

IN BOARD OF SUDBURY SELECTMEN
TUESDAY, DECEMBER 21, 2010

Present: Chairman John C. Drobinski, Vice-Chairman Lawrence W. O'Brien, Selectman Robert C. Haarde and Town Manager Maureen G. Valente

The statutory requirements as to notice having been complied with, the meeting was convened at 7:36 p.m. in the Lower Town Hall, 322 Concord Road.

Opening Remarks

At 7:33 p.m., Chairman Drobinski opened the meeting and wished everyone a happy holiday season. He also extended his appreciation to the Town and School staffs and departments and the citizens of Sudbury for their outpouring of support to the Milley family. Chairman Drobinski stated that the Town's response is indicative of the caring community Sudbury is, and he is proud to live here. Selectman Haarde stated it was an emotional week for the Town and, although he never met Scott Milley, he will now never forget him. He also referenced a recent SudburyPatch.com article, "Home is Where the Heart Is." Vice-Chairman O'Brien concurred that the overwhelming support for the family was impressive, and he hopes it continues in the difficult months ahead for them. Chairman Drobinski also stated that the Town has established outreach initiatives to support families who have family members serving in the military.

Chairman Drobinski announced there will be a Special Town Meeting on January 18, 2011 to vote on two warrant articles. The first article will be a debt exclusion article for repairs to the Noyes School of which 35% reimbursement from the State is expected. The second article is a Petition Article regarding a senior tax relief option. Town Manager Valente stated that the Warrant-review period closed yesterday. Chairman Drobinski stated that the petitioner will be invited to the Board's next meeting to discuss the proposed article. He further stated that indefinite postponement of the article may be considered to allow for more information to be assessed. There will also be a Special Election held on January 25, 2011 for the debt exclusion article vote.

Reports from the Board of Selectmen

Selectman Haarde attended a meeting of the Minuteman Regional Vocational Technical School and he toured the School. He reported that the High School's curriculum is impressive, noting interesting work being pursued by students in many disciplines, particularly in the engineering and bioscience clusters. He further stated that the renovation proposes to intelligently design the School's layout to better enable disciplines to work together. Selectman Haarde was impressed with the breadth of the curriculum and the athletic programs provided. Vice-Chairman O'Brien stated that the School also offers numerous technical-training programs which are more traditional in nature.

Chairman Drobinski participated in the Selection Committee interview for a new Fire Chief. He reported that the interview went well and that an internal candidate is under consideration for the position.

Reports from the Town Manager
Haskell Field Paving - Update

In response to questions received regarding the Haskell Field parking lot project, Town Manager Valente reported that the area has been stabilized with sand and gravel, which the Department of Public Works (DPW) acquired from completion of other projects. She highlighted that the Park and Recreation Commission approved the project in June and asked the DPW to help in order to save money. Town Manager Valente stated that a site plan application will be presented to the Board for review in January 2011.

Special Act – Long Term Leases for Renewable Energy

Town Manager Valente distributed to the Board copies of the Special Act enacted by the Commonwealth, which allows Sudbury to enter into long-term leases and contracts up to 50 years for renewable or alternative energy. State Representative Tom Conroy filed this legislation on behalf of the Town for this approval by the Governor. She further stated that another Special Act has been submitted by Sudbury regarding leases of cell towers, which is also expected to be approved.

Finance Committee - Update

Town Manager Valente reported that the most recent Finance Committee meeting included presentations from the three cost center liaisons. The meeting was taped and can be viewed on SudburyTV.org and the access channels.

Energy and Sustainability Green Ribbon Committee – Candidate for Membership

Present: Candidate Jennifer Dudgeon

At 7:47 p.m., Chairman Drobinski welcomed Jennifer Dudgeon, 148 Nobscot Road, to the meeting to explain her interest in becoming a member of the Energy and Sustainability Green Ribbon Committee. He noted that Ms. Dudgeon's resume is impressive and he thanked her for offering to volunteer. The Board was previously in receipt of an email from the Committee's Chair Bill Braun dated December 14, 2010, stating the Committee unanimously supports Ms. Dudgeon's candidacy and Ms. Dudgeon's Application for Appointment.

