

SELECTMEN'S MEETING  
MONDAY, MAY 9, 1994  
2ND FLOOR MEETING ROOM  
TOWN HALL, MAIN ST., AYER, MA.

7:15p.m. Open Session

The Board met with Chairman Slarsky, Selectman Hamel and Selectman Miller.

Chairman Slarsky and Selectman Hamel welcomed newly elected Selectman Charles Miller to the Board. Selectman Miller successfully defeating John Avila for the vacated seat of Charles Jones.

The Board met with the Advisory Committee. Present for the discussion was Chairman William Oelfke, Members: Coleen Norstrom and Marion Smith, and Timothy Higgins-Town Administrator re: FY-95 Budget Delay for the Annual Town Meeting postponed to June 13, 1994.

Mr. Higgins opened the discussion by stating the Board still at this time did not have firm numbers from the School. Chairman Slarsky stated the Board has to come to grips with a budget for Town Meeting. Chairman Slarsky stated that budgets have been delayed due to confirmation of numbers coming from the school and as of today the Board has not received resolutions of those numbers from the school, as a result of this, Town Meeting has been delayed due to schedule 19 not being resolved. Mr. Higgins stated schedule 19 is fairly well resolved but the broader issue is in terms of Education Reform, we are still awaiting confirmation by the Dept. of Education what will be required. Chairman Slarsky stated the Board's position is crystal clear, the municipal government i.e. Fire, Police, DPW, etc. still have to go on and have to be funded. The Board met on Saturday, May 7th and agreed to level fund this years municipal budget at FY-94 budget numbers. And in addition to that the Board felt it wasn't fair to municipal employees who worked hard over the past year not to be granted a pay increase. The Board asked Mr. Higgins to come up with a 4% pay raise for municipal employees. Mr. Higgins stated the latest revenue projection contrasted with the latest expenditure forecast should the Town grant salary increments projects a \$150,000.00 budget deficit. Based upon level funding budgets and plugging in the school figure that the Town Accountant calculated plus pay increases for the municipal side comes in at \$21,000.00. It would be \$84,000 plus \$150,000 which would be at issue at this point. Chairman Slarsky again stated the Board's consensus on Saturday was to level fund services at FY-94 numbers and incorporate a 4% pay increase for municipal employees and insert one or two numbers for the school or just leave it blank. The Board stated their position was that Town Meeting could be voted into the red and we would have to come back in September with an override or what could happen with

the special legislation, re: Education Reform. Chairman Slarsky stated that is the Board's position. The Board thanked the Advisory Committee for coming in and complemented the Committee on their effort with the Budget process. William Oelfke stated the Advisory Committee conducted an Emergency Meeting on Sunday, May 7, 1994 and voted to support the Selectmen's recommendation. Mr. Oelfke stated the Town Accountant has computed a figure of \$7.6 and advised the Board to the Advisory Committee's not being comfortable with leaving Town Meeting in the red and requested the School transportation be looked at. Mr. Oelfke stated this line item now is under the Town's control not the school and warrants investigation. Chairman Slarsky stated the Selectmen are not that knowledgeable re: the requirements funding the transportation for schools and stated the Board wouldn't mind working jointly with the school on this. Chairman Slarsky stated the Board is not comfortable coming out of Town Meeting in the red as well, that is not the Board's intent. Chairman Slarsky stated the Board does not know what the solutions are.

7:30p.m. The Board came into Open Session.

Chairman Slarsky stated the Board met earlier this evening to accommodate the Advisory Committee due to the Committee having another meeting later this evening.

The minutes of April 20, 1994, were postponed until the next Selectmen's Meeting. Selectman Hamel moved to postpone the minutes of 4-20-94 until 5-24-94, seconded by Selectman Miller, VOTE: unanimous.

The Weekly Warrant was unavailable due to the school payroll coming in late.

Chairman Slarsky stated the Board should amend the Agenda to include the following items:

1. Performance Reviews
2. Re-Organization of the Board
3. Town Meeting location
4. Update on the Legislation
5. Devens update.
6. Education Reform-the Town's position

Chairman Slarsky called for a motion to accept the amended Agenda of 5-9-94, Selectman Hamel moved the Board accept the amended Agenda of 5-9-94, seconded by Selectman Miller, Vote: unanimous, so moved.

