

IN BOARD OF SUDBURY SELECTMEN
MONDAY, JULY 30, 2018

Present: Chairman Robert C. Haarde, Vice-Chairman Daniel E. Carty, Selectman Patricia A. Brown, Selectman Leonard A. Simon, Selectman Janie Dretler, Town Manager Melissa Rodrigues, and Jonathan Silverstein, Town Counsel.

The statutory requirement as to notice having been complied with, the meeting was convened at 1:07 p.m. at the Lower Town Hall.

Chairman Haarde opened the meeting stating there was a slight delay due to some technical difficulties. The three parties responding to the RFPs for the Melone property will be interviewed at this meeting.

Town Manager Rodrigues stated that the idea of gathering proposals for the Melone property began in May, and on July 2 three proposals were received: Cavicchio Greenhouses, Inc., EDF Renewables, and Quarry North Road LLC. The Board drafted questions which they will present to the proposers today, and the questions were sent to the three proposers on Friday. She detailed that the Board will stick to these questions, but would be allowed to ask any follow-up questions pertaining to the proposal or the presentation. At today's meeting only the Board will be asking questions, but at the August 14 meeting there will be an opportunity for the public to ask questions and provide feedback to the Board.

Cavicchio Greenhouses, Inc.

Presenter: Paul Cavicchio, President of Cavicchio Greenhouses, Inc., 110 Codjer Lane, Sudbury, Nicola Cavicchio, Treasurer of Cavicchio Greenhouses, Inc., Tom Cottons of Cavicchio Greenhouses, Inc., and Glen Harrison of Cavicchio Greenhouses, Inc.

Mr. Cavicchio stated that in 1910 his grandfather bought the 57-acre farm, which had an orchard, and in 1938 turned it into a vegetable farm. His father came along in the 1930s, and purchased another 50 acres, growing vegetables and started growing flowering plants in the greenhouse. He maintained that today there are 200 acres of fields owned by Cavicchio Greenhouses, who produce annuals, perennials, and holiday plants and the business continues to grow. He and his daughter want the business to keep growing, which is why they responded to the RFP. He added that Tom Cottons has been an employee for 35 years starting as a truck driver and was also talented in sales. Mr. Cottons has played a major role in the success of the business. Mr. Cottons was an important partner starting when they had about 10 employees, and now have 400 employees. Cavicchio Greenhouses ships to 80-90 miles away from Sudbury, and is one of the largest suppliers to landscapers and garden centers. The company does much composting and plastic recycling. The greenhouses are heated by wood provided by landscapers who have cleared lots.

Mr. Cavicchio said that his proposal advocates expansion of the business, and needs more land to do so. He liked the Melone property for several reasons. The piece belonging to the Water District is important, though it does need much work. The site is also appealing because the Town does not have to incur cost, and Cavicchio Greenhouses is not seeking subsidies, or making major changes with utilities, roads, etc.

Ms. Cavicchio shared that they wish to continue the farming tradition and give back to the community, which they have been a part of for many years. The company has taken pleasure in providing horticulture/agriculture scholarships to Sudbury students, and this proposal would also provide seed monies for affordable housing. Mr. Cavicchio added that the proposal included provision for funding of recreation, town parks, and beautification.

Ms. Cavicchio commented that whether they are granted the proposal or not, they will continue to aid in the beautification of the Town, will help maintain the character of the Town and support young people interested in this industry.

Mr. Cavicchio added, that if possible, he would like to contribute to the Town's Conservation efforts for land preservation in Sudbury.

Chairman Haarde asked the question: What is the net present value of your proposal, and how do you arrive at that number?

Mr. Cavicchio answered that he googled the mapped area, measured every 180 feet, and figured an acre for every lot, thus arriving at 12 to 13 lots. He also spoke to a Sudbury realtor who told him that an undeveloped lot was worth between \$300,000 and \$350,000. He took \$325,000 multiplied it by 12, and came up with \$3,900,000, and then added another \$100,000 for "good luck."

Vice-Chairman Carty asked: What is the estimated yearly payment for taxes to Sudbury, and what do you expect the estimated costs to the Town to be, if this proposal goes forward?

Mr. Cavicchio said that he never made it to the assessor's office to ask what that value would be, but looked at his own property, which is just under 200 acres and said that he spent \$75,000 in real estate taxes, and figured that 36 acres at the Melone Property represented about 20% of land area he currently has, and 25% of the \$75,000 was worth approximately \$15,000 to \$20,000 in real estate taxes. He added that this calculation was crude, but believed it was close.

Town Manager Rodrigues said that all department heads are present at this meeting today, and that the Town Assessor would probably be communicating on this matter. She asked if Mr. Cavicchio was planning to do any building on the property. He answered that he does have some buildings on his existing property, and presently would like to use Melone as fields only but perhaps that could change in the future.

Selectman Simon said that Mr. Cavicchio's calculation method was essentially correct, however, since there are no buildings on the property, the value to the Town in terms of taxes becomes evident when building takes place. He said that the Board received information that taxes on the entire Melone property would be about \$700 per year; so although the math used was correct; the ratio is not, because this is undeveloped land.

Town Manager Rodrigues asked Mr. Cavicchio if he currently pays any personal tax on his property. He replied that he does pay personal tax, but did not know the amount.

Selectman Dretler stated that the Board is referring to the market value of the land which is reduced when it is used only as agricultural land without buildings.

Vice-Chairman Carty asked, what costs should the Town expect, and what would this proposal cost the Town of Sudbury, if the proposal was selected? Mr. Cavicchio responded that it would not cost the Town anything for him to farm, and it would cost Cavicchio Nurseries to prepare the land for cultivating. Vice-Chairman Carty reiterated that the nature of the question concerns increased costs to Sudbury for related infrastructure aspects. Ms. Cavicchio agreed that there was no cost to the Town, no maintenance, or other Town services, and little wear on the roads.

