

BOARD OF SELECTMEN MEETING

February 5, 2018

Chairman Michael L. Champoux called the meeting to order at 6:30 p.m. in Room 9 of the Town Hall. Present were Selectmen Gregory B. Bendel, Kevin A. Caira, Edward P. Loud, Sr. and Michael V. McCoy. Also present was Town Manager Jeffrey M. Hull.

A motion was made and duly seconded and by the affirmative roll call vote of all, it was

VOTED: That the Board of Selectmen enter Executive Session for the purpose of approving Executive Session minutes of August 12, 2013, September 23, 2013, September 27, 2013 and September 22, 2014 with the intention to return to open session.

Chairman Michael L. Champoux called the meeting to order at 7:00 p.m. in Room 9 of the Town Hall. Present were Selectmen Gregory B. Bendel, Kevin A. Caira, Edward P. Loud, Sr. and Michael V. McCoy. Also present was Town Manager Jeffrey M. Hull.

Chairman Champoux asked those present to rise and he led the pledge of allegiance.

TREASURY WARRANTS

Chairman Champoux asked for a motion to accept the Treasury Warrants. A motion was made by Selectman Loud, seconded by Selectman Caira and by the affirmative vote of all, it was

VOTED: That the Board of Selectmen accept Treasury Warrants 30, 30A, 31 and 31A.

MINUTES

A motion was made by Selectman Bendel, seconded by Selectman Loud and by the affirmative vote of all, it was

VOTED: That the Board of Selectmen approve the minutes of their meeting held November 27, 2017 and all action taken is hereby ratified and confirmed.

A motion was made by Selectman McCoy, seconded by Selectman Bendel and by the affirmative vote of all, it was

VOTED: That the Board of Selectmen approve the minutes of their meeting held January 29, 2018 and all action taken is hereby ratified and confirmed.

LYNN TOKARCZYK, GOVERNMENT INCENTIVE CONSULTANT WITH BUSINESS STRATEGIES DEVELOPMENT INC., ANALOG DEVICES, RE: TAX INCREMENT FINANCING

Chairman Champoux advised that he has a conflict of interest, he is in sales for an organization that sells to Analog Devices and it would be inappropriate for him to participate in discussion and or votes. Chairman Champoux left the meeting at this time and Selectman McCoy served as Chairman for this portion of the meeting.

Present with Ms. Tokarczyk were representatives of Analog Devices Mike Errera, Vice President of Supply Chain Planning & Logistics and General Manager for Wilmington & Chelmsford; Margaret Seif, Chief Legal Officer and Senior Vice President of Communications; and Cynthia McMakin, Associate General Counsel.

Town Manager Hull stated that Town officials met with representatives of Analog and the proposal that was provided was an explanation that the company is looking to do a significant expansion and they are seeking a Tax Increment Financing (TIF) agreement with the Town of Wilmington. He stated that TIFs are intended to foster economic development. Town Manager Hull stated that the request was made for Analog to come before the Board of Selectmen to describe their proposal. Ultimately, the Board is being asked to authorize an article on the Warrant for the Town Meeting on May 5, 2018.

Ms. Tokarczyk stated that they had a PowerPoint presentation that would provide background information and history of Analog Devices, the proposed expansion plans and their intent to apply for tax incentives. She noted that this is for information purposes only.

Ms. Seif stated that Analog Devices produces semi-conductors which are integral building blocks for technology that are used every day. Analog Devices was incorporated in 1965 and has grown consistently. Analog is currently headquartered in Norwood, Massachusetts with facilities located in Chelmsford and Boston in addition to Wilmington. Analog also has manufacturing and other operations in California, Washington, Ireland, Singapore, Malaysia and the Philippines.

Ms. Seif described Analog Devices as being a bridge between the digital and natural worlds and noted that they have a portfolio of nearly 45,000 products. She stated that they were named one of the top places to work by Boston Globe, have won many industry and customer honors and Newsweek ranked them in the top 20 percentile for green companies in the United States due partly to the work in Wilmington manufacturing as they seek to reduce the footprint of the company and create more sustainable measures. Each year they use less water, less electricity and recycle more.

