

BOARD OF SELECTMEN

MINUTES

MAY 9, 2012

- MEETING: Chairman Philpot called the meeting to order at 7:00 PM. Roll call established that Selectmen Furmaniuk, Philpot and Sushchyk were all present.
- Chairman Philpot read the statement declaring the Sterling Lancaster Cable Television as the only official electronic copy of the meeting.
- AGENDA: Chairman Philpot asked for approval of the agenda. Selectman Sushchyk questioned Chairman Philpot's intent with regards to the Town Administrator's performance review and if he expected to complete the process.
- Chairman Philpot reminded the Board that it is an annual review and would like the process completed by the present board members considering there might be the possible change of members pending town election. Selectman Sushchyk stated that he preferred giving the review his full attention, first seeking input from the Town Administrator, each member filling out the instrument, then holding a discussion with the board members and proper notice and time line should be given the Administrator so that she can prepare. Chairman Philpot disagreed with Selectman Sushchyk and stated the review is self evident, it is obvious what goals have been accomplished and what have not.
- Selectman Sushchyk made the motion to approve the agenda, adding two items
1. Executive sessions to discuss and ratify union contracts for the DPW and SEA.
 2. To outline time schedule and initiate performance review for the Town Administrator
- Selectman Furmaniuk 2nd the motion and stated it has only been 8 months since the goals have been set. Roll call; Furmaniuk aye, Sushchyk aye, Philpot nay
- MINUTES: Selectman Furmaniuk made the motion to approve the first Executive Session minutes for April 11, 2012, 2nd by Chairman Philpot. Not to be released until issue is resolved.
- Selectman Furmaniuk made a motion to approve the second Executive Session minutes for April 11, 2012, 2nd by Chairman Philpot. Not to be released until issue is resolved.
- Selectman Sushchyk made the motion to approve the Executive Session minutes of April 18, 2012, 2nd by Selectman Furmaniuk. All in favor.
- Selectman Furmaniuk made the motion to approve the minutes of April 25, 2012, 2nd by Chairman Philpot. All in favor.
- Selectman Furmaniuk made the motion to approve the Executive Session minutes of April 25, 2012, 2nd by Chairman Philpot. All in favor.
- RESIGNATION: Chairman Philpot read the resignation letter from Mr. Larry Pape from the Finance Committee. Chairman Philpot made the statement that this is a tremendous loss for the Town of Sterling and wanted to know what the Board could or should do to try encourage Mr. Pape to reconsider. Selectman Sushchyk suggested that the Board take no action with regards to the resignation and hope that Mr. Pape reconsiders. Selectman Furmaniuk stated that he appreciated Mr. Pape's service to the town and that he would be greatly missed.

Mr. Kilcoyne of the Finance Committee expressed his disappointment with the resignation and stated that Mr. Pape steered the ship on behalf of all the taxpayers, dedicating himself in a volunteer position to protect the spending of tax dollars for all residents in town.

Selectman Sushchuk made the motion to take no action, 2nd by Selectman Furmaniuk. Roll call; Sushchuk aye, Furmaniuk aye, Philpot nay.

Chairman Philpot voted nay and stated that the Board should do whatever it takes to get Mr. Pape to reconsider his resignation.

INVESTMENT

POLICY HEARING:

John Potter of the Capital Committee presented the Investment Policy to the Board of Selectmen. Before going over some of the crucial points of the policy John called the meeting of the Capital Committee to order at 7:15 PM. Members of the Capital Committee present were Michael Rivers, John Kilcoyne and John Potter.

John Kilcoyne of the Finance Committee called his meeting to order. Members of the Finance Committee present were Lisa Call, Frank Heinemann, Robert Brown and John Kilcoyne.

