

**SELECT BOARD
MINUTES
April 25, 2023
Town Hall, 17 Main Street and via ZOOM**

Members present: Tom Alonzo, Vice Chairman; Lou Franco, Clerk; Heather Sroka

Member not present: Michael-Ray Jeffreys, Chairman

Also Present: Heather Lemieux, Town Manager; Karen Brochu, Finance Director; Frank Serretti, Brian Marchetti, Adam Burney, Land Use Director, Ned Pratt, Paul Sarapsas, Sleu Soukamnuth, Chris St. Germaine, Susan Whalen, David Melvin, Chris Menard, Susan Whalen, Karen Menard, Laura Brzozoski

Vice Chairman Alonzo called the meeting to order at 7:00 p.m. and asked everyone to stand for the Pledge of Allegiance. Mr. Alonzo announced in accordance with the requirements of the Open Meeting Law, please be advised that this meeting is being recorded and broadcast live over the Lunenburg public access channel and Facebook Live and will be uploaded to the Lunenburg public access YouTube channel within 24 hours after the meeting. He provided the ZOOM link for those who would like to participate remotely.

The agenda lists all the topics which may be discussed at this meeting and are those reasonably anticipated by the Chair. Votes may be taken as a result of these discussions. Not all items listed may in fact be discussed and other items not listed may also be brought up for discussion to the extent permitted by the Open Meeting Law.

PUBLIC COMMENT:

It was noted by Ms. Lemieux that longtime resident John Henshaw had passed away on April 11th. Mr. Henshaw had volunteered for the town, serving on the Finance Committee and Capital Planning Committee and participating in other community events. He will be missed. Mr. Alonzo concurred, stating he was very active in the community and a personal friend.

Mr. Alonzo reminded all of the Lunenburg Boys & Girls Club fundraiser, "Are You Smarter than a Sixth Grader," coming up this Friday, April 28th. Doors open at 6:30 p.m. at the middle/high school auditorium and encouraged all to attend.

Thomas Laford, 53 Pleasant Street, proposed naming the Town beach house after long-time resident, Genevieve Nass, who passed away in November of last year. He was directed to the Parks Commission who are the caretakers of the property.

Mark Bursch, Lunenburg Water District Chair, provided an update on the PFAs issue. The EPA is meeting next month to discuss lowering their allowable limits in water from 20 parts per trillion to 4 parts per trillion and are considering a three year compliance period. We need to be concerned from a health perspective as it has been found to cause many health problems. This is a high priority for the water district. The main concern is ingestion.

APPOINTMENTS

Meeting with Auditors Powers & Sullivan re: FY 2022 Audit

Frank Serretti began by thanking the Town Manager, Finance Director, Treasurer/Collector and the rest of the financial team for their cooperation and timeliness in getting information to the auditors. The audit went very smoothly and they appreciated all the assistance. Mr. Serretti stated our responsibility is to plan and perform the audit to obtain reasonable but not absolute assurance that the financial statements are free of material misstatement and are fairly stated in accordance with generally accepted accounting principles. Management is responsible for the selection and use of accounting principles. There were no new accounting policies adopted this year and the application of existing policies was not changed. We had no difficulties with management while performing the audit.

The preliminary audit work was completed in early June and then we returned for our year end work in mid-October. The overall results of the audit were that we were able to issue an unmodified opinion on the financial statements. That means that they're fairly stated in accordance with generally accepted accounting principles. All the reporting deadlines were met, the information that we received was accurate. As I mentioned all of our

responses to our inquiries were timely and there were no internal control deficiencies noted such as material weaknesses or significant deficiencies, which is a very good thing.