Mr. Errera stated that Analog is proud to be Wilmington's largest employer and have been in Wilmington for forty years. He stated that Analog owns an estimated 500,000 square feet for its office, research and development and manufacturing operations. They plan to relocate certain of its other Massachusetts operations to one campus in order to retain and attract a skilled workforce and drive innovation and they have identified the Wilmington property as a viable option for the expansion.

Mr. Errera explained the current campus layout and advised that the proposed expansion plan is to construct a facility to be used as office and laboratory space, a community hub which would include a kitchen, café, auditorium, fitness center and meeting space; and an on-site parking garage. In addition, Analog proposes renovations to the existing buildings. The total investment is estimated to be \$157 million. Mr. Errera reviewed the conceptual plans for expansion.

There are currently 1,600 employees on the Wilmington campus and they would like to stay in Wilmington, approximately 56 current employees reside in Wilmington. One aspect of the TIF proposes to create approximately 50 full time jobs over the next five years and would open to qualified Wilmington residents. Mr. Errera stated that the jobs encompass a blend of talents and skills. He noted that they have an active college internship, co-op and recruiting program.

Mr. Errera stated that the company and its employees spend an estimated \$5 million annually with local businesses including restaurant, catering, retail establishments, corporate services and industrial services. He noted that the company has a long history of community involvement and donates to the community programs for the Fourth of July Celebration, tree planting, Little League, it supports educational programs and is a member of the Wilmington/Tewksbury Chamber of Commerce.

Ms. Tokarczyk stated that the new construction would generate substantial permit fees, increase real estate tax revenue with the construction and renovations and will generate additional meals tax revenue.

Ms. Tokarczyk advised that the Tax Increment Financing is a program under the Massachusetts Economic Development Program. This is an economic development tool to help companies make a decision to stay and grow in a community and a tool for the municipality to retain or attract a business. She stated that there is a statutory state tax credit that would be available to the company. She stated that with a TIF, the community will not lose what is currently being collected in taxes. The TIF is a discount on future taxes. The allowed term is between 5 and 20 years, minimum 1% and maximum 100%.

Mr. Errera noted that Wilmington's tax rate is higher than other communities including Boston where they recently located. He commented that Analog likes being in Wilmington but it does not have the presence on Route 128 or Route 93 and the economic side is a tipping point.

Ms. Tokarczyk reviewed the projected timeline for the TIF approval process. During the month of February, Analog hopes to have a mutual agreement on TIF terms with the Town and the Board of Selectmen will vote on a TIF proposal, Town Meeting will vote on a TIF proposal in May and the state votes on final approval in June.

Selectman McCoy stated that he supports economic development and opined that Analog's proposal is very aggressive. He noted that several years ago Analog approached the Town regarding a TIF agreement. Ms. Seif stated that, at that time, Analog decided to expand in Limerick, Ireland and now recognize Massachusetts needs attention. She stated that in addition to the investment of the project, during the first few years they are also carrying other real estate expenses.

Selectman McCoy opined that the Town needs to have a negotiating team and opined that the process is happening very fast. He believes the Principal Assessor needs to be involved. He expressed his desire to be part of a negotiating team.

Ms. Seif apologized for the short time frame and explained Analog's activities regarding their new locations in Silicon Valley and Boston. She stated that the company has determined that the facilities matter to attract the talent in places they want them.

Selectman McCoy asked if there were any questions or comments from the Board. Selectman Loud asked about the timeline for combining campuses. Mr. Errera reviewed a proposed sequence for construction, renovation and moving employees.

