



TOWN OF GROTON

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Select Board

Barry A. Pease, *Chair*
Alison S. Manugian, *Vice-Chair*
John R. Giger, *Clerk*
Joshua A. Degen, *Member*
Rebecca H. Pine, *Member*

Town Manager
Mark W. Haddad

To: *Select Board*

From: *Mark W. Haddad – Town Manager*

Subject: *Weekly Report*

Date: *September 24, 2018*

1. Please note that this week's meeting will be held in the new Meeting Room on the second floor of the Town Hall. This will be the permanent meeting room for all future Select Board meetings. Other than the Town Manager's Report and a review of the On-going Issues list, there is nothing else specifically scheduled on Monday's Agenda.
2. The Affordable Housing Trust has recommended that Colleen Neff be appointed to fill the vacancy on the Trust. This would be a two-year term to expire on June 30, 2020. I would respectfully request that the Board consider making this appointment at Monday's meeting.
3. I have set aside time during my Town Manager's Report for members of the Board to consider taking final positions on any Article they are listed as "At Town Meeting". The following is a list of the Article and the member(s) who have yet to take a position:

Fall Town Meeting

<u>Article</u>	<u>Subject</u>	<u>Member(s) Yet to Take Position</u>
4	Capital Stabilization Fund	Manugian
5	Stabilization Fun	Manugian
6	GDRSD Capital Stabilization Fund	Manugian
7	Highway Garage	Degen
10	Extend Center Sewer District	Manugian
14	Change Name to Select Board (General)	Degen
15	Change Name to Select Board (Zoning)	Degen
16	Demolition Delay Bylaw	Pease
19	Citizen's Petition – Zoning Amendment	All Members

Special Town Meeting

2	Amend Operating Budget	Pine
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We can discuss this further at Monday's meeting.

4. Enclosed with this report are the final motions for the two Town Meetings, along with a spread sheet showing the Article Assignments as approved by the Chair. Please let me know if there are any issues with your particular assignment.

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5. As discussed at last week's meeting, I have set aside time on the Agenda for the Board to finalize/take a position on the proposal to extend the Center Sewer District to include 227 Main Street. Mr. Lindemer did provide me with a copy of his draft site plan and I forwarded that to the Board under separate cover last week. We can discuss this further at Monday's meeting.
6. The Finance Committee had requested that we develop a spreadsheet/plan that shows how we would incorporate the Highway Garage Project (estimated to be \$3.9 million) and the Library Roof Project (estimated to be \$1.2 million) into our debt schedule. Please note that both these figures are what we would consider "worse case" scenarios. We hope that both projects come in under original projections. We would recommend that both projects be excluded from Proposition 2½. That said, we needed to figure out how to finance these projects and limit the impact to our taxpayers and residents. In order to accomplish this, we reached out to our Financial Advisors from UniBank, Clark Rowell and Kristy Genga. We also reviewed the plan we put together last year to fund the Senior Center through a debt exclusion. Based on our review and advice from our Financial Advisors, we are recommending the following action (we are using an estimated interest rate of 5% in our calculations, although we hope to get a better rate based on our Bond Rating):
 1. We permanently finance the Senior Center in November of this year. We would need to raise \$102,552 on the recap to pay interest in Fiscal Year 2019. While we ordinarily have Town Meeting appropriate debt service, there is no requirement that it be done this way. Since we were planning on permanently financing the Senior Center next year, we did not plan for interest in FY 2019. This new plan would require permanently financing the project a year earlier, thus requiring the interest payment in FY 2019. This interest payment would be excluded from Proposition 2½ and raise the estimated tax rate in FY 2019 from \$18.99 to \$19.05 and cost the average tax payer \$25. Please note, that this project has already been excluded from Proposition 2½.
 2. We ask Town Meeting for design/bid funding at the Fall Town Meeting for the Highway Garage and Library Roof Project as already planned. It would be our intention to come back to the 2019 Spring Town Meeting for funding and the 2019 Town Election for Debt Exclusion Questions.
 3. Should both pass, we would permanently finance both projects in August, 2019, with an interest payment due in FY 2020 and first principal payment in FY 2021. The Senior Center would also have its first principal payment in FY 2020.

Attached to this report is a spreadsheet that shows how this plan impacts the tax rate. It takes into consideration current excluded debt (what is owed and what will be paid off) and incorporating the above plan into the schedule. We strongly believe this proposed plan allows us to accomplish these projects with the least amount of impact to our taxpayers. I look forward to discussing this plan in more detail with the Select Board and Finance Committee. Please feel free to contact me with any additional questions or concerns with regard to this matter.

7. Enclosed with this report is a letter from the Dunstable Board of Selectmen requesting the Board's approval to extend the Town Manager's time in Dunstable through December 31, 2018. They would like me to assist them with the search for a permanent Town Administrator and develop (with their Advisory Board) the Fiscal Year 2020 Proposed Operating Budget. I would respectfully request that the Board consider approving this request at Monday's meeting.

MWH/rjb
enclosures