



BOARD OF SELECTMEN
MEETING MINUTES
November 4, 2014

The Board of Selectmen met in the Joseph F. Bilotta Meeting Room, Town Hall, as scheduled with Thomas Alonzo, Chair; Paula Bertram, Vice Chair; Jamie Toale, Clerk; Robert Ebersole, Member; Phyllis Luck, Member and Town Manager Kerry Speidel present.

The meeting opened at 7:00 PM with the Pledge of Allegiance.

PUBLIC COMMENT

Mr. Alonzo reminded everyone that the election polls were open until 8:00 p.m. Ms. Luck noted a storm water workshop on November 19th from 7 – 9 p.m. at the public library. Preregistration is required; there is more information on the town website. Ms. Luck also wanted to thank the community for the tremendous outpouring of support over the past few weeks since Mr. Luck's heart attack.

Mr. Toale reported this past weekend over eighty memorial bricks were placed in the Memorial Park pathway. He thanked the work crew for all their help. There will be a dedication ceremony for all veterans on Tuesday, November 11th at the Memorial Park at 11:00 a.m.

Ms. Bertram announced that Lunenburg was awarded a \$269,300 land grant from the MA Executive Office of Energy and Environmental Affairs/Division of Conservation. This grant will reimburse the Town for 64% of the cost of the acquisition of the Holman Street property. She thanked all the groups and boards who were instrumental in moving this forward. Special thanks were expressed to Brandon Kibbe for his vision and leadership and the voters at town meeting.

Mr. Alonzo thanked everyone who participated in the Miles for Myles event. He also wanted to acknowledge two Lunenburg firefighters, Captain James Ricci, who received the Norman Knight Award and Firefighter Austin Flagg who received the Meritorious Recognition for Courage Award at the State House in Boston recently. Mr. Alonzo read aloud a Proclamation recognizing November 2014 as Pancreatic Cancer Awareness Month. The Board signed the proclamation.

APPOINTMENT

Presentation on School Building Project Financing

Ms. Speidel introduced the Town's financial advisor, David Eisenthal of Unibank Fiscal Advisory Services. Mr. Eisenthal covered the milestones achieved to date leading up to date since 2012, stating most of which has happened this past year:

- May 2012- school feasibility study authorized
- December 2013- Bond anticipation notes (BANS) issued
- January 2014 – School project authorized; debt exclusion vote taken
- May 2014- additional \$89,000 bond anticipation notes issued
- August 2014- \$2,500,000 bond anticipation notes issued
- October 2014- \$3,000,000 bond anticipation notes issued; Town takes bids on \$9,000,000 general obligation bonds
- November 4, 2014 Board of Selectmen considers award and execution of bonds
- November 13, 2014 bonds settle
- November 14, 2014 BANS mature

The next borrowing needs to occur in the next 90- 120 days due to interest rate advantages. The Town has 2 major options both of which would be in February or March 2015; issuing \$18,000,000 in general obligation

bonds or issuing \$15,500,000 of bond anticipation notes that would mature in November 2015. The major difference between these options is that the earlier bond issuance places most of the tax rate impact that will be felt in fiscal 2016. If the Town were to elect a note issuance in February/March with a bond issuance in November 2015, that would defer the bulk of that impact to fiscal 2017. If the Town were to issue \$18 million in bonds in February/March 2015, the impact on the 2016 tax rate would be an additional \$1.21 per household or a \$300 increase for the average single family house. 2017 would have an additional increase of 40 cents on top of that or another \$100.00 through the remainder of the issue of the repayment of the financing out to the 2040's that would remain constant.

Issuing notes in February/March followed by a bond issue next November would produce about a 71 cents impact in 2016, or about \$175.00 annually for an average single family household. 2017 would see an additional 96 cents for an additional \$240.00 per household and after that it would level out again for the remainder of the repayment.

Mr. Eisenthal stated the Town will need to monitor cash flow projections on an ongoing basis. There is an additional issue; the premium is the amount of cash paid by the original purchaser of the bonds above the face amount of the bonds. So on the \$9,000,000, the purchaser is paying an additional \$120,000; part of that is going to be used for costs of issuance. There will be \$55,000 left over after those costs of issuance. Under Massachusetts law you can use that extra money in a couple of ways. You can either reduce tax rate impact on an ongoing basis; basically a certain amount would be applied to reduce the tax rate over the next 29 years or you can use that to be applied to project costs. This is recommended by bond counsel and requires a town meeting vote. Treasurer/Collector Shelly McCaie requested the Board approve a \$9 million bond for the school project. A total of six bids were received. The winning bidder was Robert W. Baird and Co., Inc. at a fixed interest rate of 3.292311%.

Motion: J. Toale

2nd: P. Bertram

That the Board of Selectmen award \$9,000,000 general obligation school bonds as detailed in the form of the vote

Vote: All in Favor

Ms. Speidel asked the Board how they would like to proceed next spring. It would be helpful to know what direction; short term versus long term financing. Discussion ensued but no decision was made.

