

**Select Board Meeting  
February 6, 2023 – 7:00 PM  
Sanford Hall  
155 Village Street**

**Present** Dennis Crowley, Chair; Frank Rossi, Clerk; Todd Alessandri, Member.

**Absent:** Glenn Trindade, Vice-Chair; Maryjane White, Member.

**Staff Present:** Michael Boynton, Town Manager; Allison Potter, Assistant Town Manager; Carol Pratt, Finance Director; Margaret Perkins, Library Director; Stefany Ohannesian, Town Clerk; Courtney Riley, Senior Center Director; Peter Pelletier, Department of Public Works (DPW) Director; Barry Smith, Water Superintendent; Sandra Johnston, Communications Director.

**Others Present:** Christine Crosby, Eversource Representative; Jo-Ann Phillips, Chair, Indigenous Peoples Day Committee; Karen Nowicki, Vice-Chair, Capital Improvement Planning Committee (CIPC); Scott Salvucci, Woodard and Curran; Tri-County Regional Vocational Technical High School (TCVTHS): Tracy Stewart, Medway Representative, Karen Maguire, Superintendent, Dan Haynes, Business Administrator; Terenzio Volpicelli, Roselli, Clark, & Associates; Parker Elmore, Odyssey Advisors.

\*\*\*\*\*

At 7:00 PM, Mr. Crowley called the meeting to order, led the Pledge of Allegiance, and reminded all to remember the number 19.

**Public Comments:** There were none.

**Public Hearing: 7PM - NSTAR ELECTRIC COMPANY d/b/a EVERSOURCE ENERGY for obtaining a grant of location to install approximately 140± feet of conduit at manhole 22686 on West Street**

*The Board reviewed the (1) letter requesting the grant of location, (2) order for location for conduits and manholes, and (3) plan.*

**Mr. Alessandri moved that the Board open the public hearing for NSTAR ELECTRIC COMPANY d/b/a EVERSOURCE ENERGY for obtaining a grant of location petition to install approximately 140± feet of conduit at manhole 22686 on West Street. Mr. Rossi seconded. No discussion. VOTE: 3-0-0.**

Ms. Crosby stated the purpose of the petition is to accommodate new equipment being installed at their substation for improvements and upgrades. Mr. Alessandri asked if this was upgrading existing services. Ms. Crosby stated it will result in improved reliability. Mr. Crowley asked if they would need to pull a permit. Mr. Boynton stated they will need to pull a street opening permit through DPW. Mr. Crowley asked if they are exempt from the fee. Ms. Crosby stated they pay the fee. Mr. Crowley asked if there were any public comments. There were no public comments. Mr. Boynton requested that this work be coordinated with DPW as there will also be sidewalk work being done in that area.

**Mr. Alessandri moved that the Board close the public hearing. Mr. Rossi seconded. No discussion. VOTE: 3-0-0.**

**Mr. Alessandri moved that the Board approve the grant of location petition to install approximately 140± feet of conduit at manhole 22686 on West Street to NSTAR ELECTRIC COMPANY d/b/a EVERSOURCE ENERGY. Mr. Rossi seconded. No discussion. VOTE: 3-0-0.**

**Approval of Minutes: January 17, 2023**

*The Board reviewed the draft minutes of January 17, 2023.*

**Mr. Rossi moved that the Board approve the minutes of January 17, 2023, 2022. Mr. Alessandri seconded.** Discussion: Mr. Crowley requested on page 4 line 189 that “of the tax levy” be added to the end of the sentence, and on page 9 line 396 that “he” be changed to Mr. Boynton. **VOTE: 3-0-0.**

**Appointment Consideration: Library Representative to the Indigenous Peoples Day (IPD) Committee – Margaret Perkins**

*The Board reviewed the e-mail from Ms. Perkins noting the Library Board of Trustees voted to designate her as its representative to the IPD Committee.*

Ms. Perkins stated her interest in this issue and that she has been attending their meetings. Ms. Phillips stated Ms. Perkins has been attending their meetings for the past four months and is a wonderful addition to the committee providing helpful resources and feedback. Ms. Phillips stated the Library Board of Trustees voted Ms. Perkins as their representative and the IPD Committee supports her appointment as well. Mr. Rossi asked about the total number on the committee. Ms. Phillips said there are two open Citizens-at-Large, and all other seats are filled for a total of seven.

**Mr. Alessandri moved that the Board appoint Ms. Perkins to the Indigenous Peoples Day Committee as the Library Board of Trustees Representative for a term expiring on June 30, 2024. Mr. Rossi seconded. No discussion. VOTE: 3-0-0.**

**Vote: Add Planning and Economic Development Board (PEDB) Vacancy to May 16, 2023, Town Election Ballot**

*The Board reviewed the memo from Stefany Ohannesian.*

Ms. Ohannesian explained that this needed to be added to the ballot due to Richard Di Iulio’s resignation in October of 2022.

