

IN BOARD OF SELECTMEN  
MONDAY, JULY 7, 1975

Present: Chairman John E. Taft, William F. Toomey, and John C. Powers

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The statutory requirements as to notice having been fulfilled, the special meeting was called to order at 7:30 p.m. by Chairman John E. Taft.

Press Conference - Highway Department Audit

Present: John Hare, Chairman, Anthony Galeota, Martha Coe, and Ronald Griffin of the Highway Commission (Highway Commissioner Frederick Welch was absent); Robert Noyes; Highway Department Operations Assistant; Ronald O'Reilly from the firm of Haskins & Sells, Certified Public Accountants; John Wilson, Town Accountant; Donald Bishop, Richard Duggan, Ira Potell, Joseph Klein, Sally VonBenken, and representatives of the local newspapers and a radio station

Chairman Taft announced that the purpose of tonight's meeting was to conduct a press conference relating to the audit of the Highway Department records for the period of January 1, 1972 through May 31, 1974, prepared by the firm of Haskins & Sells under the supervision of Mr. Ronald O'Reilly, and to allow the Highway Commissioners to respond to the audit report following their review of the Highway Department records which were restored to that Department on July 1, 1975.

Mr. Hare distributed to the Board copies of the Highway Commission's communication dated July 7, 1975, which responded to the issues raised in the audit report reviewed at the June 30 joint meeting.

Mr. Hare stated that the attachments referred to in the July 7 communication had not been completed, but would soon be submitted to the Selectmen.

Items of the audit report were discussed, and the Highway Commission's remarks not included in their July 7 written response and/or questions from the Board are set forth below.

Cash Receipts - Chairman Taft questioned the Highway Commissioners as to whether the Highway Commission had ever approved the sale of scrap metal or other reclaimable metal from the landfill.

Mr. Hare replied that he could find no record or evidence of any formal permission for such sale.

Selectman Toomey questioned whether the Commissioners were aware that Town trucks were being used to deliver material to Tewksbury, and Mr. Galeota responded that the Commission was unaware of this fact at that time.

Landfill Permits - Selectman Powers questioned whether the Highway Commission had authorized the use of any cash funds relating to any landfill permit fees for refreshments or for any other purpose.

Mr. Hare replied that he could find no such indication in the Highway records, and Mr. Galeota responded in the negative.

Street Opening Permits - No additional comments.

Sale of Street Signs - In response to Chairman Taft's question as to the Highway Department's past policy on street signs, Mr. Hare stated that past policy has allowed the residents within a subdivision to purchase signs from the Highway Department.

Mr. Galeota stated that he could recall discussion during past meetings concerning the setting of prices for street signs but could find nothing in the Commission's minutes to substantiate a policy.

Cemetery Labor, Lowerings, Foundations, and Cremation Fees - Mr. Galeota commented that the Highway Commissioners realize the need for a system to record cash receipts and that the present regulations were presently being updated.

Payroll - All accounts reconciled on a test basis -- no additional comments.

Vendors Invoices - Bidding Procedures -

a. Award Bid for Sand - Mr. Galeota reported that the June 28, 1972 bid award had been tabled until September 13, 1972 and that the 30-day bid figure could be extended if the vendor was agreeable, which had been the case in this instance.

Discussion followed relative to the extension of bids into the next fiscal year, and the Executive Secretary stated that a bid cannot be extended or approved into a new fiscal year unless an appropriation is available.

Mr. O'Reilly stated that the auditing team had not related the September minutes back to the June minutes and that no record or notation on bids had been found.

Mr. Hare stated that he had seen a tabulation record of the bid set.

In response to the Board's question whether the September contract had been forwarded to the Town Accountant's office, Mr. Hare responded that he did not know, that a recapitulation had been made by former Highway Superintendent Thomas McClure, but that he (Mr. Hare) had not seen the advertisement.