Mr. Serretti stated your general fund balance is an important number for the (bond) rating agencies; that's something that they pay attention to; a total \$10.7 million. \$120,000 of that is restricted to debt service, another \$364,000 was assigned for encumbrances. Encumbrances are funds that were carried over to be expended in 2023 where there was a valid commitment or outstanding purchase order. Another \$2.1 million was assigned for subsequent year expenditures and that's Free Cash that was voted to fund the FY23 budget. That leaves \$8 million of an unassigned fund balance which is about 18% of your budget. The rating agencies like to see a minimum for the higher rated communities of 10%, so you're well over that. You've got a healthy unassigned fund balance and that bodes well for your credit rating.

The Stabilization Funds and your General Stabilization Fund totals \$2.6 million; that's up about \$100,000 from the prior year; the Zoning Stabilization fund totals \$231,000, consistent with what it was in the prior year. The Vehicle and Equipment Stabilization fund totaled \$1.5 million; that was up about \$300,000 from the prior year and you established a new Health Insurance Stabilization fund and that had \$373,000 in it at the end of the year. The Town is doing a great job setting aside reserves for these various needs and your real estate and personal property tax collections came in at over 99% of the commitment, which is a great collection rate.

Regarding the General Fund, your operations resulted in an \$852,000 increase in the fund balance; your revenues came in over budget by \$1.6 million dollars, mainly related to tax liens which are unbudgeted. That was about \$585,000. Penalties and interest were \$307,000 over. Intergovernmental revenues were \$238,000 over and motor vehicle revenues were \$151,000. Your expenditures came in under budget by \$754,000. That's conservative budgeting and that's what leads to building up healthy reserves so that you can address some of these unexpected things such as the pandemic and other things. Those increases were offset by the use of \$1.5 million used to balance the FY22 budget. The budgetary results indicate that you have a structurally sound budget process and you have good budgetary controls in place.

The Town contributed another \$181,000 to the Other Post-Employment Benefits (OPEB) Trust Fund in FY 22. The trust fund ended the year with the net position of \$652,000, so you're starting to accumulate a decent sized balance in the fund. Although this year you actually had a net investment loss of \$118,000 which is consistent with what we've been seeing in our other communities with the downturn of the market. Your net OPEB liability totaled \$50.8 million; that was a \$14.8 million decrease from the prior year and your discount rate increased from 2.75% to 4.76% and that's the main driver of that decrease in the liability. Your discount rate is really impacted by the double A 20-year municipal bond rate and that's been going up as the FED has been increasing rates. As a result of these rates going up, your rate is also a blended rate which takes into account the money that you're setting aside in your trust fund. As you build up more money there and you have a policy in place, they'll also look at the long-term rate of return that you can earn on the funds that you've set aside and that will also increase your discount rate over time.

As far as the net pension liability related to the Worcester County Regional Retirement System; this is for town and any school employees that don't qualify to be in the Mass Teachers Retirement System. The liability there was \$17.4 million and that was a decrease of \$2.4 million from the prior year. That liability is about 56% funded right now and that was an increase of 6% from the prior year. The discount rate went down by 7.25% which is more conservative, that's the trend with the discount rate on the retirement systems over time. The PERAC (public retirement administration commission) has been recommending that the retirement systems reduce those rates; they just feel that 7.5% is a little bit on the high side. Even though that rate went down typically the liability would go up, but the retirement system has a 12/31 year end and the investments were still performing well at that point. That's what caused the decrease in the liability.

Federal Awards: Entities that expend more than \$750,000 a year in federal funds are required to have an audit. The town expended \$1.9 million during 2022. \$808,000 of that was for the school lunch program and another \$556,000 was related to COVID funding for the education stabilization fund grants. Another \$299,000 was related to the special education program and there was \$282,000 related to other federal funds. We were required to test compliance on the Child Nutrition cluster; we didn't have any findings, we didn't have any question on costs and we were able to issue an unmodified opinion on the program.

Management Letter: There was good progress on the management letter. There were four comments. Two of them were kind of related; old outstanding checks and abandoned property which also relates to old outstanding checks. We were recommending that the town develop and adopt a policy that would outline the process and procedures needed to resolve those items and get them off the books. The Select Board did adopt a policy on May 3, 2022. We consider those two comments to be fully resolved.