**Mr. Rossi moved that the Board vote to add the Planning and Economic Development Board vacancy to May 16, 2023, Town Election Ballot as discussed. Mr. Alessandri seconded.** Discussion: Mr. Alessandri asked if this was just to complete his term. Ms. Ohannesian confirmed noting it would be until 2025. She reported there are also two other vacancies for the PEDB that are three-year terms. Mr. Crowley noted that there will be three positions open for the PEDB and to date, no one has taken out nomination papers. He asked the residents to consider running for these open positions. **VOTE: 3-0-0.**

**Approval: Police Details for May 16, 2023, Town Election**

*The Board the memo from Stefany Ohannesian.*

**Mr. Rossi moved that the Board approve the police details for the May 16, 2023, Town Election as discussed. Mr. Alessandri seconded. Mr. Crowley amended the motion to add the October 24, 2023, Town Election for the Tri-County ballot question. Mr. Rossi accepted the amended motion. VOTE: 3-0-0.**

**Authorization to Expend Grant Funds:**

- **Secretary of State Elections Division Grant—\$20,000**
- **Elder Affairs State Grant - \$58,5000**
- **Fiscal Year (FY) 2023 Elder Affairs Formula Grant - \$40,668**
- **Department of Energy Resources (DOER) Green Communities Grant -\$9,887**

*The Board reviewed the (1) notice of grant award forms, (2) award notification letter for the Elections Division and DOER grants, (3) grant explanation documents for the Elder Affairs grants, and (4) memo from Stephanie Carlisle for DOER grant.*

Ms. Ohannesian stated she received an earmark for Town Meeting voter enhancement. Everyone who checks in will receive a clicker to use to vote. This does not prohibit standing or voice votes as called by the Town Moderator. She noted it is very accurate and secure as it is not connected to the internet. The results can immediately be shown on a screen. It will also calculate if the vote passed by majority, 2/3rds, 9/10ths, etc. and is anonymous. Mr. Boynton noted that forty-eight communities have moved to this system. He noted that the implementation of this still needs to be discussed by the Select Board along with the Town Moderator and that we were able to secure this funding via Senator Spilka and Representative Roy. We have 500 clickers and since Holliston has also implemented this, we could borrow some should we have more than 500 residents come to Town Meeting.

**Mr. Alessandri moved that the Board authorize the expenditure of the Secretary of State Elections Division Grant as presented. Mr. Rossi seconded.** Discussion: Mr. Alessandri asked what happens if they break. Ms. Ohannesian stated they can be easily replaced. Mr. Alessandri asked about future costs. Ms. Ohannesian stated there is a maintenance fee, as well. Mr. Rossi asked who oversees these at Town Meeting. Ms. Ohannesian stated the company will come out and assist the first time they are used and after that it will be the Assistant Town Clerk. Mr. Crowley stated that the Board is not accepting this type of voting at this time until all their questions are answered. **VOTE: 3-0-0.**

Ms. Riley stated this Elder Affairs grant was an earmark provided by Senator Spilka for exercise equipment outside of the Senior Center. They have determined that they will purchase four ADA compliant pieces of equipment. The most expensive component is the ADA pad that goes under the equipment at a cost of \$20,000. The equipment will be located where there are lights and cameras outside the Senior Center near the book drop area.

**Mr. Alessandri moved that the Board authorize the expenditure of the Elder Affairs State grant as presented. Mr. Rossi seconded.** Discussion: Mr. Alessandri asked what this cost covers. Ms. Riley stated the equipment and installation noting nothing has been ordered yet as she is still working with DPW on the proper implementation. Mr. Crowley asked for the cost of the concrete pad and where that cost will be funded from. Ms. Riley stated all will be funded from this grant. Mr. Crowley asked about the \$9,000 in construction costs. Ms. Riley stated that is for the DPW work and if needed, that funding can be increased. **VOTE: 3-0-0.**

Ms. Riley stated this is the yearly State grant based on the number of seniors (those age sixty and older) in the Town. We receive \$12 per senior. This is the first year using the 2020 Federal Census versus the 2010 census. In 2010 we had 2,003 seniors and in 2020 we have 3,389 seniors.

**Mr. Alessandri moved that the Board authorize the expenditure of the FY23 Elder Affairs Formula grant as presented. Mr. Rossi seconded. No discussion. VOTE: 3-0-0.**

Mr. Crowley asked Ms. Riley about the specifics of the Senior Work-Off program. Ms. Riley stated it is 70 hours at the minimum wage rate of \$13.25 per hour. This coming July, the hourly rate will move to the new minimum wage rate. Mr. Crowley asked if the seniors are aware of this. Ms. Riley stated it is on the contract that they sign. Mr. Crowley stated he has had a couple of seniors approach him about this. Ms. Riley stated seniors can earn up to \$1,000 at the minimum wage. Mr. Crowley asked who sets that amount. Mr. Boynton stated the Select Board. There was further discussion about the number of hours, number of seniors allowed into the program (100) and how to allow more hours per individual. Mr. Crowley requested this be put on a future Select Board agenda for discussion. Ms. Riley noted the Assessor also needs to be involved in this discussion.

Mr. Pelletier stated this is another grant awarded through Green Communities to improve the heating and cooling system in Choate Park with three heat pump systems, two for the bathroom and one for the main area.

**Mr. Alessandri moved that the Board authorize the expenditure of the Department of Energy Resources Green Communities Grant as presented. Mr. Rossi seconded.** Discussion: Mr. Alessandri asked for clarification of the areas. Mr. Pelletier stated the two bathrooms and main area utilized by Julie Harrington for Parks and Recreation programs. He noted it will reduce our electricity costs for heating and cooling. **VOTE: 3-0-0.**

**Discussion/Vote: Keno License for NWG Automotive Repair, 71 Main Street**

*The Board reviewed the Massachusetts State Lottery Commission's notification letter.*

Mr. Boynton stated that NWG Automotive Repair requested the monitor noting that they already have a significant lottery presence at that location. This would be putting the monitor up so that they can do live Keno. Mr. Boynton stated you do not need a motion, only if you object to this. Mr. Crowley reported that he called the State to ask if there is a limited number allowed in Town as he would prefer that they be located where there is more foot traffic. Mr. Boynton stated he has never heard of a limit on these. Mr. Alessandri and Rossi stated they had no objections. Mr. Rossi noted that this would allow this business owner to generate more revenue for the business. Mr. Crowley stated if the State calls him and says there is no limit, he has no issue with this.

