



BOARD OF SELECTMEN
TOWN OF TEWKSBURY
TOWN HALL
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MEETING MINUTES
February 26, 2008

Chairperson Jerome Selissen called the meeting to order at 7:00 PM. Present at the meeting were Todd Johnson, Vice Chair; Anne Marie Stronach, Clerk; and Board Members, and David Gay. Also present was David Cressman, Town Manager; and Jay Kelley, Chief Assessor. Not present this evening was Edward Dick.

1. School Committee—Financial Planning Task Force

Present for this discussion were Scott Consaul, Dennis Peterson, Keith Rauseo, Joe Russell, Michael Sitar III, and Dr. Christine McGrath. Mr. Selissen began the meeting explaining he would like to give the School Committee and the Superintendent the opportunity to comment on these recommendations. The intent is to put the recommendations in four categories 1) initiate in 2009; 2) initiate in 2010; 3) initiate in 2011; and 4) those not appropriate at this time. Mr. Kelley has been asked to attend this portion of the meeting for questions or clarification. The floor was open to the Committee for comment.

Mr. Peterson noted it is important for the Town Wide Budget Subcommittee and the Finance Committee remain active with the Board of Selectmen and the School Committee. He also noted a letter has been sent out to all employees to reopen negotiations to bring cost savings forward. Finally, in working with food services the School Committee was able to reduce this budget \$90,000. The Food Services director is working with Mr. Peterson and Mr. Quinn, the school Business Manager to reduce costs and recreate some revenue if possible.

Mr. Russell agreed with Mr. Peterson, and is hopeful a cost savings would be able to be achieved. He also spoke on self-funding of the athletics, and did not think this would be feasible as the cost per student would be on average a low of \$600 to a high of \$1,300 at the same level of participation.

Mr. Sitar shared with the Board the School Committee worked very hard to keep an open mind with the recommendations. He does not support the athletics to be self supporting or for the fees to be raised. Mr. Sitar would like to see the mission of the Shawsheen Tech with the spending history and budget projections. Mr. Selissen noted Superintendent Lyons to come to a future Board meeting on March 25, 2008 at 9:00 p.m. He welcomed the School Committee members to come and ask questions.

Mr. Consaul relayed to the Board that the Committee spent considerable time on going through each individual recommendation and a copy of the decisions were submitted to the Board. Many of the recommendation that are cost benefits have been endorsed by the Committee. Mr. Consaul suggested the School Department will need to propose a budget with a 5% reduction, a 10% reduction, etc. to arrive at the possible \$4.0M for FY2009. With

three months until May, there is much work to be done. Mr. Consaul also supports reinstating the Town Wide Budget Subcommittee.

Mr. Rauseo stated he respected the direction and the decision of his associates to uphold the Town Wide Budget Subcommittee, although he has voted to disband this committee. At this time he will support this effort in the hopes it will work better than it has in previous years. Mr. Rauseo presented a packet of information on block scheduling to the Board, which included nine options, and their cost savings. It is the opinion of the School Committee that should block scheduling be eliminated, this would be a significant cost increase, and do not support elimination. The School Committee did not take action on the construction of a new high school. He believes the legislature should look at the costs of construction and why these costs are so high. On the subject of consolidation, Mr. Rauseo noted this has been an ongoing practice of the town government for many years. He further noted discussions should not center on small items of 2 to 5 thousand dollars. The Town pays for department heads to manage their budgets, and we need to start trusting these employees are doing so to manage their departments and budgets. This is not a good use of committee's time to discuss the smaller line items.

Dr. McGrath stated a copy of the letter sent to the unions to reopen negotiations will be forwarded to the Board, if it hasn't already. She agreed with Mr. Sitar and recommended to the Committee and the Board of Selectmen to look at the regional agreements and see if Tewksbury should go beyond funding tuitions beyond their quota. On recommendations 25 and 28, she and Mr. Quinn will join with other Superintendents and Business Managers and the state delegation to discuss the issues of Special Education, transportation, and alternative school models.

Mr. Selissen commented he would be willing to orchestrate a meeting with the state delegation regarding cost savings in construction for the schools.

Mr. Gay asked for estimate figures on the items presented. Mr. Rauseo explained the Committee is taking action on how to proceed. Mr. Selissen noted he had requested Mr. Kelley to quantify these items for the Board. The question was raised and answered regarding what unions will be reopening negotiations, and these were teachers, nurses, educational support, and library staff who are in the first of a three-year agreement. The contracts for the administrators expire at the end of the 2008/2009 year. Food service and custodians are contracted on a yearly basis. Individual employee agreements vary from 2 to 3 years.

