

IN BOARD OF SUDBURY SELECTMEN
TUESDAY, SEPTEMBER 27, 2011

Present: Chairman Lawrence W. O'Brien, Vice-Chairman Robert C. Haarde, Selectman John C. Drobinski, and Town Manager Maureen G. Valente

The statutory requirements as to notice having been complied with, the meeting was convened at 7:00 p.m. in the Lower Town Hall, 322 Concord Road.

Opening Remarks

Chairman Lawrence O'Brien opened the special meeting at 7:00 p.m. He stated that with the exception of one item, the agenda consists of updates, status reports, and discussion of major projects. The one exception is the introduction of the Town Manager's appointment of labor counsel, which must be approved by a vote of the Board.

Appointment – Labor Counsel

Town Manager Maureen Valente introduced Kevin Feeley of the firm Feeley & Brown, P.C., who is her selection to serve as Labor Counsel for the Town of Sudbury. She noted that Mr. Feeley, whose has a particular expertise in local government health insurance, served three years ago as Special Labor Counsel to the Town in matters relating to health insurance.

Chairman O'Brien welcomed Mr. Feeley and commented that his service to the Town will be of great benefit, particularly in light of legislative changes to Ch 21A.

Mr. Feeley responded that he is proud and thrilled to have the opportunity to serve the Town of Sudbury. At Vice-Chairman Haarde's request, he listed some of the towns his firm has assisted recently, both in health insurance and in labor and employment matters. Vice-Chairman Haarde also asked about current trends, to which Mr. Feeley responded that settlements are down and challenges in maintaining positive management/employee relations are up. In both instances, he attributes the trends to the economy.

It was on motion unanimously

VOTED: To endorse the Town Manager's appointment of Kevin Feeley as Labor Counsel to the Town of Sudbury.

Review of Prior Year Goals

Chairman O'Brien announced the presence of a number of Town staff members and community leaders in the audience and expressed appreciation for their interest in Town matters. He reiterated that the purpose of this special meeting was to share information necessary for the Board to consider as it develops long- and short-term goals and objectives for the Town. Chairman O'Brien stated that, traditionally, such information is relayed by memo and taken under consideration by the Selectmen in conjunction with senior staff. His rationale for calling a public meeting is to allow information to be shared directly with the public. Mr. O'Brien provided a project status update based on last year's goals.

The Board set 40 goals last year—23 short-term, 11 continuing, and six long-term. Twenty-seven goals were completed or are well underway, one was discontinued, and five have no ongoing activity at this

time, primarily due to staff time/work limitations. Tonight's meeting focuses on those goals that require more study.

Three-Year Revenue Forecast

Finance Director Andrea Terkelsen presented a three-year general fund revenue forecast. The forecast shows the major revenue streams—property taxes, state aid, and local receipts—holding constant over the next three years. No new or added revenue streams are predicted. The revenue forecast for LS is projected to be similar to that for the Town. All increases are predicted to arise from the largest revenue stream, the tax levy; however, the source will be from Proposition 2 1/2 rather than from growth. Ms. Terkelsen noted that a portion of the tax levy is received in years subsequent to the one in which it is budgeted, which affects cash flow. In total, the projected increase in General Fund revenues is 2.6–2.7% over the next three years. This increase is in line with that realized over FY10–12. Budget allocations are expected to follow the historical pattern, with the following approximate distribution: LSRHS 23%; SPS 44%, Town Departments 23%; Capital Operating Plan < 1%; and other expenditures 10%.

Debt Service is expected to decline significantly over the next few years, unless the Town bonds something additional. The average estimated tax impact from debt is expected to decrease from \$686 in FY12 to \$256 in FY16. This projection already includes the Noyes Green Repair debt, which will add approximately \$200,000 starting in FY13.

Ms. Terkelsen characterized these projections as a starting point for strategic planning. As the FY13 budget cycle begins, more definitive information on revenue streams will become available. Consensus among peer communities regarding local receipt expectations will be sought over the next few years. State aid is expected to be the single unknown as the budget season evolves.

