

OFFICE OF THE
EXECUTIVE ASSISTANT



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Town of Hudson

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To: Registered Voters

From: Thomas Gregory

Date: May 1, 2023

Re: Annual Town Meeting – Summary of Warrant Articles

The purpose of this memorandum is to provide to the registered voters attending the Annual Town Meeting on May 1, 2023 a summary of each of the articles which appear on the Warrant. While this summary is intended to provide a brief explanation of the articles, please be advised that the Warrant remains the official document to be considered at the Annual Town Meeting.

Article 1 – This article recommends that the Town’s General Bylaws be amended by adding a new Stormwater Utility Bylaw. Acceptance of this new bylaw would allow the Select Board to promulgate regulations and implement a stormwater utility fee so that the Town can continue to remain in compliance with the federal permit which regulates stormwater in Massachusetts. Stormwater utility fee revenue would be captured in the Stormwater Enterprise Fund which Town Meeting authorized last November specifically for stormwater-related expenditures. A majority vote of Town Meeting is required for the passage of this article.

Article 2 – This article recommends that \$417,796 be transferred from previously certified and available Free Cash for the purpose of resolving projected current fiscal year departmental deficits including a deficit in the snow and ice control expenses account. At their meeting on April 27, 2023, the Finance Committee deemed this transfer to be necessary and appropriate and recommended favorable action. Please see the separate memorandum which provides additional background on this article. A majority vote of Town Meeting is required for the passage of this article.

Article 3 – This article, occurring each year, recommends funding an operating budget for the fiscal year that begins on July 1, 2023 and ends on June 30, 2024. The article includes the salaries and expenses of all municipal departments, including the school department, as well as debt service costs and operating support such as health insurance and the pension assessment. The Town’s assessment from the Assabet Valley Regional Technical High School is also included in this article. A majority vote of Town Meeting is required for the passage of this article.

Article 4 – This article, occurring each year, recommends the adoption of a plan of capital improvements and acquisitions for FY2024 to be funded by a transfer of \$1,615,258 from previously certified and available Free Cash. Included in this article is a \$300,000 request to supplement the Town’s Chapter 90 apportionment from the state for roadway improvements. Hudson’s projected Chapter 90 apportionment for FY2024 is \$577,729. A majority vote of Town Meeting is required for the passage of this article.

Article 5 – This article recommends a transfer of \$200,000 from previously certified and available Free Cash to fund renovations to the Town’s HVAC system which at twenty (20) years old has reached the end of its expected useful life. The March 2023 cost estimate for renovating the existing system with the same technology is \$1.67M; and the estimate to install a fully-electric heat pump system is \$2.54M. If approved, this article would add \$200,000 to \$288,772 in funds already on account for HVAC improvements. A majority vote of Town Meeting is required for the passage of this article.

Article 6 – This article, occurring each year, recommends that a total of \$432,125 be appropriated from the PEG Access and Cable Related Fund, a special revenue fund, to support the operating costs of the HUD Access Television Studio as well as the costs associated with the Town’s Internet Network operations. These funds are derived from fees collected from customers by the cable operators in Hudson in connection with the franchise and required by cable licensing agreements to be used in support of public, educational, and government (PEG) programming. A majority vote of Town Meeting is required for passage of this article.

Article 7 – This article, occurring each year, recommends that \$25,000 be raised and appropriated and transferred into the Unemployment Compensation Trust Fund to fund the costs associated with reimbursements to the Commonwealth for unemployment compensation benefits and administration. These expenses had previously been carried in the operating budget until Town Meeting established a trust fund in May 2017 to better respond to fluctuations in expenses from year to year. A majority vote of Town Meeting is required for the passage of this article.

Article 8 – This article, occurring each year, recommends that \$125,000 be raised and appropriated and transferred into the Workers Compensation Trust Fund to fund the annual premium associated with this required insurance coverage. These expenses had previously been carried in the operating budget until Town Meeting established a trust fund in May 2017 to better respond to trends in premium costs from year to year. A majority vote of Town Meeting is required for the passage of this article.

Article 9 – This article recommends that \$100,000 be raised and appropriated and transferred into the Town’s Stabilization Fund. This fund is a reserve which is also called the “rainy day fund.” Expenditures out of this fund, requiring a 2/3rds vote of Town Meeting, can be made for any lawful purpose. In practice, communities use these funds in order address fiscal emergencies due to unforeseen circumstances. The current balance in the Stabilization Fund is \$2,171,479. A majority vote of Town Meeting is required for the passage of this article.