**Presentation: Medway Asset Management Plan by Woodard and Curran**

*The Board reviewed the PowerPoint presentation.*

Mr. Salvucci stated of the total project cost of \$125,000 for asset management planning, \$75,000 is funded from a grant, \$25,000 is a cash match, and \$25,000 is in-kind services which was workforce labor from DPW. The purpose is to get an understanding of the existing conditions of the Town's infrastructure assets including drinking water, wastewater, and stormwater. Phase one focused on drinking and wastewater. Mr. Crowley asked where the \$25,000 cash match was coming from. Mr. Smith stated from the water and sewer budget. Mr. Salvucci reported this is a program through the Department of Environmental Protection (DEP) and the project is a phased approach. They are now in phase one which is the lower third of the Town south of Route 109 and outcomes are the next steps. Asset management planning is a complete understanding of your assets and leads to informed decision making. It is a tool to track and optimize operations and maintenance and allows maintenance of the existing level of service. It will inform you when to repair assets, rehabilitate assets, or replace assets. It looks at age, materials, location, and prioritizes and ranks assets utilizing these factors. Drinking water assets included pipes, gate valves, and hydrants. Wastewater assets included pipes and manholes. Stormwater will be in phase two and assets include pipes, manholes, catch basins, and outfalls. The

outcome is a long-term capital improvement plan based on the assets' sustainability, business continuity/reliable level of service, and financial management/planning a consistent funding strategy. He reported the results of phase one found that the watermain is in good shape, due to DPWs monitoring of mains, having a plan to deal with breaks, and replacing 500 linear feet of waterline per year. The sewer main is monitored by camera by the water and sewer staff, which is a priority for the types of pipes currently in place, and they have been replacing 400 feet of sewer pipe per year. Both the water and sewer replacement at this rate translates to approximately one-half mile per year. The Town also got a Geographic Information System (GIS) database, so all these assets are in electronically mapped format with specific associated data including, age, materials, size, GPS location, etc. The Town also got confirmation of the existing operational plans and a long-term capital improvement plan. Phase two will be the upper two thirds of Route 109. The Town is listed on the DEP's intended use program report that allows for another \$150,000 of grant funding for phase two. Mr. Crowley asked if the \$150,000 will be enough. Mr. Salvucci stated it will be another \$25,000 cash match and \$25,000 in-kind DPW labor forces. Mr. Alessandri asked for the timeline for completion of phase two. Mr. Salvucci stated the grant application is submitted in August, you find out if you are on the draft DEP program in December-January, and confirmation occurs in February. This then goes before Town Meeting for approval/appropriation followed by contract approval. Phase two would begin the beginning of the fiscal year/July 1<sup>st</sup> with completion in late 2024. Mr. Crowley asked about the division of work between the water and sewer staff. Mr. Smith stated there are approximately eighty miles of waterline and forty-two miles of sewer mains. Mr. Salvucci noted that drainage is part of phase two as well. Mr. Crowley asked for the average price per foot of watermain for installation. Mr. Salvucci stated \$300 per linear foot including engineering, design, construction management, and construction. Mr. Boynton noted the improvement on the aging waterpipes based on the work on Adams Street, Village Street, and Brentwood. We still have aging pipes in the neighborhood behind the plaza. He noted we are finding major issues with the sewer pipes as they are older pipes. He noted the camera system is very helpful in finding issues. He noted most recently finding an inflow and infiltration (I&I) issue from Neelon Lane to Charles River Road. Mr. Boynton reported that the DEP is not going to allow us to increase our discharge into the Charles River noting they look at I&I. Mr. Alessandri asked about any burst pipes over the cold weekend. Mr. Smith said we did not have any but were called for two at residents' homes.

**Approval: Contract with Haley & Aldrich, Inc. for Geotechnical Services – Not to Exceed \$25,400**

*The Board reviewed the (1) memo from Peter Pelletier, (2) bid results, and (3) contract.*

Mr. Pelletier stated there has been settling identified on the High School driveway around the culvert, so this is part of an investigation to check the soils. Mr. Alessandri asked if we have used them in the past. Mr. Pelletier stated no noting that we are using them through Tetra Tech, but the cost is less if we contract directly with them. Mr. Crowley asked about their statement of work noting they are excluding services including structural engineering assessment of the retaining wall in the culvert, which we have issues with the cement in the wall. Mr. Pelletier stated Tetra Tech is doing the culvert work and we just need the geotechnical information from Haley and Aldrich. Mr. Crowley stated that this is not the complete picture looking at this contract. Mr. Pelletier confirmed noting that Tetra Tech had the culvert manufacturer come out to assess the area and if the culvert is compromised and it is not, but it seems to be settling. That is why we need to do the soil analysis. Mr. Crowley asked what the problem is. Mr. Pelletier stated the road is settling around the culvert so we may need to adjust the soil around the culvert or raise the culvert. Mr. Crowley asked if this is a new issue. Mr. Pelletier stated it has been happening for a few years. Mr. Crowley asked for a total project cost. Mr. Pelletier stated it is too soon to know. Mr. Crowley asked Mr. Pelletier to notify the Board as soon as he knows the rough magnitude of the expense.

