

TOWN OF IPSWICH

ANNUAL TOWN MEETING

APRIL 2, 2007

Warrant Article Synopses

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ANNUAL TOWN MEETING

APRIL 2, 2007

WARRANT ARTICLE SYNOPSES

ARTICLE 1 Consent Calendar

SUMMARY:

The first two portions set the salaries for all elected officials as presented in the Town budget and the positions to be filled at the town elections. The polls for this town election will open at 7:00 a.m. The article authorizes payment-in-lieu-of-taxes of **\$275,000** to the Town from available funds in the Electric Light Department. There is a rescission of **\$130,100** from a bond issued by the Utilities Department in 1999 for the wastewater force main project. Also, in accordance with Massachusetts General Laws, this article authorizes the Board of Selectmen to appoint an Acting Town Manager during vacation, leave and the absence of the Town Manager with an exemption from the state conflict-of-interest law.

**FISCAL
IMPACT:**

The payment-in-lieu-of-taxes (PILOT) from the Electric Light Department is determined according to a formula established by the Board of Selectmen acting as the Electric Light Commission at one-fourth cent (**\$.025**) for each kilowatt hour of electricity sold.

ARTICLE 2 Finance Committee Elections

SUMMARY:

The article calls for election of one Finance Committee member, to be elected by the Town Meeting. The Finance Committee recommends the re-election of Marion Swan for a term of three years.

**FISCAL
IMPACT:**

There is no fiscal impact.

ARTICLE 3 Date of the Annual Town Meeting

SUMMARY:

This article would amend the General By-Laws of the Town to change the date of the Annual Town Meeting from “a time as specified by the Board of Selectmen in the warrant, within the first seven calendar days of the month of April” to “the second Tuesday of the month of May.”

Also, the date of the Town Election is changed from April to “on a Tuesday in May not less than seven (7) nor more than fifteen (15) days” after the Town Meeting (second Tuesday in May).

The principal argument for changing the Annual Town Meeting to May is that the Town would likely have better information on the level of state aid (Local Aid), and this would allow more precision in the budgeting process.

**FISCAL
IMPACT:**

There is no fiscal impact.

ARTICLE 4 Special Stabilization Fund

SUMMARY:

In 2003, the Massachusetts legislature authorized cities and towns, under Chapter 40, Section 5B, to create special stabilization funds to accumulate monies earmarked for a specific purpose. Funds are deposited into a special stabilization fund by a 2/3rds vote of the Town Meeting and can only be withdrawn and spent for the specified purpose by a 2/3rds vote of the Town Meeting.

This article will establish a new Stabilization Fund, the Capital Improvements Stabilization Fund. All funds transferred or appropriated to this fund will be used exclusively for annual capital expenditures by Town departments. The article authorizes a transfer of **\$300,000** from the sale of the former Town Hall into the fund.

The advantages of having a capital improvements stabilization fund are: 1) establishing the fund will underscore the Town's commitment to making adequate and timely investments to maintain its capital assets. Timely capital investments will prolong the life of existing capital assets and save tax dollars; and 2) the fund will provide additional protection against the universal tendency to shortchange capital funding in favor of the operating budget.

FISCAL IMPACT:

There is no impact upon the FY'08 tax rate.

ARTICLE 5 FY 2007 Town Budget Amendments

SUMMARY:

The following is a list of financial transfers amending the Fiscal 2007 operating budget:

<i>Department</i>	<i>Acct. Number</i>	<i>Account</i>	<i>From</i>	<i>To</i>
Town Clerk	11612-5306	Data Processing	(550.00)	
	11611-5131	Overtime		526.68
	11612-5423	Special Printing	(8.18)	
	11611-5141	Diff/Incentive		31.50
Town Mgr	11232-5308	Labor Relations	(122.50)	
	11231-5121	Salaries-Temp PT		122.50
			(113,113.56	
DPW-Sanitation	14312-5385	Sanitary Collection)	
DPW- Admin.	14211-5115	Perm Wages		8,574.79
	14211-5126	Sick Leave Buyback		3,523.60
DPW - Equip. Maint.	14221-5126	Sick Leave Buyback		6,873.97
	14222-5483	Pts In House		5,171.00
	14222-5486	Sweeper Maint		3,000.00
DPW- Highway	14243-5818	Vehicles		21,829.00
	14242-5242	Road Treatment		49,645.00
	14242-5243	Drain Maint		10,000.00
DPW-Cemetery	14911-5114	Perm Other		4,496.20
Consolidated Bldg	14721-5115	Perm Wages	(3,000.00)	
	14722-5251	Bldg Maint		3,000.00
Building Inspector	12512-5311	Other Consultants	(500.00)	
	12512-5511	Training	(750.00)	
	12512-5733	Conf Registration	(115.00)	
	12511-5114	Salaries-Perm Other		1,365.00
Benefits	11911-5193	Retirement	(25,000.00)	
Insurance	11922-5736	Workers Comp	(20,000.00)	
Misc. Expense	11931-5110	Management Transfer	(12,828.20)	
	11932-5511	Training	(207.89)	
Police	12101-5117	Dispatcher		2,574.81
	12101-5126	Sick Leave Buyback		26,785.15
	12101-5131	Overtime		28,676.13

**FISCAL
IMPACT:**

These are transfers within the FY'07 budget; there is no impact on the tax rate.

ARTICLE 6 Prior Year Unpaid Bills

SUMMARY:

This is a stock article to pay any unpaid bills incurred in prior fiscal years and remaining unpaid. The following bills have been identified:

<u>Department</u>	<u>Category & Vendor</u>	<u>Amount</u>
Sewer	Electric & Water Bills	\$10,781.69
Water Treatment Plant	Electric Bills	\$6,841.39
	Total:	\$17,623.08

**FISCAL
IMPACT:**

These bills were all from June 16, 2004, the first MUNIS bill run. The bills did not get paid due to the short timeline – all bills were due by 7/15/04.

These are all “internal” bills at the Utilities Department. These bills will be paid from the Water and Sewer Departments surplus. There is no impact on the tax rate.

ARTICLE 7 FY 2008 Municipal Operating Budget

SUMMARY:

The Fiscal 2008 Town budget, configured by the Board of Selectmen at the limits set on March 3, 2007 by the Finance Committee, is **\$12,283,833**, plus **\$1,064,169** in excluded debt service for the Library addition, new Town Hall and the open space bond, for a total **\$13,348,002**. This budget is offset by **\$481,761** in non-tax revenues, leaving **\$12,866,241**, net to be raised and appropriated.

**FISCAL
IMPACT:**

The town budget of **\$13,348,002** represents an increase in spending of **3%** over Fiscal 2006. The Town budget represents **39%** of total General Fund spending.

ARTICLE 8 FY '08 Municipal Budget Amendment

SUMMARY:

This article would transfer **\$177,830** from General Fund to the FY 2008 municipal operating budget. These funds will be used for non-recurring expenditures.

The Code Enforcement Revolving Fund is being eliminated in FY 2008. The surplus as of March 5, 2007 in this revolving fund is **\$177,830**, which will go automatically into the General Fund when the revolving fund is eliminated. Under an agreement with the Finance Committee, funds that are generated by a Town department are available exclusively for the municipal budget. This article appropriates **\$177,830** into the municipal budget for the following purposes:

<u>Dept.#</u>	<u>Department</u>	<u>Object Code</u>	<u>Description</u>	<u>Amount</u>
242	Highways	5242	Road Treatment	\$76,396
154	MIS	5816	Microsoft Exchange Server 2003 upgrade	\$12,000
154	MIS	5816	Five year PC Replacement Program (Year 2)	\$26,000
210	Police	5818	Cruiser Replacement (1)	\$27,000
154	MIS	5816	Canon CD4070 Digital Document Recorder	\$6,434
292	Animal Control	5818	Animal Control Truck	\$20,000
620	Recreation	5816	Playground Equipment	\$10,000
Total				\$177,830

**FISCAL
IMPACT:**

There is no impact on the tax rate. These funds will be used for non-recurring, capital expenses, so there will be no negative impact on municipal spending in future years as well.

