

IN BOARD OF SUDBURY SELECTMEN
TUESDAY, JANUARY 13, 2015
EXECUTIVE SESSION (8:05 a.m. to 10:05 a.m.)

Present: Chairman Chuck Woodard, Vice-Chairman Pat Brown, Selectman Lawrence W. O'Brien, Selectman Len Simon, Town Manager Maureen G. Valente, and Maryanne Bilodeau, Assistant Town Manager

Selectman Robert C. Haarde arrived at 8:21 a.m.

The statutory requirements as to notice having been complied with, the meeting was convened at 8:05 a.m. in the Silva Conference Room, Flynn Building, 278 Old Sudbury Road.

At 8:05 a.m., Chairman Woodard moved to enter into Executive Session, and return to Open Session, for the purposes of collective bargaining and land negotiation litigation, wherein strategy discussion in an open session may have a detrimental effect on the bargaining or litigation position of the public body.

Selectman Brown seconded the motion.

VOTED: To enter into Executive Session for the purpose of discussing collective bargaining and land negotiations, wherein strategy discussion in an open session may have a detrimental effect on the bargaining and litigation position of the public body.

It was on roll call unanimously

Chairman Chuck Woodard aye; Vice-Chairman Pat Brown aye; Selectman Lawrence O'Brien aye; and Selectman Len Simon aye.

Wayland Septage Facility

Town Manager Valente reviewed the letter to Wayland regarding the Septage Facility. She pointed out the section on the second page that addresses what we would be looking for if we walk away.

Chairman Woodard believes it's a great starting place if we were to walk away and commented on how well written the letter was. Selectman Brown agreed that at a minimum what we are asking for is great.

Selectman Simon agrees but suggests that if Wayland was to proceed and that Sudbury was harmed in any way, Wayland will need to make Sudbury whole for any loss. At the top of page two (after the discussion of retired Wayland employee costs), he suggested we add the following new paragraph. "If Wayland decides to proceed unilaterally, Sudbury will hold Wayland responsible for any harm to Sudbury's interest, including financial harm."

Selectman O'Brien suggested that we add a sentence to the last paragraph, as such: "Sudbury will take every appropriate action to protect our rights."

Selectman O'Brien asked what is left inside of the building? Town Manager Valente responded that essentially, we are talking about a shell of a building, and we've already received 50% of the proceeds for anything they've sold which was inside the building. Selectman Simon pointed out that if they did share this money with Sudbury that it clearly shows that they agreed that the Intermunicipal Agreement was still in force.

Selectman O'Brien moved to approve the draft letter as amended and to authorize Chairman Woodard to sign the letter to Wayland. Selectman Brown seconded the motion.

It was on roll call unanimously

Chairman Chuck Woodard aye; Vice-Chairman Pat Brown aye; Selectman O'Brien aye; and Selectman Leonard Simon aye.

Approval of December 18, 2014 Executive Session minutes

Selectman Woodard inquired as to how/when minutes related to Collective Bargaining are released. Ms. Bilodeau explained that she and the Town Manager review them and if there is anything in them that could impact future negotiations, the minutes are held or sections redacted until all items have been resolved.

Selectman O'Brien added that all released minutes are voted by the current sitting Board of Selectmen.

The following edits were suggested:

- Adjust spacing on 1st page so that motion and vote fit;
- Number pages;
- Remove item #3 on second page under *Board positions agreed upon*;
- Fix numbering of items under *Not Finalized, still under discussion or study*;
- Under *Other discussion*, edit next to last bullet point as follows:
 - Define OPEB and OOD;

Selectman Brown also wanted it specifically noted that in one of our prior Executive Session discussions, we had invited LS School Committee to our pending Executive Session and they refused to come.

Motion: Selectman Simon made a motion to approve the minutes of 12/18/14 as amended; Vice-Chair Brown seconded the motion.

It was on roll call 3 in favor; 2 abstained

Chairman Chuck Woodard aye; Vice-Chairman Pat Brown aye; and Selectman Len Simon ay
Abstained: Selectman Haarde (had just arrived) and Selectman O'Brien (was not at 12/18 meeting)

Collective Bargaining

The Town Manager reviewed what the BOS had previously agreed upon. In addition, she pointed out that though the context of certain discussions were related to overall collective bargaining strategy, there were several items that alone are not topics for Executive Session:

- consolidation of schools
- funding of special education
- incentives for asset management
- overall budget message

If there was further discussion on any of these items it would need to be done and deliberated in an open meeting as an agenda item. Selectman Brown clarified her understanding of this to be that those items need to be discussed and flushed out in public so that the reasoning was in public.

Ms. Valente concurred stating that the Board of Selectmen did enough preliminary discussions to help us with collective bargaining, but if the Board feels that they want to give budget guidance they need to have that

discussion in an open session. The items came up because of strategy for collective bargaining but beyond that scope it has to be done in open session.

The Board of Selectmen in general feels they have leadership responsibilities so that everyone knows their position.

Items to discuss today:

- COLA
- Police (Discuss at another meeting.)
- Acton-Boxborough Regional School's Supermax

Based on comments from Selectman Haarde at the last Executive Session, Asst. Town Manager Bilodeau reviewed what she had found in researching the Acton-Boxborough Regional School Districts Salary Schedule and how their Supermax worked:

Basically, teachers go through the step process. When they hit the top step (12th Step), every year after that, for as long as they work, they receive an increment of "supermax." The supermax value is \$900 on Bachelors, \$925 on Masters, and \$950 on Masters + 30 and above.

For example, someone beyond step 12 with a master's degree would receive Base Salary \$74,205 plus \$925 for each year beyond step 12. So if they have worked 10 years beyond step 12, their salary would be $\$74,205 + \$9,250 = \$83,455$.

