

**Date: December 19, 2011**

*Date Minutes Approved: January 9, 2012*

## **BOARD OF SELECTMEN MINUTES**

**Present: Shawn M. Dahlen, Chair; Christopher R. Donato, Vice-Chair; and Theodore J. Flynn, Clerk.**

**Absent: No members were absent.**

**Staff Present for Open Session: Richard MacDonald, Town Manager; John Madden, Finance Director; and C. Anne Murray, Administrative Assistant.**

**Staff Present for Executive Session: C. Anne Murray, Administrative Assistant /King Caesar Fund Staff Liaison.**

### **CALL TO ORDER & ENTERED EXECUTIVE SESSION**

The meeting was called to order at 6:30 PM in Open Session.

### **VOTE TO ENTER EXECUTIVE SESSION**

Mr. Flynn moved that the Board enter Executive Session in order to discuss matters regarding the King Caesar Fund, which are of a confidential nature, as the fund's purpose is to provide medical relief for the financially-needy residents of Duxbury, in accordance with Mass. General laws Chapter 30a, Section 21, and then to reconvene in Open Session.

Mr. Dahlen declared that due to medical confidentiality it is necessary for King Caesar Fund cases to be discussed in Executive Session. Roll Call Vote: Mr. Dahlen---aye; Mr. Donato---aye; and Mr. Flynn---aye.

### **RECONVENED IN OPEN SESSION**

Having completed the business of Executive Session, the Board reconvened in Open Session at approximately 7:00 PM.

**OPEN FORUM –no items brought forward.**

### **HUMAN RESOURCES OFFICER RE: CHAPTER 32b, SECTION 21**

Present for this item of business were: Ms. Jeannie Horne, Duxbury Human Resources Officer, and Mr. Peter Savage of Cook and Co., the Town's Health Insurance Consultant.

The Chair recognized Mr. Savage to provide an explanation of how this came about and what it is intended to do regarding the health insurance offered to Town employees and retirees.

Mr. Savage explained that this is part of Chapter 60 of the Acts of 2011 passed last July by the State legislature. This allows municipalities to act under the same rules as the State. In the past municipalities had to negotiate healthcare with each individual union and couldn't implement anything until agreement was reached with all the unions. The State, on the other hand, through the GIC (i.e., the Government Insurance Commission) could elect to make changes to their healthcare plans and those changes affect all their union employees. The new legislation allows municipalities to either (a) join the GIC or (b) to modify their healthcare plans to closely resemble the GIC. It provides very strict guidelines and

timeframes as to how this is done. Section 21 is what the Board is discussing tonight. It is the first step and in effect passing Section 21 will give Town Management the right to sit down with employees to negotiate changes to the healthcare plans offered. Section 22 involves modifying your existing plan with your current carrier or other carriers to formulate a plan that cannot be any more stringent than what the GIC allows. Section 23 allows a municipality to actually join the GIC. Again, tonight's vote just allows for the discussion process to begin.

He stressed that, if the Selectmen vote to do this, there are strict rules as to how the process moves forward. The first stage is to notify the union heads and employees. Then at some point in the future, when a plan is devised it is presented to the Insurance Advisory Committee. Once it is presented to the Insurance Advisory Committee, then the process involves the formation of a Public Employees Committee (PEC), which would be made up of a representative of each of the bargaining units and a retiree appointed by the state retirement association. The PEC would have to vote on any plan or changes to the plan. It would be a weighted vote based on what percentage portion of eligible plan participants each individual represents. The retiree representative has a 10% vote. As part of the process the estimated collective savings for the first year must be calculated and then 25% of that amount must be set aside to mitigate the impact of any changes for however long those funds last. During a 30-day period there would be negotiation as to how that mitigation program would be run.