There was also a comment related to having a fraud risk assessment conducted and the risk assessment was completed and the town is in the process of reviewing that draft report and getting it to a point where that will be final and be able to be brought forward to the board.

The last comment in the management letter was related to uncollectible ambulance receivables and writing those off on a timely basis and having policies and procedures in place to be followed to improve collections and have timelier write-offs. The Select Board adopted a policy on June 14, 2022 and those procedures are currently being put into place, so the last two comments should be fully resolved.

From our standpoint it was a very good audit with very good results; financial position is very strong for the town, great progress on the management letter, no concerns from our standpoint.

Mr. Alonzo thanked the Town Manager and Finance Director and their team for all their hard work which shows up in the audits. He also thanked Mr. Serretti for his audit report.

Flat Hill Road Drainage Discussion

Ms. Lemieux reported this is a follow-up item from previous ongoing discussions. She noted there has been work done and meetings with our consultant, Brian Marchetti of McCarty Engineering. He did a study for the town that was partially funded through town meeting and we had a meeting with the Trustees at Flat Hill to discuss those results. The DPW Director and the Land Use Director were present as well.

Mr. Marchetti stated he did some preliminary investigations up and down Flat Hill. We had the right-of-way surveyed, we did some test pits along the shoulders of the road trying to figure out if there are areas within the town's right away where we could try to collect, intercept and infiltrate the runoff that's been problematic. The preliminary findings of those investigations showed that groundwater on the shoulders of the road was high. We did test pits and it was about 12 inches to 18 inches below grade, so it didn't bode well for us to have a solution within the right of way. We looked at the actual drainage within the subdivision; the detention basins, the infiltration basins, we did site inspections at different times of year to try to determine from where this runoff was coming. It was evident during springtime there was a lot of runoff flowing straight over the grassy areas into the roadway. There was runoff exiting the detention basins through their outlet structures towards the right of way. We went back last fall and I did an in-depth study of the actual subdivision approval back in the 1990s/2000s. I reviewed the plans, drainage calculations, all requirements that were supposed to be followed at the time. All of the documents that the town had were in compliance with industry standard, so nothing was designed inappropriately. I found documentation that there was flooding in that location before the subdivision was built and flooding was exacerbated after it was constructed. So what can we do at this point? Maintenance of the existing storm water best management practices, and cleaning the catch basins. Are they functioning properly? Have the infiltration basins located at both entrances to Cortland Circle been maintained? They still have the same volume that was designed at the time when it was installed. Those basins if not maintained, collect a lot of sediment which affects storage capacity. When we were out there I noted in the outlet control structure that there wasn't much water in the basin, but it was flowing so it seemed there was groundwater infiltrating from underneath the structure. A low flow pipe in that outlet appeared to be separated, so water was seeping through cracks that probably shouldn't have been. Due to the groundwater situation, being able to detain it somewhere is really the only way to collect this and let it release it slowly somewhere else. But we can't just move it downstream to somebody else's backyard. He noted the drainage system is on private land of the Trustees of Flat Hill, and based on what I saw, maintenance was required. The inlet pipes were partially buried which tells me that a lot of sediment has built up in the basin. The maintenance that I saw according to their inspection reports was just vegetation clearing, mowing the banks, cleaning the bottom of the basin out; that's not restoring the flood capacity of the basin or taking all that silt and material that's built up over 15-20 years. Digging it out to restore that volume in the pond would go a long way.

Mr. Burney stated the subdivision project was constructed and monitored by the Planning Board through a third party engineer. When this was approved, storm water management was not standard practice. There is reference to maintenance within the association's master deed. That's a private document between the association and its members, so the town can't enforce that. It references some maintenance requirements that were instilled or required through the conservation process. The Order of Conditions issued makes reference to maintenance, but there's no attached operation of maintenance plan and to date we've been unable to find the 30 year old paperwork that went with the Notice of Intent. It will probably say it needs to be maintained in the condition that it was originally installed. Mr. Alonzo asked if the town had any authority to enforce compliance with the drainage system and related systems. Mr. Burney stated probably not since it is on private land. Mr. Alonzo asked if the detention system was restored back to its original operating condition would it positively impact the situation, but not completely eliminate it. Mr. Marchetti stated yes. Marchetti stated we could not find the source of the groundwater. The ultimate way to fix the problem is to collect it, pipe it underground and put it somewhere else. But there's simply no easy location to do that.