Minutes/Warrants/ Contracts

Minutes were approved. An accounts payable warrant for school construction in the amount of \$5,966,746.25; a payroll warrant in the amount of \$521,483.79 and a payroll deductions warrant in the amount of \$6195.81 were signed. The FY15 2nd Quarter Water Billing warrant in the amount of \$6195.81 was signed.

Waiver - School Building Permit Fee

Ms. Speidel reported a request from the School Building Committee Chair was received asking the Board to waive the school building permit fee associated with the school construction project. The request is for all the permit fees. The Board has in the past waived building permit fees for municipal buildings.

Motion: R. Ebersole

2nd: P. Bertram

That the Board waives the building permits fees only for the school construction project

Vote: All in Favor

Appoint Temporary Treasurer/Collector

Mr. Alonzo thanked Ms. McCaie for her work as she is leaving the Town's employment. She tendered her resignation effective November 13th. Ms. Speidel requested the Board appoint her until a replacement can be hired. The position has been advertised and applications are due November 7th. She expects to recommend a candidate to the Board at their first meeting in December.

Motion: R. Ebersole

2nd: P. Bertram

To appoint Kerry Speidel as the temporary Treasurer/Collector effective November 14 until a qualified successor is appointed

Vote: All in Favor

Committee Reports: Board of Health: Mr. Ebersole reported they are working with the Building Inspector on Title V guidelines as they relate to numbers of bedrooms in dwellings; **Building Reuse Committee:** Mr. Toale reported they are going to concentrate on Town Hall and a plan for municipal offices while they wait to see how the school campus and zoning processes evolve; **Capital Planning Committee:** Mr. Toale reported they began reviewing requests from Fire and IT. They will continue to review and report in December. **Finance Committee:** Mr. Toale reported they plan to hold meet and greet sessions with budgeting groups; **Library Board of Trustees:** no report; **MPO:** Ms. Bertram reported they have a meeting November 12th but she cannot attend as she will be away, Ms. Luck will attend in her place; **Planning Board:** Ms. Bertram reported they met on October 27 and continued a public hearing for 322 Flat Hill Road for community solar. There were a number of concerned residents present. A straw poll taken of the Planning Board was split. Peer review on the plan has not been completed. The hearing was continued. A hearing for High Field Village will be held on November 10th. A notice of intent to sell 90 W. Townsend Road was reviewed and will be deferred to Conservation Commission and Open Space. Another work session will be scheduled for the Master Plan. **PACC:** Mr. Alonzo reported PACC will be meeting with this Board in December. **School Committee:** Ms. Luck reported School Superintendent Calmes had reported Race to the Top Funds were fully expended, providing stipends for curriculum development and assessment, building administrator training, materials for curriculum units provided at the state level and software to allow school data to communicate with state software. Asbestos abatement at Turkey Hill Middle School will be stretched out over seven years saving around \$200,000; flooring and ceiling work will be done together. Mr. Londa will begin talks with Monty Tech about constructing the new barn/garage. School Committee Chair Berthiaume stated the committee would not be supporting relocating the community playground at this time. Enrollment figures as of October 1st were given. Total enrollment has dropped slightly since 2011 and there are 67 less students this year than in 2011. **School Building Committee:** Mr. Alonzo reported their next meeting will be an abutters' meeting. Everything is going according to schedule. **Sewer Commission:** Mr. Ebersole reported they discussed connection and privilege fees for the Lunenburg luxury apartments off Whalom Road as it relates to the Zoning Board of Appeals. Sewer Commission stated they would not reduce fees. The project is considered affordable even with the fees. **ZBA:** Mr. Alonzo reported the hearing for the gas station proposal at the Old Stone Farm package store on Massachusetts Avenue has been continued to November 12th.

Mr. Alonzo announced there is still a vacancy on PACC, Conservation Commission, Historical Commission and Finance Committee.

Town Manager Report: Ms. Speidel reported the annual license renewal process has started. Renewal letters went out yesterday to all licensees. Anyone owing money to the Town was notified in a separate letter to pay by December 1st.

Mr. Alonzo stated next week is Veteran's Day and they will not be meeting. This Board meets again on November 18th.

PUBLIC COMMENT:

Ms. Luck reported on the MART survey. The Board in response to public requests is seeking to expand MART transportation services in Lunenburg. The Board is seeking input to find the route that best suits residents' needs. The survey is on the town website or you can pick up a survey at the Town Clerk office, Police Station, Library and Eagle House Senior Center. Mr. Ebersole reminded they need to return to goals for the Board and Town Manager. Mr. Alonzo thanked the Finance Committee for sitting in on the school financing presentation.

Motion: P. Bertram
To adjourn the meeting at 8:25 p.m.

2nd: R. Ebersole
Vote: All in Favor

Respectfully submitted,

Elaine M. Peterson
Executive Assistant to the Town Manager