

**SELECTMEN'S MEETING MINUTES
UPSTAIRS MEETING ROOM
1 AVENUE A, TURNERS FALLS, MA
MONDAY, March 26, 2012**

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Meeting was opened at 7:00 PM in the Upstairs Meeting Room. Present were Selectpersons, Mark Fairbrother, Chris Boutwell, Patricia Allen; Town Administrator, Frank Abbondanzio; Administrative Secretary, Wendy Bogusz; Chris Curtis, Greenfield Recorder; Jeff Tirrell, WHAI; Janel Knockleby, Montague Reporter

Fairbrother announces meeting is being taped

Approve Minutes of March 19, 2012 if available

Allen makes the motion to approve the minutes of March 19, 2012. Seconded by Boutwell, approved unanimously. Allen – Aye, Boutwell – Aye, Fairbrother – Aye

Robin Sherman, Executive Director, FCRHRA, Discuss Housing Rehabilitation Revolving Loan Fund Program

Sherman: Wanted to give an update on the housing rehabilitation program administered by the Franklin County Regional Housing and Redevelopment Authority (HRA) on behalf of the Town of Montague with Community Development Block Grant Funds.

- HRA has been applying for and administering Federal Community Development Block Grant funds awarded to the Town of Montague since 1984. The grants have been for a variety of purposes, but tonight I want to talk about the housing rehabilitation loan program. These funds are used to make loans for health and safety improvements to homes that are occupied by low and moderate income households.
- A typical housing rehabilitation project includes repair or replacement of failed wells, septic and heating systems, roof replacement and electrical and plumbing upgrades. Always do lead tests. The maximum loan amount is \$35,000 per unit for properties that require lead paint remediation or the bigger projects, septic system replacement/repair, asbestos removal, well drilling, historic preservation, or handicapped access work. The maximum for other projects is typically \$30,000; for homes that have a lot of health and safety code violations or extensive lead abatement, HRA can apply to DHCD for a waiver to spend more money on a project.
- Until 2009 this project was structured to provide zero interest, deferred payment loans. Participating households borrowed the funds interest free, with no payments due until the property was sold or transferred, at which time the principal was payable in full. In 2009 we restructured the program to offer zero interest declining balance loans. Under this program design, 50% of the loan is forgiven over a 15 year period as long as they are in compliance with all the terms and the balance is due and payable upon sale or transfer of the property. The other 50% is the full deferred payment loan. In all cases, the loans are secured with mortgages recorded at the Registry of Deeds and we hold the mortgages, they are payable to us, but when the funds get paid back they are belong to the Town.
- The original terms of the grant funding state the proceeds from repayment of loans will be used for the same purpose as the original funding if the loan states otherwise they can be used for any CDBG eligible purpose. Based on the grant agreement with the Town, when loans are repaid HRA deposits the proceeds less a loan servicing fee, which is currently 15% and we also have to pay a 2% fee to DCHD and we put the rest in the housing rehabilitation revolving loan fund. This funding is then made available to other eligible households in Montague and sometimes this funding can be combined with current year grant funding and when currently year funding is not available, projects may be fully funded from the revolving loan fund. When HRA makes a new loan from the revolving loan fund, we take an administration fee that is currently 15% from the revolving loan fund.
- Use of proceeds derived from loans made prior to 1993 (or could be 1992 – being looked into) is currently unrestricted so Montague could take those funds back, instead at this time you have chosen to have them deposited in the housing rehab revolving loan fund account.
- As of March 1, 2012, Montague had \$54,213 available in the revolving loan fund to lend to income eligible households. Some of this has also been committed to the Unity Park Project and 2011 CDBG grant to match housing rehab funds in that grant, so you actually have a little more than that. Value of all housing rehabilitation loans currently outstanding in Montague is a little over \$3.4 million. This is a point in time calculation.
- We are in the process of updating our long standing verbal agreements with Towns that participate in our revolving loan fund program, do I forwarded a draft agreement for your review. The draft includes changes in

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the fee structure, I am proposing to reduce current fee structure so that there will be a 2% loan servicing fee on the back end when money is returned and a 24% admin fee on the front end when money goes out again, because I actually think that better reflects our cost structure. Most of the costs we incur are at the beginning of the program. It is a little bit of a reduction.