ARTICLE 9 FY '08 School Operating Budget

SUMMARY:

The Fiscal 2008 School Department operating budget totaling **\$18,058,816** is presented according to the guideline set by the Finance Committee at its March 3, 2007 meeting. The FY'08 School Budget is offset by **\$363,139** in non-tax revenues, leaving **\$17,695,677** net to be raised and appropriated.

Funding for the FY'08 budget includes **\$2,330,702** under the Massachusetts Chapter 70 school aid program. This is the amount recommended by the Governor and may change during legislative consideration of the state budget.

FISCAL IMPACT:

The Ipswich School Department budget of **\$18,058,816** represents an increase in spending of **3.0%** over Fiscal 2007. The School budget represents **61%** of total General Fund spending.

ARTICLE 10 School Debt Project

SUMMARY:

This article appropriates **\$2,517,428** in scheduled debt service for the High School/Middle School project. Debt service for the High School/Middle School project was excluded from the Proposition 2 ½ tax limitation in a Town election in 1996. The Massachusetts School Building Authority will reimburse the Town for **\$1,380,591** of the debt service for this project in FY'08.

FISCAL IMPACT:

The net cost to the taxpayer in FY'08 for the High School/Middle School project will be **\$1,136,837**. The net cost represents **\$0.40** on the tax rate. It will account for **\$215.03** of the average tax bill of **\$4462.27** on the average house valued at **\$536,330**.

ARTICLE 11 FY'08 School Budget Amendment

SUMMARY:

The School Department receives an annual contribution from the Feoffees of the Grammar School. This year, that contribution which is expected to exceed **\$500,000** is being held up because of a lawsuit against the Feoffees filed by residents of Little Neck. Some residents have refused to sign new land rent leases and some have refused to reimburse the Feoffees for taxes paid to the Town.

As a result, the Feoffees are unable to make the annual contribution, and the School face the prospect of a serious budget shortfall. The temporary solution agreed to by the leadership of the Town and the Schools is for the Town to provide a temporary loan to the Schools until the Feoffees contribution is forthcoming. The agreement would transfer **\$200,000** in available free cash to the Schools to begin the 2008 fiscal year.

FISCAL IMPACT:

The proposed loan to the School Department will have no impact upon the tax rate. It was agreed among the School Committee, the Finance Committee and the Board of Selectmen that when the **\$200,000** in free cash is returned to the Town, it will be deposited into the Stabilization Fund. The terms of the loan will be part of a written agreement between the School Department and the Town.

ARTICLE 12 FY'08 Whittier Regional Vocational Technical High School Budget

SUMMARY:

\$539,935 is appropriated for the Whittier RVT High School. This represents an increase of **\$30,000** over the FY '07 assessment. The FY'08 Whittier budget recommendation has been presented to the Regional School Committee, but it has not been approved as of this writing. Last year, the Town level funded the Whittier appropriation and made an adjustment at the Fall Town Meeting.

Enrollment of students from Ipswich will decrease from **32** in 2007 to **31** in FY 2008. The Town's assessment constitutes **3.43%** of the total assessment for the Whittier School.

The Massachusetts Department of Education has mandated an increase of **\$22,057** in Ipswich's "required net school spending" in FY'08, an increase of **6.75 %**.

FISCAL IMPACT:

The proposed Whittier budget for Fiscal 2008 represents a **7.8%** increase in the assessment for Ipswich over Fiscal 2007.

The Whittier administration advises that if the assessment is reduced from this estimate, the Town will be advised in a timely manner and can reduce the appropriation accordingly.

ARTICLE 13 FY'08 Water and Sewer Budgets

SUMMARY:

The total Water Division budget for FY'08 is set at **\$2,398,921**. The revenue estimates for the Water Division for FY'08 include **\$2,244,533** in gross sales; **\$92,888** from the water surplus account; **\$34,000** from water liens; **\$27,500** in application fees and other miscellaneous revenues for total net revenues of **\$2,398,921**.

