

TOWN OF WELLESLEY



MASSACHUSETTS

BOARD OF SELECTMEN

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

MARJORIE R. FREIMAN, CHAIR
ELLEN F. GIBBS, VICE CHAIR
DAVID L. MURPHY, SECRETARY
BARBARA D. SEARLE
JACK MORGAN

FACSIMILE: (781) 239-1043
TELEPHONE: (781) 431-1019 x2201
WWW.WELLESLEYMA.GOV

BLYTHE ROBINSON
EXECUTIVE DIRECTOR OF GENERAL GOVERNMENT

SELECTMEN'S MEETING

TENTATIVE AGENDA

Juliani Room, Town Hall

6:30 P.M. Monday, February 27, 2017

1. 6:30 Call to Order
2. 6:31 Executive Session to discuss lease negotiations with respect to 900 Worcester Street
3. 7:00 Executive Director's Update
 - Minutes
 - School Crossing Guard Appointment
 - Use of Town Land for Movie Shoot
4. 7:10 Public Forum – Intersection Improvements to Brook/Benvenue
5. 8:15 900 Worcester Street
 - Lease Agreement
 - Proposed Zoning Overlay District
 - Bond Proceeds
 - Special Town Meeting
6. 9:00 FY18 Budget Update
7. 9:10 Review Draft Polices: Executive Session Minutes and Gifts
8. 9:20 Annual Town Meeting Preparation
 - Review Draft Town-wide Financial Plan
9. 9:30 Old/New Business

Next Meeting Dates: Monday, March 6th
Tuesday, March 7th – Town Election
Tuesday, March 14th
Monday, March 20th

2/23/2017

Black regular agenda items

Board of Selectmen Calendar – FY17

Date	Selectmen Meeting Items	Other Meeting Items
3/6 Monday	Meeting ATM Preparation *Review TWFP *Historical Commission – Discuss Demo Delay bylaw? * Town Clerk Salary - Article 6 FY18 Budget Update Naming of TPC Hearing *Dick Thuma – Progress on TP Building Change in Manager - Roche Bros. Wellesley Media Corp – Filming Locations Discuss Dissolution of Wellesley Media Corp 892 Washington Street	
3/7 Tuesday	Town Election	
3/9 Thursday		HHU- Vote on location
3/13 Monday	No Meeting – Wellesley Club Town Affairs	
3/14 Tuesday	Meeting	
3/15 Wednesday		Unified Plan Steering Committee Meeting
3/16 Thursday		HHU- Final Meeting
3/20 Monday	Meeting Energy Update – Allan Hebert	
3/27 Monday	ANNUAL TOWN MEETING BEGINS	
3/28 Tuesday	Annual Town Meeting	
4/3 Monday	Annual Town Meeting	
4/4 Tuesday	Annual Town Meeting	
4/12 Wednesday	Annual Town Meeting	
4/17 Monday	Town Hall Closed – Patriots Day	
4/24 Monday	Annual Town Meeting Cochituate Aqueduct Leases?	
4/25 Tuesday	Annual Town Meeting	

2/23/2017

Black regular agenda items

<i>Date</i>	<i>Selectmen Meeting Items</i>	<i>Other Meeting Items</i>
<i>5/1 Monday</i>	<i>Possibly ATM Cochituate Aqueduct Leases?</i>	
<i>5/2 Tuesday</i>	<i>Possibly ATM</i>	

Notes

Quarterly updates

- *Traffic Committee (Deputy Chief Pilecki)*
- *Facilities Maintenance (Joe McDonough)*

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BLYTHE C. ROBINSON
EXECUTIVE DIRECTOR OF GENERAL GOVERNMENT

MEMORANDUM

DATE: February 24, 2017
TO: Board of Selectmen
FROM: Blythe C. Robinson, Executive Director *BCR*
SUBJECT: Weekly Report

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

- Please note that we will start the Selectmen's meeting on Monday night at 6:30 PM in order to have an executive session to go over the details of the 900 Worcester project. A number of meetings have occurred over the last week which has brought us to what we anticipate is a final agreement on the scope of the deal.
- The MLP meets also on Monday night at 5:30 and among the topics on their agenda will be the program to change all street lights to LED. Since a meeting was held last week on this topic, MLP has done some investigative work to better understand what the City of Melrose did with their lights that our local proponents like, and compared it to what MLP is proposing for the Wellesley pilot program. The result of this is that the pilot program would have a lower wattage overall, something the proponents wanted. It will be interesting to find out what the MLP decides to do.
- Resolving the budget is a major focus of our office and of several meetings this week including the Board of Health. There are a number of details in your packet on this topic.
- The Building Department is getting back on its feet after several staff illnesses. Both administrative personnel are back this week and resumes closed on the open inspector position. Through various means we kept up with entering permits and really appreciate the support from other departments including DPW to lend staff and help us get through it.
- Terry Connolly is working on a report about winter snow/ice operations to present to the board at a future meeting. He has had several meetings with DPW to gain a good perspective of how it works. I anticipate this will lead to a future discussion about the amount the Town should budget each year for this service.
- We received the proceeds from the MSBA for the High School project this week!
- I am working with the Board of Health regarding a request by Woodlawn Cemetery to expand the area within their borders to utilize for burials. Evidently they obtained permission for this in the 1960's and now want to actively use the land which is heavily treed. We will be working with Town Counsel to make sure the steps taken for the Town Meeting vote in the 1960's was appropriate and the Board of Health can give their required

sign off on this change. I'm alerting you because there may be concern raised by neighbors of the cemetery who have enjoyed the trees at their border that may be removed in the future.

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BLYTHE C. ROBINSON
EXECUTIVE DIRECTOR OF GENERAL GOVERNMENT

MEMORANDUM

DATE: February 24, 2017
TO: Board of Selectmen
FROM: Blythe Robinson, Executive Director
SUBJECT: February 27, 2017 – Agenda Background

The meeting will begin at **6:30 PM** tonight, to have an executive session to discuss the details of the 900 Worcester lease. We will reconvene after that is done for the other items of business on the agenda, including various motions that would be needed to move forward with this project.

2. Citizen Speak

3. Executive Director's Report

Included in your packet is a short weekly report for items that may be of interest to you from the past week.

- Minutes – the minutes of the February 13th are included for approval, as are executive session minutes from February 13th.
- Appoint George K. McDonald School Crossing Guard.
- Approve use of Town Land to Film Daddy's Home 2

Our office was approached several weeks ago by representatives from a location manager from Paramount pictures interested in obtaining permission to film in two locations in Wellesley for the film "Daddy's Home 2" starring Mark Wahlberg and Will Ferrell.

Included in your packet is proposal from Mr. Mark Fitzgerald for this purpose, outlining their request to utilize parking areas around E.A. Davis in Wellesley Square and a property on March 27-29th to film portions of the movie, as well as maps. They also have requested permission to have additional parking at 900 Worcester during their time in Wellesley. As you will see from their proposal they have made arrangements with the Police Department for police details, will pay for lost revenue from parking meters, and are offering the Town a payment of \$10,000.

Staff including the police department have met with Mr. Fitzgerald and have reached agreement on traffic control, parking, use of police details and other public safety concerns. Staff recommends approval of this request.

Minutes:

MOVE to approve the minutes of the Board of Selectmen meeting February 13, 2017 and executive session minutes from February 13, 2017.

Appointment:

MOVE to appoint George K. McDonald as a School Crossing Guard for a term to expire June 30, 2017.

Movie Shoot:

MOVE to approve the request from Paramount pictures as presented.

Board of Selectmen Meeting: February 13, 2017
Present: Murphy, Freiman, Gibbs, Searle, Morgan
Also Present: Robinson, Jop, Connolly
Minutes Approved: February 13, 2017

Warrants Approved: #2017-031 in the amount of \$4,712,223.44

Meeting Called to Order: 7:00pm

1. Citizen Speak

None.

2. Executive Director's Update

Ms. Robinson briefly reviewed the highlights of the activities for the week in the office.

- Minutes

Upon a motion made by Mr. Murphy and seconded by Ms. Gibbs the Board voted (5-0) to approve the minutes of the Board of Selectmen meeting February 6, 2017

- Wayfinding Endorsement

Upon a motion made by Mr. Murphy and seconded by Ms. Gibbs the Board voted (5-0) to endorse the recommendations and findings of the Wayfinding and Branding Project.

1. 7:45 ATM Preparation
2. 8:30 Old/New Business
3. 8:35 Executive Session

- To discuss lease negotiations with respect to 900 Worcester Street

3. FY18 Budget Update

Sheryl Strother, Finance Director, and Marc Waldman, Treasurer, joined the Board. Mr. Waldman noted the Town is looking at healthcare rate increases in the range of 9-15%. The Town had assumed 12.5%. The Fallon Plan increases have come in at 9% with the other plans coming in at 15%. Given the majority of the Town's subscribers have moved to Fallon the 12.5% assumption on the healthcare budget will hold. Mr. Waldman noted the healthcare plans would be restructured after June 30, 2018. The plan proposals moving forward with have medium and high deductibles and the Town will need consider all options including the GIC and MIIA health plans.

Ms. Strother stated the budget is currently \$159,143 in deficit. To arrive at the new deficit total, Ms. Strother stated the School Committee voted a 4% budget, the health insurance updated information, and new growth assumptions have aided in the reduction. Ms. Strother explained that she increased the new growth to \$1.8 million. She indicated that this number is a five-year average, rather than the 10-year average she has typically used. Ms. Robinson noted that if the proposed demolition delay proposal moves forward, the Town should be conservative on new growth moving forward. Ms. Strother agreed. Ms. Strother indicated that if the Library and Board of Health get into guidelines, along with the School Department, the budget can be balanced.

4. Old/New Business

The Board was slightly ahead of schedule and took up Old/New Business. Ms. Jop gave an update on the HHU Tax Calculator that is available online. The tax calculator will provide a cost snapshot based on the current 5% conceptual costs as compared to a properties current year tax bill.

5. Common Victualler Modifications – Takara, 151 Linden, Change in Directors

Ms. Suk Man Kitty Syen and Mr. Guanglin Zheng joined the Board with their Attorney Wei Jia. Mr. Jia gave a brief overview of the request.

Upon a motion by Mr. Murphy and seconded by Ms. Gibbs the Board voted (5-0) to approve Suk Man Kitty Syen and Guanglin Zheng as directors for K. Zheng, Inc, Takara located at 151 Linden Street.

6. Common Victualler Modifications – CK Shanghai, 15 Washington, Change in Manager, DBA, and transfer stock of Common Victualler All Alcoholic License.

Mr. Canchuan Li joined the Board. He noted that Chung Kwan Sau (CK) will be retiring and the ownership and management will be modified as well as the name of the restaurant. The new corporate structure will need to modify the existing license with the ABCC.

Upon a motion made by Mr. Murphy and seconded by Ms. Gibbs the Board voted (5-0) to approve the change in name from CK's Restaurant to Shanghai Restaurant, to name Canchuan Li as manager, and to approve a transfer of stock in the All Alcoholic Beverages License.

7. ATM Preparation

The Board discussed preparations for the Annual Town Meeting, and which articles they may need further information. Mr. Morgan discussed the various zoning articles and noted that Michael Zehner, Planning Director, has given good presentations on the proposed articles that can be viewed in the video of the February 6 meeting of the Planning Board. The Board discussed the demolition delay bylaw and asked staff to follow up with the Historical Commission to see what amendments are being currently considered. The Board noted they would like the Historical Commission to return in March for further discussion. The Board noted they have already expressed support for the Solar Bylaw.

The Board discussed the consent agenda and asked if this year's articles with supermajorities should be added. Ms. Jop and Mr. Connolly noted that Town Counsel has stated the Consent Agenda can include supermajority articles, but the entire Consent Agenda would need to be voted with a supermajority. The alternative is to have two motions for the majority and supermajority items. Ms. Freiman stated she would discuss the options with the new Moderator.

The Board discussed the 2 Permanent Building Committee articles under Article 38 and 39. Ms. Freiman noted likely the proposed changes would be condensed into one article. The Board will vote on the proposed article prior to Town Meeting.

Article 43 Citizen's Petition – Mansionization

Mr. Stanley Brooks joined the Board. Mr. Brooks stated he is representing the Wellesley Responsible Growth Association, which includes local builders and real estate agents. The proposed zoning bylaw intends to try to address the bulk and mass of new residential structures to bring down the size of the houses and the visual impact. The proposed has four prongs. The first modification is to reduce the lot coverage of lots that are between 10,000 – 20,000 square feet from the greater of 20% or 2500 square feet to, the greater of 20% or 2375 square feet. The second proposal is to reduce the maximum height for buildings located in the Single Residence District 10,000 square foot area district to 34 feet from 36

feet. The third proposal is to create a fourth dimensional table that would only apply to newly constructed homes to modify the rear setback. The fourth proposal is to create a provision to restrict dormers located on the third floor in homes located in the Single Residence District 10,000 square foot area district.

The Board asked Mr. Brooks why the proposal primarily focuses on the 10,000 square foot area district. Mr. Brooks noted the particular district has been most impacted by larger homes and the visual impact is greater. He noted that the Single Residence District 10,000 also makes up 50% of the lots in town. The Board in general thought the approach was an incremental measure to try to address concerns.

Ms. Jop noted the proposal creates inequities between the various districts. She noted for the lot coverage proposal that a property having just under 10,000 square feet will be able to build more than a property with 10,000 square feet. Ms. Jop was also concerned that neighboring properties within the same zoning district would have different regulations depending on the type of building permit sought.

The Board asked if the Planning Board had discussed this proposal. Mr. Brooks noted the Board reviewed the proposal at the February 6th Public Zoning hearing, but Mr. Brooks noted he will need to return to the Board to review additional language changes. Mr. Brooks noted a meeting with Town Counsel has also been set.

8. Executive Session

Upon a motion made by Mr. Murphy and seconded by Ms. Gibbs the Board was polled all aye (5-0) to enter into Executive Session under Massachusetts G.L. c 30A, §21 exception # 6 To consider the lease or value of real property if the chair declares that an open meeting may have a detrimental effect on the negotiating position of the public body.

See executive session minutes.

The Board of Selectmen entered into executive session at 8:50pm.

The Board of Selectmen's meeting adjourned at 9:38pm



TOWN OF WELLESLEY

POLICE DEPARTMENT

WELLESLEY, MA 02482
Telephone 781-235-1212

JACK PILECKI
Chief of Police

MEMORANDUM

TO: HONORABLE BOARD OF SELECTMEN
FROM: JACK PILECKI
CHIEF OF POLICE
SUBJECT: APPOINTMENT OF CROSSING GUARD
DATE: February 7, 2017

Ladies and Gentlemen:

The purpose of this memo is to recommend George K. McDonald for appointment as a school crossing guard.

RESPECTFULLY SUBMITTED:

Jack Pilecki

JACK PILECKI
CHIEF OF POLICE

Jop, Meghan

From: mark fitzgerald <markfitzgerald1@me.com>
Sent: Thursday, February 23, 2017 9:30 AM
To: Robinson, Blythe; Jop, Meghan; Pilecki, Jack
Cc: Joshua Youman; Jessica Logan
Subject: REVISED (scaled back) REQUEST TO FILM - DH2
Attachments: EA DAVIS MAPS.pdf; 28CHESTERTON MAP.pdf

Ms. Robinson,

Since my last email to you our work in Wellesley has come down significantly. That being said we still have 2 key locations that I would like to go over in our meeting today.

Please review the following requests to be discussed at our meeting at 1pm today.

INTERIOR FILMING @ EA DAVIS 579 WASHINGTON ST. ON MARCH 28TH

Prep - Monday March 27th (7a-7p)

Please review requested street parking (meters) for prep days

1 WPD officer to assist

Trucks arrive @ 900 Worcester St. at approx. 6pm.

2 WPD to assist parking trucks

Shoot - Tuesday March 28th (5a - 8p)

Please review requested street parking (meters) for shoot day

2 WPD to do ITC (intermittent traffic control) on Washington St.

Morse Pond Lot - Need 100 spaces for the day only. Production will have crew there to supervise (stay in our area)

Trucks leave 800 Worcester St. at approx. 8pm.

2 WPD to assist trucks leaving

Wrap - Wednesday March 29th (7a-7p)

Please review requested street parking (meters) for wrap days

1 WPD officer to assist.

INTERIOR FILMING @ 28 CHESTERTON RD ON MAY 4TH + 5TH

Prep Monday May 1st - Wednesday May 3rd (7a-7p)

Will need street parking on Chesterton Rd. (2 box trucks + 6 cars)

Trucks arrive at 900 Worcester St. Parking Lot at approx. 6pm

2 WPD to assist

Shoot Thursday May 4th + Friday May 5th (5a - 7p)

Will need 100 spaces in Morse Pond Lot for each day

Will need 2 WPD on Chesterton Rd. to assist

Trucks will leave 800 Worcester St. @ approx. 8pm on Friday the 5th

2 WPD to assist

Wrap - Saturday May 6th + Monday May 8th (7a-7p)

Will need permission to park on Chesterton Rd. (2 box trucks + 6 cars)

REQUESTED TOWN SUPPORT AREAS

Parking Lot @ 900 Worcester St. 3 days

100 Spaces in Morse Pond Parking Lot - 3 days
Meters around Washington St. - 3 days (will pay for all meters per day)
Street Parking on Chesterton Rd. - 6 days
TOTAL FEE = \$10,000 + Meters + WPD Invoices

PLEASE SEE ATTACHED STREET DIAGRAMS

Sincerely,
Mark Fitzgerald
Location Manager
508-395-3114
markfitzgerald1@mac.com
<http://www.imdb.com/name/nm0280323/>

On Feb 13, 2017, at 1:43 PM, mark fitzgerald <markfitzgerald1@me.com> wrote:

Understood and no problem.

Once I have 100% confirmation from my folks as to exactly what we are asking for (end of day Wednesday) I will then get with the Chief and survey the area to work out a plan for street parking and what time we can start doing Intermittent Traffic Control on the 4 nights at the exterior church. I will then call you to set a meeting for all of us to get together early next week to review photos and street parking diagrams so we are all on the same page.

I apologize for the delay but will get this done over the week I assure you.

Is there someone I can meet with to discuss this small park area in front of the church?

I need to discuss removing a bench or 2 and possibly trimming some tree branches.

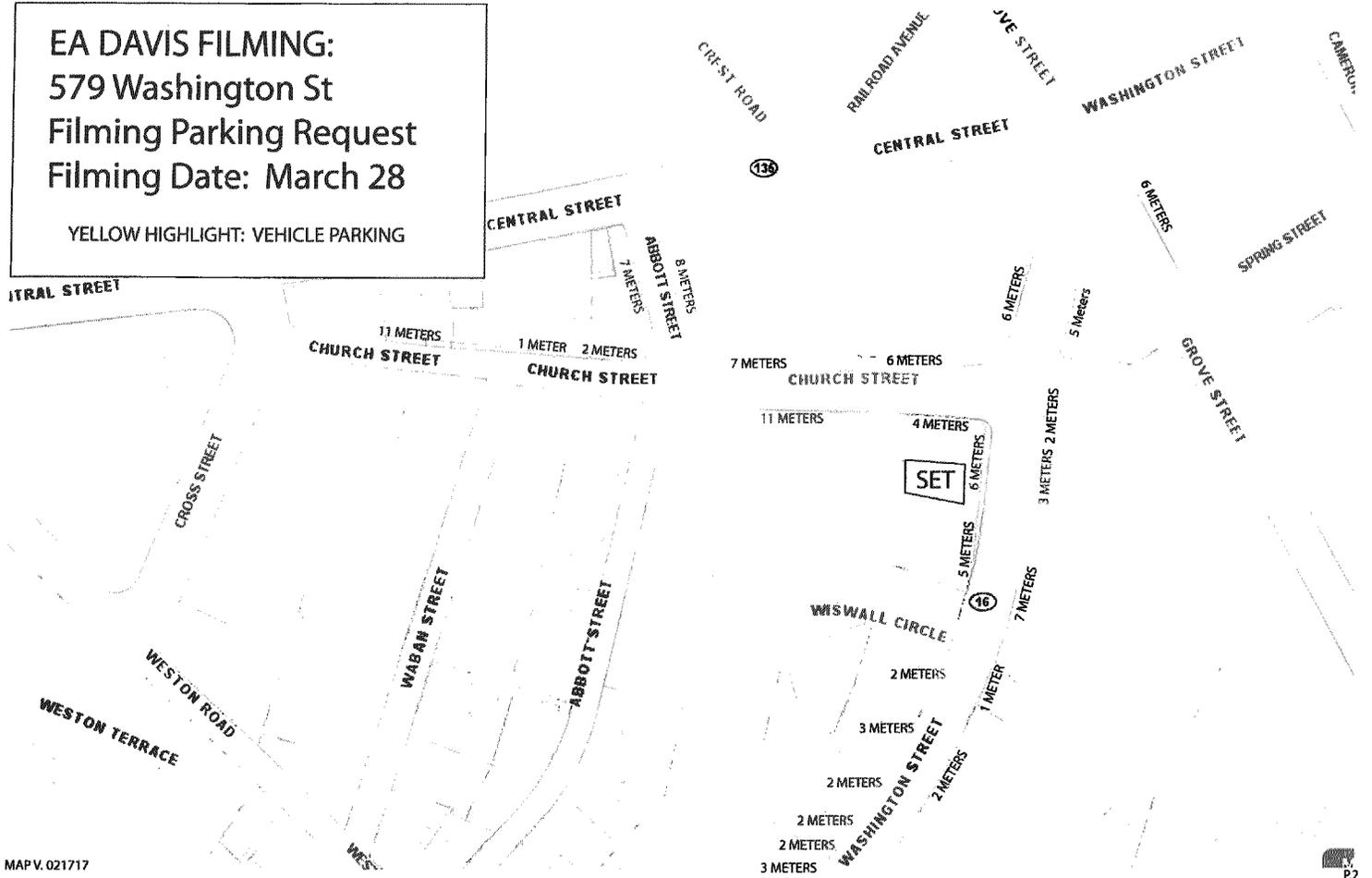
I am hoping that is possible....

Sincerely,
Mark Fitzgerald
Location Manager
508-395-3114
markfitzgerald1@mac.com
<http://www.imdb.com/name/nm0280323/>

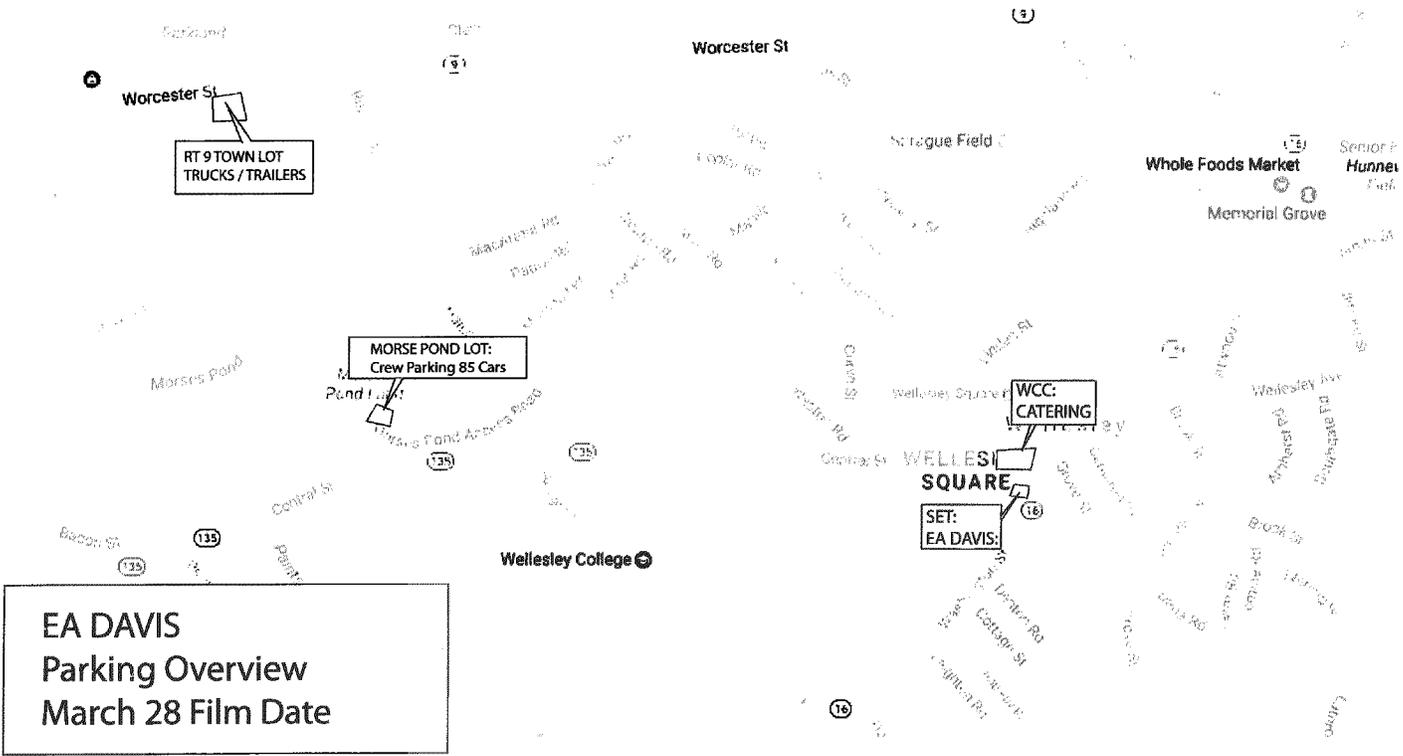
<DSC_0145.jpg>

**EA DAVIS FILMING:
579 Washington St
Filming Parking Request
Filming Date: March 28**

YELLOW HIGHLIGHT: VEHICLE PARKING



EA DAVIS
Parking Overview
March 28 Film Date



28 Chesterton Rd, Wellesley

Shoot Dates: May 4 and 5

Prep Dates: TBD

Wrap Dates: TBD

PREP / WRAP PARKING: TBD IN NEIGHBORHOOD

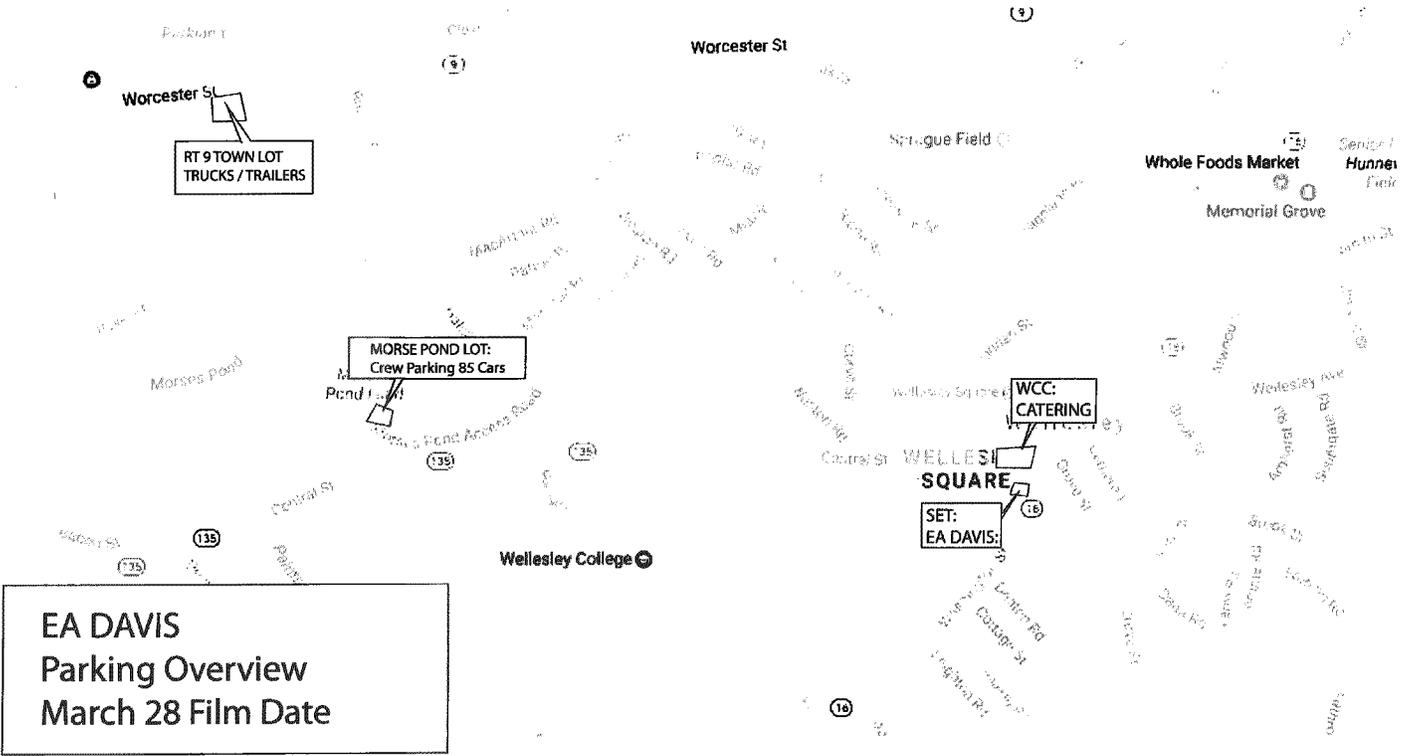
SHOOT PARKING: TBD IN NEIGHBORHOOD

BASE CAMP PARKING: RT. 9 TOWN LOT

CREW PARKING: MORSE POND



**EA DAVIS
Parking Overview
March 28 Film Date**



4. Presentation – Intersection Improvements at Brook Street & Benvenue Street

The board is scheduled for a presentation by VHB at 7:10 PM for the purpose of obtaining public input on a plan to construct improvements to this intersection. Present at the meeting to discuss this topic will be:

- Terry Connolly
- Mike Regan – VHB Engineers
- Dave Hickey – Public Works
- Chief Jack Pilecki

Included in your packet are several items related to this topic:

- Presentation from VHB recommending improvements to this intersection to resolve sight line issues and traffic flow. The presentation includes a proposed budget for the project of \$250,000 and has presented at the neighborhood meeting on January 17, 2017.
- List of abutters that have been notified of the meeting
- Memo from Terry Connolly on the traffic & parking fund. Given that the source of funds for this project is likely to be this fund and it is a significant amount in comparison to other projects in recent years, we felt it was important to provide you with some background on the assets in the fund, the expected annual revenues and operating expenses, and the capital projects proposed for next year. Taken altogether those projects total \$625,000 and would reduce the overall fund balance.

MOVE to approve intersection improvements proposed for the Brook Street & Benvenue Street intersection and recommend to Town Meeting that \$250,000 be appropriated from the Traffic & Parking fund to pay for the approved work.



**Brook Street at
Benvenue Street/Radcliffe Road Preliminary Design**

Wellesley, Massachusetts

PRESENTED BY
Wellesley Traffic Committee

February 2017





History

- 1991 – Bruce Campbell conceptual design to reconfigure the island in response to accident concerns
- 1992 – A DPW engineering division modification to the island reconfiguration
- 1995 – A further modified island plan from the DPW
- 1998 – A traffic study and report by MS Transportation recommending elimination of the island with traffic calming
- 1999 – authorization by ATM to spend up to \$15,000 to study geometric improvements to the intersection
- 2000 – Report on possible alternatives to improve safety and by BETA
- 2001 – a DPW recommendation to pursue option 1 (elimination of island)
- 2007 – traffic counts
- 2014 to 2016 – VHB study and concept, community meeting, selectman meeting and action

Preliminary Design Goals



- Reduction in existing conflict points to improve overall intersection safety and operations
- Pedestrian safety at Brook Street crosswalk
- Completion of northern Brook Street sidewalk
- Down-gradient drainage issues due to lack of infrastructure in the intersection area

Completed Preliminary Design Actions



- Field Survey
- Preliminary horizontal and vertical alignment
- Typical roadway and sidewalk section design
- Intersection geometric design and layout
- Drainage improvements
- Outline utility impacts
- Opinion of Probable Cost

Traffic Impacts

- Level-of-Service (LOS) analyses were conducted for 2014 Existing and 2019 Future with improvements for weekday morning and evening peak hours
- 2014 Existing: LOS C or better during peak hours
- Preliminary design option would result in minimal increases in delay and queuing on minor street approaches



Safety Benefits



- Design removes triangular island to:
 - Reduce the number of intersection conflict points
 - New Brook St. alignment shift south to enable completion of sidewalk and creation of a consistent southern curbline
 - Provide a tighter, more defined 4-way intersection
 - Provide a perpendicular Benvenue St. approach with smaller corner radii
- Provides new pavement markings define travel paths
- Creates pedestrian crosswalk locations at the preferred position within the intersection
- Improves separation of residential driveways from the intersection area

Opinion of Probable Costs



Intersection Reconstruction:	\$110,000-\$130,000
Signage and Pavement Markings:	\$5,000
Drainage Improvements:	\$60,000
Landscape Allowance:	\$20,000-\$30,000
<u>Utility Relocations/Modifications:</u>	<u>\$20,000-\$40,000</u>
TOTAL:	\$215,000-\$265,000

Note: Includes contingency (50%)

Pocket Slides



Sightlines at Intersection



Looking left on Brook Street from Benvenue Street (NB)

- Sight distance limited by horizontal and vertical alignment



Approaching intersection on Brook Street from the east (WB)

- Sight Distance limited by Brook Street horizontal alignment and trees

Existing Conditions

Data collected in November 2014

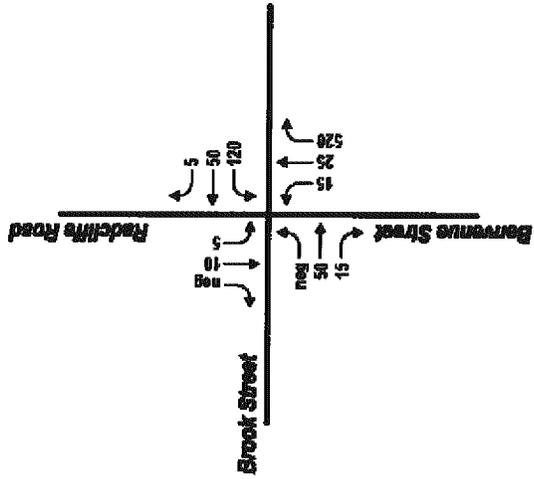


- **Speeds**
 - Assumed speed limit: 30 mph
 - 85th percentile: 37 mph EB
33 mph WB
- **Vehicles per day**
 - AM Peak Hour: 816 vph
 - PM Peak Hour: 514 vph
 - Minimal pedestrian activity
- **2008-2012: 5 crashes**
 - 3 rear-end accidents
 - No accidents involving pedestrians
 - Recent “pedestrian near miss” at Brook Street crosswalk not included in crash data



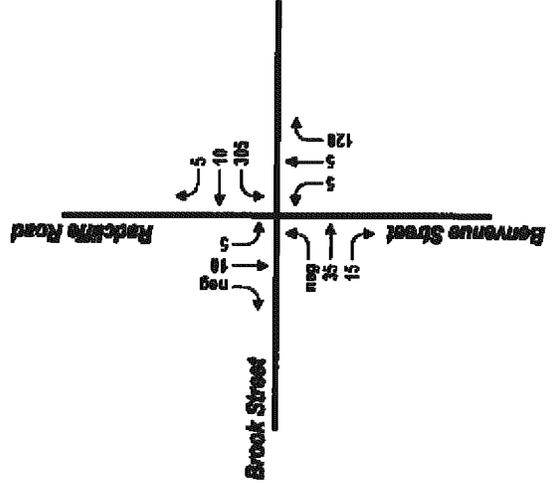
WEEKDAY MORNING PEAK HOUR

neg = Negligible



WEEKDAY EVENING PEAK HOUR

neg = Negligible



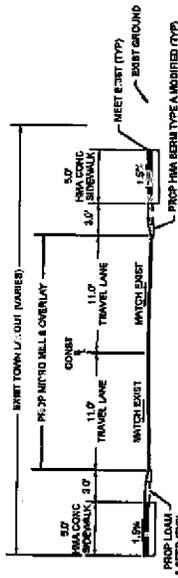
Preliminary Design



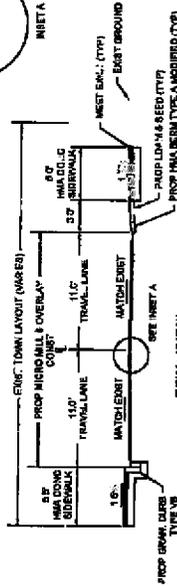
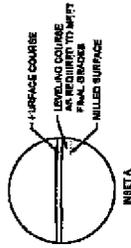
PAVEMENT NOTES

- EXPOSED MILL/DRILL PAVEMENT**
- SURFACE: 4" HOT MIX ASPHALT
 1.5" HMA SURFACE COURSE OVER
 1.5" HMA BINDER COURSE
 1.5" HMA BASE COURSE
- 1" SUBBASE: 4" GRAVEL TYPICAL
 2" GRAVEL TYPICAL
- 2" SUBBASE: 4" GRAVEL TYPICAL
 2" GRAVEL TYPICAL
- SURFACE: 4" HOT MIX ASPHALT
 1.5" HMA SURFACE COURSE OVER
 1.5" HMA BINDER COURSE
 2" HMA BASE COURSE
- 4" SUBBASE: 8" GRAVEL TYPICAL
- EXPOSED PAVEMENT MILL/DRILL OVERLAY
- SURFACE: 1.5" HOT MIX ASPHALT (HMA SURFACE COURSE)
 MILLING: 1.5" PAVEMENT MILL/DRILLING TYPICAL
- EXPOSED MILL/DRILL
- SURFACE: 3" HOT MIX ASPHALT
 1" HMA SURFACE COURSE OVER
 1" HMA BINDER COURSE
- 4" SUBBASE: 8" GRAVEL TYPICAL
- EXPOSED MILL/DRILL
- SURFACE: 3" HOT MIX ASPHALT
 1" HMA SURFACE COURSE OVER
 1" HMA BINDER COURSE
- 4" SUBBASE: 8" GRAVEL TYPICAL
- EXPOSED MILL/DRILL
- SURFACE: 3" HOT MIX ASPHALT
 1" HMA SURFACE COURSE OVER
 1" HMA BINDER COURSE
- 4" SUBBASE: 8" GRAVEL TYPICAL

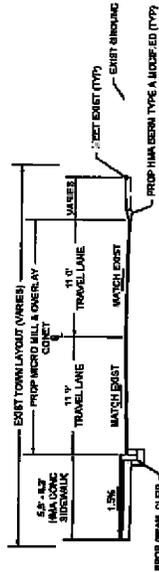
*1 MILLING DEPTH SHALL BE AS SHOWN IN THE DRAWINGS. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING APPROVAL OF THE DEPTH OF MILLING FROM THE ENGINEER. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING APPROVAL OF THE DEPTH OF MILLING FROM THE ENGINEER. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING APPROVAL OF THE DEPTH OF MILLING FROM THE ENGINEER.



