

---

---

**Board of Selectmen/School Committee/Finance Committee**  
**Minutes of Triboard Meeting of March 14, 2016**

---

---

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

Chair Mary O'Donoghue called the Triboard Meeting of the Board of Selectmen, Finance Committee, and Planning Board to order at 7:00 P.M. in the 3<sup>rd</sup> Floor Meeting Room at Memorial Hall Library. Present from the Board of Selectmen: P. Salafia-Y, A. Vispoli-Y, D. Kowalski-Y, R. Landry-Y, and M. O'Donoghue-Y.

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

Planning Board Chair Zach Bergeron opened the meeting for the Planning Board Members: Roll call: V-Chiozzi-Y, J. Doherty-Y, J. Duff-Y, A. Knowles-Y, A. Simko-Y, and Z. Bergeron-Y.

Also present: Town Manager Andrew Flanagan, Paul Materazzo Director of Community Development & Planning, and Town Clerk Larry Murphy. The meeting was duly posted and cablecast live.

**II. Opening Ceremonies/Moment of Silence/Pledge of Allegiance**

The meeting began with a moment of silence followed by the Pledge of Allegiance.

**III. Leadership ICMA/Imagine Andover Team**

A proposal was submitted to ICMA, as part of a peer-consulting project, and Andover was fortunate to be one of four communities selected. The proposal 'Imagine Andover is about creating Andover as a place of destination and imagination. The three members present from ICMA: Dan Weinheimer, Fort Collins, Colorado, Lunda Asmani, Newton, Kansas, Roslyen Oglesby from Portsmouth, Virginia and Emilie Smith, Sunrise, Florida were introduced by the Town Manager. The ICMA team will return to Andover in May to attend Town Meeting.

**IV. Municipal Service Facility Financing Plan Presentation**

The Town Manager presented the Municipal Service Facility Financing Plan and the warrant articles related to the Financing Plan.

**Understanding Capital Capacity and Developing a Capital Improvement Program**

Two sources that will define what capital capacity is: 1) What the Town can pay for with cash, and 2) what can we fund with debt service within the limitations of Prop 2.5. The Town Manager would like to see Andover move to a 7% budget. Beginning with a total budget and pulling out of the calculations items that are subject to significant fluctuation. Water and Sewer Enterprises, Articles or Reserves for Operations, and Free Cash are not included in the calculation.

Warrant Articles related to the Town Yard

- P-44 Acquisition of 5 Campanelli Drive
- P-5 FY-17 Capital Projects Fund (\$900,000 design and engineering only)
- P-45 Home Rule Legislation – Municipal Services Facility Mitigation Fund

Utilize Capital Capacity to fund design and engineering phase and to establish a Municipal Services Mitigation Fund

The Town Manager is recommending financing of 5 Campanelli Drive by appropriating \$2,250,000 from Free Cash, avoiding borrowing costs and leaving a balance slightly over \$1M in Free Cash going into Town Meeting.

Five Campanelli Drive encompasses fifteen acres of land, seven of which are buildable. The additional acreage will provide a sufficient buffering area. The site also provides for an opportunity to access open space and utilization of the Merrimack River. As a non-recurring revenue source, a prudent use of free cash would be to fund one-time expenditures, maintaining a balance of over \$1M in Free Cash leading into Town Meeting.

Providing for an annual appropriation to fund the design and construction reduces impacts associated with project escalation. Using Free Cash in 2017 and expensed as a Debt Service in 2018 and beyond results in a one-time percentage increase in Taxes.

A Municipal Services Facility Mitigation Fund will be established for the purposes of using certain and specific revenues for future use of the site at 11 Lewis Street and to mitigate the financial impact of constructing a new facility. Using revenue from the sale or impact of selling 11 Lewis Street is not a requirement to making the project a reality.

Operational Considerations:

Approximately 55% of all fuel is consumed by Municipal Services Vehicles. Police, Fire, marked cruisers, and unmarked cruisers are in West Andover at least once every day or every other day.. The standard operating procedures to fuel up at 75% limit will be maintained.

Street Sweeping: Any potential developer will be required to provide a space for a street sweeper downtown. The new site will allow for improvements in efficiencies that cannot be implemented based on constraints of current site. The new site would allow for a wash bay, improved operating procedures, housing of equipment, etc.

