

Town of Fairhaven

Finance Committee

Minutes of the meeting for <November 20, 2014>at the BPW Administration Building,
5 Arsene St., Fairhaven, MA

Members in attendance:

Chairman-John Roderiques, Robert A. Furtado, Scott Fernandes, Therese Szala,
Lisa Plante, John Mota

Members absent:

Padraic Elliott
Kathi Carter

Town of Fairhaven:

Jeffery Osuch- Executive secretary
Robert J. Espindola- Chairman Board of Selectmen -in at 7:05 PM.

Also present but did not speak:

John P. O'Rourke- GoodEnergy

Meeting was covered by government access television. Member of the press was not present.

Chairman called the meeting to order at 7:00 PM. Announced that the meeting was being recorded by government access TV. Chairman has to be notified if anyone else present is recording the meeting by video or audio.

Motion made by Scott to accept the minutes from September 25, 2014. Seconded by Terry.

Vote: Unanimous

Motion made by Scott to accept the minutes from October 30, 2014. Seconded by Terry. Vote:
Unanimous

- Chairman distributes copies of Mr. Osuch's presentation for Article 7, spreadsheet of STM articles, updated draft warrant of the STM, and an email from Bill Roth- Planning Director concerning the survey expenses for the Rogers and Oxford schools.
- Unless otherwise noted all moneys voted will come from Surplus Revenue.

- Discussion and voting on Article 3- Bills of Prior Year
 - 3.a) LexisNexis \$372.31, petitioned by the Town Clerk
 - Scott motions for \$ 372.31. Seconded by Terry. Vote: Unanimous
 - 3.b) Media Image \$30.00, petitioned by the Town Clerk
Bob states he is abstaining because he is related to the business owner.
 - Scott motions for \$ 30.00. Seconded by Terry. Vote: Motion passes 5 in favor and Bob abstaining.
 - 3.c) Hawthorn Medical Associates, LLC \$ 101.39, petitioned by Veteran's Agent
 - Scott motions for \$ 101.39. Seconded by Terry. Vote: Unanimous

- Discussion of Articles 4 & 5
 - Mr. Osuch states that there have been some changes to the language of the Articles since the last vote, suggested by Town Counsel.
 - Scott motions to ratify the previous vote with the new language. Seconded by Terry. Vote: Unanimous

- Discussion of Article 13 Town Administrator
 - Chairman states it is unclear whether the Governor will sign the legislation in time for the STM.
 - Scott motions to Recommend at Town Meeting. Seconded by Terry. Vote: Unanimous
 - Chairman states he will post a meeting for December 9, 2014 at 6:30 PM., prior to the STM so the Article can be revisited.

- Discussion of Article 8 Municipal Aggregation of Electricity
 - Chairman states that this is a way to give rate payers a break.
 - Other meetings and hearings will be held in the future.
 - Lisa asks about the contract.
 - Chairman states that this will give the Selectmen the ability to work with other communities to negotiate for power.
This is the way the law says it has to be done.
 - Residents can opt out of the deal.
 - Chairman states the Town can eventually join itself, once the present electrical contracts expire.

- Terry motions to Recommend Adoption. Seconded by Scott. Vote: Unanimous.

- Discussion of Article 6 Rogers/Oxford Disposition Proposals
 - Selectmen are requesting \$ 9,000 for surveying, advertising, and associated costs of disposing of the school buildings.
 - Chairman asks Mr. Osuch why a survey of the Rogers School is needed?
 - Mr. Osuch states that now the plan is to include Union Street in the sale of the school.
 - Chairman asks why not just include the boundaries of Union Street?
 - Chairman feels figures are just being "thrown out there".
 - Lisa asks if this is it for the money that is needed. States that it seems like there are many different ideas that keep changing.
 - Chairman states that this may be a necessary \$ 9,000 experiment as part of the RFP process, to dispose of the buildings.
 - Terry questions the price difference from the last meeting.
 - Chairman explains that the Selectmen combined two Articles into one. The expense has actual been decreased.
 - Chairman states that if this isn't done we will be sitting on the buildings until May again. We may have to spend the money just to keep the process going.
 - Chairman states that there could be an issue with getting the required 2/3 vote that is needed.
 - Terry motions for \$ 9,000. Seconded by Lisa. Vote: Unanimous

- Discussion of Article 7 Land Purchase-211 Mill Road
 - Chairman asks Mr. Osuch how long his presentation will take?
 - Mr. Osuch states he can run through it in 10 minutes.

Chairman calls a recess at 7:28 PM. Back in session @ 7:35 PM.

