

## **Monday January 9, 2017    Selectmen Meeting**

### Gandal Special Permit and Shared Service Public Meeting

Present: Chuck Cardillo, Steve Shatz, Don Chabon, Danillelle Fillio

Chuckie asked for a moment of silence for the Marsden family for the loss of Bob Marsden.

Steve introduced the Special Permit for 15 Mahkeenac Shores Road presented by Dana Bixby for property owned by Larry and Jan Gandal.

Steve moved to waive the reading of notice of the meeting and incorporate the notice into the minutes. Don seconded the motion, all in favor, passed.

Dana Bixby was present to represent the Gandals.

The project plans are to finish the basement and add bedrooms to the existing home. To do this it is necessary to add egress windows for the basement, increasing the footprint of the building by 39 square feet.

As no one appeared in approval or against the application, Steve moved to close the hearing and proceed to deliberation. Don seconded the motion. Steve stated that as in this case as changes are not substantially more detrimental to the neighborhood we move to approve the Special Permit as presented. Don seconded the motion. The Board was unanimous.

Don specifically requested to not attend a Special Town meeting for 1/23/17 and to attend a shared services meeting in Sheffield. Steve mentioned that the Special Town Meeting does not require the Select Board attend.

Chuckie read his rules of procedure for this meeting and asked everyone to be respectful of each other's comments and opinions. Don read his rules and procedures; first a report by Steve to explain the proposal, followed by comments, and then the Select Board will deliberate.

Steve gave background information regarding how the town began the discussions regarding shared services and gave an overview of the reasons the town is looking into shared services.

#### Background:

The concept of shared services is not new. Our school districts reflect the need to consolidate services. Tri-Town Health Services, founded in 1927 is a prime example of communities combining forces to deliver important services. There are numerous other examples in the Commonwealth and throughout the country.

#### Why:

The primary motivator is the decline in population and the increase in median age of our population. New England has the dubious distinction of being the region in the country which is losing population and aging faster than any other. Berkshire County's population of approximately 130,000 is predicted to decline by 2040 to 90,000. Stockbridge's resident population has declined from 2400 to 1800 since 1996 and in that time the median age has increased from 39 to 62, making us one of the oldest communities in Massachusetts. What are the implications for our community as we decline in population and age in place? We will

not be able to afford the services we have come to expect, services will need to be enhanced for an older population, we will have difficulty in populating our town boards and in obtaining elected officials and in financing long term capital projects. These eventualities require that we have a higher degree of expertise in the management of our town. In short we need to be smarter in managing our resources and finances. We need a full time budget officer, a full time human relations officer and access to planning and grant writing services, none of which we can afford without a cooperative effort with other towns.

#### The Administrative Review Committee:

Recognizing these challenges the towns of Stockbridge, Lee and Lenox at the urging of their respect administrators and managers, formed a committee of select board and finance committee members with the assistance of the administrators and managers. The committee commenced its meetings in October of 2015. Stockbridge was represented by Chuck Gillett and Jorja Marsden. The committee worked with the assistance of the Division of Local Services of MADOR which provided essential technical advice. Let me make it clear the State did not foist this project on the three towns. We were pleased to have the Patrick and Baker administrations supporting our efforts. We also benefitted from the encouragement of Representative Smitty Pignatelli who has been among the legislative leaders in sponsoring community compact agreements. After a year of deliberation and meetings, all of which were open to the public, the Administrative Review Committee has produced a plan for a shared town administrator which I would like to discuss.

#### The Inter-Municipal Agreement:

You should available a copy of the November 29, 2016 report outlining the structure of the shared services town administrator, called the "Chief Administrative Officer". I will provide a general outline of the report but first I want to address some concerns which have been previously expressed:

1. The proposal does not contemplate a change of town charters of any of the towns or a "merger" of them. The political independence of each town is preserved as is the authority of each of the select boards and town meetings.
2. This agreement has a three year life with the option of each town to opt out by vote of a select board at the end of years 1, 2 and 3.
3. At the end of the third year the agreement must be permanently extended by each of the respective town meetings or it expires;
4. State legislation was passed in August of 2016 to permit this arrangement under the state's ethics laws. Other potential ethical issues which may arise are to be dealt with as the Report outlines.