Mr. Potter reviewed the current policy and then the changes that were suggested in the new investment policy. He explained that the current policy consisted of CD's and savings accounts using general funds and trust funds which at one time yielded high interest in a safe environment. He would like to open the policy up to more investment vehicles without exposing the town to major losses; improving on the low rates of interest due to the present economy. Selectman Sushchuk asked how this proposal interfaced with Chapter 30B when selecting investments and if the Treasurer/Collector would have any input. Mr. Potter explained that the Capital Committee and the Capital Investment Committee would be advisors to the Treasurer/Collector. After a question and answer period on strategies of investments and the risks, Selectman Furmaniuk made the motion to close the hearing, 2nd by Selectman Sushchuk. John Potter made a motion to accept the Investment Policy (to include minor amendments made during the discussion), 2nd by Mr. Rivers. Mr. Kilcoyne from the Finance Committee made the motion to accept the policy, 2nd by Mr. Brown. Selectman Sushchuk made the motion to accept the Investment Policy as discussed, 2nd by Selectman Furmaniuk. All in favor.

1835 TOWN HALL:

The Board met with Vern Gaw of the 1835 Town Hall Committee to receive an update on the repairs needed for the building. Mr. Gaw read into the record a letter giving a progress report on the design of the handicap access to the building as well as repair and restoration of important items. (see attached) He explained that the committee hoped to apply for grants to match the \$75,000 voted at town meeting last year to restore the building. The grant process did not meet the deadline. He stated that the septic system issue needs to be resolved in order to determine occupancy and use of the 1835 Town Hall. Chairman Philpot reminded Mr. Gaw that the committee was told to check with the Board of Health on connecting with the Fire Department during their building project.

Mr. Beaupre addressed the Board and stated that the issue of the 1835 Town Hall is splitting the town, money was voted at town meeting for the committee to spend in conjunction with additional grant money. Now there is no grant money and the septic system on site is inadequate. The Board discussed the actual costs for the project and Mr. Gaw informed the

Board that the reported \$2.3/\$2.6 million dollars was the initial architect's estimate but included items the committee never intended to do.

Chairman Philpot wants the voters given an accurate cost for the renovations of the building and charged the 1835 Town Hall Committee to get a total cost. Selectman Furmaniuk agreed and asked that the committee report at the June 20th meeting. Selectman Sushchuk also asked the committee to seek a resolution to the septic system, to check with the Fire Department and the Board of Health. A statement was made to the Select Board that it was up to them to split the baby, to decide what should be done, Selectman Sushchuk informed the group that it was a decision to be made by the taxpayers of Sterling.

ANNUAL TOWN
AUDIT AND
MANAGEMENT
LETTER:

The Board of Selectmen met with Dan Haynes of Scanlon & Associates to review the management letter for year end June 30, 2011 and audit report. Mr. Haynes started by saying that the financial statement is 78 pages long and reports that Sterling is in great shape.

Between the Capital Fund and Stabilization Fund the town has approximately \$6.7 million dollars which is very impressive for today's economy. The town holds a double A2 rating and has \$1.2 million in debt exclusion. All very positive.

Mr. Haynes reported that risk assessment procedures could be improved upon in order to control risks; appropriation money sitting in accounts should be reviewed at least twice a year along with the deputy collector balances. He added there is comp time on the books from FY2010 that could be a liability to the town. The procurement process has had shortcomings but is improving. Other prior year items have been resolved.

Selectman Sushchuk asked Mr. Haynes, after performing audits in Sterling for the past 3 years, how Sterling fared on the financial and management end of things. Mr. Haynes stated that the day to day management fared well based on size and number of employees. He added that the procurement issues reported are not unusual and could very easily be improved upon.

Selectman Sushchuk made the motion to accept the audit as presented by Mr. Haynes, 2nd by Selectman Furmaniuk. All in favor. The audit will be posted on the web site.

TOWN ADMINISTRATOR'S
PERFORMANCE REVIEW

SCHEDULE:

Selectman Sushchuk reiterated that the Town Administrator's last performance review was done August 31, 2011, only 8 months ago. He agreed to set a date for May 23, 2012 for the evaluation; the Board will fill out their evaluation forms, Ms. Ackerman will have input, the Board will have input and set goals for the upcoming year.

