

PRESENT: Selectmen Lyndon B. Johnson, Joseph A. Sergi and Patrick J. McNabb; Robert Hanson, Town Administrator; Peggy Mazzola, Administrative Assistant

Mr. Johnson called the meeting to order at 7:00PM.

EXECUTIVE SESSION: At 7:00 P.M., Mr. Sergi moved that the Board of Selectmen enter into an Executive Session to discuss transactions in real property. Mr. McNabb seconded. Mr. Johnson announced that the Board would return to open session following the executive session, and that Robert Hanson, Town Administrator, Peggy Mazzola, Administrative Assistant, and Board of Fire Engineers Toby Tyler, Peter Shattuck, and Jonathan Kinney would be included in the session. A roll call vote was taken as follows:

Lyndon B. Johnson	Aye
Joseph A. Sergi	Aye
Patrick J. McNabb	Aye

At 7:45 P.M. the Board voted to return to open session as noted in the Executive Session minutes of January 26, 2009.

APPROVE WARRANT AND SIGN PURCHASE ORDERS: The Board signed the warrants. On a motion by Mr. McNabb and seconded by Mr. Sergi, the Board approved and signed the following purchase orders from the Fire Department: #6196 to Bergeron Protective Clothing in the amount of \$6,655.00 for the purchase of protective gloves; #6197 to Bergeron Protective Clothing in the amount of \$102.00 for the purchase of fire safety vests; and #6198 to Med-Tech Resource Inc. in the amount of \$948.54 for the purchase of fire hoods.

APPOINTMENTS/RESIGNATIONS: Mr. Sergi read a letter from COA Director Sharon Mercurio requesting the appointment of Lisa Ferolito to the position of part-time Activity Coordinator. This is a grant-funded position which provides funding until June 30, 2009. Mr. Sergi asked if there is a possibility of additional funding in FY '10. Ms. Mercurio stated she does not know yet; the original grant was for \$7,000, she re-wrote the grant and reduced the hours for the position to provide funding for the remainder of the fiscal year. On a motion by Mr. Sergi and seconded by Mr. McNabb, it was unanimously voted to appoint Ms. Ferolito to the position of part-time Activity Coordinator, term to expire 6/30/09.

The Board reviewed a letter from the Board of Health relative to its nominee to the Emergency Management Committee. Mr. Hanson stated this is a house-keeping issue for the Board. On a motion by Mr. Sergi and seconded by Mr. McNabb, it was unanimously voted to appoint John Marriner to the Emergency Management Committee, term to expire 6/30/09.

ACTION ITEMS:

Item #1 – Budget Process Delineation: Mr. Hanson explained the budget process will continue with the Finance Committee in the traditional mode, however due to economic problems Mr. Hanson prepared a document showing different scenarios. We don't know what the state or the schools will do. In FY '10 we will have \$1.1 million in free cash, \$600,000 in Stabilization and \$800,000 in the retirement fund. The projections do not reflect or consider what individual departments have submitted to the Finance Committee.

Mr. McNabb asked if consolidating roles has been considered. Mr. Hanson replied he didn't see much option in that; all these people will have already had their hours reduced. Mr. McNabb asked how many part-time employees there are. Mr. Hanson replied there are approximately 25; some are not affected

because they work in Enterprise Fund departments. Cutting two hours per week from non-benefit employees would result in a 25% reduction. Mr. Johnson commented that these scenarios represent the impact to Town departments if the over-ride fails.

Town Accountant Theresa Walsh stated they are predicting a 5% increase in the school budget; transportation costs are expected to increase by 10%. Mr. Sergi asked how that would impact our assessment. Finance Committee Chairman Diane Gaspar stated she went to a budget presentation by the principals to the school district finance sub-committee meeting two weeks ago; the schools are cutting their supply budgets and keeping the same number of personnel or adding additional personnel. Ms. Gaspar stated the school budget will get solidified fairly quickly. Ms. Walsh commented the Finance Committee is hoping to meet with the school committee on February 12th. Mr. Johnson asked how the other two towns will fare regarding the school budget. Ms. Walsh stated the impact will not be good to Townsend and Ashby.