**Mr. Alessandri moved that the Board approve the contract with Haley & Aldrich for geotechnical services in an amount not to exceed \$25,400 as presented and authorize the Chair to execute it. Mr. Rossi seconded. No discussion. VOTE: 3-0-0.**

**Approval: Contract with Haley & Ward, Inc. for On-Call Engineering, Planning, Architectural, and Other Professional Services**

*The Board reviewed the (1) memo from Peter Pelletier, and (2) contract.*

Mr. Pelletier noted this is a three-year contract renewal. Mr. Smith stated we use Haley and Ward for all our wells, water tanks, future planning, chemical issues, etc. Mr. Pelletier noted that they have also assisted with reviewing the water treatment plant. Mr. Crowley asked how much we spent to date. Ms. Pratt stated over \$100,000. Mr. Crowley asked if we have a budget for that and if we are within the budget. Ms. Pratt confirmed. Mr. Crowley asked Ms. Pratt to e-mail the Board the budgeted and spent to date amounts.

**Mr. Rossi moved that the Board approve the contract with Haley & Ward for on-call engineering, planning, architectural, and other professional services as presented and authorize the Chair to execute it. Mr. Alessandri seconded. No discussion. VOTE: 3-0-0.**

**Report from the Tri-County Regional Vocational Technical High-School**

*The Board reviewed the PowerPoint presentation.*

Ms. Maguire updated the Board on the building project process. The Massachusetts School Building Authority (MSBA) has eight steps to their process noting Tri-County was accepted into the process in 2019. Over the last year, they have been in the feasibility study piece of the process. They had to examine over eleven different options for this building project, narrow it down to three, which they studied in depth, and then narrowed it down to one preferred option that was sent into the MSBA at the end of December. They are now moving into the schematic design phase of their preferred option which will determine the cost and schematic of the new building. Final figures are anticipated in late spring/early summer and will then go to the MSBA for their approval at their August 30<sup>th</sup> Board of Directors meeting. She reviewed the three potential designs initially considered: (1) an addition renovation project to renovate the existing structure at a rough projection of \$279 million, (2) a renovation with an addition on the back for instructional needs at a rough projection of \$282 million, and (3) a new construction option at a rough projection of \$279 million, which was the same as option one. Based on these projections, the School Committee and Building Committee opted to send into the MSBA the new construction option as the preferred schematic. She reviewed the slide of the overview of the school property noting they are proposing building the new facility where the solar farm is currently located. Once the new building is completed, the students would move in there and they would demolish the old building. She then reviewed the schematic of the proposed building location noting this location is less intrusive to the neighbors. She then reviewed the slides depicting the proposed inside of the building and purposes for each area. Mr. Haynes then reviewed the important dates and district vote process slides including community presentations, Town Clerks informational sessions, joint School and Building Committee meetings, preliminary schematic design report to the MSBA, and the regional community wide vote tentatively scheduled for October 24, 2023. He noted that fifty percent of those that came out to vote plus one would carry the district vote. They plan a 30-year debt issue bond. Debt repayment will be based on October 1<sup>st</sup> annual enrollment, and they will assume a five-pupil minimum for capital debt assessment. He lastly reviewed the preliminary enrollment by town.

Mr. Alessandri asked if the fields shown on the schematic of the new building are part of the total project cost. Ms. Maguire confirmed. Mr. Rossi asked for confirmation that Medway's assessment is based on the total number of Medway students as of October 1<sup>st</sup> each year. Ms. Maguire confirmed noting it will fluctuate year to year. Mr. Crowley reported that this project was discussed at length with Senator Spilka and Representatives Roy and Soter at their meeting this past Saturday. Mr. Crowley noted his cost spreadsheet included numbers for the project from Tri-County's website with a total cost of \$280 million. This was confirmed. Mr. Crowley explained the assumption of a twenty-five percent reimbursement from MSBA bringing the balance down to \$210 million for the eleven participating Towns. Since Medway is at 9.1 percent of the total enrollment, our cost based on these numbers if they hold would be starting at \$1,584,000 per year. He noted that all the Board members are proponents of vocational technical schools. He stated that they are struggling with how to fund the \$1.6 million initially, noting that the numbers may change. Ms. Maguire reported that both Senator Spilka and Representative Roy's offices contacted her prior to this meeting knowing that this was on the agenda. She reported there are nine vocational schools in the pipeline that impact one hundred and nineteen communities. They are all working together to see what can be done to offset the cost to these communities. She noted that twenty-six vocational schools were built on a land grant fifty years ago and, to date, only two have been completely rebuilt. Mr. Boynton reported that there was also discussion with the legislators about the vocational education bill noting he did not feel there was support there. He noted the need for more education and outreach on that topic. Specifically, the section that would give the Select Board the authority to exempt the debt from Proposition 2 ½ was not fully understood or supported. There was positive discussion about the need for higher priority and funding via the MSBA. The final area discussed was the voting process assuming the legislation does not pass to give the Select Board the authority over the exemption of Proposition 2 ½. The timing relative the process that we would need to go through for either a debt exclusion or general override and potential enrollment changes after funding was noted. Mr. Boynton stated that it should be explained to the communities that these district agreements and buildings were done eight years prior to Proposition 2 ½, as funding is a problem if trying to live under the limits of Proposition 2 ½. Ms. Maguire stated her agreement noting that vocational schools were also not part of the discussion relative to MSBA. Mr. Crowley asked if we will have a better number than the \$280 million in October. Ms. Maguire stated that we will have the number that we will have to live with as the MSBA will vote on this at their August 30<sup>th</sup> meeting. She stated that in October, part of the ballot question will include the actual cost of the building project. Mr. Crowley asked about the percentage of completion of the schematic design. Ms. Maguire stated maybe twenty percent. Mr. Crowley asked if the \$280 million is based on the twenty percent noting they are probably using square footage for their calculations. Ms. Maguire confirmed. Mr. Crowley asked how much contingency and inflation is built into the \$280 million. Ms. Maguire stated she does not have that number noting that they are forecasting that out. Ms. Maguire reported that they plan to be back before the Select Board in late spring to provide a status update and will address that question then. Mr. Boynton stated we will also need to know the timing of the construction as it will inform the Finance Director which fiscal year to expect that impact. Ms. Maguire stated it is 2027. Mr. Crowley asked what "finalize GMP" stands for. Ms. Maguire stated the construction manager. Mr. Crowley noted they are bringing the construction manager on in 2025 but beginning the construction of the ERP packages seven months earlier and asked what ERP packages are. Ms. Maguire stated they will provide clarification for those terms and timelines. Mr. Alessandri reported that at an earlier meeting he attended, the cost per square foot was at \$400. Ms. Maguire stated it has just increased to \$393 from \$360 and site costs are now included. Mr. Crowley asked how much money has been spent to date on the schematic design. Mr. Haynes stated they are halfway through and have spent \$500,000. Mr. Crowley asked where that money came from. Mr. Haynes stated that non-resident funds were appropriated two years ago. It was noted that they have been building up reserves in anticipation of this project. Mr. Crowley asked if there are sufficient reserves to complete the schematic

