

April 1, 2013

**BOARD OF SELECTMEN
AGENDA
APRIL 1, 2013**

Present: Thomas Creamer, Chairman
Priscilla Gimas
Mary Blanchard
Mary Dowling
Mary Redetzke
Shaun Suhoski, Town Administrator

The Chairman called the meeting to order at 6:30 p. m. following the Pledge of Allegiance.

Public Service Announcements

M. Dowling wished everyone a Happy Easter and Happy Passover to Christian and Jewish residents.

M. Blanchard announced that the Planning Board will hold two public hearings on April 2nd at 6:30 p.m. regarding the sign bylaw and Village Gateway.

M. Blanchard announced that the Burgess budget meeting will be held at Burgess on April 4th at 8:00 p.m.

M. Blanchard announced that the Town Election will be held next Monday at the Oliver Wight Tavern at Old Sturbridge Village, and the polls will be open from 7:00 a.m. to 8:00 p.m.

Discussion on Water and Sewer Rates

Barbara Barry, Finance Director, and Greg Morse, DPW Director, appeared before the Board.

S. Suhoski said that Articles 6 & 7 show the actual Water and Sewer Department proposed budgets. B. Barry updated the Board regarding the FY14 water and sewer fund balances. She noted that the current rate and proposed budget match the budget in the Town Meeting warrant.

S. Suhoski said that in refining all of the math, it looks like the actual rate will be \$10.70 per 100 cubic feet for sewer if it is unsubsidized; the water rate will be \$5.90 per 100 cu. ft. if unsubsidized. T. Creamer noted that the current sewer rate is \$7.97 per 100 cu. ft.; the water rate is \$4.98 per 100 cu. ft.

S. Suhoski noted that water usage over the past two years has gone down. The plant still runs and the rate goes up as the water usage goes down. He added

April 1, 2013

that sewer consumption has also gone down. In addition, there are expenses targeted out of fund balance for sewer. He said that there is approximately \$320,000 in the Wastewater Treatment Plant upgrade costs that were not eligible for funding under the Mass. Water Pollution Abatement Trust. He said that there is an outstanding request for the Comprehensive Wastewater Management Plan of \$180,000 which the Board had voted to put on a Special Town Meeting warrant for funding from free cash; if it does not come out of free cash, then it will have to come from the sewer fund balance. He recommended a maximum fund balance contribution for sewer of \$250,000 in fund balance, which would leave \$750,000 in the reserve fund.

S. Suhoski said that regarding water, because of the usage the fund balance has been decreasing. He recommended that \$90,000 be the maximum contribution out of that fund balance. For the sewer side, he recommended a maximum of \$250,000 in fund balance for a rate of \$9.40.

B. Barry said that the Town is in the "one year at a time" mode to see what can be done, then review it again next year to see what the fund balances are and what the Town can afford to do. She noted that the flat sewer rate was also a component. S. Suhoski said that the flat sewer rate is currently \$150/quarter. He proposed that the flat sewer rate go up to \$190/quarter.

P. Gimas asked for an explanation of how the flat sewer rate works. G. Morse said that some people do not have Town water, but have their own well. Through metering of residential flows, they come up with the per cubic feet number for each connection, then extend that out on the flat side for 470 customers. Their wells are not metered, but their water is flowing into Town sewer.

S. Suhoski said that the Wastewater Treatment Plant is running very efficiently, and the Water Department budget went down \$50,000 from last year. He noted that there will be more subscriber connections in the future.

B. Barry recommended not to borrow money, but to fund from the fund balance. S. Suhoski said that it will be added to the Special Town Meeting warrant.

T. Creamer expressed concern about residents becoming overburdened. He said that living in Sturbridge costs 15% more than the other surrounding communities. He said that he would like to see some additional numbers before making a decision.

B. Barry expressed concern that if all of the money in the fund balance is used, there will be nothing left for next year. She stressed the importance of bringing the rate to where it needs to be. S. Suhoski said that the major mandated upgrade of the Wastewater Treatment Plant has been completed which had been required by DEP.

FY14 Budget

S. Suhoski said that a balanced budget proposal of \$27.4 million, funded within the limits of Proposition 2½ and showing a \$132,000 surplus has been advanced to the Board of Selectmen and Finance Committee.

Though separate from the operating budget per se, last week it was noted that S. Suhoski had removed an initial proposal to allocate \$400,000 in free cash towards the Champeaux Road Bridge Project.