Capital projects funded within the Water Division budget include: 1) **\$10,000** for services & mains; 2) **\$10,000** for leak detection; 3) **\$10,000** for SCADA installations; 4) **\$40,000** for meters; and 5) **\$40,000** for a Granular Activated Carbon replacement at the Water Plant; 6) **\$25,000** for a new truck for the town engineer for a total of **\$135,000**.

This article includes, as a second and separate portion, the FY'08 Sewer Division budget. The Sewer Division budget totals **\$1,549,000**. Capital projects funded within the Sewer Division budget include: 1) **\$10,000** for a hoist on the pickup truck; 2) **\$17,000** for inspection and repairs of aeration blowers; 3) **\$2,000** for new auto dialers; 4) **\$40,000** to rebuild sludge holding tank gearbox; 5) **\$10,000** for new lab equipment; 6) **\$10,000** for plant water disinfection system; 7) **\$25,000** for demolition and removal of old filters and aerators; 8) **\$20,000** for Infiltration and Inflow improvements; 9) **\$6,000** for a new high pressure washer and 10) **\$30,000** for back-up submersible pumps for a total of **\$172,000**.

Revenue estimates for the Sewer Division for FY'08 include: 1) **\$20,000** from sewer liens; 2) **\$8,000** in sewer betterment payments; 3) **\$240,000** in septage treatment fees, Agresource royalties, application fees and other miscellaneous revenues; 4) **\$94,669** from the sewer surplus fund; and 5) **\$1,186,331** in sewer use fees, for a total of **\$1,549,000**.

FISCAL IMPACT:

The Water and Sewer Division budgets are funded primarily through user charges. There is no impact on the tax levy. The average cost to the homeowner will be about **\$552** per year for water service and (if connected) about **\$566** for sewer treatment service. These calculations are based on an average 12,000 cubic feet of water (90,000 gallons) consumption per year.

ARTICLE 14 Equipment Bond

SUMMARY:

This article would authorize the Treasurer to borrow a sum of **\$389,422** for the following capital purchases:

<i>Dept #</i>	<i>Department</i>	<i>Object Code</i>	<i>Description</i>	<i>Amount</i>
424	DPW - Highway	5818	JCB Backhoe/Loader - replacement (PW58)	\$75,000
424	DPW - Highway	5818	Bombardier S/W Plow - replacement (PW57)	\$65,000
424	DPW - Highway	5818	Johnston Sweeper - replacement (PW15)	\$145,000
154	MIS	5816	High Speed Fiber Optic I-Net	\$104,422
			Total	\$389,422

**FISCAL
IMPACT:**

Assuming we borrow **\$389,422** for 10 years at 4.5% interest. In the first year, **\$11.06** would be the cost on the average tax bill of **\$4,462.27**. Each year the amount would decrease, until the last year when it would cost about **\$7.97** on the average tax bill.

ARTICLE 15 Appropriation for Chapter 90

SUMMARY:

Each year the state contributes funds to the cities and towns for street and road improvements under the "Chapter 90" program. Last year, Ipswich received **\$262,413** in the first allocation. Prior to Town Meeting, Ipswich was informed that Chapter 90 funds would total **\$392,000**. The actual amount that the state contributed was **\$262,413**, so this article modifies the vote taken at the April 3, 2006 Annual Town Meeting.

These monies were used to fund the infrastructure work underway at Summer, Water, Green and County Streets

The Patrick Administration announced that Ipswich will receive **\$328,017** under Chapter 90 for the current year. Article 13 will accept Chapter 90 funding at **\$328,017** on a contingent basis.

FISCAL IMPACT:

Chapter 90 monies are provided by the Commonwealth of Massachusetts; the local fiscal impact will be zero.

ARTICLE 16 Citizen Petition

SUMMARY:

The position of Youth Director in the Recreation Department was not funded in the FY'08 budget. This petition would appropriate **\$28,098** to fund the position.

