



July 25, 2017

Honorable Selectboard,

Please accept this abridged accounting of activities and initiatives which have been occupying my time and the time of other public employees during the past weeks. Thank you in advance for your attention and interest.

The extended period between Selectboard meetings has increased the number of issues I will be writing on, so I may give somewhat more abbreviated descriptions or explanations than normal ...for me.

Bonding, is it just me or are we discussing borrowing every meeting. This is just an update, we successfully executed the rollover of short term debt and reissuance for the Ledges at a lower interested rate. This is only available at certain periods over the life of a bond, it was fortunate the opportunity came about while we could take advantage of a lower interest rate. We borrowed just over 1% lower and we will realize a net annual savings this year of about \$35K and about \$40K next year. The bond will be paid off for Ledges in 2029.

We also floated a \$500K bond as part of the "Rolling Debt" for sidewalks on August 2, 2017. Easthampton Savings was the winner at 1.29% out of five interested parties. The proceeds from this sale will be available around August 22, unfortunately \$500K in sidewalks is not a long walk.

I will continue to work with the Jackie Iskander as the Assistant Treasurer/Collector and our Bond Advisor David Eisenthal to seek other opportunities to lower our borrowing costs. We are working on scrubbing previous borrowings and looking at taking votes at future Town Meetings to cancel borrowing balances for completed projects or taking some of the smaller residuals and applying them to principals where allowed. This is considered a best practice by DOR.

Auction, 351 East, 16 Ludlow, hopefully everything will go through smoothly and we will have divested ourselves of these two properties by months end. Ludlow Street has already closed and the new owners are already beginning their renovations. The town netted \$20K on the \$40K sale. This is after recording fees, legal fees and other costs associated with the auction. It does not include clean out costs, recovering the taxes (\$14,000 approximately).

The more important issue as I would hope you would agree is to get these properties back on to the tax rolls, allow investment to be made in each and especially in cases like 16 Ludlow eradicate the blight they have brought to the neighborhood. It is difficult for neighbors who are affected by the blight who

keep their property, pay their taxes and reasonably expect the same from neighbors to be frustrated with the elongated process which is part of our municipal life. I wish we could snap our fingers and alleviate all the frustration, but unfortunately it does not work that way.

ConsCom Meeting; I recently attended a ConsCom Meeting (7/19), as it was the first meeting the Acting Conservation Administrator Anne Capra was attending, Town Planner Richard Harris was also in attendance. It is always enlightening if not interesting to attend other board and commission meetings. Each has its own style and tempo, this commission is very knowledgeable, very structure and diligent in respect to their responsibilities.

During the proceedings I pointed out that they know longer needed to “vote” on the expenditures for the ConsCom and explained that process had been changed years ago and now the responsible manager is charged with paying the bills and communicating any expenses to the commission prior to any project or expense being incurred, other than the everyday expenses. They stated they were unaware of the changes. Later in the meeting there was a discussion about the missing minutes over the last few years. There was a suggestion made by Town Planner Harris to have the video be used for their meetings so it would ease the transcription process. ConsCom member Brad Allen stated “absolutely not” which took me by surprise given how we are trying to bring greater transparency to the process.

There was a subsequent conversation about having a “packet” of papers related to the meeting compiled for each meeting. I offered to see if the SB would allow PEG Access funds to be used for I-pads, as we have for other committees, again Brad Allen said “No way” and added “I am a dinosaur” suggesting I think that dinosaurs cannot use I-pads. There has been minor challenges with I-Pads being used to bring information to boards and committees reducing paper and process in South Hadley and in countless other communities, even some with dinosaurs.

Professional Development Day; thank you the Library Director Joe Rodio for hosting our Professional Day at the library and thank you to ATA Jennifer Wolowicz for coordinating the speakers and the lunch.

The subject matter centered on risk management for municipalities and inter-personal workplace relations. How we keep it professional at Town Hall and most importantly how we treat each other. There were also some interesting tips on communicating and how one might repair damaged relationships in the workplace, only good tools if we use them as they say.

ClearGov Training; It Coordinator Jamie Doolittle, Assistant Town Accountant Lynn Roberts, Town Accountant William Sutton and I were at the in-house webinar with ClerGov. This is a platform which we hope to have in place by October of this year which will bring another level of transparency to the South Hadley municipal budget.

