

TOWN OF WELLESLEY



MASSACHUSETTS

BOARD OF SELECTMEN

TOWN HALL • 525 WASHINGTON STREET • WELLESLEY, MA 02482-5992

ELLEN F. GIBBS, CHAIR
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BLYTHE C. ROBINSON
EXECUTIVE DIRECTOR OF GENERAL GOVERNMENT

SELECTMEN'S MEETING

TENTATIVE AGENDA

Wellesley Town Hall – Juliani Room

7:00 P.M. Tuesday, February 20, 2018

1. 7:00 Citizen Speak
2. 7:05 Discuss Potential Acquisition of Real Estate – 818, 822 & 826 Worcester Street
3. 7:15 Review Draft RFP for the Redevelopment of the Tailby and Railroad Avenue Commuter Lots
4. 7:45 Discuss ATM Warrant Articles
 - Article 6 – Town Clerk Salary
 - Article 32 – General Bylaw Amendments
 - Article 35 - Draft Alcohol Regulations – Alcohol in Town Buildings
5. 8:15 Discuss Purging of Aged Parking Ticket Penalties
6. 8:25 Discuss Draft Town-wide Financial Plan
7. 8:45 Executive Director's Update
 - Approval of Minutes
 - Approval of One-Day Licenses – Babson College
 - Acceptance of Gifts
8. 8:55 Adopt Chapter 32B, Section 19
9. 9:05 New Business and Correspondence

Next Meeting Dates: Monday, February 26, 2018 7:00 pm
Monday, March 12, 2018 7:00 pm

MOTIONS- FEBRUARY 20, 2018

3. **MOVE** that the Board vote to authorize staff to release a request for proposals for the redevelopment of the Tailby and Railroad Commuter parking lots.

4. **MOVE** that the Board vote to support Article 6 on the Annual Town Meeting warrant.

4. **MOVE** that the Board votes to support Article 32 regarding amendments to the Town's General Bylaws on the annual town meeting warrant.

4. **MOVE** that the Board votes to support Article 35 regarding the allowance of alcohol to be served in Town buildings on the annual town meeting warrant.

- MOVE** that the Board vote to approve amendments to the Alcohol Regulations as proposed.

5. **MOVE** that the Board vote to purge all accrued parking ticket penalties for the years 1983 – 2009.

7. **MOVE** that the Board vote to approve the minutes of the January 10 and January 29, 2018 meetings.

7. **MOVE** that the Board vote to approve a one-day license to Babson College for the Black Affinity Conference on February 24th in Knight Auditorium, Old Money Post reception on March 7th in the Sandra Sorenson Rehearsal Studio and the India Symposium on March 10th in Olin Hall.

7. **MOVE** to accept various gifts for the Wellesley Council on Aging to include:

- ❖ New Era Fund - \$649 for various periodical subscriptions
- ❖ New Era Fund - \$700 for design and printing of the October grand opening brochure
- ❖ New Era Fund - \$1,502.40 – outdoor benches for the Tolles Parsons Center
- ❖ Friends of the COA - \$1,001.00 for the January Senior Lunch Program

8. **MOVE** that the Board vote adopt Massachusetts G.L. Chapter 32B, §19.

2/16/2018

Black regular agenda items

Board of Selectmen Calendar – FY17

Date	Selectmen Meeting Items	Other Meeting Items
2/19 <i>Monday</i>	Town Hall Closed – President’s Day	
2/20 <i>Tuesday</i>	Meeting	
2/26 <i>Monday</i>	Meeting Pete Jones - Citizen Petition Electronic Voting Police Appointments for Sergeant and Lieutenant Positions Investment Policy Review Health Insurance Budget 2019 Budget Update OPEB Legislation Update Roche Bros. Change in Manager Approve TWFP Open a warrant for an STM	
3/5 <i>Monday</i>	Wellesley Club- Town Affairs Night	
3/6 <i>Tuesday</i>	No Meeting	Tuesday 3/6- Town Election
3/12 <i>Monday</i>	Meeting Mass DOT - Route 9/Kingsbury Guardrails? Discuss Draft ATM Motions Diversity Program w/WOW?+ Vote on remaining ATM Articles Review Eligibility Concerns 818-822 Worcester St No.7 West - CV/Alcohol License (165 Linden) WCC Approval of Sudbury Aqueduct (maybe)	
3/19 <i>Monday</i>	Meeting Discuss Complete Streets Policy Approve 40B Eligibility Ltr - 818/822 Worcester St	
3/26 <i>Monday</i>	ATM Starts	
3/27 <i>Tuesday</i>	ATM	
4/2 <i>Monday</i>	ATM STM?	
4/3 <i>Tuesday</i>	ATM	
4/9 <i>Monday</i>	ATM	
4/10 <i>Tuesday</i>	ATM	
4/16 <i>Monday</i>	TOWN HALL CLOSED (Patriots Day)	
4/23	ATM (If Needed)	

2/16/2018

Black regular agenda items

<i>Date</i>	<i>Selectmen Meeting Items</i>	<i>Other Meeting Items</i>
<i>Monday</i>		
<i>4/24</i> <i>Tuesday</i>	ATM (If Needed)	
<i>4/30</i> <i>Monday</i>	ATM (If Needed)	
<i>5/7</i> <i>Monday</i>	Meeting STM?	
<i>5/14</i> <i>Monday</i>	Meeting	
<i>5/21</i> <i>Monday</i>	Meeting	
<i>5/28</i> <i>Monday</i>	TOWN HALL CLOSED (Memorial Day)	
<i>6/4</i> <i>Monday</i>	Meeting	
<i>6/11</i> <i>Monday</i>	Meeting	
<i>6/18</i> <i>Monday</i>	Meeting	
<i>6/25</i> <i>Monday</i>	Meeting	

Notes

Quarterly updates

- *Traffic Committee (Deputy Chief Pilecki)*
- *Facilities Maintenance (Joe McDonough)*
- *Wellesley Club Dates 1/22/18, 3/5/18*

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Our regularly scheduled meeting will begin at 7:00 PM on Tuesday in the Juliani Room.

1. Citizen Speak

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MEMORANDUM

DATE: February 16, 2018
TO: Board of Selectmen
FROM: Blythe C. Robinson, Executive Director
SUBJECT: Weekly Report

Below are various activities of our office and various departments that I would like to bring to your attention.

- We received word this week that the court has granted our motion regarding the water registration act lawsuit to consolidate Needham's challenge of this issue together with ourselves and Hamilton as we had requested.
- Marybeth Martello is finishing up the application to Green Communities and the final decision on projects is to go ahead with requesting \$114,000 for LED retrofit of 116 exterior lights at the DPW Municipal Way Campus (FMD has budgeted \$140,000 and will cover the difference of \$26,000) and \$23,250 for an energy audit of the Town's water systems (audit will cost \$35,500 and DPW will cover the difference of \$12,250).
- Scott, Marc and I had two meetings with the "leadership" of the unions on health insurance on Thursday and today. We made some progress on Thursday and I can update you after today's meeting as to where we stand. We have put a vote to adopt section 19 on the agenda for Tuesday because we are simply out of time to wait for all 11 unions to be in agreement, and the group is aware of this.
- We sent in the IT grant to the State Community Compact program this week. We were able to coordinate this to be a joint project not only with MLP as I previously mentioned, but also with the schools. The school portion is to upgrade the fiber network between the Middle and High School to better meet their needs. They have

pressing needs to get fiber upgraded to the other schools, but there is another program they can apply for and they will take that opportunity.

- Speaking of grants, it is a good week for that. It was great news to hear that the Town Hall project is in a State bond bill. Given that the exterior project bids open next week we wouldn't be able to use it for that, but should our advocacy efforts pan out it could be used for either design or construction of the interior. Also, after gathering up a number of project ideas I sent off two to our delegation for the FY19 budget. Enclosed is the memo they received. The projects are feasibility to create a link along the Metrowest LandLine project, and money to purchase 17 sets of protective equipment for the fire department who may respond to a shooting incident like just happened in Florida.
- Meghan, Tom and I are scheduled to meet with the owners of 826 Worcester Street this afternoon at 4 PM. Suffice it to say they did not expect us to reach out to them on this topic, and seemed appreciative of the opportunity to come in and learn more about the process and discuss this with us. Also, we have engaged an appraiser to begin work on all three of the parcels that will be needed for negotiations and an STM.
- An updated version of the work plan is in your packet. We've moved several items to the completed section, and added the acquisition of the properties on Worcester Street to the list.
- As always this is a very busy time of year for a number of offices. However, I must let you know that FMD is starting to reach an overload situation that we will need to address. They already have a lot on their plate with Town Hall going to bid, simultaneous feasibility studies for PAWs and Town Hall interior, RFP's to prepare for Middle School feasibility, and MS steam pipe design. The closeout of TPC seems to be getting further away with issues they are having in the building due to sewage backups, carpeting replacement and HVAC complaints. HHU is ramping up for all of us, and on top of that PBC seems willing to help the Library with their budget for design of the interior. Separately I will be asking Ellen, Matt King, Michael D'Ortenzio, to meet with Joe and I to see how we can moderate or plan out the workload over the next few months. We will need to give serious consideration to adding staff to the budgets for HHU feasibility for both ourselves and school staff to manage that single project. Joe and I have a meeting with David Lussier on that topic on March 2nd.
- Just a reminder that Monday, February 19th is President's Day and thus Town Hall will be closed for the day. Next week is also the school's February vacation.

2. Discuss Potential Acquisition of Real Estate – 818, 822 & 826 Worcester Street

We have included this item on the agenda for the purpose of discussing the acquisition of these properties that would provide the Town the ability to utilize it for various purposes. We will have a statement prepared for the meeting that outlines the reasoning for this project. Should the Board wish to go forward, we will need to schedule a special town meeting at least five weeks after opening a warrant in order to follow all of the required steps to do so. We have been in contact with all of the property owners or their representatives to discuss this with them.

NO MOTION

**3. Review Draft RFP for the Redevelopment of the Tailby and Railroad Avenue
Commuter Lots**

Enclosed with your packet is a draft of the RFP the Board asked staff to prepare to request proposals from developers to redevelop these two commuter lots. We would like to discuss this with you and determine whether the document needs further refinement or would like it to be disseminated now. The draft has been prepared in consultation with Town Counsel. The pdf has a few references to images that were from the Planning Board memo to the Board requesting the RFP. We were having formatting issues, so the images will be eliminated, but the references are highlighted still in this current draft. The dates for submittals are highlighted as they may change from the date the RFP is issued. The current draft is proposing a March 8 release after a March 7 publication in the Central Register.

MOVE that the Board vote to authorize staff to release a request for proposals for the redevelopment of the Tailby and Railroad Commuter parking lots.

TOWN OF WELLESLEY

REQUEST FOR PROPOSALS

GROUND LEASE OF PROPERTY LOCATED AT
TAILBY PARKING LOT – 103 LINDEN STREET
AND
RAILROAD PARKING LOT – 7 GROVE STREET
WELLESLEY, MASSACHUSETTS

AND THE DEVELOPMENT THEREON OF
AFFORDABLE AND MARKET RATE HOUSING

Date Issued: February XX, 2018

Due Date for Responses: Tuesday, June 5, 2018 Applications will be accepted no later than NOON, at Wellesley Selectmen's Office, 525 Washington Street Wellesley, Massachusetts 02482, Attention: Tailby and Railroad Redevelopment

LATE PROPOSALS WILL NOT BE ACCEPTED.

This Request for Proposals was developed in accordance with the requirements of Massachusetts General Laws Chapter 30B, Section 16.

1. Request for Proposals

1.1 *Introductory Instructions*

The Town of Wellesley (the “Town”), acting by and through its Board of Selectmen is issuing this Request for Proposals (“RFP”) to invite proposals from qualified developers to enter into one or more long-term leases (preferably one) to develop the Town of Wellesley Tailby (103 Linden Street) and Railroad (7 Grove Street) Commuter Parking Lots located in Wellesley, Massachusetts (the “Properties”) and the development thereon of affordable and market rate housing that will be owned and operated by the selected developer(s) (the “Facility”).

The preparation of the RFP response shall be at the expense of the respondent. It is the sole responsibility of the respondent to fully examine this RFP’s attachments and referenced documents. Questions shall be addressed in writing to the Board of Selectmen, c/o Meghan Jop, Assistant Executive Director, 525 Washington Street, Wellesley, Massachusetts 02482 by **April 15, 2018** or emailed to :mjop@wellesleyma.gov. Answers to timely submitted questions will be in writing and the questions and answers will be shared with all those on record as having received a copy of the RFP.

All respondents are strongly encouraged to visit the Properties before submitting a proposal. The site will be delivered “as is”, without any warranty or representations by the Town with regard to existing conditions.

Each respondent must submit one proposal package clearly marked “Town of Wellesley, Tailby and Railroad Parking Lot Development Proposal” on the outside of the envelope. Each envelope shall contain two sealed envelopes, one marked “Town of Wellesley, Tailby and Railroad Parking Lot Lease and Development Proposal – Technical Proposal” and the other marked “Town of Wellesley, Tailby and Railroad Parking Lot Lease and Development Proposal – Price Proposal”. Respondents shall provide one (1) original, ten (10) paper copies, and one (1) electronic copy of the Price Proposal, and one (1) original, ten (10) paper copies, and one (1) electronic copy of the Technical Proposal. All proposals shall be delivered to:

Board of Selectmen’s Office
c/o Meghan Jop
525 Washington Street
Wellesley, MA 02482

All proposals must be submitted by NOON on **June 5, 2018** (the “Proposal Due Date”) when they become the property of the Town and are subject to applicable Public Record Laws. **Late proposals will not be accepted.** Postmarks will not be considered. It is the responsibility of the respondent to ensure timely delivery of proposals.

Respondents to the RFP will be able to correct or modify their proposals before the Proposal Due Date. Each modification package must contain two sealed envelopes. The outside of the package and each sealed envelope shall be marked with the respondent’s name and address and “Town of Wellesley, Tailby and Railroad Parking Lot Development Lease and Development Proposal, Modification #_____”. The first sealed envelope shall also be marked “Price Proposal” and the second sealed envelope shall also be marked “Technical Proposal”. Each modification package must be numbered in sequence. Respondents must submit one (1) original, ten (10) paper copies, and one (1) electronic copy of any modifications or corrections

to the above contact person and address prior to the RFP deadline. Respondents may also withdraw their proposals at any time during the application and selection process.

The Town makes no representations or warranties, expressed or implied, as to the accuracy and/or completeness of the information provided in this RFP. Prospective developers will be expected to undertake their own review and analyses concerning physical conditions, environmental conditions, applicable zoning, required permits and approvals, reuse potentials, and other development, ownership and legal considerations (including, but not limited to, any applicable public construction and/or fair wage laws).

All Proposals shall be deemed to be public record within the meaning of M.G.L. Chapter 4, Section 7(26) after the Proposal Due Date.

If necessary, the Town will issue addenda to all respondents on record as having requested a copy of this RFP. Addenda will be mailed, faxed or emailed to all such respondents. However, it is the respondents' responsibility to ensure that they are in receipt of all addenda. No addenda will be issued later than **May 4, 2018**

After the Proposal Due Date, a respondent may not change any provision of their proposal that, in the sole opinion of the Town, may be prejudicial to the interests of the Town or fair competition. Minor informalities will be waived or the respondent will be allowed to correct them. If a mistake and the intended proposals are clearly evident on the face of the proposal document, the mistake will be corrected to reflect the intended correct proposal and the respondent will be notified in writing before the anticipated Q&A meeting.

Technical and Price Proposals must be signed as follows: (1) if the respondent is an individual, by him/her personally; (2) if the respondent is a partnership, by the name of the partnership followed by the signature of each general partner; and (3) if the respondent is a corporation, by the authorized officer together with a clerk's certificate.

The Town reserves the right to reject any and all proposals or to cancel the RFP as it determines to be in the best interest of the Town.

For more details on the Request for Proposals Submission and Selection Process see Section 5 of this RFP.

1.2 Introduction to the Project

TOWN OF WELLESLEY

The Town was incorporated in 1881 and is located in Norfolk County, approximately 10 miles west of Boston. It is bordered by Natick on the west, Weston and Newton on the north and northeast, Needham on the east and southeast, and Dover on the south.

In recent years, the Town of Wellesley has made a commitment to improving the amount of affordable housing located in the Town. Since 2004, the Town has adopted an Inclusionary Zoning Bylaw, adopted the *2007-2017 Comprehensive Plan* (with numerous goals and objectives pertaining to the provision of affordable housing and diverse housing options), amended and adopted several Zoning regulations to support increased residential density and the development of affordable housing, and supported projects resulting in the development of approximately 130 SHI-eligible units. Despite these efforts, the Town's Subsidized Housing

Inventory (SHI) remains below the 10% goal at approximately 6.3%. This has resulted in the recent proposal of several 40B projects, many of which are considered less than ideal in terms of their location and design. Accordingly, the Town seeks to take proactive efforts to guide the development of affordable housing to appropriate sites that complement the integrity of the Town's character, while also working to meet one or more 40B certification thresholds to protect the Town from future "unfriendly" 40Bs. The development of the Tailby and Railroad lots would do just this, allowing for many beneficial objectives to meet, while reducing the likelihood of development of 40B projects that are less ideal in terms of design and location.

HISTORY OF PAST EFFORTS

The Town has considered various concepts for the redevelopment of the Properties since the 1970s. As noted in the 2004 RFP for the *Tailby Lot Feasibility Study*, released on September 7, 2004, "since at least 1973, various Town boards have suggested that the Tailby Lot might be decked over to increase its parking capacity and to accommodate housing." The following is a list, perhaps not exhaustive, of the Town and/or Planning Board's previous efforts in considering alternatives for the Properties ([all materials can be viewed here LINK](#)) For various reasons, actions to execute prior plans did not move forward.

1972: Wellesley Square Study

Referenced the Railroad Lot, with "difficult access" and "lack of visibility" noted as resulting in a "level of utilization substantially less than that which would be anticipated considering...proximity to commercial establishments."

1981: Comprehensive Plan

- "In addition to the above, several lots, notably the lot at Church and Waban Streets (Fraser Lot) and the Railroad lot at Crest Road and Central Street, suffer from difficult access from Central Street and lack of visibility, resulting in a level of utilization substantially less than that which would be anticipated considering their proximity to commercial establishments."
- "Another alternative would be to relocate the Wellesley Square railroad station to the vicinity of Weston Road and build a parking facility on town owned land at that location. This would permit some of the parking spaces now used by commuters to be made available to Wellesley Square shoppers and employees."

1997: Wellesley Square Forum; Report of the Wellesley Square Forum

- Forum participants referenced a need for the "Tailby lot's improvement (multi-level, over RR tracks, and better access)."
- With regard to parking improvements, the Report indicated:

"Decking the Tailby lot would provide a large infusion of spaces but at a high cost/space. Eventually it may be required, and is a logical development. Somewhat centrally located with respect to the present station, Town Hall and the shops, the Tailby lot could be decked with minimum visual impact, being essentially below grade. However it is a considerable distance from all but the station. Linking the lot to the stores will require some innovative thinking and public/private collaboration, perhaps

involving existing properties on Crest Road, or air rights over the railroad. As has been previously suggested, the Tailby lot could serve as part of a link between the Linden Street shopping area and Wellesley Square, however the question remains are the distances too great for shoppers? It appears to make more sense for all day parking, employees and commuters. If the Town were to undertake construction of decked parking at this site then consideration should be given to a parking structure with office or residences above.”

- The Report included a goal that consideration be given to the “re-use of Grove/Railroad Avenue area,” with the sketch to the right included depicting a building located on the Railroad lot and pedestrian connectivity across the MBTA tracks.

1998: Wellesley Square Action Plan

- References made to expanded and redeveloped parking for Tailby Lot and Railroad Lot, especially in support of improvements to Post Office Square.
- Recommendations specific to the Tailby Lot:

Support Parking for Post Office Square

The Tailby Lot is now used for all-day parking for commuter rail passengers, many of whom are from towns surrounding Wellesley. As such, it does not now contribute to the support of or the vitality of Wellesley Square. To support Post Office Square development, consideration should be given to converting up to 50% of the parking spaces at the Tailby Lot to short-term parking spaces. This may be accomplished by signage, parking fee rate structure, or the use of a resident parking sticker program. The consequence of this policy shift would be to discourage out-of-town all day parking commuters from using the Tailby Lot, thereby substituting usage to patrons of Wellesley Square and Post Office Square businesses.

Co-development of Tailby Lot for Housing

There has been discussion in the past of developing the Tailby Lot This discussion has taken two forms: 1) construct a parking deck. and 2) construct development (i.e., housing) with additional parking on a deck. Either one of these concepts would be supportive of Post Office Square development but not absolutely necessary for it.

A new parking deck without development of Post Office Square would make little sense since the additional parking provided by the new deck would only serve additional rail commuters who contribute little to the life of the Square. (The lot is too distant from existing Wellesley Square businesses to be used by their patrons.) If Post Office Square were developed, however, a new Tailby Deck would be close enough to serve that new development

Alternatively, new housing at the Tailby Lot site would be supportive the Square's vitality in that it would add another close-in residential community to the Square that would help support Wellesley Square businesses. In any case, development of this parcel could enhance the views and character of Wellesley square.

2000: Recommendations for Organizing a Wellesley Square Partnership

- “Identify real estate opportunities among those recommended in previous studies, and explore methods to implement these projects (Post Office Square, Tailby Lot, Wellesley Inn, and others)”
- “Identify appropriate [parking] improvements to the Tailby lot and pursue these improvements”

2002: Linden Street Corridor Master Plan

- References made to difficulty of residential development of Tailby Lot due to Limited Residential District zoning.
- Recommendations specific to the Tailby Lot:

*This municipal lot was evaluated for opportunities to expand the number of spaces and use of the site to meet other community objectives. Two alternative conceptual designs were developed for the Tailby Lot which are shown in **Figures 9A and B below**.*

*The first alternative **[depicted in Figure 9A]** is to construct a new deck over the existing parking lot. An asset to decking is the existing grade difference between Crest Road and the surface of the Tailby lot. This provides an excellent opportunity for the deck to fit into the existing landscape with minimal aesthetic impact. Additionally, the new signal recently installed on Crest Road could include a phase in the future for a new entrance to a decked structure. This would provide complete external access to both levels without internal ramping, maximizing the use of space. This alternative could provide a total of 406 parking spaces.*

*The second alternative **[depicted in Figure 9B]** includes a new parking deck and 18 housing units at the street level off Crest Road. This would reduce the number of total available parking spaces to 343, which would still provide a gain of 135 new spaces. Additionally, the new housing units could be constructed by the Town and provide affordable housing opportunities to local residents. The sale or rent of these units could also be used to offset the cost of constructing the new parking deck.*

During the planning process a number of concerns were raised regarding the current use of the Tailby Lot that should be addressed in the short-term. A common issue raised was the number of commuters from out of town using spaces in the lot. A recent study conducted by the Town estimated that non-residents use over half of the spaces on a daily basis. Some possible short-term approaches are as follows:

- *Revise the parking rate structure by increasing the fee for commuter parking. The current parking rate is only \$2 per day and could be raised to \$4 or higher, while still being attractive for commuter use.*
- *Change the timing of a number of spaces in the parking lot to two hours to accommodate local parking needs generated by Town Hall, Wellesley Square and Linden Street.*

- *Rope off a percentage of the spaces until after commuting hours.*
- *Establish a resident sticker program for the Tailby Lot and allocate a sufficient number of parking spaces at a reasonable cost to local commuters.*

2003: Post Office Square Framework Plan

Re-envisioned the Railroad Lot as part of the reconfiguration concept for Post Office Square. It was noted that the concept anticipated a new deck at the Tailby Lot to accommodate lost parking.

2004-2005: Tailby Lot Feasibility Study

- The intent of the 2004 Study was to “...develop and evaluate the feasibility of several alternative plans to implement those ideas [to increase parking capacity and accommodate housing].”
- Seven (7) development concepts were considered as part of this Study, with two *over-under* development approaches (D1 and D2) being determined to be financially feasible. “The over-under approach places housing and open space on a structured platform above an expanded parking deck, concealing the parking from Crest Road and the housing. This creates highly desirable housing units with associated open space and covered parking, in scale with the existing neighborhood and in character with the Town center. The housing is buffered from the railroad tracks by its higher elevation, starting approximately 18 feet above the tracks. Residents, by and large, will not see the train.”
- The Final Report for the Study concluded that the “scope of the Phase II Study [to “refine the concept plan for an “over-under” development, testing unit types and mixes as well as open space and garage configurations”] should be expanded to include the Post Office Square Lot (i.e. Railroad Lot) because consideration of both parcels together will lead to integrated solutions for the commuter rail station, Wellesley Square parking, additional housing, and enhancement of retail frontage along Central Street. Studying Tailby and Post Office Square together is likely to produce creative solutions for unifying Wellesley Square and rectifying existing parking and planning deficiencies.”

2007-2017 Comprehensive Plan

- The Tailby Lot is referenced as an appropriate site under the following action:

Focus efforts to create more diverse housing types and affordable housing by attracting rental developments to identified sites in Wellesley. In order to create sufficient numbers of affordable units to meet the state ten percent affordable housing goal and to create more diversity of housing in Wellesley, the Town must work to bring rental developments with a substantial number of units to the few identified sites where most residents agree this kind of housing would complement local character.
- Recommended Action:

Provide additional parking in Wellesley Square by including a parking deck in mixed-use redevelopment plans for the area. The Tailby lot could be the site of a new parking structure that would serve new development and the existing commercial area.

2. The Properties

2.1 Site Information

The Properties are bounded by Railroad Avenue, Central Street, Crest Road, and Linden Street. The Properties are separated by the MBTA's Framingham/Worcester Line, and the Wellesley Square Commuter Rail Station is accessed, almost exclusively, from the Properties. The Tailby Lot has an approximate lot area of 83,075 square feet (1.9 acres). The Railroad Lot has an approximate lot area of 38,753 square feet (0.89 acres). Combined, the Properties have an approximate total area of 121,828 square feet (2.79 acres). The Properties are currently used as off-street parking lots, with 222 spaces at the Tailby Lot (all-day parking; no overnight) and 71 spaces at the Railroad Lot (55 4-hour spaces, 16 10-hour spaces). The Railroad Lot abuts parkland to the east, under the control of the Wellesley Natural Resources Commission. The parkland has the Station Oak, a Champion Tree that must be protected.

2.2 Neighborhood Description

The Properties are a meeting point between a historic neighborhood known as the College Heights area, and two separated, but related, commercial districts: Wellesley Square and Linden Square. The development of this area is critical in improving the transition between the three areas.

The College Heights area is an important evolutionary subdivision in Wellesley, and reflects an early period in the town's suburban development beginning in the third quarter of the 19th century (prior to Wellesley's incorporation in 1881). Gradual expansion of this residential area, as late as the 1920s and 1930s, paralleled new commercial and institutional development (and redevelopment) at nearby Wellesley Square. Retaining integrity of location, design, setting, materials, workmanship, feeling, and association, the College Heights area as a district meets Criteria A and C of the National Register on the local level. Many residents find the hilly, eclectic style charming and with close proximity to Wellesley Square, Linden Square and the MBTA Commuter line. Predominant historic architectural style for the area is Colonial Revival.

The Wellesley Square Commercial District includes the Railroad Lot and begins on the east side of Crest Road. It is the Town's premiere local shopping area for its pedestrian friendly atmosphere and groupings of both independent and chain retailers. Housing has recently been increased in the Wellesley Square District with the construction of the Belclare which includes 25 market rate, and 5 affordable units. The District is surrounded by residential properties and is also a focal connection point to Wellesley College's Campus. Wellesley Square Merchants rely heavily on both customer and merchant parking at both the Tailby and Railroad parking lots.

The Linden Street Corridor is comprised of both office and retail. Office developments are largely located at One Hollis Street, 141 Linden Street and 148 Linden Street. In 2007, the

historic service area was substantially upgraded with a 274,000 square foot commercial development of Linden Square which is located on both the north and south sides of Linden Street. The Linden Square development houses Roche Bros. Supermarket, which is one of three main food retailers in Wellesley (the others being Fells Market and Whole Foods).

2.3 Utilities and Infrastructure

It is anticipated that the Facility will be connected to the Town's water, sewer and electric utilities. It will be the developer's responsibility to determine whether or not it will have to upgrade any or all such utilities to adequately service the facility or facilities on the Property.

The Tailby Lot is currently accessed by vehicles from Linden Street, and the Railroad Lot is accessed from Railroad Avenue and Grove Street. As part of the Project of Significant Impact Special Permit process, traffic impacts related to the project will be considered; projects determined to have a negative impact on traffic and/or the level of service of intersections may be required to make improvements to mitigate such impacts. Regardless of the permitting process, the Town expects traffic mitigation to be necessary, likely including the addition of one or more traffic signals. Consideration should be given to a four-way intersection at the intersection of Crest and Linden Street, and to intersection and circulation improvements at the Railroad Avenue/Crest Road/Central Street intersection.

Respondents should also anticipate coordination with the MBTA with regard to the project's relationship to the rail line and the Wellesley Square Station. Accessibility and aesthetic improvements to the Station are a desired outcome of any project.

2.4 Zoning

The following summary of the provisions of the Wellesley Zoning Bylaws (the "Zoning Bylaws") is for informational purposes only. It should not be relied upon without independent verification by any proposed developer, and does not reflect any changes in zoning or alternative permitting that a developer may determine to be necessary or desirable in connection with any proposed development. Respondents should consider whether it will be necessary or desirable to rezone the property and/or amend certain provisions of the Zoning Bylaw (e.g. setbacks/yards, building height, floor area ratio, ratio of building to lot area, etc...), and if so, then respondents should identify in the proposal zoning changes that are considered necessary or desirable to accommodate the proposed development. In particular, respondents must identify which, if any changes are necessary for their completion of the proposed development. The Town can provide no assurance that any such changes will in fact be agreed by the Board of Selectmen or Planning Board or enacted by the required two thirds vote of Town Meeting.

The Zoning Bylaw and sections referenced below may be accessed here:

<http://wellesleyma.gov/281/Zoning-Bylaws-Map>

Tailby Lot

The Tailby Lot is zoned Limited Residence District and is not subject to any overlay zoning districts. For use and dimensional requirements specific to the Limited Residence District, respondents should consult Section VI, *Limited Residence Districts*, of the Zoning Bylaw.

Railroad Lot

The Railroad Lot is zoned Wellesley Square Commercial District and is not subject to any overlay zoning districts. For use and dimensional requirements specific to the Wellesley Square Commercial District, respondents should consult Section IXC, *Wellesley Square Commercial District*, of the Zoning Bylaw.

MBTA Rail Line

The MBTA Rail Line is zoned Transportation District and is not subject to any overlay zoning districts. For use and dimensional requirements specific to the Transportation District, respondents should consult Section XIVA, *Transportation Districts*, of the Zoning Bylaw.

General

1. For **general restrictions**, respondents should consult Section XVI, *Restrictions Affecting All Districts*, of the Zoning Bylaw.
2. For **permitting requirements**, respondents should consult Section XVIA, *Project Approval*, of the Zoning Bylaw. Unless alternative permitting is sought, it is anticipated that any project would require a Project of Significant Special Permit, and be considered a Major Construction Project requiring Site Plan Review. Additionally, **Design Review** would be a requirement for any Major Construction Project; respondents should consult Section XXII, *Design Review*, of the Zoning Bylaw.
3. The project may be subject to the Inclusionary Zoning Bylaw, **required to provide a certain number/percentage of affordable units**. Respondents should consult Section XVIB, *Inclusionary Zoning*, of the Zoning Bylaw.
4. For **area regulations, including allowances for residential density in the Wellesley Square Commercial District**, respondents should consult Section XVIII, *Area Regulations*, of the Zoning Bylaw.
5. For **yard regulations (setbacks)**, respondents should consult Section XIX, *Yard Regulations*, of the Zoning Bylaw.
6. For **height restrictions**, respondents should consult Section XX, *Height of Buildings or Structures*, of the Zoning Bylaw.
7. For **parking requirements**, including parking lot design specifications, respondents should consult Section XXI, *Off-Street Parking*, of the Zoning Bylaw.
8. Due to site topography, one or more **retaining walls** may be necessary. Respondents should consult Section XXIID, *Retaining Walls*, of the Zoning Bylaw.

2.5 Anticipated Permitting Requirements

The following summary of permits that may be required under the Zoning Bylaw for a project on the Properties is for informational purposes only. It should not be relied upon without independent verification by any proposed developer.

- **Project of Significant Impact (PSI) Permit:** A PSI Special Permit from the Planning Board will be required for newly constructed floor area of 10,000 or more square feet. The applicant will be expected to describe project impacts to Water, Sewer, Storm Drainage, Electric, Traffic, Pedestrian, Bicycle, Fire Protection, Life Safety, and Refuse Disposal systems and infrastructure, and generally demonstrate that there are no negative impacts to such systems and infrastructure, or such negative impacts will be mitigated through improvements.
- **Major Construction Project/Site Plan Review:** Site Plan Review from the Zoning Board of Appeals will be required for (a) the construction of 2,500 or more square feet of gross floor area; (b) the grading or regrading of land, and/or removal or disturbance of the existing vegetative cover, over an area of 5,000 or more square feet; (c) any activities regulated under the Flood Plain District; and/or (d) any activities regulated under the Water Supply Protection District.

3. Development Guidelines

The Development Guidelines presented in this section reflect the development objectives and desire of the Town to promote the development of an affordable housing development that will meet the needs of the Town.

3.1 *Programmatic and Use Preferences*

The objectives of this RFP are to evaluate redevelopment opportunities of two underutilized parking lot sites at a key location within the Town for a housing project that maintains or increases the existing parking supply, provides architecturally compatible design to the surrounding area for market and affordable housing at a sufficient density to support the project, with considerations for public amenities (i.e. visual and performance art space, meeting space, etc...), improvements to ADA accessibility to the Wellesley Square MBTA Commuter line platforms, and transition between Linden Street, College Heights neighborhood, and Wellesley Square.

3.2 *Preferred Objectives*

1. To preserve and protect the Town interests in consistent and orderly growth within the Linden Street corridor while maintaining the character of the abutting single-family neighborhoods;
2. To ensure the development of underutilized properties that are better-suited for denser development, as opposed to properties that are less-suited for such development and are more consistent with single family residential patterns;
3. To provide for more Subsidized Housing Inventory-eligible affordable housing options within the Town, and thereby achieve progress towards the 10% statutory minima;
4. To provide for more diverse housing options within the Town, especially for seniors and middle-income households (i.e. household incomes between 80% of AMI and 110% of AMI);

5. To enhance and increase the amount of and access to parking serving the Linden Street and Wellesley Square areas;
6. To improve access to and functionality of the Wellesley Square Commuter Rail Station;
7. To enhance the economic vitality of the Wellesley Square and Linden Street areas, by creating a transitional development; and
8. To enhance public amenities by providing community space for meetings and/or visual and performance art.
9. To improve existing and generate new revenue sources for the Town (i.e. parking and/or lease payments), along with new tax growth.

3.3 Preferred Design Objectives

At a minimum, consideration should be given to architectural and site design features that unify the project with the character of both the Linden Street area and Wellesley Square; additionally, sustainable features should be incorporated into both the building and site design.

3.4 Permit and Construction Expectations

The Town expects that the selected respondent or respondents will, upon execution of a long-term ground lease, undertake and complete pre-development activities and start construction within the time periods and in accordance with the terms and conditions negotiated. In the event that two or more respondents are selected to lease and develop portions of the Property, the Town will require that the respondents execute a cooperation agreement or memorandum of understanding in form and substance acceptable to the Town, describing how the developers will work with one another to construct and operate their facilities in harmony with all other uses on the Properties.

3.5 Insurance

The selected developer will be required to carry insurance as negotiated in the lease, however the Town shall require the following types of insurance at similar limits:

Type	Amount	Term
Builder's Risk Insurance	Completed value of project	During construction
Casualty Insurance	Completed value of project	Post construction, for the Term of Lease
Liability Insurance	\$1,000,000 per occurrence \$3,000,000 aggregate	Term of Lease
Personal Property Insurance	100% of full insurable replacement	Term of Lease

Automobile Liability Insurance	\$1,000,000	Term of Lease
Umbrella Liability	\$2,000,000 per occurrence \$2,000,000 aggregate	Preconstruction through Term of Lease
Insurance Carried by Contractors	\$1,000,000 per occurrence \$3,000,000 aggregate Workers Compensation Employer's Liability - \$500,000 Automobile - \$1,000,000 Umbrella - \$2,000,000	Construction of Facility
Insurance Carried by Architects and Engineers	\$1,000,000 per occurrence \$3,000,000 aggregate	Planning and Construction of Facility

3.6 Financial Proposal & Business Terms

The selected developer(s) may be required to provide payment and performance bonds, a guarantee or equivalent, naming the Town as dual obligee, in the full amount of the cost of construction of all buildings, structures and site improvements. If required, these bonds or equivalent will be released when the development is complete, on the terms and conditions set forth in the lease. Developers should assume that the Property will be conveyed "as-is" without any representations with regard to its condition (including, without limitation, environmental condition). In addition, a forfeitable deposit shall be required when the lease has been signed. This deposit shall be held during the permitting and construction process and will be applied to the rent payment when the project is complete. Respondents should indicate the amount of deposit they consider reasonable given their level of confidence in their ability to complete the project.