Mr. Sergi asked if the proposed elimination of two police officers is in addition to the current vacancy. Mr. Hanson stated the scenario represents the elimination of three total positions. Ms. Walsh remarked we will have to factor in unemployment costs. Treasurer/Collector Michael Hartnett had done a worksheet showing the impact to unemployment insurance, but Ms. Walsh did not recall the exact figures. Mr. Hanson stated there will be savings in benefit costs, i.e. health insurance.

Mr. Sergi asked Highway Superintendent Peter Shattuck how the proposed cuts would impact his department. Mr. Shattuck responded it would take longer to plow the roads in the winter, and brush cutting would be severely curtailed. Mr. Sergi remarked that he hoped people watching the meeting are aware of the harsh winter we've had and the impact to overtime budgets. Mr. Shattuck expressed concern regarding how long he could keep his personnel on the roads without causing a safety issue. Mr. Shattuck is concerned about layoffs, commenting that school may be cancelled or delayed more often because his department can't get the roads cleared.

Mr. Johnson commented this is an effort to start the process and see what we have to draw from; hopefully people will realize the effect this will have on town services and will bring out people to vote. Mr. McNabb stated we need to take a hard look at this; for us to sit back and hammer Town departments and not ask the schools to level fund their budget. Very few people will vote for an over-ride unless we do all we can. This is the most serious issue we have right now. Mr. McNabb believes we should look at consolidating roles and doesn't think it's fair to just go after non-contractual employees – we should require this of the Enterprise Funds as well. Mr. McNabb stated he doesn't like the fact that some are insulated. Mr. Johnson stated the Board needs to be proactive on this issue and should hold a town-wide meeting to reach a larger audience and allow people to voice their opinions. Mr. Sergi stated he was not sure he would vote to move forward with an over-ride; there needs to be belt-tightening across the board, and we should renegotiate with contract employees and unions. The enterprise funds should not be entirely insulated because cuts in those departments would save money for the ratepayers. Mr. Sergi would like to have an all-boards meeting so everyone knows what we're facing. But this doesn't mean that we should shy away from other priorities, i.e. business development.

Mr. McNabb stated the Board needs to roll up their sleeves and work on this issue. Mr. Sergi asked if the union representatives could be brought in to the next meeting. Mr. McNabb suggested writing a letter to the unions explaining the budget crisis. Mr. Sergi preferred having them come to a meeting.

Mr. McNabb stated he had been going to Finance Committee meetings recently, and the Finance Committee has been warning of tough economic times for years. When he hears that the schools are increasing staff, it's a slap in the face to the Town.

Ms. Gaspar remarked there is a real disconnect between the Town and the school department, and the Finance Committee has tried to bridge that disconnect, but she feels the Board should send a letter to them telling them our problems as the school department hasn't heard from the Board of Selectmen in a formal way. The Board needs to get the Town's position out, talk about the inequities with the school and the Town. Ms. Gaspar thanked Mr. Hanson for the information he provided; departments have level funded their budgets for FY '10 resulting in \$200,000 in savings so far; \$100,000 of that savings will be taken by new school transportation numbers.

Mr. Johnson asked what percentage of the total school budget falls on Pepperell. Ms. Walsh stated Pepperell's share of the school budget is 48.9%. Mr. Johnson asked how much the Town would save if the school department cut 3% from their total budget; Ms. Walsh responded there was no way to determine what the savings would be, but it would be wonderful if they could level fund their budget. Ms. Gaspar stated the Finance Committee asked Town departments to level fund their budgets and we have pretty hard numbers but we don't have the school's numbers yet; if the Board waits until March to weigh in on the school budget it will be too late. Mr. Sergi commented he believes the school department knows the Town's position. Ms. Gaspar responded they either don't know where the Board stands or don't care; the Board needs to sign on with the Finance Committee because they can't do it alone.