- The draft agreement offers some options for you to specify how you would like town funds to be used, whether you want to continue to deposit all the funds in the revolving loan fund or whether you want some of the money that is more flexible back. It also includes an assurance that the Town will receive regular reports on participation in the housing rehab revolving loan fund, we will get you at least one report a year stating the balance in your account and what loans have been major in the course of the year, what's outstanding.
- There are several households in Montague that are ready to close loans using funds in the housing rehab revolving loan account in conjunction with your 2011 housing rehab grant. We recommend that the loans using town funds be closed as the zero interest declining balance loans, because it gets very complicated if we don't do it that way.
- DHCD has recently requested that HRA account for all CDBG funded housing rehabilitation revolving loan fund activity in Franklin County and Amherst, so all these Towns we run this program in its online Grant Management System. We open one account for all the Towns that participate in the revolving loan fund and ask one of the Towns to host that account. We are asking the Town of Montague to host that account, there will be no cost to the Town for doing this, it really is just an accounting function for DHCD, they don't have the ability to give Franklin County the account, they need it to be a Town.

Allen makes the motion that on the loans about to be closed in our CDBG Grant housing rehabilitation loan account, that we use a 0% interest declining balance loan for all of them. Seconded by Boutwell, approved unanimously. Allen – Aye, Boutwell – Aye, Fairbrother - Aye

Sherman confirms with Abbondanzio that there are still outstanding loans with money due to the Town and there is the possibility that the funds could come back to the Town. HUD is in the process of revising their rules with respect to program income so right now I'm confident that if the Town wanted, you could request the money back that is prior to 1992. These funds are very useful.

Allen makes the motion to agree to have Montague serve as the host community for the GMS account. Seconded by Boutwell, approved unanimously. Allen – Aye, Boutwell – Aye, Fairbrother - Aye

**Jon Dobosz, Director Parks & Recreation, Dennis Grader, Chair
P&R Office – permanent return to Unity Park Fieldhouse**

Dobosz; As you know the last few years we've been spending the winter months in the old police station and for the most part it has gone relatively well. Approximately three weeks ago I went down to Unity Park to pick up some supplies and noticed some neglect and vandalism, attempted force entry into the field house and thought to myself, we are going to be having new playground equipment, new landscaping around the field house in the next few months I should bring up to the Commission that we really should have a full time, year round presence down at Unity Park again because so much time and energy will be invested into that park. With a constant presence there, we will be able to address issues sooner. There is always the transition of going from field house to police station and back with loss of service.

Allen asks if there is money in the budget to cover this. Dobosz responds that he doesn't think we have it in the revolving fund and will notify the Finance Committee.

Abbondanzio: I spoke to Tom today and we discussed extending natural gas down there because propane has been absorb anent over the years. We are trying to fine tune what the estimate is to get natural gas there rather than propane. We may be thinking of that for a special town meeting article.

Dobosz: I'm sure once the building is made more energy efficient, you will notice the savings.

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Allen makes the motion to approve the request from the Parks and Recreation Department to move their office back into the field house for the entire year effective today. Seconded by Boutwell, approved unanimously. Allen – Aye, Boutwell – Aye, Fairbrother – Aye

Sign/banner request for Peskeompskut Park – Annual Peter Cottontail's EGGstravaganza

Allen makes the motion to approve the request to place a sign or object (banner) in Peskeompskut Park from Wednesday, April 4 through Saturday, April 7, 2012 for the promotional vinyl banner for Peter Cottontail EGGstravaganza for the Parks & Rec. Dept. Seconded by Boutwell approved unanimously. Allen - Aye, Boutwell – Aye, Fairbrother – Aye

Walter Ramsey, Town Planner and Conservation Agent

Vote to authorize Green Community Grant Application for Energy Efficiency Improvements to the WPCF under Performance Contract.

