

**Finance Committee Meeting  
January 10, 2011  
7:30 PM  
Municipal Center – Selectmen's Conference Room**

**Present:** Chairman, Thomas DeLuca; Vice-Chairman, Paul Helmreich; Jackie Desrochers; Michael Flaherty; Brett Franklin; Cheryl McFaun (late arrival); William Rotondi; Michael Thomas; Lee Tarantino; Wayne Graf; Town Manager, James Purcell.

**Absent:**

**Call to Order**

Meeting was called to order at 7:30 pm.

**I. Approval of Minutes**

**Motion** was made by Mr. Graf to approve the January 3, 2011 Finance Committee minutes as amended. Seconded by Ms. Desrochers. Vote: All in favor, with Ms. McFaun abstaining. **Motion carries.**

**II. New Business**

**Article 12 (formally Article 13) – TIF (Tax Increment Financing) agreement** – Mr. Purcell and Mr. Tarantino explained to the FinCom that an agreement has been worked out between the town and Horizon Beverages. The Industrial Development Commission and the Board of Selectmen have both voted to accept the terms of the agreement. Mr. Purcell, providing a spreadsheet with details of the 13-year TIF agreement, went on to explain the benefits of the Horizon Beverage Company coming to town. He said that without Horizon, the best the town could yield from renting out the building is \$3.8M over the next 13 years. However, Horizon plans to add \$9M of value to the building over the next five years. This would bring revenue to the town in the form of both permit fees as well as the added property tax. Mr. Purcell also stated that Horizon would be registering vehicles in Norton, yielding the town \$75K per year in vehicle excise tax. Mr. Purcell concluded that the TIF agreement with Horizon would bring the town \$5.5M over the 13 years, as opposed to \$3.8M, which is the most the town may have gotten if the building had been rented out to another company. Mr. Purcell pointed out that the main building will be taxed at the full rate and that only the addition would be receiving the TIF.

Mr. Purcell informed the committee that bringing Horizon to town would be bringing 381 jobs, which is 7% of the town's total budget.

Ms. Lynn Tokarczyk, a TIF consultant representing Horizon Beverages, addressed the FinCom regarding the TIF agreement. She recognized Mr. Purcell for his efforts on the negotiations. She went on to give some background information on the company. She said that the company very much so supports the community in which it resides. She said that Horizon spends approximately \$500K annually in the community.

Mr. Helmreich stated his pleasure with the agreement between the town and Horizon.

Mr. Tarantino expressed his support of the TIF agreement and commended Mr. Purcell for his efforts. He pointed out how very beneficial this agreement would be for the town.

Mr. DeLuca suggested that the handout that Ms. Tokarczyk provided with the details of the TIF and the bio on Horizon should be included in the warrant on Town Meeting night. Ms. Tokarczyk said that she will plan to provide that.

**Article 7 – Drinking Water Feasibility Study** – Mr. Knapp, Water Superintendent, addressed the FinCom providing a handout. He explained that only 4 of the town's 5 wells have been functioning in the past few months. He said that there is a large problem in the wells with iron and manganese clogging up the screens. Mr. Knapp said that it is important to investigate what the future water system needs to be for the town. He said that the town is currently meeting the demands for water but that if one more well breaks down the town will be in trouble. He said this study would look at all the options for getting more water for the town. He mentioned the possibility of dredging the Reservoir, adding that in the long-run this option would be the least expensive. Mr. Knapp mentioned that the Water Feasibility Study would also look at the possibility of regionalization.

**Motion** was made by Mr. Helmreich to recommend the transfer of a sum of \$20K from the Water Surplus Account for the purpose of conducting a Drinking Water Feasibility Study. Seconded by Mr. Graf. Vote: All in favor. **Motion carries.**

**Articles 8, 9, and 10 (formally Articles 9, 10, and 11) – Sewer Articles** – It was noted that Article 8 may not be ready for Town Meeting and that the W/S Commission is talking with town counsel about it.

Mr. DeLuca expressed that he thinks it is unacceptable for the Water and Sewer Commission to ask the Finance Committee to vote whether or not to recommend articles that are just being presented to them for the first time such a short time before Town Meeting. He said that the legalities of the articles should have been researched well before now and should not still be “up in the air”. Mr. Purcell took responsibility for the lateness of the information.

Mr. Helmreich suggested that the W/S Commission continue work on the articles and get them ready for the Spring Town Meeting.

