

**Norwell Board of Selectmen
Meeting Minutes
February 10, 2016**

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Mr. McBride opened the meeting at 7:38pm, and introduced Jason Brown, Ellen Allen, Alison Demong, Peter Smellie and Town Administrator Peter Morin.

MOTION: Ellen Allen moved the agenda amended to remove the Mooring Bylaw Discussion. Seconded by Peter Smellie and unanimously voted.

REPORTS

Citizen Comments - None

Selectmen's Report –

Mr. McBride updated all on the storm management in the Town over the last week, mentioning the reason for the decision not to close the schools on Friday (when the decision was made at 5am the forecast did not indicate the earlier start of heavy snow as well as the high winds). On Monday it was a quicker decision not to open the schools. Drier snow and less wind enabled the road crews to clear the roads in plenty of time for schools to open on time Tuesday morning. There were 814 houses with no power at the height of the outages, but all were slowly and steadily addressed by National Grid. Mr. McBride gave kudos to Town employees and BOS members who worked round the clock to handle storm issues and keep residents informed. Mr. Morin thanked the BOS for using social media so effectively to provide regular updates on road clearing, power outage relief and other storm related issues.

Ms. Allen recently attended a hearing at the State House about 40B and will update the BOS at a future meeting.

Town Administrator's Report

Mr. Morin would like to update the BOS about a grant (related to the Community Compact) from the Division of Local Services for \$30K, targeted for capital planning use. Mr. Morin would like to direct half of the grant towards Economic Development, using it to pay for a consultant. The BOS and Mr. Morin are invited to a conference on industrial parks and their current uses. Mr. Morin would like to go beyond the scope of this conference to see if there are more vibrant and state of the art uses for business districts to help meet the need for additional revenues for the community.

Ms. Demong asked about eligibility for an additional grant to specifically address economic development. Per Mr. Morin, that isn't a given, so he would like to split this grant and use it for both issues.

Lawsuit Update – The plaintiffs in the pathways litigation brought a motion for attorney's fees to be paid. The motion was denied, and only costs for filing and serving of the lawsuit will be paid. The total amount will be about \$400, instead of \$60K+ as originally sought. It was noted that the request for \$60K+ from the plaintiffs was 6 times the cost of Town Counsel for this lawsuit and approximately the cost of all the Town's legal expenses in FY15.

Auditors - Exit interview with Melanson Heath

The auditors gave the BOS a summary of their financial report with an overview of the audited financial statements for FY2015 and the Management Letter, stating that they have again

issued a clean opinion with no material issues. Future health care costs were explained and presented in the financial statements, divided into funded and unfunded liabilities. In FY 2018, the Town will be required to report the entire OPEB liability of \$56million. The Unrestricted Net Position is negative because of this net OPEB liability.

The auditors reviewed the Town's Funds; the general fund, the CPA fund and other smaller funds. Property tax receivables were reviewed; \$1.46K is liened and the rest is protected. Percentage guidelines for the different funds were explained. Stabilization should be 3-5% of the operating budget, and this year it is 3.6%. The Unassigned Fund Balance should be 10-15% and was 11.7%. The Town has maintained a AAA bond rating since 2009, which is the highest rating awarded. The reserves are very similar to last year. Free Cash was \$936K from revenue surplus and \$889K in departmental turn-backs, which is appropriate. Overall, the Town "beat the budget" by \$1.8 million, but used \$2 million in free cash for one-time items like tough winter expenses and capital items. Most of the free cash was able to be recouped as of the end of FY2016 and was only about \$200K less. As long as Free Cash is recreated each year, it is considered reasonable to expend it.

The Special Revenue Fund (Water Dept.) which is accrual based, was reviewed for the Board. This fund is separate and reported differently from the Town's other funds.

The Fiduciary funds activities were reviewed; private purpose and OPEB. There is currently \$1.5million in the OPEB fund.

The auditors reviewed their Management Letter with the Board, stating that there are no material weaknesses. The Town has addressed prior year auditor comments regarding departmental cash receipts and internal audits.

The audit of the SPED federal grant was clean.

The Town does a good job of bookkeeping, and has a strong financial staff.

Mr. McBride thanked the Finance Dept. for such a good audit.

Mr. Brown asked about the change in reporting requirement for the OPEB liability; when the full number is reported, will it affect the town's bond rating? Per the auditors, S & P will already know what the number is from the audit report. Ms. Sullivan had asked them that question, and said nearly all towns will be in the same boat. Mr. McBride thanked the auditors for their hard work.

If anyone would like to see the audit report, please contact Mr. Morin.

