FINAL DRAFT

Natick Finance Committee

Pursuant to Chapter 40, Section 3 of the Town of Natick By-Laws, I attest that the attached copy is the approved copy of the minutes for the following Meeting:

Town of Natick Finance Committee
Meeting Date: April 1, 2021
The minutes were approved through the following action:

Motion:	Approval, as amended
Made by:	Ms. Wollschlager
Seconded by:	Mr. Gillenwater
Vote:	8 – 0 – 0
Date:	September 2, 2021

Respectfully submitted,

Bruce Evans

Clerk

Natick Finance Committee

TOWN OF NATICK

Meeting Notice

POSTED IN ACCORDANCE WITH THE PROVISIONS OF M.G.L. CHAPTER 30A, Sections 18-25

Natick Finance Committee

PLACE OF MEETING

Virtual Meeting accessed via Zoom:
ps://us02web.zoom.us/j/81404627596
Meeting ID: 814 0462 7596 Passcode: 715717 One tap mobile
+19292056099,,81404627596# US (New York) Dial by your location +1 929 205 6099 US (New York)

DAY, DATE AND TIME

April 1, 2021
at 7:00 PM

Notice to the Public: 1) Finance Committee meetings may be broadcast/recorded by Natick Pegasus. 2) The meeting is an open public meeting and interested parties can attend the meeting. 3) Those seeking to make public comments (for topics not on the agenda or for specific agenda items) are requested to submit their comments in advance, by 2:00 PM on the day of the meeting, to the Chair: phayes.fincom@natickma.org. Comments will be posted on NovusAgenda and read aloud for the proper agenda item. Please keep comments to 350-400 words. 4) The Chat function on Zoom Conferencing will be disabled.

Posted: Monday March 29, 2021 10:08 PM

Revised and Posted: Wednesday March 31, 2021 9:12 AM

MEETING AGENDA

1. **Call to Order**
   a. Pledge of Allegiance & Moment of Silence
   b. Advisement of Pegasus Live Broadcast and Recording for On-Demand Viewing
   c. Review of Meeting Agenda and Ordering of Items
2. **Announcements**
3. **Public Comments**
   a. Committee policy & procedures available via this link and also at the meeting location
4. **Meeting Minutes:** Review & Approve Meeting Minutes for March 18, 2021, March 23, 2021, March 25, 2021 & March 30, 2021
5. **Old Business**
   a. Possible reconsideration of Article 13 Revolving Funds
   b. Possible reconsideration of budget votes
   c. Possible reconsideration of Article 22 Home Rule Petition: Authorization to Issue 3 Wine and Malt Beverages Licenses
6. **Town Administrator's FY2022 Budget Hearing**
   a. Budget Update
7. **2021 Spring Annual Town Meeting Warrant Articles – Public Hearing**
   a. Article 17 Capital Improvement
   b. Article 7 Motion G1 - Fiscal 2022 Omnibus Budget
   c. Article 20 PEG Access and Cable Related Fund Appropriation or Transfer of Funds
   d. Article 18 Appropriate Contingency Funds for Phase 2 of the West Natick Fire Station Building Project
8. **Committee and Subcommittee Scheduling and Process**
9. **Committee Discussion (for items not on the agenda)**
10. **Adjourn**

MEMBERS PRESENT:
Dirk Coburn, Member
Cathy Coughlin, Member (arrived 8:08 PM)
Jeff DeLuca, Member
Bruce Evans, Secretary
Bill Grome, Member
Todd Gillenwater, Vice-Chairman
Julien LaFleur, Member
Mike Linehan, Member
Richard Pope, Member
Chris Resmini, Member
Jim Scurlock, Member
Linda Wollschlager, Chairperson

MEMBERS ABSENT:
David Coffey, Member
Jerry Pierce, Member
Phil Rooney, Member

Town Administration
Mr. Bob Rooney, Interim Town Administrator
Mr. John Townsend, Deputy Town Administrator, Finance
Ms. Juiling De Los Reyes, Assistant Director, Finance
Mr. Abdul Rauf, Special Assistant, Finance
Mr. James Errickson, Deputy Town Administrator, Operations

Town Board Members
Mr. Steve Levinsky, Chair, Personnel Board
Mr. Michael Hickey, Member, Select Board
Mr. Richard Jennett, Member, Select Board
Ms. Sue Salamoff, Member, Select Board

Call to Order
Meeting called to order at 7:00 p.m. by Linda Wollschlager, Chairperson.

Announcements - None

Public Comments:

Ms. Wollschlager said that the Finance Committee recommendation letter will go out to Town Meeting members tomorrow – it may not go to some of the newly appointed write-in members, but everyone who was elected should be getting the letter and the recommendation book will follow next week.

Mr. Evans moved to open the public hearing on the Town Administrator's FY22 budget and the 2021 Spring Annual Town Meeting Warrant Articles, seconded by Mr. LaFleur, voted 11 – 0 – 0.
Roll-call vote:

Mr. Coburn = yes
Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Ms. Wollschlager = yes
Mr. LaFleur = yes
Mr. Linehan = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Scurlock = yes

Article 17 – Capital Improvements

Motion A

Move that the Town vote to appropriate the sum of $2,050,000 to be expended as follows:

- Under the direction of Department of Public Works for the purposes of:
    - Replacement of Grove Park (South Natick) Retaining Wall – Construction
    - Replace Synthetic Turf Memorial Field
- Under the direction of Facilities Management for the purposes of:
    - Roof Improvements/Replacement - Police/Fire

all individually shown as items 1 through 3 in Table A below, and that to meet this appropriation the Treasurer with the approval of the Select Board is authorized to borrow $ 2,050,000 under Massachusetts General Laws Chapter 44, Section 7, as amended, or any other enabling authority and to issue bonds or notes of the Town therefore aggregating not more than $ 2,050,000 in principal amount and that the Town Administrator with the approval of the Select Board is authorized to take any action necessary to carry out this program, and further, that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

TABLE A- Motion A - Capital Improvement – 2021 Spring Town Meeting

Item	Department	Request Title	Amount	Funding Sources
1	Dept. Public Works	Replacement of Grove Park (South Natick) Retaining Wall - Construction	$ 250,000	Tax Levy Borrowing
2	Dept. Public Works	Replace Synthetic Turf Memorial Field	$ 600,000	Tax Levy Borrowing
3	Facilities	Roof Improvements/Replacement - Police/Fire	$ 1,200,000	Tax Levy Borrowing
		Total	**$ 2,050,000**	

Mr. Errickson said Motion A seeks an appropriation of just over $2 million for two DPW projects and one Facilities Management project. During Special Town Meeting #1 last fall, we appropriate for the design work for the retaining wall and this is the construction phase. The other DPW project is the replacement of the synthetic turf at Memorial Field (this does not include systems replacement because they do not require replacement). The intention is to complete this project over the summer in advance of the fall sports season. The improvements / replacement of the roof at the Police & Fire Public Safety Complex. This is a comprehensive replacement based on the roofing assessment just completed it, at a cost of $1.2 million.

