

**TOWN OF WINCHENDON
BOARD OF SELECTMEN MINUTES
MONDAY, MARCH 28, 2011 – 7:00 P.M.
Town Hall 2nd Floor Auditorium**

Present: C. Jackson Blair, Chairman
Elizabeth R. Hunt, Vice-Chairwoman
Robert L. Zbikowski
Keith R. Barrows
Robert M. O’Keefe

James M. Kreidler, Jr., Town Manager
Linda A. Daigle, Executive Assistant

List of Documents Presented at Meeting:

- 2010 Audit Report Management Letter (filed)
- Finance Committee Report (attached)
- Draft Investment Policy dated March 28, 2011 (filed)
- Draft Fraud Policy dated March 28, 2011 (filed)
- ABCC Seasonal Estimated Increased Resident Population (filed)
- Lionel Cloutier Disclosure statement (attached)
- Town Manager’s Report (attached)
 - Solar Power Project Fact Sheet (attached)

Chairman Blair called the meeting to order at 7:10 p.m. with the Pledge of Allegiance to the Flag of the United States of America. This meeting aired live on local cable access channel 8.

Blair announced a correction to the agenda stating both the minutes of March 14th on the agenda for approval this evening should list the year 2011, not 2010. He also recognized and thanked State Representative Rich Bastein who was in the audience and announced he would have office hours tonight.

Public Comments and Announcements: None.

JOINT MEETING WITH FINANCE COMMITTEE and SCHOOL COMMITTEE:

Finance Committee members present for the meeting were Ulysse Maillet, Bill Belko, Kevin Miller, Cyndi Leroy, Jennifer Goodale and Ottmar Rau. A quorum of the School Committee was not present but members attending the meeting were Chairman Mike Barbaro, John McDonough, Supt. of Schools Brooke Clenchy and the School Business Manager Bill Frangiamore. The Town Accountant, Charlotte Noponen, the Town Treasurer/Collector, Joan Bousquet, and Tony Roselli from the firm Roselli, Clark & Associates were also in attendance. The group gathered to discuss the 2010 Audit Report.

2010 Audit Report

Chairman Blair called the joint meeting to order at 7:05 p.m. Clenchy thanked the Board for the invitation to the meeting this evening and turned the microphone over to the Business Manager, Bill Frangiamore. He mentioned the findings in the audit report had to do with Fiscal Year 2010. He spoke of the clerical error in the application on how to verify reduced lunches which has been corrected for Fiscal Year 2011. The personnel policy will be documented and cross-training will take place so staff will know of the proper procedures. Frangiamore replied to Hunt’s concern with the Student Activity Account issue by stating they plan to work with the Treasurer and Town Accountant, set up separate accounts for each school, verify amounts with each school and with the School Committee and begin the

process of transferring funds of fundraising activities into these specific accounts. Frangiamore stated all the changes and suggestions come from Roselli's office. Mr. Tony Roselli introduced himself and first spoke of the school findings. He mentioned improvements were made by the School from concerns and issues that were first raised in the 2009 audit report. He then spoke about the findings and recommendations in the 2010 report. At 7:30 p.m. Chairman Blair called a three minute recess so the School Committee members present could leave the meeting.

Blair reconvened the meeting at 7:34 p.m. and offered Representative Bastein a chance to address the Board and the audience. Rep. Bastein announced the office hours he is holding. He spoke of the supplemental budget from the Ways and Means Committee. He wasn't sure what was going to be in the budget, but would know more on Wednesday. He said it was difficult to predict the Governor's budget. The number is not set in stone. He stated he would be present at Town Meeting. His office number is 978- 630-1776 and asked those listening to please give him a call if he can help anyone in any way. He mentioned one of his staff members is a lawyer with a lot of experience on Beacon Hill. Kreidler commended Rep. Bastein for the way he addressed a comment made against the Lt. Governor and the Mylec expansion project crossing swords with his own party. You stepped into the fray, crossed swords with your party and stated this is a good thing for Winchendon. Bastein appreciated Kreidler's comments, said his party was out of line. He then announced he was going up to the fourth floor of Town Hall for an hour if anyone had any questions for him.

The Finance Committee Chairman, Ulysse Maillet convened the Finance Committee in session at 7:36 p.m. Roselli came back up before the Board to continue discussion on the Audit Report. He stated he was pleased where the town stands economically. The town is in good shape compared to the rest of the towns in comparison. Specifically, the town reserves are at 7.5%. Bond agencies like to see at least 5%. He stated our Stabilization Fund has \$1.8 million dollars. This is a rainy day fund and shouldn't be used in the budget unless an emergency. The town has \$1.2 million in Infrastructure Investment Fund and an Allowance for Abatements of \$234,000.00.