Ned Pratt, Paul Sarapsas and Sleu Soukamnuth introduced themselves as trustees of the Flat Hill Homeowner's Association. Mr. Pratt noted that no trustee was present when the town did the walk through. He added he met with neighbors Susan Whalen and Matt Allison who provided information about the history of the flooding of the area. He stated the Village at Flat Hill wanted to be good neighbors and they are in the process of getting bids of cleaning the structures and future maintenance. They would like to work with the town to find a permanent solution.

Chris St. Germaine, 268 Flat Hill Road, stated he has a grandfathered buildable 2 acre lot with 50 feet of frontage. Behind him is another 2 acre lot where the runoff is occurring as well. He asked Mr. Marchetti if someone built on that, is that going to make the situation worse? Marchetti responded the builder would have to control the storm water runoff. Mr. Burney added there are other requirements as well.

Susan Whalen, 377 Flat Hill Road, asked if that lot could be used to detain water on it. That question could not be answered without further research.

David Melvin, 655 Page Street, asked if a geological survey had been done. He expressed frustration at several studies being done over the years and no action being taken.

Chris Menard, 672 Page Street, stated taking no action causes the storm water to end up in Beaver Brook which is against EPA regulations.

Mr. Marchetti reiterated that you can't send water rushing downhill, it has to be detained and released slowly so it doesn't become someone else's problem. The roadblock for this issue is you need a detention area and there is none available in that area.

Susan Whalen asked if a hydrological or a topological has been performed. Marchetti stated at the time a topographical study was suggested for understanding the watershed system but after reviewing town records he did not see the need.

Karin Menard, stated the people on Page Street are being affected by a new development's drainage system put in on the corner of Watt and Flat Hill and added something needs to be done about this as well.

Further discussion ensued on different solutions to the flooding.

INTERVIEWS/APPOINTMENTS/REAPPOINTMENTS/RESIGNATIONS

Appointment to 300th Anniversary Committee- Laura Brzozoski, 21 Francis Ave.

Laura Brzozoski stated she had been on the Cultural Council and planned the arts festival a couple of years ago.

Motion: H. Sroka

2nd: L. Franco

To appoint Laura Brzozoski to the 300th Anniversary Committee

Vote: All in Favor

Ratification of Town Manager's Appointment of Seasonal Beach Director Elizabeth Simeone and Seasonal Lifeguards -Paige Gengler, Ethan Gengler, Jarrod Bowser, Mason Bowser, Ean Laundree, Nicholas Coronella

Ms. Lemieux noted these are all repeat employees, so we welcome them back. They are all certified lifeguards.

Motion: H. Sroka

2nd: L. Franco

To ratify the Town Manager's appointment of Seasonal Beach Director Elizabeth Simeone and Seasonal Lifeguards -Paige Gengler, Ethan Gengler, Jarrod Bowser, Mason Bowser, Ean Laundree, Nicholas Coronella
Vote: All in Favor

TOWN MANAGER REPORT

Existing Vacancies

- Finance Committee- 1 vacancy
- Green Community Committee- 1 Associate Vacancy
- Open Space- 1 Member at Large
- Personnel Committee- 1 Vacancy
- Zoning Board of Appeals Associate – 1 Vacancy

Anyone interested in any of these positions can get a volunteer application found on the town website or at Town Hall, complete it and submit it to the Select Board office. If you have any questions on the rules and responsibilities of boards/committees, you can contact our office at 978-582-4130 x144.