Ms. Dudgeon summarized her educational and professional background. She stated that she has worked extensively helping communities make informed choices and remove barriers to becoming more sustainable. She also worked in the United Kingdom for several years as an energy policy officer. Ms. Dudgeon emphasized her interest in developing outreach programs to better inform the public of the need to become more "green." She also stated that she plans to raise her family in Sudbury and would like to use her expertise to benefit her Town and children.

Selectman Haarde thanked Ms. Dudgeon for her interest in filling his former spot on the Committee. He urged her to not be shy with the Committee, and he noted he had enjoyed working with the group's strong and diverse personalities. Selectman Haarde stated Ms. Dudgeon has a great background, and he asked her what initiatives she thinks would be useful for Sudbury to pursue. Ms. Dudgeon stated she is in the process of learning what the Town has already done and/or tried before making recommendations such as having an EPA Green-Star rated school in Town. She reiterated the need to get the public involved and disseminate information.

Selectman Haarde asked if Europe is ahead of the United States in energy-related areas and if there were best practices which could be implemented in the States. Ms. Dudgeon stated Europe is ahead of America in every aspect, but that the situations are not analogous. She highlighted that the United Kingdom has extreme population pressures and an extensive and economic public transportation system, neither of which exists here. Selectman Haarde opined that Ms. Dudgeon would be a good fit for the Committee and it would benefit from her participation.

Vice-Chairman O'Brien stated that many Committee members have a more engineering and/or hands-on background and that Ms. Dudgeon's perspective would be an interesting addition. He asked her if she might get bored as projects and initiatives take time to evolve. Ms. Dudgeon stated she is accustomed to doing a lot

of research and analysis and does not foresee being bored. Vice-Chairman O'Brien asked if she has attended Committee meetings yet, and Ms. Dudgeon stated she has.

Given his own background, Chairman Drobinski stated it is great to have a resident with such strong credentials want to help Sudbury become more sustainable.

It was on motion unanimously

VOTED: To appoint Jennifer M. Dudgeon, 148 Nobscot Road, as a member of the Energy and Sustainability Green Ribbon Committee for a term to expire on April 30, 2013, filling a vacancy occasioned by the term expiration of Robert C. Haarde, as requested by Bill Braun, Chair of the Energy and Sustainability Green Ribbon Committee in an email dated December 14, 2010.

Ricci Consultants Inc. – Actuarial and Other Post-employment Benefits (OPEB) Report

Present: Linda L. Bournival, Ricci Consultants, Inc., and Stuart F. Rubinstein, Willis, Assistant Town Manager Maryanne Bilodeau and Finance Committee Chair James Rao, and Committee members Robert Stein and Robert Jacobson

The Board was previously in receipt of copies of a letter dated October 6, 2010 and accompanying "Town of Sudbury Postemployment Benefits Other Than Pensions Actuarial Valuation July 1, 2009 reports submitted October 6, 2010" for review.

Linda L. Bournival, Ricci Consultants, Inc., provided a brief overview of GASB Statement No. 45, which requires the reporting of post-employment obligations for current and retired employees for medical and life insurance benefits. She explained that current active employees were used as a base along with consideration of current benefit plan options to determine what the future Town obligations would be. Ms. Bournival also explained that demographic assumptions were also considered. She stated that an Annual Required Contribution (ARC) is determined which is used by auditors/accountants for Town financials, and she referenced page 8 of the Report. Sudbury's ARC has been calculated as \$3,515,299 based on an allowable discount of 4%. Ms. Bournival explained that the lower the discount amount, the higher the liability figure is.

Stuart F. Rubinstein, Willis, clarified that dental costs for retirees are not included since the retiree pays the entire dental premium. He also stated that two-thirds of the expenses for benefits are for retirees or their spouses for whom lifetime benefits have been promised. The calculated Actuarial Accrued Liability totals \$36,411,392, based on the "Pay-As-You-Go" 4% discount.

