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**MINUTES
TOWN OF BELMONT
BOARD OF SELECTMEN
SELECTMEN'S MEETING ROOM
Wednesday, October 29, 2014
6:00 PM**

CALL TO ORDER

A regular meeting of the Board was called to order in open session at 6:10 p.m. by Chair Rojas in the Selectmen's Meeting Room. Selectman Baghdady was present and Selectman Paolillo arrived at 6:39. Town Administrator Kale and Assistant Town Administrator Marshall were also present.

Chair Rojas reviewed the agenda.

QUESTIONS FROM TOWN RESIDENTS

[There were none.]

ACTION BY APPOINTMENT

Comcast Petition

Mr. Kale informed the Board that the Comcast petition request will need to be continued to November 3, 2014, information was received in a format that could not be reviewed. The petitioner has been asked to resubmit the detail.

The Board moved: To continue the Comcast petition to November 3, 2014, to allow department review of details proposed for the installation described in the petition. The motion passed unanimously (2-0).

ACTION BY CONSENT

Approval of application from Mr. Dennis A. Dyer for a Common Victualler License at 628 Trapelo Road – continued from 10/20/14 (applicant is purchasing Sweet Peach Diner)

Mr. Kale informed the Board that this item will need to be continued to November 3, 2014, as requested lease information has not been provided at this time.

The Board moved: To continue the license request to November 3, 2014, as requested by the applicant. The motion passed unanimously (2-0).

Approval of application from Mr. Kaluga T. Kaggwa for a Class II License to Buy and Sell Motor Vehicles at 280 Trapelo Road (continued from 10/20/14)

Mr. Kale explained that this issue requires additional follow up regarding the owner's operational and parking plan. A schedule for meeting with the applicant is needed. Chair Rojas suggested that this issue be continued to November 17, 2014. Selectman Baghdady said these license request items should not be on the Board's agenda until the application is complete.

The Board moved: To deny the license request, without prejudice, until the application is re-submitted.

The motion passed unanimously (2-0).

Approval of a Change of Hours request from Craft Beer Cellar at 51 Leonard Street to open at 10:00 am on Sundays in accordance with recent updates to Massachusetts General Laws (M.G.L.) Chapter 138 Section 15 – (continued from 10/20/14)

Chair Rojas said that Town Counsel has informed the Board that Belmont does not have the authority to deny the request to open at 10:00 a.m. to 10:00 p.m. on Sunday which is now allowed by the state statute and does not require additional approval by the Board of Selectmen, except to amend the license in accordance with MGL Chapter 138, §15.

The Board moved: To approve the modification to the beer and wine retail license for Sunday hours application from 10:00 am to 10:00 pm for Craft Beer Cellars, in accordance with MGL.

The motion passed unanimously (2-0).

Approval of Meeting Minutes

September 29, 2014

The Board moved: To approve the meeting minutes of 9/29/14
The motion passed unanimously (2-0).

Town Administrator's Report

Mr. Kale reported on the following items:

- He will provide a FY2015 first quarter financial report through September 30 during the joint meeting with the Warrant Committee at 7:30 this evening.
- Trapelo Variety located at 386 Trapelo Road will be requesting an alcohol license. Once the application is complete, the application will be scheduled for consideration by the Board of Selectmen.
- Correspondence from residents on Wellington Lane regarding their concerns about the water main replacement on their street.
- Information that was provided yesterday from the Cambridge City Council regarding the Uplands was included in the BOS packet for review.

- On November 3, the Board will hold a regular meeting followed by a Precinct Meeting at Chenery Middle School pertaining to the Incinerator Site and post-closure uses that have been developed as options which related to the expected cost of closure requirements assuming the process is successfully completed with the State.
- There is a vacant School Committee position that has been advertised by the School Department and interested applicants are encouraged to contact the School web page for information on the application process.
- Belmont Center Reconstruction Project Financing: Mr. Kale said that the draft warrant article is revised from the previous allocation of \$2.6M shown in precinct presentations to include an additional \$150,000 for a total of \$2.75M from two sources of funds. The additional \$150,000 appropriation is proposed as a bid contingency to be used only in the event it is necessary. \$1.3 million is recommended to be allocated from free cash reserves and although, certification of free cash has not yet been received from the State, all the required information has been submitted and if the Department of Revenue is able to complete their process of certification then notification will be received later this week. In addition, it is recommended that the remaining balance of \$1.45M be funded from the issuance of bonds which would be paid over 15 years. Mr. Kale noted that potential Massworks grant money and/or additional Chapter 90 money is not available to help with this project. The design is 90% complete. If Town Meeting Members vote favorably, the project can begin this spring with a finish date of fall 2015.
- A technical correction is needed to revise Article 15 of the 2014 Annual Town Meeting regarding Community Preservation Act fund source. The description of funds transferred from 2014 receipts should have been described as amounts from the Unreserved Fund Balance. This will be dealt with at the Special Town Meeting on November 17, 2014.