Environmental Concerns:

Purchaser(s) of 11 Lewis Street would be required to remediate any environmental issues and Andover would fully disclose and the town would assume no liability.

Moving the Town Yard provides an opportunity for economic development in the downtown area that would enhance the tax base, provide a diversity of business, and support local merchants. Redevelopment of the area would provide connectivity between the Downtown and Regional Commuter Rail Station (MBTA would like to purchase 5 acres

on either side of the tracks). A non-binding solicitation was released last Tuesday to encourage developers' thirty-one developers pulled papers within the first three days. One of the requirements is to be responsible for assisting with funding of the infrastructure in the rail station area, parking, maximizing the investment in natural resources by providing access to the river, and reestablishing the Shawsheen River as a recreational opportunity for residents.

### **What this means**

Project costs are escalating, with \$63.91 of the average tax bill going towards enhancing funding for increased capital capacity, avoiding a debt exclusion override and stabilization of property tax increases which supports ongoing efforts to build a true capital improvement program that is predictable and sustainable, providing a significant economic development in downtown Andover and a transformational opportunity.

### **Questions form the Boards:**

Explain the annual appropriation: *In 2010 municipalities were given the opportunity to stretch borrowing up to 30 years when appropriate. We would be mitigating the cost by 30-40% and looking at capital capacity as a percentage of the budget. The 20-40% mitigation is driven by three sources with two approaches; one time revenue (selling or leasing the land), permitting revenue, taxation impact, need for services to serve the development once we know what is going in the area.*

Having seen a big change in the School Budget is there an opportunity to include an impact to a school mitigation fund to reduce the enormous cost of incoming students. *They will certainly do that and quantify that once they see the proposals.*

### **Audience:**

Mr. Pasquale, 47B Whittier Court, great presentation! Please take advantage of the opportunity to move some of our current facilities located across the town to the new facility.

Mr. Roli, College Circle, what would the cost be next year? *The cost next year will be \$900,000 in the Capital Budget for this year and next year after which it will decline as the amortization schedule falls. Taxes to fund everything in the budget will be \$363.00 and \$63 to fund the Capital Capacity Program.*

Mr. Turbett, 55 Haggetts Pond Road - What are the anticipated environmental constraints being so close to the Merrimack Road. *Any process would have to go through Conservation Commission approval and we will have a good handle on that before we move forward.*

Regarding the offset costs of Lewis Street, why don't we use everything to offset the new project? *Certainly is a discussion we can have, the recurring revenue would provide the town with flexibility to have that discussion.*

Can we exclude apartment developments in the Lewis Street area? *We are soliciting ideas that will provide an opportunity for the community to decide what they want to see built in that area.*

Alan Ruthazer, 12, Olde Berry Road asked if they have considered subdividing the space to provide for an annex for street services and to have the balance available for extra requirements. *Have not intentionally subdivided the area on Lewis Street yet.*

Brad Wright, Greenwood Road - Currently the Town is using the distributive model for Town Yard storage facilities. Will we consolidate the satellite areas out of the neighborhoods? *We will move as much as we can and discuss what would be available for space after we better understand the site.*

Jim Curtis, 5 Orchard Street - Will fees for permitting, and tax revenues from new development be dedicated to the capital fund to offset the debt payment project. *Legally the special act to establish a mitigation fund would allow for deposit of one-time revenue and reoccurring funds if the community so desired. The fund would allow for property tax to come in through general taxation and then be reverted directly to the fund. The Bond authorization provides for what we fully need and will use any revenue to offset the difference.*

Joe Albuquerque, Greenwood Road: have we considered selling other town property to be used for revenue. *Anytime that activity happens we will always look at the value, future use for the town, etc.*

Bob Willard, 76 Tewksbury – Is there any considerations to keeping 11 Lewis and leasing? *We are trying to determine if a lease for sale arrangement would impact interest in the site - we don't know right now.*

Mr. Pasquale, 47 Whittier, what is the schedule for this project. *If approved at Town Meeting on May 2<sup>nd</sup>, we will begin the process on July 1 and in December 2016 have a special town meeting for bond authorization and then looking at spring of 2017 to begin mobilizing building. It is a 2-year project, and we will leverage what has been designed in several other communities, and not reinvent the wheel.*

Mary O'Donoghue thanked everyone for input on the proposal presented.