#### The Structure:

The structure envisions the retention of a Chief Administrative Officer responsible for Budget Procurement, IT and capital planning. An Assistant *CAO* will be retained to be responsible for Human Resources administration. Administrative Services Officers in each of the towns will ensure that a familiar face will always be available in town offices to address citizen needs and concerns.

#### The Costs:

The goal of the committee was to establish a budget for administrative services which would not exceed the total current administrative costs for the three towns. We have met that goal and this new structure would save approximately \$112K. The state has encouraged the towns to apply for state grant funding of up to \$200K for costs associated with the implementation of this project which if received will provide further financial incentives during the first three years. The savings and other financial benefits which will accrue from this project may come from enhanced access to grant income. We do not do a good job and lag behind other communities in receiving grant income for reasons which do not require discussion this evening. Access to a full time grant writer should change that. Having a full time trained budget officer is essential. It should be sufficient to say that an \$11 million dollar budget demands nothing less than that expertise. With our aging infrastructure capital planning it is even more a critical need and the CAO will be able to provide that. We have recently moved in that direction but more is needed. The need for a full time HR professional grows. We now have a current and retired employee population of nearly 50. This is a significant cost center requiring a high degree of expertise. The costs and complexities of these benefits will not decrease.

#### Conclusion:

As I said earlier, we need to be smarter about managing this \$11 million dollar business while at the same time preserving our town identity and local services all of which I would submit the IMA can accomplish if given a chance to succeed. I would urge the Select Board to present this to the Annual Town Meeting in May for its consideration thus giving the electorate the opportunity to make a choice. The risks of this project are small. The gains are potentially high. Give it a chance.

Phil Heller stated that he was very much in favor of the project and that there would not be a loss of identity in this town. It is vital to move forward with this process. He urged the Selectmen to move forward and to think about it with an open mind and allow it to go forward to the town meeting.

Terri Flynn spoke on the statistics on the town's aging and declining population; what happens with declining population; the total evaluation/tax basis have not been declining. He feels there is the need to take into consideration the second homeowners and that many more things need to be studied. The state is anxious to support these kinds of projects. We are not really looking at other shared services or studying what we do really need. Terri feels that there is a need for a full time Town Administrator and a part time grant writer; but that we would not be getting a "full-time" Administrator. A Regional Administrator will not be able to devote all their time to Stockbridge. Terri stated that we need to study carefully what the need is for our town versus the needs of the other towns. He feels that being out of this agreement would free us to allow the town to re-open the Town Administrator position; a person with key grant writing experience, experience with human resources issues, budget valuations; an experienced Town Administrator who is able to advise and address the issues in this town. He stressed that there are a lot of claims being made but not enough information out there and we need to study. He believes that this needs to be a Select Board decision as they decide what goes on the Town Warrant. As elected officials it is up to them to decide what to do with it.

Don clarified that shared services with other towns is always a possibility even without a shared regional administrator. If this proposal is rejected, it does not mean that we cannot share services.

Tom Labelle stated that the shared services are a temporary agreement that would then become permanent as the Department of Local Services plan discussed but that the title of Statute is for Charter changes and it will make the permanent legislation while not changing Charter.

Steve said that it would not change town Charter that he would check with Town Counsel for opinions.

Steve said that if at the end of three years, if the three towns want to make the arrangement permanent, it will be a vote at a town meeting.

Tom continued that non-core services can be shared and core services will constitute a merger.

As far as the population goes in the 17 south county towns, nine have shown an average population loss of about 10%. Lee has had a 1.6% increase and Lenox has had a net loss of .8%.

This does not include second home owners. In Stockbridge, we have had the largest fall; we have lost 20% of our population, but as 50% of homes in Stockbridge are second home owners, if you count them, the declining population is not true. As we are not permanently declining, we can still move forward with keeping homes beautiful and keeping the towns separate.

Fred Rutberg favors the plan but that it should be decided at a town meeting. He stated that we can't even buy a police car without a town meeting vote. The fact that there are over 200 people here tonight proves that it should be referred to the town meeting.

John Hyson wanted to add a point that it is like a contract for services with the CAO and in house grants budget officer to assist all three towns. In respect to grant applications, money has to be spent on it but it has paid off. In his opinion there is money available out there, but money spent on experts to help with grant applications is money well spent.