<u>Questions from the Committee</u>

Mr. DeLuca asked for elaboration on the life of synthetic fields relative to grass fields. He noted that the turf field replacement for this field is necessary. Mr. DeLuca asked if we can expect to need to replace turf fields every 8-10 years, given that we will have three synthetic turf fields once the Kennedy MS field is built. Mr. Errickson said the costs for a brand new constructed turf field is anywhere from $1 to $1.5 million, and it can go up really depends on the site, the size of the field and the amount of drainage and

underground systems work that's needed. Replacement of the turf is significantly less than that because it is turf replacement only since the drainage system and the foundation for the field is intact. LFNR keeps close track and on all of the fields including the synthetic turf fields to make sure that when it's necessary to be put them onto the capital program, they are put onto the five-year capital plan. For example, we might see the Cole Center turf replacement in the out-years of the capital plan. Mr. Errickson said It needs to be within that five year timeframe of the capital plan unless there's an emergency that comes up.

Mr. Evans moved to recommend Favorable Action on Article 17 Motion A, seconded by Mr. DeLuca, voted 11 – 0 – 0.

Roll-call vote:

Mr. Coburn = yes
Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Ms. Wollschlager = yes
Mr. LaFleur = yes
Mr. Linehan = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Scurlock = yes

Debate:

Mr. Evans noted that these items were thoroughly explained by Mr. Errickson. He added that one of the things he learned as part of the Kennedy building committee is that LFNR does what's called a bounce test. If a ball bounces too high, that means it's not providing enough padding or enough safety for a player let's say a football player to get tackled onto, so it needs replacement. In addition, the technology underlying the synthetic fields is also evolving with newer materials for padding as well as the turf itself. The other plus is that you're not using chemicals to maintain a grass field, an important issue as the town must address the MS4 runoff requirements.

Mr. DeLuca noted that he had done a lot of research on this before considering approval for the $600,000 investment. Synthetic turf fields have their benefits in that they are playable in conditions where you couldn't on a grass turf field. However, there are a lot of safety concerns with a synthetic turf field. For example, there are medical studies saying that there are more concussions on synthetic turf fields and the players can move faster on these fields. Some of the research expressed concerns about the turf materials being carcinogenic. I've been assured that newer fields have addressed this issue. We need to be mindful of how many synthetic turf fields we need in the town.

Mr. Scurlock agreed about the reduction in chemicals used to maintain the grass fields – Natick is on well water and we need to control our own environment. He also agreed on the need to assess the mix of synthetic vs. grass turf fields.

Mr. Coburn noted that, while a School Committee member, he was involved in the decision when the Memorial Field was made. The other factor in addition to playability is that grass turf fields need to be "rested" much more to reduce the wear on the field. If Natick were less densely populated and had lower land values, his calculus would be different and we might be able to use more grass fields. However, in densely populated Natick where land costs are very high and available land is scarce, synthetic turf fields provide a good value to the town.

Article 17 – Motion B

Move that the Town vote to appropriate the sum of $825,000 to be expended as follows:

- Under the direction of the Department of Public Works for the purpose of:
  - Street Acceptance Plan Preparation
  - Park and Field Renovations
- Under the direction of the Facilities Department for the purpose of:
  - Roof Improvements - Town Hall, Morse, BenHem, Memorial, Wilson
- Under the direction of the IT Department for the purpose of:
  - Network Firewall Upgrade
- Under the direction of the Parks and Recreation Department for the purpose of:
  - Replace unsafe Shed at Mary Bunker
  - Loker Park Playground Improvements
- Under the Direction of the Town Clerks office for the purposes of:
  - Preservation of Historical Records

All individually shown as items 1-7 in Table B below, and that to meet this appropriation the sum of $825,000 be appropriated from the Capital Stabilization Fund.

TABLE B- Motion B - Capital Improvement – 2021 Spring Town Meeting

Item	Department	Request Title	Amount	Funding Sources
1	Dept. Public Works	Street Acceptance Plan Preparation	$ 150,000	Capital Stabilization
2	Dept. Public Works	Park and Field Renovations	$ 175,000	Capital Stabilization
3	**Facilities**	**Roof Improvements - Town Hall, Morse, BenHem, Memorial, Wilson**	**$ 300,000**	**Capital Stabilization**
4	IT Dept	Network Firewall Upgrade	$ 75,000	Capital Stabilization
5	Parks & Recreation	Replace unsafe Shed at Mary Bunker	$ 10,000	Capital Stabilization
6	Parks & Recreation	Loker Park Playground Improvements	$ 40,000	Capital Stabilization
7	Town Clerk	Preservation of Historical Records	$ 75,000	Capital Stabilization
		Total	**$ 825,000**	

Mr. Errickson noted that the town uses Capital Stabilization for lower-cost items or items that that are harder to borrow for because they might have a shorter lifespan or the town may need to acquire them more quickly than borrowing would allow.

1. Preparation of a Street Acceptance plan for DPW - this is part of the ongoing DPW initiative to improve our streets. First we need to plan out what's required to bring them up to standard and be in a positions to accept them so that we can spend state and local dollars to maintain them.
2. Parks and field renovations is another ongoing investment to invest in our parks and fields.
3. These are the roof improvements that we discussed in the previous meeting as a result of the roof assessment we completed. These are mostly smaller repairs at these various buildings to extend the life of the existing roofs. We know that we will still need to invest in the Ben-Hem

School roof more comprehensively in the coming 1-2 years, but this will allow us time to plan for that investment because we will need to do some engineering work prior to investing in a comprehensive roof replacement there.

4. Network Firewall upgrade – Our current firewall is past its useful life and will soon no longer be serviced by the provider.
5. Recreation & Parks is the replacement of an unsafe shed at Mary Bunker Park, a small project but definitely needed.
6. Local park playground improvements. As we discussed last time, this is for some key targeted replacement components of the playground. With the new DPW craftsman position to maintain this and all of our playgrounds moving forward.
7. Town clerk preservation of historic records, a continuation of an ongoing initiative that we've funded for several years. We're obligated to preserve our historic records, especially the town clerk's office, this will continue for a few more years. In this case, it's $75,000, down from the typical $100,000 appropriation, because there are some funds remaining from past years.

Questions from the Committee

Mr. Errickson said the preparation of the street acceptance plan is just one step of the road acceptance process. The requested funding will prepare roadway layout plans for as many streets as possible focusing first on roadways on the Select Board's five year roadway improvement plan and collector roadways. The first funding request will inform subsequent requests 2-3 years later. I

Mr. Linehan asked if the preservation of historical records Is something that will end at some point. Mr. Errickson said the objective is to move forward with preservation of the historical records that the Town Clerk must maintain by law. We're also looking to transition from paper-based & scanned to electronic record keeping to not only help with document preservation, but improve ease of accessibility. This is an extensive project - we're focusing on the Town Clerk's office now, but there are a few other departments that will need to do this, including the Building department. I estimate that we will be seeing this for at least the next 3-5 years minimum.

Mr. Evans moved to recommend Favorable Action on Article 17 Motion B in the amount of $825,000, sourced from the Capital Stabilization Fund, seconded by Mr. DeLuca, voted 11 – 0 – 0.
Roll-call vote:

Mr. Coburn = yes
Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Ms. Wollschlager = yes
Mr. LaFleur = yes
Mr. Linehan = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Scurlock = yes

Debate
Mr. Evans said this has all been explained very well.
Mr. DeLuca thanked Mr. Errickson for answering all our questions very thoroughly in a very short period of time.

