



TOWN OF TEWKSBURY

TOWN HALL
1009 MAIN ST
TEWKSBURY, MASSACHUSETTS 01876

FINANCE COMMITTEE

David Aznavoorian, Chairman
Damin Sutherby, Vice Chair
Rob Kocsmiersky, Clerk
Raymond Lisiecki
Thomas L. Cooke
Laurence Sanford
Paul McDermott

Meeting Minutes April 30, 2015

1) Call to Order

The meeting was called to order by David Aznavoorian, Chairman at 7:02 p.m. at the Police Station Community Training Room. Present at the meeting were Tom Cooke, Ray Lisiecki, Larry Sanford, Paul McDermott, Damin Sutherby and Robert Kocsmiersky. Also present was Richard Montuori, Town Manager, Karen Kucala, Finance Director, Todd Johnson, Board of Selectman, Steve DeFrancesca, Brian Gilbert, DPW Superintendent, Nancy Reed, Planning Board, Michael Hartford, and Don Chelton of AECOM.

2) FY16 Budget: Department budget reviews

a) Review any remaining FinCom votes on Department Budgets

None

3) Town Manager and Finance Director Reports (as applicable)

a) Review any remaining FinCom votes on the ATM and STM Warrant articles

Article 21

MOTION: Mr. Cooke made the motion to take Article 21 and the Capital Improvement Plan off the table; seconded by Mr. Sutherby and the motion carried 5-0-2. Abstaining from the vote was Mr. Kocsmiersky and Mr. Lisiecki as they were not present at the meeting where the article was tabled.

Mr. Montuori reviewed a brief history of the Water Treatment project and recommended moving forward with the article as presented. Mr. Aznavoorian asked if the upgrades to the Water Treatment plant are necessary at this time and Mr. Montuori stated that they agree and that he does not want to keep going with incremental improvements on a plant of this age.

Mr. Lisiecki asked if there were any changes necessary due to any regulations. The project Engineer stated that the design was currently in compliance with all regulations. Mr. Lisiecki asked if the town would have any issues if the government lowered

acceptable levels of contaminants. The project Engineer was not aware of any new contaminant rules that will affect this project.

Mr. Sutherby asked if there were any concerns around structural integrity and if there will there be a problem with the weight of the generator given the new one is larger, or will the amount of force created by the larger generator have a negative impact on any older pipes? The project Engineer did not have any structural integrity concerns.

Mr. McDermott asked what the life of the new treatment plant was going to be. The project Engineer said the useful life expectancy is 25 years.

Mr. Cooke thanked the Town Manager, Project Manager, AECOM for being able to have access to all the information about the project and to be able to sit down and discuss the design and get answers to his questions. From Mr. Cooke's perspective the design is at 90% design phase and he wanted to know how we got to \$13.1M. Mr. Cooke noted that nothing in the design said that the new 80,000 gallon storage tank would be used. It might only be used in an emergency situation that never comes. Mr. Cooke said he is satisfied with the access he received to all the information but could not get on board with the total dollar value of \$13.1M.

Mr. Aznavoorian commented that we count on the Town Manager and AECOM to be the experts on this and if we are covering this cost with the water rates, is this adequately funded? Mr. Aznavoorian added that he was satisfied with the explanation of the plan and that it would be adequately funded.

Mr. Lisiecki asked how much the additional 80,000 gallon tank is going to cost in the plan. It was roughly \$275,000 of the \$13.1M.

Mr. Montuori noted that usage will be growing in town and Mr. Sanford added that this was the most important system in town.

Mr. Sutherby agreed with Mr. Cooke about not wanting to spend more than we absolutely have to. He asked if we don't spend all the money, will the rates not go up as much. Mr. Montuori said that if we don't use all the money, the rates won't go up as much as they are currently planned. The next 3 years the water rates are expected to go up 5%, 5%, 8%. He noted that we are now paying for past expenses and poor planning.

Selectman Johnson stated that he has not heard any arguments that the Water Treatment plant upgrade is not a necessary task. Mr. Johnson noted that he appreciates Mr. Cooke's research on the matter and noted that there are obligations on the Town Manager and the AECOM Project Manager to see this through as efficiently as possible. Mr. Johnson added that the Board of Selectmen is aware of the high sensitivity to the regular water rate assessments and that the Selectmen are committed to making rates as affordable as possible.

MOTION: Mr. Kocsmiersky made the motion to adopt Article 21; seconded by Mr. Sutherby and the motion carried 6-1. (Mr. Cooke voted no)

Article 29

MOTION: Mr. Cooke made the motion to take Article 29 off the table; seconded by Mr. Sutherby and the motion carried 5-0-2. Abstaining from the vote was Mr. Kocsmiersky and Mr. Lisiecki as they were not present at the meeting where the article was tabled.

Mr. Montuori said that Article 29 had an amendment to make the total amount for the article would be \$31,500 and not the original \$100,000. Nancy Reed was present for any questions, but the committee did not have any questions for her.

MOTION: Mr. Sutherby made the motion to adopt the amendment to Article 29; seconded by Mr. Cooke and the motion carried 7-0.

MOTION: Mr. Cooke made the motion to adopt Article 29 as amended; seconded by Mr. Sutherby and the motion carried 7-0.

Article 46

MOTION: Mr. Cooke made the motion to take Article 46 off the table; seconded by Mr. Sutherby and the motion carried 5-0-2. Abstaining from the vote was Mr. Kocsmiersky and Mr. Lisiecki as they were not present at the meeting where the article was tabled.