If an Agreement is reached on a plan, then once it is in writing, it can be implemented. If an Agreement is not reached, then there is a three-person panel (i.e., the Municipal Health Insurance Review Panel (MHIRP), which reviews the plan to decide whether it is the equivalent of the GIC, whether the estimated cost and savings are reasonable, and whether the mitigation plan is adequate and the process for distribution reasonable. The MHIRP will consist of one person appointed from the PEC, one person appointed by the public authority, and one person who is selected from a list of three nominees from the Secretary of Administration and Finance. The PEC representative and the public authority representative either jointly agree to the third person or the third person is named by the Secretary of Administration and Finance. Again, all the details of this are spelled out in Sections 21-23.

Mr. Savage also stressed that throughout the process the state must be kept informed and the guidelines detail that and the timeframes involved.

The goal is to allow municipal entities, i.e., towns and schools, to have their plans come in line with the coverage and costs of the GIC.

Mr. Dahlen mentioned that the Board had recently received a presentation about this. He asked to hear from the Board members and then will recognize comments from others.

Mr. Flynn said that local aid is getting cut every year by the State, so we need to do something to get our plans in line without hurting the Town and the Town employees.

Mr. Donato indicated that his thought process was two-fold: First, he mentioned that he has a lot of respect for the employees of the Town. He then mentioned that he also believes we owe it to the residents to at least look at this to determine if there can be savings.

Mr. Dahlen agreed. He spoke about his experience as a private-sector employer and how he sees this as an opportunity for towns to negotiate with employees in a different format.

Nancy Chadwick, a Duxbury Teacher and currently the President of the Duxbury Teachers' Association with long-time connections to Duxbury, stated that the teachers "feel already that the process has been a cavalier and disrespectful process." She pointed out that one-week's notice is not enough, and there was a delay in her receipt of the notification. She

also mentioned that over 50% of the teachers, who work for the Town, also live in the Town. She asked that the process be more respectful going forward.

Mr. Matt Lynch, resident and Duxbury teacher, said that he had reviewed the plans and that the premiums seem to be approximately \$15. per month less, but the co-payments but the copayments are \$5. - \$10. more per visit. He questioned whether the approximately \$180. premium savings is worth the added costs. He also mentioned that Blue Cross Blue Shield (BCBS) did not buy into this program, and that for two-years in a row we have enjoyed premium holidays.

Peter Savage responded by mentioning in order to go into the GIC you have to be able to show that the savings is worth it. If modifying the Town plan, then there will be discussion with employees and part of that, will be a discussion of the increases in cost versus the reduction in rates. He mentioned that the two plans to look at online are the Tufts Navigator Plan, which reflects similarities for current employees and the OME Supplement Plan, which reflects the retirees' plan.

Mr. Dahlen stated that we are still talking about staying with the same plan, but tailoring the details (e.g., co-payments or deductibles) within the existing plan.

Mr. Lynch followed up by mentioning that it is his understanding that you can't seek medical aid outside of the state without having additional costs, and he expressed his concern for those who travel. In response Mr. Savage indicated that this would be similar to the PPO, which does allow you to go to any provider, who is part of the plan and has agreed to the negotiated rates. If you go to a provider, who is not part of the plan, then you do pay more.

Mr. John Canty, 21 Blodgett AVE, said that this is a lot to digest and suggested that it would be helpful to have a summary or a handout for review. Mr. Dahlen agreed, but mentioned that this is just step one in which the Selectmen must vote to even begin the process, then the real discussion begins to explore those options to determine if there are savings for the Town and the employees.

Mr. Donato appreciated the feedback. He said that it is his impression that the trade off for reduced monthly premiums is that individuals who use it more pay more.

Ms. Debbie Greenglass, a Duxbury teacher, asked why couldn't we just stay with BCBS and have our co-payments change? Mr. Dahlen stressed that the Selectmen are not looking to switch plans or to enter the GIC but rather to modify the current plan.

At this point, Mr. Savage also mentioned that there are strict guidelines going forward. If a community does not accept this process, then by June 30<sup>th</sup> it must provide a report explaining the decision.

Ms. Carol Howland, a resident and Instruction Assistant in the Duxbury Schools, talked about her personal situation and how under the current plan the amount taken out for health insurance is a substantial portion of her paycheck. She was concerned that the split between the Town contribution and the employee contribution was changing so the employees would be payment more. She also mentioned that when it was needed, the Network Blue coverage was excellent and she was most thankful for that.

