

PRUDENTIAL COMMITTEE FIRE DISTRICT #1
144 Newton Street
South Hadley, MA 01075

Prudential Committee Meeting Notes

Date: 11/16/17

Location: Fire District Headquarters, 144 Newton Street

This session is being recorded

Call to Order: 6:30:p.m.

Prudential Committee Members Present: Kevin Taugher, Chairman
Michael Wozniak, Clerk
Bruce Perron, Member

Guests Present: Jeff Cyr, Water Superintendent
John Mikuszewski, Water Commissioner, Chair
David Daly, Water Commissioner
William Schenker, Water Commissioner

- Sign warrants authorizing payroll and expenses
- Discussion and vote on signing the MWRA document regarding bonding for the Newton St. water main replacement. Jeff Cyr gave a presentation regarding water rates. Rates were raised in January from \$5 to \$12 per family unit plus a 4% increase on the water consumption rate to help pay for this bond. Jeff noted that water consumption this year is trending 3% lower than last year. MWRA is offering this loan at 0% interest. The combined rate increase between the family unit rate plus the water consumption rate is approximately 9.7% which should generate \$256,000 per year in new rate increases which will more than cover the \$203,800 bond payment. Monica and our bond counsel reviewed the MWRA agreement and found that it is in order.
- The next order of business was a vote by the Prudential Committee. I, Michael Wozniak, the Clerk of the Prudential Committee of Fire District No.1 of South Hadley, Massachusetts, certify that at a meeting of the board held November 16, 2017, of which meeting all members of the committee were duly notified and at which a quorum was present, the following vote was unanimously passed, all of which appears upon the official record of the committee in my custody.
- Motion made by Bruce Perron, seconded by Michael Wozniak, I move that the District Treasurer is hereby authorized to obtain the borrowing of Two Million Thirty Eight Thousand Dollars (\$2,038,000) through the Massachusetts Water Resources Authority ("MWRA") Local Water Assistance Program pursuant to a vote of the District (Article 2)

approved at a Special Meeting duly called and held on September 21, 2017 to finance water main projects designated by MWRA as LWSAP18-143 and LWSAP18-301, and any other MWRA approved projects and costs incidental and related thereto. Unanimous affirmative vote.

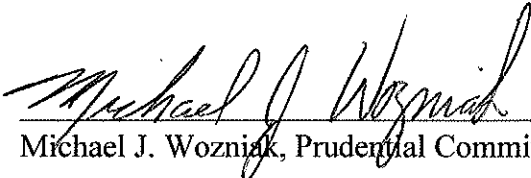
- Motion by Bruce Perron, seconded by Michael Wozniak, further moves to evidence the loan, the District Treasurer, and the Prudential Committee be, and hereby are, authorized to issue the District's Water Bond to MWRA in substantially the form presented at this meeting. The Water Bond shall be payable on November 15 in the years and in the principal installment amounts of \$203,800 for the years 2018 to 2027. Unanimous affirmative vote.
- Motion by Bruce Perron, seconded by Michael Wozniak to further move that each member of the Prudential Committee, the District Clerk and the District Treasurer be and hereby are, authorized to take any and all actions, and execute and deliver such certificates, agreements, receipts or other documents as may be determined by them, or any of them, to be necessary or convenient to carry into effect the provisions of the foregoing votes, including but not limited to a Financial Assistance Agreement and a Loan Agreement as required by MWRA in substantially the form presented at this meeting. Unanimous affirmative vote.
- The Prudential Committee Clerk further certifies that this vote was taken at a meeting open to the public, that the vote was not taken by secret ballot, that a notice stating the place, date, time and agenda for the meeting (which agenda included the adoption of the above vote) was filed with the District Clerk and a copy thereof posted in a manner conspicuously visible to the public at all hours in or on the municipal building that the office of the District Clerk is located or, if applicable, in accordance with an alternative method of notice prescribed or approved by the Attorney General as set forth in 940 CMR 29.03(2)(b), at least 48 hours, not including Saturdays, Sundays and legal holidays, prior to the time of the meeting and remained so posted at the time of the meeting, that no deliberations or decisions in connection with the vote was taken in executive session, all in accordance with G.L. c.30A, Section 18-25, inclusive, as amended. Signed by the Prudential Committee Clerk on November 16, 2017.
- 6 copies of the Loan Agreement and Financial Assistance Agreement were signed by the Prudential Committee.
- The original Water Bond was signed by the clerk.
- Motion made by Bruce Perron, seconded by Michael Wozniak to accept regular meeting minutes dated 11/2/17. Unanimous affirmative vote.
- The Chief went over the justification for the new 100' platform fire truck that was put together jointly by the Chief and Mike Wozniak with the Water Superintendent and the 3 Water Commissioners. The Chief pointed out the limitations of our current truck, and went over the many features of the new truck highlighting many of the safety features on the new truck. Kevin stated that the plan going forward is to bond \$1.2 million for the

