



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

Prudential Committee Minutes

July 9, 2014

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

IN ATTENDANCE:

Raymond Domey, Chairman
Donald Reim, Vice Chairman
William Jalbert, Clerk
John Chmura, District Treasurer
John Sasur, Water Superintendent
Scott Turner, Fire Chief
Patrick O'Connor, District Clerk

Diane Baldyga, District Secretary
Toni MacKenzie, Billing/Collection Clerk
Robin Wdowiak, District Accountant
Michael Hassett, District Counsel
Sara Rossman, Paralegal
Al Nardi, Project Manager for Anderson St. & AT&T Tower
Marc Graveline, Crimmins/Graveline Insurance
Public Observers

Approval of Minutes

The Committee reviewed the minutes from the meeting of June 11, 2014.

MOTION (REIM, JALBERT): To approve the minutes from the meeting of June 11, 2014. Approved 3-0.

Public Comment

None.

District Bookkeeper/Accountant

Robin Wdowiak, a public accountant and agent of AJE Financial Services of Ludlow, was introduced as the newly appointed District Bookkeeper/Accountant. Chairman Domey explained that weekly invoices will be brought to her office on Monday by the Water or Fire Department and will be picked up on Tuesday. The Water Superintendent asked her about keeping the books open for expected invoices from June. Wdowiak assured him that there was no rush. The books would remain open until July 15. Treasurer Chmura said that invoices would be stored within the District and that electronic banking would be set up for her. Wdowiak, Chmura, and the District's safe deposit box will have the passwords for the accounts.

AT&T Tower Lease

A status report on the AT&T Tower Lease was given by District Counsel, Michael Hassett, Project Manager, Al Nardi, and Paralegal, Sara Rossman. Nardi said that negotiations were approaching finalization and that the District was close to signing a lease agreement with AT&T. These three representatives of the District each went into lengthy detail explaining the difficulties encountered, the research required, and the relentless negotiations needed to get to this point. They gave numerous examples of the intricacies involved with the contract. To start with, Nardi explained that in the package offered the District by AT&T, an actual lease agreement was not provided. As a result, Hassett's office had to create a lease. One particular area that Nardi focused on was what would happen once the lease was done. He firmly required that AT&T restore the property to its previous state and that the structures be taken down and removed. Photos will be taken and filed to ensure that this is done. Another important and time-consuming issue was the date when AT&T would start paying rent on the lease. Compromises were made until an amicable solution was reached. Neither Nardi nor Hassett are lease negotiation experts, so a country-wide search was made to find one. Most of the lease negotiation experts that had been found were extremely expensive. Finally, a firm was located in Boston that charged more reasonable fees.

Paralegal, Sara Rossman, said that the entire lease with AT&T had been changed 12 times so far. She feels that the final lease will protect the town and the future and will give the District rent money as soon as possible. Rossman stated that she had looked at 15 cell tower leases that AT&T had previously signed to create the District's lease. She gave more explicit details as to each party's position and the potential pitfalls regarding the beginning of rental payments. It was finally settled that payments would begin 90 days after signing the lease if permits and hearings were applied for to start construction. However, if no action is taken within 30 days by AT&T, then it must start paying rent at that point (30 days after signing). Some of the other negotiations included federal court locations to resolve disagreements, cool down periods and mediation, varying time lengths for disputed issues, and indemnity concerns. When she receives

the latest revised copy of the lease, Rossman will compare it with her notes to make sure all items were duly addressed, and the final lease will be ready for the Prudential Committee's signature, possibly within the next four to five weeks.

District Counsel, Michael Hassett, had personally documented 100 contacts with AT&T. He expanded discussion on the indemnity clause. Although AT&T wanted Common Law Indemnity, which concerns who pays if someone gets hurt, it is the most restrictive type of indemnity and not good for the District. After extensive research, an indemnity agreement involving a utility company was finally discovered that would be in the District's best interest to model. He was committed to convincing AT&T that this protocol be used instead of Common Law Indemnity.

