

SSTTDC Advisory Board Meeting
April 1, 2013 @ 6:30PM
SSTTDC Conference Room

Members present: Eugene Blanchard
Robert Long
Joseph Gambon
Joseph Shea
Carol Karlberg
Martin Pillsbury

Members absent: Bruce Hughes
Thomas J. Lacey
William Koplovsky

Also in attendance: James A. Wilson, Chief Financial Officer
Keith Nastasia, DPW Superintendent
SouthField Residents Association

The Chairman called the meeting to order at 6:50pm

The meeting began with a discussion with representatives of the SouthField Residents Association on their goals regarding future SouthField development, to interact with local politicians and be involved with everything that goes on at SouthField. The Advisory Board was informed that the group had already met with the Executives at SSTTDC, State Representatives and the Mayor to work through the political process of expanding the Board of Directors to add 2 seats so that SouthField residents would be represented. Mr. Miller acknowledged that their group was in the very early stages of establishing their role in government. Discussion ensued on the need for a specific plan on how people would be chosen, how many people would be chosen and how it would work if resident seats were added to the Board of Directors. Mr. LeMott informed the Board that he applied to the Governor for the vacated seat on the SSTTDC Advisory Board as a member with skill and expertise in environmental protection. Advisory Board members voiced their support for the goals of the SouthField Residents and the application of Mr. LeMott.

Budget Presentation

The CFO presented the detail for Fiscal Year 2014 Budget Considerations (attached) and pointed out that construction at SouthField had substantially slowed compared to a year ago at this time, and that the slowdown had a direct and negative impact on the FY14 Budget. This was the first year the budget included Special Assessment debt service on the Infrastructure bond, full implementation of Enterprise Fund service, and the Parkway Deficiency.

One of the budget issues unique to SSTTDC is New State Revenue/Deficiency Payment on the Parkway Bond. Discussion ensued on a FY12 deficiency payment appropriation from free cash (\$1M), LNR's portion of the FY12 deficiency payment (\$400K), and

DOR's formula for FY13 New State Revenue. Mr. Wilson also noted that an independent firm was required by DOR to verify his calculations on the Parkway claw-back and Special Assessments (at SSTTDC's cost). He calculated the FY13 claw-back in the same manner as the FY12 formula, but DOR's analyst changed the formula for FY13 causing a deficiency rather than a surplus of New State Revenue (a swing of \$400K). The DOR Commissioner supported his analyst's conclusion. The CFO filed an appeal with the Secretary of Administration and Finance challenging DOR's claw-back formula. Board members were informed that SSTTDC's DPW Superintendent completed the DEP certification process to oversee the Corporation's stand-alone water and sewer operation. Mr. Nastasia noted the Corporation had a consecutive water system approved by DEP, tested monthly; and that the DEP sewer extension permit was increased in 2012 to 187GallonsPerDay (current average daily flow 86,000GPD); the rate structure remained the same. SSTTDC was actively seeking a permanent water supply from MWRA, Aquaria or Aquarion.

The CFO noted two contracts were executed for professional services, one to deal with the Parkway claw-back issue, and another to find commercial entities for SouthField development. He noted that LNR admitted to the Directors that LNR was in a holding pattern and not aggressively soliciting commercial vendors.

The CFO noted current staff levels would be maintained with 6 full time employees and 7 part time employees which included in-house inspectors, a significant cost savings over Town of Weymouth Inspectors. Contracts were now in place for Towns of Weymouth and Rockland for Police and Fire Services and Weymouth Public Schools for FY13 only. This year SSTTDC assumed the responsibility of tracking the turtles (at a cost of \$64K). A Risk Analysis was then reviewed on the issues that impact the ability to move the project forward, and the need to limit the impact of apartment development on the school education budget.

Board members were informed that two large property owners, LNR and Eventide Home, filed tax abatement applications on all the parcels they own. DOR has brought its staff on site over the past few years (at SSTTDC's cost) to review construction progress and our documentation in an effort to come up with an approach to assess values here. Discussion ensued on projected revenues and the limited new growth due to a lack of construction.

Mr. Shea was informed that DOR still had issues with the uniqueness of the project for setting a tax rate; there were no comps outside this jurisdiction, and that the Division of Local Services worked closely with the CFO to review every deed and every parcel assessment to see how it fit DOR modeling (an arduous process because of the Parkway claw back analysis). He was also informed that the Registry of Motor Vehicles had issues separating Weymouth Excise Tax commitments for vehicles located in the SouthField project. The Weymouth Treasurer/Collector's office reviewed each excise tax bill received and transmitted those with SouthField addresses to SSTTDC at the end of each fiscal year. Discussion ensued on prior unsuccessful attempts to get a separate zip code.