The Board met with Russ Brown of the Ayer School Committee. Mr. Brown stated he was present this evening to advise the Board that the School Dept. cherishes its role in supporting Town Meeting by having Town Meeting traditionally being conducted at the Ayer High School. Mr. Brown stated the High School has better access,

parking, seating and is more appropriate and accommodating for the citizens and also that the School Dept. had never intended to charge the Town for the use of the building for Town Meeting. Mr. Higgins to confirm with the School Dept. the dates of June 13, 14, & 15, 1994. The Board thanked Mr. Brown for coming in.

Chairman Slarsky stated he has an update on the legislation, which came in earlier today from Representative Hall that there maybe an amendment to the FY-95 Fiscal budget requiring the 874 money being required/recognized as local contribution. Chairman Slarsky stated this has been the Boards argument that 874 money be recognized as local contribution. Chairman Slarsky stated from the Board's position that is very good news.

Chairman Slarsky stated at their meeting conducted on Saturday, May 7th, the Board discussed the possibility of conducting an open public forum for Town of Ayer citizens to express their opinions regarding the Town's position regarding Education Reform. The date for the forum has not been developed but will be held at the Town Hall. The Board restating that they have never taken a position of anti education in the Town of Ayer or taken a position to be actively involved in the decisions of the School Committee recognizing their independence, in the same token the Board has expressed that there are certain services the Town provides other than the schools: DPW, Police, Fire and the basis of argument has been the population count in which the Ed Reform budget is calculated reflects numbers for the Town of 1993. Col. Sparks the School Dept. liaison from Fort Devens has identified 347 students that will be leaving this Sept./94 and that number could be plus or minus 16%. Chairman Slarsky stating funding phantom students may not be in the best interest of the Town of Ayer. That is the total position this Board is taking towards Education Reform.

Selectman Miller stated the issue really comes down to not taking issue with Education Reform per se but the question of how we will fund it, when there are some shifts taking place in our revenue that are beyond our control. Chairman Slarsky reiterating that all of the Board discussions regarding Education Reform have been in open meetings and the School Committee has been invited to participate.

Selectman Hamel reported that Jeffrey Simon announced the approval of a new grant for Fy-95 in the amount of \$15,000.00 for future economic development for the Towns of Ayer & Shirley. The question now will be on how to spend it. The two Towns have a indefinite time to come up with a use. Rob Hubbard was contacted to help with this use.

Selectman Hamel also requested the Board vote to fund, by the State, the position held by James Williams as Asst. Director of the Fort Devens Reuse Center. Selectman Hamel Stated according

to Land Bank Counsel paying him for his services as assistant director, would take away any conflict he might have as an Ayer Planning Board member when it comes to addressing the reuse plan and the by-laws at the Special Town Meeting. Selectman Hamel stated each of the other two (2) towns has approved the payment and that the state would move ahead with the payment regardless of what Ayer Selectmen decide to do.

The Board voted to put off acceptance of the State paying Mr. Williams until the whole Board reviews a letter submitted by Mr. Williams regarding his work at the center. The Board placed this matter on the next Selectmen's Meeting Agenda of May 24, 1994.

The Board voted to set September 24, 1994, as the date for a Special Town Meeting to ratify the Fort Devens reuse plan and set of by-laws for governance of the Devens Enterprise Commission. This date has also been selected by the other ~~three~~<sup>two</sup> town for simultaneous town meetings of the reuse plan and bylaws required for the Devens Enterprise Commission and zone legislation.

TOWN ADMINISTRATOR'S REPORT: (see report dated 5-9-94)

ACTION ITEMS:

3. Draft version of the mailing was reviewed by the Board to be sent to all Town of Ayer residents. The Board applauded Mr. Higgins efforts in advising Town of Ayer residents to the significant issues before the Town. The mailing to be sent out the week of May 23, 1994.

4. The Board was advised of Assessors authorizing the release of excess funds in the Overlay account in the amount of \$55,000.