The Board discussed the financing of the Belmont Center Reconstruction Project. Selectman Baghdady asked about using free cash as opposed to funding bond issues. Mr. Carman said there is no precedent for funding a project in this way. Mr. Carman then explained the CPA correction.

ACTION BY CONSENT (continued from above)

Approval of application from Mr. Dennis A. Dyer for a Common Victualler License at 628 Trapelo Road – *continued from 10/20/14* (applicant is purchasing Sweet Peach Diner)

Ken Leitner, Attorney for Mr. Dyer noted that the application was waiting for a signed lease, which he said was files with the Town Clerk's office this afternoon. The Board voted to continue the application to the meeting on November 3, 2014. The Board of Selectmen agreed that, in the future, license applications need to be complete before the application is scheduled for the Board Agenda.

Executive Session

The Board moved: To enter into executive session at 6:46 p.m. to consider the purchase, exchange, lease or value of real property if an open meeting may have a detrimental

effect on the negotiating position of the public body and the Chair so declares. The Board will return to open session.

A roll call vote was taken: Chair Rojas said aye, Selectman Baghdady and Paolillo also said aye and the motion passed unanimously (3-0).

Open Session

The Board moved: To exit Executive Session and Return to Open Session at 7:32 pm.

A roll call vote was taken: Chair Rojas said aye, Selectman Baghdady and Paolillo also said aye and the motion passed unanimously (3-0).

Vote: The Official Warrant for the Fall Town Meeting: November 17, 2014

The Board moved: To approve the Official Warrant for the Fall Town Meeting: November 17, 2014.

The motion passed unanimously (3-0).

The Board signed the warrant.

The Board took a five-minute break and resumed the meeting at 7:40 p.m. with the Warrant Committee and the Capital Budget Committee.

ACTION BY APPOINTMENT (continued)

Joint Meeting with the Warrant Committee (WC) and the Capital Budget Committee (CBC) to discuss the Belmont Center Reconstruction Project

WC Members Present: Chair Michael Libenson, Adam Dash, Joseph DeStefano, Elizabeth Grob, Ann Helgen, Bob McLaughlin, Bob Sarno, Ellen Schreiber, Ed Starzec; BOS Chair Rojas; School Committee Rep. Anne Lougee

CBC Members Present: Chair Anne Marie Mahoney, Pat Brusch, Anne Lougee (SC rep)

The WC and CBC Chairs called their meetings to order at 7:40 p.m.

Belmont Center Reconstruction Project ~ Financing Component

Mr. Kale began with a review of the project schedule and financing. The cost for the project is \$2.750M, which includes contingency funding for the bid and project construction. The proposal is to fund \$1.3M of the project from free cash, once it is certified. The remaining \$1.45M will be derived from a bond issuance, over 15 years. If approved by Town Meeting, the design will be completed by the end of the calendar year 2014. The schedule is to issue bid documents that are due in February with construction beginning in the spring and substantial completion the fall of 2015. Potential alternative funding options include MassWorks grant money and Chapter 90 funding are not available for the project. In addition proceeds from the sale of Woodfall Road

property, and the Cushing Square parking lot are still pending and have not been executed.

Chair Rojas added that the vote of Special Town Meeting will not deal with the design, but rather with the proposed funding mechanism for the project.

Chair Libenson asked about the use of free cash from an accounting perspective. He asked if the sale of the properties (one time money) would help to spend down the free cash debt. Mr. Kale said that that money would probably help fund future design studies, capital projects and/or debt service.