Mr. Montuori gave some background on Article 46 about allowing the Board of Selectmen to be able to enter into a Community Energy Aggregation program for the bulk purchase of energy supply. He said that he spoke with other towns that do this like Chelmsford and Westford. He noted that once the article is adopted, the Board of Selectmen will work with a consultant and hopefully could enter an agreement as early as this fall. Mr. Montuori noted that the program would be an automatic opt-in for residents, but anyone can opt-out if they want.

Mr. Aznavoorian emphasized that the authority for the Board of Selectmen will be in the warrant article. Mr. Lisiecki noted that if it is an automatic opt-in program, that the opt-out period should be well known by the community and a long period.

MOTION: Mr. Sutherby made the motion to adopt Article 46; seconded by Mr. McDermott and the motion carried 6-0-1. (Mr. Cooke abstained from voting)

Articles 5, 6, 8

Town Manager said that Article 7 was expected to be withdrawn as the contract was not finalized in time for the Annual Town Meeting.

MOTION: Mr. Cooke made the motion to take Articles 5, 6, & 8 off the table; seconded by Mr. Sutherby and the motion carried 5-0-2. Abstaining from the vote was Mr. Kocsmiersky and Mr. Lisiecki as they were not present at the meeting where the article was tabled.

Mr. Montuori said that he reached agreement with 3 of 4 Union contracts.

Mr. Montuori noted that we surveyed 10-12 other community contracts and found that we were much lower than the other communities (Billerica, Chelmsford, Arlington to name a few).

The new dollar amounts for the 3 articles are as follows:

- Article 5: \$101,745
- Article 6: \$46,412
- Article 8: \$80,738

Mr. Lisiecki noted concerns about raise increases versus town revenue increases. Mr. Sanford asked how much town revenue went up this past year. Mr. Montuori said \$2.6M. Mr. Sanford followed up with a question about how much did personnel cost go up. Mr. Montuori broke it down into Salaries of \$550K, Insurance 766K. So that makes a difference between increased revenue minus increased personnel costs of about \$1.3M.

MOTION: Mr. Sutherby made the motion to adopt the amendment to Article 5, raise and appropriate \$101,754; seconded by Mr. McDermott and the motion carried 6-0-1. (Mr. Cooke did not participate in the discussion of this amendment and abstained from voting.)

MOTION: Mr. Sutherby made the motion to adopt Article 5 as amended; seconded by Mr. Lisiecki and the motion carried 6-0-1. (Mr. Cooke did not participate in the discussion of this article and abstained from voting.)

MOTION: Mr. Sutherby made the motion to adopt the amendment to Article 6, raise and appropriate \$46,412; seconded by Mr. McDermott and the motion carried 6-0-1. (Mr. Cooke did not participate in the discussion of this amendment and abstained from voting.)

MOTION: Mr. Sutherby made the motion to adopt Article 6 as amended; seconded by Mr. McDermott and the motion carried 6-0-1. (Mr. Cooke did not participate in the discussion of this article and abstained from voting.)

MOTION: Mr. Sutherby made the motion to adopt the amendment to Article 8, raise and appropriate \$80,738; seconded by Mr. Cooke and the motion carried 7-0.

MOTION: Mr. Sutherby made the motion to adopt Article 8 as amended; seconded by Mr. Cooke and the motion carried 7-0.

Snow/Ice Overage Expenditures

Approval #6 (balance: -\$922,693.43)

Mr. Cooke noted that the gas and diesel fuel expenses haven't been included yet in the snow and ice expenditures.

MOTION: Mr. Cooke made the motion to approve the Snow and Ice Overage Report through April 23, 2015 in the amount of -\$922,693.43; seconded by Mr. Sanford and the motion carried 7-0.

4) Finance Committee Matters of Interest (as applicable)
a) Lateral and Reserve Fund transfers

None

5) Committee Member Reports (as applicable)

Economic Development Committee

Mr. Sanford reported that the Economic Development Committee had a restructuring and Selectman Bruce Panilaitis is the new chair. The primary objective remains route 38 from the Lowell line to Pike St. They would like to better market what Tewksbury has to offer to prospective businesses.

Green Committee

Mr. Cooke noted that the Green Committee submitted the application to the state for \$260K in grant money and should hear back soon on that. Mr. Cooke also noted that there is much more competition for the grant money now than there had been in the past. The Green Committee has also gone through a restructuring and the Committee membership is now down to 5 members from 9 in an effort to get more business done. In addition, there have been quorum issues in the past with 9 members.

6) Approval of Meeting Minutes

There was no meeting minutes presented for approval.

7) Approval of Recording Secretary and Timesheet

There was no time sheet presented for approval.

8) Future Proposed Meeting Dates (subject to change)

- a) Monday, May 4th at 7:30pm at the TMHS Library
- b) Wednesday, May 6th at 6:30pm at the TMHS Library

Adjourn.

MOTION: Mr. Sanford made the motion to adjourn at 8:51 p.m.; seconded by Mr. Cooke and the motion carried 7-0.

Approved: June 18, 2015

**Documents Presented and/or Discussed
April 30, 2015**

- 1) Snow & Ice Overage Approval No. 6
Copies can be found with the Finance Department

- 2) Annual Town Meeting 2015 Warrant
Copies can be found with the Town Manager