Mr. Sergi asked if the Board was prepared to set a date for this broader meeting, noting that the formal budget meeting with the school committee will be on February 23rd. Mr. Hanson asked if this proposed meeting would be limited to school discussion and whether the school committee and superintendent would be requested to attend. Mr. Johnson suggested discussion should also include Town budgets with department heads and be open to the public. Ms. Gaspar suggested there should be a moderator, and the Board should get the word out immediately. Mr. Johnson stated that public service messages could be published on the Town's website, cable access channel and in newspapers; he would like to have as many people there as possible and see what support the schools will have. Mr. Hanson remarked that we will need to determine if the school is available and whether the school committee members and superintendent can attend. Mr. Johnson commented that if they don't come we'll still have people there. The Board agreed on February 14th at 10 a.m., with a snow date of February 21st at Nissitissit School. Mr. Hanson will prepare a letter for the school committee members and superintendent and determine whether Nissitissit is available on that date. Mr. Johnson suggested that Scott Blackburn be contacted to moderate the meeting.

Item #2 – Award Market Study Project: Mr. Johnson stated the Board interviewed two candidates for the project, and invited discussion from the Board. Mr. Sergi stated he would prefer to go with Bartram & Cochran because they had the best proposal and resources, were better prepared, and are more qualified. Mr. Johnson agreed, stating they have worked on local projects and have good resources at their disposal. Mr. McNabb stated he didn't believe engineering would be a big part of this project, which is what drove Bartram & Cochran's proposal. He favored RKG because they had more local experience. Mr. Hanson remarked that references for Bartram & Cochran were all from Maine; their references were positive if not enthusiastic. Mr. McNabb stated he felt either firm would do a good job, but he preferred RKG.

On a motion by Mr. Sergi and seconded by Mr. McNabb, it was voted, with two in favor and one opposed, to award the contract to Bartram & Cochran contingent upon receipt of the \$25,000 fee from Perry Videx.

OLD/NEW BUSINESS:

Item #1: Discussion – Town Report Dedication: Mr. Hanson stated that Amos Mahony has never had a Town Report dedication. Mr. McNabb stated the Board had received two good nominations. Mr.

Johnson nominated Mr. Mahony; Mr. Sergi and Mr. McNabb agreed and it was unanimously voted to dedicate the 2008 Annual Town Report to Amos Mahony.

Item #2 – Discussion – Town Hall Storm Windows: Mr. Johnson stated the bid had been awarded to a local firm at a price approximately \$8,000 below the second lowest bidder. All windows will be fitted with storm windows with the exception of the front upper level arched windows. Mr. Sergi asked if we could get a price to get those windows done. Mr. Johnson estimated it would cost approximately \$2,500 more. Mr. Johnson stated the windows have been ordered and will be installed around the first week of February. The contractor will also look at the gutters and other problem areas on the exterior building, making repairs if needed.

Item #3 – Discussion – Town Administrator Selection Process: Mr. McNabb requested this agenda item, commenting that he feels a committee would be helpful for the initial screening process. Mr. Sergi agreed that a committee could keep things moving forward while the demands on the Board in the coming months are met. Mr. Sergi recommended a 7-member committee. Mr. McNabb commented that Mr. Hanson was initially interviewed by a committee. Mr. Hanson stated there were five members on the screening committee. Mr. McNabb feels that five members would be adequate. Mr. Sergi remarked the board should take some time to decide who should be on the committee; he felt the committee should be comprised of one or two citizen leaders or citizens at large and town employees. Mr. Johnson suggested one member of the Board should be on the committee, and that each Board member pick two people to be on the committee. A decision will be made at the next meeting.

Item #4 – Any other old/new business: Mr. Johnson asked if there was an update on MEMA/FEMA storm aid. Mr. Hanson stated there is a meeting on January 29th at which Peter Shattuck and George Ux will get the paperwork to be submitted for reimbursement.

ADJOURNMENT: On a motion by Mr. Sergi and seconded by Mr. McNabb, it was unanimously voted to adjourn the meeting at 9:30 PM.

NEXT MEETING: February 9, 2009, 7:00 PM.

Respectfully submitted,

Peggy Mazzola, Administrative Assistant

APPROVED:

Lyndon B. Johnson, Chairman

Joseph A. Sergi, Clerk

Patrick J. McNabb