

**TOWN OF WINCHENDON
BOARD OF SELECTMEN
EXECUTIVE SESSION MINUTES
THURSDAY, MAY 4, 2017**

**Town Hall, 4th Floor Robinson-Broadhurst Conference Room
109 Front Street, Winchendon, Mass.**

Present:

Barbara Anderson, Chairwoman
Audrey LaBrie, Vice-Chair
Michael Barbaro
Austin Cyganiewicz

Keith R. Hickey, Town Manager
Linda Daigle, Executive Assistant

Absent:

Amy Salter

Guests Present:

Mary Jane Handy, Director of Accounts, Mass. DOR, Division of Local Services
Zack Blake, Bureau Chief, Technical Assistance Bureau, Mass. DOR, Div. of Local Services
Bernard Lynch, Principal, Community Paradigm Associates, LLC

List of Documents Presented at Meeting:

- Bureau Chief, Zack Blake's, Memo to the Board of Selectmen dated May 4, 2017 regarding "Shared Chief Administrative Officer Background Materials"
 - Population Projection for the Town of Winchendon
 - Lee, Lenox, and Stockbridge Implementation Plan for Shared Chief Administrative Officer
 - Report on Alternative Shared Administration for Lee, Lenox and Stockbridge
 - Draft IMA for Lee and Lenox Shared CAO (filed)
 - Conflict of Interest Special Act for Lee, Lenox and Stockbridge
 - DLS Work Plan for Lee, Lenox and Stockbridge

EXECUTIVE SESSION: No. 2 to conduct strategy sessions in preparation for negotiations with non-union personnel or to conduct bargaining sessions or contract negotiations with non-union personnel; Subject - Town Manager

Chairwoman Anderson called Executive Session to order at 6:02 p.m.

The Town Manager introduced the guest this evening from the Dept. of Revenue and welcomed back our former Acting Town Manager Bernie Lynch for the discussion this evening.

He explained the reason for Executive Session this evening. He was contacted by Tony Roselli who has been talking with Ms. Handy about Templeton and regionalizing Manager services. He reached out to Ms. Handy with his interest and has asked what the Board thinks. He feels this has to occur moving forward where appropriate for sheer cost savings for communities that don't have a lot of

economic development and aren't able to potentially attract someone who has the skill set who can do a good job for the community. Mr. Lynch has been invited this evening because he has your respect, knows this community and has been through this. He supports it and might be able to give you a perspective from Winchendon's point of view.

Mr. Hickey informed the guests that the Board agreed to have them come in this evening but are cautiously open to looking into this. The concern the Board has is him being out of the office a day a week and having another community to work for and balance has a risk of negatively impacting the improvements that have occurred in Winchendon. This is something the Board does not want to see, nor does he. The Dept. of Revenue is very much interested, if this is something that makes sense for all involved. His impression from the Dept. of Revenue is that they will provide as much oversight and support for regionalization, where appropriate, and is something that needs to be considered. They would provide support and funding through the Community Compact to provide guidance and assistance. The Dept. of Revenue is putting their name and reputation behind this and doesn't want to see it fail either.

Mr. Lynch explained the statewide view, as a practitioner for many years, that regionalization is something he's always felt an opportunity that should be explored from community to community. He has tried to do that and they did a number of regional efforts in Lowell and Chelmsford which are large cities. It is a challenge for communities to be able to continue to do what they do with resources they have with growing costs. His experience here in Winchendon was that there is a great opportunity for communities in this region to do things together, sharing staff, sharing resources, sharing initiatives. He looks at this section of the state and believes if there was someone or some organization in place to drive a common vision of Economic Development, sharing of resources, you could make a difference in how those communities operate and prosper moving forward. Unfortunately we have 351 cities and towns doing their own thing but there is a growing awareness, practically among managers, that regionalization is necessary. We have to look at ways of doing things smarter and efficiently. Sharing resources has been discussed with the Dept. of Revenue. He explained managers sharing resources where it makes sense. This is an opportunity to benefit the Town of Winchendon and clearly the Town of Templeton. He also thinks this is a feather in the cap for Winchendon, where you were two years ago and where you are now are vastly different. Your manager now is so much of a resource that can be shared with the region. It is exciting to see as a possibility.

