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**Board of Selectmen/Finance Committee Joint Meeting**  
**Minutes of Monday, March 18, 2015**

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**I. Call to Order/Roll Call**

Vice Chairman Brian Major called the Joint Meeting of the Board of Selectmen and Finance Committee to order at 7:00 P.M. in the Selectmen's Meeting Room at the Town Offices. Roll call: P. Salafia-Y, B. Major-Y, A. Vispoli-Y, and Mary O'Donoghue-Y. Also present Town Manager Buzz Stapczynski, Assistant Town Manager Steve Bucuzzo, and Finance Director Donna Walsh. The meeting was duly posted and cable-cast live.

Finance Committee Chair S. Jon Stumpf opened the meeting for the Finance Committee. Present from the Finance Committee: J. Marden-Y, M. Kruse-Y, E. Moffitt-Y, M. Arai-Y. B. Zahorik-Y, L. Anderson-Y, G. Serrao-Y, J. Barry-Y, and S. Jon Stumpf-Y.

**II. Opening Ceremonies**

**A. Moment of Silence/Pledge of Allegiance**

Vice Chairman Major asked for a Moment of Silence followed by the Pledge of Allegiance.

**III. 2015 Annual Town Meeting**

**A. Town Manager to make presentation on the Revised Budget**

Selectman Vispoli said tonight's presentation follows the directive of two weeks ago given to the Town Manager to look for a way of budgeting that is simple, easy to calculate, and have relevance to the taxpayer. The Town Manager worked with Joanne Marden to develop a tax rate that is realistic, requires discipline, and protects the taxpayer. It will also require a decision early in the process as to what the tax rate will look like and slow the rate of expenses. They arrived at a 3.6% tax rate by taking a five year average. The Board of Selectmen requested the Town Manager build a budget model for 2016 so the taxpayer's bill increase would be no more than 3.6% and includes all costs, and does not touch the school or town operating budget to start the process of looking at the budget in this way.

The Town Manager distributed a handout of the slide presentation of the revised recommended tax levy for the FY-16 Budget. Starting with the prior year unused Tax Levy Capacity of \$1,100,000 and an additional unused capacity of \$563,216 as directed by the Board, results in a new unused tax levy number of \$1,663,216. The revised total of revenue from property taxes is \$122,928,853 using the new unused tax levy capacity. There is no change to the Town or School Department's Operating Budgets. The Average Residential Tax Bill (including exempt debt) would be \$8,959 a change of \$311 or 3.6%.

The Town Manager also distributed the latest Revenue & Expenditure Projections and is waiting for the legislature to finalize the Governor's Budget which is still very fluid. As of March 4<sup>th</sup>, according to the Governor's Budget, Andover would receive \$9,161,864 for Chapter 70 funds which is only \$20 per student. The Massachusetts Municipal Association

is pressing for \$40 per student. At this date in time, the total of General Municipal Aid amounts to \$12,744,259. We have revised the amount for licenses and permits to \$1,950,000 instead of \$1,694,000 under local revenues using a three year average. The Miscellaneous in lieu of Tax line item to \$176,750 has been revised to reflect the productive discussions with Phillips Academy and Merrimack College. Other Articles under Free Cash show a \$1M appropriation for snow and ice removal which is our best estimate at this time. The Budget is a work in progress, the numbers will continue to move and hopefully we will see an increase in State Aid and the Tax Pilot Program.

On the Expenditure side of the budget reserves for debt expenditures were changed to \$45,428 and other Local Expenditures to \$50,000 for a new total of \$35,650,128 in Obligations. The Health Insurance obligation is estimated at \$17,052,418. Our Human Resources Department and Insurance Consultant Ken Lombardi have been actively meeting with the unions to discuss a new proposal for a self-funded plan. MIAA's quote was a 10.9% increase; going with Blue Cross/Blue Shield alone a 9% increase; a self-funded plan could realize about \$500,000 in savings.

Comments:

.Does a self-funded insurance program require the Town to hire more employees.

*The Town Manager believes it can be handled within HR with the current staff.*

. \$500,000 in savings is predicated on employees migrating to the higher deductible plan – is that a risk? *The savings is based on 50% of the employees going to the new plan.*

The Town Manager will invite Ken Lombardi to give a presentation on the health insurance proposal to the Boards.

Selectman Vispoli motioned that the Board of Selectmen adopt the new 3.6% proposal as presented by the Town Manager. The motion was seconded by Selectman Salafia and voted 4-0 to approve.