S. Suhoski did not make the change simply because one member of the Board had suggested deferring the item. He had made the change based upon that statement, his perspective of the Board's general reaction, a subsequent meeting with the DPW Director concerning Champeaux Road, a meeting with the Finance Director concerning overall spending, consideration of many sewer fund obligations and an imminent spike in rates, and with general knowledge of the need for additional funds for buildings and fire department maintenance.

S. Suhoski said that the DPW Director had already initiated design and engineering services through CME Associates. Through further discussion with CME and the Army Corps of Engineers, it is clear that the permitting process will take approximately one year to complete, and thus any construction would not commence until 2014 season at the earliest. Ultimately, the Board did vote to include in his 2013 goals a provision to seek any and all federal, state or other funding sources for the Champeaux Road Bridge Project, which would presumably be done before allocating local resources.

For all of the above reasons, S. Suhoski rescinded his recommendation that \$400,000 be utilized for Champeaux Road this year in favor of recommending \$415,000 for the following purposes:

- \$135,000 (approximate) additional to Capital Plan article
- \$180,000 for CWMP costs as the plan covers all future sewer districts (note that further to a request at last week's meeting the original CWMP was funded through the sewer fund reserve)
- \$100,000 article for Tax Rate Relief (this was not in the original plan, but now would merge with the \$200,000 in the stabilization fund and the \$132,000 not raised and appropriated in the Town Administrator's budget proposed = \$432,000 rate relief).

The above items were included on the FY14 Budget Overview and Information Sheet that S. Suhoski had distributed the previous week.

April 1, 2013

In summary, S. Suhoski remain very comfortable with the FY14 operating budget that he submitted and with how the capital planning and betterment committee articles are developing.

The whole budget package funds all existing services, adds additional public safety capacity through a school resource officer and part-time emergency management coordinator, and through a full-time building inspector that will also coordinate facilities maintenance for the Town. This will surely result in longer-term savings and protection of taxpayer investments in town buildings all the while utilizing over \$400,000 towards taxpayer relief.

S. Suhoski submitted to the Board a memo dated April 1, 2013 regarding budget line item amendments which he requested that the Board support:

11232-51170 TA: Merit Based Incentive \$20,128 due to adjusted 12201-51120 salary

11232-52000 TA: Purchase of Services \$ 6,500 2500 fleet maintenance per CapPC

12201-51120 Fire: Dept. Head Salary \$79,571 reflects 2.5% COLA only

15431-51120 Vets: Dept. Head Salary \$ 3,465 reflects 2.5% COLA only

Sandy Cole spoke to the Board about her financial situation.

Mark Edmonds spoke about the need to stop spending.

It was the consensus of the Board to place holds on the following line items: 2, 3, 6, 7, 8, 9, 12, 13, 16, 17, 22, 23, 26, 27, 28, 33, 34, 35, 36, 37, 38, 42, 43, 47, 48, 49, 53, 54, 55, 74, 75, 76, 80, 81, 82, 83, 84, 86, 87, 88, 93, 96, 97, 101, 106, 107, 114, 118, 123, 124, 130, 132, 133, 134, 135, 138, 139, 146, 147, 152, 155, 163, 174, 181, 183, 186, 187.

MOTION: To place and support all of the line items that are not on hold, by M. Blanchard.

2nd: P. Gimas

Vote: All in favor

Draft Annual Town Meeting Warrant

S. Suhoski submitted to the Board a revised draft of the ATM warrant that included a few language changes recommended by Town Counsel. Previously, S. Suhoski had emailed the Board a red-lined draft so that the Board could read Town Counsel's comments and suggested language changes. After the Board's review, S. Suhoski will provide the draft warrant to the Finance Committee.

This version included an additional article relative to the MBPRA item discussed above and two generic “placeholder” articles relative to requests for Community Preservation Act funds as outlined in S Suhoski's March 23rd memorandum previously emailed to the Board. Town Counsel will draft appropriate language and also advise whether a special town meeting action will allow access to the funding earlier than July 1st .

Article 3: Town Budget

MOTION: To place Article 3, by M. Blanchard.

2nd: P. Gimas

Vote: All in favor.

Article 5: Community Preservation – North Cemetery

MOTION: To add the following language to Article 5 as recommended by the Community Preservation Committee: “For the preservation, rehabilitation and restoration of this historic resource,” by M. Blanchard.

2nd: P. Gimas

Vote: All in favor.

Article 6: Water Department

MOTION: To place Article 6, by M. Blanchard.

2nd: P. Gimas

Vote: All in favor.

Article 7: Sewer Department

MOTION: To place Article 7, by M. Blanchard.