It's why we are at this table, Mr. Blake said. Where you are now, in short order, fundamentals are getting done and you are seeing fruit. Your Executive Chief is being sought; this is a pat on the back. There are parts of the commonwealth that can no longer operate as they have. They are confronting huge socio economic, financial and professional expertise related risks that they are seeing across the board. Shared services are an opportunity to prevent potential risks. Fundamentally, there is a supply and demand problem. There are only a small number of highly skilled qualified people to hold these positions. They have to come up with a model that supports what that supply side is. Part of the Division is to support these shared services efforts and they have done so with the Community Compact program. They have been involved with Lee, Lenox & Stockbridge shared CEO services and mentioned more recently involved with hill town communities who had faced similar circumstances as Winchendon did.

Mr. Blake continued that part of the reason they were here tonight is to share their experience in Lee and Lenox, in particular, but also to let the Town know they are a resource if this is something the

Board wishes to pursue. They are available at no cost to help analyze to see what this arrangement would look like and come up with a model and cost structure so the Board would know exactly what they are getting into. They have been fully funding every transitional related costs for shared applications the come to them through the Community Compact program. Lee and Lenox are moving forward; Stockbridge decided against doing this. Lee is having their Town Meeting coming up and they will have financially \$198,000 to help them. He explained some of the costs were for technology, laptops, legal fees, anything that could be a transition cost. The Division of Local Services is here to help and have a bias towards shared services but this is a local decision. His job in Technical Resources is to help clarify so the Board could make a decision that is best for the community. This is an opportunity to preserve what Winchendon has already; things are not going to get easier. The technical and other qualifications being required of your Manager going forward will continue to grow and expand. Savings that could be realized could be put toward a Human Resource person, or a Procurement official.

Mr. Black prepared for tonight's meeting a population projection for the Town of Winchendon. He passed this out and background material on shared services.

He reviewed the chart which projected the total per capita spending vs. population. Over the next twenty years, there is not a tremendous amount of growth in this community. The other factor looked at was the population age distribution. There are a growing number of people on a fixed income. Designing policy around that is important. The other chart showed the Projected Total Operating Budget using a conservative growth rate. Today we are at \$11.4 million and in 2035 you are looking at a \$31.1 million budget. Taking the population number and overlaying that on your per capita spending, residents that will be shouldering that growth will be on fixed incomes. The Dept. of Revenue is trying to design models for communities so they keep their identity and try and create an administrative model to create that identity.

Mr. Blake reviewed the Shared Chief Administrative Officer background materials for Lee, Lenox & Stockbridge and the process the Town went through to get there. He would offer profiles of both Winchendon and Templeton to be transparent of what both Boards are looking at. Templeton is a troubled community and will take a lot of work to correct. The state is trying to support ways to bring in professional expertise to help as they did for Winchendon.

Mr. Blake talked about the second handout "Report on alternative shared Administration to the Administrative Review Committee for the Towns of Lee, Lenox and Stockbridge." This includes a draft of what the duties and responsibilities are, what the term looks like and what the off ramps are to get out of it if not working. He spoke of the conflicts of interest, making some shared services difficult that would need a home rule petition. He is currently working on this at the state level so the Town wouldn't have to but he included a draft Home Rule Petition for the Board to review.

He explained the process of them coming in to do interviews, compile a report and then coming back with their conclusion and recommendations. He believed the timeframe to be under six months' time.

