

***Town Council Economic Development Committee
August 5, 2013
Town Council Chambers***

Present: Chairman Frances Burke
Councilor Thomas J. Lacey
Councilor Jane Hackett
Councilor Brian McDonald
Councilor Patrick O'Connor

Recording Secretary: Diane T. Hachey

Chairman Burke called the Economic Development Committee Meeting to order at 7:00 PM and noted the sole item on the agenda was as follows, and turned the meeting over to Vice Chairman Lacey:

Discuss actions and next steps specific to official state audit report of South Shore Tri-Town Development Corporation

Councilor Lacey noted that given recent challenges with South Shore Tri-Town Development Corporation, he raised issues of concern at the last meeting at which SSTTDC representatives appeared. Namely the East/West Parkway and a water commitment-- and since then has not heard any updates. When the State Auditor's report was released, it reinforced many of his issues of concern. He read the following excerpt from the audit into the record:

"Chapter 301 of the Acts of 1998, as amended by Chapter 303 of the Acts of 2008, established the South Shore Tri-Town Development Corporations as a governmental entity charged with the responsibility for the development of the former South Weymouth Naval Air Station on behalf of the towns of Abington, Rockland and Weymouth. SSTTDC's enabling legislation requires it to develop the base with the goal of maximizing the fiscal benefit to the host communities and in a manner that imposes no costs to said towns for the provision of police, fire protection, emergency, water, sewer, and other municipal services."

Councilor Lacey said that as you read this section of the enabling legislation, you can't come to any other conclusion other than Tri-Town Corporation is failing at their fundamental responsibility of prioritizing development of the base while delivering excess revenues back to the three communities. He also referred to the fact that during the last two fiscal year budgets, the Board of Directors have voted to transfer the previous year free cash into Tri-Town's next year's operation budget. He believes this is a clear violation of the legislation of which SSTTDC is governed. He is also concerned that there is no direct oversight on the Board of Directors. Further, Councilor Lacey stated that it's an embarrassment to those who have supported this project that there is no permanent water and sewer solution, not even a plan, and it's been eight years since the project was approved by the three communities; he noted that this is the reason there has been a pause on commercial development, which has provided developers an excuse to

claim there is no market for commercial. There is no Bio-tech, no studio, no recreational amenities and not even one turf field to show a good faith effort that SSTTDC cares about the three communities needs and what was committed to the communities.

Councilor Lacey would like to focus on water/sewer issues-- noting again that the plan was voted in 2005, and in 2013 there are still no concrete plans in place, and he is appalled. Commercial development will not want to commit without a defined water source, and he feels the onus is on SSTTDC and the developer to devise a plan. Councilor Lacey is concerned with the lack of accountability and lack of follow through, and suggests that the committee, through the Mayor, should hold them accountable. Councilor DiFazio has been most diligent in his efforts, but unfortunately has received no responses. He feels that this committee should drive (through the Town Council) an opportunity for leveraging.

He further noted that he was appointed by the Mayor to the South Shore Tri-Town Advisory Board and has since resigned, two months into the appointment, as he realized that the Board has little to no power or influence over decisions.

Councilor McDonald shares Councilor Lacey's concerns and found the audit disturbing to say the least, and has requested Auditor Swanson to follow-up with the State Auditors, and even after these efforts, haven't received sufficient answers.. Southfield residents are Weymouth residents and they need positive feedback that the project is on track. He would like to see all copies of municipal service contracts for fiscal years 2013 and 2014, in addition to accompanying bills, turned over to the Town of Weymouth. He stressed the need to understand what does or doesn't work with the build- out model and ascertain how to make it work, determine issues and economic problems and identify the consequences of failure. He noted that Weymouth is the most impacted community.