Selectman Dretler commented that wear on the roads might be considerable if many trucks are coming in and out, and asked if the proposers knew how many trucks that would involve. Mr. Cavicchio replied that it would be far fewer trucks than what was present at the gravel pit. Ms. Dretler commented on the direction of the traffic, and thought that it might be south to Codjer Lane, and back and forth on Concord Road. Mr. Cavicchio affirmed that the travel would be on Concord Road and Union Avenue. Ms. Dretler thanked Cavicchio Greenhouses for what they have contributed to the Town.

Selectman Simon asked what other non-monetary value, does this proposal have for Sudbury?

Mr. Cavicchio replied that there would be no increase in traffic, and the “open space” and rural feel of the Town would be maintained. Selectman Simon asked if ornamental plants would be produced here as well, and asked about vegetables. Ms. Cavicchio stated that many vegetables are grown now with herbs as well as fruits so it could be more of that. Mr. Cavicchio mentioned that the longer it takes for produce to mature, the less trucking would be involved, so he might consider crops that take longer to grow for the Melone site. Selectman Simon asked if the proposal might include more than an agricultural purpose. Mr. Cavicchio responded that the company does do composting.

Selectman Simon asked if any kind of recreational facility might be considered. Mr. Cavicchio responded in the negative, saying that if there was any extra land after farming was developed, that might be a consideration. Ms. Cavicchio asked Selectman Simon what he had in mind. Selectman Simon answered that they might consider some kind of recreational use, such as a walking trail, which would be of value to residents. Selectman Simon added that for some recreation use, there would have to be a route of access. Mr. Cavicchio stated that Conservation owns a considerable amount of land in front of the property, which residents could utilize.

Selectman Dretler stated that the ‘open space’ feature mentioned by the proposer is not useful open space, in her mind because she thinks of useful open space as being accessible to residents. Mr. Cavicchio said that Ms. Dretler was correct, and said the farm would have to be enclosed by deer fencing which would limit travel through it. Vice-Chairman Carty interjected that the better term might be undeveloped rather than “open space” and the Cavicchios agreed.

Selectman Brown asked Mr. Cavicchio if he could describe other similar projects that he has developed. Mr. Cavicchio distributed a booklet depicting the farms that he currently maintains. Mr. Cavicchio answered that he has a farm and greenhouse in Leominster which has similarities.

Ms. Cavicchio said that the educational aspect of the proposal is very interesting, and suggested additional related opportunities with the Town such as programs for students, tours, etc. Selectman Simon asked if the Cavicchios had any such educational program in place now. Ms. Cavicchio said that they did not, but would be interested in exploring the potential opportunity.

Selectman Brown noted that one of the pages in the handout is labeled “Leominster Facility” and she asked if plants go back and forth from Codjer Lane to Leominster. Mr. Cavicchio said that was correct, and that the Leominster facility required a lot of work to start. The company installed drip irrigation and in-ground heat for saving on oil/gas. This facility turned into a good operation employing eight people who maintain the products and ship them back to the main farm for distribution.

Selectman Brown asked how much truck traffic was going back and forth. Mr. Cavicchio answered two loads a day on average, but not every day. Selectman Brown further inquired about the relative size of the load, and Mr. Cavicchio replied approximately 13 acres’ worth. Selectman Brown added that would be about a third of the size of Melone.

Mr. Cottens of Cavicchio Greenhouses, commented on the seasonality of this transportation, and said that it would come in bursts rather than being continuous travel.

Selectman Dretler asked if it would be possible to get an analysis of anticipated truck trips throughout the year? Mr. Cavicchio agreed to do that analysis. Selectman Dretler asked if Cavicchio Greenhouses would be willing to work closely with the community in relation to traffic, public safety, and other concerns affiliated with the project? Mr. Cavicchio felt this was already addressed and added that traffic would be minimal, and that public safety is very important to Cavicchio’s. The company is always trying to work with the community and with the neighbors to make things reasonable for everyone. He added that they have received positive feedback from neighbors who are in close proximity to the farms.

Selectman Dretler asked if the Cavicchios were aware of other studies done by the Town regarding the safety of that egress, and asked about the size of the trucks using the egress. Mr. Cavicchio responded that the trucks are 48 feet in size. Selectman Dretler added that Town reports indicate that the egress is difficult because of the line of site. Mr. Cavicchio thought the egress was acceptable, and didn't see it as a hazard. Ms. Cavicchio added that they want to work with the Town to assure the safety of the egress.

Mr. Cavicchio stated that the Melone land would be held in Ch. 61A status, which meant that if he were not successful there, the Town has the option to buy back the property. He added that this proposal is a simple cash deal with no contingencies, and could be put together easily.

Vice-Chairman Carty asked why should the Town choose this proposal, when compared to the other two proposals received? The Cavicchios both said that was a difficult question to answer. Ms. Cavicchio said that it is a business proposal, and the company wants to keep growing, but it's also an emotional proposal. She understands there are many aspects to this decision keeping in mind the well-being of Sudbury. She was nine years old when her father was able to purchase another piece of land, and the farm boomed after that. Now, more than 30 years later, she has the opportunity to work with the children of folks who have worked on the farm for many years. Cavicchio is very proud of their long history in Sudbury.

Selectman Simon mentioned the well on the property, and asked how much water would be needed for the facility, if pesticides would be used and, if so, could those pesticides potentially contaminate the ground water? Mr. Cavicchio answered that the company uses pesticides at all the farms, which is administered safely and minimally. Much of the spraying is biological and the impact at Melone would be the same as the main farm which is zero.

