



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: *December 3, 2018*

1. Other than the Town Manager's Report and a review of the On-going Issues List, there is nothing specifically scheduled on Monday's Agenda.
2. As you know, the Finance Team and I are in the process of developing the Fiscal Year 2020 Town Manager's Proposed Operating Budget. The Select Board and Finance Committee had provided the Town Manager with guidance that the Proposed Budget cannot exceed an increase of 2.54% over the Fiscal Year 2019 Final Budget. In an effort to avoid confusion and eliminate potential accusations of not adhering to the guidance, I am seeking clarification from the Select Board and Finance Committee relative to three expenses FY 2020, two of which will not re-occur in Fiscal Year 2021, and one that the Board directed me to include in the Line Item Budget after the Guidance was provided. Specifically, February, 2020 is a Leap Year and this will add an extra day's pay to our hourly employees. I have calculated the cost of this additional pay and at this time it comes to \$8,020. This will most certainly not re-occur in FY 2021. The second issue has to do with Performance Incentives for many of our Department Heads. As you know, we have negotiated a change in the way this is paid. It is paid as a one-time cash payment and will not add to the FY 2021 starting base pay. This amount comes to \$25,123. The third issue is the Town's FY 2020 Contribution to the OPEB Trust. As you know, in previous years, this contribution was appropriated in a separate article at Town Meeting. This year, based on a request from Select Board Member Manugian, the Board directed me to include the OPEB Appropriation in the Operating Budget. In FY 2019, the Town appropriated \$100,000 from Free Cash for this purpose and in FY 2020, based on the recommendation from our Actuary, we will be proposing that we appropriate \$169,000 from Free Cash to keep our OPEB Liability from growing. This will increase the budget by \$69,000 bringing the total of these three issues to \$102,143 or .67% of the FY 2019 Budget. Since two of these are one-time costs, and one was not included in the original FY 2019 budget when the Select Board and Finance Committee voted the FY 2020 Guidance, and all of this funding will come from Free Cash, I am requesting that these three issues not count towards the 2.54% Budget Guidance as .67% is a major impact to the overall 2.54% Guidance. I would appreciate it if the Select Board and Finance Committee can address this issue as the Finance Team and I need to finalize and submit the Budget by December 31, 2018. Thank you for your consideration of this request

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3. As you know, Ed Cataldo, Takashi Tada, Town Counsel and I have been meeting with representatives from Indian Hill Music to settle the issue of the Sheet Metal Permit. As part of the discussions, Indian Hill has agreed to pay the permit fee (approximately \$70,000). In addition, they have asked that we outline all the remaining permit fees that will be required for the facility in order to prevent any confusion or misunderstandings in the future. We reviewed the entire project and what remaining permits/fees would be required by the Town for the project. We then drafted the attached memorandum of agreement that lists the responsibilities and fees owed by Indian Hill to the Town. There was good cooperation from Indian Hill and the Town to reach this Agreement and it will prevent any confusion in the future. I would respectfully request that the Board vote to authorize me to sign the Agreement. We can discuss this further at Monday's meeting.
4. Select Board Member Giger drafted the attached Capital Definition Policy for the Board's review and approval. I would ask the Board to review and consider approving this draft at Monday's meeting.
5. As discussed at previous meetings, Select Board Member Pine and I have met with the Working Group to determine whether or not to proceed with a Green Communities Designation for the Town of Groton. The following summary, for your review and consideration, was prepared by Select Board Member Pine:

The Green Communities Program is a program created and funded by the Commonwealth of Massachusetts, that provides grant money to local towns for the purpose of reducing energy use and improving public awareness of, and efforts to mitigate, climate change through energy reduction. After meeting the following five criteria listed, a town can apply for designation as a Green Community:

- A. Provide as-of-right siting in designated locations for renewable energy
- B. Simplify and expedite permitting for new clean energy facilities
- C. Develop a plan to reduce energy use by 20% within 5 years
- D. Purchase fuel-efficient vehicles for municipality departments
- E. Minimize life-cycle energy costs for new construction (e.g. "Stretch Code")

Kelly Brown, the MA Green Communities Coordinator for the Central Region, provided an explanation of the Green Communities Program at a meeting with our Town Manager, Building Inspector, Land Use Coordinator, DPW Director, GELD Manager, and GDRSD Business Manager. From that meeting, the consensus is that:

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5. Continued:

- * Groton has already met criteria 1 and 2
- * Groton can choose when to begin the 5-year energy reduction plan (criteria 3). Choosing to begin before construction of the new Senior Center will allow the (large) energy savings of that building to contribute to our 20% reduction.
- * Large trucks and all EMS vehicles are exempt from criteria 4, and it is likely that the non-exempt vehicles that Groton purchases already meet the fuel efficiency standard
- * The 'Stretch (Building) Code' (criteria 5) is only slightly different from the current Building Code that we are operating under.
- *The Stretch Building Code applies only to new construction, not to renovations or additions of existing houses.
- * Using the Stretch Code increases the cost of constructing a new home by approximately \$2,000 to \$4,000, depending on what kind of fuel is used for the heating system.
- * All towns surrounding Groton and Dunstable are already designated as Green Communities, so builders of new houses in our area are already using the Stretch Code.
- * Dunstable is also currently exploring becoming a Green Community
- *The Groton-Dunstable School District would like to be able to seek grant funds for energy-reduction efforts in our school buildings.
- *The timetable for submitting an application requires that the Stretch Code be adopted at the spring Town Meeting prior to submitting the application in the fall.
- * If Groton is approved as a Green Community in the fall of 2019, an initial grant would be awarded in February of 2020. The estimated amount of this grant is \$135,000. After that money is used, Groton could apply for subsequent grants up to \$250,000 per year.
- * A map of currently designated Green Communities is available, along with a list of all the grants awarded to Green Community towns, at this link:

<https://www.mass.gov/files/documents/2018/08/16/map-summary-green-communities-210.pdf>

More information about the process is available at these two links:

https://d3n8a8pro7vnm.cloudfront.net/massclimateaction/pages/453/attachments/original/1517424705/6_Becoming_a_Green_Community.pdf?1517424705

<https://www.mass.gov/guides/becoming-a-designated-green-community>

I would ask the Board to take the next step in this process by scheduling a public meeting after Jan. 1st and inviting all interested town boards and citizens to hear a full explanation of the program from Kelly Brown.

6. Enclosed with this report is a summary of the Goals discussed at last week's meeting as prepared by Select Board Member Manugian. I would request that the Board take some time at Monday's meeting to review and finalize your goals for Calendar Year 2019.

MWH/rjb