4. Developer Submission Requirements

4.1 Submission Process

The Request for Proposals application package will be available starting at 9:00 A.M. on **Thursday, March 8, 2018** at the Selectmen's Office, 525 Washington Street Wellesley, MA 02482 and online at <https://www.wellesleyma.gov/Bids.aspx> .

Completed copies of the RFP application must be submitted in a sealed envelope clearly marked "Town of Wellesley, Tailby and Railroad Parking Lot Lease and Development Proposal" on the outside of the envelope. One (1) original, ten (10) copies and one (1) electronic copy of the complete proposal must be received by NOON on **June 5, 2018**, at the same location addressed to:

Board of Selectmen's Office
c/o Meghan Jop
525 Washington Street
Wellesley, MA 02482

Late proposals will not be accepted.

Upon review, if any items are missing and/or incomplete, the Town may reject the application. Additionally, submission of proposals shall be deemed to incorporate the permission of the respondent for the Town to make any inquiries concerning the respondent as considered necessary by the Town to fully review qualifications.

4.2 Site Visit

A site visit is scheduled for **March 22, 2018 at 10:00 am**. Participants shall meet at the entrance to the Railroad Lot on Railroad Avenue.

4.3 Technical Proposal Submission Enclosures

The Town is interested in receiving proposals that satisfy the Development Guidelines and other requirements set forth in this RFP from any individual, company, firm, partnership, group or organization capable of leasing all or a portion of the Property from the Town and developing affordable and market rate housing. Proposals not providing evidence of ALL of the following items will be considered non-responsive and will not be given further consideration:

4.3.1 The Development Team

The proposal must include a detailed description of all members of the development team, including the following information:

1. The name, address and telephone number of the developer, the name of any representative authorized to act on his/her behalf, the name of the contact to which all correspondence should be addressed, and the names and primary responsibilities of each individual on the development team.
2. If the developer is not an individual doing business under his/her name, a description of the firm and status of the organization (e.g., whether a for-profit, not-for-profit or charitable institution, a general or limited partnership, a corporation, LLC, LLP, business association, or joint venture) and the jurisdictions in which it is registered to do business.
3. The nature of the entity to enter into a lease.
4. A description of the general skills and nature of the operation of the developer and the development team.
5. Identification of all principals, partners, co-venturers or sub-developers participating in the development, and the nature and share of the participants' ownership in and compensation from the project.

6. If the respondent proposes to lease one of the two Properties, a statement indicating whether or not the respondent is willing to partner with any other respondent(s) offering to lease and develop the remaining portion of the Properties. Developers should also provide a statement indicating whether or not the developer has participated in a similar partnership with another developer in the past.
7. The developer will be expected to either oversee directly, or subcontract the management and operations of the Facility for the tenure of the lease.
8. Identification of the development team, such as architects, engineers, landscape designers, development consultants, and facility operators, including subcontractors. Background information, including firm resumes and resumes for principals and employees expected to be assigned to the project, should be provided.
9. A summary of first, the developer's, and secondly, the development team's experience, collectively and individually, and with similar projects. Particular attention should be given to demonstrate experience with projects of a similar scale and complexity. Developers should demonstrate the ability to perform in accordance with their proposal, including the ability to pursue and carry out permitting, financing, marketing, design and construction, and to complete the project in a competent and timely manner.
10. A summary of the past housing development and/or management and operation experience. Respondents should include a narrative that describes similar projects and explains why and how that experience is relevant to the proposed development project.
11. Identification of current and prospective projects that could impact this project.
12. Description of the organizational structure of the development team and a plan for the maintenance of effective communications between the Town and the development team during all phases of the project.
13. Confirmation that no local, state or federal taxes are due and outstanding for the development team or any constituent thereof.
14. A disclosure of whether or not the developer and/or any of the developer's principals, partners, co-ventures and/or subcontractors participating in the proposal or the project has been dismissed or disqualified from a bid or contract within the past five years, and if yes, the reason(s) why.
15. A disclosure of any conditions (bankruptcy or other financial problems, pending litigation, planned office closures, impending merger) that may affect the developer's ability to perform contractually. If a joint venture, a disclosure is required for each partner in the joint venture.
16. Information regarding any legal or administrative actions past, pending or threatened that could relate to the conduct of the developer's (or its principals' or

any affiliates') business and/or any of those entities' compliance with laws and other governmental requirements.

17. Descriptions of any procedures that relate to developer's ability to control costs and keep a project within budget.
18. References: The names, addresses, telephone and fax numbers and email addresses of at least three business references whom we may contact regarding the developer's business experience. For each, identify the property or properties about which the individual is informed. References may include building owners, architects, engineers, subcontractors, and other building or development professionals with whom you have worked.
19. Resumes or brochures.
20. Description of Project capital structure (total project budget and amounts of equity and construction financing).
21. Identify source of equity and prospective sources of construction financing covered in **item #6 under Section 4.3.2.**

4.3.2 Development Concept

The proposal must include a detailed description of the development concept including but not limited to:

1. An indication of whether or not the respondent proposes to lease both the Tailby Parcel and the Railroad Parcel or only one of the parcels;
2. Proposed use(s) for the Property, projected total square footage, and square footage by use, number, and type of facilities; information on parking, amenities, etc.
3. Discussion of the physical plan and architectural character of the project and how the various programmatic and physical elements of the development will relate to one another.
4. Discussion of environmental impacts, including but not limited to lighting, noise and traffic, during the construction and operating phases of the project. Mitigation should be proposed as necessary and appropriate. Also include a plan/process for phasing the construction to not displace (if possible) any public parking.
5. Description of the benefits and detrimental impacts of the project to the surrounding area and to the Town of Wellesley including, without limitation, discussion of:
 - a. Any Town services that will be required;
 - b. A description of any other community benefits associated with the Facility; and
 - c. Analysis of the ways in which the proposal satisfies the Development Guidelines in Section 3 of this RFP.

6. A detailed description of the manner in which the construction and operation of the Facility will be financed, including, but not limited to, approximate amount of equity and construction financing (separately identified), identification of investors, banks, mortgage companies, real estate investment trusts or other financial institutions providing financing, the extent to which the Facility or income derived from the Facility's operation will be used to secure financing and the nature of the security.
7. The proposal must include a Management Plan for the ongoing management and operation of the Facility, including proposed operators/managers and their experience.
8. A 20-year operating pro forma highlighting the key assumptions that demonstrates the projects financial viability. The pro forma should include debt service and property taxes, capital improvements and lease payments to the Town.
9. Parking and traffic management, and pedestrian and bicycle safety are key concerns for the development on this site, therefore, details underlying assumptions of the needs by use for different hours of the day as well as the traffic mitigation and parking plan are expected. Given the constraints of the site, including the MBTA, the Developer is encouraged to propose creative solutions to traffic and parking for the proposed uses, and to include details of any solutions, including contingencies and conditions for implementing those solutions.

4.3.3 Preliminary Plans

The proposal must include one or more plans, at 1"-20' or 1"-40' engineering scale, identifying the proposed parking layout and numbers of parking spaces, building layout, entries, major landscaping features, etc. All other plans submitted shall be at a scale that allows ease of review. The proposal should also include architectural plans for the Facility, with elevations, exterior renderings, and floor plans. Renderings should include views from Washington Street, Central Street, Linden Street, and Crest Road, during the day and night, as well as perspectives of the project from upper Crest Road (north of Linden Street), Oakencroft Road, and Hollis Street. The plans should also contain information about materials proposed to be used and should highlight sustainable features, such as renewable or energy efficiency aspects, low-impact development, and/or LEED certification or considerations.

4.3.4 Implementation Plan and Project Timetable

The proposal must include a description of how the development concept will be implemented, including but not limited to:

1. Detailed development schedule for all elements of the plan, including key permitting, financing, construction and operational milestones and projected completion/occupancy timeframes.
2. Outline of required land use, environmental, operational and other governmental or regulatory approvals, including land use, zoning, development and environmental permits. The developer should provide a schedule for securing approvals as part of

the proposal. The developer should note zoning variances or by-law amendments, special permits or modifications required, and should factor time into the proposed schedule for securing same.

4.3.5 Required Forms

All proposals shall include the following required forms:

- Disclosure of Beneficial Interests Form—M.G.L. c.7C, 38 (see Appendix A)
- Statement of Tax Compliance Form – M.G.L. c. 62C, 49A (see Appendix B)
- Certificate of Non-Collusion Form (see Appendix C)
- Minimum Evaluation Criteria Form (see Appendix D)
- Price Proposal Form (See Appendix E)

4.3.5 Project Financing & Financial Analysis

The proposal must include:

1. Sufficient information to demonstrate the developer’s ability to obtain financing for the project in accordance with its schedule.
2. A description of the entity funding predevelopment costs associated with the project, and demonstration of its capacity to fund such costs.
3. A financial plan, presenting a detailed description of all “sources and uses” of funds as well as a statement and plan for financing the development.
4. A financial plan of operations, including a debt amortization schedule, a depreciation schedule and a 20-year projection of the Facility including plan of replacing equipment within the Facility. Detailed revenue assumptions (e.g. rental rates or sales prices for both market and affordable units.) must be provided.
5. The Town will not make any financial or other commitments to investors, lenders, or donators to the project, including without limitation any guarantees of debt or security interest in the Properties.

The financial analysis provided in this section must be sufficient to demonstrate the financial feasibility of the proposal and the timeframe within which the project will be completed.

4.3.6 Financial Qualifications

The proposal must include evidence of the financial status of the developer, demonstrating the financial strength to carry out the proposed development, including construction, management and operation of the facility. This shall include current financial statements for three (3) years from the developer. Also, provide the name,

address, telephone and fax numbers, and email addresses of a contact at one or more financial institutions that are familiar with your current financial status and past experience. Provide contacts for lenders on all projects carried out within the last five years, including all current projects.

4.4 Prices Proposal Submission Enclosures

The Lease with the Town shall be negotiated if the Board of Selectmen selects a respondent proposal. Price Proposal Form (Appendix E) submissions shall include preferences and alternative lease payment proposals. Alternatives should maximize the value of rental payments to the Town over the term of the proposed Lease. Developers should expect to pay all real estate taxes, assessments, rates, charges, license or permit fees, municipal liens, levies, excises, or imposts, whether general or special, or ordinary or extraordinary, of every name, nature of kind whatever, including all government charges of whatever name, nature or kind which may be levied, assessed, charged or imposed, or which may become a lien or charge on the Properties in addition to the lease payments.

5. Review and Selection Process

All proposals will be reviewed under the Comparative Evaluation Criteria listed in 5.2, below. Each criterion will be assigned a rating of Very Advantageous, Advantageous, Non-Advantageous and Unacceptable, as described in the Comparative Evaluation Chart found in said Section 5.2. Respondents may be asked for an interview and oral presentation to the Town. The information gathered from any such interviews and/or oral presentations shall also be evaluated based on the Comparative Evaluation Criteria. After all of the ratings have been compiled, the Town will determine the most advantageous proposal or proposals (in the event that the Town elects to lease portions of the Properties to more than one developer) from one or more responsible and responsive respondents, who also meet the Minimum Evaluation Criteria, taking into consideration the overall financial benefit to the Town and all evaluation criteria set forth in the RFP.

It is anticipated that all respondents will be notified of the results of the selection process in writing within **60 days** of the submission deadline.

The Town will review proposals and may select one or more developer(s) with whom to negotiate a ground lease agreement. If the Town and selected developer or developers are unable to come to agreement after a reasonable period of time on the terms and conditions for proceeding with the Facility or Facilities, the Town may proceed to the next highest ranked finalist and ask that party to negotiate until an agreement is reached with a satisfactory developer or developers, or until the Town terminates the process. The selected proposal and the Lease will be presented to Wellesley Annual Town Meeting (ATM) or a Special Town Meeting (STM) for a vote, and there is no guaranty that ATM will vote in favor of the project.

5.1 Minimum Evaluation Criteria

All applications must meet the Minimum Evaluation Criteria specified below and shall include with their Technical Proposal a completed Minimum Evaluation Criteria Form found in **Appendix D**:

- a) One (1) original, ten (10) complete copies and one (1) complete electronic copy of the application with all required enclosures described in Section 4.3 and 4.4, above, must be submitted.
- b) Respondents must propose to build an affordable housing complex with public and private parking on the Properties.
- c) Project submission must include information and details necessary for the Board of Selectmen to have confidence the proposed plan can withstand the scrutiny associated with any necessary zoning changes and/or permitting, and the Developer can obtain necessary permits within 18 months after the selection date, or an agreed upon date if zoning modifications are required. If zoning modifications are required, the project submission must include the proposed zoning change and a plan for presentation of that proposed change to a Wellesley Annual Town Meeting or Special Town Meeting.
- d) All traffic and stormwater/drainage required for permitting must be clearly identified, with respondent to be solely responsible for all costs and expenses in connection with such work.
- e) Project must provide significant clearly identified benefits to the Town and its residents.
- f) Project financial plans must have sufficiently clear assumptions and specificity for the Town to have confidence the proposed plan can withstand the scrutiny of Town Meeting.
- g) Respondent must identify major issues to any Criteria in the Comparative Evaluation set forth in Section 5.2.1 below and proposed revisions in response.

FAILURE TO MEET THESE MINIMUM EVALUATION CRITERIA WILL RESULT IN THE REJECTION OF THE APPLICATION.

5.2 Comparative Evaluation Criteria

All responses will be evaluated and ranked based on Comparative Evaluation Criteria that are summarized below. With these criteria the Town will be able to look at the relative merits of the proposals and ensure it meets the Minimum Evaluation Criteria.

Comparative Evaluation Criteria			
Criteria	Rating Scale		
A1 - A4: Advantages to the Town			
A1	Affordable Housing Units that will add to the Town's Subsidized Housing Inventory	Very Advantageous	All proposed housing units are eligible for the Town's SHI
		Advantageous	More than 25% of the proposed units are eligible for the Town's SHI
		Non-Advantageous	Less than 25% of the proposed units are eligible for the Town's SHI
		Unacceptable	No units qualify for the Town's SHI

Comparative Evaluation Criteria			
Criteria	Rating Scale		
A2	Compensation for the land lease.	Very Advantageous	Benefits to Town are significantly above the market rate expectation.
		Advantageous	Benefits to Town are above the market rate expectation.
		Non-Advantageous	Benefits to the Town meet the market rate expectation.
		Unacceptable	Benefits below market rate.
A3	Existing Commercial and Commuter Parking spaces are maintained at the completion of the project.	Very Advantageous	An increase in parking for Commercial and Commuter Parking is created
		Advantageous	Existing parking spaces are maintained.
		Non-Advantageous	A reduction in parking spaces for Commercial and Commuter Parking
		Unacceptable	Reduction in parking spaces for Commercial and Commuter Parking in excess of 15%.
A4	Amenities are included in the proposed Facility and can be accessible or rented to the public (e.g. visual and	Very Advantageous	One or more amenities provided and accessible for use by the public.
		Advantageous	One amenity provided and accessible for use by the public.
		Non-Advantageous	Amenities provided, but only accessible by residents
		Unacceptable	No amenities for accessible to the public provided.
P1 - P7: Permitability			
P1	Lighting - Outdoor Lighting	Very Advantageous	Uses newest technologies to maximize use of dark sky lighting programs, with minimal impact on abutters. Minimize impact during all hours of darkness.
		Advantageous	Reasonable use of dark sky lighting programs and acceptable impact on abutters. Minimize impact during all hours of darkness.
		Non-Advantageous	Some use of dark sky lighting programs and some impact on abutters. Minimize impact after 10PM.
		Unacceptable	Minimal use of dark sky lighting programs and maximum impact on abutters

Comparative Evaluation Criteria			
Criteria	Rating Scale		
P2	Neighborhood impact - Potential noise Noise is more troublesome late at night through early in the morning. Noise includes things such as trash pickup, car doors closing, talking, mechanical systems.	Very Advantageous	Site noise that would impact the neighbors especially during the evening, night and morning hours (including the weekends) is fully mitigated.
		Advantageous	Site noise that would impact the neighbors during the late night or early morning hours (including the weekends) is fully mitigated.
		Non-Advantageous	Site noise to be no greater than current Route 9 site noise.
		Unacceptable	Significant noise that would impact the neighbors.
P3	Parking - Parking shall be based on best practices and/or proposed zoning to accommodate resident parking, in addition to Commercial and Commuter Parking	Very Advantageous	125% of required parking during peak hours located on property, including visitor and loading parking
		Advantageous	100% of required parking during peak hours located on property, including visitor and loading parking.
		Non-Advantageous	Most required parking during peak hours located on property, with minimal visitor and loading parking
		Unacceptable	Unable to accommodate peak parking on site.
P4	Traffic - Traffic considerations shall be based on the site study as well as requirements resulting from respondent's consideration of the Project of Significant Impact (PSI) Special Permit analyses.	Very Advantageous	Project proposes clear and sufficient mitigation for anticipated traffic impacts on Linden Street, Crest Rd, Washington Street, and Central Street. Neighborhood streets and plans to manage process and fund 100% of the cost.
		Advantageous	Project proposes clear and sufficient mitigation for anticipated traffic impacts on Linden Street, Crest Rd, Washington Street, and Central Street. Neighborhood streets and plans to manage process and fund 100% of the cost.

Comparative Evaluation Criteria			
Criteria	Rating Scale		
		Non-Advantageous	Project generally states will mitigate anticipated traffic impacts on Linden Street, Crest Rd, Washington Street, and Central Street. Neighborhood streets and plans to manage process and fund 100% of the cost.
		Unacceptable	Project does not include mitigation of expected traffic impact on Linden Street, Crest Rd, Washington Street, and Central Street and neighborhood streets and /or funds less than 100% of the cost.
P5	Pedestrian Safety and Circulation (including bicycles). Consideration of requirements resulting from the Project of Significant Impact (PSI) Special Permit analyses.	Very Advantageous	Project promotes bicycle and pedestrian access to and on the site. Project effectively designs pedestrian sidewalks on main roadways and internal to the site, in particular through the parking lot and around the building perimeter. Project has a bike rack. Project effectively connects or leads to alternative paths such as the aqueduct trail or Fuller Brook Park
		Advantageous	Project promotes bicycle and pedestrian access to and on the site. Project effectively designs pedestrian sidewalks along main roadways and internal to the site, in particular through the parking lot and around the building perimeter. Project has a bike rack.
		Non-Advantageous	Project provides some bicycle and pedestrian access to and on the site.
		Unacceptable	Project does not support bicycle and pedestrian access to and around the site.

Comparative Evaluation Criteria			
Criteria	Rating Scale		
P6	Design elements and integration of facility with surrounding abutters and neighborhood.	Very Advantageous	Facility respects abutters' views, leverages existing natural topography and trees, provides walkways around and through site and will work with the abutters on effective mitigation. Facility has high curb appeal from Linden St., Crest Road, and Washington Street.
		Advantageous	Facility respects abutters' views and will work with abutters on mitigation. Facility uses some of the existing natural topography and trees to mitigate impact, provides walkways around and through site Facility has high curb appeal from Linden Street and Washington Street
		Non-Advantageous	Is a stand-alone facility with little curb appeal, and with minimal mitigation of impact on neighbors.
		Unacceptable	Doesn't meet PSI requirement
P7	Zoning needs clear	Very Advantageous	No zoning variance, bylaw or map changes required. Variance, bylaw, or map change expectations clear in requested exhibit
		Advantageous	Variance, bylaw, or map change expectations clear in requested exhibit
		Non-Advantageous	Variance, bylaw, or map change expectations clear in separate paragraph in response
		Unacceptable	Variance, bylaw, or map change expectations not clearly stated in either an exhibit or a separate paragraph
Q1 - Q3: Developer Qualifications			
Q1	Experience of Developer	Very Advantageous	Developer has designed and built a significant number of facilities, in close proximity to the MBTA rail line, that were successful that were similar to the Town's goals and expectations.
		Advantageous	Developer designed and built some facilities that were successful that were similar to the Town's goals and expectations.

Comparative Evaluation Criteria			
Criteria	Rating Scale		
		Non-Advantageous	Developer has designed and built some facilities that were successful that had different goals from the Town's.
		Unacceptable	Developer has a minimal number of projects developing similar types of facilities.
Q2	Experience of Property Manager	Very Advantageous	Property Manager has a significant number of years operating similar types of facilities that match the Town's goals for this site
		Advantageous	Property Manager has a reasonable number of years operating similar types of facilities that match those project's goals and quality expectations
		Non-Advantageous	Property Manager has some years operating similar types of facilities that have survived multiple business cycles.
		Unacceptable	Property Manager has a minimal number of years operating similar types of facilities.
Q3	Town Management of Development - The town does not intend to be involved with the development of the project or with managing the relationship between multiple developers of different use facilities. Preference will be given to a single organization that develops the entire site as well as a single organization that manages sub-developer(s).	Very Advantageous	No Town management of project, and one point of contact for developer.
		Advantageous	No Town management of project, and one point of contact with developer, but sub-developer(s) engaged for portion(s) of the project
		Non-Advantageous	Two or more points of contact for the Town with distinct areas of responsibility for elements of the project for each.
		Unacceptable	Town oversight and management required.
F1 - F3: Project Financials			

Comparative Evaluation Criteria			
Criteria	Rating Scale		
F1	Financials – Project equity; construction loan	Very Advantageous	Sources of project equity identified and conservative equity investment plan.
		Advantageous	Sources of project equity identified and sufficient equity investment plan.
		Non-Advantageous	Sources of project equity unknown but demonstrated ability to raise equity on other projects
		Unacceptable	Sources of project equity unknown and little or no prior record of raising comparable amount of equity on other projects
F2	Financials – Financial feasibility, including construction and operation.	Very Advantageous	Pro Forma for the project give confidence the project can be capitalized within the time required to obtain permits, operate highly profitably and be able to maintain a high quality development.
		Advantageous	Pro Forma for the project make the project appear able to be capitalized within the time required to obtain permits, operate sufficiently profitably while maintaining the development.
		Non-Advantageous	Pro Forma require favorable assumptions for the project to be capitalized within the time required to obtain permits, be successful and to allow for high quality maintenance.
		Unacceptable	Pro Forma seem insufficient for the project to be capitalized within the time required to obtain permits and support the project and its expected maintenance over the life of the project.
F3	Budget and Pro Forma assumptions	Very Advantageous	Reasonable revenue, expense, and project cost assumptions clearly listed with explained adjustments in future operating pro forma projections

Comparative Evaluation Criteria			
Criteria	Rating Scale		
		Advantageous	Reasonable revenue, expense, and project cost assumptions clearly listed with explained fixed growth rate in future operating pro form assumptions
		Non-Advantageous	Some Revenue Assumptions listed and used in future pro forma
		Unacceptable	Minimal revenue assumptions provided leaving questions about cost to customers and therefore reasonableness of occupancy rates / members / users and revenue projections
D1 - D2: Development Design			
D1	Sustainability and energy efficiency (Town related)	Very Advantageous	Project uses the current best practices for energy and water efficiency, recycled materials, is committed to alternative sources of energy and other aspects of sustainability, and incorporates LEED considerations.
		Advantageous	Project uses many of the current best practices for energy and water efficiency and recycled materials, is committed to alternative sources of energy and other aspects of sustainability, and reflects some LEED considerations.
		Non-Advantageous	Project uses some of the current best practices for energy and water efficiency and recycled materials, is committed to alternative sources of energy and other aspects of sustainability, and reflects a limited consideration of LEED.
		Unacceptable	Project does not use the current best practices for energy and water efficiency and recycled materials, reflects little consideration of alternative sources of energy and other aspects of sustainability and/or LEED.
D2	Synergy of facilities on the site and their uses.	Very Advantageous	Proposed uses fit together and make highly efficient use of the site as well as shared uses of common facilities.

Comparative Evaluation Criteria			
Criteria	Rating Scale		
		Advantageous	Proposed uses fit reasonably together and make less efficient use of the site as well as shared uses of common facilities.
		Non-Advantageous	Proposed uses fit together less efficiently and there is minimum shared space.
		Unacceptable	Combined uses are independent and there is no shared space.

5.3 Conditions, Terms, and Limitations

This Request for Proposals is subject to the specific conditions, terms and limitations stated below:

- 5.3.1 The Property is to be conveyed by lease “as is” without any representations with regard to its condition.
- 5.3.2 The Facility shall conform to, and be subject to, the provisions of all other applicable laws, regulations, and ordinances of Federal, State, Regional and Town authorities having jurisdiction.
- 5.3.3 Valid permits and approvals, as required by Town, Regional, State and Federal agencies, shall be obtained by the developer/contractor prior to commencing work.
- 5.3.4 The selection of one or more developers will depend on satisfying the additional documentation and review requirements described in this RFP and will be subject to the Comparative Evaluation Criteria described in Section 5.2 of the RFP.
- 5.3.5 No transaction will be consummated if any principal of any selected developer is in arrears or in default upon any debt, lease, contract or obligation, including without limitation, real estate taxes and any other municipal liens or charges to any local, state, or Federal authority, including the Town of Wellesley, or to any other party. The Town reserves the right reject any proposal by any such developer.
- 5.3.6 The Town is not obligated to pay, nor shall in fact pay, any costs or losses incurred by any developer at any time including the cost of responding to the RFP.
- 5.3.7 This RFP does not represent any obligation or agreement whatsoever on the part of the Town.
- 5.3.8 Selection of one or more developers’ proposal(s) will not create any rights on the developers’ part, including, without limitation, rights of enforcement, equity or

reimbursement, until all related documents are fully executed and approved by the Town.

5.3.9 The most advantageous proposal or proposals from one or more responsive and responsible respondent(s), taking into account consideration price and all other evaluation criteria set forth in the RFP, will be selected. The Town reserves the right to reject any and all proposals if it determines that it is in the best interest of the Town to do so. All decisions are at the sole and absolute discretion of the Town.

5.3.10 All determinations as to the completeness or compliance of any proposals, or as to the eligibility or qualification of any developer, will be within the sole discretion of the Town.

5.3.11 This RFP, and any agreement resulting therefrom, are subject to all applicable laws, rules and regulations promulgated by any Federal, State, regional or municipal authority having jurisdiction over the subject matter thereof.

5.4 Schedule of Appendices

- Appendix A - Disclosure of Beneficial Interests Form (MGL c. 7C, 38)
- Appendix B - Statement of Tax Compliance Form (MGL c.62C, 49A)
- Appendix C - Certificate of Non Collusion Form
- Appendix D - Minimum Evaluation Criteria Form
- Appendix E - Price Proposal Form

5.5 RFP Dates of Note

March 8, 2018	RFP Application Package available at 12:00 pm at Selectmen’s Office and online.
March 22, 2018	Site Visit scheduled at 10:00 am Railroad Parking Lot
April 15, 2018	Last day to submit questions in writing via mail or email to the Town
June 5, 2018	RFP Submittal Deadline at 12:00 pm at Selectmen’s Office
June 18-22, 2018	Anticipated dates for interviews
July 30, 2016	Anticipated notice to respondents on the selection process.

APPENDIX D

MINIMUM EVALUATION CRITERIA FORM

(1) Has the Respondent submitted one (1) original, twenty (20) complete copies and one (1) complete electronic copy of the application with all required enclosures described in Section 4.3 and 4.4?

Yes _____ No _____

(2) Has the Respondent proposed to build an affordable housing complex with public and private parking on the Properties?

Yes _____ No _____

(3) Does the Respondent's submission include information and details necessary for the Board of Selectmen to have confidence that (a) the proposed plan can withstand the scrutiny of the Town's approval process (including without limitation, PSI Special Permit and Major Construction Project/Site Plan Review, and Wetlands review and/or other permitting), and (b) the Developer can obtain necessary permits within 18 months after the selection date, or an agreed upon date if zoning modifications are required? If zoning modifications are required, does the Respondent's submission include the proposed zoning change and a plan for presentation of that proposed change to a Wellesley Annual Town Meeting or Special Town Meeting?

Yes _____ No _____

(4) Does the Respondent's submission clearly identify all traffic and stormwater/drainage required for permitting must be clearly identified, with respondent to be solely responsible for all costs and expenses in connection with such work?

Yes _____ No _____

(5) Does the Respondent's proposed project provide significant clearly identified benefits to the Town and its residents?

Yes _____ No _____

(6) Do the Respondent's project financial plans have clear assumptions and specificity that will allow the Town to have confidence the proposed plan can withstand the scrutiny of Town Meeting?

Yes _____ No _____

APPENDIX E

PRICE PROPOSAL SUBMISSION FORM

Please identify the following.:

Term: Please include initial term proposal, along with term extension provisions.

Rent: Please include the proposed annual base rent, escalation rent, and/or other rent payments proposed. For escalation rent, please discuss the proposed escalation schedule including proposed percentage increases and the rationale for said increases.

Parking Fees: Please include the proposed cost share proposal to insure the Town does not lose revenue on the existing commuter lot funds received. Please include how any revenue lost as part of construction would be handled.

Taxes: Be advised that all applicable taxes and fees will be assessed to the project, please identify how these may impact the proposed rents.

4. **Discuss ATM Warrant Articles** – As we get closer to Town Meeting, the Board needs to continue its review of various articles and voting on its position each one. The three we are taking up this week are as follows:

- **Article 6 – Town Clerk Salary**

This article sets the annual salary for the elected position of Town Clerk. For FY19 it is budgeted at \$91,423 with a 2.0% increase over FY18 in line with other employee increases. This article is typically included in the consent calendar for consideration. The Advisory Committee voted unanimously to support it at its meeting on February 14th.

MOVE that the Board vote to support Article 6 regarding the Town Clerk's FY19 salary on the annual town meeting warrant.

- Article 32 – General Bylaw Amendments

As you know, this article seeks approval to make a myriad of amendments to the general bylaws that can be considered in three different ways. A number of these items are housekeeping in nature, i.e. corrections to old language, formatting, job title changes, adding the names of boards to the list of BOS appointments that should have been added and weren't, etc. There are some deletions for sections no longer needed such as the telecommunications committee or laws on horses in the police regulations, and then some changes that we anticipate are not controversial such as clarification to the role of advisory members to committees, the makeup of the youth commission, and so on. It will be valuable to go through all of these and prepare for the motions we will bring to Town Meeting.

MOVE that the Board votes to support Article 32 regarding amendments to the Town's General Bylaws on the annual town meeting warrant.

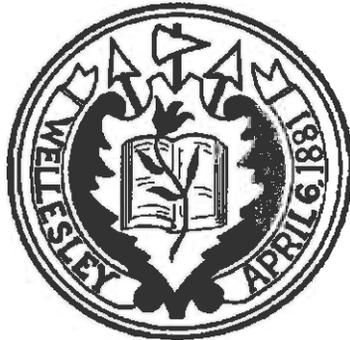
- Article 35 – Draft Alcohol Regulations – Alcohol in Town Buildings

As part of the Town meeting process to enable the consumption of alcohol in Town buildings, we need to adopt regulations for how this will be managed. Included in your packet is a copy of the Board's regulations that Meghan has revised for this purpose. Be advised that Beth is working on additional revisions that will be emailed to the Board on Tuesday, prior to the meeting. Staff will print out hard copies for the meeting. We'd like to review these with you at the meeting and obtain further direction on how you'd like to go forward.

MOVE that the Board votes to support Article 35 regarding the allowance of alcohol to be served in Town buildings on the annual town meeting warrant.

MOVE that the Board vote to approve amendments to the Alcohol Regulations as proposed.

**TOWN OF WELLESLEY
COMMONWEALTH OF MASSACHUSETTS**



**RULES AND REGULATIONS GOVERNING
ALCOHOLIC BEVERAGES**

Revised: September 11, 2017

It is understood that the Rules and Regulations contained herein are in compliance with and subject to the Rules and Regulations of the Commonwealth of Massachusetts Alcoholic Beverages Control Commission.

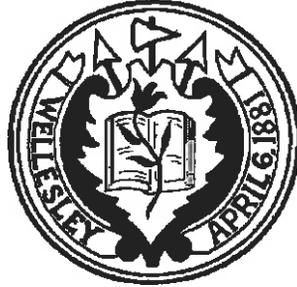
These regulations, promulgated on June 14, 2006, amended to include Special Licenses on June 16, 2008, and amended to allow restaurants having 50 seats to sell wine and malt beverage to be drunk on the premises April 30, 2012 shall supersede all previous regulations issued by the Town of Wellesley.

Local Licensing Authority: Wellesley Board of Selectmen

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**TOWN OF WELLESLEY, MASSACHUSETTS
BOARD OF SELECTMEN**



**RULES AND REGULATIONS GOVERNING
THE OPERATION OF ESTABLISHMENTS LICENSED TO SELL
ALL ALCOHOLIC BEVERAGES OR WINE AND MALT
BEVERAGES ONLY**

POLICY STATEMENT

The issuance of an All Alcoholic Beverages Restaurant License or a Wine and Malt Beverages Only License is an accommodating and incidental part of a Common Victualler's primary business endeavor of serving food to the public in a restaurant.

It is the intention of the Board of Selectmen that each license allow for the economic viability of a quality restaurant to succeed in creating an attractive environment for patrons to gather together in a socially responsible and hospitable setting to eat, converse, and exchange ideas. It is the further intention of the Board to enhance the dining experience of individuals patronizing Wellesley restaurants. It is not the Board's intention to license restaurants where fast food is a significant aspect of the business, or restaurants that have drive-through service.

The Board also recognizes that the service of alcoholic beverages by non-profit clubs to their members supports the social objectives of the clubs, while limiting the service of alcoholic beverage to club members and their guests. Likewise, the service of wine and malt beverages to those college students who are of legal drinking age, by educational institutions in their dining halls, can benefit colleges and their students by providing a social and hospitable environment in which college students can gather.

The Board of Selectmen will consider when deciding upon a license application the foregoing factors and any other matters thought appropriate including, by way of description but not limitation: proximity to residential neighborhoods, proximity to schools, playgrounds, and other places where children gather, proximity to other licensed establishments, traffic, parking, noise factors, night lighting factors, appropriateness of menu, and other aesthetic considerations, including the physical layout of the interior of the establishment.

HISTORY

Licenses for Restaurants and Inns

Massachusetts General Law Chapter 138, originally passed in 1933 just after the end of prohibition, governs the sale and licensing of alcoholic beverages in the Commonwealth. Section 11 of the statute provides in pertinent part that the secretary shall cause to be placed on the official ballot used in the cities and towns at each biennial state election the following subdivided question:

D. Shall licenses be granted in this city (or town) for the sale of all alcoholic beverages by hotels having a dining room capacity of not less than fifty rooms?

Every two years from 1934 through 1966, the voters of Wellesley voted "No" on the above question. In 1968, Wellesley voted "Yes" on Question D by a vote of 6,298 to 6,259. As required by the statute, the question was placed on the state election ballot in 1970 and 1972. It passed in 1970 by a vote of 6,131 to 3,467 and in 1972 by a vote of 8,676 to 5,662 thus authorizing the issuance of alcoholic beverage licenses to inns.

Additionally, in 1972 the following question from MGL Chapter 138, § 11 was placed on the ballot:

E. Shall licenses be granted in this city (or town) for the sale therein of alcoholic beverages by restaurants and function rooms having a seating capacity of not less than one hundred persons?

This question passed by a vote of 8,709 to 3,273. It passed again in 1974 by a vote of 6,399 to 4,272 and in 1976 by a vote of 8,749 to 3,205 thus authorizing the issuance of alcoholic beverages licenses to restaurants and function rooms having a seating capacity of not less than one hundred persons.

Licenses for Clubs and College Dining Halls, and Special Licenses

In 1983, upon the request of the Town of Wellesley, the Massachusetts Legislature approved Chapter 635 of the Acts of 1982, An Act Authorizing the Issuance of Certain Licenses in the Town of Wellesley for the Sale of Alcoholic Beverages. The Act authorized the Town of Wellesley to issue licenses for all alcoholic beverages to the Italo-American Club of Wellesley, Inc., the Wellesley College Club of Wellesley College and to the Wellesley Country Club, and on the premises of any other clubs, which are not organized for commercial purposes, as defined in section one of Chapter 138 of the General Laws; and special licenses to Babson College and Wellesley College for the dispensing of wines and malt beverages in dining halls maintained by them, and to other incorporated educational institutions authorized to grant degrees for the dispensing of such beverages in dining halls maintained by such institutions; and to the responsible manager of any nonprofit organization conducting any indoor or outdoor activity or enterprise for the sale of all alcoholic beverages or wine and malt beverages, or any of them.