Hank Schwerner who is the Chairman of the Stockbridge Board of Health stated that one of our shared services with Lee and Lenox is the Tri-Town Board of Health and it runs all three towns and it works extremely well.

Craig Berger asked how the costs will be divided for the shared services; equally or proportionally based on population or some other calculation.

Don looked into it and he could not find any indication of a distribution but assumed one-third, one-third, one-third.

Shelby Marshall questioned what amount of time the new person will be giving to us in comparison to what time is or has been currently allocated to the town. What are the needs and what are the risks and potential shortcomings of this plan. He urged the Selectmen to not make this decision tonight.

Ginger Schwartz stated that there is a petition going around with over 100 signatures asking for more information and to delay this vote until May as we get more information out.

George Shippey supports the resolution to hire a shared town Administrator for the town and that the declining population projection is not good. He believes that we need to have a new model and he urged the Selectmen to refer this to the Town Meeting.

Ed Dartford thanked the people for putting these plans together and agreed that we have certain types of shared services currently. He would like to see a plan of shared services that avoid this bureaucracy.

Sally Underwood-Miller said that we already a viable town and not focus as much on shared services. She continued that we already have shared services and is opposed to the shared Town Administrator. She feels that we will get swallowed up by Lenox. The need is to attract younger people to this town and half of our population does not get the vote.

Jim Balfanz stated that this is an informational meeting from which we can grow. What we are really talking about is a shared Administrator. He believes if you were to review the numbers the total savings would not be as much as it is figured out to be. He stated that this should be decided by a town meeting vote. Municipal grant writing is not a simple task.

Rich Bradway questioned if the CAO was beholden to the joint advisory board and the Selectmen confirmed. With respect to hiring and firing, that select board is still in charge of that. Having joint administrators does not restrict the town from looking into any other shared services. At the end of the first year, the Select Board can say we changed our mind. We are having a declining population of youth. If we do some self-analysis, we need younger people here but we may be restricting ability for younger growth. He advised to put the vote to the people at the town meeting and let the town decide.

Mary Hart addresses a CAO or Assistant about being the grant writer and offered that a grant writer could be a service shared by the towns. Our select board does make very important decisions without being brought to a town meeting. One Berkshire is trying to bring business to our towns. There are over 200,000 job opening in Berkshire County currently. An issue with declined population is the lack of affordable housing. She believes that it would be a mistake to change our Town Charter and we should be working from the bottom up not the top down and questioned why would we share and Administrator with Lee and Lenox who are much larger than we are? Why not share with West Stockbridge? Why do three towns right off the bat instead of just two? She spoke with a professor who used to teach city planning who imparted that with any kind of arrangement you have to have equity. We need to have equity, we need to have protection, and we need to have balance and we would not have that going into an agreement with two larger towns.

Jean Rousseau spoke in favor of shared services. Based on his experience this would simplify budgeting, benefits; budget planning, capital planning, and grant writing. He felt that this would bring substantial benefits to the town.

Patricia Andrews questioned that if we take this path and others back out, do our expenses increase? Steve responded that if one town backs out the whole thing comes to an end.

Bob Jones believes that no one is against shared services but that we are divided against a shared administrator. He is against a shared Administrator. Stockbridge deserves someone who is devoted to the interests of Stockbridge. He does not feel that going with two larger towns will work. He added that we elected representatives to do what is the best for the town. Not everything goes to town meeting; this board can make the decision. He would ask the board to make a decision tonight so that we can get on with the business of shared services.

Chuck Gillett asked what the needs of the town are. He said that there are weaknesses and asked that from now to April first, have the Selectmen looked at those items to see if this is what the town needs or not. Do not decide tonight. Look into if this will work for us or will not work for us.

Bob Feuer feels that the town is in desperate need of a Town Administrator and it has been delayed since June and longer if we put it off this decision until May. He feels that we should separate the issues of a Town Administrator and shared services and start with the Administrator. If we cannot decide tonight, he prefers that the Selectmen vote down this issue and move on.