Chairman Domey commended the negotiating team (Hassett, Nardi, & Rossman) on its diligence. He said that its efforts were appreciated by the Committee and that each representative did a great job.

Anderson Street Reservoir Project

Project Manager, Al Nardi, reported that the Anderson Street Reservoir Project was going well and quickly. The (manhole) structure was already in place. However, a few complications had surfaced that he wanted the Committee to be aware of. The stone that was lodged in the pipe had moved and is believed to be about ten feet outside of the reservoir. Its location may have been miscalculated or the pressure of the back wash may have moved it. In the process, the contractor had also discovered a 12-inch defunct drain pipe that needs to be removed or capped to prevent future problems. The contractor said it would cost \$2,400 for another camera company to come in to try to locate the rock. The contractor would charge the District \$17,680 to dig at a new location for this rock. Nardi checked the contractor's Schedule of Values, which breaks down different parts of the job. The original price was \$8,000 for the first dig. The contractor defended the increase due to digging closer to the wall. The wall would need shoring up to be protected from collapsing. This price also included the price of another camera view, which was now estimated at only \$1,700 compared to the previous quote of \$2,400. Despite the fact that it took only 8 hours for the first dig, the contractor estimated an additional three days for the second dig. Nardi is concerned that these figures may be inflated. He recommended getting another estimate for the dig quickly. Nardi was notified by the contractor on July 9 that he would like a response on this work by July 10. W.S. Sasur said that the rock had been there for the last 5 or 10 years and should be fine for a fair amount of time. Nardi said that removal of the rock might be put off until another time, but feels that a second camera review should be made to make sure it will not cause problems for what is being done now. Also, the distance from the wall would affect the cost of removal.

MOTION (JALBERT, REIM): To allow Project Manager, Al Nardi, to get a second camera in to locate the rock in the pipe at the Reservoir. Approved 3-0.

Route 20 Project

Mark Pessolano has been trying to get the Palmer Water District to unlock the area on Route 20 where his business is located so that it can be annexed and serviced by the Three Rivers' Water District. The residents in this area want services that Palmer cannot provide. He will have a petition from the residents in this area prepared and ready for the August meeting. Chairman Domey had provided him with a letter listing the steps to take to join the Three Rivers Fire District.

Report of the Treasurer

- **District Insurance Plans.** Insurance agent, Marc Graveline, reviewed the schedule of coverage on the current firefighters' policy for Accident and Sickness Insurance. The premium for the three-year policy was \$19,018. It covers both volunteer and career firefighters. He said that the McNamara endorsement included a cost of living adjustment and is part of the policy. It increases the accidental death benefit for only the *volunteer* firefighters from \$70,000 to \$596,000. Graveline continued to explain each benefit listed on the policy. One point that required clarification was under Weekly Income Benefits for a disability. Graveline said that a firefighter must earn \$600 a week in order to collect the \$600 a week benefit. Domey asked if a cost of living increase is applied after 28 days of a disability. Graveline said he will research this detail. He said there is no Elimination Period. One would start collecting from the first day.

Graveline had prepared another more advantageous and upgraded proposal that improved the benefits offered to firefighters. It substantially enhanced nearly every benefit of the current contract. To mention a few: Accidental Death, Illness Loss of Life, Accidental Dismemberment, Vision Impairment, Cosmetic Disfigurement, and HIV Positive all increased from \$70,000 to \$500,000; while Weekly Income Benefits rose from \$600 to \$1,000. W.S. Sasur asked if this was based on the current census and asked what that number was. Graveline will find out what the number on file is. District Clerk O'Connor said the census should be 31

volunteers and 1 career firefighter. The total cost of these enhanced benefits for the volunteer firefighters would be \$11,489 a year, approximately \$5,000 more per year than the current coverage. The proposal for career firefighters mirrors the volunteer group, but may be modified if desired. It raises the cost another \$2,000 a year. A total of \$13,580 a year will be the total yearly premium for the volunteer and career firefighters, which increases the cost of Accident & Sickness insurance by \$7,000 a year. W.S. Sasur mentioned that the totals did not add up and were off about \$100. Graveline believes the figure of \$13,580 to be accurate.

