

---

---

**Board of Selectmen - Regular Meeting  
Minutes of November 16, 2015**

---

---

**I. Call to Order**

Chair Mary O'Donoghue called the Board of Selectmen to order at 7:05 P.M. in the Board of Selectmen's Meeting Room located in the Town Offices. Present from the Board of Selectmen: Alex Vispoli-Y, Paul Salafia-Y, Dan Kowalski-Y, Robert Landry-Y, and Mary O'Donoghue-Y. Also Present: Town Manger Andrew Flanagan and Town Clerk Larry Murphy. The meeting was duly posted and cablecast live.

**II. Executive Session**

At 6:30 P.M. Chair Mary O'Donoghue called the meeting of the Board of Selectmen to order in the Board of Selectmen's Meeting Room at Town Offices.

Alex Vispoli moved that the Board enter into Executive Session for consultation with Town Counsel for confidential legal advice; and to discuss potential litigation strategy; and the Chair declare that an open meeting would be detrimental to the Town's potential litigation strategy and to return to Open Session. Paul Salafia seconded the motion. Roll call: R. Landry-Y, D. Kowalski-Y, A. Vispoli-Y, P. Salafia-Y, and M. O'Donoghue-Y. Chair O'Donoghue declared that an open session would be detrimental to the Town's litigation strategy. At 6:50 P.M. on a motion duly made and seconded, the Board of Selectman moved to adjourn from Executive Session and return to Open Session. Roll call: A. Vispoli-Y, P. Salafia-Y, D. Kowalski-Y, R. Landry-Y, and M. O'Donoghue-Y.

**III. Opening Ceremonies**

The meeting began with a Moment of Silence and Pledge of Allegiance.

**IV. Communications/Announcements/Liaison Reports**

The Town Manager welcomed Elder Services Director, Kathy Urquhart who gave a short presentation on the Memory Café Program held at The Center at Punchard. November is Family Caregivers Month and Kathy and staff were invited to attend a recognition ceremony at the State House. Kathy was presented with a proclamation from Director of Elder Services, Alice Bonner in recognition of the efforts of all those who work at The Center and Elder Affairs providing services, such as the Memory Café Program, to the elderly to help them feel more inclusive and comfortable.

Town Clerk Larry Murphy announced that nomination papers for the 2016 Town Elections are available in the Town Clerks' Office and on line as are the Citizen Petition papers. Mr. Murphy said he is available to assist anyone with questions on the forms and the process.

Selectman Salafia recognized and thanked Mike Burke, Director of Veterans' Services who, in spite of the weather challenges, provided another outstanding Veterans Day

**IV. Communications/Announcements/Liaison Reports (Cont'd)**

Program. Selectman Vispoli also recognized Mike Burke and the members of the Holiday Committee for the exceptional program recognizing our Veterans and the information provided on the history of the Cold War.

Selectman Salafia reported that he and the Town Manager are meeting with representatives of Merrimack College on Tuesday to continue discussions on the PILOT Program.

Selectman Landry recognized the League of Women Voters for organizing the Annual Community Read-along held this week, National Education Week.

Selectman Vispoli announced that Tuesday, November 17<sup>th</sup> the Towns Mid-year Review will be held at Memorial Hall Library starting at 7:00 P.M. that will include an unveiling of the Draft Parking Study, an overview from the Town Manager and the Interim Superintendent of Schools, as well as an update from Dennis DiZoglio from Merrimack Valley Planning, and the Economic Development Commission. Selectman Vispoli also thanked Andover Police Chief Keefe for letting him spend an evening with Sargent Fitzpatrick and his team. He was totally impressed with their professionalism, communication, and the way they patrol the town at night.

**V. Citizens Petitions and Presentations**

Wil Carpenter, Vice President of the Merrimack Valley Chamber of Commerce, read the communication sent to the Board of Selectmen from Joseph Bevilacqua, President/CEO of the Merrimack Valley Chamber of Commerce respectfully requesting that the Town of Andover reduce the business and industry tax classification.

