I. Call to Order
Chairperson Laura Gregory called the meeting of the Select Board to order at 7:02 P.M. in the 3rd Floor Conference Room located at Town Offices. Present from the Select Board: Alex Vispoli, Dan Koh, Annie Gilbert, Chris Huntress, and Laura Gregory.

Others in Attendance: Town Manager Andrew Flanagan, Deputy Town Manager Michael Lindstrom, Town Counsel Tom Urbelis, Town Clerk Austin Simko. The meeting was duly posted and cablecast live.

II. Opening Ceremonies
A. Moment of Silence/Pledge of Allegiance
The meeting started with a Moment of Silence followed by a Salute to the Flag.

III. Communications/Announcements/Liaison Reports
Andrew reported that the Senior Center has officially moved to the Ballardvale Church on Clark Road and will be there until the renovations to the Senior Center are completed. Holiday Happenings will be held on Friday, December 13th on Main Street from 4:00-8:00 P.M. with fireworks at 8:00 P.M. in the Park.

IV. Citizens Petitions and Presentations
None

V. Public Hearings
A. Fiscal Year 2020 Tax Classification – (30 minutes) – 1st Reading
Board to discuss and vote on classification and taxation of all property within the Town. David Billard provided a presentation to the Board on the FY-20 Tax Classification.

The Board has to vote on the following four items:
1. Vote of a residential factor
2. Vote of an open space factor (25% land)
3. Vote of a residential tax exemption.
4. Vote of a commercial exemption (with values under $1M or employees of ten or fewer.

The presentation included value comparisons of FY-19 to FY-20 showing that in FY-19 the residential value was $6,818,924,895 and FY-20 $7,175,327,051 a change of +5.23%.

Open Space value of $605,393,222 in FY-19 and zero for FY-2020 a change of -100.00%.

Commercial Property of $605,393,22 for FY-19 and $629,857,515 for FY-20 for a net change of +4.04% and Industrial of $639,205,100 for FY-19 and $674,985,400 for a net change of +5.60%.
Personal Property of $250,782,409 for FY-19 and $8,799,009,345 for FY-20. A net change of +5.75%.

The Total value of the town is $8,799,009,345. The total levy value is $151,618,804. The levy/value x 1,00=a tax rate of $17.23. Dividing the town value into classes yields:

<table>
<thead>
<tr>
<th>Class</th>
<th>Value</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$7,175,327,051</td>
<td>81.5%</td>
</tr>
<tr>
<td>Open space</td>
<td>-0-</td>
<td>.0%</td>
</tr>
<tr>
<td>Commercial</td>
<td>$629,857,515</td>
<td>7.2%</td>
</tr>
<tr>
<td>Industrial</td>
<td>$674,985,400</td>
<td>7.7%</td>
</tr>
<tr>
<td>Personal Property</td>
<td>$318,839,379</td>
<td>3.6%</td>
</tr>
<tr>
<td>Residential + CIP</td>
<td>81.5% + 18.5%</td>
<td></td>
</tr>
</tbody>
</table>

The Department of Revenue directive was to review Open Space due to a lot of the parcels should not have been recommended as unbuildable vacant pieces of land.

Andover is an owner-occupied community and with such a higher amount it winds up shifting the tax burden from lower value property to higher value properties.

**Commercial Exemption:** Only sixteen communities adopted a commercial exemption. Look at this as a best practice rule, if there were any significant interest in adopting this exemption it would be prudent to look at this during the year. Approximately 54 properties in Andover fit this scenario.

Mr. Billiard provided a review of classification shifts and the effects of different shifts that could be adopted for the tax rate. He suggested that the 157 shift or 157.5 are the most uniform shifts to consider.

Please contact Dave Billard if there are any questions.

Chairwoman Gregory announced that the Tax Classification Hearing will be continued to Monday, December 16th 2019.

VI. **Regular Business of the Board**
A. **Town Manager Reappointment Update**

Board to make announcement relative to the reappointment process for the Town Manager.

Laura Gregory provided an update on the status of the reappointment process for the Town Manager. The Board voted to create a sub-committee to work with the Town Manager on the reappointment and will continue to meet with him on negotiations and anticipate announcing an agreement at a future meeting. The Board received a large amount of community input. The appointment is for an additional five-years and one of the most significant roles the Board undertakes. The Board expects to make an announcement at their next meeting. Alex said this is a significant announcement by the Board to appoint Andrew for an additional five years. Andrew thanked the Board for
their support and appreciates the process the Board has laid out and appreciates the Board for the vote they have taken so far.

B. Bond Sale
The Town Treasurer reported that there were eleven bids for the sale of the $10,970,000 General Obligation Municipal Purpose Loan of 2019 Bonds of the Town dated December 18, 2019 and that Fidelity Capital Markets came in with the lowest bid of 2.23%. The Town Treasurer is requesting the Board to vote to approve.

Dan Koh moved the Board adopt the vote prepared by bond counsel in connection with the Town’s December 2019 bond issue. Alex Vispoli seconded the motion. The Board voted 5-0 to approve.

C. Historic Mill District Update
Board to receive an update on the former Town Yard (11 Lewis Street) Request for Proposals (RFP).

It was decided that to redevelop the Old Town Yard it would be more advantageous to sell the property rather than to lease it and as a result of this decision Austin Simko provided an update on the drafting of the Request for Proposals (RFP).