The Act directed that a question be placed on the ballot, and that authorization for said licenses would take effect upon an affirmative vote at three consecutive elections. The question passed by a vote of 2,693 to 1,738 during the town election of 1983, by a vote of 7,688 to 5,588 during the state election of 1984 and by a vote of 5,245 to 4,515 during the state election of 1986.

Licenses for Restaurants Having Fifty or More Seats

In 2011, the Town of Wellesley undertook an effort to attract small businesses, particularly to commercial areas, as part of its Wellesley Square Initiative. Merchants, residents and government officials believed that smaller restaurants could move into some vacant properties, and might encourage visitors to enjoy a meal while shopping in the Town. In addition, an opportunity would be created for smaller, existing restaurants to offer alcoholic beverages with meals. Area communities such as Needham, Westwood and Lexington had benefited from special acts of the legislature, so-called home rule petitions, that permitted those towns to issue alcoholic beverage licenses to restaurants of fewer than 100 seats.

In 2012, upon a request of the Town of Wellesley and following a favorable vote at the Special Town Meeting of November 14, 2011, the Massachusetts Legislature approved Chapter 25 of the Acts of 2012, An Act Authorizing the Town of Wellesley to Place a Certain Question Relative to the Sale of Alcoholic Beverages on the Town's Election Ballot.

Chapter 25 reads as follows:

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same as follows:

SECTION 1. Notwithstanding section 11 of chapter 138 of the General Laws or any general or special law to the contrary, the licensing authority in the town of Wellesley may grant to restaurants and function rooms with seating capacities of 50 or more licenses for the sale of all alcoholic beverages to be drunk on the premises under section 12 of said chapter 138, subject to the maximum number of such licenses as authorized by section 17 of said chapter 138.

SECTION 2. In addition to those licenses authorized pursuant to section 1 notwithstanding section 11 of chapter 138 of the General Laws or any general or special law to the contrary, the licensing authority in the town of Wellesley may grant to restaurants and function rooms with seating capacities of 50 or more not more than 6 licenses for the sale of wines and malt beverages to be drunk on the premises.

SECTION 3. The authority to grant licenses authorized by sections 1 and 2 shall be in addition to those licenses authorized in chapter 635 of the acts of 1982.

SECTION 4. Notwithstanding section 11 of chapter 138 of the General Laws as to the time and manner of voting on the question, this act shall be submitted for its acceptance to the voters of the town of Wellesley at an annual or special town election in the form of the following question:-

"Shall an act passed by the general court in the year 2012, entitled 'An Act authorizing the town of Wellesley to place a certain question relative to the sale of alcoholic beverages on the town's election ballot', be accepted?"

If a majority of the votes cast in answer to the question is in the affirmative, the town of Wellesley shall be taken to have authorized the granting of licenses for the sale of all alcoholic beverages and wines and malt beverages to be drunk on the premises.

SECTION 5. This act shall take effect upon its passage.

The question passed by a vote of 2,749 to 457 at the town election of March 13, 2012.

DEFINITIONS

Abutter: Owner of the property located within a 300-foot radius of the nearest point of the licensed property.

Alcoholic Beverage: As used in these regulations, the term alcoholic beverage shall include wine and malt beverages unless otherwise indicated.

Assistant Manager: Any person charged by the licensee to operate, manage and control the licensed premises in the absence of the manager.

Bar: A counter, window, or area other than a table, booth or sushi bar, where patrons sit to be served. Bars shall have stools where patrons may be served a meal, or where they may be served alcoholic beverages while waiting to be seated.

Club: An organization which is duly chartered and in good standing with the Commonwealth of Massachusetts and the Town of Wellesley.

Common Victualler License: A license, granted an applicant, if at the time of his application, he has upon his premises the necessary implements and facilities for cooking, preparing, and serving food for strangers and travelers. (MGL c.140, § 6)

Exterior Premise: Any outdoor location under the control of the licensee, such as a patio, deck, porch, or other area outside of and contiguous to the main building and open to the elements.

License: Unless otherwise indicated, the term "license" shall refer to an All Alcoholic Beverages Restaurant License or a Wine and Malt Beverages Only License.

Licensed Premises: The specific area in which the licensee is licensed to sell alcoholic beverages. Sale, service and consumption of alcoholic beverages outside of the licensed premises are not permitted.

Licensee: The holder of a license issued by the licensing authority under MGL c.138, § 12, or Chapter 635 of the Acts of 1982 to sell All Alcoholic Beverages or Wine and Malt Beverages Only.

Licensing Authority: The Board of Selectmen of the Town of Wellesley.

Manager: The person charged by the licensee to operate, manage and control the licensed premises. The name of the manager shall appear on the license.

Premises: The property owned or controlled by the licensee in which the licensed premises are a part.

Restaurant: A business that sells food to the public, intended to be consumed inside the premises, holding a Common Victualler License under the provisions of MGL c.140, § 6.

Service Bar: A counter or window where waiters and waitresses receive alcoholic beverages to be served to patrons. Patrons shall not be permitted to receive alcoholic beverages at a service bar.

Special License- a temporary license issued pursuant to Chapter 635 of the Acts of 1982 to the responsible manager of any nonprofit organization conducting any indoor or outdoor activity or enterprise for the sale of all alcoholic beverages or wine and malt beverages, or any of them.

Sushi Bar: A food bar or counter where seating for patrons is provided and where sushi or other raw style foods including but not limited to sushi, sashimi, ceviche, or raw shellfish is prepared by a chef at the bar or counter and served to and consumed by patrons.

Transfer: A change in ownership and/or location of a licensed premises.

War Veterans' Organization: A war veterans' organization that is incorporated by the Congress of the United States and in good standing with the Town of Wellesley.

I. TYPES OF LICENSES

The Town of Wellesley issues the types of alcoholic beverages licenses listed below. All licensees shall comply with Chapter 138 of the Massachusetts General Laws, Chapter 204 of the Code of Massachusetts Regulations, and Chapter 635 of the Acts of 1982 as they relate to the specific type of license.

Common Victuallers-All Alcoholic Beverages and Wine and Malt Beverages Only

No license will be issued or transferred to any restaurant unless the applicant is the licensee named in a Common Victualler License issued by the Town of Wellesley for the premises to be licensed.

No license shall be issued to any restaurant unless the restaurant has a seating capacity of not less than fifty. Seating on exterior premises shall not be counted in determining seating capacity.

Alcoholic beverages may be sold and/or served at sushi bars, and seats at a sushi bar shall be used in computing whether or not the facility complies with the minimum seating capacity as set forth in Chapter 25 of the Acts of 2012. However, notwithstanding any other provision of these regulations, alcohol may be served and/or consumed at a sushi bar only in conjunction with and incidental to the consumption of sushi, which has been prepared and served at the sushi bar.

Innholders - All Alcoholic Beverages

No license will be issued or transferred to any inn unless the applicant is the licensee named in an Innholder License issued by the Town of Wellesley for the premises to be licensed.

Clubs - All Alcoholic Beverages

Clubs and War Veterans' Organizations that are duly chartered and are in good standing with the Commonwealth of Massachusetts and the Town of Wellesley may apply for a license pursuant to Chapter 635 of the Acts of 1982 for service to members and guests.

Clubs and War Veterans' Organizations shall be subject to the Rules and Regulations of the Town of Wellesley, except section III., numbers 1, 2, 3 and 4, V., and IX., numbers 2 and 6.

Clubs and War Veterans' Organizations shall comply with the following rules and regulations concerning guests:

- a. No guest, other than one attending a function, may be on the premises unless introduced by a member immediately upon arrival at the licensed premises, and no guest shall be on the premises unless the member who introduced him/her is also on the premises:

- b. All functions must be sponsored by a member, and no person shall attend any function except upon the invitation of the member.

Dining Halls of Incorporated Educational Institutions

Chapter 635 of the Acts of 1982 authorizes the Town of Wellesley to grant special licenses to Babson College and Wellesley College, and to other incorporated educational institutions, for the dispensing of wines and malt beverages in dining halls maintained by them.

Dining halls of incorporated educational institutions shall be subject to the Rules and Regulations of the Town of Wellesley, except section III. numbers 1, 2, 3 and 4, V., and IX., numbers 2 and 6.

Special Licenses

Special Licenses may be issued to managers of any nonprofit organization conducting an indoor or outdoor activity. No Special License shall permit sales on more than 30 days, nor may any person be granted Special Licenses permitting sales on an aggregate of more than 30 days in any calendar year. The holder of a Special License shall be subject to the Rules and Regulations of the Town of Wellesley, except sections III., numbers 1-6, V., VIII., XVI., XVII., and XVIII.

The holder of a Special License for nonprofit organizations conducting an event within a Wellesley Town building shall further be subject to XV. Special License Requirements for Town Buildings in addition to the above.

II. MANAGEMENT AND CONTROL

1. No application from a corporation shall be approved unless the corporation, by certified vote of its Board of Directors, has appointed a manager who is a United States citizen and who has been vested with full authority, management and control of the licensed premises.
2. Upon receipt of an application for an original license or a renewal of a license, or in the case of a new manager or assistant manager, upon being advised of the new manager's or assistant manager's identity, the licensing authority will conduct a background check of any proposed licensee, manager or assistant manager, such check to include a review of any existing criminal record. The licensing authority may reject any application where the proposed licensee's, manager's or assistant manager's criminal record or reputation indicates theft, unlawful drug use or distribution, association with known felons or individuals involved in organized crime, a propensity for violence, or other behavior that, in the opinion of the licensing authority, might put the public at risk.

3. The manager shall have complete responsibility for the proper operation, management and control of the licensed premises. Every licensee shall submit to the licensing authority the full name, residential address, and business and home telephone numbers of the manager prior to his/her appointment to that position. Any change in manager must be approved by the licensing authority prior to the appointment of the new manager by the licensee. The manager shall be on the licensed premises at least fifty percent of the time the licensed premises are open for business.
4. The manager shall at all times maintain order and decorum in the licensed premises and in the premises generally, and shall cooperate in every respect with town officials including, but not limited to, representatives of the licensing authority, the police and fire departments and the Board of Health, in ensuring public safety and convenience both within the licensed premises and the premises as a whole.
5. No licensed establishment shall be open for business unless a manager or assistant manager is on duty and on the premises. The license shall be posted in public view, and a plaque bearing the name of the on duty manager or assistant manager and his/her title, in letters no smaller than one inch, shall be posted within one foot of the license at all times when the licensed premises is open for business. In the case of a special license, the nonprofit organization's responsible manager, as named on the application, or an assistant named on the application, must be present whenever alcoholic beverages are being served.
6. The premises must be kept clean, neat and sanitary at all times.
7. No manager, assistant manager or employee of the licensee shall consume any alcoholic beverages or illegal drugs, or be under the influence of alcohol or illegal drugs, while on duty, or during the eight hour period preceding the beginning of his or her shift. Nothing in this section shall prohibit a manager or assistant manager, or an employee twenty-one years of age or older and acting with a manager or assistant manager's permission, from tasting wine intended to be served to patrons.
8. The manager, and each and every assistant manager, shall successfully complete an alcoholic beverage server-training program satisfactory to the Town prior to their appointment. Such training shall be required for all bartenders at all establishments with a bar. All other employees who serve alcoholic beverages, and all persons who serve alcoholic beverages pursuant to a special license, shall receive, at a minimum, in-house training similar to that completed by the manager and assistant manager. No manager, assistant manager or employee is authorized to sell or serve any alcoholic beverage to any patron within the licensed premises until the licensee has delivered to the licensing authority a statement as to each such manager, assistant manager or employee, certifying the successful completion of his or her training as herein required.

III. SERVICE TO PATRONS

1. Licensees may serve alcoholic beverages only to customers who intend to dine on the licensed premises, and menus shall reflect the requirement that wine and malt beverages and all alcoholic beverages may only be ordered in conjunction with the consumption of a full meal ordered from the menu of the licensed premises. The licensing authority reserves the right to determine and further define what constitutes a full meal consistent with its policies.
2. Food service shall be available at all seats within the licensed premises, except in the case of private functions or in those designated areas where patrons assemble to await being seated.
3. In those designated areas where patrons assemble to await being seated, alcoholic beverages may be served and sold, provided that not more than two standard size drinks shall be served to any patron within a waiting area. As it is the intention of these regulations that the sale, service and consumption of alcoholic beverages shall be made to those patrons intending on dining, the manager shall take reasonable measures to ensure that patrons who are served intend to dine.
4. Licensees may, upon the approval of the licensing authority, provide a bar with stools or seats where patrons may be served a meal or be served alcoholic beverages while waiting to be seated. Managers shall take reasonable measures to ensure that patrons who are seated at a bar intend to dine, and that no patron is provided more than two standard size drinks while waiting to dine. Bar seats or stools shall be limited to a maximum of ten percent (10%) of the total interior seating. The licensing authority shall approve all seating plans as detailed in Section IX. Design of the Licensed Premises.
5. Licensees may, upon the approval of the licensing authority, provide a service bar for use by the wait staff. Service bars shall not have stools. Only staff, in the course of serving patrons either eating a full meal, or waiting to be seated, may receive alcoholic beverages from a service bar.
6. The location of bars and service bars shall not be changed unless an amended plan showing the proposed change is submitted to and approved by the licensing authority.
7. No patron shall be permitted to bring alcoholic beverages on to the licensed premises for the purpose of being consumed there.
8. All alcoholic beverages held for sale shall be consumed on the licensed premises. No alcoholic beverages, including wine and malt beverages, shall be served outside the licensed premises.

IV. INSURANCE

In addition to all other requirements established by law, each licensee shall have liquor liability insurance coverage in at least the amounts of \$1,000,000/\$2,000,000. A certificate of insurance that at least these amounts are in place shall be filed with the licensing authority. The licensee shall notify the town no less than ten days prior to the cancellation or material change of said coverage.

V. EXERCISE OF LICENSE

The closing of the licensed premises for any reason for a period of seven consecutive days or more, or for any ten days during the calendar year, without prior approval of the licensing authority, shall be deemed to be an abandonment of the license and sufficient grounds for revocation.

VI. HOURS OF OPERATION

1. The hours during which sales of alcoholic beverages may be made by any licensee shall be from 11:00 a.m. to midnight Monday through Saturday and 12:00 noon to 11:00 p.m. on Sundays. Licensees shall be able to sell alcoholic beverages on Christmas Day (or the day following when Christmas is on a Sunday), or on the last Monday in May (Memorial Day) from 12:00 noon to 11:00 PM. The licensing authority may extend the hours of operation for a specific day upon a written application by the licensee, but in no event shall the hour of closing be extended beyond 2:00a.m.
2. No patron shall be served alcoholic beverages within the licensed premises before or after the hours stated in the license. The hours within which alcoholic beverages may be sold may be adjusted by the licensing authority if, after a public hearing, it shall be determined by the licensing authority that the circumstances warrant further alteration.
3. The hours during which sales of alcoholic beverages may be made in a dining room are further limited to the times when the dining room is open and food service available.
4. No alcoholic beverages shall be sold within the licensed premises during the 15 minutes preceding the hours stated on the license at which service of alcoholic beverages must cease.
5. Employees of the licensee must vacate the licensed premises no later than 60 minutes after the discontinuance of food service operation, provided that this regulation shall not be applicable to the owner or manager, or to persons who are within the licensed premises for the exclusive purpose of cleaning, making emergency repairs, providing security, preparing food for the next day's

business, or opening or closing the business in an orderly manner.

VII. INSPECTIONS

1. The licensed premises shall be available at all times for inspection by members of the licensing authority, the Chief of Police, the Fire Chief, the Board of Health, and members of their departments, or any other department or official of the Town of Wellesley so directed by the licensing authority.
2. The full time police officers of the Wellesley Police Department are hereby designated as agents of the licensing authority and they shall have the authority to investigate violations of these rules and regulations and of state law on or about any licensed premises on behalf of the licensing authority, and to conduct other such enforcement and inspections as the Chief of Police deems appropriate, including the use of plainclothes police officers, and/or investigators of the Massachusetts Alcohol Beverages Control Commission, for the purpose of ensuring compliance with state law and all aspects of these rules and regulations.

VIII. PRIVATE FUNCTIONS

Private functions shall take place only in rooms duly licensed for the service of alcoholic beverages and shall be closed to the general public.

IX. DESIGN OF THE LICENSED PREMISES

1. Each applicant, except an applicant for a special license, shall submit to the licensing authority, along with an application for a license, a plan drawn to scale on which shall be shown the following information:
 - a. The net interior floor area, exclusive of stairways and hallways, and dimensions of the existing room or rooms requested to be licensed including dining rooms, function rooms, and rooms in which alcoholic beverages are to be stored.
 - b. The location of any proposed bars or service bars.
 - c. The area in which seats or benches are to be securely fastened to the floor forming booths.
 - d. The area in which there is to be movable or unsecured seats and tables.
 - e. All entrances and exits.

- f. All rooms not being requested to be licensed. If said rooms are on the same floor as those rooms to be licensed, they shall be labeled as to their function, such as kitchens, coatrooms, lobby, etc.
2. A person applying for a special license need only submit a floor plan or diagram (8 1/2 x 11 sketch) showing the exact location within the event area where alcoholic beverages will be dispensed.
3. The licensing authority shall deny any application for a license if the restaurant or function hall requested to be licensed requires additional construction in order to comply with the minimum seating capacity requirements as set forth in Chapter 25 of the Acts of 2012.
4. In instances where expansion of a premise is contemplated but not necessary to meet the necessary seating capacity, the licensing authority may license that portion of the facility as it exists and qualifies, and when construction is completed, the licensed area may be extended to include the additional area.
5. Each license shall be issued based on a specific design for the licensed premises. Once a license has issued, no substantial physical changes to the licensed premises shall be made without the prior approval of the licensing authority. For the purpose of this regulation a substantial physical change is a change sufficient to require a building permit.
6. The interior of the licensed premises shall be well lighted at all times, such lighting to be not less than one foot candle, measured 30" from the floor, except those portions of the room under furniture.
7. Cocktail lounges, that is, areas for seating of patrons to consume alcoholic beverages at places other than at dining tables or bars, are only permitted where the licensee holds an Innholder License and where a cocktail lounge is specifically authorized under the terms of the license.
8. No premises may be licensed unless toilet facilities are available to patrons. At least one toilet at each licensed premises shall be handicapped accessible.

X. LICENSING OF EXTERIOR PREMISES

1. No license shall be issued by the licensing authority for the sale of alcoholic beverages in an exterior premises except upon the following conditions:
 - a. The exterior premises must be enclosed by a physical barrier, which defines the licensed area and controls access and egress of the public through identifiable entries.
 - b. The exterior premises must be staffed at all times during all hours of operation.

- c. The regulations applicable to interior premises shall apply to exterior premises unless the context makes such regulations inappropriate or inapplicable on their face.
 - d. The exterior premises shall not be licensed for the consumption of alcohol beyond 9:00 PM, provided, upon application by the licensee, the licensing authority may extend the hours of operation for an exterior premises if it determines that public necessity and convenience are served by the extended hours. Licensees shall ensure that patrons do not possess or consume alcoholic beverages on exterior premises beyond the time allowed by the licensing authority.
 - e. The exterior premises shall only be adjunct to interior licensed premises, and shall be contiguous to the interior licensed premises. The exterior premises shall be visible from within the interior licensed premises.
 - f. The exterior premises shall not be used or counted in the computation of the requisite seating capacity of the licensed interior premises, as required by Chapter 25 of the Acts of 2012.
 - g. Provision shall be made and maintained for the passing of the public through any contiguous public area.
 - h. The licensee shall at all times control and maintain the immediate and surrounding areas in a state of cleanliness and upkeep.
2. The foregoing notwithstanding, the licensing authority shall not grant a license for an exterior premise without making a finding that the public necessity and convenience shall be served by such a license. In making said determination, the licensing authority shall consider, among other factors, the following:
- a. The impact that the proposed exterior premises will have on the area in which it is located.
 - b. The public necessity and/or convenience to be served by licensing the exterior premises.
 - c. The degree to which the exterior premises is restricted from view by passersby.
 - d. The type and number of businesses in the immediate neighborhood.
 - e. The anticipated noise level and its effect on abutting and neighboring property.
 - f. The number of seats to be placed within the exterior premises.

XI. PRICES

1. No alcoholic beverages shall be sold for a fee less than the actual cost of the beverage to the licensee.
2. If an admission charge to the licensed premises is required, such charge shall not be credited by the licensee toward the purchase price of any alcoholic beverage, and the licensee must provide a written receipt to each patron paying a cover charge.
3. The price charged by the licensee for the sale of alcoholic beverages shall not be discounted by any particular hour(s) of the day or day(s) of the week.
4. No minimum charge shall be made for the sale of alcoholic beverages.

XII. GENERAL OPERATING REQUIREMENTS

1. Entrance doors to the licensed premises must remain closed, but not locked, during all times that the licensed premises are open for business.
2. The licensee shall ensure that the Wellesley Police Department, the Wellesley Fire Department, and authorized agents of the licensing authority, shall have immediate access to the licensed premises at all times and under all circumstances.
3. No alcoholic beverages shall be sold to anyone under the age of 21 years. As proof of age, the licensee shall only accept a valid Massachusetts driver's license; a valid Massachusetts Liquor Identification Card; a valid Passport issued by the U.S. or by the government, recognized by the United States government, of a foreign country; or a valid U. S. issued Military ID card.
4. The licensee shall ensure that business in the licensed premises, and areas under the licensee's control that abut the licensed premises, is conducted in a responsible manner so that no activity shall detract from the quality of life in the town generally, or in the neighborhood in which the licensed premises is located. This shall include, but not be limited to, ensuring that there shall be no disorder, unlawful use or sale of drugs, indecency, prostitution, assaults, lewdness or gambling on or about the premises.
5. No alcoholic beverage shall be sold or delivered to an intoxicated person.
6. Employees of any licensee not holding a club license shall only deliver alcoholic beverages to the table, chair or other location within the premises where patrons receiving the beverages will consume them.

7. Alcoholic beverages may be consumed only from open containers.
8. No licensee may display any advertisement or sign on the outside facade upon which appears any brand name of an alcoholic beverage product. Signs on the inside of the premises are subject to approval by the licensing authority at its discretion.
9. No patron may remove any alcoholic beverage from the licensed premises unless the patron is taking off the premises or a restaurant or hotel a resealed bottle of partially consumed wine as regulated by MGL c.138 § 12 and the Rules and Regulations of the Alcoholic Beverages Control Commission.
10. No alcoholic beverages, with the exception of wine, shall be served in any container, the capacity of which is in excess of 16 fluid ounces.
11. No pitchers of malt beverages may be served.
12. No licensee shall provide or allow entertainment unless an entertainment license has been obtained from the Board of Selectmen.
13. No licensee shall make any distinction, discrimination or restriction on account of race, color, creed, sex, sexual orientation or ancestry relative to the admission or treatment of any person.

XIII. VIOLATION OF RULES AND REGULATIONS

1. Any license issued under these rules and regulations may be suspended, modified or revoked by the licensing authority if any of the rules or regulations are violated or for other reasonable cause related to the public good and the licensee's fitness to hold a license.
2. The licensing authority shall initiate suspension, modification, or revocation by notifying the licensee of its intention in writing.
3. The licensing authority shall hold a public hearing prior to suspending, modifying or revoking any license unless the licensing authority declares that the suspension of the license is an emergency. Under emergency circumstances, the licensing authority may immediately suspend a license, but must hold a public hearing within five days of the beginning of the emergency suspension.
4. The hearing shall be commenced within two weeks of the notice of intent to suspend, modify, or revoke said license.
5. In the event of the suspension, modification, or revocation of any license, the licensee shall not be entitled to reimbursement for any licensing fee or any portion thereof.

XIV. APPLICATIONS AND FEES

1. All applications for an original license or a renewal of a license must be accompanied by an application fee of \$200 made out to the ABCC in addition to the Town fee for the license. All applications must also be accompanied by the annual Common Victualler License fee of \$100.
2. The application fee for a Special License, or the application fee for two or more Special Licenses applied for on the same date, shall be \$25.
3. A person applying for a Special License should submit the application at least thirty days prior to the date of the activity.
4. All fees for applications and licenses shall be in the form of a bank check. The application fee is not refundable if the application is denied, but the annual license fee shall be refunded if an original or renewal license is not issued.
5. There will be no pro-ration of fees.
6. The licensing authority reserves the right to adjust the license fee from year to year.

License Type	Application Fee	Annual License Fee
Restaurant and Function Room CV, All Alcohol w/Function Room	\$100 – Town of Wellesley \$200 - ABCC	\$5,000
Restaurant Only CV, All Alcohol	\$100 – Town of Wellesley \$200 – ABCC	\$3,600
Restaurant Only CV, Wine and Malt Only	\$100 – Town of Wellesley \$200 – ABCC	\$2,000
Inn Holder All Alcohol	\$100 – Town of Wellesley \$200 – ABCC	\$5,000
Dining Halls Incorporated Educational Institutions Wine and Malt Only	\$100 – Town of Wellesley \$200 – ABCC	\$1,200
Clubs and War Veterans’ Organizations All Alcohol	\$100 – Town of Wellesley \$200 - ABCC	\$1,400
Special Licenses – One Day Licenses	\$25 – Town of Wellesley	\$50

XV. SPECIAL LICENSE REQUIREMENTS FOR TOWN BUILDINGS

In addition to the compliance with all sections of these Rules and Regulations except sections III., numbers 1-6, V., VIII., XVI., XVII., and XVIII. Special Licenses wishing to serve alcohol in authorized Town buildings shall submit to the License Authority an application as well as supporting documentation as outlined below for a One-Day License. The Licensing Authority has the right to approve or deny Special License requests.

1. Written evidence of the appropriate Town Board's permission to use the authorized Town building and compliance with those rules and regulations pertaining to the rental and service of alcohol in said building.
2. The applicant shall identify the purpose of the event, who is invited to the event, what fees are charged for the event and other relevant information to assist the Licensing Authority in review of the application. Documentation shall include a copy of the event invitation, flyer, or letter of explanation regarding the event.
3. The applicant shall submit proof of nonprofit status.
4. Liquor liability insurance, naming the Town as an additional insured, shall be provided in the amount of \$1,000,000.
5. A police detail shall be required for all Special License events in Town buildings. Special Licensees will comply with Police Department rules and regulations governing details and a deposit may be required. Please contact the Police Department directly to set up the required detail.
6. Special Licensees must purchase alcoholic beverages from a licensed supplier. Special licensees CANNOT purchase alcoholic beverages from a package store and CANNOT accept donations of alcoholic beverages from anyone.

XVI. DURATION AND RENEWAL OF LICENSE

All licenses once issued are valid through December 31 of each year and the application to renew must be completed and signed by November 30. It is the responsibility of the licensee to file for a renewal in a timely manner. Renewal forms may be obtained from the Board of Selectmen. Renewal applications must update all previously filed statements and plans where appropriate. Failure to renew prior to expiration shall result in a loss of license and any subsequent license request must then be treated as a completely new application.

XVII. TRANSFERS

A \$500 fee shall accompany each application for ownership or transfer of location. Application for transfer of ownership or location shall be considered an original

application and processed as such. Approval of a transfer of majority ownership may be conditioned upon the proof of payment of all outstanding local, state and federal taxes including, without limiting, the following: the remission to the proper taxing authorities of sales taxes, excise taxes and withheld federal and state income taxes. Transfers of ownership to trustees in bankruptcy, court appointed receivers or assignees for the benefit of the creditors, and those taking title or possession of the licensed premises by, through or under them will not be deemed to transfer or convey any rights to the license or the renewal or transfer of such license. Bona fide mortgagees in possession who are listed in the application as holding such interest shall be treated in the same manner as the original majority ownership license. A public hearing shall be required for any transfers of ownership or location, including, but not limited to transfers to mortgagees.

XVIII. PUBLIC HEARING

A public hearing shall be conducted within thirty (30) days of acceptance of a complete application. The application will be required to comply with the appropriate provisions of MGL c.138 including, but not limited to, Sections 15A and 16C relative to the notification of abutters, churches, and schools within the distance prescribed by law. The Town will send notice to abutters of the public hearing and the public hearing shall be advertised in The Wellesley Townsman.

An application shall be considered complete when it has been filed in accordance with procedural instructions and all forms and monies required have been fully completed and executed under such conditions and rules as determined by the licensing authority. All applications shall be made under penalties of perjury, and any false statement contained in any application shall be grounds for refusing to grant the license or for suspending, canceling or revoking of a license already granted.

APPLICABILITY of GENERAL LAWS, SPECIAL LAW and AMENDMENTS

These regulations are promulgated by the licensing authority of the Town of Wellesley to be supplementary to, and not in substitution of, all General Laws of the Commonwealth of Massachusetts governing the sale, service and consumption of All Alcoholic Beverages and Wine and Malt Beverages Only, including but not necessarily limited, to those laws set forth in MGL c.138. The licensing authority reserves the right to amend these regulations and unless an emergency situation requires immediate promulgation of further rules, regulations or amendments thereto, the licensing authority presently intends to give appropriate public notice of any such intent to amend.

Promulgated the _____ day of _____, 2018 by the Board of Selectmen of the Town of Wellesley, Licensing Authority pursuant to law.

WELLESLEY BOARD OF SELECTMEN

Ellen F. Gibbs, Chair

Jack Morgan, Vice Chair

Marjorie R. Freiman

Thomas H. Ulfelder

Beth Sullivan Woods

TOWN OF WELLESLEY
COMMONWEALTH OF MASSACHUSETTS



RULES AND REGULATIONS GOVERNING
ALCOHOLIC BEVERAGES

Revised: **September 11, 2017**

It is understood that the Rules and Regulations contained herein are in compliance with and subject to the Rules and Regulations of the Commonwealth of Massachusetts Alcoholic Beverages Control Commission.

These regulations, promulgated on June 14, 2006, amended to include Special Licenses on June 16, 2008, and amended to allow restaurants having 50 seats to sell wine and malt beverage to be drunk on the premises April 30, 2012 shall supersede all previous regulations issued by the Town of Wellesley.

Local Licensing Authority: Wellesley Board of Selectmen

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**TOWN OF WELLESLEY, MASSACHUSETTS
BOARD OF SELECTMEN**



**RULES AND REGULATIONS GOVERNING
THE OPERATION OF ESTABLISHMENTS LICENSED TO SELL
ALL ALCOHOLIC BEVERAGES OR WINE AND MALT
BEVERAGES ONLY**

POLICY STATEMENT

The issuance of an All Alcoholic Beverages Restaurant License or a Wine and Malt Beverages Only License is an accommodating and incidental part of a Common Victualler's primary business endeavor of serving food to the public in a restaurant.

It is the intention of the Board of Selectmen that each license allow for the economic viability of a quality restaurant to succeed in creating an attractive environment for patrons to gather together in a socially responsible and hospitable setting to eat, converse, and exchange ideas. It is the further intention of the Board to enhance the dining experience of individuals patronizing Wellesley restaurants. It is not the Board's intention to license restaurants where fast food is a significant aspect of the business, or restaurants that have drive-through service.

The Board also recognizes that the service of alcoholic beverages by non-profit clubs to their members supports the social objectives of the clubs, while limiting the service of alcoholic beverage to club members and their guests. Likewise, the service of wine and malt beverages to those college students who are of legal drinking age, by educational institutions in their dining halls, can benefit colleges and their students by providing a social and hospitable environment in which college students can gather.

The Board of Selectmen will consider when deciding upon a license application the foregoing factors and any other matters thought appropriate including, by way of description but not limitation: proximity to residential neighborhoods, proximity to schools, playgrounds, and other places where children gather, proximity to other licensed establishments, traffic, parking, noise factors, night lighting factors, appropriateness of menu, and other aesthetic considerations, including the physical layout of the interior of

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the establishment.

HISTORY

Licenses for Restaurants and Inns

Massachusetts General Law Chapter 138, originally passed in 1933 just after the end of prohibition, governs the sale and licensing of alcoholic beverages in the Commonwealth. Section 11 of the statute provides in pertinent part that the secretary shall cause to be placed on the official ballot used in the cities and towns at each biennial state election the following subdivided question:

D. Shall licenses be granted in this city (or town) for the sale of all alcoholic beverages by hotels having a dining room capacity of not less than fifty rooms?

Every two years from 1934 through 1966, the voters of Wellesley voted "No" on the above question. In 1968, Wellesley voted "Yes" on Question D by a vote of 6,298 to 6,259. As required by the statute, the question was placed on the state election ballot in 1970 and 1972. It passed in 1970 by a vote of 6,131 to 3,467 and in 1972 by a vote of 8,676 to 5,662 thus authorizing the issuance of alcoholic beverage licenses to inns.

Additionally, in 1972 the following question from MGL Chapter 138, § 11 was placed on the ballot:

E. Shall licenses be granted in this city (or town) for the sale therein of alcoholic beverages by restaurants and function rooms having a seating capacity of not less than one hundred persons?

This question passed by a vote of 8,709 to 3,273. It passed again in 1974 by a vote of 6,399 to 4,272 and in 1976 by a vote of 8,749 to 3,205 thus authorizing the issuance of alcoholic beverages licenses to restaurants and function rooms having a seating capacity of not less than one hundred persons.

Licenses for Clubs and College Dining Halls, and Special Licenses

In 1983, upon the request of the Town of Wellesley, the Massachusetts Legislature approved Chapter 635 of the Acts of 1982, An Act Authorizing the Issuance of Certain Licenses in the Town of Wellesley for the Sale of Alcoholic Beverages. The Act authorized the Town of Wellesley to issue licenses for all alcoholic beverages to the Italo-American Club of Wellesley, Inc., the Wellesley College Club of Wellesley College and to the Wellesley Country Club, and on the premises of any other clubs, which are not organized for commercial purposes, as defined in section one of Chapter 138 of the General Laws; and special licenses to Babson College and Wellesley College for the dispensing of wines and malt beverages in dining halls maintained by them, and to other incorporated educational institutions authorized to grant degrees for the dispensing of such beverages in dining halls maintained by such institutions; and to the responsible manager of any nonprofit organization conducting any indoor or outdoor activity or enterprise for

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the sale of all alcoholic beverages or wine and malt beverages, or any of them.

The Act directed that a question be placed on the ballot, and that authorization for said licenses would take effect upon an affirmative vote at three consecutive elections. The question passed by a vote of 2,693 to 1,738 during the town election of 1983, by a vote of 7,688 to 5,588 during the state election of 1984 and by a vote of 5,245 to 4,515 during the state election of 1986.

Licenses for Restaurants Having Fifty or More Seats

In 2011, the Town of Wellesley undertook an effort to attract small businesses, particularly to commercial areas, as part of its Wellesley Square Initiative. Merchants, residents and government officials believed that smaller restaurants could move into some vacant properties, and might encourage visitors to enjoy a meal while shopping in the Town. In addition, an opportunity would be created for smaller, existing restaurants to offer alcoholic beverages with meals. Area communities such as Needham, Westwood and Lexington had benefited from special acts of the legislature, so-called home rule petitions, that permitted those towns to issue alcoholic beverage licenses to restaurants of fewer than 100 seats.

In 2012, upon a request of the Town of Wellesley and following a favorable vote at the Special Town Meeting of November 14, 2011, the Massachusetts Legislature approved Chapter 25 of the Acts of 2012, An Act Authorizing the Town of Wellesley to Place a Certain Question Relative to the Sale of Alcoholic Beverages on the Town's Election Ballot.

Chapter 25 reads as follows:

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same as follows:

SECTION 1. Notwithstanding section 11 of chapter 138 of the General Laws or any general or special law to the contrary, the licensing authority in the town of Wellesley may grant to restaurants and function rooms with seating capacities of 50 or more licenses for the sale of all alcoholic beverages to be drunk on the premises under section 12 of said chapter 138, subject to the maximum number of such licenses as authorized by section 17 of said chapter 138.

SECTION 2. In addition to those licenses authorized pursuant to section 1, notwithstanding section 11 of chapter 138 of the General Laws or any general or special law to the contrary, the licensing authority in the town of Wellesley may grant to restaurants and function rooms with seating capacities of 50 or more not more than 6 licenses for the sale of wines and malt beverages to be drunk on the premises.

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SECTION 3. The authority to grant licenses authorized by sections 1 and 2 shall be in addition to those licenses authorized in chapter 635 of the acts of 1982.

SECTION 4. Notwithstanding section 11 of chapter 138 of the General Laws as to the time and manner of voting on the question, this act shall be submitted for its acceptance to the voters of the town of Wellesley at an annual or special town election in the form of the following question:-

"Shall an act passed by the general court in the year 2012, entitled 'An Act authorizing the town of Wellesley to place a certain question relative to the sale of alcoholic beverages on the town's election ballot', be accepted?"

If a majority of the votes cast in answer to the question is in the affirmative, the town of Wellesley shall be taken to have authorized the granting of licenses for the sale of all alcoholic beverages and wines and malt beverages to be drunk on the premises.