Ramsey: First round of the Green Communities grant that went towards Phase I of the Towns energy service performance contract was a big success; it is going to save the town the energy equivalent of 1.1 tanker trucks worth of gasoline every year and \$15,000 in energy expense savings. Looking forward to the next round of green communities funding, this is a competitive grant round meaning all the Towns that were the inaugural appointees of the green communities program are now looking for another round, and there are only \$2 million available, and the max you can apply for is \$250,000. This project we are looking for is smaller in scale than the first project. It involves work at the WPCF; I'm recommending that the town apply for a grant for \$84,210 (subject to change) for building improvements, insulation and 3 process improvements. The facility is the largest energy consumer in town. These measures will guarantee \$7,872 in energy savings annually, in addition there will be \$15,800 that the Town will get back in utility rebates. The payoff on the project will be 6.7 years and these numbers are from Siemens and we are looking at this being the second phase of the ESCO project, but the caveat is at 100% of the project costs will be covered by the Green Communities Grant in this case, no town funds would be spent. This is another part of our goal of reducing our energy use 20% by the year 2014 from our 2008 base line year, we are just over half way towards that goal.

Allen makes the motion to authorize Walter to proceed with the Green Community Grant for approximately \$84,210 for energy efficiency improvements at the WPCF as indicated in the letter dated March 22, 2012. Seconded by Boutwell, approved unanimously. Allen - Aye, Boutwell – Aye, Fairbrother - Aye

Joint Meeting with the Montague EDIC regarding required action for the 38 Avenue A property

Lynn Reynolds, Linda Ackerman, Treasurer; Nate Donovan, Secretary/Vice Chair; Andrew Killeen, Chair

Killeen: We've had some movement around 38 Avenue A, that have prompted us to give you an update by way of an update to the community and also seek your cooperation or counsel on the next steps. We've received orders in the last week or so to remediate the mold problem that has become quite unbearable in 38 Avenue A. As an EDIC we've run into the problem of not having adequate funding to take care of that, so we are here tonight to see what we can do to meet the Towns' requirements to maintain a safe building and see what partnership there is to be had there. In the late breaking news column, we have word from DCR as of today, that they have verbally given title to EDIC for 38 Avenue A, which is no small piece of history considering we've had this piece of property since 1986 and as of today we are able to think of it in terms of what can the EDIC do to either grant it to another body/entity, develop it or convey it some other way. We have a verbal which will be formal in two weeks.

Ramsey: The life span of these types of buildings are 30 years and it's reaching the end of its life span. The roof has been patched several times over the last 10 – 15 years and it's gotten to the point where it is leaking in multiple areas and requires a complete overhaul, you can no longer patch it. As a result of the leaking last winter, mold started to grow from the floor up the sheet rock.

Donovan: It has been a really long time since the EDIC has requested the parcel be released. Today is the first day in 26 years that they have allowed us the building.

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Abbondanzio: There is no time frame in the Board of Health letter, I talked to Jensen and what he is looking for is a plan, taking out a permit or whatever in the 30 days. We have to go through the Central Register which will take us beyond the 30 days, he just wants to see progress is being made. As far as the mold remediation, we have have no clue what the cost is going to be, so we treated it as it was going to be a larger project that would require us to go through the public bidding.

Ramsey: Public bidding is beginning today, it will be running in the Central Register on April 4 and bids will be due on April 18 to remediate the mold and patch the roof and also the option for demolishing the building.

Allen: We also have an organization that expressed interest, now is this something that if the remediation works better if the Town is doing?

Abbondanzio: We don't have access to public funds for grants and because it is a publicly owned building we are subject to prevailing wage and all that. There is no way of avoiding that. If it is privately owned, than it is not subject to public bidding. If you decided to go through the Commercial Homesteading Program, you would have to go through an RFP process. You might also have to go to town meeting to transfer custodianship to the Board of Selectmen for the purposes of doing an RFP.

Reynolds: One thing we need to keep in mind is there will be in this agreement coming back, language talking about constraints; DCR has lifted a lot of the constraints but there is language that still has some constraints on the building in that its use and architecture has to meet certain criteria and that is briefly spelled out under the March 26, 2012 notation. I think what DCR had in mind is it has to be compatible with the Great Falls Discovery Center. Discussion about what's best for the building

Abbondanzio: If the EDIC retains ownership of the building, there are advantages to that, because EDIC is exempt from the procurement law. If you were to turn it over to the Selectmen, then we would have to go through a full RFP. That is not to say the EDIC might not want to do something along the lines of an RFP anyways, it's just not as restricted.

