

**Community Preservation Committee
Meeting Minutes
May 17, 2018**

PRESENT: Barry Johnson, Daniel Doucette, Richard Anderson, Peter Holmes, Penny Myers, Fred Bartholomew, Andrew Cooney, George Sala, Neil Langille

ALSO PRESENT: Michael Raush, Paul Gately, Tom Guerino

Recording Clerk, Ann Gutterson

B. Johnson called the meeting to order at 5:00pm.

B. Johnson: This is the purpose for our meeting today.

1. "To determine if the recipient has failed to fulfill all obligations set forth under the terms of this grant Agreement and so defaulted in its obligations, the CPC shall so notify the Recipient in writing, setting forth the nature and details of the default".

This is how we need to proceed.

2. To discuss and vote to invoke the provisions under Section 17: Default & Termination of the Agreement between the Town of Bourne and The Hoxie Center at Sagamore Beach for Art, Science, Education and Culture, Inc. (Recipient).

My opinion is to focus on section 7, Reports: Project status reports are supposed to be submitted monthly, I haven't received one since the beginning of February (January report). Section 14, Insurance: We have the policies. The one for the building runs out on 5/22/18 and the Dishonesty bond runs out on 9/26/18. Section 17, Default and Termination: Their situation was reported in the papers.

The first grant was for \$226,300. We voted to terminate that grant. \$163,835 was returned and put back into the CPC account. At the 2017 ATM, Article 23 \$258,000 was the total, of which \$205,400 was the grant amount for sprinkler, alarm and bathrooms in the performance center. Contingency and Wayne were the rest. No money has been expended. I don't know if Wayne incurred any expenses but they will be paid from that article. The deed as part of the Right of Reverter.

- Failure to comply
 - Failure to utilize the building...
 - Failure to occupy for the intended use
- Etc...

The first step for us is to have a motion stating that the provisions of section 17 of the grant agreement: no reports, insurance about to expire, etc. have not been met.

D. Anderson: You could be getting a bill on 5/21 saying paid the insurance. Is that part of the costs?

B. Johnson: Not part of the allocated funds.

G. Sala: The Town can't pick up the insurance, we don't own the property.

B. Johnson: The Town is part owner, hence the reverter clause.

G. Sala made a Motion to invoke the provisions of Section 17 of the grant agreement for failure to provide reports, insurance, etc., seconded by R. Anderson.

N. Langille: What have they communicated to the Town?

B. Johnson: I don't know.

P. Holmes: My concern is no reports.

N. Langille: Expressing concern as no updated insurance certificate.

A. Cooney: If positive vote, you'll inform them?

B. Johnson: Yes. I'd give a letter stating the sections and why. This is step 1 of 3.

G. Sala: We don't know the bills, etc. This agreement would cover any bills that we aren't aware of?

B. Johnson: The method of dispersement is very restrictive.

F. Bartholomew: What if they want to sell the building?

B. Johnson: They can't, it goes back to the Town. I haven't had any conversations since February with them.

R. Anderson: No specific time frame for getting back to us?

B. Johnson: When we get a response, we'll set a public hearing.

G. Sala: What if they take 4 months to get back to us? Can we put a time deadline for them to get back to us?

Tom: The Town will pick up the insurance on the building for a short term. If we get the building back, it will go in the general policy with the other buildings. I received a couple emails and a call from their attorney this morning, haven't had a chance to get back to him. One email indicated the group was in dire straits at this point and could the Town help find any tenants. The other email was to let us know the insurance was running out.

R. Anderson: If you send a letter prior to the lapse of insurance, can it only go under 17A?

B. Johnson: Yes. Follow the process. I'll get the letter out tomorrow as I can't do it next week.

N. Langille: Notice that insurance is running out, failure to report, very concerned about the situation – dire straits. We are starting the default process.

B. Johnson: We can ask them to respond by June 1.

Tom: Since Counsel asked if the Town can accept the deed without a meeting, we answer that and note currently in default and are pursuing Section 17. Acknowledge the correspondence with me. Counsel has been informed. Appropriate avenue the Town can take.

B. Johnson: Asking them to respond by 6/1. If it goes beyond that, I'll go right to a public hearing.

Roll call vote as follows:

N. Langille – yes P. Holmes – yes D. Doucette – yes

G. Sala – yes P. Myers – yes R. Anderson – yes

F. Bartholomew – yes A. Cooney – yes B. Johnson - yes

R. Anderson made a MOTION to adjourn seconded by G. Sala with all in favor.

With no further business before the Committee, the meeting was adjourned at 5:50pm.

Respectfully submitted,
Ann Gutterson