

**Needham Finance Committee  
Minutes of Meeting of March 12, 2014**

The meeting of the Finance Committee was called to order by the Chair, Richard Lunetta, at approximately 7:00 pm at the Town Hall.

Present from the Finance Committee:

Richard Lunetta, Chair

Members: Richard Creem (arrived 8:05 pm); James Flinton; Louise Miller, Richard Reilly, Lisa Zappala, Richard Zimbone

Also present:

David Davison, Assistant Town Manager/Finance Director

Roy Cramer, Attorney for Logan Communications

Andrew Goldberg, Logan Communications

Edward Olsen, Superintendent, Parks and Forestry, DPW

**Citizen Requests**

There were no requests to address the Committee.

**2014 Annual Town Meeting Draft Warrant Articles**

**Amend General By-Law – Sign By-Law- Electronic Billboards**

Mr. Cramer circulated a handout. He is proposing to amend the Town's sign by-law to allow electronic billboards which are allowed under state law due to a change last year. He stated that this change to the by-law would allow the Town to have some control of electronic billboards. He stated that the state would actually grant the final permits, though local approval is required. He stated that his client has entered into a 50-year lease to rent land adjacent to Route 128 for the purpose of installing an electronic billboard. Mr. Goldberg stated that the proposed by-law would limit the size of billboards to a size smaller than the state law allows. Mr. Cramer stated that the by-law would mirror the state law by not allowing the billboards in residential areas, and restricting them to not being closer than 1000 feet apart. Mr. Cramer stated that the granting authority under the by-law would be the Board of Selectmen.

Mr. Cramer stated that the impact fee proposed for his client's billboard was determined after reviewing fees in other towns, and choosing one on the higher end, with more benefit to the Town. He stated the proposal is for \$25,000/year per side of the sign, or \$50,000 for the two-sided sign proposed by his client. Mr. Reilly said that he had read a Boston Globe article that stated that Boston's fee is 25% of advertising revenue or \$90,000 per billboard per year. Mr. Goldberg stated that Boston is different, and that the signs have motion and sound. Boston's fee was intended to bring in revenue for the Boston Redevelopment Authority. He stated that the technology of the signs is similar, but the application is very different. Mr. Cramer stated that some towns use different approaches, incorporating public service messages and/or fees. He stated that the Council of Economic Advisors voted to support this project in order to provide an opportunity to advertise the Needham business district. Mr. Goldberg stated that he proposes 5 hours of public service announcements. The state mandates a minimum of 10 seconds per ad. The 5 hours of public service advertisements would be worked in to the rotation of 6-9 rotating spots of 10 seconds. He stated that it takes less than 15 minutes to get an announcement up in

the case of an emergency. He stated that public service announcements are often used heavily at first to fill in before there are enough paid ads to fill the time. Mr. Lunetta asked how much they planned to charge for an ad. Mr. Goldberg stated that they don't know until they start and learn the market. He stated that they are still determining the rate structure. Mr. Lunetta asked if the Town would have any liability for the signs. Mr. Cramer said he did not see a potential for liability since the signs would be on private property, and the permits issued by the state. Mr. Goldberg stated that studies have found that electronic billboards are not as distracting to drivers as regular billboards. Mr. Zimbone asked if there would be Planning Board review of proposed billboards. Mr. Cramer stated that it is not a zoning issue, so there is no Planning Board review. He stated that the Board of Selectmen agreed to place the article in the warrant, but suggested that Mr. Cramer meet with as many Town boards as possible for input. Mr. Zimbone asked if the billboards would be subject to bidding requirements. Mr. Cramer stated that they would not.

Mr. Cramer stated that in developing the proposed by-law changes, he reviewed the state law and pulled out what seemed to be the most important requirements, such as design criteria, prohibitions, and size requirements. Mr. Cramer stated that the Board of Selectmen has broad discretion to deny approval. Mr. Zimbone asked about the process. Mr. Cramer stated that once someone has leased land, they may apply for a permit. At that point, they will begin fee negotiations with the Board. Mr. Zimbone stated that there should be a minimum impact fee, since someone could argue that a billboard is for the common good and pay nothing. He stated that he does not see the monetary benefit to the Town in the article as written. Mr. Cramer stated that permit fees are supposed to be related to the time to process the permits. He stated that he would need to consult Town Counsel about including a minimum monetary amount. It could be a legal issue, as if they were selling permits. Mr. Zimbone stated that that is what this is. Mr. Cramer stated that this is more indirect. He stated that 15-20 towns have done this for the financial benefit, with no public outcry. Mr. Goldberg stated that there needs to be negotiation because there are different economics in each location.

