

Groveland Board of Selectmen
Meeting Minutes
November 23, 2015

Present: Chair William Dunn, Selectman Daniel MacDonald, Selectman Joe D'Amore, Selectman Ed Watson, Selectman Michael Wood

Absent: None

Others Present: Denise Dembkoski (Finance Director)

Recorder: Melanie Rich

The meeting was called to order at 6:31 p.m.

DISCUSSION AND POSSIBLE VOTE:

Continued Fire Truck Discussion – This meeting was to finish deliberations on the purchase of the fire truck. Ms. Dembkoski ran some hypothetical numbers. Calculating revenues, very basic expenditures, not taking into consideration any budget requests or any increase in the expense line, we will have a deficit of \$119K; that does not include a fire truck; it does not include any capital items. It is healthy to have manageable debt year after year because it shows we are investing in our infrastructure; we do not have any. It would be up to the Finance Committee, this board and town meeting to figure out, once budget requests start coming in, where to make cuts to absorb the cost of the fire truck. She also provided a spreadsheet showing the comparison to the financing schedule the Chief sent her from Rosenbauer; they proposed a ten year at 2.89%; their annual payment \$87,430 under the leasing plan. If we were to borrow it for 20 years; it would start at \$70K and increase about \$1,500-\$2,000/year. Mr. Ruchala asked to run a schedule for a \$450K truck, used vehicle for 10 years and then 10 years out borrow for a new truck at 20 years; he said it would total \$2.1 million over a 30 year period. Selectman D'Amore said even if we flat line all the departments we are looking at a \$119K deficit.

Chair Dunn said the Chief came in and needed to keep his men and the residents safe; that was his reason for needing the truck. Chair Dunn said his responsibility is to keep the town of Groveland financially responsible, keep the residents safe, and keep the firemen safe. In our last meeting, the Fire Department did not seem to care about the finances or how the town was going to finance the truck; they seemed to think the Selectmen were villains and were going to trim them of the truck; we are not going to do that; we are trying to find the financial way to purchase the truck. The people voted at the Special Town Meeting to purchase a truck up to \$750K; he is in favor of obtaining a truck and having it built to the specs that the Chief wants up to \$750K. He presented two options: (1) to purchase the truck for up to \$750K to be paid by the taxpayers in one lump sum payment; it will cost the homeowner approximately \$119/year, or (2) finance the vehicle; ask the taxpayers for approximately \$79K over 20 years (approximately \$1 million). Mutual aid has been covering us; it is not broken; we can use it. Ms. Dembkoski clarified that the capital expenditure exclusion is a one-time capital cost; at \$750K you would ask the residents if they are willing to have a one-time capital exclusion on their taxes; it would be approximately \$119/year; every home pays, the truck would be purchased and the money would come off the tax rate. In order to have a ballot question, the BOS have to vote by 2/3 majority; both of these options would require town meeting approval. It would have to go to town meeting because they voted for borrowing last year; the language would have to be clarified and it would require a 2/3 majority.

Selectman Watson said there was no mention of “up to”; on the town warrant article; it was a flat \$750K. At the time town meeting voted, it was approved by the former BOS, town meeting, Capital Improvement Committee and approved by the Finance board. Selectman MacDonald said we are the contracting body of the town; we need to get the best deal for the taxpayers. Chair Dunn said he was on the previous board and did not realize the financial constraints the town would be put in.

Selectman MacDonald likes Chair Dunn's plan of a one lump sum payment. He is against borrowing money if we can't fit it in the budget. Debby Webster said for any type of debt exclusion you can figure household costs based on the average household value; a person with a higher value will pay more; lower will pay less; it is all done by value. The amount will be put into the mix with the rest of the taxes we pay for and it is divided up among the value. You can't say it is a set amount; you can't compare tax rate to tax rate; you compare tax rate and out of pocket expenses (value). Chair Dunn asked her to get a rough estimate.

Selectman Wood asked what is the useful life span of a fire truck; 30 years. He said if we finance for 20 years, we would get another 10 years out of it. Selectman D'Amore looked for someone who could give him a second opinion not only about the financial aspects of the truck but the operational aspects. He asked the following questions of former Chief Clement. Do other departments in Merrimack Valley use a straight stick (yes, more continue to be manufactured over other aerial configurations), are they inherently dangerous (no, however any device improperly operated constitutes a hazard and can result in death), do you believe a straight stick is appropriate for Groveland (no), what is the typical cost of a straight stick 75' ladder new (\$550K-\$600K), would a 75' ladder straight stick require any modification to the central fire station (dependent upon the ladder configuration it may be necessary), should a ladder truck of any configuration be purchased without a pump and tank (no), are there any physical requirements of the men that must be met to use the straight stick that would differ from a ladder with a platform (no), please describe the features, configurations, options of a straight stick, where would you buy such a truck, what would be the cost, and other factors. Selectman D'Amore said there are driveways the proposed truck would not be able to go up to because it would touch the ground; there are some streets where the truck could not turn in to. He is not ready to vote nor will he ask the people of Groveland to buy the most expensive truck; however he will ask them to buy something by ballot.