FISCAL

IMPACT:

Impact on the FY'08 tax rate cannot be determined since the petition does not specify where the funding for the Youth Director will come from.

ARTICLE 17 Harbormaster Boat Purchase

SUMMARY:

The Harbormaster boat was donated to the Town in 1993. This boat is in poor condition, and it was decided that the **\$5,000** in repairs funds approved at the Annual Town Meeting in 2006 should not be expended. The Waterways Advisory Committee ordered a second opinion on the boat's condition, and it was determined that the vessel should be replaced. This article will appropriate **\$73,500** from the Waterways Improvement Fund to purchase a new Harbormaster boat.

FISCAL IMPACT:

Funding for the purchase of a new Harbormaster boat is from the Waterways Improvement Fund. The FY'08 operating budget will be amended by transferring **\$73,500** from the Waterways Improvement Fund to the General Fund. The WIF is a special revenue account funded annually with 50% of the personal property tax collections on boats. The other 50% of the personal property tax on boats is deposited into the Town's General Fund. The

If this article is approved, the Waterways Improvements Fund will have **\$55,500** remaining in the account.

ARTICLE 18 Revolving Funds: Council on Aging; Historical Commission; Health Department; Shellfish Department

SUMMARY:

The article will continue authorization of certain revolving funds under the terms of the Massachusetts General Laws, Chapter 44, Section 53 E ½. Fees collected by departments under this article are deposited into special, revolving accounts that are separate from the General Fund of the Town. Revolving fund monies must be expended for purposes directly related to the mission of their respective departments.

The Council on Aging seeks authorization to continue a **Council on Aging Revolving Fund** to finance fee-based, special trips and functions for senior citizens. There is a **\$100,000** limit on COA Revolving Fund expenditures during the fiscal year. The Council on Aging requests an increase in the limit from \$10,000 to \$100,000 because the department is sponsoring more trips for seniors to ever more distant places. For example, there will be a trip to Europe this year. With \$10,000 limit, the revolving fund would not be able to accommodate contributions from seniors to underwrite the trip.

In addition, Article 13 will continue: 1) **The Health Department Revolving Fund**. The source of this fund is Health Department inspection fees. The fund is used to underwrite additional, administrative help in the Health Department and to pay related expenditures. No more than **\$7,000** may be expended by the Health Department Revolving Fund in FY'07; and 2) **The Historical Commission Revolving Fund**. This fund will pay for preservation of town records and the purchase of expendable supplies. No more than **\$5,000** may be expended by the Historical Commission from monies transferred into this fund in FY'07. The source of funds is the sale of publications, such as replicas of the Declaration of Independence and other historical documents; and 3) **The Shellfish Department Revolving Fund**. In Fiscal 2005, the Town authorized a surcharge of \$50 on shellfish licenses with an understanding that all such funds would be spent on improvements to the shellfish resources of the Town. At the Special Town Meeting in October 2005, the Town created a revolving fund where the **\$50** license surcharge fees are deposited. Before any funds are expended from the shellfish fund, a plan and budget must be submitted to and approved by the Town Manager.

Lastly, the Code Enforcement Revolving Fund will be eliminated in FY 2008. The unexpended balance in this revolving fund will be used to fund capital items listed in Article 7.

**FISCAL
IMPACT:**

Revolving funds operate outside the General Fund of the Town, and as such, they do not impact the local tax rate.

ARTICLE 19 Committee Reports

SUMMARY:

Standing Committees of the Town report each year on the nature of their activities. Sometimes laced with some humor, these reports provide a breather from action on the other business of the meeting.

The Standing Committees of the Town include the Historic District Study Committee; the Commuter Rail Committee; Ipswich Coalition on Youth; Hall-Haskell Committee; the Open Space & Recreation Committee and the *Ad Hoc* Committee examining the Feoffees of the Grammar School. These committees were established by the Town Meeting and are entitled to report.

