

Minutes of meeting on August 21, 2013
Submitted by Will Kingkade

I. Attendance: Phil Ciaramicoli, Aldo Cecchi, Al Correia, Bob DeVita, Jerry Hiatt, Joyce Lavigne, Chris Morin, Dave Morganelli, Mike Schiavi, Vincenzon Valastro

II. Meeting called to order at 7:00 PM

III. Al Correia recommended approving minutes of last meeting at the next scheduled meeting. The members agreed.

Al officially recognized John Kelley's resignation from the Finance Committee and thanked him for his years of service. Al recommended that if his schedule allows him to serve in the future that the Committee would like to have him return.

Al asked Dave Morganelli to report to the full committee the preliminary concerns collected from the members and presented as a single draft document.

IV. Dave Morganelli collected all concerns and questions from Committee members via email and drafted a letter to Selectmen.

Phil Ciaramicoli asked how he/we should present our concerns regarding the draft host agreement. Al explained that Dave drafted a preliminary report that would be finalized tonight.

The host agreement sub-committee went through the scenarios provided by Paul Abbondanza.

Mitigation Measures discussed:

Need to be able to come back to table to negotiate

All numbers agreed upon should be minimums

120K for schools not enough especially if any special education students (1 in 5)

Pay all increases in RTA assessment because of added routes

Make up for decrease in state aid (chaps 70 & 90)

Unemployment escrow

Increase in benefits

Ease out clause (make whole clause)

Minimum of \$18 mil (regardless of valuations)

Minimum payments to police and fire (add Highway not currently in agreement)

Multi-family housing program (should be owner occupied 1-3 family if anything)

Should be able to "decommission" facility (additional default clause)

Maintaining the dual tax rate

Gross formula is meaningless. Should be discussing net financials only

Respectfully request an opportunity to review any host agreement

Dave collected additional comments and concerns and would finalize the draft to send and present to the Board of Selectmen at their next scheduled meeting.

V. Members' Comments/Concerns

Chris Morin:

Additional departments costing almost \$1 million per year and \$1 million in one-time upfront costs

Anything additional as a result of a host agreement will come from the \$19 million if the cost is not mitigated in the final agreement

Does not want to agree to allowing the casino to go to arbitration to lower the financial terms of the host agreement

Marc Schaen (Reported by Chris Morin):

If the casino leaves will the town be responsible for any monies or in-kind that they provide to the town?

CPI vs. other evaluative tool could have negative results

Sovereign Immunity waiver

Minimum percentage of Milfordians hired

Agreement says a minimum of 3 months residency. Marc feels too short.

Look for candidates who can meet the strict standards, but 10% would be a good minimum

Wants to be informed of what a transfer of ownership would look like

Term of any host agreement should go at least as long as the term of the license issued by the Gaming Commission. Can it be reopened/renegotiated?

So far only agreed to \$400,000 to the Fire Department. No mention of renovations to the Birch Street location or a new or renovated ladder truck.

Any CDBG monies received effect the mitigation to Milford schools according to the host agreement.

Phil Ciaramicoli:

Have a number of questions regarding the host agreement after going through the exhibits of the draft agreement.

Recommended that the members read the exhibits. They reference many of the concerns raised by committee members.

The minimum floor payment is \$18 million.

A lot of discussion about the casino, but it seems that the host agreement is moving along too quickly.

Sewer Department has two employees added as a result.

COLA and CPI adjustment and we need to understand the community grant of \$15 million in upfront payments.

Annual payments refer to casino revenues (how do they tie together?)

Community development fund established in the host agreement should be administered by the town to assist home owners who have lost value at time of sale.

Need to define "area" when discussing residency/hiring.

(D3) before and after school aid Milford receives difference of the money before and after casino up and running.

Liquidated damages in a result of bankruptcy and loss of license.

\$7,100.00 per day of damaged period inclusive and exclusive of real estate taxes.

What do liquidated damages mean?

Michael Schiavi:

Sensitive to the tone of letter - "concerns" being negative.

What's the recourse of hiring less than a committed minimum of hiring standards.

Was a difficult time to mitigate promises not kept.

Comparison to other host agreements in MA.

Where is it best to put casinos?

Committed on bankruptcy

Joyce Lavigne:

No comment.

Aldo Cecchi:

Negotiate hard

Jerry Hiatt:

Listening carefully-digesting material

Al Correia:

Read the 10 points (distributed under separate cover), make sure accurate, present to Dave Morganelli for submittal in final draft letter to Selectmen.

Explained the levy process

Bob DeVita:

What is the strategy going forward?