Mr. Blanchard was informed that the Weymouth Fire Department charges reflected services in the form of site plan reviews, and rough, final and occupancy inspections; that

legal counsel activity was limited to environmental issues; that SSTTDC was a customer of the combined Water/Sewer Enterprise Account, charged in accord with the Town of Weymouth rate structure; and that SSTTDC had not yet reached the threshold for State reimbursements for Veteran Services or Chapter 70 funds.

Mr. Pillsbury was informed that the Board of Directors also functioned as the Conservation Commission on wetland protection; that the CFO had conducted a cost comparison on health benefits (Mayflower Health Group had the better plan); that the Base was too small to reap a savings on LED street lights at this time, and that Mr. Nastasia, utilizing monitoring meters, found ground water infiltration problems in the old NAVY sewer system and implemented programs to eliminate the infiltration and make the system more efficient.

Mr. Shea stated that commercial development was needed to produce more revenue with less impact on costs, and was also needed to advance to Phase 2 of the Development Plan. He voiced his disappointment to learn that LNR had not been aggressive this past year when commercial development was part of the agreement with the three towns. Discussion ensued on sending a letter to LNR and to their successor expressing their displeasure with the lack of progress on commercial development.

VOTED: Motion of Martin Pillsbury, seconded by Gene Blanchard, to send a letter to LNR regarding their lack of effort to bring commercial development to SouthField

Unanimous vote

Public Comment

Mary Parsons, Rockland, was informed that service contracts with Rockland Police and Fire had been fully executed.

Steve LeMott, Weymouth, was informed that the Risk Analysis only included homes that received Certificates of Occupancy.

Ann Hilbert, Weymouth, was informed that LNR's unpaid debt was a municipal lien against the property which would be paid in full at the closing as part of the transfer process.

Joe Shea, Abington, was informed that LNR's successor would be responsible for all DDA requirements.

David Doyle, Weymouth, was informed that SSTTDC was not involved in the LNR sales transaction; that LNR Property Inc. was sold to Starwood Capital Group and that LNR South Shore LLC (the SouthField project) was part of the acquisition. No government authority was required.

Eric Miller, Weymouth, was informed that SSTTDC only paid for SouthField students attending Weymouth public schools; and that turtle monitoring would be a regular ongoing expense.

VOTED: Motion of Eugene Blanchard, seconded by Martin Pillsbury, to recommend that the South Shore Tri-Town Development Corporation raise and appropriate the sum of \$4,673,623 to provide for all the expenses for the maintenance and operation of the several departments and activities for the fiscal year 2014 and that the several sums herein set forth are hereby approved for the several purposes and are subject to the conditions specified, and the sources of

funding for said expenditures are as outlined in the attached Exhibit A and incorporated by reference herein. Furthermore, that the amount of \$1,168,523 from Fy12 Free Cash is hereby raised and appropriate for the purpose of balancing the Fiscal Year 2014 Budget
Unanimous vote

VOTED: Motion of Gene Blanchard, seconded by Carol Karlberg, to recommend that the South Shore Tri-Town Development Corporation raise and appropriate the sum of \$364,324.20 to provide for all the expenses for the maintenance and operation of the Sewer AND Water Enterprise Fund for the fiscal year 2014 and that the several sums herein set forth are hereby approved for the several purposes and are subject to the conditions specified and the source of funding of said expenditures are as outlined in the Revenue Projections and incorporated herein
Unanimous vote

VOTED: Motion of Gene Blanchard, seconded by Joseph Gambon to approve the minutes of the September 10, 2012 meeting of the SSTTDC Advisory Board 5-0-1 vote, Carol Karlberg abstained as she was absent from the meeting.

Discussion ensued on a joint meeting with the Directors in September when it was anticipated that the legal process on the claw back calculation would be completed. Suggestions for Agenda items included introductions to Starwood representatives, discussion of commercial development, six month report on work done at SouthField, and an update from the SouthField Residents Association on their role in Government. The Chairman noted the Advisory Board would need to reorganize at that time.

VOTED: Motion of Gene Blanchard, seconded by Carol Karlberg, to send a letter to the Governor in support of Steve LeMott's application to be appointed to the vacant seat for environmental protection on the SSTTDC Advisory Board
Unanimous vote

VOTED: Motion of Martin Pillsbury, seconded by Joseph Gambon, to send a letter of thanks to Kevin White for his term of service on the Advisory Board
Unanimous vote

VOTED: Motion of Gene Blanchard, seconded by Joe Gambon, to adjourn the meeting
Unanimous vote
The meeting ended 9:15pm

Mary Cordeiro, Recording Secretary

Joseph Shea, Chairman

Documents reviewed: FY14 Budget