



THREE RIVERS FIRE DISTRICT PRUDENTIAL COMMITTEE MEETING

Three Rivers Fire Department
50 Springfield Street
Three Rivers, MA 01080

March 11, 2013

IN ATTENDANCE:

Raymond Domey, Chairman	Diane Baldyga, Recording Secretary
Donald Reim, Vice Chairman	Patrick O'Connor, Retired Fire Chief
William Jalbert, Clerk	Al Nardi, Project Engineer for Anderson Street Reservoir
Scott Turner, Fire Chief	Michael Hassett, District Counsel
John Sasur, Water Superintendent	Scott Majka, Water Department Employee
Toni Mackenzie, Treasurer	

Chairman Domey called a meeting of the Prudential Committee to order at 7:05 p.m., and the Pledge of Allegiance was recited.

Approval of Minutes

The Committee reviewed the minutes from the meeting of February 11, 2013.

MOTION (REIM, JALBERT): To approve the minutes from the meeting of February 11, 2013. Approved 3-0.

Chairman Domey distributed copies of the minutes from the March 5 meeting in Bondsville on the Capital Efficiency Study. A copy will be kept in the District Files.

Old Business

In deference to the guests present, Chairman Domey skipped to Old Business for an update on the Anderson Street Reservoir by Project Manager, Al Nardi. The Project Manager introduced some cost-saving design modifications by other engineers and estimators and illustrated them on several handouts for the Committee to study. The main changes to the original specifications would be constructing a concrete base closer to the wall of the reservoir, cutting the existing cast iron drain pipe to move it closer to the wall for easier access, and reducing the height of the drain from 10 feet to 6 feet. The major advantage is that this alternative is less labor intensive, saving as much as \$4,000 to \$5,000. Moving the structure closer to the wall would also shorten the walkway, a concept that W.S. Sasur supported. Nardi suggested building an open catwalk out to the precast catch basin. The Water Superintendent stated that this option is his preference. The Project Manager recommended getting bids for both options from contractors before deciding.

Clerk Jalbert questioned the amount of sludge in the reservoir affecting the plan. Nardi said that the muck would need to be dug out in both scenarios. He and the Water Superintendent will check into the amount of sludge at various locations in the reservoir. Currently, \$33,000 is in the budget for this phase of the project. An additional amount of \$15,000 will be added for contingencies. The Project Manager requested permission to get wage rates from Boston and to finish the drawings and start the specs so that it can be put out to bid. He thinks that bidding will start within the next two months. Chairman Domey asked about safety features to keep young people from hurting themselves. W.S. Sasur said a lock can be put on the cover and either a drop-down chain ladder, rope ladder or other portable ladder could be used at the site. He also requested a light-weight cover be used.

MOTION (JALBERT, REIM): To authorize Al Nardi to move forward with Phase 3 of the Project. Approved 3-0.

District Counsel, Michael Hassett, discussed the signing of the Pilot Agreement for the Photovoltaic Project on North Street. He tried to discover what was categorized as "personal property" in the Agreement as this would be taxed in lieu of land taxes. The "personal property" was designated as pieces of equipment that would be part of the project. Hassett met with Henry Weitzner of New York City to get his opinions and a better perspective on this Pilot Agreement. The language of the modified Pilot Agreement needed to be cleaned up before the Prudential Committee could sign it. All members of the Prudential Committee will need to sign the revised Agreement by Friday of this week. Hassett will also talk with the Town Manager as this is Three Rivers land, and Three Rivers should derive taxes from it. He continues to have concerns regarding the agreement that taxes personal property in lieu of land taxes as well as the invitation to bid on land contiguous to the solar collectors. Hassett was not satisfied with the asking price and sought an expert's opinion, which he found more reasonable. In addition, he felt it was important to determine how the money would flow and who would provide the assessors with this information. Finally, District Counsel revealed parties who had interests in the project; namely

the University of Massachusetts, Major Energy from NJ, and Weitzner & Chapman. His research determined that they have "great credentials."

Chairman Domey reiterated that the closing on the property was on Friday, March 15, and that the members of the Prudential Committee must sign the Agreement. He said that the Town had already set up that Three Rivers will receive \$1,350 a year. He confirmed that the District wanted to acquire the 10 acres of land on the property as a future water source. The Water Superintendent pointed out that \$10,000 had already been appropriated for land acquisition about five years ago. Chairman Domey said the land acquisition will be tabled until a future meeting.

Report of the Treasurer

Treasurer MacKenzie presented the Committee with February's checks and the Profit and Loss Budget. Committee members took these items under consideration and review.