Accounting Department budget for 2017 – Donna Mangan

Ms. Mangan gave a summary of the proposed level service budget; employee wages include step increases and increases for longevity. Most other expenses are level. The Professional Services line item hasn't increased for the audit. The CAFR cost (\$5000) is included in this line item. Total expenses are budgeted at \$255.5K. Mr. McBride asked the Board for questions; there were none. Ms. Mangan stated that CAFR certification is quite a challenge, and is not usually awarded the first year. Certification is the highest financial honor that a town can receive, and bonding companies look very favorably on towns with this award. Mr. Morin said Braintree has had this award for the last two years and it is appropriate for Norwell to get it. Setting up the records is a lot of work (3-5 years of prior data) and 10 years of history for the town. It would be helpful to have a good IT person as this financial data is on 3 different systems. Per Ms. Mangan, the CAFR audit will include many historical facets of the town's activities besides the financial data. She gave credit to her staff in the Finance Department; Assistant Town Accountant Nancy Dooley and Payables Clerk Ellen Nurmeniemi. Ms. Mangan thanked Darleen Sullivan, Treasurer Collector, and her staff, who deserve a lot of the credit for the high marks on this year's audit. Mr. McBride thanked Ms. Mangan for all her hard work.

Possible Special legislation to combine the Town and State Senate Elections

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Town Clerk Pat Anderson reviewed the election calendar with the BOS. Mr. Morin explained to the Board the process to request special legislation to allow the two elections to be on the same day, stating that he has been in touch with the Towns of Marshfield and Scituate, which are also pursuing this. There will be some savings with fewer police details, but basic election costs will still be the same. Combining these elections would help to avoid "voter fatigue". The Town will have our State Representative present a letter to the Governor requesting permission. Town Counsel has drafted this letter for both Norwell and Marshfield. This combination would only be for this election. Rep. DeCoste will be happy to deliver the letter if signed by the BOS tonight. Ms. Anderson said this would require additional election workers. The Town will pay for local election ballots, the State will provide the special election ballots. The Town will notify people ahead of time about this one time dual election. There will be three extra polling hours because this is required for the State Senate Election. Ms. Demong asked about the state's turnaround time, and per Mr. Morin, Rep. DeCoste will deliver this letter tomorrow and the response should be fairly quick. Rep. Cantwell, Marshfield's Rep. and Rep. DeCoste will work cooperatively.

Motion: made by Ellen Allen, seconded by Peter Smellie, to petition the Governor to adopt special legislation to allow a joint election on May 10, 2016. Unanimously voted.

Appointment of Interim Highway/Tree and Grounds surveyor

Mr. McBride gave a summary of the last BOS meeting discussion and suggestion that Chief Reardon assume this interim position. Mr. McBride had asked Mr. Morin for a written implementation plan. Mr. Morin gave an update and directed all to Chief Reardon's written plan in the packet, giving highlights of this plan. Chief Reardon and Mr. Morin would work to coordinate efforts in the Emergency Center and communications between the Town departments as demonstrated by the exemplary performance during this past weekend's storms. Chief Reardon believes that he can fill the upcoming gap as Interim Highway Department head. Mr. McBride asked Mr. Morin what his role would be. Per Mr. Morin, his role would be to make sure that nothing falls between the cracks. Bids, procurement functions and anything else that needs to be communicated between the Highway Department and Chief Reardon will be facilitated by Mr. Morin, who would also ensure that there is no interruption in the current level of service. Mr. McBride used the example of scheduling assignments. Will the Highway Department foreman be able to take this on? The department went through this past weekend with Highway Foreman Chris Cowden assigning the trucks and making the routes. The school logistics were set up by Chief Reardon, Mr. Cowden and Matt Keegan, who were able to handle the necessary activities as a team. For the upcoming paving season, there will have to be a review to prioritize the work. A review of existing unspent Chpt. 90 and paving articles money will be conducted and planning will go from there. Mr. McBride highlighted springtime issues that will need to be addressed by the Highway Department and asked about Chief Reardon's involvement. Per Mr. Morin, Chief Reardon will be deferential to the crews and to this Board about the project list, which might be more modest than in the past. Ms. Demong mentioned Highway Department administrator Linda Murphy as a huge resource in this department. Ms. Murphy has asked for a point-person and thinks that Chief Reardon will do a good job. Mr. Morin cited the substantial weather event this past weekend, stating that crews didn't go home until yesterday morning. All worked very well together. (Ms. Murphy was right there for the duration of the weekend.) Mr. Brown stated that the Chief is a can-do person, but cited road clearing issues that often coincide with medical emergencies, especially last winter. He thinks Mr. Morin could handle the same tasks as Chief Reardon. From an administrative point of view, he believes it would not be prudent to have the head of Emergency Services responsible for those tasks. He would rather have Mr. Morin handle all the administrative duties of the position, stating that the role and function will be under the control of the BOS, so it makes more sense to utilize the Town Administrator.