Mr. Galeota stated that the Commission had notified the bidder that his proposal had been accepted, but that there had not been a signed contract.

b. Hired Equipment - Landfill - The audit report stated that heavy equipment and an operator were rented from one vendor several times over an extended period in 1972 for an aggregate cost of more than \$6,000.

Mr. Hare stated that the State had cited the landfill as not being up to standards, that the major cause of this condition was the breakdown of the Highway Department's bulldozer, and that a large bulldozer was rented for service at the landfill for this purpose.

Mr. Hare stated that the work was stopped before August, perhaps in May, but that the work had not been bid.

Mr. Galeota stated that the Commission's minutes during this period indicate that the equipment was inoperative.

Selectman Toomey stated that he recalled that there had been an emergency during this period of perhaps six weeks, but not for the period indicated in the audit report.

Mr. Galeota reported that the machine was not at the landfill for an extended period of time -- that it had been removed and then brought in again.

In response to Chairman Taft's question for a record of invoices during this period, Mr. O'Reilly first reported that five bills were paid between May 11 - August 10, 1972.

Mr. Hare reported that the date of the first invoice was February 1972.

Mr. O'Reilly then stated that during the period of February 24 - August 25, 1972, there had been one bill invoice in excess of \$2,000 and four of approximately \$1,000.

Selectman Toomey stated that he remembered seeing a large piece of private equipment on Green Hill Road during this time, and Mr. Galeota stated that the same piece of equipment was used on roads as well as in the sanitary landfill.

Chairman Taft recalled that the Selectmen had noticed the amount at the time, had held up payment, and had met with the Highway Commission on the matter.

Selectman Toomey stated he recalled that the Board had approved the expenditure because it was of an emergency nature.

c. Grass Cutting - Mr. Hare reported that no bid had been advertised for grass cutting in excess of \$2,000 - no additional comments.

d. Purchases of Material and Services - No additional comments.

e. Snow Plow Parts - Mr. Hare stated that this particular purchase of snow plow parts was not bid because there was only one manufacturer's source for replacement parts. Mr. Hare stated that the Commission is now putting similar purchase items out to bid.

f. Purchase of Sand for Ice Control - Mr. Hare stated that he did not know whether the purchase of sand from J. Melone & Sons for ice control had been bid, but that this matter would be checked further.

Chairman Taft requested that the Highway Commission so determine and, if bid, to obtain the bid dates.

g. Radios - No additional comments.

h. Fuel - Mr. Hare stated that it had been agreed that Interstate Oil would supply fuel to the Highway Department for the same price offered (including service) to the schools and that no invitation to bid was advertised by the Highway Commission.

i. Lighting - Highway Garage - Mr. O'Reilly stated that five invoices had been billed to the Building Maintenance Account during the period of January 26, 1973 - January 18, 1974, in excess of \$3,000 when a previous proposal had been submitted for a similar amount, but no bidding resulted. In response to the Board's question whether any money had been requested at Town Meeting for renovations to the Highway garage, Mr. Hare stated that no such request had been made.

## 2. Other Matters

a. Disposition of Gasoline Engines - The Highway Commission stated that they will pursue the disposition of the gasoline engines which were replaced by diesel engines.

Selectman Powers requested that the Highway Commission obtain the dates upon which the Highway Department purchased their last gasoline engine mack truck.

b. Contract for Bituminous Concrete - Chairman Taft questioned the Highway Commission as to whether their minutes record any specific authorization that the Highway Department driveway or parking lot would be paved, whether for the \$9,000 figure in the audit report or the lesser amount of \$5,387 mentioned in the Highway Commission's July 7 response.

Mr. Galeota stated that he did not recall.

Chairman Taft commented that it would appear that some Chapter 90 money seems to have been charged to the Highway Department driveway.

Mr. Galeota stated that the budget line items are a control, but that there are examples where some accounts are used for Chapter 90 work and Chapter 90 money for other work.

Chairman Taft asked how the Highway Department kept these account records and whether they kept a second set of books.

Mr. Galeota responded that somebody keeps a record of the tonnage.

