

Community Preservation Committee  
Minutes  
Wednesday, March 29, 2005  
DPW Building

Members Present: Mark Kablack, Tara Reed, Carole Wolfe, Chris Morely, Peter Glass, John Drobinski, Sheila Stewart (6:45 p.m.)

Not Present: Steve Swanger, Richard Bell

The meeting was called to order at 6:40 p.m.

Review of Bonding Guidelines

Maureen Valente, Town Manager, met with the committee to discuss the Town's philosophy on bonding for land acquisition. She discussed the following issues in relation to bonding for land purchased under the CPA.

- 1) Equity to all taxpayers by spreading out the purchase cost over the many years.
- 2) The value of the dollar decreases over time whereas the value of land increases.
- 3) The town has identified many desirable parcels of land and it is better to have revenue available for future purchase.
- 4) Bonding should be recommended in conjunction with a plan for debt payment in the event CPA has accomplished all of its goals and is no longer needed.

One question that was raised by the members was how the number of years was determined when securing bonds. The response from the Town Manager was that the institutional market typically prefers 10-15-20 year notes. She also noted that the town monitors debt continually and call provisions are frequently used to consolidate and renegotiate bonds to keep the town debt at a steady level.

In addressing #4 from above, one of the concerns of the committee was about bonding commitments that would extend beyond the initial five year authorization term of the CPA. This concern appears to be an annual inquiry from the Fin Com and others when bonding articles are proposed. The Town Manager noted if the CPA tax ended, a "sinking fund" would have to be created to pay down most of the debt service from the land acquisition.

(John Drobinski left meeting at 7:10 p.m.)

Review of Projected Debt Service for Libby/Cutting/Dickson

The CPC Draft Budget/Forecast spreadsheet detailing the revenue projections and debt service was reviewed. It was suggested to add a column that would be for "Debt Service

Capacity - CPA local surcharge revenue/reserve funds only” and to exclude projected state match funds from those figures.

After discussing the pros and cons of bonding, the committee was in agreement that bonding was necessary for land acquisition. Based upon a straw poll of committee members, the committee decided to continue its bonding policy for land acquisition. Andrea Terkleson, Town Accountant, explained that the Town uses a Debt Advisor to help to determine the callable structure and interest rates of bonds. She also noted that the CPC can set a limit to the number of years that a bond is negotiated.

The committee agreed that it would be in the best interest to have the town bond the Libby project for 20 years with a callable provision if the provision does not impact the interest rates.

The Town Accountant will contact the Debt Advisor for bonding costs for the Libby project and will forward that information to the committee.

(Chris Morely left the meeting at 8:00)

#### Update on Funding for Cutting Project

Paul Griffin, Park and Recreation Commission, met with the Committee to discuss the budget shortfall to develop the Cutting field. He informed the committee that he is still working to get the private funding to help make up the shortfall. As of this date, he has commitments for most of the funding and is optimistic that he will have the funds by the end of the year.

A motion was made to amend the previous motion to extend the deadline for commitment for matching funds to December 31, 2005. The motion was seconded by Peter Glass.

Vote 4-0 (Unanimous)

#### Libby Site Walk March 26, 2005

Mark Kablack informed the committee that he attended the site walk of the Libby land over the weekend and that it was well attended. There were several questions from residents regarding the funding for this project. He also noted that another site walk is scheduled for April 3 with access from the driveway at 25 Plympton Road.

#### FinCom Presentation

Mark Kablack and Debbie Dineen will be present at the FinCom meeting on April 4 to discuss the Cutting and Libby articles.

Review of CPC Motions and TM Presentations

The motions were reviewed and the Chairman explained the minor corrections that were made to each motion.

The list of presenters for each Article are as follows:

- Article 42 -Housing Unit Buydown – Larry O’Brien
- Article 43 – Rail Trail Conversion – John Drobinski
- Article 44 – Cutting Field Shortfall – Gale Associates
- Article 45 – Willis Pond Dock – Dennis Mannone
- Article 47 - Hosmer House Restoration – Jim Hill
- Article 48 – Historic Properties Survey – Lynn McLean
- Article 49 – Libby Open Space Acquisition – Debbie Dineen
- Article 50 – CPC Budget – Mark Kablack

Meeting adjourned at 8:35 P.M.