Ms. Miller asked the life expectancy of the signs. Mr. Goldberg stated that he has had some billboards for 35 years, but the electronic signs generally last about 7 years, or possibly less, due to changing technology. Ms. Miller asked if there is recourse if the sign becomes decrepit and the Town wants it removed. Mr. Cramer stated that should be part of the negotiations of conditions with the Town. Mr. Goldberg stated that the state regulations require proper maintenance. Ms. Miller asked for the rationale behind including an impact fee. Mr. Cramer stated that other towns charge it, and he felt there would be no chance of approving the by-law without it. He stated there is no real negative impact to or downside for the Town. Mr. Reilly stated that he understood the requirement of only one sign every 1000 feet, but felt that depending on where the first sign in an approved area were placed, the restriction could make it difficult to maximize the fee income. He stated that they should make sure not to unduly restrict the signs. Mr. Goldberg stated that they included restrictions that seemed most important in the state law in case the state relaxes its restrictions. Mr. Zimbone stated that the proposed by-law specifically restricts sexually provocative ads and asked if there would be any other prohibitions. Mr. Goldberg stated that the federal government will not allow tobacco ads. He stated that there are potential 1<sup>st</sup> Amendment issues, but the landlord has asked for certain restrictions, including no political ads. He stated that the landlord can make restrictions that the Town can't. Mr. Zimbone asked about restrictions in other towns. Mr. Cramer stated that other towns only restrict sexual content. Mr. Zimbone stated that he wanted to hear the Board of Selectmen's opinion. Mr. Davison stated that the Board will not take a position until after the public hearing next week.

## **Establish Revolving Fund – Water Conservation**

Mr. Davison stated that the proposal is to add a revolving fund under M.G.L. Chap. 53E ½ for the purpose of selling rain barrels and moisture sensors in order to comply with the DEP requirements following water usage issues raised last year. Mr. Davison stated that the initial purchase of supplies will come from the Water Enterprise Fund budget in accordance with a DSR-4 request. The proceeds from sales of rain barrels and moisture sensors will be used for purchase of more barrels and sensors. Mr. Zimbone stated that the article was broader and included any water conservation devices. Mr. Davison stated that it is not exclusive to rain barrels and moisture sensors, but that the Town does not intend to expand beyond that. The focus is to satisfy the DEP requirements.

MOVED: By Mr. Zimbone that the Finance Committee recommend adoption of the 2014 draft Annual Town Meeting warrant article Establish Revolving Fund – Water Conservation. Ms. Miller seconded the motion. The motion was approved by a vote of 7-0.

## **Amend General By-Law – Bows and Arrows**

Mr. Davison stated that the Town recently enacted a by-law prohibiting discharge of a bow and arrow on public property. There was an incident where an individual was on Town property, apparently to shoot arrows. The person could not be cited because he was only in possession of a bow and arrow, but was not seen discharging an arrow. This article would prohibit possession, as well as discharge, of a bow and arrow. He stated that he saw no discernible financial impact of this article.

MOVED: By Mr. Creem that the Finance Committee take no position with respect to the 2014 draft Annual Town Meeting warrant article Amend General By-Law – Bows and Arrows. Ms. Miller seconded the motion. The motion was approved by a vote of 7-0.

## **Amend General By-Law – Private Ways**

Mr. Davison stated that a Town vote decades ago provided that the Town would plow private ways in the same manner as it plows public ways. The DPW has reported that those streets are not always maintained well and can damage plows. Under state law, the Town can make minor repairs, which cost less than \$300, and not bill the property owners. This change would clarify that under state law, for more extensive repair in excess of \$300, the Town can estimate the repair costs and inform the property owners of their share of the costs, which depends on the frontage on the street. If the repair work is initiated by the Town, then all of the property owners on the street would need to agree to pay the estimated cost. The property owners can have the Town do the work or they can hire their own contractor. If the road is not repaired and it damages Town equipment, then the owners are on notice that the Town may no longer plow the street until it is repaired. Ms. Zappala stated that the article states that 51% need to petition for repairs. Mr. Davison stated that 51% of the abutters must petition if the property owners are asking for the work to be done, but 100% must agree if the Town is initiating the work request. Ms. Zappala stated that it is confusing what is in the state law, and how the Town by-law will augment the state law. Mr. Davison stated that right now the Town has no protection from unmaintained private roads. The Town must plow private ways, and this would provide a mechanism to allow the Town not to plow in certain circumstances. This will limit the Town's

liability if there are problems with plowing and emergency vehicle access. Ms. Zappala stated that more information is needed about the context for the by-law change. She stated that it will be confusing to Town Meeting. Mr. Zimbone stated that the article information may be able to explain it.