Article 17 Motion C:

Move that the Town vote to appropriate the sum of $3,460,000 to be expended under the direction of the Department of Public Works for the purpose of:

- Replacement Groundwater Wells
- Water Gate Valve Repair
- South Natick Water Transmission Main Cleaning and Upgrades, and
- 4M Sewer Pump Station Force Main Replacement

individually shown as items 1 thru 4, in Table C below, and that to meet this appropriation the Treasurer with the approval of the Select Board is authorized to borrow $3,460,000 under Massachusetts General Laws Chapter 44, Section 7 & 8, as amended, or any other enabling authority and to issue bonds or notes of the Town therefore aggregating not more than $3,460,000 in principal amount and that the Town Administrator with the approval of the Select Board is authorized to take any action necessary to carry out this program, and further, that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

TABLE C- Motion C - Capital Improvement – 2021 Spring Town Meeting

Item	Request Title	Amount	Funding Sources
1	Replace Groundwater Wells	$ 300,000.00	W/S Enterprise Fund Borrowing
2	Water Gate Valve Repair	$ 300,000.00	W/S Enterprise Fund Borrowing
3	South Natick Water Transmission Main Cleaning and Upgrades	$ 1,220,000.00	W/S Enterprise Fund Borrowing
4	4M Sewer Pump Station Force Main Replacement	$ 1,640,000.00	W/S Enterprise Fund Borrowing
	Total	**$ 3,460,000.00**	

Mr. Errickson said these are the capital improvement requests from the Water & Sewer Enterprise Fund and the funding source is Water & Sewer Enterprise Fund Borrowing article. These are needed infrastructure projects and Mr. Marsette is here representing the Water & Sewer department.

Questions from the Committee

Mr. DeLuca asked whether Natick has any existing lead pipe infrastructure, given that there is federal funding to eliminate lead pipe infrastructure from water distribution systems.. Mr. Marsette said there are no lead water mains within the Natick water distribution system.

Mr. Linehan asked whether the service piping into buildings might still might be lead. Mr. Marsette said that the town has been in compliance with the lead and copper requirements since the inception of these requirements. That does require us to have a full inventory of the service pipe materials for all of water services within the community and have no current lead service connections within the community. One did come up about four years ago, to an older building, and we worked with that owner to remove that lead piping from that a small residential structure. It hadn't been removed by the previous owner and was a challenging dig for the new owner, so we assisted them to have that removed.

Mr. Evans stated that he wanted to get into the record a couple of questions that were answered on the on the force main replacement and the water gate valve repair. “The force main is an unlined cast iron pipe that has an extensive history of pipe breaks that may be linked to potential thin wall cast iron pipes and/or poor backfill material around the pipe. This force main ruptured several years ago causing a sanitary sewer overflow to the adjacent property, wetlands and Route 9. Interim repairs to the force main were funded from the Water and Sewer emergency reserve. Replacement of the force main has

been deferred for several years. On the water cake valve repair, it is our intention to repair or replace the failing valves. However, installation of additional valves can help isolate breaks, minimize service disruptions and increase flushing efficiency and improve overall water system operation and flexibility. Mr. Scurlock asked whether there are any other areas that may require preemptive attention and therefore funding. Mr. Marsette said that they have asset management plans that he and the WSE staff have put together with their consultant for the water and sewer infrastructure (water distribution, water treatment, sanitary sewer collection). This asset management plans is based on based on GIS records and historical records and are 20 year plans and those plans inform what we enter into the five-year capital plan. There are annual investments in water main replacement and re- lining - those are based on those asset management plans. These two projects were identified as required by these asset management plans.

Mr. Scurlock asked for clarification that unexpected failures sometimes occur just due to the aging infrastructure. Mr. Marsette said they weren't altogether unexpected, since these facilities are not new. For example, the water transmission main is a 16 inch main that services the Elm Bank supply - it's a large diameter main that was installed in the 1980s and has been a source of many of our dirty water issues when we operate Elm Bank seasonally. And the only way to thoroughly clean that pipe is to excavate and get the appropriate equipment in there. Despite our best efforts, we can't flush them clean, so for that system, it's more on an operational thing that we need to correct not so much a deficiency in the piping, it just it really needs a heavy clean to get the iron and manganese out. For the this sewer force main replacement – it services our largest sewer pump station, with greater than a third of all of the sewer that flows from the community goes through that sewer force main and carries a large volume. That pipe material was suspect more due to its manufacturer and bedding and it's time for replacement. We've deferred it as long as possible and done some operational improvements in the sewer pump station by way of adding variable frequency drives so that the pumps come on at a slower pace and minimize the chance of water hammer.

Mr. Evans moved to recommend Favorable Action on Article 17 Motion C, seconded by Mr. Scurlock, voted 11 – 0 – 0.

Roll-call vote:

Mr. Coburn = yes
Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Ms. Wollschlager = yes
Mr. LaFleur = yes
Mr. Linehan = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Scurlock = yes

Debate

Mr. Evans thanked Mr. Marsette and the Water & Sewer team this department is very proactive in keeping the systems running and doing it without too much fanfare.

Mr. Scurlock noted that if increased funding is required, please come back to the Committee to address the need. Many of us have commented that you do twice the amount of work with half the number of people and we're all very thankful for your department and the great work it does. But when I see areas that are degrade prematurely, please come back to the Finance Committee to ensure that we’re makign the investment to minimize the risk of preventable future events.

Article 17 Motion D:

Move that the Town vote to appropriate the sum of $26,000 to be expended under the direction of the Community Services - Recreation & Parks – Sassamon Trace Golf Course for the purpose of:

- Cart Path Repair
- Dowse Fence

individually shown as items 1 and 2 in the Table D below, and that to meet this appropriation the sum of $26,000 be raised from Golf Course Enterprise retained earnings.

TABLE D- Motion D - Capital Improvement – 2021 Spring Town Meeting

Item	Request Title	Amount	Funding Sources
1	Cart Path Repair	$ 6,000	Golf Enterprise Retained Earnings
2	Dowse Fence	$ 20,000	Golf Enterprise Retained Earnings
	Total:	**$ 26,000**	

Mr. Errickson said these two capital improvements are funded from the Golf Enterprise Fund retained earnings, which is like free cash or a Capital Stabilization account for enterprise funds.

Questions from the Committee - None

Mr. Evans moved to recommend Favorable Action on Article 17 Motion D, seconded by Mr. Scurlock, voted 11 – 0 – 0.

Roll-call vote:

Mr. Coburn = yes
Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Ms. Wollschlager = yes
Mr. LaFleur = yes
Mr. Linehan = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Scurlock = yes

Debate

Mr. Evans noted that, sadly he has hit way too many golf balls over the fence. But Sassamon Trace is a great little course. Kept in great condition, run very well, and you can get in a quick nine holes in two hours.

Mr. Scurlock said we are fortunate to have this course within our town and I hope that the community avails itself of it and that it continues to grow as it has in the past.

Possible reconsideration of Article 13 - Revolving funds.

Ms. Wollschlager stated that the Committee originally voted this Article on March 18. At that point, it was identical to what we have voted in previous years. It subsequently came to our attention that the Health Department was looking for an increase in flu vaccine funding. That, in turn, concerned Town Counsel who opined that the inclusion of a dollar amount in this article unduly restricted the usage of these revolving funds. Ms. Wollschlager said that Article 13 now has two motions:

Motion A seeks to make a change to Article 41A of the town bylaws. Right now, Article 41A references each of these funds and the amounts that can be utilized in the funds. The bylaw change would remove the amounts from the bylaw.