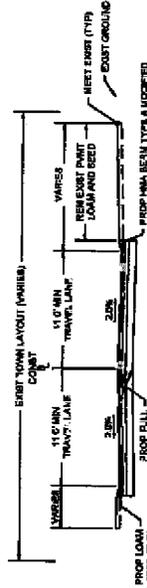
TYPICAL SECTION (BROOK 87) (SEE P. 10)



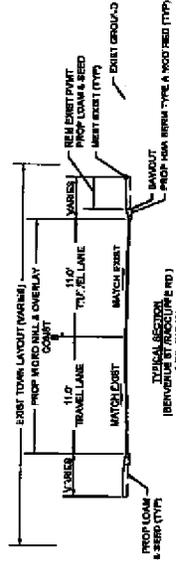
TYPICAL SECTION (BROOK 87) (SEE P. 10)



TYPICAL SECTION (BROOK 87) (SEE P. 10)



TYPICAL SECTION (BROOK 87) (SEE P. 10)

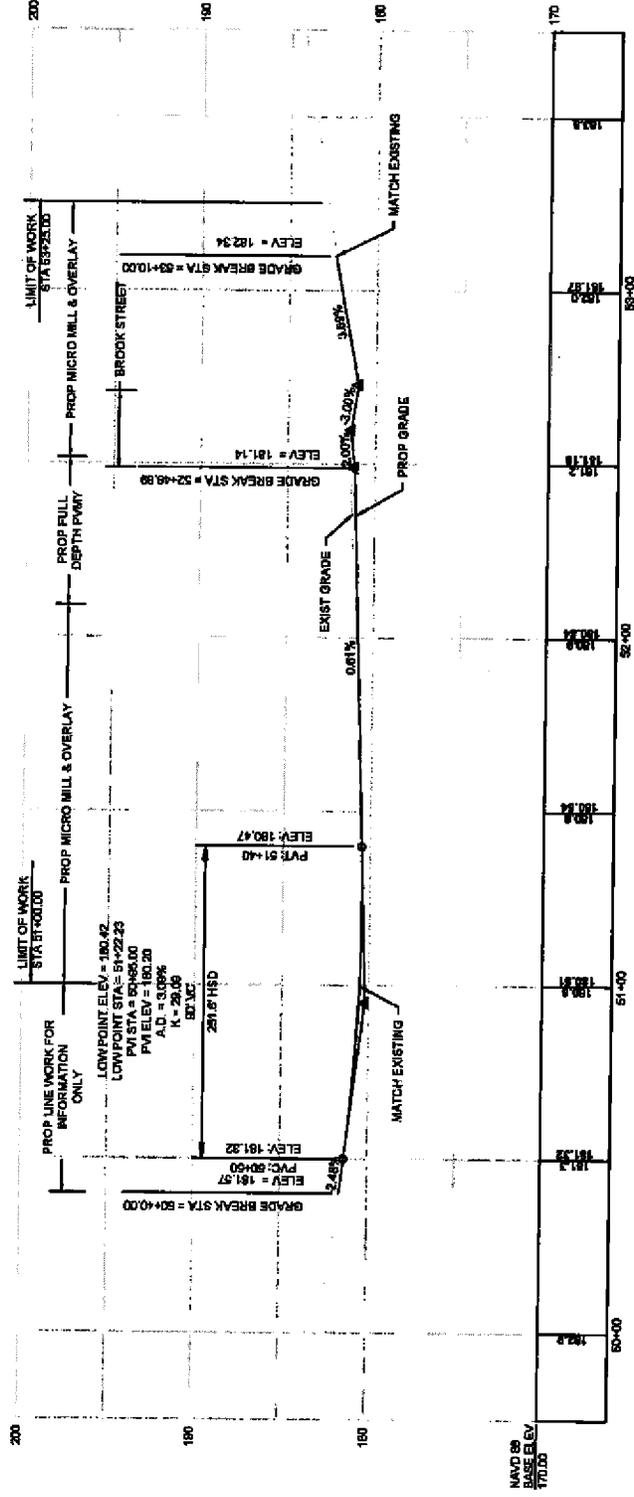


TYPICAL SECTION (BROOK 87) (SEE P. 10)



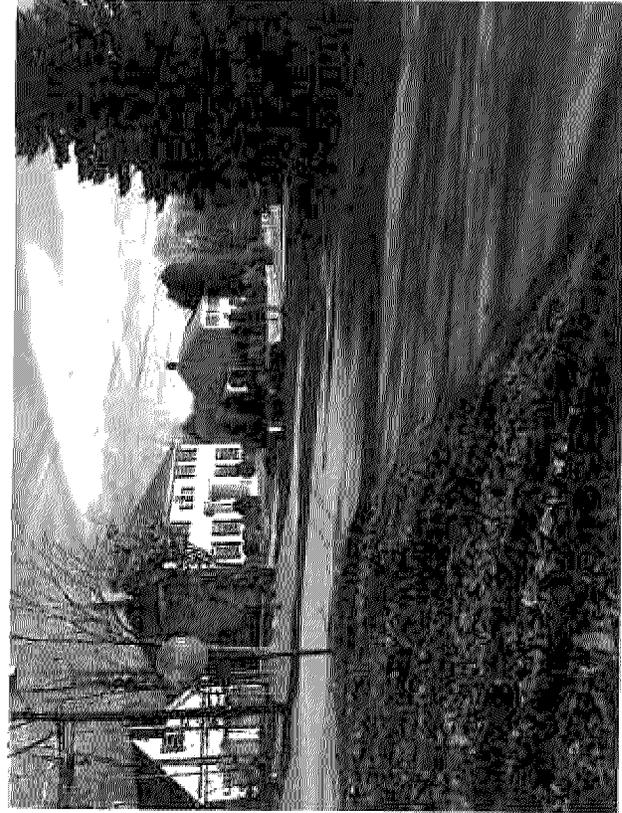
Preliminary Design

BENVENUE



THE DESIGN OF BENVENUE AT B
 STA 50+00 TO 54+00 IS THE PROPERTY OF
 THE STATE OF FLORIDA

Images



Images

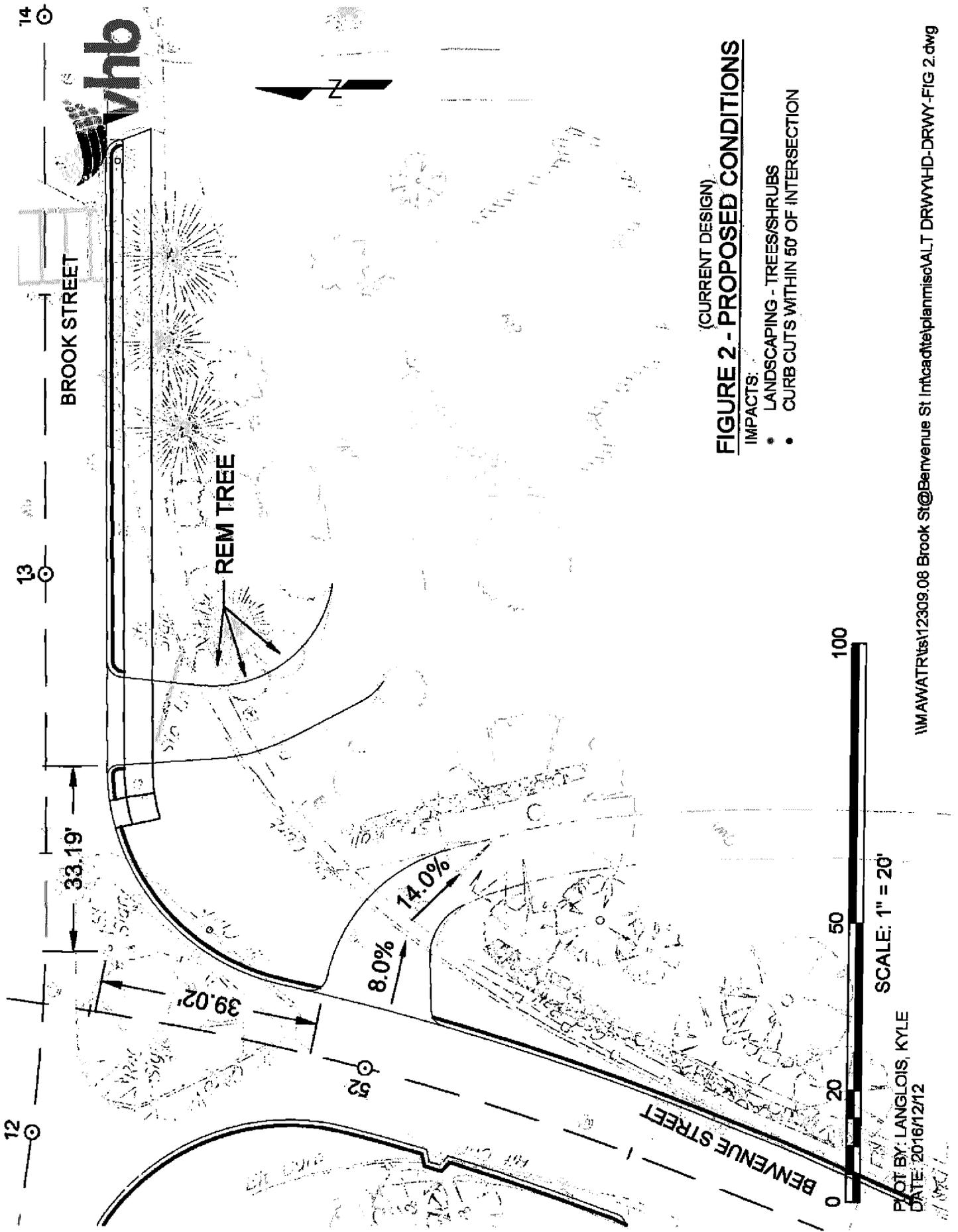


Images





FIGURE 1 - EXISTING CONDITIONS



(CURRENT DESIGN)
FIGURE 2 - PROPOSED CONDITIONS

- IMPACTS:
- LANDSCAPING - TREES/SHRUBS
 - CURB CUTS WITHIN 50' OF INTERSECTION

SCALE: 1" = 20'

PLOT BY: LANGLOIS, KYLE
 DATE: 2016/12/12

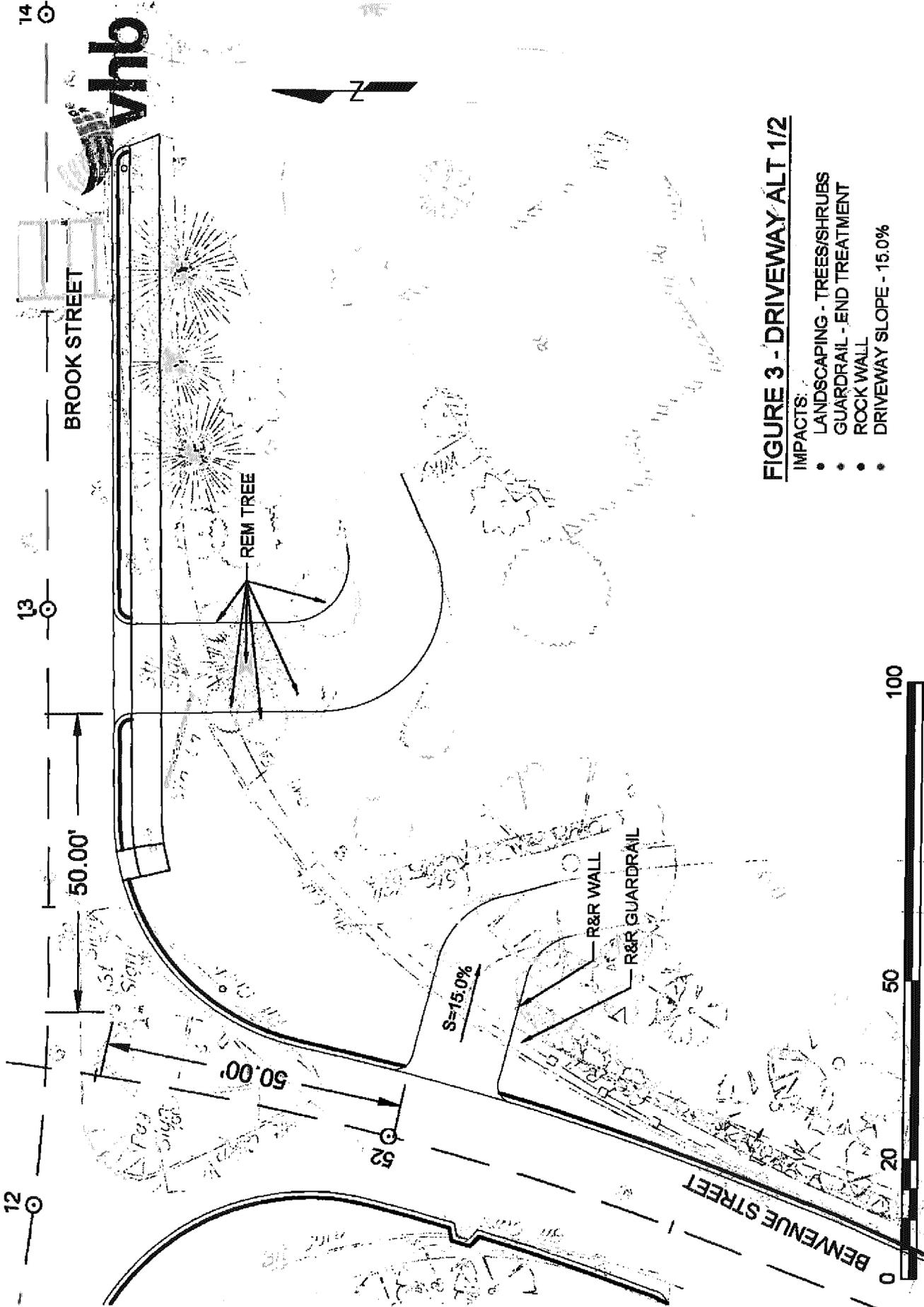


FIGURE 3 - DRIVEWAY ALT 1/2

IMPACTS:

- LANDSCAPING - TREES/SHRUBS
- GUARDRAIL - END TREATMENT
- ROCK WALL
- DRIVEWAY SLOPE - 15.0%

SCALE: 1" = 20'

PLT BY: LANGLOIS, KYLE
 DATE: 2016/12/12

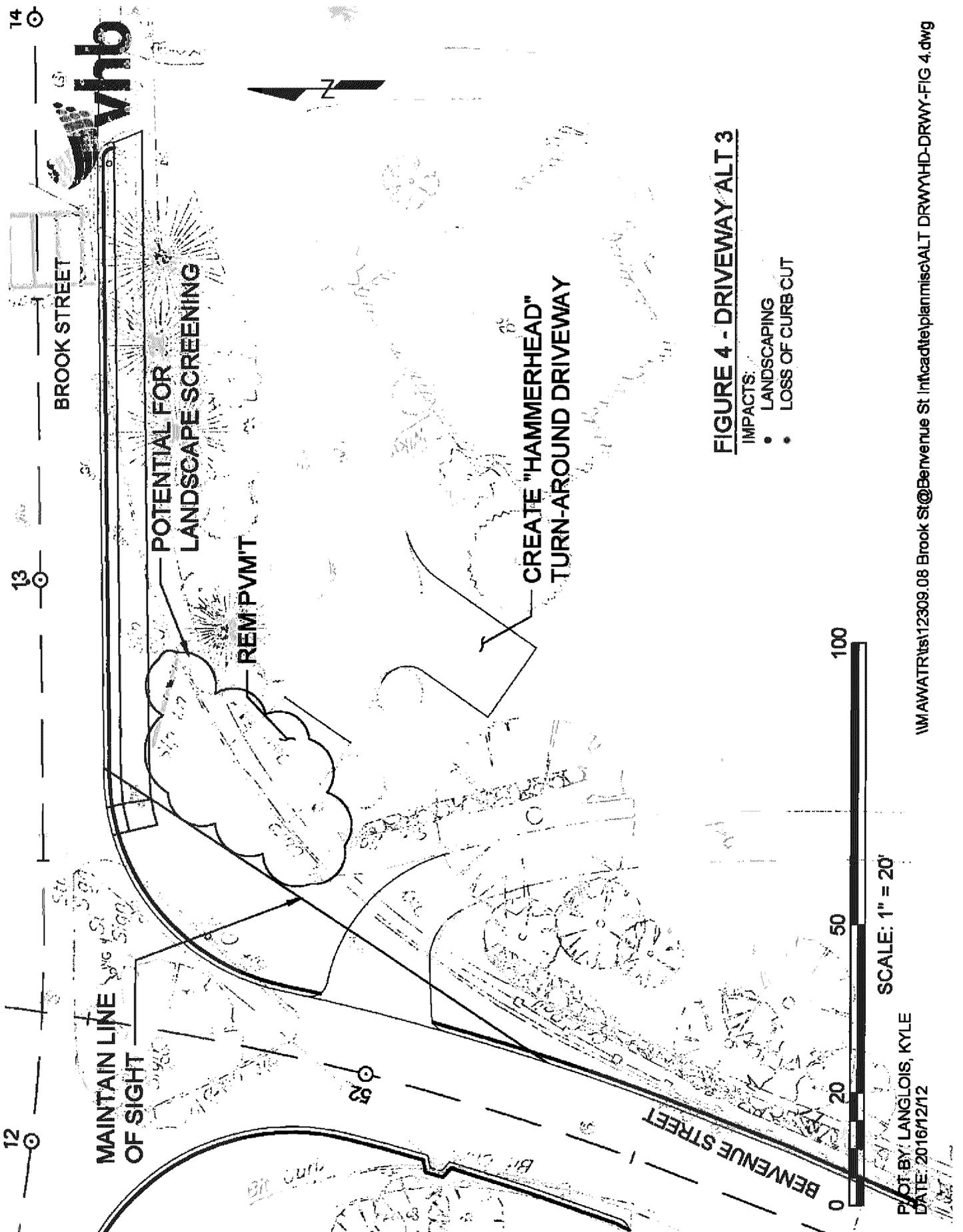


FIGURE 4 - DRIVEWAY ALT 3

- IMPACTS:
- LANDSCAPING
 - LOSS OF CURB CUT

SCALE: 1" = 20'

PLOT BY: LANGLOIS, KYLE
 DATE: 2016/12/12

TOWN OF WELLESLEY



MASSACHUSETTS

BOARD OF SELECTMEN

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

MARJORIE R. FREIMAN, CHAIR
ELLEN F. GIBBS, VICE CHAIR
DAVID L. MURPHY, SECRETARY
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JACK MORGAN

FACSIMILE: (781) 239-1043
TELEPHONE: (781) 431-1019 x2201
WWW.WELLESLEYMA.GOV
HANS LARSEN

EXECUTIVE DIRECTOR OF GENERAL GOVERNMENT

February 10, 2017

Brook/Benvenue Street Intersection Improvements

The Board of Selectmen will be presented the preliminary design of the Intersection Improvement Project - Brook Street & Benvenue Street at **7:10pm on February 27, 2017**.

On the reverse side is a copy of the pavement markings and signage plan. This plan was chosen as it best illustrates the proposed re-configuration on a small page. The full set of plans are linked under Current Projects on the town's website (www.wellesleyma.gov). Click Intersection Improvement Project – Brook Street & Benvenue Street to view plans.

You are invited to attend this meeting to voice your support or concerns. If you are unable to attend the meeting you can email Terry Connolly at tconnolly@wellesleyma.gov to submit your thoughts.

If the intersection design is approved, construction funding will be sought at the 2017 Annual Town Meeting. We will still need to appear before the Planning Board and the Natural Resources Commission. This step is necessary given that Benvenue Street is a scenic road and any changes, however minor, need to be approved by these two boards.

Thank you.

Terry Connolly
Deputy Director

abutters_id_field	abutters_owner1	abutters_owner2	abutters_address	abutters_location
100-70	Rossetti, Jennifer M		1 Amherst Road	1 Amherst Rd
100-71	Sabino, John E & Ellen G		60 Brook Street	60 Brook St.
100-72	Cell, John G & Karen		64 Brook Street	64 Brook St.
100-73	O'Donnell, Christopher & Kimberly		68 Brook Street	68 Brook St.
100-74	Mitchell, Marjorie C		72 Brook Street	72 Brook St.
100-75	Renner, Peter A &	Renner, Mary T, Trustees	78 Brook Street	78 Brook St.
100-78	Harper, George Finley & Jamie		75 Brook Street	75 Brook St.
100-79	Canavan, M Christopher, Jr &	Canavan, Mary Hill	73 Brook Street	73 Brook St.
100-80	Cohen, Craig L & Lara D		71 Brook Street	71 Brook St.
100-81	Housel, Mark S & Anne Marie		69 Brook Street	69 Brook St.
100-82	Licata, Michael & Elizabeth		67 Brook Street	67 Brook St.
100-83	Chrystal, Douglas & Josette		63 Brook Street	63 Brook St.

abutters_id_field	abutters_owner1	abutters_owner2	abutters_address	abutters_location
100-1	Fillo, Joseph F & Hartrett, Mary Ellen		25 Sterling Road	25 Sterling Rd
100-75-A	Peterson, J & Higgins, M, Trustees	Margaret E Higgins Living Trust	84 Brook Street	84 Brook St.
100-76	Horan, Bernard D &	Horan, Barbara T, Trustees	91 Brook Street	91 Brook St.
100-77	PRR LLC		1234 Boylston Street	85 Brook St.
100-89	Karelitz, Robert N & Emily L		14 Saunders Terrace	20 Sterling Rd
100-90	Wember, Ean & Yana, Trustees	AWYEE Realty Trust	26 Sterling Road	26 Sterling Rd
100-91	Doherty, Victor J & Jane M		32 Sterling Road	32 Sterling Rd
101-10	Hooper, David C & Sally N		30 Lathrop Road	30 Lathrop Rd
101-11	Johnson, Kimber & Lorraine		44 Woodridge Road	44 Woodridge Rd
101-12	Levine, Mark E & Kaufman, Joan		120 E 89th St.	50 Woodridge Rd
101-16	Marostica, Gianni &	Gaiotti, Regina	51 Woodridge Road	51 Woodridge Rd
101-17	Gray, Francis C III & Gay A		23 Westwood Road	23 Westwood Rd
101-18	Blake, Robert E & Alla		17 Westwood Road	17 Westwood Rd
101-2	Cohen, Eric D & Anne P		106 Benvenue Street	106 Benvenue St.
101-2-A	Anas, Nancy M		102 Benvenue Street	102 Benvenue St.
101-32	Murrie, Francis P, Jr & Sheila M		22 Westwood Road	22 Westwood Rd
101-33	Finard-Hughes, Jacqueline B, Trste	Jacqueline B Finard-Hughes Trust	28 Westwood Road	28 Westwood Rd
101-34	Kruphnski, David B		35 Sterling Road	35 Sterling Rd
101-35	Friedman, Adam		29 Sterling Road	29 Sterling Rd
101-36	Mecek, Warren M, Jr &	Todd, Catharine M	6 Woodway Road	6 Woodway Rd
101-37	Hamilton, Joe H & Luisa		10 Woodway Road	10 Woodway Rd
101-38	Myerson, John G &	Talmud, Laura J	43 Woodridge Road	43 Woodridge Rd
101-39	Fiskio, Mark H &	Finnerty, Gail E	104 Benvenue Street	104 Benvenue St.
101-4	Pavlina, Christina E, Trustee	Christina Pavlina 2016 Rev Trust	118 Benvenue Street	118 Benvenue St.
101-5	Perry, Nelson I & Elizabeth L		10 Lathrop Road	10 Lathrop Rd
101-6	Atamian, Wesley L &	Mukherjee, Mishtu A	14 Lathrop Road	14 Lathrop Rd
101-7	Feng, Zhixi		18 Lathrop Road	18 Lathrop Rd
101-8	Art You Can Live In, LLC		100 Brook Street	22 Lathrop Rd
101-9	Nine, Erik B &	Attaman, Jill A	26 Lathrop Road	26 Lathrop Rd
102-28	Bellew, Richard J & Aimee M		59 Benvenue Street	59 Benvenue St.
102-34	Garfield, Scott B & Monica J		4 Arden Road	4 Arden Rd
102-35	Carr, Katherine S		77 Benvenue Street	77 Benvenue St.
102-35-A	Tu, Weilin &	Wang, Yi	73 Benvenue Street	73 Benvenue St.
102-37	Casey, Pamela A &	Wohl, Matthew S	6 Cartwright Road	6 Cartwright Rd
102-45	Cloonan, Paul & Kathleen, Trstees	Paul Cloonan Irrevoc Trust	85 Benvenue Street	85 Benvenue St.
102-46	Hall, Edward C, III & Anne D		3 Cartwright Road	3 Cartwright Rd
102-53	Tenacre Country Day School		78 Benvenue Street	78 Benvenue St.
114-37	Powers, Anne Lyman		57 Benvenue Street	57 Benvenue St.
114-38-B	Lee, Monica Se-Ting &	Bounty, Keith Edward	170 Grove Street	170 Grove St.
114-38-C	Haas, Richard M &	Webeck, Ilsa R	55 Benvenue Street	55 Benvenue St.
69-7	Commonwealth of Massachusetts	DCR/MWRA	251 Causeway St.	55 Benvenue St.
78-10	Labonne, Donald L, Jr & Mary C		17 Willdon Road	Willdon Rd
78-11	Uller, Jeffrey & Kelly		3 Willdon Road	7 Willdon Rd
78-12	Ryan, John J, III, Trustee	Danovan Family Trust	194 Lawrence Street	143 Brook St.
78-13	Pauli, Samuel A & Natalie P		134 Brook Street	134 Brook St.
78-14	Prentice, Loren & Ahming		140 Brook Street	140 Brook St.
78-15	Dolan, John C & Maura		144 Brook Street	144 Brook St.

78-6 Gallico, G Gregory, III &
 78-7 Mammarios, Maria I
 78-8 Orfanos, James T & Angela
 78-9 Pabon, Karen Zuffante
 79-10 Duffy, William J & Edna May
 79-11 Bryan, Julie Rising
 79-12 Flanagan, Ryan M & Rebecca J
 79-13 Christiano, Jacqueline, Trustee
 79-14 Collins, Patrick F &
 79-15 Florillo, Jason P & Shourmita D
 79-16 Ralily, Paul M & Catherine
 79-17 Cronin, Timothy X, III &
 79-18 Boyce, David B &
 79-19 Mohan, Brian J & Mary E
 79-20 Kisiday, Donald E & Suzanne E
 79-21 Welch, David M &
 79-22 Wlgren, Andrew C & Kelley C
 79-23 Kindle, Karen B & William D
 79-24 Lahive, Thomas B & Henry, Kelly S
 79-25 Sun, Yuxin &
 79-26 Laborne, Donald A, Jr & Mary C
 79-27 Sobell, Thomas J Trustee
 79-28 Dobbay, Peter J & Gertrude R
 79-29 Murchak, Anthony J & Amy E
 79-30 Snyderman, David R & Diane C
 79-31 Nelson, Kevin M &
 79-32 Gigante, Michael A Jr & Marguerite A, Trustee
 79-33 Ahonen, Kevin E & Megan Vendetti
 79-7 Lyman, Daniel P & Susan O
 79-8 Richards, Cheryl A & Raymond
 79-9 Lieberman, Robert S & Leslie R
 79-9-A Karter, Brian M & Dianna L
 79-9-B Sweetser, David C &
 79-9-C Sheets, Courtney T &
 79-9-D Cavanaugh, Joseph F &
 79-9-E Buenventura, Fairley E, Trustee
 79-9-N Apfel, Adam J & Taylor
 89-13 Dobos, Gregory M & Nancy J
 89-14 Garrity, Barbara
 89-15 Mahner, Todd M & Jill P
 89-16 Habermann, Richard C, Jr & Kristen F
 89-17 Troy, Susan Scully
 89-18 Alessi, Robert & Kathryn L
 89-19 Costantini, Marc &
 89-20 Smith, Robert A &
 89-22 Magplong, Glen & Jane F
 89-23 Harrington, Elizabeth G
 89-24 Fay, James G & Elizabeth M

Gallico, Stephanie M

fxa: Julie Rising

Jacqueline Christiano Trust
 Collins, Harriet T

Cronin, Anne Marie
 Steinberg, Molly Rachel

Onorato, Lisa F

Duan, Ruitao

Sobell Family Trust

Curran, Lilia M
 39 Fuller Brook Rd Realty Trust

Sweetser, Jayne A, Trustees
 Dearstyne, Katharine B
 Cavanaugh, Patricia M
 Buenventura Childrens Trust

Savoie, Anne Pascale
 Smith, Caroline V, Trustees

153 Brook Street	153 Brook St.
2 Wildon Road	2 Wildon Rd
6 Wildon Road	6 Wildon Rd
10 Wildon Road	10 Wildon Rd
50 Fuller Brook Road	50 Fuller Brook Rd
54 Fuller Brook Road	54 Fuller Brook Rd
432 Broadway	56 Fuller Brook Rd
60 Fuller Brook Road	60 Fuller Brook Rd
64 Fuller Brook Road	64 Fuller Brook Rd
66 Fuller Brook Road	66 Fuller Brook Rd
9 Juniper Road	9 Juniper Rd
5 Juniper Road	5 Juniper Rd
139 Brook Street	139 Brook St.
135 Brook Street	135 Brook St.
131 Brook Street	131 Brook St.
6 Juniper Road	6 Juniper Rd
8 Juniper Road	8 Juniper Rd
57 Fuller Brook Road	57 Fuller Brook Rd
51 Fuller Brook Road	51 Fuller Brook Rd
19 Wildon Road	19 Wildon Rd
17 Wildon Road	17 Wildon Rd
11 Wildon Road	11 Wildon Rd
12 Wildon Road	12 Wildon Rd
16 Wildon Road	16 Wildon Rd
20 Wildon Road	20 Wildon Rd
24 Wildon Road	24 Wildon Rd
39 Fuller Brook Road	39 Fuller Brook Rd
31 Fuller Brook Road	31 Fuller Brook Rd
44 Fuller Brook Road	44 Fuller Brook Rd
48 Fuller Brook Road	48 Fuller Brook Rd
37 Wildon Road	37 Wildon Rd
5 Eisenhower Circle	5 Eisenhower Circle
9 Eisenhower Circle	9 Eisenhower Circle
14 Eisenhower Circle	14 Eisenhower Circle
22 Eisenhower Circle	22 Eisenhower Circle
26 Eisenhower Circle	26 Eisenhower Circle
40 Wildon Road	40 Wildon Rd
30 Hobart Road	30 Hobart Rd
40 Raddcliffe Road	40 Raddcliffe Rd
44 Raddcliffe Road	44 Raddcliffe Rd
48 Raddcliff Road	48 Raddcliffe Rd
54 Raddcliff Road	54 Raddcliffe Rd
60 Raddcliffe Road	60 Raddcliffe Rd
64 Raddcliffe Road	64 Raddcliffe Rd
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61 Raddcliffe Road	61 Raddcliffe Rd
57 Raddcliffe Road	57 Raddcliffe Rd
51 Raddcliffe Road	51 Raddcliffe Rd

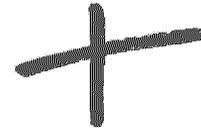
Emails RE: Book/Banner

15 Support

8 opposed

Connolly, Terry

From: Anne Powers <alp3studios@comcast.net>
Sent: Wednesday, February 15, 2017 11:15 PM
To: Connolly, Terry
Subject: intersection



To the Board of Selectmen,

> Dear Sirs, I have no objection to the plan for the intersection of Brook St. and Benvenue St. It is well done. However, I have never had any problems with that crossing. The visibility is not bad, and a driver should proceed only after stopping first.

The intersection of Benvenue St. and Grove St. is the one that should get your attention in my opinion. It is a blind corner and drivers go much too fast. A camera might persuade some to behave better. Blinking yellow lights might get better attention. The four way

stop corner at Babson College works well. Why not try that? The bumps that slow traffic effectively in Brookline on Pond Street and Warren St. do not require any further attention from the police—a real money saver after the initial expense.

Sincerely

yours.

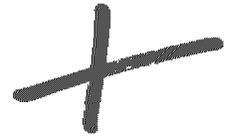
Anne L. Powers

57 Benvenue St, Wellesley
YY

(alp3studios@comcast.net)

Connolly, Terry

From: kps9@comcast.net
Sent: Friday, February 03, 2017 1:34 PM
To: DL: Board of Selectmen
Subject: Brook, Radcliffe and Benvenue Reconstruction



Hello Wellesley Selectmen,

I am writing in favor of the removal of the island at the intersections of Brook, Radcliffe and Benvenue Streets. I travel back and forth to work at Wellesley College Mon.-Thurs. by way of this intersection and am in fear every time I cross from Radcliffe to Benvenue or travel in the reverse direction whether for work or to visit friends. The sight lines are inadequate and one cannot safely negotiate driving around the island without fear of being hit by oncoming traffic. I choose this route rather than going through town because it is quicker and less congested but it is not for the feint of heart.

This has been a concern since moving back here in 1992. I am afraid that removing the island may adversely impact the traffic volume on my street and the speed along Brook Street, but I am more concerned about the dangerousness of the island. I have heard that the accident level is not overly high but that does not take into account near misses of which I have experienced or seen plenty. One shouldn't have to worry about safety as one navigates an intersection.

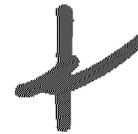
Thank you for addressing this long overdue need. I am hopeful that once this change is made, that a sidewalk can be added from the intersection of Benvenue and Brook streets, along Benvenue to Lathrop. That would fill in the "missing link" to provide access to town trails, walking routes, and protect pedestrians.

Thank you for your service,

Katherine Schleyer
9 Hobart Road
Wellesley, MA 02482
781-237-0549

Connolly, Terry

From: Kelley Wigren <kelley11@gmail.com>
Sent: Sunday, January 22, 2017 6:56 PM
To: Hickey, David; Pilecki, Jack; Connolly, Terry
Subject: redesign of Brook/Benvenue/Radcliffe



Dear Wellesley Traffic Committee Members,

Thank you for your time and efforts regarding this redesign. The current traffic situation is very dangerous, and I am in full support of the redesign and approval by you. I included a copy of the email I sent to Terry Connolly with my reasoning at the end of this email.

Sincerely,

Kelley Wigren
8 Juniper Road

Dear Board of Selectman,

I am writing in strong support of the proposed redesign of the intersection. I live at 8 Juniper Road, and this intersection is used by my family multiple times a day. My son uses the crosswalk near the intersection to get to school in the morning and I drive up and down Benvenue multiple times a day as well.

The intersection is very dangerous currently for the following reasons:

- people taking a right on Brook from Benvenue often do not stop at the stop sign and come down Brook at an alarming speed. This is very problematic when kids and adults are crossing in the crosswalk because the cars cannot see them until they are upon the crosswalk. At the speed they are going, it is hard for them to stop in time.

- Cars entering Brook from Benvenue that don't stop at the stop sign (which is many of them) also make the second crosswalk dangerous as the speed they are going down Brook at is too fast.

- With the current configuration, there are two ways around the triangle on Benvenue. This is confusing for drivers. If you are going up Benvenue towards Grove and two cars enter simultaneously on different sides of the triangle, it is not apparent who has the right of way and can easily cause accidents. The same thing happens as cars are coming down Benvenue and crossing over onto Radcliffe. I have been in the situation multiple times where I have gone one way and another car has gone the other way and we have almost collided trying to cross Brook to continue onto Radcliffe.

In conclusion, the proposed design is much safer, and I am in support of it.

Connolly, Terry

From: Megan A. <mvahonen28@gmail.com>
Sent: Thursday, January 19, 2017 12:07 PM
To: Connolly, Terry
Subject: Support of the redesign of Brook St./Benvenue/Radcliffe intersection



Terry-

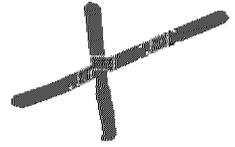
I am writing in support of the re-design of the Brook/Benvenue/Radcliffe intersection. I'm sorry that I wasn't able to make the meeting but as a resident of Fuller Brook Road and parent of five who frequently crosses the street in that area to walk to school, I feel that the re-design is a necessity.

Thank you for your consideration on this matter.

Sincerely,
Megan Ahonen
31 Fuller Brook Road

Connolly, Terry

From: Beatrice Hermacinski <bea@luneside.com>
Sent: Wednesday, January 18, 2017 2:25 PM
To: Hickey, David; Pilecki, Jack; Connolly, Terry; DL: Board of Selectmen;
School_Committee@wellesleys.org
Cc: Anne Marie Cronin; Leo Hermacinski
Subject: Brook/Benvenue/Radcliffe Proposed Re-design



To all involved with the proposed redesign of the Brook/ Benvenue/ Radcliffe intersection:

I give my wholehearted and enthusiastic support to the proposed redesign as depicted in the January 6th letter.

This is a much-needed change to the current layout which will greatly contribute to making this neighborhood more walkable for all, especially for the neighborhood children walking to Hunnewell, the Middle School, the High School, the public library, and the Central Street shopping district.

Thank you for your consideration.

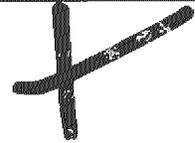
Leo Hermacinski
126 Brook Street

781 237 1603

leo@luneside.com

Connolly, Terry

From: Nicole Chapman <nicolechapman6@gmail.com>
Sent: Tuesday, January 17, 2017 9:57 PM
To: Connolly, Terry
Subject: Brook/Benvenue/Radcliffe Proposed Redesign



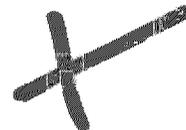
We are residents of Fuller Brook Rd and couldn't attend tonight's meeting. We fully support this redesign plan.

Thank you.

Nicole and Marc Chapman
38 Fuller Brook Rd.

Connolly, Terry

From: Becky Flanagan <rebeccajdonahue@gmail.com>
Sent: Tuesday, January 17, 2017 7:22 PM
To: Connolly, Terry
Subject: 7:00 pm Meeting Tonight - Brook/Benvenue/Radcliffe Proposed Re-design



Hi Terry,

I just learned of tonight's meeting from a neighbor and unfortunately was not able to attend. My husband and I moved in about a year and half ago to 56 Fuller Brook Road and have two small children, who at some point will be walking to Hunnewell. We fully support a redesign of this intersection, as I find it extremely difficult to cross Brook street near Radcliffe and Juniper, never mind, a child.

Thank you for your time and consideration.

Sincerely,
Rebecca and Ryan Flanagan
56 Fuller Brook Road

Connolly, Terry

From: stephanie@gallicomd.com
Sent: Tuesday, January 17, 2017 7:12 PM
To: Connolly, Terry
Subject: Re-design



Hi Terry,

Our family is very much in favor of the Brook, Radcliffe, Benvenue re-design. We believe it will make the intersection much safer for children walking to local schools. We have 3 kids. One at WMS and 2 at the Hunnewell school. I'm sorry we were not able to attend the meeting tonight.

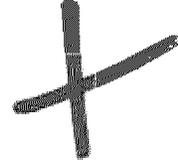
Thanks,

Stephanie and Greg Gallico

153 Brook St.

Connolly, Terry

From: David Welch <dweich115@icloud.com>
Sent: Tuesday, January 17, 2017 4:05 PM
To: Connolly, Terry
Subject: Brook/Benvenue/Radcliffe Proposed Re-design



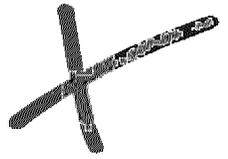
Dear Mr. Connolly,

Although my wife Lisa Onorato and I cannot attend this evening's meeting to discuss the proposed redesign of the intersection of Brook Street, Benvenue Street and Radcliff Road I wanted to send you a note to say that we strongly support the redesign and believe it will create a much safer environment for pedestrians - specially children walking to school - through that area.

David Welch
6 Juniper Road
Wellesley, MA 02482

Connolly, Terry

From: Cronin, Timothy X <Timothy_Cronin@ssga.com>
Sent: Tuesday, January 17, 2017 3:08 PM
To: Connolly, Terry
Subject: FW: 7:00 pm Meeting Tonight - Brook/Benvenue/Radcliffe Proposed Re-design



Hi Terry:

I am writing to express my strong support for the proposed re-design. My kids walk to school and anything to make drivers stop at that intersection would be a big improvement over the current configuration. I also ride a bike in the summer and have to be extra careful at the intersection because so many drivers ignore the stop sign.

Sincerely,
Tim Cronin
5 Juniper Rd

From: Anne Marie Cronin [mailto:annemarietronin@gmail.com]
Sent: Tuesday, January 17, 2017 2:55 PM
To: Anne Marie Cronin; Tim Cronin; Sue Kisiday; Hughes Family; Shelly Ward; Amy Fuller Boyd; Julie Johnson; amymingo@gmail.com; Megan A.; Nicole Chapman; Jason Fiorillo; Diane Landers; sbryan@live.com; Jackie Christiano; Kathryn Alessi; Shoumita Dasgupta; amyubersin@mail.com; Kim Carey; Alessi Kathryn Lundwall; Elaine Gillim; Susan Brennan; Philip Landers; Cronin, Timothy X; Cathy Reilly; Paul Reilly; Karen Kindle; Mary Liz Van Dyck; Diane Landers; mikem@e-pfg.com; Arthur Christiano (achristiano@orthopedicsne.com); Elizabeth Lyman; J and T Rotella; Julie Bryan; Dianna Kanter; Kelly Henry; Mike Brennan; Kelley Wigren; Robert Alessi; Andrew Wigren; Tom Lahive; Elizabeth May Humber; Mary Beth Mohan; Alexandra Pauli; Carol Almeda-Morrow; dwelch115@me.com; Amy Braz; stephanie@gallicomd.com
Subject: 7:00 pm Meeting Tonight - Brook/Benvenue/Radcliffe Proposed Re-design

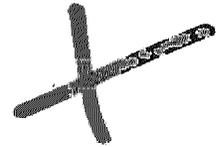
Hi All,

Tonight is the Traffic Committee presentation of the ReDesign of the Brook/Benvenue/Radcliffe intersection. The meeting will be held at 7:00 pm at the Wellesley Police Station. I am in favor of the redesign because I believe it will make the intersection and thus the walk to Hunnewell, WMS, and WHS a safer walk for my children and all the neighborhood children of the Fuller Brook neighborhood. I hope you will join me tonight at the meeting to show your support. If you are unable to attend the meeting but would like to share your thoughts please email Terry Connolly at tconnolly@wellesleyma.gov. Please forward to anyone who I have forgotten. Thank you.

Kind regards,
Anne Marie Cronin
5 Juniper Road
Mom to 6th Grade twins Hannah and
Ty

Connolly, Terry

From: Amy Braz <amytuberson@googlemail.com>
Sent: Tuesday, January 17, 2017 10:35 AM
To: Connolly, Terry
Subject: Re: intersection of Brook/Benvenue/Radcliffe



Dear Mr. Connolly,

I won't be able to make tonight's meeting, but I want to continue to express my support for this project. Thanks for the opportunity to learn more about the town's plans and to participate in the process.

Amy Braz
73 Fuller Brook Road

On Mon, Sep 28, 2015 at 6:54 PM, Amy Braz <amytuberson@googlemail.com> wrote:

Dear Mr. Connolly,

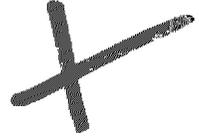
I'm unable to attend tonight's meeting, but once again, I would like to express my support for the project to improve the safety at the intersection of Brook/Benvenue/Radcliffe.

If for some reason this project does not move forward, I would like to request that the original crosswalk at Brook/Benvenue/Radcliffe remain. I was happy to see that it was repainted towards the end of the summer. Pedestrians have to walk too far out of their way to use the new crosswalk, which may actually lead to more unsafe crossings.

Thanks,
Amy Braz

Connolly, Terry

From: Kelley Wigren <kelley11@gmail.com>
Sent: Monday, January 16, 2017 10:02 PM
To: Connolly, Terry
Cc: andrew crane wigren
Subject: Intersection of Brook/Benvenue/Radcliffe final



Hi Terry, I sent an email about this before I was finished accidentally. This is the email I would like to share.

Dear Board of Selectman,

I am writing in strong support of the proposed redesign of the intersection. I live at 8 Juniper Road, and this intersection is used by my family multiple times a day. My son uses the crosswalk near the intersection to get to school in the morning and I drive up and down Benvenue multiple times a day as well.

The intersection is very dangerous currently for the following reasons:

- people taking a right on Brook from Benvenue often do not stop at the stop sign and come down Brook at an alarming speed. This is very problematic when kids and adults are crossing in the crosswalk because the cars cannot see them until they are upon the crosswalk. At the speed they are going, it is hard for them to stop in time.

- Cars entering Brook from Benvenue that don't stop at the stop sign (which is many of them) also make the second crosswalk dangerous as the speed they are going down Brook at is too fast.

- With the current configuration, there are two ways around the triangle on Benvenue. This is confusing for drivers. If you are going up Benvenue towards Grove and two cars enter simultaneously on different sides of the triangle, it is not apparent who has the right of way and can easily cause accidents. The same thing happens as cars are coming down Benvenue and crossing over onto Radcliffe. I have been in the situation multiple times where I have gone one way and another car has gone the other way and we have almost collided trying to cross Brook to continue onto Radcliffe.

In conclusion, the proposed design is much safer, and I am in support of it.

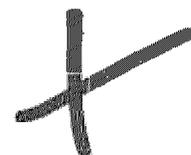
Sincerely,

Kelley Wigren
8 Juniper Road

My email address has changed to kelley11@gmail.com.
Please send all future emails to this address. Thanks!

Connolly, Terry

From: Andrew Wigren <awigren@yahoo.com>
Sent: Monday, January 16, 2017 7:01 PM
To: Connolly, Terry
Cc: Kelley Wigren
Subject: Intersection of Brook/Benvenue/Radcliffe



Dear Board of Selectmen,

I am writing to strongly support the proposed re-design of the intersection. My family and I have lived at 8 Juniper Road for 8 years and we use this intersection multiple times each day via car. We often walk to town through the intersection and ride our bikes through the intersection. Our son also crosses the intersection to get to Hunnewell.

I strongly support the re-design as the intersection is very dangerous in its current state. Cars from Benvenue taking a right on Brook often do not stop and enter Brook at a high speed. Cars going straight from Benvenue to Radcliffe are directed at an odd angle given the island which makes it dangerous when other cars are entering the intersection from Brook or Radcliffe.

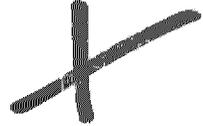
The bottom line is the proposed design is much safer and I strongly support it.

Sincerely,

Andy Wigren
8 Juniper Road

Connolly, Terry

From: Scott B Garfield <SGarfield@jhancock.com>
Sent: Tuesday, January 10, 2017 9:05 AM
To: Connolly, Terry
Subject: Brook/Benvenue Re-design



Terry,

I will not be able to attend the January 17th meeting, however, from what I can tell, the re-design looks appropriate. As someone who lives on Benvenue, and travels on it every day, all I can say is that I hope the road will be resurfaced. As you know, Benvenue is incredibly narrow and in total disrepair thanks to its many potholes and road patches. It has to rank as Wellesleyites' least favorite road to navigate. As part of this project, I sincerely hope the town takes the opportunity to at least resurface the road (since it doesn't appear it will ever be widened).

Thank you.

Scott Garfield

4 Arden Road

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Connolly, Terry

From: Anne Marie Cronin <annemariecronin@gmail.com>
Sent: Thursday, February 02, 2017 1:55 PM
To: Connolly, Terry
Subject: Be prepared!!!!