Other committees have been established by the Board of Selectmen, the Town Manager and by citizen groups. Reports of Selectmen committees are carried in the Town Report, and the Moderator feels that this is sufficient. However, any committee not established by Town Meeting may offer a verbal report under this article with prior permission of the Moderator.

The list of functioning committees not established by Town Meeting includes: Affordable Housing Trust Fund Committee; the Agricultural Steering Committee; Council on Aging; The Athletic Playing Fields Study Committee; the Audit Committee; the Bridge Advisory Committee; the Commission on Energy Use and Climate Protection; the Cable TV Advisory Board; the Community Development Plan Implementation Task Force; the Coastal Pollution Control Committee; the Deer Management Committee; the Eight Towns and the Bay Committee; the Emergency Management Committee; the Fair Housing Committee; the Government Study Committee; the Ipswich Bay Circuit Trail Committee; the Mosquito Control Advisory Board;; the Parking Committee; the Recreation Committee; the Recycling Committee; the Sandy Point Advisory Committee; the Shellfish Advisory Board; the Shade Tree and Beautification Committee; the Storm Water Committee; the Wind Power Committee and the Waterways Advisory Board.

FISCAL IMPACT:

The reports themselves have no fiscal impact.

ARTICLE 20 Special Act: Removing the Chief of Police from Civil Service

SUMMARY:

This article asks the Town Meeting to approve a Special Act requesting the Massachusetts Legislature to approve legislation to remove the Ipswich Chief of Police from Civil Service.

This proposal was supported by a majority of the Board of Selectmen. It will not apply to the hiring of the next Police Chief this year but would apply to a Police Chief hired after January 1, 2009. The proponents maintain that removal from Civil Service would open the position of Police Chief to a wider pool of applicants.

**FISCAL
IMPACT:**

There is no impact on the tax rate.

ARTICLE 21 Liqueurs and Cordials

SUMMARY:

This article requests the Town Meeting to accept Section 2 of Chapter 481 of the General Laws to permit restaurants that hold a license to sell wines and malt beverages to also sell liqueurs and cordials with written approval of the Board of Selectmen.

**FISCAL
IMPACT:**

There will be no impact on the local tax rate, although the Town will raise additional revenue from these licenses.

ARTICLE 22 High Street Sewer Extension

SUMMARY:

At the April 7, 2003, Annual Town Meeting, Article 20 authorized a sewer extension in the vicinity of 203-225 High Street, in excess of 500 feet. Also authorized was the borrowing of **\$116,000** for the design and construction of the 750 feet of sewer main to serve the 9 dwelling units in the project area.

Engineered plans and specifications were completed once 75% of the project abutters had signed covenants agreeing to pay for the project. Bids were opened on September 7, 2006 with the low bid being **\$214,576**. Due to the significant cost increase over the authorized borrowing amount, the October 16, 2006 Special Town Meeting authorized an increase of the borrowing amount to **\$275,000** (which included construction, engineering, legal and contingency funds). The increased financial impact to abutters required that new covenants be signed indicating the new project cost. The necessary signed covenants were not returned to the Town; therefore, the project was not constructed.

A strong interest in sewer along High Street remains and a larger project to include more properties was thought to lower the cost per dwelling unit. The sewer subcommittee met on November 21, 2006 and agreed to support a new sewer extension in the vicinity of 203-247 terminating at the intersection of High Street, Mile Lane and Paradise Road. This project is estimated to cost **\$710,000** including engineering, construction and legal fees. It is estimated that 22 existing and potential dwelling units exist in the project area (figure to be confirmed by Planning Department). The estimated cost per dwelling unit would be **\$32,273**. This article will increase the borrowing authorization to **\$710,000**.

FISCAL IMPACT:

There will be no impact to the tax rate. This project is estimated to cost **\$710,000** and to serve 22 existing and potential dwelling units, for an estimated unit cost of **\$32,273** per unit. The cost of this project will be 100% bettered to the abutters.