CBC member Brusch asked about the potential release of Chapter 90 funding, once the new governor takes office in January 2015. WC member Helgen asked about debt service that is being dropped off.

Mr. Kale briefly reviewed the Precinct Meeting presentation and then turned the presentation over to Mr. Clancy, Town Engineer, who offered highlights of the scope of the project.

The financing of the project, as proposed, was further discussed by the Warrant Committee, the CBC, and the Board.

WC Member McLaughlin asked about the Treasurer's role in financing the project. Specifically, will this impact the town's AAA rating from Moody's? Mr. Kale noted that the funding plan proposed was developed by the Town Treasurer.

Chair Libenson noted that free cash has been used, over the last few years, to help fund the operating budget. He asked if this financing proposal would impact the ability to continue to help fund the operating budget in this way. Mr. Kale noted that the Free Cash certification was pending but it would reflect a significant increase from the previous year, which could be used for a one-time capital expenditure such as the Belmont Center Project and would bring the balance to approximately the same amount at the beginning of last fiscal year.

Member Dash asked about the maintenance costs of this project, why this project, and why use free cash in this way? Chair Rojas spoke to the impetus of this project, noting that the Center is in dire need of this face-lift, especially since the Trapelo Road project is refurbishing Waverley and Cushing Square. He said this project will spur business in the Center. Selectman Baghdady noted that the town will need to repave Belmont Center at any rate.

CBC Member Brusch raised the issue of doing this work before Macy's is decided. There will likely be a need for curb cuts and utility road digging. Mr. Clancy said there will be time to get that work done before this project is completed. Ms. Brusch noted that this project is being moved to the top of a long list.

Chair Libenson spoke to the WC criteria (asking the right questions with regard to the overall fiscal impact, the operating budget impact, and the economic impact) for evaluating fiscal appropriations and then to the precedent of this particular funding process. CBC Chair Mahoney spoke to the funding mechanism, noting that the financing is creative and that the road does need

to be repaired. However, she expressed concern about the more needy projects, e.g., Police Station, DPW, High School.

The CBC moved to adjourn the Joint meeting at 8:58 p.m.

The WC and Board stayed in session.

Q1 FY15 Financial Results

School Q1 Report

Chair Libenson distributed a Q1 handout.

SC Representative Lougée noted that there are 86 new students (net, compared to same time last year) as of the October 1 report. Within the 86 new students, the SPED population has increased correspondingly.

She then reviewed the Q1 data, noting that several of the staff additions were necessitated by the enrollment numbers. The school budget projected deficit is really \$40K – not \$499K. She explained how the deficit number gets up to \$499K, which involves SPED costs (\$380K). She explained the impact of transportation costs (\$30K).

SC Representative Lougée then discussed the impact of out-of-district increases for SPED students. The varied services (tutors, hearing impairments issues, ELL, etc.) and transportation costs for these and other students remain expensive and difficult to predict.

Mr. DiCologero answered WC questions. He explained several facets of the school budget, notably maintenance fees, and the spent-to-date money versus the encumbered money.

Superintendent Phelan said that he wanted both the Board and the WC to know early about the budget snapshot as it currently stands.

Chair Libenson mentioned four possible measures to address this potential shortfall, including: cost containment, a Reserve Fund Transfer, utilization of the SPED stabilization fund, and TM allocating free cash. He said that cost containment is the preferred option.

Superintendent Phelan said that he has informed the Leadership Council of the budget situation. Measures to contain costs have been explored. Q2 will be monitored very closely, as well.

Town Q1 Report

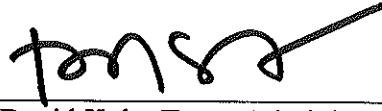
Mr. Kale thanked the school administration for its collaboration with the Town administration and then highlighted the town's Q1 revenue numbers. He noted where the numbers are on track and where they fall above or below the estimates. He briefly reviewed the expenditures, noting personnel vacancies across several town departments.

NEXT MEETINGS

Monday, November 3, 2014 at 6:00 at the CMS

The WC adjourned the Joint meeting at 9:45 p.m.

The Board adjourned the Joint meeting at 9:45 p.m.

A handwritten signature in black ink, appearing to read "DKale", written over a horizontal line.

Mr. David Kale, Town Administrator