Selectman Drobinski commented that the downward trend in debt service allows some leeway to consider a capital project. Vice-Chairman Haarde commented that revenues will be tight over the next few years and acknowledged the significance of the Town retiring a significant portion of its debt. Chairman O'Brien attributed this to good planning on physical plant needs. Ms. Terkelsen also noted that the Town has executed a refunding option—similar to a home mortgage refinancing—three times since 2005, effectively reducing its interest rate on the debt. Additionally, the Town receives reimbursements over the life of some of its bonds, which it puts toward reducing its debt.

Chairman O'Brien confirmed that the Town's AAA rating from Standard & Poors was renewed in March.

Long-Term Obligation for Other Post-Retirement Employment Benefits (OPEB)

At 7:30 p.m., Chairman O'Brien introduced Maryanne Bilodeau, Assistant Town Manager and HR Director. The purpose of Ms. Bilodeau's presentation is to clarify changes in the requirements for how the Town handles benefits other than pensions for its retirees. These benefits are known as OPEB, the most common benefit being healthcare. The standards for accounting and financial reporting on OPEB are established by the Governmental Accounting Standards Board in its statement number 45 (GASB 45).

Ms. Bilodeau explained that the Town presently pays for current retirees' and active employees' healthcare costs during the fiscal year in which the costs are incurred. GASB 45 will require that the Town pay for employees' current and future retirement healthcare costs while they are still employed. This requires that the Town set aside funds for these future obligations. Doing so is expected to result in savings

of over \$1 million per year. It is also possible that the Town's bond rating will suffer if it does not do some prefunding of OPEB obligations.

The Town has taken several steps to position itself to prefund this unfunded liability. First, the required biennial actuarial valuations have been conducted. The Town also established an OPEB Trust Fund several years ago through a Special Act. In order to take advantage of the Trust, budgeting for retirees and active employees appear as separate line items, with the option of maintaining leftover funds in the Trust. Additionally, employees have accepted plan design changes and increased contribution rates. Finally, OPEB obligations are being discussed with a subgroup of the Finance Committee in order to identify revenues to fund the Trust.

The Town has reached out to peer communities for information on how they are funding their OPEB obligations. Ms. Bilodeau stated that most towns are at the same stage as Sudbury.

Vice-Chairman Haarde likened GASB 45 to working with a financial planner to put money aside to grow for future expenses. Chairman O'Brien commented on the additional burden of individuals living longer and healthier lives.

Route 20 Sewer Project

At 7:45 p.m., Chairman O'Brien introduced Eric Poch, who serves as the co-chair of the Route 20 Sewer Steering Committee along with Bob Haarde. Mr. Haarde stated that the Steering Committee has met two times. At present, the Steering Committee consists of six members of other Town committees, as well as two at-large members. The Steering Committee recently expanded by an additional at-large member and is seeking one more. Its mission is to serve an advisory role to the newly-formed Citizens' Advisory Committee and to communicate with the general public. Mr. Haarde stated that communication and transparency are at the center of the Committee's mission.

Mr. Haarde stated that the failure of the override seems to have arisen more from a lack of specific information on the sewer project than from outright opposition. Among the questions residents and business owners had are how the project will be financed and what the end-goal is for Route 20. The Steering Committee reviewed the results of a 1999 survey of businesses and plans to distribute another survey. In addition, the Committee is seeking input from other towns. The goal is to have more comprehensive information available by Town Meeting 2012 or 2013.

Mr. Poch discussed the potential for combining projects such as intersection improvements or underground utilities as a mechanism to minimize disruptions and maximize efficiencies. He noted that such combinations might expose additional funding opportunities. He stated that it is premature to project when the project will be ready for Town Meeting. Doing so hinges on engaging the State in terms of financing, which is rarely a straightforward process.

Selectman Drobinski expressed interest in exploring the additional funding sources that might result from combining projects. Chairman O'Brien commented that it will be necessary to create a Sewer District and wondered if there is a possibility to bring the Water District under the Town umbrella. Mr. Poch responded that the Sewer and Water Districts are separate taxing authorities, but that cost-savings might result if these districts are consolidated under the Town.

The Planning Board is hosting a Route 20 zoning forum on October 26 at 7:00 p.m. in Town Hall.

