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**BELMONT WARRANT COMMITTEE MEETING MINUTES
APPROVED**

JOINT MEETING WITH BOARD OF SELECTMEN

JANUARY 27, 2016, 7:30 P.M.

CHENERY COMMUNITY ROOM

Present: Chair Libenson; Members Alcock, Dash, Fallon, Gammill, Helgen, Lisanke, McVay, McLaughlin, Mennis, Sarno, Schreiber; BOS Chair Baghdady; School Committee Rep. Slap

Board of Selectmen: Selectmen Paolillo and Williams with Chair Baghdady

Town Administrator Kale

Members Absent: Epstein and Starzec

The WC meeting was called to order at 7:31 p.m. by Chair Libenson.

The BOS meeting was called to order at 7:31 p.m. by BOS Chair Baghdady.

Chair Libenson began by turning to the first item on the agenda. He noted that Minuteman will be the central focus of the meeting.

Approval of Minutes

The minutes of 1/13/16 were approved with one abstention.

Minuteman Regional Agreement: WC's Recommendation to the Special Town Meeting (2/8/16)

Chair Libenson invited both Mr. Jack Weis and Mr. Daniel Dunn (Arlington Selectman) to the WC table. He noted that Arlington's Town Meeting recently approved the revised agreement vote by a very large majority. Arlington is the single largest sender of students to Minuteman.

Chair Libenson then distributed several handouts pertaining to Minuteman.

Member McLaughlin provided a brief summary concerning the issues surrounding Minuteman. He raised concerns about the towns who intend to leave the district given the huge capital debt (for an oversized school) that is looming. He reviewed aspects of the revised agreement and how it relates to the debt. The new agreement is intended to be more flexible and reasonable about governance issues. Also, the proposed agreement is explicit about the need for non-member towns to pay a fair share of the new building debt. Under the new agreement, Belmont will pay a fair share of the debt and the

operations. The proposed agreement might also will help to create a better “district” of member towns, i.e., a reconstituted district.

Member McLaughlin stated that he supports the revised agreement.

Selectman Paolillo said that he believes Belmont should remain a member of the district. The current agreement is a better agreement, as non-member towns will now pay a fair share of the capital expenses. Under the old agreement, non-member towns only paid a portion of the operating expenses.

He then explained the mechanism by which non-member towns will pay a capital fee. This provision, along with all the other revisions to the district agreement, will need to be approved by DESE. He added that the weighted voting for board members makes sense, as do the changes to the process for joining and leaving the district.

He added that there is certainly risk under the new agreement. It is possible that things will not go the way Belmont hopes. But this reconstituted district looks to be a path forward.

Mr. Weis agreed that there are benefits to the revised agreement. The new building project, he noted, is a separate issue. The revised agreement does provide a path out for those communities who want to leave the district. He noted that inserting a capital fee for non-member communities is not a sure thing, as it relies on DESE’s approval.

On balance, he continued, it is worth Belmont supporting the revised agreement. However, the new agreement may not encourage non-member towns to join the district. They will probably seek other voc tech opportunities.

Mr. Dunn spoke to Arlington’s experience with Minuteman. The current district agreement, as written, does not serve Arlington well. The capital issue, which requires unanimous agreement, is where Arlington has leverage. This revised regional agreement will improve the overall governance of Minuteman.

He briefly explained why Arlington supported the revised agreement. He encouraged Belmont to separate the revised agreement from the debt issue.

Chair Libenson stated there is consensus that providing high quality technical education is a priority and that the current agreement is dysfunctional. He outlined the concerns with the current agreement, e.g., non-weighted voting, capital costs are not appropriated to non-member towns, almost impossible to withdraw, and the over-sized new facility (relative to the number of students from member towns).

WC members offered their concerns and asked clarifying questions. The “right-sized” school number was a topic raised. Mr. Weis noted that a low enrollment in a high-sized building would result in program cuts. He said that 435-500 seems like a right-sized number, but that the current planned enrollment number of 626 is considerably above

that.

Member Gammill noted that Belmont's relationship with the Minuteman administration and school board has not been healthy. He noted that this needs to change in order to address the underlying problems with the district, and that the proposed governance amendments should help. Selectman Paolillo agreed, and added that the member communities have not, historically, felt listened to.