Selectman Haarde asked how Sudbury compares with other communities and why so much of the cost is attributed to Medicare-eligible employees. Mr. Rubenstein stated that Sudbury compares favorably, noting the Town requires retirees to pay the maximum 50% towards premiums as allowed by the State. He also explained that the Town provides supplemental insurance. Ms. Bournival referenced page 14 of the Report for plan provisions, stating an assumption (page 16) was made that all active employees will participate in Medicare.

Vice-Chairman O'Brien asked how many communities have begun to fund their liabilities and whether the entire ARC contribution must be made. Ms. Bournival stated that many towns are currently asking questions. She also emphasized that GASB 45 is an accounting reporting standard which does not include funding guidelines.

Ms. Bournival stated that GASB requires a report every other year and that this Report provides a 10-year projection of Sudbury's ARC. She further stated that the Town's workforce drives the data, and thus, the information process is self-correcting.

Town Manager Valente referenced a Massachusetts Municipal Relief bill which allows municipalities to capture other costs for healthcare from other towns in which retirees have worked, and she asked how that would work. Ms. Bournival stated she is uncertain how that policy would work administratively and thought it might be ignored by towns as a "wash."

Vice-Chairman O'Brien asked for clarification regarding figures referenced on pages 2 and 5 of the Report. Ms. Bournival explained that page 5 focuses on the Actuarial Present Value of Future Benefits and that page 2 ties back to the Actuarial Accrued Liability information noted on page 6. She further explained that without prefunding, the 4% discount is what auditors will expense on Sudbury's books. As the Town funds the liability, the discount can be increased from 4% up to 8%.

In response to a question from Town Manager Valente, Ms. Bournival stated that assumptions were based on the Middlesex County Retirement System, and standard turnover rates were used for figures noted on pages 15 and 16 of the Report. However, Mr. Rubinstein noted that the percentages listed on page 16 regarding medical plan participation and incurred medical costs are based on Sudbury's data. Town Manager Valente also asked if the data has been broken out by job populations, i.e., teachers, firemen, etc. Ms. Bournival stated the information has not been sorted in that manner.

Finance Committee Chair James Rao asked for clarification as to how the liability is tracked on the Town's balance sheet and whether the liability has been broken down by Town and School employees. It was explained how the liability would be noted on the balance sheet, and it was noted that page 22 of the Report reflects a breakdown of the data by Town and School employees. Ms. Bournival stated that the information on page 22 is based on information provided by Assistant Town Manager Bilodeau of real Sudbury employees. Mr. Rao opined that a \$36 million liability does not feel good to him even though it may be good when compared to other communities.

Chairman Drobinski stated that, if the Finance Committee has additional questions regarding the Report, it can direct them to the Town Manager's Office, which will forward the inquiries appropriately. At 8:32 p.m., the discussion was concluded.

Minuteman Regional Vocational Technical High School – Discussion Regarding Proposed Regional Agreement Amendments

Present: Minuteman Regional Vocational Technical High School Superintendent Dr. Edward Bouquillon, Arlington Finance Committee Chair and member of the Regional Task Force Al Tosti and Minuteman Director of Business and Operations Camie Lamica

At 8:41 p.m., Chairman Drobinski opened the discussion regarding proposed amendments to the Regional Agreement with Minuteman Regional Vocational Technical High School (MRVTHS). Town Manager Valente explained that tonight's discussion was coordinated as a follow-up to questions previously raised by the Board following updates it received from herself and Selectman Haarde based on their attendance at meetings sponsored by MRVTHS.

The Board was previously in receipt of copies of memoranda from Town Manager Valente dated October 29, 2010 and November 15, 2010, summarizing the status of several issues regarding the Minuteman Regional Vocational Technical High School (MRVTHS) project and suggested revisions to the member agreements, updated Project Assumptions spreadsheets dated November 10, 2010 and November 16, 2010,

the excerpts from the District Agreement for Minuteman –File # 2.10, and an opinion from Town Counsel dated November 8, 2010 addressing withdrawal from the Minuteman District Agreement.