Affordable Housing Efforts

At 8:00 p.m., Chairman O'Brien introduced Town Planner Jody Kablack and Housing Specialist Beth Rust. Ms. Kablack provided an overview of affordable housing efforts. The Town is mandated by State legislation to maintain an affordable housing stock that is 10% of its total housing. For Sudbury, this represents nearly 600 units. At present, there are 344 units, or 5.8%. This includes the recently approved 64-unit age-restricted rental complex, The Coolidge at Sudbury, six Sudbury Housing Authority reconstruction units, and three units from the Sudbury Housing Trust project on Maynard Road.

Ms. Kablack reported that the Town became certified by DHCD under its Housing Production Plan on August 9, 2011. Certification resulted from the adoption by the Planning Board and the Board of Selectman of the Housing Production Plan and the approval of the Coolidge project. This one-year status allows the Town to stay any affordable housing proposal brought forth under Ch. 40B within the year after the certification date. Extension of the certification for a second year will depend on the timing of project permitting.

Currently, there are two additional Ch. 40B developments in the permitting phase with the ZBA: Landham Crossing, a 31-unit home ownership development with 8 affordable units, and Johnson Farm, a 120-unit rental development with 30 affordable units. If approved, Landham Crossing will bring the Town to 5.94% affordable units; approval of Johnson Farm will bring Sudbury to 7.97%.

Ms. Kablack reported that the Sudbury Housing Trust recently granted funds to both The Coolidge at Sudbury and the Sudbury Housing Authority (SHA) to fill funding gaps that threatened to compromise the projects. The SHA expects construction to start in 2012. The Trust's project on Maynard Road is stalled because of higher than anticipated construction costs, which resulted from a reduction from six to three units. The Trust also facilitated its fifth Home Preservation unit and has plans for an additional unit next year. These properties are perpetually deed restricted.

Finally, Ms. Kablack reported on the opening of the Regional Housing Services Office (RHSO) on July 1, 2011. As the host town, Sudbury administers the program, which provides services ranging from maintaining documents, monitoring for compliance, and sustaining affordable units through sales or other transitions. Member communities are Lincoln, Concord, Weston, Bedford, and Lexington. Member fees cover staffing costs. The RHSO is expected to generate approximately \$10K to the General Fund. Lieutenant Governor Timothy Murray recently expressed interest in the RHSO as a model for regionalization.

Chairman O'Brien asked if affordable housing is envisioned as part of the Route 20 sewer project. Ms. Kablack stated "yes", and that the Metropolitan Area Planning Council (MAPC), which is hosting the October 26 zoning forum, will provide guidance to the Town in terms of necessary studies, zoning, and establishing bylaws as necessary. Vice-Chairman Haarde stated his opposition to including housing as part of the Route 20 project. In his view, the focus should be on enhancing the property values of the businesses, which will in turn improve the commercial tax base. He noted that Sudbury leads the State in percentage of school-aged children and suggested that such housing will attract more families to Sudbury's excellent schools. He asked that the Town sponsor one project that doesn't involve housing. Ms. Kablack stated that part of the Route 20 study will examine impacts, such as those to municipal services. Chairman O'Brien noted that the issue will have to be addressed as the project becomes better defined. Selectman Drobinski commented that housing is already allowed, as the area is zoned as a Village district.

Selectman Drobinski asked about the Town's small grants program administered through the Housing Trust. Beth Rust responded that funds are available for health and safety repairs. Awards of up to \$3K are made three times each year. Up to 60% of awardees (over the three years of the program) have been seniors. Income eligibility is not as stringent as for affordable housing; therefore, non-CPA funds support the grants program.

Discussion of Playing Fields and Park and Recreation Commission Plans

At 8:20 p.m., Chairman O'Brien reported on having received independent communications from Park and Recreation and the Friends Bruce Freeman Rail Trail requesting an opportunity to discuss their goals in the context of the Town's goal-setting activities. Paul Griffin of the Park and Recreation Commission stated that Park and Recreation is, among other things, very involved with field redevelopment and utilization of Community Preservation Act (CPA) funds. The Commission is interested in recreation possibilities at the Melone gravel pit. Chairman O'Brien responded that there have been discussions about a recreation component to the development and that the Selectmen will continue to consider the highest and best use for the property.

Mr. Griffin reported that the Field Master Plan is slated for completion by the end of this year. Interest in the Melone property for recreation represents a long-term goal. The Commission is also examining existing sites for improvements. Mr. Griffin outlined prospective improvements to both Davis and Feeley Fields. In particular, Davis offers the opportunity for developing one 90' baseball and two regulation size soccer fields; however, there is significant secondary work—including wetlands, grading, drainage, and parking—that would be necessary as well.