The Board members discussed the proper timing of future year reviews and agreed that the process should start in March, with the review taking place in April. Selectman Sushchuk made the motion that in the event of a change in the constitution of the Board, Mr. Philpot will be invited to participate in this year's review.

GOVERNMENT STUDY

MEMO: Chairman Philpot informed the Board that he received a memo from the Chair of the Government Study Committee, Mr. Dumont, and after checking with Town Counsel was informed that it was not a confidential memorandum and should be discussed in open session. The memo contained supplemental information not included in their report and called to the Select Boards attention the following:

1. Concerns regarding the performance of the Town Administrator
2. A study done on the Sterling Light Department and the consideration of eliminating it as an independent board.
3. Concerns expressed regarding the over involvement of the Finance Committee in the budget process.

The Board agreed that a meeting with Mr. Dumont needed to be scheduled to discuss the specifics. Ms. Ackerman stated that this is the first time seeing the memo and questioned the need for an executive session verses discussing in open session. The Board asked for a meeting with Mr. Dumont on the 23rd of May.

EBS FORAN GROUP: The renewing of the service agreement with EBS Foran Group was tabled to a future meeting when the cost for the services was better defined. Ken Lombardi quoted back in September 2011 a cost for services that differed from the price quoted his past month. The Board discussed the benefits to retaining the group and the services they would provide the Town of Sterling. A meeting will be scheduled for May 23 or June 6, 2012.

COMMON

VICTUALLER: Selectman Sushchuk made the motion to approve the common victualler for Lorna Jeans' food trailer, 2nd by Selectman Furmaniuk. All in favor.

9:45 PM

EXECUTIVE SESSION: Selectman Sushchuk made the motion to enter into executive session in accordance with M.G.L. Chapter 30A, §21, Collective Bargaining, 2nd by Selectman Furmaniuk.
Roll call: Sushchuk aye, Furmaniuk aye, Philpot aye.

10:00 PM

MEETING
RECONVENED

DPW CONTRACT: Selectman Furmaniuk made the motion to ratify the DPW contract effective July 1, 2012 to June 30, 2015, 2nd by Selectman Sushchuk. Furmaniuk aye, Sushchuk aye, Philpot aye. All in favor.

EXECUTIVE

ASSISTANTS

ASSOCIATION: Selectman Furmaniuk made the motion to ratify the Executive Assistants Association contract effective July 1, 2012 to June 20, 2015, 2nd by Selectman Sushchuk. Furmaniuk aye, Sushchuk aye, Philpot no response. 2 in favor.

TOWN ADMINISTRATOR'S

UPDATE:

Ms. Ackerman informed the Board members that the Police Department roof has been completed.

Ms. Ackerman reported that in appreciation for the assistants she took the administrative assistants to lunch for Administrative Day.

Ms. Ackerman announced that May 6, 2012 is Public Service Recognition week and expressed her appreciation for all of the town's employees and for the great service that they provide and asked the residents of Sterling to join her in acknowledging the employees in town.

Ms. Ackerman asked that the Board review and vote to take position on articles in the warrant. Selectman Philpot stated he preferred to report at town meeting.

Ms. Ackerman informed the Board that Article #16 includes the 3% increase for employees without new contracts and that the money was taken from article #14 and put into #16.

Article #23 will likely be tabled due to a problem with advertisement.

Michael Pineo informed Ms. Ackerman that the constables were left out of article #18 who enforce the bylaw and suggested that the article be amended on town floor.

RESIGNATION FROM

PERSONNEL BOARD:

Selectman Sushchuk made the motion to accept the resignation of Amrith Kumar from the Personnel Board with regret, 2nd by Selectman Furmaniuk. All in favor.

The Board asked that the vacancy on the Personnel Board be posted to the town's website.

10:23 PM

ADJOURNMENT:

Selectman Sushchuk made the motion to adjourn the meeting at 10:23 PM, 2nd by Selectman Furmaniuk. All in favor.

RESPECTFULLY SUBMITTED

RONALD A. FURMANIUK

CLERK