Approved: October 27, 2014 Released: October 27, 2014

TOWN OF WINCHENDON BOARD OF SELECTMEN EXECUTIVE SESSION MINUTES MONDAY, OCTOBER 6, 2014, 2014

Town Hall, 4TH Floor Robinson-Broadhurst Conference Room 109 Front Street, Winchendon, Mass.

Present: C. Jackson Blair, Chairman

Elizabeth R. Hunt, Vice-Chair

Robert O'Keefe Keith Barrows James M. Kreidler, Jr., Town Manager Linda A. Daigle, Executive Assistant

Absent: Fedor Berndt

List of Documents Presented at Meeting:

• Town Manager's Salary/Benefit spreadsheet

EXECUTIVE SESSION: Exemption No. 2 "To conduct strategy sessions in preparation for negotiations with non-union personnel or to conduct collective bargaining sessions or contract negotiations with non-union personnel. Subject: Town Manager's Contract

Chairman Blair called Executive Session to order at 10:21 p.m.

Kreidler told the Board members he wished to continue to be employed here. He was not certain, based on the vote of the last meeting, which was an ask of his resignation, how the members who voted in favor of that motion feel now being two weeks later. Hunt wanted to clarify that she didn't ask for his resignation at the last meeting but that she moved to accept the resignation even though he didn't offer it. She emphasized that she didn't ask for it. Blair stated they are not in a position this early to make any kind of a commitment. Kreidler replied maybe you are and hoped part of the discussion would be about having an actual discussion that would be candid.

He first asked if anyone in the room wanted him to resign. Barrows replied no, O'Keefe replied no, Hunt replied no, but she will go after his contract, she wasn't happy with the situation the town was in but felt if anyone could get them out of the current situation with the least amount of pain, she trust it would be the Town Manager. Blair stated he agrees exactly with what Beth said. They are not through with this yet, we don't know how bad it is going to be; we don't know how deftly the Town Manager will be able to handle it and that they didn't need to make a decision to hire him until January. He isn't committing to a contract but he is not interested in his resignation.

Kreidler believed it was timely and wanted to do the deal now. O'Keefe said there is a lot going on and we need our Town Manager, Jim Kreidler, to help sail us out of these rough waters and that is why he wants to get this contract resolved tonight or soon thereafter so he doesn't have to worry what may come in December or January. O'Keefe didn't want to see another five year agreement and by resolving the contract now doesn't mean they need to have a lengthy contract. He proposed a three year contract with no further increases and to resolve the issue of his car where he has only one vehicle and he can't switch vehicles. Kreidler mentioned prior discussions with Selectwoman Hunt and offered that if he gets in an accident, it would be his responsibility to pay the deductible. There was some discussion on the benefit of the car, who would pay the deductible, and possibly eliminating the

benefit and pay him mileage instead. Kreidler stated he would do the math on this but his initial response is he likes having the car.

Blair stated he is totally unprepared to vote on a contract until this thing is much further down the road but that they could take a vote and his doesn't mean it can't pass. There is too much out there right now and if they were to do this tonight, it would reflect badly on them. Kreidler replied that they have the choice to terminate him, the choice to re-negotiate, the choice to not renew. Blair asked about the timing they had to renegotiate. Kreidler replied they have until January 1st to say they are not going to renew him. Blair wondered why they have to do it now in the midst of this crisis. Kreidler said because right now its red meat. Right now there is blood in the water. It's an ancillary issue and it's bringing out the haters. People that are bad mouthing him can be tracked to an action he took that was legitimate and have had to pay for and they carry that grudge. There are a lot of bullies in that group. Kreidler offered possible intentions:

- If they intend to terminate him or consider that they may terminate him, that is theirs forever.
- If it is their intention to not renew him, they can do that now or they can do it later.
- If it is their intention to renegotiate something, his argument would be to take it off the table and soon as that issue is up, the bullying will cease.