Superintendent Dr. Edward Bouquillon stated that the Regional Task Force met yesterday and proposed to review the suggested allocation method. He further stated that a vote was not taken yesterday, and that the group will meet again on January 4, 2011. Dr. Bouquillon explained that the Task Force deliberated nine allocation models, and he distributed to the Board copies of a “Summary of Three Models for Capital Apportionment dated December 21, 2010,” “Summary of Three Models of Capital Apportionment Recommended with Differences dated December 21, 2010,” and a spreadsheet entitled “25 Year Capital Assessment Totals of Estimated Debt by Member Town” for review. He summarized Model #9 which reflected 48% of the annual project costs being shared equally by the 16 member towns. According to the Model #9 principle, Sudbury’s anticipated cost totals \$98,248. Dr. Bouquillon compared this figure to the Current Capital Assessment Method for Sudbury totaling \$76,441. He noted that Model #5 reflects how the High School was initially funded.

Dr. Bouquillon highlighted Model #8 as reflecting what towns are able to pay using each town’s equalized valuation (EQV) as a measure of ability to pay. He further stated that the consensus of the Task Force seemed to be that this model would be reviewed by the School Committee as a preferred model. Dr. Bouquillon also stated that, based on feedback received, changes have been made to how out-of-district tuition is charged. He explained that the maximum allowable tuition will be charged and that 10% of that charge would be allocated toward the costs of capital projects.

Vice-Chairman O’Brien asked if the towns that send out-of-district students to the High School are also part of other vocational schools or whether they send students to Minuteman because it offers programs not otherwise available. Dr. Bouquillon stated that the School does have programs not available at other schools. He also stated that Watertown, Waltham and Medford send approximately 50 students each to Minuteman and that these cities are not part of another regional vocational program. Vice-Chairman O’Brien opined that none of the model formats presented to date seem to capture billing the out-of district towns appropriately for the significant number of students sent to the School. Dr. Bouquillon stated that the increase from \$16,000 to the maximum \$18,000 charge for out-of district tuition will capture more funds than before. However, he also noted that the tuition cost does not include transportation or special education charges, which are covered by the sending community.

Selectman Haarde asked what the average transportation cost is. Dr. Bouquillon stated approximately \$3,000 is billed back to communities. He also stated his team is looking at more options to bill for Special Education services.

Vice-Chairman O’Brien reiterated that the models do not seem to pass on a portion of the construction costs to the non-member towns even though they constitute 33% of the student population. He also noted that the FY12 Preliminary Operating Budget Assessment for Sudbury equates to approximately \$26,600 per student. Vice-Chairman O’Brien questioned why member towns should not consider opting out of the Agreement and then re-enter the system for a more economical cost per student.

Dr. Bouquillon noted that the FY12 Preliminary Assessment includes \$300,000 from out-of-district tuition, which over a 25-year period, will equal \$7,500,000. He believes this new policy has, in essence, created a 17th Agreement member. Dr. Bouquillon also believes that, in the future, the benefits of membership will become more obvious for communities. He also noted that member towns could not opt out of the Regional Agreement without a unanimous vote of support from all member towns.

Arlington Finance Committee Chair and member of the Regional Task Force Al Tosti compared the average out-of-district cost of \$22,000-\$23,000 per student to the \$25,000-\$26,000 cost per student paid by member towns. He noted there is an incremental cost for a town to bring additional students to the School which does not equal \$23,000 for every student. Mr. Tosti explained that the variance of cost between member and non-member towns is now close enough to make the regional system work for all parties.

Vice-Chairman O'Brien asked if there are disincentives for becoming a member. Dr. Bouquillon stated that, under the current system, the entry cost in the first year is discouraging for some communities. However, he also noted that discussions are ongoing with the superintendents from non-member towns because they are aware of the upcoming Town Meeting votes and that they would not be able to similarly handle the cost of recapitalizing a regional vocational school. Dr. Bouquillon stated that progress is being made and that Minuteman has continually charged more for tuition while reducing the cost per pupil. He further emphasized that no financial impact is anticipated for any town until FY14 or FY 15 at the earliest.

