

Members present: Christopher A. Rucho Patrick J. Crowley
Siobhan M. Bohnson John W. Hadley
Barur R. Rajeshkumar

Mr. Rucho convened the special meeting of the Board at 6:00 p.m.

1.Meeting with Board of Assessors and Finance Committee to discuss TIF Agreement

Finance Committee members Chris Berglund, Pete Murphy, Pavel Loven, Paul Bohnson and Ray Bricault are present along with Diane Peterson of Regional Resources Group, our regional assessing group. Ms. Scheipers reports that the Board was approached by Curtis Industries who wish to relocate and take over 70 Hartwell Street and do a major remodeling project. They are looking for TIF with the town, which is something the town could offer as we are a part of an Economic Target Area. Messrs. Hadley and Crowley joined Ms. Scheipers in discussions with Curtis and the owner of property, D&S Realty, to work on the details of the TIF. We have come up with a TIF agreement, the owner of the property is also a signatory to the agreement. Ms. Scheipers distributed a document detailing the estimated amount of the tax credit. We have some blanks that still need to be filled in on the TIF Agreement. They will transfer all of their full-time jobs to the West Boylston facility and they will work with D&S Realty to construct the addition with an approximate value of \$8,000,000. We will get them to fine tune the dates of construction and date of occupancy. If they have any job expansion we are requiring them to advertise to West Boylston residents a minimum of two weeks. They will be obligated to file annual reports and we will be given a password to the state's portal to be able to access their annual reports on line. The town is obligated to establish a base value of the facility. The Board of Assessors has it at \$2,936,200. We will not revalue until the construction is completed. The TIF discount would be calculated according to the state law. The exempt schedule allows for a 13-year period of exemptions. Year 1 and 2 will be at 100% and it decreases with each year. This schedule only applies to the new addition value we will be receiving. The town agrees that personal property will be exempt from taxation because they are a certified manufacturer they are exempt from having to pay personal property taxes. This must be approved at the Special Town Meeting vote on August 8th. It does allow the town to petition the state to decertify the project and revoke the TIF if we determine that Curtis has failed to satisfy their obligation under the agreement. It allows conditions for eligibility for tax exemptions. It also allows the town and its representatives reasonable access to the property to verify they are in compliance with the agreement. If Curtis should be sold or go out of business the TIF would end. The only exception is if Curtis were to be acquired by another parent company or merge with another company that would not cancel the TIF. Curtis Industries does have a parent company. It is a very basic TIF Agreement. The main benefit is the attraction of the TIF, if not provided Curtis would not relocated they would stay in Worcester. We get diversity in our tax base and additional revenue.

Mr. Rucho asked if either Mr. Crowley or Mr. Hadley would like to add anything. Mr. Crowley offered to speak to the Fiscal Year tax exemption spreadsheet. Ms. Bohnson asked under C1, if we do not get a quorum does the date have to be changed. Ms. Scheipers replied yes, Curtis understands we may not get a quorum, however, we do have alternate town meeting dates. Mr. Hadley reports that the

City of Worcester is negotiating to try to keep them in Worcester. Mr. Rucho asked what if they finish before 2018. Ms. Scheipers states they will get a period of zero tax for the improvement section of the property. It is not likely it would be finished ahead of schedule, as it is an \$8 million project. Mr. Crowley added that the schedule of completion is September of 2017 and it gets pushed out they will lose a portion of the TIF.

Mr. Crowley reports that Curtis provided us with a proposed TIF and the Board of Assessors also provided a proposed TIF, which was lower than what Curtis was looking for so we split the difference. Curtis wanted five years at 100%. The Assessors' office estimated a tax increase of three to five percent per year based on Proposition 2-1/2 and debt exclusions. A 3% escalator was used in the calculations. Curtis will save \$1,295,000 and we will bring in \$1,079,848. Ms. Scheipers pointed out that these are estimates. We will not know the final assessed value that the new section of the building will be taxed at until the Board of Assessors go in and do their estimate. Mr. Crowley added that the percentage of savings will remain the same.

Mr. Rucho asked if when this is done, perhaps the taxes on the original portion of the building may increase as well. Ms. Scheipers notes that the TIF does not touch anything on the existing facility. Mr. Crowley added that we only forego the increase on the \$7 million and the company will be paying the taxes. Mr. Rucho added that if they remodel the \$3 million side there will be an increased assessment, 100% of that portion of the building. Ms. Scheipers reports that Curtis is also looking to try to get reduced electric rates so that is also in play. It is quite common for any large industry to get that benefit from the light plant.

Christopher Berglund asked if we know if they deal with hazardous materials. Ms. Scheipers advised that they have a production paint line so they do use some materials but they have an excellent record of handling, storing and disposing of materials. They treat their wastewater on site. They will be bringing in a brand new paint product line system. Mr. Berglund asked if they have any record of emergency calls. Ms. Scheipers states they say their accident rate is extremely well, well below industry standards. Mr. Rucho asked if they will give any preference for local contractors. Ms. Scheipers it not aware of that.

Raymond Bricault asked if it is possible to invoke some sort of preferential choice for local contractors. Mr. Hadley informed Mr. Bricault that Curtis is not doing the construction. Mr. Bricault asked if we have evaluated the system sewer, water supply, roadway needs and any infrastructure costs to the town. Mr. Hadley explained that both roads are in the industrial area of the town. They will access Hartwell Street via Shrewsbury Street. Mr. Crowley suggested including under Recitals that if they didn't use that route it would violate a condition of the TIF and we could revoke. Mr. Bricault asked if this puts us at 90% of our sewer load where would that leave us. Mr. Hadley explained that it is industrial building, they are not taking showers and there is no heavy water use. Mr. Rucho pointed out that they will have to go through the Planning Board before the building is built.