Roselli then talked about different policies the town should formalize, the reporting requirements for GASB 54, the water and sewer billing cycle recommending a quarterly cycle. Hunt would like to see aggressive action taken for those folks who are not cooperating with having their old meters replaced with the new radio read meters. The data recovery issue has been addressed and is now being backed up on to an external drive versus tape backup. Barrows had a concern with backup being stored onsite and was told by the Treasurer it was stored in a fireproof safe. The Ethics Compliance issue has also been addressed with the seven or eight employees who had not taken the test complying. The two accounting issues involving investment recordings and cash deposits have been addressed by the Accountant and the Treasurer. Roselli then talked about the Winchendon Redevelopment Authority (WRA) and their activity reaching a level that now needs to be accounted for. The WRA has been notified.

Miller asked the Auditor what the industry standard is for capital planning. Roselli said it should be an ongoing process with a methodology in place for those items and funding for it. Kreidler said you spoke favorably of our economic situation in town. We have great reserves but we aren't doing an awful lot for capital planning; we don't have an appropriation. After a discussion on our debt service, Roselli stated he would do an analysis for us in the fall aging our capital items. Maillet said for many years the Finance Committee advocated to set aside a percentage of the budget for capital improvement and hopes it will happen. Roselli spoke of regionalization for a way to save on funds but the biggest obstacle is for a town to take the lead. There are grant funds for these regionalizations and challenged towns to call their neighbor. Kreidler stated the city of Gardner has taken the lead and looking at regionalizing dispatch, veterans' services, housing services, etc. With the Audit Report coming to a close, Blair recognized the Town Accountant and the Town Treasurer. Kreidler said they deserve credit for this positive Audit Report. Roselli commended everyone involved in the process within the town stating everyone was cooperative. Blair congratulated the Town Manager and his staff.

JOINT MEETING WITH FINANCE COMMITTEE (cont'd)

Chairman Maillet thanked the Select Board to allow them to come before them. He read his report provided in the packets for the joint meeting this evening. O'Keefe liked the idea of a fiscal policy and possibly Selectman Zbikowski and he will look at creating one. He did have an issue with the last line under Long Term Debt stating, "A fiscal policy would provide guidance in re-allocating these funds." It was understood it was the wrong phrase to use since this is

debt exclusion funding that will expire in time. The taxes would go down for the town. The Town Manager was asked to ensure the Finance Committee received copies of the Audit Report.

Next discussed was the net for the back stop at the ball field. Milller didn't feel the recent meeting affective and he didn't know if the homeowner was satisfied with the solution. Hunt said she attended the last meeting and that there was a mathematical equation used. The School is planning on putting up a massive net but she was concerned it had only a five year life span. She was discouraged that town government wasn't more involved if we're going to be asked to fund it. The School Committee has put an article on the Town Meeting warrant for \$30,000 for this solution. Hunt suggested they put up something temporarily for the season to satisfy the neighbors. She feels they are rushing and the net solution bothers her. The Town Manager and Chairman Blair also voiced concerns about not being involved in any kind of decision. Belko wondered why home plate couldn't be put at the other end.