Selectman Loud asked about a TIF that was received from the Town of Chelmsford. Mr. Errera stated that the TIF was received by a company prior to Analog acquiring that company. Ms. Tokarczyk stated that the TIF will stay with the taxable property but it is at the discretion of the Town. Selectman Loud asked when Analog expects to make a decision. Mr. Errera stated that Analog expects to make a decision in June but is looking to be ready to put a shovel in the ground. Selectman Loud asked who monitors the promises made regarding the jobs. Ms. Tokarczyk answered that compliance and accountability and is monitored by the state.

Selectman Loud stated that if this is a successful agreement, the Town may wish to use it to attract other entities to Town.

Selectman Caira asked what exemptions the state has. Ms. Tokarczyk stated that the state has tax credits. Because the company is classified as a manufacturer they are eligible for the statutory tax credit for manufacturers. Selectman Caira asked to confirm that the current real estate taxes will not change and the TIF is for the new construction and asked whether it would affect the renovations. He was advised that the TIF would affect renovations and new construction as it would increase the value slightly on the existing building. Selectman Caira stated that the Board of Selectmen has to look out for the businesses and the residents as well and opined that twenty years is a long time and the percentages are a little high. He expressed his willingness to negotiate. He noted that this would be the first tax incentive agreement for the Town and he is aware that other companies have approached the Town seeking tax relief. Selectman Caira stated that the Town does not have any guidelines regarding TIFs and noted that he would like to see some developed.

Selectman Caira asked what the consequences would be if terms of the agreement are not met. Ms. Tokarczyk advised that there is a decertification process. Should the company not meet its obligations to the Town, the Town can petition to the state to have the project decertified. If the project is decertified the Town will collect all of the taxes.

Selectman Caira asked if Analog does not meet the timeline for this year, can discussions continue for the future. Ms. Seif stated that there are other parties interested in hosting Analog's headquarters and it is their duty to pursue what is best for the company. She stated that over the past year there have been many changes in the company and Boston is very hospitable to tech companies that they never were before.

Ms. Tokarczyk stated that the discussions are in the process and there is a Board of Selectmen meeting at the end of March. The focus is for this to go to the May Town Meeting.

Selectman Bendel asked if Analog is in the process of entering a TIF with Chelmsford, Norwood or another location. Selectman Bendel was advised that they are focusing on Wilmington and Mr. Errera cited the incumbency of the company. Selectman Bendel asked how Analog's other locations compare in property size to Wilmington. Ms. Seif stated that in Norwood they lease four buildings but in Wilmington they own the property. Mr. Errera described the property in Chelmsford.

Selectman Bendel expressed concern about the timeline and the twenty year duration. He expressed concern that the benefit does not go below fifty percent until year 18. Selectman Bendel is interested in learning more and stated that he is concerned that this will set a precedent and would like to see guidelines or a policy be put in place. He stated that there needs to be a benefit to the residents and would also like to hear a recommendation from the Finance Committee.

Selectman Loud opined that if the Town wants to keep a great employer like Analog, it should work with them. He stated that aspects of the agreement need to be negotiated.

Town Manager Hull recognized that Analog is the largest employer in the Town of Wilmington and the value of the property is approximately \$41 million. Surrounding Towns that have done TIFs, the longest TIF was 15 years, job creation ranged from 100 to 400 new jobs. He stated that research was done on TIFs across the state and the average length was 10 years.

Selectman Bendel stated his opinion that negotiations with Analog must include the creation of guidelines to be presented to residents at Town Meeting.

Town Manager Hull noted that due to Analog's status as a manufacturer, they do not pay personal property taxes. He stated the Town also needs to be mindful of the impact on infrastructure.

A motion was made by Selectman Loud, seconded by Selectman Bendel and by the affirmative vote of all, it was

VOTED: That Selectman Michael McCoy and Selectman Kevin Caira represent the Board of Selectmen on a team to negotiate a Tax Increment Financing Agreement with Analog Devices.

Chairman Champoux rejoined the meeting in Room 9.