A friend on Radcliffe emailed this to me.....

The opposition letters should be coming your way soon.

Subject: Please send letters to town Board of Selectmen concerning Brook/Benvenue changes.

Dear Neighbors,

The issue of the reconfiguration of the Brook/Benvenue/Radcliffe intersection is not dead. On the contrary, the Town Board wants to remove the island and fill in spaces, so that it would be a sharply-cornered 4-way intersection. This is a dangerous intersection.

The residents of the Radcliffe/Hobart/Southgate neighborhood should be made aware of pitfalls of the proposed change. The proposed change will affect you and your lifestyle (particularly if you have young children), not to mention your property value.

The main concern is the drivers (including a fair share of commercial vehicles) who use our neighborhood as a shortcut. The proposed change to the intersection, and with the island removed, there is bound to be an increase in short-cutting traffic. Also, you can count on more landscaping trucks, with trailers, etc. that, at this point, cannot easily drive around the island, but will merely shoot straight across Brook St, on to Radcliffe, then Hobart and then Southgate, to get to Southgate. Also, you can count on more landscaping trucks, with trailers, etc. that, at this point, cannot easily drive around the island, but will merely shoot straight across Brook St, on to Radcliffe, then Hobart and then Southgate, to get to Southgate. Also, you can count on more landscaping trucks, with trailers, etc. that, at this point, cannot easily drive around the island, but will merely shoot straight across Brook St, on to Radcliffe, then Hobart and then Southgate, to get to Southgate.

An additional concern is that anyone exiting Radcliffe Rd. will have to contend with Brook St. traffic oncoming from the south. That is a very tricky spot, and if you find this to be a tricky spot, expect that it will worsen.

The town has already made numerous changes to accommodate the safety issues that the Fuller Brook area residents have. The town has already made numerous changes to accommodate the safety issues that the Fuller Brook area residents have. The town has already made numerous changes to accommodate the safety issues that the Fuller Brook area residents have. The intersection is being labeled as "dangerous," even though it is not.

The town (Board of Selectmen) sel@wellesleyma.gov needs to hear from us ASAP. Please do it in the next week or two, as it might be put on their agenda by end of this month (I believe they mean to reconfigure the intersection, but from our neighborhood there is very little voice).

I have included a sample letter, composed by Brook St. resident Nancy Kohl, if you need something to work off of. Please send to: sel@wellesleyma.gov

Dear Board of Selectmen,

I am writing to express my strong opposition to the proposed restructuring of the Brook/Benvenue intersection. This is very important to me, I do not believe that the proposed plan improves safety; indeed, if the proposed plan increases traffic speeds on Brook Street and increased vehicle volume on Radcliff could result. Further, the proposed plan is significantly changing the character of the neighborhood in which I made a significant investment.

I hope that you will take into account my strong opposition to the project and make the effort to keep the island.

Sincerely,

Connolly, Terry

From: Jill Maher <jillpmaher@gmail.com>
Sent: Friday, February 17, 2017 7:02 AM
To: DL: Board of Selectmen
Subject: Radcliffe Road intersection

Dear Board of Selectmen,

I am writing to express my concerns with the proposed restructuring of the Brook/Benvenue/Radcliffe intersection. My husband and I have four young children, ages 5 and under, who live at 44 Radcliffe Road. The speed of cars on Radcliffe is already too high and we are concerned that there will be an increased flow of commercial and high-speed traffic off of Brook Street. Further, we live at the top of a small hill which makes visibility of our young children difficult for oncoming cars. To make matters even more dangerous, the lack of sidewalks on Radcliffe Road force our young children onto the streets.

I hope that you will take into account my strong opposition to the project and make the effort to evaluate alternative solutions to address the safety of the intersection.

Sincerely,

Jill Maher

Connolly, Terry

From: Jackmik431 <jackmik431@aol.com>
Sent: Thursday, February 09, 2017 4:07 PM
To: DL: Board of Selectmen
Subject: Safety at the Benvenue-Brook Intersection

To: Board of Selectmen
Subject: Safety at the Intersection of Benvenue and Radcliffe

I live at 2 Woodridge Rd., on the corner of Brook Street and Woodridge Rd, right at the crest of Brook St. The safety of pedestrians is of paramount importance to me, especially the safety of children walking to Hunnewell School - as it is with all persons commenting on the design of the Brook-Benvenue intersection. In this connection, it appears to me that pedestrians from the Juniper St. area should always use the crosswalk at 139 Brook St. That crosswalk provides better visibility to both pedestrians and drivers than the crosswalk at the intersection of Brook and Benvenue. Traffic entering from Benvenue encounters the Brook-Benvenue crosswalk very soon after rounding an impeded view and then turning right. A distracted driver can pose a sudden danger to pedestrians in the middle of that Brook-Benvenue crosswalk since it is so near the Brook-Benvenue intersection. To me, the continued existence of the Brook-Benvenue crosswalk constitutes a hazard. I encourage the Town to look for alternative solutions away from that Brook-Benvenue intersection.

The problem of whether to proceed to the left of the island or to the right of the island when leaving Benvenue to go either across onto Radcliffe or left onto Brook St. does not seem to constitute a safety problem. The driver can look left and look right with good visibility and proceed either way. The visibility in both directions is good enough so that either course would not be dangerous. Perhaps a small sign saying Keep Right would prevent confusion for a stranger, though I know some residents are against "urbanization" of the neighborhood by signs, lights, and lines on the street.

To me, the island is more a benefit than a detriment. That island - with its tree looming in the distance - seems to serve to make people coming from the crest of Brook St. slow down or at least place their foot above the brake pedal. Perhaps low bushes in front of the tree would serve as a buffer for anyone who might accidentally veer up onto the island. But the bushes should absolutely not be view blockers. Removal of the island might make some drivers go at dangerous speeds along Brook St.

I must repeat: The safety of pedestrians is paramount, especially the safety of children walking to Hunnewell School. So, again, I encourage pedestrians to use the crosswalk at 139 Brook St. exclusively.

I thank the Board and its advising engineers for requesting input from neighbors and seeking a solution which is best for children, neighbors, and, perhaps by precedent, the entire town.

Sincerely and respectfully,

John Costello

Connolly, Terry

From: Robert Alessi <alessiro@gmail.com>
Sent: Thursday, February 16, 2017 11:28 AM
To: Connolly, Terry
Subject: Fwd: Opposition to Brook/Benvenue Intersection.

Dear Board of Selectmen,

I am writing to express my strong opposition to the proposed restructuring of the Brook/Benvenue/Radcliff intersection. While pedestrian and traffic safety in my neighborhood is very important to me, I do not believe that the proposed plan improves safety; indeed, if the proposed changes are implemented, unintended safety issues related to increased traffic speeds on Brook Street and increased vehicle volume on Radcliff could result.

Rob Alessi
60 Radcliffe Rd

--
Sent from Gmail Mobile

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Sent from Gmail Mobile

Connolly, Terry

From: Leslie Tsui <leslietsui@yahoo.com>
Sent: Monday, February 06, 2017 6:32 PM
To: DL: Board of Selectmen
Cc: Walter Tsui
Subject: Benvenue intersection

Dear Board of Selectmen,

We are writing to express our strong opposition to the proposed restructuring of the Brook/Benvenue/Radcliffe intersection.

We wholeheartedly support the goal of increased pedestrian and traffic safety in Wellesley. However, we believe strongly that the proposed changes will do the opposite by increasing speeds on Brook Street and increasing the volume of "cut through" traffic (including trucks and other commercial traffic) in the Radcliffe/Hobart/Southgate neighborhood where there are many young children, including a significant number that walk to school. Our experience is that the traffic island that the proposal would remove discourages cut-through traffic into the neighborhood.

It's our understanding that one of the problems the restructuring is designed to address is safer pedestrian access from the Fuller Brook neighborhood to other parts of Wellesley. This strikes us as a very laudable goal, but it's not clear to us how removing the traffic island achieves that goal. Our children have friends in the Fuller Brook neighborhood, and we wholeheartedly agree that pedestrian access should be improved. It seems to us that one of the main issues is that the sidewalks are not continuous near that intersection and thus require crossing Brook Street in a place that lacks good visibility. As but one example, was the possibility of extending the sidewalks on one side of Brook Street or the other and adding a crosswalk on a straighter section evaluated as an alternative solution?

We hope that you will take our strong opposition to the project into account and make additional efforts to evaluate alternative solutions to address the safety of the intersection.

Sincerely,

Walter and Leslie Tsui
39 Radcliffe Rd
Wellesley, MA 02482

Connolly, Terry

From: Sarah Smith <sarahkauai@yahoo.com>
Sent: Friday, February 03, 2017 10:16 AM
To: DL: Board of Selectmen
Subject: Benvenue/Radcliffe/Brook intersection

To the Board of Selectmen, Wellesley, Mass.

I would like to express my fervent objection to the proposed changes to the intersection of Brook St., Benvenue St. and Radcliffe Rd. As a person who has lived at that intersection for many years, and still has a proprietary interest in real property there, I think the project is ill advised and unnecessary.

I have attended meetings and am familiar with all aspects of concern.

Yes, there are safety issues that have been brought forth, but the town has already made adjustments and modifications in the name of creating more safety, and the difficulties have mostly been resolved.

People who felt unsafe have been granted options as to where they feel safest in crossing Brook Street. In some cases, it requires pedestrians to walk a few yards out of their way to get where they are going. It's a shame that this inconvenience to them is one of the main driving forces being used to justify an extreme solution — that of revamping an entire intersection that has been well-functioning for many decades.

New England is rife with awkward intersections and it's unrealistic to think that they can all be "fixed."

The intersection has been deemed "unsafe," and yet there is no data showing that to be true. Nary a collision has occurred there in over 20 years.

Worse traffic problems will arise (speeding cars through the Radcliffe/Hobart/Southgate neighborhood) if this intersection is modified, and then the town will have new problems to fix.

It is completely imprudent to move forward with this project. All other options must be explored first.

Thank you for your attention,

Sarah Smith

70 Radcliffe Rd.

Connolly, Terry

From: Margaret Nyweide <margaret.nyweide@gmail.com>
Sent: Thursday, February 02, 2017 1:56 PM
To: DL: Board of Selectmen
Subject: Opposition to proposed Brook/Benvenue/Radcliffe intersection restructuring

Dear Board of Selectmen,

I am writing to express my strong opposition to the proposed restructuring of the Brook/Benvenue/Radcliff intersection. While pedestrian and traffic safety in my neighborhood is very important to me, I do not believe that the proposed plan improves safety; indeed, if the proposed changes are implemented, unintended safety issues related to increased traffic speeds on Brook Street and increased vehicle volume on Radcliff could result.

We live at #47 Radcliffe and have three young children, all under the age of four. We love our house and neighborhood (which is teeming with kids - 9 in houses adjacent to ours alone), but our primary concern / complaint is the number of cars that use Radcliffe as a cut-through and drive way too fast. I am afraid the proposed change to the intersection will only exacerbate the problem, causing more cars (and more importantly, trucks/trailers) to speed down our road. This is scary as a parent, and frustrating as a homeowner who wants to preserve the family-friendly character of our neighborhood.

I hope that you will take into account my strong opposition to the project and make the effort to evaluate alternative solutions to address the safety of the intersection.

Sincerely,

Margaret Nyweide
#47 Radcliffe Road

Connolly, Terry

From: Christina McCormick <chmcc94@gmail.com>
Sent: Thursday, February 02, 2017 1:42 PM
To: DL: Board of Selectmen
Subject: Brook St./Benvenue St. Proposed Changes

Dear Board of Selectmen,

I am writing to express my very strong opposition to the proposed restructuring of the Brook/Benvenue/Radcliffe intersection. While pedestrian and traffic safety in my neighborhood is very important to me, I do not believe that the proposed plan improves safety, in fact the proposed changes could potentially create unintended safety issues related to increased traffic speeds on Brook St. and increased vehicle volume on Radcliffe. My husband and I bought our house in this neighborhood 12 years ago specifically for the wonderful neighborhood quality we sensed then and have been so fortunate to experience in the years since. The proposed change to the intersection, I believe, will significantly change this quality because of the likelihood of increased traffic and higher speeds. Our children will not be able to play freely as they have been so lucky to do these last 12 years and the entire character of the neighborhood will change. We made a specific investment here for a reason and would hate to have that threatened due to a decision that hasn't been fully explored.

I hope that you will consider my strong opposition to the project and make a concerted effort to further evaluate alternative solutions to address the safety of the intersection.

Many thanks,
Christina McCormick
14 Southgate Rd.

**BOARD OF SELECTMEN**

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

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HANS LARSEN
EXECUTIVE DIRECTOR OF GENERAL GOVERNMENT

MEMORANDUM

Date: February 24, 2017
To: Board of Selectmen
From: Terry Connolly *TC*
RE: **Updated FY18 Traffic & Parking Budget Request**

Background

The town's traffic and parking fund (Fund 27) is a receipts reserved for appropriation account authorized under G.L. c. 40, §§ 22A-C. § 22C authorizes the Town to use parking meter receipts for traffic control or traffic safety purposes. Outside of the core parking system operations (parking meters, traffic signs, and municipal parking lots), this fund pays the expenses related to traffic signal installation and maintenance, the traffic loop maintenance, pedestrian crosswalk signals, pavement markings, on-call traffic engineering services, and other traffic safety purposes.

Fund Balance

Sheryl Strother, Finance Director, confirmed the unappropriated balance in the traffic and parking fund is approximately \$2,000,000. Over the last decade, yearly revenue has consistently exceeded the approved town meeting appropriation. In FY16, the revenue exceeded the town meeting appropriation by \$185,000. Revenue in the traffic and parking fund has averaged \$893,000 over the last four years, while the budget over those four years has averaged \$761,000. There is no guarantee this level of revenue will continue long term and we want the board to be aware of this possibility. This unappropriated balance can be requested for appropriation by the Selectmen in any amount at any town meeting.

FY18 Budget Request

In December 2016, the proposed FY18 Traffic and Parking budget totaled \$1,315,818, a 45% increase over the approved FY17 budget. Since December, we have increased the proposed FY18 budget request by an additional \$200,000, resulting in a 67% increase over the FY17 budget. Assuming adoption of the updated FY18 budget request below is a table showing the net change to the Traffic and Parking Fund.

Traffic & Parking Fund balance change with FY18 proposed budget

Fund Balance 6/30/16	\$2,097,168
Proposed FY18 Budget Request	-\$1,515,818
Expected Revenue (4 yr. average)	+\$893,000
Ending Fund Balance	\$1,474,350
Net change	-\$622,818

Detail of the \$200,000 increase in capital type expenditures is shown in the table below in the column titled Feb 2017. These proposed changes add funding intersection improvements at Brook Street/Benvenue Street and Brook Street/Amherst Road. We have also reduced the parking lot lighting improvements request based on conversations with WMLP. Parking lot paving project is extended to 4 years (\$100K)/year)

<u>Capital type expenditures</u>	<u>Dec 2016</u>	<u>Feb 2017</u>	<u>Change +/-</u>
Parking Lot Lighting Improvements (estimate)	\$200,000	\$100,000	-\$100,000
Parking Lot Paving (Year 1 of 4)	\$200,000	\$100,000	-\$100,000
Brook/Benvenue Intersection Improvements		\$250,000	\$250,000
Brook/Amherst Intersection Improvements		\$150,000	+\$150,000
	<u>\$400,000</u>	<u>\$600,000</u>	<u>\$200,000</u>

We think it is important for the Selectmen to understand the current status and history of the traffic and parking fund and to consider this information before making recommendations regarding requests to spend the unappropriated balance. While we are not aware of additional capital type projects for consideration by the Selectmen, we are happy to draft a Traffic and Parking Capital Spending Policy for the board to reference before requesting town meeting capital appropriations from the traffic and parking fund.

Please let us know if you any questions.

Thank you.

900 WORCESTER STREET LEASE

Presentation to Board of Selectmen
February 27, 2016

Rendering of facility

Background

- **Past Town Meeting actions on this matter**
 - Primarily focused on acquisition of the site
 - With objective of redeveloping site for recreational purposes, using private funds
- **Subsequent actions**
 - Closed on acquisition – Fall 2014
 - Request for Information – Fall 2014
 - Demolished church – Summer 2015
 - 1st Request for Proposals – August 2015
 - 2nd Request for Proposals – March 2016
 - Conditional Notice of Award – June 2016
 - Lease negotiations – (July 2017 – Present)

Current objective

- Approve lease and related zoning change, and authorize School Committee to enter into surface license agreements

Key lease provisions

- 50 year term
- Tenant responsible for all improvements and mitigation work
- Normal permitting processes to be followed
 - Wetlands (Wetlands Protection Committee)
 - Project of Significant (Planning Board)
 - Site Plan Approval (ZBA)
- Tenant to pay property taxes and ground lease rent
- Wellesley users to pay market rate, but have preferential access
 - Through defined schedules for rinks and pools

Skating amenities

- Two NHL size rinks (85'x200')
- Seating capacity for 750 spectators at the west rink
- 10 locker rooms
- Pro shop

Skating program

- Learn to skate
- Figure skating
- Public skating
- Competitive hockey
 - Preferential rink times for Wellesley High School, Wellesley Youth Hockey Club and Dana Hall
 - Learn to play hockey
 - Skills development
 - Adult league
 - Tournaments
 - Summer league

Preferential rink times

Pool amenities (operated by Charles River Aquatics)

- Main pool
 - 10 lanes (25 yards) lengthwise to bulkhead
 - Plus 3 lanes (25 yards) widthwise
 - 1 meter diving board
 - Seating for 400 spectators
- Teaching/Fitness/Leisure pool
 - Minimum 50'x25'
 - Warm water
 - Zero type entry access

Pool program

- Lap swim
- Learn to swim
- Aquatic fitness
- Aquatic therapy and rehabilitation
- Water safety and education
- Recreation and open swim
- Competitive aquatics
- Preferential times for Wellesley High School and Wellesley Swim Association
- Wellesley residents to receive 25% discount off all program, use and membership fees

Preferential pool times

Other amenities

- Indoor turf field
 - 90' x 150' (suitable for 7v7 high school soccer)
- Fitness (2nd floor)
 - Operated by ???
 - Physical therapy (4,800 sf)
 - Strength and conditioning (6,600 sf)
- Concessions

Green features

- Developer in discussions with Wellesley MLP regarding installation of 900 kW solar array
- Grey water from ice shavings recycled for refrigeration and landscaping purposes
 - Resulting in half the water use of typical arenas
- Facility heating provided through heat reclaim process from refrigeration system
 - Recaptures >80% of heat from ice making system

Site development issues

- Traffic signal
 - Would facilitate left turn exit movement
 - Subject to negotiations with MassDOT
- Drainage
 - Will be required to accommodate stormwater drainage on-site
 - No drainage infrastructure along Route 9
 - To be addressed as part of PSI
- Parking
 - Developer believes he can meet zoning requirements on-site
 - Working with adjacent property owner to gain supplementary parking for selected peak-time events (e.g., High School hockey games)
 - Potential traffic signal and drainage tradeoffs

Market rate

- **Skating rinks**
 - Rental rate to be based on rents for comparable facilities
 - Initially set a \$320/hour
 - Comparable facilities initially designated to be:
 - New England Sports Village (Attleboro)
 - Ice House (Canton)
 - ???

Surface license agreements

- 5 year contractual agreements to purchase times reserved on Rink and Pool schedules
- Applies to:
 - Wellesley Youth Hockey (rinks)
 - Wellesley Swim Association (competition pool)
 - Wellesley High School (rinks and competition pool)
- Town Meeting approval required for WHS commitment
(Term of agreement exceeds 3 years)

Ground lease rent schedule

Years	Annual Rent
1-10	0
11-15	\$210,000
16-20	\$231,000
21-25	\$254,100
26-30	\$279,510
31-35	\$307,461
36-40	\$338,207
41-45	\$372,028
46-50	\$409,231

Rent negotiation considerations

- Reduced rent in initial years to offset cost of traffic signal work
- Imputed fair market value rent = \$280,000
 - Appraised value per 2012 Colliers appraisal = \$4,000,000 ("highest and best use")
 - Times cap rate of 7%
- Wellesley residents gaining benefit of preferential access times
 - Not necessarily "highest and best use"

Town economics

- Total appropriations - \$5,083,694
- Expenditures to-date – approx. \$4,600,000
 - Church demolition significantly less expensive than anticipated
 - Town not performing traffic study
- Annual debt service - \$295,000 (30 year, level payment)
 - Including debt service on >\$450,000 of excess funds available for other purposes
- Incremental property taxes - \$200,000 (initial estimate)
- Ground lease rent - \$280,000 starting in Year 11

Zoning

- Property currently zoned Single Residence
- To enable desired use, proposing to rezone as

Next steps

- Seek Town Meeting approval of lease and zoning change at April 3, 2017 Special Town Meeting
- Developer's timetable:
 - PSI application submission – April 2017
 - Planning Board PSI hearing – June 2017
 - ZBA Site Plan Approval – Summer 2017
 - Begin construction – Fall 2017
 - Open facility – Fall 2018

GROUND LEASE

This Ground Lease (this "**Ground Lease**") is entered into as of this ____ day of _____, 2017 by and between the Town of Wellesley, a Massachusetts municipal corporation, having a principal place of business at _____, Massachusetts (the "**Town**") and Wellesley Sports Group, LLC, a Massachusetts limited liability company having a place of business at 41 North Road, Suite 203, Bedford, MA (the "**Tenant**").

RECITALS

WHEREAS, pursuant to vote taken on Article 2 of the June 13, 2012 Wellesley Special Town Meeting as amended by Article 9 of the October 27, 2014 Wellesley Special Town Meeting, the Town acquired the fee interest in a certain parcel of land located at 900-910 Worcester Street, Wellesley, Massachusetts, shown as Parcels No 10 and 10-T on Assessor's Map No. 192 and described in a deed from the Roman Catholic Archbishop of Boston to the Town of Wellesley recorded in the Norfolk County Registry of Deeds in Book 32719, Page 343, containing eight (8) acres, more or less. The Town acquired the property for open space and recreational purposes and other general municipal purposes; and

WHEREAS, pursuant to the Town's Request for Proposals dated March 31, 2016 for the Ground Lease of Property Located at 900 Worcester Street, Wellesley, Massachusetts and the development thereon of a recreational facility (the "**RFP**"), the Town has accepted Tenant's proposal (the "**RFP Proposal**") for a lease of the Premises (as defined in Section 1.1 below) to construct certain improvements for use as a recreational facility, subject to the terms and conditions set forth herein; and

WHEREAS, concurrently herewith, Tenant and the Town have entered into Use Schedules the form of which is attached hereto as **Exhibits D-1 and D-2** and Surface License Agreements for the hockey rink and pool of even date herewith, the forms of which are attached hereto as **Exhibits E-1 and E-2**, respectively each of which may be amended from time to time, before or after the effective date of same, are incorporated herein (the "**Use Schedules**" and "**Surface License Agreements**"); and

NOW, THEREFORE, The Town and Tenant agree as follows:

ARTICLE 1 PREMISES

1.1 **Lease of Premises.** The Town, for and in consideration of the rent, terms, covenants, agreements and conditions herein reserved and contained does hereby demise and lease to the Tenant, and the Tenant does hereby take and hire from the Town, upon and subject to the terms, covenants, agreements and conditions herein set forth, the following described premises (hereinafter called the "**Premises**"):

The Premises located at 900 Worcester Street, Wellesley, Massachusetts, consisting of approximately eight (8) acres, more or less, and shown as Parcels No 10 and 10-T

on Assessor's Map No. 192 and described in a deed from the Roman Catholic Archbishop of Boston to the Town of Wellesley recorded in the Norfolk County Registry of Deeds in Book 32719, Page 343.

The Premises include the following appurtenant rights:

(a) The right to permit, construct, use, repair, maintain, replace, and operate indoor hockey rinks, swimming pools and athletic facilities, together with ancillary uses thereto including physical therapy, training, concessions, offices and conference facilities (the "**Facility**") as described herein and the Use Schedules; and

(b) The right to permit, install, use, repair, maintain, replace, and operate water, sewer, gas, data, electric, telephone and communication utilities, parking, landscaping and other related improvements and amenities, including installation of rooftop or other solar panels or alternative energy equipment (subject to limitations of Wellesley Municipal Light Plant agreements with the Tenant from time to time), along with other specified rights, serving the Premises and the Facility and Improvements constructed by the Tenant, subject, however, to:

- (i) any facts that an accurate survey or personal inspection of the Premises would show;
- (ii) easements, covenants and restrictions of record as of the date hereof, to the extent that the same are in force or effect;
- (iii) present and future Legal Requirements (as defined in Section 7.3 below); and
- (iv) all taxes, duties, assessments, special assessments, water charges and sewer rents and other impositions by a Governmental Authority, fixed or not fixed, accrued from and after the Commencement Date.

All of the improvements constructed or to be constructed and operated by Tenant pursuant this Agreement, on, over, in or under the Premises, including without limitation utility lines not owned by the respective utility company, parking areas and fixtures that are now or hereafter located on, installed in, or attached to, the Premises (collectively, the "**Improvements**"), and all easements, rights, privileges, licenses, covenants and other matters that benefit or burden the Premises, the Facility or the Improvements or the use or occupancy of the Premises, the Facility or the Improvements, whether or not of record, shall be referred to as the "**Project**."

1.2 **Reserved Rights.** The Town reserves the following rights and imposes upon Tenant the following obligations in connection with the Premises: Upon reasonable prior notice to Tenant, the Town shall have the right to access and enter upon the Premises for the purposes of inspection, complying with all applicable laws, ordinances, rules, regulations, statutes, by-laws, court decisions and orders and requirements of all public authorities and exercising any right reserved to the Town by this Ground Lease. The Town shall use

commercially reasonable efforts to minimize interference with or disruption of Tenant, Tenant's business, its occupants, its operators and its lessees.

1.3 Condition of the Premises. Tenant acknowledges that it has leased the Premises and agreed to perform the Project and Improvements (as defined in Section 3.1 below) after a full and complete examination of the Premises, including, without limitation, any encumbrances, subsurface conditions, existing structures thereon, if any, the presence of any asbestos or other Hazardous Materials (as defined in Section 9.4 below) located on, in or under the Premises or within such structures, legal title, their present uses and non-uses, and laws, ordinances, and regulations affecting the same and the ability of Tenant to use the Premises for their intended purposes, and accepts the same in the same condition in which they or any part thereof now are, and except as otherwise expressly provided in this Ground Lease, waives all rights to object to the condition thereof and assumes all risks in connection therewith, without any representation or warranty, express or implied, in fact or by law, on the part of the Town of Wellesley and any board, commission, or committee of the Town and without recourse to the Town or any board, commission or committee of the Town.

ARTICLE 2 TERM

2.1 Term. This Ground Lease shall be effective as of the date of execution by both parties and approval of the Wellesley Town Meeting. Provided, however, that, the initial term of this Lease shall be fifty (50) years (the "Term") commencing on the Term Commencement Date (as hereinafter defined). The Term, if not extended as provided for in this paragraph, shall terminate on the fiftieth (50th) anniversary of the Term Commencement Date, unless otherwise terminated as provided in this Lease. This Ground Lease may be extended for up to two (2) additional twenty- (20-) year terms upon mutual consent of the Parties.

2.2 Term Commencement Date. The Term of this Ground Lease shall commence on the Final Completion Date of the Facility and Improvements (all as defined herein).

2.3 Early Termination. Tenant agrees that if construction of the Facility and Improvements has not commenced (as defined in Section 3.1 below) by the Outside Construction Start Date (as defined in Section 3.1 below), the Town may elect to terminate this Ground Lease upon thirty (30) days' written notice to Tenant; provided, however, that if construction of the Facility and Improvements commences within such 30-day period and continues with all due diligence and application, such termination notice shall be null and void and this Ground Lease shall continue in full force and effect.

ARTICLE 3 TENANT'S FACILITY AND IMPROVEMENTS

3.1 Project.

(a) Tenant shall commence work on the Project constructing the Facility and Improvements described in Exhibit A attached hereto and incorporated herein within ninety (90) days following the later of (i) the receipt by Tenant of all Required Permits, defined below,

beyond applicable appeal periods and (ii) the closing on the Initial Project Financing, as such period may be affected by Unavoidable Delay as defined in Section 3.1(b) below (the "**Outside Construction Start Date**"), which permits and financing Tenant shall diligently pursue and which construction Tenant shall thereafter diligently and continuously prosecute to Final Completion (as defined below) in accordance with the Schedule of Performance, provided below. For purposes of this Ground Lease, construction of the Facility and Improvements shall be deemed to have "commenced" upon the commencement of actual physical work (including, without limitation, site work) on the Premises pursuant to a full, unconditional building permit for the Project, and "**Final Completion**" of the Project will be deemed to have occurred upon the issuance of a permanent certificate of occupancy for the Facility and Improvements. The date upon which Final Completion of the Project occurs shall be referred to herein as the "**Final Completion Date**", which shall occur not later than twenty-four (24) months from the later of (i) Receipt of the Required Permits (ii) the execution of this Ground Lease by all parties unless extended pursuant to Section 3.1(b) due to the occurrence of a Unavoidable Delay or for other reasons described in this Ground Lease.

(b) Notwithstanding anything to the contrary in this Ground Lease, in the event of Unavoidable Delay (as defined below), the commencement of the Project shall be excused for the period of Unavoidable Delay and the Outside Construction Start Date and Final Completion Date shall be extended for an equivalent period but not more than nine (9) months in the aggregate unless otherwise agreed by the parties. For purpose of this Ground Lease, the term "**Unavoidable Delay**" shall mean any delay, obstruction or interference resulting from any act or event whether affecting the Project or the Premises, which has a material adverse effect on the Tenant's rights or duties, provided that such act or event is beyond the reasonable control of the Tenant after pursuing all diligent efforts to remedy the delaying condition in an expedient and efficient manner and was not separately or concurrently caused by any negligent or willful act or omission of the Tenant or could not have been prevented by reasonable actions on the Tenant's part and the Tenant shall have notified the Town herein not later than thirty (30) days after discovering the occurrence of the Unavoidable Delay enumerated herein and within a reasonable time, including but not limited to, delay, obstruction or interference resulting from: (i) an act of God, landslide, lightning, earthquake, fire, explosion, flood, sabotage or similar occurrence, acts of a public enemy, war, blockage or insurrection, riot or civil disturbance; (ii) any legal proceeding commenced by any party seeking judicial review of this Agreement or any governmental approvals, or any restraint of law (e.g., injunctions, court or administrative orders, or moratorium imposed by a court, or administrative or governmental authority); (iii) the failure of any utility or governmental entity required by law to provide and maintain utilities, services, water and sewer lines and power transmission lines to the Premises, which are required for the construction of the Project or for other obligations of the Tenant; (iv) any unexpected or unforeseen subsurface condition at the construction site inconsistent with typical background conditions of a similar site, which shall prevent construction, or require a material redesign or change in the construction of, or materially adversely affect the completion schedule for, the Project, such determination to be made by a qualified engineer; (v) any unexpected or unforeseen subsurface environmental conditions on or from or otherwise affecting the Premises but not readily identifiable by visual inspection and which originated from the Premises; (vi) strikes, work stoppages or other substantial labor disputes; (vii) the failure or inability of any subcontractor or supplier to furnish supplies or services if such failure or inability is itself caused

by an Unavoidable Delay and/or could not have been reasonably prevented and the affected party cannot reasonably obtain substitutes therefore; (viii) a change in Tenant Financing which could not have been reasonably anticipated by Tenant; or (ix) any unreasonable delay which is caused or created by a board or officer of the Town from whom a Required Permit (as defined in Section 3.3) is sought, provided that the Tenant shall have timely complied with the reasonable requests and requirements of any governmental authority. The time or times for performance under this Agreement shall be extended for the period of the Unavoidable Delay, and in calculating the length of the Unavoidable Delay, there shall be considered not only actual work stoppages but also any consequential delays resulting from such stoppages as well.

3.2 Schedule of Performance. Subject to Unavoidable Delay, the Facility and Improvements shall be developed by Tenant in accordance with the construction schedule to be provided by Tenant and approved by the Town (the "Schedule of Performance"), and attached hereto as Exhibit B. Upon written request, Tenant shall submit to the Town on or before each deadline set forth in the Schedule of Performance satisfactory evidence that each deadline has been met. The satisfaction of the matters set forth in the Schedule of Performance by the dates set forth therefor is an essential part of this Ground Lease. In the event that the Town grants an extension of any such date, which the Town may grant or withhold in its reasonable discretion, the Town shall not be deemed thereby to be waiving any other rights hereunder or implying the extension of any other dates.

3.3 Required Permits.

(a) Tenant's obligations hereunder are subject to its receipt of and Tenant shall use diligent efforts to obtain, all final permits, approvals and licenses from governmental authorities, including the permits required under Section XVII. Project Approval of the Zoning Bylaws of the Town of Wellesley, Massachusetts and MEPA Environmental Notification Form if required ("Required Permits") required for construction and use of the Facility and all Improvements, and for any other alterations, removals, installations, additions, changes, replacements or improvements to the Premises (collectively, "Tenant Work"). Upon full or partial completion of the Project and prior to occupying any part of the Premises for any purpose other than constructing the Facility and Improvements, and upon completion of any other Tenant Work, Tenant shall obtain from each authority granting the final Required Permits or such other evidence of approval ("Required Approval") as may be necessary to permit such part of the Premises to be used and occupied for the Permitted Uses (as defined in Section 7.1 below). For Required Permits and Required Approval to be deemed "final," as required herein, all appeal periods applicable to such permits, licenses, approvals, and releases shall have expired without an appeal having been taken, or if appeal has been taken, after successful resolution thereof and all further appeal periods having expired. In the event that Tenant reasonably determines that such Required Permits and Required Approvals contain conditions or requirements that materially alter the proposed project design or operation of the proposed project in a manner that would materially increase the cost of construction or operation, Tenant shall have the right to terminate this Lease by written notice to the Town. Notwithstanding the foregoing, the Tenant agrees that any permit conditions, requirements and/or costs associated with the traffic light signalization at the driveway to the Premises shall not be grounds for termination of this Ground

Lease, provided such cost, including design, permitting and construction, does not exceed \$1,250,000, such cost to be determined prior to receipt of the Required Approvals. Tenant may occupy all or part of the Premises under temporary or conditional certificates of occupancy, but shall not be relieved from the obligation of obtaining permanent certificates of occupancy for the Facility and Improvements or other similar licenses or permits required to permit the Premises to be used and occupied for the Permitted Uses.

(b) The Town shall promptly execute and deliver any reasonable documents which may be necessary to obtain or maintain any Required Permit or Required Approval and shall further cooperate with Tenant in obtaining or maintaining any Required Permit or Required Approval, as Tenant may from time to time reasonably request; provided, however, that with the exception of zoning or other matters, where the Town's execution of petitions, application, appeals or other documents or joinder in proceedings may be required as a condition to Tenant's proposed action, the Town shall in no event be required to join in or become a party to any document or proceeding in which it will oppose the Town of Wellesley or the Commonwealth of Massachusetts or any agency, authority, branch, Town, division, office or subdivision of or for the Town of Wellesley or the Commonwealth of Massachusetts, nor shall the Town be required in connection with any such document or proceeding or otherwise to oppose in any way any policy previously established by the Town nor to take a position inconsistent with a position previously taken and made public by the Town. The Town shall not be required to incur any costs in connection with any documentation under this Section. Tenant agrees to reimburse the Town, in accordance with the customary requirements of applicable boards and commissions during the Required Permit application process within thirty (30) days from the Town's request, for any reasonable third party costs it may incur in connection with the review of such documentation.

(c) Tenant may contest, in good faith and on the same terms and conditions as provided in Section 7.4, the validity or applicability of any Legal Requirement (as defined in Section 7.3 below) which is the basis for any Required Permit or Required Approval.

3.4 Ownership. During the Term, the Facility and Improvements shall be vested in Tenant, and Tenant shall be entitled to any depreciation deductions and investment tax credits thereon for income tax purposes. Upon the expiration or earlier termination of this Ground Lease, title to the Facility and Improvements, including without limitation, utility lines not owned by the respective utility company, parking and loading areas, drainage facilities, and water and septic lines, facilities and equipment that are now or hereafter located on, installed in, or attached to, the Land and used in connection with the Project shall immediately vest in the Town and shall be surrendered at that time in accordance with Section 12.1 below.

3.5 Manner of Construction; Cost of Project. Tenant shall timely construct the Facility and all Improvements and Tenant Work in a good and workmanlike manner, in compliance with Legal Requirements as defined in Section 7.3 below and good engineering and construction practices. The Facility, Improvements and Tenant Work shall be constructed in material compliance with the Tenant's final plans, the Schedule of Performance, and in material compliance with any Permits. Tenant shall take all reasonably necessary measures to (i)

minimize dust, noise and construction traffic, (ii) minimize any damage, disruption or inconvenience caused by the Project and Tenant Work, and (iii) make adequate provision for the safety and convenience of all persons affected thereby and to properly police same. Dust, noise and other effects of such work shall be controlled using commercially accepted methods customarily utilized in order to control deleterious effects associated with construction projects in a populated, developed, or environmentally sensitive area, all as required by any Permits. Tenant shall pay (or cause to be paid) all costs and expenses associated with any Facility, Improvements or Tenant Work (including, without limitation, all architectural, engineering, construction, legal and consultant fees and costs) and shall defend, indemnify and hold the Town Parties (as defined in Section 6.12 below) harmless from and against any and all claims, damages, losses, penalties, costs, expenses and fees (including without limitation reasonable legal fees) (collectively, "Claims") attributable to the performance or failure to properly perform any Improvements or Tenant Work.

3.7 Repairs and Maintenance. The Tenant agrees to be solely responsible for maintaining the Premises and each and every part thereof throughout the Term of this Lease, and agrees, without limitation, to (i) ensure that the Premises are in compliance with Laws; and (ii) maintain the Premises in a sightly and safe condition throughout the Term. All work performed by the Tenant shall be done in a good and workmanlike manner consistent with the quality of the original construction and in compliance with all applicable Laws. The Tenant shall not permit or commit any waste. Tenant shall schedule any non-emergency repairs during times that the Facility is not scheduled for use by Town Hockey Users and/or Town Pool Users, both as defined below.

3.8 Tenant's Responsibility to Discharge Liens.

(a) If any mechanic's, laborer's or materialman's lien shall at any time during the Term be filed against the Premises, the underlying fee, or any part thereof with respect to the performance of any labor or the furnishing of any materials to, by or for Tenant or anyone claiming by, through or under Tenant, Tenant, within thirty (30) days after notice of the filing thereof, shall cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. If Tenant shall fail to cause such lien to be discharged within the period aforesaid, then, in addition to any other right or remedy, the Town may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit or by bonding proceedings. Any amount so paid by the Town and all costs and expenses incurred by the Town in connection therewith, together with interest at the prime rate of interest reported from time to time in the Wall Street Journal or any successor publication plus two percentage points (the "Default Rate") from the respective dates of the Town's making of the payment or incurring of the cost and expense until paid in full, shall constitute Additional Rent (as defined in Section 4.3 below) under this Ground Lease and shall be paid by Tenant to the Town on demand.

(b) Notwithstanding the foregoing, Tenant may contest, in good faith by appropriate proceedings, at Tenant's sole expense, the amount or validity in whole or in part of any mechanic's, laborer's or materialman's lien, and may defer the discharge of record thereof, provided that:

- (i) Tenant shall provide the Town with security reasonably satisfactory to the Town or shall bond over to assure payment of contested items;
- (ii) Tenant shall immediately pay or shall bond over such contested item or items if the protection of the Premises or of the Town's interest therein from any lien or claim shall, in the reasonable judgment of the Town, require such payment;
- (iii) The Town shall not be required to join in any proceedings referred to herein unless the provisions of any law, rule or regulation at the time in effect shall require that such proceedings be brought by or in the name of the Town. The Town shall not be subjected to any liability for the payment of any loss, costs or expenses in connection with any such proceedings, and Tenant shall defend, indemnify and save the Town Parties harmless from and against any such loss, costs and expenses; and
- (iv) Notwithstanding the provisions of Subsection (iii) above, the Town shall not be required to join in or become a party, nominal or otherwise, to any proceeding in which it will oppose the Town of Wellesley or the Commonwealth of Massachusetts or any agency, authority, branch, Town, division, office or subdivision of or for the Town of Wellesley or the Commonwealth of Massachusetts, nor shall the Town be required in connection with any such proceeding or otherwise to oppose in any way any policy previously established by the Town nor to take any position inconsistent with a position previously taken and made public by the Town.

Subject to the foregoing, and without cost to it, the Town shall promptly execute and deliver any reasonable documents which may be necessary to permit Tenant so to contest any such lien and shall further cooperate with Tenant in such contest, as Tenant may from time to time reasonably request.

3.9 No Consent. Nothing contained in this Ground Lease shall be deemed or construed in any way as constituting the consent to payment by the Town, or request of the Town, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration to, or repair of the Premises or any part thereof.

3.10 No Agency Relationship. Based on (a) the provisions of the Uniform Procurement Act for the disposition by Lease of Town-owned property, and (b) interpretations of the purpose, intent, and scope of the bidding laws for public construction by Massachusetts courts and by the Attorney General's Business and Labor Protection Bureau, the Town and the Tenant separately expect and intend (without any warranty or representation by the other party with respect thereto) that this Ground Lease, including without limitation its provisions applicable to the Tenant's Work on the Facility and Improvements under Article 3, is not subject to bidding laws for public construction, including without limitation M.G.L. c. 149, §§ 44A-44J,

M.G.L. c. 30, § 39M et seq., and M.G.L. c. 7C, § 54. In the event that a Court of competent jurisdiction issues a final, binding, conclusive Judgment that such bidding laws for public construction do apply to Tenant's work under Article 3 or other aspects of this Ground Lease, then the Town and the Tenant shall use best efforts to enter into a further written agreement within sixty (60) days (or such additional time as they may agree) from the entry of that Judgment as to how said bidding laws for public construction shall be complied with in conformity with said Judgment. In the event that, despite their best efforts, the parties fail to reach such an agreement within said sixty (60) days (or such additional time as they may agree), then either the Town or Tenant may elect to terminate this Ground Lease upon thirty (30) days' written notice to the other party.

ARTICLE 4 RENT

4.1 Rent. Commencing on the Term Commencement Date and continuing thereafter throughout the Term, Tenant shall pay to the Town annual Rent as provided in Rent Schedule I. Such annual Rent, as increased in accordance with said Rent Schedule I, shall be paid in monthly installments, payable in advance, on the first day of each month.

4.2 No Release of Obligations.

(a) No happening, event, occurrence or situation during the Term hereof, whether foreseen or unforeseen, and however extraordinary (including, without limitation, the Tenant's failure, refusal or inability for any reason to construct the Facility and Improvements) shall permit the Tenant to quit or surrender the Premises or this Lease or shall relieve the Tenant from its liability to pay the Annual Rent and other charges under this Ground Lease, or shall relieve the Tenant from any of its other obligations under this Ground Lease, and;

(b) The Tenant waives any rights now or hereafter conferred upon, to the extent permitted by law, to quit or surrender the Premises leased hereunder, or any part thereof, or to any abatement, set-off, reduction or suspension of Annual Rent on account of any such act, happening, occurrence or situation, except as otherwise provided herein.

