



Town of Watertown
Community Preservation Committee
Administration Building
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Committee Members
Mark Krackiewicz, Chair
Jason Cohen, Vice Chair
Jonathan Bockian
Bob DiRico
Dennis J. Duff
Allen Gallagher
Jamie O'Connell
Susan Steele
Elodia Thomas

Draft Meeting Minutes: Thursday, September 16, 2021, held remotely via Zoom at 7PM.

Committee Members Present: Mark Krackiewicz, Chair; Jason Cohen, Vice Chair; Jon Bockian, Bob DiRico, Dennis J. Duff, Allen Gallagher, Jamie O'Connell, and Elodia Thomas.

Others Present: Lanae Handy, CPC Coordinator; Tom Tracy, Town Auditor and Assistant Town Manager.

1. Call Meeting to Order

Mark called the meeting to order at 7PM and reminded attendees of the Acts of 2021, Chapter 20 legislation that extends the provisions for remote meetings as applicable by law. He asked Lanae to call the roll.

2. Presentation on Bonding in Watertown by Tom Tracy

Tom pointed out he had reviewed the 8/19/2021 CPC minutes, the presentation made by Stuart Saginor (Executive Director of Community Preservation Coalition), and Mark's questions. He presented that since November of 2013, the Town has had a triple A bond rating—most recently reaffirmed in April of 2021 by Standard and Poor. This high rating allows the Town to obtain a low interest rate when selling bonds on the market.

Town Bonding Capacity

By state law (MGL Ch 44 section 10), municipalities may not borrow more than 5% of the town's total equalized property valuation without specific voter approval. Watertown's property valuation was certified by the Massachusetts Department of Revenue at \$9.8 billion in April 2021, and, at 5%, Watertown's debt limit is thus \$490 million. Current debt stands at \$146 million, reducing the debt limit to \$345 million. A further \$200 million for the Watertown High School must also be included when those costs are finalized.

Bonding Terms

Tom noted that he had concerns about the spreadsheet from Stuart. He stated, although a municipality may bond for 30 years, the term depended on how much would be borrowed and the useful life of the items (subject to State limits). Tom also stated the Town had not borrowed for a term longer than 20 years since he has been Town Auditor. Further, the Town structures their borrowing differently than the example presented by Stuart. The Town favors a declining principal payment or balance rather than level debt payments. Given this difference, Tom was uncomfortable calculating the bond limit using Stuart's spreadsheet. Nonetheless he estimated that at the current rate of CPA tax collections and a 20-year term, the CPC could recommend bonding of roughly \$20 million. He also wanted to check with legal counsel about whether the Town Manager needed to recommend the borrowing order to the Town Council in addition to the CPC recommendation. Generally, Tom said he attempts to control overall debt by encouraging use of existing funds whenever possible. He reminded CPC members that, all loan orders require a 2/3 vote. In addition, the order must be signed off by the Town Manager, Town Auditor, Town Treasurer, and legal counsel.

Jon asked about interest rates on the bonds and how recent experience compared with historical numbers. Tom liked that Stuart used 4.5% in his example. He shared that the town had most recently borrowed at a net interest rate of 2 to 2.1%, after including bond premiums.

3. Updated CPA Financial Information

Mark stated the latest financial information had been distributed to the Committee and asked if there were any questions for Tom. Jon asked whether the CPA fund is earning interest and at what rate. Tom explained the financial statement dated 9/14/2021 shows no state revenue or interest, because state revenue hasn't been received and interest is booked on a quarterly basis. Elodia mentioned several people in meetings have complained about the low interest accrued on CPA funds. Tom indicated the investment of Town funds, including CPA funds, is restricted, and cannot be invested in securities. He noted CPA funds are getting some interest and the Town is following the law.

Finally, Tom was pleased to announce the appointment of the new Treasurer, Melissa Morrissey.

4. Acceptance of 8-19-21 Meeting Minutes

Mark asked for acceptance of the 8-19-2021 Minutes and asked if there were requested changes. Elodia remarked that she requested a list of the workshop registrants at the last meeting and asked for that to be added to the minutes.

Motion: Allen moved to accept the 8-19-21 Meeting Minutes with the requested addition and Dennis seconded.