This platform will allow citizens to make fiscal comparison with other communities is standard way. It goes without saying there will be some nuanced differences between any communities you make a comparison with, but this platform will allow the type of contrast with consistency and balance.

We will eventually be able to use this product as a tool to do some departmental and overall cost and budget projections. It will take us a while to get this up and running (as it always does), but once it is I believe it will be a great help to the public to understand how their tax dollars get spent.

PVPC IT Roundtable; I recently was invited to be one of the speakers at an IT Roundtable at PVPC. As an IT professional Vice Chair John Hine was compelled to attend for the simple fact he could not figure out why I would be invited to speak on this particular subject. I was happy to see the Vice Chair in the audience, unfortunately after the "Roundtable" he was still wondering.

I was asked to speak about how South Hadley is using various platforms to add to self-service, particularly in light of the recent changes to the public information laws. I spoke about the investment which has been made over the last several years by the town in organizing and sorting the existing records. Including how important to use software and platforms to streamline process in all aspects of municipal service. A component part of my message, as we have discussed on several occasions, the importance of balancing the investment in software and the cost of additional staffing in inextricably tied in any planning or analysis.

The other interesting conversation was the cost of MUNIS and how different people are using the tools. We also heard about a regional group of IT professionals (mostly larger communities) who meet regularly which we have not been participating in, it is something we will be addressing.

Natural Gas, Secure Energy; after meeting with our energy partner (Secure) a few months back and having them take bids from suppliers over that period. Given some uncertainty in the market we have locked 50% of our load in at \$6.68 per decatherm.

This is just slightly lower than we are buying at now and Secure feels that the market may even go lower in October, if so we will lock the rate for the other 50%. As previously mentioned the market is a little frenetic at this time so, this is a responsible way to hedge the market.

Bartholomew Associates/SHELD Funds: we have started the process of segregating holdings from SHELD which we are responsible to manage by law. Working with SHELD Manager Sean Fitzgerald in a cooperative manner we have moved \$2 million dollars of their funds into a separate trust account with Bartholomew Associates. They hold the municipal funds in investment accounts and all interest earned on each balance is returned to those accounts.

The interest feature is something SHELD has reasonably seeking since the new manager came aboard. The balance of the SHELD funds will migrate over by October. Previously the money was comingled in the General Fund bank accounts which produce little or no interest. Town Accountant William Sutton and SHELD Accountant Michael Conchieri have made great progress in reconciling the jointly held accounts which has been of great concern for our outside auditors for a number of years. Thank you to both!

Both the SB and SHELD Boards patience and understanding of the issue is valued as we try and extricate ourselves from a history of not dealing with the problem.

Treasurer/Collectors Office; It goes with saying anytime there is major change in an office which has a central function there is a lot to learn. The learning is actually quite complex as you must understand how to perform certain functions, how each function should be performed how to certain functions will be performed and by whom. In this case as you know we lost two long term employees who possessed a great knowledge base. With no intent to offend anyone we must test the practices which are in place, as the future will not allow us to do things as we always have done them, we must test the process, seek best practices and increase overall understanding.

When I started this process I was confident about the changes and adjustments we were putting forth. I appreciate the confidence and support the Selectboard has demonstrated. I also have been impressed beyond my confidence by the performance of Jacqueline Iskander as she made the transition from Payroll and Benefits Coordinator to Assistant Treasurer/Collector.

Each of the banks we work with have been cooperative and helpful in the process, David Eisenthal our Bond Advisor has been supportive, as has Scanlon Associates. We also have contracted with a retired City Auditor to review work process, coach/train and act as a sounding board for Jackie and the office.

I truly believe at the end of this process (January 2018) we will be substantially better prepared and have a model in place which reflects up to date and best practices. Of course we are looking to staff the department in the most economical way possible. It will never be perfect, but it is a work in progress.

Just as side note as we discussed I am the Acting Treasurer/Collector it has greatly added to my workload initially, but I expect that to subside as more pieces to the puzzle go into place. I have taken this additional work and responsibility willingly and as what I see as in the best interest for the Town of South Hadley at the lowest cost to the taxpayers while ensuring all funds are secure.

I have been made aware there is a rumor being circulated that I am receiving increased compensation, categorically untrue, but more surprising it has been relayed to me that this mistruth is being proliferated by someone who once sat in this seat, which makes it all the more disappointing. To make it clear I have not asked, suggested or sought any additional compensation for these duties and responsibilities from the Town (or the Districts), nor will I be seeking and additional or increased compensation, I also will not be taking any of the compensation the Districts add to the position's compensation. I am happy to do the extra work to the best of my abilities on behalf of the Town of South Hadley.