4.3 Payment of Installments of Rent. Each installment of Rent shall be paid by check payable to the "Town of Wellesley, Massachusetts" and shall be delivered to the Town at its address for notice in Section 15.2, or such electronic payment method as shall be reasonably agreed upon by the Town and Tenant.

4.4 Additional Consideration. As further consideration for the Town's agreeing to enter into this Ground Lease, the Tenant shall provide:

(a) Preferred hockey rink use time in favor of the Town of Wellesley, its schools, Wellesley Youth Hockey, Dana Hall School, and any successor organizations (collectively, the "Town Hockey Users") as provided herein and in the Hockey Use Schedule attached hereto as Exhibit D-1. The Town or other Town Hockey Users, as the case may be, shall be charged market rate for use of these facilities, which shall be calculated by taking the mean average of comparable facilities (taking into consideration the age and size of the facilities and their

respective community demographics as compared to the rinks provided by Tenant). Initially, the following is a list of applicable comparable facilities: New England Sports Village (Attleboro) and Ice House (Canton). This list of comparable facilities may be changed by the parties upon mutual agreement. The Hockey Use Schedule is established annually on March 15th for the following hockey season (for the purposes hereof, a hockey season shall be September 1 through the following March 31 of any given school year) in the following manner: (i) the Town Hockey Users shall be entitled to the same number of hours as the previous year, or fewer if requested by the Town Hockey Users, but shall not be entitled to an increase in hours from the previous season without the approval of the Tenant, such approval not to be unreasonably withheld; (ii) March 15 represents the cut-off date by which the Town Hockey Users may request a change to the Hockey Use Schedule for the next following season; and (iii) if no change is requested by March 15, the previous season's schedule shall remain in place for the following season.

(b) Preferred pool use time in favor of the Town of Wellesley, its schools, the Wellesley Swim Association, and any successor organizations (collectively, the "Town Pool Users") as provided herein and in the Pool Use Schedule attached hereto as Exhibit D-2. The Town or other Town Pool users, as the case may be, shall be charged market rate for use of these facilities, which shall initially be \$30 per hour per lane. The market rate for the pool facilities may increase, not more often than annually, on July 1, at the lesser of CPI increase or 2.5%. The Pool Use Schedule is established annually on March 15th for the following swimming season (which swimming season, for the purposes hereof, is defined as September 1 through the following March 31 of each school year) in the following manner: (i) the Town Pool Users shall be entitled to the same number of hours as the previous year, or fewer if requested by the Town Pool Users, but shall not be entitled to an increase in hours from the previous year without the approval of the Tenant, such approval not to be unreasonably withheld; (ii) March 15 represents a cut-off date by which the Town Pool Users may request a change to the Pool Use Schedule for the following season; and (iii) if no change is requested by March 15, the previous year's schedule shall remain in place for the following season.

(c) The Parties' rights and obligations with respect to the Town's use of the hockey rinks and pools are further described and delineated in the Surface License Agreement(s) the forms of which are attached hereto as Exhibits E-1 and E-2, which Agreement(s) may be amended from time to time upon mutual consent of the Parties.

ARTICLE 5 TAXES AND UTILITIES

5.1 Taxes. Tenant shall pay and discharge as they become due, promptly and before delinquency, all taxes, assessments, rates, charges, license fees, municipal liens, levies, excises, or imposts, whether general or special, or ordinary or extraordinary, of every name, nature, and kind whatever, including all governmental 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 Premises or the improvements, or any part of same, or on Tenant's estate which may be a subject of taxation, or on the Town by reason of its ownership of the fee or any easements underlying this Ground Lease, during the entire term of this Ground Lease, saving and excepting only those taxes in this section specifically excepted.

5.2. Assessments. Specifically and without in any way limiting the generality of Paragraph 5.1 of this Section, Tenant shall pay all special assessments or levies or charges made by any municipal or political subdivision for local improvements, and shall pay them in cash as they shall fall due and before they shall become delinquent and as required by the act and proceedings under which any such assessments or levies or charges are made by any municipal or political subdivision. If the right is given to pay either in one sum or in installments, Tenant may elect either mode of payment and its election shall be binding on the Town. If by making any such election to pay in installments any of such installments shall be payable after the termination of this Ground Lease or any extended term of this Ground Lease, such unpaid installments shall be prorated as of the date of termination, and amounts payable after that date shall be paid by the Town. All other taxes and charges payable under this section shall be prorated at the commencement and expiration of the term of this Ground Lease.

5.3 Contest. If Tenant shall in good faith desire to contest the validity or amount of any tax, assessment, levy, or other governmental charge agreed in this Ground Lease to be paid by Tenant, Tenant shall be permitted to do so, and to defer the payment of the tax or charge, the validity or amount of which Tenant is so contesting, until final determination of the contest, on giving to the Town written notice of the contest prior to the commencement of any such contest, which shall be at least twenty-one (21) days prior to delinquency, and shall protect the Town on demand by a good and sufficient surety bond against any such tax, levy, assessment, rate, or governmental charge, and from any costs, liability, or damage arising out of any such contest.

5.4. Rebates. All rebates on account of any such taxes, rates, levies, charges, or assessments, required to be paid and paid by Tenant under the provisions of this Ground Lease shall belong to Tenant. The Town will, on the request of Tenant, execute any receipts, assignments, or other acquittances that may be necessary in order to secure the recovery of any such rebates, and will pay over to Tenant any rebates that may be received by the Town.

5.5 [Intentionally omitted.]

5.6 Personal Property Taxes. Tenant shall pay promptly when due all taxes which may be imposed upon personal property (including fixtures taxed as personal property) in, on or within the Premises directly to the assessing party.

5.7 Utilities.

(a) Tenant shall pay, or shall cause to be paid, directly to the utility provider, all charges by any public authority or public utility for electricity, telephone, gas, and other services supplied or rendered to the Premises, and service inspections made therefor, whether called charge, rate, tax, betterment, assessment, fee or otherwise and whether such charges are made directly to Tenant or through or in the name of the Town ("Utility Charges").

(b) The Town agrees to provide reasonable access rights and/or easements over the Premises to utility companies for the purposes of bringing and connecting utility service to the Premises.

(c) As provided above, Tenant may, as part of its original construction or otherwise,

install rooftop or other solar or alternative energy equipment to provide energy to the project, subject to limitations imposed by the Town's arrangements, from time to time, with Wellesley Municipal Light and Power and other permitting requirements in effect from time to time.

5.8 No Liability of the Town. The Town shall not be required to furnish to Tenant any facilities or services of any kind whatsoever during the Term, such as, but not limited to, water, steam, heat, gas, hot water, electricity, light and power. The Town makes no representation or warranty that existing sources of supply, distribution points or utilities are adequate or sufficient to supply the Facility and Improvements.

ARTICLE 6 INSURANCE AND INDEMNITY

6.1 Casualty Insurance. During the Term, after Tenant's Builder's Risk Insurance obligations have ceased, Tenant, at its sole cost and expense, shall keep in full force and effect property insurance on the Facility and Improvements and other property installed or used in, on or about any Improvement in amounts sufficient at all times to prevent the Town or Tenant from becoming a co-insurer under the provisions of applicable policies of insurance, but, in any event, at least equal to the full replacement cost thereof (exclusive of cost of excavations, foundations and footings), without deduction for depreciation, against all risks of direct physical loss or damage as may from time to time be included within the definition of an "All Risks Insurance Policy" and extended to include coverage against earthquake, earth movement, flood (including back-up of sewers and drains), sprinkler leakage, breakdown of boilers, machinery and electrical equipment, lightning, wind storm, hail, explosion, riot, civil commotion, aircraft, vehicles, smoke and demolition. Such insurance also shall cover increased cost of construction, demolition and debris removal coverage, and contingent liability arising out of the enforcement of building laws and ordinances governing repair and reconstruction and shall include an agreed amount endorsement satisfactory to the Town.

6.2 Builder's Risk. During the period of any construction or structural alteration of the Premises, the Facility or the Improvements, Tenant shall also keep in full force and effect, at its sole cost and expense, "Builder's All Risk" insurance against loss or damage on a completed value non-reporting basis from such hazards and in such amounts as the Town may reasonably require.

6.3 Liability Insurance. Throughout the Term, Tenant shall maintain, for the benefit of the Town and Tenant, and identifying the Town as additional insured, commercial general liability insurance against claims for personal injury, death, and property damage occurring upon, in or about the Premises, the Facility or the Improvements, and on, in or about the adjoining sidewalks and passageways (including, without limitation, personal injury, death, and property damage resulting directly or indirectly from any change, alteration, improvement or repair thereof) for at least One Million (\$1,000,000) Dollars per occurrence and Three Million Dollars (\$3,000,000) aggregate, including bodily injury and death and for property damage. If Tenant has other locations that it owns or leases, the policy shall include an aggregate limit per location endorsement. Such liability insurance shall be primary and not contributing to any insurance available to the Town, and the Town's insurance shall be in excess thereto.

6.4 Personal Property Insurance. Throughout the Term, Tenant shall maintain personal property insurance insuring all equipment, trade fixtures, inventory, fixtures and personal property located on the Premises for perils covered by the cause of loss – special form (“special form”). Such insurance shall be written on a replacement cost basis in an amount equal to one hundred percent (100%) of the full insurable replacement value of the aggregate of the foregoing.

6.5 Automobile Liability Insurance. Throughout the Term, Tenant shall maintain, for the benefit of the Town and Tenant, and identifying the Town as additional insured, automobile liability insurance for all owned, hired, and non-owned vehicles in the amount of One Million Dollars (\$1,000,000) Combined Single Limit.

6.6 Umbrella Liability. During the period of any construction or structural alteration and continuing throughout the rest of the Term, Tenant shall maintain, for the benefit of the Town and Tenant, and identifying the Town as additional insured, umbrella liability insurance following the same form as the underlying general liability, automobile liability and employer’s liability insurance with limits not less than Two Million Dollars (\$2,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate.

6.7 Insurance Carried by Contractors. During the construction of the Facility and Improvements, Tenant shall require the construction manager and/or general contractor for the Project to maintain (i) for the benefit of Tenant and the Town, as additional insureds, commercial general liability insurance, including products and completed operations coverage, against any claims for personal injury, death and property damage occurring upon, in or about the Premises and on, in and about the adjoining sidewalks and passageways during the construction of the Project for at least One Million (\$1,000,000) Dollars per occurrence and Three Million Dollars (\$3,000,000) in the aggregate; (ii) worker’s compensation in amounts required by state statute; (iii) employer’s liability insurance with limits of not less than of Five Hundred Thousand Dollars (\$500,000); (iv) automobile liability insurance, including the ownership, maintenance and operation of any automotive equipment, owned, hired or non-owned, in an amount not less than One Million Dollars (\$1,000,000) combined single limit; and (v) umbrella liability insurance following the same form as the underlying general, automobile and employer’s liability insurance in an amount not less than Two Million Dollars (\$2,000,000) combined single limit.

6.8 Insurance Carried by Architects and Engineers. During the planning and construction of the Facility and Improvements, Tenant shall require any Engineer, Architect and/or other design professional for the Project to maintain Professional Liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) in the aggregate.

6.9 Insurance Coverage Increases. The minimum coverage stated in this Section 6 shall be reviewed every three (3) years by the Town and Tenant, and shall be increased at such intervals if such increases are reasonably necessary to reflect inflation or changes in the nature or degree of risks insured or to protect against judgments from time to time being awarded in Massachusetts for injury, death and property damage.

6.10 Insurance Carriers, Policies. All insurance provided for in this Section 6 shall be effected under valid and enforceable policies, issued by insurers of recognized

responsibility licensed and doing business in Massachusetts and having a so-called Best's Rating of "A:X" or better, or, if such rating is no longer issued, an equal or better rating by a successor insurance carrier rating service reasonably acceptable to the Town and the Tenant. Any deductible amounts under any insurance policies required hereunder shall not exceed Twenty-Five Thousand (\$25,000.00) Dollars. Upon the execution of this Ground Lease, and thereafter not less than fifteen (15) days prior to the expiration dates from time to time of the policies required pursuant to this Section 6, binders of such insurance or, upon written request of the Town, duplicate originals of the policies, shall be delivered by Tenant to the Town.

6.11 Blanket Policy. Nothing in this Section 6 shall prevent Tenant from taking out insurance of the kind and in the amounts provided for under this Section 6 under a blanket insurance policy or policies covering other properties as well as the Premises, provided, however, that any such policy or policies of blanket insurance (i) shall specify therein, or in a written statement from the insurers under such policy or policies specifying, the amount of the total insurance allocated to the Premises, which amounts shall not be less than the amounts required by this Section 6, and (ii) such amounts so specified shall be sufficient to prevent any of the insureds from becoming a co-insurer within the terms of the applicable policy or policies, and provided further, however, that any such policy or policies of blanket insurance shall, as to the Premises, otherwise comply as to endorsements and coverage with the provisions of this Section 11.

6.12 No Separate Insurance. Tenant shall not take out separate insurance concurrent in form or contributing in the event of loss with that required in this Section 6 to be furnished by, or which may reasonably be required to be furnished by, Tenant unless the Town and Tenant are included therein as insureds, with loss payable as in this Ground Lease provided. Tenant shall immediately notify the Town of the placing of any such separate insurance and shall cause the same to be delivered as in Section 6.8 hereof required.

6.13 Adjustment. All policies of insurance provided for in Section 6 hereof shall name the Town and Tenant as the insureds as their respective interests may appear. The loss, if any, under such policies shall be adjusted with the insurance companies by Tenant, and shall be payable to Tenant. All such policies shall provide that the loss, if any, thereunder shall be adjusted and paid as hereinabove provided. Each such policy shall, to the extent obtainable, contain a provision that no act or omission of any of the Tenant Parties (as defined in Section 6.15 below) shall affect or limit the obligation of the insurance company so to pay the amount of any loss sustained.

6.14 Non-cancellation. Each policy or binder issued by an insurer shall, to the extent obtainable, contain an agreement by the insurer that such policy shall not be canceled, non-renewed or substantially modified without at least ten (10) days' prior written notice to the Town, Tenant and any Permitted Institutional Mortgagee (as defined in Section 10.2 below) named therein.

6.15 Indemnification.

(a) Tenant shall defend (with counsel reasonably acceptable to the indemnified party), indemnify and save the Town, and all board members, commissioners, employees, agents,

servants, and licensees of the Town (collectively the "**Town Parties**") harmless against and from any and all Claims which may be imposed upon or incurred by or asserted against the Town Parties by reason of any of the following occurrences:

- (i) any work or thing done during the Term of this Ground Lease in, on or about the Premises or any part thereof, including during construction of the Improvements and Facility and any other Tenant Work, by Tenant or any other party other than the Town Parties;
- (ii) any use, non-use, possession, occupation, condition, operation, maintenance or management of the Premises or any part thereof, including any roadway, sidewalk or curb, parking areas, loading areas, drainage facility, or water, septic or sewer line, equipment or facility, appurtenant to or serving the Premises, during the Term of this Ground Lease by Tenant or any other party other than the Town Parties;
- (iii) any negligence or willful misconduct on the part of Tenant or any of its agents, contractors, servants, employees, subtenants, occupants, guests, licensees, operators, or invitees (together with Tenant, the "**Tenant Parties**");
- (iv) any accident, injury or damage to any person or property occurring in, on or about the Premises, the Facility or any Improvement or any part thereof, including any roadway, sidewalk or curb, parking areas, loading areas, drainage facility, or water, septic or sewer line, equipment or facility, appurtenant to the Premises, unless the same occurs solely as a result of the gross negligence or wrongful act of any of the Town Parties; and
- (v) any failure on the part of Tenant to perform or comply with any of the covenants, agreements, terms, provisions, conditions or limitations contained in this Ground Lease on its part to be performed or complied with.

(c) The foregoing express obligation of indemnification shall not be construed to negate or abridge any other obligation of indemnification running to the Town which would exist at common law or under any other provision of this Ground Lease, and the extent of the obligation of indemnification shall not be limited by any provision of insurance undertaken in accordance with this Section 6. This Ground Lease is made on the express condition that the Town shall not be liable for, or suffer loss by reason of, any damage or injury to any property, fixtures, buildings or other improvements, or to any person or persons, at any time on the Premises, specifically including any damage or injury to the person or property of Tenant or any of the Tenant Parties, from whatever cause, in any way connected with the condition, use, occupational safety or occupancy of the Premises, the Facility or the Improvements, unless caused by the gross negligence or willful misconduct of the Town.

(d) The provisions of this Section 6.15 shall survive termination or expiration of this Ground Lease.

**ARTICLE 7
USE OF PREMISES**

7.1 Permitted Uses. The Premises and the Improvements shall be used exclusively for purposes of designing, constructing, developing and operating the Facility and Improvements (as described in Exhibit A) and accessory uses and structures which are ancillary thereto such as physical therapy, training, concessions, offices and conference facilities (collectively, the "Permitted Uses").

7.2 Abandonment of Use. Subject to Unavoidable Delays and, except during selection of a developer-operator sub-tenant, permitting and timely construction of the Facility and Improvements and thereafter during reasonable periods of repair, remodeling and/or restoration, Tenant covenants and agrees to continuously and uninterruptedly use the Premises for the Permitted Uses. If at any time after completion of permanent financing with a Permitted Institutional Mortgagee, the Premises shall be abandoned, deserted, or vacated by the Tenant (such decision to abandon, desert, vacate or discontinue construction or operation, the facilities located on the Premises shall be referred to as a decision to "Discontinue Operations"), the Town shall have the right, subject to the rights of the Permitted Institutional Mortgagees set forth in this Section 7.2, to terminate the Lease by written notice to Tenant, as provided in Article 10.2, and recover exclusive possession of the Premises. In the event the Town exercises its right to terminate the Lease under this Section 7.2, the Lease shall terminate sixty (60) days after the date of the Town's notice to Tenant thereof, unless within such sixty (60) day period, the Premises are leased and occupied in accordance with Section 7.1. Each Permitted Institutional Mortgagee shall have the same rights to cure as set forth in Article 10.2(c) and (d).

7.3 Legal Requirements. Throughout the Term of this Ground Lease, Tenant, at its sole expense, shall promptly comply with and shall cause all Tenant Parties to promptly comply with, all present and future laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments, departments, boards and officers, foreseen or unforeseen, ordinary as well as extraordinary, which may be applicable to the Premises, the Facility and the roadway, sidewalk or curb, parking areas, loading areas, drainage facilities, adjoining the same, the water, septic or sewer lines, equipment and facilities servicing the Premises, the Facility and/or the Improvements or to the use or manner of use of the same or to any of the Tenant Parties, whether or not such law, ordinance, rule, regulation or requirement is specifically applicable or related to the conduct of the Permitted Uses, or shall affect the interior or exterior of Facility and/or the Improvements or any Tenant Work, or shall necessitate structural changes or improvements, or shall interfere with the use and enjoyment of the Premises (collectively, "Legal Requirements"). Tenant shall, in the event of any violation or any attempted violation of this Section by any Tenant Party, take steps, immediately upon knowledge of such violation, as Tenant determines to be reasonably necessary to remedy or prevent the same as the case may be.

7.4 Contests. Tenant shall have the right to contest by appropriate legal proceedings diligently conducted in good faith, in the name of Tenant, without cost or expense to the Town, the validity or application of any Legal Requirement, subject to Tenant providing the Town with

written notice thereof on or before the date of contesting same, and further subject to the following:

(a) If, by the terms of any such Legal Requirement, compliance therewith pending the prosecution of any such proceeding may legally be delayed without the incurrence of any lien, charge or liability of any kind against the Premises or any part thereof and without subjecting Tenant or the Town to any liability, civil or criminal, for failure so to comply therewith, Tenant may delay compliance therewith until the final determination of such proceeding; and

(b) If any lien, charge or civil liability would be incurred by reason of any such delay, Tenant nevertheless may contest as aforesaid and delay as aforesaid, provided that such delay would not subject the Town to criminal liability or fine, and provided that Tenant (i) bonds over such lien or furnishes to the Town security, reasonably satisfactory to the Town, against any loss or injury by reason of such contest or delay, and (ii) prosecutes the contest with due diligence; and

(c) The Town shall not be required to join in or become a party, nominal or otherwise, to any proceeding in which it will oppose the Town of Wellesley or the Commonwealth of Massachusetts or any agency, authority, branch, division, office or subdivision of or for the Town of Wellesley or the Commonwealth of Massachusetts, nor shall the Town be required in connection with any such proceeding or otherwise to oppose in any way any policy previously established by the Town nor to take a position inconsistent with a position previously taken and made public by the Town.

7.5 Compliance with Insurance Requirements. Throughout the Term of this Ground Lease, Tenant, at its expense, shall observe and comply with the requirements of all policies of public liability, casualty and all other policies of insurance required to be supplied by Tenant at any time in force with respect to the Premises, and Tenant shall, without limiting any other requirements of this Ground Lease, in the event of any violation or any attempted violation of the provisions of this Section by any Tenant Party, take all reasonable steps, immediately upon knowledge of such violation or attempted violation, to remedy or prevent the same as the case may be.

ARTICLE 8 TAKING

8.1 Award. In the event that the Improvements, Premises, Facility, or any part thereof, shall be taken in condemnation proceedings or by exercise of any right of eminent domain (any such matters being herein referred as a "Taking"), the Town and Tenant shall have the right to participate in any Taking proceedings or agreement for the purpose of protecting their interests hereunder. Each party so participating shall pay its own expenses therein.

8.2 Termination. If at any time during the Term of this Ground Lease there shall be a Taking of the whole or substantially all of the Facility, the Improvements or Premises, this Ground Lease shall terminate and expire on the earlier of (i) the date upon which the condemning authority takes possession of the real estate subject to the Taking; or (ii) the date

title to the real estate is vested in the condemning authority. For the purpose of this Article, “substantially all of the Facility, the Improvements or Premises” shall be deemed to have been taken if the untaken part of the Premises shall be insufficient for the restoration of the Facility and Improvements such as to allow the economic and feasible operation thereof by the Tenant. Tenant’s interest in any Taking award will equal the value to Tenant of the remaining Term of this Ground Lease, the value to Tenant of the use and enjoyment of the Facility and Improvements, and Tenant’s relocation expenses insofar as relocation expenses are paid by the Taking authority (collectively, the “Tenant’s Share”). The Town’s interest in any taking by Condemnation will equal the value of its fee interest plus its remainder interest in the Facility and Improvements, if any (the “Town’s Share”). All awards from the Taking will be divided between Tenant and the Town in the proportion that the Tenant’s Share bears to the Town’s Share.

8.3 Insubstantial Taking. If a portion of the Premises, Facility or Improvements is taken and Section 8.2 does not apply, then this Ground Lease will automatically terminate on the date of the Taking only as to the portion of the Premises, Facility or Improvements taken and this Ground Lease will continue in full force and effect. In such event, any partial Taking award shall be paid first to the Tenant in an amount equal to the greater of (i) the unamortized cost of any Improvements constructed by Tenant on the portion of the Premises subject to the Taking; or (ii) the amount necessary to discharge or, if such amount is insufficient, to reduce any Permitted Institutional Mortgage. The balance, if any, of the Taking award shall be paid to the Town.

8.4 Temporary Taking. If the whole or any part of the Premises, Facility or Improvements shall be the subject of a temporary Taking of one hundred twenty (120) days or less, this Ground Lease shall remain in full force, and the Tenant shall be entitled to receive the entirety of any award so made for the period of the temporary Taking that is within the Term.

ARTICLE 9 ENVIRONMENTAL

9.1 Environmental Laws Defined. “Environmental Laws” means, collectively, any federal, state, or local law, rule or regulation (whether now existing or hereafter enacted or promulgated, as they may be amended from time to time) pertaining to environmental regulations, contamination, clean-up or disclosures, and any judicial or administrative interpretation thereof, including any judicial or administrative orders or judgments, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601 et seq. (“CERCLA”); the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq. (“RCRA”); the Clean Water Act, 33 U.S.C. §§ 1251 et seq.; the Clean Air Act, 42 U.S.C. §§ 7401 et seq.; the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.; the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Appx. §§ 1801 et seq.; the Massachusetts Hazardous Waste Management Act, M.G.L. c. 21C §§ 1 et seq.; the Massachusetts Oil and Hazardous Material Release Prevention and Response Act, M.G.L. c. 21E §§ 1 et seq.; the Massachusetts Toxic Use Reduction Act, M.G.L. c. 21I §§ 1 et seq.; the Underground Storage Tank Petroleum Product Cleanup Fund, M.G.L. c. 21J §§ 1 et seq.; or any other applicable federal or state statute or city or county ordinance regulating the generation, storage, containment or disposal of any Hazardous Material (as defined in Section 9.4 below) or

providing for the protection, preservation or enhancement of the natural environment, any rules or regulations promulgated pursuant to any of the foregoing statutes or ordinances, including but not limited to laws relating to groundwater and surface water pollution, air pollution, transportation, storage and disposal of oil and hazardous wastes, substances and materials, stormwater drainage, and underground and above ground storage tanks; and any amendments, modifications or supplements of any such statutes, ordinances, rules and regulations.

9.2 Tenant's Environmental Representations, Warranties and Covenants.

Tenant hereby represents, warrants and covenants as follows:

(a) Except as may be permitted by and only in accordance with Environmental Laws, Tenant shall not allow any Hazardous Materials (as defined in Section 9.4 below) to exist or be stored, located, discharged, possessed, managed, processed, or otherwise used or handled on the Premises, and shall strictly comply with all Environmental Laws affecting the Premises. Without limiting the generality of the foregoing, Tenant is not, and will not become, involved in operations at the Premises involving Hazardous Materials, except as expressly permitted by Legal Requirements.

(b) No activity shall be undertaken on the Premises by Tenant which would cause (i) the Premises to be considered a hazardous waste treatment, storage or disposal facility as defined under any Environmental Laws; (ii) a release or threatened release of Hazardous Materials into any watercourse, surface or subsurface water or wetlands, or the discharge into the atmosphere of any Hazardous Materials in each case requiring a permit under any Environmental Laws and for which no such permit has been issued.

(c) Tenant shall, with all due diligence, at its own cost and expense and in accordance with Environmental Laws (and in all events in a manner reasonably satisfactory to the Town), take all actions (to the extent and at the time or from time to time) as shall be necessary or appropriate for the remediation of all releases of Hazardous Materials at or from the Premises including all removal, containment and remedial actions. Tenant shall pay or cause to be paid at no expense to the Town all clean-up, administrative, and enforcement costs of applicable government agencies or the parties protected by such Environmental Laws which may be asserted against the Premises.

(d) Tenant, upon execution of this Ground Lease, shall furnish the Town with a copy of any Material Safety Data Sheets and any updates thereto or any list of substances listed on the so-called Massachusetts Substance List, established pursuant to M.G.L. c. 111F which Tenant is required to prepare, file or maintain pursuant to said chapter for any substances used or stored on the Premises. If said Material Safety Data Sheets or lists should be changed or updated during the Term of this Ground Lease, Tenant shall promptly furnish a copy of such updated or changed Material Safety Data Sheets or list to the Town.

9.3 The Town's Environmental Representations, Warranties and Covenants.

The Town hereby represents, warrants and covenants as of the date of the execution of this Ground Lease as follows:

(a) Except for Existing Contamination (hereinafter defined), neither the Town nor,

to the Town's knowledge, the Premises (i) has received notice of any private or governmental lien or judicial or administrative notice, order or action relating to Hazardous Materials or environmental liabilities or violations with respect to the Premises, or (ii) is in, or with any applicable notice or lapse of time, or failure to take certain curative or remedial actions, will be in, either direct or indirect violation of any Environmental Laws. For purposes hereof, "Existing Contamination" shall mean any and all pollution or contamination caused by any Hazardous Material that previously existed or exists in, or was released onto the Premises as of the Commencement Date, the types and quantities of which have been disclosed in the Updated Due Diligence Investigation Results Report attached hereto as Exhibit C, along with its accompanying attachments, which are on file in Wellesley Town Hall.

(b) No activity shall be undertaken on the Premises by the Town which would cause (i) the Premises to be considered a hazardous waste treatment, storage or disposal facility as defined under any Environmental Laws; (ii) a release or threatened release of Hazardous Materials into any watercourse, surface or subsurface water or wetlands, or the discharge into the atmosphere of any Hazardous Materials in each case requiring a permit under any Environmental Laws and for which no such permit has been issued.

9.4 Hazardous Materials Defined. For purposes of this Ground Lease, "Hazardous Materials" shall mean, but shall not be limited to, any oil, petroleum product and any hazardous or toxic waste or substance, any substance which because of its quantitative concentration, chemical, radioactive, flammable, explosive, infectious or other characteristics, constitutes or may reasonably be expected to constitute or contribute to a danger or hazard to public health, safety or welfare or to the environment, including without limitation any asbestos (whether or not friable) and any asbestos-containing materials, lead paint, waste oils, solvents and chlorinated oils, polychlorinated biphenyls (PCBs), toxic metals, explosives, reactive metals and compounds, pesticides, herbicides, radon gas, urea formaldehyde foam insulation and chemical, biological and radioactive wastes, or any other similar materials which are included under or regulated by any Environmental Law.

9.5 Notices.

(a) Tenant shall provide the Town with copies of any notices of releases of Hazardous Materials which are given by or on behalf of Tenant to any federal, state or local agencies or authorities with respect to the Premises. Such copies shall be sent to the Town concurrently with mailing or delivery to the governmental agencies or authorities. Tenant also shall provide the Town with copies of any notices of responsibility or any other notices received by or on behalf of Tenant from any such agencies or authorities concerning any non-compliance with Environmental Laws on or about the Premises, including but not limited to notices regarding Hazardous Materials or substances located on or about the Premises. In addition, in connection with any litigation or threat of litigation affecting the Premises, Tenant shall deliver to the Town any documentation or records as the Town may reasonably request and which are in Tenant's possession and may be lawfully delivered to the Town, and the Town shall deliver to Tenant any documentation or records as Tenant may reasonably request and which are in the Town's possession and may be lawfully delivered to Tenant.

(b) Tenant or the Town shall immediately notify the other party in writing should Tenant or the Town become aware of (iii) any release or threatened release of Hazardous Materials or the occurrence of any other environmental problem or liability with respect to the Premises or any real property adjoining or in the vicinity of the Premises or such other property which could subject the Town, Tenant or the Premises to a Claim under any Environmental Laws or to any restriction in ownership, occupancy, transferability or use of the Premises under any Environmental Laws; (iv) any lien filed, action taken or notice given of the nature described in Sections 9.2(b) or 9.3(b) above; (v) any notice given to Tenant from any occupant of the Premises or any notice from any governmental authority with respect to any release or threatened release of Hazardous Materials; or (vi) the commencement of any litigation or any information relating to any threat of litigation relating to any alleged unauthorized release of any Hazardous Materials or other environmental contamination, liability or problem with respect to or arising out of or in connection with the Premises.

9.6 Environmental Indemnity. Tenant hereby presently, unconditionally, irrevocably and absolutely agrees to pay, indemnify, defend with counsel acceptable to the Town and save harmless the Town Parties for, from and against any and all Claims (including, without limitation attorneys' and experts' fees and expenses, clean-up costs, waste disposal costs and those costs, expenses, penalties and fines within the meaning of CERCLA), of any kind or nature whatsoever which may at any time be imposed upon, incurred by or asserted or awarded against any of the Town Parties and arising from any violation or alleged violation of Environmental Laws, environmental problem or other environmental matter described herein, relating to the Premises, or as a consequence of the Tenant's interest in or operation of the Premises, including, without limitation, matters arising out of any breach of Tenant's covenants, representations and warranties. Tenant does further agree and covenant that except as otherwise set forth in this Ground Lease, none of the Town Parties shall assume any liability or obligation for loss, damage, fines, penalties, claims or duty to clean up or dispose of Hazardous Materials, or other wastes or materials on or relating to the Premises regardless of any inspections or other actions made or taken by the Town on such property or as a result of any re-entry by the Town onto the Premises or otherwise. All warranties, representations and obligations set forth herein shall be deemed to be continuing and shall survive termination of this Ground Lease. In addition, the covenants and indemnities of Tenant contained herein shall survive any exercise of any remedy by the Town or Town Parties under the Lease. Tenant agrees that the indemnification granted herein may be enforced by any of the Town Parties; provided, however, that nothing contained herein shall prevent the Town from exercising any other rights under the Lease.

ARTICLE 10 TRANSFER OF TENANT'S INTEREST

10.1 Assignment by Tenant. Tenant shall not assign this Ground Lease or any interest in this Ground Lease or sublet or permit any other person to occupy or use the Premises or any portion thereof except as provided herein:

(a) Tenant may assign or sublet this Ground Lease or any interest therein upon written consent of the Town, which may not be unreasonably withheld, conditioned or delayed. For purposes hereof, the term assignment shall include a reorganization, dissolution or merger of Tenant or its general partner, whether by operation of law or otherwise, the admission of any

new general partner or the withdrawal of its current general partner, or a transfer of fifty percent (50%) or more of the ownership interests in Tenant. Notwithstanding the foregoing, Tenant may enter into one or more leases with the following occupants of the facilities without the consent of the Town: (i) one or more concessions; (ii) physical therapy; and (iii) training. Any such sublease shall be made expressly subject to this Ground Lease and to the conditions hereof and provided that Town is provided with a copy of said sublease or other occupancy agreement and that such occupant carries insurance covering liability to property and persons of at least \$1,000,000 per occurrence and names the Town as an additional insured.

(b) Tenant shall not otherwise assign this Ground Lease or any interest in this Ground Lease or sublet or permit any other person, to occupy or use the Premises or any portion thereof without the prior written consent of the Town, which consent may be withheld in the Town's reasonable discretion, subject to the foregoing provisions.

10.2 Leasehold Mortgages.

(a) Notwithstanding anything to the contrary contained in this Ground Lease, Tenant may, upon written notice to the Town, given prior to closing, from time to time, encumber, hypothecate, assign or mortgage its interest in the Premises with one or more mortgages, assignments of leasehold interest or any other security instruments in favor of an institutional lender or lenders, a state agency lender, or other lenders, as partial security for a loan or loans (collectively, a "Permitted Institutional Mortgage"; the holder of such Permitted Institutional Mortgage, is referred to as a "Permitted Institutional Mortgagee".) Each such Permitted Institutional Mortgage shall be expressly subject to the terms and conditions of this Ground Lease. Tenant shall promptly deliver to the Town a true copy of the Permitted Institutional Mortgage and any assignment thereof. Tenant shall notify the Town of the address of the Permitted Institutional Mortgagee to which notices may be sent. The Town and Tenant hereby agree that there shall be no cancellation, surrender or any modification of this Ground Lease that would adversely affect such Permitted Institutional Mortgagee's rights hereunder without the prior consent in writing of the Permitted Institutional Mortgagee. The Town will sign such consents and estoppel agreements and related documents in connection with said Mortgage(s) as may be reasonably required by any such Mortgagee(s).

(b) Permitted Institutional Mortgages not Assignment. For the purpose of this Section 11, the making of a Permitted Institutional Mortgage shall not be deemed to constitute an assignment or transfer of this Ground Lease, nor shall any Permitted Institutional Mortgagee, as such, be deemed an assignee or transferee of this Ground Lease or of the leasehold estate hereby created so as to require such Permitted Institutional Mortgagee, as such, to assume the performance of any of the terms, covenants or conditions on the part of Tenant to be performed hereunder; but the purchaser at any sale of the leasehold interest created by this Ground Lease in any proceedings for the foreclosure of any Permitted Institutional Mortgage, or the assignee or transferee of such leasehold interest under any instrument of assignment or transfer in lieu of the foreclosure of any Permitted Institutional Mortgage, shall be deemed to be an assignee or transferee (without requiring the consent of the Town pursuant to Section 10.1) and shall be deemed to have assumed the performance of all of the terms, covenants and conditions on the part of Tenant to be performed hereunder from and after the date of such purchase and assignment, and shall execute a written instrument assuming Tenant's obligations hereunder promptly upon request by the Town.

(c) Permitted Institutional Mortgagee Cure Rights. In the event of any default in the payment of money, Permitted Institutional Mortgagee, without being under any obligation to do so, shall have the right to cure such monetary default within ninety (90) days after the giving of notice to it by the Town. In the case of any default by the Tenant other than in the payment of money hereunder, the Town will take no action pursuant to Article 11 hereunder by reason of any such default without first giving to the Permitted Institutional Mortgagee notice thereof simultaneously with notice given to Tenant, and the right, but not the obligation, for a period of one hundred twenty (120) days after notice of such Tenant default, to cure such default, or, if such default cannot reasonably be cured within such one hundred and twenty (120) days, such longer period as is required to cure such default, including such period of time as may reasonably be required for Permitted Institutional Mortgagee to obtain possession of the Premises or title to the Tenant's leasehold estate created hereby, provided, that the Permitted Institutional Mortgagee shall have commenced cure or appropriate measures to obtain possession of the Premises or title to the Tenant's leasehold estate created hereby, within such one hundred and twenty (120) day period and thereafter continues diligently to effect such cure, or obtain such possession or title. The Permitted Institutional Mortgagee shall not be required to continue such foreclosure proceedings if the default shall be cured by Tenant; provided, further, that nothing herein shall preclude the Town from exercising any rights or remedies under this Ground Lease with respect to any other default by Tenant during any period of such forbearance, provided the exercise of such rights or remedies are subject to the same cure rights of the Permitted Institutional Mortgagee as set forth herein. Upon the expiration of any applicable cure period, the Town shall notify the Permitted Institutional Mortgagee whether or not Tenant has effectuated a cure within said cure period. The provisions of this Section 10.2(c) are conditioned on the following provisions:

(i) Acquisition of Possession. The Permitted Institutional Mortgagee shall, within sixty (60) days after notice of such Tenant non-monetary default, notify the Town of its election to proceed with due diligence promptly to acquire possession of the Premises or to foreclose the Permitted Institutional Mortgage or otherwise to obtain ownership of Tenant's interest in this Ground Lease. Such notice from the Permitted Institutional Mortgagee shall be accompanied by an instrument in writing wherein such Permitted Institutional Mortgagee agrees that:

(A) during the period that such Permitted Mortgagee shall be in possession of the Premises and so long as it remains in possession and/or during the pendency of any such foreclosure or other proceedings and until the interest of Tenant in this Ground Lease shall terminate or such proceeding shall be discontinued, it will pay or cause to be paid to or on behalf of the Town all sums from time to time becoming due hereunder during such period and shall comply with all obligations of the Tenant under this Ground Lease; and

(B) if delivery of possession of the Premises shall be made to such Permitted Institutional Mortgagee, whether voluntarily or pursuant to any foreclosure or other proceedings or otherwise, such Permitted

Institutional Mortgagee shall, promptly following such delivery of possession, perform all the covenants and agreements thereafter arising and herein contained on Tenant's part to be performed. Nothing in this subclause (B) shall be construed to require such Permitted Institutional Mortgagee to perform any of the Tenant's obligations hereunder accruing after such Permitted Institutional Mortgagee ceases to be in possession.

(d) Additional Rights of Permitted Institutional Mortgagee and Town's Covenants. In addition to the matters set forth above, the Town agrees, for so long as a Permitted Institutional Mortgage is outstanding, as follows:

- (i) Notwithstanding anything to the contrary contained in this Ground Lease, in the event that the Town would otherwise have the right to terminate this Ground Lease by reason of any Event of Default by Tenant which cannot be cured by a Permitted Institutional Mortgagee, e.g., an Event of Default under Section 11.1(e), or if a Permitted Institutional Mortgagee, its successors or assigns shall acquire Tenant's interest in this Ground Lease, the Town will enter into an amendment or other agreement naming the Permitted Institutional Mortgagee or its nominee as Tenant hereunder for the remainder of the Term effective as of the date of such termination, upon the same terms, provisions, covenants, and agreements as herein contained, provided the Permitted Institutional Mortgagee or its nominee shall make written request upon the Town for such amendment or other agreement within sixty (60) days after the later of (a) the date of such termination or acquisition, or (b) date notice of the termination is given;
- (ii) The Town and Tenant shall not (i) consent to any action taken or to be taken, the result of which would diminish or impair the priority of a Permitted Institutional Mortgage; or (ii) subordinate or consent to the subordination of this Ground Lease to any subsequent, underlying lease or mortgage. If this Ground Lease is rejected or disaffirmed by the Town or Tenant pursuant to any bankruptcy, insolvency, reorganization, moratorium or similar law, the Town shall offer the Permitted Institutional Mortgagee a new lease upon the same terms and conditions within ten (10) days after the date of such rejection; and
- (iii) The fee title to the Premises and the leasehold estate of Tenant therein shall not merge but shall remain separate and distinct notwithstanding the acquisition of said fee title by the Town, Tenant, or any third party by purchase or otherwise.

ARTICLE 11 TERMINATION AND DEFAULT

11.1 Events of Default. Each of the following events shall be deemed an "Event of Default" hereunder:

(a) if Tenant shall fail to pay, as and when due, any payment of Annual Base Rent, Escalation Rent, Additional Rent, or other sums payable under this Ground Lease, and such failure shall continue for a period of sixty (60) days after notice from the Town to Tenant;

(b) if Tenant shall fail to comply with the provisions of Sections 7.1, 7.2 or 8.2 hereof;

(c) if Tenant shall fail to maintain any insurance required to be maintained by Tenant hereunder or allow a lapse in coverage to exceed ten (10) days;

(d) if Tenant shall fail to perform or comply with any other of the agreements, terms, covenants or conditions in this Ground Lease, other than those referred to in Subsections (a) - (c) of this Section 11.1, for a period of thirty (30) days after notice from the Town to Tenant specifying the items in default, or in the case of a default or a contingency which cannot with due diligence be cured within such thirty (30) day period, within such additional time reasonably necessary provided Tenant commences to cure the same within such 30-day period and thereafter prosecutes the curing of such default with diligence; and

(e) if Tenant shall initiate the appointment of a receiver to take possession of all or any portion of the Premises or Tenant's leasehold estate for whatever reason, or Tenant shall make an assignment for the benefit of creditors, or Tenant shall initiate voluntary proceedings under any bankruptcy or insolvency law or law for the relief of debtors; or if there shall be initiated against Tenant any such proceedings which are not dismissed or stayed on appeal or otherwise within sixty (60) days, or if, within sixty (60) days after the expiration of any such stay, such appointment shall not be vacated or stayed on appeal.

11.2 Remedies. Upon an Event of Default, the Town at any time thereafter may give written notice to Tenant specifying such Event or Events of Default and stating that this Ground Lease and the Term hereby demised shall expire and terminate on the date specified in such notice, which shall be at least thirty (30) days after the giving of such notice. Upon the date specified in such notice, this Ground Lease and the Term hereby demised and all rights of Tenant under this Ground Lease shall expire and terminate (unless prior to the date specified for termination the Event or Events of Default shall have been cured, in which case this Ground Lease shall remain in full force and effect), and Tenant shall remain liable as hereinafter provided and the Facility and all Improvements shall become the property of the Town without the necessity of any deed or conveyance from Tenant to the Town. Tenant agrees upon request of the Town to immediately execute and deliver to the Town any deeds, releases or other documents deemed necessary by the Town to evidence the vesting in the Town of the ownership of the Facility and all Improvements. Upon such termination, the Town may re-enter the Premises and dispossess Tenant and anyone claiming by, through or under Tenant by summary proceedings or other lawful process.