Jeanne Bacauskas, Billing and Collection Clerk for the Water District, and Treasurer MacKenzie have met only twice to go over the District's software due to a busy tax season.

The Treasurer informed the Committee that Bondsville and Thorndike have been billed for the Capital Efficiency Study. W.S. Sasur had a spreadsheet showing the breakdown of assessments. He noted that since the Study cost less than anticipated, the assessments had to be re-adjusted based on the agreement Rosalie Lopes drew up.

Chairman Domey distributed copies of a proposed Policy for "Surplus, Salvage and Scrap" items for discussion, amendments, and approval at the April 8 meeting. Retired Fire Chief O'Connor had contacted an individual who sells call boxes on eBay. He learned that call boxes sell for approximately \$40. Cast iron call boxes are worth more than the cast aluminum ones that the TRFD has. O'Connor gave the contact information to Domey.

Chairman Domey stated the District will pay 80% of full-time employees' and retired fire chiefs' health insurance while employees and retired fire chiefs pay the remaining 20% with the exception of John L. Sasur, Sr.'s widow. Her retirement benefits will not be affected.

MOTION (REIM, JALBERT): To authorize Stephen Marhelewicz to deduct 20% of the premium for health insurance coverage from employees' weekly wages. Approved 3-0.

An MIIA representative will be available at the Station on Tuesday, March 12, at 9:30 a.m. to go over next year's rates.

MOTION (REIM, JALBERT): To accept and approve the Treasurer's Warrant. Approved 3-0.

MOTION (JALBERT, REIM): To accept and approve the Treasurer's Report. Approved 3-0.

Report of the Water Superintendent

A discussion on proposed increases in Water Department rates and fees took place. Copies of the increases were given to the Prudential Committee members at a previous meeting. W.S. Sasur proposed a budget of \$350,000 and is anticipating revenue of \$315,000. He stated that this increase was also recommended by the District's accountant. The Water Superintendent felt that the increase was prudent in order to maintain the current operating budget, to preserve balances in the savings and surplus accounts, and to be prepared for unforeseen expenses. Vice Chairman Reim was opposed to the 50 cent rate increase. He noted that in 2010 the rate increased to \$3. Since sufficient money was already in the account, he did not feel an increase was warranted. Clerk Jalbert favored leaving the bank account and surplus alone. He suggested an increase of 25 cents this year and 25 cents next year. Chairman Domey commented that this past year left more money in surplus than ever before.

W.S. Sasur explained that \$40,000 had been allocated for a new employee who did not come until late in the year. Money for other expenses, like an engineer to coordinate a water study, had gone into the reserve because it did not get spent in the year it was appropriated. Even though operational costs increased by 5% a year, no increases were made since 2010. Postponing an increase could lead to using up the reserves and issuing a larger increase in the future. Clerk Jalbert pointed out that the Department's Operating budget as well the accumulated surplus goes up every year. Domey mentioned that \$12,000 will be coming back from the Capital Efficiency Study. He said that with \$258,455 in surplus, he cannot justify an increase to the customers. The timing was not right. The Water Superintendent mentioned that a rate analysis could be done by an independent company. He also noted that quarterly billing allows rates to change on any statement.

Vice Chairman Reim questioned “elderly discounts” appearing on a chart prepared by Tata & Howard. W.S. Sasur said that was incorrect on the state’s analysis, and he will see that it is corrected. Chairman Domey observed that the money in the surplus account would be used for emergencies instead of borrowing. Sasur concurred that it was a savings account for water improvements. He also brought out that the Water Dept. does not charge depreciation. If it did, it would wipe out the surplus account. Clerk Jalbert was a little apprehensive about this issue since he is not a water user. He still felt inclined to recommend an increase of only 25 cents for this year and the remaining 25 cents next year leaving the surplus account intact. Vice Chairman Reim continued to oppose an increase. Chairman Domey recalled that the audit recently done reported that the District was in excellent financial condition. It had no debts and a surplus of \$83,000 last year. With no further discussion on this subject, Chairman Domey called for a motion to be made to accept the proposed rate increase of 50 cents. No one made the motion.

MOTION (REIM, DOMEY): To deny the proposed water rate increase at this time. Approved 2-0-1.

W.S. Sasur asked that this issue be open for review on a regular basis. Chairman Domey assured him that this could be done at any time.

The Water Superintendent would like a Building Committee appointed. The Chairman will place an advertisement in the paper for people to serve on the Building Committee and appointments will be made at the April meeting.