Mr. Dahlen and Mr. Savage stressed that it is hoped that by modifying the plan it will reduce the cost. The expectation is that 20-30% who use it will pay more, but the other 70-80% will save money. Mr. Savage said that in order to get the premium to come down it is expect that there will be either higher co-payments and/or deductibles, but those would be negotiated. In addition, it is believed that the changes will encourage individuals to make more cost effective treatment choices. For example, getting treatment at an Emergency Room is more

expensive than waiting until the next morning to be seen by your primary care physician (PCP).

Officer Dan Brown, Duxbury resident and Duxbury Police Officer, said that he is against joining the State plan (GIC) because of increased cost to do so. He related his experience regarding a friend, who is a Police Officer in Quincy with a similar family situation, and who was forced to join the GIC. He asked the following:

A. Why the Town has never addressed the individual plan costs vs. the individual plus one vs. the family plan as far as differentiating between the costs?

B. Is the Town looking at penalties from the State if they do not pass Section 21?

Mr. Dahlen again stressed that the Town is not looking to change to the GIC, but rather to open discussions with regard to modifying the current Town plan.

Mr. Savage mentioned that the employees have a right to have an Insurance Advisory Committee. In Duxbury this has been somewhat dormant because the Town has been experiencing good years recently. This year the experience was not as good.

Mr. Savage then responded to the above questions as follows:

Answer to A: Regarding the individual vs. individual plus one vs. the family plan costs, he pointed out that a lot of communities have looked at that, but typically what happens is that the individual plan doesn't change, but for the individual plus one and the bigger families (which tend to be families with younger children and who are earning less) you still have to bring in the same amount of money to cover the costs and therefore the costs for the individual plus one and the bigger family plans become significantly higher. It doesn't really save money; it shifts the costs.

Answer to B: He said there is nothing specifically written regarding penalties, but it is somewhat expected that if steps are not made to control healthcare costs the State could use that as justification for reductions in local aid to a community.

Mr. Matt Lynch asked if there is a "lock in" period with GIC? Answer: Mr. Savage said yes that there is a 3-year lock-in period and it also requires a 90 day notification of change.

Again, it was stressed that the Board is not suggesting a change to the GIC, but rather to allow for discussions to modify the current plan. And all today's vote would do is to allow the Town to begin those discussions. If a mutual agreement is reached then it would be brought to the Board for review, but does not necessarily require a vote of the Board. It would have, however, been reached by Town representatives and Town employee representatives. If a mutual agreement is not reached, then it would go to the Panel for review and a decision.

Mr. Chris Malloy, who said he is a Town employee, questioned whether they could add or take away a plan without agreement? And whether all the unions have access to the same coverage? In response it was indicated that whatever is decided and agreed to would be available to all eligible employees and retirees.

Officer Mary Ellen Vidito, Duxbury resident and Duxbury Police Officer, asked if voting for this "automatically means there will be changes?" And if the premiums are reduced then is the quality of the care going to be less? Mr. Savage responded that the quality of care should not change, but it is likely that the cost to access it (e.g., higher co-payments or the inclusion of deductibles) will increase. He also mentioned that a portion of the calculated savings would be set aside to mitigate some of the increase costs.

Mr. Matt Lynch mentioned some of the plans out there and what their typical costs are. He asked if the Town would have to go to what they are charging. Mr. Savage said "not necessarily."

John Montosi, Duxbury Firefighter and VP of FF Union, asked about the mitigation fund: (a) Is it a one-time thing? and (b) Is how the mitigation money dispensed part of the discussion? The answers given by Mr. Savage were (a) "Yes, it is a one-time mitigation fund." And (b) "Yes, how the mitigation is set up would be part of the discussion process."

Mr. Flynn moved that the Town of Duxbury elects to engage in the process to change health insurance benefits under Massachusetts General Laws Chapter 32B, Sections 21 through 23. Second by Mr. Donato. VOTE: 3:0:0.