Fire Chief Turner was satisfied with the new proposal. The Prudential Committee feels that it is important to protect the people who go out to do the job. It was noted that firefighters are not covered by workman's compensation. The District does not want to get sued for failing to provide adequate coverage.

MOTION (REIM, JALBERT): To go forward with the new insurance proposals from Crimmins/Graveline Insurance Agency. Approved 3-0.

Graveline told Treasurer Chmura to pay the current invoice, and his office would send an adjustment invoice.

- Electronic Banking Authorization. Previously discussed with Robin Wdowiak and Treasurer Chmura.
- Invoice and Check Procedures. Previously discussed with Robin Wdowiak and Treasurer Chmura.
- Bookkeeper/Accountant Contract. No discussion.
- BMSI Utility Management System for Water Department. BMSI (Business Management Systems, Inc.) will send the paper work and invoices for the new Water Department software system. Separate invoices will be sent for the billing and the management portions.
- Country Manor Overdue Account Payment. Springfield's Superior Court decreed that all outstanding water bills on Country Manor's Account be paid in full by the bank. A payment for \$12,400 has been received to settle this account.
- Financial Reports. Billing Clerk MacKenzie said that she sent all her reports to Robin Wdowiak.
- Annual Audit. Chairman Domey told Chmura that he may want to consider Livingston & Haynes from Ware for the next audit and should talk with Ron Christianson, who is from Palmer. Chmura said he will get a few estimates.
- Financial Statements. Treasurer Chmura submitted June's Profit & Loss Statements to the Committee.

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

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

Report of the Fire Chief

Fire Chief Turner presented his report:

- Call Report. The month of June 2014 received a total of thirteen (13) calls.
- Rules and Regulations of the TRFD. Discussion and approval of the Rules and Regulations of the TRFD was tabled until September or October as any changes must be posted for 60 days.

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

Report of the Water Superintendent

W.S. Sasur discussed the following items:

- Reserve Account for Meter Purchases. The Water Superintendent requested the Committee to establish a reserve account for meter purchases with water meter rental receipts. District Clerk O'Connor said that establishing a Stabilization Fund for Meters must be done at the Annual District Meeting; then an amount of money could be taken out of Water Surplus and transferred to the Stabilization Account. Sasur wants a dedicated account set up to put the money collected from meter rentals. Domey thinks that putting in \$50,000 for the next four or five years would bring the account close to where it should be. Sasur would like at least the minimal amount collected from rentals from the past. Treasurer Chmura asked when putting money into the account would start and was told it would be after the District Meeting. Domey and Jalbert questioned Chmura about whether the accounts were making any money. He said he would find out.

MOTION (JALBERT, REIM): To establish a separate reserve account for water meter rentals. . Approved 3-0.

- Bridge Street Water Main Break. The Water Superintendent reported that the break occurred at a deep and difficult place to access. Repairs were made with little disruption to the public water supply.
- BMSI Asset Management and Operation Program. Previously discussed.

- Anderson Avenue Clean Out. Vice Chairman Reim asked the Water Superintendent if he still cleaned out the drain at the Reservoir once a week. Sasur said he did not. Reim questioned if he was getting paid to do it. The Water Superintendent said he did it gratis and has not gotten paid for this in over a year. He has not done it on a regular basis since construction started, and has not submit any invoices for payment.

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

Old Business

No Old Business.

New Business

No New Business.

Having no further business to conduct in open session, Chairman Domey requested a motion to adjourn. The next regular meeting is scheduled for 7 p.m. on August 13, 2014.

MOTION (JALBERT, REIM): To adjourn from the Open Meeting at 9:08 p.m. Approved 3-0.

Submitted by:

Approved as to Form and Content:

Diane Baldyga, Recording Secretary

Raymond Domey, Chairman

Date: _____

Date: _____