In response to a question from Selectman Haarde, Dr. Bouquillon stated that the emphasis of the Task Force seems to be on Model #8 as a result of a plea from Bolton to make the system more fair for smaller towns.

Chairman Drobinski stated the challenge will be to find the delicate balance to explain to voters the need for towns to be willing to pay for program excellence and its value. Selectman Haarde opined that towns like Sudbury are being asked to make up the construction cost difference for towns like Arlington.

Dr. Bouquillon stated that it is difficult to predict what the future holds regarding new members. He also stated that this is not a tear-down proposal, but rather a renovation, and costs may be less than the anticipated \$60 million. Dr. Bouquillon reported that enrollment and capacity studies are underway, which should provide other variables for consideration by the middle of January. He noted that 27 years ago the School had 1,100 students, but it now does not meet current vocational school standards. Dr. Bouquillon also reported that the freshman class increased by 60% last year and a similar increase is expected next year.

Selectman Haarde opined that the School's course content has outgrown the facility's footprint, and he asked how School Committee representation works. Mr. Tosti stated there is one School Committee representative for each town. He noted that representation has been discussed by the Regional Task Force and by towns such as Arlington for years. Mr. Tosti described the genesis of the Task Force last winter, noting that a decision has been made, beginning in FY12, for the School to charge postgraduates 25% of the out-of-district tuition cost. He stated the group decided to not change the terms of the Regional Agreement regarding School Committee representation and opting-in and out of the Agreement and that the Task Force members have worked well together.

Sudbury Finance Committee Chair James Rao asked why the School has not charged the maximum out-of-district tuition in the past. He also asked if the out-of-district tuition assessment costs could be broken out by communities. Dr. Bouquillon stated that the tuition was charged in the past according to the principles of supply and demand. He emphasized that the tuition was methodically increased in recent years by 6 or 7% each year and that applications continued to increase.

Selectman Haarde opined that there is something to be said for establishing a funding model which is consistent with the representation model. He further stated he is not sure that Model #8 is the best model or that the best model has been presented yet. Although he applauds the effort of the School, Selectman Haarde stated that, for some towns, the proposals reflect significant increases and he perceives Model #8 as taking a step back in the process when compared to Model #9.

Dr. Bouquillon stated that the Task Force will also study the actual tax implication on the average households in the member towns and provide that information when available. Selectman Haarde suggested that the School needs to present a model which does not provide a financial incentive for member towns to prefer to leave the Agreement. Vice-Chairman O'Brien asked what the current enrollment is, and Dr. Bouquillon stated it is 750 students.

Minuteman Director of Business and Operations Camie Lamica clarified that the FY12 Preliminary Operating Budget Assessment presented tonight reflects \$345,000 for 13 students from Sudbury of which approximately \$20,700 is for regular education, and \$25,200 would represent a special education student including transportation. She compared the cost for a regular education student to that charged for an out-of-district student, including transportation and stated the variance with Sudbury would only be \$800. Thus, Ms. Lamica opined it is cheaper for Sudbury to be a member town. Selectman Haarde stated that this type of information is important to share.

Mr. Tosti opined that the School does not have enough students, and if the student population were increased to 1,000 students, the assessment costs for all towns would be reduced.

Selectman Haarde asked if outsourcing has been pursued as a cost-savings method. Dr. Bouquillon stated outsourcing has been pursued in areas such as transportation and food services and that it sometimes saves money and sometimes does not. He noted that the School reorganized its summer and evening programs so that programs are only run if they can operate on a break-even basis. Dr. Bouquillon also stated that the School staff was reduced by 22 positions last year, and more positions could be reduced again this year. He further reported that, although the size of math and science classes increased by 20%, student Grade Point Averages did not decrease, but reflected a slight increase.

Selectman Haarde asked how a building that old has been maintained. Dr. Bouquillon stated that only one debt exclusion to borrow \$5 million was pursued based on expected energy savings. He also explained that \$300,000 has been in the budget each year for capital repairs. Dr. Bouquillon stated the roof, windows and doors are all in need of repair.