Selectman Simon stated that he recalled that Mr. Cavicchio was concerned about the rail trail going through, because someone on the rail trail might get sprayed by the pesticides, and then bring a law suit against the company. Mr. Cavicchio said that the pesticides used are not toxic, it's the people going by, that feel that they are toxic; and then there is a law suit because people got sprayed; and it could in fact, be plain water. One of the reasons why he likes the Melone property is because the area is isolated. Ms. Cavicchio stated that there is a perception of what could be happening, rather than the reality. She added that much of that revolves around education. Selectman Simon asked again about water usage. Mr. Cavicchio stated that was a difficult question because overhead irrigation is used on the main farm, and drip irrigation would be suggested at the Melone site. Ms. Cavicchio suggested looking further into that question, and said it might be possible to choose a crop at that site that uses less water and is more efficient. Selectman Dretler asked if the Lincoln site was similar in size which might help compare water usage. The Cavicchios replied that they would be happy to submit the water usage record for the Lincoln farm.

Selectman Dretler asked the proposers if they would maintain the current tree barrier so there would be less visibility? Mr. Cavicchio replied that he would want a tree barrier there.

Selectman Dretler mentioned that a portion of the Melone site is in Concord, and asked if there could be any potential for land to be dedicated to the Town for recreational use. Chairman Haarde stated that was already discussed, and reiterated that Mr. Cavicchio said that if there was land he didn't need, the company would consider potential uses, but did not really foresee that happening. Mr. Cavicchio added that there is quite a bit of land, and since he's only using the portion around the pit, there could be recreational opportunities.

Selectman Dretler asked when the proposed development would be in place. Mr. Cavicchio said that it would take planning but thought a year would be reasonable. Selectman Dretler asked how long does it take to get to the up and running stage? Mr. Cavicchio responded that it would be a considerable project because of the condition of the land now. However, he would like to get an acre or two working within a

year and then continue working on improving the remaining land, and they would like to incorporate ponds to recycle the water.

The Board thanked the Cavicchios for their presentation and time.

EDF Renewables

At 1:50 p.m., Chairman Haarde introduced the EDF proposers.

Present: Peter Bay, Project Developer for EDF Renewables, and Steve Remen, Executive Vice President/Business Development for EDF Renewables.

Mr. Bay said that EDF Distributed Solutions is one of three business segments under EDF Renewables North America which is a subsidiary of the largest utility in the world - Electricite de France.

Mr. Bay detailed that the company has been doing this work for 20 years, starting as Gross Resource, from VT and in 2016 was bought by EDF, and have since rebranded to a more consolidated company approach. EDF has over 275 MW (megawatts) of experience nationwide and has 500 MW in the development pipeline.

He described EDF utility projects nationwide. In Massachusetts they've completed seven projects - four with municipal utilities, and three with investor-owned utilities such as Unitil and Eversource. They've also done business in Vermont with Green Mountain Power.

Mr. Bay highlighted that EDF has done over 60 MW projects in landfills, and previously disturbed sites and sandpits fall into that category. EDF just completed the largest landfill solar project in the US located in Maryland.

Melone property details were specified by Mr. Bay who stated that the project capacity there would be 4,500 kWac/5,632 kWdc solar + MW/4 hour duration battery, which translates to 7,228 MW hours of electricity produced every year. The intent for the site is to sell the power via community solar which would allow for discount energy credits to town residents, businesses or municipal accounts to purchase over the 20-year operation period under the SMART Program.

Mr. Bay outlined several important project design considerations as being:

- *wetlands research - to avoid any encroachment with wetland or riverfront buffer areas.
- *endangered species screening.
- *discussion about any concerns related to historical or archaeological matters.
- *very limited tree clearing to the south.
- *respect for aesthetics, and minimizing views as much as allowed including appropriate screening to mitigate that aspect.

Mr. Bay mentioned the anticipated project permits including Sudbury Planning and Economic Development, Sudbury Planning Board, Sudbury Conservation Commission in relation to wetland permits, MA DEP, MA State Historic Preservation, MA National Heritage and Endangered Species Program, EPA, Sudbury Building Department and Eversource Energy. He mentioned that EDF would provide for project modification review, which might be applicable. He explained that MA DEP Solar in Groundwater Protection Zones was the measure they would follow. This includes a formal review and approval process for solar and storage projects in Groundwater Protection Zones, a mandated site plan review, and DEP approval requiring solar and storage be kept 200' distance from well locations with no

associated disturbance, which requires storage to be positioned out of Zone 1 areas as a type of site plan review.

Mr. Bay suggested that the start date for the project to be in operation would be fall or winter of 2019, and that was dependent on Eversource's interconnection timelines, which could push operation into early 2020.

Mr. Bay said that EDF would host open forum sessions to introduce the project and answer any questions. EDF would provide complete project visualizations, and would take any comments received very seriously to mitigate any concerns.

He highlighted the benefits to the Town of Sudbury as being financial, low impact, and environmental. The financial benefits reflected an \$18,250 per acre lease, per year (\$7.3 million over the 25-year term of the lease). The project would negotiate a pilot agreement with the Town proposed at \$15,000/MWdc, or \$84,480 per year (\$2.112 million over the 25-year term). Energy savings through community solar would be projected at \$72,280 in year one, and \$1.379 million over the 20-year term, and stressed that the Town retains property ownership after the 20 years.

When examining local impact benefits, Mr. Bay asserted that the project would have no traffic impact (outside of the several month construction period) or water, sewer, school, or impervious surface burdens. Very little town resources would be needed for operation and maintenance, with no local zoning changes required, with equipment removal and land restoration, at the end of the project life. He met with Sudbury Water District officials, and there may be a potential for expansion with the Water District, and they might consider leasing some of their land for the project. He emphasized that in the "Vision for Melone" reports, several recommendations were made for solar use. In terms of environmental benefits, Mr. Bay cited that carbon sequestered by 6,336 acres of forest each year was a strong benefit, as well as assistance in meeting Commonwealth renewable energy goals, and limited site disturbance and clearing, which lessens concerns about site contamination. A project such as this significantly contributes to the Town's green incentive with zero capital costs to the Town.