Employment Opportunities

Ms. Lemieux reported we received recent resignations from the conservation administrative assistant, Rebecca Manley; she's been with the town for over a year and has accepted a full-time position elsewhere. The Veterans Service Agent also gave his resignation; he's been studying for a degree in counseling and he accepted a position elsewhere. Leominster is going to be helping out in the interim for veteran services.

- Assistant to the Sewer Business Manager - 24 hours/week
- Assistant Town Accountant-32 hours/week
- Building Commissioner-36 hours/week
- Digital Service Staff Librarian-20 hours/week
- Finance Director-40 hours/week
- Library Assistant-19 hours/week
- Police Officer-40 hours/week
- Public Access Videographer- 2-20 hours/week

Information on these job postings can be found on the town website under the employment tab and you can find out more information on their job descriptions and responsibilities.

- There is currently one invitation for bids for the senior center patio that is due on May 1st.

Update on 925 Mass Ave

We've received the feedback report from our expression of interest that I submitted for that project from Mass Development. It is an eligible project and that application is due in June. They provide feedback on what makes a competitive application to give you some parameters. They typically award no more than \$50,000 for this type of project so that wasn't too long a turnaround. The EPA notified us yesterday that a subcontractor has been chosen and that the work will commence soon. They're looking at a mobilization date of May 15th for the old gas station. Part of the working with Mass Development will be putting together an RFP on how to dispose of the property; how do we can get it back on the tax rolls and a viable business in the center.

- The Assistant Town Manager will be participating in the Monty Tech job fair on May 4th; the DPW director and the Fire Chief will be going along with her.

Announcements

- The Annual Town Meeting will be on Saturday, May 6th at 9:00 a.m. at the Lunenburg Middle/High School Auditorium
- The Annual Town Election will be Saturday, May 20th from 7 a.m. to 5 p.m. at the TCP building.

OLD BUSINESS

1. **Discussion on Fiscal Year 2024 Budget, FY 2024 Capital Plan, and Annual Town Meeting Warrant articles; Votes may be taken**

Ms. Lemieux requested the board make a recommendation on warrant article #3 which is the payment of a prior fiscal year invoice for \$4000 for membership dues.

Motion: L. Franco

To recommend approval of warrant Article #3

2nd: H. Sroka

Vote: All in Favor

Ms. Lemieux reported the Sewer Commission has revised their Sewer Enterprise budget (warrant article 14). to \$1,339,850.95. The capital expenditure line was reduced by \$15,231.55 to cover the increase in the Fitchburg rate increases. That was an increase of \$6,600 and they had an unbudgeted increase that they needed to address as well in this revised budget of \$8,638.53 that was for retiree costs related to the Sewer Business Manager retiring recently.

Motion: L. Franco

To recommend approval of warrant article#14 with the information presented

2nd: H. Sroka

Vote: All in Favor

Ms. Lemieux updated the board on the opioid stabilization account warrant article. When Town Council reviewed the motions, he denoted there was an Informational General Release from the DOR that we request that exact amount that we received in this fiscal year from those settlement funds and revise our Free Cash number to include that. So the motion will be to create the stabilization fund and to transfer the amount that we received in fiscal 23 from the opioid settlement to that stabilization fund. She stated the Consent Calendar was provided to the Finance Committee but they did not discuss it.

She added because they did not submit a report for the Town Meeting booklet, I know they are planning on distributing a written report at the town meeting. There still could be opportunity for them to discuss it. (Article 1: To see if the Town will vote to hear and/or accept the regular written reports of the Town Officers and Committees; or take any other action relative thereto.)

CURRENT BUSINESS

Approval of Minutes of February 21, 2023

Motion: L. Franco

To approve the minutes of February 21, 2023 as presented

2nd: H. Sroka

Vote: All in Favor

Warrants

The board signed an accounts payable warrant in the amount of \$301,536.34; a payroll warrant in the amount of \$903,572.39 and a deductions warrant in the amount of \$207,088.54.