Mr. Johnson commended the School Committee for endorsing the majority of the FPTF recommendations which pertain to the School Department. He asked the Chair of the School Committee for a summary of the rationale behind supporting Recommendation 1 relating to budgeting future salary increases. It was stated salary increases will happen, but if they are taken in small increases will lead to lower numbers for FY2010/FY2011. Salary increases will happen either by renegotiating through a strike or by contractual obligation, and it may not be realistic to budget for no increases as a 2% to 3% increase is cost of living. The majority of the budget is related to personnel via salary, healthcare, retirement, etc. of which there is little control over. This has been conveyed to the unions in the letter mentioned

beforehand. Mr. Johnson also requested to have the state delegation come back to the table again, prior to Town Meeting and after progress has been made on a few of the FPTF Recommendations to ask for their assistance. This may not benefit us for FY2009, but will help for the future. Regarding the Town Wide Budget Subcommittee, Mr. Johnson feels it is not a perfect process, however there needs to be a vehicle for communication between all parties, and the TWBS can provide this.

Mrs. Stronach appreciated the documentation provided. She agreed with Mr. Rauseo's comments about not looking at small items, as these need to be addressed by the department heads along with the Town Manager, but she also feels the residents are very concerned about all items—it is up to the committees involved to address those items as necessary. Mrs. Stronach further noted the Town is asking all Town employees (school and town employees) to come to the plate again after requesting a 0% raise from last fiscal year. It is possible some of these items are not cost effective, but these are ideas which have worked in other communities and we have an obligation to look at all of them. Mrs. Stronach asked if the Committee had the sense for where re-opening negotiations was at with the employees. Mr. Peterson noted he did indicate to the staff at their retreat this may be coming, and felt there is some shock, but they were aware this might be coming. The letters have just gone out today.

Mr. Kelley was invited to speak by the Chair. Mr. Kelley noted it is up to the Board to focus on the 10.7M gap in three years, and the 6M gap next year. There is a need to find ways to save that will work, and regard those that won't. A specific example of this was raised by Mr. Consaul tonight regarding collective bargaining. If the salaries for the employees are looked at, it will be found Tewksbury is lower than many cities and towns. Mr. Kelley also clarified the deficit in which half of the total deficit will occur in the first year, not spread out evenly over a three-year period.

2. Simon Update

Mr. David Warren of 1 Seneca Circle, Andover; and Attorney Richard O'Neill, both whom represent Simon Properties were present to speak. Mr. Warren has been with the project since it was owned by Mills. He reported an Interchange Justification Report has been filed, as well as an environmental notification form has been filed. This is being considered strictly as a transportation project. The attempt of this project is to view it as an Economic Development project for the towns involved. All involved are in agreement the loop design is the best fit with no access to South Street. The project managers are ready to being the environmental impact report and start to design what the design of the ramp would look like. Optimistically, a preferred design will be available the first week of June, 2008 or within 6 to 8 weeks. Due to this, Simon cannot design their building until they have an idea of what the off-ramp will look like. Timeframe for when Simon will begin construction would likely be in 2012. The project is also working in Washington with Senator Kennedy and Representative Tsongas to increase the \$9.6M that is already earmarked for the project and are looking to raise funds to \$15M to \$20M.

Mr. O'Neill commented how strong the Tri-Town committee in working together. This project is a priority of the Governor Patrick, and his staff and has universal legislative and administrative support for the project. Mass Highway is onboard and is working to

accelerate the 2012 date. The property was transferred at year end 2007, and is no longer owned by Perkins Trust. All title issues were resolved at the time of closing. The Planning Board is looking to use this property as a mixed-use, and currently is reviewing bylaws to incorporate into the Master Plan. There has been a significant investment up to approximately \$11M from Simon for this project.

Mr. Johnson agreed on what has been stated, having sat on the Tri-Town committee. He asked Mr. Warren to explain some of Simon's development philosophy. Mr. Warren stated they are retail minded, but very much wanted to help incorporate retail industry into a community's atmosphere, and have moved away from the large mall conception. It is a priority to preserve Jennie's Woods as well.

Mr. Gay complimented all the work which has transpired so far. Mr. Warren requested to address the issue of South Street in Tewksbury and Ballardvale in Andover. He stated when he met with Federal Highway Administration in Washington pictures were taken to the administration in order for them to deal with the concerns about connecting the highway to these streets. Salem Street in Wilmington is also on the table. Mr. O'Neill noted it is possible emergency access could be made to these streets.