design. Mr. Haynes confirmed. Ms. Stewart stated she has been basing enrollment on a ten-year average noting it may behoove us to do that. There was further discussion about the scenarios if this fails at the popular vote and the potential impact on residents' taxes.

**Presentation: Fiscal Year (FY) 2022 Financial Statements by Roselli, Clark, & Associates**

*The Board reviewed the (1) financial statement audit letter, and (2) FY22 financial statements.*

Mr. Volpicelli reported that they issued a clean audit opinion dated October 27, 2022. He stated management is responsible for selecting the appropriate accounting policies utilized by the Town. Accounting estimates and their related disclosures are integral parts of the financial statements, and the most sensitive estimates pertain to those surrounding pension, Other Post Employee Benefits (OPEB), and allowances for doubtful accounts. They did not have any significant difficulties in completing the 2022 audit and no significant disagreement with management during this process. There were no internal control matters or deficiencies that needed to be reported. He noted that budget flexibility is a commonly used benchmark by rating agencies in their evaluations. Assigned and unassigned general fund balances are evaluated as a ratio to normal general fund expenditures. This is referred to as a reserve ratio. In 2022, the Town's was nineteen percent which is considered to be strong in the eyes of S&P noting fifteen percent used to be considered strong but that has moved up to eighteen percent. There is \$4.4 million of certified free cash coming into FY23 with Community Preservation Act funds at \$4.1 million, general stabilization funds of \$4.2 million, and capital stabilization funds of \$7.2 million. He noted those are strong reserves for a community with an \$70 million budget. The Town received \$3.2 million of American Rescue Plan Act (ARPA) in 2022 which were not expended at that time. We expect under the current federal guidelines that those must be obligated by December 31, 2024, and expended by December 31, 2026. They looked at budget to actual performance on a statutory basis noting revenues exceeded expenses by \$1.1 million with significant variances in licenses and permits, as well as departmental revenues, which is a common theme that we saw throughout the Commonwealth in 2022. Expenditures were about \$1.8 million under budget with the greatest positives in pension and fringe benefit expenses. The Town's debt burden is manageable with \$31 million in general governmental debt and \$15 million in water and sewer, which are being funded by the rate users. Mr. Crowley asked if the reserve ratio includes these. Mr. Volpicelli stated it does not. As a percentage of the Town's total debt, debt service was at 6.2 percent noting that is in the middle of the immediately adjacent communities. He then addressed the pension system noting that, as a member of the Norfolk County Retirement System (NCRS), the Town does not have control over that. It was seventy-nine percent funded. The Town's OPEB fund is six percent funded as of June 30, 2022. He noted some of the risks the Town faces relative to phishing and network security. He noted this was the first year they performed an audit for the Town and was very pleased with the efficiency of process. Mr. Rossi referenced page 39 of the report, net pension liability, and asked what that represents. Mr. Volpicelli stated that is the component that has been allocated from NCRS to the Town's general operations. Mr. Boynton stated that is what is left to be paid prior to the pension fund being fully funded, which is expected in 2029 or 2030. At that time, it is expected that eighty percent becomes available to the Town to fund OPEB. Mr. Volpicelli cautioned the Town about that as Public Employee Retirement Administration Commission (PERAC) stated that towns need to be at 115-120 percent before you see that benefit. Mr. Boynton noted that small communities like Medway will benefit from the phased change to the actuarial based calculation from NCRS. Mr. Rossi asked to be walked through the net pension liability as the beginning balance was \$16.9 million and then increases and decreases. Mr. Volpicelli stated there are a number of figures that go into that calculation including a number of deferrals of inflow and outflow of resources coupled with what was paid, which was \$3.2 million. Mr. Rossi asked if the NCRS discount rate impacts these fluctuations. Mr. Volpicelli stated if the discount rate came down, the actuaries will come up with a calculation and that increase would be spread over a