- Chairman states that this is one of the most significant votes that Town Meeting has faced in recent years.
- Mr. Osuch starts his presentation at 7:36 PM. Chairman starts his stopwatch.
- Mr. Osuch runs through the paper version of his PowerPoint presentation. States the property would have to be rezoned. His recommendation is to use tax title property sales to pay down the purchase.
- Chairman asks if the plan is to buy and sell the property, how long will it take to flip it.
 - Mr. Osuch states he feels it should be divided into 3 commercial lots.
- Chairman states he doesn't want to see more nonprofits come in and not pay taxes.

States it is a big leap of faith that this will be handled well.

- Mr. Osuch states that the Town has limited time to act because of the 61A status of the property
- Terry asks if a nonprofit would affect the 61A status.
 - Chairman states that it is based on what the land is used for.
This was triggered by a change of use when the solar farm was planned there.
There would be a 5 year look back to pay the difference in the tax status.
- Lisa asks if this is being bought for the Police & Fire complex? Wonders if people are being told one thing, in order to get the new station.
- Chairman states that he has received more calls on this issue than any other in recent memory.

People still feel this is all about Police & Fire.

If the land is being purchased, the whole parcel should be flipped.

- Lisa questions the amount of wetlands.
 - Mr. Osuch uses the photos in his presentation to compare the wetlands to the SouthCoast Hospital property.
 - Mr. Osuch compares the value of the two parcels of property.
- Chairman states he sees the potential, but also feels the SouthCoast property was under agreement before the crash in 2008.
- Mr. Osuch states he feels the parcel could be cut up into 3 or 4 lots.
- Chairman asks if 1 is going to be held back for the Police & Fire complex.
Also wants to know why the Selectmen are holding off on the sale of the Alden Rd. greenhouse property, while Mr. Osuch is recommending using that sale to pay for this property.
 - Mr. Osuch states the Town has to look to the future.
- Lengthy discussion of the investment potential, the openness of the process, and whether the Police & Fire complex will go there.
- Mr. Espindola states that there is no hidden agenda.
The property owner came forward with the offer, the needs of the Police & Fire were already established, and the Selectmen were just trying to examine all the options.
States they are holding the Alden Road property just to keep their options open.
- Chairman asks if they were keeping all the options open why were consultants brought in for the Police & Fire option, but not the other options.
 - Mr. Espindola states that the Police & Fire option are the only known now. The others businesses are speculation.
 - Mr. Espindola states that Mr. Osuch put together what he could, and they felt the need to evaluate the Police & Fire option.
- Terry asks if anyone has spent any time evaluating the present complex.

- Mr. Espindola states that the study included the present structure, the Mill Road property, the Rogers School, and the Oxford School.
- Chairman states that usually a committee is formed with people outside of the department to analyze the needs, and it takes months.
- Mr. Osuch again discusses the no cost study that was done.
- Chairman agrees that at some time the Police & Fire complex will have to be addressed.
- Mr. Osuch states that the High School debt exclusion will be ending in 2 years.
- Chairman states that debt exclusions are meant to come to an end, not just replaced with new debt exclusions.
- Mr. Osuch states that infrastructure needs to be maintained and replaced.
- Chairman states it comes down to needs and not wants.
- Mr. Espindola states that the Capital Planning Committee would have been the ones to look into this need, but they were just formed and there is no time yet for a 5 year plan.

8:55 PM. Chairman calls a recess. Back in session @ 8:59 PM.

- Chairman states the only decisions he has regretted over the years are the ones that came out of good ideas, but never came true.
States it would be good to have control of the land, concerned about more nonprofits. If we don't do this there will be a solar farm there for the next twenty years.
 - Bob asks if the Town would really have control of the land. What is to stop someone from buying the land and selling it to a nonprofit.
 - Chairman states it could take years to make this work, with the rezoning, wetland delineation, etc.
 - Scott states it would take too long to get the money back.
 - Chairman states he doesn't feel it is government's place to be in real estate speculation, or a landlord.
 - Mr. Osuch states there is risk in everything we do.
 - Terry motion for Indefinite Postponement. Seconded by Lisa.
 - Discussion of the Article wording.
 - Vote on Terry's motion to IP: Unanimous
- Chairman will post a meeting for 6:30 PM. December 9, 2014 @ Hastings Middle School prior to the STM.

9:18 PM. Terry motions to adjourn. Seconded by Lisa. Vote: Unanimous

Respectfully submitted by:

Robert A. Furtado
Finance Committee Secretary
(accepted 1-22-2015)