Mrs. Stronach thanked Mr. Warren to come forward as the residents want to know where it is. She looks forward to subsequent updates on the project. Mr. O'Neill commented they would come back to update at anytime, however most of the work is now being filtered through the Tri-Town committee and each town has a veto on any votes taken.

Mr. Cressman commented on the teamwork approach on this project, and is glad to see the project is "getting out of silo management". He feels this is key to move the project forward and look at issues beyond.

3. Donna Walsh, Finance Director re: Town's Quarterly Update and Clark Rowell re: Town's Bonding

The Quarterly Update is as of December 31, 2007.

Water

The user fees collected are at 48%, and total commitments are at \$2.7M and budgeted amount is \$4.7M, if consumption continues there will be no problem on collections. Water liens are up significantly due to slow collections but most of this money will come in on February 1st and May 1st. Connection fees are on budget, however investment income is down as a number of different projects are going on and the interest rate is being lower than in prior years. Expenses for Water Distribution and Water Treatment, salaries are on budget. Overtime is up, but not significantly—there are no issues with salaries. Expenses are up due to water breaks. Reserve fund remains at \$50K. Most of the debt has been paid in February. This year's commitment is \$500K higher than last year. Water rates were raised for July 1st to 8%.

Sewer

Collections to date are at 45% and have committed \$1.5M and budgeted \$2.9M. Actual commitments to date are \$300K higher than last year at this time. Sewer liens are up

significantly as well, and the commitment is \$146K and budgeted \$75K so there will be a surplus. Connection fees have been collected in December and have collected 75%. Investment income is \$61K over budget. Overall revenues are at 58% of the budget. Salaries are slightly over budget due to overtime. No bills have been received from Lowell Sewer. It is unknown where this account stands. The Town Manager was directed to send a letter regarding this.

Expense

It is still early to look at these accounts. Of small concern are Computer Services, Town Counsel, Town Clerk Elections which will be funded through transferred as the Specials were not budgeted (Congressional Special Election), Planning Board salaries due to a vacancy, Police Salaries due to vacant positions. The Fire Dept is high due to fuel for the ambulance and ambulance billing to an outside company. DPW should have enough money, although there is overtime to account for—currently working with the Superintendent. Snow and Ice is at a \$244K deficit. Veteran's operating accounts are shrinking rapidly due to a number of new families needing assistant. Mr. Selissen requested a letter to be sent to the state delegation to try and expedite these payments as they take 8 to 12 months for the Town to be reimbursed. Occupational injury account is of concern and will see a request for a transfer at Special Town Meeting.

Revenue

Revenue is made up of local receipts, tax revenue and state aid. Motor vehicle excise is the largest estimated receipt and have estimated \$3.5M, which we are ahead on. Hotel/Motel tax is quarterly which was budgeted at \$475K and are currently at \$305K. Ambulance charges are at 51% of the budget and this budget has been raised slightly. Mr. Johnson asked what changed in "appeals misc. fees" and "police special details". Appeals will depend on projects and the police details depend on this as well. This difference in police details could be due to the sewer project.

Mr. Johnson urged the Board to continue this process, and appreciated Mrs. Walsh's effort on this documentation. Mr. Johnson and Mr. Selissen made a strong recommendation for the Finance Committee to review these Quarterly Reports.

Town's Bond Sale

Mr. Rowell stated the Town will be selling bonds and notes within the next couple weeks and will be taking bids on approximately \$14.5M in bonds on March 6th and approximately \$21M on March 10th. There are three options 1) the Town issued \$11,453 General Obligation in February, 2005, all retired within twenty years, at a True Interest Cost (TIC) of 3.85%; 2) The Town issue \$14,420,000 General Obligation Bonds in February 2006, with a thirty-year term, at a TIC of 4.27%; 3) The Town issued \$26,412 General Obligation Bonds in January 2007, with the hybrid structure—the principal payment for the first ten years reflecting a thirty-year amortization, and the principal payments in the last ten years accelerating the pace of retirement so the whole issue is to be retired in twenty years. The TIC was 4.20%. Mr. Rowell is recommending the third option (the hybrid), and the call provisions will have the option to refinance if necessary. Further information, including the debt schedule, on this topic can be found in Mr.

Rowell's memorandum to Mrs. Walsh dated February 21, 2008. Mr. Selissen clarified there is a premium which goes along with this request.

MOTION: Mr. Johnson made the motion to recommend the Finance Director to pursue the hybrid option for the upcoming bond sale; seconded by Mrs. Stronach; and the motion carried 4-0.

The Board took a five-minute recess.

4. Residents

June Johnson, 90 Pinnacle Street, came forward to speak. She is very impressed with the FPTF, and wondered if the Town could save money by privatizing the library employees. Another idea is to move the administrative offices to the Senior Center, as this may help to expedite the opening of the Senior Center.

