

Minutes of the Mystic Valley Development Commission

A meeting of the Mystic Valley Development Commission (MVDC) was held remotely on June 12, 2023, 12:00 PM.

1. Roll Call

The Chair called the roll at 12:00 P.M.

Present: Gary Christenson, Malden Mayor; Breanna Lungo-Koehn, Medford Mayor; Carlo DeMaria, Everett Mayor; Colleen Mejia, Everett representative; Justin Quinn, Malden representative; and Ted Costigan, Medford representative.

Also Present: Deborah Burke, OSPCD Director; Roberta Connolly, OSPCD Senior Accountant; Sherrill Hachey, OSPCD Executive Assistant; and John Preotle, Preotle Lane & Associates

Absent: Maura Healey, Governor

2. Approval of Minutes

- a. On a motion by Ms. Mejia and seconded by Mayor DeMaria, the minutes from the January 10, 2023 meeting were approved:

Mayor Lungo-Koehn:	AYE
Mayor DeMaria:	AYE
Mayor Christenson:	AYE
Mr. Costigan:	AYE
Ms. Mejia:	AYE
Mr. Quinn:	AYE
Governor Healey:	ABSENT

3. Old Business

- a. Legal Services

Vote to accept KP Law for legal services

Ms. Burke advised the Commission at the last meeting they were informed that Foley Hoag is no longer the Malden Redevelopment Authority's (MRA) legal consultant. Although we do not have to procure for legal services, the MRA/OSPCD has a long-standing practice of doing so. The MRA/OSPCD procured and signed a contract with KP Law. As the MRA is the Project Manager for the MVDC, the MVDC can utilize the MRA's contract with KP Law.

On a motion made by Mayor DeMaria and seconded by Ms. Mejia, the Commission voted to approve the procurement services for KP Law:

Mayor Lungo-Koehn:	AYE
Mayor DeMaria:	AYE
Mayor Christenson:	AYE
Mr. Costigan:	AYE

Ms. Mejia: **AYE**
Mr. Quinn: **AYE**
Governor Healey: **ABSENT**

4. New Business

- a. *Vote to elect officers for FY24*

On a motion by Gary Christenson and seconded by Mayor DeMaria, the Commission voted to move the same slate and elect Mayor Lungo-Koehn to serve as Chair, Mayor DeMaria to serve as Vice Chair, and Mayor Gary Christenson to serve as Secretary/Treasurer for FY24:

Mayor Lungo-Koehn: **AYE**
Mayor DeMaria: **AYE**
Mayor Christenson: **AYE**
Mr. Costigan: **AYE**
Ms. Mejia: **AYE**
Mr. Quinn: **AYE**
Governor Healey: **ABSENT**

- b. *Vote to approve FY24 Project Management Agreement*

Ms. Burke explained that the previous extension of the Project Management Agreement, which is reviewed annually with the MRA/OSPCD, expires on June 30, 2023, the end of FY23. The new agreement is an extension of the same terms, including no change to the \$45,000/year management fee.

On a motion by Mayor DeMaria and seconded by Mr. Costigan, the Commission voted to approve the FY24 Project Management Agreement with the Malden Redevelopment Authority/OSPCD:

Mayor Lungo-Koehn: **AYE**
Mayor DeMaria: **AYE**
Mayor Christenson: **AYE**
Mr. Costigan: **AYE**
Ms. Mejia: **AYE**
Mr. Quinn: **AYE**
Governor Healey: **ABSENT**

- c. *Vote to accept FY24 Blended Tax Rate*

Ms. Burke explained that the approval of the residential and commercial blended tax rates is not required, but a formal approval of the rate was recommended by the MVDC's auditors as an annual practice. The FY24 blended tax rate for residential properties is \$10.87 and the rate for commercial properties is \$20.20.

On a motion by Mayor DeMaria and seconded by Ms. Mejia, the Commission voted to accept the FY24 Blended Tax Rates; residential properties, \$10.87 and commercial properties, \$20.20:

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Mayor Lungo-Koehn: **AYE**
Mayor DeMaria: **AYE**
Mayor Christenson: **AYE**
Mr. Costigan: **AYE**
Ms. Mejia: **AYE**
Mr. Quinn: **AYE**
Governor Healey: **ABSENT**

d. Vote to distribute FY23 Surplus

Ms. Burke reviewed the FY23 revenues and expenses. After subtracting operating expenses and debt from total revenues, the total amounts to be distributed to each city are as follows: Medford – \$1,768,054.71*, and Malden – \$210,973.85*.