Ms. Allen asked all to read the second paragraph of Chief Reardon's email, and gave credence to his belief that he can do the work. Mr. Morin cannot be officially appointed as he is not a

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Town resident. He can still do a lot of the work, but it will be better to appoint an official person who could tag team with Mr. Morin. Mr. McBride voiced concerns about the burden that the foremen will assume with a part time leader and wants to make sure that they are on board with this plan. Mr. Morin has spoken to both of the foremen in both departments as well as other employees in the office, none of whom want the job. Communication among all parties needs to be completely open, and Mr. Morin is trying to keep all department employees happy. He can certainly do the administrative parts of the job, but doesn't have institutional memory that the Chief has, reminding all that firemen have unique knowledge of public roads in the Town. Mr. Morin would rely on a lot of different people, especially Chief Reardon. Ms. Demong had spoken with Kevin Cafferty, Town Engineer in Scituate, who would be happy to be a resource for Chief Reardon. Mr. McBride would like to leave the position unfilled and use the Chief as a resource. He polled the board for their opinions, which were not unanimous. Ms. Allen stated that the decision should be officially on the record to leave the job unfilled.

Motion; made by Jason Brown, seconded by Peter Smellie, that the BOS decline to appoint an Interim head of the Highway/Tree and Grounds Departments. Motion carried – 3 voting yes (Mr. McBride, Mr. Brown, Mr. Smellie), and 2 voting no (Ms. Allen, Ms. Demong)
The board thanked Chief Reardon for his generous offer of assistance.

Mooring Bylaw Discussion

The discussion has been postponed as Mr. Morin did not have time to review the bylaw changes. As Ron Mott, Harbormaster, was in attendance, Mr. McBride asked him to come up and answer a few questions.

Per Mr. Mott, during winter, the harbormaster is getting ready with registrations for next season. He has moved forward with the 2016 summer season. Renewals will go out on March 14th. Mr. McBride knows that suggestions from Mr. Mott have been provided to both the BOS and Town Counsel. Next time the board will have a consolidated document. Mr. McBride thanked Mr. Mott for his hard work, and noted that he has put together an impressive set of books and records.

Town Budget Discussion

Mr. Morin gave a quick summary of the budget, noting that it is a level services budget, a little over \$49 million, which will increase when salary numbers are added. No free cash is being used to fund operations. Article money will come out of Local Revenues and Receipts for salaries. The Town will rely on House 1 local aid, using conservative estimates so that amendments won't be necessary if the funds don't come in higher. The budget has incorporated some spikes in spending, such as a 70% increase in education spending due to increased enrollment in Vo-Tech schools, which went from 7 to 15 students in 1 year. The board discussed the cost if the student number changes or declines, which would be reflected the following year. Tuition is based on the community's ability to pay. There are a dozen towns, but Norwell is paying more than their fair share. There is a 12% increase in health insurance costs for participation in the Mayflower system, which is the biggest jump in years. The Mayflower Municipal Health Group has subsidized the rates the past several years by using reserves. The total increase in plans this year won't hit Norwell's budget as much as other towns' budgets because we have deliberately budgeted conservatively in the past to create a buffer for when this spike would inevitably come. While this is helpful to the FY2017 budget, there will be no return to free cash from this line as in the past.

There is a 7% increase in property and casualty insurance and a 4% jump in trash removal over the this year's actual expenditures, which are significantly above this year's budget. Ms. Allen asked about debt service, which will see a sizable jump due to the recent \$3.8M bond issuance. Per Mr. Morin, the budget absorbs this without closing out past years' articles to smooth the increase as had been planned.

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New initiatives were reviewed; CAFR, funding a School Resource Officer, and additional hours in the BOS office to bring Denise Nestor up to full time as previously discussed. She may support some other committees as well as providing additional support for Mr. Morin. Mr. Morin stated that it will require careful operational management to return money to free cash at the end of FY17. He has shaved a lot of department funding requests. If local aid is more than anticipated he may restore some of the cuts.

Mr. Morin gave an overview of the snow removal budget, which is now insufficient. The request to authorize deficit spending was recently approved by the AB.

Motion: made by Ellen Allen, seconded by Peter Smellie, to allow deficit spending for snow removal. Unanimously voted.

Mr. Morin will give periodic updates to the BOS. Mr. Brown talked about deficit spending approval, endorsing the idea for periodic reports on the deficit spending amounts.

Complete Streets policy update

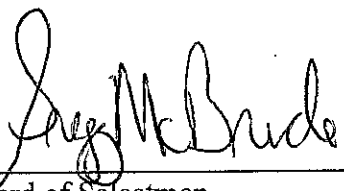
This program is a planning tool to prevent situations like the Main Street pathway which could have been part of a more careful and comprehensive town wide plan. Ms. Demong reviewed the committee's policy now that the State has provided criteria. The committee met to discuss these criteria to get in the queue for a \$50K grant. The plan needs BOS approval. She detailed the minor edits to the policy for the Board to review, and stated that the Town can apply for up to \$400K every year for different projects. This program is funded by the DOT.

Mr. Smellie expressed concerns that the policy might require the Town to create sidewalks on all paving projects. It was explained that neither the policy nor the State's Complete Streets program requires this.

Motion; made by Ellen Allen, seconded by Peter Smellie, to approve amendments to the Complete Streets policy as presented to the BOS. Motion carried, 4-1, Mr. Smellie voting no.

Adjourn

Motion; made by Ellen Allen, seconded by Peter Smellie, to adjourn at 9:34pm. Unanimously voted .



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