Chairman Taft stated that it would appear the driveway pavement was paid partly from Chapter 90 funds (approximately \$5,000) and the balance from Account \$420-20-4 - Contractors, and again asked whether it had been authorized and whether it was partly paid from Chapter 90 funds.

Selectman Toomey commented that, in his opinion, the intent of the Town Meeting was not that the best road in Town should be to the Highway Department.

Mr. Galeota reported that when the Commissioners first saw the road they questioned where the funds had come from. Mr. Galeota continued, stating that during that year, the Commission had paved fourteen miles of roads. In addition, town employees were used to pave other roads.

Selectman Powers asked the Highway Commission what the Superintendent's answer had been relative to justification of the Highway Department drive. Selectman Powers further questioned whether there had been any discussion, at meetings, relative to use of Chapter 90 funds, which would be recorded in their minutes, and the Commissioners responded in the negative.

Selectman Powers also questioned whether the Highway Superintendent had submitted to the Commission at any time an indication of which account the paving of the drive should be taken from, and the Commission's response was in the negative.

In response to Selectman Powers' question as to whether the Superintendent or the Commission had authorized such an expenditure, Mr. Hare replied that he could locate no record of authorization.

Selectman Toomey asked what accountability must be provided to the State for Chapter 90 money.

Mr. Wilson stated that for that particular year the Town only received \$2,000 from the State, for which we had to account.

Mr. Galeota stated that there were no state reimbursed monies used at the Highway garage.

#### Executive Session

At 9:45 p.m., it was on motion unanimously

VOTED: To enter into executive session with the members of the Highway Commission for the purpose of discussing matters which, if made public, might adversely affect the reputation of a person.

The executive session ended at 10:30 p.m.

#### Press Release - Highway Superintendent Reinstatement

Chairman Taft, on behalf of the Board, read into the record the following press release dated July 7, 1975:

"Like many other Townspeople, we are deeply concerned about the recent action of the Highway Commissioners in reinstating Edward Blaine as Highway Superintendent.

"This concern does not stem from his recent acquittal on two specific charges of larceny of Town property and funds, but from the other facts that came out during the course of the investigation and trial. For Mr. Blaine and others testified at the trials as to the improper handling and use of Town funds on unauthorized projects.

If these kinds of activities had taken place in any other Town department, the department head would have been discharged many months ago.

"The Town of Sudbury should not have to, and does not have to, put up with improper and inefficient and illegal management. Ours is a town government of high integrity and standards attractive to the best professionals in the business. The employees of the Highway Department know this -- several of them testified against Mr. Blaine at his trials, and one of them has already resigned. Other Town officials in Sudbury know this -- and are saying it openly like we are tonight. Officials elsewhere in the Commonwealth know this -- and wonder what is happening in Sudbury. But apparently the majority of the Highway Commissioners do not yet understand the issues.

"Now is the time for the citizens of Sudbury to tell the Highway Commissioners that Sudbury wants a clean and efficient Highway Department. This message needs to be given, not only at the polls next March, but now before further damage is done to the Highway Department and to the whole government of the Town of Sudbury.

"The auditor's report paints a sorry picture of mismanagement and mishandling of Town finances and money in the Highway Department. The auditor's recommendations set down the basic ground rules for the Highway Commissioners to put their house in order. We believe that the immediate discharge of Mr. Blaine is an essential first step to putting the Highway Department house in order."

Selectman Powers complimented the Highway Commission on their response to the audit report earlier tonight and their willingness to improve procedures.

Reserve Fund Transfer Request


It was on motion unanimously

VOTED: To confirm a request for a transfer from the Reserve Fund (#0642) in the amount of \$164.50 to Account 950-99, Telephone, to complete payment of the June 1975 invoice in the amount of \$819.26, as approved by the Finance Committee on July 3, 1975, by telephone vote.

There being no further business to come before the meeting, it was on motion unanimously

VOTED: To adjourn the meeting at 11:10 p.m.

Attest:

  
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Richard E. Thompson  
Executive Secretary-Clerk