#### REVIEW CURRENT LIST OF MARCH 2012 SPECIAL TOWN MEETING ARTICLES

Ms. Mello, Executive Assistant, was in the audience, and explained that information about the Special Town Meeting (STM) articles was included in the Selectmen's packet for informational purposes. The warrant for the STM Articles will not close until closer to the March 2012 date in case other items come forward for which funding cannot be put off until the next fiscal year. Mr. Dahlen read down the list of eight articles, most of which were standard housekeeping articles.

#### CLOSE MARCH 2012 ANNUAL TOWN MEETING WARRANT

The Selectmen were provided with a draft copy of the 2012 Annual Town Meeting (ATM) Warrant. Ms. Mello, Executive Assistant, explained that over the course of the next couple of month's the individual articles will be reviewed and discussed by the Board of Selectmen. Tonight the Selectmen are just being asked to vote to close the 2012 Annual Town Meeting Warrant.

Mr. Flynn moved that the Board of Selectmen close the warrant for the 2012 Annual Town Meeting, consisting of fifty-five articles. Second by Mr. Donato. VOTE: 3:0:0.

#### BUSINESS

##### One-Day Liquor Licenses

##### *Anne Antonellis for 375th Anniversary Committee: Fundraiser on 1-7-12*

Mr. Flynn moved that the Board of Selectmen grant to Ms. Anne Antonellis, as a representative of the 375th Anniversary Committee, a One-Day Wine and Malt License to hold a fundraiser on Saturday, January 7, 2012 at the Art Complex Museum from 7:00 PM to 10:30 PM, contingent upon the conditions listed on the license. Second by Mr. Donato. VOTE: 3:0:0.

##### *Douglas Hart for Duxbury Yacht Club: Pot Luck Dinners on 1-7-12 and 2-4-12*

Mr. Flynn moved that the Board of Selectmen grant to Mr. Douglas Hart, as a representative of the Duxbury Yacht Club, two One-Day All-Alcoholic Liquor License for the following events:

- Club Championship Pot Luck Dinner on January 7, 2012, to be held at the Sprague-Parker Clubhouse on Fairway Lane from 7:00 PM to 10:00 PM;
- Tournament Pot Luck Dinner on February 4, 2012, to be held at the Sprague-Parker Clubhouse on Fairway Lane from 7:00 PM to 10:00 PM.

subject to the conditions on the license. Second by Mr. Donato. VOTE: 3:0:0.

## ANNOUNCEMENTS

Mr. Donato announced the TOWN HALL HOLIDAY SCHEDULE: As Christmas and New Year's Day land on Sundays, the Town Hall will be closed on Monday, December 26th and Monday, January 2nd. There will be no Selectmen's Meeting on those Mondays.

The next Selectmen's Meeting will be on Monday, January 9, 2012.

## MINUTES

Mr. Flynn moved that the Board approve the Executive Session Minutes of December 12, 2011, as presented, but with the contents to remain sealed until the need for confidentiality has passed. Second by Mr. Donato. Vote: 3:0:0.

Mr. Flynn moved that the Board approve the Open Session Minutes of December 12, 2011, as presented. Second by Mr. Donato. Vote: 3:0:0.

## TOWN MANAGER BRIEF

Mr. MacDonald reported on the following:

- 1) **Police Station Bids**: The bids for the Police Station were opened. A total of 14 bidders submitted bids. The low bid was \$4.2 Million, but the bidder withdrew the bid due to a mathematical error. The next lowest bid was \$4.57 Million and this bid is being reviewed.
- 2) **HOLIDAY HOURS**:
  - a) **TOWN HALL HOURS**: Mr. MacDonald mentioned that Christmas and New Year's Day land on Sundays, so the Town Hall will be closed on Monday, December 26th and Monday, January 2nd. There will be no Selectmen's Meetings on those Mondays.
  - b) **TRANSFER STATION HOURS**: Mr. MacDonald said the Transfer Station will close at NOON on December 24, and re-open at 8am on December 28.
  - c) **POOL HOURS**: He reported that the pool will be closed on Christmas Day, Sunday, December 25<sup>th</sup>, and on New Year's Day, Sunday, January 1<sup>st</sup>.
- 3) **Canine Committee**: Mr. MacDonald indicated that he is still working on the naming individuals to this committee as the issues regarding dogs are escalating and there is a need to work on solutions.