Motion B would be our typical standard language, with the incremental addition for the Flu vaccine fund of $20,000, raising it for from 40,000 to $60,000.

Mr. Errickson noted that the impetus for making these proposed changes to the town bylaws is the Municipal Modernization Act which allows a simple vote of Town Meeting to make adjustments to the to the authorized amounts, rather than have to go through a formal bylaw change. Town Counsel advised that we separate this into Motion A which lists all the revolving funds that have been established under Bylaw 41A and Motion B which sets the limits for expenditures from that revolving fund in that fiscal year. Each year, these amounts are set at Spring Annual Town Meeting

Mr. LaFleur moved to reconsider Article 13, seconded by Mr. Evans, voted 11 – 0 – 0.
Roll-call vote:

Mr. Coburn = yes
Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Ms. Wollschlager = yes
Mr. LaFleur = yes
Mr. Linehan = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Scurlock = yes

Debate - None

Mr. Gillenwater requested that a redline version of the bylaw change be made available for the Finance Committee Recommendation Book. Mr. Errickson said that would be provided.

Mr. LaFleur asked, if Motion A is approved by Town Meeting does it become effective at Spring Annual Town Meeting 2021 or 2022. Mr. Errickson said after Town Meeting has ended, there is a period of time where it's submitted to the Attorney General's office. Once everything passes muster, the changes go into effect. So, this bylaw change is effective for Spring Annual Town Meeting 2022. However, by separating Motion A and Motion B, it is possible to raise the limits of a given revolving fund, in this case, the Flu Clinics, Immunization Programs, Pandemic and Emergency Preparedness revolving fund. If the AG's office had an issue with the bylaw change, then the Flu Clinics, Immunization Programs, Pandemic and Emergency Preparedness would revert to the prior year's level, but it is very unlikely that they will do so because the Municipal Modernization Act permit this.

Mr. Evans moved to recommend Favorable Action on Article 13 Motion A, seconded by Mr. Scurlock, voted 12 – 0 – 0.
Roll-call vote:

Mr. Coburn = yes
Ms. Coughlin = yes
Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Mr. LaFleur = yes
Mr. Linehan = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Scurlock = yes
Ms. Wollschlager = yes

Debate

Mr. Evans thanked Ms. Karis North, Town Counsel for identifying this approach that will give the town a lot more flexibility with these revolving funds. In particular, if we find at some point that we need to raise the amount put in a given revolving fund, this greatly simplifies the process.

Mr. Scurlock agreed that this provided better flexibility.

Ms. Wollschlager thanked Ms. North for putting this all together quickly today. We had heard that the amount for the Flu clinics was insufficient. However, we could not make that change under the existing revolving funds bylaw and this provides an elegant solution.

Article 13 Motion B

Ms. Wollschlager said Motion B is the motion that we voted on last time with the exception of raising the amount for the revolving fund Flu Clinics, immunization programs, pandemic and emergency preparedness from $40,000 to $60,000.

Questions from the Committee – None

Mr. Evans moved to recommend Favorable Action on Article 13 Motion A, seconded by Mr. Grome, voted 12 – 0 – 0.

Roll-call vote:

Mr. Coburn = yes	Mr. LaFleur = yes
Ms. Coughlin = yes	Mr. Linehan = yes
Mr. DeLuca = yes	Mr. Pope = yes
Mr. Evans = yes	Mr. Resmini = yes
Mr. Gillenwater = yes	Mr. Scurlock = yes
Mr. Grome = yes	Ms. Wollschlager = yes

Possible reconsideration of FY 22 budget

Ms. Wollschlager said the reason this is on the agenda is because at our last meeting, we had a number of questions about the change to the Facilities Management budget. However, town administration is not going to make any changes to the Facilities Management budget at this time, so our previous vote stands and no reconsideration of that budget needed.

Article 7 Motion G1

Mr. Townsend reviewed Article 7 Motion G1 - Shared Expenses and noted the following:

- Insurance and Benefits, which includes Employee Fringe Benefits contains the health insurance amounts for the town. You'll recall that we original budgeted that at a 6.6% increase, and it actually came in at about 3.4% which provided significant savings that we applied to partially reduce the school budget gap.
- Property and liability insurance - the FY 22 budget request is $ 907,171 and this represents a 5% increase over the FY 21 budget of $863,972.
- Contributory Retirement Mr. Townsend said this budget figure is the amount that we receive from PERAC based upon the actual investment information provided to PERAC by the Natick Retirement Board, and is intended to reduce our pension liability by the year FY30. The Natick Retirement Board recommended funding for FY 22 is $12,307,258. From this figure, you must deduct $188,696 for the Natick Housing Authority Assessment, $12,974 for the Sassamon Trace Golf Course Enterprise Fund Assessment, and $414,292 for the Water & Sewer Enterprise Fund Assessment for a total funding request of **$11,691,296**. All documents regarding the Natick Retirement Board can be found on the PERAC website (https://www.mass.gov/lists/natick-retirement-board-reports). Mr. Townsend said PERAC issues this report annually and it is based on a calendar year, so he doesn't have a timeframe yet on when the PERAC report for 2020 will be available. To be fair to the Natick Retirement Board, other retirement boards have also fallen behind on issuing their reports.

- OPEB Trust Fund - the initial amount was $200,000, but was adjusted to $225,900 as a result of an adjustment in the Facilities Management budget, which we'll get to just shortly.
- Reserve Fund Finance Committee – We returned this amount to $250,000. As you recall, for FY 21, we increased it to $500,000 to address potential budget shortfalls that resulted from COVID. We are pretty confident that we should be past that by FY 22

- Facilities Management (FM). Mr. Townsend turned this over to Mr. R Rooney to provide more detail with regards to this particular line item. Mr. R Rooney said at the previous meeting, we were trying to make adjustments to the FM budget as hiring decisions were unfolding. We regrouped following that meeting and reexamined our strategy going forward with the FM Department. The FM department manages 36 municipal buildings that range in age from zero years (West Natick Fire Station & Kennedy Middle School) to as old as 1880 (Bacon Free Library), with over 1.1 million square feet and valued at close to a half a billion dollars. Many of the newer building use very sophisticated, remotely controlled, automated systems and that takes a lot of expertise to manage. We need the best leadership that we can get in that in that department to ensure our investments are protected and it is critically important that they function as well as they can. Consequently, because I'm an Acting Town Administrator, I don't want to make appointments that the long-term Town Administrator should do for two reasons. First, is that if I make the appointment as Acting Town Administrator , that appointment is also “acting” until the permanent Town Administrator is hired. However, we’re moving forward with hiring the FM Director because we're in a unique situation where the FM Director is shared by both the school department and that the administration. Since we’re in this unique situation, one of the reasons to go with a contract would be to have a joint signature on that to, to confirm that even after I leave, the Director job is secured as a permanent department head (for the duration of the contract). Second, there is urgency to make this hire. As you know, in the past four years, we've had two Directors in this department leave after a short tour with Natick, and so you have individuals in that department who are stepping up and doing the job for the past four months. This is a long time to have a department of that magnitude without supervision, so I'm going out outside my comfort zone to appoint an FM someone to fill this position along with the School Superintendent because we have a strong candidate. The choice to use a contract is a good one. We also talked about a stipend as a secondary option there. We consulted with Mr. Steve Levinsky, Chair, Personnel Board during the process and he can address some of the questions the Committee had on Personnel Board pay. We have not signed any contracts, but we feel that there are going to be other attractive vacancies in other towns and universities. In addition, we strongly feel that the Director should be able to come in and make choices about how to organize his department and that requires an assessment of current operations and skills sets which will take time. Thus, our intention is to hire the new Director and let the new Director choose how to staff the department. We recognize that we will need to make some shifts between salary and expense lines and will make those adjustments at 2021 Fall Town Meeting.