11.3 Town's Right To Perform Tenant's Covenants.

(a) Upon an Event of Default, the Town may, but shall be under no obligation

to, cure such default which cure shall be at Tenant's sole cost and expense. The Town may enter upon the Premises (after five (5) days' written notice to Tenant except in the event of emergency) for any such purpose, and take all such action thereon, as may be necessary.

(b) The Town shall not be liable for inconvenience, annoyance, disturbance or other damage to Tenant or any operator or occupant thereof by reason of making such repairs or the performance of any such work, or on account of bringing materials, tools, supplies and equipment onto the Premises during the course thereof, and the obligations of Tenant under this Ground Lease shall not be affected thereby. The Town shall use commercially reasonable efforts to minimize interference with or disruption of Tenant or Tenant's business, occupants, operators and or lessees.

(c) All reasonable sums so paid by the Town and all reasonable costs and expenses incurred by the Town, including reasonable attorneys' fees and expenses, in connection with the performance of any such act, together with interest at the Default Rate from the date of such payment or incurrence by the Town of such cost and expense until the date paid in full, shall be paid by Tenant to the Town, as Additional Rent, on demand. If the Town shall exercise its rights under Section 11.3(a) to cure a default of Tenant, Tenant shall not be relieved from the obligation to make such payment or perform such act in the future, and the Town shall be entitled to exercise any remedy contained in this Ground Lease if Tenant shall fail to pay such obligation to the Town upon demand. All costs incurred by the Town hereunder shall be presumed to be reasonable in the absence of a showing of bad faith, clear error, or fraud.

11.4 No Waiver. No failure by either the Town or Tenant to insist upon the strict performance of any agreement, term, covenant or condition hereof or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial Annual Base Rent, Escalation Rent or Additional Rent during the continuance of any such breach, shall constitute a waiver of any such breach or of such agreement, term, covenant or condition. No agreement, term, covenant or condition hereof to be performed or complied with by either the Town or Tenant, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by the other party. No waiver by the Town or Tenant of any breach shall affect or alter this Ground Lease, but each and every agreement, term, covenant and condition hereof shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

11.5 Injunctive Relief. In the event of any breach or threatened breach by Tenant of any of the agreements, terms, covenants or conditions contained in this Ground Lease, the Town shall be entitled to enjoin such breach or threatened breach and shall have the right to invoke any right and remedy allowed at law or in equity or by statute or otherwise as though re-entry, summary proceedings, and other remedies were not provided for in this Ground Lease.

11.6 Remedies Cumulative. Each right and remedy provided for in this Ground Lease shall be cumulative and shall be in addition to every other right or remedy provided for in this Ground Lease or now or hereafter existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by the Town or Tenant of any one or more of the rights or remedies provided for in this Ground Lease or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the party in question

of any or all other rights or remedies provided for in this Ground Lease or now or hereafter existing at law or in equity or by statute or otherwise.

ARTICLE 12 SURRENDER; HOLD-OVER

12.1 Surrender.

(a) Tenant shall on the last day of the Term, or upon any earlier termination of this Ground Lease, quit and peacefully surrender and deliver up the Premises, subject to the rights of a Permitted Institutional Mortgagee hereunder, to the possession and use of the Town without delay and in good order, condition and repair (excepting only reasonable wear and tear and damage from a Taking or from a fire or other casualty after the last repair, replacement, restoration or renewal required to be made by Tenant, all as provided under this Ground Lease). Tenant, at Tenant's sole cost and expense shall have the right, but not the obligation, to remove the Facility and the Improvements from the Premises. The Premises shall be surrendered free and clear of all liens and encumbrances other than those existing at the commencement of the Term, those permitted under this Ground Lease or created or suffered by the Town and shall be surrendered without any payment by the Town on account of the Facility and the Improvements. Upon or at any time after the expiration or earlier termination of this Ground Lease, the Town shall have, hold and enjoy the Premises and the right to receive all income from the same.

(b) Tenant shall remove from the Premises all personal property within thirty (30) days after the termination of this Ground Lease and shall repair at Tenant's sole cost any damage to the Premises caused by such removal, unless the Town permits such property to remain.

12.2 Holdover. If Tenant or any party claiming by, through or under Tenant, retains possession of the Premises or any part thereof after the expiration or earlier termination of this Ground Lease, then the Town may, at its option, serve written notice upon Tenant that such holding over constitutes (i) an Event of Default under the Lease, or (ii) a month-to-month tenancy, upon the terms and conditions set forth in this Ground Lease, or (iii) the creation of a tenancy-at-sufferance, in any case upon the terms and conditions set forth in this Ground Lease. Tenant shall also pay to the Town all damages sustained by the Town resulting from retention of possession by Tenant. Town shall have the right to impose as Additional Rent, rent at the then current market rate for projects similar to the Project. The provisions of this Section 12.2 shall not constitute a waiver by the Town of any right of re-entry as set forth in this Ground Lease; nor shall receipt of any Rent or any other act in apparent affirmance of the tenancy operate as a waiver of the Town's right to terminate this Ground Lease for a breach of any of the terms, covenants, or obligations herein on Tenant's part to be performed.

ARTICLE 13 ESTOPPEL CERTIFICATES

The Town and Tenant promptly shall execute and deliver to each other or to any Permitted Institutional Mortgagee, within fifteen (15) business days after request, a certificate as

to matters customarily requested in connection with estoppel certificates, including, without limitation, whether or not (i) the Lease is in full force and effect, (ii) the Lease has been modified or amended in any respect and describing such modifications or amendments, if any, and (iii) there are any existing defaults thereunder to the knowledge of the party executing the certificate, and specifying the nature of such defaults, if any and will enter into any other agreements reasonably required by such Mortgagee, including Nondisturbance and Recognition agreements. Any such certificate may be relied upon by the Town, Tenant, any Permitted Institutional Mortgagee, and any transferee or assignee of a Permitted Institutional Mortgagee.

ARTICLE 14 NON-DISCRIMINATION COVENANTS

14.1 Non-Discrimination. With respect to its exercise of all rights and privileges granted herein, Tenant agrees that Tenant, its successors in interest, sublessees, licensees, operators, and assigns shall not discriminate against any person, employee, or applicant for employment because of race, color, creed, religion, national origin, age, sex, sexual orientation, marital status, handicap, veteran status or any other basis prohibited by law in Tenant's use of the Premises, including the hiring and discharging of employees, the provision or use of services, and the selection of suppliers and contractors.

14.2 Non-Compliance. Tenant shall defend, indemnify and hold the Town Parties harmless from and against any and all claims of third persons resulting from Tenant's non-compliance with any of the provisions of this Article 14.

ARTICLE 15 MISCELLANEOUS

15.1 Amendments to Lease. This Ground Lease may not be amended, modified, supplemented or extended except by a written instrument executed by the Town and Tenant.

15.2 Notices. Any and all notices, demands, requests, submissions, approvals, consents, disapprovals, objections, offers or other communications or documents required to be given, delivered or served, or which may be given, delivered or served, under or by the terms and provisions of this Ground Lease or pursuant to law or otherwise, shall be in writing and shall be delivered by hand, nationally recognized overnight express commercial service such as "Federal Express" (in either case with evidence of delivery or refusal thereof) or by registered or certified mail, return receipt requested, addressed if to Tenant to:

Tenant:

With a copy to:
Philip Lombardo, Esq.
Lombardo, DeVellis & Smith, LLP
41 North Road, Suite 203
Bedford, MA 01730

or to such other address as Tenant may from time to time designate by written notice to the Town, or if to the Town addressed to:

Blythe C. Robinson, Executive Director
Town of Wellesley
525 Washington Street
Wellesley, MA 02482

with a copy to:

Thomas J. Harrington, Esq.
Miyares and Harrington LLP
40 Grove Street • Suite 190
Wellesley, MA 02482

or to such other address as the Town may from time to time designate by written notice to Tenant, or to such other agent or agents as may be designated in writing by either party. The earlier of: (i) the date of delivery by overnight express commercial service, or (ii) the date of delivery or upon which delivery was refused as indicated on the registered or certified mail return receipt shall be deemed to be the date such notice or other submission was given.

15.3 Severability. If any term or provision of this Ground Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Ground Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Ground Lease shall be valid and be enforced to the fullest extent permitted by law.

15.4 WAIVER. THE PARTIES HERETO WAIVE A TRIAL BY JURY OF ANY AND ALL ISSUES ARISING IN ANY ACTION OR PROCEEDING BETWEEN THEM OR THEIR SUCCESSORS OR ASSIGNS UNDER OR CONNECTED WITH THIS GROUND LEASE OR ANY OF ITS PROVISIONS, ANY NEGOTIATIONS IN CONNECTION THEREWITH, OR TENANT'S USE OR OCCUPATION OF THE PREMISES.

15.5 Quiet Enjoyment. Tenant, upon paying the Base Rent and Additional Rent and other charges herein provided for and observing and keeping all covenants, agreements and conditions of this Ground Lease on its part to be kept, shall quietly have and enjoy the Premises during the Term of this Ground Lease without hindrance by anyone claiming by, through or under the Town, subject, however, to the exceptions, reservations and conditions of this Ground Lease and matters of record. The foregoing shall not create any liability on the part of the Town for any defects in or encumbrances on the Town's title existing as of the date hereof.

15.6 Integration. All prior understandings and agreements between the parties with respect to this Ground Lease are merged within this Ground Lease, which alone fully and completely sets forth the understanding of the parties.

15.7 Bind and Inure. The covenants and agreements herein contained shall bind and

inure to the benefit of the Town, its successors and assigns, and Tenant, its successors and assigns.

15.8 Notice of Lease. The Town and Tenant mutually agree to execute herewith, in triplicate, a Notice of Lease in recordable form with respect to this Ground Lease, which shall be recorded forthwith with the Registry of Deeds, and agree to execute, upon termination of this Ground Lease for whatever cause, a Notice of Termination of Lease in recordable form for recording with said Registry of Deeds.

15.9 Enforcement of the Town's Liability. Anything contained in this Ground Lease to the contrary notwithstanding, but without limitation of Tenant's equitable rights and remedies, the Town's liability under this Ground Lease shall be enforceable only out of the Town's interest in the Premises; and there shall be no other recourse against, or right to seek a deficiency judgment against, the Town, nor shall there be any personal liability on the part of the Town or any Town Parties, with respect to any obligations to be performed hereunder. Without limitation of the foregoing, the Town shall not be liable for any loss, damage or injury of whatever kind caused by, resulting from, or in connection with (i) the supply or interruption of water, gas, electric current, oil or any other utilities to the Premises, (ii) water, rain or snow which may leak or flow from any street, utility line or subsurface area or from any part of the Premises, or (iii) other leakage from pipes, appliances, water, sewer or plumbing works therein or from any other place. In no event shall the Town be liable to Tenant for any indirect, special or consequential or punitive damages or loss of profits or business income arising out of or in connection with this Ground Lease.

15.10 No Merger. There shall be no merger of this Ground Lease or of the leasehold estate hereby created with the fee estate in the Premises by reason of the fact that the Town may acquire or hold, directly or indirectly, the leasehold estate hereby created or an interest herein or in such leasehold estate, unless the Town executes and records an instrument affirmatively electing otherwise.

15.11 Captions. The captions of this Ground Lease are for convenience and reference only and in no way define, limit or describe the scope or intent of this Ground Lease nor in any way affect this Ground Lease.

15.12 Table of Contents. The Table of Contents preceding this Ground Lease but under the same cover is for the purpose of convenience and reference only and is not to be deemed or construed in any way as part of this Ground Lease, nor as supplemental thereto or amendatory thereof.

15.13 Massachusetts Law Governs. This Ground Lease shall be governed exclusively by, and construed in accordance with, the laws of the Commonwealth of Massachusetts.

15.14 Time of the Essence. Time shall be of the essence hereof.

15.15 Excavation and Shoring. If any excavation shall be made or contemplated to be made by Tenant for building or other purposes upon property or streets adjacent to or nearby the Premises, Tenant shall do or cause to be done all such work as may be necessary to preserve any

of the walls or structures of the Facility or Improvements from injury or damage and to support the same by proper foundations. All such work done by Tenant shall be at Tenant's sole cost and expense as may be required under Required Permits.

15.16 No Partnership or Joint Venture. Nothing contained under this Ground Lease shall be construed to create a partnership or joint venture between the Town and Tenant or to make the Town an associate in any way of Tenant in the conduct of Tenant's business, nor shall the Town be liable for any debts incurred by Tenant in the conduct of Tenant's business, and it is understood by the parties hereto that this relationship is and at all times shall remain that of landlord and tenant.

15.17 Tenant Request for Consent. Tenant shall reimburse the Town for its reasonable attorneys' fees and out-of-pocket expenses incurred in connection with any request by Tenant for the Town's consent hereunder.

15.18 Brokers. The Town and Tenant each warrants and represents to the other that it has had no dealings or negotiations with any broker or agent in connection with this Ground Lease. Each agrees to pay, and shall hold the other harmless and indemnified from and against any and all costs, expenses (including without limitation counsel fees) or liability for any compensation, commissions and charges claimed by any broker or agent resulting from any such dealings by the indemnifying party with respect to this Ground Lease or the negotiation therefor.

15.19 Covenants Running with the Land. Tenant intends, declares, and covenants, on behalf of itself and all future holders of Tenant's interest hereunder, that this Ground Lease and the covenants and restrictions set forth in this Ground Lease regulating and restricting the use, occupancy, and transfer of the Premises (a) shall be and are covenants running with the Premises, encumbering the Premises for the term of this Ground Lease, binding upon Tenant and Tenant's successors-in-interest; (b) are not merely personal covenants of Tenant; and (c) the benefits shall inure to the Town.

15.20 Authority.

(a) Subject to Town Meeting Approval. This Ground Lease is contingent upon and subject to full approval of this transaction by a duly constituted Town Meeting.

(b) Tenant has full power and authority to enter into and perform this Agreement and all documents, instruments and contracts entered into or to be entered into by it pursuant to this Agreement and to carry out the transactions contemplated hereby. This Agreement is, and all documents to be executed by Tenant and delivered to Town at the Closing will be on the Closing Date, duly authorized, executed and delivered by Tenant and all consents and approvals of third parties will have been obtained. This Agreement is, and all documents to be executed by Tenant and delivered to Town at the Closing will be the legal, valid and binding obligations of Tenant, enforceable in accordance with their respective terms and will not violate any provisions of any contract, judicial order or any other thing to which Tenant is a party or to or by which Tenant is subject or bound. Neither the execution and delivery of this Agreement or the consummation of the transactions contemplated by this Agreement is subject to any requirement that Tenant obtain any consent, license, approval or authorization of, any third party.

15.21 Dispute Resolution. All claims, disputes and other matters in question between the Town and the Tenant arising out of or relating to this Ground Lease or the breach thereof related to the payment or nonpayment of money shall be submitted for resolution to a court of competent jurisdiction in Norfolk County, Massachusetts, unless otherwise agreed by the parties. Notwithstanding the foregoing, the parties agree to negotiate in good faith any claims, disputes or other matters in question during the term of this Ground Lease before resorting to such litigation. As to disputes not involving the payment of money, the parties agree to negotiate in good faith any such claims, disputes or other matters in question, failing which, such claims shall be submitted to arbitration (one arbitrator) to be conducted in accordance with the commercial rules and regulations and procedures of the American Arbitration Association, using expedited procedures. The parties will agree on an arbitrator within one (1) week of a party requesting arbitration hereunder, failing which the parties shall each name an arbitrator and those two (2) arbitrators shall, in turn, select an arbitrator who will rule on such dispute.

EXECUTED as of the date first set forth above.

TOWN OF WELLESLEY
By its Board of Selectmen

TENANT

By:
Its: ,duly authorized

Wellesley Sports Center
Wellesley, Massachusetts
Ground Rent

Cost to Town:	\$4,500,000	Total Rent:	\$12,007,683
Starting Rental Value:	\$280,000		
Return:	6.22%		
Annual Increase:	2.00%		
Use Discount	30.00%		

	Use Discount	Adjusted Rent	Additional Discount	Rent to be Paid	
Year 1	\$280,000	-\$84,000	\$196,000	-\$196,000	\$0
Year 2	\$285,600	-\$85,680	\$199,920	-\$199,920	\$0
Year 3	\$291,312	-\$87,394	\$203,918	-\$203,918	\$0
Year 4	\$297,138	-\$89,141	\$207,997	-\$207,997	\$0
Year 5	\$303,081	-\$90,924	\$212,157	-\$212,157	\$0
Year 6	\$309,143	-\$92,743	\$216,400	-\$216,400	\$0
Year 7	\$315,325	-\$94,598	\$220,728	-\$220,728	\$0
Year 8	\$321,632	-\$96,490	\$225,142	-\$225,142	\$0
Year 9	\$328,065	-\$98,419	\$229,645	-\$229,645	\$0
Year 10	\$334,626	-\$100,388	\$234,238	-\$234,238	\$0
Year 11	\$300,000	-\$90,000	\$210,000	\$0	\$210,000
Year 12	\$300,000	-\$90,000	\$210,000	\$0	\$210,000
Year 13	\$300,000	-\$90,000	\$210,000	\$0	\$210,000
Year 14	\$300,000	-\$90,000	\$210,000	\$0	\$210,000
Year 15	\$300,000	-\$90,000	\$210,000	\$0	\$210,000
Year 16	\$330,000	-\$99,000	\$231,000	\$0	\$231,000
Year 17	\$330,000	-\$99,000	\$231,000	\$0	\$231,000
Year 18	\$330,000	-\$99,000	\$231,000	\$0	\$231,000
Year 19	\$330,000	-\$99,000	\$231,000	\$0	\$231,000
Year 20	\$330,000	-\$99,000	\$231,000	\$0	\$231,000
Year 21	\$363,000	-\$108,900	\$254,100	\$0	\$254,100
Year 22	\$363,000	-\$108,900	\$254,100	\$0	\$254,100
Year 23	\$363,000	-\$108,900	\$254,100	\$0	\$254,100
Year 24	\$363,000	-\$108,900	\$254,100	\$0	\$254,100
Year 25	\$363,000	-\$108,900	\$254,100	\$0	\$254,100
Year 26	\$399,300	-\$119,790	\$279,510	\$0	\$279,510
Year 27	\$399,300	-\$119,790	\$279,510	\$0	\$279,510
Year 28	\$399,300	-\$119,790	\$279,510	\$0	\$279,510
Year 29	\$399,300	-\$119,790	\$279,510	\$0	\$279,510
Year 30	\$399,300	-\$119,790	\$279,510	\$0	\$279,510
Year 31	\$439,230	-\$131,769	\$307,461	\$0	\$307,461
Year 32	\$439,230	-\$131,769	\$307,461	\$0	\$307,461
Year 33	\$439,230	-\$131,769	\$307,461	\$0	\$307,461
Year 34	\$439,230	-\$131,769	\$307,461	\$0	\$307,461
Year 35	\$439,230	-\$131,769	\$307,461	\$0	\$307,461
Year 36	\$483,153	-\$144,946	\$338,207	\$0	\$338,207
Year 37	\$483,153	-\$144,946	\$338,207	\$0	\$338,207
Year 38	\$483,153	-\$144,946	\$338,207	\$0	\$338,207
Year 39	\$483,153	-\$144,946	\$338,207	\$0	\$338,207
Year 40	\$483,153	-\$144,946	\$338,207	\$0	\$338,207
Year 41	\$531,468	-\$159,440	\$372,028	\$0	\$372,028
Year 42	\$531,468	-\$159,440	\$372,028	\$0	\$372,028
Year 43	\$531,468	-\$159,440	\$372,028	\$0	\$372,028
Year 44	\$531,468	-\$159,440	\$372,028	\$0	\$372,028
Year 45	\$531,468	-\$159,440	\$372,028	\$0	\$372,028
Year 46	\$584,615	-\$175,385	\$409,231	\$0	\$409,231
Year 47	\$584,615	-\$175,385	\$409,231	\$0	\$409,231
Year 48	\$584,615	-\$175,385	\$409,231	\$0	\$409,231
Year 49	\$584,615	-\$175,385	\$409,231	\$0	\$409,231
Year 50	\$584,615	-\$175,385	\$409,231	\$0	\$409,231

EXHIBIT A

Brian DeVellis To Provide

SURFACE LICENSE AGREEMENT

LICENSEE:	Town of Wellesley, for its boys and girls high school hockey program
Agent:	
Address:	
Phone:	
Email:	

LICENSOR:	Wellesley Sports Center, LLC, by its Manager, ESG Associates Inc.
Agent:	Brian DeVellis, President of ESG Associates, Manager of Wellesley Sports Center, Inc.
Address:	41 North Road – Suite 203 Bedford, MA 01730
Phone:	617 855-9210
Email:	brian@deveillis.net

This agreement by and between **Wellesley Sports Center, LLC**, hereinafter referred to as the LICENSOR, and the entity named herein, hereinafter referred to as the LICENSEE to use the facility named herein, hereinafter referred to as ice / turf / pool facility or simply “the facility”, for normal and customary sports activities, including soccer, lacrosse, swimming, hockey games, and practice on the dates and times listed in preceding documents (schedule of ice time and invoice) to this agreement. This agreement shall become effective upon LICENSEE’S signing and remain in full force and effect until the conclusion of the final reserved ice time listed in all attachments.

In the case of multiple season rentals, all times listed in separate agreements are hereby inclusive of one another and cannot be executed independently. LICENSEE shall bear the duty to distribute to all members, invitees and guests, the “Code of Conduct” enforced by LICENSOR at the facility.

This agreement and subsequent use of the ice skating facility is subject to the following terms and conditions:

1. **AUTHORIZED FACILITY USE:** This agreement authorizes the LICENSEE along with its members, invitees and guests to use the entire surface, up to two team changing rooms where applicable, all spectator seating that is designated as open for use, as well as other common areas of the facility that are open to the public. Use of other facility amenities such as sound system, meeting rooms, etc may be requested in advance by LICENSEE but are not a part of this agreement and no assurance is made either explicitly or implicitly that said amenities will be available for use during the time of the rental ice time.
2. **AUTHORIZED PARTICIPANTS:** Only LICENSEE’S members, invitees and guests are authorized by this agreement to use the ice surface or team changing rooms during the times covered by this agreement. Use of the facility by anyone other than named LICENSEE, is strictly prohibited. This practice will result in forfeiture of LICENSEE’S right granted herein to use the facility and LICENSEE shall be liable to pay for all contracted ice time that is forfeited as a result of this breach of agreement.
3. **RENTAL FEES CHARGED:** LICENSEE shall pay an hourly rental fee for the time specified in preceding documents. LICENSEE shall be responsible to pay for all ice times listed in preceding documents regardless of whether or not LICENSEE or its members use any of the times covered by this agreement, except in the instance of a mechanical failure or other occurrence beyond the control of the LICENSEE that prevents the use of the facility for recreational activities. In the case of multiple season rentals, all surface times listed in separate agreements are hereby inclusive of one another and cannot be executed independently. See Rider A attached hereto as to Preferred Times and the Rental Rates to be charged for surface time.
4. **CANCELLATION:** LICENSEE hereby acknowledges that the reserved surface time in this agreement may be canceled by Licensor due to reasons of mechanical or power failure or other causes beyond the reasonable control of Licensor. LICENSEE shall be excused from performance hereunder only during such times as the surface and ancillary facilities are not provided by LICENSOR as required herein. The cancelling party will provide advance notice of cancellation to the other whenever possible. LICENSEE will be provided the option of selecting make-up hours of their choosing, as available to replace, the canceled hours or a refund for time lost, if LICENSEE paid for those hours in advance and elects not to make up the time.
5. **LICENSOR’S DUTIES:** LICENSOR’S ice surface duties shall include resurfacing of the ice surface prior to LICENSEE’S use, one resurface per hour reserved (i.e. for two hour high school varsity hockey games, an additional resurfacing will be completed after the second period / for a collegiate game, resurfacing may be provided between periods if time allows) the supply of two goal nets for hockey use if required, and LICENSEE’S use of up to two team changing rooms if requested (LICENSEE must provide a set of car keys or other surety to receive a team room key); pool duties shall include chemical balancing and cleanliness, temperature control and lane structuring; turf duties shall include the supply of two goal nets for soccer, lacrosse or field hockey use if required.

LICENSEE shall be responsible for any articles, belongings, or valuables left unattended or unsecured in team rooms. LICENSEE shall promptly pay LICENSOR for all reasonable costs associated with repairs required as the result of vandalism or abuse of any part of the

facility by LICENSEE along with its members, invitees and guests.

6. **RESERVATION OF RIGHTS:** LICENSOR reserves all rights not expressly granted to LICENSEE, including, but not limited to the right to conduct commercial activities at the facility (such as selling or renting ice skates and accessories, selling of any apparel and services as well as all sales of food and drink). LICENSOR reserves the right to deny or rescind facility use or entry privileges to any person that fails to comply with the posted facility rules and code of conduct.
7. **GENERAL ADMISSION RECEIPTS:** LICENSEE'S use of the facility for any event at which a general or spectator admission fee is charged shall be preceded by at least 30 days notice to the LICENSOR. All varsity high school events shall require a spectator admission, but shall not require a general admission fee. LICENSEE shall pay LICENSOR's reasonable additional janitorial and related costs, including extra zamboni time if needed. The LICENSEE shall be required to pay for surface time used for the event and shall provide adequate security and pay directly for any police or fire department detail required for such events.
8. **RESPONSIBILITY FOR SAFETY:** LICENSEE shall be responsible to inspect team room before each use and shall make LICENSOR aware of any potential hazards or defects prior to said use. Moreover, LICENSEE shall be responsible to provide and pay for all crowd control and/or security and emergency personnel required by ordinance or deemed reasonably necessary by LICENSOR during the time of use and extending to such time as all LICENSEE members, guests, invitees and visitors have departed the property.
9. **ASSUMPTION OF RISK:** LICENSEE along with its members, invitees and guests using the surface, for any purpose, under this agreement, assumes all risk and danger incidental to the surface activity. These risks and dangers include, but are not limited to tripping, slips, falls, cuts by skate blades, injury from flying pucks in the ice area as well as the spectator areas, hockey sticks, and collisions with other participants.

Licensee for itself and for each of its members and other persons who will use the facilities under or through Licensee hereby accepts and assumes all risks of accident or damage or injury to Licensee or to persons using under it or through it. Licensee for itself and for all its members and persons under it, hereby releases and agrees to hold harmless the Wellesley Sports Center LLC and ESG Associates Inc., its officers, employees, and assignees from injury claim or damage sustained or alleged to have been sustained by any person's by virtue of act or admissions of Licensee or persons using under or through it or its members. Licensee further agrees to provide adequate supervision of all persons using the facilities under and through Licensee.
10. **INSURANCE:** LICENSEE shall purchase and maintain Public Liability Insurance during the full term of this license and provide LICENSOR with a Certificate of Insurance at the time this agreement is executed. The insurance shall name Wellesley Sports Center LLC and ESG Associates Inc., as additional insured. The insurance shall have limits as called for in the LICENSOR Lease with the Town of Wellesley. This insurance policy shall provide 30 days Notice to cancellation or reduction in coverage; surety shall provide LICENSOR with written notice.
11. **PROMOTIONAL ACTIVITY:** LICENSEE shall not conduct any promotional activity or advertise any event at the facility without the prior written consent of LICENSOR. The LICENSEE shall not announce, advertise or in any manner promote a program or activity in connection with this ice reservation until the agreement is executed (including the return of required deposit).
12. **DISPUTE RESOLUTION:** All claims, disputes and other matters in question between the Parties arising out of or relating to this Agreement or breach thereof shall be submitted for resolution to a court of competent jurisdiction in Norfolk County, Massachusetts, unless otherwise agreed by the Parties. No such action shall be brought, however, until the Parties have endeavored to negotiate in good faith any such claim, dispute or other matter in question.
13. **BINDING EFFECT:** This agreement shall be binding upon the LICENSOR and LICENSEE, together with their successors, heirs and assigns.
14. **ENTIRE AGREEMENT:** This agreement may only be modified or amended by a separate written addendum that is signed by both parties and attached to the agreement. Any stricken, additional, or contrary terms and conditions proposed by LICENSEE are expressly rejected by LICENSOR, and shall not become a part of this agreement unless such stricken, additional, or contrary terms are expressly incorporated by addendum issued and signed by the LICENSOR. The entire agreement will not become effective until and unless the agreement is fully signed and executed by a duly authorized agent of LICENSEE and LICENSOR and any and all deposit or payment requests are received.
15. **SEVERABILITY:** If any portion of this agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court or arbitrator finds that any provision of this agreement is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
16. **WAIVER:** The failure of either party to enforce any provisions of this agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this agreement.
17. **SCHEDULE:** LICENSOR hereby agrees to allow LICENSEE to use the surface according to the attached Exhibit 1. SCHEDULE

18. **PURPOSE:** For considerations herein provided, LICENSEE agrees to use and pay for same in accordance herewith, and abide by all rules and regulations of the Management governing the use of the facility for LICENSEE intended purpose.
19. **TERM:** The TERM of this CONTRACT shall be ### (XX) Years, at which time the parties are free to renegotiate extensions at their choosing.
20. **RENTAL RATE:** LICENSEE agrees to pay the time allocated on the SCHEDULE at the rate of \$###.00 / hour for the first year of the Term and then subject to escalation in accordance with the CPI or 2%, whichever is greater.
21. **FAILURE TO USE:** Failure of LICENSEE to use the facilities contracted for shall not relieve LICENSEE of the payment obligation therefore, unless released in written notice by LICENSOR or its designee ESG Associates Inc.
22. **DAMAGE:** LICENSOR may inspect the facility, including the locker-room / changing-room facilities to be used by LICENSEE before and after use by LICENSEE or members of LICENSEE's organization. LICENSOR will provide LICENSEE with written notice of any damage to the facility that LICENSOR believes was caused by LICENSEE or members of LICENSEE's organization or invitees and LICENSEE will have the opportunity to inspect and respond to LICENSOR within fourteen (14) days of receipt of said notice. If the Parties agree that the facility was damaged by LICENSEE or members of LICENSEE's organization or if LICENSEE fails to respond to LICENSOR's notice within fourteen (14) days of receipt of such notice, LICENSOR may refer such damage to the LICENSOR's facility management for repair. LICENSEE agrees to reimburse LICENSOR for the reasonable costs of such repairs. If the Parties agree, each acting reasonably, that any damage to the facility was caused by the malicious or reckless behavior of any individual or group within LICENSEE's organization, LICENSOR shall have the right to bar such individual or group from entry to, or participation in, future activities. LICENSEE for itself and each of its members understands that the possession and/or consumption of alcoholic beverages on the grounds or within the facility are strictly prohibited.
23. **LOCKER ROOM:** LICENSEE shall be provided, in accordance with final approved plans allow, at a cost of \$7,500 per season per locker room, with one permanent in-season locker room for male and one permanent in-season locker room for female LICENSEE teams (that is, a permanent boys locker room and a permanent girls locker room, for the season, will each cost \$7,500). LICENSEE shall also be entitled to the use of in-season Locker Room for male and female players of opposing teams during scheduled events at no additional cost.
24. **PROMOTIONAL OPPORTUNITIES:** LICENSOR shall provide LICENSEE a Promotional Inventory list detailing various advertising and merchandising opportunities that LICENSOR shall share revenue generated 50/50 NET with LICENSEE produced by LICENSEE's efforts.
25. **MISCELLANEOUS:**
 - a. LICENSEE agrees that LICENSOR anticipates opening date September 1, 2018.
 - b. This Agreement is being executed pursuant to and in accordance with M.G.L. c. 30B.
 - c. No officer, director, member, employee, or other principal, agent or representative (whether disclosed or undisclosed) of the LICENSEE, nor any participant with the LICENSEE, shall be personally liable to the LICENSOR hereunder, for the LICENSEE's payment obligations or otherwise, the LICENSOR hereby agreeing to look solely to the assets of the LICENSEE for the satisfaction of any liability of the LICENSEE hereunder. In no event shall the LICENSEE ever be liable to the LICENSOR for indirect, incidental or consequential damages.
 - d. No officer, director, member, employee, or other principal, agent or representative (whether disclosed or undisclosed) of the LICENSOR, nor any participant with the LICENSOR, shall be personally liable to the LICENSEE hereunder, for the LICENSOR's obligations hereunder, the LICENSEE hereby agreeing to look solely to the assets of the LICENSOR for the satisfaction of any liability of the LICENSOR hereunder. In no event shall the LICENSOR ever be liable to the LICENSEE for indirect, incidental or consequential damages.

IN WITNESS WHEREOF, the parties to this agreement hereto set their hands and seals on the date and year first above written:

LICENSEE: _____

LICENSOR: WELLESLEY SPORTS GROUP, LLC
BY: ESG Associates Inc., its Manager

By: _____
Brian DeVellis, President

RIDER A TO SURFACE LICENSE AGREEMENT

The LICENSOR shall provide the following:

(b) Preferred hockey rink use time in favor of the Town of Wellesley, Massachusetts (hereinafter "Town Hockey Users") as provided herein and in the Hockey Use Schedule attached hereto as Exhibit Rider A-1. The Town of Wellesley, Massachusetts, as the case may be, shall be charged market rate for use of these facilities, which shall be calculated by taking the mean average of comparable facilities (taking into consideration the age and size of the facilities and their respective community demographics as compared to the rinks provided by Tenant). Initially, the following is a list of applicable comparable facilities: Ice House (Canton). This list of comparable facilities may be changed by the parties upon mutual agreement. The Hockey Use Schedule shall be established annually on March 15th for the following hockey season (for the purposes hereof, a hockey season shall be September 1 through the following March 31 of any given school year). The Town Hockey Users shall be entitled to the same number of hours as the previous year, or fewer if requested by the Town Hockey Users, but shall not be entitled to an increase in hours from the previous season without the approval of the LICENSOR, such approval not to be unreasonably withheld. March 15 represents the cut-off date by which the Town Hockey Users may request a change to the Hockey Use Schedule for the next following season. If no change is requested by March 15, the previous season's schedule shall remain in place for the following season.

Exhibit 1 – SCHEDULE

SURFACE LICENSE AGREEMENT

LICENSEE: Town of Wellesley, for its boys and girls high school swimming programs	LICENSOR: Wellesley Sports Center, LLC, by its Manager, ESG Associates Inc.
Agent:	Agent: Brian DeVellis, President of ESG Associates, Manager of Wellesley Sports Center, Inc.
Address:	Address: 41 North Road – Suite 203 Bedford, MA 01730
Phone:	Phone: 617 855-9210
Email:	Email: brian@devellis.net

This agreement by and between **Wellesley Sports Center, LLC**, hereinafter referred to as the LICENSOR, and the entity named herein, hereinafter referred to as the LICENSEE to use the facility named herein, hereinafter referred to as ice / turf / pool facility or simply “the facility”, for normal and customary sports activities, including soccer, lacrosse, swimming, hockey games, and practice on the dates and times listed in preceding documents (schedule of ice time and invoice) to this agreement. This agreement shall become effective upon LICENSEE’S signing and remain in full force and effect until the conclusion of the final reserved ice time listed in all attachments.

In the case of multiple season rentals, all times listed in separate agreements are hereby inclusive of one another and cannot be executed independently. LICENSEE shall bear the duty to distribute to all members, invitees and guests, the “Code of Conduct” enforced by LICENSOR at the facility.

This agreement and subsequent use of the ice skating facility is subject to the following terms and conditions:

1. **AUTHORIZED FACILITY USE:** This agreement authorizes the LICENSEE along with its members, invitees and guests to use the entire surface, up to two team changing rooms where applicable, all spectator seating that is designated as open for use, as well as other common areas of the facility that are open to the public. Use of other facility amenities such as sound system, meeting rooms, etc may be requested in advance by LICENSEE but are not a part of this agreement and no assurance is made either explicitly or implicitly that said amenities will be available for use during the time of the rental ice time.
2. **AUTHORIZED PARTICIPANTS:** Only LICENSEE’S members, invitees and guests are authorized by this agreement to use the ice surface or team changing rooms during the times covered by this agreement. Use of the facility by anyone other than named LICENSEE, is strictly prohibited. This practice will result in forfeiture of LICENSEE’S right granted herein to use the facility and LICENSEE shall be liable to pay for all contracted ice time that is forfeited as a result of this breach of agreement.
3. **RENTAL FEES CHARGED:** LICENSEE shall pay an hourly rental fee for the time specified in preceding documents. LICENSEE shall be responsible to pay for all ice times listed in preceding documents regardless of whether or not LICENSEE or its members use any of the times covered by this agreement, except in the instance of a mechanical failure or other occurrence beyond the control of the LICENSEE that prevents the use of the facility for recreational activities. In the case of multiple season rentals, all surface times listed in separate agreements are hereby inclusive of one another and cannot be executed independently. See Rider A attached hereto as to Preferred Times and the Rental Rates to be charged for surface time.
4. **CANCELLATION:** LICENSEE hereby acknowledges that the reserved surface time in this agreement may be canceled by Licensor due to reasons of mechanical or power failure or other causes beyond the reasonable control of Licensor. LICENSEE shall be excused from performance hereunder only during such times as the surface and ancillary facilities are not provided by LICENSOR as required herein. The cancelling party will provide advance notice of cancellation to the other whenever possible. LICENSEE will be provided the option of selecting make-up hours of their choosing, as available to replace, the canceled hours or a refund for time lost, if LICENSEE paid for those hours in advance and elects not to make up the time.
5. **LICENSOR’S DUTIES:** LICENSOR’S ice surface duties shall include resurfacing of the ice surface prior to LICENSEE’S use, one resurface per hour reserved (i.e. for two hour high school varsity hockey games, an additional resurfacing will be completed after the second period / for a collegiate game, resurfacing may be provided between periods if time allows) the supply of two goal nets for hockey use if required, and LICENSEE’S use of up to two team changing rooms if requested (LICENSEE must provide a set of car keys or other surety to receive a team room key); pool duties shall include chemical balancing and cleanliness, temperature control and lane structuring; turf duties shall include the supply of two goal nets for soccer, lacrosse or field hockey use if required.

LICENSEE shall be responsible for any articles, belongings, or valuables left unattended or unsecured in team rooms. LICENSEE shall promptly pay LICENSOR for all reasonable costs associated with repairs required as the result of vandalism or abuse of any part of the

facility by LICENSEE along with its members, invitees and guests.

6. **RESERVATION OF RIGHTS:** LICENSOR reserves all rights not expressly granted to LICENSEE, including, but not limited to the right to conduct commercial activities at the facility (such as selling or renting ice skates and accessories, selling of any apparel and services as well as all sales of food and drink). LICENSOR reserves the right to deny or rescind facility use or entry privileges to any person that fails to comply with the posted facility rules and code of conduct.
7. **GENERAL ADMISSION RECEIPTS:** LICENSEE'S use of the facility for any event at which a general or spectator admission fee is charged shall be preceded by at least 30 days notice to the LICENSOR. All varsity high school events shall pay LICENSOR's reasonable additional janitorial and related costs. The LICENSEE shall be required to pay for surface time used for the event and shall provide adequate security and pay directly for any police department detail required for such events.
8. **RESPONSIBILITY FOR SAFETY:** LICENSEE shall be responsible to inspect team room before each use and shall make LICENSOR aware of any potential hazards or defects prior to said use. Moreover, LICENSEE shall be responsible to provide and pay for all crowd control and/or security and emergency personnel required by ordinance or deemed reasonably necessary by LICENSOR during the time of use and extending to such time as all LICENSEE members, guests, invitees and visitors have departed the property.
9. **ASSUMPTION OF RISK:** LICENSEE along with its members, invitees and guests using the surface, for any purpose, under this agreement, assumes all risk and danger incidental to the surface activity. These risks and dangers include, but are not limited to tripping, slips, falls, cuts by skate blades, injury from flying pucks in the ice area as well as the spectator areas, hockey sticks, and collisions with other participants.

Licensee for itself and for each of its members and other persons who will use the facilities under or through Licensee hereby accepts and assumes all risks of accident or damage or injury to Licensee or to persons using under it or through it. Licensee for itself and for all its members and persons under it, hereby releases and agrees to hold harmless the Wellesley Sports Center LLC and ESG Associates Inc., its officers, employees, and assignees from injury claim or damage sustained or alleged to have been sustained by any person's by virtue of act or admissions of Licensee or persons using under or through it or its members. Licensee further agrees to provide adequate supervision of all persons using the facilities under and through Licensee.
10. **INSURANCE:** LICENSEE shall purchase and maintain Public Liability Insurance during the full term of this license and provide LICENSOR with a Certificate of Insurance at the time this agreement is executed. The insurance shall name Wellesley Sports Center LLC and ESG Associates Inc., as additional insured. The insurance shall have limits as called for in the LICENSOR Lease with the Town of Wellesley. This insurance policy shall provide 30 days Notice to cancellation or reduction in coverage; surety shall provide LICENSOR with written notice.
11. **PROMOTIONAL ACTIVITY:** LICENSEE shall not conduct any promotional activity or advertise any event at the facility without the prior written consent of LICENSOR. The LICENSEE shall not announce, advertise or in any manner promote a program or activity in connection with this ice reservation until the agreement is executed (including the return of required deposit).
12. **DISPUTE RESOLUTION:** All claims, disputes and other matters in question between the Parties arising out of or relating to this Agreement or breach thereof shall be submitted for resolution to a court of competent jurisdiction in Norfolk County, Massachusetts, unless otherwise agreed by the Parties. No such action shall be brought, however, until the Parties have endeavored to negotiate in good faith any such claim, dispute or other matter in question.
13. **BINDING EFFECT:** This agreement shall be binding upon the LICENSOR and LICENSEE, together with their successors, heirs and assigns.
14. **ENTIRE AGREEMENT:** This agreement may only be modified or amended by a separate written addendum that is signed by both parties and attached to the agreement. Any stricken, additional, or contrary terms and conditions proposed by LICENSEE are expressly rejected by LICENSOR, and shall not become a part of this agreement unless such stricken, additional, or contrary terms are expressly incorporated by addendum issued and signed by the LICENSOR. The entire agreement will not become effective until and unless the agreement is fully signed and executed by a duly authorized agent of LICENSEE and LICENSOR and any and all deposit or payment requests are received.
15. **SEVERABILITY:** If any portion of this agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court or arbitrator finds that any provision of this agreement is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
16. **WAIVER:** The failure of either party to enforce any provisions of this agreement shall not be construed as a waiver or limitation of that

party's right to subsequently enforce and compel strict compliance with every provision of this agreement.