V. 2016 Annual Town Meeting Warrant Review

The Boards to discuss the following Warrant Articles:

- P-47 Restaurant Amendment – Amendment Zoning Bylaw-Section 10.0 Definitions explained by Paul Materazzo on why they want to streamline the permitting process (Page 14). Minor changes have been identified, this as an absolute necessity to encourage business downtown. Planning Board voted to support the article.

Selectman Vispoli moved to recommend approval of Warrant Article P-47 Restaurant Amendment Zoning Bylaw Section 10.0 Definitions as presented. Selectman Salafia seconded the motion and it was voted 5-0 to recommend approval.

- P-3 Salaries of Elected Officials: Selectman Kowalski moved to recommend approval of P-# 3 as presented. The motion was seconded by Selectman Salafia and voted 5-0 to recommend approval.
- P-11A Grant Program Authorization: Selectman Landry moved to recommend approval of P- #11A as presented. The motion was seconded by Selectman Salafia and voted 5-0 to recommend approval.
- P-11B Road Contracts: Selectman Salafia moved to recommend approval of P-#11B Road Contracts as presented. The motion was second by Selectman Vispoli and voted 5-0 to recommend approval.
- P-11C Town Report: Selectman Vispoli moved to recommend approval of P- #11C Town Report as presented. The motion was second by Selectman Salafia and voted 5-0 to recommend approval.
- P-11D Property Tax Exemptions: Selectman Kowalski moved to recommend approval of P-#11D as presented. The motion was second by Selectman Salafia and voted 5-0 to approve.
- P-11E Contracts in Excess of Three Years: Selectman Landry motioned to recommend approval of P- # 11E as presented. The motion was second by Selectman Vispoli and voted 5-0 to recommend approval.
- P-11F Accepting Easements: Selectman Salafia motioned to recommend approval of P-11F as presented. The motion was second by Selectman Kowalski and voted 5-0 to recommend approval.
- P-12 Granting Easements: Selectman Vispoli motioned to recommend approval of P-12 as presented. The motion was second by Selectman Landry and voted 5-0 to recommend approval.
- 1
- P-14 Chapter 90 Authorizations: Selectman Kowalski moved to recommend approval of P-14 as presented. The motion was second by Selectman Salafia and voted 5-0 to recommend approval.
- P-15 Jerry Silverman Fireworks: Selectman Landry moved to recommend approval of P- #15 as presented. The motion was second by Selectman Salafia and voted 5-0 to recommend approval.
- P-16 FY 2017 Revolving Accounts: Selectman Salafia moved to recommend approval of P- #16 as presented. The motion was second by Selectman Vispoli and voted 5-0 to recommend approval.
- P-17 Elderly/Disabled Transportation Program: Selectman Vispoli moved to recommend approval of P- #17 as presented. The motion was second by Selectman Kowalski and voted 5-0 to recommend approval.

- P-18 Support for Civic Events: Selectman Kowalski moved to recommend approval of P- #18 as presented. The motion was seconded by Selectman Salafia and voted 5-0 to recommend approval. It was agreed that moving forward this Warrant Article would be part of Municipal Services Budget next year.
- P-19 Spring Grove Cemetery Maintenance: Selectman Landry moved to recommend approval of P- #19 as presented. The motion was seconded by Selectman Vispoli and voted 5-0 to recommend approval.

**VI. Adjournment**

At 8:55 P.M. on a motion by Selectman Salafia and seconded by Selectman Vispoli the Board of Selectman moved to adjourn from the March 14, 2016 Triboard Meeting. Roll call: P. Salafia-Y, A. Vispoli-Y, D. Kowalski-Y, R. Landry-Y, and M. O'Donoghue-Y.

On a motion duly made and seconded the Finance Committee adjourned at 8:15 P.M. Roll call: J. Marden-Y, M. Kruse-Y, L. Anderson-Y, E. Moffitt-Y, Y. B. Zahorik-Y, J. Barry-Y, G-Serrao-Y, B. Taylor-Y, and S. Jon Stumpf-Y.

On a motion duly made and seconded the Planning Board adjourned at 8:35 P.M. Roll call: V-Chiozzi-Y, J. Doherty-Y, J. Duff-Y, A. Knowles-Y, A. Simko-Y.

Respectfully submitted,

Dee DeLorenzo  
Recording Secretary