new truck. District 2 voted down a proposed ladder truck that was a stripped down model and did not have the features of the Pierce Ladder truck that District 1 is currently looking at. Kevin met with Ken McKenna and discussed the possibility of District 2 putting up funds for the new ladder truck. Ken informed Kevin that District 2 had financial constraints and were in the process of replacing one of their ambulances. Additionally, District 2 is also looking at replacing one of their older pumper trucks as well. Mt. Holyoke College has pre-authorization to donate \$200,000 to District 1 for a new ladder truck, and \$200,000 to District 2 for a new ambulance. Representatives of Mt. Holyoke College need to go back to their finance board to see if they will increase the spending from \$20,000 per year to \$60,000 per year. They would need to provide \$40,000/year for 5 years for the ambulance, and \$20,000/year for 10 years for the ladder truck. The next finance board meeting is in January of 2018. Kevin estimated that bonding for \$1.2 million would add approximately 13 to 14 cents to the tax rate which would translate to approximately a \$33 annual increase based on the average home valued at \$236,000. What will be presented at the Special District Meeting will be the \$1.2 million bonding for the new truck, authorizing the transfer of \$200,000 from the Fire Vehicle Stabilization account to purchase equipment for the new fire truck, and to authorize the transfer of \$150,000 from unreserved free cash to the Building Improvement Account for repairs needed for the fire station bay floors.

- Update from the Clerk/Treasurer on FY18 free cash which is estimated at \$647,000. The free cash still has to be certified by the state.
- Motion by Bruce Perron, seconded by Michael Wozniak to accept the three warrant articles as read. Unanimous affirmative vote. These warrant articles will be voted on at the Special District Meeting held on December 14, 2017.
- A series of ads will be placed in the Town Reminder announcing the Special District Meeting. In addition to the ad, the Chief will contact Kristin Will of the Reminder, to investigate the possibility of including a more detailed article about the fire truck in the paper.
- Michael Wozniak gave a brief description of the meeting he had with John Scibak regarding ambulance reimbursements, MassHealth billing, changing the district election to align with the Town election and the possible merger of the two fire districts. He would like to be kept in the loop on all of these issues.
- The chief is working on the FEMA grant application and will forward it to FireGrantsHelp for their review and input.
- There was a general discussion on changing the District election to align with the Town election. Kevin Taugher met with Mike Sullivan, and he wants to know how the district clerk will work with the town clerk. The District is looking to save money and to get a better participation in elections. The Town's voting machines can handle 7 different ballots. The content of the district ballot would be the responsibility of the District clerk. The District has 3 issues with our bylaws which need to be changed. Michael Wozniak will work with Richard Constant and Mike Sullivan to coordinate realigning the district

election with the town election. This effort will also be coordinated with Monica to make sure the District needs are met. Michael Wozniak will be in contact with John Scibak in order to keep him in the loop.

- Kevin gave an update on the investigation of combining fire districts and water departments. Kevin reiterated that District 1 needs to have cost savings in year one and that District 2's idea of eliminating personnel using attrition was a non-starter. Kevin is waiting on the receipt of more detailed information from District 2. There will be ongoing discussions regarding the possible merge of the Districts.
- Motion made by Kevin Taugher, "I move that the Prudential Committee retire to meet in executive session pursuant to Chapter 30A, Section 21(a), subparagraph 3, of the Massachusetts General Laws, for the purpose of discussing strategy with respect to collective bargaining with the South Hadley District 1 Professional Fire Fighters Association following which the Committee shall reconvene in open session. An open meeting on this subject would have a detrimental effect on the bargaining position of the South Hadley Fire District No. 1." Roll call vote, Kevin Taugher, Aye, Bruce Perron, Aye, Michael Wozniak, Aye.
- Entered into executive session at 8:52 p.m.
- Returned to open session at 9:02 p.m.
- There will be a tax meeting on December 5, 2017 at Town Hall. The next regular meeting will be held on 12/13/17, and the Special District Meeting will be held on 12/14/17.
- Motion by Bruce Perron, seconded by Michael Wozniak to adjourn. Unanimous affirmative vote
Meeting adjourned at 9:03 p.m.


Michael J. Wozniak, Prudential Committee Clerk