five-year period. Mr. Crowley asked about the impact on our AAA rating as we spend down our capital reserve fund. Mr. Volpicelli stated that reserve fund is a committed fund balance and is not included in the calculation for the reserve ratio so will not have a major effect on the rating. Mr. Crowley asked if the high OPEB number will affect the AAA rating. Mr. Volpicelli stated there is currently no statutory requirement to fund OPEB, which is why that number is high, whereas there is a June 30, 2024, statutory deadline to have the pensions funded. S&P and Moody's do look towards that as a qualitative factor in their analysis, but it has not tripped anyone yet. Mr. Boynton noted the change in the OPEB balance was not due to Town funding so would not impact our rating. Mr. Crowley asked about the statement in the report stating that the Town taxes at or near its levy limit. Mr. Volpicelli stated that is a typographical error at the bottom of page 10. Mr. Crowley asked if Medway is an anomaly in not taxing to the levy limit. Mr. Volpicelli stated that most communities have some small wiggle room, but Medway does leave more than most. Mr. Crowley asked about the bottom of page 8 where it states education is the largest expense of the Town representing sixty-seven percent of the total budget and if that includes health and property insurance. Mr. Volpicelli confirmed. Mr. Crowley asked what the cost was to have the audit completed. Ms. Pratt stated \$32,500.

**Presentation: Fiscal Year 2022 Other Post Employee Benefits (OPEB) Actuarial Valuation Report by Odyssey Advisors**

*The Board reviewed the (1) Governmental Accounting Standards Board (GASB) 74/75 summary letter, (2) Other Post-Employment Benefits (OPEB) frequently asked questions, and (3) PowerPoint presentation of Medway's OPEB actuarial valuation results.*

Mr. Elmore stated they have been doing this for the Town for seven years now. He noted that the Town's liabilities when up a fair amount over a two-year period. He noted the discount rate when from 6.5 to 5.7 which adds a couple of a million dollars to the liability. He stated changes in assumptions do not change the cost of the plan which includes the benefits and the expenses of managing the plan. It does not change the benefits the retirees receive or how long they live. He explained that they use a forecast from a Chicago firm for the discount rate, as it is an independent survey, and their forecast for asset rates went down therefore the discount rate went down. He noted that NCRS at 7.5 percent is an outlier and that will be coming down as PERAC told everyone they need to be at 7 percent. When that rate decreases, two things happen. On the pension side, the 2028-2029 fully funded date will probably get pushed out to 2030-2031 because of asset returns. Further, as the asset rate goes down, that date gets pushed out as communities cannot fund that higher amount. He stated once NCRS is fully funded, they would like to take that amount and fund OPEB. He stated there is no legal mandate to fund OPEB, but they encourage it. He stated that Medway is in decent shape at around the fiftieth percentile for funding. He stated they also assumed that health care costs are going to be higher than they previously assumed which also adds a couple of a million dollars to the liability. This was done because a lot of the health care renewals are at thirteen and fourteen percent and they assume for the next three to four years that health care costs are going to be higher than they assumed. Over the past two years, the Town's liabilities went from \$24 million to \$35 million. Assumption changes are \$8 million of that increase. Hopefully the Town earned more than 5.7% on its money, health care costs come in lower, older employees don't use as many health care services as younger employees. However, each year they must look at what they think will happen based on current conditions. One year your retirees with healthcare coverage increased from 314 to 346, which did not help. Due to COVID we saw an acceleration of retirements for everyone. Last year, the Town's assets underperformed by \$320,000 versus what was expected. The year before they overachieved by \$308,000. If you expand the time horizon, over the two-year period, the Town was \$12,000 under what was expected. So, the Town is right on the number. This is a forty-to-fifty-year plan so, if you take the long perspective, the Town is right on plan, making progress. He said that the key thing that S&P wants to see is the plan, not so much

where you stand. He noted compared to the Town's peers, the plans are cheaper, liabilities are less, the funding ratio is mid-tier at the fiftieth percentile, so the Town is doing well. The key element is that the Town has a plan and is executing that plan, putting in money year after year, managing costs, and using a reasonable discount rate.

Mr. Rossi noted that Mr. Elmore stated one bad year does not have a large impact but then why did the Town's discount rate go down from 6.5 to 5.7. Mr. Elmore stated it is not based on actual performance but on asset class, what they believe the real rates of return will be. That is applied to the Town's portfolio of how much assets are in each of these asset classes, and they build that out to a discount rate. Mr. Rossi stated his problem with this is this is supposed to be a long-range plan. Mr. Elmore stated the discount rate is based on at that point in time, what they believe the expected rate of return will be per asset class. Mr. Rossi said he thought expected rate of return was based on historical experience. Mr. Elmore stated it is not. There was further discussion on when the forecast is done and its effect on the discount rate, as this one was done in January of 2022 before the stock market dropped. Mr. Rossi asked how NCRS can be at 7.5% then. Mr. Elmore stated it is more of a political than mathematical issue. Mr. Crowley asked who at NCRS determines the percentage. Mr. Boynton stated the NCRS, not the commissioners. There was further discussion about the NCRS and rate determinations and how it is specifically funded including member salaries, investments, and the difference from those two totals comes directly from the communities. Mr. Elmore stated that OPEB can reflect actuals in the discount rate as it does not affect the Town's appropriation. NCRS cannot as that would impact the communities' appropriations. Mr. Rossi noted his frustration with the fluctuations in liability as we were down to \$20 million from \$40 million and now are back up to \$35 million. Mr. Elmore explained the difference between the pension side and the OPEB side as salaries drive the pension side, which the Town has control over, but healthcare costs drive the OPEB side, which the Town does not have control over. Mr. Boynton discussed the healthcare rate increases/lack of increases over the past years. Mr. Elmore explained the impact of that on OPEB liability. Mr. Rossi stated that at some point we need to consider raising the \$300,000 per year contribution. Mr. Crowley stated he would rather wait until NCRS is fully funded to add to this, as we are currently having budget issues. Mr. Elmore noted the positive impact is if you can achieve the policy in place moving forward. The positive impact is meeting that policy, not meeting a specific contribution dollar amount. Mr. Crowley asked if the 5.7 percent is unique to Medway or a national standard. Mr. Elmore stated the rates of return by asset class are the standard across the board. The 5.7 percent for Medway is based on Medway's specific portfolio of percentages of each asset class. Mr. Crowley asked if the report for 2023 is out and the impact on Medway next year. Mr. Elmore stated it came out a couple of weeks ago, the asset classes did not significantly change and would guess that next year, Medway would be at 5.6 percent.