Mr. Bay referred to a Benefit Analysis pro forma graph depicting that the energy discount rate for the Town would be 4% and would reflect a projected savings of \$6,824,490.16 (NPV) over the 20-year lease term.

Vice-Chairman Carty commented that the generation declines over time, and asked if it was due to the aging of the equipment. Mr. Bay responded affirmatively. Vice-Chairman Carty asked why the credit value ended after 20 years. Mr. Bay answered that the SMART Program only rolls projects for a 20-year timeframe, and at the end of 20 years, the mechanism would no longer be in place; however, there was a minimum of a 25-year life expectancy for the equipment.

Vice-Chairman Carty asked about the estimated payment for taxes per year, and about the estimated cost for Town services. Mr. Bay responded that the assumption is the company would be paying \$84,000 in taxes per year with the current project footprint, which could adjust upward or downward depending on areas that can be used on the property. The company did not anticipate the Town would be providing water or sewer services or anything beyond the traditional upkeep of the roads, and considered that value to be negligible.

Selectman Brown asked about the pilot plan program (payment in lieu of taxes), and wanted to verify that the Town would accept the pilot payments in lieu of assessing personal property taxes on installed equipment. Mr. Bay affirmed that statement.

Mr. Remen added that there was also a lease payment to the Town which is about \$300,000 annually.

Selectman Simon asked if the presenters could summarize what the total yearly payments to the Town would be. Mr. Bay referred to the Project Benefit Analysis pro forma, and it would depend on the amount of residents and businesses that sign up as subscribers. Selectman Simon went on to describe the aggregate agreement that the Town currently had, and wondered if there would be benefit to signing up with EDF. Mr. Remen stated that the Town's current aggregation program groups residents and businesses together, and buys power in the market, and the community solar project differs in several ways. The first difference is that the company will sell power at a fixed price for 20 years with no changes. Another advantage is that a resident wanting solar has the benefit of solar without having to install the solar panels on their roofs.

Selectmen Simon asked how the proposed project compared to the existing solar on the pit. Mr. Bay said that he did not recall the exact size of the landfill solar project, but thought it might be just over 2 MW in which case the proposed project would be about twice the size from a megawatt perspective. Selectmen Simon said that today's presentation was very informative, and he wondered if the presentation could be put on the Sudbury website in order for residents to review it. Town Manager Rodrigues mentioned that the packet presented is currently on the Town website.

Selectman Simon asked about the net present value of the proposal, and how do was that number derived? Mr. Bay said that using the spreadsheet, or the Project Benefit Analysis pro forma, EDF depicted those values at 4%, and the group could adjust that accordingly.

Selectmen Brown asked what other non-monetary, value did this proposal have?

Mr. Bay stressed the environmental benefits, the clean energy generation aspect, limited site disturbance, and the attainment of local "green" goals. The project would present the least burden to Town resources when compared to the other two proposals. Once the project was up and running, it would just sit there quietly and that zoning issues were probably not a consideration for this project.

Selectman Dretler asked if the GeoInsight Report was reviewed. Mr. Bay said that he looked at the environmental report and saw detected levels of arsenic contamination, and stated that the EDF operation was not on the areas where contamination was detected. Selectman Dretler asked Town Manager Rodrigues to elaborate on that testing. Town Manager Rodrigues added that the testing was for TCE and other chemicals and that result came back relatively clean. Those studies were done in 2012 and 2016, and are available by checking the Melone link on the Town website.

Selectman Dretler asked about other similar projects that EDF has developed.

Mr. Bay answered that in terms of similar projects, EDF has done over 60 megawatts of projects on landfills, ground fills, or previously disturbed sites. In Massachusetts, EDF has completed over 25 megawatts of projects, which are not on environmentally sensitive sites, but were ground-mounted projects. In terms of storage and micro grid projects, EDF has direct experience with MW battery that is connected to a local high school in Rutland, Vermont. The company was recently awarded a project with the Acton Water District on two plus storage projects on former sandpit sites which is similar to this proposal.

Selectman Dretler asked if it was typical for a community to put a solar farm on land that could potentially be developed. Mr. Bay responded that Acton could have had development on that property, but found the EDF proposal more akin to what they were seeking in terms of minimal disturbance, revenues under the lease, and pilot payments. It would be dependent on what a municipality might be looking for. Mr. Remen added that EDF had a project in Amish country, Pennsylvania, where the owner wanted to keep the property in the family, and was not realizing the revenues from farming that he would like, so EDF designed a system. At the conclusion of the term the system was removed and the land returned to farming. He mentioned that EDF has done a considerable amount of sand-gravel pit type

projects. Before construction begins, EDF cleans it up so that when the project is finished, it's in better condition than when the project started.

Selectman Dretler said that the proposers were suggesting a 25-year lease with a ten-year renewal. Mr. Bay answered that the leases are structured for a 25-year initial term. After that lease period, there are two optional 5-year renewal periods. At year 25, EDF would come back to the Town and determine if the system was still operating as intended with good energy generation, and would suggest renewing for another five years. He added that in year 30, that process would take place again. Alternately, if the interest would be to cease operations, then EDF would issue notice to the Town, remove all equipment, and restore the property. Selectman Dretler asked at that time would it be possible for the Town to reject renewal? Mr. Bay replied that he would follow-up with that specific information.