SECTION 5. This act shall take effect upon its passage.

The question passed by a vote of 2,749 to 457 at the town election of March 13, 2012.

DEFINITIONS

Abutter: Owner of the property located within a 300-foot radius of the nearest point of the licensed property.

Alcoholic Beverage: As used in these regulations, the term alcoholic beverage shall include wine and malt beverages unless otherwise indicated.

Assistant Manager: Any person charged by the licensee to operate, manage and control the licensed premises in the absence of the manager.

Bar: A counter, window, or area other than a table, booth or sushi bar, where patrons sit to be served. Bars shall have stools where patrons may be served a meal, or where they may be served alcoholic beverages while waiting to be seated.

Club: An organization which is duly chartered and in good standing with the Commonwealth of Massachusetts and the Town of Wellesley.

Common Victualler License: A license, granted an applicant, if at the time of his application, he has upon his premises the necessary implements and facilities for cooking, preparing, and serving food for strangers and travelers. (MGL c.140, § 6)

Exterior Premise: Any outdoor location under the control of the licensee, such as a patio, deck, porch, or other area outside of and contiguous to the main building and open to the elements.

License: Unless otherwise indicated, the term "license" shall refer to an All Alcoholic Beverages Restaurant License or a Wine and Malt Beverages Only License.

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Licensed Premises: The specific area in which the licensee is licensed to sell alcoholic beverages. Sale, service and consumption of alcoholic beverages outside of the licensed premises are not permitted.

Licensee: The holder of a license issued by the licensing authority under MGL c.138, § 12, or Chapter 635 of the Acts of 1982 to sell All Alcoholic Beverages or Wine and Malt Beverages Only.

Licensing Authority: The Board of Selectmen of the Town of Wellesley.

Manager: The person charged by the licensee to operate, manage and control the licensed premises. The name of the manager shall appear on the license.

Premises: The property owned or controlled by the licensee in which the licensed premises are a part.

Restaurant: A business that sells food to the public, intended to be consumed inside the premises, holding a Common Victualler License under the provisions of MGL c.140, § 6.

Service Bar: A counter or window where waiters and waitresses receive alcoholic beverages to be served to patrons. Patrons shall not be permitted to receive alcoholic beverages at a service bar.

Special License- a temporary license issued pursuant to Chapter 635 of the Acts of 1982 to the responsible manager of any nonprofit organization conducting any indoor or outdoor activity or enterprise for the sale of all alcoholic beverages or wine and malt beverages, or any of them.

Sushi Bar: A food bar or counter where seating for patrons is provided and where sushi or other raw style foods including but not limited to sushi, sashimi, ceviche, or raw shellfish is prepared by a chef at the bar or counter and served to and consumed by patrons.

Transfer: A change in ownership and/or location of a licensed premises.

War ~~Veterans'~~ Veterans' Organization: A war ~~veterans'-veterans'~~ organization -that -is incorporated -by the Congress of the United States and in good standing with the Town of Wellesley.

I. TYPES OF LICENSES

The Town of Wellesley issues the types of alcoholic beverages licenses listed below. All licensees shall comply with Chapter 138 of the Massachusetts General Laws, Chapter 204 of the Code of Massachusetts Regulations, and Chapter 635 of the Acts of 1982 as they relate to the specific type of license.

Common Victuallers-All Alcoholic Beverages and Wine and Malt Beverages Only

No license will be issued or transferred to any restaurant unless the applicant is the licensee named in a Common Victualler License issued by the Town of Wellesley for the premises to be licensed.

No license shall be issued to any restaurant unless the restaurant has a seating capacity of not less than fifty. Seating on exterior premises shall not be counted in determining seating capacity.

Alcoholic beverages may be sold and/or served at sushi bars, and seats at a sushi bar shall be used in computing whether or not the facility complies with the minimum seating capacity as set forth in Chapter 25 of the Acts of 2012. However, notwithstanding any other provision of these regulations, alcohol may be served and/or consumed at a sushi bar only in conjunction with and incidental to the consumption of sushi, which has been prepared and served at the sushi bar.

Innholders - All Alcoholic Beverages

No license will be issued or transferred to any inn unless the applicant is the licensee named in an Innholder License issued by the Town of Wellesley for the premises to be licensed.

Clubs - All Alcoholic Beverages

Clubs and War Veterans' Organizations that are duly chartered and are in good standing with the Commonwealth of Massachusetts and the Town of Wellesley may apply for a license pursuant to Chapter 635 of the Acts of 1982 for service to members and guests.

Clubs and War Veterans' Organizations shall be subject to the Rules and Regulations of the Town of Wellesley, except ~~III., sections~~ section III., numbers 1, 2, 3 and 4, V., and IX., sections numbers 2 and 6.

Clubs and War Veterans' Organizations shall comply with the following rules and regulations concerning guests:

- a) No guest, other than one attending a function, may be on the premises unless introduced by a member immediately upon arrival at the licensed premises, and

a. no guest shall be on the premises unless the member who introduced him/her is also on the premises:

b. ~~b~~) All functions must be sponsored by a member, and no person shall attend any function except upon the invitation of the member.

Dining Halls of Incorporated Educational Institutions

Chapter 635 of the Acts of 1982 authorizes the Town of Wellesley to grant special licenses to Babson College and Wellesley College, and to other incorporated educational institutions, for the dispensing of wines and malt beverages in dining halls maintained by them.

Dining halls of incorporated educational institutions shall be subject to the Rules and Regulations of the Town of Wellesley, except ~~section III., sections, numbers~~ 1, 2, 3 and 4, V., and IX., ~~sections, numbers~~ 2 and 6.

Special Licenses

Special ~~licenses~~ Licenses may be issued to managers of any nonprofit organization conducting an indoor or outdoor activity. No ~~special license~~ Special License shall permit sales on more than 30 days, nor may any person be granted ~~special licenses~~ Special Licenses permitting sales on an aggregate of more than 30 days in any calendar year. The holder of a ~~special license~~ Special License shall be subject to the Rules and Regulations of the Town of Wellesley, except ~~III., sections~~ III., numbers 1-6, V., VIII., XVI., XVII., and XVIII.

The holder of a Special License for nonprofit organizations conducting an event within a Wellesley Town building shall further be subject to XV. Special License Requirements for Town Buildings in addition to the above.

II. MANAGEMENT AND CONTROL

~~1.~~ ~~1~~-No application from a corporation shall be approved unless the corporation, by certified vote of its Board of Directors, has appointed a manager who is a United States citizen and who has been vested with full authority, management -and control of the licensed premises.

~~2.~~ Upon receipt of an application for an original license or a renewal of a license, or in the case of a new manager or assistant manager, upon being advised of the new manager's or assistant manager's identity, the licensing authority will conduct a background check of any proposed licensee, manager or assistant manager, such check to include a review of any existing criminal record. The licensing authority may reject any application where ~~the proposed licensee's, manager's or assistant manager's criminal record or reputation~~ 2. indicates theft, unlawful drug use or distribution, association with known felons

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or individuals involved in organized crime, a propensity for violence, or other behavior that, in the opinion of the licensing authority, might put the public at risk.

~~3.~~ The manager shall have complete responsibility for the proper operation, management and control of the licensed premises. Every licensee shall submit to the licensing authority the full name, residential address, and business and home telephone numbers of the manager prior to his/her appointment to that position. Any change in manager must 3. be approved by the licensing authority prior to the appointment of the new manager by the licensee. The manager shall be on the licensed premises at least fifty percent of the time the licensed premises are open for business.

~~4.~~ 4. The manager shall at all times maintain order and decorum in the licensed premises and in the premises generally, and shall cooperate in every respect with town officials including, but not limited to, representatives of the licensing authority, the police and fire departments and the Board of Health, in ensuring public safety and convenience both within the licensed premises and the premises as a whole.

~~5.~~ 5. No licensed establishment shall be open for business unless a manager or assistant manager ~~is~~ on duty and on the premises. The license shall be posted in public view, and a plaque bearing the name of the on duty manager or assistant manager and his/her title, in letters no smaller than one inch, shall be posted within one foot of the license at all times when the licensed premises is open for business. In the case of a special license, the nonprofit organization's responsible manager, as named on the application, or an assistant named on the application, must be present whenever alcoholic beverages are being served. ~~assistant named on the application, must be present whenever alcoholic beverages are being served.~~

~~6.~~ 6. The premises must be kept clean, neat and sanitary at all times.

~~7.~~ 7. No manager, assistant manager or employee of the licensee shall consume any alcoholic beverages or illegal drugs, or be under the influence of alcohol or illegal drugs, while on duty, or during the eight hour period preceding the beginning of his or her shift. Nothing in this section shall prohibit a manager or assistant manager, or an employee twenty-one years of age or older and acting with a manager or assistant manager's permission, from tasting wine intended to be served to patrons.

~~8.~~ The manager, and each and every assistant manager, shall successfully complete an alcoholic beverage server-training program satisfactory to the Town prior to their appointment. Such training shall be required for all bartenders at all establishments with a bar. All other employees who serve alcoholic beverages, and all persons who serve alcoholic beverages pursuant to a special license, shall receive, at a minimum, in-house training similar to that completed by the manager and assistant manager. No manager,

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~~assistant manager or employee is authorized to sell or serve any alcoholic beverage to any~~
~~8.~~ patron within the licensed premises until the licensee has delivered to the licensing authority a statement as to each such manager, assistant manager or employee, certifying the successful completion of his or her training as herein required.

III. SERVICE TO PATRONS

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~~1.~~ Licensees may serve alcoholic beverages only to customers who intend to dine on the licensed premises, and menus shall reflect the requirement that wine and malt beverages and all alcoholic beverages may only be ordered in conjunction with the consumption of a full meal ordered from the menu of the licensed premises. The licensing authority

~~1.~~ reserves the right to determine and further define what constitutes a full meal consistent with its policies.

~~2.~~ Food service shall be available at all seats within the licensed premises, except in the case of private functions or in those designated areas where patrons assemble to await being seated.

~~3.~~ In those designated areas where patrons assemble to await being seated, alcoholic beverages may be served and sold, provided that not more than two standard size drinks shall be served to any patron within a waiting area. As it is the intention of these regulations that the sale, service and consumption of alcoholic beverages shall be made to those patrons intending on dining, the manager shall take reasonable measures to ensure that patrons who are served intend to dine.

~~4.~~ Licensees may, upon the approval of the licensing authority, provide a bar with stools or seats where patrons may be served a meal or be served alcoholic beverages while waiting to be seated. Managers shall take reasonable measures to ensure that patrons who are seated at a bar intend to dine, and that no patron is provided more than two standard size drinks while waiting to dine. Bar seats or stools shall be limited to a maximum of ten percent (10%) of the total interior seating. The licensing authority shall approve all seating plans as detailed in Section IX. Design of the Licensed Premises.

~~5.~~ Licensees may, upon the approval of the licensing authority, provide a service bar for use by the wait staff. Service bars shall not have stools. Only staff, in the course of serving patrons either eating a full meal, or waiting to be seated, may receive alcoholic beverages from a service bar.

~~6.~~ The location of bars and service bars shall not be changed unless an amended plan showing the proposed change is submitted to and approved by the licensing authority.

~~7.~~ No patron shall be permitted to bring alcoholic beverages on to the licensed premises for the purpose of being consumed there.

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~~8. 8.~~ All alcoholic beverages held for sale shall be consumed on the licensed premises. No alcoholic beverages, including wine and malt beverages, shall be served outside the licensed premises.

IV. INSURANCE

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In addition to all other requirements established by law, each licensee shall have liquor liability insurance coverage in at least the amounts of \$1,000,000/\$2,000,000. A certificate of insurance that at least these amounts are in place shall be filed with the licensing authority. The licensee shall notify the town no less than ten days prior to the cancellation or material change of said coverage.

V. EXERCISE OF LICENSE

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The closing of the licensed premises for any reason for a period of seven consecutive days or more, or for any ten days during the calendar year, without prior approval of the licensing authority, shall be deemed to be an abandonment of the license and sufficient grounds for revocation.

VI. HOURS OF OPERATION

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~~1. 1.~~ The hours during which sales of alcoholic beverages may be made by any licensee shall be from 11:00 a.m. to midnight Monday through Saturday and 12:00 noon to 11:00 p.m. on Sundays. Licensees shall be able to sell alcoholic beverages on Christmas Day (or the day following when Christmas is on a Sunday), or on the last Monday in May (Memorial Day) from 12:00 noon to 11:00 PM. The licensing authority may extend the hours of operation for a specific day upon a written application by the licensee, but in no event shall the hour of closing be extended beyond 2:00a.m.

~~2. 2.~~ No patron shall be served alcoholic beverages within the licensed premises before or after the hours stated in the license. The hours within which alcoholic beverages may be sold may be adjusted by the licensing authority if, after a public hearing, it shall be determined by the licensing authority that the circumstances warrant further alteration.

~~3. 3.~~ The hours during which sales of alcoholic beverages may be made in a dining room are further limited to the times when the dining room is open and food service available.

~~4. 4.~~ No alcoholic beverages shall be sold within the licensed premises during the

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15 minutes preceding the hours stated on the license at which service of alcoholic beverages must cease.

- ~~5.~~ 5. Employees of the licensee must vacate the licensed premises no later than 60 minutes after the discontinuance of food service operation, provided that this regulation shall not be applicable to the owner or manager, or to persons who are within the licensed premises for the exclusive purpose of cleaning, making emergency repairs, providing security, preparing food for the next day's business, or opening or closing the business in an orderly manner.

~~VII.~~ VII. INSPECTIONS

- ~~1.~~ 1. The licensed premises shall be available at all times for inspection by members of the licensing authority, the Chief of Police, the Fire Chief, the Board of Health, and members of their departments, or any other department or official of the Town of Wellesley so directed by the licensing authority.

~~2.~~

- ~~2.~~ 2. The full time police officers of the Wellesley Police Department are hereby designated as agents of the licensing authority and they shall have the authority to investigate violations of these rules and regulations and of state law on or about any licensed premises on behalf of the licensing authority, and to conduct other such enforcement and inspections as the Chief of Police deems appropriate, including the use of plainclothes police officers, and/or investigators of the Massachusetts Alcohol Beverages Control Commission, for the purpose of ensuring compliance with state law and all aspects of these rules and regulations.

VIII. PRIVATE FUNCTIONS

Private functions shall take place only in rooms duly licensed for the service of alcoholic beverages and shall be closed to the general public.

IX. DESIGN OF THE LICENSED PREMISES

- ~~1.~~ 1. Each applicant, except an applicant for a special license, shall submit to the licensing authority, along with an application for a license, a plan drawn to scale on which shall be shown the following information:

- ~~a.~~ a. The net interior floor area, exclusive of stairways and hallways, and dimensions of the existing room or rooms requested to be licensed including dining rooms, function rooms, and rooms in which alcoholic beverages are to be stored.

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- ~~b.~~ ~~b.~~—The location of any proposed bars or service bars.
 - ~~c.~~ ~~c.~~—The area in which seats or benches are to be securely fastened to the floor forming booths.
 - ~~d.~~ ~~d.~~—The area in which there is to be movable or unsecured seats and tables.
 - ~~e.~~ ~~e.~~—All entrances and exits.
 - ~~f.~~ ~~f.~~—All rooms not being requested to be licensed. If said rooms are on the same floor as those rooms to be licensed, they shall be labeled as to their function, such as kitchens, coatrooms, lobby, etc.
- ~~2.~~ ~~2.~~—A person applying for a special license need only submit a floor plan or diagram (8 1/2 x 11 sketch) showing the exact location within the event area where alcoholic beverages will be dispensed.
- ~~3.~~ ~~3.~~—The licensing authority shall deny any application for a license if the restaurant or function hall requested to be licensed requires additional construction in order to comply with the minimum seating capacity requirements as set forth in Chapter 25 of the Acts of 2012.
- ~~with the minimum seating capacity requirements as set forth in Chapter 25 of the Acts of 2012.~~
- ~~4.~~ ~~4.~~—In instances where expansion of a premise is contemplated but not necessary to meet the necessary seating capacity, the licensing authority may license that portion of the facility as it exists and qualifies, and when construction is completed, the licensed area may be extended to include the additional area.
- ~~5.~~ ~~5.~~—Each license shall be issued based on a specific design for the licensed premises. Once a license has issued, no substantial physical changes to the licensed premises shall be made without the prior approval of the licensing authority. For the purpose of this regulation a substantial physical change is a change sufficient to require a building permit.
- ~~6.~~ ~~6.~~—The interior of the licensed premises shall be well lighted at all times, such lighting to be not less than one foot candle, measured 30" from the floor, except those portions of the room under furniture.
- ~~7.~~ ~~7.~~—Cocktail lounges, that is, areas for seating of patrons to consume alcoholic beverages at places other than at dining tables or bars, are only permitted where the licensee holds an ~~innholder license~~Innholder License and where a cocktail lounge is specifically authorized under the terms of the license.
- ~~8.~~ ~~8.~~—No premises may be licensed unless toilet facilities are available to patrons.

At least one toilet at each licensed premises shall be handicapped accessible.

X. LICENSING OF EXTERIOR PREMISES

1. ~~1.~~ No license shall be issued by the licensing authority for the sale of alcoholic beverages in an exterior premises except upon the following conditions:

a. ~~a.~~ The exterior premises must be enclosed by a physical barrier, which defines the licensed area and controls access and egress of the public through identifiable entries.

b. ~~b.~~ The exterior premises must be staffed at all times during all hours of operation.

c. ~~c.~~ The regulations applicable to interior premises shall apply to exterior premises unless the context makes such regulations inappropriate or inapplicable on their face.
~~their face.~~

~~d.~~ The exterior premises shall not be licensed for the consumption of alcohol beyond 9:00 PM, provided, upon application by the licensee, the licensing authority may extend the hours of operation for an exterior premises if it determines that public necessity and convenience are served by the extended

d. hours. Licensees shall ensure that patrons do not possess or consume alcoholic beverages on exterior premises beyond the time allowed by the licensing authority.

e. ~~e.~~ The exterior premises shall only be adjunct to interior licensed premises, and shall be contiguous to the interior licensed premises. The exterior premises shall be visible from within the interior licensed premises.

f. ~~f.~~ The exterior premises shall not be used or counted in the computation of the requisite seating capacity of the licensed interior premises, as required by Chapter 25 of the Acts ~~of 2012~~ of 2012.

g. ~~g.~~ Provision shall be made and maintained for the passing of the public through any contiguous public area.

h. ~~h.~~ The licensee shall at all times control and maintain the immediate and surrounding areas in a state of cleanliness and upkeep.

2. ~~2.~~ The foregoing notwithstanding, the licensing authority shall not grant a license

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for an exterior premise without making a finding that the public necessity and convenience shall be served by such a license. In making said determination, the licensing authority shall consider, among other factors, the following:

- ~~a.~~ ~~a.~~—The impact that the proposed exterior premises will have on the area in which it is located.
- ~~b.~~ ~~b.~~—The public necessity and/or convenience to be served by licensing the exterior premises.
- ~~c.~~ ~~e.~~—The degree to which the exterior premises is restricted from view by ~~passers-passersby.~~
~~by.~~
- ~~d.~~ ~~d.~~—The type and number of businesses in the immediate neighborhood.
- ~~e.~~ ~~e.~~—The ~~anticipated noise level and its affecteffect~~ on ~~abutting and neighboring property.~~
- ~~f.~~ ~~f.~~—The number of seats to be placed within the exterior premises.

XI. PRICES

- ~~1.~~ ~~1.~~—No alcoholic beverages shall be sold for a fee less than the actual cost of the beverage to the licensee.
- ~~2.~~ ~~2.~~ If an admission charge to the licensed premises is required, such charge shall not be credited by the licensee toward the purchase price of any alcoholic beverage, and the licensee must provide a written receipt to each patron paying a cover charge.
- ~~3.~~ ~~3.~~—The price charged by the licensee for the sale of alcoholic beverages shall not be discounted by any particular hour(s) of the day or day(s) of the week.
- ~~4.~~ ~~4.~~—No minimum charge shall be made for the sale of alcoholic beverages.-

XII. GENERAL OPERATING REQUIREMENTS

- ~~1.~~ ~~1.~~ Entrance doors to the licensed premises must remain closed, but not locked, during all times that the licensed premises are open for business.

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~~2.~~ ~~2~~-The licensee shall ensure that the Wellesley Police Department, the Wellesley Fire Department, and authorized agents of the licensing authority, shall have immediate access to the licensed premises at all times and under all circumstances.

~~3.~~ ~~3~~-No alcoholic beverages shall be sold to anyone under the age ~~of 24~~ of 21 years. As proof of age, the licensee shall only accept a valid Massachusetts driver's license; a valid Massachusetts Liquor Identification Card; a valid Passport issued by the U.S. or by the government, recognized by the United States government, of a foreign country; or a valid U. S. issued Military ID card.

~~4.~~ ~~4~~-The licensee shall ensure that business in the licensed premises, and areas under the licensee's control that about the licensed premises, is conducted in a responsible manner so that no activity shall detract from the quality of life in the town generally, or in the neighborhood in which the licensed premises is located. This shall include, but not be limited to, ensuring that there shall be no disorder, unlawful use or sale of drugs, indecency, prostitution, assaults, lewdness or gambling on or about the premises.

~~5.~~ ~~5~~-No alcoholic beverage shall be sold or delivered to an intoxicated person.

~~6.~~ ~~6~~-Employees of any licensee not holding a club license shall only deliver alcoholic beverages to the table, chair or other location within the premises where patrons receiving the beverages will consume them.

~~7.~~ ~~7~~-Alcoholic beverages may be consumed only from open containers.

~~8.~~ ~~8~~-No licensee may display any advertisement or sign on the outside ~~fa-ade~~ facade upon which appears any brand name of an alcoholic beverage product. Signs on the inside of the premises are subject to approval by the licensing authority at its discretion.

~~9.~~ ~~9~~-No patron may remove any alcoholic beverage from the licensed premises; unless the patron is taking off the premises ~~of~~ or a restaurant or hotel a resealed bottle of partially

consumed wine as regulated by MGL c.138, § 12 and the Rules and Regulations of the ~~9.~~ Alcoholic Beverages Control Commission.

~~10.~~ ~~10~~-No alcoholic beverages, with the exception of wine, shall be served in any container, the capacity of which is in excess of 16 fluid ounces.

~~11.~~ ~~11~~-No pitchers of malt beverages may be served.

~~12.~~ ~~12~~-No licensee shall provide or allow entertainment unless an entertainment license has been obtained from the Board of Selectmen.

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~~13. 13.~~ No licensee shall make any distinction, discrimination or restriction on account of race, color, creed, sex, sexual orientation or ancestry relative to the admission or treatment of any person.

XIII. VIOLATION OF RULES AND REGULATIONS

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~~1. 1.~~ Any license issued under these rules and regulations may be suspended, modified or revoked by the licensing authority if any of the rules or regulations are violated or for other reasonable cause related to the public good and the licensee's fitness to hold a license.

~~2. 2.~~ The licensing authority shall initiate suspension, modification, or revocation by notifying the licensee of its intention in writing.

~~3. 3.~~ The licensing authority shall hold a public hearing prior to suspending, modifying or revoking any license unless the licensing authority declares that the suspension of the license is an emergency. Under emergency circumstances, the licensing authority may immediately suspend a license, but must hold a public hearing within five days of the beginning of the emergency suspension.

~~4. 4.~~ The hearing shall be commenced within two weeks of the notice of intent to suspend, modify, or revoke said license.

~~5. 5.~~ In the event of the suspension, modification, or revocation of any license, the licensee shall not be entitled to reimbursement for any licensing fee or any portion thereof.

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XIV. SCHEDULE OF FEES

~~Restaurant and function room: \$5,000.00
(Common Victuallers All Alcoholic With Function Room)~~

~~Restaurant only: \$3,600.00
(Common Victuallers All Alcoholic Beverages)~~

~~Innholder: \$5,000.00~~

~~(All Alcoholic Beverages)~~

~~Dining Halls of Incorporated Educational Institutions: \$1,200.00
(Wine and Malt Beverages Only)~~

~~Clubs: \$1,400.00
(Clubs All Alcoholic Beverages)~~

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~~Wine and Malt Beverages:\$2,000.00~~
~~(Wine and Malt Beverages Only)~~

~~Special License: \$50~~

xv. APPLICATIONS AND FEES

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~~1.~~ ~~4.~~ All applications for an original license or a renewal of a license must be accompanied by an application -fee of \$200 made out to the ABCC in addition to the Town fee for the license. All applications must also be accompanied by the annual Common Victualler License fee of \$100.

~~2.~~ ~~2.~~ The application fee for a ~~special license~~ Special License, or the application fee for two or more ~~special licenses~~ Special Licenses applied for on the same date, shall be \$25.

~~3.~~ ~~3.~~ A person applying for a ~~special license~~ Special License should submit the application at least thirty days prior to the date of the activity.

~~4.~~ ~~4.~~ All fees for applications and licenses shall be in the form of a bank check. The application fee is not refundable if the application is denied, but the annual license fee shall be refunded if an original or renewal license is not issued.

~~5.~~ ~~5.~~ There will be no pro-ration of fees.

~~6.~~ ~~6.~~ The licensing authority reserves the right to adjust the license fee from year to year.

<u>License Type</u>	<u>Application Fee</u>	<u>Annual License Fee</u>
<u>Restaurant and Function Room</u> <u>CV, All Alcohol</u> <u>w/Function Room</u>	<u>\$100 – Town of Wellesley</u> <u>\$200 - ABCC</u>	<u>\$5,000</u>
<u>Restaurant Only</u> <u>CV, All Alcohol</u>	<u>\$100 – Town of Wellesley</u> <u>\$200 – ABCC</u>	<u>\$3,600</u>
<u>Restaurant Only</u> <u>CV, Wine and Malt Only</u>	<u>\$100 – Town of Wellesley</u> <u>\$200 – ABCC</u>	<u>\$2,000</u>
<u>Inn Holder</u> <u>All Alcohol</u>	<u>\$100 – Town of Wellesley</u> <u>\$200 – ABCC</u>	<u>\$5,000</u>
<u>Dining Halls</u> <u>Incorporated Educational Institutions</u> <u>Wine and Malt Only</u>	<u>\$100 – Town of Wellesley</u> <u>\$200 – ABCC</u>	<u>\$1,200</u>
<u>Clubs and War Veterans' Organizations</u>	<u>\$100 – Town of Wellesley</u>	<u>\$1,400</u>

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<u>All Alcohol</u>	<u>\$200 - ABCC</u>	
<u>Special Licenses – One Day Licenses</u>	<u>\$25 – Town of Wellesley</u>	<u>\$50</u>

XV. SPECIAL LICENSE REQUIREMENTS FOR TOWN BUILDINGS

In addition to the compliance with all sections of these Rules and Regulations except sections III., numbers 1-6, V., VIII., XVI., XVII., and XVIII. Special Licenses wishing to serve alcohol in authorized Town buildings shall submit to the License Authority an application as well as supporting documentation as outlined below for a One-Day License. The Licensing Authority has the right to approve or deny Special License requests.

1. Written evidence of the appropriate Town Board’s permission to use the authorized Town building and compliance with those rules and regulations pertaining to the rental and service of alcohol in said building.
2. The applicant shall identify the purpose of the event, who is invited to the event, what fees are charged for the event and other relevant information to assist the Licensing Authority in review of the application. Documentation shall include a copy of the event invitation, flyer, or letter of explanation regarding the event.
3. The applicant shall submit proof of nonprofit status.
4. Liquor liability insurance, naming the Town as an additional insured, shall be provided in the amount of \$1,000,000.
5. A police detail shall be required for all Special License events in Town buildings. Special Licensees will comply with Police Department rules and regulations governing details and a deposit may be required. Please contact the Police Department directly to set up the required detail.
6. Special Licensees must purchase alcoholic beverages from a licensed supplier. Special licensees CANNOT purchase alcoholic beverages from a package store and CANNOT accept donations of alcoholic beverages from anyone.

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XVI. DURATION AND RENEWAL OF LICENSE

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All licenses once issued are valid through December 31 of each year and the application to renew must be completed and signed by November 30. It is the responsibility of the licensee to file for a renewal in a timely manner. Renewal forms may be obtained from the Board of Selectmen. Renewal applications must update all previously filed statements and plans where appropriate. Failure to renew prior to expiration shall result in a loss

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of license and any subsequent license request must then be treated as a completely new application.

XVII. TRANSFERS

A \$500 fee shall accompany each application for ownership or transfer of location. Application for transfer of ownership or location shall be considered an original application and processed as such. Approval of a transfer of majority ownership may be conditioned upon the proof of payment of all outstanding local, state and federal taxes including, without limiting, the following: the remission to the proper taxing authorities of sales taxes, excise taxes and withheld federal and state income taxes. Transfers of ownership to trustees in bankruptcy, court appointed receivers or assignees for the benefit of the creditors, and those taking title or possession of the licensed premises by, through or under them will not be deemed to transfer or convey any rights to the license or the renewal or transfer of such license. Bona fide mortgagees in possession who are listed in the application as holding such interest shall be treated in the same manner as the original majority ownership license. A public hearing shall be required for any transfers of ownership or location, including, but not limited to transfers to mortgagees.

XVIII. PUBLIC HEARING

A public hearing shall be conducted within thirty (30) days of acceptance of a complete application. ~~The public hearing shall be advertised in The Wellesley Townsman. The applicant~~The application will be required to comply with the appropriate provisions of MGL c.138 including, but not limited to, Sections 15A and 16C relative to the notification of abutters, churches, and schools within the distance prescribed by law. ~~Notification shall~~The Town will send notice to abutters of the public hearing and the public hearing shall be advertised in The Wellesley Townsman.
~~be the responsibility of the applicant and shall be by certified mail with returned receipts.~~

~~The applicant or transferee shall be required to notify all abutters, as defined in the Definitions section, and shall be by certified mail with returned receipts. Prior to the public hearing, the applicant shall present to the licensing authority evidence of compliance with this notification requirement by furnishing an attested copy of the newspaper notice and the returned receipt cards. The newspaper in which the notice is published should have a general circulation within the Town of Wellesley such as The Wellesley Townsman.~~

An application shall be considered complete when it has been filed in accordance with procedural instructions and all forms and monies required have been fully completed and executed under such conditions and rules as determined by the licensing authority. All applications shall be made under penalties of perjury, and any false statement contained in any application shall be grounds for refusing to grant the license or for

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suspending, canceling or revoking of a license already granted.

APPLICABILITY of GENERAL LAWS, SPECIAL LAW and AMENDMENTS

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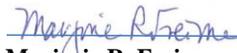
These regulations are promulgated by the licensing authority of the Town of Wellesley to be supplementary to, and not in substitution of, all General Laws of the Commonwealth of Massachusetts governing the sale, service and consumption of All Alcoholic Beverages and Wine and Malt Beverages Only, including but not necessarily limited, to those laws set forth in MGL c.138. The licensing authority reserves the right to amend these regulations and unless an emergency situation requires immediate promulgation of further rules, regulations or amendments thereto, the licensing authority presently intends to give appropriate public notice of any such intent to amend.

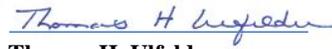
Promulgated the eleventh day of September, 2017, 2018 by the Board of Selectmen of the Town of Wellesley, Licensing Authority pursuant to law.

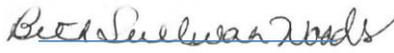
WELLESLEY BOARD OF SELECTMEN


Ellen F. Gibbs, Chair


Jack Morgan, Vice Chair


Marjorie R. Freiman


Thomas H. Ulfelder


Beth Sullivan Woods

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5. Discuss Purging of Aged Parking Ticket Penalties

On the warrant for the annual town meeting we have included article 27 to purge all parking fines unpaid to the town for the period of 1983 through 2009 which total \$163,755 that otherwise cannot be sent to a collection agency. These are the original face amount of the ticket issued during this period. When those went unpaid, penalties also accrued over this period, and today they total \$366,300. It is the opinion of Town Counsel that the Selectmen have the authority to waive accumulated penalties, but not the amount of the original ticket. That is why we are addressing this matter in two parts, and asking the Board to give us the authority to purge \$366,000 in penalties. Our parking ticket processing vendor will continue to collect all fines and penalties from 2010 to present, and will also utilize a collection agency to follow up on all tickets that can legally be processed in this manner.

It is unclear why these tickets have accumulated to this point over the years. Going forward we anticipate addressing this at regular intervals to ensure it does not grow this large in the future. Copies of various reports from our vendor are included in your packet for review, as well as the Advisory Committee write up on the Town Meeting article

MOVE that the Board vote to purge all accrued parking ticket penalties for the years 1983 – 2009.

ARTICLE 27. To see if the Town will vote to authorize the Board of Selectmen to purge and forgive all unpaid and uncollectible parking fees assessed on or before January 1, 2010 totaling \$163,765, or take any other action in relation thereto.

(Board of Selectmen)

Although efforts to collect unpaid parking fines are ongoing and vigorous, with the passage of time a portion of the fines levied have become uncollectible for a variety of reasons: incorrect or incomplete information on the ticket, sale of the car, cancellation of plates turned in, non-renewal of a driver's license, moving out of state, etc.

It has been decades since the Town has taken action to purge outdated and uncollectible parking ticket fines. A recent analysis of the Town's outstanding parking fines and accumulated penalties showed that \$732,732.50 was outstanding, with some tickets dating back as far as the early 1980s. The portion of this amount attributable to the original fines is approximately one-third of the total, and the remainder reflects the penalties accrued.

It is the opinion of Town Counsel that the Board of Selectmen may waive the accumulated penalties associated with unpaid parking tickets, but that Town Meeting action is required to waive the original parking fines. The vendor that handles our collection process recommends that the Town purge all tickets issued prior to 2010, except those issued to drivers with out of state plates for which there is an agreement between Massachusetts and that State to send such tickets to a collection agency, which they recommend the Town follow up in this manner. It should be noted that there are no reciprocity agreements between states to facilitate the collection of delinquent parking tickets, and collection agencies may only be used for fines related to some out of state plates.

This motion asks that Town Meeting authorize the Board of Selectmen to waive between \$150,000-\$210,000 in fines for parking tickets deemed uncollectible. (The actual amount to be purged is still being analyzed, and this motion will be updated prior to Town Meeting to reflect the actual amount to be expunged.) The amount to be purged by the Board of Selectmen is approximately \$366,300.00.

It should be noted that the Town has a very strong collection rate, averaging 95% annually over the past 13 years. When tickets are not paid within the time stipulated, a series of notices are sent to the car's owner. After a period of time, uncollected tickets are marked by the Registry of Motor Vehicles, so that payment of the ticket(s) is required in order for a driver to renew either their license plates on a 2-year cycle or their driver's license on a 5-year cycle.

The Town will continue take advantage of all available means to collect unpaid parking fines and the penalties associated with them, and will continue to evaluate best practices.