Selectman MacDonald said the grant application submitted was for a single axel straight stick, not a platform. One question on the application was what percentage of your primary response areas is protected by hydrants; 60%. We need more water involved and the response time needs to be quicker. He asked if we are going to spend \$750K and struggle with the budget, is it the right piece of apparatus. Selectman D'Amore said we have 6-7 pieces of equipment and at some point will be scheduled to be replaced; then what.

Debby Webster returned and said using today's figure it would raise taxes approximately \$310 for the year; a higher value home is more. Selectman MacDonald said before moving forward we should see what Capital Improvement's plan is for buying more engines; he has no idea of what they plan on spending; we need to look at the big picture. He said the forecasting is horrible in this town; we don't anticipate the schools will go up; we can see the population growth, the number of permits, and doesn't know why it is always a surprise to the people in town that the numbers go up. Chair Dunn said we can't trim the budgets in town hall; the townspeople should know what the circumstances are and have the say. Chair Dunn is arguing the financial; Selectman D'Amore said he is arguing the operations and confidence; he does not have confidence in what is being presented. He said we have a leadership in the Fire Department that is not working with the board and does not trust their motives. Selectman MacDonald is professionally skeptically that is it the best option for the people. If we have to convene an advisory committee of outside people to help us make a decision, he will support that. Selectman D'Amore said there is a crisis of confidence and was getting close to making a motion for a vote of no confidence. Chair Dunn agreed and said the taxpayers voted to purchase it, now how do we deal with it. Selectman D'Amore said Kopelman and Paige made it very clear what the discretionary authority of this board is and reminded us of our fiduciary responsibility. Our responsibility is to the taxpayers. We all have passions, but at the end of the day the people of Groveland need to be informed that this is the best thing. Ballot questions bring out more people to vote. The bigger the number the more scrutiny is needed.

Selectman Watson asked if there was any debt coming up for expiration; Ms. Demboski said no. The only debt we have is the Bagnall School and Center Street; there is no capacity to add to our budget. She clarified

that the warrant shows the truck was originally requested through Capital for \$850K. The Selectmen heavily discussed it, met with the Fire Department, went back and forth and settled on \$750K as a reasonable number to come up with a demo truck with a platform to keep the department safe and still use the demo. The board voted \$750K; they put it back to Capital who revised their proposal and came down to \$750K. Selectman Wood asked why \$750K was approved without someone saying we can afford it. Ms. Dembkoski said normally she would tell Capital Improvements what we have for capacity (the amount of money we can stay within either with through cash or borrowing); and they would go through their plan and give her something that would match that number; it doesn't work like that here. They come up with a plan, give it to the board, give it to Finance and it moves forward. Selectman MacDonald said then it had no correlation whatsoever to what available cash flow existed. She said Capital Improvement does recommend to town meeting; they recommend to Finance and the BOS who then in turn forward it. Selectman MacDonald said it was ill conceived financially. Ms. Dembkoski said back in the spring there were debt schedules using the \$70K number because they were looking at 20 years. Now we have expenses we didn't have seven months ago (new school assessment, Whittier increase; retirement, etc.). Selectman Watson said they presented their plan and had meetings; Selectman MacDonald said they presented their plan without one key component; how to pay for it. He said we do have the authority to reconsider; we have to go backwards to go forward; we need a number to see what we can afford. Selectman D'Amore said the answer is easier to find once we understand what the purpose of the truck is; operationally for the town; that's what needs to be figured out; we need an outside opinion. Chair Dunn said he looked at the truck; it runs; it is not broken; it was certified a year ago. It has an open cab in the back. The open cab does not meet the safety standards. He believes the truck will keep them safe, but at the same token, it doesn't meet the safety standards. The new truck will not meet the safety standards in 20 years; that's why he doesn't want to finance it over 20 years.

Selectman MacDonald said the 1981 truck has to go but we don't have to panic on how to pay for it. We as a board have decided to explore raising some revenue; selling excess land off, pursued back taxes in town; let's keep exploring avenues on how to pay for it and that it is the right piece of apparatus. He doesn't think we need to make a decision tonight. Selectman D'Amore said we need to use the resources we have as best as we can. He said we should do the basic ground work and give a deadline of February 1st to come up with a suitable alternative that we are comfortable with both operational and cost wise and then we can worry about convening a panel of experts to give us an opinion to finalize a decision. Chair Dunn said the truck they want right now he can get for \$45K, \$50K. Selectman D'Amore questioned why we didn't get the specifications weeks ago; there is something structurally wrong with the relationship that exists between the board and the leadership; we are not respected; we need to change it.

Selectman Watson said the former BOS sent the Fire Department out to get a proposal; they did; they had a committee; they made a recommendation. It was recommended by Capital Improvement, the Finance board, by the former BOS, it passed at the town meeting with 2/3 vote for \$750K. If Capital Improvements didn't look at the finances, he is sure the Finance board looked at it, and the former BOS looked at it as well.

Selectman MacDonald is not confident that they looked at the right numbers. The consensus is that members will do research; it will be discussed at the November 30th meeting and be a standing agenda item at every other meeting. The board agreed to table the discussion.

Selectman Watson made a motion to adjourn; Selectman Wood seconded; voted 5-0-0. The meeting was adjourned at 8:10 p.m.

*** Unanimously Approved – December 28, 2015 ***