

October 22, 2001

**BOARD OF SELECTMEN
EXECUTIVE SESSION MINUTES
OCTOBER 22, 2001**

Present: Arnold Wilson, Chairman
George Dib
Hal White
Charles Blanchard
Doris Sosik
James Malloy, Town Administrator

The Chairman called the executive session to order under MGL Chapter 39, §23B, Paragraph #6: To consider the purchase, exchange, taking, lease or value of real property, not to reconvene in open session.

G & F Industries TIF

J. Malloy submitted to the Board additional information regarding the TIF agreement with G & F Industries (copy on file). According to Irwin Thomashow, CFO for G & F, they couldn't provide an estimated assessed value for the reconstructed building. Mr. Malloy used three similar properties (All-Star, Lucent and F.W. Webb) and their current per square footage value for office space and for production space to obtain an average per square foot value for these types of space. He then developed the estimated value for the reconstructed G & F building by applying the average square foot values for office and production space to the estimated square footage of G & F to develop the new estimated reconstructed values. He discounted the current actual value of the structures by 33%.

Mr. Malloy submitted to the Board a spreadsheet indicating that over the ten-year period, the average difference between 20% and 15% is \$627 per year and the difference between the 20% and 10% column is \$1,253 per year. The total benefit is estimated to be \$25,066 (20% column), \$18,788 (15% column) and \$12,533 (10% column). He spoke with Karl Kildahl at MOBD regarding the state tax credit that G & F will receive, which is estimated at \$175,000. Mr. Malloy requested that the Board support the 20% option.

MOTION: To authorize J. Malloy to negotiate up to the 10 year TIF, starting at 20% down to 2%, but to discuss it with John Argitis to make sure that he knows what the situation is, by C. Blanchard.

2nd: H. White

Roll call vote: All were in favor.

Sprint

J. Malloy submitted to the Board information about water tower lease rates (copy on file) and a lease agreement for the Board's review (copy on file). Mr. Malloy let Dan Finnegan know that their initial proposal of \$12,000 per year seemed low compared to information received from other communities and that he didn't think that the Sturbridge Selectmen would settle for less than \$25,000. Mr. Malloy also informed him that he had requested from Sprint the technical information on how the antennae/tower would be connected to the water tower and had not heard back. Mr. Malloy informed Mr. Finnegan that the Board would not allow the connection to the new water tower unless they were assured that no damage would be done to the tower.

J. Malloy stated that Greg Morse, DPW Director, did not think it was worth having a tower on the town's water tower because it would only generate a minor amount of revenues but could cost the town a substantial amount if the tower was damaged. C. Blanchard felt that it was still worth pursuing if it would keep another unsightly tower from being located in town.

A. Wilson recommended adding "that no change should be made without written approval from the Town to the written proposal from Sprint." J. Malloy suggested adding "contingent upon the Town receiving a set of plans to be reviewed by our engineers and the cost of the review to be paid by Sprint." A. Wilson suggested adding "that the Town has the right not to renew the contract 90 days prior to the expiration of the 10-year terms." He also suggested adding that the tower "be removed within 120 days if they declare it non-usable from a technology point of view." He suggested adding a clause "that there not be any attachment to the water tower by welding." He also suggested adding "an \$80,000 bond for repairing the tank if it is damaged." Mr. Malloy did not think that a bond was necessary.

It was the consensus of the Board that the figure be a minimum of \$25,000 contingent upon site plan approval by town engineers.

MOTION: To adjourn, by G. Dib.

2nd: H. White

Roll call vote: All were in favor.

The meeting was adjourned at 10:20 p.m.

Executive Session Minutes
October 22, 2001

Respectfully submitted,

Judy Knowles

BOS Clerk

Date