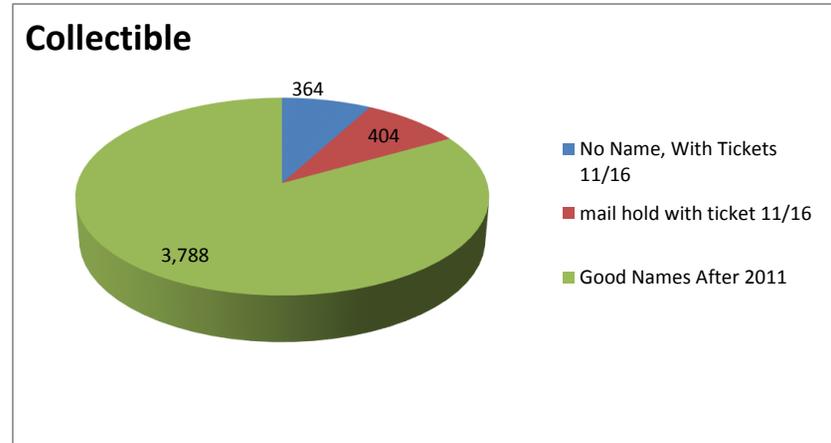
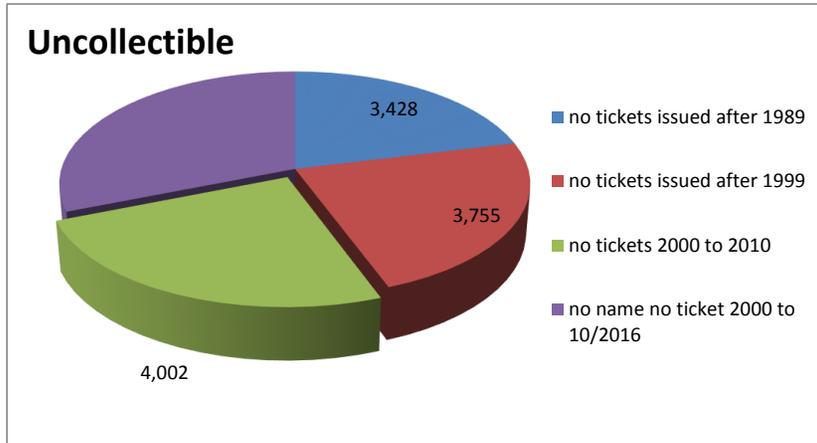
Town of Wellesley Outstanding Summary by Year

<u>Year</u>	<u>Total Tickets</u>	<u>Fine Amount</u>	<u>Penalties</u>	<u>Due</u>
	8	\$100.00	\$85.00	\$160.00
1983	73	\$1,235.00	\$3,635.00	\$4,855.00
1984	630	\$10,090.00	\$27,315.00	\$35,915.00
1985	441	\$6,995.00	\$20,340.00	\$26,940.00
1986	538	\$8,770.00	\$23,870.00	\$32,360.00
1987	752	\$5,490.00	\$26,725.00	\$31,915.00
1988	549	\$3,705.00	\$19,575.00	\$23,170.00
1989	578	\$4,280.00	\$20,365.00	\$23,895.00
1990	497	\$5,355.00	\$17,395.00	\$21,655.00
1991	353	\$3,730.00	\$12,355.00	\$14,798.00
1992	319	\$3,330.00	\$11,210.00	\$12,825.00
1993	377	\$4,135.00	\$13,195.00	\$15,195.00
1994	619	\$6,490.00	\$10,915.00	\$15,209.00
1995	558	\$6,035.00	\$14,230.00	\$18,000.00
1996	398	\$4,210.00	\$8,040.00	\$11,550.00
1997	269	\$2,890.00	\$8,505.00	\$10,281.00
1998	178	\$1,895.00	\$5,075.00	\$5,990.00
1999	73	\$760.00	\$1,920.00	\$2,585.00
2000	122	\$1,405.00	\$3,850.00	\$4,865.00
2001	292	\$3,590.00	\$10,315.00	\$11,675.00
2002	680	\$8,090.00	\$16,230.00	\$21,480.00
2003	543	\$6,775.00	\$10,945.00	\$16,495.50
2004	1,235	\$14,770.00	\$21,995.00	\$32,196.00
2005	924	\$10,915.00	\$18,090.00	\$26,429.00
2006	795	\$11,235.00	\$15,090.00	\$23,850.00
2007	797	\$13,880.00	\$14,525.00	\$26,215.00
2008	811	\$14,565.00	\$14,250.00	\$26,530.00
2009	847	\$15,175.00	\$14,805.00	\$27,275.00
2010	733	\$13,170.00	\$14,655.00	\$24,540.00
2011	547	\$9,245.00	\$10,805.00	\$18,210.00
2012	496	\$9,065.00	\$10,240.00	\$16,965.00
2013	443	\$7,165.00	\$9,870.00	\$14,852.00
2014	619	\$9,975.00	\$12,325.00	\$19,590.00
2015	652	\$10,585.00	\$14,150.00	\$22,030.00
2016	666	\$10,605.00	\$15,930.00	\$24,157.00
2017	1,454	\$23,200.00	\$31,965.00	\$51,773.00
2018	577	\$8,935.00	\$180.00	\$9,115.00
2039	1	\$15.00	\$15.00	\$30.00
Grand Total:	20,444	\$281,855.00	\$504,980.00	\$725,570.50

Tickets Issued Prior to 2010

States	Total Tickets	Fine Amount	Penalties	Due
Cannot go to collections	13,053	\$163,765.00	\$366,300.00	\$497,778.50
Can go to collections	1,203	\$16,130.00	\$18,545.00	\$32,530.00
Totals	14,256	\$179,895.00	\$384,845.00	\$530,308.50

Wellesley Ticket Breakdown		
	# of Tickets	Amount Due
no tickets issued after 1989	3,428	\$173,520.00
no tickets issued after 1999	3,755	\$133,043.00
no tickets 2000 to 2010	4,002	\$139,104.50
no name no ticket 2000 to 10/2016	5,027	\$138,128.00
TOTAL TO BE PURGED	16,212	\$583,795.50
No Name, With Tickets 11/16	364	\$8,865.00
mail hold with ticket 11/16	404	\$13,605.00
Good Names After 2011	3,788	\$125,587.00
TOTAL COLLECTIBLE	4,556	\$148,057.00



6. Discuss Draft Town-wide Financial Plan

The latest draft of the TWFP is included in your packet for review. This version includes edits from Marjorie, and my changes as a result of the board's input last week. We've also updated some of the tables and graphs. As usual, until we've put the finishing touches on the budget, there are still some numbers and statistics in flux. Having said that we welcome any comments that you have as it goes under the Board's signature in the Advisory Committee report.

NO MOTION



**Town-Wide Financial Plan for 2018 Annual Town Meeting
Submitted by the Board of Selectmen**

March __, 2018

Dear Town Meeting Members:

We are pleased to submit this report on the Town-Wide Financial Plan (TWFP). This report provides summary financial information for the current fiscal year (FY18), the proposed budget for FY19, and projected financial information for the years FY20-22.

Overview

The Board of Selectmen, working with other Town officials, is proposing a balanced-budget for the fiscal year (FY19, or the year beginning July 1, 2018). This proposal assumes modest levels of revenue and spending growth. Spending growth is at least in line with prior TWFP projections and the budget guidelines issued last fall.

The amount of reserves used to balance the budget (\$2.5 million) is less than the \$4 million used in FY18, and in line with the Town's history of allocating this amount annually. Deployment of free cash at this level will keep the reserve levels within the reserve policy guidelines, primarily due to local receipts continuing to exceed projections.

There are two significant milestones that are in process this year which will have a major impact on the town's finances in the next three fiscal years (FY20-22) and beyond. The first is the Selectmen's implementation of a debt and cash capital policies for the Town. Through the years the Town established policies on reserves, set annual guidelines for operating budgets and proactively funded its pension and OPEB obligations, all which have contributed to its strong financial position. Debt and capital spending were areas that has grown significantly over the years and prompted the conclusion in past TWFP's that within the next several years, the voters would need to approve overrides to finance the Town's operations. The debt policy establishes a limit on spending for cash capital and "inside the levy" debt funded projects to a range of 6.2% - 6.8% each year as a percentage of recurring annual revenues. This will result in an affordable and predictable amount of spending on such items, as well as ensure that dollars available for operating budgets are not adversely affected by increased capital spending. This policy will work in conjunction with a policy on capital spending (which is still being drafted for the FY20 budget cycle) that will objectively prioritize the Town's capital projects.

The second major development is, the implementation of new health plans and a three-year agreement with our unions effective July 1, 2018. This new agreement will replace the "Rate Saver Plans" purchased through the West Suburban Health Group with two "deductible" plans that are more cost effective for the Town. The change will moderate cost, and continue to provide excellent choice of health care and plans for employees, it will encourage employees to become better consumers of their coverage, which in turn will help moderate cost growth over the life of

the agreement. Finally, the majority of newly-hired employees will pay a greater percentage of their insurance premiums.

Regarding the operating budgets, the guideline assumptions are similar to those utilized in the last several years. With most union contracts settled through June 30, 2020 and a decline in school enrollment, there appears to be no necessity for higher guidelines for operating budgets. This, coupled with affordable growth in capital expenditures, will go a long way towards avoiding deficits in the upcoming years. It must be noted that the teacher's contract will need to be re-negotiated for the FY20 budget, and the School Committee is in the process of developing a successor strategic plan that may include additional costs. Whether these can be moderated by declining enrollments or school employee turnover is unclear. Nevertheless, we continue to work with all Town departments and the Schools to improve long-range financial forecasts and look for saving opportunities that do not adversely impact services to our residents.

There are several debt-funded projects included in the warrant for Town Meeting that require appropriation. The most significant of these projects are exterior renovations to Town Hall, reconstruction of Grove Street, and design for the future replacement of the Middle School steam pipes. All of the debt-funded projects proposed in fiscal 2019 are to be paid for with inside-the-levy borrowing. Because of the Town's conservative approach to amortizing debt, inside the levy debt service costs will remain level with those of FY18. The Town continues to proactively manage its debt by containing costs on construction projects and applying savings to other projects to reduce future borrowing costs. A list of such debt rescissions or transfers of debt borrowed but not spent are included in Article 38 of the warrant.

More critically, we continue to plan for significant capital projects that we anticipate bringing to the voters for approval in the next 3 -8 years as debt exclusions. The projects include:

- The renovation and/or replacement of the Hardy, Hunnewell and Upham elementary schools (also referred to as "HHU"). This past December the Town received notification that it would be invited into the State's Massachusetts School Building Authority (MSBA) program for the consolidation and replacement of the Upham and Hardy schools. This is welcomed news in that it provides for a reimbursement of about 30% of the Town's costs, through a very detailed and time consuming process. The Town will embark on this soon, and separately will need to decide how and when to pursue the replacement of the Hunnewell School. Both projects will be subject to a debt exclusion, and our preliminary projections suggest the peak median tax bill impact of this work could approach \$767 per year.
- Interior renovation of the historic Town Hall. The capital plan recognizes \$6.3 million in FY19 for exterior renovations in article 22 on the warrant. We have recently embarked upon a space utilization and visioning study of the building and plan to bring an article to the 2019 Town Meeting for design funds to proceed with the plan that is developed. It is important to note that Town Hall does not meet the requirements of the disabled persons' accessibility laws. Working with the project architect, we have recently requested and received approval from the Massachusetts Architectural Access Board (MAAB) for several permanent variances from the law, as well as other time variances for items that are required to be addressed. Those time variances are for three years with the possibility of a 2-year extension if the Town is making progress towards resolving these matters. For this reason, this project will need to begin within the near future.
- Middle School Projects – the Town undertook a number of important projects to the Middle School in 2006 – 2008, but due to budget constraints deferred a number of items as well. The purpose of Article 16 on the warrant is to conduct a feasibility study of the projects

that were deferred and determine how best to complete this now critical structural, mechanical, and interior work. A very rough estimate for these projects is \$15.5 million.

The combination of carrying forward the assumptions that were used to achieve a balanced budget in FY19 and implementing the debt policy means that the possibility that the Town will need to ask the voters to consider a Proposition 2½ override in the next three years has been tempered. We believe that these steps, as well as a capital policy that prioritizes projects and requests in an objective manner are important steps to manage the annual operating costs of the Town. In doing so, the impact to taxpayers will have been moderated as much as possible, while still maintaining the high level of services that our customers have come to expect. Debt exclusions will be necessary for the projects outlined above when they are brought forward. Areas that we must continue to monitor closely include the School budget and health insurance costs. The School budget is nearly twice the size of the other departmental budgets combined, and school officials project it may continue to grow at a higher annual rate than we have included in this projection. Further analysis of these details are included in the Looking Ahead to FY20 – 22 section of this report.

Key Financial Planning Issues

Each year, the Selectmen and their staff update the TWFP with input from the Town's departments, Boards and Committees. As part of this process, the Selectmen are particularly mindful of the need to:

- Pay the full cost of the Town's current operations;
- Proactively address emerging issues;
- Protect the Town against material risks;
- Preserve the Town's assets; and
- Plan for the long-term.

As in prior years, the key issues impacting the Town's financial planning include:

- Growth in personnel costs;
- Employee benefit costs; and
- Facilities and other capital needs.

A short discussion of each of these items follows.

Growth in personnel costs

The largest recurring item in the year-over-year growth of the Town budget is the cost of wage increases for existing employees. The majority of Town employees are unionized, and their annual wage increases are the subject of collective bargaining. This year, all of the union contracts are settled. There are eleven unions representing 848 employees the largest of which is the teacher's association. That contract expires on June 30, 2019, and the other contracts all expire a year later on June 30, 2020.

In addition to the general wage increases noted above, the union contracts also provide for "step" increases for teachers and other employees who have not yet reached the top step, and "lane" increases for teachers as they attain additional academic degrees. The Teachers' contract provides for 16 steps and the value of each step increase is approximately 4.2%. The DPW

Production, Police Patrolmen and Firefighters contracts provide for 4-6 steps, and an average step increase of 5.3-5.6%. Thus, it is not unusual for employees who have not reached the top step to receive total annual wage increases in the range of 7-8%. Is it clear to most readers here, that step increases are added to the COLA to generate this level of increase.

Each year the cost of step increases is partially offset by savings resulting from the retirement or termination of employees who are replaced by new employees at a lower step level. Thus, in departments with steps, the changing composition of the work force affects the budget over time. In the case of the School Department, the average experience level of teachers has increased incrementally over the past ten years. Currently approximately 50% of the teachers are at the top step, and the others are still moving on steps. These factors, along with increases in special education costs, have contributed to the greater growth of the School budget in comparison to other departments' budgets. Conversely, in the Fire Department five employees have retired this year, and we expect more to follow in FY19. Due to fewer steps, these retirements have created an opportunity to realign costs, as new employees begin at a lower step and there is a shorter path to the top step.

Employee benefit costs

Employee benefit costs total \$30.0 million in FY19 (17.8% of the Town's total budget) and during the past 10 years this has been the fastest growing component of the overall Town budget. The principal components of this cost are:

- Health insurance premium costs for active and retired employees - \$18.9 million
- Pension plan contribution - \$7.1 million
- Other Post-Employment Benefits (OPEB) funding - \$3.4 million

The Town procures health insurance for active employees and retirees through the West Suburban Health Group (WSHG), a consortium of 8 towns and 2 educational entities. Health insurance is a mandatory subject of collective bargaining, so the Town cannot unilaterally make plan design changes.

The Municipal Health Insurance Reform legislation passed by the State in 2011 established a process by which municipalities could transition active employees and retirees to the Group Insurance Commission (GIC), without the need for traditional collective bargaining. By transitioning to the GIC, municipalities can take advantage of that entity's market leverage, greater flexibility (the GIC can make plan design changes without the burden of collective bargaining) and lower premium rates.

In 2015, the Selectmen negotiated an agreement with all the Town's unions, under the terms of which the Town's percentage contribution toward the cost of the plans offered by Fallon Health was increased to 80% and the Town's contribution toward the more expensive plans offered by Blue Cross Blue Shield, Harvard Pilgrim and Tufts was reduced to 71%. In addition, the Town introduced an "opt-out" option for employees, whereby an employee receives a cash payment in exchange for withdrawing from the Town's health insurance plans (some employees have the flexibility to enroll in their spouse's health insurance plan). In exchange for these plan changes, the Town agreed not to transition to the GIC for the 3-year term of the agreement, i.e., through June 30, 2018. As a result of the 2015 agreement, the Town initially recognized \$2 million of health insurance budget savings in the FY16 budget.

The Selectmen have recently completed a negotiation for a successor agreement for another three-year period beginning in July. For the first time, the Town will introduce two different deductible plans for employees both of which are less expensive than the previous offering. Employees hired after July 1, 2018 will pay a higher portion of their health insurance premium for the lower deductible plan, while employees who choose the high deductible plan will pay the same percentage as they have been paying. The unions have further agreed to shift all employees to paying a greater percentage of the premium costs in three years. In return the Town has offered various incentives to employees to lower their costs, and will make a significant effort to educate employees about the high deductible plan. We believe that the combination of employee turnover in this three-year period and education about the benefits of the high deductible plan will result in cost containment over the next few years. The Board will continue to monitor health insurance cost trends and work with the other members of the WSHG to control health insurance costs, while meeting our obligations to our employees and retirees.

The Town maintains a defined benefit pension plan for retired employees other than teachers (teachers participate in a similar plan operated by the State). The benefits provided by the plan are identical to those offered by other cities and towns in Massachusetts. Municipal employees in Massachusetts are not eligible for Social Security as a benefit of their employment with a municipality. Thus, the pension benefit is provided in lieu of a retirement allowance under Social Security. Unlike a defined benefit pension plan in the private sector, municipal employees contribute toward the cost of their pension. Any municipal employee hired after 1996 is required to contribute 9% of pay plus 2% of pay over \$30,000. Employee contributions to the Town of Wellesley's pension plan during calendar 2017 totaled \$3.7 million. These contributions are in addition to the Town's contribution, which is expected to be \$7.1 million in FY19. Approximately 66% of the contribution by the Town this year will be allocated to accrued liabilities from prior years.

The Town is also obligated to subsidize a portion of the health insurance premiums for retirees. Eligible retirees are required to enroll in Medicare and the Town pays 50% of the cost of a Medicare supplement plan and 50% of the Medicare Part B premium. This obligation is the basis for the Town's Other Post-Employment Benefits (OPEB) liability.

The following table summarizes the Town's unfunded liabilities related to pension and OPEB, based on employee service to-date:

<i>Valuation Date</i>	<u>Pension</u>	<u>OPEB</u>
	<i>1/1/2017</i>	<i>6/30/2016</i>
Accrued Liability	\$ 224,137,166	\$ 120,156,976
Actuarial Value of Assets	169,089,812	44,229,773
Unfunded Liability	<u>\$ 55,047,354</u>	<u>\$ 75,927,203</u>
MV of Assets at 12/31/17	\$ 192,136,792	\$ 61,715,694

The actuarial funding schedule for the pension plan, which is intended to fully fund the plan by 2030, calls for a \$.4 million increase in pension funding in FY19 (exclusive of enterprise funds). The latest actuarial valuation of the pension plan performed as of January 1, 2017 reflected an investment return assumption of 6.625%, which is more conservative than the 6.75% assumption

used in the previous valuation. The Town's unfunded pension liability continues to decline, consistent with the funding schedule.

The latest actuarial valuation of the OPEB liability was performed as of July 1, 2016. The interest rate was adjusted to 6.75% and certain mortality assumptions were updated. The new actuarial funding schedule for the OPEB liability, which is intended to fully fund this liability by 2037, requires the Town to contribute a flat \$3.42 million each year, in addition to the increasing pay-as-you-go costs (i.e., the premium subsidies for current retirees). The \$3.42 million contribution is funded by inside-the-levy funds. A historical table outlining the funding over the past three years and FY19 may be seen in the following table:

	OPEB Funding			
	FY16	FY17	FY18	FY19
Inside the levy	\$ 1,800,000	\$ 2,400,000	\$ 3,432,000	\$ 3,432,000
Exclusion	1,200,000	600,000	-	-
	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>	<u>\$ 3,432,000</u>	<u>\$ 3,432,000</u>

While this funding transition when implemented added pressure on the Town budget, now that it is in place and level, it does not create an impediment to balancing the annual budget.

Unlike many other communities, Wellesley is fully funding the ARC (Annual Required Contribution), as defined in the Government Accounting Standards Board pronouncements related to OPEB. As a result, the Town is allowed to discount the unfunded OPEB liability using an assumed market rate of return, whereas communities that are not funding the ARC are required to use a risk-free rate of return. As new accounting rules applicable to municipalities take effect, which will require municipalities to report pension and OPEB liabilities on their balance sheet, Wellesley's proactive funding approach will favorably distinguish our community.

Facilities and other capital needs

At the upcoming 2018 Annual Town Meeting, appropriations will be requested for the following capital projects:

- Middle School Feasibility Study - \$125,000 (Article 16)
- High School Track & Field Improvements - \$525,000 (Article 17)
- Reconstruction of Grove Street - \$2 million (Article 18)
- **Library Interior Renovation – (Article 19)**
- Library Materials Handler - \$350,000 (Article 20)
- Middle School Steam Pipes Replacement (design) - **\$391,575 (Article 21)**
- Town Hall Exterior Renovation – \$6.3 million (Article 22)
- Softball Fields

The cost amounts shown for the above projects are detailed estimates. Bids for the construction projects are currently being solicited and the final appropriation amounts will be presented at Town Meeting. The Middle School Steam Pipes forecast is an estimate for the design phase developed by the Permanent Building Committee and Facilities Management Department.

The High School Track and Field Improvements and Reconstruction of Grove Street will be managed by DPW; the Town Hall Exterior Renovation, and Middle School Steam Pipes design projects will be addressed together by PBC and FMD; and FMD will manage the Middle School Feasibility project. At the time this report was completed, there is not support by the Board of Selectmen or Advisory Committee to fund the Library Interior Renovation design phase. The Library Materials Handler would be managed by Library Trustees and FMD. All of the other projects will be funded with inside-the-levy borrowing or transfers from existing sources of funds.

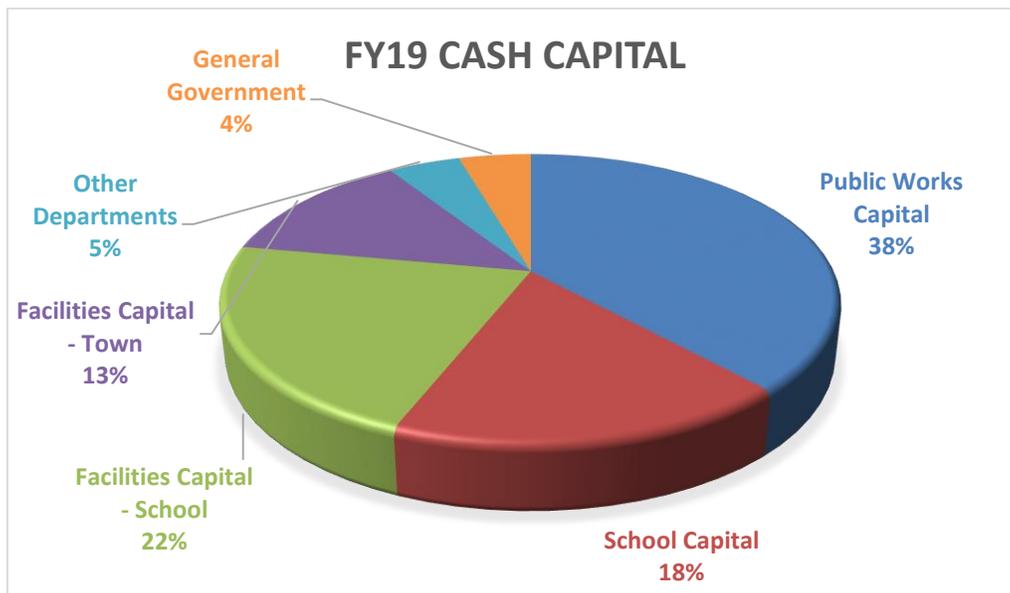
The situation with respect to other facilities needs is summarized as follows:

- Renovation/replacement of Hardy, Hunnewell and Upham elementary schools – The Town was successful this year with its Statement of Interest (SOIs) application to the Massachusetts School Building Authority (MSBA). The MSBA selected the Upham School that was prioritized by the Town with the understanding that the feasibility phase of the project would also consider the Hardy School site, thus no determination about the site can be made at this time. The Town will need to continue on its own with regard to the Hunnewell School site which was not chosen by the MSBA. The Selectmen and School Committee agree that a special town meeting should be called this spring to seek approval for funding to begin both of these projects, albeit under different circumstances. For purposes of the TWFP, we are projecting the total cost of this work to be \$3.4 million in FY19 for both a feasibility/schematic design study for the MSBA project and feasibility study only for Hunnewell School. Since you've included a ballpark cost for MSBA feasibility, should we also include one for Hunnewell? Following that construction for two schools is estimated to cost \$110 million, to be incurred during the period FY20-24 for construction.
- Middle School Infrastructure (\$15.5 million) - A 2014 study of the Middle School identified the need to address several projects at the school that had been eliminated from the 2006-2008 project. This project would address most of those and two other more recent areas of concern. In total the project includes replacement of significant portions of the HVAC secondary distribution system, replacement of classroom and corridor doors, certain classroom cabinetry, façade repairs including repointing and re-caulking portions of the brick masonry, replacement of aged kitchen equipment and repaving of the driveway and parking lots.
- Town Hall Renovations – The capital plan includes a project in FY19 to construct the renovations to the exterior of Town Hall including some associated Massachusetts Architectural Access Board (MAAB) disabled patrons' accessibility improvements of \$6.3 million. Following that, a design of interior renovations would be proposed at an anticipated cost of \$2.0 million for FY20. The feasibility study that begins this month will form the basis for the interior renovations design and is included within FMD's FY18 cash capital budget. Within a 3 – 5-year period the Town will be required to bring the building fully into compliance with the federally mandated ADA law. This time period is as a result of our successful request to the MAAB for a time variance to enable the Town to plan the renovations and financing of the project. The renovation is also intended to address workspace shortages and the efficiency of the space for each office in the building.

Further details regarding these and other capital projects are detailed in the Five-Year Capital Budget Program attached as Exhibit C.

Implementation of the Unified Plan

Department Heads, Unified Plan (UP) Steering Committee members, and others met in February to provide input on criteria and the matrix to be used to prioritize capital projects requests. Up until this time, the formation of the Five-year Capital Budget Program has been more informal. The Finance Director, Executive and Assistant Executive Director and Selectmen will review and analyze the input from the Department Heads and UP Steering Committee and finalize the process and criteria that will be used for building the Town budget beginning in FY20.

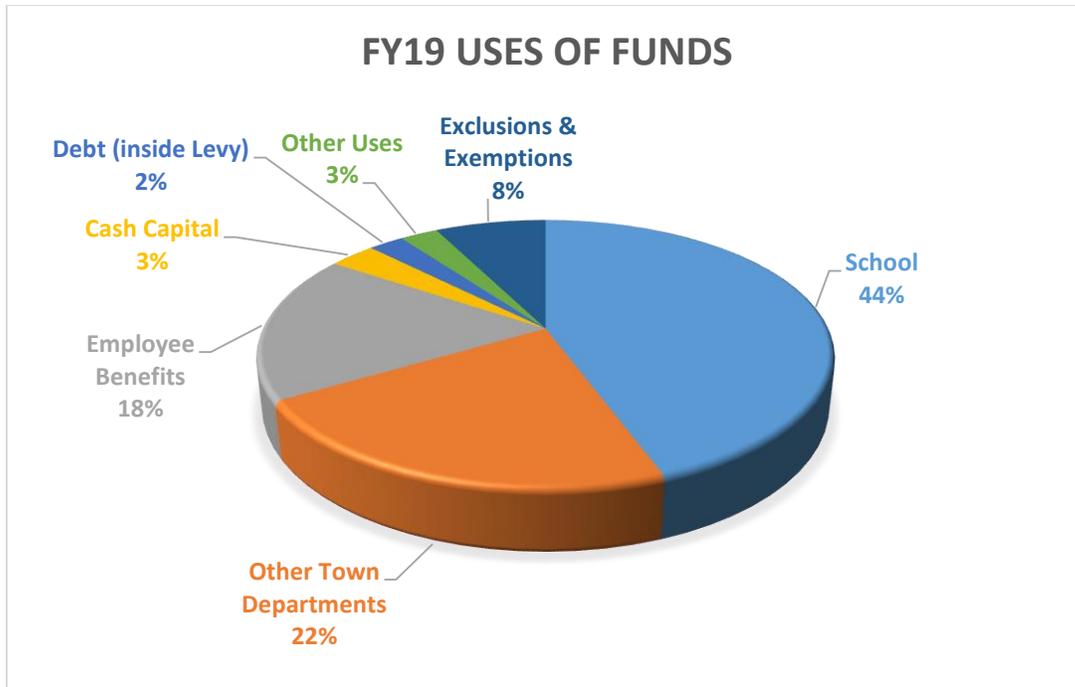


FY19 Budget

The proposed FY19 budget request is summarized in the following table (more complete versions of the FY19 Sources & Uses are presented in Exhibit I and Appendix B, which appear later in this book):

	FY18 Budget	FY19 Request	\$ Inc/(Dec)	% Inc/(Dec)
Sources of Funds				
Taxes	\$ 123,758,516	\$ 128,652,479	\$ 4,893,963	4.0%
State Aid	9,759,649	9,759,649	-	0.0%
Local Revenue	11,338,019	11,778,000	439,981	3.9%
Free Cash	4,324,747	2,500,000	(1,824,747)	-42.2%
Other Sources	1,720,573	1,210,169	(510,404)	-29.7%
CPA Funds	460,900	1,318,000	857,100	186.0%
CPA to offset debt	553,244	550,244	(3,000)	-0.5%
Exempt Debt	12,203,082	12,001,855	(201,227)	-1.6%
Total Sources	\$ 164,118,730	\$ 167,770,396	\$ 3,651,666	2.2%
Uses of Funds				
School	\$ 71,950,648	\$ 74,468,918	\$ 2,518,270	3.5%
Other Town Departments	36,244,937	37,167,950	923,013	2.5%
Employee Benefits	28,406,725	30,021,059	1,614,334	5.7%
Cash Capital	6,703,374	5,305,108	(1,398,266)	-20.9%
Debt Service (inside Levy)	3,984,283	4,002,083	17,800	0.4%
Other Uses	4,072,439	4,297,409	224,970	5.5%
Exempt Debt	12,756,325	12,552,089	(204,236)	-1.6%
Total Uses	\$ 164,118,730	\$ 167,814,616	\$ 3,695,886	2.3%
Surplus/(Deficit)	<u>\$ (0)</u>	<u>\$ (44,220)</u>		

Sources of Funds: The 4.0% increase in Taxes reflects the allowed growth in the levy limit (2.5%) and \$1.8 million of new growth. At this point no increase in State Aid has been reflected in the budget, although the budget proposed by Governor Baker includes an increase of unrestricted governmental aid of 3.5%. Generally, as Wellesley's annual town meeting is completed prior to the State budget process, we have not fully budgeted the revenue assumed early in the State process. In future years, the increases remain modest to assume slow but steady growth in the State's fiscal situation. The 3.9% increase in Local Revenue is a reflection of conservative numbers in FY18.



Uses of Funds: The 3.5% increase in the School budget reflects the cost of contractual step, lane and cost-of-living increases and higher special education costs. The 2.5% increase in Other Town Departments is consistent with the wage increase levels recommended by the Human Resources Board and various adjustments in other expenses for all departments. The 20.9% reduction in cash capital is largely attributable to a guideline set this year to smooth out expenditures in this area and ensure that capital expenditures remain affordable over time.

The Town is also anticipating appropriation requests to fund the following items using Free Cash that are non-recurring in nature:

Supplemental FY18 appropriations:

- \$776,000 for school special education costs
- \$500,000 for current year snow and ice removal costs
- \$ 55,000 for settlement of the police union contracts
- \$ 30,000 for compensated absences

Reserves

Mindful of the need to maintain sufficient financial reserves to support the Town's favorable AAA (NB: Debt policy says "Aaa") bond rating, we continue to carefully monitor the level of revenues and expenses versus budget, and the resulting impact on reserve levels.

Of particular concern is the balance in the Town's Stabilization Fund (a separate reserve fund) and the balance of Free Cash. Under Massachusetts Department of Revenue (DOR) rules, these

are the reserve balances specifically available for appropriation by Town Meeting for any lawful purpose. Appropriations from the Stabilization Fund require a two-thirds vote by Town Meeting, whereas appropriations from Free Cash require a majority vote. The balance of the General Purpose Stabilization Fund as of June 30, 2017 was \$3.3 million and we do not anticipate any requests for appropriations from this fund. The level of Free Cash, as certified by the DOR, was \$12.1 million as of July 1, 2017.

The following chart summarizes the changes in Free Cash for the years FY13-17:

Free Cash	FY13	FY14	FY15	FY16	FY17
Beginning of year	\$10,499,623	\$10,950,782	\$10,336,925	\$ 8,831,500	\$11,858,182
Uses	(3,630,881)	(3,987,715)	(4,867,591)	(3,601,830)	(4,875,826)
Net Free Cash generated	4,082,040	3,373,858	3,362,166	6,628,512	5,147,060
End of year	\$10,950,782	\$10,336,925	\$ 8,831,500	\$11,858,182	\$12,129,416

Free Cash is “generated” by revenues in excess of budget, budget “turn-back” (amounts budgeted but not spent), and other timing differences. The Town’s ability to generate Free Cash has enabled the rebuilding of the Town’s financial reserves, and funded a number of operating and capital investments, as reflected in the “Uses” quantified above. The potential for generating additional Free Cash in FY18 is an important factor in our evaluation of the proposed use of these reserves to help balance the FY19 budget.

The following chart summarizes an initial projection of the Town’s reserve balances at June 30, 2018:

Reserves Projection

	Amount
Reserves as of 6/30/2017	
Free Cash Estimate	\$ 12,129,416
Stabilization fund	3,274,957
Injured-on-duty Stabilization Fund	500,332
	\$ 15,904,705
Sources and (Uses) of Reserves in FY18	
Supplemental FY18 appropriations (Article 7- Police contracts) estimate	(55,000)
- Snow & ice removal - provide estimate	(500,000)
School FY 2018 SPED shortfall estimate	(776,038)
Balance FY19 budget (Article 8)	(2,500,000)
Net operating change estimate	1,000,000
Estimated Reserves as of 6/30/18	\$ 13,128,667
FY18 Revenue	\$ 144,856,184
% of Revenue	9.06%

(Note: Amounts appropriated from Free Cash serve to reduce the Free Cash balance during the year of appropriation vs. the year of the related expenditure.)

The Town's Financial Reserves Policy calls for the sum of the balances in the Stabilization Fund and Free Cash to be maintained in the range of 8-12% of budgeted operating revenues. Reserves in excess of 8% but less than 12% may be used to stabilize tax rates, meet anticipated capital needs, and to avoid or defer an override.

Based on the above projection, Wellesley's reserves at June 30, 2018 would remain slightly above 9%. The estimated FY18 reserve growth is largely attributable to the Town's conservative budgeting. It is also important to note that the Town's financial position is reinforced by the Town's proactive approach to funding the pension and OPEB liabilities.

Looking Ahead to FY20-22

For purposes of projecting the Town's Sources and Uses of funds for the years FY20-22, we have used a range of assumptions in order to aid in the decision making process about whether or not the Town needs to plan for an override. The base assumption mirrors the budget guidelines established for the FY19 budget and are as follows:

- Levy growth 2.5% plus \$1.8 million of new growth
- State aid & local revenue 2%
- Use of Free Cash \$2.5 million/year
- School budget 3.5%
- Other Town departments. 2.5%
- Pension Per approved funding schedule
- Health insurance 7%
- Other employee benefits 2.5%

There are two differences in the assumptions for these years from the Proposed FY 19 budget:

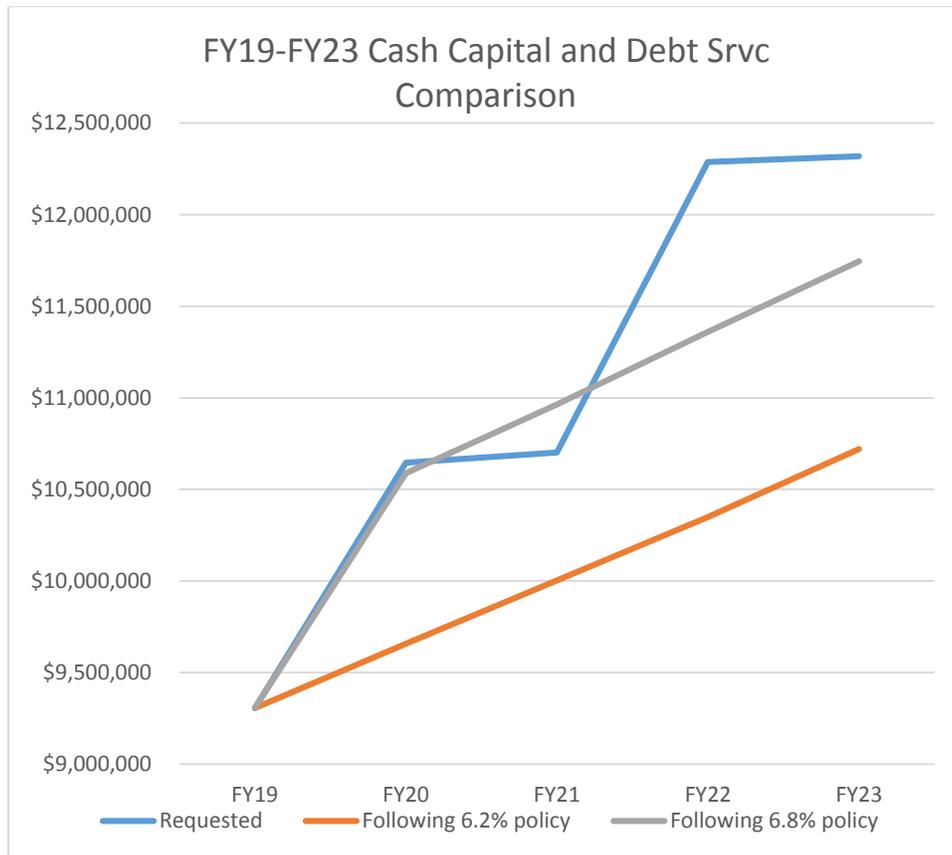
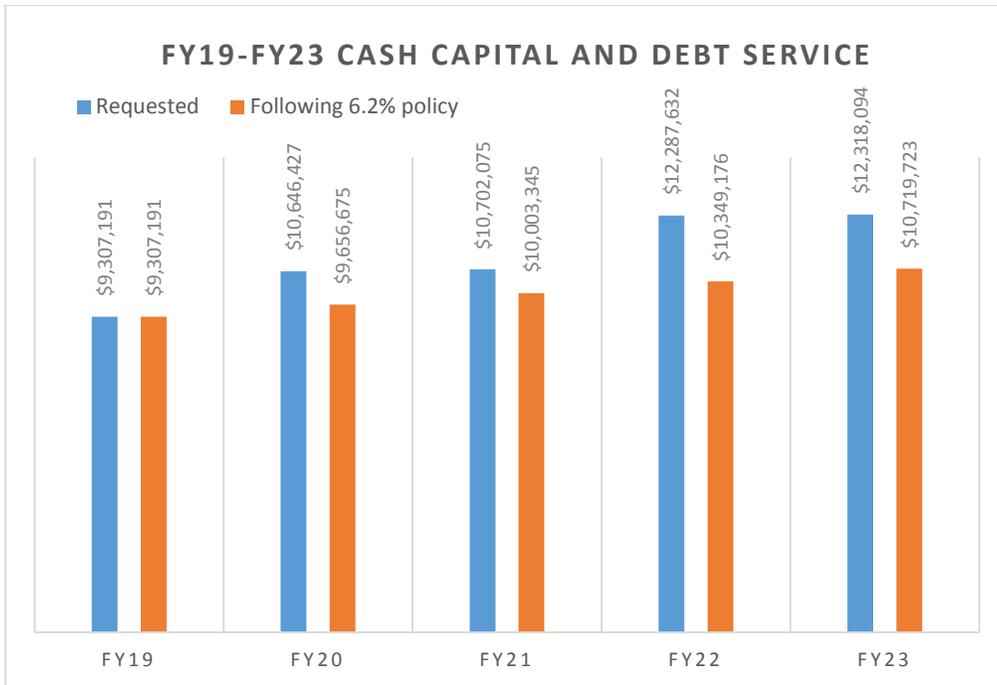
- Local receipts were projected level from FY18 to FY19, but increasing 2% thereafter
- New growth is \$1,800,000 in FY19 and flat thereafter

Given the relative size of the School budget, the assumption regarding the growth in School spending has the greatest impact. The schools have indicated to us that their ability to provide the level of services expected within this guideline may be challenged due to special education costs, negotiating a successor teacher's union contract and the desire to implement aspects of their strategic plan. It is unclear whether employee turnover and enrollment decline in the elementary grades will moderate this. Evaluating the changes in cost related and unrelated to special education may provide a method of analyzing true increases in service delivery.