**VI. Public Hearing**

**A. FY2016 Tax Classification**

Alex Vispoli motioned to open the Public Hearing for the FY2016 Tax Classification. The motion was seconded by Paul Salafia and voted 5-0 to approve.

Tax Collector David Ballard distributed copies of the Tax Classification Information for discussion of the classification and taxation of all property within the Town. Mr. Ballard explained that the Board of Selectmen would vote on four items: the Residential Tax Factor, Open Space Discount, Residential Exemption, and Commercial Exemption. A comparison of last year's values shows the 2016 Residential values equals a 5.4% increase, Open Space shows an 8.8% decrease, Industrial value shows a 0.31% increase, and Personal Property a 0.55% increase for a total overall change in value of +4.32%. The total value of the Town is \$7,542,476,182 and the total levy amount is \$127,720,578. The levy/value x \$1,000 equals a tax rate of \$16.93. Residential tax value is 81.1% and a combined Commercial/Industrial/Personal Property (CIP) is 18.9%.

**VI. Public Hearing (Cont'd)**

**A. FY2016 Tax Classification (Cont'd)**

Mr. Ballard included a bar graph of different rate scenarios applied to average taxes to show what various tax factors would look like for residential rates and CIP rate in his presentation.

FY2015, the average Single Family Tax was \$8,648 and the average Commercial \$51,878 and average Industrial \$150,569. Applying some of the rates to the benchmark values, Mr. Ballard explained what the numbers would be for FY2016 from an average value of 142 up to a 150 shift. Typically when most communities look at classifications they use three benchmarks: comparing shift factor, comparing uniform percentage increases, and retaining levy shares adopted from the fire year.

A 146.5 shift would retain the shift adopted in FY2015 for a residential rate of 5.4% or \$15.10 and the CIP rate would be \$24.81; the vote for this scenario would be a residential factor of 89.

A 150 shift would be a 4.4% increase for residential property, and a 1.3% increase for commercial property and 2.1% for industrial property; the closest we could get to parity is 150. The 150-shift creates the most uniform increases: Residential Rate of \$14.9 and the CIP Rate of \$25.40. The vote would be 88.3529%. Residential values have increased significantly more than commercial property. The maximum threshold of 150 allows for uniform limits.

The Board feels the dramatic difference/disparity between residential and CIP rates presented is significant and not sustainable and they talked about the importance of controlling the rate of increase.

Dave Ballard was asked to provide the Board a history of shifts comparing a % increase across the board similar to the report requested last year, showing five years of actuals numbers and different scenarios for year 6 so they can see how the numbers balance out. The Board of Selectmen has to look at how they can reduce spending and the rate of growth. Every third year is a revaluation year and the Board of Selectmen suggested a review of our evaluators be conducted for next year.

1. Open Space Discount: Exempts up to 25% of the value of land that is classified as open space and are in excess of zoning. The average assessment of the 144 pieces of land have an average of 5.14 acres is \$50, 392.

2. Residential Exemption: This exemption is up to 20% of the average assessed value of all residential property applied to the assessment of the principal residence of the property owner. In FY2015 there were 13 communities that adopted this exemption. Dan Kowalski asked for a list of those communities.

**VI. Public Hearing (Cont'd)**

**A. FY2016 Tax Classification (Cont'd)**

3. Commercial Exemption: Selectmen may vote up to a 10% exemption for commercial property owners that had an annual employment of 10 or fewer employees and an assessed value less than 1,000,000. This would include small commercial business owners with a small number of employees; there are about forty commercial condos in Town. Commercial and industrial property values over \$1,000,000 are both exempt from this exemption.

The Board of Selectmen thanked Mr. Ballard for his presentation. The Board will review the information provided and vote on the FY2016 Tax Classification at the December 7, 2015 meeting.

Audience

Ann Grecoe - Whittier Street - approximately 1/3 of the Andover population are seniors who are on a fixed income and who are not getting an increase in Social Security next year, this is a big tax jump for the senior population.

