; 7-0-0.

Article 27 (Funding of Collective Bargaining Agreement – Municipal Employees Union)

The figures were not finalized when the article was drafted but have since been settled and ratified. They will be read in the motion at the meeting. Administrator Boynton reviewed the figures with the Committee. Selectman Foresto congratulated Administrator Boynton and his team on their hard work.

Meghan Hoffman moved that the Finance Committee approve Article 27 of the May 11, 2015 Annual Town Meeting Warrant; Todd Alessandri second; No discussion; 7-0-0.

Article 28 (Funding of Collective Bargaining Agreement – Permanent Firefighters)

Administrator Boynton reviewed the figures with the Committee.

Meghan Hoffman moved that the Finance Committee approve Article 28 of the May 11, 2015 Annual Town Meeting Warrant; Todd Alessandri second; No discussion; 7-0-0.

Article 29 (Funding of Collective Bargaining Agreement – Police Association)

Administrator Boynton reviewed the figures with the Committee.

Meghan Hoffman moved that the Finance Committee approve Article 29 of the May 11, 2015 Annual Town Meeting Warrant; Todd Alessandri second; No discussion; 7-0-0.

Article 30 (Purchase Property Off of Winthrop St)

The Board of Selectmen worked with Town Counsel on this item in response to a Citizens' Petition. After the warrant was drafted the Town learned that the property owner submitted an application for site eligibility for a 40B development on this parcel. This article will likely be dismissed at the meeting.

Article 31(Citizens Petition: Purchase Wicket Property)

This article had to be placed on the warrant but was insufficient so the Board of Selectmen added Article 30. Due to the pending application for site eligibility for a 40B development, this article will likely be dismissed by the Town Moderator.

Article 32 (Citizens' Petition: Survey Property Off of Winthrop St)

This article had to be placed on the warrant but was insufficient so the Board of Selectmen added Article 30. Due to the pending application for site eligibility for a 40B development, this article will likely be dismissed by the Town Moderator.

Meghan Hoffman moved that the Finance Committee leave Article 30, Article 31, and Article 32 of the May 11, 2015 Annual Town Meeting Warrant as TBD; Todd Alessandri second; No discussion; 7-0-0.

Article 33 (Authorization to Negotiate Exelon PILOT)

This article allows the Board of Selectmen to negotiate a payment in lieu of taxes (PILOT) agreement with Exelon. The Town and Department of Revenue will need to approve the agreement. The Board of Selectmen met with Town Counsel last week to discuss the project and the process. If Exelon wants to expand further in the future they will need to enter into a separate agreement. This type of agreement is different from a non-profit PILOT.

Meghan Hoffman moved that the Finance Committee approve Article 33 of the May 11, 2015 Annual Town Meeting Warrant; Todd Alessandri second; No discussion; 6-1-0 (Jim Sullivan opposed).

Selectman Trindade joined the meeting.

May 11, 2015 Special Town Meeting Warrant:

Article 1 (Free Cash Transfer: Snow and Ice Deficit)

The article requests \$400,000 of Certified Free Cash to supplement the FY15 snow and ice budget, which will bring the total to \$825,000. The FY15 figure to date is \$770,000 and they are still waiting on some invoices. Any excess money will fall to free cash.

Meghan Hoffman moved that the Finance Committee approve Article 1 of the May 11, 2015 Special Town Meeting Warrant; Todd Alessandri second; No discussion; 7-0-0.

Article 2 (Free Cash Transfer: Street Acceptance Account)

The request is for \$15,000 of Certified Free Cash to continue working on the street acceptance process.

Article 3 (Transfer: Fire Dept. Overtime)

Funds were allocated for Fire Department training at the May 12, 2014 Special Town Meeting. \$9,238.95 remains and will be used to offset overtime.

Article 4 (Transfer: Memorial Committee)

\$4,000 will be transferred from the Legal Account to the Memorial Committee. There is a surplus in the Legal Account. The funds will be used to purchase street sign toppers to recognize local servicemen.

Article 5 (Reserve for Overlay Release)

Administrator Boynton said the Board of Assessors released \$269,000 in overlay surplus. A total of \$7,768.84 will be used to fund overlay deficits from several years.

Article 6 (Repurpose Monetary Article: McGovern Generator)

\$60,000 was previously allocated to this item. The request is for an additional \$40,000. The bids came in higher than expected and the cost is closer to \$100,000. The funds will be used to replace the generator at the McGovern School. The generator at the Burke School will need to be replaced in the future.

Article 7 (Repurpose Funds: Thayer Homestead Improvements)

There is approximately \$56,000 remaining. The funds will be used for several items, including rugs to improve the acoustics inside the building.

Article 8 (Prior Year Bills)

The funds will be used to pay outstanding NStar bills. Administrator Boynton said they are hoping to consolidate the accounts and simplify the billing process.

Article 9 (Extend Expenditure Deadlines –2014 Annual Town Meeting Article 7 – Various Projects)

Several projects are not completed and the expenditure deadlines need to be extended.

Article 10 (Idylbrook Guardrail)

This item has not been approved by the Community Preservation Committee (CPC) yet. Telephone poles are currently being used to keep vehicles off of the fields. The poles are beginning to rot. The cost for the new guardrails is \$27,500 and includes installation.

Meghan Hoffman moved that the Finance Committee approve Article 2, Article 3, Article 4, Article 5, Article 6, Article 7, Article 8, Article 9 of the May 11, 2015 Special Town Meeting warrant; Todd Alessandri second; No discussion; 7-0-0.

Meghan Hoffman moved that the Finance Committee leave Article 10 of the May 11, 2015 Special Town Meeting warrant as TBD; Todd Alessandri second; No discussion; 7-0-0.

Meeting Minutes:

Meghan Hoffman moved that the Finance Committee approve meeting minutes from February 11, 2015 as amended; Todd Alessandri second; No discussion; 7-0-0.

Meghan Hoffman moved that the Finance Committee approve meeting minutes from March 9, 2015 as amended; Todd Alessandri second; No discussion; 6-0-1 (Jim Sullivan abstained).

Meghan Hoffman moved that the Finance Committee approve meeting minutes from March 11, 2015 as amended; Chris Lagan second; No discussion; 6-0-1 (Jim Sullivan abstained).

Meghan Hoffman moved that the Finance Committee approve meeting minutes from March 18, 2015 as amended; Todd Alessandri second; No discussion; 5-0-2 (Jim Sullivan and Barry Schroeder abstained).

Meghan Hoffman moved that the Finance Committee approve meeting minutes from April 1, 2015 as amended; Todd Alessandri second; No discussion; 5-0-2 (Jim Sullivan and Barry Schroeder abstained).

Schedule:

The Annual Town Meeting is May 11, 2015. Todd Alessandri said he is not able to attend. The Finance Committee will meet before the meeting at 6:30 p.m. Jeanette will reserve a room for the meeting. The next Finance Committee meeting is scheduled for May 13, 2015. Chairman Rossi will follow-up with the Committee the week before to see if they need to hold this meeting.

The Clean Sweep event is this Saturday, April 11, 2015. Ellen Hillery said she is participating.

Sub-Committee reports are due to Chairman Rossi by Friday morning.

Invoice:

Chris Lagan moved that the Finance Committee approve the Gate House Media invoice in the amount of \$74.12; Todd Alessandri second; No discussion; 7-0-0.

At 9:26 p.m., Meghan Hoffman moved to adjourn; Chris Lagan second; No discussion; 7-0-0.

Respectfully submitted,
Michelle Reed