Interestingly enough I recently attended a meeting of MMA Committee I serve on which works on the topic of succession planning and developing pathways for future municipal works at the management level. The conversation was very focused on how communities are struggling to find qualified people in specific areas related to finance, particularly Treasurer/Collectors. It should go without saying it is a statewide challenge to find competent staff, South Hadley was lucky to be able to look inside its walls for an appropriate person to train and has the innate qualities you look for in a person filling the position.

Selectboard in the Community; There was great deal of interest in the first outdoor "Selectboard in the Community". There were over a dozen citizens in attendance at the Bicentennial Canal Park gathering.

They seemed very supportive of renovations to the area and the recent upgrades which have been made to the vistas and outlook.

There was discussion about traffic and speeds on Old Lyman, questions about the 40R project at Lyman and Newton Streets. There was also a discussion about activity in the area, parking lot and general at this park. I have discussed the issue with Chief Parentela and as I explained to the gathering the SHPD was aware of some of the illicit or illegal activities which occasionally occur in and around the park.

We discussed the possibility of future installation of cameras and the fact one of the reasons we removed the "round-about" was to lessen one of the more difficult spots to monitor and control activity.

Selectboard members Forcier and Etelman reminded residents how important it was to report what you see, every time you see it. People sometimes you are pestering us unnecessarily, I assure you call the police and informing them every time is the sometimes the only way the Chief can see the depth of the problem. It is also helpful to send an email to the Town Administrator, never put yourself in danger, but license plates and descriptions always help, unfortunately for now we must rely on citizens to be our cameras. If the criminals know we are engaged with you as a partner in cleaning up crime they criminal will find a new place to do their business.

Senior Center/COA; there continues to be reasonable progress at all levels of this process. Zbigniew Letonowicz has completed his review of all public buildings and has submitted his report (will be on September 5 SB Agenda), EDM has done the same on the Senior Center alone. Mr. Letonowicz found some of the same defects at the Senior Center, he gave an estimated replacement or repair cost which mirrors what EDM has also found at 45 Dayton Street.

EDM has been charged to present some concepts if the building was to be replaced which are very interesting and still being formulated. Selectboard Member Forcier has been invited by the COA to serve on the committee and may have somethings to add. The biggest challenge (at this point) is accommodating parking for a more active center and certainly better than it is now.

There is still a great deal of time for input for all and I am sure the SB is a long way from making a decision and forming a recommendation, but it is important to note we are moving closer to something which will help visual learners with visualizing the project. There are far more factors to be discussed as well, including costs and how it will match up to a P3 project.

Telecom Project/Ledges; the new phone system project has been delayed by some protracted discussions about the fiber installation at the Ledges. I remain convinced this must be done right and all parties (except the one charged with digging the trench) suggest the best option is to trench to the clubhouse from a fiber hub. To accommodate a four inch and two inch conduits to accommodate present and future needs.

I have expressed to IT Coordinator James Doolittle, who has been patient and diligent on this project we need to move ahead and Ledges cannot be an anchor (never heard that before) to the entire project. That does not mean we have given up on connecting the Ledges properly and permanently. I also appreciate the assistance SHELD has been in this project.

MassWorks 2017: The grant has been submitted for FY 17 and I thank Town Planner Richard Harris for all his work on making the submission happen. I remain slightly optimistic on the submission, but I believe we still have some work to do before we get overly optimistic. The grant application would be for the proposed improvements to Main, Gaylord, Carew and few other streets in the Falls area.

This would include sidewalks, water and sewer infrastructure, streetscapes, parking lots and other improvements, pretty much the same as previous years. The importance in continuing to ask is to make sure the state is well aware of SoHa's desire to get a grant to make these improvements.

We realize we need to have a more comprehensive plan and the RDA plan should be completed to put ourselves in a better position. DPW Superintendent Jim Reidy is diligently working to have the necessary drawings which will lead to the aforementioned "comprehensive plan" with the funds appropriated for this project at the last ATM. I appreciate it is all taking far too long, but it is the nature of the system.

As always thank you for your attention to these issues and your support.

Respectfully submitted,

Michael J. Sullivan

Town Administrator, South Hadley