Councilor O'Connor thanked Councilors Burke and Lacey for the referral and stated that the audit report indicates that there is no water/sewer source identified, and feels it was disingenuous of our Weymouth Representatives to state that this was underway. Councilor O'Connor noted the lack of response from SSTTDC to Councilor DiFazio's numerous letters, the millions of dollars expended on consultants and lawyers, with not contracts in place, concern with management of the Board of Directors, and the outstanding issues with schools, police and fire. Status quo is not acceptable and the Council needs to move in the right direction to correct this continuously stalling project.

Councilor Hackett stated that a response from SSTTDC is needed , they are an LRA (Local Redevelopment Authority), not a municipality, they need people on board who have expertise in development and redevelopment. She stresses the importance of identifying a water source, Weymouth's water is too expensive. Police, Fire and Schools do not have fiscal year 2014 contracts in place and we are already six weeks into the fiscal year. She cites Ron Mariano's letter, commenting on the state audit, noting its reassurance. Should the enabling legislation be revised, the LRA needs to be defined, excess revenue distribution needs to be looked at as there are many conflicts between the enabling legislation and DOR and DEP, which must be rectified.

Chairman Burke noted his agreement with his colleagues, and cites the consultant hired for the water study is the same as the one the town utilizes, and he is concerned about a potential conflict of interest. He noted that responses to Councilor DiFazio's correspondence were made by attorneys and not SSTTDC, who never responded, he stated that there is no open communication. He advised that the committee work with the Mayor's Office to ensure oversight of the project; and he foresees that this is the first of many Economic Development Committee Meetings on the subject. Chairman Burke further cited the high water rates charged to Southfield residents, many of whom are leaving due to increasing prices. Starwood believes there is a glitch in the formula but haven't revealed anything to date, supposedly they will be doing so in September.

Councilor Hackett suggests asking Chairman of BOD (Joseph Connolly) to explain the report, account for what hasn't occurred to date, and possible changes in enabling legislation, by coming before the committee in September.

Councilor McDonald doesn't want to wait until September, and motions to request that Auditor Swanson obtain all municipal contracts in place for fiscal years 2013 and 2014. Additionally, to request that the Town Solicitor contact the State Auditor's Office to ascertain if the enabling legislation exempts Southfield from provisions of Chapter 30B; motions seconded by Councilor Hackett. Discussion on the motion resulted in Councilor Hackett amending the motions to include Councilor Burke, as Chairman of the Economic Development Committee, to obtain this information.

A discussion ensued that this is an inter-municipal agreement issue and that the motion should be pursued on its own, presented to Solicitor Lane, and the committee take its own direction. Motions pass unanimously.

Councilor Hackett motions to invite Joseph Connolly, Kevin Donovan and whomever else they deem necessary, to a future Economic Development Committee Meeting as soon as possible, motion seconded by Councilor McDonald.

Substitute motion by Councilor Lacey to request that Mayor Kay (versus SSTTDC staff) appear before the Economic Development Committee, motion seconded by Councilor O'Connor.

Councilor Lacey explained his rationale for the substitute motion in that SSTTDC's track record is no response, and as result, suggests obtaining the Mayor's position. This, in conjunction with the committee's thoughts, would be reviewed, and SSTTDC BOD's would be invited at a later date. Councilor O'Connor is in support of the substitute motion and noted that Kevin Donovan never attends meetings as requested numerous times in the past.

Substitute motion passes 4-1 (Councilor Hackett voting nay).

Chairman Burke noted that a representative from Corcoran called him in request of being on the agenda this evening, but Chairman Burke delayed his request, as his intent was that this meeting

focus on the state audit. He further noted that is why he didn't allow another requested agenda item, from a fellow committee member, to be included on the agenda this evening.

Councilor McDonald reiterated that he would like to see Joseph Connolly, Kevin Donovan and whomever else at SSTTDC appear before this committee, following Mayor Kay's appearance.

With no further business to attend to, Councilor O'Connor motioned to adjourn at 8:20 PM- motion seconded by Councilor Lacey and voted unanimously.

Respectfully Submitted by: Diane T. Hachey as Recording Secretary

Approved by: Chairman Francis Burke