Member Dash summarized the fiscal impact of the revised agreement. If all seven communities who have expressed an interest in leaving do in fact leave, Belmont's assessment will go up. The weighted voting, he said, does not impact Belmont that much. Regarding leaving the district, Belmont is not likely to leave. Concerning getting the non-member schools to pay toward capital, he asked if there was any legal agreement on that issue? DESE will likely allow non-member towns to pay, if the building is MSBA approved. He said the proposed size of the new building feels like it's manipulative. The new agreement is better, he said, but it's not great.

Selectman Paolillo agreed that it is a close call. This is a compromise and is better than what we have. The new agreement does offer a better withdrawal opportunity.

Member Sarno spoke to assessing the probabilities of the different scenarios. There are many unknowns to consider: DESE, non-member towns (sending kids, paying toward capital), the assessment for Belmont, etc. Member McLaughlin said that DESE's decision about the non-member towns paying toward capital is irrelevant to the new agreement vote.

Chair Libenson raised the issue of both operating and debt costs for member versus non-member towns. The assumed costs of both will depend on the enrollment numbers. If the school is under-enrolled, the costs will rise meaningfully for member towns. If non-member towns choose to go elsewhere, the remaining towns will need to pay the full cost of capital and operating expenses.

Mr. Weis explained his thoughts on how the capital costs get allocated. Selectman Paolillo referred to a handout to explain the costs incurred by member and non-member towns. He said that, under the new agreement, it is likely that non-member towns will be assessed capital fees.

The costs of the proposed new building – and who is responsible for what – was further discussed. Various assumptions were explored under various scenarios.

Chair Libenson summarized that the worst-case scenario has five components:

1. DESE's decision on allocating capital costs to non-member towns is an unknown.
2. If new debt is issued under the existing agreement, the "escape clause" in the new agreement would not apply.
3. If non-member town enrollment for the new school falls short, Belmont's costs go

- up.
4. If this agreement gets approved, this will become *the agreement* (i.e., there won't be a better one for a long while).
 5. If you want the district to include non-member towns, there is a risk that this will not happen under the revised agreement.

The worst-case scenario possibilities were further discussed. Mr. Dunn said it is unlikely that the non-member towns will choose to join the district under the revised agreement. However, there is zero chance they will under the present agreement.

Chair Libenson said that the WC will not vote on this issue tonight. Perhaps the vote will happen next week (2/3/16).

BOS Chair Baghdady offered that he has spent a lot of time reading through the revised agreement. The agreement is in front of us, because of the new building proposal. From Belmont's perspective, there are many unknowns and uncertainties in the revised agreement. He said that, as a lawyer, he finds this a very uncertain document. The new building is sized for 626 and that number will not change. Since the new school cannot be right-sized, the new district must be made right. The district needs to be reconstituted now. New member towns need to be signed on now.

Mr. Dunn agreed that much effort has gone into bringing in the non-member towns. However, doing nothing is not the right way to solve Minuteman's problems.

Selectman Williams offered some remarks concerning the Pension/OPEB obligation at Minuteman, the MSBA reimbursement percentage, and the coherence of the revised agreement. Mr. Dunn stated why he is comfortable with the revised agreement.

The new versus old agreement was further discussed. Selectman Paolillo broached the topic of the district-wide vote. Mr. Dunn stated that Arlington will likely not support the new building.

Chair Libenson reminded the WC that the League of Women Voters will meet tomorrow night (1/28/2016) at 7:00 p.m.

Review and Vote: Mid-year Letter to Town Meeting Members

The revised TM letter will be discussed next week and will include information on the certified free cash and the MSBA decision concerning the high school.

Community Preservation Act (CPA) Proposals: Plan for WC Review

The CPA projects will be discussed next week, as well.

Review of Four Year Financial Model (based on 2015 Financial Task

Force)

To be discussed next week.

Updates: Board of Selectmen and School Committee

Board of Selectmen: BOS Chair Baghdady reported that the BOS will join the WC when it meets next (February 3) to continue the discussion and to vote on Minuteman.

He also reported that the MBTA will not pursue the South Pleasant Street station and will try to secure funds to keep the Waverley Station open and to get compliance.

School Committee: SC Rep Slap reported that the MSBA approval came through today, and that is great news.

Public Contributions

There were none.

Adjournment

Member McLaughlin moved to adjourn at 9:47 p.m.
The BOS adjourned at 9:47 p.m.

Submitted by Lisa Gibalerio
WC Recording Secretary