**B. The Manager to make a presentation on 2014 Annual Town Meeting, Warrant Article 26 – Ballardvale Fire Station Addition.**

The Ballardvale Building Committee, Fire Chief Mansfield, and the Town Manager have been hard at work looking at this project and are now faced with a bit of a dilemma.

The RFP went out to architect/construction companies with 15 different consultants looking at the project before bidding; with that, only 5 bid proposals were received of which Dorn Whittier of Newburyport who has experience with historical fire stations was selected. and their cost is in line with the industry. Unfortunately, although their cost is in align with the industry, their bid proposal is estimated at \$3M, not the \$2M in Warrant Article 26 approved at Town Meeting. They are also estimating a fee of \$700,000 to do all the preparation of plans and specifications including working drawings and bid documents for the construction of the addition and renovations of the Fire Station. They were asked if they

could do a Feasibility Study and a Schematic Design for \$126,000 which is part of the charge on Warrant Article 26.

Becky Bachman, Ballardvale Building Committee Member and Ed Ataide, Municipal Services, said the 2,500 sq. ft. addition was not included in Warrant Article 26. Adding the other costs not factored in which is under \$100,000 but closer to the \$200,000 voted at Town Meeting. The consultants said the building doesn't have good 'bones', is more expensive to save than to tear down, and advises they put up a new building with the exterior made to look like it does today. Given that we will get additional land, we could probably put 8,000 sq. ft. on that site but the Town voted on something very different.

The Town Manager said we can amend the original warrant article to reduce the scope of work to only a feasibility study and schematic design which can be done for \$126,000; we can stop the project and do a complete investigation and analysis of the existing building to determine if it can be renovated and at what cost; or we can stop the project all-together.

The Finance Committee and Board of Selectmen discussed how to proceed from this point. They can go back to Town Meeting and revise WA #26, stop and re-evaluate needs and then move forward.

Mr. Richard Bowen, Bannister Road, and a member of the Building Committee is committed to Warrant Article #26. This is a sound proposal but the numbers tend to be confusing because the architect fee is based upon building a 10,000 sq. ft. building @ \$450 sq. ft. The building being proposed is for less than 10,000 sq. ft. This architect has not been in favor of our proposal to renovate from the beginning. Town Meeting overwhelmingly voted to support WA #26 as stated although it needs tweaking in terms of money. They need to talk to the architect so that he understands this is an improvement project, a bare-bones project, to make Ballardvale Fire Station more capable of providing fire and rescue services.

S. Jon Stumpf said they should pause and re-address the situation, bringing it back to Town Meeting. The Sub-Committee recommends that they pause, regroup, and conduct an investigation of the existing building after hearing it may not be worth renovating. A full study of the structural components of the building would cost \$75K. Selectman Major said they should table the discussion and think through the next steps. The Board of Selectmen will hold on the recommendation and discuss alternatives at a future meeting.

### **C. Boards to discuss the following Warrant Articles**

#### **WA# P-45 Establish Historic Mill District**

Tim Vail, 9 Bancroft Road and Chair of the Economic Development Committee (EDC) presented information on the Historic Mill District. In 2012 the Planning Board approved a master comprehensive plan with key steps to create an area where environmentally solid economic growth could occur. The 'Listening Campaign' for economic development is

bionic with many factors. The “Andover Tomorrow” theme” was adopted about eighteen months ago with over 15 other meetings to date involving many people from all across the town. The work of the group was to share their vision for the 100+ acres from Main Street to the Shawsheen River near Whole Foods, so named the Historic Mill District which is not an official preservation area. A video of the project was shown.

The area of North Main Street, Railroad Street and Essex Street, is a collection of mixed zoning areas within a patchwork of disconnected land users which makes it difficult to visualize change and improvements in the area. The answer is to create a zoning overlay district which does not change the underlying zoning or change the rights of people currently in the zone, but makes it easier to create opportunities.

Benefits would include increased tax revenues, increased land values and activity, encourages diverse housing opportunities, preserves open spaces, and encourages adoptive reuse of the mill buildings. This is NOT a zoning change, this is just an overlay to top (similar to Dascomb Road and River Road area) that would enhance the quality of the design of the area, address traffic problems, provide better transportation facilities and more flexible parking options. The Overlay is the tool that makes it happen. The objective is to earn the support of the Board of Selectmen to create a new land use pattern restoring significant areas and to use the river to create attractive possibilities. The request does not contain any specific development or building projects. Businesses and residences in the area will not be asked to change, the value of the area will increase, and some may choose to sell or stay.