Abbondanzio: It's either coming up with a funding source for the mold remediation either through a Town Meeting appropriation; in that case we'd have to put it on the special before the annual. You could have a warrant article that had a good solid estimate and then when the Town meeting takes place on May 5, you will have actually received a number through the bidding process and you could amend the motion down on the town meeting floor.

Killeen; I think that is a good way to proceed in the interim and then hopefully we could have an ongoing conversation about what the highest and best use of the building will be in the long term with the short term problem solved, it would be nice to have that conversation.

Mik Muller: I was calling around to contractors and other people on the subject because as you know we are interested in moving into the building and I got a rough estimate today for gutting the inside of the building, just doing a straight demo and taking everything out and it was about \$7500, so you have an idea of someone who is not on the central register.

Killeen: We'll work on getting an article on for the special town meeting and we'll dial in the dollar amount to reflect something realistic. We'll be happy to update you as you need it.

Ackerman: Another concern is we don't have any money, if the EDIC does keep it, how are we going to get the funds to be able to carry that going forward.

Ramsey: There is approximately 6 months left on the insurance policy so we basically have 6 months to transfer the property

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Muller: If everyone was open to receiving a real proposal, we could knock something together. We have money to move as soon as we're able to move in. We have money to do the demo, completely replace the roof, probably not a peak roof immediately, but we could replace the membrane and build out the inside, so we have the money to do that, if someone will let us do that.

Allen thinks it would be helpful to see something in writing.

Muller: Our thought was that MCTV would move in, give 25% of the floor space to RiverCulture rent free and have a welcome/cultural/media center. RiverCulture would have exhibit space, there will be bathrooms, welcome center brochure space and MCTV will double their floor space and we'll be able to do a lot more for the community.

Discussion Mik has been asked to officially put something into writing. The issue will be revisited in two weeks if information is received from the State

**Frank Abbondanzio, Town Administrators Report, votes may be taken
Pay & Classification Study Update**

Abbondanzio: I received three bids on Pay and Classification study and we will be reviewing them this week. I would like the Board to assign two others to work with me on reviewing the proposals and interviewing the consultants if necessary.

Allen makes the motion to create and appoint Frank Abbondanzio, Carolyn Olsen and Wendy Bogusz to the Pay and Classification Study Committee. Seconded by Boutwell, approved unanimously. Allen – Aye, Boutwell – Aye, Fairbrother - Aye

Notification from WMECO regarding 312 Line Structure Replacements

Abbondanzio: Construction work along an existing right of way, part located in Montague will begin. They will be replacing select structures on the right of way which travels east to west, crossing Lake Pleasant Road, Plains Road and Bartlett Road. Survey work in support of environmental permitting in April, late May and June they will be starting construction, November they will end construction, December they will be doing restoration and they will be notifying property owners along the route.

Topics Not Anticipated Covered in the 48 hour Posting Requirement

- On April 19th there will be the quarterly Selectmen's Meeting held. The 2013 budget outlook will be discussed.
- Some disruption on the bridge, Mass. DOT promised to notify us with clarification by tomorrow.

Sewer Abatement

Allen makes the motion to approve the sewer abatement request for 4 Federal Street, Millers Falls in the amount of \$324.00. Seconded by Boutwell. Allen – Nay, Boutwell – Nay, Fairbrother – Nay. Motion Not approved.

Registration for Assembly, Public Demonstration: Newt Guilbault Community Little League, Opening Day 2012 Little League Season

Allen makes the motion to approve the request for the Newt Guilbault Community Little League, Lenny Fritz, President for their annual opening day parade for the Little League Season on April 29, 2012 from 11:00 AM to Noon, it has been signed off by police chief. The route is different this year; it will go from the High School down Turnpike Road to Montague Street, to Highland Circle, to Oakman St. and then Crocker Avenue to finish up at the ball fields. Seconded by Boutwell, approved unanimously. Allen – Aye, Boutwell – Aye, Fairbrother – Aye.

Selectmen will not be meeting next week, but there will be a Special Town Meeting on Wednesday, April 4, 2012 at 7:00 PM.

Allen makes the motion to adjourn the meeting at 8:12 PM. Seconded by Boutwell, approved unanimously. Allen – Aye, Boutwell – Aye, Fairbrother - Aye