**Presentation: Capital Budget Recommendations - Capital Improvement Planning Committee (CIPC)**

*The Board reviewed the CIPC's recommendations spreadsheet.*

Mr. Boynton suggested a quick overview on the CIPC process and then addressing specific questions as the materials have been available to the Board. Mr. Boynton reported that he will have different recommendations than the CIPC. Mr. Crowley noted the Select Board may also have some recommendations. Mr. Boynton noted all committees do great work; however, this committee works the hardest. They start months in advance, had \$7 million in requests and we had \$2.3 million available in free cash. They have liaisons for each department and look at this from a five-year perspective. Ms. Nowicki said each of the five members took a department or two, met with them and, if needed, toured the facilities, and then the department heads came to the CIPC Committee meetings. She noted it was a thoughtful process with good questions asked and answers given. They prioritize these projects with

the priority of Town safety. She reviewed specific projects that they are recommending. She explained the ranking process that each member ranks these projects and then meet as a group to develop the final project ranking. Mr. Crowley asked why only \$500,000 went to roads and sidewalks as we usually fund this at \$750,000. Mr. Boynton stated that was his recommendation for two reasons: (1) the volume of requests, and (2) with all the work over the last few years we have caught up nicely. Mr. Crowley would like to know from Mr. Pelletier the impact of the decrease of \$250,000 of funding. Mr. Crowley asked about number 17, roads and bridges as a placeholder for now, and asked if anything has since changed. Ms. Nowicki stated this is not a placeholder but a CIPC recommendation. Mr. Crowley asked about number 22, the Middle School and McGovern School at \$150,000 and asked what the split was. Ms. Nowicki stated this is just the McGovern School. Mr. Crowley stated he was just there and did not see where this amount would be needed so he asked for a clarification from CIPC. Mr. Crowley referenced number 25, the engineering for the athletic complex and asked why we don't bond that project. Mr. Boynton stated that we have been putting money in the fields stabilization account and he would like to fund that project from there. He would like the engineering done over the summer and to go to Fall Town Meeting for the funding. Mr. Crowley agreed. Mr. Alessandri asked about number 19, the van noting \$75,000 seems high. Ms. Nowicki said it was for transportation of children and equipment for Ms. Harrington. Mr. Boynton noted he does not want to do that due to the liability; it is cheaper to contract with someone. He stated we are looking at DPW vehicles to see if we can meet the need of Ms. Harrington moving supplies. Mr. Alessandri asked about number 45, the office buildout of the Fire Station that was not funded at \$100,000. Mr. Boynton stated that is not being funded and the Chief and Deputies are aware of this as in two nights the Board will have their presentation and recommendations from the Facilities Committee. Mr. Alessandri asked about number 52, the redesign of the Trotter Drive intersection, if that was just the design costs. Mr. Boynton confirmed. Mr. Boynton reported the working team met to look at Milford Street in its entirety but are not ready to make recommendations yet. He noted that Trotter Drive is not as high of a priority as Fisher Street, West Street, and Clark Street, as the traffic is not as high it was in the past. Mr. Alessandri agreed with Mr. Crowley that any extra funding go to roads and sidewalks. Mr. Boynton noted there has not been investments in the buildings at the Community Farm and we own the infrastructure so these must be addressed. He noted that we have filed for earmark funding and the roof needs to be replaced and lead paint addressed. He discussed Parks and Fire Department equipment needs noting some may be grant funded. He discussed the items funded by other sources, noting it was his plan to use the parks revolving fund for the irrigation well study, but he does not want to hit that fund with that much and would move that back up into the free cash items. It was noted that the school roof design should be at \$3.4 million. Mr. Crowley asked what EPDM meant relative to the school roof. It references the type of rubber roof. Mr. Crowley noted that amount should be increased to \$4 million. Mr. Boynton stated that is listed as a borrowing, but he will be recommending that come from the facilities stabilization fund. Mr. Boynton explained the meeting planned this week with the school to discuss this item. Mr. Alessandri asked why we would pay versus bond. Mr. Boynton stated it would impact our borrowing costs for next year so we are trying to not take on additional debt until we understand what the big picture will be. Ms. Nowicki stated the CIPC is scheduled to present to the Finance Committee on March 8<sup>th</sup>.

**Discussion/Vote: Fiscal Year 2023 Increase in Cost-of-Living Adjustment (COLA) for Eligible Norfolk County Retirees**

*The Board reviewed the letter from the Norfolk County Retirement Board.*

Mr. Boynton explained the State looked at the burden on its retirees because of inflation. He explained the COLA calculation is three percent on \$18,000 and they are added two percent more on that \$18,000.

He noted that NCRS, the Commissioners, and all communities need to vote on this. NCRS and the Commissioners voted in favor of this. He noted this does not increase our assessment.

