

**SELECTMEN'S MEETING
MONDAY, April 5, 2010
UPSTAIRS MEETING ROOM**

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Meeting was opened at 7:00 PM in the Upstairs Meeting Room. Present were Selectpersons Patricia Pruitt; Patricia Allen, Mark Fairbrother; Town Administrator, Frank Abbondanzio; Administrative Secretary, Wendy Bogusz; Bill Drake, Montague Reporter; Arn Albertini, Greenfield Recorder; Jeff Tirrell, WHAI

Approve Minutes of March 29, 2010

Fairbrother makes the motion to approve the minutes from March 29, 2010. Seconded by Allen, approved. Fairbrother – Aye, Pruitt – Aye, Allen - Abstain

Letter from Montague Center Fire District Prudential Committee (represented by Sam Lovejoy), Withdraw District's membership in town-wide service zone for the provisions of ambulance services

Pruitt: Keeping with your request that you would be willing to come before us to explain

Lovejoy: There was a meeting with Prudential Committee Members and Ray Godin, they said they had put together some numbers but they weren't complete. My main thought was what is the regional impact of having ambulance service occur in Montague at whatever level to the present existing arrangement? I brought this to the FRCOG and there is a thinking process going on to figure out where this puts BHA. BHA is primary service for approximately 16 towns and back up service for the remainder. I was worried about a regional impact because if Turners comes in, does that mean BHA suddenly has less income, yes; what would be the impact on what they have in terms of ambulances staff etc. I would assume it would be negative in the sense that they would have to consolidate their act. It also made me wonder if the concept ambulance service is going to be considered anywhere that we ought to broaden it and say, look what's going on in the county or slightly broader region. If the issue is, do we create a new ambulance service of any kind for whatever territory everybody ought to step back and look at other communities? What if Greenfield decides in the next year or two to do an ambulance service, what does that do to Turners? What does that do to Montague? Who is backing up who, who is paying for what? I've spoken to several people who said there is no such thing as a break even ambulance service, it just doesn't exist. I think the thinking in Montague was, if Turners wants to take this step, they ought to think about it as their fire district and see if they can get something up and running which makes sense for them and they can actually show it.

Lovejoy continues to give his opinion about the way the ambulance service should proceed. Discussion about government mandated service zone. Thinks at least on a preliminary basis, as opposed to trying something that we don't know anything about, we should stick with something we know about that has a strong working relationship, the EMT's are there and we would sign a contract with BHA, run it by Counsel and give everybody as much notice as quickly as possible.

Allen: Have you seen anything yet? Information has to be brought to Turners Falls district meeting prior to this going forward.

Lovejoy: If TF goes ahead as TF where does that leave MC? If TF goes ahead as TF and assumes that MC is going to be a part of their ambulance targeted area service plan, then suddenly the Selectmen come into it without MC. Essentially the Board of Selectmen other than the political social issue are no longer involved because it devolves into two districts and each of them have their own service plan, their own contract and they manage it their own way.

Allen: So you're going ahead with this no matter what?

Lovejoy: I believe Counsel has reviewed the contract and the paper work for a service zone is in the mail.

Discussion about who knew about this, money that would have to be spent by the town, training, future 911 dispatch

Lovejoy: Thinks it is a much broader question, needs a lot more attention and thinks even for the citizens of Montague, people need to be informed about what is going on. Also thinks it might be time to stand back, acknowledge that everyone has done a lot of work sorting out what it is they are trying to create, and trying to figure out what it is we can create in the future and what is the best thing for Montague residents, however you want to parse what Montague is. Think it needs more thought on a broader level.

Allen: Supposing the TFFD does turn it down at their annual meeting, would the MC prudential committee and MC Fire District be interested in getting together with the TFFD in looking at it again?

Lovejoy: I would have to bring it up to them, but my personal opinion would be absolutely. I think there is a certain diplomacy function that we were talking about before that would have helped, including the Selectmen, might have also helped. Oddly enough if the Town is the service zone, the whole broad Town of Montague, then weirdly enough even though the Prudential Committee of TF Fire is the hands on thing, maybe TF and MC should do it together, or maybe we get together and decide that the Town ought to run it as a separate entity from the TF Fire Dept.

Allen: Right now though, it is your understanding that the service zone is the whole town and you are now going to create the MC service zone?

Lovejoy: There is a presumptive service zone in the Town based on the fact that BHA covers Montague, but there is no contract and there hasn't been. I think it is fair to say there is a contract, the contract is verbal and is performed on.