DISCUSSION, RE: PLANS TO REPLACE DEUTSCH WILLIAMS AS TOWN COUNSEL

Town Manager Hull stated that he received a phone call from John Foscett advising that Deutsch Williams will be dissolving the firm and effective March 31, 2018 they will be terminating the contract that they have with the Town of Wilmington. He noted that the contract allows for either party to terminate the contract in advance of the annual renewal with 60 days notice. Town Manager Hull stated that the Town received a letter confirming their intentions to terminate the contract early. He stated that this has implications for the Town as there is a fair amount of legal work on a wide range of issues. The immediate issue is identifying the smoothest transition from Deutsch Williams to another option. Members of the firm, there are at least two elements, are seeking to reconstitute themselves in separate practices. One group is looking to reconstitute themselves as labor and employment counsel and the other is looking to reconstitute themselves in municipal law that the Town is accustomed to. Town Manager Hull stated that the Town needs to determine how to move forward for the short term and for the long term.

Town Manager Hull stated that the Town's goals need to be to make sure it has qualified, responsive legal services effective April 1, 2018; provide continuity of coverage for active cases such as Olin and Maple Meadow; enter an agreement with competitive pricing for legal services; complete an effective and comprehensive transition of all records and information associated with existing cases and to minimize the number of individuals or firms representing the Town on various matters of law. Town Manager Hull stated that the Town has separate counsel for tax foreclosure/tax title and bond counsel. Town Manager Hull proposes that the Town seek to speak with representatives of the two elements of the firm and to enter into a six month agreement with each to allow the Town to go through an appropriate transition. He stated that there are cases pending and to change counsel may be problematic. The six month period would allow for a request for proposal be developed and issued and for a committee of department heads that have frequent interaction with counsel review the proposals and make a recommendation to the Board of Selectmen.

Selectman Caira stated that it was his inclination to stay with John Foscett as he has represented the Town but understands Town Manager Hull's recommendation and the Board of Selectmen should move forward. He stated that he would be interested in serving on the committee.

Selectman McCoy stated that he also would like to serve on the committee citing his years on the Board of Selectmen. He stated that he spoke with Town Manager Hull who suggested determining who is doing the largest percentage of work. Selectman McCoy stated that he received communication that indicate the percentage of work and which lawyer completed that work. He observed that the information provided indicates that Mr. Foscett completed 5% of the work.

Selectman McCoy questioned whether John Foscett was opening his own practice as information cites that he will be going to the "suburbs". Selectman McCoy requested that Town Manager Hull contact Mr. DeRensis and ask whether he will have a labor attorney and Mr. Foscett to determine whether he is opening his own law firm or joining another practice.

Selectman Caira cautioned the Board that the percentages were provided by an individual who wants the Town's business and according to the email he has done no business for the Town of Wilmington.

Chairman Champoux stated that there are aspects of the law that the attorneys staying with the Boston based firm handle. There is a portion of the Town's legal services that the Town receives from attorneys departing the firm including John Foskett and Wendy Chu. The Board needs to learn which attorneys comprise which services.

Selectman Bendel stated that it appears to be a bad breakup and he wants to make sure the Town's needs are identified noting Town Meeting. He stated that he has experience with Mr. Foskett and is confident in his handlings of Town Meeting. He noted the importance of the Town's negotiations with Ristuccia Rink.

Town Manager Hull clarified that the firm of Deutsch Williams as of March 31, 2018 will no longer exist. He stated that although he does not know how many attorneys are with the firm, there are a group that will reconstitute themselves as labor and employment law and a group that will remain in Boston. There are active cases involving labor and employment law that are handled by attorneys that will be with the labor side and he does not want to bring in new counsel to get up to speed. He believes the dual arrangement for six months makes sense. Town Manager Hull would like to reach a reasonable arrangement with the other group to obtain services for Town Meeting preparation, zoning, procurement law and other aspects the Town has relied upon.

Selectman Bendel would like the Town to be aggressive in identifying someone who will provide the best service to the Town.