W.S. Sasur had Donald Frydryk pinpoint Three Rivers’ well along the Ware River. Although no survey was done, it appeared to be in Thorndike’s District. Many discrepancies exist regarding this wedge of no man’s land. The Water Superintendent saw no benefit to annexing the wedge of land at this time, but had prepared an article in case the Committee wanted to pursue taking it. Chairman Domey felt that the issues would not go away and, therefore, would like to bring the District’s boundary line closer to its well.

MOTION (JALBERT, REIM): To put an article to annex this property on the District Warrant. Approved 3-0.

W.S. Sasur informed the Committee that no funding was available right now for another utility vehicle. With the Committee’s approval, he will prepare an Article to transfer money from the Water Department’s surplus to purchase a utility vehicle.

The Water Superintendent stated that the Capital Efficiency Plan reimbursement is being taken care of. He checked that the members of the Prudential Committee had copies of the Scope of Services for Phase II of the study. Phase I was about the engineering to see how the infrastructure looked. Phase II will determine how to make things work. Tata & Howard will come up with the fees. Sasur submitted an Article that will appear on the District Warrants of the three villages (Three Rivers, Bondsville, and Thorndike) allowing inter-district water system improvements and agreements.

The CCR’s (Consumer Confidence Report) electronic delivery option was presented by the Water Superintendent. Federal law requires community public water systems to send customers annual reports on drinking water quality. This costs between \$500 and \$600. Posting the CCR on the Water Department’s Web site is now an option. A notice will be sent on water bills informing customers where this information can be obtained.

MOTION (REIM, JALBERT): To allow electronic notification of the CCR. Approved 3-0.

W.S. Sasur updated the Committee on the Water Department employee’s progress. He provided a handout of the original timeline for the employee’s certification. The T2 license is no longer required as the Department uses a T1 System. The employee has passed the D1 test and has this license. He has taken the prerequisite course and is scheduled to take the T1 test on Friday.

Scott Majka said he will increase his payments from \$25 a week to \$50 a week in order to pay back his educational loan by July. He requested that the Committee consider an increase in his hourly rate in increments as each license is attained. In responding to this request, Chairman Domey cited the Minutes of April 9, 2012: “The hourly rate is set at \$15 during the probationary period.” The probationary period is one year, and Majka’s start date was April 30, 2012. Majka explained that he was under the impression that employees received \$20 an hour for training. Domey said they “bent the rules” in hiring him as they were looking for a licensed Assistant Water Superintendent. Since Majka was not licensed, he was hired for a probationary period to become certified. Majka claimed other districts handle hirings by requiring a two-year probationary period and paying for educational expenses and licensing. Vice Chairman Reim agreed that there would be no raises while an employee is on probation. He told Majka to talk to the Committee once his probation is completed. Chairman Domey again referred to the Minutes of April 9, “The District will not pay for school or licensing, as these credentials were a requirement of the job. However, reimbursement after attaining licensing was tabled for now and may be discussed in the future.” He feels Majka will have “to go that route.” He also advised Majka to talk to the Committee in May.

W.S. Sasur presented next year's proposed Water Department Budget: The Prudential Committee acting as Water Commissioners will determine its own salary; the Water Superintendent asked for a 3% raise; wages for an Assistant Water Superintendent was adjusted to \$42,000 based on an hourly rate of \$20 rather than \$25; "Outside Hire" was reduced from \$10,000 to \$5,000, as the Water Department employee does a lot of this work; Accountant's Fee went up by \$300. FICA was reduced by \$1,000, as recommended by the accountant.

Chairman Domey asked for clarification on "Secretarial Staff." Sasur explained that this could be considered under "Outside Hire." He said it also included the Water Department's contribution for the recording secretary's stipend. Domey recommended increasing both the Secretarial Staff and the Legal Fees due to the formation of the consortium and the new Water Department facility. He suggested increasing Legal Fees from \$5,000 to \$10,000.

Sasur continued itemizing his budget: Utilities set at \$34,000; "Telephones" (will be changed to "Communications" as it includes all the monitoring of wells and tanks) will remain the same; Repairs will remain the same; Uniforms went up \$500 because of the new employee; Membership Dues increased; All the rest of the operations remain the same. Health insurance costs will be known tomorrow (Tuesday, March 12). It will drop as employees will now pay 20%. The Water Superintendent is not sure how his 20% differential will be funded in lieu of foregoing past pay hikes in exchange for 100% insurance coverage. Domey told Sasur to put the amount determined by the accountant on the Warrant.

MOTION (JALBERT, REIM): To accept the Water Department Budget for Fiscal Year 2014. Approved 3-0.

MOTION (JALBERT, REIM): To accept the report of the Water Superintendent. Approved 3-0.