Selectman Barbaro commented that Templeton doesn't seem interested in sharing services referring to the Fire Chief and noting they have started another search for a Town Manager and have candidates. It's conflicting to hear they are interested. If worked through, is it doable he questioned. Mr. Blake noted that the decision and details are a local decision. The state doesn't manage the communities. They have been in Templeton for over six years trying to nudge them in the right direction and have

begun to ratch up that pressure. When they make decisions that are not the best decision for the community, they will go back and talk about the plan. The top of the list for them is getting expertise to implement what is required. We don't see a path forward with their current experience trying to retain a Town Administrator. We are trying to find other solutions. We have a qualified candidate next door here in Winchendon and we see that as an opportunity.

Selectwoman LaBrie commented they may be interested but maybe Templeton is moving forward because they don't know if that would happen. Selectman Barbaro is concerned we might be wasting time to try and make something work. Mr. Lynch agreed but the purpose of tonight is to see if there is interest here and then the state will push there. Chairwoman Anderson asked what is in it for the Town of Winchendon. Mr. Lynch replied that the Town may be able to hire an HR Director with savings we would see with combining Keith's salary. Mr. Blake noted the savings Lee, Lenox and Stockbridge would see with them being able to hire additional personnel. He offered to draw up what the savings would look like for Winchendon.

Mr. Hickey asked about the potential grant of \$200,000. It was explained it is a one year savings, a one time grant. Discussion was had on potential ways to utilize some of the savings with regionalizing other Town services and having one person to oversee the communities.

Mr. Hickey explained how there would be potential savings and gave an example of him working three days a week here in Winchendon, being paid for three and working two days in Templeton along with potentially sharing benefit costs as well. He wanted the Board to know that he doesn't even know if he wants to do this, not knowing much about Templeton and his research showing its been a mess. He commented about the success here in Winchendon through Mr. Lynch and his group, the Board of Selectmen working together and the staff below him have been great. If it isn't the same in Templeton, he doesn't want to go there. His discussions with Zack and MJ, is that the DOR would like to see something happen sooner or later in Templeton. A six month trial period was discussed to see how it goes. He believes it would be kind of beneficial to them as well.

There has to be special legislation approved by legislature and the Governor for an Intermunicipal Agreement. Mr. Blake said Mr. Hickey could be hired as an Interim for six months. The Board of Selectmen could open up his contract to allow him to do that. Keith advised, simplistically, if the Board wanted to look at something like this, we go in as a temporary Town Administrator for six months. During that time, assuming things go ok in both communities, we could focus on getting legislation squared away and have a warrant article. Steps to take would be:

- special legislation to resolve conflict of interest
- vote taken at local level for the Intermunicipal Agreement (IMA)
- IMA only needs to be voted by BOS

The Board could put this before Town Meeting vote but it's not required. He sees this best working by trying to come to a common ground and seeing if it is supported by both communities. It could start July 1st with a six month trial period. A working group of Board Chairs could talk weekly or biweekly to hash out issues and involve the Dept. of Revenue to start doing their leg work on the study for the towns. He didn't want to wait until late fall as he will be in a new Town a couple days a week and has to start putting a budget together.

Selectman Barbaro sees biggest challenge would be with the community itself not healing completely from its past experiences. He liked the six month trial period. Mr. Blake said the Dept. has draft

language for a special amendment they are working on to resolve the need for a Town Meeting vote. The Special Act that you may have to petition is not exclusive to shared town managers but for any shared services. Mr. Hickey noted the Town already has some shared intermunicipal agreements with the Water Dept. and Animal Control, for instance.

Chairwoman Anderson has some concerns feeling settled in and comfortable. If not broke, she doesn't want to fix it and is concerned with the troubles Templeton has with it possibly affecting them negatively.

Chairwoman LaBrie asked if the Board should move forward with this for six months giving them time to see if it works and if they want to continue.

Ms. Handy noted that Templeton is only fifteen minutes away from here which will be a benefit.

Mr. Hickey said he understands there will be a period of time for people to adjust. He feels if he does consistent days it will work.