Vote: Bob DiRico, Jason Cohen, Mark Krackiewicz, Elodia Thomas, Jon Bockian, Jamie O'Connell, Allen Gallagher, and Dennis J. Duff voted in favor.

5. Community Preservation Coordinator Update

Lanae updated the committee on the items obtained for Faire on the Square such as a tent, table cover, and banner. She noted that staffing coverage was needed for several time slots in order to have two committee members per slot. Jason shared the names of committee members who had signed up.

Next, Lanae detailed information about the application workshop attendees and their potential projects, if any, grouped by non-municipal and municipal attendees. Lanae also mentioned some committee members attended one or more of the two workshops.

Non-Municipal Attendees

Belmont-Watertown United Methodist Church	Preservation of bell tower; building is in Mt. Auburn Historic District
Historical Society of Watertown	Restoration of Town Hall lobby murals; local historic significance determination required
Metrowest Collaborative Development	No project identified
Watertown Community Gardens	No project identified
Trees for Watertown	No specific project identified; open space
Town Residents	Interested in the process

Municipal Attendees

Tammy Fernandez-McKenna, Commander's Mansion	No project identified
Jill Clements, Watertown Free Public Library	No project identified

Municipal Projects Mentioned

Watertown Municipal Affordable Housing Trust	Pre-development costs associated with project feasibility
Tammy Fernandez-McKenna, Commander's Mansion	No project identified
Planning/Conservation Commission	Creative/artistic play structure as component of Arsenal Park rehabilitation
Town	Bandstand for Saltonstall Park

Larry Field informed Lanae that the Watertown Free Public Library (WFPL) was interested in applying for administrative funds to perform a comprehensive historic resource inventory and the Watertown Historical Commission (WHC) was interested in conducting a smaller scale inventory. The WHC would seek matching funds from the Massachusetts Historical Commission. Lanae said there was a need to discuss how administrative funds would be used for this purpose. She cited that some towns require eligibility forms and CPA funding applications. Though Lanae didn't think that process was appropriate since performing inventories was not

an allowable spending purpose under CPA. Elodia emphasized administrative funds were for CPC purposes or expenses and should be controlled by the Committee. Beyond an inventory, she thought education and training was needed. She also thought the committee should hire an expert to determine which resources are worth preserving and important to the community. Jamie concurred with the idea to provide training and obtain historic preservation expertise. Jason considered it important to collaborate with the WHC and Library. Elodia agreed there should be an open collaboration with WHC, WFPL, and Edmund Fowle House. She proposed inviting the WHC and WFPL to work with a CPC subcommittee to develop a scope of work. Dennis thought that may involve too many people at this stage and the CPC should meet alone first. Lanae suggested putting the item on an October CPC meeting agenda and advised doing so sooner rather than later.

Committee members added “discussion of historic resources” to the October 7th agenda. Jon indicated the CPC’s study of historic resources with administrative funds could be performed independent of the application cycle. Also, Mark stated he didn’t want to lose sight of the fact that the WHC had to make a determination of local historic significance.

Dennis asked for more information about the church project mentioned. Lanae informed the CPC of Stuart’s recommendation to accept applications for projects from religious institutions and obtain a legal opinion on their eligibility. She also apprised committee members of Stuart’s answer to the question from a potential applicant: “May components of construction projects that have commenced be funded through the CPA?” Stuart said municipal projects would not be fundable (CPA prohibits supplanting of municipal funds). However, he stated the law was silent on private entities and it was best to fund a discrete component or another phase that was still in the fundraising stage to avoid questions in the minds of the public.

In preparation for the October 7th meeting, Mark said that Lanae would distribute the Project Eligibility Forms received.

6. Adjournment

Motion: Dennis moved to adjourn, and Jason seconded.

Vote: Elodia Thomas, Allen Gallagher, Jon Bockian, Dennis Duff, Bob DiRico, Jamie O’Connell, Jason Cohen, and Mark Krackiewicz voted to adjourn.

Meeting adjourned at 8:31 PM.

Meeting Attachments

[CPA Funds through 6/30/2021 and YTD as 9/14/2021](#)

[2021-8-19 Draft CPC Minutes](#)