### **Appropriate for Blue Tree Replacement**

Mr. Olsen stated that he had responses to questions raised by the Finance Committee. He stated that the old tree is dying and needs replacement. The new tree would not come with a warranty. He stated that the new tree would have a root ball of 12 feet in diameter and 40 inches deep. He stated that the hole in the ground would have to be bigger to accommodate the root ball. He stated that the tree would be a 16" caliper tree, or approximately 16" in diameter, and would likely be about 35 feet tall. He stated that the tree would be a sugar maple since that is the species of tree being replaced, and it is an historic tree. The expected life of the tree is 100 years, and it will be 30 years old when it arrives. He stated that the plan is to remove the old tree after the traditional tree lighting at the end of 2014, and then to install the new tree on Arbor Day in April of 2015.

Mr. Zimbone asked if Mr. Olsen knows what is under the tree when they dig down. Mr. Olsen stated that they dug a radial trench for feeding the current tree and that there should be a good root zone. However, he is not sure what is farther down. Mr. Creem asked if the tree is dying because of the environment. Mr. Olsen stated that it is dying because of old age, but that there is a lot of traffic and that could affect its health. Mr. Creem asked about the logistics of bringing in the new tree. Mr. Olsen stated that it would be an extra wide load. A crane would lift the tree off the truck and into the hole. He stated that it would be done ideally on a Sunday since roads would need to be blocked off. Mr. Creem asked if the requested funding would cover everything. Mr. Olsen stated that there is sufficient contingency to cover all the costs of moving the tree. Mr. Creem asked if this is part of the renovations of the Town common. Mr. Olsen stated that this project is the forefront of all the renovations. Afterward, further design work can be done.

Mr. Olsen stated that a question was raised whether there is an opportunity for some revenue from the old tree. He stated that there is; he has looked into some local artists who can make things like wood-handled tools from the tree which could be sold.

MOVED: By Mr. Zimbone that the Finance Committee recommend adoption of 2014 Annual Town Meeting draft warrant article Appropriate for Blue Tree Replacement in the amount of \$35,000. Mr. Creem seconded the motion. The motion was approved by a vote of 7-0.

### **Amend General By-Law – Sign By-Law**

Mr. Davison stated that this article would make technical corrections and fix some scribner scrivener errors. There are some numbering issues, and missing words. He stated that all of the changes are corrections, and that there is no financial impact.

MOVED: By Mr. Creem that the Finance Committee take no position with respect to the 2014 draft Annual Town Meeting warrant article Amend General By-Law – Sign By-Law. Ms. Miller seconded the motion. The motion was approved by a vote of 7-0.

## **Amend General By-Law - Municipal Water Supply**

Mr. Davison stated that this article works in conjunction with the article creating the revolving fund for water saving equipment. Changes were initially proposed at the last Town Meeting to satisfy the DEP's water conservation requirements. This article includes a requirement that all new irrigation systems being installed have a moisture sensor. It also encourages those who have an irrigation system to install one. Mr. Zimbone stated that the article also requires installation of a moisture sensor with any upgrade or repair of an irrigation system; he asked what constituted an upgrade or repair that would require a moisture sensor. Mr. Davison stated that it is not specified, but he assumed it would be a repair or upgrade that would trigger a plumbing permit and inspection. Mr. Zimbone stated that he agreed that is likely how it would work, but it should be stated. Mr. Davison stated that the Town is obligated to impose this requirement to get a DEP permit. Mr. Reilly stated if it is not more clear, there will be amendments on Town Meeting floor. Mr. Davison stated that the Town would need to make judgment calls. He stated that he would bring the proposed change to the Board of Selectmen, though he is not sure how they can change it. Mr. Lunetta stated that it could specify that the moisture sensor is required if the homeowner applies for a permit. Mr. Reilly suggested adding the phrase "other than routine maintenance."