Discussion Topics
1. Upcoming Public Engagement meetings and calendar reviewed were reviewed. The Task Force is hosting a forum next Monday at 7:00 PM at MHL.

2. RFP Planning Objectives: There have been no changes to the seven objectives with corresponding selection criteria: stay within the fabric of the neighborhood context and character, adhere to the strategic place-making plan using discussions and community decisions made over the past several years. Preservation of commuter parking is important. Improvement of traffic, circulation and congestion spots to be a part of the development proposal and to include bicyclists, pedestrians and connectivity to the Shawsheen River. Community spaces such as art & culture spaces, playgrounds, maker spaces, performance spaces, to be included and they are looking for ideas from the developer for a mix of restaurant, retail and housing, environmental sustainability materials, energy efficiency, low impact development planting of native species and promotion of water responsibility, and design developments to adhere to overlay zoning and comply with design guidelines.

The Selection Committee will evaluate each of the seven objectives. The issuance of RFP qualification statements will be graded, as will development proposals including interviews, composite rating, initial ranking. They will then look at their financial feasibility. Rankings will be determined by purchase price and final ranking and recommendation and negotiation (if any), Select Board Design and Land Disposition Agreement as well as the presentation of their Permit Application, and then the public permitting process.
Town Meeting has to vote on the disposal of the property and with a warrant article for Town Meeting. Lots of community engagement needed.

The RFP Selection Committee appointed by the Town Manager will include two people from the HMD Task Force Members, three at-large residents, the Planning Director, and a staff member designated by the Town Manager. Documents will be available later this week.

D. All Day Kindergarten Update
Board to receive an update on the All-Day Kindergarten Initiative by Dr. Berman and School Committee Chair Shannon Scully

Using additional Mass Chapter 70 Financial Aid to replace tuition income they will be able to eliminate full day kindergarten tuition. The School Committee has been reducing the fee for the past three years and at this point at a crossroads of eliminating tuition completely and it is important that all Boards understand the implications of this.

Town buy-in is required now to execute a plan for tuition free FDK for FY 21. Chapter 70 kicks in on enrollment for prior year so they would not collect aid for next the next school year. There has been a rapid increase in full day students which has increased our revolving account that can fund the gap year but we could not underwrite the health insurance and therefore asking the Town to fund that for the year.

Benefits for regular employees paid through the town side, health insurance for those employees paid out of the revolving account are reimbursed to the Town.
No new hires are required. Dr. Berman and School Committee member Shannon Scully explained how the revolving account and tuition revenue is used. Due to reduced tuitions and greater interest in FDK this year, 93% of our parents are choosing full-day kindergarten with 24 half-day students being integrated into the full day classes.

Dr. Berman and Shannon explained the State Foundation Budget and the calculations received relative to enrollment. DESE classifies any student who pays tuition as a half-day student. Full day student enrollment adds 2x the foundation budget as half-day enrollment for an additional $4,508 per student in FY-20.

This is separate and distinct from the Chapter 70 funds from the State. State Aid will start in FY-2022 with FY-21school year as the gap year meaning in FY-21 they will not have enough revenue to cover salary and benefits for the Full-day Kindergarten teachers, but will have funds to cover these expenses in FY-22. The FDK increase in the operating budget can be covered by State Aid with no cost to taxpayers. The required municipal increase by the Town increases by $500,000. The total operating budget increases by $1,137,185 (1.32%) which will be entirely offset by the additional State Aid that comes in as a direct result of this change. The Finance Committee has seen the presentation. The School Department will need an allocation for the gap year.

Key takeaways
The Town would pay employee benefits for FDK Staff beginning in FY-21, School
related FDK expenses, during the gap year of FY-21, will be funded from the FDK revolving account. In subsequent years, FY-22 and beyond, the school operating budget would receive the Chapter 70 increase resulting from tuition free FDK.

VII. **Consent Agenda**

   A. **Appointments by the Town Manager**

On a motion by Chris Huntress and seconded by Dan Koh the Board voted 5-0 that the following appointments by the Town Manager be approved:

<table>
<thead>
<tr>
<th>Department</th>
<th>Name</th>
<th>Position</th>
<th>Rate/Term</th>
<th>Date of Hire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andover Green Advisory</td>
<td>Elizabeth Rasmussen</td>
<td>Member</td>
<td>Term Expires 6/30/2022</td>
<td>12/02/2019</td>
</tr>
<tr>
<td>Community Services – Recreation</td>
<td>Nancy Simili</td>
<td>Kid Care</td>
<td>$15.75/hour</td>
<td>12/03/2019</td>
</tr>
</tbody>
</table>

VIII. **Executive Session**

   Annie Gilbert moved that the Board vote to go into Executive Session pursuant to Purpose 2 of Massachusetts General Laws, Chapter 30, Section 21(a), to conduct strategy sessions in preparation for negotiations with nonunion personnel, i.e., the Town Manager., and not to return to open session. Dan Koh seconded the motion.


XI. **Adjourn**

   At 8:54 P.M. on a motion by Alex Vispoli and seconded by Dan Koh the Board voted 5-0 to adjourn from Open Session.

Respectfully submitted,

Dee DeLorenzo

Recording Secretary

Documents:  FY-20 Classification Hearing Presentation

December 2019 Bond Issue