Acton-Boxborough has 12 steps and 7 lanes based on a teacher's education level.

Ms. Bilodeau further explained that the Steps 1 through 11 get a smaller COLA than Step 12.

The Board talked about the number of steps/lanes that SPS has compared to the Town Unions and LS. SPS has 16 steps and 4 lanes; LS has 17 steps and 6 lanes; and Town Police and Fire have 6 steps.

Selectman O'Brien mentioned that there's a difference in the number of steps support staff get compared to what teachers get so that changes in Health Insurance and COLA's impacts these groups differently.

Chairman Woodard feels we should tell SPS what we'd like to do and they should deal with the nitty gritty of how to get there.

Chairman Woodard suggested we start employees at a higher starting step and then flatten out the remainder of the steps. This would give a more even keel of the impact of steps to the budget each year. He also asked the group if we should be getting into specifics of salary tables when we talk with SPS School Committee in our joint Executive Session next week.

Selectman Haarde feels that we should get into specifics since 4% Step and Lane changes are quite healthy and shouldn't also need a COLA. Maybe doing the "supermax" for the last two steps makes sense. We need some creative ideas.

Since Police and Fire only have 6 steps and then only get COLA's (compared to SPS teachers with 16 steps), Selectman O'Brien feels that we should be chipping away at the number of steps for better parity between teachers and town staff.

The Town Manager asked the Board what they are looking to do? Chairman Woodard thinks we need to look at Big items down the road. Selectmen Brown feels if they (the unions) want to go big, we should be able to pull "big" out of our back pocket and know what we want. ("Big for Big should be in the back pocket ready to go.") Selectman Simon suggested that it could be their initial position but then we say that's for a future goal.

This is a list of items discussed as issues:

-COLA

Pool of \$ from Health Trust for HRA (see notes below)

Pool of \$ for Compensation

~~Police discussion~~ Hold off until after we've met with SPS School Committee; right now focus on Executive Session with SPS School Committee as well as the Acton-Boxborough Supermax/Structural pay Setup; Parity issue options
Big for Big?

need to be ready/back pocket;

open item/step back;

Small changes:

big items - consolidation brings changes in compensation

develop overall strategy

Cap on annual increase

Do we tell SPS what the recommended Pool is?

Assistant Town Manager Bilodeau asked if we could put money that is left in the Health Insurance Claims Trust Fund towards an HRA to help employees with high out-of-pocket medical costs. This money could be available to those employees who reach a threshold of out-of-pocket costs. This would last as long as the money lasts.

Question posed to Board: Should we use \$150,000 to \$300,000 from Health Insurance Trust Fund to set up an HRA for three years to help reimburse employees who have extraordinary out-of-pocket health insurance costs and to cover any late run-out claims? Selectman Haarde said this is fine; however, this reimbursement needs to stop. This is what the private sector sees. Selectman O'Brien is fine with whatever amount is recommended by staff. Selectmen Brown, Simon and Woodard all agree as well.

Further discussion on COLA's

Selectman Haarde feels that all negotiation teams need to be looking long term at how to fix the budget problem and stabilize the growth. He suggests we give different COLA's to different steps.

The Board would like Ms. Bilodeau to come up with bullet points for the Executive Session with SPS to share with their bargaining groups regarding impact of going to GIC.

Selectman O'Brien reviewed what the Town had done regarding health insurance over the past several years. The savings back then went to employees as educational reimbursements and other items such as job preservation. The Town's savings went towards COLA's that we would not have had at that time.

The Town Manager is concerned about 1 1/2% COLA's; it may need to be more like 1% or 1/2%. Given in what we've seen in budgets higher than 1% is not going to work. She also added that the next couple of years look ominous. The state is looking at a budget deficit.

At this point for Tuesday, January 20th Executive Session we won't talk dollars per se but will say that the budgets won't support more than X. For general discussion, the BOS will say they have views on budget and HI Contribution. The Board would like the Asst. Town Manager to share what we've come up with on compensation and to mention the "super max" theory.

Ms. Valente said we'll put minutes together of what we thought we heard. If you feel something different needs to be on the agenda then you'll need to let us know. The Chairman feels we should also note what we have in minutes from 12/18 of what BOS agreed to.

- FY16: Finance Committee has requested budget growth of 2 and 2 1/2 % and the Board is fine with that;
- FY17 and FY18: Revenue growth in excess of 2.5% should go to OPEB (Other Post-Employment Benefits)/capital and similar but not operating budgets unless there are substantive unforeseen changes in circumstances (as examples, significant changes in: 1. OOD (Out of District – special education) cost net of circuit breaker; 2. Non-property tax revenue)
- By FY18: Include 100% normal costs for OPEB in the operating budgets, with such funds being voted directly into OPEB liability Trusts (or in the case of LS, covered by an IMA or similar vehicle) so that they do not become repurposed for other operational uses.

Motion: Selectman O'Brien moved to accept these as the Board's Views for Collective Bargaining; Selectman Simon seconded the motion.

It was on roll call unanimously

Chairman Chuck Woodard aye; Vice-Chairman Pat Brown aye; Selectman Lawrence O'Brien aye; and Selectman Leonard Simon aye; Selectman Robert C. Haarde aye;

At 10:03 a.m. Selectman O'Brien moved to end Executive Session and return to Open Session only to adjourn. Selectman Brown seconded.

It was on roll call unanimously

Chairman Chuck Woodard aye; Vice-Chairman Pat Brown aye; Selectman Robert C. Haarde aye; and Selectman Leonard Simon aye.

Adjourn

There being no further business, the meeting was adjourned at 10:05 a.m.