Miller had questions on ongoing projects and wanted an update on the solar project. Blair asked the Town Manager to skip to his Town Manager's report on this issue. Kreidler displayed a transparency of the Solar Farm to be located on unused land at the landfill site. He read through and explained his Solar Power Project Fact Sheet. Miller asked about the reduction in electricity costs if they would be both for the Town and the School. Kreidler replied, "Yes." Miller then asked when the savings will materialize. Kreidler said with this fiscal year coming, but you will see we are not accounting for that cost savings in next year's budget explaining he expects it, but can't guarantee it. Kreidler then explained the timeline stating we are on target with the benchmark. Miller suggested that we could possibly borrow \$30,000 for the immediate need of the net and pay it back later. Kreidler said toward that point, a back channel conversation is being had to hit stabilization and even if it's only one year, we don't have to pay back the bank, but ourselves. Belko commented the solar electricity generated will be a bit short for the town's needs. If we don't have enough credits on our account from the meter at the treatment plant, National Grid will bill us for the difference, Kreidler said. Belko asked if we save some money, can we turn some street lights on. Kreidler said there is a cost savings in the operational budget next year. What we do with those dollars is an operational issue. The other side, the portion of the revenue generated by private developers in solar renewable certificates, an auctionable commodity, unlike anyone in the nation, anything that's sold above this threshold, the town will get half of that, estimating \$175,000 a year cash in hand. We will have an infusion of cash; to date this gets dedicated to capital. Hunt asked the Town Manager why we didn't come in with a bigger facility. Kreidler replied our purpose is not to become power generators for others; the contractor stands to lose an awful lot when these get built. They are allowing it because it's been mandated by legislation for green renewable compliance. One way to do it, they buy these certificates and get credit for it. Barrows wanted to make it clear to residents in town that the power that would be generated would go to municipal and school buildings only and would not be available to the residents of the community. Kreidler added the benefit would be in their budget because we were spending less, not seeking an override and providing better service as a result of this. They win locally. Barrows lastly asked what expenses the town has incurred for this project. Kreidler replied other than the time put into the procurement process, there is no expense and encouraged anyone who wanted a copy of the contract to inquire and it could be emailed to them. Maillet asked for a copy for the Finance Committee. Blair announced anyone wanting a copy of the contract to contact the Town Manager's office. He concluded by commending all the efforts that have gone in to the project. A three minute recess was called at 8:55 p.m.

The Board reconvened at 9:00 p.m.

Selectmen's Comments: None.

Appointments/Resignations: n/a

Permit/License Applications, Hearings:

5K Road Race –Murdock Middle High School Student Council – Ms. Aker came before the board to speak about the 5K road race along with members of the high school student council. The council is holding a 5k race to be held on September 24, 2011 to help raise money for multiple sclerosis. They said that this is part of a yearlong fund raising event and they will also be holding a spaghetti dinner on April 8, 2011. Barrows asked the students how they selected Multiple Sclerosis for their charity. Ms. Aker said that there are currently four members of the Murdock staff who are

*Board of Selectmen Minutes
March 28, 2011*

currently suffering from the disease and thought it was a good place to start to get community involved. Barrows commended the students and said it is such a compassionate and generous responsible thing to do for the community. Ms. Hunt agreed with Selectmen Barrows. Ms. Hunt asked if they will have police and volunteers set up in the critical areas. Mr. Kreidler said that a meeting can be arranged with the student reps, Police Chief and the Fire Chief and we can make sure that they get what they need. Mr. Barrows made a motion to approve with fee waived. Ms. Hunt seconded the motion. All selectmen voted aye. Mr. Kreidler asked about the spaghetti dinner. He was told that it will be held on April 8 at the Murdock Middle School Cafeteria. It will be from 6-8 pm and the cost will be \$3.00 for seniors and \$6.00 for adults. All children will receive a free book.

The Gnarly Dawg – Mobile Food Vendor Permit -Evelyn M. Miller came before the Board looking for a mobile food vendor permit. Mr. O’Keefe questioned the form about not having a physical address and just a post office box. Ms. Miller said that is where their mail goes. It was decided that in the future we should look into this to see if we should put both physical and mailing addresses for applicants. Mr. Barrows moved to approve; Mr. O’Keefe seconded. Ms. Hunt mentioned that the Board of Health needs to do a pre-opening inspection before opening. Ms Miller said that she is fully aware of that and that is her next step. There was a roll call vote and all Selectmen voted aye.

The Winchendon School – License Renewal - Seasonal All Alcohol Pouring & Common Victualler: – Mr. Blair asked to turn this over to Ms. Hunt as he has an interest in the school. Mr. O’Malley came before the board representing the Winchendon School. Ms. Hunt asked if everyone was up to date on their “TIPS” license. Mr. O’Malley said that they have five employees that have that. Mr. Barrows moved for the applicants. Mr. O’Keefe seconded. They were four ayes and Mr. Blair abstained.

Central Diner, 60 Central Street - Common Victualler- John Vaillancourt came before the board to ask for a Common Victualler License for the Central Diner located at 60 Central Street formally known as D.A.D.S. Mr. O’Keefe asked him if he was going to actually be open until 2:00 am. and expressed his concerns. Mr. Vaillancourt thought that it might be nice to have a place open that late for people who might be out drinking to come in and have a bite to eat. He said that if it turned into a problem he would not stay open late. He did say that he expects that he might have trouble but he wouldn’t tolerate it. Ms. Hunt asked about the financial end and asked about the business certificate. Mr. Vaillancourt said that he did have the business certificate. Ms. Hunt said that her other concern is the owner of the building has some outstanding bills he owes the town that were supposed to have been paid prior to this meeting and they have not been. She will not support it opening until the gentlemen pays. Mr. Vaillancourt said he spoke to the owner’s son and he doesn’t know what is going on. The son said he would take care of it immediately. They have not done that yet. Mr. Vaillancourt said that he will try and touch base with the owner the next morning. Zbikowski moved to grant the license contingent on complete payment on outstanding tax bills. Hunt Seconded. All Selectmen voted aye. Mr. Vaillancourt said it will be about three weeks until he opens.