Ms. Diane McElligott, Chairperson of the Water/Sewer Commission, addressed the FinCom regarding Article 8, stating that the reason the Commission is requesting the transfer is to help bring Sewer rates down as well as enable sewer improvements to be made. She said that the transfer would help accomplish long-term goals as well as short.

Mr. Knapp addressed Article 10 (SCADA System) stressing that the SCADA sewer system is failing. He said that \$56K is needed. Mr. Helmreich stated that this request should go through Capital Improvements. Mr. Thomas reiterated that he feels that the FinCom should have been notified of such a need long before now and that he doesn't feel comfortable making a decision on such short notice.

Mr. Tarantino questioned the sequence of events that lead to Article 6 (Kimball Easement) being included on the warrant. Mr. Purcell noted that Mr. Kimball is considering withdrawing his agreement to “gift” the property to the town but is considering the sale of the land. Mr. Tarantino asked why the town didn't protect themselves against such circumstances. He said that the drilling that was done on the Kimball's property should have stopped until more was known about the land. Mr. Knapp said it was unplanned and that he got verbal confirmation from Mr. Kimball to continue the drilling.

**Motion** was made by Mr. Helmreich to recommend Article 6 (Kimball Easement). Seconded by Mr. Flaherty. Members expressed that they felt there was insufficient evidence. Vote: All opposed. **Motion fails.**

**Motion** was made by Mr. Helmreich to recommend Article 8 (Inter-municipal Agreement). Seconded by Mr. Graf. Vote: All opposed. **Motion fails.**

**Motion** was made by Mr. Helmreich to recommend Article 9 (Sewer Stabilization Account). Seconded by Mr. Graf. Vote: All opposed. **Motion fails.**

**Motion** was made by Mr. Helmreich to recommend Article 10 (SCADA System). Seconded by Mr. Graf. Vote: All opposed. **Motion fails.**

### **Deficit Spending**

**Motion** was made by Mr. Graf to authorize the overspending of the Snow Account #423. Seconded by Mr. Helmreich. Vote: All in favor. **Motion carries.**

### **III. Old Business**

**Article 2 – Fire Union contract** – Mr. Purcell informed the FinCom that there is an agreed upon executed agreement for FY09, FY10, and FY11. He said that the manning issue has not been resolved, but salaries have been agreed to at 2%, 2%, and 2%. Also, the health shares have been negotiated at the same rate as the other contracts – 87% to 85% in FY09, 85% to 80% in FY10, and 80% to 75%.

Mr. Purcell explained that the total cost of funding the agreement would be approximately \$125K. Mr. Purcell went on to explain that the funding of this would come from the following: \$39,200 from a June 2009 Town Meeting article, and \$54,218 from an account holding the health insurance contribution. The rest, \$31,269, would come from Free Cash.

Mr. Purcell went on to explain that both sides agreed to disagree and move forward. He said that fiscal side of the negotiations have been resolved, but the other issue has not.  
Mr. Helmreich questioned whether there has been any money appropriated for future overtime for the Fire Department. Mr. Purcell said that there is not.

**Motion** was made by Mr. Helmreich to "recommend to fund and implement a Collective Bargaining Agreement between the Town and the International Association of Firefighters Local #2678 for the period of July 1, 2008, through June 30, 2011, by transferring the sum of \$39,200.00 from Account No. 001-122-606-5802-09-602 (Article 2 of the June 8, 2009, Special Town Meeting), \$54,218.00 from Account No. 001-910-511-5171, and the balance of \$31,269.00 from Free Cash." Seconded by Mr. Flaherty. Vote: All in favor, with Mr. Thomas abstaining. **Motion carries.**

**Next Meeting**

The next meeting is scheduled for January 19, 2011 at 6:15pm at the Yelle School cafeteria, before Town Meeting.

**Adjournment**

**Motion** was made by Mr. Flaherty to adjourn at 9:35 pm. Seconded by Mr. Graf. Vote: Unanimous. **Motion carries.**

**Documents Referenced:** Minutes of January 3, 2011  
Special Town Meeting warrant  
TIF spreadsheet  
Horizon handout  
Water Feasibility Study handout

Respectfully Submitted by: \_\_\_\_\_

**Thomas DeLuca, Finance Committee Chairman**

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**Sara Lyons, Finance Committee Secretary**