<u>Questions from the Committee</u>

Ms. Wollschlager point out that Article 7 Motion G1 includes employee fringe, insurances, contributory and non-contributory retirement, as well as FM.

Mr. Coburn commented that the FM department infrastructure and the unique aspect of the FM Director position is the matrix reporting structure (to Town Administrator & School Superintendent), requires

some strong experience dealing with that kind of situation, for accountability, for collaboration accountability, and initiative. Mr. Levinsky said that the Personnel Board took that into consideration and firmly believes this position is appropriately graded at Grade 5 in the Pay plan. The dual reporting relationship and the relatively short tenure of the prior Directors made recruiting for this position very difficult. From a pay perspective, two people ago, we started in the $100,000's were not getting the candidates we were looking to have. As Mr. R Rooney stated, we are looking for someone with very specific, sophisticated skills and we to pay a premium generally for the risks somebody takes on by having two bosses.

Mr. Coburn asked if this information has been documented so that the unique skill set you seek is known in a way that will justify a potential compensation differential that we may need to pay to attract the appropriate candidate. Mr. Levinsky said, with the possible exception of the Morse Library Director, he didn't think there was another position that received more scrutiny or comment.

Mr. Scurlock noted that, at the previous meeting, it was suggested that the positon directly below the Director position was a vacant position and it was likely that this position would not be filed and this was part of the justification for higher salary or compensation. Mr. R Rooney said that is the intent.

Mr. Scurlock asked if there are issues or risks that may arise by taking this approach (exceeding the Grade 5 pay band maximum, Mr. Levinsky said, given the market data from thirty-two peer communities that we are seeing, we will likely need to adjust some of the pay band ranges upward at Fall Town Meeting - the town modified them in about five years. We believe that the other positions are appropriately placed in the grades they're in. We believe there is no compression in the Grade 5 salary ranges, meaning that employees aren't bumping up against the maximum of that of that range, or actually any other range, with the exception of one person in the whole town, so the ranges aren't being stretched because of actual pay that we're paying people.

Mr. DeLuca asked whether there are other comparable positions and skill sets where someone might be able to argue that the town will pay the FM Director is paid significantly more than those positions. Mr. R Rooney said that you want to get the best person for the position that you can afford and get a person that can do the entire job and not three quarters of it. Mr. R Rooney also said hiring for the Director positions is also dependent on the timing and the economy, noting that this was a very rigorous search where we have cast a broad net to attempt to attract the person best suited to the job and do a cost/benefit analysis to be able to retain that person. We believe the skill set and the individual that we want is unique and difficult to find and we have determined by looking at the market data that we have been offering less than we need to offer to attract the candidate we need. Mr. R Rooney said although it is a tough environment right now, we asked whether offering a stipend of $8,000 or so, to attract the best candidate was worth it and we (the Town Administrator and Superintendent and Mr. Levinsky) think it is the right thing to do. Mr. R Rooney reminded the Committee that a contract is different as compared with a Personnel Board position where the person is hired for an annual salary and benefits. With a contract, the contract can expire and can either be renewed or not, depending on the performance of the person in that position. This is a safeguard that the town has in hiring using a contract for this position. Mr. Levinsky noted that the Personnel Board did review equal pay issues with Grade 5 with our Labor Counsel and no issues were identified. Secondarily, we have good market data on each of these positions and what the marketplace pays for these positions. The way we structure our pay plan, we have a broad band for Grade 5 and that that allows for people to be paid differently within that grade.

Mr. Levinsky noted that the contract protects the town. Mass General Law says you can't pay above the maximum of that range for a pay grade unless you go into contract and towns have the authority to do that. It's not the first position in town that we've done that; we have several positions currently on contract and have historically done so.

Mr. DeLuca asked what the rationale is for reducing the contribution to the OPEB Trust Fund. Mr. Townsend said during discussions on funding pension funds and stabilization funds, initially we weren't planning to put money into this fund in FY 22 as we were not increasing other stabilization funds. However, we identified some additional funding through savings and felt putting $250,000 in the OPEB Fund, a little below what we have been putting in the last few fiscal years made sense. Once we come to Fall Town Meeting, we'll a look at whether we can provide more funding for the OPEB Trust Fund.

Mr. DeLuca asked what the mid-term to long-term strategy is for OPEB funding. Mr. Townsend said that once we sufficiently fund our Contributory Retirement System in 2030, we plan to shift those annual contribution amounts (approximately $10 million/year) would be shifted over towards funding our OPEB liabilities. In upcoming years, we would like to increase it modestly, leading up to 2030 to ensure that rating agencies understand that we are committed to fully funding it.

Comments from the Public

Ms. Sue Salamoff, Member, Select Board noted that the proposed contract is a creative way to move forward quickly to get the right leadership for FM and stated that we were on a good path with the previous Director.

.

Motions for Article 7, Motion G1: Shared Expenses	
Motion G1: (Requires 2/3 vote) **Move that the Town vote to appropriate the Total Budget Amount shown below for the purpose of funding the accounts and funds shown below, said funds are to be expended under the direction of the following officials or committees: Employee Fringe Benefits - Town Administrator; Property and Liability Insurance - Town Administrator; Contributory Retirement System Pension Liability – Collector/Treasurer; Non Contributory Retirement Pension Liability - Comptroller; Debt Service - Collector/Treasurer; Reserve Fund – Finance Committee; Facilities Management - Town Administrator & Superintendent of Public Schools.**	
INSURANCES & BENEFITS	
Employee Fringe	
Other Personnel Services	$17,533,754
Other Personnel Services - Merit / Performance	$150,000
Total Employee Fringe	$17,683,754
Property & Liability Insurance	
Purchased Services	$907,170
Total Prop. & Liab. Insurance	$907,170
RETIREMENT	
Contributory Retirement	
Pension Assessment	$11,691,296
Total Contributory Retirement	$11,691,296
Non-Contributory Retirement	
Pensions	$20,500
Total Non-Contributory Retirement	$20,500

OPEB Trust Fund	
Expenses	$225,900
Total OPEB Trust Fund	$225,900
RESERVE FUND – FINANCE COMMITTEE	
Expenses	$250,000
Total Reserve Fund	$250,000
FACILITIES MANAGEMENT	

And that the above Total Budget Amount be raised from the following sources:	
Tax Levy of Fiscal Year 2022	$44,161
State Aid	$11,762,470
Local Receipts	$11,909,632
Free Cash	$1,300,000
Overlay Surplus	$1,000,000
Title V Septic	$0
Water-Sewer Indirects from User Fees	$2,848,079
Golf Indirects from User Fees	$61,758
Operational Stabilization Fund	$5,445,174
Premiums	$73,173
School Building Assistance	$122,162
	$34,566,609

Mr. Evans moved to recommend Favorable Action on Article 7 Motion G1, as shown above, seconded by Mr. Scurlock, voted 11 – 0 – 1

Roll-call vote:

Mr. Coburn = yes
Ms. Coughlin = yes
Mr. DeLuca = abstain
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Mr. LaFleur = yes
Mr. Linehan = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Scurlock = yes
Ms. Wollschlager = yes

Debate:

Mr. Evans thanked Mr. R Rooney and Mr. Levinsky for allaying the Committee's fears regarding the FM Director, noting that he hoped we're able to get this good candidate in because it's invaluable to the town.