Selectman Simon asked what is the maximum years that an EDF solar facility has run? Mr. Remen answered there have been facilities operating for over 20 years. Selectman Simon asked if the proposed useful life is 25 years, is there evidence to support the premise that it will work as intended with energy output as intended for that long? Mr. Remen said that EDF installed a solar system in Beverly 30 years ago and Beverly let it lapse. An electrician recently reconnected the solar at that location and it is producing almost as much power as it was 30 years ago. Mr. Remen stated that facilities are based on a useful life of 35 years.

Vice-Chairman Carty asked if there has been a significant improvement in the efficiency of solar panels. Mr. Remen responded in the affirmative. Vice-Chairman Carty asked if down the road, should the panels become more efficient, would EDF install improved panels? Mr. Remen replied they would re-panel if it made economic sense. Vice-Chairman Carty commented there's a possibility that more power could be generated in the future. Mr. Remen stated that it is important to note that Massachusetts has strongly advocated for the use of renewables, especially now that other plants are closing (such as Pilgrim) and those deficits have to be made up.

Selectman Dretler asked where the panels were manufactured. Mr. Bay replied that LD modules have been produced in Indonesia. Mr. Remen said those might be manufactured in Korea, and that EDF manufactures world-wide, including the US. He said that it would be difficult to say where these specific panels will come from until EDF places the purchase orders, but right now, most panels are produced in Ohio. Selectman Dretler said that she has done research, and is considering how imposed tariffs might affect the solar industry.

Chairman Haarde asked if EDF is willing to work closely with the community in relation to traffic, public safety and other similar matters. Mr. Bay answered in the affirmative, and said that EDF might contemplate the egress/entrance being covered by security detail during construction. At other times there would be very little traffic, but EDF would do what the Town requests to ease any traffic concerns.

Vice-Chairman Carty asked if there would be a site maintenance program in place after construction. Mr. Bay said that there would be remote monitoring of the system, and if something came up which required a visit to the site, there might be an occasional EDF vehicle. Apart from that, EDF would be mowing the area around the fence line two or three times a year as scheduled.

Vice-Chairman Carty asked what type of security is incorporated around the site, as the Town would not want any trespassing on the site. Mr. Bay said that EDF typically installs an eight-foot height fence and prefers not to use chain link because it is unsightly. In some areas they have used an agricultural-type fence.

Town Manager Rodrigues asked about the price proposal, and commented that the energy savings is not savings for the municipality, but for the entire community. Mr. Bay replied that was correct. He added that the savings mentioned would be realized by subscribers to the project, and so would not

automatically accrue to the Town. There would be an application process with citizens and businesses providing current energy usage with their credit rating, and then fitted into the subscription for the project output for that 20-year term. Selectman Simon asked if the Town would be a subscriber. Mr. Bay answered that the Town would be able to subscribe, and the Water District would also have that option.

Selectman Dretler asked about community benefits aside from the solar energy and subscription. She was aware that some other organizations have provided for access to electricity for lower to moderate income residents. Mr. Bay stated that those groups would have the ability to apply when the project is seeking subscribers. The project would require at least 112 off-takers and that number could fluctuate if there was an influx of residential customers wishing to subscribe. Selectman Dretler reiterated that there is not a specific program for low to moderate income families. Mr. Bay said that within the SMART Program there is a specific part for low-income community subscribers; however, that has a requirement of about 60% low income subscribers, for that total off-take, and EDF has assumed doing so because they are not familiar with how much availability there is. On a stand-alone basis that would be an option for individual off-takers.

Mr. Remen said that the Board should be aware that EDF often works with Towns to incorporate the facility into the local high school curriculum as a teaching tool for renewable, sustainable programs. He reinforced that there is no burden on Town services, traffic is very slight, the property can be returned to present condition, and there is no noise or omissions associated with the passive solar panels.

Mr. Bay added that EDF has no say in what is beyond the site's fence line, but if there was interest in including a nature trail or something related outside the fence line, EDF would help facilitate that project. Selectman Dretler commented that the proposers answered her question before she asked it.

Mr. Remen concluded that EDF has a long record of delivering on what is promised, have been good partners for municipalities across the country, are a substantial company with assurances that a contract will be maintained in every way, and will deliver on that contract for 24 years+ if feasible.

Selectman Brown commented that the pictures displayed showed flat panels. However, because this land is a pit, how is that flat level attained? Mr. Bay stated that EDF benefits from a site survey, which gives the actual topography, and then engineers will figure out where cutting and filling needs to be done to level the area. He added that EDF does not bring new material in or remove existing material. Selectman Brown asked if they anticipated using chemical control on vegetation or the grassed areas. Mr. Bay said not, and the property is reseeded after construction and not treated with pesticides.

Selectman Brown mentioned that in their proposal EDF had concerns about the presence of ledge on the site, and mentioned that the GeoInsight report identified areas of ledge, and those reports are available, if EDF would like to review them. Mr. Bay stated there are available solutions for working with ledge, and if necessary, EDF can drill into the rock and insert the post in the drill hole, and fill that hole with gravel for stabilization. Selectman Brown was not familiar with the SMART Program, and asked if a link could be provided to the Board. Mr. Bay said he would be happy to do so.

Selectman Simon asked if there were any maintenance-related costs to the Town. Mr. Bay answered not. Selectman Simon then asked if there was a minimum lot size for solar installation. Mr. Bay replied that normally, EDF does not consider areas that are below ½ MW, or 500 kW in size unless the project were to decrease in size substantially, and EDF would still have interest in using the land. Selectman Simon asked how many acres that would be. Mr. Bay responded that he was not sure what the project footprint could be reduced to, but his estimate was that EDF would use 16 acres of property.

Selectman Simon further wondered if a parcel was flat and needed to produce 500 kW hours, how many acres would be needed? Mr. Bay stated that the requirement would be approximately two and a half acres of land, which is bare minimum.