17. **SCHEDULE:** LICENSOR hereby agrees to allow LICENSEE to use the surface according to the attached Exhibit 1. SCHEDULE
18. **PURPOSE:** For considerations herein provided, LICENSEE agrees to use and pay for same in accordance herewith, and abide by all rules and regulations of the Management governing the use of the facility for LICENSEE intended purpose.
19. **TERM:** The TERM of this CONTRACT shall be ### (XX) Years, at which time the parties are free to renegotiate extensions at their choosing.
20. **RENTAL RATE:** LICENSEE agrees to pay the time allocated on the SCHEDULE at the rate of \$###.00 / hour for the first year of the Term and then subject to escalation in accordance with the CPI or 2%, whichever is greater.
21. **FAILURE TO USE:** Failure of LICENSEE to use the facilities contracted for shall not relieve LICENSEE of the payment obligation therefore, unless released in written notice by LICENSOR or its designee ESG Associates Inc.
22. **DAMAGE:** LICENSOR may inspect the facility, including the locker-room / changing-room facilities to be used by LICENSEE before and after use by LICENSEE or members of LICENSEE's organization. LICENSOR will provide LICENSEE with written notice of any damage to the facility that LICENSOR believes was caused by LICENSEE or members of LICENSEE's organization or invitees and LICENSEE will have the opportunity to inspect and respond to LICENSOR within fourteen (14) days of receipt of said notice. If the Parties agree that the facility was damaged by LICENSEE or members of LICENSEE's organization or if LICENSEE fails to respond to LICENSOR's notice within fourteen (14) days of receipt of such notice, LICENSOR may refer such damage to the LICENSOR's facility management for repair. LICENSEE agrees to reimburse LICENSOR for the reasonable costs of such repairs. If the Parties agree, each acting reasonably, that any damage to the facility was caused by the malicious or reckless behavior of any individual or group within LICENSEE's organization, LICENSOR shall have the right to bar such individual or group from entry to, or participation in, future activities. LICENSEE for itself and each of its members understands that the possession and/or consumption of alcoholic beverages on the grounds or within the facility are strictly prohibited.
23. **LOCKER ROOM:** LICENSEE shall also be entitled to the use of in-season Locker Room: for male and female players of opposing teams at no additional cost
24. **PROMOTIONAL OPPORTUNITIES:** LICENSOR shall provide LICENSEE a Promotional Inventory list detailing various advertising and merchandising opportunities that LICENSOR shall share revenue generated 50/50 NET with LICENSEE produced by LICENSEE's efforts.
25. **MISCELLANEOUS:**
- LICENSEE agrees that LICENSOR anticipates opening date September 1, 2018.
 - This Agreement is being executed pursuant to and in accordance with M.G.L. c. 30B.
 - No officer, director, member, employee, or other principal, agent or representative (whether disclosed or undisclosed) of the LICENSEE, nor any participant with the LICENSEE, shall be personally liable to the LICENSOR hereunder, for the LICENSEE's payment obligations or otherwise, the LICENSOR hereby agreeing to look solely to the assets of the LICENSEE for the satisfaction of any liability of the LICENSEE hereunder. In no event shall the LICENSEE ever be liable to the LICENSOR for indirect, incidental or consequential damages.
 - No officer, director, member, employee, or other principal, agent or representative (whether disclosed or undisclosed) of the LICENSOR, nor any participant with the LICENSOR, shall be personally liable to the LICENSEE hereunder, for the LICENSOR's obligations hereunder, the LICENSEE hereby agreeing to look solely to the assets of the LICENSOR for the satisfaction of any liability of the LICENSOR hereunder. In no event shall the LICENSOR ever be liable to the LICENSEE for indirect, incidental or consequential damages.

IN WITNESS WHEREOF, the parties to this agreement hereto set their hands and seals on the date and year first above written:

LICENSEE: _____

LICENSOR: WELLESLEY SPORTS GROUP, LLC
BY: ESG Associates Inc., its Manager

By: _____
Brian DeVellis, President

RIDER A TO SURFACE LICENSE AGREEMENT

The LICENSOR shall provide the following:

(a) The LICENSOR shall provide the following: [Faded text, likely describing the scope of the license agreement, including the location and use of the pool.]

(b) Preferred pool use time in favor of the Town of Wellesley (the "Town Pool Users") as provided herein and in the Pool Use Schedule attached hereto as Exhibit Rider A-2. The Town [Faded text, likely describing the terms of the pool use schedule, including the number of hours and the date by which a change must be requested.]

Exhibit 1 – SCHEDULE

SECTION XVI. COMMERCIAL RECREATION OVERLAY DISTRICT.

A. Purpose

The purpose of this bylaw is to establish an overlay zoning district which allows for the grouping of commercial recreational uses into a planned, integrated facility, including related services and commercial uses, by establishing standards for the placement, design, and construction of high quality, planned recreational facilities to enhance the diversity of recreationally based commercial attractions and the overall quality of life within the Town of Wellesley.

B. Applicability

The District shall be shown on the Zoning Map of the Town of Wellesley, Massachusetts and shall be considered as overlaying other existing zoning districts. This overlay zoning district shall not prohibit the development of uses or property consistent with the applicable underlying/base zoning district.

C. Use Regulations

In the Commercial Recreation Overlay District, the following specified uses shall be allowed, as prescribed; such uses shall be allowed in conjunction with other uses of the property:

1. Permitted Uses

- a. Commercial Recreation Facility, a use where recreation activities are conducted entirely indoors, in one or more buildings, for commercial purposes, with or without seating for spectators, and providing accommodations for a variety of individual, organized, or franchised activities and/or sports, including, but not limited to, ice skating and hockey, swimming and diving, and field sports. Such facility may also provide other regular organized or franchised events, health and fitness club facilities, snack and concession facilities, retail sales of related sports, health or fitness items, and other support facilities. Ancillary office and conference facilities may be provided, the total floor area of which shall not exceed 10% of the total gross floor area of the building in which such facilities are located. A Commercial Recreation Facility shall be subject to the following requirements, which shall control in the event of conflict between the requirements set forth below and those set forth in the underlying zoning district in which the facility(ies) is located and/or in other applicable sections of the Zoning Bylaw:

- i. Minimum Lot or Development Area:

No Commercial Recreation Facility shall be developed or conducted on a lot or Development Area, as defined in Section IA, containing less than five (5) acres.

ii. Setback/Yard Requirements:

Front Yard: The front yard depth shall be at least 30 feet;

Side Yard: Each side yard shall have a depth of at least 20 feet; provided, however, that where the lot abuts a lot located in the Conservation District or Single Residence District zoning district, the side yard depth shall not be less than 50 feet.

Rear Yard: The rear yard depth shall be at least 40 feet; provided, however, that where the lot abuts a lot located in the Conservation District or Single Residence District zoning district, the rear yard depth shall not be less than 50 feet.

iii. Building Height:

Building height, as regulated in Section XX, Heights of Buildings or Structures, shall not exceed a maximum of 50 feet.

iv. Floor Area Ratio:

Floor Area Ratio shall not exceed a maximum of 0.39.

v. Open Space/Lot Coverage:

The minimum required Open Space shall be 40%.

vi. Signage:

Signs shall comply with the requirements of Section XXIIA, Signs, and, for the purposes of regulation under such section, this District shall be considered to be a Commercial District Fronting Worcester Street as defined therein.

vii. Off-Street Parking; Required Parking:

Off-street parking shall comply with the requirements of Section XXI, Off-Street Parking, except that within such section there is no required parking established for this District or use, therefore, the required parking for this use shall be one space for every 3 permanent spectator seats, which shall include folding bleachers that are attached to buildings, but not less than one space per 1,000 square feet of floor area of buildings.

- b. Any similar indoor recreational use not listed above may be allowed with the issuance of a special permit, as hereinafter provided in Section XXV, Special Permit Granting Authority, after the determination by the Special Permit Granting Authority that the proposed use is similar to one or more of the uses specifically authorized in this Section.

D. Project Approval

The provisions of Section XVIA. Project Approval, shall apply.

5. 900 Worcester – Lease Agreement, Zoning Bylaw & Bond Proceeds

As mentioned earlier, there are several motions needed to move this project forward. Those include:

MOVE to approve and execute the Ground Lease between the Town of Wellesley and Wellesley Sports group LLC.

MOVE to recommend favorable approval of the zoning article (currently ATM article 25) to the voters at the annual town meeting.

MOVE to open a warrant for a Special Town Meeting to be held on Monday, April 3, 2017, 7:00 pm, at the Wellesley Middle School and to set the following dates:

- Open the Warrant – February 27, 2017
- Close the Warrant – Friday, March 3, 2017, 5:00pm
- Motions due to the Selectmen’s Office – Friday, March 10, 2017, 5:00pm

MOVE to designate the unexpended balance of \$505,290.45 of the original borrowing of \$5 million for the purchase of 900 Worcester from the taxable portion of the borrowing as recommended by the Treasurer/Collector in his memo dated February 22, 2017.

*To be printed as a display ad in **The Wellesley Townsman** on March 2, 2017*

**Town of Wellesley
Special Town Meeting**

The Board of Selectmen will convene a Special Town Meeting at the Wellesley Middle School Auditorium on **Monday, April 3, 2017, at 7:00 P.M.** The Warrant for the Special Town Meeting will close at 5:00 pm on Friday, March 3, 2017.

Any person desiring to have an article included in the Warrant for the Special Town Meeting shall submit a petition signed by not less than one hundred (100) registered voters of the Town. Any such petition shall be submitted to the Town Clerk for signature verification.

After being signed by the Board of Selectmen, the full text of the Special Town Meeting Warrant will be available in the Selectmen's Office located at 525 Washington Street, Wellesley, MA and on the Town's website (www.wellesleyma.gov).

Motions to be offered to the Special Town Meeting must be submitted to the Selectmen's Office by 5:00pm on Friday, March 10, 2017.

WELLESLEY BOARD OF SELECTMEN

TOWN OF WELLESLEY



MASSACHUSETTS

**WARRANT
for the
SPECIAL TOWN MEETING
April 3, 2017**

DRAFT

**ADVISORY COMMITTEE PUBLIC HEARING (WARRANT ARTICLES)
March, XX, 7:00 P.M. at Town Hall**

Commonwealth of Massachusetts
Norfolk, ss.

To any Constable of the Town of Wellesley in the County of Norfolk.

GREETINGS:

In the name of the Commonwealth aforesaid you are hereby required to notify the qualified voters of said Town of Wellesley to meet in the

**Wellesley Middle School Auditorium
50 Kingsbury Street
APRIL 3, 2017**

at 7:00 P.M. at which time and place the following articles are to be acted upon and determined exclusively by Town Meeting Members, in accordance with Chapter 202 of the Acts of 1932, and amendments thereto, and subject to the referendum provided thereby.

**ARTICLE 1
Board of Selectmen
Town Reports**

To see if the Town will vote to choose a Moderator to preside over said meeting and to receive reports of town officers, boards and committees, including the Report of the Advisory Committee; or take any other action in relation thereto.

DRAFT

ARTICLE 2
Board of Selectmen
900 Worcester Street

To see if the Town will vote to:

- (1) authorize the Board of Selectmen to enter into one or more leases of certain parcels of town-owned land located at 900 Worcester Street for the purposes of constructing a recreational facility on such terms and conditions, including dollar amounts, as said Board deems to be in the Town's interest; and
- (2) amend the Zoning Bylaw by adding a new section, Section XVI. Commercial Recreation Overlay District, to allow for the grouping of commercial recreational uses into a planned facility on specific project areas as follows:

SECTION XVI. COMMERCIAL RECREATION OVERLAY DISTRICT.

A. Purpose

The purpose of this bylaw is to establish an overlay zoning district which allows for the grouping of commercial recreational uses into a planned, integrated facility, including related services and commercial uses, by establishing standards for the placement, design, and construction of high quality, planned recreational facilities to enhance the diversity of recreationally based commercial attractions and the overall quality of life within the Town of Wellesley.

B. Applicability

The District shall be shown on the Zoning Map of the Town of Wellesley, Massachusetts and shall be considered as overlaying other existing zoning districts. This overlay zoning district shall not prohibit the development of uses or property consistent with the applicable underlying/base zoning district.

C. Use Regulations

In the Commercial Recreation Overlay District, the following specified uses shall be allowed, as prescribed; such uses shall be allowed in conjunction with other uses of the property:

1. Permitted Uses

- a. **Commercial Recreation Facility**, a use where recreation activities are conducted entirely indoors, in one or more buildings, for commercial purposes, with or without seating for spectators, and providing accommodations for a variety of individual, organized, or franchised activities and/or sports, including, but not limited to, ice skating and hockey, swimming and diving, and field sports. Such facility may also

provide other regular organized or franchised events, health and fitness club facilities, snack and concession facilities, retail sales of related sports, health or fitness items, and other support facilities. Ancillary office and conference facilities may be provided, the total floor area of which shall not exceed 10% of the total gross floor area of the building in which such facilities are located. A Commercial Recreation Facility shall be subject to the following requirements, which shall control in the event of conflict between the requirements set forth below and those set forth in the underlying zoning district in which the facility(ies) is located and/or in other applicable sections of the Zoning Bylaw:

i. Minimum Lot or Development Area:

No Commercial Recreation Facility shall be developed or conducted on a lot or Development Area, as defined in Section IA, containing less than five (5) acres.

ii. Setback/Yard Requirements:

Front Yard: The front yard depth shall be at least 30 feet;

Side Yard: Each side yard shall have a depth of at least 20 feet; provided, however, that where the lot abuts a lot located in the Conservation District or Single Residence District zoning district, the side yard depth shall not be less than 50 feet.

Rear Yard: The rear yard depth shall be at least 40 feet; provided, however, that where the lot abuts a lot located in the Conservation District or Single Residence District zoning district, the rear yard depth shall not be less than 50 feet.

iii. Building Height:

Building height, as regulated in Section XX, Heights of Buildings or Structures, shall not exceed a maximum of 50 feet.

iv. Floor Area Ratio:

Floor Area Ratio shall not exceed a maximum of 0.39.

v. Open Space/Lot Coverage:

The minimum required Open Space shall be 40%.

vi. Signage:

Signs shall comply with the requirements of Section XXIIA, Signs, and, for the purposes of regulation under such section, this District shall be considered to be a Commercial District Fronting Worcester Street as defined therein.

vii. Off-Street Parking; Required Parking:

Off-street parking shall comply with the requirements of Section XXI, Off-Street Parking, except that within such section there is no required parking established for this District or use, therefore, the required parking for this use shall be one space for every 3 permanent spectator seats, which shall include folding bleachers that are attached to buildings, but not less than one space per 1,000 square feet of floor area of buildings.

- b. Any similar indoor recreational use not listed above may be allowed with the issuance of a special permit, as hereinafter provided in Section XXV, Special Permit Granting Authority, after the determination by the Special Permit Granting Authority that the proposed use is similar to one or more of the uses specifically authorized in this Section.

D. Project Approval

The provisions of Section XVIA. Project Approval. shall apply.

Or take any other action in relation thereto.

- (3) amend the Zoning Map of the Town of Wellesley, Massachusetts by overlaying the new Commercial Recreation Overlay District on the parcel located at 900 Worcester Street (Assessor's Parcel ID# 192-10) totaling approximately 341,802 square feet, or take any other action in relation thereto.
- (4) authorize the School Department to enter into a five (5) year contract for use of the proposed recreational facilities, or take any other action in relation thereto.

 DRAFT

And you are directed to serve this warrant by posting attested copies in not less than two conspicuous places in the Town and by causing this warrant to be posted on the Town of Wellesley website (www.wellesleyma.gov).

Hereof fail not and make due return of this warrant and your doings thereon unto the Town Clerk at or before the time of holding said meeting.

Given under our hands this 6th day of March 2017.

Board of Selectmen

Marjorie R. Freiman, Chair

Ellen F. Gibbs, Vice-Chair

David L. Murphy, Secretary

Barbara D. Searle

Jack Morgan

A true copy, _____

Attest: Constable, Town of Wellesley

COMMONWEALTH OF MASSACHUSETTS

DRAFT

Norfolk, ss.

Wellesley, MA March ____, 2016

I have this date caused the within warrant to be served by posting two copies in two conspicuous places in the Town, *i.e.*, the Town Hall and Wellesley Square, and causing the warrant to be posted to the Town of Wellesley website.

TOWN OF WELLESLEY

MARC V. WALDMAN
Treasurer & Collector



Tel (781) 431-1019 Ext. 2266
Fax (781) 237-5037

OFFICE OF THE TREASURER/COLLECTOR
525 Washington Street
Wellesley, MA 02482

February 22, 2017

To: Blythe Robinson, Executive Director

From: Marc Waldman, Treasurer/Collector

Subject: Balance of Borrowed Funds-900 Worcester Street

In June of 2015, the Town conducted two borrowings that included raising \$5,000,000 for the purchase of the land at 900 Worcester Street. The two borrowings for this project were \$2,400,000 from a tax exempt issue and \$2,600,000 from a taxable issue. After completion of all of the costs authorized under the June 13, 2012 ATM Article 2 and October 28, 2014 STM Article 9, a balance of \$505,290.45 of proceeds from the borrowings remains unspent.

In order to maintain the most flexibility for the Town to use these funds for a future capital project that under Massachusetts General Laws C. 44 can be borrowed for up to 30 years, the Board of Selectmen should designate that this unexpended balance of \$505,290.45 remains from the \$2,600,000 taxable borrowing on June 1, 2015. As taxable borrowing proceeds, the Town is not subject to the same arbitrage rules and restrictions as it does with unexpended proceeds from a tax exempt issue.

6. FY 18 Budget Update

We will be prepared to continue discussion on the budget in further detail on Monday night. Included in your packet is an overview of the budget at this point which shows if certain items come to fruition, the budget shortfall will be \$101,845. Those items include:

- Schools, Library and Board of Health reaching guideline
- Elimination of the PBC budget and a transfer of the funds needed to support the two positions that serve the PBC moved to the FMD budget
- Other minor additions and subtractions that occur as the budget develops

At this point it is staff's recommendation that the funds needed in order for the board to present a balanced budget be drawn from Free Cash. We have reviewed the Town's reserve position and confirm that this amount can be utilized without the town falling below the 8.0% threshold as has been the town's policy.

To go into further detail about the above plan regarding guideline:

- Schools - I will be meeting with the School Superintendent on Monday morning and expect to learn from him that the schools will meet guideline through a combination of operating budget and cash capital reductions.
- Library - as you know from an email me from this week the Trustees request the use of cash capital to get to guideline, and a transfer of funds to the FMD budget from lease revenues to cover most of the maintenance expenses of the Hills branch. The Board needs to decide tonight whether to go forward with that request or take a different approach.
- Board of Health - I met with Lenny Izzo and a member of the board this week and discussed strategy. As of today Lenny tells me they have made reductions in their budget to drop it from a 12.16% increase to 3.42%. They have also identified new revenue of about \$12,000 and I've asked how that would affect their overall increase. I am meeting with Lenny Monday afternoon and will hopefully have a definitive plan for you Monday night. I anticipate that their priority is to add in the 2nd Environmental Specialist half way through the year, and make other personnel adjustments to achieve this.
- PBC - Marjorie and I met with Matt King and Kathy Mullaney Thursday afternoon and laid out the plan to eliminate the PBC operating budget, and transfer the wages for the two positions to the FMD budget, thereby reducing the overall budget by \$97,800. A good conversation ensued about how that would work, and we committed to further conversation over the next few months about the roles and responsibilities of FMD in order to support PBC as an independent board. Matt urged that a small amount of funds (\$5,000) should be kept available for unanticipated outside services which we will analyze before the meeting.

Sheryl will be present to go over the current status and answer any question that you have.

BUDGET CHANGES UPDATE 2-22-17

S&U Print	(1,588,893.00)
School Com	282,694.00
Original S&U	<u>(1,306,199.00)</u>
ED +Sal/+Dues/-Temp	(10,164.00)
HR +Salary/-Exp	(5,150.00)
New S&U	<u>(1,321,513.00)</u>
IT -Whittal Salary	2,060.00
IT - Telephone	1,190.00
TRS +Foster to FT	(20,880.00)
TRS +Rumsey	(997.00)
TRS -Temp line	6,317.00
TRS +Quickbooks	(4,050.00)
New S&U	<u>(1,337,873.00)</u>
Veterans'	(2,233.00)
Library budget cut	22,076.00
HR MPP	(7,603.00)
Change new growth	250,000.00
Apply Health Insuranc equity	347,510.00
Facilities MPP	14,016.00
Police	8,538.00
Fire	(28,396.00)
Library MPP	5,412.00
Traff & Park	(657,620.00)
Traff & Park Rev	657,620.00
reduce col bargaining	50,000.00
Traff & Park exp	(519,621.00)
Traff & Park rev	519,621.00
Budget at 2-17-17	<u>(678,553.00)</u>
School to Guideline	357,873.00
Library to Guideline	32,688.00
Board of Health to Guideline	88,347.00
Move two PBC to FMD	97,800.00
Additional free cash to balance	<u>(101,845.00)</u>

7. Review Draft Policies – Executive Session & Acceptance of Gifts

Included in your packet is a memo from me recommending that the Board consider adoption of two revised board policies regarding executive session procedures and acceptance of gifts.

TOWN OF WELLESLEY



MASSACHUSETTS

BOARD OF SELECTMEN

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

MARJORIE R. FREIMAN, CHAIRMAN
ELLEN F. GIBBS, VICE CHAIRMAN
DAVID L. MURPHY, SECRETARY
BARBARA D. SEARLE
JACK MORGAN

FACSIMILE: (781) 239-1043
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WELLESLEYMA.GOV
BLYTHE C. ROBINSON
EXECUTIVE DIRECTOR OF GENERAL GOVERNMENT

MEMORANDUM

DATE: February 24, 2017
TO: Board of Selectmen
FROM: Blythe C. Robinson, Executive Director *BCR*
SUBJECT: Policy Updates – Executive Session & Acceptance of Gifts

Included in your packet are drafts of two policies that I recommend the Board consider adopting to replace ones previously authorized covering the topics of executive sessions and acceptance of gifts. Below I've outlined the rationale behind the changes I am recommending.

Executive Sessions

In 2006 the Board received a letter from Town Counsel Robinson outlining the procedures that the Board should follow to properly call and hold an executive session. He also provided advice on how to conduct the meeting, when votes should be taken, and matters to avoid in order to be in compliance with the law. He noted that the operative law was at that time G.L. c. 39, § 23B.

In 2010 that law was repealed and replaced with G.L. c.30A, § 21& 22. The reasons for convening an executive session were somewhat changed and clarified, mostly adding a 10th reason regarding the discussion of trade secrets, confidential or proprietary information. Chapter 30A also includes a section on the minutes of meetings which indicates that once the purpose for the which the executive session was held has been served, the minutes and any documents that were produced and pertain to it should be disclosed, and that the Town should at reasonable intervals review such minutes and determine if they are ready for release. That test is met when the disclosure would no longer jeopardize the litigating, negotiating or bargaining position of the town.

Thus I have produced an updated version of a policy on executive sessions which indicates that the Board will follow the law on this topic which has been reviewed by Town Counsel. It outlines the steps to setting a meeting, holding it, and the protocol for release of minutes. It is my recommendation that the Board review the minutes on a quarterly basis throughout the year to determine what ought to be released. I understand it has been quite some time since the Town reviewed and released minutes. Staff is working on a list of those sessions so that the Board can take action on them at an upcoming meeting.

Acceptance of Gifts

In 2009 the Board adopted a policy on the acceptance of gifts as required by General Bylaw Article 5.6 passed at the Annual Town Meeting that year. The policy currently in place has served the town

well, however recently the Board inquired as to whether or not smaller gifts could be handled in a more efficient manner than having to vote on them at meetings. Thus the version attached is much the same as it was in 2009, excepting for gifts worth less than \$500. Staff is proposing that these gifts be accepted by our office and distributed accordingly. We will make the Board aware of the amounts received, and will where appropriate ensure that the donor is thanked by the Town for their generosity.

I would also call your attention to item #7 in the implementation section regarding some proposals which ought to have a hearing before being voted on. This section may have been written to be purposefully vague to enable the Board to have a mechanism to more fully consider some gifts more than others. An example might be the gift for the construction of the Tolles Parson COA building. My point in raising this is whether or not the board continues to believe that this language is appropriate, or you would like to consider more specifics in which certain gifts would have further scrutiny than others.

Lastly, the bylaws call for any changes to this policy to be considered after a public hearing. Therefore, I would appreciate your feedback on this policy, and when we've made any edits you'd like to see, we can schedule a public hearing prior to considering its approval.

Enclosures

**Administrative
Policy and
Procedure**

Board of Selectmen
EXECUTIVE SESSION POLICY
Approved _____

PURPOSE:

To comply with Section 21 and Section 22 of the *Open Meeting Law, M.G.L. c.30A*, with regard to the meetings of the public body in executive session, and to review executive session minutes periodically to determine whether continued non-disclosure is warranted.

APPLICABILITY

Public bodies may meet in executive session only for the specific purposes outlined in G.L. 30A, § 21. They are not required to disclose the minutes, notes or other materials used in executive session where the disclosure of these records may defeat the lawful purpose of the executive session. Once disclosure would no longer defeat the lawful purposes of the executive session, however, minutes and other records from that executive session must be disclosed unless exempted. Public bodies are required to review their executive session minutes periodically to determine whether continued non-disclosure is warranted.

POLICY:

1. The Board of Selectmen shall conduct all executive sessions in compliance with the *Open Meeting Law*, and as specified below (Implementation Procedure).
2. The Board shall approve the content of all draft executive session minutes within thirty (30) days of the executive session, or at the next executive session, whichever is later.
3. The Board shall review their executive session minutes on a quarterly basis to determine whether continued non-disclosure is warranted. At the Board's next open session meeting after such review, the Chair shall identify those minutes that the Board determined are ripe for release. The open session minutes shall reflect such declaration.
4. The Board shall produce executive session minutes, that the Board has determined such release will not defeat the purpose of the executive session, within ten (10) calendar days of a public records request. If the Board has not recently determined whether the requested executive session minutes are subject to continued non-disclosure, it must do so at its next meeting, or within thirty (30) days, whichever is sooner. If such meeting will be held more than ten (10) calendar days from the date of the request, the Board must notify the requestor of the date that the determination will be made within the ten (10) calendar day period. Within three (3) calendar days after such meeting, the Board must either produce the minutes or inform the requestor that such minutes are not subject to disclosure. Any response denying access to the executive session minutes must be in compliance with the *Public Records Law*.

IMPLEMENTATION PROCEDURE:

1. The Board shall include in their agenda postings the specific *Open Meeting Law* clause under which they are planning to go into executive session.

**Administrative
Policy and
Procedure**

Board of Selectmen
EXECUTIVE SESSION POLICY
Approved _____

2. If the executive session will be convened under Purpose 1,ⁱ the individual in question must receive written notice 48 hours in advance of the executive session and must be afforded all the rights outlined under the *Open Meeting Law*.
3. Procedure for entering into executive session:
 - a. The Board must first convene in open session.
 - b. The Chair requests a motion to enter into executive session. The motion should:
 - i. Identify the purpose for the executive session;
 - ii. For Purposes 3, 6, and 8,ⁱⁱ include the requisite declaration that having such discussion in open session would have a detrimental effect on the specific purpose of the executive session;
 - iii. Invite any non-members to join the executive session for some or all agenda topics; and
 - iv. State whether the Board will reconvene in open session to adjourn the meeting or to continue with the regular open session meeting.
4. The vote to enter executive session, all votes taken while in executive session, and the vote to leave executive session shall be by roll call and recorded in the minutes as such.
5. The Board shall review all executive session minutes and records quarterly to determine if public non-disclosure is still warranted, and such determination must be announced at the next meeting of the Board and recorded in the minutes of that meeting.
6. The released minutes and any public records used at that meeting, shall be forwarded to the Town Clerk for public filing and review within ten (10) business days of their release. Such minutes shall be posted online.

DEFINITION

As defined in M.G.L., Chapter 4, Section 7, Clause 26 "Public records" shall mean all books, papers, maps, photographs, recorded tapes, financial statements, statistical tabulations, or other documentary materials or data, regardless of physical form or characteristics, made or received by any officer or employee of any agency, executive office, department, board, commission, bureau, division or authority of the commonwealth, or of any political subdivision thereof, or of any authority established by the general court to serve a public purpose, or any person, corporation, association, partnership or other legal entity which receives or expends public funds for the payment or administration of pension for any current or former employees of the commonwealth or any political subdivision as defined in section 1 of chapter 32, unless such materials or data fall within the allowed exemption.

REGULATORY / STATUTORYS REFERENCES:

This policy is subject to the requirements set forth in *M.G.L. c.4, § 7, cl 26*.

This policy is subject to the requirements set forth in *M.G.L. c.30A, §§ 21 and 22*.

**Administrative
Policy and
Procedure**

**Board of Selectmen
EXECUTIVE SESSION POLICY
Approved _____**

APPROVED BY:

Board of Selectmen, Chair: Marjorie Freiman _____

Board of Selectmen: Ellen Gibbs _____

Board of Selectmen: David Murphy _____

Board of Selectmen: Barbara Searle _____

Board of Selectmen: Jack Morgan _____

Original date: February 15, 2017

Revised dates:

ⁱ Purpose 1: To discuss the reputation, character, physical condition or mental health, rather than professional competence, of an individual, or discuss the discipline or dismissal of, or complaints or charges against, a public officer, employee, staff member or individual.

ⁱⁱ Purpose 3: To discuss strategy with respect to collective bargaining or litigation if an open meeting may have a detrimental effect on the bargaining or litigation position of the public body.

Purpose 6: To consider the purchase, exchange, lease or value of real estate, if the chair declares that an open meeting may have a detrimental effect on the negotiating position of the public body.

Purpose 8: To consider or interview applicants for employment by a preliminary screening committee, if the chair declares that an open meeting will have a detrimental effect in obtaining qualified applicants. This shall not apply to any meeting regarding applicants who have passed a preliminary screening.

PURPOSE:

To comply with Bylaw Article 5.6, adopted by the 2009 Annual Town Meeting (hereinafter "the Bylaw"), adopted a Town-wide policy governing the acceptance of gifts. The Bylaw provides that no board shall accept any gift unless the board shall have adopted a gift acceptance policy.

POLICY:

The Board of Selectmen's policy on acceptance of gifts under its jurisdiction is (1) to follow the general policy of the Town as set forth in Town Bylaw Article 5.6; and (2) in each particular case, to implement said town-wide policy in a transparent manner, understanding that acceptance of a gift may have a long lasting effect, perhaps spanning many future generations of Town residents. It is thus the policy of the Board of Selectmen to reserve the acceptance of gifts under its jurisdiction for circumstances that will best serve the interests of the Town.

APPLICABILITY

The Board of Selectmen has the authority to accept gifts of money and tangible property on behalf of the Town of Wellesley. Any board which does not have statutory authority to accept gifts must submit all gifts approved by such board to the Board of Selectmen for final acceptance. Since all gifts of real property, whether restricted or unrestricted, require the acceptance of Town Meeting, such gifts shall be reviewed summarily, and unless questions are presented, the Board shall place the matter on a Warrant for a Town Meeting.

IMPLEMENTATION PROCEDURE:

1. Any proposal for acceptance of a gift under the Board's jurisdiction shall be forwarded to the Executive Director, who shall review it and prepare the matter for review by the Board.
2. Before undertaking to consider any acceptance of gift, the Bylaw itself shall be reviewed. This policy statement is supplemental to the Town-wide policy, not in substitution of it.
3. *Any gift valued at \$500.00 or less may be accepted and administered by the Executive Director's Office on behalf of the Board.*
4. The Board shall determine whether the gift is appropriate to the mission and needs of the Town.
5. The Bylaw requires that the acceptance of a gift of real property be presented to and approved by Town Meeting.
6. In deciding the appropriateness of a gift, the Board shall keep in mind the following categories:
 - a. whether the gift is restricted or unrestricted;
 - b. whether the gift is irrevocable;

**Administrative
Policy and
Procedure**

**Board of Selectmen
GIFT POLICY
Approved _____**

- c. the financial impact including ongoing operations, maintenance or capital costs; and
 - d. whether the terms of the gift permit the Town to apply the gift to a related purpose should the original intent become impracticable. These categories are more fully described in the Bylaw.
7. To ensure that the Board is fully aware of the public's interest in a proposal, a hearing shall be held, and a period of time for due reflection let pass, before the proposal comes on the Board's agenda for its vote.

Additional Factors to be Considered:

- 1. Whether conditions beyond those proposed by any donor would be in the Town's interest.
- 2. The extent to which voting a current proposal could establish, or contradict, existing Town policy.
- 3. Whether Massachusetts law, or Town Bylaw or policy might apply, including the requirements of Town Bylaw Article 5.5 and the Board of Selectmen's policy on Naming Rights.
- 4. Unless the Board votes otherwise, a majority vote will apply. However, if the planned Motion to accept a gift has less than unanimous support among the Board's members, caution should be undertaken in bringing the Motion to a vote.
- 5. The Bylaw's Accounting and Reporting requirement shall be faithfully complied with.

DEFINITION

None.

REGULATORY / STATUTORYS REFERENCES:

This policy is subject to the requirements set forth in Town of Wellesley, Article 5.6, Acceptance of Gifts.

APPROVED BY:

Board of Selectmen, Chair: Marjorie Freiman

Board of Selectmen: Ellen Gibbs

Board of Selectmen: David Murphy

Board of Selectmen: Barbara Searle

Board of Selectmen: Jack Morgan

**Administrative
Policy and
Procedure**

Board of Selectmen
GIFT POLICY
Approved _____

Original date:August 6, 2009

Revised dates:February 22, 2017

8. Review a Draft of the Town-Wide Financial Plan

Enclosed in the packet is a very preliminary draft of the town-wide financial plan. It has not progressed far because we have not finalized the budget for next year. Until that takes place, it is difficult to make assumptions for future years. I do have a meeting with Superintendent Lussier on Monday to discuss future school needs so that we work with realistic figures going forward in our model.



**Town-Wide Financial Plan for 2017 Annual Town Meeting
Submitted by the Board of Selectmen**

March 3, 2017

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 (FY17), the proposed budget for FY18, and projected financial information for the years FY19-21.

Overview

The Board of Selectmen, working with other Town officials, has developed a balanced-budget proposal for the next fiscal year (FY18, or the year beginning July 1, 2017). This proposal assumes modest levels of revenue and spending growth. Spending growth is approximately in line with prior TWFP projections and the budget guidelines issued last fall.

The amount of reserves used to balance the budget (\$4.0 million) is higher than in previous years and reflects a one-time addition to address some specific cash capital needs. Despite this usage, the reserve levels will remain within the reserve policy guidelines, primarily because of additional savings arising from the Town's health insurance initiatives.

At the time of this writing, negotiations are ongoing with all of the Town's nine unions (excluding schools). The results from these negotiations may further impact the proposed FY18 budget and we will provide an update on this matter at Town Meeting.

Looking forward, we are projecting deficits in the \$3-\$4 million in the next three fiscal years (FY19-21). The projected deficits are primarily attributable to growth in the School budget and rising health insurance costs. We continue to work with the Schools to improve long range financial forecasts and look for saving opportunities associated with enrollment decline. The current health insurance plans expire 6/30/18 and will need to be collectively bargained. The potential long term impact of health insurance costs is of concern, but unclear at this time. We are investigating opportunities to smooth fluctuations in cash capital spending between years, and our process for setting budget guidelines needs to better encompass cash capital spending, at least for those departments that have high, recurring levels of such spending.

Town Meeting will also be asked to appropriate funds for several debt-funded projects. The most significant of these projects are the School Security and the Reconstruction of Cliff Road. All of the debt-funded projects are to be funded with inside-the-levy borrowing. Because of the Town's conservative approach to amortizing debt, debt service costs will remain level compared with FY17.

Longer-term, we are continuing to monitor the scope, cost and timing of the work related to the renovation and/or replacement of the Hardy, Hunnewell and Upham elementary schools (also

referred to as "HHU"). This project will be subject to a debt exclusion, and our preliminary projections suggest the peak median tax bill impact of this work could approach \$1,228 per year. No significant appropriation request related to HHU is anticipated for the upcoming Town Meeting, and it is highly unlikely that this project(s) will materially impact tax bills until FY21 at the earliest. It is also important to note that the impact of HHU debt service on property tax bills will be offset by ongoing declines in the level of debt service related to prior projects.

Insert Town Hall project.

Absent any significant changes in projected spending, it is likely that a Proposition 2½ override will be required in FY19. Growth in the School budget, health insurance costs and cash capital remain the biggest drivers of cost growth. The School budget is nearly twice the size of all of the other departmental budgets combined, and it is projected to continue growing at a higher annual rate.

Key Financial Planning Issues

Each year, the Selectmen and their staff update the TWFP with input from all of 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
- 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
- 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 vast majority of Town employees are unionized, and their annual wage increases are the subject of collective bargaining. At the time of this writing, Town officials are negotiating successor collective bargaining agreements with a number of the Town's unions. The following table summarizes the status of the Town's largest union contracts:

Union	Employees	Settled Through	FY18 Increase
Teachers	519	6/30/19	1.5% with 2.0% on top step
DPW Production	67	6/30/17	In negotiations
School Secretaries	41	6/30/16	In negotiations
School Custodians	46	6/30/17	In negotiations
MLP Production	16	6/30/17	In negotiations
DPW/MLP Supervisory	8	6/30/17	In negotiations
Library Association	49	6/30/17	In negotiations
Firefighters	53	6/30/17	In negotiations
Police Patrolmen	30	6/30/16	In negotiations
Superior Officers	9	6/30/17	In negotiations
Dispatchers	10	6/30/17	In negotiations

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 achieve 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%.

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 has an effect on the budget over time. In the case of the School Department, the average experience level of teachers has increased over the past ten years. In addition, the number of steps in the Teachers contract has increased, so even the most experienced teachers have received step increases in some years. These factors have contributed to the greater growth of the School budget in comparison to other departments' budgets.

The conclusion of bargaining with respect to the open union contracts may necessitate further budget adjustments. A provision for the potential cost of the Town union settlements has been included in the current balanced budget proposal, as these settlements will require Town Meeting approval.

Employee benefit costs

Employee benefit costs total \$28.1 million in FY18 (17% 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 - \$15.7 million
- Pension plan contribution - \$6.6 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 10 towns and 3 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. The towns of Westwood and Ashland (prior WSHG members) elected to make this transition effective July 1, 2015, and other towns including Lexington, Weston and Sudbury have previously transitioned to the GIC.

Prior to the 2015 Annual Town Meeting, the Selectmen negotiated an agreement with all of 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 high number of employees who have either migrated to the Fallon plans, or opted-out of the Town's health insurance plans in the following years has helped mitigate the increasing cost of health insurance. As these plans will sunset on June 30, 2018, new plans must be negotiated with all of the Town's unions in the coming year, the result of which will impact the FY 19 budget.

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 result 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 2016 totaled \$3.5 million. These contributions are in addition to the Town's contribution, which is expected to be \$6.6 million in FY18. During the years FY97-FY09 when the pension liability was fully funded, the Town made no contributions to the pension plan (employee contributions continued during this period).

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:

Valuation Date	<u>Pension</u>		<u>OPEB</u>	
	1/1/2015		6/30/2016	
Accrued Liability	\$	207,928,237	\$	120,156,976
Actuarial Value of Assets		152,955,923		44,229,773
Unfunded Liability	\$	54,972,314	\$	75,927,203
MV of Assets at 12/31/16		XXX,XXX		XXX,XXX

The actuarial funding schedule for the pension plan, which is intended to fully fund the plan by 2030, calls for a \$.2 million increase in pension funding in FY18 (exclusive of enterprise funds). The latest actuarial valuation of the pension plan performed as of January 1, 2015 reflected an investment return assumption of 6.75%, which is more conservative than the 7% assumption used in the previous valuation. Despite this more conservative assumption, 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 additional contribution is funded by inside the levy funds, now that the Proposition 2½ funding exclusion is expiring on June 30, 2017 and the Town intends to budget costs inside the levy through full funding in 2037. A historical table outlining the funding over the past three years and FY 18 may be seen in the following table:

	<u>OPEB Funding</u>			
	FY15	FY16	FY17	FY18
Inside the levy	\$ 1,200,000	\$ 1,800,000	\$ 2,400,000	\$ 3,432,000
Exclusion	1,800,000	1,200,000	600,000	-
	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>	<u>\$ 3,432,000</u>

While this funding transition has put pressure on the Town budget, the new scheduled in-the-levy contribution has been leveled to avoid affecting 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 2017 Annual Town Meeting, appropriations will be requested for the following capital projects:

- Conversion of Street Lights to LED – Transfer from MLP and other Sources (Article 15)
- Town Hall Envelope Restoration Project - Design - \$895,505 (Article 17)
- School Security Project Construction - \$2,553,469 – (Article 18)
- Reconstruction of Cliff Road - \$2,470,000 (Article 20)
- Fire Station Floor – Transfer of outside funds to Facilities Budget (Article 19)
- Hunnewell Field Maintenance/Restroom Facility Project - \$300,000 (Article 21)

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 Town Hall envelope project is an estimate for the design phase mutually developed between the Permanent Building Committee and Facilities Maintenance Department.

The Street Light project will be managed by the MLP, Tolles Parsons, Police Station and Park & Highway Garage Roof projects will be managed by the PBC, whereas the High School Stadium and Hunnewell Field Restrooms projects will be managed by the DPW. All of the other projects will be funded with inside the levy borrowing.

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

- School security upgrades – The planning for these upgrades is continuing and it is currently expected that an appropriation for construction funds will be requested at either a fall 2016 Special Town Meeting or at the 2017 Annual Town Meeting. Pending further clarity regarding the scope and cost of this work, we are carrying an estimate of \$2,553,469.
- Cliff Road ←
- Renovation/replacement of Hardy, Hunnewell and Upham elementary schools - Multiple Statements of Interest (SOI's) have been filed with the Massachusetts School Building Authority (MSBA) with respect to these schools, but to-date, the Town has not received a favorable response. At some future date, Town officials may elect to begin addressing the needs of these schools without MSBA support. For purposes of the TWFP, we are projecting the total cost of this work to be approximately \$96 million, to be incurred during the period FY18-22.
- Middle School Infrastructure (\$7.3 million) - A recent study of the Middle School identified the need to replace significant portions of the HVAC secondary distribution system. In addition, a number of classroom doors and certain cabinetry need to be replaced, and portions of the brick masonry need to be re-pointed.

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

FY18 Budget

The proposed FY18 budget request is summarized in the following table (more complete versions of the FY18 Sources & Uses are presented in Exhibit I and Appendix B, which appears later in this book):

	FY17 Budget	FY18 Request	\$ Inc/(Dec)	% Inc/(Dec)
Sources of Funds				
Taxes	\$ 118,580,284	\$ 123,394,791	\$ 4,814,507	4.1%
State Aid	9,513,302	9,707,658	194,366	2.0%
Local Revenue	10,382,296	11,766,000	1,383,704	13.3%
Free Cash (to balance)	2,667,450	2,500,000	(167,450)	-6.3%
Free Cash other	-	1,867,089		
Other Sources	1,056,874	1,720,164	663,290	62.8%
CPA Funds	1,475,400	854,275	(621,125)	-42.1%
CPA to offset debt	548,944	553,244	4,300	0.8%
Exempt Debt	12,324,555	12,187,364	(137,191)	-1.1%
OPEB Exclusion	600,000	-	(600,000)	-100.0%
Total Sources	\$ 157,149,105	\$ 164,550,595	\$ 7,401,490	4.7%
Uses of Funds				
School	\$ 69,524,634	\$ 72,315,669	\$ 2,791,235	4.0%
Facilities Maintenance	7,370,442	7,519,404	148,962	2.0%
Other Town Departments	28,054,517	29,203,831	1,149,314	4.1%
Employee Benefits	26,304,938	28,149,225	1,844,287	7.0%
Cash Capital	5,152,079	6,986,342	1,834,263	35.6%
Debt Service (inside Levy)	3,649,455	4,000,000	350,545	9.6%
Other Uses	4,219,542	4,313,870	94,328	2.2%
Exempt Debt	12,673,498	12,740,608	(132,890)	-1.0%
Total Uses	\$ 157,149,105	\$ 165,229,148	\$ 8,080,043	5.1%
Surplus/(Deficit)	\$ -	\$ (678,553)		

Sources of Funds: The 4.1% increase in Taxes reflects the allowed growth in the levy limit (2.5%) and \$1.85 million of new growth. The 2% increase in State Aid reflects the ongoing concern regarding the State's fiscal situation. The 13.3% increase in Local Revenue is a reflection of conservative numbers in fiscal 2017. The large increase in Other Sources is largely attributable to increases in utilization of CPA (Community Preservation Act) funds. The decrease in Exclusions & Exemptions reflects a further reduction in the OPEB funding exclusion and a decrease in excluded debt service arising from the Town's practice of amortizing most debt on a "level principal" basis.