	FY18	FY19	\$	%	FY20	FY21	FY22
	Budget	Request	Inc/(Dec)	Inc/(Dec)	Projection	Projection	Projection
Sources of Funds							
Taxes	\$ 123,758,516	\$ 128,652,479	\$ 4,893,963	4.0%	\$ 133,668,791	\$ 138,810,511	\$ 144,080,774
State Aid	9,759,649	9,759,649	-	0.0%	9,954,842	10,153,939	10,357,018
Local Revenue	11,338,019	11,778,000	439,981	3.9%	12,013,560	12,253,831	12,498,908
Free Cash	4,324,747	2,500,000	(1,824,747)	-42.2%	2,500,000	2,500,000	2,500,000
Other Sources	2,181,473	2,528,169	346,696	15.9%	2,911,009	2,911,009	2,911,009
CPA for North 40	553,244	550,244	(3,000)	-0.5%	553,244	550,244	552,044
Exclusions & Exemptions	12,203,082	12,001,855	(201,227)	-1.6%	12,117,045	12,597,008	13,813,935
Total Sources	\$ 164,118,730	\$ 167,770,396	\$ 3,651,666	2.2%	\$ 173,718,491	\$ 179,776,542	\$ 186,713,687
Uses of Funds							
School	\$ 71,950,648	\$ 74,468,918	\$ 2,518,270	3.5%	\$ 77,075,330	\$ 79,772,967	\$ 82,565,021
Other Town Departments	36,244,937	37,167,950	923,013	2.5%	38,097,149	39,049,577	40,025,817
Employee Benefits	28,406,725	30,021,059	1,614,334	5.7%	31,692,195	33,378,651	35,064,528
Cash Capital	6,703,374	5,305,108	(1,398,266)	-20.9%	6,667,752	6,187,730	7,528,456
Debt (inside Levy)	3,984,283	4,002,083	17,800	0.4%	3,978,675	4,518,345	4,759,176
Other Uses	4,072,439	4,297,409	224,970	5.5%	4,316,451	4,365,254	4,415,277
Exclusions & Exemptions	12,756,325	12,552,089	(204,236)	-1.6%	12,667,289	13,149,052	14,367,379
Total Uses	\$ 164,118,730	\$ 167,814,616	\$ 3,695,886	2.3%	\$ 174,494,841	\$ 180,421,576	\$ 188,725,653
Surplus/(Deficit-Override)	\$ (0)	\$ (44,220)			\$ (776,350)	\$ (645,034)	\$ (2,011,966)

Based on these assumptions and no overrides, we are projecting deficits in the range of \$700,000 to \$2 million over the years' FY20-22. The new debt and capital policies will contribute significantly to reducing these deficits, but allowing any growth in operating guidelines would have a detrimental impact. The debt exclusion that will be placed on the ballot over the next few years will have the effect of increasing taxes to fund the construction of the HHU schools, and other projects, so added operating overrides should be avoided if possible.

Further details regarding these projections are provided in Exhibit II. We will continue to refine these projections over the next few weeks and provide an update at Town Meeting. The projected deficits underscore the need for further planning to better balance service expectations against taxpayers' willingness to pay. Reducing or eliminating these deficits without an override would require some combination of lower rates of spending growth, renegotiation of the health plans that reduces those costs, a targeted use of Free Cash if available, and/or further growth in revenues.



The following table is a roll-forward projection of the median tax bill (i.e., the tax bill for a home valued at \$1,051,000) for the period FY18 – FY25:

Median Tax Bill

	FY18	FY19	FY20	FY21	FY 22	FY23	FY24	FY25
Levy Prior	\$ 11,432	\$ 11,884	\$ 12,348	\$ 12,823	\$ 13,309	\$ 13,808	\$ 14,320	
Levy growth	\$ 452	\$ 463	\$ 475	\$ 487	\$ 499	\$ 511	\$ 524	
Existing Debt Exclusions	\$ 1,062	\$ 1,006	\$ 983	\$ 869	\$ 849	\$ 744	\$ 727	
Swingpace & HHU	\$ -	\$ 62	\$ 135	\$ 132	\$ 425	\$ 416	\$ 740	
Middle School	\$ -	\$ 75	\$ 136	\$ 133	\$ 129	\$ 126	\$ 122	
Town Hall Interior	\$ -	\$ -	\$ -	\$ 30	\$ 167	\$ 163	\$ 158	
All other debt exclusions	\$ -	\$ -	\$ -	\$ -	\$ 44	\$ 43	\$ 41	
Median tax bill	\$ 12,599	\$ 12,947	\$ 13,491	\$ 14,076	\$ 14,473	\$ 15,422	\$ 15,811	\$ 16,634

This Town-Wide Financial Plan is a continual work-in-progress and we will provide further updates on these matters at Town Meeting.

We would like to express our sincere appreciation to all of the Town boards and their respective staffs for their cooperation in working with us to create a plan that will ensure the continued financial health of our community.

Exhibits:

I - FY19 Summary Sources & Uses of Funds

II - Projected Sources & Uses of Funds

Appendices appearing later in this book:

B – FY19 Detail Sources & Uses of Funds

C – Five Year Capital Budget Program

7. **Executive Director's Update**

- Approval of Minutes – the minutes of the January 10 and January 29, 2018 minutes are included in your packet for review and approval.

MOVE that the Board vote to approve the minutes of the January 10 and January 29, 2018 meetings.

1 **Board of Selectmen Meeting: January 10, 2018**
2 **Present: Gibbs, Freiman, Ulfelder, Sullivan Woods, Morgan**
3 **Also Present: Robinson, Jop**
4 **Minutes Approved:**
5
6

7 **Meeting Documents:**

- 8 1. Agenda
- 9 2. Work Plan
- 10 3. Draft Board of Selectmen Policy and Procedure Manual
- 11 4. Draft Debt Policy
- 12 5. Draft Capital Policy
- 13 6. Draft Annual Town Meeting Warrant

14
15 **1. Call to Order & Citizen Speak**

16
17 Ms. Gibbs, Chair, called the Board of Selectmen meeting to order at 3:05 PM in the
18 Training Room at the Department of Public Works.

19
20 Citizen Speak

21
22 None.

23
24 **2. Status of FY18 Work Plan**

25
26 The Board reviewed the major capital projects on the work plan.

27
28 Mr. Morgan gave a brief update on the Hardy, Hunnewell, and Upham Elementary School
29 projects. He noted the School Committee has determined to try and move forward with the
30 Hunnewell reconstruction project at the same time as moving forward with MSBA process
31 to construct Upham or Hardy School. The Board noted a joint meeting should be scheduled
32 with the School Committee to further discuss the options. The Board raised questions on
33 whether the intent is to move forward with the lease and renovation of the St. Paul's school
34 and wanted to better understand the timing of feasibility studies. Mr. Morgan noted at the
35 last School Committee meeting, Matt Kelley was enthusiastic that the MSBA can move
36 faster than anticipated and is suggested a spring Special Town Meeting in May to seek
37 funds for feasibility.

38
39 Ms. Jop gave a brief update on the status of all the pending 40B projects. For the Delanson
40 Circle project, Ms. Jop noted Town Counsel has sent a letter to the Massachusetts Housing
41 Partnership with questions on the legal ownership of the site and potential issues with the
42 developer having site control. It was brought to the Town's attention the sale of the various
43 lots on the site has been in litigation since 2014.

44
45 Ms. Jop further reviewed that plans have been submitted to the Planning Department for a
46 40B at 818-822 Worcester Street, and that the Town was awaiting a Site Eligibility letter
47 from MassHousing. The Board briefly discussed potential impacts that particular 40B
48 might have on potential Hardy School construction, noting it was a site that could provide
49 access to the Hardy School from Route 9.

50
51 Ms. Jop noted the Town has engaged the consultants for the Housing Production Plan. The
52 kick-off meeting scheduled has been delayed. Ms. Gibbs discussed that she and Mr.
53 Morgan have been working on the Housing Production Plan and the current Working
54 Group formed by Ms. Jop and Mr. Zehner, which also includes Ms. Carpenter and Mr.
55 Roberti from the Planning Board, Mr. Kenney from the WHDC, and Ms. Renzella from
56 the Housing Authority. The current proposal is to have the staff-formed working group
57 continue as the project management group for the Housing Production Plan.

58
59 The Board discussed reporting on assignments. Given the Board's numerous projects, it
60 was determined that short informational write-ups would be helpful to keep other members
61 in the loop. The Board noted if sending a report, they should blind copy the board members
62 in their email so as to not violate the open meeting law.

63
64 The Board reviewed the Work Plan and prioritized projects, and discussed the next steps
65 for the North 40 process. Ms. Robinson gave an update on the landfill process and the next
66 phases required to complete the Massachusetts Contingency Plan. Ms. Freiman stated she
67 intends to have an initial meeting by the end of January with boards and committees that
68 will be part of the follow up study.

69
70 Ms. Freiman gave a status update for both the Town Hall Exterior Project and the selection
71 process for the architect for the Town Hall Interior Renovation Project.

72
73 The Board asked Ms. Jop to review the history of the Granite Street resident proposal for
74 Street Acceptance. Ms. Jop reviewed the proposal and noted that the Board will need to
75 consider whether the project should move forward this year. The Board asked Ms. Jop to
76 send notice to abutters and to place the discussion item on the January 23rd agenda.

77
78 The Board reviewed the remainder of the Work Plan and prioritized the projects. The Board
79 determined a few projects should be considered on the FY19 Work Plan.

80
81 **3. Review Capital Planning and Debt Policies**

82
83 Ms. Robinson distributed initial drafts of both a Debt Policy and a Capital Policy for the
84 Board to consider. She noted she is currently scheduled to attend the Advisory Committee
85 meeting on January 24th and would like to discuss the Debt Policy. Ms. Robinson noted the
86 Capital Policy will require significant discussion and buy-in by the boards. The Board

87 discussed the timing of the policies and how to move forward with the Debt Policy. The
88 Board agreed the Capital Policy needed additional thought.

89

90 **4. Discuss 2018 Annual Town Meeting Warrant**

91

92 Ms. Robinson noted she and Town Counsel are working on the drafting of the Annual
93 Town Meeting Warrant, but reviewed the order of the Articles with the Board. The Board
94 suggested several changes. Ms. Robinson noted the Warrant would not be ready for signing
95 until likely the end of January.

96

97 **5. Review Draft Policy and Procedure Manual**

98

99 Ms. Freiman asked the Board members to send her individually any additional comments
100 for consideration on the latest draft of the Board of Selectmen's Policy and Procedure
101 Manual. She indicated she would make the changes, and bring forward a revised draft for
102 discussion at an upcoming meeting on January 16th.

103

104 **The Board did not have time to discuss the Unified Plan and upcoming Inter-Board**
105 **Meeting.**

106

107 **At 5:08 pm the meeting was adjourned.**

108

109

110

Board of Selectmen Meeting: January 29, 2018

Present: Gibbs, Morgan, Freiman, Ulfelder, Sullivan Woods

Also Present: Robinson, Jop

Minutes Approved: None

Warrants approved: 2018-024 in the amount of \$2,126,610.43

Meeting Documents:

1. Agenda
2. Agenda Background Memorandum
3. BOS Calendar
4. Executive Director's Weekly Report
5. Memo from Fire Chief DeLorie – Appointment of Firefighters
6. PowerPoint Presentation – Wellesley Housing Authority
7. Spreadsheet on FY19 Operating & Capital Budget
8. PowerPoint Presentation-on FY19 Operating & Capital Budget
9. PowerPoint Presentation – Middle School Feasibility Project
10. Memo from J. McDonough, FMD – Outdoor Lighting Bylaw
11. Draft Annual Town Meeting Warrant
12. PowerPoint Presentation – Health Insurance
13. Minutes from December 11, 2017
14. Spreadsheet – State Revenue Trends
15. Treasurer's Quarterly Cash Analysis
16. Parking Meter Collections Summary, December 2017
17. Town's Investment Policy
18. Letter from Registry of Deeds – CPA Funds
19. Letter from D. Carls – Continuing Care Retirement Community
20. Letter from MassDOT
21. Memos from Chief Pilecki – Commendations (3)

1. Citizen Speak

Ms. Gibbs, Chair, called the Board of Selectmen meeting to order at 7:00 PM.

Ms. Gibbs made several announcements including that the Advisory Committee would be holding its public hearing on the Annual Town Meeting warrant on Wednesday, January 31st should citizens wish to provide input. She also announced that there would be a site walk for the proposed ch. 40B development located at 818-822 Worcester Street on Thursday, February 1st at 10 AM. She further announced that the Town had been awarded two State budget grants this year, one to fabricate and install wayfinding signage in Wellesley Square, and the other for improvements to the Brook Path.

No citizens came forward to speak.

2. Appointment of Firefighters

Ms. Gibbs welcomed Fire Chief Rick DeLorie, Assistant Chief Jeff Peterson and firefighter candidates Christopher Blessing and Christopher Lindsey. Chief DeLorie provided the Board with an overview of the hiring process and his reasoning for selecting these two candidates to succeed two long-serving employees who have retired. Ms. Gibbs asked each candidate to give a brief overview of their

background. Mr. Blessing noted that he works for the Wellesley DPW and has obtained his Associates degree. He has been a volunteer with the Grafton Fire Department for some time. Mr. Lindsey noted that he grew up in Town and has earned his EMT certification. He further stated that he enjoys serving the public.

Assistant Chief Peterson also informed the Board that the department would be holding an exam on April 21st for future firefighter position openings, so those who are interested will want to apply.

Upon a motion by Ms. Freiman and seconded by Mr. Morgan, the Board voted (5-0) to appoint Christopher Lindsey effective January 29, 2018 and Christopher Blessing effective January 30, 2018 to the position of Firefighter with the Town of Wellesley contingent upon graduation from an accredited fire academy as determined by the Chief, and completion of a 1-year probationary period after graduation.

3. Meeting with Community Preservation Committee & Housing Authority to discuss applicable Annual Town Meeting Articles

Ms. Gibbs welcomed Barbara McMahon and Allan Port from the Community Preservation Committee as well as Maura Renzella, Chair of the Wellesley Housing Authority (WHA) and Don Kelly, WHA member. Selectman Morgan gave an overview of the request from the WHA. Ms. Renzella reviewed the PowerPoint presentation about the WHA and the difficulty they have in obtaining funds to renovate or replace their units as the WHA runs at a deficit. She explained that the \$200K request for CPA funds would provide the information that WHA must put into an RFP in order for developers to respond with ideas to renovate/expand the Barton Road project. The goal for the WHA would be to expand the Barton Road property into a denser mixed-use site, and utilize funds they might receive to renovate the Washington Street/Morton Circle units.

Ms. Gibbs asked whether these funds would enable the study of accessibility and transit-related issues, to which Ms. Renzella responded no. Ms. Sullivan Woods asked if a redevelopment of Barton Road envisioned retail/commercial space and mixed use. It was noted that the RFP will request such options and see how developers respond. Ms. McMahon noted that the CPC has been looking for an opportunity to support housing and this is an excellent one.

Ms. McMahon also noted other projects before the CPC. She said they are waiting for details from the NRC before taking up the softball field request. She noted that they plan to vote on the High School Field improvements at their next meeting, and that the improvements have been supported by the NRC. Finally, she indicated that CPC's public hearing on its projects is scheduled for February 13th.

Upon a motion by Ms. Freiman and seconded by Mr. Morgan, the Board voted (5-0) to support the Community Preservation Committee's proposed project to analyze the Housing Authority sites at Barton Road and Morton Circle sites for future development as included in Article 15 of the annual town meeting warrant.

4. Discuss Proposed Middle School Feasibility Study

Mr. McDonough reviewed with the Board the presentation he developed regarding this study. He noted that the goal is to make the various repairs that are needed so that the major systems of the building are in good shape for the next 25 years, at which time the building would be 91 years old (2043). Specifically, he noted that the kitchen equipment has exceeded its useful life being more than 20 years old, and that this kitchen is used to cook all school meals district-wide. He also stated that the façade and HVAC

equipment is original to the building from 1952 and no repairs have been done. His rough estimate at this point is that in total the repairs would cost \$15.5M, averaging out to \$68/square foot. Mr. Morgan asked if the Town could use a debt exclusion to fund the project to which the answer was yes.

Upon a motion by Ms. Freiman and seconded by Mr. Morgan, the Board voted (5-0) to support a warrant article for the Middle School Feasibility Study project.

5. Discuss Proposed ATM Article - Outdoor Lighting Bylaw

The Board took no action on this agenda item.

6. Discuss & Execute Annual Town Meeting Warrant

The Board briefly discussed the warrant before voting to execute it.

Upon a motion by Ms. Freiman and seconded by Mr. Morgan, the Board voted (5-0) to execute the warrant for the 2018 annual town meeting.

7. Executive Director's Update

The board took no action on the December 11, 2017 minutes and tabled them to a future meeting.

8. Discuss Adoption of Massachusetts G.L. c.32B, §21-22

Ms. Robinson reviewed the PowerPoint presentation that outlined the differences between the Town's proposals to the union for successor health insurance plan and what would be offered if the Town utilizes Massachusetts G.L. c.32B, §21-22 to put in place a GIC look-alike plan. Ms. Suzanne Norton approached the board and asked several questions about the GIC and the impact to employees of these changes. Both Ms. Robinson and Mr. Ulfelder provided answers about the intent of the Town's offer and experience utilizing a plan in the GIC.

Upon a motion by Ms. Freiman and seconded by Mr. Morgan, the Board voted (5-0) to adopt Massachusetts G.L. c.32B, §21-22.

9. New Business/ Correspondence

None.

The meeting was adjourned at 9:02 p.m.

- Approval of One-Day Licenses – Babson College – included in your packet are three requests from the college for one day licenses for events happening on campus in February and March. They include the “The Black Affinity Conference” on February 24th in Knight Auditorium for 125 persons, the “Old Money Post” reception on March 7th in the Sandra Sorenson Rehearsal Studio for 150 persons, and the Babson India Symposium on March 10th in Olin Hall at which 200 persons are anticipated. We recommend approval of these requests.

MOVE that the Board vote to approve a one-day license to Babson College for the Black Affinity Conference on February 24th in Knight Auditorium, Old Money Post reception on March 7th in the Sandra Sorenson Rehearsal Studio and the India Symposium on March 10th in Olin Hall.



TOWN OF WELLESLEY

Application for Special License(s)

Date of Application: 2/16/18

Date of Event: 2/24/18

A special License is a temporary license issued pursuant to Chapter 635 of the Acts of 1982 to the responsible manager of any nonprofit organization conducting any indoor or outdoor activity or enterprise for the sale of alcoholic beverages.

Application fee for one or more applications filed on the same date: **\$25.00**

Fee for each license issued: **\$50.00**

Make checks payable to: Town of Wellesley

The undersigned hereby applies for a Special License for:

All Alcoholic Beverages **Wine and Malt Beverages Only**

APPLICANT INFORMATION

Name of Non-Profit Organization: Babson College

Address: 231 Forest Street, Babson Park, Wellesley, MA 02457-0310

Name of Event Manager: Molly Joyce Address: Babson College

Assistant Event Manager: _____ Address: Babson College

EVENT INFORMATION

Event Name & Description (If multiple events; See Attachment1): Black Affinity Conference – student led organization: Black Affinity Network holds this conference each year that includes a Gala on Saturday evening – this is where alcohol is served.

Event Contact: Lauren Shaffer

Event Date: Saturday, February 24, 2018

Event Location: Knight Auditorium

Occupancy: 300 Estimated Attendance: 125 Indoor/Outdoor (circle one)

An 8X11" floor plan of the premises to be licensed must be submitted along with the

Name of catering service responsible for service of alcoholic beverages:

Chartwells
Name

Babson College Campus
Address

Describe steps you have taken to ensure that the employees of the catering service or the individuals listed above have completed an alcoholic beverage server-training program or similar in-house training.

All servers must be TIPS trained and certified. Evidence of training must be provided prior to event.

Describe security precautions or police details if any:

Babson College Public Safety Officers are assigned to each event in accordance with the College's long-standing practice. The number of officers assigned to a particular event fluctuates based upon the number of anticipated attendees. Access to event location is controlled consistent with College policies based upon the type of event, the location and the number of anticipated attendees.

Babson College

Lauren Shaffer

Printed Name of Applicant

Its Assistant Director, Events

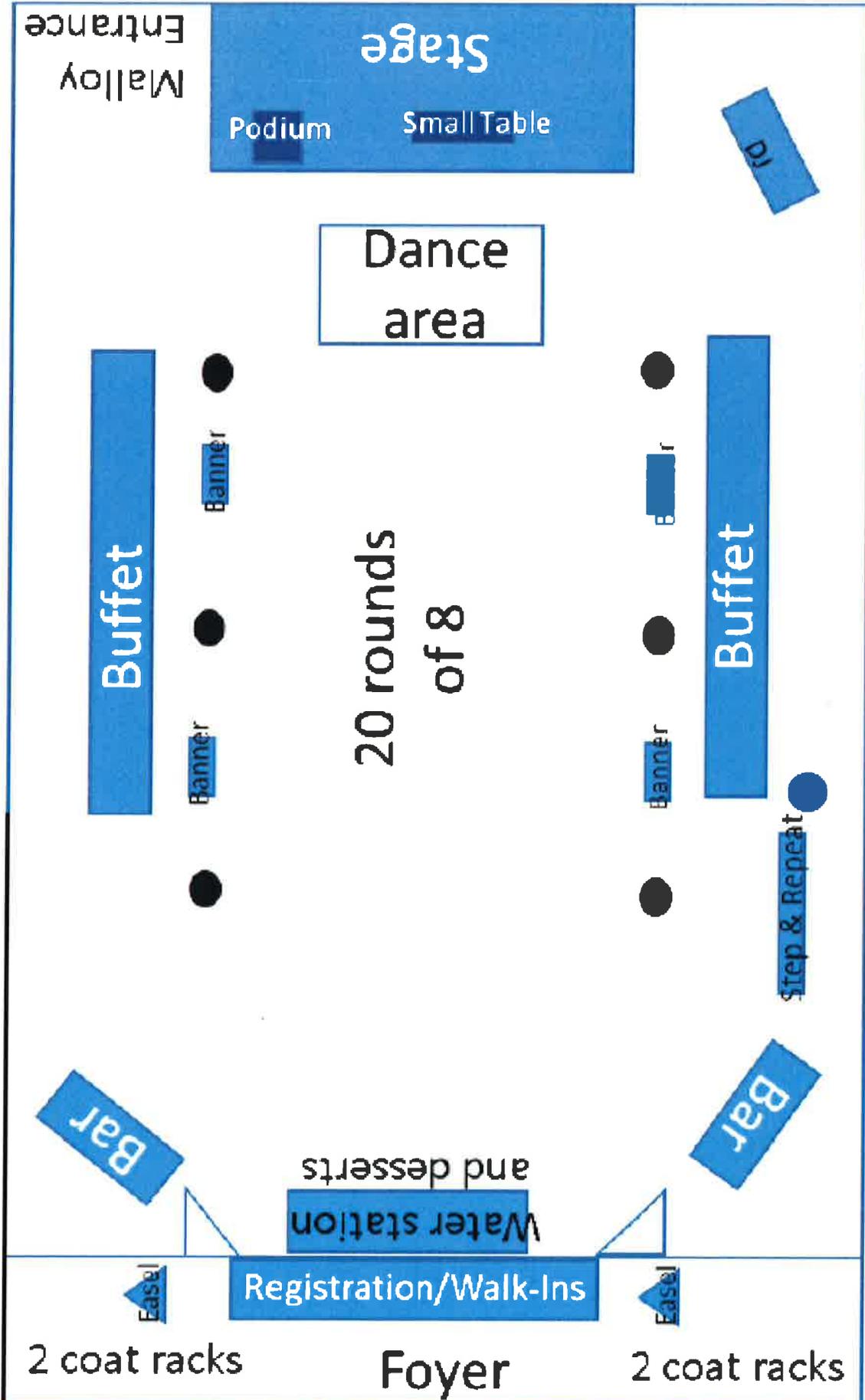
Lauren Shaffer
Applicant's Signature

2/16/18

Date

RETURN COMPLETED APPLICATION, FLOOR PLAN AND CHECK FOR FEES TO:

BOARD OF SELECTMEN
525 Washington Street
Wellesley, MA 02482
781-431-1019 ext 2204



TOWN OF WELLESLEY

Application for Special License(s)

Date of Application: 2/8/2018

Date of Event: 3/10/2018

A special License is a temporary license issued pursuant to Chapter 635 of the Acts of 1982 to the responsible manager of any nonprofit organization conducting any indoor or outdoor activity or enterprise for the sale of alcoholic beverages.

Application fee for one or more applications filed on the same date: **\$25.00**
Fee for each license issued: **\$50.00**
Make checks payable to: Town of Wellesley

The undersigned hereby applies for a Special License for:

All Alcoholic Beverages Wine and Malt Beverages Only

APPLICANT INFORMATION

Event Name & Description (If multiple events, See Attachment1): Babson India Symposium

Event Contact: Kate Buckman

Event Date: 3/10/2018

Event Location: Needham Wellesley Room, Olin Hall

Occupancy: 200 Estimated Attendance: 200 Indoor/Outdoor (circle one)

An 8X11" floor plan of the premises to be licensed must be submitted along with the application showing the exact location within the event area where alcoholic beverages will be sold, served, and consumed, and indicating all entrances and exits.

EVENT INFORMATION

Name of catering service responsible for service of alcoholic beverages:

Chartwells

Name

Babson College Campus

Address

Describe steps you have taken to ensure that the employees of the catering service or the individuals listed above have completed an alcoholic beverage server-training program or similar in-house training.

All servers must be TIPS trained and certified. Evidence of training must be provided prior to event.

Describe security precautions or police details if any:

Babson College Public Safety Officers are assigned to each event in accordance with the College's long-standing practice. The number of officers assigned to a particular event fluctuates based upon the number of anticipated attendees. Access to event location is controlled consistent with College policies based upon the type of event, the location and the number of anticipated attendees.

Babson College

Kate Buckman

Printed Name of Applicant
Its Dir. Graduate Student Affairs


Applicant's Signature

2/8/2018
Date

RETURN COMPLETED APPLICATION, FLOOR PLAN AND CHECK FOR FEES TO:

BOARD OF SELECTMEN
525 Washington Street
Wellesley, MA 02482
781-431-1019 ext 2204

ATTACHMENT 1

Name of Event/Date Location Floor Plan Number

1. Babson India Symposium Needham Wellesley Room 1

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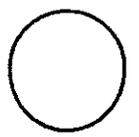
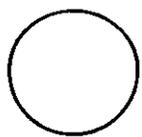
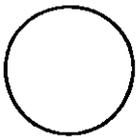
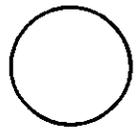
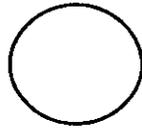
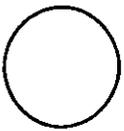
11.

EXIT

Food

Entrance/EXIT

BAR



EXIT



TOWN OF WELLESLEY

Application for Special License(s)

Date of Application: 02/08/2018

Date of Event: 03/07/2018

A special License is a temporary license issued pursuant to Chapter 635 of the Acts of 1982 to the responsible manager of any nonprofit organization conducting any indoor or outdoor activity or enterprise for the sale of alcoholic beverages.

Application fee for one or more applications filed on the same date: **\$25.00**
Fee for each license issued: **\$50.00**
Make checks payable to: Town of Wellesley

The undersigned hereby applies for a Special License for:

All Alcoholic Beverages **Wine and Malt Beverages Only**

APPLICANT INFORMATION

Name of Non-Profit Organization: Babson College

Address: 231 Forest Street, Babson Park, Wellesley, MA 02457-0310

Name of Event Manager: Molly Joyce Address: Babson College

Assistant Event Manager: Emily Brodeur Address: Babson College

EVENT INFORMATION

Event Name & Description (If multiple events; See Attachment1): Post-Show Reception for Old Money

Event Contact: Julia Ashton

Event Date: 03/07/2018

Event Location: Sandra L. Sorenson Rehearsal Studio (Black Box)

Occupancy: 150 Estimated Attendance: 75 Indoor/Outdoor (circle one)

An 8X11" floor plan of the premises to be licensed must be submitted along with the application showing the exact location within the event area where alcoholic beverages will

Name of catering service responsible for service of alcoholic beverages:

Chartwells
Name

Babson College Campus
Address

Describe steps you have taken to ensure that the employees of the catering service or the individuals listed above have completed an alcoholic beverage server-training program or similar in-house training.

All servers must be TIPS trained and certified. Evidence of training must be provided prior to event.

Describe security precautions or police details if any:

Babson College Public Safety Officers are assigned to each event in accordance with the College's long-standing practice. The number of officers assigned to a particular event fluctuates based upon the number of anticipated attendees. Access to event location is controlled consistent with College policies based upon the type of event, the location and the number of anticipated attendees.

Babson College

Leslie Chiu

Printed Name of Applicant

Its

Leslie Chiu

Applicant's Signature

2/8/2018

Date

RETURN COMPLETED APPLICATION, FLOOR PLAN AND CHECK FOR FEES TO:

BOARD OF SELECTMEN
525 Washington Street
Wellesley, MA 02482
781-431-1019 ext 2204

ATTACHMENT 1

Name of Event/Date

Location

Floor Plan Number

1. Post-Show Reception on 03/07/2018 Sandra L. Sorenson Rehearsal Studio

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11.

- Acceptance of Gifts

There are a number of gifts that exceed the \$500 threshold in our gift policy, thus require a vote of the board to accept them. They include:

- ❖ New Era Fund - \$649 for various periodical subscriptions
- ❖ New Era Fund - \$700 for design and printing of the October grand opening brochure
- ❖ New Era Fund - \$1,502.40 – outdoor benches for the Tolles Parsons Center
- ❖ Friends of the COA - \$1,001.00 for the January Senior Lunch Program

MOVE to accept various gifts for the Wellesley Council on Aging to include:

- ❖ New Era Fund - \$649 for various periodical subscriptions
- ❖ New Era Fund - \$700 for design and printing of the October grand opening brochure
- ❖ New Era Fund - \$1,502.40 – outdoor benches for the Tolles Parsons Center
- ❖ Friends of the COA - \$1,001.00 for the January Senior Lunch Program

The following donations were made by the New Era Fund to support the Wellesley Council on Aging
and must be accepted by the Board of Selectmen:

Gifts to the COA Subscriptions Account (29054150-483000-COASU)

Updated 2/8/18

The following gifts were made by the New Era Fund specifically to provide subscriptions to various newspapers and magazines for participants at the Tolles Parsons Center. The Wellesley Council on Aging received the following gifts and they must be accepted by the Board of Selectmen.

Donation from:	Amount(s) / comments regarding gift
New Era Fund	\$649.00 – Donations received to cover the cost of subscriptions to the Boston Globe, USA Today, Time Magazine, and National Geographic Magazine

Total Donations from the New Era Fund = \$649.00

The following gifts have been made to the Wellesley Council on Aging and must be accepted by the Board of Selectmen:

GIFTS TO THE GENERAL COA GIFT ACCOUNT (29054150-483000)

Updated 2/8/2018

Donation from:	Amount(s) / comments regarding gift
Friends of Wellesley Council on Aging	\$1,001.00 – January Senior Lunch Program
	Total Gifts Received = \$1,001.00

Total Donations Listed for General Gift Account = \$1,001.00

The following donations were made by the New Era Fund to support the Wellesley Council on Aging

Updated 2/8/18

The New Era Fund capital campaign has been established by the Friends of Wellesley Council on Aging to support the mission of the Council on Aging through a public/private partnership with the Town of Wellesley. The Friends of the Wellesley Council on Aging is a not-for-profit 501 (c) (3) charitable organization whose single focus is the financial support of the Council on Aging. Initiated in June of 2017, the donation and pledge goal for New Era Fund donations is \$1.5 million over the next three (3) years. The New Era Fund is administered through the Foundation for MetroWest, a local organization that manages philanthropic initiatives for non-profit organizations in Wellesley and surrounding communities. The Wellesley Council on Aging has benefitted from the donations below and they must be accepted by the Board of Selectmen.

Donation from:	Amount(s) / comments regarding gift
New Era Fund	\$700.00 – Cost of brochure design and printing for Grand Opening Ceremony on October 22, 2017
New Era Fund	\$1,502.40 – Outdoor Benches for the Tolles Parsons Center

Total Donations from the New Era Fund = \$2,202.40

8. Adopt Massachusetts G.L. Chapter 32B, §19

As we have discussed in the past, the changes to this chapter of state law in 2011 provided communities with some options to implement successor health insurance plans. One of those options is section 19, which allows a community to bargain with a group of employee unions that together represent a majority of the employees and includes a retiree representative.

While we have continued to make slow and steady progress, time has essentially run out to continue trying to reach agreement with all 11 unions, and there is a majority of unions who are ready to achieve consensus. Thus we are asking for the Board to accept this section of the law to enable us to take this step and complete this process. A copy of this section of the law is included for your use.

MOVE that the Board vote adopt Massachusetts G.L. Chapter 32B, §19.

Part I	ADMINISTRATION OF THE GOVERNMENT
Title IV	CIVIL SERVICE, RETIREMENTS AND PENSIONS
Chapter 32B	CONTRIBUTORY GROUP GENERAL OR BLANKET INSURANCE FOR PERSONS IN THE SERVICE OF COUNTIES, CITIES, TOWNS AND DISTRICTS, AND THEIR DEPENDENTS
Section 19	HEALTH CARRIERS; CONTRACTS; PUBLIC EMPLOYEE COMMITTEES; AGREEMENTS WITH PUBLIC AUTHORITIES; TRANSFER OF SUBSCRIBERS TO COMMISSION

Section 19. (a) Notwithstanding any other provision of this chapter, the appropriate public authority of a political subdivision which has undertaken to provide health insurance coverage to its subscribers by acceptance of any other section of this chapter may instead elect to provide health insurance coverage to all its subscribers pursuant to this section by entering into contracts with health insurance carriers or by transferring its subscribers to the commission under subsection (e). For the purposes of this section, the term "subscribers" shall mean employees, retirees, surviving spouses and dependents of the political subdivision and may

include employees, retirees, surviving spouses and dependents of a district who previously received health insurance benefits through the political subdivision accepting this section. This section shall take effect in a political subdivision upon its acceptance in the following manner: in a county, except Worcester county, by a vote of the county commissioners; in a city having Plan D or a Plan E charter, by majority vote of the city council and approval by the manager; in any other city, by majority vote of the city council and approval by the mayor; in a town, by vote of the board of selectmen; in a regional school district, by vote of the regional district school committee; and in all other districts, by vote of the registered voters of the district at a district meeting.