Article 10 – This article recommends that \$750,000 be transferred from previously certified and available Free Cash to fund the Other Post-Employments Benefit (OPEB) Liability Trust Fund. The OPEB Trust Fund was established in November 2016 so that the Town can reserve funds to address the future costs associated with the provision of health insurance to municipal retirees. The current balance in the OPEB Trust Fund is \$384,888. A majority vote of Town Meeting is required for the passage of this article.

Article 11 – This article, occurring each year, recommends that \$100,000 be raised and appropriated for transfer into the Reserve Fund to provide for extraordinary or unforeseen expenditures in FY2023. General Laws, Chapter 40, Section 6 grants the Finance Committee exclusive control of releasing funds from the Reserve Fund upon request. A majority vote of Town Meeting is required for the passage of this article.

Article 12 – In November, Town Meeting authorized the establishment of enterprise funds for water, sewer, and stormwater operations. This article recommends a FY2024 budget to fund the water enterprise fund. Beginning in FY2024, all water revenues and expenses will be segregated in this separate fund. In addition, any year-end surplus remaining from water operations will be certified by the Department of Revenue as retained earnings which can only be used for water purposes in subsequent years. This article will be a recurring article each May. A majority vote of Town Meeting is required for the passage of this article.

Article 13 – Similar to Article 12, this article recommends a FY2024 budget to fund the sewer enterprise fund. Beginning in FY2024, all sewer revenues and expenses will be segregated in this separate fund. In addition, any year-end surplus remaining from sewer operations will be certified by the Department of Revenue as retained earnings which can only be used for sewer purposes in subsequent years. This article will be a recurring article each May. A majority vote of Town Meeting is required for the passage of this article.

Article 14 – Similar to Articles 12 and 13, this article recommends a FY2024 budget to fund the stormwater enterprise fund, contingent upon the passage of the Stormwater Utility Bylaw in Article 1. Beginning in FY2024, all stormwater revenues and expenses will be segregated in this separate fund. In addition, any year-end surplus remaining from stormwater operations will be certified by the Department of Revenue as retained earnings which can only be used for stormwater purposes in subsequent years. This article will be a recurring article each May. A majority vote of Town Meeting is required for the passage of this article.

Article 15 – This article, occurring every year, recommends that funds be appropriated or reserved from the community preservation annual revenues in specific amounts recommended by the Community Preservation Committee for FY2024. Towns that have adopted the Community Preservation Act (CPA) generate monies through the implementation of a local CPA property tax (1% in Hudson) and through the receipt of annual matching funds from the statewide CPA trust fund. The statewide CPA trust fund revenues are derived from a surcharge placed on all real estate transactions at the state's Registries of Deeds. A majority vote of Town Meeting is required for the passage of this article.

Article 16 – This article recommends two (2) appropriations from the Community Preservation undesignated fund balance for the following purposes: \$36,000 for matching funds to a Mass Trails grant for the design study of the 2.6 miles of the Central Massachusetts Rail Trail; and, \$3,000 to purchase and install a sign at the Albertini Recreation Land on Wilkins Street. A majority vote of Town Meeting is required for the passage of this article.

Article 17 – This article recommends that \$80,581.60 in FY2024 Community Preservation Funds be transferred from the Community Preservation Reserve for Community Housing Fund Balance to the Municipal Affordable Housing Trust. A majority vote of Town Meeting is required for the passage of this article.

Article 18 – This article recommends that \$107,500 be transferred from the Community Preservation Undesignated Fund Balance to pay the FY2024 debt service costs associated with the Centennial Beach renovation project borrowing. This article will appear on the Warrant each year until the debt for this project has been retired. A majority vote of Town Meeting is required for the passage of this article.

Article 19 – This article, occurring on the Warrant each year, recommends that \$670,093 be appropriated to offset the operating costs of maintaining joint police and fire dispatch. In an agreement signed in 2010, the Hudson tenants within the Highland Commons Shopping Center are required to provide public safety fees to the Town to cover the costs of the Town's dispatch operations. A majority vote of Town Meeting is required for the passage of this article.

Article 20 – This article, occurring on the Warrant each year, recommends that \$7,100 be transferred from previously certified and available Free Cash to cover Hudson's share of the ongoing expenses related to invasive weed control on Lake Boon. The Lake Boon Commission was created in 1941 by the State Legislature to regulate recreational activities and the use of motorboats on Lake Boon. Expenses are allocated between Stow and Hudson, with Stow responsible for 2/3rds and Hudson responsible for 1/3rd. A majority vote of Town Meeting is required for the passage of this article.

Article 21 – This article recommends that \$3,000 be transferred from available funds (Free Cash) to cover the costs of OARS, Inc., a local non-profit organization, which performs annual water quality monitoring of the Assabet River in Hudson as well as services to control invasive water chestnut plants in the Assabet River in Hudson. A majority of vote of Town Meeting is required for the passage of this article.