Mayor DeMaria asked if this is based just on the taxes collected for the parcels that have been developed on the site. Yes, Malden and Medford have affected properties. Medford receives approximately 85% and Malden receives the balance.

On a motion by Mayor DeMaria and seconded by Mr. Quinn, the Commission voted to disburse the surplus payments to Medford – \$1,768,054.71* and Malden – \$210,973.85*:

Mayor Lungo-Koehn: **AYE**
Mayor DeMaria: **AYE**
Mayor Christenson: **AYE**
Mr. Costigan: **AYE**
Ms. Mejia: **AYE**
Mr. Quinn: **AYE**
Governor Healey: **ABSENT**

*** After the meeting a statement was received from Salem Five Bank. The following amounts include interest received from statement ending May 31, 2023. The distribution amounts voted will increase to: Medford - \$1,768,219.27 and Malden - \$210,993.49.**

e. Vote to approve FY24 Budget

Ms. Burke reviewed the FY24 budget and made note of the difference in projected interest earned in FY22 and FY23. There is a large increase in FY23. Part of this is due to the current market but secondarily the Mayors, at the recommendation of the auditor, moved funds to the Mass Municipal Depository Trust (MMDT). This was done about two years ago. Funds were initially deposited in a local bank that had a branch in all three cities. The increase in interest made a significant difference in the bottom line. The total budget is \$1,995,313.77

On a motion by Mayor DeMaria and seconded by Ms. Mejia, the Commission voted to approve the FY24 Budget:

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Mayor Lungo-Koehn: **AYE**
Mayor DeMaria: **AYE**
Mayor Christenson: **AYE**
Mr. Costigan: **AYE**
Ms. Mejia: **AYE**
Mr. Quinn: **AYE**
Governor Healey: **ABSENT**

- f.** *Vote to approve Preotle Lane Environmental Cost Reimbursement*
Ms. Burke explained that as part of the Development Agreement between the MVDC and Preotle Lane, up to \$800,000 of Remediation Costs were to be paid by the Developer, and any remediation costs in excess of \$800,000 were to be paid by the MVDC. Mr. Preotle submitted an invoice for \$5,457.00 of reimbursable environmental expenses incurred between May 2022 and April 2023.

On a motion by Mayor DeMaria and seconded by Mr. Quinn, the Commission voted to approve the Preotle Lane Environmental Cost Reimbursement:

Mayor Lungo-Koehn: **AYE**
Mayor DeMaria: **AYE**
Mayor Christenson: **AYE**
Mr. Costigan: **AYE**
Ms. Mejia: **AYE**
Mr. Quinn: **AYE**
Governor Healey: **ABSENT**

- g.** *Vote to accept Year ended June 30, 2022 audit*
Ms. Burke discussed the management letter received from certified public accountants Roselli, Clark & Associates. There were a few findings which were relative to our internal accounting practices. Before the MRA merged into the City's departmental structure, two individuals shared the financial responsibility for the office. Since the merger the finance staff was cut in ½. The senior accountant had not been trained in certain tasks, but with the assistance of the auditor she is now more familiar with the MVDC's financial policies and procedures. There should be no future issues. The findings have all been corrected and there are no outstanding issues.

On a motion by Mayor DeMaria and seconded by Ms. Mejia, the Commission voted to accept and place on file the Year ended June 30, 2022 audit report from Roselli, Clark & Associates.

5. Adjournment

There being no further business, on a motion by Mayor DeMaria and seconded by Ms. Mejia, the MVDC meeting adjourned at 12:21 P.M.

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Mayor Lungo-Koehn: **AYE**
Mayor DeMaria: **AYE**
Mayor Christenson: **AYE**
Mr. Costigan: **AYE**
Ms. Mejia: **AYE**
Mr. Quinn: **AYE**
Governor Healey: **ABSENT**

Secretary