Bill Markham asked how the full time administrator's hours will be divided between the other towns. Steve explained the services of the Chief Administrator will be different and specific functions will be given to others. Bill then questioned what would the proposed salaries be and the cost savings? Steve responded that in constructing the budget analysis they used what was voted at the Town Meeting to hire and pay \$110,000 to a Town Administrator which is consistent with Western Massachusetts. That was what was budgeted for and approved at the Town Meeting in May and he cannot guess as to what it will cost.

Denny Alsop related this situation to the school district consolidation where the municipal town(Great Barrington) landfill was built across the street from the high school and National Grid boxes were moved to the landfill. Stockbridge did not have control over this situation. He said that this is what happens when you let decisions be made by people with different interests. He believes in Stockbridge and that the Selectmen could make the decision for us tonight.

Stu Edelstein asked why each member, Don and Chuckie, was against a shared administrator.

Chuckie said that a lot of things were unanswered in this proposal. How the Chief Advisory Board will hire or fire the CAO is unexplained. The other towns are four times the size of us. He is not sure how it will change our population growth. If we go through with this and then pull out in a year, we will be way behind in looking for a Town Administrator again. The ethics concerns are still a viable concern. Chuckie is worried about regionalization and further job consolidation. He is unsure how one person can provide for all three towns. Each town has its own school but Stockbridge does not. How can collective bargaining work? He feels that Stockbridge is doing well. Danielle is doing an excellent job with preparing meetings, running the Town, and projection plans are being done. He believes in shared services but not a shared Administrator. He believes that we need more answers before we can go forward and pay one-third of the cost for a lot less services and cannot support the amendment as is.

Don does not wish to address the question until remaining input is added.

Michael Roisman said that this plan is only for three towns; if one town opts out, it's all off; if one does not opt in, it is up to the remaining towns. No one is against shared services but a shared Administrator is another issue. He does not see why we need a town meeting to decide and that the Board can make this decision.

Gene Talbot states that he is one of the "old people" in town and is still working in town. He continued by saying that our town Administrator keeps the town running like no other town runs. The Selectmen were always the administrators in every department. He does not believe that it makes any sense for shared services and wonders why the Board is having such an issue making the choices that they ran to do. He said that it is the Selectmen's job to make the decision and he wished them well with that.

Karen Marshall stated that she was not for or against the proposal but was troubled by the rush. She urged the process of getting as much information out as possible and to revisit this in May.

Kate Fletcher felt that looking at the chart alone is not enough; there is always additional staff being needed. She urged the Selectmen to not delay in hiring an Administrator.

Charles Kenny urged the Select Board to make a decision now so that they can move ahead with the process of hiring a Town Administrator.

Bronly Boyd stated that he was on the screening committee for hiring a Town Administrator and that the job is a very complicated one. He felt that if we were to go forward and hire a Town Administrator we should not continue to go through this process.

Don Chabon stated that he had a long list of objections and he felt the Board could make the decision. He does not believe that this plan is a good fit as Lenox and Lee are much different in character and are too big. He added that we need a full time administrator who is 100% focused on the town; not one-fifth the attention. Management under this plan would not ultimately be answerable to us. He feels that there would be a conflict of interest with one shared administrator and questioned if they would tap into our net worth (cash cow.) Don continued to say that we do not benefit from asking other towns to do what we want and financial savings are questionable. He feels that savings would be minimal and it could be real damage to our town. He does not accept the gloom and doom scenario and that it is incorrect that we do not have enough to fill positions; 34 elected positions of which all are filled and 115 appointed with three vacancies. He agreed that population is an issue but not the calamity depicted as these are variable trends. The approach and professionalism of this proposal is questionable and there is not enough information out there. He does not feel that the ability to get services is not a big problem and that specialists are readily available for hire; expertise is available without losing control. He objects to this distraction. To sum it up Don said that it is our job to make this decision and he thinks they should make this decision.

Don made a motion to reject the Division of Local Services - Shared CAO Model, as modified by the Administrative Review Committee of Lee, Lenox and Stockbridge on November 29, 2016.

And to permanently and immediately withdraw from the October 2015 tri-town agreement entitled, "Agreement by and Between the Boards of Selectmen in the Towns of Lee, Lenox and Stockbridge" and from the Administrative Review Committee which was created by that agreement.

Chuckie seconded the motion. Don and Chuckie approved the motion with Steve voting no. The meeting was thereafter adjourned.