Allen: Right now it is the Town but you're proposing that Montague Center get pulled off into a separate service zone?

Lovejoy: Yes, and Turners could be its own service zone

Pruitt: So if the annual meeting of the Turners Falls District is positive toward this idea, this gives us a little opening to maybe make some kind of gesture towards Montague Center and at least get you the information that you haven't had to go into your district meeting with.

Lovejoy doesn't know what the changes would be in terms of timing and thinks the contract will be signed with BHA next week.

John Reynolds gives his opinion about the Ambulance service (cannot hear him). Wants to know what the rush is to have an ambulance service

Town Administrators Report Announcement

The Annual meeting of the TF Fire District will be on April 20 at 7:00 PM at the Hillcrest School and apropos the ambulance issue will be on the warrant

The district election is going to be held on April 27 between 12:00 PM and 7:00 PM at the Water Department

Sign Lease Agreement with SPS New England, Inc. for space in the Town Office Building

We will be renting former police locker room space and some of the parking lot on the other side of the butler building. They will be paying the Town \$1,000 a month; it is a 2 year contract starting on April 1, with a one year contract to renew and then 6 month renewal options after that. The additional revenue has already been factored into next year's local estimated receipts.

Fairbrother makes the motion to execute the lease presented between the Town of Montague and SPS Incorporated for the use of two rooms and adjacent bathrooms in the Town Office Building Annex along with approximately 9500 sq. feet of paved area on the east side of the existing metal building in the Town Offices parking lot, non exclusive use of the Town owned parking lot behind the Shady Glen Restaurant and any parking spaces not in regular use in the unlined portion of the Town Office parking lot behind the building. Two dedicated parking spaces adjacent to the building for the use of SPS New England during the hours of 7:00 AM to 9:00 PM on business days. The lease is from April 1, 2010 through March 31, 2012 with renewal options as provided at a rate of \$1,000 per month for the term of the lease and any option periods exercised. Seconded by Allen, approved unanimously. Allen – Aye, Fairbrother – Aye, Pruitt – Aye

Surplus Equipment

Fairbrother makes the motion that the 1990 Chevrolet Sierra 1500; 1993 Nissan Quest; 770 Snow Blower tractor attachment; 770 Broom tractor attachment; Vermeer Chipper; Trailer; Drag Paver; Canon PC 1060 Copier be declared surplus and put up for sale. Seconded by Allen, approved unanimously. Allen – Aye, Fairbrother – Aye, Pruitt – Aye

Request for Citizens Advisory Committee

The FCRHA is administering the 2009 Community Development Block Grant and as per the citizens participation plan, we have to create a three member advisory committee with representatives of various locations within the Town. One member should be low to moderate income. Each member would receive quarterly progress reports and be invited to attend future

hearings during the grant cycle. This is the third announcement that we are looking for volunteers. Frank is going to refer this to Jon Dobosz to see if he can find someone to be on committee since so much of this involves Unity Park.

Resignation from FRTA

Fairbrother makes the motion to accept with regret the resignation from Jay Dipucchio from the FRTA board effective with expiration of his current term. Seconded by Allen, approved unanimously. Allen – Aye, Fairbrother – Aye, Pruitt - Aye

Capital Stabilization Plan

Frank goes over handout he prepared (see below)

Proposed Reserve Use Policy

Objectives

- (1.) To restore a healthy level of funding for capital improvements. ((Don’t resort to the deferral of capital spending as a way to reduce reserve use.))
- (2.) To set as a target for capital spending 2% of total operating budget on “pay as you go” capital projects (i.e. not including debt funded capital) by 2014. ((Proposed FY 2011 level is \$175,000. 2% of operating budget would be \$340,000))
- (3.) To gradually move away from the practice of funding capital projects with reserves to one where more “pay as you go” projects are funded out of taxation. ((This practice was more common up until a few years ago)).
- (4.) To strive to maintain the town’s overall capital reserve fund at 5% of operating budget. ((This is a level of about \$850,000. We currently have \$736,417, not including either of the education stabilization funds.))