Mr. Scurlock said there's no doubt that we need a strong candidate and that some of the explanations we received this evening reduced those fears and administration is well aware of a potential ongoing concerns.

Mr. Coffey stated that he personally wants to see the new FM Director succeed as one who pushed for the town to bring both municipal and school maintenance together and

Ms. Wollschlager Mr. R Rooney and Mr. Levinsky for their explanations and pointed out the value of the Committee's subcommittee processes. We spent a lot of time today and yesterday going over this because it had not had a chance to be reviewed through our subcommittee and I wanted to give a shout-out for all of the hours that many of our subcommittees including the general government subcommittee that handled facilities, and our Education subcommittee and our DPW subcommittee have spent in order to save time at our Finance Committee meetings. Without that invaluable help and advance investigative work, our meetings would be lasting much longer.

Article 20 - PEG Access and Cable Related Fund Appropriation or Transfer of Fund

Mr. Townsend stated that a couple years ago, the Mass. Legislature decided to consolidate all these funds into one special fund and requires a Town Meeting appropriation to disburse those funds for PEG (Public, Education, and Government) access cable. This appropriation is to appropriate $251,476.16 to fund PEG access programming to make certain that our colleagues at Natick Pegasus get paid.

Questions from the Committee – None

Questions from the Public – None

Mr. Evans moved Favorable Action on Article 20 in the amount of $251,476.16, seconded by Mr. Grome, voted 12 - 0 – 0.

Roll-call vote:

Mr. Coburn = yes	Mr. LaFleur = yes
Ms. Coughlin = yes	Mr. Linehan = yes
Mr. DeLuca = abstain	Mr. Pope = yes
Mr. Evans = yes	Mr. Resmini = yes
Mr. Gillenwater = yes	Mr. Scurlock = yes
Mr. Grome = yes	Ms. Wollschlager = yes

Debate

Mr. Evans said this is a largely housekeeping thing and thanked Mr. Townsend and his staff for obtaining the exact figure.

Ms. Wollschlager thanked Pegasus for being there for all of our meetings during this process and for all they do and all the late hours, noting that we're grateful to have the professionals that we have at Pegasus. As you know, we've heard about potential threats to this funding and we're hopeful that Pegasus will continue to be fully funded.

Article 18 Appropriate Contingency Funds for Phase 2 of the West Natick Fire Station Building Project

Presenters: Mr. Patrick Hayes, Chair of the West Natick Fire Station Building Committee

Mr. Hayes discussed this appropriation request. He had previously appeared at the February 18 Finance Committee meeting and gave this report:

This project started with a budget of $16,785,000 and the bids came in very favorably and it allowed us to start the project with a $2.2 million contingency. Unfortunately, when the former Station 4 was razed, asbestos was found underneath the building. The work was halted and the EPA was consulted about what mitigation was required. Thus, the project spent about $1.65 million in contingency for asbestos mitigation and delay claims from our general contractor. Our subcontractors spent an additional $500,000 from contingency to retain the construction project staff, our professional staff, the Owner's Project Manager (OPM), the architect, and some of our engineering people.

At this juncture, Phase 1 is 85-90% complete, and the smaller Phase 2 has begun. However, $16,450,000 is already spent or earmarked to be spent and there are another $93,000 in change orders that we expect to hear and approve - they've already been vetted pretty strenuously. That leaves us with a running contingency number of only about $200,000 at this point to finish up Phase 1 and get into Phase 2.

The project is also another month behind schedule from where the team thought it would be two months ago. The cause of this delay was EverSource who committed to delivering and installing a transformer by the middle of December and having permanent power turned on by the middle of January and finally showed up in early February and we got permanent power turned on. This caused a 35 day delay that took our final or substantial completion date of the station from March 12 to the middle of April which is forecast to cost us somewhere between $80,000 to $120,000 of additional expenses for delay claims and things.

This warrant article is sponsored by the Select Board to appropriate contingency funds for the completion of the Fire Station. The project team is hopeful that no other problems or delays will occur and the Fire Station is expected to be opened and fully commissioned in mid-April and open for business in early May. The project team believes the rest of the site where Phase 2 will occur is free and clear of asbestos, but are not 100% certain and they must dig a big hole in the ground to remove the basement and to put in a stormwater retention tank, cover that over and finish the blacktop access to Speen Street where the curb cuts are now. Then, the neighborhood pocket park on the old building site will be completed, hopefully by September.

Mr. Coburn moved Favorable Action that the Town appropriate the sum of $100,000 to be expended under the direction of the Select Board for the purpose of supplementing contingency funding of the Phase 2 associated work for construction of the new Fire Station located at 268 Speen Street, Natick, Massachusetts, 01760, including all related facilities, buildings, appurtenant structures, site improvements, and grounds; and that to meet this appropriation the sum of $100,000 be appropriated from the Capital Stabilization Fund, seconded by Mr. Evans, voted 12 - 0 – 0.
Roll-call vote:

Mr. Coburn = yes	Mr. LaFleur = yes
Ms. Coughlin = yes	Mr. Linehan = yes
Mr. DeLuca = abstain	Mr. Pope = yes
Mr. Evans = yes	Mr. Resmini = yes
Mr. Gillenwater = yes	Mr. Scurlock = yes
Mr. Grome = yes	Ms. Wollschlager = yes

Debate:

Mr. Coburn noted that that having this new modern fire station is a great improvement to the safety of the community and West Natick. The site was a challenging one and this is a very concise and reasonable extension to contingency given those facts.

Mr. Evans added that he wanted to thank Mr. Hayes, who was our representative from the Finance Committee and stuck with the project to its conclusion, hopefully in the near-term. He noted that he appreciates all the work that goes into that, having served on the Kennedy Ms. Building Committee and knows how many hours this takes up.

Mr. Hickey thanked the Finance Committee who have been fully supportive of this project since day one.

Possible reconsideration of Article 22 Home Rule Petition: Authorization to Issue 3 Wine and Malt Beverages Licenses

Mr. Hickey, Member, Select Board

Ms. Wollschlager said the Committee had a lot of discussion on this Article and the Select Board was represented by Mr. Errickson who tried his best but did not have some of the background material associated with this article as we had a number of questions. Mr. Hickey has answered these questions in great detail in his six page memo to the Finance Committee. Ms. Wollschlager also noted that there is a proposed change to Article 22 for us to consider.