New Business:

BOS Policy Adoption – Fraud & Investment Policies – Blair said that we need to adopt these policies that we received from the last meeting. Hunt asked Mr. Kreidler if they were reviewed legally. Mr. Kreidler said that it is a boiler plate we received and they have been reviewed by our Town Counsel, our Accountant, Charlotte Noponen, and our Treasurer, Joan Bousquet. O’Keefe made a motion making it clear; we are discussing the policies in our recent packet which are slightly modified from our prior packet. These are noted draft date March 28, 2011 and he is making a motion that both of these policies are approved by the BOS and inserted into the Selectmen’s policies. Hunt seconded. All Selectmen voted aye.

ABCC Population Estimates for Seasonal Licenses in 2011 – Mr. Blair said the ABCC is looking for a temporary increase of residents for summer months only. Last year we estimated 1,000 and this seems to be a good enough estimate to go with this year. Recent census doesn’t include seasonal information. Mr. O’Keefe made a motion that we file and complete this form by noting the estimated residents increased by 1,000. Hunt seconded the motion. All Selectmen were in favor.

Disclosures: Lionel Cloutier - Mr. Cloutier came before the Board to say that he wasn't aware that he had to give a disclosure. He is a resident of Webster Street so he cannot vote or speak on anything that deals with Webster Street while he sits on the Conservation Board. O'Keefe thought it appropriate that Mr. Cloutier does not speak. He noted an issue on another board where a gentleman got himself involved and the Ethics Committee came down with a fine for that member. Mr. O'Keefe told Mr. Cloutier that he appreciates his disclosure but this form is asking the Board to authorize him to continue to act on the Conservation Board on matters where he is an abutter and he said that he cannot and this Board cannot give him that authority when it is clearly a violation. Mr. Blair noted that the Board had the power to do that. O'Keefe moved the Board not to sign this document due to the conflict of interest being high enough and that the board has determined that there is a substantial interest and does not feel the approval of the disclosure under Ch. 268A Sec.19 would be in the best interest of the applicant and of the town. Hunt seconded. Barrows, O'Keefe, Hunt and Blair were in favor. Zbikowski voted no.

Mr. Blair noted that he would like to see a policy for recognition of service and retirement as we don't have a policy like that as of yet. He asked Mr. Barrows and Mr. O'Keefe to work on this and bring a policy to our next meeting. He hoped it would include how many years constitute what kind of recognition and what level and anything that makes sense to us in ways to recognize contributions, service and retirements.

Proclamation – Steve Calichman Notice of Retirement – Passed over.

Old Business: N/A

Town Manager's Report:

1. Personnel Updates – The Town Manager apologized for the residual from the last meeting's report. This update shouldn't be listed here.
2. Financial Update:
 - i) FY12 Budgets - Kreidler read through his report updated the Selectmen on the status of the FY12 budget process noting he was still hovering at around \$30k out of balance. There is still quite a bit of road to travel between tonight and the final roll out of the balanced budget but Mr. Kreidler wanted to give the Board another peek as it sits this evening but remained confident that it will balance as is required by Charter and Bylaw all within the timelines proscribed by your voted calendar.

Mr. Blair asked if he is indicating that in two weeks the budgets will be available for any Selectman who wants to look at them. Mr. Kreidler said that the schedule that the Board voted was that at the meeting two weeks from tonight, the budget will be rolled out for them to look at. Then the calendar calls for a period thereafter where any level of detail or amount of time that they request or require, the Town Manager will be there for them any day, night or weekend. Mr. Kreidler said whatever the Board needs.

3. Project Updates:
 - a) Police Station Update – There is nothing to update the Board about regarding this project. Mr. Kreidler said the prior updates stand for the record. Mr. Kreidler did say that he had had an earlier discussion with Selectmen Blair and Selectmen Zbikowski and was hoping to have something to update them on under Executive Session but that information has not come in as of yet.
 - b) Hillview Business Park – Kreidler reading from his report notified the Board about the site visit at Hillview pertaining to the culverts. He said after much discussion of everyone present, the parties agreed to wait until the Commission's new consulting engineer issued his report. Mr. Kreidler said that whatever the report dictates and whatever the commission decides that report requires of them under the terms of the existing permit that Sage has, will be done and must be done.