The Andover Historical Society has maps of the areas and a website that describes the buildings to help support the vision.

David Brown, Zoning Board, said it is important to understand that this district extends beyond the transportation line. There are major elements of the overlay tool that allows for more opportunities in the area.

Selectman Vispoli moved that the Board of Selectmen recommend approval of Warrant Article P-45 the Historic Mill District as presented. The motion was seconded by Selectman Salafia and voted 4-0 to approve.

- **P-46 Zoning Bylaw Amendment - Historic Mill District (HMD)**

Selectman Salafia moved that the Board of Selectmen recommend approval of P-46 Zoning Bylaw Amendment – HMD. The motion was seconded by Selectman Vispoli and voted 4-0 to approve.

- **P-56 Zoning Bylaw Amendment – Historic Mill District (HMD)** - to be withdrawn

- **P-44 Dimensional Special Permit – Historic Preservation**

David Brown said the request for a Dimensional Special Permit would tighten the language

of the Bylaw to be more orderly, codifies the role of the Zoning Board with the role of the Preservation Commission as an advisor, and as a group that understands how buildings can be preserved, and will help streamline the process. The Planning Board will vote on this request on March 31<sup>st</sup>. The Board of Selectmen will defer until after the Planning Board votes.

- **P-41 Zoning Amendment –Table Use of Regulations for Medical Center or Clinic**

Joan Duff, Andover Planning Board is being presented to streamline the process so the Medical Center doesn't go through the appeals.

Selectman Vispoli moved that the Board of Selectmen recommend approval of P-41 as presented. The motion was seconded by Selectman O'Donoghue and voted 4-0 to approve.

- **P-47 Amend Dimensional Requirements in Industrial 2 Zoning District**

Joan Duff, Andover Planning Board, said this request would amend the requirement of the dimensions in Industrial D-2 areas to allow certain buildings on Dascomb Road to change their maximum height from three to four stores. This is a correction to the original article.

Selectman Vispoli moved that the Board of Selectmen recommend approval of P-47 as presented. The motion was seconded by Selectman Salafia and voted 4-0 to approve.

- **P-30 Safety & Security Communications Upgrade in the amount of \$600,000**

Selectman O'Donoghue motioned that the Board of Selectmen move to recommend approval of P-30 in the amount of \$600,000. The motion was seconded by Selectman Vispoli and voted 4-0 to approve.

- **P-43 Relocation of Easement – 28 Foster Circle**

Selectman O'Donoghue motioned that the Board of Selectmen recommend approval of P-43 Relocation of Easement of 28 Foster Circle. The motion to insert was seconded by Selectman Vispoli and voted 4-0 to approve.

- **P-49 Shawsheen School**

Selectman Vispoli motioned to recommend approval of P-49 Shawsheen School as presented. The motion was seconded by Selectman O'Donoghue and voted 4-0 to approve.

- **P-28 Office Space Feasibility Study – Shawsheen Study - Hold**

The Town Manager will be speaking with the School Committee on Thursday.

#### **D. Public Comment**

Jeannie Sullivan, 5 Blueberry Hill Road, asked what the change would be to resident's tax bill be if we avoided cutting 21 classroom teacher positions – how would it impact the bill. They understand there is pressure on the Board of Selectmen to keep taxes under the levy limit, but by sharing the information they could find a very large vocal group to attend the Town Meeting to share their opinion on reducing the number of classroom teachers and increasing class size.

Brad Weeden, 55 Summer Street, said the answer to the question of the impact on the residential tax bill should be revealed.

Shannon Scully, 34 School Street, said they are asking the Board of Selectmen to increase the budget amount to the schools in order to retain the 21 classroom teachers.

**IV. Adjournment**

At 9:53 P.M. on a motion by Alex Vispoli and seconded by Mary O'Donoghue, the Board of Selectmen voted to adjourn from the Joint Meeting and move to Regular Session. Roll call: P. Salafia-Y, B. Major-Y, A. Vispoli-Y, and Mary O'Donoghue-Y.

At 8:15 P.M. the Finance Committee adjourned on a motion by Greg Serrao and seconded by Margaret Kruse, the Finance Committee voted to adjourn. Roll call: J. Marden-Y, M. Kruse-Y, E. Moffitt-Y, M. Ari-Y. B. Zahorik-Y, L. Anderson-Y, G. Serrao-Y, J. Barry-Y, and S. Jon Stumpf-Y.

Respectfully submitted,

Dee DeLorenzo  
Recording Secretary

Documents: Warrant Articles dated March 18, 2015