2nd: P. Gimas

Vote: All in favor.

Article 11: Sturbridge Tourist Association

T. Creamer read the following changes to Article 11 into the record:

To remove Commercial Tourism Dist. Revitalization Plan \$35,000 and Sturbridge Anniversary Celebration \$20,000

To change the amounts as follows:

Welcome Information Center	\$17,500
Special Events	\$ 5,149
Advertising & Marketing	\$35,000
Route 20 Restrooms	\$ 8,500
STA Website Maintenance	\$ 6,500
Community Support	<u>\$55,000</u>
Total	\$127,649

April 1, 2013

MOTION: To place Article 11 as amended, by M. Blanchard.
2nd: P. Gimas
Vote: All in favor.

Article 12: Betterment Committee

MOTION: To place Article 12, by M. Blanchard.
2nd: P. Gimas
Vote: All in favor

Article 13: Capital Improvement Planning

T. Creamer questioned the following items: 2, 5, 6, 7, 8, 10, 11. He stressed the need to establish priorities.

MOTION: To send this budget back to the Capital Planning Committee to be revamped consistent with needs that are surfacing within some departments, by T. Creamer.
2nd: M. Redetzke
Vote: All in favor.

MOTION: To place Article 13, by M. Blanchard.
2nd: P. Gimas
Vote: Four in favor; M. Redetzke opposed.

MOTION: That the Board direct the Capital Planning Committee to review the report referenced by M. Redetzke with respect to the Public Safety Complex floor, and that they provide the Board with a rating as to the priority number on that project, by T. Creamer.
2nd: M. Redetzke
Vote: All in favor

Article 14: Ambulance Stabilization Fund

MOTION: To place Article 14, by M. Blanchard.
2nd: P. Gimas
Vote: All in favor.

Article 16: Stabilization Fund

MOTION: To place Article 16, by M. Blanchard.
2nd: P. Gimas
Vote: All in favor.

Article 17: Tax Rate Relief

MOTION: To place Article 17, by M. Blanchard.
2nd: P. Gimas

April 1, 2013

Vote: All in favor.

Article 24: Renewable Energy/Net Metering Energy Agreements

MOTION: To place Article 24, by M. Blanchard.

2nd: P. Gimas

Vote: All in favor.

T. Creamer suggested moving the three zoning articles before the budget on the ATM warrant. The Board agreed.

MOTION: To close the Annual Town Meeting warrant for June 3, 2013, by M. Blanchard.

2nd: P. Gimas

Vote: All in favor.

Draft Special Town Meeting Warrant

S. Suhoski submitted to the Board a revised draft of the STM warrant that included a few language changes recommended by Town Counsel. He made a final call for any special town meeting articles. There is an article to cover Veolia overtime costs as previously reported, and another to transfer funds from sewer fund balance to cover costs that were ineligible from the Mass. Water Pollution Abatement Trust loan. Town Counsel will provide guidance on whether CPA fund articles should be on a special town meeting warrant.

Article 48: Community Preservation Act – Riverlands

MOTION: To place Article 48, by M. Blanchard.

2nd: P. Gimas

Vote: All in favor.

Article 49: Community Preservation Act – Conservation Restrictions

MOTION: To place Article 49, by M. Blanchard.

2nd: P. Gimas

Vote: All in favor.

Article 50: Transfer of Funds – Water Dept. Costs

MOTION: To place and support Article 50, by M. Blanchard.

2nd: P. Gimas

Vote: All in favor.

Article 51: Transfer of Funds – Sewer Dept. Costs

MOTION: To place Article 51, by M. Blanchard.

2nd: P. Gimas

Vote: All in favor.

Article 52: Unpaid FY12 Bills – Water Department

April 1, 2013

MOTION: To place and support Article 52, by M. Blanchard.
2nd: P. Gimás
Vote: All in favor.

T. Creamer read his proposed residency requirement policy into the record, and requested that it be placed on the Special Town Meeting warrant. It stated that newly appointed department heads would have 12 months from the date of their 6-month probationary period to move to Sturbridge; 18 months for existing department heads.

P. Gimás said that Sue Waters had suggested that employees who put in a lot of hours on committees could have their time attributed and applied to those seniors who are eligible for the Senior Municipal Service Program or the Veterans Service Program. S. Suhoski said that he would look into whether this could be done.

MOTION: To adjourn, by M. Blanchard.
2nd: P. Gimás
Vote: All in favor.

The meeting was adjourned at 11:12 p.m.

Respectfully submitted,

Judy Knowles

BOS Clerk

Date