Mike Roli - 2 College Circle - confused about the exemptions. Mr. Ballard explained that the exemptions outlined tonight are those definitive three: small commercial, residential, and open space, which are annually voted by Selectmen vs the Veterans exemptions and personal exemptions which are beyond the scope of this hearing. The individual who would qualify for an exemption occupies a home as the primary residence; the exempted amount would show on the December bill as a reduction of value of the property. In a scenario like Andover where everyone would basically qualify for that unlike other communities that have more seasonal rentals/rentals not owner-occupied, ends up shifting the cost to higher value properties creating a progress property tax.

Paul Salafia asked if there are there any programs the Board could adopt to help seniors. Mr. Ballard said seniors have benefitted with the Circuit Breaker and SCRIPT Program. Mike Roli said seniors who use the SCRIPT Program lose what they gained in the Circuit Breaker Program.

**B. FY2017-FY2021 Capital Improvement Program**

Town Manager Andrew Flanagan and Finance Director Donna Walsh provided an overview of the Town's FY-2017-2021 Capital Improvement Program (CIP).

FY17 CIP Summary - Funding by Source

General Fund (available cash - 1.6% of general fund budget)	\$2,540,000
Free Cash: Balance has not yet been certified by DOR	\$1,200,000
General Fund Borrowing for projects in CIP - New borrowing	\$4,625,000
General Fund Exempt Borrowing	0
Dedicated funds (Cable funds for IT/Chapter 90 for roads)	\$ 1,664,000
Water Enterprise	\$ 3,200,000
Total CIP Recommendation for FY2017	\$13,342,000

**B. FY2017 – 2021 Capital Improvement Program (Cont'd)**

Two major CIP items include repairing the Collins Center Façade and Water/Sewer Infrastructure. A detailed list of recurring project costs from the CIP along with some new items were outlined and total \$2,540,000 funded through the General Fund Revenue.

Items to be funded by Free Cash and totaling \$1,200 include:

IT-2	1:1 Learning Initiative	\$400,000	(4-5 year program)
IT-4	Elementary School Projector Refresh	\$200,000	
P&F-7	Town and School Energy Initiatives	\$400,000	
TM-1	New Deyermont Fields Lighting	\$ 50,000	

Items funded through General Fund Non-exempt borrowing totaling \$4,625,000 include:

DPW-7	DPW Large Vehicles	\$ 350,000	
FR-1	Fire Apparatus Replacement Engine 4	\$ 575,000	
P & F 6	Larger Major Town Projects	\$ 700,000	
	Collins Center Façade Replacement	\$2,500,000	
SCH-5	Major School Projects	\$ 500,000	

The Town Manager reviewed charts showing General Fund Exempt Debt, General Fund Non-exempt Debt, and Water and Sewer Debt. They are expecting a 4.9% increase in water rates to carry forward the vote taken by the Board last year and will make a determination of what we need for next year. A presentation on water costs will be provided in time for the rate vote for FY2017.

Special Dedicated Funds

Water Enterprise Fund includes five projects totaling \$3,313,000: continuation of replacement of water maintenance throughout the town, extensive rehab of the two steel tanks at Wood Hill/High Plain Elementary School at a cost of \$1,450,000, Water Treatment GAC Replacement \$250,000, Water and Sewer Vehicles \$33,000, and Water Treatment Plant Window Replacements at a cost of \$80,000.

Some of the Major Projects and future CIP projects have been repositioned; however, they will work extensively in FY17 on the Ballardvale Fire Station, Municipal Services Facility, and an Early Childhood Center. A School and Town Facility Study-Analysis will be conducted that will go a long way to develop a true capital plan moving forward. The availability of resources for future CIP funding isn't going to change all that much, but the needs have to balance with free cash and less reliance on debt exclusion funds. The discussion with the Triboard on the CIP will be held on December 9, 2015 the Board of Selectmen will vote to adopt after that time. The FY2017 - FY2021 CIP is available on the Town's website.

Paul Salafia motioned to close the Public Hearing on the CIP. The motion was seconded by Alex Vispoli and voted 4-0 to approve. Selectman Kowalski left the meeting prior to the vote.