Hunt asked him to think about his vacation time. He currently receives seven weeks. Kreidler stated again that was a way to give him money in negotiating him to stay five years ago when he had another position he had sought out. He said his contract has been dissected and imagined more than anything. Five years ago, the same people opposed my contract for the same reason they oppose it today; not because of his car, or the money; it's because of him. Five years ago, Selectman Blair wrote a letter to the editor, stating, "This recall election is a referendum on Jim Kreidler's contract, and let the word go forth to a new generation. We've got to live with it whatever the people want is what we are going to live with. The issue of the contract will be put to bed."

O'Keefe offered how he sees the contract tallying up: a three year contract, no raises, no car and six weeks vacation. The Town Manager said he will not be agreeing with the no car. Blair asked the Town Manager to go and think about what was discussed tonight and another special Executive Session could be called for next Wednesday with Selectman Berndt present. He was not going to vote on anything tonight.

Kreidler spoke about rolling out a plan for the deficit and that he is planning to ask all to give back their 3% raises. He offered to reduce his salary 3% as well. O'Keefe said that was a great solution. Barrows said given that there hasn't been a raise on base in seven years now, it is a good thing. Blair stated he was a highly paid Town Manager and felt the timing was all wrong for them to agree for a contract in the midst of where they are now.

Kreidler replied you have a real issue right now that needs real attention that is being clouded by noise. He candidly told Chairman Blair that some of that noise was being fostered by him mentioning the School Committee meeting he attended recently as a citizen. Blair said everything he said at the meeting was what he believed. Kreidler replied he didn't doubt that but that it was creating noise that does not surround the issue. If the intention of the Board was to ice him, then let's do that; but if it's the intention of the Board to keep me, then let's do that. Let's remove that issue from the public discourse right now because as long as it is there people are going to think they have traction. The longer this goes, they will continue to dig in. Let's move it off the table.

O'Keefe said in January the financial issues of the Town won't be over. It will be the fall Town Meeting in calendar year 2015 when we will know so delaying won't do anything because we can't delay another whole year; therefore, he would want to act as quick as possible to get one item off the table and work towards all the other items that need resolution.

Barrows moved the Board vote to not renew the Town Manager's contract. With no second being heard, the motion failed. Barrows explained he did this for a reason saying the Town Manager asked if we were going to "ice him" then to ice him. There was no second; this is off the table now. He felt the Board needed to have meaningful discussion on what the renewed contract would be. He doesn't have an issue with the five year contract being that the salary didn't change within the five years but he will support the public opinion; nor did he

believe there was any protection beyond political removal that if there was just cause, termination could take effect and there would be a unanimous vote of the Board in that situation. With that being said, he appreciates what was said by Board members this evening who were more comfortable with the standard three year term.

Discussion was had on his contract and it was noted that his base salary/benefits have not changed in five years. In fact, two years when he could have received a raise, he didn't take it. A reference to the contract/benefit spreadsheet was made. Hunt asked about his seven weeks' vacation he's allotted and the buyback. Kreidler said out of the seven weeks he typically takes two weeks' vacation and buys back five weeks. Blair thought the \$2,000,000 life insurance policy was too much wanting to reduce it to \$1,000,000. O'Keefe noted it costs \$3,380 annually for this policy. It was noted a 3% reduction in his base salary would run across and reduce some of the other benefits, like vacation buy back and the educational incentive.

Bob said so we are looking at discussing at our next meeting the following:

- Terms of the contract reduced to three years
- 3% reduction in salary
- Consideration of altering the automobile benefit
- Town Manager covering any deductible for accidents he was responsible for
- Vacation allotment
- Live insurance amount

Kreidler concluded saying for those in the community that might say it's a bad time to renew him, they would have to believe, he would imagine, it's because it may not yet have come out that there would be some cause so why would you renew him. His response would be to them that you always have that to terminate for just cause 24/7.

O'Keefe moved to adjourn Executive Session; Hunt seconded. By roll call vote all aye, the meeting reconvened back into Open Session at 10:50 p.m.

O'Keefe moved to adjourn from Open Session; Hunt seconded. By vote of all aye, the meeting adjourned at 10:50 p.m.

Respectfully submitted,

Linda Daigle Executive Assistant