O'Keefe said this road was approved by the Planning Board but he doesn't see the Planning Board being involved and wanted to know why. He said it is directly under their approval that the road is being constructed. Mr. Kreidler said that he understands that there may be an issue with the Planning Board. The issue is as

discreet as the culverts that provide for the transfer of water from one side of the Wetland to the other based on this road having been created but doesn't believe it extends out to the level of the detail that the Planning Board approved. Mr. White is now aware and will be looking at it.

Hunt said that when we hire subcontractors outside to do a job, we should be looking to see if they have been rated with minor concerns. Hunt said the State rates contractors and feels we should have something in house as well. She said that there was a minor problem and a change was made but we didn't notify the correct board for a reevaluation. That would be a minor infraction for Sage Engineering and should have been marked so. If we had something in house, we would know the next time we were to use this contractor. Mr. Kreidler said that was an excellent point. He noted that we don't have a policy but the Board of Selectmen could create one. O'Keefe and Barrows agreed to add this to their discussions on adding policies.

O'Keefe asked whose property it was, the Town's or Sage's. Mr. Kreidler said that the driveway that is on this property is owned by Olympic Realty Trust whose two trustees members are Sage and Bob VanDyke. The entire application that was forwarded for Commercial Drive, the Cul-de-sac and the driveway went in under the umbrella of the Redevelopment Authority doing the Hillview Business Park, so the Redevelopment Authority has at least paper responsibility in the overall application. While the work is being done by private entities upon their own private property, we still have some connection to it given that it was filed under one piece of paper under the Redevelopment Authority.

Mr. Zbikowski asked if we had a clerk of the works that oversees this project. Mr. Kreidler said the project has been done in segments and there have been different clerk of the works and because it has been done in phases there have been different contracts and different levels of oversight. But in both cases, the town agents have been responsible for providing oversight. Mr. O'Keefe said that he felt there is a problem with who oversees and makes sure they are done properly. Mr. Kreidler said this is the first time that an industrial commercial development of this magnitude has been done in this town in quite a long time so what was done in all best intentions with the Redevelopment Authority leading and shepherding, won't be done again. The lines of responsibility will begin and end where people have responsibility for their underlying property. We would do it entirely differently.

c). Solar Farm – Kreidler stated we have already addressed this in some level of detail this evening but there is more information in your packets. You can look at it at your leisure and if you need any additional clarification on it to let him know.

4. Miscellaneous Updates:

a) Kreidler stated the draft warrant is being worked upon and is set to have thirty-five articles on it. He remarked it was light as we usually have sixty-five articles. Ten of these articles are usual and customary.

Minutes:

February 23, 2009 Executive Session: Hunt moved to release minutes; O'Keefe seconded. All Selectmen voted aye.

Blair announced the 2009 Minutes are late in being approved due to the office being short staffed during that time.

Regular Meeting Minutes: May 18, 2009, June 1, 2009, June 22, 2009, October 19, 2009 and November 2, 2009: Barrows moved to approve; O'Keefe seconded. All selectmen voted aye.

March 14, 2011 Regular Meeting: Barrows moved to approve; O'Keefe seconded. Barrows, Blair, O'Keefe, Zbikowski voted in favor of the motion. Hunt abstained from the vote.

March 14, 2011 EXECUTIVE SESSION: Barrows moved to approve the release of these minutes; O'Keefe seconded. Barrows, Blair, Zbikowski and O'Keefe voted in favor of the motion. Hunt abstained from the vote.

Communications: None addressed.

Agenda Items: Not discussed.

Adjournment: Barrows moved to enter into Executive Session under Exemption #2 relating to non-union collective bargaining or contract negotiations and Exemption # 3 to discuss strategy with respect to collective bargaining and litigation and that the Board adjourn from Executive Session for the sole purpose of adjourning the meeting. Hunt seconded. O'Keefe questioned Exemption #2 and asked who the personnel is. Mr. Kreidler said the Town Manager and the Fire Chief. Mr. O'Keefe asked what union was being discussed in Exemption number three and the Town Manager responded it was for Dispatch. All Selectmen voted in favor of the motion. The meeting adjourned in Executive Session at 9:48 p.m.

Respectfully submitted by,

Linda Daigle
Executive Assistant

Margaret Giacobone
Administrative Assistant