## **Accept the Provisions of M.G.L. c. 59 s., 5N, Veterans' Property Tax Program**

Mr. Davison stated that this is the local option under the Valor Act to honor disabled veterans who live in town. Like the Senior Corps, it allows a property tax reduction of up to \$1,000 in exchange for volunteer services. He stated that it would be funded from the overlay. He stated that there are income limitations, and that the maximum benefit would be based on 100 hours of work. He stated that one person has expressed an interest.

MOVED: By Mr. Zimbone that the Finance Committee recommend adoption of 2014 Annual Town Meeting Accept the Provisions of M.G.L. c. 59, s. 5N, Veterans' Property Tax Program. Ms. Miller seconded the motion. The motion was approved by a vote of 7-0.

## **Rescind Debt Authorizations**

Mr. Davison stated that the article is not ready for discussion.

## **Appropriate for Central Avenue/Eliot Street Bridge Design**

Mr. Davison stated that the article includes the cost of design for a complete bridge replacement. He stated that the current bridge showed structural problems in a state routine inspection. There has been monitoring to determine whether the bridge needs repair or replacement. In the first three months, there are signs of additional cracking, but six months of data are needed for meaningful information. Ms. Zappala asked if they would need to do the design work either way. Mr. Davison stated that the Town would only design a new bridge if replacement is needed. He stated that the appropriation is needed to be able to go forward right away if replacement is needed. Otherwise, at least six months would be lost until the next Town Meeting. He stated that the article would fund the design work with debt, so that if it is not needed, then it would not be borrowed. He stated that the article seeks \$900,000, which would be less if the City of Newton shares the cost. He stated that the cost of full replacement of the

bridge \$6 million in the worst case scenario. He stated that Newton has taken no position, but since it is a city, their city council can usually act within a week.

**MOVED:** By Mr. Creem that the Finance Committee recommend adoption of 2014 Annual Town Meeting draft warrant article Appropriate for Central Avenue/Eliot Street Bridge Design in the amount of \$900,000 of debt. Mr. Creem seconded the motion. The motion was approved by a vote of 7-0.

### **Finance Committee Updates**

Mr. Lunetta stated that he met in the Superintendent's Office with Dan Gutekanst, Michael Greis, Tom Campbell, and Anne Gulati so that the Schools could share their approach to labor negotiations. He stated that there is still a need to dig further, but the meeting was helpful. He stated that he was impressed with Ms. Gulati's and Mr. Campbell's ideas. He stated that there is a significant value to having the Finance Committee involved early in the process. He stated that the next step is to ask the Town Manager to have similar discussions with the Finance Committee. Mr. Zimbone stated that the process is infinitely better than it was 5 or 6 years ago. He stated that it was a meaningful discussion and helped eliminate the ghosts of the past. He stated that he respects Mr. Campbell's expertise and that the Finance Committee does not need to be involved, but that it is important that they understand issues upfront. He stated it is important for the Finance Committee to understand the rationale of the negotiations and not only to be asked to comment on where they ended up. He stated it was one of the best meetings he has had with the School Committee. Mr. Lunetta suggested that the same team approached should be used for the Town departments, and that the Finance Committee should be involved year after year.

Mr. Lunetta stated that he was pleased that the Finance Committee was involved in the review of the School supplementary budget without taking a position. He stated that the Committee should continue to involve itself with other committees. Mr. Creem stated that he appreciated the focus of liaisons on certain budgets this year, but some people felt put off by not having liaisons for all budgets across the board. He stated that if the Finance Committee wants to continue reaching out to other committees, it will start with the liaisons.

### **Adjourn**

**MOVED:** By Mr. Reilly that the Finance Committee meeting be adjourned, there being no further business. Ms. Miller seconded the motion. The motion was approved by a vote of 7-0, at approximately 8:58 p.m.

Documents: Town of Needham 2014 Annual Town Meeting Warrant, Draft dated 3.7.2014; Proposed Annual Budget FY 2015, Office of the Town Manager, Town of Needham, January 28, 2014; Town of Needham Capital Improvement Plan FY 2015 – FY 2019, dated January 7, 2014; Logan Communications, Billboard Proposal Outline - Town of Needham, January, 2014.

Respectfully submitted,

Louise Mizgerd,  
Executive Secretary/Staff Analyst

*Approved April 2, 2014*