Constraints

- (1.) The reality is that with continued state aid cuts (\$50,000) expected in FY 2011, there is currently no real discretionary funding available (a) to augment our stabilization fund, (b) to increase overall capital spending levels or (c) to fund capital projects out of something other than reserves, without cuts in other operational programs and services.
- (2.) Our ability to fund this policy will require a recovery of state aid levels, which have been reduced up to 30% in the past three years.
- (3.) Mass Taxpayers Association estimates that recovery of state employment levels, the driver behind increased local aid will lag until FY 2014. This is worse than the rate of recovery following the end of the last recession.
- (4.) The State Legislature is committed to dedicating a significant portion of capital gains taxes into state stabilization fund once they start to recover, meaning that local aid probably won’t see the level of increase in local aid that might otherwise happen.
- (5.) State gambling revenues may result in some additional local aid growth down the road.

Alternate Planning Options

- (1.) Austere: Implement targets beginning in FY 2011 to include:
 - Funding up to half of FY 2011 capital projects out of taxation or other non- reserve use.
 - Eliminate all reserve use for capital projects by FY 2012.
 - Fund capital at 2% of operating by 2014 (about \$340,000). Ramp up to that level over the next three years. ((\$175,000 in FY 2011, \$230,000 in FY 2012, \$285,000 in FY 2013, and \$340,000 in FY 2014))

Consequences: Implementation of the austere option will mean that reserve use will be \$87,500 in FY 2011 and zero in FY 2012. This means that the total reserve use for capital projects between FY 2011 and FY 2014 will be \$87,500. Assuming that the town ramps up to a total capital spending of \$340,00 by 2014, this would require that the Town find \$87,500 in new revenues for capital in FY 2011; \$230,000 in FY 2012, \$285,000 in FY 2013, and \$340,000 in FY 2014. With state aid expected to decline by \$50,000 in FY 2011 and recover slowly over the following three years (2012, 2013 and 2014), the town would have to make cuts in operating programs and services to pay for the elimination of reserve use. See below:

Category	FY 2011	FY 2012	FY 2013	FY 2014	Total
Annual Capital (2%)	175,000	230,000	285,000	340,000	1,030,000
Reserve	87,500 (50%)	0 (0%)	0 (0%)	0 (0%)	87,500
Other Revenue	87,500	230,000	285,000	340,000	942,500

(2.) Realistic: A more realistic option is to be set a more easily achievable capital spending target ((say 1.5% of operating budget or \$255,000 by 2014)); and a more gradual phase out of reserve use as a source of funding capital expenditures. This would include:

- In recognition of the recessionary purpose of reserve use, fund one more year (FY 2011) at 100% of capital spending (\$175,000) with reserves.
- In years 2 through 4 (2012-2014) gradually reduce reserve use by one third in Year 2, two thirds in Year 3, and 100% in Year 4. This would require a total reserve use of \$383,350 over the next 4 years.
- The assumption is that a certain percentage of the state aid recovery, expected in FY 2013 and 2014 would go to the funding of capital projects and annual appropriations into the stabilization fund to move towards the overall target of 5%. See below

Category	FY 2011	FY 2012	FY 2013	FY 2014	Total
Annual Capital (1.5%)	175,000	201,066	228,334	255,000	859,400
Reserve	175,000	133,000	75,350	0	383,350
	(100%)	(66%)	(33%)	(0%)	
Other Revenue	0	68,066	152,984	255,000	476,050

The Board thanks Frank for providing this information.

Other

Fairbrother makes the motion to grant a permit to place a sign on public property to Kim McCarthy of Subway of Turners Falls at 57 Avenue A, Turners Falls for the placement of a two foot tall sign 6" from the store front for the period of April 6, 2010 through October 31, 2010 or the first snowfall whichever comes first pending approval from the Chief of Police. Seconded by Allen, approved unanimously. Allen – Aye, Fairbrother – Aye, Pruitt - Aye

Fairbrother makes the motion to grant a permit for public assembly and public demonstration ie Rt. 63 and a route through downtown Millers Falls to Robin Zaragoza of the Community Running Association of 45 Franklin Street, Boston, MA for a relay race to be held on June 12, 2010 from 5:00 PM to 9:00 PM and involving approximately 35 participants. The Board would like signs placed in downtown Millers Falls announcing the event, and pending signature by the police chief. Seconded by Allen, approved unanimously. Allen – Aye, Fairbrother – Aye, Pruitt - Aye

Brief discussion regarding finding someone to sponsor the May Day event

Brief discussion about the Tech School Stabilization fund and what happens to the money.

Allen thinks school management and the school committee has done a great job in coming down to a much lower level funded budget.

Fairbrother makes the motion to adjourn the meeting at 8:25 PM. Seconded by Allen, approved unanimously. Allen – Aye, Fairbrother – Aye, Pruitt - Aye