Committee Reports

Mr. Franco reported the Economic Development Committee will be meeting on the April 27th at the Ritter Building. Mr. Alonzo reported the Finance Committee met last Thursday and approved their report for the annual town meeting.

Mr. Alonzo noted under the tax investigation issue that they have received a preliminary draft report from the Assessor who is doing the lakefront property assessments. That report was provided to the Assessors. They met this afternoon and Mr. Franco attended and it was discussed briefly. They will looking over that and it will be finalized in the next week. He reminded anyone who has not filed for an abatement that they have until close of business day on Monday, May 1st to do that.

Ms. Sroka reported the school would like the transportation surveys back on Monday as well. Mr. Alonzo added the school sent a letter to the Finance Committee, the Select Board and Capital Planning Committee regarding a capital article about air conditioners last year that got approved, but the amount went over what was budgeted so they now have another proposal for those committees to review.

Mr. Alonzo listed the upcoming meetings schedule: May 2nd, May 6th (ATM), May 9th, May 16th, May 20th (ATE), May 23rd.

Mr. Alonzo reminded the board that Town Manager has submitted her self evaluation to all of them, so you should start doing your digital evalauations of her. Then you will need to make an appointment to meet with her to review it.

PUBLIC COMMENT

Ms. Lemieux stated a previous questions was asked about how many town positions have been created since I came to Lunenburg. She has prepared a chart as shown below:

	FY18	FY19	FY20	FY21	FY22	FY23	FY24 Proposed	Notes:
General Government								
Asst Town Manager/HR Director*			0.70				0.80	Proposed to change from 28 to 32 hrs/week in FY24
Part Time Board/Committee Clerks					X			Hours vary by clerk; non-benefitted position
Part Time Admin Asst Conservation						0.25		10 hours/week; non-benefitted
Part Time Admin Asst IT						0.48		19 hours/week; non-benefitted
Police Department								
Full Time Patrolman*	1.00	1.00	1.00	1.00	1.00	1.00		
Part Time Admin. Asst.						0.40		16 hours/week; non-benefitted
Fire Department								
Full Time EMT/Paramedic*	1.00	2.00	0.00	1.00	1.00	1.00		
DPW								
Seasonal Cemetery Workers					X			Seasonal Fall and Spring; non-benefitted position
Facilities & Parks								
Part Time Recreation Director			0.48					19 hours/week; non-benefitted
Facilities Technician*					1.00			
Facilities Director*						1.00		
Recreational Programming Staff							X	Seasonal staff; non-benefitted positions
Library								
Part Time Library Assistants						0.95		2 Assistants at 19 hours/week; non-benefitted positions
Council on Aging								
Meal Site Manager						0.48		19 hours/week; non-benefitted
Outreach Assistant							0.25	10 hours/week; non-benefitted
Sewer								
Assistant to Sewer Business Manager					0.60			24 hours/week; non-benefitted

X Denotes hours vary or seasonal

*Denotes a benefitted position

6 FT Police, 6 FT Fire, 2 FT Facilities (one was a restored position cut in a previous FY), 2 other benefitted positions, 8 non-benefitted, and seasonal staff at Cemetery, Parks and Board Clerks

Mr. Alonzo stated the board would entering Executive Session.

Motion: L. Franco

2nd: H. Sroka

To enter into Executive Session and to adjourn the meeting after exiting Executive Session: Pursuant to MGL c. 30, Section 21, Paragraph 3, to discuss strategy with respect to collective bargaining, where an open meeting may have a detrimental effect on the government's bargaining position and the Chair so declares. i. (Fire Union); ii. (Public Employee Agreement).

Vote: Ms. Sroka- aye, Mr. Franco-aye, Mr. Alonzo-aye

*****EXECUTIVE SESSION MINUTES ARE SEPARATE*****

The meeting adjourned at 9:04 p.m.

Respectfully submitted,



Elaine M. Peterson

Executive Assistant to the Town Manager