Selectman Simon asked why the Town should choose this proposal when compared to the other two proposals received. Mr. Bay said that this is a very low maintenance proposal, accrues great financial benefit for the Town, and after the project is complete, the Town gets the property back in its original condition, or better.

Selectman Dretler asked if there are any risks associated with the project or with the site. Mr. Bay said that the company has tried to be very conservative in terms of the proposal and how it would be enrolled into the SMART Program. EDF assumes that some of the initial blocks of the SMART Program which receive more favorable pricing are going to be occupied, so getting enrolled in the SMART Program is one risk that might be considered. However, EDF has been conservative assuming they would enroll in a later block of the program. Mr. Remen added that the only other aspect of risk is if EDF finds something on the site that we are not currently aware of.

Board members thanked the EDF proposers for their presentation.

Quarry North Road LLC

At 2:45 p.m., Chairman Haarde welcomed Quarry North Road LLC representatives.

Present: Christopher Claussen, Developer; Chris Kennedy, Developer; Bill Henchy, Attorney; and Bob Engler, Affordable Housing Consultant.

Mr. Claussen said that the two other proposers were excellent, and very impressive. He said that he watched the Melone Charrette and was able to incorporate some of those recommendations into the proposal. He viewed the proposal in two major parts - the economic piece for the Town reflects a price of over 14 million dollars, and the second part of the offer is that Sudbury Station would be removed from the Town Center.

Mr. Claussen said that the proposal was structured under a Local Initiative Program (LIP) which would include market-rate, affordable housing, rental apartments, and some age-restricted townhomes. He added that those two uses were among the two top uses mentioned at the Melone Charrette. Another use identified at the Melone Charrette was inclusion of nature trails for the public which is a part of the RFP. He then referred to the criteria in the RFP: the economic/residential benefits, the quality of life benefits, and the satisfaction of fulfilling the needed affordable housing.

He detailed the economic/residential benefits, stating that an informal study was completed (with a formal impact study to follow), and which produced a net positive benefit to the Town, in the amount of \$464,000 per year. Through the construction jobs that will be generated, as well as the permanent jobs in housing, Quarry North would be the largest job producer when compared to the other two proposers.

Addressing the quality of life aspect Mr. Claussen said that Quarry North has offered 40 acres in Town Center, and is giving the Town the ability to control what happens on those 40 acres which will have an effect on the residents of Sudbury. He added that the proposal offers capital to the Town to be used as the Town sees fit. He commented that ending the Sudbury Station dispute will also save the Town money. Mr. Claussen displayed an aerial view of the adjoining Town land, and his land in the Center of Sudbury, which could be retained by the Town again and make for contiguous Town property.

Mr. Claussen presented the criteria for the needed affordable housing stating that is the main reason why the project is necessary. He said there is a need for rental housing and housing targeted at the 65+ group in Sudbury according to the Sudbury Housing Production Plan approved in 2016. He added that both of those features are included in the proposal.

Mr. Claussen explained that Sudbury would enjoy the benefit of a subsidized housing inventory percentage to be one of the highest in the state which would maintain safe harbor for many years, and the

ability to retain control of future potential development. He added that the sponsors of Quarry North Road LLC are Joseph Hakim, Christopher Kennedy and himself, who all have extensive experience in real estate development. He distributed materials to Board members showing many of the specific projects completed by the group.

Mr. Claussen referred to the Price or Value graph, which outlined the three components regarding the value of the property, the first being the cash offer of a million dollars. His team understood that if they were selected, there will be negotiations with Town committees regarding mitigation. The second component mentioned was the 40 acres that Quarry North would be exchanging with the Town, and that the development parcel is valued by the group (in accordance with the Mass Housing appraisal) to be \$6,915,478. The last component he addressed was the net benefit to the Town generated from the related property taxes taken over a 25-year period, and applied at a 6.5% discount rate. He concluded that the cash flow generated would be \$5.6 million, and when all benefits are added together total benefit is \$14,477,403. He recognized that there would be debate regarding those calculated amounts, but added that even if those numbers were cut in half, there is still significant value to the Town of Sudbury.

In addition to the economics, Mr. Claussen mentioned the values of Safe Harbor, control of 40 acres adjacent to Town Center, possible cemetery expansion, possible added water source, and ending the dispute with Sudbury Station.

Mr. Claussen emphasized that Quarry North was the best choice for Melone because there was no risk for the Town, a development agreement with the Town would be created, a genuine desire to work cooperatively to create affordable and senior housing, control over the 40 acres in Town Center, increased property tax receipts, a generated excise tax, and additional CPA funding at \$40,000 (which was not included in the net value presentation amount).

From a non-monetary value standpoint, Mr. Claussen itemized that the value of the Town Center land, avoidance of related traffic, control over cemetery expansion, adding conservation lands (access to rail trails), and many other benefits of that 40 acres, was invaluable. He also listed the safe harbor feature as a non-monetary benefit, and the termination of any litigation. He stressed that the local initiative program also had great benefit for the Town via the LIP process.

Mr. Engler stated that the LIP Program reflects a cooperative venture with the Town. If selected, this approach makes for a more efficient process when dealing with the Zoning Board, and with the Selectmen support, DHCD would be the partner in this endeavor. He added that he has done many LIP projects, and thinks this is a good approach, unless the Town decides to carry it out another way. He maintained that compared to a Town Meeting vote a LIP plan through the Zoning Board seems to be the way to proceed.