5. The Board was advised to all Town Collective Bargaining Units (5) being opened again July 1, and of patience demonstrated by the unions however, the Board was advised to all groups urging that Town employee groups throughout the Town be treated (including the School) consistently.

7. The Board was advised to the Planning Board submitting a article for the Town's acceptance of Gardner Lane to the Board. The Planning Board is conducting their Public Hearing on 5/26/94 and the Selectmen's Office scheduling a Laying out of Road for 6/7/94.

9. Mr. Higgins advised the Board to Housing Authority requesting UDAG funds to support housing rehabilitation projects. Mr. Higgins advised the Board to this topic coming up earlier whereas the concept was reviewed but not in any specific detail. The HOusing Authority has not submitted a formal request specifying how much money would be needed to undertake this project or the program particulars. Chairman Slarsky stated he

had recalled stating at this earlier meeting the Board did not want any of the housing units on Fort Devens. Chairman Slarsky stated the Town has many multi-family homes in Ayer which have fallen into disrepair. The Board created a task force to look at the housing in the Town of Ayer. Mr. Higgins stated this group has not formally met due to other more pressing issues facing the Town in recent months. The Board requested a letter be written requesting the Housing Authority to meet with the Board and that the Board is willing to listen to their proposal.

10. The Board was advised to the Public Hearing being conducted by the State-Mass. Highways regarding the replacement of the West Main St. Bridge being conducted on Thursday, May 19, 1994 at 7:00p.m. at the Ayer Town Hall.

11. The Board was advised to correspondence being received from the Harvard Zoning Board of Appeals re: denying Ayer's request for a special permit to allow the Ayer Police Dept. to keep its radio antenna on a tower in the Town of Harvard. Town Counsel advised the Board that he has secured reasoning, not to vacate.

12. Mr. Higgins read into the record a request by Dr. Warren for the Board to attend the next School Committee meeting on May 19, 1994. Mr. Moscovitch is on the Agenda to explain the Education Reform Act and respond to questions and concerns the Board may have.

The Board met with Donald Ouellette, Supt. of Public Works. regarding 3 requests for water and sewer permits.

1. The Board approved a water and sewer permit for Guy Donell for Wright Rd.
2. The Board approved a water and sewer permit for Julie Smith of Wachusett Ave.
3. The Board approved four (4) water and sewer permits for Crabtree Development Co.

Selectman Hamel moved the Chairman's endorsement for the abovementioned permits, seconded by Selectman Miller, Vote: unanimous, so moved.

**PUBLIC HEARING:** Establishment of an Industrial Development Finance Authority.

The Board met with Robert Hubbard, Economic Development Director. Present for this discussion was: Murray Clark, Donald Haapakoski, Edward Kelley and Francis Callahan of the Ayer Industrial Redevelopment Committee, James Hashem, Nancy Grey.

Mr. Hubbard stated the Public Hearing was necessary to place the IDFA on this years Annual Town Meeting Warrant. The IDFA would create a local administrated revolving loan program for small

businesses by issuing tax-exempt revenue bonds in conjunction with the Mass. Industrial Dev. Finance Auth. by borrowing and accepting grants from the Commonwealth and its agencies and any Federal agency or private financial institutions.

Mr. Hubbard ran through the mission and goals of the proposal as well as the financing needs and target markets. Mr. Hubbard stated three (3) types of financing will be offered by Ayer's Small Business Loan Program.

1. Permanent Working Capital Loans: from \$25,000-\$100,000\ maturities up to five (5) years/which may have a flexible interest repayment plan. Fixed interest rate/prime + 1-2% Up to 50% of total financing. Secured inventories, subordinate positions on corporate fixed assets. Personal guarantee of owner required.
2. Business Development Gap Loans- For established businesses to purchase or improve fixed assets. From \$25,000-\$200,000 Maturities up to fifteen years for R.E. acquisition-seven years for purchase of equipment and longer amortization period with a final balloon payment. Fixed interest rate at prime + 0-1%. Up to 50% of total financing, secured by corporate fixed assets. Personal guarantee of owner.
3. Microcapital Loans- For established businesses and start-ups to finance operating expenses and to purchase assets. From \$5,000-\$25,000, maturities one to five years, fixed interest rate at up to market rate, up to 100% of total financing-not to exceed 80%, secured by business/personal assets.