**VII. Regular Business of the Board**

**A. Opioid Positions**

The Town Manager provided the Board with packet of information outlining where they are in the process of securing personnel to fill the two positions (Program Coordinator and Clinical Physician) to assist with the Opioid crisis. He reported Chief Keefe, Director of Health Tom Carbone, and Youth Services Director Bill Fahey conducted a review of resumes and initial interviews. Final candidate selection will be a robust process and include a presentation of an action/implementation plan. It is expected that both positions will be filled in early 2016. The salary and classifications are from the Independent's Bargaining Agreement and the cost will be absorbed within the Police Departments FY16 salary appropriation.

**B. Tennessee Gas Pipeline**

Filing to be an intervener provides the vehicle to receive all information from initial filing up until the approval process is complete. There is no cost to file and allows the Board to stay informed and allow appellate rights if needed.

Alex Vispoli moved that the Board of Selectmen file to become an Intervener with the FERC Agency. The motion was seconded by Paul Salafia and voted 4-0 to approve.

**C. Annual Town Meeting and Election Calendar**

Town Clerk Larry Murphy distributed the proposed 2016 Annual Town Meeting and Election Calendar to the Board for approval of the dates for the annual town meeting (May 2-3, and May 9-10). In addition, he is requesting a vote from the Board to approve an additional polling place at the Wood Hill Gymnasium on Cross Street for Precincts 2, 4, 5, and 6 with Precincts 1 and 3 voting at the Center at Punchard and Precincts 7, 8, and 9 at Andover High School.

Mr. Murphy has met with the School Superintendent and School Committee and received their approval for the use of the Wood Hill Middle School as an additional polling place. The proposal has also been well received by Public Safety, Plant and Facilities, and Wood Hill Middle School Administration.

Alex Vispoli moved that to proceed with Town Meeting Dates presented and the proposal to increase the polling places from two to three as presented by the Town Clerk. The motion was seconded by Paul Salafia and voted 4-0 to approve.

**VIII. Consent Agenda**

**A. Appointments**

On a motion by Selectman Salafia and seconded by Selectman Vispoli, the Board of Selectmen Vispoli voted 4-0 to approve the following appointments by the Town Manager.

VIII. Consent Agenda (Cont'd)

A. Appointments (Cont'd)

<u>NAME:</u>	<u>POSITION:</u>	<u>RATE:</u>	<u>DOH:</u>
<u>ELDER SERVICES</u>			
Sharon Thomson (v. M. Costello)	Social Day Coordinator (part-time)	IE20-1\$28.79	11/17/15
<u>POLICE DEPARTMENT</u>			
Gary Barnaby, Jr.	Permanent Reserve/ Intermittent Officer	PT-\$24.46	11/17/15
Matthew Gibson	Permanent Reserve/ Intermittent Officer	PT-\$24.46	11/17/15
Amy Galluzzo	Permanent Reserve/ Intermittent Officer	PT-\$24.46	11/17/15
Joseph Lamagna	Permanent Reserve/ Intermittent Officer	PT-\$24.46	11/17/15
Christopher Leary	Permanent Reserve/ Intermittent Officer	PT-\$24.46	11/17/15
Christopher Lippi	Permanent Reserve/ Intermittent Officer	PT-\$24.46	11/17/15
Christo Theodorou	Permanent Reserve/ Intermittent Officer	PT-\$24.46	11/17/15

IX. Approval of Minutes from Previous Board of Selectmen Meetings

Selectman Salafia moved to approve the Minutes of March 16, 2015 (Joint Meeting), March 18, 2015 (Joint Meeting), March 23, 2015 (Joint Meeting), October 26, 2015 (Regular Meeting) and November 2, 2015 (Regular Meeting). The motion was seconded by Selectman Vispoli and voted 3-0- 1 to approve. Selectman Landry abstained as he was not a Board member for most of the meetings.

X. Adjournment

At 8:52 P.M. on a motion by Selectman Vispoli and seconded by Selectman Landry, the Board voted to adjourn. Roll call: A. Vispoli-Y, P. Salafia-Y, R. Landry-Y, and M. O'Donoghue-Y.

Respectfully submitted,

Dee DeLorenzo

Recording Secretary

Documents: FY2016 Tax Classification Hearing

FY2017-2021 Recommended Capital Improvement Program