

MEDWAY BOARD OF SELECTMEN

155 VILLAGE STREET • MEDWAY, MASSACHUSETTS 02053
(508) 533-3264 • FAX: (508) 533-3281

*Andrew Espinosa, Chairman
Richard Dunne, Vice Chairman
Dennis Crowley, Clerk
John Foresto, Member
Glenn Trindade, Member*

Board of Selectmen's Meeting-Final

April 1, 2010, 7:30 AM

Sanford Hall, Town Hall

Present: Chairman Espinosa, Selectmen John Foresto, Dennis Crowley, Glenn Trindade and Rich Dunne, and Town Administrator Suzanne Kennedy

Also Present: Melanie Phillips, Finance Director, Carol Pratt, Town Accountant, Thomas Holder, DPS Director, David D'Amico, Deputy DPS Director, and Richard Boucher, IS Director

The meeting was called to order at 7:30 AM

Public Comments: None

Budget Discussion FY2011 DPS Budget

Water Budget

Mr. Trindade asked what impact three new positions would have on the water rates. He was concerned about this cost in addition to increasing costs resulting from the I & I study findings. Mr. Holder distributed the rate projections. He said he could not account for unknown costs associated with the I & I results.

Ms. Phillips outlined the increases in the water rates next year. She said that the bill for the average user would be \$207.28, or an increase of 3.7 cents per day. She said the average user is paying \$193.72 this year. Mr. D'Amico noted that the Water/Sewer Commissioners would like to change how the capital charge is distributed.

Mr. Crowley did not think the increase provided the necessary revenue to meet the proposed budget. Mr. D'Amico said that the 15% increase was an overall number and indicated page two of the handout has tiered customer impacts. Ms. Kennedy added that the new water meters should help to boost revenue by measuring actual consumption. She said it is very likely the Town is not recouping full revenue for water usage with the meters that are currently in place.

Mr. Espinosa stated that unless the Water/Sewer Commissioners raise the rates, they cannot move forward with the proposed budget. Mr. Holder said that they have been discussing the budget and rates with the commissioners. He also mentioned the upcoming April 26 meeting for the betterment discussion.

Mr. Trindade said that some of the additional personnel can wait. Mr. Espinosa asked if the department can survive without this personnel. Mr. Holder said it is important that he have managers for the numerous projects underway. He said without appropriate management, the Town would be facing fines for non-compliance and violations.

Mr. Espinosa asked if they would be asking to raise rates again next year and if all projects are accounted for in the proposed budget. Ms. Kennedy answered that the master plan is not included. Mr. Crowley stated that rates should go up every year, just in smaller increments than what they are doing. Mr. Espinosa suggested raising the rates 5% this year.

Mr. Trindade said the department can get by without the Town Engineer position or another DPS Superintendent at this time. Mr. Holder responded that Medway would suffer if it does not increase staffing; the benefit of this will be evident five years from now. He also noted that he is currently seeking to fund a Project Manager, which is a cost currently allocated to consultants at \$170 per hour.

Mr. Foresto said there is a need for change. He asked Ms. Kennedy if she had the DPW benchmarking results for the Board to review. She answered that she recently gave the spreadsheet to Mr. Holder. Mr. Holder stated the department is understaffed. Mr. D'Amico added that the fact the department is understaffed was supported by the results of the water audit and his own audit of the Highway division.

Mr. Crowley said the debt is driving the rates not the manpower. Mr. Espinosa said the situation is the result of past sins. Mr. Crowley suggested they not take on the whole expense this year, and rather allocate some of it to the general fund. Ms. Kennedy said the general fund cannot support further strain.

Mr. Espinosa reviewed the percentage increases again for clarification. It was explained that users in the higher tiers would take a bigger hit than the average user.

Mr. Dunne asked how many people Mr. Holder was adding. Mr. Holder answered 1.45.

Mr. Crowley asked what is happening to the personnel that work part-time in solid waste. Mr. Holder answered that he would be replacing them with two full-time heavy equipment operators that would work Wednesday through Sunday. He felt this arrangement would improve accountability at the site.

Ms. Phillips stated that she went through the meter change in Natick and the town saw a 12% increase in consumption. She said they also were able to bill users that had gone undetected in the past. Ms. Kennedy said back billing would be a policy decision of the Water/Sewer Commissioners.

Mr. Espinosa said he did not want to keep making large rate increases. Ms. Kennedy stated that when they have the master plan they can begin long-range planning to reasonably allocate the costs.

Sewer Budget

Ms. Phillips stated the sewer rates are based on water use. She said these rates are increasing 8 cents per day. Mr. Dunne noted they are increasing the revenue by 25%. Mr. Espinosa said that using percentages to measure this increase is relative, as the base was not a significant amount. Ms. Phillips stated the average user will pay \$155 annually.

Mr. Dunne said the Charles River Pollution Control District would be adding to the cost of this budget. Mr. Crowley said that if consumption is lower than projected, they will not make their revenue. Mr. Dunne noted that with increasing water consumption (i.e. new meters) the revenue for this budget should be increasing as well.

Mr. Espinosa reiterated that the budget needs the support of the Water/Sewer Commission through rate increases. He thought they should have a meeting with the commissioners to discuss this.

Mr. Dunne moved, seconded by Mr. Trindade, and it was unanimously

VOTED: to approve the Department of Public Services' organizational plan as presented and approve the budget with the understanding that the Water/Sewer Commission must support it with a rate increase.