Town recreation programs also utilize LS fields. Small improvements to these fields are also necessary. Their use would lift the burden of use of Feeley Field. The Commission is exploring the use of CPA funds for improvements to the baseball field at Feeley. It is likely too tight a timeline to apply for funds this year.

At 8:45 p.m., the discussion turned to the Friends of the Bruce Freeman Rail Trail (BFRT). Chairman O'Brien noted the presence of many members of the Friends of BFRT. Mr. Tom Michelman provided an overview of the Rail Trail status and the interest in bringing it through Sudbury. Mr. Michelman stated that design and construction funds for bringing the Trail to the North Sudbury border have been programmed. The Friends would like to pursue a 0.5-mile extension of the Trail south to Route 117 and will be seeking the Town's commitment to accept the 25% design funds raised to accomplish this. Although bringing the Trail through Sudbury has been stalled by a number of factors, the 0.5-mile extension is relatively exempt from those factors. The extension, which would connect to the parking area at Davis Field, would allow access to 17 miles of trails to the north. If the extension is not built, the nearest parking will be in West Concord. Mr. Michelman characterized this as a way for Sudbury to experience the Rail Trail without making a major commitment to it. The Friends are seeking a design that adheres to Mass DOT guidelines for a shared-use path. This will align the project to be eligible for construction funding. Estimated costs for a final design are in the \$60–80K range.

By way of history, Mr. Michelman noted that the Rail Trail Conversion Advisory Committee was formed in 2004, with its last study initiated in 2007. The Board of Selectmen convened a Concept Committee in 2009; however, no concept has been issued to date. The present proposal is designed to facilitate the decision-making process for the Board. The Friends of the BFRT are prepared to make a \$5,000 down payment upon approval by the Board of Selectmen. If the Board is opposed to the plan, Mr. Michelman stated that the Friends would like to open a dialogue about what would be acceptable.

Selectman Drobinski thanked Mr. Michelman for the intriguing offer. He expressed concern regarding parking at Davis Field, in light of the previous discussion of field use. Vice Chairman Haarde echoed this concern. At Chairman O'Brien's request, Mr. Michelman provided a rough timeline for backing into the Phase 11 plans of Acton, Concord, and Westford. That plan stands in the 2021–2025 range.

The Board committed to ask for input from the Rail Trail Conversion Advisory Committee and further discussed Davis parking. Mr. Michelman committed to obtaining numbers around parking use. Chairman O'Brien thanked Mr. Michelman for his presentation, stating that the Board will consider the Rail Trail in terms of staffing, funding, and environmental concerns as part of its overall goals. Selectman O'Brien anticipates that the discussion will occur within the next 30–35 days.

Community Preservation Committee Plans

At 9:00 p.m., Chairman O'Brien offered an overview of the CPA and the work of the Community Preservation Committee (CPC) in Sudbury. Town Planner Jody Kablack spoke for CPC Chairman Chris Morley. She noted that Sudbury adopted the CPA nine years ago. The Town has approved 65 projects, expending \$15.8 million of the approximately \$22 million collected. She provided a project breakdown by category: 26 historic preservation projects, 15 open-space projects, 10 housing projects, and 14 recreation projects. Ms. Kablack explained why the Feeley Field restoration would qualify for CPA funding, whereas, Davis Field work would not. The annual application process is underway, with a deadline of November 1. In addition to requests for funding related to document preservation, Town Hall renovation, and invasive species removal, two land purchases have been proposed.

Ms. Kablack stated that the primary expenditure of the CPC is its debt service of \$1.17 million on prior land purchases. She noted that the CPC tries to keep the debt service within the margin of local receipts. The CPC actively conveys to the State legislature its interest in identifying funding sources. Chairman O'Brien noted that the use of CPA funds has taken some of the burden off the tax levy and, to Selectman Haarde's concerns about growth, and provides a significant mechanism for preserving developable land.

Adjourn

There being no further business, Chairman O'Brien announced the close of the special meeting at 9:30 p.m.

Attest: _____
Maureen G. Valente
Town Manager - Clerk