Ms. Scheipers added that it will be a 110,000 square foot addition to the existing building, we did go to view their facility. John Deere and Kabota use their product. Mr. Bricault asked if the town is incurring any legal costs. Ms. Scheipers reports very little, we started with an agreement provided by the state and we modified it.

Diane Peterson with Regional Resources Group, of our Assessors office, states that one of the major concerns their office has is we have some vacancies in the commercial and industrial area and we have a a two-year appellate tax rate case with one of the owners. The TIF agreement could encourage more appellate tax board cases. There is a potential for that to occur. They may file abatement of their value of their property. It is a potential they would like to bring to the Board's attention. Construction noise is another concern. One of her Board members has a background in TIF and the fact that they have to drive a certain way causes them concern about construction noise to the neighbors for a year and a half. They could argue that their home values have been decreased because of the noise. Would there be a bond for any road repairs. Mr. Rucho notes that would be under the Planning Board. Mr. Hadley added that this is an Industrial Area and it was set up for that when built. There is no increased excise revenue as they only have two trucks. Also, as of last week the manufacturing certificate is not on the state's website. Ms. Scheipers reports that they were verified by Peter Milano. We will obtain a copy of that certificate. Mr. Scheipers pointed out that it is important to note that this takes town meeting approval and then it needs to be approved by the state. Ms. Peterson's other concern is they are not adding any new employees. The Board of Assessors met and vote on this, two voted not to support the TIF and the third was not present. They also will not be present at town meeting. They were asked to look over the agreement.

Mr. Hadley asked the Finance Committee to look at the agreement and vote prior to town meeting. David Femia asked if 14 years is the standard length of time. Mr. Crowley states that by law, it has to be from 5-20 years. He added that the Assessors are concerned with a building being expanded and people grieving the value of their building. The concern is a manufacturing company moving into the industrial area of the town and it may cause building owners to appeal their tax bill. Ms. Peterson added that one person on the Board of Assessors has concerns that this needed to get done so quickly. Mr. Berglund asked if they were not a certified manufacturer would the state kick out their application. Mr. Crowley explained that when the Secretary of State's Office updated their M Book it was not accurate information on their website. He is aware of other businesses who had issues with their name being mistakenly removed.

Mr. Rucho asked if we find out that they are, would the Board of Assessors vote have been different. Ms. Peterson does not think so.

Motion Mr. Hadley for the Board to sign off on the TIF Agreement with Curtis Industries, seconded by Mr. Crowley, all in favor.

2. Consider request for Finance Committee transfer in the amount of \$150.00 to cover the laboratory charges for the additional analysis required to lower the detection limit for 1,4 dioxane to meet the DEP's requirements

The request is for \$150 and will cover the cost for the laboratory charges for the additional analysis required to lower the detection limit for the 1,4 dioxane to meet the DEP requirements. We were not aware of this addition requirement until a few weeks ago. The contract for landfill monitoring services increased \$400 and we are unable to sign it until we have sufficient funding.

Motion Mr. Hadley to approve the request, seconded by Mr. Crowley, all in favor.

3. Consider approving Change Order for Sidewalk Project

Ms. Lucier reports that we have excess money in our Sidewalk Grant. She received proposals from PJ Albert to address the area around the library. One proposal would extend the sidewalk down Central Street to the former post office, the other would extend the sidewalk from the library, the Central Street side to the turn onto Newton Street and the third would be the Newton Street portion near the fire hydrant. We would install concrete sidewalks, and if approved by the Board, she will forward it to the state for their approval.

Motion Mr. Hadley to approve, seconded by Ms. Bohnson, all in favor.

4. Consider Re-Voting Survey Cost for Police Station Surveying (previously voted \$6,500 need to vote \$7,475 - 15% markup by Cardinal for reimbursable expenses)

Mr. Hadley would like to review the FISP minutes on this. Tony DiLuzio of Cardinal is present and stated that they did not defer the markup. Initially FISP decided they could do this on their own, several weeks went by and he was asked to perform this task. It is a 15% mark up for reimbursables.

Motion Mr. Hadley to approve contingent on the meeting minutes, seconded by Mr. Crowley, all in favor.

Motion Ms. Bohnson at 7:00 p.m. to enter into executive session under the provisions of Massachusetts General Laws Chapter 30a, Section 21(A), Part 3 to discuss strategy with respect to litigation if an open meeting may have a detrimental effect on the town's position and the chair so declares. Mr. Rucho declared and announce that the Selectboard will not reconvene in open session. Roll call vote: Mr. Rajeshkumar yes, Mr. Hadley yes, Mr. Rucho yes, Mr. Crowley yes, Ms. Bohnson yes.

Motion Mr. Hadley at 7:15 p.m. to come out of executive session, seconded by Mr. Crowley. Roll call vote: Mr. Rajeshkumar yes, Ms. Bohnson yes, Mr. Crowley yes, Mr. Hadley yes, Mr. Rucho yes.

With no further business to come before the Board, motion Mr. Crowley at 7:15 p.m. to adjourn, seconded by Mr. Rajeshkumar, all in favor.

Respectfully submitted,

Approved: August 17, 2016

Nancy E. Lucier, Municipal Assistant

Christopher A. Rucho, Chairman

Siobhan M. Bohnson, Vice Chairman

Barur R. Rajeshkumar, Clerk

Patrick J. Crowley, Selectman

John W. Hadley, Selectman