**Mr. Alessandri moved that the Board vote to increase the cost-of-living adjustment by 2% for FY23 for eligible Norfolk County Retirees as discussed. Mr. Rossi seconded.** Discussion: Mr. Crowley stated we do not really have a say in this. **VOTE: 3-0-0.**

**Approval: Contract with University of Massachusetts Edward J. Collins, Jr. Center for Public Management for an Operational Efficiency Study - \$28,000**

*The Board reviewed the contract.*

Mr. Boynton stated the school department will be doing a human resources audit and we asked for this to be funded through a Community Compact grant from the State. The Collins Center will be doing the work. Mr. Crowley asked if the grant comes to the Town or the School. Mr. Boynton stated it will go to the school, but he must be the signatory. Mr. Crowley asked if there is an add on or if this is a simple study. Mr. Boynton stated it is a simple study.

**Mr. Alessandri moved that the Board approve the contract with the Collins Center and authorize the Town Manager to execute it. Mr. Rossi seconded.** Discussion: Mr. Rossi asked if the agreement is going to change to 2023 as it says 2022. Mr. Boynton confirmed. **VOTE: 3-0-0.**

**Discussion: Next Update to Select Board by the Energy and Sustainability Committee**

*There were no materials for the Board to review.*

Mr. Crowley requested this be moved to the next meeting so all Board members can discuss this as he thought the intent of this was for the Select Board to provide them with direction on what they should focus on. There was further discussion on which of the three topics the Select Board would like them to pursue. Mr. Boynton voiced his concerns about the electric vehicles. The Board agreed to move this to the first meeting in March.

**Action Items from Previous Meeting**

*The Board reviewed the action items dated January 3, 2023.*

This agenda item was not discussed.

**Town Manager's Report**

*There were no items for the Board to review.*

**EFSB Testimony – February 13:** Mr. Boynton stated he will be providing the Town's testimony in front of the Energy Facilities Siting Board next Monday morning. Jeff Bernstein is monitoring progress on this. They are in their evidentiary hearings this week into next week. Attorney Bernstein will notify us of any issues that may arise. Mr. Crowley asked if the public comments have been included. Mr. Boynton confirmed. Mr. Crowley requested that the Board receive an update on this at their next meeting.

**FY'2024 Budget Process Update:** Mr. Boynton stated the budget process is as stuck as the last time this was discussed. We are waiting on the State aid number. We cannot make any budget recommendations until we see what the Governor's budget looks like. They have until March 1<sup>st</sup> but the Governor stated she hopes to have local aid assumptions prior to that date. He listed all the information that will be needed from the State.

Snow and Ice: Mr. Boynton stated that we have spent \$150,000 out of the \$525,000.

Main Street Development Update: Mr. Boynton reported that he has had two meetings in three weeks with representatives of Kevin Meehan's team. They are putting together a robust plan that will need a lot of Select Board discussion. They will need to go before the Planning and Economic Development Board (PEDB) and the Conservation Commission. He noted the area is from the Mobil Station down to where the car dealership is located. Mr. Crowley asked when they will be going before the PEDB. Mr. Boynton predicted within the next five to six months. Mr. Crowley noted his concern with the three vacancies on the PEDB, as this will be a major project. He reached out to the residents to consider these positions. Mr. Boynton stated that because this is a mixed-use development, commercial, retail, and residential, we may need to look at updating our affordable housing regulations. The last time these were updated was prior to the Town reaching its ten percent. After discussions with Ms. Saint Andre, he believes we need to look at them as it relates to this project noting we need to be in maintenance versus catch-up mode. Mr. Crowley asked about the rental units and if a warrant article will be ready for Annual Town Meeting. Mr. Boynton stated it is on the draft warrant and will provide the PEDB with tools in the toolbox to deal with potential waivers. It is not a guarantee and does not automatically change the number but is at the discretion of the PEDB to grant waivers that do not go below ten percent.

Presidents Day Holiday – February 20 – Town Offices Closed: Mr. Boynton noted Town offices will be closed for this holiday.

Joint Meeting w/ FinCom – February 8 – Facilities Cmte. Report: Mr. Boynton reminded the Board of their attendance at the Finance Committee meeting as the Facilities Committee will be presenting their recommendations.

Town Manager Out of Office: Mr. Boynton stated he will be off as follows:

- Thursday February 9 – MSHG Meeting - Douglas
- Friday February 17 – Out of Office

NEXT Select Board Meeting – February 21, 2023

### **Select Board's Reports**

*There were no items for the Board to review.*

Mr. Alessandri reported that he went to part of the School Committee meeting last week as well as the legislative breakfast this past Saturday. It is very clear that we have a challenging budget season as Mr. Boynton previously stated. He said he has seen a lot of chatter on Facebook that is not entirely accurate and informed and made a plea to the residents that it is a challenging budget season, decisions have not been made yet, to ask questions, and not believe that what is on Facebook is the 100 percent truth. Things are being stated that are based on fact but not quite factual. He noted that some of what was said on Saturday was included noting the Select Board has a lot of work to do i.e., the Select Board has not met about Tri-County and has not made a decision.

Mr. Rossi reported that he and Mr. Crowley met with the School Budget Advisory Committee as liaisons and provided feedback on what they would like to see reported in the budget. There is another meeting next week. Mr. Crowley stated the new School Finance Director asked that the Select Board and Finance Committee let her know what format and information we want to see.

**At 9:45PM, Mr. Alessandri moved to adjourn. Mr. Rossi seconded. No discussion. VOTE: 3-0-0.**

Respectfully submitted,  
Liz Langley  
Executive Assistant  
Town Manager's Office