Chairman Domey asked the Water Superintendent for his advice on advertising for an architect for the Water Department's new facility. W.S. Sasur said that the District's consulting engineer usually manages the Request for Proposal. The District's consulting engineer does not do the architectural work. A committee should be chosen for the selection process. The Water Department has surplus money available in the budget for this.

Report of the Fire Chief

Fire Chief Turner submitted the call report for the month of February 2013. A total of thirteen (13) calls were received: eight (8) all calls and five (5) duty-officer calls.

The Fire Chief updated the Committee about his search for a new rescue truck. One reasonable prospect presented itself in an engine (pumper). However, the rescue equipment would need to be moved to Engine I changing the current way of operating. Another drawback is that no extra seating was available with this engine. Complicating his search is that the wording of the appropriation specifically calls for the purchase of a "rescue" truck. The wording may need to be amended in an article at the May District meeting for more flexibility.

Fire Chief Turner presented the Fire Department's Budget for Fiscal Year 2014. Article 4 eliminates "Lead Drivers" transferring \$100 of this \$1,700 item to "Extra Duty" and adding a fourth "Driver" at \$1,600. Article 5's Wellness & Fitness Program has \$900 left over. This amount was added to Firefighters Uniforms & Clothing. Since everyone has updated Turnout Gear, the amount in this item of Article 9 was moved to Replace Old Equipment where it is needed to replace 4-inch hose on Engine 2.

Former Fire Chief O'Connor explained how the remainder of his salary left over from last year will cover the new fire chief's raise, a performance bonus, six weeks of accumulated vacation time, and 24 sick days. Transferring this amount to Bonus/Severance Pay will eliminate the need to appropriate money for severance pay.

Fire Chief Turner discussed raises for privates by adding money to Extra Duty as a fairer way of allocating funds for those who assist more often. Currently, there are two new auxiliary firemen, three applications, and one waiting to get back in.

MOTION (REIM, JALBERT): To accept the Fire Department Budget for Fiscal Year 2014. Approved 3-0.

Chairman Domey asked Turner about the status of his contract. He had one concern about using the phone for personal calls. The IRS will not allow the use of a company phone for personal use. Voting on the Fire Chief's contract will take place in April.

Former Fire Chief O'Connor distributed the District's Budget. Many items decreased as they are now split between the Fire District and the Water Department. Chairman Domey discussed raising the recording secretary's earnings by \$100 a month.

MOTION (JALBERT, REIM): To raise the recording secretary’s earnings by \$100 a month. Approved 3-0.

Domey asked the recording secretary to attend the Finance Committee meeting on March 25.

The Water Superintendent will adjust his budget by \$2,000 for the secretary’s increase.

Accounting on the District’s Budget needs to be increased to \$4,900 to match the Water Department’s figure. FICA will be determined by the accountant. Retirement should be \$21,500. Truck Payments should decrease by \$800 to \$20,400. District Expenses increased from \$5,000 to \$12,000, which included \$7,000 for the audit. Money for annual audits should be included in the budget. Changes in the District Budget include: Secretary, Accounting, FICA, 80% of Health Insurance, Retirement, and Truck. A quote should be gotten on Insurance for building, trucks, and personnel.

MOTION (REIM, JALBERT): To accept the District Budget for Fiscal Year 2014. Approved 3-0.

MOTION (JALBERT, DOMEY): To accept the report of the Fire Chief. Approved 3-0.

Old Business

Charles Blanchard has not contacted the District with any progress on the Rt. 20 Project.

A discussion about the retention of District records will take place after April 15.

Three individuals applied for the position of District Treasurer. The Committee reviewed their resumes, experience, and credentials. John McKenzie has an accounting degree. John Chmura is an accountant with degrees from WNEC. Mary Ann Duguay is a bookkeeper. Chairman Domey and W.S. Sasur pointed out several disadvantages to employing two individuals from the same family. It was decided to table the appointment until the next meeting.

New Business

Chairman Domey called for a vote to go into Executive Session at 9:50 p.m. “to comply with, or act under the authority of Mass. General Laws and the requirements therein” with return to open session.

MOTION (JALBERT, REIM): To adjourn from the open meeting and enter into executive session. Approved 3-0.

The Committee returned from Executive Session at 9:55 p.m.

Having no further business to conduct in open session, Chairman Domey requested a motion to adjourn. The next regular meeting is scheduled at 7 p.m. on April 8, 2013.

MOTION (REIM, JALBERT): To adjourn from the Open Meeting at 9:56 p.m. Approved 3-0.

Submitted by:

Approved as to Form and Content:

Diane Baldyga, Recording Secretary

Raymond Domey, Chairman

Date:_____

Date:_____