Mr. Cressman gave an update on the Senior Center. There are two issues the on the delay of opening of the Senior Center, 1) the floors were unacceptable, a portion of the floors was removed; a new contractor is in place, and the work is expected to be completed within the next few weeks; 2) more sprinkler work needed to be done in the basement in order to comply with building codes; a change order request was sent to the contractor, who had five days to respond; no response has been received, and the process has begun to find a new contractor. Upon completion of these items there will be a Certificate of Occupancy issued, approximately in mid-March.

5. Building Permit Fees

Mr. Colantuoni, Building Commissioner, was present for this discussion. He presented to the Board the final building permit fee schedule which was an average increase of 14%. Fee calculations for new residential and additions would be raised from \$60/sf to \$70/sf. The proposal is to increase \$10/sf each year to minimize the impact. Electrical, plumbing and gas have been raised minimally. For more information, please see a memo from Richard Colantuoni to David Cressman, dated February 15, 2008, regarding Building Permit Fee Schedule.

MOTION: Mrs. Stronach made the motion to implement the new fee schedule as presented effective April 1, 2008; seconded by Mr. Johnson, and the motion carried 4—0.

6. Sprint Lease Middle School

This is a request to enter into a new 10-year lease with Sprint at the Wynn Middle School. For more information, please see the memo from David Cressman to the Board of Selectmen dated February 20, 2008 with attachments. Mr. Selissen noted the memo states the Mr. Cressman does not expect any changes in the appearance of the existing cell tower.

MOTION: Mr. Johnson made the motion proceed with a Request for Proposal on the cell tower; seconded by Mrs. Stronach, and the motion carried 4—0.

7. Microwave Project

This request is to move \$25,399 from the Cable TV gift account to pay for this additional expense. For more information, please see the memo from David Cressman to the Board of Selectmen dated February 22, 2008. The project is about 90% complete as stated by Chief Mackey, who was present for this discussion. He further stated \$8,000 of this expense will expand the bandwidth of the system.

MOTION: Mrs. Stronach made to allocate \$25,399 from the Cable TV Gift Account to pay for this expenditure; seconded by Mr. Johnson—DISCUSSION: Mr. Johnson noted some of this cost is related to the security of the schools, and the motion carried 4—0.

8. Police Officer Appointments

Mr. Cressman noted for the record that Ms. Russo will be appointed as a police officer subject to passing the medical and psychological screenings, and in addition the following individuals will be appointed as intermittent police officers subject to medical and psychological screenings. They are Paul Nicosia, Michael Donovan, David Miano, Alex Paltrineri, James Ryser, and Michael Sitar III. For more information, please see the memo from David Cressman to the Board of Selectmen dated February 21, 2008.

Mrs. Stronach made a note she appreciated Mr. Cressman's effort to fill the dispatcher positions before moving the existing dispatchers on to train for their new position.

9. Snow and Ice Expenditures

Mr. Cressman reported as of February 21, 2008 the Town has expended \$545,720 versus a budgeted amount of \$201,500 resulting in a deficit of \$347,200.

10. Police Detail Accounts Receivables

Mr. Cressman reported about 55% are paid and about 25% are in the 1 to 30 days aging category with slightly more than 10% over 120 days (half of these are due to a sewer contract—steps are being taken to address this bill).

11. Police Department Reorganization

Several months ago Chief Donovan proposed the Deputy Police Chief position will not be filled and two position should be reclassified into two new positions of Director of Administrative Services and an Administrative Superintendent. The Administrative Superintendent's position is provided for in the current collective bargaining agreement with the Superior Officers. However, the Director of Administrative Services is a new position which would be established by Town Meeting. Within the past two weeks, Chief Donovan has completed a position classification questionnaire for this position which Mr. Cressman analyzed using a rating format provide by an outside consultant several yeas ago. The position will be classified as a Grade A-8 position with a salary range of \$50,079 to \$60,873, and would be increased on July 1, 2008 by 2¼%. These positions will have a cost savings of \$72,922, as indicated by Chief Donovan. A Town Meeting Warrant Article will be required for the Director of Administrative Services position. Please see a memo dated October 30, 2007 from Alfred P. Donovan to David Cressman, regarding Proposed Job Re-classification.