Rewrite

Uses of Funds: The 4.3% increase in the School budget reflects the cost of contractual step, lane and cost of living increases and higher special education costs. The 2.6% increase in Other Town Departments is consistent with the wage increases levels recommended by the Human Resources Board. The 14.8% increase in cash capital is largely attributable to increased road resurfacing funds within the DPW budget and a further increase in Facilities Maintenance capital.

The Town is also anticipating appropriation requests to fund the following items using Free Cash:

- Supplemental FY18 appropriations (Article 7)
 - \$XXX.XXX for current year snow and ice removal costs
 - \$12,089 for unpaid bills
 - \$112,000 for Injured on Duty transfers
 - \$140,500 for land takings
 - \$75,000 for North 40 Landfill
 -
 -
 -
 -
 -

Reserves

Mindful of the need to maintain sufficient financial reserves to support the Town's favorable 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 are the balances 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 total of Stabilization Fund balances as of June 30, 2016 was \$3.5 million and we do not anticipate any requests for appropriations from this fund. The level of Free Cash, as certified by the DOR, was \$11.8 million as of July 1, 2016.

The following chart summarizes the changes in Free Cash for the years FY12-16:

<i>Free Cash</i>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
<i>Beginning of year</i>	\$ 9,471,751	\$ 8,439,070	\$10,499,623	\$10,950,782	\$10,336,925
<i>Uses</i>	(3,715,184)	(3,112,757)	(3,630,881)	(3,987,715)	(4,867,591)
<i>Net Free Cash generated</i>	2,682,503	5,173,310	4,082,040	3,373,858	3,362,166
<i>End of year</i>	<u>\$ 8,439,070</u>	<u>\$10,499,623</u>	<u>\$10,950,782</u>	<u>\$10,336,925</u>	<u>\$ 8,831,500</u>

update

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 FY17 is an important factor in our evaluation of the proposed use of these reserves to help balance the FY18 budget.

The following chart summarizes an initial projection of the Town's reserve balances at June 30, 2016:

	<u>Amount</u>
Reserves as of 6/30/2016	
Free Cash	\$ 11,858,182
Stabilization fund	3,271,285
Injured-on-duty Stabilization Fund	297,888
	\$ 15,517,355
Sources and (Uses) of Reserves in FY17	
Supplemental FY17 appropriations (Article 7)	
- Snow & ice removal	(500,000)
- North 40 Landfill	(75,000)
- 3 unpaid bills	(12,089)
- Owner unknown :Schools	(140,500)
- additional to balance budget	(200,000)
- PT Planner for Demolition delay	(27,500)
- Fund IOD from free cash - catch up	(112,000)
- Add back to reserve	112,000
- stabilization interest	50,000
Balance FY18 budget (Article 8)	(2,500,000)
One time smoothing of cash capital	(1,500,000)
Estimated FY17 reserve change from operations	2,500,000
Estimated Reserves as of 6/30/17	\$ 13,112,266
FY18 Revenue	\$ 144,868,459
% of Revenue	9.05%

(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, 2017 would remain slightly above 9%. The estimated FY17 reserve growth is largely attributable to the Town's conservative budgeting and greater than anticipated savings from recent health insurance initiatives. 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 FY19-21

For purposes of projecting the Town's Sources and Uses of funds for the years FY19-21, we have used the following annual growth rate assumptions:

- Levy growth 2.5% plus \$1.6 million of new growth
- State aid & local revenue 2%
- Use of Free Cash \$2.5 million/year
- School budget 4.0%
- Other Town departments. 2.5%
- Pension Per approved funding schedule
- Health insurance 5%
- Other employee benefits 2.5%

Given the relative size of the School budget, the assumption regarding the growth in School spending has the greatest impact.

Based on these assumptions and assuming no overrides, we are projecting deficits in the range of \$3.0-4.0 million over the years' FY19-21. 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. They also provide a clear context for the ongoing collective bargaining with several of the Town's large unions. Reducing or eliminating these deficits without an override would require some combination of lower rates of spending growth 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 \$991,000) for the period FY17 – FY21:

	Median Tax Bill				
	FY16	FY17	FY18	FY19	FY20
Prior year median tax bill	\$ 11,098	\$ 11,723	\$ 11,919	\$ 12,424	\$ 12,820
Levy growth	277	293	298	311	320
Override	-	-	276	-	-
Schofield/Fiske	121	45	(3)	(4)	(4)
Middle School Windows	18	26	(1)	(1)	(1)
North 40	133	(0)	(0)	(0)	(0)
Tolles-Parsons Center	-	9	46	(1)	(1)
Hardy/Hunnewell/Upham	-	-	-	82	329
Middle School Infrastructure	-	-	-	69	(2)
Other debt exclusions	(34)	(122)	(56)	(59)	(26)
OPEB funding exclusion	(55)	(55)	(55)	-	-
Other	165				
Current year median tax bill	\$ 11,723	\$ 11,919	\$ 12,424	\$ 12,820	\$ 13,435
% Increase	5.6%	1.7%	4.2%	3.2%	4.8%

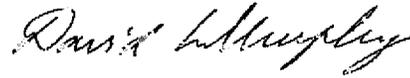
New chart

For discussion purposes, we have included a \$3 million Proposition 2½ override in FY18 to help reduce the projected deficits. No decisions have been made regarding such an override, and further planning work and discussions need to be held in the coming months on this issue.

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.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "David L. Murphy".

Marjorie R. Freiman David L. Murphy, Chair
Ellen F. Gibbs, Vice Chair
David Murphy, Secretary
Jack Morgan
Barbara D. Searle

Exhibits:

- I - FY17 Summary Sources & Uses of Funds
- II - Projected Sources & Uses of Funds

Appendices appearing later in this book:

- B – FY17 Detail Sources & Uses of Funds
- C – Five Year Capital Budget Program

TOWN OF WELLESLEY- SOURCES AND USES OF FUNDS

Exhibit I

	FY2017 Tax Rate	FY2018 Request	% Change
*** SOURCES OF FUNDS ***			
Tax & Other Current Revenues			
Within Levy Limits			
Real Estate & Per. Prop. Tax	118,580,284	123,994,791	4.06%
From the Commonwealth	9,513,302	9,707,868	2.04%
Local Revenue	10,382,296	11,766,000	13.33%
Sub-Total (Tax & Cur. Rev.)	138,475,882	144,868,459	4.62%
Outside Levy Limits			
Real Estate & Pers.Prop.Tax	12,324,555	12,187,364	-1.11%
OPEB	600,000	-	-100.00%
Available Funds			
Parking Meter Receipts	906,874	1,592,600	75.61%
Appropriated/Reserved CPA Surcharge	1,475,400	854,275	-42.10%
CPA Funds for North 40	548,944	553,244	1.00%
Free Cash- balance budget	2,867,450	2,500,000	-6.28%
Free Cash- \$1.5 million, \$25,500	-	1,867,089	100.00%
Unencumbered/Transfers from other funds	150,000	127,564	100.00%
Sub-Total (Available Funds)	5,748,668	19,682,136	242.38%
TOTAL SOURCES OF FUNDS	157,149,105	164,550,595	4.71%
*** USE OF FUNDS ***			
Personal Services (Non-School)			
Expenses (Non-School)	6,801,817	6,752,984	-0.28%
Subtotal (Non-School)	28,054,517	28,511,742	1.63%
Personal Services (Facilities Maintenance)			
Expenses (Facilities Maintenance)	3,319,267	3,380,028	1.83%
Subtotal (Facilities Maintenance)	7,370,442	7,519,404	2.02%
Personal Services (School)			
Expenses (School)	8,153,523	-	-100.00%
Subtotal (School)	69,524,634	72,315,669	4.01%
Sub-Total (Pers. Svcs.& Exp)	104,949,593	108,347,015	3.24%
Capital & Debt:			
Within Levy Limits			
Capital/Extraord./Special Items	5,152,079	8,988,342	35.60%
Debt Service	3,649,455	4,000,000	9.61%
Sub-Total (Within Levy Limits)	8,801,534	10,988,342	24.82%
Outside Levy Limits			
Debt Service	12,873,498	12,740,608	-1.03%
SUB-TOTAL (CAPITAL & DEBT)	21,675,032	23,728,950	9.47%
Employee Benefits:			
Health Insurance & other	16,914,824	18,095,362	6.98%
Pension Contribution	6,390,114	6,521,863	3.63%
OPEB Liability Fund	3,000,000	3,432,000	14.40%
Sub-Total (Shared Costs)	26,304,938	28,149,225	7.01%
SUB-TOTAL (OPERATIONS)	152,929,563	160,223,190	4.77%
Special Items:			
Traffic & Parking Management	862,924	1,545,950	79.50%
Appropriated/Reserved CPA Surcharge	1,475,400	854,275	-42.10%
State & County Assessments	1,226,317	1,239,371	1.08%
Property Tax Abatements	654,901	571,274	2.50%
Free cash	-	367,089	100.00%
Free Cash- Contracts	-	325,000	100.00%
Sub-Total (Special Items)	4,219,542	5,005,958	18.64%
TOTAL USE OF FUNDS	157,149,105	165,229,148	5.14%
TOTAL SOURCE OF FUNDS	157,149,105	164,550,595	4.71%
SURPLUS (DEFICIT)	-	(678,553)	

TOWN OF WELLESLEY - TOWN MEETING APPROVED ALLOCATION OF FUNDS

SOURCES OF FUNDS	FY17 SOURCES OF FUNDS	FY18 SOURCES OF FUNDS	CHANGE - FY17 to FY18 \$ Change	% Change
Real Estate & Personal Property Tax				
Within the Levy Limit	118,580,284	123,394,791	4,814,507	4.06%
Outside the Levy Limit - OPEB	600,000	0	(600,000)	-100.00%
Outside the Levy Limit	12,324,555	12,187,364	(137,191)	-1.11%
Subtotal - Real Estate & Personal Property Tax	131,504,839	135,582,155	4,077,316	3.10%
From the Commonwealth				
Chapter 70 Aid	8,198,827	8,343,560	144,733	1.77%
Lottery Aid	1,245,571	1,294,148	48,577	3.90%
Other Aid	68,904	0	0	0.00%
Subtotal - From the Commonwealth	9,513,302	9,707,666	1,956	1.53%
Local Revenue				
Motor Vehicle Excise	4,493,933	5,100,000	606,067	13.49%
Licenses and Permits	2,000,000	2,500,000	500,000	25.00%
MLP Payment in Lieu of Taxes	1,000,000	1,000,000	0	0.00%
Interest Earnings	187,363	300,000	112,637	60.12%
RDF Revenue	600,000	630,000	30,000	5.00%
Fines & forfeits	560,000	580,000	20,000	3.57%
Recreation	100,000	100,000	0	0.00%
Meals/Hotel/Motel Tax	665,000	665,000	0	0.00%
Pilot Payments	76,000	76,000	0	0.00%
Other Local Revenues	700,000	835,000	135,000	19.29%
Subtotal - Local Revenue	10,382,296	11,766,000	1,383,704	13.33%
Other Sources				
Parking Meter Receipts	906,874	1,592,800	685,926	75.64%
Free Cash to balance budget	2,667,450	2,500,000	(167,450)	-6.28%
Other free cash	0	339,589	339,589	>100%
Free Cash to offset capital	0	1,500,000	1,500,000	>100%
Free Cash Demolition Delay Planner	0	27,500	27,500	>100%
Appropriated CPA Surcharge	1,475,400	854,275	(621,125)	-42.10%
CPA Funds applied to North 40	548,944	553,244	4,300	0.78%
Police detail	150,000	127,564	(22,436)	-14.96%
Subtotal - Other Sources	5,748,668	7,484,772	1,746,104	30.37%
TOTAL SOURCES OF FUNDS	187,149,105	194,669,595	7,401,490	4.71%

Exhibit B

	FY17 USE OF FUNDS (Tax Rate)			FY18 USE OF FUNDS (Request)			CHANGE - FY17 to FY18			
	Pers Svcs	Expenses	Total Ops	Pers Svcs	Expenses	Total Ops	Variance Pers Svcs	Variance Expenses	Variance Total - \$	Variance Total - %
GENERAL GOVERNMENT										
<i>Board of Selectmen - Administration</i>										
Executive Director's Office	451,799	26,500	478,299	456,591	28,925	485,516	4,792	2,425	7,217	1.51%
Sustainable Energy	18,500	1,500	20,000	17,780	1,500	19,280	(720)	0	(720)	-3.60%
Central Administrative Services	0	28,500	28,500	0	29,000	29,000	0	500	500	1.75%
Finance Department	423,413	8,700	432,113	427,316	10,200	437,516	3,903	1,500	5,403	1.25%
Information Technology	468,272	271,544	739,816	460,911	297,457	758,368	(7,361)	25,913	18,552	2.51%
Treasurer & Collector	293,128	115,050	408,178	312,302	126,450	438,652	19,074	11,400	30,474	7.47%
Town Report	0	4,000	4,000	0	4,000	4,000	0	0	0	0.00%
<i>Board of Selectmen - Human Services</i>										
Council on Aging	325,846	170,222	496,068	350,756	114,966	465,622	24,910	(55,356)	(30,446)	-6.14%
Fair Housing Committee	0	200	200	0	0	0	0	(200)	(200)	-100.00%
West Suburban Veterans District	71,559	71,559	143,118	0	88,000	88,000	0	(3,559)	(3,559)	-4.97%
Youth Commission	81,390	17,060	98,450	81,106	17,090	98,196	(284)	0	(284)	-0.29%
<i>Board of Selectmen - Maintenance Services</i>										
Facilities Maintenance	4,051,175	3,319,267	7,370,442	4,139,376	3,380,028	7,519,404	88,201	60,761	148,962	2.02%
<i>Board of Selectmen - Other Services</i>										
Housing Development Corporation	0	6,000	6,000	0	6,000	6,000	0	0	0	0.00%
Historical Commission	0	750	750	0	750	750	0	0	0	0.00%
Historical District Commission	0	250	250	0	0	0	0	(250)	(250)	-100.00%
Memorial Day	0	2,500	2,500	0	2,500	2,500	0	0	0	0.00%
Celebrations Committee	0	4,700	4,700	0	4,700	4,700	0	0	0	0.00%
Zoning Board of Appeals	53,474	6,940	60,414	53,289	6,940	60,209	(205)	0	(205)	-0.34%
<i>Board of Selectmen - Shared Services</i>										
Law	0	325,000	325,000	0	325,000	325,000	0	0	0	0.00%
Audit Committee	0	58,200	58,200	0	58,200	58,200	0	0	0	0.00%
Risk Management	0	521,851	521,851	0	540,454	540,454	0	18,803	18,803	3.60%
Street Lighting	0	246,876	246,876	0	246,876	246,876	0	0	0	0.00%
Subtotal - Board of Selectmen - General Government	6,166,997	6,206,999	11,373,996	6,299,307	5,268,936	11,568,243	132,310	61,937	194,247	1.71%

Exhibit B

USES OF FUNDS	FY17 USE OF FUNDS (Tax Rate)			FY18 USE OF FUNDS (Request)			CHANGE - FY17 to FY18			
	Pers Svcs	Expenses	Total Ops	Pers Svcs	Expenses	Total Ops	Variance Pers Svcs	Variance Expenses	Variance Total - \$	Variance Total - %
Other General Government										
Town Clerk/Election & Registration	279,814	40,915	320,729	0	40,915	273,142	(47,887)	0	(47,887)	-14.84%
Board of Assessors	266,432	81,500	347,932	269,432	82,450	351,882	3,000	950	3,950	1.14%
Planning Board	238,723	46,750	285,473	230,858	42,750	273,608	(7,865)	(4,000)	(11,865)	-4.16%
Advisory Committee	7,000	25,000	32,000	7,000	25,000	32,000	0	0	0	0.00%
Reserve Fund	0	175,000	175,000	175,000	175,000	175,000	0	0	0	0.00%
Permanent Building Committee	218,096	7,300	225,396	218,815	7,800	226,615	719	500	1,219	0.54%
Human Resources Board	293,437	38,300	331,737	297,879	37,250	335,129	4,442	(1,050)	3,392	1.02%
HR Salary adjustments	13,415	0	13,415	170,000	0	170,000	156,585	0	156,585	1167.24%
Subtotal - Other General Government	1,516,917	414,765	1,731,682	1,426,214	411,165	1,837,379	109,294	(3,600)	105,694	6.10%
GENERAL GOVERNMENT TOTAL	7,483,814	5,621,764	13,105,678	7,725,518	5,660,101	13,405,619	241,804	58,337	289,941	2.29%
PUBLIC SAFETY - BOARD OF SELECTMEN										
Police Department	5,312,592	643,925	5,956,517	5,356,872	630,035	5,986,907	43,280	(13,890)	29,390	0.48%
Injured on Duty				see Risk Management Dept 945						
Special School Police	104,672	3,029	107,701	126,294	3,105	129,399	21,622	76	21,698	20.15%
Fire Department	4,909,328	266,249	5,175,577	4,933,025	263,549	5,196,574	23,697	(2,700)	20,997	0.41%
Building Department	480,304	26,150	506,454	501,821	26,150	527,971	21,517	0	21,517	4.25%
Sealer of Weights & Measures	15,720	2,800	18,520	15,600	2,800	18,400	(120)	0	(120)	-0.65%
PUBLIC SAFETY TOTAL - BOARD OF SELECTMEN	10,822,616	942,153	11,764,769	10,932,612	925,638	11,858,251	109,996	(16,514)	93,482	0.79%
DEPARTMENT OF PUBLIC WORKS										
Engineering	511,383	64,139	575,522	513,138	64,139	577,277	1,755	0	1,755	0.30%
Highway	1,023,381	439,150	1,462,531	1,010,424	439,150	1,449,574	(12,957)	0	(12,957)	-0.89%
Fleet Maintenance	143,105	43,462	186,567	143,105	43,462	186,567	0	0	0	0.00%
Park	1,120,093	338,345	1,458,438	1,210,621	364,570	1,575,191	90,528	28,225	116,753	8.01%
Recycling & Disposal	1,052,554	1,254,747	2,307,301	1,045,544	1,222,235	2,267,779	(7,010)	(32,512)	(39,522)	-1.71%
Management	354,228	23,968	378,194	354,610	23,968	378,578	384	0	384	0.10%
Facilities	0	0	0	0	0	0	0	0	0	0.00%
Writer Maintenance		348,703	348,703		348,703	348,703				0.00%
PUBLIC WORKS TOTAL	4,204,742	2,512,514	6,717,256	4,277,462	2,506,227	6,783,689	72,700	(6,287)	66,413	0.99%
WELLESLEY FREE LIBRARY										
Library Trustees	1,851,422	529,165	2,380,587	1,857,228	536,977	2,434,205	45,807	7,812	53,619	2.25%
LIBRARY TOTAL	1,851,422	529,165	2,380,587	1,857,228	536,977	2,434,205	45,807	7,812	53,619	2.25%
RECREATION										
Recreation Commission	329,965	20,000	349,965	325,231	26,500	351,731	(4,734)	6,500	1,766	0.50%
RECREATION TOTAL	329,965	20,000	349,965	325,231	26,500	351,731	(4,734)	6,500	1,766	0.50%

Exhibit B

USES OF FUNDS	FY17 USE OF FUNDS (Tax Rate)			FY18 USE OF FUNDS (Request)			CHANGE - FY17 to FY18			
	Pers Svcs	Expenses	Total Ops	Pers Svcs	Expenses	Total Ops	Variance Pers Svcs	Variance Expenses	Variance Total - \$	Variance Total - %
HEALTH										
Board of Health	410,828	78,503	489,329	504,233	80,453	584,686	93,407	1,950	95,357	19.49%
Mental Health Services	0	255,681	255,681	0	245,681	245,681	0	(10,000)	(10,000)	-3.91%
HEALTH TOTAL	410,828	334,184	745,020	504,233	326,144	830,377	93,407	(8,050)	85,357	11.48%
NATURAL RESOURCES										
Natural Resources Commission	200,380	21,900	222,280	205,869	19,650	225,539	5,489	(2,250)	3,249	1.46%
Morse Pond Project - (NRC, DPW, Rec)	0	139,384	139,384	0	141,754	141,754	0	2,360	2,360	1.69%
NATURAL RESOURCES TOTAL	200,380	161,284	361,664	205,869	161,404	367,293	5,489	110	5,609	1.55%
NON-SCHOOL TOTAL	25,303,875	10,121,084	35,424,959	25,868,154	10,162,992	36,031,146	564,279	41,908	606,187	1.71%
WELLESLEY PUBLIC SCHOOLS										
Instruction	44,601,229	2,310,902	46,912,131	72,315,869	17,318,788	72,315,869	27,714,640	(2,310,902)	25,403,738	54.15%
Administration	954,255	156,235	1,110,490	0	517,860	517,860	(954,255)	(156,235)	(1,110,490)	-100.00%
Operations	952,845	624,976	1,577,821	0	3,432,000	3,432,000	(952,845)	(624,976)	(1,577,821)	-100.00%
Special Education	14,862,782	5,061,410	19,924,192	0	0	0	(14,862,782)	(5,061,410)	(19,924,192)	-100.00%
SCHOOL TOTAL	61,371,111	8,153,523	69,524,634	72,315,869	0	72,315,869	10,944,758	-8,153,523	2,791,235	4.01%
EMPLOYEE BENEFITS										
Group Insurance	0	16,138,304	16,138,304	0	17,318,788	17,318,788	0	1,180,484	1,180,484	7.31%
Workers Compensation	0	517,860	517,860	0	517,860	517,860	0	0	0	0.00%
OPEB Liability Fund	0	2,400,000	2,400,000	0	3,432,000	3,432,000	0	1,032,000	1,032,000	43.00%
OPEB Liability Fund Excluded	0	600,000	600,000	0	0	0	0	(600,000)	(600,000)	-100.00%
Retirement Contribution	0	6,390,114	6,390,114	0	6,621,863	6,621,863	0	231,749	231,749	3.63%
Unemployment Compensation	0	150,000	150,000	0	150,000	150,000	0	0	0	0.00%
Compensated Absences	0	90,000	90,000	0	90,000	90,000	0	0	0	0.00%
Non-Contributory Pensions	0	18,660	18,660	0	18,714	18,714	0	54	54	0.29%
EMPLOYEE BENEFITS TOTAL	-	26,304,838	26,304,838	0	28,149,225	28,149,225	0	1,844,287	1,844,287	7.01%
ALL PERSONAL SERVICES & EXPENSES	86,674,986	44,679,646	131,254,631	98,184,023	38,512,217	136,696,240	11,509,037	(6,387,328)	5,241,709	3.99%

Exhibit B

USES OF FUNDS	FY17 USE OF FUNDS (Tax Rate)		FY18 USE OF FUNDS (Request)		CHANGE - FY17 to FY18					
	Pers Svcs	Expenses	Total Ops	Pers Svcs	Expenses	Total Ops	Variance Pers Svcs	Variance Expenses	Variance Total - \$	Variance Total - %
CAPITAL & DEBT										
<i>Departmental Cash Capital</i>										
Public Works Capital	0	1,954,000	1,954,000	0	2,173,000	2,173,000	0	219,000	219,000	11.21%
School Capital	0	784,920	784,920	0	2,259,533	2,259,533	0	1,474,613	1,474,613	187.87%
Facilities Capital - School	0	1,073,500	1,073,500	0	1,553,000	1,553,000	0	479,500	479,500	44.67%
Facilities Capital - Town	0	676,500	676,500	0	322,000	322,000	0	(354,500)	(354,500)	-52.40%
Planning Board	0	80,000	80,000	0	0	0	0	(80,000)	(80,000)	-100.00%
Board of Health	0	8,561	8,561	0	0	0	0	(8,561)	(8,561)	
Selectmen Capital	0	349,913	349,913	0	364,009	364,009	0	14,096	14,096	4.03%
Library Capital	0	131,300	131,300	0	133,300	133,300	0	2,000	2,000	1.52%
Town Clerk	0	16,385	16,385	0	0	0	0	(16,385)	(16,385)	100.00%
NRC Capital	0	77,000	77,000	0	141,500	141,500	0	64,500	64,500	83.77%
Morse Pond Capital	0	0	0	0	40,000	40,000	0	40,000	40,000	0.00%
Subtotal - Cash Capital	0	5,152,079	5,152,079	0	6,986,342	6,986,342	0	1,834,263	1,834,263	35.60%
Debt Service										
Current Inside Levy Debt Service - Issued	0	3,434,938	3,434,938	0	4,000,000	4,000,000	0	565,062	565,062	16.45%
New Debt Service - Inside Levy	0	214,517	214,517	0	0	0	0	(214,517)	(214,517)	
Outside Levy Debt Service - Issued/Unissued	0	12,873,488	12,873,488	0	12,740,608	12,740,608	0	(132,880)	(132,880)	-1.03%
Subtotal - Debt Service	0	16,522,953	16,522,953	0	16,740,608	16,740,608	0	217,655	217,655	1.32%
CAPITAL & DEBT TOTAL	21,875,032	21,875,032	21,875,032	0	25,726,950	23,726,950	0	2,051,918	2,051,918	9.47%
SPECIAL ITEMS										
<i>Receipts Reserved for Appropriation</i>										
Traffic & Parking Operations	241,254	621,670	862,924	247,260	1,301,670	1,548,950	6,026	680,000	686,026	79.50%
Community Preservation Appropriated	0	1,475,400	1,475,400	0	854,275	854,275	0	(621,125)	(621,125)	-42.10%
Free Cash Items - IOD Insurance 2016,2017; unpaid bill, land	0	0	0	0	339,589	339,589	0	339,589	339,589	#DIV/0!
Free Cash Demolition Delay Planner	0	0	0	27,500	0	27,500	27,500	0	27,500	#DIV/0!
Contract settlements	0	0	0	325,000	0	325,000	325,000	0	325,000	
Property Tax Abatements	0	654,901	654,901	0	671,274	671,274	0	16,373	16,373	2.50%
Slate & County Assessments	0	1,226,317	1,226,317	1,239,371	1,239,371	1,239,371	0	13,054	13,054	1.08%
SPECIAL ITEMS TOTAL	241,254	3,978,288	4,219,542	869,780	4,406,178	5,096,686	366,526	427,890	481,416	19.94%
TOTAL USES OF FUNDS										
			157,149,108			166,239,148			8,090,040	5.14%
TOTAL SOURCES OF FUNDS			157,149,108			164,560,586			7,411,478	4.71%
SURPLUS (DEFICIT)			0			(878,663)				



Town of *Wellesley*

Five Year Capital Improvement Program

Town of Wellesley Capital Overview FY18-22

During the annual budget process, boards and departments submit detailed capital requests for the upcoming fiscal year and for the following four fiscal years. The Board of Selectmen, through the Executive Director, considers individual board needs and facilitates the discussions about funding the current budget, as well as the longer-term Town-Wide Financial Plan (TWFP). Projected expenditures are subject to multi-year discussion and analysis, and may not ultimately be funded. Projects are categorized by funding source: cash capital, other sources, debt financed inside the tax levy, and debt capital exclusions. The following are the capital project requests for FY18 (the year ended June 30, 2018) by funding source:

FY18 Recommended Capital Projects by Funding Source		
Department	Project	Amount
Cash Capital:		
Selectmen	North 40 Environmental Remediation	75,000
Information Tech	VoIP Payment, Munis Server, Land Use Technology	106,666
Police	Finger Print Station, Radio Antennas, Digital Camera, Security Cameras	92,843
Fire	Electronic Cutters, Fire Hose Equipment, Thermal Camera	79,000
Council on Aging	iPads, Desktop Computers/Software, Laptops & Software, MSC Tech	10,500
Library	Furniture, Servers, RFID Tags, Computers, Self Check System, Intranet	133,300
NRC	Invasive Management, Pond Improvements, Tree Management, Trails	141,500
Morses Pond	Stormwater Work, Selective Planting Design/Permitting & Support	40,000
Public Works	Street Improvements, Equipment Procurement, Playgrounds	2,173,000
Schools	Instructional Equipment, Technology, Furniture, Infrastructure	2,259,533
FMD-School	Vehicle Replacement, Parking lots, Lighting Upgrades, Cafeteria Upgrades	1,553,000
FMD-Town	Town Hall Carpet, Building Renovation, Tower Masonry, Floor Replacement	322,000
Total Cash Capital		\$ 6,986,342
Other Funding Sources:		
Public Works	Street Resurfacing (Ch.90)	720,000
NRC	Vernal Pool (CPC)	15,000
NRC	Pond Improvements (CPC)	200,000
Total Other Sources		\$ 935,000
Debt Capital Inside Levy:		
Public Works	Street Rehabilitation	2,470,000
Public Works	Hunnewell Field/Restrooms	300,000
Schools	School Security	2,553,134
FMD	HHU Feasibility Study	2,000,000
PBC	Town Hall Envelope	870,000
Total Borrowed Inside Levy		\$ 8,193,134
Debt Capital Exclusion		
Total Borrowed Outside Levy		\$ -
Grand Total		\$ 16,114,476

Cash Capital

"Cash Capital" is a hybrid term. Items funded by cash capital may include investments, assets, or one-time projects that would cause fluctuations in a department's ongoing operating needs. Equipment replacement (vehicles and computers), street improvements, facilities maintenance and building repairs, or a feasibility analysis may be funded with cash. Capital expenditures tend to be larger purchases made infrequently as opposed to routine operating expenditures, however, exceptions do exist. Public Works routinely includes some ongoing internal labor costs in its capital and large ongoing computer initiatives at the schools have specifically been excluded from the operating budget. **Cash capital is not synonymous with fixed assets.** The Town does not include items under \$25,000 or items with a very short life span (such as computers) in fixed assets. Police vehicles typically cost more than \$25,000 and are capitalized (included in fixed assets), but the Town has elected to fund them in the Police operating budget for many years because of their critical nature.

Public Works FY18

The Board of Public Works has recommended a FY18 cash capital budget of \$2,173,000. Highlights of the DPW FY18 capital requests are as follows:

- Replacement of seven pieces of equipment and two vehicles – \$920,000
- Street Improvements - \$515,000
- Sidewalk Restoration - \$125,000
- Athletic Fields/Playground Improvements - \$153,000
- Drainage System Rehabilitation - \$150,000

Public Works FY18 – FY22

DPW requests encompass 39% of the cash capital for the next five years. Of this request, vehicle/equipment replacement makes up 49%, street rehabilitation is 20%, and sidewalk and drainage system rehabilitation represent 12% of ongoing costs. The plan includes the periodic scheduled replacement of 200 pieces of equipment and 130 vehicles. Street improvement plans include resurfacing 9-10 miles per year including a combination of cash capital and Chapter 90 funds. The average total budget request for the next five years is \$2,702,820.

FACILITIES MAINTENANCE FY18

Combined cash capital budget request for town and school facilities maintenance is \$1,875,000 for FY18. The projects are listed in the accompanying chart.

FACILITIES MAINTENANCE FY18-FY22

Known projects are identified on the accompanying chart. The Town has done benchmark studies which suggest that the level of capital funding for facilities maintenance should be increased. The necessary increase has been estimated and included in the plan, with specific projects to follow at subsequent Town Meetings. This would bring the five year total to almost 30% of cash capital. The average total cash capital budget for the next five years is \$2,078,600 with roughly 57% designated for school buildings and 42% for other town facilities.

SCHOOL FY18

The School Committee requests \$2,259,533 for cash capital in FY18, comprised primarily of technology items (\$1,903,033) and Furniture/Furnishings (\$153,265).

SCHOOL FY18– FY22

The School capital request for FY18-22 includes an average of \$1,120,215 per year for Technology. Technology represents 84% of the School Department's FY18 Capital request and

continues to be a majority of the budget in the out years. Drivers of Technology include the 1:1 initiative (one device to one student) grades 5 through 12, network infrastructure, and the High School telephone system upgrade.

Other Funding Sources

Natural Resources Commission Projects – In FY18 the NRC will be requesting money from the CPC in the amounts of \$15,000 for a Vernal Pool Design Study and \$200,000 for Pond Improvements.

Board of Selectmen

In FY18 TBD LED Street Lighting Project

Department of Public Works – In FY18 the DPW will use Chapter 90 funding for Street Resurfacing in the amount of \$720,000.

Debt Capital inside the Levy FY18-FY22

The Town borrows for larger (capitalized) assets having a useful life of five years or more. The Town has employed the prudent fiscal practice of amortizing this debt as rapidly as practical within the levy limit. The FY18 requests include School Security Improvements (\$2,553,134), Town Hall Envelope (\$870,000), Hunnewell Field/Restrooms (\$300,000), Cliff Road Rehabilitation (\$2,470,000), and several other projects in the out years (see attached schedule).

Debt Capital Exclusion(s) FY18 – FY22

Because of competing operating requests, there is not enough capacity within the levy (town's taxing authority) to fund all of the necessary ongoing capital needs. The North 40 purchase, the Fiske and Schofield renovations, and the Middle School windows renovation have all been recently financed through exempt debt. The Town also approved a capital exclusion to fund 10 years (expired in 2017) of contributions towards its Other Post-Employment Benefits (OPEB) liability. It is anticipated that most future large capital projects will need to be funded in this fashion.

The most significant borrowing requests in the next several years include the possible Town Hall Renovations (\$15,000,000), the Hardy/Hunnewell/Upham projects (\$104,000,000), and Middle School Projects (\$5,200,000).



Town of *Wellesley* Five Year Capital Budget Program FY2018-2022

Summary Schedule

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2018-2022 Total
Cash Capital	5,152,079	6,986,342	7,120,824	6,680,894	6,913,321	6,832,708	34,534,089
Free Cash	-	TBD	-	-	-	-	-
Fundraising	1,000,000	-	-	-	-	-	-
CPC Funding	1,080,000	215,000	-	-	-	-	215,000
Gift	815,000	-	-	-	-	-	-
Borrow Transfer	34,985	-	-	-	-	-	-
Grant	10,000	-	-	-	-	-	-
Chapter 90	1,420,000	720,000	720,000	792,000	792,000	792,000	3,816,000
Debt Capital Inside Levy	3,467,615	8,218,134	12,000,000	2,300,000	2,455,000	3,070,000	28,043,134
Debt Capital Exclusion *	6,482,000	-	-	122,750,000	-	1,450,000	124,200,000
Grand Total	\$ 19,461,679	\$ 16,139,476	\$ 19,840,824	\$ 132,522,894	\$ 10,160,321	\$ 12,144,708	\$ 190,808,223

* Further proposals expected from SMMA Study



Town of Wellesley Five Year Capital Detail Summary FY2018-2022

Department	FY17	FY18	FY19	FY20	FY21	FY22	FY18-22 Total
Cash Capital							
Selectmen	20,000	75,000	195,000	-	75,000	-	270,000
Information Technology	111,666	106,666	98,000	90,000	70,000	70,000	439,666
Police	120,047	92,843	107,789	111,082	75,964	59,451	447,129
Fire	66,500	79,000	248,000	75,000	74,000	155,000	631,000
Council on Aging	31,700	10,500	21,500	12,000	12,000	12,000	68,000
Library	131,300	133,300	171,800	127,300	132,800	122,300	687,500
Natural Resources Commission	77,000	141,500	174,000	171,500	169,000	196,500	852,500
Morses Pond	-	40,000	51,000	44,200	45,000	5,000	185,200
Town Clerk	16,385	-	-	-	-	-	-
Planning Board	80,000	-	-	-	-	-	-
Board of Health	8,561	-	-	-	-	-	-
Department of Public Works	1,954,000	2,173,000	2,524,000	2,510,000	3,212,100	3,095,000	13,514,100
Schools	784,920	2,259,533	1,331,735	1,219,812	1,117,457	1,117,457	7,045,994
Facilities Maintenance	1,750,000	1,875,000	2,198,000	2,320,000	2,000,000	2,000,000	10,393,000
Total Cash Capital	5,152,079	6,986,342	7,120,824	6,680,894	6,913,321	6,832,708	34,534,089
Other Funding Sources							
Tolles (Gift)	815,000	-	-	-	-	-	-
BOS - Worcester/Kingsbury (Transfer)	34,985	-	-	-	-	-	-
DPW Street Resurfacing (Ch 90)	720,000	720,000	720,000	792,000	792,000	792,000	3,816,000
DPW Washington St. (Ch 90)	700,000	-	-	-	-	-	-
BOS - LED Lighting Project (Free Cash)	-	TBD	-	-	-	-	-
DPW HS Stadium (CPC/Fundraising)	2,000,000	-	-	-	-	-	-
Planning Projects (CPC)	80,000	-	-	-	-	-	-
NRC Vernal Pool Design (CPC)	-	15,000	-	-	-	-	15,000
NRC Pond Improvements (CPC)	-	200,000	-	-	-	-	200,000
Planning Projects (Grant)	10,000	-	-	-	-	-	-
Total Other Sources	4,359,985	935,000	720,000	792,000	792,000	792,000	4,031,000
Debt Capital Inside Levy							
Selectmen - Worcester/Kingsbury	565,015	-	-	-	-	-	-
Library Material Handler	-	-	350,000	-	-	-	350,000
Fire Apparatus	-	-	-	700,000	-	-	700,000
DPW- Facility Renovations	1,057,600	-	350,000	1,000,000	-	1,000,000	2,350,000
DPW- Street Rehabilitations	-	2,470,000	1,750,000	-	1,750,000	-	5,970,000
DPW- Hunnewell Field/Restrooms	-	300,000	-	-	-	200,000	500,000
School Security	-	2,553,134	-	-	-	-	2,553,134
HHU Feasibility Study	-	2,000,000	-	-	-	-	2,000,000
Town Hall Envelope	-	895,000	6,000,000	-	-	-	6,895,000
Town Hall Interior Design	-	-	2,000,000	-	-	-	2,000,000
Police Envelope	1,845,000	-	-	-	-	-	-
Middle School Steam Pipes	-	-	900,000	-	-	-	900,000
Warren HVAC Upgrade	-	-	500,000	-	-	-	500,000
Fire Station HQ Roof	-	-	-	-	195,000	-	195,000
Fire Station Central Roof	-	-	-	-	525,000	-	525,000
Main Library Roof Replacement	-	-	-	-	705,000	-	705,000
Sprague Projects	-	-	-	-	-	-	-
Veteran's War Memorial	-	-	150,000	600,000	-	1,150,000	1,150,000
Total Borrowed Inside Levy	3,487,615	8,218,134	12,000,000	2,300,000	2,455,000	3,070,000	28,043,134
Debt Capital Exclusion							
Tolles Parsons (Senior Center)	6,482,000	-	-	-	-	-	-
Town Hall Renovation	-	-	-	15,000,000	-	-	15,000,000
Middle School Projects	-	-	-	3,750,000	-	1,450,000	5,200,000
Hardy/Hunnewell/Upham	-	-	-	104,000,000	-	-	104,000,000
Total Capital Exclusion	6,482,000	-	-	122,750,000	-	1,450,000	124,200,000
Grand Total	\$ 19,461,679	\$ 16,139,476	\$ 19,840,824	\$ 132,522,894	\$ 10,160,321	\$ 12,144,708	\$ 190,808,223



Town of Wellesley

FY2018-2022 BOS Departments Capital Schedule

Capital Project	FY17	FY18	FY19	FY20	FY21	FY22	FY18-22 Total
Information Technology							
Server Upgrade	25,000	-	-	25,000	25,000	-	50,000
Town Wide Phone System Upgrade (VoIP)	26,666	26,666	-	-	-	-	26,666
IT Security Upgrades	40,000	-	-	-	-	-	-
Website Redesign	20,000	-	-	-	-	-	-
Munis Server Replacement	-	30,000	-	-	-	-	30,000
Land Use (PLMD) Technology	-	50,000	-	-	-	-	50,000
10GB Network Switches	-	-	60,000	30,000	50,000	-	60,000
Server Virtualization	-	-	30,000	-	-	-	30,000
Town Hall Wireless Network	-	-	8,000	35,000	-	-	35,000
VoIP Maintenance Contract	-	-	-	-	-	-	8,000
Wide-Format Printer	-	-	-	-	-	20,000	20,000
Aerial Flyover & Orthophotography	-	-	-	-	-	50,000	50,000
Microsoft Office License Upgrades	-	-	-	-	-	70,000	70,000
Total Information Technology	111,666	106,666	98,000	90,000	75,000	70,000	439,666
Police							
Electronic Control Devices	73,023	-	-	-	-	-	-
Booking Video Recording System	37,884	-	-	-	-	-	-
Morpho Trak Latent Expert Workstation	9,140	-	-	-	-	-	-
Digital Fingerprint Capturing Station	-	18,550	-	-	-	-	18,550
Kingsbury Room AV Equipment	-	-	31,825	-	-	-	31,825
Radio System Replacement Antennas	-	21,097	-	-	-	-	21,097
Digital Camera Replacement	-	5,602	-	-	-	-	5,602
Security Camera Replacement	-	47,594	-	-	-	-	47,594
Mobile Portable Radio Replacement	-	-	63,082	63,082	63,082	59,451	248,697
Forensic Crime Scope/Light Source	-	-	12,882	48,000	-	-	48,000
Server Replacement	-	-	107,789	-	12,882	-	25,764
Total Police	120,047	92,843	107,789	111,082	75,964	59,451	447,129
Fire							
Replace command vehicle(s)	46,500	-	48,000	-	49,000	-	97,000
Rescue Boat and Trailer	10,000	-	-	-	-	-	-
Air Lift Rescue Bags	10,000	-	-	-	-	-	-
Electric Cutters (Jaws Tool)	-	35,000	-	-	-	-	35,000
Fire Hose Equipment	-	14,000	-	-	-	20,000	34,000
Thermal Camera	-	30,000	-	-	-	-	30,000
Fire Turnout Gear	-	-	135,000	-	-	135,000	270,000
Scott Air Bottles	-	-	10,000	-	10,000	-	20,000
Fire Alarm Master Box Upgrade	-	-	55,000	-	-	-	55,000
Radio System/Portables	-	-	-	55,000	-	-	55,000
Pulse/Oxygen/CO Meter	-	-	-	10,000	-	-	10,000
Light Tower/Generator Trailer	-	-	-	10,000	-	-	10,000
Air Mask Fit Testing Unit	-	-	-	-	15,000	-	15,000
Total Fire	66,500	79,000	248,000	75,000	74,000	155,000	631,000