Mr. Evans moved to reconsider Article 22, seconded by Mr. Gillenwater, voted 9 – 3 – 0.
Roll-call vote:

Mr. Coburn = yes	Mr. LaFleur = yes
Ms. Coughlin = no	Mr. Linehan = yes
Mr. DeLuca = abstain	Mr. Pope = no
Mr. Evans = yes	Mr. Resmini = no
Mr. Gillenwater = yes	Mr. Scurlock = yes
Mr. Grome = yes	Ms. Wollschlager = yes

Debate:

Mr. Evans said Mr. Hickey brought out a lot of the detail that we went through the past meeting on why this is necessary, who has vetted this, and that it's gone through extensive review and beneficial to the downtown businesses. If we look at the Natick 2030+ Master Plan, a key part of the master plan is the revitalization of the downtown mixed use district. In my opinion, we need to hear the answers to the questions that members had previously because I think our fears will be allayed by those responses.

Mr. Gillenwater said the Committee's previous decision was made on information available at the time and there is a larger set of information available, so that qualifies as a changing circumstance for reconsideration.

Mr. DeLuca agreed that the material provided subsequent to our previous meeting was substantive and the revised motion has added language, so we should reconsider this.

Ms. Wollschlager thanked Mr. Pope and others for bringing up an issue that has resulted in the additional language in the revised motion.

Mr. Hickey apologized for the scheduling error on March 16 that prevented him from attending that meeting. Mr. Hickey noted that the following people were also attending in support of Article 22:

Mr. Richard Jennett, fellow Select Board member

Mr. Steve Levinsky, Chair, Natick Center Associates

Scott Laughlin, Chair of the Economic Development Committee

Based on Ms. Wollschlager's suggestion, Mr. Hickey said he would focus questions on that were asked and either incompletely answered or unanswered. As I mentioned in the memo, we focused intently on the record of the March 16 meeting transcript provided by Mr. Evans, as well as watching the video and focused on the half dozen questions that needed follow-up and additional information. The memo was posted on NovusAgenda and questions fell into two main categories – business and legal.

Business

Mr. P Rooney asked whether the Select Board reached out for feedback from businesses that have off-premises wine and malt beverage licenses. Mr. Hickey stated that in a meeting in May, 2019, the Select Board discussed an alcoholic beverage policy and concluded the town needed to take a holistic look at what is/is not allowed and talked about missed opportunities, for example, high-end cheese shops, butchers, and specialty shops coming to Natick Center. In the cheese shop instance, they considered coming to Natick Center but decided to go elsewhere due to the inability to sell beer and

wine with other primary goods. We thought we would bring something forth at 2019 Fall Town Meeting, but delayed it due to the fire at One South Main Street. Natick has seven off-premises licenses that are all currently taken. The Select Board prepared this motion with the input of Town Counsel and Mr. David DeLuca, the firm's expert on alcohol/beverage licensing and policy consistent with the Select Board's stated vision and values for a continuing vitality of downtown Natick." Mr. Hickey added that the following is an excerpt of an email from Steve Levinsky, Chair of Natick Center Associates, dated May 6, 2019 and directed to the Chair of the Board of Selectmen, Town Administrator, other Town leaders, and representatives of the Police Department, Natick Center Cultural District (NCCD), and the Economic Development Committee (EDC): "Last Monday … the [EDC] held a public session that was well attended. There were great, informal discussions with business owners, landlords and developers. At that night's Selectmen meeting during the [NCCD] report, I was asked if the Selectmen could help with economic development in Natick Center. I hear two areas come up repeatedly as head-winds: alcohol policy and types of liquor licenses available.

Mr. P Rooney said that he has heard, anecdotally, that some smaller liquor stores have experienced a negative impact from Total Wine and Wegmans and wondered whether this license would have a negative impact on these smaller liquor stores.

Mr. Hickey said that Total Wine is approximately 25,000 s.f. of retail space dedicated to the sale of alcoholic beverages and thought the floor space devoted to liquor sales at Wegmans is also approximately 25,000 s.f. The Select Board is aware of concerns on the part of smaller retailers about competition presented by "big box" retailers such as Total Wine. However, these licenses are intended to attract small businesses to Natick Center that may wish to sell beer and wine in conjunction with their other retail sales. It is worth noting that the only full package store located in Natick Center is Dion's, which reports very strong sales and is currently in the process of expanding into the neighboring space.

Legal

Mr. P Rooney asked if there is a provision in the issuance of a liquor license where the license could be downgraded if the business is perceived as harming local businesses when it is up for renewal. Mr. Errickson said the feedback from Attorney DeLuca is that municipalities would have a very difficult time disqualifying an existing license holder that is otherwise in compliance based on competition-based complaints of other license holders. (see legal memo provided to Select Board in connection with the license transfer from Kentucky Spirits to Wegmans, which speaks to the issue of competition).

Mr. Pope asked whether this would affect the retail marijuana businesses located in Natick. Mr. Errickson explained that this petition would not impact the Adult-Use Marijuana businesses. The number of Adult-Use Marijuana licenses that can be issued per town bylaws is limited to 20% of the number of off-premises liquor stores (full liquor store licenses). Mr. Hickey added that he did extensive research to confirm the basis of this understanding and the findings were inconclusive. In short, this appears to be because most or all discussions and presentations on the topic have focused on the number of "package store" (or "full liquor store") licenses – of which there are seven (7) presently issued in Natick – but the home rule language of Art. 22 (as did the STOPPED "Tilly & Salvy's" home rule over a decade ago) references a provision of the Commonwealth's alcoholic beverage laws that "covers" both "all alcohol"

licenses and “wine and malt beverage” licenses. I therefore conferred with Mr. Errickson who, in turn, conferred with special Town counsel for marijuana licensing and Attorney DeLuca. Both agreed that the answer to the question is a gray area and suggested that to ensure that the issuance of any licenses under this proposed home rule petition would not have any effect on the number of Adult-Use Marijuana licenses and the best thing to do would be to add language to the Art. 22 motion that states as much. As noted above, I briefed the Select Board on this recommendation at its 3/24/21 meeting and the Board voted to recommend favorable action on a modified Article 22 motion including the language described in the preceding sentence (to be approved by counsel).

Mr. Linehan asked, given the restrictions of the issuance of these licenses to the DM district in Section 1, what is the purpose of section 2. Mr. Linehan asked whether the license had value as an asset that could be sold to another business seeking to locate in the DM district”.

Mr. Errickson said the idea of Section 2 is to eliminate the transfer of this license outside of the DM district. The section 2 language is also included to make it explicit that these licenses are not transferrable. This requires clarification. In reviewing these particular questions and answers, as well as questions and answers under the broader heading of where a license authorized under this proposed home rule could be issued, discretion as to whom it may be issued, and the Select Board’s role (and the limits thereof) in connection with a proposed transfer of an existing license – vs. cancellation or revocation – it appears that there remains some confusion as to the intent and purpose of the various sections of the home rule motion. In short, Section 1 of the home rule deals with issuance[6], Section 2 deals with transfer[7], and Section 3 deals with cancellation or revocation[8]. Regarding part 1 of Mr. Linehan’s question, Attorney DeLuca stated that the process by which the local licensing authority issues a license is similar to, but separate and distinct from, the process by which the local licensing authority acts on a request to transfer an existing license, hence the need for two separate provisions. These two provisions are very similar to the provisions in the Tilly & Salvy’s home rule, which passed muster not only with Natick Town Meeting, but with the General Court and the Governor. Regarding whether a license could have value as an asset that could be sold from one business to another, this depends on the circumstances at the time. If, at the time, the Town had unissued licenses, it would seem unlikely that there would be meaningful value to one of the previously-issued licenses. If, however, there were no unissued licenses, and two private parties were interested in entering into a private commercial transaction where Party B would purchase Party A’s license (which was the case at the time of the Kentucky Spirits-Wegmans transfer) it is likely that Party A would expect to receive value for the purchase. The Select Board has no direct role in the consideration agreed to between private parties, but its approval (as the local licensing authority) is required to transfer a license from Party A to Party B. Before such an approval is presented to the Select Board, it is reviewed by the Town’s professional staff, public safety personnel, and legal counsel. The Select Board considers the transfer in a duly held public hearing following publication of legal notice and notice to abutters. The suggestion that the Town should foreclose the possibility of any transfer under Section 2 and require that a license may only be cancelled, revoked (etc.) and returned to the Town pursuant to Section 3, Attorney DeLuca advises that this would be unusual. He also points out that had such a restriction applied in the case of the Kentucky Spirits-Wegmans transfer, Wegmans would have been the only party to benefit.