Mr. Trindade asked where the new personnel would be situated. Mr. Holder said there is a desk available in the DPS offices in Town Hall and another would be located at the Highway Barn.

Mr. Crowley stated that putting some of these costs in the general fund is not off the table.

Mr. Trindade asked that Millis be consulted about its increase in consumption with its new water meters installed.

McGovern Parking Lot

Mr. Trindade asked if anything could be done in the short-term to address the McGovern parking lot issue. He said that the parents' perception is that the Town is doing nothing. Mr. Holder responded that even a band aid fix would cost \$10,000. Mr. D'Amico remarked that the School Dept. has a habit of not letting the Town know about issues

until they are very large issues. He said they could potentially fill the hole with patch in the meantime.

IT Budget

Mr. Espinosa said that Mr. Boucher was asked to reassess the budget with an additional staff member.

Mr. Boucher said there were three scenarios, the first was to add a .5 employee, the second added the additional week to the 51 week, 32.5 hour employee and the third, and recommended, scenario would be to add a full-time Network Administrator to the town side, and make all school personnel 52 week, 40 hour employees. The cost of making the 51 week school employee a 52 week, 40 hour position would be \$11,000.

Mr. Dunne asked if the 51 week employee was comfortable with the proposal. Mr. Boucher answered that she was not; she thinks she should be making more money. Mr. Boucher said the industry standard is between \$35,000 and \$45,000. She would be making \$37,000. Ms. Kennedy asked if the school administration would support finding an employee that wanted to work those hours for that wage. Mr. Boucher was unsure it would be fully supported, but he suspects the employee will accept the changes.

Various options were discussed. Mr. Trindade suggested putting a deadline on resolving this so they could get a signed contract and revisit the budget. He does not want to add the Network Administrator without changing the status of the 32.5 hour employee. Ms. Kennedy said some negotiation with the Superintendent would be necessary.

Mr. Crowley asked if the School was absorbing the \$11,000 for the change in the employee's status. Ms. Kennedy said that the Town would be giving the School the difference.

Mr. Trindade asked about the salary for the Network Administrator and education and training expenses. Mr. Boucher felt \$60,000 was midrange for the position. There is money in the existing contracts for training. He said the issue is getting the staff to utilize it.

Mr. Dunne asked about the additional \$18,000 for technology in the School's budget. Mr. Boucher said he has not been made aware of this expense. Ms. Kennedy stated that Mr. Boucher did not have a say in the School budget. Mr. Boucher guessed it was for *Everyday Math*.

Mr. Crowley asked about another \$55,000 for technology also inserted in the budget. Mr. Boucher said he did not know about that either, but determined it was a lease payment.

Mr. Espinosa asked Mr. Boucher to find out what the \$18,000 was for.

Mr. Dunne asked about Mr. Boucher's \$420,000 capital request. There was general discussion about the age and use of the computers and the necessity of replacing them. Mr. Boucher stated he is replacing units that are six years or older. He said the replacements could not wait, but if it had to be phased, he would recommend splitting the purchase into just two years.

Mr. Dunne asked why the students cannot use their own computers. Mr. Boucher said he is working on making that a possibility. They are not currently allowed to, however.

Mr. Trindade moved, seconded by Mr. Dunne, and it was unanimously

VOTED: to approve the IT budget as presented by the IT Director with scenario #3.

Mr. Crowley asked the Board to support adding \$5,000 to this year's request for the 300th celebration.

Mr. Crowley moved, seconded by Mr. Trindade, and it was

VOTED: to increase the request from \$5,000 to \$10,000 for the 300th anniversary.

Mr. Crowley abstained.

Ms. Kennedy distributed a revised summary budget. She stated that Ms. Pratt found an additional \$66,000 in the cherry sheet assessments which, combined with the adjustments the Board made to the budget on Saturday, washes out the additional \$100,000 the Board of Selectmen added to the revenue projection. Ms. Pratt concurred that the changes to the budget from Saturday's meeting and the assessments nets zero.

Mr. Crowley commented on the shortfall for the proposed School budget. Ms. Pratt stated that they need to look at the School's debt component. Ms. Phillips stated that when they went through the Trane project it was made clear to the School that their energy budget would be reduced by the debt service, which is \$45,000.

Mr. Crowley thinks this line item is artificially inflated. He believes there is at least \$130,000 in excess revenue from the energy cost savings. Ms. Kennedy said there is no net change to the bottom line. The only difference is the \$45,000 being moved to the town side.

Mr. Espinosa said he does not see a problem. Mr. Crowley thinks the School should be applying the \$130,000 elsewhere in their budget; if the School is expecting an additional \$450,000, it should at least be reduced by that amount. Mr. Espinosa agreed that if it is there, it should be put where it belongs.

Mr. Dunne asked about the \$150,000 of unused money that was set aside for contract settlements. Mr. Espinosa said it is understood there was fluff in the budget, but it was used to hire teachers with more experience than what was originally budgeted for.

Mr. Foresto asked the Board to reconsider the meals tax as a revenue source for the Town. There was not general support for this.

Mr. Crowley stated that the 2% for salary increases built in the School budget for FY10 has been carried over to the FY11 calculation and feels that the 2% should not be part of the FY11 calculation. It was agreed that this subject still needs to be discussed.

At 9:25 AM Selectman Foresto moved that the Board adjourn; Selectman Dunne seconded, and it was unanimously voted.

*Approved 5/17/10