Acceptance of this section shall not take effect until a written agreement has been reached between the appropriate public authority and the public employee committee, but the written agreement may condition acceptance of this section upon the transferring of subscribers into the commission under subsection (e).

A written agreement to transfer subscribers to the commission under this section shall be the sole means by which the subscribers of a political subdivision may be transferred to commission coverage.

Notwithstanding subsection (c) of section 4B of chapter 4, the acceptance of this section may be revoked in the same manner it was accepted in accordance with all other subsections of section

4B of said chapter 4, subject to the requirements of any written agreements as provided in this section and chapter 150E. The revocation of this section shall not take effect until a written agreement providing for revocation is reached between the appropriate public authority and the employee committee established herein. Nothing in this section shall preclude an appropriate public authority from agreeing to establish a health and welfare trust fund under section 15.

Except as otherwise provided in subsection (e), a contract with a health insurance carrier shall be in conformity with an agreement reached by an appropriate public authority and a public employee committee. The election by the appropriate public authority may be renewed in conformity with any successor agreement reached with a public employee committee. The public employee committee shall include a representative of each collective bargaining unit with which the political subdivision negotiates under chapter 150E and a retiree representative. Either the public employee committee or the appropriate public authority may convene the initial meeting of the committee at any time upon 7 days notice. Either the public employee committee or the appropriate public authority may convene any subsequent meeting with notice of not less than 3 business days. The retiree representative shall be designated by the Retired State, County and Municipal Employees Association. The retiree representative shall have a 10 per cent vote. The remaining 90 per cent vote shall be divided so that each collective bargaining unit represented on

the public employee committee shall have a weighted vote equal to the proportion which the number of employees eligible for health insurance under this chapter employed in the bargaining unit he represents bears to the total number of employees eligible for health insurance in all bargaining units of the political subdivision. An agreement with the appropriate public authority shall be approved by a majority of the weighted votes of the representatives on the public employee committee and shall be binding on all subscribers and their representatives. For the purposes of this section, a health insurance carrier shall include any insurance company organized pursuant to chapter 175, hospital service corporation organized pursuant to chapter 176A, medical service corporation organized pursuant to chapter 176B, health maintenance organization organized pursuant to chapter 176G, preferred provider organization organized pursuant to chapter 176I and, in the case of a political subdivision which is partially or fully self-insured with respect to health insurance coverage, any third party administrator selected by the political subdivision, which may include, but shall not be limited to, a health insurance carrier.

An agreement approved under this section shall be binding on all active and retired employees for whom health insurance coverage is being purchased, shall supersede any conflicting provision of a collective bargaining agreement and shall not be superseded in a statutory impasse proceeding under chapter 150E, but the agreement may include procedures for resolving an impasse in

negotiations for a successor agreement. A dispute arising over the interpretation or application of the public employee committee agreement under this section may be submitted to binding arbitration under the labor arbitration provisions of the American Arbitration Association upon request of the public employee committee or the appropriate public authority, except as otherwise provided in subsection (f). A request shall be approved by 70 per cent of the weighted votes of the representatives on the public employee committee as set forth in this section or, where applicable, by a majority vote of the appropriate public authority. A political subdivision which elects to provide health insurance coverage to subscribers under this section shall be deemed in full compliance with this chapter regulating the procurement of health insurance. A political subdivision which elects to provide health insurance coverage under this section pursuant to an agreement approved by a public employee committee, may provide such coverage either as a single political subdivision or, under section 12, through joint purchase with other political subdivisions or, with multiple political subdivisions, through a risk-sharing pool, trust or health insurance carrier or third party administrator, or by making payments to a health and welfare trust fund to provide health insurance coverage under this section either as a single political subdivision or with multiple political subdivisions. The appropriate public authority may contract with a health insurance

carrier for direct coverage of subscribers for whom the carrier's geographic service area provides appropriate access and coverage for other subscribers in accordance with subsection (d).

(b) Nothing in this section shall require, preclude or permit a change in any aspect of health insurance coverage for subscribers authorized by this section except where an agreement to provide for such change is reached by an appropriate public authority and a public employee committee in an agreement entered into or modified after the effective date of this subsection except as otherwise provided in subsection (e). In the absence of a successor agreement approved under this section, the prior agreement of the public employee committee and the appropriate public authority regarding the provision of health insurance shall remain in effect.

(c) Nothing in this section shall relieve a political subdivision from providing health insurance coverage to an employee, retiree, surviving spouse or dependent to whom it has an obligation to provide coverage under any other provision of this chapter.

(d) The agreement reached between an appropriate public authority and the public employee committee shall provide for those subscribers who, by reason of residence or domicile, cannot be appropriately served within the service area of the health insurance carrier included in the agreement, subject to this subsection.

Coverage for subscribers under this subsection shall be pursuant to and in conformity with the agreement required by this section and shall conform to all requirements of this section. The agreement reached between an appropriate public authority and the public employee committee shall provide that a subscriber who for reasons of residency is not eligible for enrollment in any such plan offered by a political subdivision shall be covered under a plan offered under chapter 176I, if any such plan is provided for under the agreement, but a subscriber who lives 10 miles or more from the nearest primary care physician providing care under the plan shall have out-of-pocket payments and medical deductibles limited to the amount that he would have paid had he utilized the network of medical services of the plan offered under chapter 176I. If the agreement reached between the appropriate public authority and the public employee committee provides for only health maintenance organizations or other health insurance carriers that limit enrollment to a particular geographic area, then notwithstanding any general or special law to the contrary, health maintenance organizations or other health insurance carriers shall provide for the coverage of services provided or arranged for all subscribers who do not reside within the geographic service area by providing the same benefit schedule and premium contribution provided to subscribers residing within the carrier's geographic service area including, but not limited to, covered services, out-of-pocket payments and medical deductibles for all medical services provided for or arranged under the agreement.

(e) Where an agreement, either executed or modified, reached by an appropriate public authority and the public employee so provides, the appropriate public authority shall notify the commission that it will transfer all subscribers for whom it provides health insurance coverage to the commission. The notice shall be provided to the commission by the appropriate public authority on or before December 1 of each year for the transfer of subscribers to the commission effective the following July 1, or on or before July 1 of each year for the transfer of subscribers to the commission effective the following January 1. On the effective date of the transfer, the health insurance of all subscribers, including elderly governmental retirees previously governed by section 10B of chapter 32A and retired municipal teachers previously governed by section 12 of chapter 32A, shall be provided through the commission for all purposes and governed under this section. As of the effective date and for the duration of this transfer, subscribers transferred to the commission's health insurance coverage shall receive group health insurance benefits determined exclusively by the commission and the coverage shall not be subject to collective bargaining, except for contribution ratios which shall be determined by the written agreement.

[Second paragraph of subsection (e) effective until July 1, 2015. For text effective July 1, 2015, see below.]

Subscribers transferred to the commission who are eligible or become eligible for Medicare coverage shall transfer to Medicare coverage, as prescribed by the commission. In the event of

transfer to Medicare, the political subdivision shall pay any Medicare part B premium penalty assessed by the federal government on retirees, spouses and dependents as a result of enrollment in Medicare part B at the time of transfer into the Medicare health benefits supplement plan. For each subscriber's premium and the political subdivision's share of that premium, the subscriber and the political subdivision shall furnish to the commission, in such form and content as the commission shall prescribe, all information the commission deems necessary to maintain subscribers' and covered dependents' health insurance coverage. The appropriate public authority of the political subdivision shall perform such administrative functions and process such information as the commission deems necessary to maintain those subscribers' health insurance coverage including, but not limited to, family and personnel status changes, and shall report all changes monthly to the commission. In the event that a political subdivision transfers subscribers to the commission under this section, subscribers may be withdrawn from commission coverage at either 3 or 6-year intervals from the date of transfer of subscribers to the commission, as determined by the written agreement which shall specify the withdrawal interval and withdrawal procedures. The written agreement may specify the procedures for resolving an impasse in negotiations over whether to withdraw from commission coverage and for determining health insurance coverage and contribution ratios for subscribers for the year following withdrawal from the commission. In the

event that binding arbitration is included in the written agreement, the agreement shall provide that the dispute shall be submitted to arbitration and, if no method is provided of arbitration is provided in the agreement , then the dispute shall be administered by the American Arbitration Association under the procedures set forth in its Labor Arbitration Rules.

[Second paragraph of subsection (e) as amended by 2015, 46, Sec. 56 effective July 1, 2015. See 2015, 46, Sec. 216. For text effective until July 1, 2015, see above.]

Subscribers transferred to the commission who are eligible or become eligible for Medicare coverage shall transfer to Medicare coverage, as prescribed by the commission. In the event of transfer to Medicare, the political subdivision shall pay any Medicare part B premium penalty assessed by the federal government on retirees, spouses and dependents as a result of enrollment in Medicare part B at the time of transfer into the Medicare health benefits supplement plan. For each subscriber's premium and the political subdivision's share of that premium, the subscriber and the political subdivision shall furnish to the commission, in such form and content as the commission shall prescribe, all information the commission deems necessary to maintain subscribers' and covered dependents' health insurance coverage. The appropriate public authority of the political subdivision shall perform such administrative functions and process such information as the commission deems necessary to maintain those subscribers' health insurance coverage including,

but not limited to, family and personnel status changes, and shall report all changes monthly to the commission. In the event that a political subdivision transfers subscribers to the commission under this section, subscribers may be withdrawn from commission coverage after an initial 3-year period from the date of transfer of subscribers to the commission, at whole-year intervals determined by the written agreement which shall specify the withdrawal interval and withdrawal procedures; provided, however, that such whole-year intervals shall not be less than 2 years in length. The written agreement may specify the procedures for resolving an impasse in negotiations over whether to withdraw from commission coverage and for determining health insurance coverage and contribution ratios for subscribers for the year following withdrawal from the commission. In the event that binding arbitration is included in the written agreement, the agreement shall provide that the dispute shall be submitted to arbitration and, if no method is provided of arbitration is provided in the agreement, then the dispute shall be administered by the American Arbitration Association under the procedures set forth in its Labor Arbitration Rules.

[Third paragraph of subsection (e) effective until July 1, 2015. For text effective July 1, 2015, see below.]

The decision and notice to withdraw shall be made by October 1 of the year prior to the effective date of withdrawal. All withdrawals shall be effective on July 1 following the political subdivision's notice to the commission. Except as otherwise

provided in the written agreement, withdrawal from commission coverage shall revoke acceptance of this section and any written agreements related to the implementation of this section as of the effective date of withdrawal. In the event that the acceptance of this section is revoked, the appropriate public authority of the political subdivision shall abide by all commission requirements for effectuating such withdrawal, including the notice requirements in this subsection. In the event a political subdivision withdraws from commission coverage under this section, such withdrawal shall be binding on all subscribers, including those subscribers who, prior to the transfer to the commission, received coverage from the commission under sections 10B and 12 of chapter 32A and, after withdrawal from the commission, those subscribers who received coverage from the commission under said sections 10B and 12 of said chapter 32A shall not pay more than 25 per cent of the cost of their health insurance premiums.

[Third paragraph of subsection (e) as amended by 2015, 46, Sec. 57 effective July 1, 2015. See 2015, 46, Sec. 216. For text effective until July 1, 2015, see above.]

The decision and notice to withdraw shall be made by December 1 of the year prior to the effective date of withdrawal. All withdrawals shall be effective on July 1 following the political subdivision's notice to the commission. Except as otherwise provided in the written agreement, withdrawal from commission coverage shall revoke acceptance of this section and any written agreements related to the implementation of this section as of the

effective date of withdrawal. In the event that the acceptance of this section is revoked, the appropriate public authority of the political subdivision shall abide by all commission requirements for effectuating such withdrawal, including the notice requirements in this subsection. In the event a political subdivision withdraws from commission coverage under this section, such withdrawal shall be binding on all subscribers, including those subscribers who, prior to the transfer to the commission, received coverage from the commission under sections 10B and 12 of chapter 32A and, after withdrawal from the commission, those subscribers who received coverage from the commission under said sections 10B and 12 of said chapter 32A shall not pay more than 25 per cent of the cost of their health insurance premiums.

In the event of revocation of acceptance of this section, the political subdivision and public employee unions shall return to governance of negotiations of health insurance under chapter 150E and this chapter on the effective date of withdrawal from commission coverage, to negotiate healthcare coverage for subscribers thereafter.

[First paragraph of subsection (f) effective until July 1, 2015. For text effective July 1, 2015, see below.]

(f) To the extent authorized under chapter 32A, the commission shall provide group coverage of subscribers' health claims incurred after transfer to the commission. The claim experience of those subscribers shall be maintained by the commission in a

single pool and combined with the claim experience of all covered state employees and retirees and their covered dependents, including those subscribers who previously received coverage under sections 10B and 12 of chapter 32A.

[First paragraph of subsection (f) as amended by 2015, 46, Sec. 58 effective July 1, 2015. See 2015, 46, Sec. 216. For text effective until July 1, 2015, see above.]

(f) To the extent authorized under chapter 32A, the commission shall provide group coverage of subscribers' health claims incurred after transfer to the commission. The claim experience of those subscribers shall be maintained by the commission in a single pool and combined with the claim experience of all covered state employees and retirees and their covered dependents, including those subscribers who previously received coverage under sections 10B and 12 of chapter 32A. Upon a written request by the mayor, town manager or the public employee committee of a political subdivision, the commission shall provide the political subdivision with its claims history from the previous year, which shall include, but not be limited to, the following information: (i) subscriber count; (ii) covered lives count; (iii) total paid medical claims; and (iv) total paid prescription drug claims. The commission may charge a fee for providing the data in an amount determined by the executive director, which shall not be greater than \$1,000. The commission shall provide a detailed data response to such request within 60 days.

Notwithstanding any general or special law to the contrary, a political subdivision that self-insures its group health insurance plan under section 3A and has a deficit in its claims trust fund at the time of transferring its subscribers to the commission and the deficit is attributable to a failure to accrue claims which had been incurred but not paid may capitalize the deficit and amortize the amount over 10 fiscal years in 10 equal amounts, or on a schedule providing for a more rapid amortization. Except as provided otherwise herein, subscribers eligible for health insurance coverage under subsection (e) shall be subject to all of the terms, conditions, schedule of benefits and health insurance carriers as employees and dependents as defined by section 2 and commission regulations. The commission shall determine all matters relating to subscribers' group health insurance rights, responsibilities, costs and payments, excluding contribution ratios, and obligations, including but not limited to, the manner and method of payment, schedule of benefits, eligibility requirements and choice of health insurance carriers and these matters shall be determined exclusively by the commission and shall not be subject to collective bargaining, the written agreement under subsection (a) or to arbitration under the agreement. The commission may issue rules and regulations consistent with this section and shall provide public notice of any proposed rules and regulations and notice of thereof at the request of interested parties, together with an opportunity to review those rules and regulations and an

opportunity to comment on those proposed rules and regulations in writing and at a public hearing, but the commission shall not be subject to chapter 30A.

The commission shall negotiate and purchase health insurance coverage for subscribers transferred under subsection (e) and shall promulgate regulations, policies and procedures for coverage of the transferred subscribers. The schedule of benefits available to transferred subscribers shall be determined by the commission pursuant to chapter 32A. The commission shall offer those subscribers the same choice as to health insurance carriers and benefits as those provided to state employees and retirees. The political subdivision's contribution to the cost of health insurance coverage for transferred subscribers shall be as determined under this section, and shall not be subject to the provisions on contributions in said chapter 32A. Any change to the premium contribution ratios shall become effective on July 1 of each year, with notice to the commission of such change not later than January 15 of the same year.

A political subdivision that transfers subscribers to the commission shall pay the commission for all costs of its subscribers' coverage, including administrative expenses, and the governmental unit's cost of subscribers' premium. The commission shall determine on a periodic basis the amount of premium which the political subdivision shall pay to the commission. If the political subdivision unit fails to pay all or a portion of these costs according to the timetable determined by the commission, the

commission may inform the state treasurer who shall issue a warrant in the manner provided by section 20 of chapter 59 requiring the respective political subdivision to pay into the treasury of the commonwealth as prescribed by the commission the amount of the premium and administrative expenses attributable to the political subdivision. The state treasurer shall recoup any past due costs from the political subdivision's cherry sheet under section 20A of chapter 58 and transfer that money to the commission. If a governmental unit fails to pay to the commission the costs of coverage for more than 90 days and the cherry sheet provides an inadequate source of payment, the commission may, at its discretion, cancel the coverage of subscribers of the political subdivision. If the cancellation of coverage is for nonpayment, the political subdivision shall provide all subscribers health insurance coverage under plans which are the actuarial equivalent of plans offered by the commission in the preceding year until there is an agreement with the public employee committee providing for replacement coverage.

The commission may charge the political subdivision an administrative fee, which shall not be more than 1 per cent of the cost of total premiums for the political subdivision, to be determined by the commission which shall be considered as part of the cost of coverage for purposes of determining the contributions of the political subdivision and its employees to the cost of health insurance coverage by the commission.

(g) Any agreement reached between the political subdivision and the public employee committee, including an agreement to transfer subscribers to the group insurance commission, shall provide that within the same health insurance coverage plan the percentage contributed by the political subdivision to the premium or cost of health insurance coverage shall be the same for all subscribers covered under this section. These payments shall differ only by the type of coverage elected under the plan, including individual, family, optional Medicare extension or other coverage selections; but the percentage contributed by the political subdivision may vary among the different health insurance coverage plans offered under the agreement reached between the political subdivision and the public employee committee. The agreement reached shall provide that the percentage contributed by the political subdivision to the premium or cost of at least 1 Medicare extension plan available to all eligible subscribers shall be not less than the minimum percentage contributed by the political subdivision to any other health insurance coverage plan offered under the agreement reached. Any political subdivision that accepts this section shall establish by agreement with the public employee committee a contribution by the political subdivision to the premium or cost of health insurance coverage that provides for at east 50 per cent but not more than 99 per cent. Notwithstanding this subsection, where there is an agreement to transfer subscribers to the commission, subscribers whose coverage was governed by section 10B or 12 of chapter 32A

before the date that the written agreement is executed, shall not be required to contribute more than 25 per cent of their health insurance premiums, but the written agreement may provide for a premium contribution paid by these subscribers of less than 25 per cent.

(h) If there is a revocation of acceptance or a withdrawal from the commission under this section, all retirees, their spouses and dependents insured or eligible to be insured by the political subdivision, if enrolled in Medicare part A at no cost to the retiree, spouse or dependents, shall be required to be insured by a Medicare extension plan offered by the political subdivision under section 11C or section 16. A retiree shall provide the political subdivision, in such form as the political subdivision shall prescribe, such information as is necessary to transfer to a Medicare extension plan. If a retiree does not submit the information required, he shall no longer be eligible for his existing health insurance coverage. The political subdivision may from time to time request from a retiree, a retiree's spouse and dependents, proof certified by the federal government of his eligibility or ineligibility for Medicare part A and part B coverage. The political subdivision shall pay the Medicare part B premium penalty assessed by the federal government on those retirees, spouses and dependents as a result of enrollment in Medicare part B at the time of transfer into the Medicare health benefits supplement plan.

(i) In the absence of a public collective bargaining unit, the chief executive officer of a municipality may authorize the transfer of subscribers to the commission.

(j) Notwithstanding any other general or special law to the contrary, in the event that an agreement, either executed or modified, was reached by an appropriate public authority and the public employee committee to transfer all subscribers, for whom the authority provides health insurance coverage, to the commission under subsections (e) and (f), its retirees, surviving spouses and their dependents may enroll in the dental insurance plan provided by the commission to retirees, surviving spouses and their dependents insured under chapter 32A, at premium contribution ratios that requires retirees, surviving spouses and their dependents to contribute 100 per cent of the dental insurance premium and administrative fee. The commission shall provide dental insurance coverage, under its plan for retirees, surviving spouses and their dependents insured under chapter 32A, to retirees, surviving spouses and their dependents who elect the coverage under this subsection, as it so provides health insurance coverage under subsections (e) and (f). The commission may charge an administrative fee, which shall not be more than 1 per cent of the cost of total dental insurance premiums for the retirees, surviving spouses and their dependents who enroll in the dental insurance plan under this section, to be determined by the commission which shall be considered as part of the cost of

coverage for purposes of determining the contributions of the political subdivision and its retirees, surviving spouses and their dependents to the cost of insurance coverage by the commission.

9. **New Business and Correspondence** - Other Documents: The Board will find documents the staff are not seeking action on, but is for informational purposes only. Please find the following:

- ❖ Correspondence FY17 Final West Suburban Audit Statements
- ❖ Correspondence FY18 Work plan
- ❖ Correspondence State Grant Request – FY19
- ❖ Correspondence 911 State Support and Incentive Grant

WEST SUBURBAN HEALTH GROUP
BASIC FINANCIAL STATEMENTS AND
MANAGEMENT'S DISCUSSION AND ANALYSIS
WITH REQUIRED SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2017 AND JUNE 30, 2016
WITH INDEPENDENT AUDITOR'S REPORTS

WEST SUBURBAN HEALTH GROUP
BASIC FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS
WITH REQUIRED SUPPLEMENTARY INFORMATION
Years Ended June 30, 2017 and June 30, 2016

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INDEPENDENT AUDITOR'S REPORT

To the Steering Committee
West Suburban Health Group
Sherborn, Massachusetts 01770

Report on the Financial Statements

We have audited the accompanying financial statements of the West Suburban Health Group as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the West Suburban Health Group's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the West Suburban Health Group, as of June 30, 2017 and 2016, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, pages v – vii, and the claims development information, pages 13 – 14, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2018, on our consideration of the West Suburban Health Group's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the West Suburban Health Group's internal control over financial reporting and compliance.

Lynch Marini & Associates Inc

Natick, Massachusetts
February 8, 2018

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Steering Committee
West Suburban Health Group
Sherborn, Massachusetts 01770

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the West Suburban Health Group, as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the West Suburban Health Group's basic financial statements and have issued our report thereon dated February 8, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the West Suburban Health Group's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the West Suburban Health Group's internal control. Accordingly, we do not express an opinion on the effectiveness of the West Suburban Health Group's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the West Suburban Health Group's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lynch Marini & Associates Inc

Natick, Massachusetts

February 8, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

WEST SUBURBAN HEALTH GROUP
Management's Discussion and Analysis
June 30, 2017 and June 30, 2016

The management of West Suburban Health Group (the Group) offers readers of our financial statements the following narrative overview and analysis of our financial activities for the years ended June 30, 2017 and 2016. Please read this discussion and analysis in conjunction with the Group's basic financial statements on the accompanying pages.

Basic Financial Statements

The basic financial statements are prepared using the accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when incurred. The basic financial statements include a statement of net position, a statement of revenues, expenses and changes in net position; a statement of cash flows and notes to the financial statements.

The statements of net position present information on the assets and liabilities of the Group, with the difference being reported as net position.

The statements of revenues, expenses, and changes in net position reports the operating and non-operating revenues and expenses of the Group for the fiscal year. The net result of these activities combined with the beginning of the year net position reconciles to the net position at the end of the current fiscal year.

The statements of cash flows report the changes in cash for the year resulting from operating and investing activities. The net result of the changes in cash for the year, when added to the balance of cash at the beginning of the year, equals cash at the end of the year.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements follow the basic financial statements described above.

Financial Highlights

- Assets exceeded liabilities (net position) as of June 30, 2017 and 2016 by \$964,400 and \$6,236,969 respectively. The current year decrease in net position is a result of operating expenses exceeding operating revenues. The prior year increase in net position is a result of member contributions and premiums being higher than the Group's expenses for the year.
- Net position at June 30, 2017 represents 1.0% of the fiscal year's claims expenses. At June 30, 2016, net position represents 6.4% of the fiscal year's claims expenses.
- For the years ended June 30, 2017 and 2016, net position decreased by \$5,272,569 and increased \$308,276 respectively.
- The statement of cash flows identifies the sources and uses of cash activity for the fiscal year and displays a net decrease in cash of \$5,194,653 for year ending June 30, 2017 and a net increase in cash of \$5,697,444 for the year ending June 30, 2016. The decrease in cash as of June 30, 2017 is a result of operating expenses exceeding operating revenues and a decrease of advanced contributions. The increase in cash as of June 30, 2016 is a result of member premiums exceeding claims.

As of June 30, 2017, the Group had claims liability of \$541,355. As of June 30, 2016, the Group did not have any claims liabilities. As of June 30, 2017 and 2016, \$8,000,000 and \$9,000,000, respectively, represents an estimate for claims incurred but not reported.

WEST SUBURBAN HEALTH GROUP

Management's Discussion and Analysis

June 30, 2017 and June 30, 2016

Actuarial assumptions are used in projecting annual claims costs for each health plan on a per subscriber/per month basis and individual and family plan rates, on a plan by plan basis, are set to fund the aggregate of the total projected claims and other Group costs.

The increase in plan funding rates for fiscal year 2017 range between 0% and 8.5% for active employee plans which operate on a fiscal year basis, July 1 – June 30. All Rate Saver and Benchmark EPO (HMO) plan rates increased from 0% to 8.5%. The PPO and POS plan rates increased 3%. The two self-funded senior plans, Medex 2 with Blue Medicare Rx PDP and Harvard Pilgrim Medicare Enhance with Aetna PDP, operate on a calendar year basis and had a rate increase of 5% For CY17 and a rate increase of 6% for CY16. These plans were changed to Employer Group Waiver Plans (EGWPs) effective January 1, 2014. Medical expenses for the two senior plans are self-funded and prescription drug expenses are fully insured through the PDPs.

Condensed Financial Information

A comparative summary of financial information is presented below:

	<u>2017</u>	<u>2016</u>
Cash and cash equivalents	\$ 1,958,178	\$ 7,152,831
Investments	6,258,994	7,845,367
Other current assets	3,203,727	3,571,228
Total assets	<u>11,420,899</u>	<u>18,569,426</u>
Claims liabilities	541,355	-
Claims incurred but not reported	8,000,000	9,000,000
Other current liabilities	1,915,144	3,332,457
Total liabilities	<u>10,456,499</u>	<u>12,332,457</u>
Unrestricted net position	<u>\$ 964,400</u>	<u>\$ 6,236,969</u>
Revenues:		
Member contributions	\$ 114,854,572	\$ 116,163,604
Other operating revenue	124,333	191,968
Total operating revenues	<u>114,978,905</u>	<u>116,355,572</u>
Expenses:		
Claims expense	100,490,689	96,718,688
Claims administration fees	2,342,523	2,108,767
Health plan premiums	13,710,090	13,159,570
Stop loss insurance premiums	1,949,667	1,890,363
Regulatory fees	287,053	562,712
Consulting and group administration services	629,623	658,257
Other administrative	1,052,072	1,059,067
Total operating expense	<u>120,461,717</u>	<u>116,157,424</u>
Operating income (loss)	(5,482,812)	198,148
Investment income	<u>210,243</u>	<u>110,128</u>
Increase/(decrease) in net position	<u>\$ (5,272,569)</u>	<u>\$ 308,276</u>

WEST SUBURBAN HEALTH GROUP

Management's Discussion and Analysis

June 30, 2017 and June 30, 2016

Economic Factors Affecting the Subsequent Year

The Group's Board set the funding rates for self-funded plans for fiscal 2018 and 2017 with increases ranging from 5.5% to 15% and 8.6% to 20%, respectively.

No members elected to withdraw from the Group during the fiscal year ended June 30, 2017.

The Town of Sherborn elected to withdraw from the Group effective June 30, 2016. The Town of Sherborn's notification of withdrawal came after the Joint Purchase Agreement was amended on January 14, 2016. As such, under the new agreement, the Town of Sherborn is responsible for paying the first month of its run out claims that were incurred prior to July 1, 2016 but paid on or after July 1, 2016. The Group is responsible for paying the remainder of Town of Sherborn's runout claims.

South Middlesex Regional Vocational Technical School elected to withdraw from the Group effective June 30, 2016 and notified the Group prior to the changes to the Joint Purchase Agreement. As such, the Group is responsible for the claims incurred by South Middlesex Regional Vocational Technical School prior to July 1, 2016. This obligation of the Group will result in an unanticipated impact on the fund balance within the first quarter of fiscal year 2017.

Request for information

This financial report is intended to provide an overview of the finances of the Group. Questions about this report or requests for additional information may be directed to the Group's Treasurer, Ruth Hohenschau, at 7 Snow Street, Sherborn, MA 01770.

BASIC FINANCIAL STATEMENTS

WEST SUBURBAN HEALTH GROUP

Statements of Net Position

As of June 30, 2017 and June 30, 2016

	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 1,958,178	\$ 7,152,831
Investments	6,258,994	7,845,367
Receivables:		
Reinsurance claims	894,457	1,104,589
Claims - Town of Sherborn	87,500	-
Receivable from insurance carrier	642,552	50,745
Total receivables	<u>1,624,509</u>	<u>1,155,334</u>
Deposits with insurance carriers	<u>1,579,218</u>	<u>2,415,894</u>
Total assets	<u>\$ 11,420,899</u>	<u>\$ 18,569,426</u>
<u>LIABILITIES AND NET POSITION</u>		
Accounts payable	\$ 17,128	\$ -
Members' advance contributions	1,898,016	3,332,457
Claims liabilities	541,355	-
Claims incurred but not reported	8,000,000	9,000,000
Total liabilities	<u>10,456,499</u>	<u>12,332,457</u>
Unrestricted/total net position	<u>964,400</u>	<u>6,236,969</u>
Total liabilities and net position	<u>\$ 11,420,899</u>	<u>\$ 18,569,426</u>

The accompanying notes are an integral part of these financial statements.

WEST SUBURBAN HEALTH GROUP
 Statements of Revenues, Expenses, and Changes in Net Position
 For the Years Ended June 30, 2017 and June 30, 2016

	2017	2016
Operating revenues:		
Member contributions	\$ 114,854,572	\$ 116,163,604
COBRA contributions	124,333	191,968
	114,978,905	116,355,572
Operating expenses:		
Claims expense	100,490,689	96,718,688
Claims administration fees	2,342,523	2,108,767
Health plan premiums	13,710,090	13,159,570
Stop loss insurance premiums	1,949,667	1,890,363
Regulatory fees	287,053	562,712
Consulting and group administration services	629,623	658,257
Other administrative services	1,052,072	1,059,067
	120,461,717	116,157,424
Operating income/(loss)	(5,482,812)	198,148
Nonoperating revenues (expenses):		
Investment income	210,243	110,128
	(5,272,569)	308,276
Increase/(decrease) in net position		
Net position, beginning of year	6,236,969	5,928,693
Net position, end of year	\$ 964,400	\$ 6,236,969

The accompanying notes are an integral part of these financial statements.

WEST SUBURBAN HEALTH GROUP
 Statements of Cash Flows
 For the Years Ended June 30, 2017 and June 30, 2016

	2017	2016
Cash flows from operating activities:		
Cash received from members	\$ 113,456,964	\$ 119,705,087
Cash paid to insurance providers	(118,496,613)	(115,833,125)
Cash paid to other vendors	(1,951,620)	(2,280,036)
Net cash provided/(used) by operating activities	(6,991,269)	1,591,926
Cash flows from investing activities:		
(Increase)/Decrease in investments, net	1,586,373	3,995,390
Investment income	210,243	110,128
Net cash provided by investing activities	1,796,616	4,105,518
Net (decrease)/increase in cash and cash equivalents	(5,194,653)	5,697,444
Cash and cash equivalents, beginning of year	7,152,831	1,455,387
Cash and cash equivalents, end of year	\$ 1,958,178	\$ 7,152,831
Reconciliation of operating income to net cash provided by operating activities:		
Operating income/(loss)	\$ (5,482,812)	\$ 198,148
Changes in operating assets and liabilities:		
Accounts receivable	(469,175)	191,635
Deposits with insurance carriers	836,676	(586,172)
Accounts payable	17,128	-
Members' advance contributions	(1,434,441)	3,290,393
Claims incurred but not reported	(1,000,000)	-
Claims liabilities	541,355	(1,502,078)
Net cash provided/(used) by operating activities	\$ (6,991,269)	\$ 1,591,926

The accompanying notes are an integral part of these financial statements.

WEST SUBURBAN HEALTH GROUP

Notes to Financial Statements

June 30, 2017 and 2016

Note 1. Description of the Group

West Suburban Health Group (the Group) was organized in July 1990 under Chapter 32B, Section 12 of the Massachusetts General Laws to obtain health insurance for its member governmental units that have signed the Joint Negotiation and Purchase of Health Coverage governmental agreement. The Group is governed by the West Suburban Health Group Board (the Board), comprised of representatives from each of the member governmental units. The Board has elected a Steering Committee to oversee the business of the Group. As a governmental entity, the Group is not subject to the provisions of the Employee Retirement Income Security Act of 1974 nor is it subject to federal and state income taxes.

The Group offers health benefits to all eligible employees and retirees of its participating governmental units. At June 30, 2017, participants are the Towns of: Dedham, Dover, Holliston, Natick, Needham, Shrewsbury, Wayland, Wellesley, and Wrentham; the Dover-Sherborn School District; and the ACCEPT Educational Collaborative. As of June 30, 2016, participants were the Towns of Dedham, Dover, Holliston, Natick, Needham, Sherborn, Shrewsbury, Wayland, Wellesley, and Wrentham; the Dover-Sherborn School District and South Middlesex Regional Vocational Technical School; the ACCEPT Educational Collaborative. Effective June 30, 2016 South Middlesex Regional Vocational Technical School and the Town of Sherborn elected to withdraw from the Group. During the fiscal year ended June 30, 2017, there were no members that requested to withdraw from the Group.

Governmental units may apply for membership and be added to the Group, commencing on a date mutually agreed upon, provided that no less than two-thirds of Board members representing the participating governmental units vote to accept such additional participants.

Any participating government unit may withdraw participation at its discretion effective on June 30, midnight, i.e. "on-anniversary" of a given year. To withdraw on-anniversary a governmental unit must provide written notification to the Group of its intent to withdraw by December 31st of the previous year and written notification of the Appropriate Public Authority's vote to withdraw no later than February 15 of the year of intended withdrawal. A unit that withdraws on-anniversary is required to reimburse the Group for the first month of its run-out claims. A governmental unit may also withdraw "off anniversary" to be effective at midnight on December 31st. A governmental unit intending to withdraw off-anniversary must provide the Group with written notification of intent to withdraw by July 1st and written notification no later than September 30th of the Appropriate Public Authority's vote to withdraw. A governmental unit withdrawing off-anniversary is required to reimburse the Group for all of its run-out claims. A governmental unit that has withdrawn is not entitled to any surplus in the Trust Fund. In addition, any participating governmental unit which is 60 days in arrears for payments may be terminated at the discretion of the Board. In lieu of termination, the Board may take other appropriate action.

Contributions to the Group's trust fund from participating governmental units are on a monthly basis, based upon plan specific funding rates for coverage provided on individual and family enrollments for self-insured plans. The funding rates are determined by the Board based on recommendations from the health plans and its consultant and are determined to be 100% of the cost of coverage of the Group as a whole (including, but not limited to, anticipated incurred claims, retention risk, and Group administration expenses) as established through underwriting and/or actuarial estimates. Premiums for insured plans are set by the health plans.

WEST SUBURBAN HEALTH GROUP

Notes to Financial Statements

June 30, 2017 and 2016

Note 1. Description of the Group (continued)

In the case of a certified surplus, the Board determines whether the excess funds will remain in the trust fund for the purpose of reducing the participants' future contribution rates, remain in the trust fund as working capital, or be distributed to the participating governmental units through the joint negotiation and purchase agreement according to each participating governmental units proportionate share as described in the joint purchase agreement, Article 3, Section D. In the case of a certified deficit, the Board will determine to resolve the deficit through increasing participant's future contributions or whether additional revenue will be raised through direct assessment and paid by the participating governmental units in proportion share as outlined in Article 3, Section D of the joint purchase agreement.

The Group offers the following self-insured plans: Blue Cross Blue Shield of MA (BCBSMA) Network Blue New England Exclusive Provider Organization (EPO) plans, Fallon Health Select Care and Direct Care EPO plans, Harvard Pilgrim Health Care (HPHC) EPO plans and Preferred Provider Organization (PPO) plan, and Tufts Health Plan EPO plans. Each of the EPO plans is offered at two plan design levels, i.e. Rate Saver and Benchmark plan designs. The Group also offers two Medicare plans that are self-funded for medical claims and fully insured for pharmacy claims through Medicare Prescription Drug Plans (PDPs). These are BCBSMA Medex 2 with Blue Medicare Rx PDP and HPHC Medicare Enhance with Aetna PDP.

These plans are administered by the respective insurance companies for a monthly administration fee based on the number of individual and family plan subscribers for a particular month.