Mr. LaFleur asked why the Select Board is limiting this to the DM district as opposed to allowing this town-wide. Mr. Hickey said that a proposal to adopt beer and wine licenses town-wide several years ago was not supported by Town Meeting. The demand for this type of license has been driven primarily by opportunities that have been presented and lost in the DM district. In general, the focus on DM is consistent with the Select Board explicitly stated vision and value statement to encourage a vibrant DM district, that the mixed use zone it can accommodate the types of uses we're trying to promote (mixed use residential, retail restaurant, small specialty shops, boutiques selling clothes). This use is for the ancillary sale of beer and wine in connection with specialty foods, cheeses, breads, and meats.

Mr. LaFleur continued that he understood the need for this in the DM district, but questioned why it would be limited to downtown only. If it's limited to DM only because you are concerned that you may not have enough licenses, why not simply make more licenses available. Mr. Hickey said if the town were interested in in adopting a home rule that has broader availability of beer and wine licenses throughout the town. The Select Board is trying to make sure that we're in a position to meet that demand in the DM area.

Mr. Jennett, Select Board member said the town has been unable to attract businesses that were interested in locating in Natick, but this type of license was not available. One of them ended up going to Hudson. And to be quite frank, I'm a little tired of hearing how successful Hudson's downtown is because they have moved quite quickly with their economic development process. This is a key piece for economic development. As a long-time member of the Economic Development Committee, this is an important tool for us to have and encourage your support.

Mr. Gillenwater asked whether the Select Board recently reaffirmed their support for this article. Mr. Hickey said the Select Board voted to sponsor the article once again and recommend favorable action. We voted that on March 10 and following the Finance Committee discussion on the March 16 we researched several of the issues raised by the Committee and addressed these in the memo provided to the Committee.

Ms. Sue Salamoff, Select Board member said, as a former member of the Master Plan Advisory Committee. as a taxpayer and member of the Select Board, there is a major focus for development downtown, the citizens want various possibilities and the community wants the revenue from taxes from well-functioning businesses.

Mr. Coburn moved to recommend Favorable Action on Article 22, seconded by Mr. Scurlock., voted 9 – 2 – 1.

Roll-call vote:

Mr. Coburn = yes	Mr. LaFleur = yes
Ms. Coughlin = no	Mr. Linehan = yes
Mr. DeLuca = yes	Mr. Pope = no
Mr. Evans = yes	Mr. Resmini = yes
Mr. Gillenwater = yes	Mr. Scurlock = yes
Mr. Grome = abstain	Ms. Wollschlager = yes

Mr. Coburn noted that he appreciated the context and explanation to what's intended here and to address the concerns that the Committee raised during our previous meeting when we voted referral.

This is an opportunity for us collaborate with others in town interested in making downtown what it could and should be

Mr. Scurlock noted that many communities in the Commonwealth that have struggled with the same challenges we have. It's clear that bringing the diversity in the DM district will help revitalize the downtown area. There are numerous areas that are still difficult and challenging to be resolved and this is a step in the right direction.

Mr. LaFleur said he supports this motion, but feels that this motion does not go far enough in that we should not be limiting the number nor the district to where these licenses are granted. Nonetheless, I am in favor of any baby step toward greater freedom and greater economic prosperity in Natick.

Mr. DeLuca thanked the proponents for providing the additional information that addressed the Committee's questions in detail with examples. That said, it would be nice to see these go to existing businesses as well as incoming businesses, if requested. In addition, we should look at opening it up beyond the DM district and hope this is the start of work to expand the diversity of businesses within Natick.

Mr. Linehan stated that there will be limited benefit from this until we can get our downtown parking problem solved. As far as making these licenses available town-wide, I would suggest having licenses available at the other train station,

Mr. Evans said he was in favor of this motion previously and continues to be. The comparison to Hudson is really apt, because I used to go to a restaurant in Hudson, right on the rotary and remember walking through downtown Hudson and many stores were vacant. Now, if you go through there, there are vibrant businesses, restaurants, through that entire stretch, so this can be done. This is this is one of the tools that helps the Economic Development Committee and Natick Center Associates and CED to attract businesses. Mr. Evans agreed that we should roll this out in DM. then think about expansion to other areas in town. Existing businesses are members of Natick Center Associates who are on-board with this article. Mr. Evans said he lives four blocks from downtown. I cannot tell you how many times I have heard somebody say, I wish there were restaurants and businesses in downtown Natick.

Ms. Wollschlager thanked Mr. Hickey for his prodigious memo and all the effort that was put into that and Mr. Jennett, Mr. Levinsky, and Mr. Laughlin for showing up tonight as well.

Mr. Linehan moved to close the public hearing, seconded by Mr. Evans., voted 12 – 0 – 0.
Roll-call vote:

Mr. Coburn = yes	Mr. LaFleur = yes
Ms. Coughlin = yes	Mr. Linehan = yes
Mr. DeLuca = yes	Mr. Pope = yes
Mr. Evans = yes	Mr. Resmini = yes
Mr. Gillenwater = yes	Mr. Scurlock = yes
Mr. Grome = yes	Ms. Wollschlager = yes

Meeting Minutes

Mr. LaFleur moved to approve the March 18, 2021 minutes, as amended, seconded by Mr. Scurlock, voted 11 – 0 – 0.

Roll-call vote:

Mr. Coburn = yes
Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Ms. Wollschlager = yes
Mr. LaFleur = yes
Mr. Linehan = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Scurlock = yes

Mr. Linehan moved to approve the March 23, 2021 minutes, as amended, seconded by Mr. Scurlock, voted 11 – 0 – 0.

Roll-call vote:

Mr. Coburn = yes
Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Ms. Wollschlager = yes
Mr. LaFleur = yes
Mr. Linehan = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Scurlock = yes

Mr. Scurlock moved to approve the March 25, 2021 minutes, as amended, seconded by Mr. LaFleur, voted 11 – 0 – 0.

Roll-call vote:

Mr. Coburn = yes
Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Ms. Wollschlager = yes
Mr. LaFleur = yes
Mr. Linehan = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Scurlock = yes

Mr. Linehan moved to adjourn, seconded by Mr. LaFleur, voted 11 – 0 – 0.

Roll-call vote:

Mr. Coburn = yes
Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Ms. Wollschlager = yes
Mr. LaFleur = yes
Mr. Linehan = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Scurlock = yes

MEETING ADJOURNED 10:11 PM