Town Manager Hull stated that in the immediate term, he would like to set up meetings with representatives of each element to determine who will be working with each group. The Town ought to identify whether the individual the Town has dealt with for Olin and New England Transrail will be associated with either group. Town Manager Hull advised that if he is not associated with either element, it may be in the Town's best interest to contract with him separately as his institutional knowledge is valuable because he has been involved for fifteen years.

Selectman McCoy suggested that Mr. DeRensis and Mr. Foskett both be invited to meet with the Town to obtain answers to the Board's questions. Selectman McCoy stated that Mr. DeRensis served as Town Counsel for a period of time. He opined that the Board wants a law firm that will serve the best interests of the community.

Selectman Loud stated that the Board is being asked to find a solution for the short term and he is in agreement with the recommendation of the Town Manager. He asked if it was advisable for a future request for proposal to include that the Town obtain special counsel for New England Transrail and Olin.

Town Manager Hull stated that it is his suggestion to have one or two members of the Board of Selectmen participate in conversations with each element as the Board is tasked with appointing Town Counsel.

Chairman Champoux stated that it is his opinion Mr. Foskett would be the preferred representative at Town Meeting and if he is not available Mr. Deutsch or Mr. Ross. Selectman Caira noted that Mr. Foskett was appointed Town Counsel. Town Manager Hull stated that Mr. Foskett served as the point of contact who would direct the issue to a particular attorney with expertise.

A motion was made by Selectman Bendel, seconded by Selectman McCoy and by the affirmative vote of all, it was

VOTED: That the Board of Selectmen authorize the Town Manager to enter into discussions with representatives of groups formed by Paul DeRensis and John Foskett about the prospect of a six month agreement for the purpose of providing advice on matters related to general legal municipal law and advice on employment and labor law respectively and further that Selectman Kevin Caira and Selectman Michael McCoy represent the Board of Selectmen.

COMMUNICATIONS

Town Manager Hull reviewed his memorandum regarding warrant articles which were submitted by petition. Eight petitions were submitted and included a request to petition the state legislature for consideration as a fire fighter; amend the inhabitant by-laws to prohibit single use plastic bags and six petitions to rezone property.

Town Manager Hull reviewed a memorandum from Sharon George, Town Clerk, who wrote providing an update on the activities of the By-Law Study Committee.

Town Manager Hull reviewed a letter from Kelly Magee Wright, Executive Director, Minuteman Senior Services, who wrote to invite the Board of Selectmen to participate in the national March for Meals campaign. Members interested in participating may select one day to help prepare and/or deliver meals to homebound senior clients during the month of March.

Town Manager Hull reviewed correspondence from Niall Connors, FiOS Franchise Service Manager, who provided an annual report on complaints received regarding FiOS TV Service for the year 2017.

Town Manager Hull reviewed correspondence from Daniel Veerman, Esquire, who expressed his interest in reappointment to the Board of Appeals.

BOARD TO CONSIDER REQUEST FROM THE RECREATION COMMISSION TO USE THE TOWN COMMON TO CONDUCT THE ANNUAL EASTER EGG HUNT ON SATURDAY, MARCH 31, 2018 AT 2:00 P.M.

A motion was made by Selectman Bendel, seconded by Selectman Loud and by the affirmative vote of all, it was

VOTED: That the Board of Selectmen approve the request of the Recreation Commission to use the Town Common to conduct the Annual Easter Egg Hunt on Saturday, March 31, 2018 at 2:00 p.m.

PUBLIC COMMENTS

Gerry Bruno, Oakdale Road, regarding the possible construction of a facility at 362 Main (sic) Street and asked members of the Board of Selectmen to publicly state their position. Chairman Champoux stated that he was aware interested residents would be present this evening and took the position that he did not want to create an agenda item as the Board does not have jurisdiction. Selectman Loud stated that it is a great idea for a detox center but 362 Middlesex Avenue is not an appropriate location. Selectman McCoy concurred. Selectman Caira stated that he is in favor of the detox facility and was against the article to amend the zoning by-laws at the Special Town

Meeting. Selectman Bendel stated that he is not opposed to a detox facility in Wilmington. Chairman Champoux stated that at the Public Hearing he was hoping Mr. Kneeland would recognize that continuing with his plan was not in the best interest of the Town and hoped that another location could be identified.