The Group offers the following health plans on a fully insured basis: BCBS MA Managed Blue for Seniors, Fallon Senior Plan, Tufts Medicare Preferred Supplement with PDP Plus, and Tufts Medicare Preferred HMO.

The Group employs the services of John R. Sharry, Incorporated, d/b/a Group Benefits Strategies (GBS), as central benefit administrator to provide certain management, consulting, enrollment, COBRA and technical functions and to audit medical claims paid. The current agreement with GBS is for a three-year term ending June 30, 2019, and provides for a monthly fee based upon the number of subscribers. The agreement may be terminated by either party, at any time with 60 days prior, written notice.

The Group employed the services of Prescription Benefits Services, Inc. (PBS) as benefit administrator to provide certain management, consulting, and technical functions for the Group's alternative prescription drug program. The agreement with PBS ended on September 30, 2016; however, services continued to be provided through September 30, 2017 by mutual agreement under the terms of the expired agreement. PBS was paid a monthly fee based upon the number of health plan subscribers. The arrangement with PBS was ended at midnight September 30, 2017, and the services were then performed by the program's product provider at no additional fees.

The Group appoints a Treasurer and an Assistant Treasurer who collect payments from member units, pay claims and vendor expenses, maintain the financial records of the Group, and oversee investments.

WEST SUBURBAN HEALTH GROUP

Notes to Financial Statements

June 30, 2017 and 2016

Note 2. Summary of Significant Accounting Policies

A. Basis of Presentation

The financial statements of the Group are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), using the economic resources measurement focus and the accrual basis of accounting, and reflect transactions by and on behalf of the Group. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP that are used by the Group are discussed below.

Member contributions include the monthly funding rates and premiums charged to each participating governmental unit and include costs for administrative services as well as insurance charges. Contributions are recorded as revenue during the period in which the Group is obligated to provide services to its members. The unearned portion of contributions for a coverage period is reported as advance collections. Operating revenues and expenses result from providing health insurance to its member governments. All other revenues and expenses are reported as non-operating.

B. Fair Value Measurement

The Group measures assets and liabilities at fair value according to the hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The hierarchy is based upon valuation inputs, which are assumptions that market participants would use when pricing an asset or a liability, including assumptions about risk. The following are levels considered.

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 inputs are directly observable for an asset or a liability (including quoted prices for similar assets or liabilities), as well as inputs that are indirectly observable for the asset or liability.
- Level 3 inputs are unobservable for the asset or liability.

C. Claims liabilities and claims incurred but not reported

The Group's obligations include estimated health claims incurred but not reported at June 30, 2017 and 2016. The Group uses the latest reported claims to record the Group's liability of reported claims and to estimate health claims incurred but not reported as of that date. The Group pays self-funded claims weekly for Tufts Health Plan, Harvard Pilgrim Health Care (HPHC) and Fallon, for actual claims to be paid and the central benefits administrator, Group Benefits Strategies, is sent supporting detail for the funding requests. The Group pays Blue Cross/Blue Shield (BCBS) a level- monthly payment each month to cover the expected cost of claims for that month. The amount has been mutually agreed upon to represent approximately one month of projected claims for the BCBS plans. There is a quarterly reconciliation and settle-up against

WEST SUBURBAN HEALTH GROUP

Notes to Financial Statements

June 30, 2017 and 2016

Note 2. Summary of Significant Accounting Policies (continued)

actual claims payments made by BCBS on behalf of the Group. Actual claims reported differ from claims estimated, but the Group's size and stop-loss coverage minimize the risk of a significant difference. The claims liability represents the difference between the estimated monthly level amount paid and the amount owed. All claims liabilities are reviewed periodically using claims data adjusted for the Group's current experience. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

D. Reinsurance

On July 1, 2014 the Group, along with two other Mass. Municipal Joint Purchase Groups, entered into a new reinsurance pooling arrangement, the Massachusetts Municipal Reinsurance Arrangement Series of Sentinel Indemnity, LLC (MMRA). This is the first Massachusetts municipal reinsurance pooling arrangement. The policy year is July 1st through June 30th. All participants share the same rates for coverage of claims exceeding \$300,000. There is no Aggregating Specific Deductible. If claims experience is below projections, participants are dividend eligible on a collective and proportional basis. Participating governmental entities have agreed to participate for a minimum of three years. During the year ending on June 30, 2017, the Group maintained a deposit of \$528,210 and paid \$1,949,667 for premiums, operating expenses, and reserves. For the year ended June 30, 2016, the Group maintained a deposit of \$1,282,659, and paid \$1,889,001 for reinsurance premiums, operating expenses, and reserves.

The policy period covers claims incurred on a fiscal basis within 12 months and paid within 24 months.

The Group does not include reinsured risks as liabilities unless it is probable that those risks will not be covered by the re-insurer. Amounts recoverable through re-insurers on paid claims are classified as receivable and as a reduction of claims expense.

E. Cash, Cash Equivalents and Investments

The Group considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Investments are defined as securities or other assets that (a) a government holds primarily for the purpose of income or profit and (b) has a present service capacity based solely on its ability to generate cash or be sold to generate cash. Generally, investments are reported according to the fair value hierarchy established by generally accepted accounting principles. Certain investments, such as money market investments and 2a7-like external investment pools, are reported at amortized cost, as determined by the reporting investment company. 2a7-like pools are external investment pools that operate in conformity with the Securities and Exchange Commission's (SEC) rule 2a7 as promulgated under the Investment Company Act of 1940, as amended and should be measured at the net asset value per share provided by the pool.

WEST SUBURBAN HEALTH GROUP

Notes to Financial Statements

June 30, 2017 and 2016

Note 2. Summary of Significant Accounting Policies (continued)

F. Transitional Reinsurance Program fee

In the years ending June 30, 2017 and 2016 the Group was required to pay \$287,053 and \$562,712, respectively, for Transitional Reinsurance Program (TRP) fees. The TRP fees are associated with the Affordable Care Act. The TRP fees are classified as regulatory fees within the financial statements.

G. Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results will differ from those estimates.

Note 3. Cash, Cash equivalents and Investments

The Group maintains deposits in authorized financial institutions. Authorized deposits include demand deposits, term deposits, and certificates of deposit in trust companies, national banks, savings banks, and certain other financial institutions. Deposits may not exceed certain levels without collateralization of the excess by the financial institution involved. The Group may also invest in securities issued by or unconditionally guaranteed by the U.S. Government or an agency thereof, and having a maturity from date of purchase of one year or less. The Group may also invest in repurchase agreements guaranteed by such government securities with maturity dates of not more than ninety days from date of purchase. The Group may invest in units of the Massachusetts Municipal Depository Trust (MMDT), an external investment pool managed by the Treasurer of the Commonwealth of Massachusetts. Cash deposits are reported at carrying amount, which reasonably approximates fair value.

In the case of deposits, custodial credit risk is the risk that in the event of a bank failure, the Group's deposits may not be returned. The Group does not have a formal deposit policy for custodial credit risk. At June 30, 2017 and 2016, deposits totaled \$1,976,991 and \$7,170,318, respectively. The carrying amounts of these deposits at June 30, 2017 and 2016, were \$1,958,178 and \$7,152,831, respectively. The difference between deposit amounts and carrying amounts represents outstanding checks and deposits in transit. Of the deposit amounts \$1,669,219 and \$6,873,982 was exposed to custodial credit risk at June 30, 2017 and 2016, respectively. The financial statements for the year ended June 30, 2016 classified MMDT as investments. For the year ended June 30, 2017, the MMDT account is classified as cash equivalents. The June 30, 2016 figures have been reclassified for comparative purposes.

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Deposit accounts	\$ 1,862,125	\$ 6,058,102
MMDT - cash portfolio	96,053	1,094,729
Total cash and cash equivalents	<u>\$ 1,958,178</u>	<u>\$ 7,152,831</u>

WEST SUBURBAN HEALTH GROUP

Notes to Financial Statements

June 30, 2017 and 2016

Note 3. Cash, Cash equivalents and Investments (continued)

The Group invests some of its funds in MMDT, an external investment pool for political subdivisions of the Commonwealth of Massachusetts designed as a legal means to invest temporarily available cash. The state treasurer serves as trustee of MMDT and has sole authority pertaining to rules, regulations, and operations of the Trust. Investment options offered by MMDT are (1) a cash portfolio, which offers participation in a diversified portfolio of high-quality money market instruments that seek the highest possible level of current income consistent with preservation of capital and liquidity and (2) a short-term bond portfolio, which offers participation in a diversified portfolio of investment-grade, short-term, fixed-income securities that seeks to generate performance exceeding the Barclays 1-5 Year Government/Credit Bond Index, presenting a fixed-income alternative with a longer time horizon than the cash portfolio. A participant's holdings in the Trust are not subject to creditors of the Commonwealth, nor will the Trust itself be affected by the financial difficulties of any participant. Amounts held at MMDT are uninsured and uncollateralized.

The Group's investment balance at MMDT as of June 30, 2017 and 2016 was solely in the cash portfolio. The cash portfolio is not registered with the Securities and Exchange Commission (SEC) as an investment company, but maintains a policy to operate in a manner as a qualifying external investment pool as defined by the Governmental Accounting Standards Board. Additionally, the cash portfolio adheres to GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, which amended Statement No. 31 and established accounting and financial reporting statements for state and local governments that participate in a qualifying external investment pool that measures all of its investments for financial reporting purposes at amortized cost. A copy of MMDT's financial statements can be obtained by contacting the Office of the Treasurer and Receiver General of Massachusetts directly at One Ashburton Place #1207, Boston, Massachusetts 02108.

Investment Type	Fair Value Measurement	Value	Maturity			
			12 months or less	13-24 months	25-60 months	Thereafter
As of June 30, 2017						
Government securities	Level 1	\$ 51,000	\$ 51,000	\$ -	\$ -	\$ -
Asset backed securities	Level 1	2,652,502	1,851	78,532	44,032	2,528,087
Money market funds	Amortized cost	273,140	273,140	-	-	-
Negotiable Certificates of Deposit	Level 1	100,792	100,792	-	-	-
Corporate notes	Level 1	3,181,560	1,853,435	320,128	744,391	263,606
		<u>\$ 6,258,994</u>	<u>\$ 2,280,218</u>	<u>\$ 398,660</u>	<u>\$ 788,423</u>	<u>\$ 2,791,693</u>
(Reclassified)						
As of June 30, 2016						
Government securities	Level 1	\$ 114,135	\$ 43,501	\$ -	\$ 70,634	\$ -
Asset backed securities	Level 1	2,837,198	26,058	11,012	145,301	2,654,827
Money market funds	Amortized cost	2,369,828	2,369,828	-	-	-
Negotiable Certificates of Deposit	Level 1	182,847	82,030	100,817	-	-
Corporate notes	Level 1	2,341,359	182,709	148,780	1,533,987	475,883
		<u>\$ 7,845,367</u>	<u>\$ 2,704,126</u>	<u>\$ 260,609</u>	<u>\$ 1,749,922</u>	<u>\$ 3,130,710</u>

WEST SUBURBAN HEALTH GROUP

Notes to Financial Statements

June 30, 2017 and 2016

<u>Investment Type</u>	<u>S&P Rating as of Year End</u>						
	<u>Value</u>	<u>Exempt from Disclosure</u>	<u>AAA</u>	<u>AA to A</u>	<u>BBB</u>	<u>BB to B</u>	<u>Not Rated</u>
As of June 30, 2017							
Government securities	\$ 51,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,000
Asset backed securities	2,652,502	-	-	-	-	-	2,652,502
Money market funds	273,140						273,140
Negotiable Certificates of Deposit	100,792	-	-	-	-	-	100,792
Corporate notes	3,181,560	-	10,050	460,930	2,692,000	-	18,580
	<u>\$ 6,258,994</u>	<u>\$ -</u>	<u>\$ 10,050</u>	<u>\$ 460,930</u>	<u>\$ 2,692,000</u>	<u>\$ -</u>	<u>\$ 3,096,014</u>
(Reclassified)							
As of June 30, 2016							
Government securities	\$ 114,135	\$ -	\$ -	\$ 70,634	\$ -	\$ -	\$ 43,501
Asset backed securities	2,837,196	-	-	-	-	-	2,837,196
Money market funds	2,369,828	-	-	-	-	-	2,369,828
Negotiable Certificates of Deposit	182,849	-	-	-	-	-	182,849
Corporate notes	2,341,359	-	-	99,155	1,349,834	870,750	21,620
	<u>\$ 7,845,367</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 169,789</u>	<u>\$ 1,349,834</u>	<u>\$ 870,750</u>	<u>\$ 5,454,994</u>

Custodial credit risk for investments is the risk that, in the event of the failure of the counter party to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Group does not have an investment policy covering custodial credit risk. Two of the Groups accounts are insured by Securities Investor Protection Corporation (SIPC) up to \$500,000 and are otherwise uninsured and uncollateralized.

Interest rate risk is the risk that changes in market interest rates that will adversely affect the fair market value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair market value to changes in market interest rates. The Group has an investment policy, included as part of its joint purchase agreement, which provides for the investment of funds in securities with a weighted average maturity not to exceed 2.5 years. The approximate maturities of the Group's investments are disclosed in the table on page 9.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. Obligations of the U.S. Government and certain of its agencies are not considered to have credit risk and therefore no rating is disclosed in the above table. Equity securities and equity mutual funds are not rated as to credit risk. The Group does not have an investment policy which would limit its investment choices. The above table discloses the approximate amount of investments in each rating classification using Standard & Poor's rating classifications. In the years ending June 30, 2017 and 2016, the Group had an unrealized loss of \$99,000 and \$106,500, respectively, due to a municipal security defaulting.

WEST SUBURBAN HEALTH GROUP

Notes to Financial Statements

June 30, 2017 and 2016

Note 3. Cash, Cash equivalents and Investments (continued)

Concentration of credit risk – The Group does not have an investment policy which limits the amount that can be invested in any one issuer or security. There are no issuers which represent more than 5% of the total investments.

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Group does not maintain any policies that address this risk.

Note 4. Claims Receivable – Town of Sherborn

The Town of Sherborn requested to withdraw from the Group in February 2016. According to the joint purchase agreement, a governmental unit's written request after December 31 results in the governmental unit reimbursing the Group for the full amount of the first month of run-out claims for covered services rendered to the governmental unit's employees, retirees, and other eligible individuals. The Group agreed to a one-time payment of \$87,500 for these claims and services. This amount is classified as claims receivable – Town of Sherborn within the financial statements.

Note 5. Plan Deposits

The Group has established deposits with certain health plans and program administrators which draw upon these accounts to pay claims. Fallon, Tufts, and Harvard Pilgrim notify the Group of the funding required on a weekly basis, and the Group transfers that funding into the appropriate account. These deposits and other claim advance amounts at June 30, 2017 and 2016, are as follows:

<u>Administrator</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Fallon Health & Life	\$ 13,439	\$ 27,157
Abacus Diabetes program	33,897	37,156
Harvard Pilgrim	429,172	433,619
Prescription Benefit Services	5,692	38,108
MMRA	528,210	1,282,659
Tufts	568,808	597,195
Total deposits	<u>\$ 1,579,218</u>	<u>\$ 2,415,894</u>

WEST SUBURBAN HEALTH GROUP

Notes to Financial Statements

June 30, 2017 and 2016

Note 6. Health Claims Incurred but not Reported

The Group establishes a liability for both reported and unreported insured events, which include estimates of both future payments of losses and related adjustment expenses, if any. The following table represents changes in claims' liabilities for the years ended June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Total claims incurred but not reported—beginning of year	\$ 9,000,000	\$ 9,000,000
Incurred claims and claims' adjustment expense:		
Provision for insured events of the current fiscal year	101,300,302	95,387,172
Increase (decrease) in provision for insured events of prior fiscal years	<u>(809,613)</u>	<u>1,331,516</u>
	100,490,689	96,718,688
Payments:		
Claims and claims' adjustment expenses attributable to insured events of the current fiscal year	(93,300,302)	(86,387,172)
Claims and claims' adjustment expenses attributable to insured events of prior fiscal years	<u>(8,190,387)</u>	<u>(10,331,516)</u>
	<u>(101,490,689)</u>	<u>(96,718,688)</u>
Total claims incurred but not reported	<u>\$ 8,000,000</u>	<u>\$ 9,000,000</u>

Note 7. Subsequent Events

The Group has evaluated subsequent events through February 8, 2018, which is the date the financial statements were available to be issued.

Note 8. GASB Pronouncements Recently Issued

There are currently no recently released GASB pronouncements, current or future, as of the date of these financial statements which the Group believes will be applicable to its financial statements.

WEST SUBURBAN HEALTH GROUP
Required Supplementary Information
Ten-Year Claims Development Information

The table on the next page illustrates how the Group's earned revenues and investment income compare to related costs of loss and other expenses assumed by the Group as of the end of each of the last ten years. The rows in the table are defined as follows: (1) This line shows the total of each fiscal year's earned contribution revenues and investment revenues. (2) This line shows each fiscal year's HMO fixed premiums paid and other operating costs of the Group including overhead and claims expense not allocated to individual claims. (3) This line shows the Group's incurred self-insured claims and allocated claims adjustment expense (both paid and accrued) as originally reported at the end of the first year in which the event triggered coverage under the contract occurred (called *policy year*). (4) This section of rows shows the cumulative amounts paid as of the end of successive years for each policy year. (5) This section of rows shows how each policy year's incurred claims increased or decreased as of the end of successive years. This annual re-estimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known. (6) This line compares the latest re-estimated incurred claims amount to the originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years. The columns of the table show data for successive policy years.

See Independent Auditor's Report

WEST SUBURBAN HEALTH GROUP
REQUIRED SUPPLEMENTARY INFORMATION
Ten-Year Claims Development Information

	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>	<u>6/30/2013</u>	<u>6/30/2012</u>	<u>6/30/2011</u>	<u>6/30/2010</u>	<u>6/30/2009</u>	<u>6/30/2008</u>
1. Earned member assessments, other and investment revenues	115,189,148	116,465,700	134,887,284	128,259,732	123,696,056	127,831,044	126,786,485	121,573,836	114,994,091	110,744,575
2. HMO fixed premiums paid and other operating expenses	19,982,042	19,438,736	22,261,229	17,450,031	14,453,651	13,531,905	13,755,106	12,590,164	11,521,971	10,558,928
3. Estimated incurred, self-insured claims and expense, end of fiscal year	101,300,302	95,387,172	115,708,989	119,040,184	113,398,568	113,515,498	112,640,161	108,039,538	99,860,561	95,819,229
4. Paid (cumulative) as of:										
End of fiscal year	93,300,302	86,387,172	106,708,989	110,063,483	105,424,762	104,563,881	104,212,684	97,907,967	89,602,981	85,176,530
One year later		94,421,715	116,154,533	119,709,640	113,634,646	112,720,084	111,621,430	106,474,559	98,290,428	95,733,731
Two years later			116,144,890	120,582,729	113,567,129	112,707,795	111,682,108	106,451,253	98,277,910	95,796,458
Three years later				120,745,055	113,600,958	112,664,812	111,687,403	106,432,807	98,263,634	95,770,988
Four years later					113,601,486	112,655,638	111,675,450	106,438,316	98,263,630	95,768,763
Five years later						112,655,638	111,674,831	106,438,018	98,264,162	95,763,671
Six years later							111,675,024	106,426,864	98,264,162	95,763,671
Seven years later								106,426,890	98,264,162	95,763,671
Eight years later									98,264,162	95,763,671
Nine years later										95,766,086
5. Re-estimated incurred, self-insured claims and expense:										
End of fiscal year	101,300,302	95,387,172	115,708,989	119,040,184	113,398,568	113,515,498	112,640,161	108,039,538	99,860,561	95,819,229
One year later		94,421,715	116,154,533	119,709,640	113,634,646	112,720,084	111,621,430	106,474,559	98,290,428	95,733,731
Two years later			116,144,890	120,582,729	113,567,129	112,707,795	111,682,108	106,451,253	98,277,910	95,796,458
Three years later				120,745,055	113,600,958	112,664,812	111,687,403	106,432,807	98,263,634	95,770,988
Four years later					113,601,486	112,655,638	111,675,450	106,438,316	98,263,630	95,768,763
Five years later						112,655,638	111,674,831	106,438,018	98,264,162	95,763,671
Six years later							111,675,024	106,426,864	98,264,162	95,763,671
Seven years later								106,426,890	98,264,162	95,763,671
Eight years later									98,264,162	95,763,671
Nine years later										95,766,086
6. (Increase) decrease in estimated, incurred, self-insured claims and expense from the end of the original policy year.		965,457	(435,901)	(1,704,871)	(202,918)	859,860	965,137	1,612,648	1,596,399	53,143

See Independent Auditor's Report

Selectmen's Office Work Plan - FY18 - February, 2018

Project	Issue or Current Status	Next Steps	Resources Required	BOS Liaison	Staff Assigned	Completion Date
<u>MAJOR PROJECTS</u>						
HHU - School Bldg Comm.	MSBA Approved 1 School for eligibility	MSBA 270-day Elig. Process, spring STM	STM appr. Of Feas/Schematic \$\$	Jack	SC & BOS	Dec. 2018
	Decide on process for Hunnewell School	Spring STM for feasibility funding	STM appr. Of Feasibility \$\$	Jack		STM2 - 2018
	Purchase 818-826 Worcester Street	STM within ATM for Funding	STM appr. For purchase	Jack	Meghan, Blythe	STM1- 2018
Unified Plan	Finalizing the plan	Deliver Report at ATM 3/26/18		Marjorie/Ellen	Meghan, Michael	ATM - 2018
North 40 Plan	Phase II Landfill Report Complete	Form working group - charette this spring	\$\$ for closure-based on plan	Marjorie	Blythe, DPW	Dec. 2018
Town Hall Envelope Repair	Bids advertised Feb. 21st	Bid opening March 16th	Request Const funding at ATM	Marjorie	Joe	March, 2018
Town Hall Interior Visioning	Finalizing the contract with MKA Arch.	Project Kickoff March 7th	Budget approved	Marjorie	Blythe, Joe	
40B Housing Projects	Delanson-ZBA, 135 & 148 Eligibility Appr.	Ass't ZBA with comprehensive permits	\$\$ Added to FY19 Legal budget	Ellen/Jack	Meghan, Michael	
Housing Production Plan	Project Kickoff - January 22nd	conduct meetings, etc.		Ellen/Jack	Meghan, Michael	
<u>OTHER PROJECTS -</u>						
900 Worcester	Foundation permit issued	Awaiting submission of bldg permit	MassDOT - traffic light	Tom	Meghan, Blythe	Fall, 2018
Route 9/Kingsbury Upgrade	Intersection operational, guard rail issues	Meet w/abutters & MassDOT-guard rails		Ellen	Meghan	Aug. 2017
Wellesley Media	Expand Locations for filming public mtgs	Work started on Warren, then Kingsbury	Wellesley Media funding upgrades	Tom		Aug. 2017
Granite Street	Accept as a public way/upgrade street	On ATM warrant for action	\$195K for Town Share		Meghan/DPW	
Capital Policy	Develop system to prioritize projects	UP Steering Mtg 2/27 to review rating criteria			Blythe, Sheryl	
DPW Work for Others	Program not transparent, value??	Mtg held on 8/16/17, review in spring	N/A	Tom	Blythe, DPW	
Inter-Board Meetings	Ellen, Jack, Blythe, Meghan to discuss	Schedule meeting for spring				
Tailby/Railroad Commuter Lot	Issue RFP to redevelop lots	BOS to review RFP 2/20/18			Michael/Meghan	
<u>BYLAW UPDATES:</u>						
Alcohol in Town Buildings	Article 34 on ATM Warrant	BOS to review regulations 2/20/18	Info from Town Boards, T. Counsel	Jack/Beth		ATM-2018
Animal Control	Article 33 on ATM Warrant	Approval at ATM	Town Counsel assistance		Blythe, Meghan	ATM- 2018
Recreational Marijuana Bylaw	Article 28 on ATM Warrant	Approval at ATM		Jack	Meghan, Michael	ATM- 2018
<u>POLICIES/REGULATIONS:</u>						
BYOB Regulatons	Recommend a policy				Meghan	
Financial Policies/Proced.	Develop some policies, update existing	Review & then meet with Advisory			Sheryl, Blythe	
Health Insurance Policy	Town needs policy on ins. Eligibility	Draft policy for BOS & SC review			Blythe, Scott	
PILOT Agreements	Develop policy for tax exempt properties	Discuss priorities with the Board		Beth	Blythe	
Plowing of Private Ways	Town doesn't follow state law, dev. policy	Discuss DPW Prop. Sts to eliminate-spring		Beth	Blythe, M. Pakstis	June, 2018
<u>STAFF MANAGED PROJECTS</u>						
Bldg Dept. Staffing	Monitor & coach re - admin. Staff				Blythe, Mike	
Community Compact	RFP - Digitizing public records drafted	Still searching for a consultant for project	\$15,000 in State funding		Blythe	
Electronic Permitting	Committee selected Viewpoint Cloud	ATM funding, Execute Contract	Transfer \$\$ at ATM-Revlvng funds		Blythe, Brian	
Health Ins. Plan Changes	Develop Plan Alternatives & Strategy	Next session January 22, 2018	Special Labor Counsel retained		Marc, Scott, Blythe	Sept. 2017
Land Availability Inventory						

Project	Issue or Current Status	Next Steps	Resources Required	BOS Liaison	Staff Assigned	Completion Date
<u>OTHER:</u>						
PSI Follow Up Studies						

FUTURE PROJECTS/PROJECTS WITH OTHERS

War Memorial/Great Hall	Discuss with Town Hall Interior Vision					
Revenue Gener. Opportunities	Table for now					
Community Dev. Department	Table for now					
Mass Bay	Table for now					
HR Manual/Handbook	Rough draft in process by HR Board				Scott	

COMPLETED PROJECTS

Hawkers & Peddlers	Revised version approved by BOS	Counsel has revised, BOS 2nd review			Blythe, Jack P.	6/5/2017
PBC/FMD Reorganization	MOU executed by BOS & PBC	Hiring for new positions underway	Funding in FMD budget	Marjorie	Blythe, Joe	6/26/2017
Veteran's District Reorg.	State Appr District Reord, Asst Dir Laidoff	Adjust work flow to remaining positions	N/A		Blythe, Sarada	6/30/2017
Website Redesign	Website went live on August 7th	Make ongoing refinements	Completed!		Brian	8/7/2017
FMD 5 Year Review	Review progress, next five years	Presented at 8/22/17 Meeting	Name change - Fac. Mgmt Dept		Joe	8/22/2017
Aqueduct Leases	All five leases executed	Completed on schedule			Terry	August, 2017
Budget Process Design	Budget Manual complete for FY19	Distributed, monitor input for future manual	N/A		Blythe, Sheryl	Sept. 2018
Union Negotiations	Police Patrol & Supervisory contracts	Approved by BOS at 12/18/17 Meeting	Town Meeting Appropriation		Scott, Meghan	ATM 2018
Appointments Policy	Policy to guide how BOS appts are made	Approved at 9/11/17 Meeting	Completed	Ellen/Jack	Blythe	9/11/2017
Modifications to Alcohol Regs	Eliminated 10 bar seat max	Completed 9/11/17	Completed			9/11/2017
Gifts Policy Updated						
Debt Policy	Sets a range of debt to revenues for the Town		Completed		Blythe, Sheryl	2/12/2018
Communications Plan	Project Completed	Plan Received January, 2018	Hire a Comm. Mgr in BOS Office		Blythe, Brian	1/31/2018
BOS Handbook/Manual	BOS Approved manual - January, 2018			Marjorie		1/16/2018

FUTURE ANTICIPATED PROJECTS FY19

Demo Delay Bylaw	Review bylaw for possible changes					
Transportation Adv. Group	Form working group to outline a charge			Ellen, Deb	Meghan	
Budget Process	Review existing bylaw & update	Consider for 2019 ATM			Blythe, Sheryl	
SEC - Re-evaluate	Re-evaluate structure, charge	Consider for 2019 ATM		Tom		
Boston Marathon Policy	Revise for bibs, exp. Of funds					
Town Strategic Plan						

TOWN OF WELLESLEY



MASSACHUSETTS

BOARD OF SELECTMEN

TOWN HALL • 525 WASHINGTON STREET • WELLESLEY, MA 02482-5992

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BLYTHE C. ROBINSON
EXECUTIVE DIRECTOR OF GENERAL GOVERNMENT

MEMORANDUM

DATE: February 15, 2018

TO: Representative Alice Peisch
Senator Richard Ross
Senator Cynthia Creem

FROM: Blythe C. Robinson, Executive Director

SUBJECT: FY19 State Budget Grant Requests

On behalf of the Town and Board of Selectmen, thank you very much for the opportunity to submit two projects for your consideration to include in the FY19 State budget. We received a number of suggestions from our staff and after careful consideration believe that these two requests are the most important. I look forward to any questions that you may have or any additional information that would be useful to you. We very much appreciate your advocacy on our part to fund opportunities that benefit the residents of Wellesley and our area.

- **Feasibility Study to Address a MetroWest LandLine Project Trail Gap - \$30,000**

As part of the *MetroWest LandLine* project initiated by MAPC and the MetroWest Regional Collaborative, closing the Crosstown/Cochituate Aqueduct Trail gap at Route 9/Worcester Street in Wellesley was identified as one of the priority gaps to resolve in MetroWest. Improving pedestrian crossings of Route 9 has also been identified as a priority of both the Town's *Route 9 Enhancement Study and Plan* and the *Unified Plan*, and an improved connection at this location would potentially benefit resident access from the northern side of Route 9 to the recreational facility being constructed this year at 900 Worcester Street. In a meeting earlier this year with MAPC staff we identified that an important next step would be to study the feasibility of an improved crossing at this location, whether above-grade, at-grade, or below-grade. We estimate that such an initial study would cost approximately

\$30,000. A copy of MAPC's flyer about the LandLine project and a map showing the gaps in the system are included for your reference.

The Town's soon to be released *Unified Plan* identifies active recreation opportunities as something residents feel strongly about. We consistently work to find ways to meet this goal with Town dollars and in other ways if possible. For example, the recreation facility to be built at 900 Worcester Street is a public private partnership in which the Town is leasing a parcel to a developer who will build a complex housing 2 indoor ice rinks, a pool and field that they will operate. It will enhance recreation for Wellesley and area teams at no cost to the Town. Likewise, a grant to assist us in determining how to make this important connection to this trail network is another way that we can continue to improve recreation and transportation to our community.

It is also important to note that closing the trail gap at this location will have benefits on our abutting communities, namely the Town of Natick. When the Cochituate Aqueduct Trail exits Wellesley it enters Natick to the west, and in a relatively short distance (approximately 1 mile from Route 9) crosses Oak Street where there is a concentration of office and light industrial uses. Eliminating the gap at Route 9 will remove the largest impediment to a largely direct 2.5-mile route from these businesses to the Wellesley Square Commuter Rail Station. Access to this alternative public transportation option is seen as a benefit acknowledged by the Town of Natick's Director of Community and Economic Development and served to support inclusion of the gap as a priority in the LandLine project.

- **Active Shooter Fire/EMS Personal Protective Gear and Medical Supplies - \$23,930**

Tragically, yet again on February 14th there was a shooting at the High School in Parkland, Florida that resulted in the deaths of 17 people. While police and SWAT teams are usually the first responders on the scene, simultaneously or following right behind are fire and EMS or Paramedic staff to assist the injured, very often without the protection of vests, helmets and appropriate medical supplies if the scene is still active.

This grant request intends to prepare for this threat with the purchase of personal protective tactical gear for all 17 personnel assigned to a shift in Wellesley in order to keep our personnel safe while trying to save others in such a mass casualty event. This will enable our staff to more safely provide immediate care while law enforcement secures the threat to all present. Wellesley has four shifts of personnel, each with 17 people, however the equipment does not need to be assigned individually, so one set for a shift will be utilized by whichever shift is on duty. The specifics of the request are:

17 sets of gear (13- shift staff, 4-day staff) \$ 19,550

Ballistic Vest for Fire/EMS with rifle plate \$800

Kevlar helmets \$250

Ballistic Goggles \$100

Tactical Medical Supplies for Active Shooter Response Kit - (6 kits) \$4,380

\$ 730 per kit (4 kits for each primary apparatus / 2 command units). An Active Shooter Response Kit provides individuals responding to active shooter situations with the equipment necessary to render aid and initiate evacuation of multiple casualties.

Unfortunately, as more of these events take place, we have to be more proactive to be prepared and perform the job of saving as many people as we can. In such a situation, it's no longer acceptable to wait down the street until the scene is totally secure, if we can enter the threatened area under protection from law enforcement and try to save as many as possible. To deliver this new evolving mission under possible threat, we need to protect those first responder that are trying to provide the initial medical care to the injured, this starts with the right gear and coordinated training with law enforcement. Sadly we can't assume a similar event wouldn't happen at a school in Massachusetts.

To this end, there are state-wide efforts underway. The Executive Office of Public Safety is working with FCAM/ PFFM and the various law enforcement groups to agree upon best and common practices and training. Many law enforcement associations are working with various fire/EMS, and we will work together to develop more training to establish coordination when these situations occur.



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Executive Office of Public Safety and Security
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www.mass.gov/eops

CHARLES D. BAKER
Governor

KARYN E. POLITO
Lt. Governor

DANIEL BENNETT
Secretary

February 13, 2018

Dear Municipal Chief Executive:

This letter is to provide you with advance notice of new requirements for funding under the State 911 Department's Support and Incentive Grants. This funding is important because it supports either your own 911 call center or a regional emergency communications center of which you are member. Compliance with these requirements is expected for Fiscal Year 2019 and will be required for Fiscal Year 2020.

Last year the State 911 Department completed the statewide deployment of a Next Generation 9-1-1 (NG9-1-1) system. The new system:

- Substantially improves handling of 9-1-1 calls made from cell phones.
- Supports texts and, eventually, multi-media communication.
- Enables quicker verification of call location, reducing response time.

The NG9-1-1 system relies on property parcel-based mapping of call center response areas combined with structure-level mapping of individual address locations to route calls to the correct responding agency. It also dramatically improves the map information available to dispatchers, enabling them to more effectively support emergency responders and citizens.

As part of the NG9-1-1 deployment by the State 911 Department, over the past seven years, the MassGIS office in the Executive Office of Technology and Security Services has spent over \$4,000,000 on mapping used by NG9-1-1. This funding was for standardizing municipal parcel mapping while also ensuring it still met municipal needs for tax assessment purposes. The parcel mapping was essential for mapping call center response areas and for mapping address locations. Tracking by MassGIS shows that all communities in the Commonwealth are able to provide updated standardized parcel mapping.

Keeping the response areas and the address point locations up-to-date is essential to the NG9-1-1 System's successful operation. The importance of up-to-date mapping for the NG9-1-1 System cannot be understated. Our 9-1-1 call takers and first responders depend on this system and its advanced mapping tools to respond to and deliver emergency services to all our Commonwealth's residents and visitors. Since the deployment of the NG9-1-1 system we have heard from numerous communities as to the quality and effectiveness of this mapping service and its positive impact to delivering 9-1-1 services.

MassGIS' ability to complete these updates relies on updated information from municipalities. Failure to update this address and parcel data by communities compromises public safety.

Accordingly, to help ensure that this most important goal is met, the State 911 Department will recommend to the State 911 Commission at an upcoming meeting to adopt grant guidelines that will require all municipalities that benefit from 9-1-1 services and/or receive grant funding from the State 911 Department program to comply with these data reporting requirements. The State 911 Department also will recommend that failure to comply with this requirement will result in a community being prohibited from receiving 9-1-1 grant funds beginning in Fiscal Year 2020.

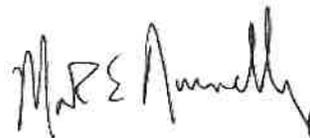
The reporting requirements are as follows:

1. Municipalities must have provided MassGIS with updated standardized parcel mapping in the calendar year prior to the application, or, if they did not update their parcel mapping in the prior calendar year, communities must have provided a standardized extract from their assessor's database current as of January 1 of the calendar year of the grant application.
2. Municipalities must have provided MassGIS with timely notification of all new or changed addresses from the municipality or notice that there have been no new or changed addresses. It is in a community's best interest if MassGIS receives these updates whenever they are published. At a minimum, MassGIS must be notified twice a year by the addressing authority of all new or changed addresses, or if there are no address changes in a community, MassGIS must be so notified. Options available for providing MassGIS with address updates include written notification, email, filling out a web form and using a phone/tablet application. Further information on these options is available at <http://tinyurl.com/ybc4ldxq>.

Thank you,



Daniel Bennett, Secretary
Executive Office of Public Safety and Security



Mark E. Nunnally, Secretary
Executive Office of Technology Services and Security

cc: Frank Pozniak, Executive Director, State 911 Department