ARTICLE 23 Electric Department Sub Station Project

SUMMARY:

IMLD commissioned a study of its distribution based on system loading information obtained in the year 2006. This study compliments ongoing planning issues addressed in past studies. Planning studies are the industry accepted tool for providing short term and long term horizon planning of utilities systems. The original study issued in September 2006 was up dated in January 2007. The study findings have been presented to the Electric Subcommittee with recommendations of going forward with planned distribution upgrades outlined in Improvement Plan #1.

Improvement Plan #1 recommends the construction of a new 23 kV -13 kV double ended substation at the present site of the 13 kV to 4 kV substation on Vermette Court. The site, owned by IMLD, is a 20,088 square foot (.461 acres) parcel of land located at the end of Vermette Court, a dead end court of Washington Street.

The substation will contain two new power transformers which will be supplied by two new 23 kV sub transmission lines. One sub transmission line will run directly from the High Street substation. The second will run from Vermette Court to an area close to Town Farm Road where it will tie into the existing 23kV sub transmission line, currently feeding the Fowlers Lane substation. These two new lines will complete a 23 kV loop throughout the west side of Ipswich.

Five new 13 kV distribution feeders will originate at the new substation. These feeders and their associated equipment will be built as overhead feeders through the roadways in the area. They will provide needed load relief to existing feeders originating at the High Street and Fowlers Lane substations. Based on initial and redefined cost, IMLD seeks authorization through Article 23 to borrow the estimated **\$7 million dollars** to fund this project.

FISCAL IMPACT:

Based on the project cash flow analysis, borrowing of **\$4 million** will occur shortly after April town meeting. The remainder of the borrowing will occur late in FY 2008 with the first interest payment due in FY 2009. It is expected that the debt service for this project will increase electric rates by one-half cent (\$.5).

ARTICLE 24 Water Project Bond

SUMMARY:

Over the past two years, a number of businesses on Route 1 have been notified by DEP that their drinking water wells were not in compliance with State regulations due to the wells' proximity to the on site septic systems. Water service does not currently exist on Route 1 between Linebrook Road and the Ipswich Country Club. The owner of The Majestic Dragon Restaurant inquired about future extensions of the water system in this area. As a result, the Water Subcommittee asked that an analysis be done on potential system improvements associated with an extension tying the existing water main on Linebrook Road to the existing main located within the Ipswich Country Club.

New England Civil Engineering Corporation performed a hydraulic analysis on four scenarios associated with potential looping of the water system in this area. Based on this analysis the subcommittee recommended a project to install a 10 inch water main along Route 1 from Linebrook Road to the Ipswich Country Club. The analysis indicated that the project would improve fire flows in the area of outer Linebrook.

The extension will be approximately 3,600 feet with a cost estimate of **\$1.33 million**.

FISCAL IMPACT:

Assuming borrowing **\$1.33 million** for twenty years at 4.5%, the average debt service associated with this project would be **\$90,000**. This would have an impact of about 4.5% in water rates or approximately **\$25** per customer per year.

ARTICLE 25 Establishment of Affordable Housing Trust Fund

SUMMARY:

The 2003 Annual Town Meeting passed a warrant article which authorized the Selectmen to petition the Massachusetts General Court to establish an Affordable Housing Trust Fund (AHTF) to provide a needed capacity to create and preserve affordable housing. In June of 2004 the State legislature approved the special legislation, and the Town established an affordable housing trust fund pursuant to it.

As the need for communities to create an AHTF grew, a flourish of varied petitions across the state created some confusion. As a result, in late 2004 the Legislature passed an enabling Act, which set a standard for the design, organization and powers recommended for an effective AHTF.

The proposed warrant article for spring 2007 seeks a vote to accept these standardizing provisions of General Laws Chapter 44 Section 55C, thereby establishing a new trust more in line with the required scope of powers preferred by the Massachusetts Department of Housing and Development. Currently, our local trust cannot purchase or dispose of property without a vote at Town Meeting. This limitation means an affordable unit facing foreclosure cannot be purchased back in a timely manner and the unit's affordability is lost at the auction. This has happened once already and threatens to occur again in the near future. Likewise opportunities to secure valuable property via a negotiated purchase are limited. As well, the current Trust is not in conformity with state statute and therefore presents complications for use and interpretation by attorneys retained (including Town Counsel).