Frank West, Birchwood Road, suggested that when rezoning land there be an affordability component added. He stated that the Town is faced with the potential of 40B developments depending upon the next federal census. Chairman Champoux stated that the Town has had conversations about inclusionary zoning. Town Manager Hull stated that the Planning Director will be working with her staff to develop inclusionary zoning. He does not believe it is advisable to draft it in-house and put it on the Warrant as there are a number of stakeholders. He believes it advantageous to get the input of the development community.

Selectman Caira stated that the Board had discussions on inclusionary zoning when Judith O'Connell was Chairman of the Board. He stated that it was disappointing to hear that the Planning and Conservation Director was just beginning the process.

Mr. West thanked the Board of Selectmen for working with Analog and seeking to develop guidelines as he believes the Textron property will be redeveloped in the future and they may also seek a TIF agreement.

Lou Cimaglia, Allen Park Drive, offered assistance as a former member of the Board of Selectmen to provide input regarding Town Counsel services. He also thanked members of the Board of Selectmen for serving on the Board and noted that their explaining their view on a detox facility was something they did not have to do. He stated that Mr. Kneeland has done a lot of good for the Town and opined that he is getting a bad rap through social media and public meetings.

NEW BUSINESS

Selectman Bendel wanted residents to be aware that on February 7 and February 12 the four finalists for School Superintendent will be interviewed by the School Committee and there will be a forum prior for residents to meet the candidates.

Selectman Loud recognized the service of David Trane, USMC, who recently passed away due to complications of exposure to Agent Orange. Mr. Trane was a highly decorated Vietnam Veteran.

Chairman Champoux called the Board's attention to a brochure that was included in their packets entitled Town of Wilmington Guide for New Business. He stated that it was a collaborative effort between the Wilmington/Tewksbury Chamber of Commerce and the Planning and Conservation Department. Chairman Champoux advised how the brochure may be obtained including on the Town's website, at the Chamber of Commerce and various Town departments.

IMPORTANT DATES

Town Manager Hull reviewed important dates including:

- February 6 – Finance Committee Meeting – Town Hall – Room 9 – 7:00 p.m.
PUBLIC BUILDINGS & DEPARTMENT OF PUBLIC WORKS
- February 13 – Finance Committee Meeting – Town Hall – Room 9 – 7:00 p.m.
POLICE, PUBLIC SAFETY CENTRAL DISPATCH, FIRE
- February 15 – Finance Committee Meeting – Town Hall – Room 9 – 7:00 p.m.
TOWN CLERK, BOARD OF HEALTH, VETERANS' SERVICES
- February 19 – Town Offices Closed – *Presidents' Day*

- February 26 – Board of Selectmen – Town Hall – Room 9 – 7:00 p.m.
- February 27 – Finance Committee Meeting – Town Hall – Room 9 – 7:00 p.m.
HISTORICAL COMMISSION, INFORMATION TECHNOLOGY, BOARD OF ASSESSORS
- March 1 – Finance Committee Meeting – Memorial Library – 7:00 p.m.
RECREATION, LIBRARY, ELDERLY
- March 6 – Finance Committee Meeting – Town Hall – Room 9 – 7:00 p.m.
SHAWSHEEN TECH
- March 8 – Finance Committee Meeting – Town Hall – Room 9 – 7:00 p.m.
WILMINGTON PUBLIC SCHOOLS
- March 12 – Board of Selectmen – Town Hall – Room 9 – 7:00 p.m.

A motion was made by Selectman Bendel, seconded by Selectman McCoy and by the affirmative vote of all, it was

VOTED: That the Board of Selectmen adjourn.

Meeting adjourned at 9:27 p.m.

Respectfully submitted,

Recording Secretary