Mr. Blake said the Board needs to do their due diligence. They are not here to force anything. Mr. Hickey will have a growing group of administrators to talk about any challenges. He said the Boards points are spot on. Ms. Handy noted that there are some communities that share Town Managers from a state program from the eighties. The state is trying to update this program. She said the Town would get some benefits from this. She advised they look at the report they will do and see what comes of it. She offered to visit with the Board in the future.

Chairwoman Anderson said if they were not open to it, they wouldn't be here this evening.

Selectwoman LaBrie thinks if this is something we move forward with, it will be good for the region. If the employee thrives, if the Town thrives, it will help everyone. We are in a unique position. We've done a fantastic turnaround the last few years. We need to take care of us first but also look at the big picture. Selectman Barbaro stated he was comfortable.

The Board talked about a six months test phase. Mr. Hickey reminded the Board that he appreciates what he has here and doesn't want to do anything that risks that. He's doesn't want to fail. If this moves forward, he would have a candid conversation with the Board of Selectmen in Templeton. This has to line up for Winchendon, Templeton and also for him. If they are not receptive to making changes, he doesn't want to go there. His point of view, if the Board wants to continue to move forward with this, Ms. Handy will visit Templeton and ask if they want to consider regionalizing and see if they have any interest. If they do, we try and get this moving.

Mr. Blake said they would provide formal assistance and work in parallel of the six month term. He expects a full blown report would take about three months' time and commits to support if they come together as a joint Board.

Selectwoman Anderson asked Mr. Lynch about the Community Compact personnel study being concerned about the added workload in the office. It might be a bit messy at first and wanted to see a minimal impact. Mr. Lynch said he sees this as a six month trial and thinks long term this is a win for the communities. Short term span of six months, maybe resources are brought to bear from the state to help out and feels there are gaps in town that need to be filled, particularly in regards to Human

Resources and procurement. In the region, there is a need for economic development and then a whole other realm out there to look out down the road is to share personnel, share purchases of supplies and equipment, etc. He would hate to lose the opportunity for a short three to six month trial period. He thinks it can be done and is thinking long term. He's thought is of an Assistant Manager that would serve as a Human Resource function that also knows procurement. He is doing the personnel study for Winchendon and the salary survey and will have next week.

Mr. Hickey added that if he needs to spend more time in Templeton, he spends a Saturday or Sunday or he goes over their late afternoon and evening. He will not allow a lessor work product to be presented to the Board and community than what they see now.

Mr. Blake advised if they didn't see this working, they would see the red flags and Mr. Hickey would come back to Winchendon giving the Board a bit of comfort. The Dept. of Revenue would have the upper hand here. It's under their terms.

Mr. Cyganiewicz commented that if the DOR was unable to get legislature approved, it would be important to have Town Meeting have their say. He said this is a major decision, we are one of few in the state and is humbled and honored they are looking at Mr. Hickey recognizing the job he has done here. Mr. Blake replied that it was also a reflection of the Board. It requires all levels to make this work. If one level goes wrong, it falls apart. Mr. Cyganiewicz is looking forward to seeing the report and believes we should be thinking long term and that it could be a good thing.


Selectwoman LaBrie moved the Board of Selectmen move forward with asking the Dept. of Revenue to reach out to Templeton for shared services, specifically the Town Manager; Selectman Barbaro seconded. By a roll call vote of all aye, the motion carried unanimously.

The Dept. of Revenue will go into Templeton and if not a supermajority of the Board to do this, they will let us know its dead on arrival. Once that takes place, it's your decision for a joint Board meeting or what you want to do. Selectman Barbaro asked if it could be Executive Session; Mr. Blake replied he believed so under the Town Manager contract.

Selectman Barbaro moved to adjourn out of Executive Session; Selectwoman LaBrie seconded. By roll call vote of all aye, Executive session adjourned into open session at 8:01 p.m.

Selectwoman LaBrie moved to adjourn Open Session; Selectman Barbaro seconded. By a vote of all aye, the meeting adjourned at 8:01 p.m.

Respectfully submitted,


Linda Daigle
Executive Assistant