FISCAL IMPACT:

There is no fiscal impact.

ARTICLE 26 Combining Affordable Housing Trust Funds

SUMMARY:

The Ipswich Affordable Housing Trust Fund was established by special act of the legislature. Article 25 proposes to establish a new Affordable Housing Trust Fund in accordance with state statute.

In order to transfer monies in the existing Trust Fund into the new Fund, a special act is necessary. This special act would close out the older Fund and transfer all funds into the new Affordable Housing Trust Fund.

**FISCAL
IMPACT:**

There is no fiscal impact.

ARTICLE 27 Riverwalk Bonds

SUMMARY:

The April 2004 Annual Town Meeting authorized the appropriation of up to \$75,000 in bonds to allow the Town to meet its funding obligation for a portion of the construction costs of the Downtown Riverwalk. Because the Town was able to obtain additional PWED funds to cover its obligation, the \$75,000 was not necessary for direct expenses related to the Riverwalk's construction. However, there are a number of indirect costs associated with the Riverwalk construction that relate to the integration of the Riverwalk into the South Main Street neighborhood. These include the construction of a new crosswalk directly across from the Riverwalk entrance, an extension of the existing sidewalk on the north side of South Main Street so that it connects with the new crosswalk (sidewalk terminates at Hall Haskell House, the creation of a footpath network that extends from South Main Street through the Memorial Green to the parking lot, and associated landscaping along South Main and within the Memorial Green.

FISCAL IMPACT:

This assumes a borrowing of **\$75,000** for 10 years at 4.5% interest. In the first year, **\$2.13** would be the cost on the average tax bill of **\$4,462.27**. Each year the amount would decrease, until the last year when it would cost about **\$1.54** on the average tax bill.

ARTICLE 28 Drainage Easement over Town Land

SUMMARY:

In the mid 1990s the Planning Board approved the ten-lot "Hood Farm Estates" open space preservation subdivision located off of Boxford Road. As part of that subdivision, a drainage retention basin was constructed near the intersection of Hood Farm and Boxford Roads, on land that was ultimately deeded to the Town as open space under the jurisdiction of the Conservation Commission. In addition to owning the land, the Town also holds a drainage easement over the detention basin.

Last year the Planning Board approved a twenty-lot subdivision on property adjacent to the Hood Farm subdivision. As part of that approval, the developer built a drainage system that collects runoff from approximately four of the twenty house lots and runs it into the existing drainage retention basin at Hood Farm. Because this action places an additional burden on the existing drainage easement over the detention basin, the developer must obtain a drainage easement from the Town (The developer currently has a license to allow this additional runoff burden, but since a license can be terminated the easement is preferable). In order to grant the required easement, the Conservation Commission need authorization from Town Meeting, and the Selectmen need authorization to file special legislation which would enable them to convey the easement.

The April 2002 Annual Town Meeting authorized the Conservation Commission to grant the drainage easement, and it authorized the Selectmen to petition the General Court, whose approval was needed under Article 97. The Selectmen petitioned the General Court, but the State Legislature did not act, and the Town Meeting authorization has now gone stale. This article would reestablish the Town Meeting approval so that the state legislature can take this up anew.

FISCAL IMPACT:

Minimal. To accommodate the additional runoff, the detention basin will need to be expanded somewhat, at the developer's expense. Maintaining an enlarged detention basin will likely involve some additional time and thus likely some minimal additional expense.

ARTICLE 29 Reconsideration of Articles

SUMMARY:

This article will permit the Town Meeting to reconsider any and all previous articles raising and appropriating money which have a direct impact on the tax levy for the next fiscal year. The purpose is to finalize a budget which is balanced and in compliance with the levy limit provisions of Proposition 2½, so that certification of the FY 2007 tax rate can be completed successfully.

**FISCAL
IMPACT:**

The impact will not be known until all other money articles have been acted upon.