



RICHMOND PHASE 2 BUILDING COMMITTEE

Thursday May 5, 2022 • 6:00 PM

Attendees: Pat Callahan, Kathryn Wilson, Mark Gross, Nate Steele, Chris May, Roger Manzolini, Bob Gniadek, Gloria Morse, Dick Stover, Stephanie Beling, Kristin Smith, Melissa Roller

Guests: Dan Pallotta, Curtis Edgin, Neal Pilson, Danielle Fillio, Angela Garrity, Claudia Ryan, Katherine Keenum, John Keenum

1. Approve minutes of April 29 ~ approved
2. Review Financing options -
 - a. Due to higher-than-expected costs for site work (septic and fire suppression systems) and inflation (affecting all current building projects), the building project cost is \$1,546,604 higher than the amount approved by voters at the 2021 Annual Town Meeting. Additional funding will need to be approved to continue with this project as ALL funding must be “lined up” in order to accept the GC bid.
 - b. Committee discussed that additional funding could be available from the town’s ARPA (American Rescue Plan Act) funds, the town’s Stabilization Fund, the town’s Free Cash, fundraising efforts from the Friends of the Library, and the remaining short-term borrowing funds.
 - c. The committee agreed to ask the voters to approve up to \$1M of additional borrowing at the Special Town meeting. A 2/3 approval vote is needed. We could ask for less, but that would take more of the town’s Stabilization and Free Cash funds. By retaining those funds, the town will continue to have a strong financial position so that it can handle any other upcoming expenses (school parking lot, new fire engine, etc.).
 - d. This year’s town budget originally showed a modest decrease in mil rate, but with the new borrowing of \$1M, the mil rate would be essentially flat from last year’s rate. Factors in the town budget include a reduction in the school budget, increased state aid, etc.
 - e. The Fed rate increases will not really affect us in borrowing rates - at least not yet. Short-term borrowing rates are going up, but long-term rates are stable and may even go down in the near future. MA state statute limits us to a max of 30-year borrowing terms.

3. Next steps -

- a. The Select board will meet to determine how much of the ARPA funds, Free Cash, and Stabilization funds they will commit to this project's budget.
- b. Warrant articles will be written for the 5/18 Special Town meeting to request any transfer of funds from other town accounts to this project AND to request approval for the borrowing of \$1M additional funds for this project.
- c. A 2/3 vote is required for both warrant articles. The additional \$1M borrowing warrant MAY need a ballot vote (simple majority needed) for the Debt Exclusion. The state may consider this a "modest" addition to our already-approved borrowing and say a Debt Exclusion vote isn't needed. If a Debt Exclusion ballot vote is required, it will be scheduled in June.
- d. Pat will draft a presentation for the upcoming town meetings, using the presentation slides and talking points from last year's presentations. She will update it with new information and financial numbers. This new presentation will be used at the Baby Town meeting and at the Special Town Meeting to give voters current information.

4. Upcoming Dates:

- a. **Thurs. 5/12:** Phase 2 Building Committee meeting at 6 pm (via Zoom)
- b. **Sat. 5/14:** Baby Town Meeting at 10:00 am (at Town Hall)
- c. **Wed. 5/18:** Special Town Meeting at 6:30 pm AND Annual Town Meeting at 7:30 pm (at Richmond Consolidated School)

5. Adjourned at 7:20 pm

Minutes submitted by K. Wilson