Chairman Haarde asked if the group could discuss other related projects. Mr. Kennedy replied that Wolf Point is in Chicago, and may be similar to this project in relation to a rental and residential development. He thought that some other projects were more on point where the team has acted in a developmental role in cooperation with various levels of government. In Boston the team worked with the Boston Redevelopment Authority (BRA) and some of the seaport developments to try to bring to that part of the city the type of clients that were not just visiting the seaport in order to change the dynamics. In New York they had a couple of different developments containing some of the aspects important to the city. For example, in Cleveland the group completed a 5-million-dollar trade show facility, and worked with the state of Ohio, the City of Cleveland and Cuyahoga County; and the team has maintained that type of relationship with many municipalities throughout the United States. He added that the team is accustomed to working cooperatively, and that is the relationship that we want with Sudbury.

Selectman Dretler commented about the excise tax mentioned. Mr. Claussen said that the excise tax benefit was not included in the original proposal. Mr. Claussen would provide the Board the numbers used in final calculation.

Vice-Chairman Carty asked when the net present value was calculated, how many students were factored into the calculations? Mr. Claussen answered that he used the Avalon fiscal impact study submitted to the Town which equates to 78 school-age children. Vice-Chairman Carty mentioned that the group's original number for school age children was 45. Mr. Kennedy responded that the team used the methodology that the Town already approved on the past LIP project. Mr. Claussen said that the group will do a full impact study as we go along.

Selectman Simon mentioned that 78 additional students from Quarry and 70 students from Meadow Walk would create significant impact on both the Town population and the school age population. He had concerns regarding such rapid growth with possible unforeseeable consequences.

The Town Center land graph was presented again, and Selectman Simon asked for the approximate size of each section of the 40 acres presently held by the group. Mr. Claussen responded that the north aspect of the land is about 26 acres, and that the lower part includes about 14 acres, with a total of 40 acres when the roadway was added. Mr. Kennedy asserted that 40B housing is a given, and that it's just a matter of location choice for the Town. Mr. Kennedy added that his team wants to work with Sudbury so that when 40B comes, it has the features and benefits that the Town believes are important. This proposal will provide a chance to work together where the Town controls the output.

Selectman Simon mentioned that the Coolidge 2 project on Route 20 has been approved for 56 affordable units in addition to what is already now in place, which would take us to 14 or 15% affordable units. If that were to happen, would the group still be committed to providing the affordable units at Quarry North? Both Mr. Claussen and Mr. Kennedy responded in the affirmative. Mr. Claussen added that the impact of the school-age students to the school system might be mitigated by the fact that the school district has identified a decreasing student population. Once full analysis is completed, a clearer picture will be presented. Selectman Dretler commented that there is a study showing that the student enrollment is flat for the next ten years, and then will start to rise. Selectman Dretler asked why all the Townhomes were age-restricted. Mr. Claussen answered that all are not, and there are others within the rental apartments that are Townhouses. Selectman Dretler asked if all the for-sale Townhomes are age restricted, and Mr. Claussen said that they are. Selectman Dretler questioned if there might be an opportunity to make some of those units, non-age restricted? Mr. Claussen reiterated that there are some Townhomes included in the rental units, but the team could discuss specific allocations during the development agreement stage. Mr. Kennedy added that anything is possible.

Vice-Chairman Carty stressed that when you look at the present value and benefits to the Town, you must have assigned a dollar figure to these 78 students which is probably in the ballpark of \$15,000 per year to educate them. Mr. Claussen said that he thought that was correct, but when spread that over the number of apartments that figure drops. Vice-Chairman Carty said he would simplify his question, and asked if the figures shown on the screen reflected monies subtracted for the education expense for those 78 students? Mr. Claussen said that the figure was reflective of the education expense, and added the additional percentage since this study was done two years ago. Vice-Chairman Carty stated that he wanted to be sure that a methodology was used. All agreed that there was a methodology.

Selectman Simon questioned if the current disposition of the Sudbury Water District land (not willing to sell all of their land), would impact the proposal at all? Mr. Claussen said that the group believes it can work with exclusion of that section.

Selectman Simon stated that the original proposal included a component of up to \$100,000 to drill a test well at the Town Center location to determine the feasibility of installing a town well at that site. The Water District said that process involved a seven to ten-year window, and the cost was well over a million dollars. He questioned the fact that if the installation of a town well in the center is not possible, would that impact the proposal? Mr. Claussen said it did not. Selectman Simon asked if there would be consideration of additional mitigation funding because Quarry North would not be concerned with putting in a well at Town Center? Mr. Claussen said that the group was allocating \$100,000 for the drilling and the permitting of that well, but they fully expect (if selected) to sit down with the Board and develop an agreement which would encourage further mitigation. Selectman Brown asked if it would be possible to get a more simplified drawing of the Sudbury Center land, and to include the two most current deeds rather than plans. Mr. Claussen replied he would provide that, and would have the group's attorney work on this aspect with the Town's attorney.

Selectmen Dretler commented that there would be a trail system on the proposed property to White's Pond, and possibly to the Rail Trail in the future, and asked if there would potentially be any parking for non-Quarry residents? Both Mr. Kennedy and Mr. Claussen said that access could be provided, and during the development process would determine if parking would be possible for Sudbury residents. Both Mr. Claussen and Mr. Kennedy agreed this was a possibility.

Selectman Dretler asked if the proposers were aware of the traffic egress issues. Mr. Claussen replied they were aware of this, and met with Mr. and Mrs. Wagner and believed they could work something out to allow more flexibility in this area. He further stated there are some wetland issues, and that the Conservation Commission was meeting to discuss their comments on this proposal. Mr. Claussen said that the Quarry group does not want to have any impact on the wetlands so buildings may have to be moved.