Mrs. Stronach is concerned with keeping officers on the street and having dispatchers in house, rather than upgrading administrative positions. She was not in favor of this as the benefit to the community was not clear. Mr. Selissen invited Chief Donovan to speak on this issue. Chief Donovan noted Deputy Layne's position would be downgraded, and no new positions would be created. These two proposed positions will take over the duties Deputy Layne had covered during this tenure and will save the Town money. No officers will be taken off the road. Chief Donovan is not giving up the position, just the title. The position is being downgraded, as all duties not required by a sworn officer will be done by the Director of Administrative Services. Chief Donovan further stated, all other duties required by a sworn officer will be done by the Detail Officer or the Administrative Superintendent. This position needs to be approved by Town Meeting and once approved is established. The Director of Administrative Services position has been negotiated by the Superior Officers Union at the last contract. Chief Donovan was notified by the previous Board of Selectmen that when Deputy Layne retired this position will not be filled. Mr. Cressman clarified the position and pay scale will be approved at Town Meeting, but the job description would be recommended by Mr. Cressman and the PRRB prior to Town Meeting.

Mr. Johnson clarified the action tonight is to obtain permission to put this on the Warrant. Mr. Cressman confirmed. Mr. Johnson stated everyone has worked very hard to maintain staffing level, and this is a result of creative management. He supports the Chief's recommendation if the Town Manager is approving this action.

In general the Board is concerned with keeping officers on the road, and does not support adding positions which would take away from street coverage. Chief Donovan is committed to keeping officers on the road, and will not cut from this.

12. Police Staffing

Please see memo dated February 22, 2008 from David Cressman to the Board of Selectmen regarding Police Staffing.

Executive Session

13. Item(s)

14. Heath Insurance

15. Approval of Minutes

16. Reports

a. Board Members

Mrs. Stronach recognized there were some employees who did not take a step raise last year. She also proposed the Board to take a 10% cut in pay. Mr. Johnson agreed with this motion, although it is a small gesture it is important to take a leadership role in this situation.

MOTION: Mrs. Stronach made the motion for the Board of Selectmen to take a 10% decrease in stipend effective July 1, 2008 for FY '09; seconded by Mr. Johnson; and the motion carried 4-0.

Mr. Johnson congratulated Michele Stein, Tewksbury's Town Engineer, for being honored by the University of Massachusetts, College of Engineering, for achievement to the rank of "Road Scholar". We congratulate Ms. Stein on her success and thank her for her genuine interest in improving the services and operations for the Town of Tewksbury.

MOTION: Mr. Johnson made the motion to send a letter of congratulations to Michele Stein; seconded by Mrs. Stronach; and the motion carried 4-0.

Mr. Gay will be traveling to Washington, DC soon and would like to hand carry some information on funding for Special Education from the legislature while there from the Board and/or the School Department.

Mr. Selissen acknowledged the efforts of the committee who put together the retirement party for Mrs. Carey.

Mr. Selissen noted the Town has received notice of a grant award to help with flooding at the water treatment plant. He also noted with the help of CDM and Congresswoman Tsongas's office, the Town has applied for a grant for Contract 36 in the amount of \$4.6M. In addition, Mr. Selissen and Mrs. Stronach will be meeting with Mrs. Tsongas next week regarding SPED transportation and the sewer project.

Mr. Selissen asked Mr. Cressman for the amounts on fixing the stairs and heat for the Town Hall, and operating costs to keep Town Hall running. Mr. Cressman replied \$25K for heat, \$20K for stairs, and operating costs \$47K. Mr. Selissen would like to seek CPA funds for these issues.

- b. Town Counsel**
No report this evening.
- c. Secretary**
Items as presented
- d. Special Committees**
None present.

New Business

17. Memorial Day Parade

The Board gave permission for the Memorial Day Parade to be held on Monday, May 26, 2008 at 2:00 p.m.

MOTION: Mr. Johnson made the motion approve the Memorial Day parade as advertised; seconded by Mrs. Stronach; and the motion carried 4-0.

Adjourn

MOTION: Mr. Gay made the motion for the Board to go into of Executive Session at 10:30 p.m. Mr. Johnson seconded, and on a roll call vote, Mr. Gay, Mr. Johnson, Mrs. Stronach and Chairperson Selissen vote in favor to go into Executive Session, for a unanimous vote of 4-0.

MOTION: Mr. Gay made the motion for the Board to come out of Executive Session at 11:30 p.m. Mr. Johnson seconded, and on a roll call vote, Mr. Gay, Mr. Johnson, Mrs. Stronach and Chairperson Selissen vote in favor to come out of Executive Session, for a unanimous vote of 4-0.

MOTION: Mr. Gay made the motion to adjourn; seconded by Mr. Johnson for a unanimous vote of 4-0 at 11:31 p.m.

Respectfully submitted,

Approved: _____
Anne Marie Stronach, Clerk