Mr. Hubbard explained other requirements of the program to the Board as well as management and lending practices. One of the requirements to establish a Advisory Committee to oversee this program the Committee to include:

- . one member from a Real Estate Agency
- . one member from a Bank
- . one member from Town Government
- . one or two residents

The Program received favorable comments from all business owners present and from the Town's Industrial Development Committee. Chairman Slarsky called for a motion to support the creation of a Industrial Development Financial Authority and to place this IDFA on the June 13, 1994 Annual town Meeting Warrant. Selectman Hamel moved the Board support the creation of a IDFA for the Town of Ayer and place this on the Annual Town Warrant, seconded by Selectman Miller, VOTE: unanimous, so moved.

8:30p.m. The Board took a five minute recess.

8:35p.m. The Board re-entered Open Session.

The Board met with Hybricon Officials re: Hybricons financial restructuring and the subordination of Hybricon's UDAG loan. Present for the discussion was Michael Haywood, Rolando Kurs,

Richard Lefferts, Commonweal Collaborative consultant, and Town Counsel Robert Gardner.

Mr. Leffert opened the discussion by stating Hybricon's financial restructuring and the subordination of the UDAG loans. Mr. Lefferts stated a requirement of the financing from Atlantic Bank & Trust required Mr. Haywood to place \$150,000 of personal funds for the loan. This in addition to the approximately \$85,000 of debt from the corporation that already exists. Mr. Leffert stated Mr. Haywood would not be receiving any of the proceeds from the refinancing. The loan commitments from Atlantic Bank and ISP prohibit any payments to stockholders, other than salary and corporate expenses. The loan commitments do not permit the repayment of any principal portion of the \$235,000 in subordinate debt. Mr. Leffert stated Hybricon is willing to provide the Town of Ayer with accelerated payments, However the ISP commitment does not allow this. Hybricon would provide to the Town quarterly payments beginning in September/94, in an amount equal to 10% of the availability under Atlantic's line of credit, provided that the payments remain within the other loan covenants. These payments would remain until \$50,000 has been paid to the Town. Mr. Lefferts stated Hybricon would reimburse the Town of Ayer for the cost of refinancing and requested Town Counsel, Rob Hubbard and Mr. Higgins provide a bill of their service to Hybricon. Mr. Lefferts stated Hybricon agreed to provide the town with a junior mortgage position on Hybricon's Real Estate making the Town 4th in position behind the banks, and third under the Fleet Subordinate loan. Town Counsel stated under the Stand by Agreement the Town of Ayer is required to take no action on the \$775,000 without permission from Atlantic but also provide the Town security through the Escrow Agreement should they default.


Chairman Slarsky stated the Board would normally take this under advisement, per HUD's approval and Town Counsel and Rob Hubbards recommendation the Board would vote this evening. Chairman Slarsky called for a motion. Selectman Hamel moved the Board approve Hybricon's financial restructuring and subordination contingent upon HUD's approval and allow the refinancing, seconded by Selectman Miller, Vote: unanimous, so moved.

The Board met with Nashoba Cable Representative and Cablevision representative regarding the Cable License Transfer. (see minutes of Barbara Hurley-stenographer re: Cable transfer.)

The Board moved to re-organize, Chairman Slarsky nominated Selectman Hamel as Chairman, seconded by Selectman Miller, Vote: unanimous, Selectman Hamel nominated Selectman Slarsky as Clerk, seconded by Selectman Miller, Vote: unanimous, so moved, Selectman Slarsky nominated Selectman Miller as member, seconded by Chairman Hamel, Vote: unanimous, so moved.

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10:05P.M. Selectman Slarsky moved to adjourn, seconded by  
Selectman Miller, Vote: unanimous, so moved.

  
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Stephen M. Slarsky, Clerk  
AYER BOARD OF SELECTMEN

Date:   
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5/24/94