Selectman Dretler asked the proposers to indicate where the cell tower is located. Mr. Claussen described the location, and added that if their proposal were selected, he would meet with the Water District to determine if that cell tower could be relocated. He again stated that Selectman Dretler was correct, and that if the cell tower couldn't be moved, then buildings may have to be repositioned. Selectman Dretler said that if that were the case, the plan would become increasingly dense, and if they had to stay with the number of proposed units, it would become even denser. Mr. Claussen described the Avalon development where there is less land, and somewhat dense. He added that the group prefers this plan because there is a village green included. Selectman Dretler asked if the group might potentially eliminate the age-restricted Townhomes. Mr. Kennedy said that the team could make those decisions with the Town, and he offered that his land planners could present various possibilities. Selectman Dretler appreciated the fact that the group would provide further information regarding the Sudbury Center land. Attorney Henchy stated that the group would give Attorney Silverstein any and all easements associated with Sudbury Center land that the group holds on that property, and spell out the various easements and right of way.

Selectman Simon referred to the map of the Melone property, and asked if the proposers had any plans regarding the portion that is on Concord land. Mr. Claussen answered that the group has not contacted Concord at this time, and if the group was awarded the project, then a conversation with Concord would be very likely. Selectman Simon asked if the group would consider donating that land as passive recreation land for the Town. Mr. Claussen said that topic would be up for discussion.

Selectman Simon commented that with a proposal for approximately 330 units, he was sure that some residents in the area would not favor the increased traffic on North Road, and how would the group respond to that? Mr. Henchy replied that the group would take a full assessment of the impacts of the proposal, and believed the site can be designed so site lines will be safe. The team acknowledges the

traffic issues on Route 117, and Quarry North is willing to have consultants analyze that intersection to see if improvements can be made.

Selectman Dretler said that she received clarification that Route 117 is not a state road. Selectman Brown said that it is a Town-owned road, but state numbered. Mr. Claussen stated that is good, because they also thought that it was state-owned.

Selectman Brown had questions about other developments that the group has done, which are impressive, but she is glad that the group is not proposing 65 stories. However, people living here are not going to have many amenities, as do many of the displayed projects. She added that the plan is geared toward bedrooms, and not the needs of the residents, and traffic would be problematic. Mr. Claussen said that in the clubhouse there would be organized activities which may include dining to encourage residents to stay on site. He acknowledged that grocery shopping is not going to be as convenient as a Town Center location or anything on Route 20. The group looked into the possibility of commercial zoning at this location, but could not make the numbers work.

Mr. Kennedy stated that together, Quarry North and the Town will determine what amenities should be included and how. Traffic is a huge factor for any development, and more data is needed. Selectman Dretler suggested that one option might include providing transportation such as a shuttle. Mr. Claussen agreed, and said the group has been discussing that option especially being near the transportation center in Concord.

Selectman Dretler asked why this development site is more appealing than the Town Center. Mr. Kennedy replied that the Town Center is much more appealing. However, he wants to work cooperatively with the involved communities, and Mr. Claussen agreed with Mr. Kennedy's statement.

Attorney Henchy commented that the group included that this project would deliberately be a LIP proposal, because Quarry North wants a collaborative and cooperative process, and wants the Town to be in the "driver's seat" as the plan for this project is established. The group wants a fresh start, and remains hopeful that the Board will recognize those efforts, and proceed to the next step.

Chairman Haarde asked if the group would be willing to work with the Town on issues such as traffic, public safety, and any other concerns that the Board might have. Mr. Claussen replied in the affirmative. Mr. Kennedy said that the group would make themselves available to meet with any and all Town boards on a regular basis to gather input. Chairman Haarde thanked Attorney Henchy for making the remark about the importance of the LIP proposal, which is a local 40B friendly program rather than a predatory 40B development that does not necessarily act in a cooperative fashion. Attorney Henchy detailed that the LIP program is vastly different than the non-LIP program. Chairman Haarde said that with the Avalon project, and other 40B LIP projects, the Town was able to change the building configuration considerably. Mr. Kennedy thought it would be helpful to establish a delegated group to work with us and meet with the land planners in working sessions. Together we can all find a site plan that works for everyone.

Mr. Claussen asked if the Board could explain the remaining process.

Town Manager Rodrigues said that the next step would be to collect comments and questions from the department heads as well as from commissions and committees. These comments would be presented on August 14 at a hearing during the Board of Selectmen's meeting where the public can ask their questions. She said that a decision will be made in that 120-day period.

Mr. Claussen asked if the chosen proposer would have to present at Town Meeting, and Town Manager Rodrigues affirmed that. The final approval will be for the disposition of the property, and the sale of any Town property is required to have a $\frac{3}{4}$ vote of approval at Town Meeting for release of property. A two-thirds vote gives the Board of Selectmen the authority to choose how the property is disposed of.

Selectman Simon added that the Planning Board and the Zoning Board have independent recommendations about this proposal, and the Board of Selectmen respects those recommendations, and will take them into account. There is no predetermined outcome regarding this matter. Chairman Haarde stated that the Board is following a public procurement process, which is a very structured process where the Board has to ask the same line of questioning to all three bidders. He thought the Board did a good job with follow-up questions today which were specific to the different bids. He felt that there was good exchange from the three bidders.

Mr. Claussen said he would plan to be present at the August 14th Board meeting.

Attorney Henchy questioned that the Board had different considerations of net present value as part of the evaluation, and within those calculations, there were questions about what an appropriate cap rate is, and other matters. He thought that Selectman Simon said that the appraisers were present today.

Town Manager Rodrigues said that the Sudbury Finance Director was present, and will be doing a quick pro forma relating to the three proposers, and he was given a week to do this. Mr. Henchy asked that if Quarry North had additional detail, which they do, should that be submitted to Town Manager, so it can then be forwarded to the Finance Director? Town Manager Rodrigues affirmed the statement.

Selectmen Dretler thanked the residents who attended the meeting, and added that Sudbury has a very engaged and involved population.

The Board thanked the proposers for their presentation.

There being no further business, the meeting adjourned at 3:45 p.m.

Attest: _____

Melissa Murphy-Rodrigues
Town Manager-Clerk