Town Manager Valente questioned whether commitment to the School is lost when switching to a model based on the EQV. Dr. Bouquillon and the Task Force believe that the EQV provides a different permutation for calculating a town's ability to pay for its commitment.

Selectman Haarde asked when the warrant article would need to be finalized. Dr. Bouquillon stated that minor article language will be finalized in the next week or two, and once voted on by the School Committee it would not change. An article may be presented for the operating assessment and another article for the proposed revisions to the Regional Agreement.

At 9:35 p.m., Chairman Drobinski thanked the guests for their input, and he closed the discussion.

Minutes

It was on motion unanimously

VOTED: To approve the regular session minutes of November 29, 2010 and December 2, 2010 (the Joint Meeting of the Wayland and Sudbury Boards of Selectmen), the executive session minutes of December 7, 2010 and the regular session minutes of December 15, 2010.

Central Middlesex Emergency Response Association Paramedic Intercept Agreement

It was on motion unanimously

VOTED: To approve the Central Middlesex Emergency Response Association Paramedic Intercept Agreement and its signing by the Town Manager as requested by Fire Chief Ken MacLean.

Highway Department – Disclosure of Financial Interest

It was on motion unanimously

VOTED: To approve the Exemption under M.G.L. ch 268A, sec. 20 (b) of the Disclosure of Financial Interest by Municipal Employee Robert E. Boyd, Jr. for the purpose of snow removal services for the Highway Department.

**Department of Housing and Community Development – Eligibility Letter Resubmittal –
189 Boston Post Road**

Present: B’Nai B’rith Housing New England Executive Director Susan Gittelman and Senior Project Manager Holly Grace, and the Applicant’s Attorney Joshua Fox

Attorney Joshua Fox explained that no changes have been made at the local level to the project since the Board considered the application in September 2010, and that the only change relates to the funding mechanism now being pursued through the Department of Housing and Community Development (DHCD).

In response to a question from Vice-Chairman O’Brien, Senior Project Manager Holly Grace stated that all of B’nai B’rith’s properties currently pay property taxes and that is also the plan for Sudbury. Vice-Chairman O’Brien asked if the intention to pay property taxes could be preserved in perpetuity to give the Town a guarantee that property taxes would be paid even if the property is sold. Chairman Drobinski stated the risk exists for any property that it could be sold to a non-profit organization and that Town Counsel could be asked for an opinion, if the Board so desired. He also highlighted that the development brings the added benefit to Sudbury of age-restricted housing.

It was on motion unanimously

VOTED: To resubmit a project eligibility comment letter, originally dated September 13, 2010, on behalf of the B’nai B’rith development proposal at 189 Boston Post Road, to the new funding agency, Department of Housing and Development, as requested by Jody Kablack, Planning Director.

Town Manager Valente shared the draft letter prepared for signature with Mr. Fox.

Special Town Meeting - Warrant

The Board was previously in receipt of a Draft of the Official Warrant for the Special Town Meeting, Tuesday, January 18, 2011 at 7:30 p.m. Town Manager Valente thanked Legal Office assistant Elaine Jones for coordinating the material. Ms. Valente also noted that the draft ballot question appears on the last two pages. She further noted that the second article is presented as received from the Petitioner.

Selectman Haarde asked who writes the argument in opposition to ballot questions. Town Manager Valente stated she did not know who prepared this opposing argument and could check with Ms. Jones.

It was on motion unanimously

VOTED: To approve and sign the Warrant for the Special Town Meeting for Tuesday, January 18, 2011, and Special Town Election of Tuesday, January 25, 2011.

Executive Session

Town Manager Valente announced that the posted Executive Session collective bargaining discussion regarding Sudbury firefighters has been cancelled for this evening, since no update is available.

At 9:39 p.m., Chairman Drobinski announced the close of the regular meeting and it was on roll call unanimously

VOTED: To go into Executive Session for the purpose of discussing discretionary fund expenditures.

Chairman Drobinski announced regular session would not reconvene following Executive Session.

There being no further business, the meeting adjourned at 9:39 p.m.

Attest: _____
Maureen G. Valente
Town Manager-Clerk