Capital Project	FY17	FY18	FY19	FY20	FY21	FY22	FY18-22 Total
Selectmen							
North 40 Environmental Remediation	20,000	75,000	-	-	-	-	75,000
LED Lighting Project	-	TBD	-	-	-	-	-
Granite Street Acceptance	-	-	195,000	-	-	-	195,000
	20,000	75,000	195,000	-	-	-	270,000
Council on Aging							
Office Copier	10,000	-	-	-	-	-	-
MSC Transport Hardware/Software Module	3,500	-	-	-	-	-	-
Mini-Van Special Equipment	2,000	-	-	-	-	-	-
iPad with Portable Printer	2,000	-	-	-	-	-	-
25 iPads	10,000	5,000	5,000	-	-	10,000	20,000
Utilit Closet	500	-	-	-	-	-	-
Storage Unit	500	-	-	-	-	-	-
2 Smartphones with Data Plan	1,200	-	-	-	-	-	-
Tent - Expandable and Collapsible	2,000	-	-	-	-	-	-
Desktop Hardware/Software	-	1,000	1,000	1,000	1,000	1,000	5,000
Replace Laptop hardware & software	-	1,000	1,000	1,000	1,000	1,000	5,000
MSC Touch Screen & Software Module	-	3,500	-	-	-	-	3,500
MSC Activities Hardware & Software Module	-	-	2,500	-	-	-	2,500
Storage Shed	-	-	2,000	-	-	-	2,000
TPC Additional Equipment	-	-	10,000	-	-	-	10,000
Music Ensemble Hardware & Software	-	-	-	10,000	-	-	10,000
Exercise Equipment	-	-	-	-	10,000	-	10,000
Total Council on Aging	31,700	10,500	21,500	12,000	12,000	12,000	68,000
Facilities Maintenance							
BOS Subtotal	349,913	364,009	475,289	288,082	236,964	296,451	1,660,795
Total Cash Capital	1,750,000	1,875,000	2,198,000	2,320,000	2,000,000	2,000,000	10,393,000
Total Borrowed	2,099,913	2,239,009	2,673,289	2,608,082	2,236,964	2,296,451	11,857,257
Fire - Replace Fire Engine Vehicle(s)	-	-	-	700,000	-	-	700,000
Total Borrowed	-	-	-	700,000	-	-	700,000
Grand Total Selectmen	2,099,913	2,239,009	2,673,289	3,308,082	2,236,964	2,296,451	12,763,795



Town of Wellesley FY2018-2022 Facilities Capital Request

Building Description	FY17	FY18	FY19	FY20	FY21	FY22	FY18-22 Total
Town Cash Capital							
Townwide (Municipal)	66,000	17,000	24,000	70,000	20,000	20,000	151,000
Town Hall	120,000	125,000	8,000	-	-	-	133,000
Police	80,000	32,000	32,500	235,000	150,000	50,000	499,500
Fire Department Main (Headquarters)	61,000	55,000	85,000	35,000	-	128,000	303,000
Fire Department Central (Station 1)	105,000	57,000	73,000	-	-	32,000	162,000
Warren (Recreation and Health)	5,000	-	24,000	309,000	6,000	-	338,000
Morses Pond	3,500	6,500	4,000	65,000	4,500	-	80,000
Main Library	154,000	29,500	347,500	683,000	123,000	408,500	1,591,500
Hills Library	55,000	-	62,000	130,000	-	-	192,000
Fells Library	27,000	-	30,000	-	-	-	30,000
Subtotal Cash Capital - Municipal	676,500	322,000	690,000	1,527,000	303,500	638,500	3,481,000
School Cash Capital							
Districtwide (Schools)	122,000	145,000	124,000	129,000	124,000	174,000	696,000
Preschool at Wellesley (PAWS)	-	-	-	-	25,000	45,000	70,000
Bates Elementary	142,000	-	152,000	354,000	-	-	506,000
Field House	-	-	87,000	50,000	-	-	137,000
Fiske Elementary	-	-	-	-	-	8,000	8,000
Hardy Elementary	64,000	22,000	85,000	-	35,000	-	142,000
Hunnewell Elementary	33,000	22,000	79,000	-	35,000	-	136,000
Sprague Elementary	155,500	32,000	297,000	160,000	127,000	-	616,000
Upham Elementary	42,000	-	66,000	-	35,000	-	101,000
Middle School	476,000	1,320,000	610,000	100,000	-	8,000	2,038,000
High School	39,000	12,000	8,000	-	500,000	125,000	645,000
Subtotal Cash Capital - Districtwide	1,073,500	1,553,000	1,568,000	793,000	881,000	360,000	5,095,000
Other Unidentified Cash Capital	-	-	-	-	815,500	1,001,500	1,817,000
Total Cash Capital Requests	1,750,000	1,875,000	2,198,000	2,320,000	2,000,000	2,000,000	10,393,000
Borrowed Inside							
Town Hall Envelope Restoration	-	895,000	6,000,000	-	-	-	6,895,000
Town Hall Interior Feasibility	-	-	2,000,000	-	-	-	2,000,000
Warren HVAC Upgrades	-	-	500,000	-	-	-	500,000
Sprague School Projects	-	-	-	-	-	1,150,000	1,150,000
Fire HQ Roof	-	-	-	-	-	195,000	195,000
Fire Central (Station 1) Roof Replacement	-	-	-	-	-	525,000	525,000
HHU Feasibility Study	-	2,000,000	-	-	-	-	2,000,000
Police Roof	1,845,000	-	-	-	-	-	-
School Security	-	2,553,134	-	-	-	-	2,553,134
Main Library (Lighting, Roof, Carpet)	-	-	900,000	-	705,000	-	705,000
MS Steam Pipes	-	-	150,000	-	-	-	900,000
Veteran's War Memorial	-	-	-	600,000	-	-	900,000
Total Borrowed Inside	1,845,000	5,448,134	9,550,000	600,000	705,000	1,870,000	18,173,134
Borrowed Outside							
Town Hall Interior Renovation	-	-	-	15,000,000	-	-	15,000,000
Middle School Projects	-	-	-	3,750,000	-	1,450,000	5,200,000
Hardy/Hunnewell/Upham Renov	-	-	-	104,000,000	-	-	104,000,000
Total Borrowed Outside	-	-	-	107,750,000	-	1,450,000	109,200,000
Total FMD Capital Requests	3,595,000	7,323,134	17,748,000	110,670,000	2,705,000	5,320,000	137,766,134



Town of Wellesley

FY2018-2022 Non-BOS Departments Capital Request

Capital Project	FY17	FY18	FY19	FY20	FY21	FY22	FY18-22 Total
Natural Resources Commission							
Weston Rd Vernal Pool Construction	-	-	75,000	-	-	-	75,000
Fuller Brook Invasive Management	-	20,000	20,000	20,000	-	-	60,000
Comprehensive Pond Improvements	-	70,000	-	100,000	-	-	245,000
Tree Management Program	40,000	40,000	40,000	40,000	40,000	40,000	200,000
Hunnewell Field Pervious Pavement Maint.	1,500	1,500	1,500	1,500	1,500	1,500	7,500
Trail System Improvements	5,000	10,000	10,000	10,000	5,000	5,000	40,000
Encroachment Boundary Markers	2,500	-	2,500	-	2,500	-	5,000
IPM Turf Plan Implementation	10,000	-	10,000	-	10,000	-	20,000
Park Sidewalk/Paths Emergency Repairs	15,000	-	15,000	-	15,000	-	30,000
Playground Improvement/ADA Access	-	-	-	-	20,000	150,000	170,000
Central Park Rehabilitation	3,000	-	-	-	-	-	-
Subtotal Cash Capital	77,000	141,500	174,000	171,500	169,000	196,500	852,500
Weston Rd Vernal Pool Design (CPC)	-	15,000	-	-	-	-	15,000
Comprehensive Pond Improvements (CPC)	-	200,000	-	-	-	-	200,000
Total NRC Capital	77,000	356,500	174,000	171,500	169,000	196,500	1,067,500
Morses Pond							
Watershed Education Website	-	-	-	4,200	-	-	4,200
Regional Education Development & Survey	-	-	5,000	-	-	5,000	10,000
Bylaw/Regulatory Review/Development	-	-	25,000	-	-	-	25,000
Stormwater Design, Permitting, Support	-	10,000	-	-	-	-	10,000
Stormwater Construction & Monitoring	-	25,000	10,000	-	10,000	-	45,000
Plant Control Monitoring	-	-	1,000	1,000	-	-	2,000
Selective Planting Design, Permitting, Support	-	5,000	10,000	-	-	-	15,000
Selective Planting	-	-	-	35,000	35,000	-	70,000
Selective Planting: Monitoring	-	-	-	4,000	-	-	4,000
Subtotal Cash Capital	-	40,000	51,000	44,200	45,000	5,000	185,200
Library							
Repair/Replace Furniture	9,000	12,000	13,000	14,000	15,000	15,000	69,000
Servers	8,000	8,000	8,000	8,000	8,000	8,000	40,000
RFID Tags	5,300	5,300	5,300	5,300	5,300	5,300	26,500
Computer/Peripheral Replacement	45,000	43,000	42,500	45,000	48,000	50,000	228,500
Material Handler Study	10,000	-	-	-	-	-	-
Revenue Management Kiosks	24,000	-	2,000	-	2,500	2,000	6,500
Mobile Circulation Management	6,000	-	65,000	-	-	-	65,000
Relocate Stacks for Recarpeting	-	60,000	-	-	24,000	12,000	96,000
Self Check System	24,000	5,000	30,000	-	5,000	-	10,000
Staff Intranet	-	-	6,000	-	-	5,000	35,000
Timecard System	-	-	-	-	-	-	6,000
Website Construction/Redesign	-	-	-	30,000	-	-	30,000
WFL Van	-	-	-	25,000	25,000	25,000	75,000
New Technology	131,300	133,300	171,800	127,300	132,800	122,300	687,500
Subtotal Cash Capital	131,300	133,300	171,800	127,300	132,800	122,300	350,000
Material Handler AMH (Borrowed Inside)	-	-	350,000	-	-	-	350,000
Total Library Capital	131,300	133,300	521,800	127,300	132,800	122,300	1,037,500

Capital Project	FY17	FY18	FY19	FY20	FY21	FY22	FY18-22 Total
Town Clerk							
Voting Booths	16,385	-	-	-	-	-	-
Total Town Clerk	16,385						
Planning Board							
Unified Plan (Comprehensive & Strategic Plan)	60,000	-	-	-	-	-	-
Design Review Board Design Guidelines	20,000	-	-	-	-	-	-
Planning Subtotal	80,000						
Unified Plan/Historic District Design (CPC)	80,000						
Planning Board Total	160,000						
Board of Health							
Vaccine Fridge and Freezer Units	8,561	-	-	-	-	-	8,561
Total Board of Health	8,561						8,561

Capital Project	FY17	FY18	FY19	FY20	FY21	FY22	FY18-22 Total
School Department (non-Facilities)							
Instructional Equipment	29,363	71,610	100,000	50,000	30,000	30,000	281,610
Photocopiers	-	98,225	-	-	-	-	98,225
General Equipment	7,600	6,300	2,500	2,500	5,000	5,000	21,300
Infrastructure	-	27,100	16,542	16,873	15,000	15,000	90,515
Furniture/Furnishings	6,566	153,265	200,000	200,000	200,000	200,000	953,265
Technology	741,391	1,903,033	1,012,693	950,439	867,457	867,457	5,601,079
Total School Capital	784,920	2,259,533	1,331,735	1,219,812	1,117,457	1,117,457	7,045,994



Town of Wellesley FY2018-2022 Public Works Capital Request

Capital Project	FY17	FY18	FY19	FY20	FY21	FY22	FY18-22 Total
Cash Capital							
Street Improvement	465,000	515,000	535,000	535,000	560,500	580,500	2,726,000
Design Street (Cliff/Grove/Walnut/TBD)	100,000	130,000	-	150,000	-	150,000	430,000
Sidewalk Restoration	160,000	125,000	125,000	125,000	160,000	160,000	695,000
Private Ways	20,000	20,000	20,000	20,000	20,000	20,000	100,000
Drainage System Rehabilitation	100,000	150,000	150,000	150,000	220,000	220,000	890,000
RDF Container Replacement	25,000	25,000	25,000	25,000	27,500	27,500	130,000
Other Improvements	-	5,000	5,000	5,000	5,000	5,000	25,000
Vehicle/Equipment Procurement	849,000	920,000	1,171,000	1,032,000	1,896,100	1,574,000	6,593,100
Athletic/Playground Improvements	125,000	153,000	343,000	218,000	103,000	103,000	920,000
RDF Resurface Paved Areas	-	30,000	-	30,000	-	35,000	95,000
Park/Highway Building Improvements	30,000	30,000	30,000	30,000	30,000	30,000	150,000
Park/HWY Small Equipment Washbay	-	-	80,000	-	-	-	80,000
RDF Truck Scale	60,000	-	-	-	-	-	-
Playground Construction	20,000	70,000	40,000	190,000	190,000	190,000	680,000
Total Cash Capital	1,954,000	2,173,000	2,524,000	2,510,000	3,212,100	3,095,000	13,514,100
Other Funding Sources:							
High School Stadium (CPC/Fundraising)	2,000,000	-	-	-	-	-	-
DPW Street Resurfacing (Ch 90)	720,000	720,000	720,000	792,000	792,000	792,000	3,816,000
Washington Street (Ch 90)	700,000	-	-	-	-	-	-
Total Other Funding Sources:	3,420,000	720,000	720,000	792,000	792,000	792,000	3,816,000
Borrowed Inside							
DPW Fuel Depot Rehabilitation	-	-	350,000	-	-	-	350,000
Street Rehabilitation-Cliff Road	-	2,470,000	-	-	-	-	2,470,000
High School Stadium	1,057,600	-	-	-	-	-	-
Street Rehabilitation-Grove Street	-	-	1,750,000	-	1,750,000	-	1,750,000
Street Rehabilitation-Walnut Street	-	-	-	-	-	-	-
Hunnewell Field/Restroom Facility	-	300,000	-	-	-	-	300,000
Hunnewell Field Reno Baseball Field	-	-	-	-	-	200,000	200,000
Replacement/Renovation DPW Yard	-	-	-	-	-	1,000,000	1,000,000
Sprague Field Artificial Turf	-	-	-	1,000,000	-	-	1,000,000
Total Borrowed	1,057,600	2,770,000	2,100,000	1,000,000	1,750,000	1,200,000	8,820,000
Grand Total DPW	6,431,600	5,663,000	5,344,000	4,302,000	5,754,100	5,087,000	26,150,100

9. Old/New Business

Other Documents:

The Board will find documents the staff is not seeking action on, but is for informational purposes only. Please find the following:

- ❖ West Suburban Health District Audit Report for FY 16
- ❖ Letters of Commendation – Chief Pilecki

**WEST SUBURBAN HEALTH GROUP
BASIC FINANCIAL STATEMENTS AND
MANAGEMENT'S DISCUSSION AND ANALYSIS
WITH REQUIRED SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2016 AND JUNE 30, 2015
WITH INDEPENDENT AUDITORS' REPORTS**

WEST SUBURBAN HEALTH GROUP
BASIC FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS
WITH REQUIRED SUPPLEMENTARY INFORMATION
Years Ended June 30, 2016 and June 30, 2015

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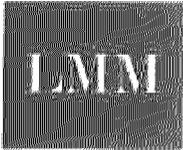
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Lynch, Malloy, Marini, LLP
Certified Public Accountants & Advisors
www.lmmcpas.com

INDEPENDENT AUDITORS' REPORT

To the Steering Committee
West Suburban Health Group

Report on the Financial Statements

We have audited the accompanying financial statements of the West Suburban Health Group (the Group) as of and for the years ended June 30, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the 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.

Auditors' 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 auditors' 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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Group, as of June 30, 2016 and 2015, 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 (MD&A), pages v – vii, and the claims development information, pages 14 – 15, 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 13, 2017, on our consideration of the 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 Group's internal control over financial reporting and compliance.



Natick, Massachusetts
February 13, 2017





Lynch, Malloy, Marini, LLP

Certified Public Accountants & Advisors

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INDEPENDENT AUDITORS' 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

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 (the Group), as of and for the years ended June 30, 2016 and 2015; and the related notes to the financial statements, which collectively comprise the Group's basic financial statements and have issued our report thereon dated February 13, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 Group's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items.

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, Malloy, Marini, LLP

Natick, Massachusetts
February 13, 2017



MANAGEMENT'S DISCUSSION AND ANALYSIS

WEST SUBURBAN HEALTH GROUP
Management's Discussion and Analysis
June 30, 2016 and 2015

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, 2016 and 2015. 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 presents 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 reports 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, 2016 and 2015 by \$6,236,969 and \$5,928,693 respectively. The current year increase in net position is a result of member contributions and premiums being higher than the Group's expenses for the year. The prior year decrease in net position is a result of member contributions and premiums being lower than the Group's expenses for the year.
- Net position at June 30, 2016 represents 6.4% of the fiscal year's claims expenses. At June 30, 2015, net position represents 5.1% of the fiscal year's claims expenses.
- For the years ended June 30, 2016 and 2015, net position increased by \$308,276 and decreased 3,629,638 respectively.
- The statement of cash flows identifies the sources and uses of cash activity for the fiscal year and displays a net increase in cash of \$4,602,715 for year ending June 30, 2016 and a net decrease in cash of \$2,608,783 for the year ending June 30, 2015. The increase in cash as of June 30, 2016 is a result of member premiums exceeding claims along with an increase of advance member contributions by \$3,290,393. The decrease in cash as of June 30, 2015 is a result of claims exceeding member premiums.

As of June 30, 2016 and 2015, \$0 and \$1,502,078, respectively, represents claims liabilities and \$9,000,000 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, 2016 and 2015

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 2016 range between 8.6% and 20.0% 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 8.6% to 14.0%. The PPO and POS plan rates increased 20.0%. The two self-funded senior plans, Medex 2 with Blue Medicare Rx PDP and Harvard Pilgrim Medicare Enhance with Coventry PDP until December 31, 2015 and then Aetna PDP, operate on a calendar year basis and had rate increase of 6% For CY16 and a decrease of 18% for CY15. 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>2016</u>	<u>2015</u>
Cash and cash equivalents	\$ 6,058,102	\$ 1,455,387
Investments	8,940,096	11,840,757
Other current assets	<u>3,571,228</u>	<u>3,176,691</u>
Total assets	18,569,426	16,472,835
Claims payable	-	1,502,078
Claims incurred but not reported	9,000,000	9,000,000
Other current liabilities	<u>3,332,457</u>	<u>42,064</u>
Total liabilities	<u>12,332,457</u>	<u>10,544,142</u>
Unrestricted net position	<u>\$ 6,236,969</u>	<u>\$ 5,928,693</u>
Members' contributions	\$ 116,163,604	\$ 134,314,479
Other operating revenue	<u>191,968</u>	<u>424,462</u>
Total operating revenues	116,355,572	134,738,941
Claims expense	96,718,688	116,255,693
Claims administration expenses	2,108,767	4,730,087
Health plan premiums	13,159,570	12,514,531
Stop loss insurance premiums	1,890,363	2,157,926
Regulatory fees	562,712	862,097
Consulting and group administration	658,257	830,517
Other administrative services	<u>1,059,067</u>	<u>1,166,071</u>
Total operating expenses	<u>116,157,424</u>	<u>138,516,922</u>
Operating income (loss)	198,148	(3,777,981)
Investment income	<u>110,128</u>	<u>148,343</u>
Increase/(decrease) in net position	<u>\$ 308,276</u>	<u>\$ (3,629,638)</u>

WEST SUBURBAN HEALTH GROUP
Management's Discussion and Analysis
June 30, 2016 and 2015

Economic Factors Affecting the Subsequent Year

The Group's Board set the funding rates for self-funded plans for fiscal 2016 and 2015 with increases ranging from 8.6% to 20% and 1.5% to 17.8% respectively.

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.

The Town of Ashland elected to withdraw from the Group effective June 30, 2015. As such, the Group is responsible for the claims incurred by the Town of Ashland prior to July 1, 2015.

The Town of Walpole elected to withdraw from the Group effective June 30, 2015. As such, the Group is responsible for the claims incurred by the Town of Walpole prior to July 1, 2015.

The Town of Westwood elected to withdraw from the Group effective June 30, 2015. As such, the Group is responsible for the claims incurred by the Town of Westwood prior to July 1, 2015.

The Education Cooperative elected to withdraw from the Group effective June 30, 2015. As such, the Group is responsible for the claims incurred by the Education Cooperative prior to July 1, 2015.

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

June 30, 2016 and June 30, 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Assets:		
Cash and cash equivalents	\$ 6,058,102	\$ 1,455,387
Investments	8,940,096	11,840,757
Receivables:		
Reinsurance claims	1,104,589	866,129
Due from members	-	59,122
Receivable from insurance carrier	50,745	421,718
Total receivables	<u>1,155,334</u>	<u>1,346,969</u>
Deposits with insurance carriers	<u>2,415,894</u>	<u>1,829,722</u>
Total assets	<u>\$ 18,569,426</u>	<u>\$ 16,472,835</u>
<u>LIABILITIES AND NET POSITION</u>		
Liabilities:		
Members' advance contributions	3,332,457	42,064
Claims liabilities	-	1,502,078
Claims incurred but not reported	9,000,000	9,000,000
Total liabilities	<u>12,332,457</u>	<u>10,544,142</u>
Unrestricted/total net position	<u>6,236,969</u>	<u>5,928,693</u>
Total liabilities and net position	<u>\$ 18,569,426</u>	<u>\$ 16,472,835</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
Years Ended June 30, 2016 and June 30, 2015

	<u>2016</u>	<u>2015</u>
Operating revenues:		
Members' contributions	\$ 116,163,604	\$ 134,314,479
Retiree drug subsidy	-	96,092
COBRA contributions	191,968	328,370
	<u>116,355,572</u>	<u>134,738,941</u>
Operating expenses:		
Claims expense	96,718,688	116,255,693
Claims administration fees	2,108,767	4,730,087
Health plan premiums	13,159,570	12,514,531
Stop loss insurance premiums	1,890,363	2,157,926
Regulatory fees	562,712	862,097
Consulting and group administration services	658,257	830,517
Other administrative services	1,059,067	1,166,071
	<u>116,157,424</u>	<u>138,516,922</u>
Total operating expenses	<u>116,157,424</u>	<u>138,516,922</u>
Operating income/(loss)	198,148	(3,777,981)
Nonoperating revenues(expenses):		
Investment income	110,128	148,343
	<u>110,128</u>	<u>148,343</u>
Increase/(decrease) in net position	308,276	(3,629,638)
Net position, beginning of year	5,928,693	9,558,331
	<u>5,928,693</u>	<u>9,558,331</u>
Net position, end of year	<u>\$ 6,236,969</u>	<u>\$ 5,928,693</u>

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

WEST SUBURBAN HEALTH GROUP
Statements of Cash Flows
Years Ended June 30, 2016 and June 30, 2015

	2016	2015
Cash flows from operating activities:		
Cash received from members	\$ 119,705,087	\$ 132,838,104
Cash received for retiree drug subsidy	-	96,092
Cash paid to insurance providers	(115,833,125)	(136,694,797)
Cash paid to other vendors	(2,280,036)	(2,858,686)
	1,591,926	(6,619,287)
Cash flows from investing activities:		
(Increase)/Decrease in investments, net	2,900,661	3,862,161
Interest on deposits	110,128	148,343
	3,010,789	4,010,504
Net (decrease)/increase in cash and cash equivalents	4,602,715	(2,608,783)
Cash and cash equivalents, beginning of year	1,455,387	4,064,170
Cash and cash equivalents, end of year	\$ 6,058,102	\$ 1,455,387
Reconciliation of operating income to net cash provided by operating activities:		
Operating income/(loss)	\$ 198,148	\$ (3,777,981)
Changes in operating assets and liabilities:		
Accounts receivable	191,635	(633,889)
Deposits with insurance carriers	(586,172)	67,427
Accounts payable	-	(130)
Members' advance contributions	3,290,393	(1,745,614)
Claims incurred but not reported	-	(552,399)
Claims liabilities	(1,502,078)	23,299
	\$ 1,591,926	\$ (6,619,287)

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

WEST SUBURBAN HEALTH GROUP
Notes to Financial Statements
June 30, 2016 and 2015

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, 2016, participants are 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. As of June 30, 2015, participants were the Towns of: Ashland, Dedham, Dover, Holliston, Natick, Needham, Sherborn, Shrewsbury, Walpole, Wayland, Wellesley, Westwood, and Wrentham, the Dover-Sherborn School District and South Middlesex Regional Vocational Technical School; the ACCEPT Educational Collaborative and The Education Cooperative. Effective June 30, 2016 South Middlesex Regional Vocational Technical School and the Town of Sherborn elected to withdraw from the Group. Effective June 30, 2015 the Town of Ashland, the Town of Walpole, the Town of Westwood and the Education Cooperative elected 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 governmental unit may withdraw participation at its discretion, but withdrawal is only effective on June 30 of a given year. A governmental unit that elects to terminate participation in the Group must notify the Board in writing by December 31 in order for the withdrawal to be effective for the following June 30. 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. The joint purchase agreement does not allow a withdrawing or terminated unit to receive any portion of the Group's surplus.

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, 2016 and 2015

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 Prime Supplement, 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 employs 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 current agreement with PBS is for a three-year term ending September 30, 2016, and provides for a monthly fee based upon the number of subscribers, a one-time set up fee and an annual incentive fee paid in monthly installments. The agreement may be terminated by the Group, at any time after the initial term the agreement with 90 days prior, written notice.

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, 2016 and 2015

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 units 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, 2016 and 2015. 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, 2016 and 2015

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, 2016, the Group maintained a deposit of \$1,282,659 and paid \$1,889,001 for premiums, operating expenses, and reserves. For the year ended June 30, 2015, the Group maintained a deposit of \$759,566 to MMRA, and paid \$2,157,926 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, 2016 and 2015

Note 2. Summary of Significant Accounting Policies (continued)

F. Medicare Part D Prescription Drug Benefit Program

Effective January 1, 2014, the Group changed its two self-funded Medicare supplement plans from Retiree Drug Subsidy (RDS)-eligible plans to Employer Group Waiver Plans (EGWPs) which have lower rates but are not RDS-eligible. The Group, which was the RDS Plan Sponsor, continued to receive subsidies on open and unreconciled applications filed with Center for Medicare and Medicaid Services (CMS) for years prior to 2014.

G. Transitional Reinsurance Program fee

In the years ending June 30, 2016 and 2015 the Group was required to pay \$562,712 and \$862,097, 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.

H. 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, 2016 and 2015, deposits totaled \$6,075,589 and \$1,496,603, respectively. The carrying amounts of these deposits at June 30, 2016 and 2015, were \$6,058,102 and \$1,455,387, respectively. The difference between deposit amounts and carrying amounts generally represents outstanding checks and deposits in transit. Of the deposit amounts \$5,779,253 and \$924,100 was exposed to custodial credit risk at June 30, 2016 and 2015, respectively.

WEST SUBURBAN HEALTH GROUP

Notes to Financial Statements

June 30, 2016 and 2015

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, 2016 and 2015 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.

WEST SUBURBAN HEALTH GROUP
Notes to Financial Statements
June 30, 2016 and 2015

<u>Investment Type</u>	<u>Fair Value Measurement</u>	<u>Value</u>	<u>Maturity</u>			
			<u>12 months or less</u>	<u>13 – 24 months</u>	<u>25 – 60 months</u>	<u>Thereafter</u>
As of June 30, 2016:						
Government securities	Level I	\$ 114,135	\$ 43,501	\$ -	\$ 70,634	\$ -
MMDT – cash portfolio	Amortized Cost	1,094,729	1,094,729	-	-	-
Asset backed securities	Level I	2,837,198	26,058	11,012	145,301	2,654,827
Money market funds	Level I	2,369,828	2,369,828	-	-	-
Negotiable Certificates of Deposit	Level I	182,847	82,030	100,817	-	-
Corporate notes	Level I	2,341,359	182,709	148,780	1,533,987	475,883
		<u>\$ 8,940,096</u>	<u>\$ 2,704,125</u>	<u>\$ 260,609</u>	<u>\$ 1,749,922</u>	<u>\$ 3,130,710</u>
As of June 30, 2015:						
Government securities	Level I	\$ 152,324	\$ 83,814	\$ -	\$ 68,510	\$ -
MMDT – cash portfolio	Amortized Cost	4,089,968	4,089,968	-	-	-
Asset backed securities	Level I	3,411,010	-	46,780	143,882	3,220,348
Money market funds	Level I	864,154	864,154	-	-	-
Negotiable Certificates of Deposit	Level I	200,246	110,190	90,056	-	-
Corporate notes	Level I	3,123,055	879,030	2,244,025	-	-
		<u>\$ 11,840,757</u>	<u>\$ 6,027,156</u>	<u>\$ 2,380,861</u>	<u>\$ 212,392</u>	<u>\$ 3,220,348</u>

<u>Investment Type</u>	<u>Value</u>	<u>Exempt from Disclosure</u>	<u>S&P Rating as of Year End</u>				<u>Not Rated</u>
			<u>AAA</u>	<u>AA to A</u>	<u>BBB</u>	<u>BB to B</u>	
As of June 30, 2016:							
Government securities	\$ 114,135	\$ -	\$ -	\$ 70,634	\$ -	\$ -	\$ 43,501
MMDT – cash portfolio	1,094,729	-	-	-	-	-	1,094,729
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>\$ 8,940,096</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 169,789</u>	<u>\$ 1,349,834</u>	<u>\$ 870,750</u>	<u>\$ 6,549,723</u>
As of June 30, 2015:							
Government securities	\$ 152,324	\$ -	\$ -	\$ 68,510	\$ -	\$ -	\$ 83,814
MMDT – cash portfolio	4,089,968	-	-	-	-	-	4,089,968
Asset backed securities	3,411,010	-	-	-	-	-	3,411,010
Money market funds	864,154	-	-	-	-	-	864,154
Negotiable Certificates of Deposit	200,246	-	-	-	-	-	200,246
Corporate notes	3,123,055	-	-	553,716	1,218,471	1,350,868	-
	<u>\$ 11,840,757</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 622,226</u>	<u>\$ 1,218,471</u>	<u>\$ 1,350,868</u>	<u>\$ 8,649,192</u>

WEST SUBURBAN HEALTH GROUP

Notes to Financial Statements

June 30, 2016 and 2015

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

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 above table.

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, 2016 and 2015, the Group had an unrealized loss of \$106,500 and \$0, respectively, due to a municipal security defaulting.

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. Excluding U.S. federal agency securities, and external investment pools, there are no securities or issuers which represent more than 5% of the total investments of the governmental activities.

Note 4. 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, 2016 and 2015, are as follows:

<u>Administrator</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Fallon Health & Life	\$ 27,157	\$ 16,383
Abacus Diabetes program	37,156	(30,872)
Harvard Pilgrim	433,619	438,718
Prescription Benefit Services	38,108	39,024
MMRA	1,282,659	759,566
Tufts	<u>597,195</u>	<u>606,903</u>
Total deposits	<u>\$ 2,415,894</u>	<u>\$ 1,829,722</u>

WEST SUBURBAN HEALTH GROUP

Notes to Financial Statements

June 30, 2016 and 2015

Note 5. 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, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Total claims incurred but not reported—beginning of year	\$ 9,000,000	\$ 8,976,701
Incurred claims and claims' adjustment expenses:		
Provision for insured events of the current fiscal year	95,387,172	115,708,989
Increase (decrease) in provision for insured events of prior fiscal years	<u>1,331,516</u>	<u>546,704</u>
	96,718,688	116,255,693
Payments:		
Claims and claims' adjustment expenses attributable to insured events of the current fiscal year	(86,387,172)	(106,708,989)
Claims and claims' adjustment expenses attributable to insured events of prior fiscal years	<u>(10,331,516)</u>	<u>(9,523,405)</u>
	<u>(96,718,688)</u>	<u>(116,232,394)</u>
Total claims incurred but not reported	<u>\$ 9,000,000</u>	<u>\$ 9,000,000</u>

Note 6. Subsequent Events

The Group has evaluated subsequent events through February 13, 2017, which is the date the financial statements were available to be issued.

Note 7. GASB Pronouncements Recently Issued

The following are pronouncements issued by the Governmental Accounting Standards Board (GASB), which the Group believes are applicable to its' financial statements

Current pronouncements

The GASB issued Statement #72, Fair Value Measurement and Application, which was required to be implemented in fiscal year 2016. The pronouncement addresses accounting and financial reporting issues related to fair value measurements. The Group implemented the pronouncement as applicable.

The GASB issued Statement #76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments, which was required to be implemented in fiscal year 2016. The pronouncement replaces previously issued guidance and improves financial reporting by redefining the hierarchy of generally accepted accounting principles (GAAP). The Group implemented the pronouncement as applicable.

The GASB issued Statement #79, *Certain External Investment Pools and Pool Participants*, which was required to be implemented in fiscal year 2016. The pronouncement issued accounting and financial reporting guidance regarding qualifying external investment pools and state and local governments that participate in such external investment pools. The Group implemented the pronouncement as applicable.

WEST SUBURBAN HEALTH GROUP
Notes to Financial Statements
June 30, 2016 and 2015

Future pronouncements

There are no additional GASB issued pronouncements 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 Auditors' Report

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

	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
1. Earned member premium, other and ancillary revenue	116,463,700	134,847,364	128,339,232	173,696,956	137,831,042	126,786,485	121,573,836	114,394,091	110,741,575	93,070,007
2. HMO fixed premium, paid and other operating expense	19,438,730	22,261,220	17,450,071	14,461,661	13,331,305	13,753,106	12,590,164	11,521,971	10,538,928	9,308,954
3. Branded incurred self-insured claims and expense, end of fiscal year	95,062,172	115,708,969	119,040,154	113,396,568	113,414,498	112,640,161	108,039,338	99,860,461	95,819,229	89,203,017
a. Paid (multiyear) as of:										
End of fiscal year	86,367,172	106,700,989	110,063,483	105,474,762	104,563,881	104,212,684	97,907,967	89,601,981	84,176,530	78,006,946
One year later		116,154,533	119,709,650	113,613,646	112,726,987	111,621,430	106,474,239	98,200,428	93,733,731	88,871,478
Two years later			120,582,729	113,567,129	112,707,795	111,682,108	106,431,253	98,277,910	94,796,538	88,761,224
Three years later				113,690,958	112,564,812	111,687,403	106,432,807	98,265,634	94,770,988	88,786,185
Four years later					112,655,638	111,674,571	106,438,316	98,261,670	94,736,765	88,754,592
Five years later						111,674,571	106,438,316	98,264,162	94,765,671	88,752,660
Six years later							106,436,864	98,264,162	94,763,671	88,748,601
Seven years later								98,264,162	94,763,671	88,748,601
Eight years later									94,763,671	88,748,601
Nine years later										88,748,601
4. Re-estimated incurred self-insured claims and expense:										
End of fiscal year	95,387,172	115,708,969	119,040,184	113,395,568	113,315,498	112,640,161	108,039,338	99,860,561	95,819,229	89,203,017
One year later		116,154,233	119,706,940	113,634,636	112,720,094	111,621,430	106,474,239	98,256,428	94,733,731	88,871,478
Two years later			120,382,729	113,567,129	112,707,795	111,682,108	106,431,253	98,277,910	94,796,538	88,761,224
Three years later				113,690,958	112,664,812	111,687,403	106,432,807	98,265,634	94,770,988	88,786,185
Four years later					112,655,638	111,674,571	106,438,316	98,261,670	94,736,765	88,754,592
Five years later						111,674,571	106,438,316	98,264,162	94,765,671	88,752,660
Six years later							106,436,864	98,264,162	94,763,671	88,748,601
Seven years later								98,264,162	94,763,671	88,748,601
Eight years later									94,763,671	88,748,601
Nine years later										88,748,601
b. (Increase) decrease in estimated, incurred self-insured claims and expense, from the end of the original policy year.		(44,314)	(1,442,545)	(207,190)	859,860	965,230	1,613,074	1,296,199	55,538	456,416



TOWN OF WELLESLEY

WELLESLEY, MA 02452
Telephone 781-235-1212

POLICE DEPARTMENT

TERRENCE M. CUNNINGHAM
Chief of Police

TO: DETECTIVE CHRIS CONNELLY
DETECTIVE ROBERT GALLAGHER

FROM: CHIEF JACK PILECKI

SUBJECT: LETTER OF COMMENDATION

DATE: FEBRUARY 15, 2017

I was pleased to receive a correspondence from Assistant District Attorney (ADA) Lisa Beatty, Chief of the Family Violence and Special Victims Unit at the Norfolk County District Attorney's Office. ADA Beatty wrote the note and included comments from ADA Erin Murphy.

In her correspondence, ADA Beatty wanted to commend you for your investigative work regarding a sexual assault that took place in Wellesley in 2014. ADA Beatty indicated that your work, specifically an interview that you conducted with the defendant, was absolutely critical evidence in securing the defendant's guilty conviction. Due to your solid efforts, the victim was spared having to go to trial, as the defendant agreed to plead guilty in Norfolk Superior Court.

As Chief of the Wellesley Police Department, I want to take this opportunity to thank you both for your diligence, attention to detail, and outstanding investigative work on this sensitive and serious matter. Your hard work brought a significant felony case to fruition without additional burden to the victim. Your work is an example of the type of the work that the Wellesley Police Department does on a daily basis.

A copy of this commendation will be maintained in your personnel file.

AUTHORIZED:

JACK PILECKI
CHIEF OF POLICE

Cc: Bulletin Board
Board of Selectmen
Personnel File

Pilecki, Jack

From: Cunningham, Wayne
Sent: Tuesday, February 07, 2017 2:47 PM
To: Pilecki, Jack
Subject: FW: excellent work

fyi

Detective Lieutenant Wayne Cunningham
Wellesley Police Department
Bureau of Criminal Investigation
781-235-2208 Ext. 5
FBINA 191

From: Beatty, Lisa (DAA) [mailto:lisa.beatty@state.ma.us]
Sent: Tuesday, February 07, 2017 1:32 PM
To: Cunningham, Wayne <wcunningham@wellesleyma.gov>
Subject: FW: excellent work

Lt. Cunningham,
I sent this earlier today but received a bounceback email message. If you want me to direct it elsewhere, feel free to let me know. Thank you!

Lisa

From: Beatty, Lisa (NFK)
Sent: Tuesday, February 07, 2017 12:32 PM
To: Cunningham, Terrence
Cc: Murphy, Erin (NFK)
Subject: excellent work

Chief Cunningham,

I write to recognize the work of Detectives Donnelly and Gailagher which greatly contributed to a plea in a sexual assault case. The defendant, _____, pled guilty yesterday in Norfolk Superior Court. The victim and her family were very appreciative and pleased that we were able to secure a conviction without the necessity of a trial. ADA Erin Murphy (copied on this note) informs me that the interview with the defendant, conducted by the detectives, was a key piece of evidence and provided vital corroboration of the victim's account. On behalf of this office, please accept my thanks for the work of your department.

Best,

Lisa

Lisa Beatty
Chief, Family Violence/Special Victims Unit
Norfolk DA
45 Shawmut Rd.
Canton MA 02021
(781) 830-4800 x4846
(781) 830-4801 (facsimile)



TOWN OF WELLESLEY

WELLESLEY, MA 02482
Telephone 781-335-1210

POLICE DEPARTMENT

TERRENCE M. CUNNINGHAM
Chief of Police

TO: SERGEANT JEFF RENZELLA
FROM: CHIEF JACK PILECKI
SUBJECT: LETTER OF COMMENDATION
DATE: FEBRUARY 14, 2017

I was pleased to receive a letter from Christy West regarding a recent incident at her home on Woodridge Road that you handled. In her correspondence, Mrs. West indicates that her son hosted an underage party in her absence, which subsequently came to the attention of the department.

Mrs. West indicated that you spoke to her at length about the incident while the situation was being sorted out. She described you as being kind, empathetic, and 'real' while interacting with her. Mrs. West said she feels 'blessed' to live in Wellesley with police officers such as yourself. Specifically, she spoke of Wellesley Police Officers that keep the community safe, but also understand what it's like to be the parent of a teenager.

As Chief of the Wellesley Police Department, I would like to take this opportunity to thank you for your compassion, empathy, and dedication to duty in dealing with this situation. Your actions are indicative of the level of service and professionalism that the Wellesley Police Department provides to the citizens on a daily basis.

A copy of this commendation will be maintained in your personnel file.

AUTHORIZED:



JACK PILECKI
CHIEF OF POLICE

Cc: Bulletin Board
Board of Selectmen
Personnel File

Dear Lt. Wittemore,
You don't receive positive feedback often enough. I want to commend you on hiring Sargent Renzella. This weekend my son made the not so smart choice to have kids over while I was out to dinner. Sargent Renzella was kind, empathetic and "real" I feel blessed to be in Wellesley with officers who keep us safe but also understand what it's like to be a parent of a teenager ———

With thanks & appreciation,
Christy West



TOWN OF WELLESLEY

WELLESLEY, MA 02482
Telephone 781-235-1912

POLICE DEPARTMENT

TERRENCE M. CUNNINGHAM
Chief of Police

TO: OFFICER MARK KNAPP
OFFICER RONALD POIRIER

FROM: CHIEF JACK PILECKI

SUBJECT: LETTER OF COMMENDATION

DATE: FEBRUARY 15, 2017

On January 26, 2017, a citizen reported to the Wellesley Police Department that an elderly woman looked to be 'confused' with groceries on Oak Street shortly before 10 AM. You located the woman and determined that she was not in any immediate medical danger, but had become lost after shopping at Roche Brothers. The woman, who was from Framingham, was looking for the MBTA train station.

After speaking with the woman and building a rapport with her, you both determined that the best course of action would be to transport the woman home to her residence in Framingham. Holding her hand, you guided her to the cruiser. Officer Poirier transported her to her home, brought her groceries inside the house, and ensured that she was in a good environment.

Officer Poirier spoke with the woman at her home in order to determine if she needed any additional help or potential elder services. Upon returning to Wellesley, Officer Poirier contacted the Framingham Police Department, specifically the elder affairs officer, and passed along the woman's information. Officer Poirier arranged for the Framingham elder affairs officer to assist the woman with local services in Framingham.

As Chief of the Wellesley Police Department, I want to take this opportunity to thank you for your outstanding work in this matter. You not only ensured that the woman was taken safely home, but then ensured that she had elder services made available to her. The effort you put forth to assist a senior citizen was exemplary, and is the very hallmark of the type of service that the Wellesley Police Department offers to every citizen. This is nothing short of model police work.

I am very proud of your actions and the follow through with the senior citizen that took place. I also wanted to note that your work in this matter came to the attention of the local media, which highlighted what you did in a very positive editorial piece.

A copy of this commendation will be maintained in your personnel file.

AUTHORIZED:

A handwritten signature in cursive script, appearing to read "Chief Pilecki", written over a horizontal line.

JACK PILECKI
CHIEF OF POLICE

Cc: Bulletin Board
Board of Selectmen
Personnel File