

Southfield Redevelopment Authority
Board of Directors Meeting
May 5, 2015 @ 7:00pm
Conference Room, 223 Shea Memorial Drive

Directors Present: Walter Flynn, Chairman
Bill Minahan, Vice Chairman
Chris Aiello, Clerk
Kelli O'Brien-McKinnon
Pat O'Leary
Ralph Rivkind
Robert Rizzi
John Brewer
Lyndsey Kruger

Also Present: Scott Bois, Treasurer/Collector
Jim Young, Land Use Administrator
Matt Feher, Legal Counsel

The Chairman called the meeting to order at 7:00pm and announced that the Weymouth Service Agreement had been executed.

FY16 Budget

The Chairman requested staff to contact the University of Mass Edward J Collins Center for Public Management, to develop a scope of work for a management and organizational review of SRA core obligations and staffing needs. Mr. Minahan was informed that the cost was unknown at this time. Ms. O'Leary was informed that an RFP was not required for the Collins Center, and that they were highly recommended by several communities including Braintree, Plymouth and Norwell.

A lengthy discussion ensued on the FY16 Budget, the SRA Water/Sewer Enterprise Fund, LNR's Appellate Tax Board hearings, SRA's Overlay Account; and on Directors compensation/retirement/insurance costs. Mr. Minahan noted that Director Compensation totaled \$56K, and made a motion for the Board to decline their salary. The Chairman did not recognize the motion. Mr. Feher stated the Advisory Board was designated in the new Legislation as the authority to determine Director Compensation. The Directors were informed that the Advisory Board would review the SRA Budget on Thursday, May 7th. The Treasurer provided details on each line item, and noted the Budget included a \$45K General Fund Reserve which could be removed based upon available Free Cash.

Mr. Minahan was informed that the Legal Services averaged out to 7 hours of work each week, and that special projects would require a scope of work to be submitted prior to taking action.

Further discussion ensued on Infrastructure Bond obligations, Special Assessments, DOR's Recap Sheet, and utility costs on three buildings utilized by SRA. Further discussion ensued on tax pledges, parkway bond deferral, and SRA's claw-back requirements to track and calculate new state revenue for each

deferred year. The Board was informed that the SRA Budget did not include Parkway maintenance beyond June 30, 2015.

Mr. Bois reviewed projected revenues including Pledged Taxes, Entitlement Fees, Southfield Tax Levy and Earnings on Investments. Mr. Brewer inquired if revenue projections 4-5 years out were sufficient. He was informed that the SRA would not be taking on new responsibilities, and until the Southfield Tax Rate was set, the Board would only be voting the expense side of the Budget. The Board considered earmarking a portion of Free Cash to the FY16 Budget to bring the Southfield tax rate nearer to \$0.50 cents. The Chairman noted a \$0.50 cent Southfield rate was not realistic because the Directors Compensation alone equaled the \$0.50 cent rate. He was informed that ANF was about to release a \$291K payment back to the SRA, and that a \$1.4M check held for the Parkway Bond obligation would now become Free Cash. The Board considered maintaining an annual reserve at an amount no less than the annual bond payment.

Discussion ensued on applying the Southfield rate to the Town's 3rd and 4th quarter tax bills. This would allow time for the Host Towns to insert a separate Southfield rate into their tax process. A discussion with the Towns regarding cash flow back to SRA would be scheduled soon.

Ms. Kruzer was informed that Southfield values would most likely be certified in October 2015. She suggested that the budget vote be put off until after the Advisory Board's review.

The Board agreed that updates were needed on Officer/Director Insurance, Cash on Hand/Available Resources, Overlay Account, Reserves projected for the year, and anticipated Liabilities including the TACAN Outfall, Infrastructure Bond payment, Snow Deficit and Stabilization funds.

Ms. O'Leary was informed that a year-end Audit occurred in July 2014, and an Interim Transition Audit occurred on August 2014.

Motion of Bill Minahan, seconded by Kelli O'Brien-McKinnon, to table the Budget vote to the next meeting

Unanimous vote

The Treasurer then reviewed the FY16 Enterprise Fund allocations for professional services, water supply and operation. Discussion ensued on the need for flexibility with regards to system repairs because the Town of Weymouth owned the infrastructure, but SRA owned the consecutive water system and maintenance obligation.

Ms. O'Leary suggested quarterly billing as residential units build out.

Mr. Rivkind was informed that Weymouth charged monthly for water.

Mr. Aiello was informed that water meters were read (remotely) by SRA staff.

Ms. Kruzer was informed that SRA paid for water to Weymouth at a Tier 2 Rate plus a 5% premium; the total cost was divided into units, and Southfield residents consuming less than 9 units a month were discounted by SRA to a Tier 1 Rate.

The Chairman noted that the current Water Agreement with Weymouth would expire in June 2016. It was agreed that water costs would be renegotiated at that time.

Ms. O'Leary was informed of gray water usage on the Rockland end of the Parkway and that there would most likely be other opportunities for gray water usage in the Southfield Highlands area

VOTED: Motion of Bill Minahan, seconded by Chris Aiello, to table the Enterprise Fund vote to the next meeting
Unanimous vote

Master Developer Status

The Chairman noted that responses were received on letters sent to Starwood regarding their outstanding obligations, and to LStar on due diligence information. The responses would be discussed in Executive Session.

Public Comment

Mr. LeMott, Southfield resident, was informed that the Master Developer would consider all water options when the Weymouth contract expired in June 2016.

Mr. Galluzzo, Weymouth, was informed that the FY13 and FY14 SRA Overlay accounts would cover the Appellate Tax Board cases filed by LNR/Starwood.

Ms. Hilbert, Weymouth, was informed that the Board of Directors each received \$6,250 annual compensation.

Next Meetings would be May 11, 2015 and May 26, 2015.

VOTED: Motion of Lyndsey Kruzer, seconded by Pat O'Leary, to enter into Executive Session to consider the purchase, exchange, lease or value of real property, not to reconvene in Open Session

The Chairman stated that having the discussion in open session would have a detrimental effect on the public body's negotiating position.

Rivkind, aye, Minahan, aye, O'Brien-McKinnon, aye, Aiello, aye, Flynn, aye, Kruzer, aye, O'Leary, aye, Rizzi, aye, Brewer, aye

Open session ended at 9:00pm

Mary Cordeiro, Recording Secretary

Walter Flynn, Chairman

Documents reviewed during the meeting:

FY16 Budget