Article 22 – This article recommends an appropriation of \$23,975,884 via borrowing to fund the design, permitting, and construction costs of a new consolidated Department of Public Works Operations Facility at 1 Municipal Drive. The existing conditions of multiple buildings on this site have degraded to a point where a full-scale replacement is required. The requested appropriation is contingent on favorable passage of a ballot question at the May 8, 2023 annual town election to exempt from the limitations of Proposition 2 ½ the amounts required to pay the principal and interest costs of this borrowing. The impact to the average residential single-

family tax bill in the first year is projected to be is \$279. A 2/3rds vote of Town Meeting is required for the passage of this article.

Article 23 – This article recommends that \$73,625 be transferred into the Opioid Settlement Stabilization Fund, a fund which was established by Town Meeting last November. The Town is a party to multi-district litigation at both the state and federal level. Settlements have already been reached with some of the opioid manufacturers and distributors and funds are beginning to be disbursed to communities. The Health Department will be formulating a plan to use these funds for specific harm reduction and prevention activities. A majority vote a Town Meeting is required for the passage of this article.

Article 24 – The Town of Hudson is the lead community in the Metro-West Shared Public Health Services District comprised of eight (8) communities. The article recommends that a new revolving fund be established by amending the Town’s General Bylaws so that funds received from participating communities can be more efficiently be accounted for and expended for the purposes stated in the article. A majority vote of Town Meeting is required for the passage of this article.

Article 25 – This article recommends that a new revolving fund be established by amending the Town’s General Bylaws so that the Health Department can receive payment and reimbursement into a revolving fund to be able to provide free or low-cost vaccination services to the residents and employees of the Town. A majority vote of Town Meeting is required for the passage of this article.

Article 26 – This article, occurring on the Warrant each year, authorizes the annual spending limit for all of the Town’s revolving funds. A revolving fund is intended to capture fees or other revenue so that expenses related to the purpose of the fund may then be paid. Revolving funds have been established in the Town’s General Bylaws, and each year Town Meeting authorizes a spending limit for each revolving fund. A majority vote of Town Meeting is required for the passage of this article.

Article 27 – This article, occurring on the Warrant each year, recommends that the Town accept \$225,000 from Hudson Light and Power. These funds are intended to cover the indirect costs born by the Town in support of Hudson Light and Power operations. When approved, these funds will be applied to Line 53 (Contributory Retirement and Pensions) in the operating budget (see Article 2). A majority vote of Town Meeting is required for the passage of this article.

Article 28 – This article recommends amending the Town’s General Bylaws by deleting Article VI, Section 7 and replacing it in its entirety by the text included in the Warrant article. The purpose of this article is to update the fee schedule for dog licensing so that there is alignment with the most current state statutes relating to dog licensing. A majority vote of Town Meeting is required for the passage of this article.

Article 29 – This article recommends that the Select Board be authorized to convey the Hudson Armory to the Hudson Cultural Alliance (“Alliance”). With the passage of Chapter 43 of the Acts of 2022 last year, the Commonwealth’s Division of Capital Asset Management and Maintenance (DCAMM) conveyed the Armory to the Town for the specific purpose of constructing a performing arts facility. Last year, Town Meeting authorized a lease between the Town and the Alliance which intends to undertake the required renovations. The Alliance has requested that the Town convey the parcel to them so that they are better positioned to accomplish fundraising activities. The reversionary clause which is currently referenced in the deed will be conveyed to the Alliance and have the same effect as it currently has. Once Town Meeting authorizes the conveyance, a specific statutory process which provides for the disposition of public property will be followed. A 2/3rds vote of Town Meeting is required for the passage of this article.

Article 30 – This article, occurring on the Warrant each year, provides an opportunity for various Town Departments, Boards, and Committees to present any reports at Town Meeting. A majority vote of Town Meeting is required for the passage of this article.

Article 31 – This article recommends that a portion of Forbes Road be accepted as a public way together with acceptance of certain drainage and utility easements. Once a roadway has been constructed to standards acceptable to the Department of Public Works and the Planning Board, Town Meeting has the authority to accept the road so that it can become a public Town way and be maintained in the future by the Town. A 2/3rds vote of Town Meeting is required for the passage of this article.

Article 32 – This is a petitioned article occurring on the Warrant each year which requests that \$20,000 be transferred from available funds (Free Cash) to fund addiction related services provided by the Addiction Referral Center in Marlborough. A majority vote of Town Meeting is required for the passage of this article.

Articles 33-35 are petitioned articles.

cc: Select Board
Finance Committee
All Departments
Interested Parties