He ended his brief by wishing all Happy Holidays and all the best for the New Year.

## BONUS SHELLFISH SEASON (for January, 2012)

Mr. Donato moved that the Board of Selectmen declare a temporary Bonus Shellfish Season:

- 1) for the commercial harvesting of soft shell clams for the month of January 2012 in accordance with posted Attachments B & C; and

- 2) for the commercial harvesting of quahog for the month of January 2012 in accordance with posted Attachments A & C ; and
- 3) for the recreational harvesting of soft shell clams for the month of January 2012 in accordance with posted Attachment D.

Second by Mr. Flynn. VOTE: 3:0:0.

## COMMITTEE APPOINTMENTS / RE-APPOINTMENTS

### Council on Aging

Mr. Flynn moved that the Board of Selectmen appoint Mr. Paul Brogna as a member of the Council on Aging to fill an unexpired term due to expire on 06/30/2013. Second by Mr. Donato. VOTE: 3:0:0.

Mr. Flynn noted that Mr. Brogna's appointment will fill the seat held by Ms. Carol McHugh, who has resigned.

### Council on Aging ALTERNATES

Mr. Flynn moved that the Board of Selectmen appoint Ms. Marilyn Murphy and Ms. Shelley Beeby as ALTERNATES to the Council on Aging to fill unexpired terms due to expire on 06/30/2012. Second by Mr. Donato. VOTE: 3:0:0.

Mr. Flynn added that Mr. Bill Campbell and Ms. Bev Walters have stepped down as Alternates to become Associates to the Council on Aging Board. Associates do not require appointment. He noted that Marilyn Murphy will fill the seat vacated by Bill Campbell and Shelley Beeby will fill the seat vacated by Bev Walters.

NEW BUSINESS – nothing brought forward.

OLD BUSINESS – nothing brought forward.

## ADJOURNMENT

At 8:06 PM, Mr. Flynn moved for adjournment of the meeting. Second by Mr. Donato. Vote: 3:0:0.

## LIST OF DOCUMENTS

- 1) EXECUTIVE SESSION – items moved to confidential files:
  - a. Suggested motion
  - b. Packet of information regarding KCF Case # 2011-02 (JML)
- 2) HEALTH INSURANCE REFORM
  - a. Suggested motion
  - b. Municipal Health Insurance Proposed Regulations Time Table (3 pgs.)
  - c. Chapter 69 of the Acts of 2011 Sections 21 through Sections 23 (12 pgs.)
  - d. 11-11-11 801 CMR: Executive Office for Administration and Finance:  
801 CMR 52.00: MUNICIPAL HEALTH INSURANCE (13 pgs.)
- 2) 2012 SPECIAL TOWN MEETING:
  - a. List of Special Town Meeting Articles
  - b. Draft Special Town Meeting Warrant (Articles A – H).

- 3) *2012 ANNUAL TOWN MEETING:*
  - a. *Suggested motion for closing the 2012 Annual Town Meeting Warrant*
  - b. *Draft Annual Town Meeting Warrant (Articles I. –LV temporary numbering)*
  
- 4) *One-Day Liquor Licenses:*
  - a. *Anne Antonellis for 375th Anniversary Committee: Fundraiser on 1-7-12*
  - b. *Douglas Hart for Duxbury Yacht Club: Pot Luck Dinners on 1-7-12 and 2-4-12*
  
- 5) *Suggested Announcement(s) 12-19-11*
- 6) *Draft of 12-12-11 EXECUTIVE SESSION Minutes*
- 7) *Draft of 12-12-11 OPEN SESSION Minutes*
- 8) *12-19-11 Appointments / Re-appointments Sheet*
- 9) *Bonus Shellfish Season (for January 2012)*