

***PRELIMINARY MINUTES***

**TOWN OF LUDLOW  
BOARD OF SELECTMEN**

**SPECIAL MEETING**

January 18, 2010

**BOARD MEMBERS PRESENT:**

Howard Barton, Jr., Chairman      John Neal      Bruce Schmidt  
Doug Ficken      Brett Sanderson

**STAFF:**

Frank Heald

**OTHERS PRESENT:**

Ralph Pace      Patrick Cody – LPC-TV

**1. Call to Order**

A. Chairman, Howard Barton called the meeting to order at 7:00 p.m. All members present.

**2. Discuss Ludlow Armory Project Timeline**

- A. John Neal advised that at its last meeting, the Armory Committee discussed the timeline for the project. The consensus was that it should not be presented to the voters, for the first time, at town meeting. The consensus was to move the presentation to a Public Informational Hearing to be held on Tuesday, February 23, 2010. The hearing will be held jointly with the U-39 board. The bond vote will be an article on March 2, 2010. The committee consensus is to let the voters decide. John Neal is preparing a Power Point presentation. The next Armory committee meeting is January 20, 2010. He would be able to show the presentation to this board, prior to the February 23<sup>rd</sup> hearing.
- B. Bruce Schmidt asked if the bond passes, will the building be ready for October.
- C. John Neal said it would probably be ready for the beginning of school.
- D. Bruce Schmidt asked if the idea had been to use some of the existing school cafeteria equipment.
- E. John Neal said that if the armory is not ready, they would still be using the equipment at the school and then transition the food program over to the armory.
- F. Doug Ficken said that, as he understood it, there were no plans to move the equipment, just the program. The equipment is old and outdated. He would like to see the cafeteria completed first.
- G. Howard Barton asked the board how they felt about separating the bond vote into 2 parts; the armory and the tank barn, or leaving it as one bond vote.
- H. John Neal said that the idea of the tank barn came from the 2 public hearings that the committee held. They decided to make the facility into a Ludlow community center. He does not suggest separating the vote. The focus has been to do it all at one time and get the leases for Black River Good Neighbors and LPC-TV in place. Those leases would cover the tank barn infrastructure renovations over the 20-year lease.
- I. Doug Ficken said that the committee consensus is to make it one vote. There are a few logistical things that are involved, like the parking lots. He would like to see the initial costs kept down, but they may get better construction rates doing it all at once. He thought it was good to consider 2 separate votes.
- J. Howard Barton said that he has given it a lot of thought and has heard some comments from voters and thinks it should be 2 votes. He also asked the board to consider if it wanted to get into long-term leases and then find out the town needs the space.
- K. Brett Sanderson said that the large bond is going to be a big thing to push through right now.
- L. Howard Barton said this board should discuss how we feel about the vote. Is everyone on board with one vote.
- M. John Neal said that he feels that the board needs to take this to the voters for that decision. That is the right thing to do. If the project is not done at one time, then there are places when the contractors would be tearing up something previously completed. The armory committee presentation will provide the voters with enough information to help them make the decision.
- N. Brett Sanderson said that the voters rely on this board for guidance.
- O. Bruce Schmidt said that it should be one vote. He said that he has not heard anything negative from voters. It is a sound building, in a good location and close to the schools. The long-term

- leases are to two organizations that serve the community. People would miss them if they moved out of town. We should give them our support. It may confuse the issue to separate the votes.
- P. Doug Ficken said if it is voted as one bond and defeated, the town has spoken. We can always go back and vote them as two bonds later. Some people have spoken to him about separating the votes.
- Q. Brett Sanderson said this board will know what the town wants after the first vote.
- R. John Neal said that the people will be given enough information to help them.
- S. Bruce Schmidt asked what would be the logistics for the February 23<sup>rd</sup> hearing. Is the school holding the meeting or this board.
- T. John Neal said it would be a joint informational hearing.
- U. Bruce Schmidt asked if it was joint with this board.
- V. John Neal said, absolutely.
- W. Bruce Schmidt said that our support would be shown by who sits at the table.
- X. Frank Heald said that each board, by statute, must hold a hearing. This will be a joint hearing for both boards.
- Y. Doug Ficken said that it would include both school boards, U-39 and LES.
- Z. Bruce Schmidt asked if the committee would make the presentation and who else would make a presentation.
- AA. Doug Ficken said Howie Paul and Judy Pullinen. Frank Heald and Judy Pullinen would coordinate the logistics for setting up the meeting.
- BB. John Neal said that the more people who are involved, the better.
- CC. Bruce Schmidt said the role of this board would be to answer questions. The committee has done the legwork. We need to be there as a whole. We are the ones holding the hearing.
- DD. Howard Barton said that this board must, by statute, hold a hearing for a bond vote. He added that he likes the idea of holding the hearing before the vote.
- EE. John Neal said that an informational piece would go out after the hearing.
- FF. **MOTION, for discussion, by Bruce Schmidt and seconded by Doug Ficken, to put the bond for the Armory Project Renovations on the town meeting ballot, not to exceed \$1,200,000.00.**
- GG. Ralph Pace asked if that included the tank barn.
- HH. John Neal said yes.
- II. Howard Barton said that he feels that it should be two votes.
- JJ. **VOTE taken, 3 in favor, 2 against (Howard Barton and Brett Sanderson.) Motion passed.**
- KK. Joint Public informational hearing to be held on Tuesday, February 23, 2010 at 7:00 p.m., at the High School Gymnasium.
- LL. Howard Barton asked Frank Heald if a private individual was using the building.
- MM. Frank Heald said yes, by major league baseball player, Carl Pavano. He is using it to practice throwing and is making a donation for its use.

### 3. **FY 2011 Budget Workshop**

- A. **FRIENDS OF THE LUDLOW AUDITORIUM (FOLA) PETITION**
1. Frank Heald said that, for your information, a petition was received and accepted by the town clerk from FOLA. The petition has sufficient signatures of voters and will go to town meeting for vote as an article.
  2. Howard Barton asked Frank Heald if he is a member of FOLA.
  3. Frank Heald said that he did give a \$100.00 donation, but is not a member.
  4. Howard Barton said they are asking for \$3,000.
  5. Ralph Pace said that would be used to help pay for the purchase of a used projector to show family movies. It would also help pay for the rental of a grand piano (\$1,600) for the 5 Young Peoples' Concerts to be held this summer. The group plans to have holiday programs and would make the auditorium available for political debates. Equipment purchased would be given to the town.
  6. Howard Barton asked if there is a screen for movies there.
  7. Ralph Pace said they need to get one. The \$3,000 would not cover all of the costs, but the group is fund raising to make up the difference.
- B. **CEMETERY ARTICLES**
1. Frank Heald said that he sent board members a copy of the requests. The first two are money issues and are reflected in the draft budget. The third is a request that the cemetery commissioners want to be able to encumber left over funds, similar to the town. He needs to contact Chris Callahan, town counsel, for an opinion on statutory requirements. The trustees of public funds should hold funds held in trust. He is not

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- sure what the cemetery commissioners envisioned here, but he needs to get a legal opinion.
2. Howard Barton said this board needs clarification on who can encumber funds.
  3. John Neal said the request seems odd to him. He would like a legal opinion, also.
  4. Brett Sanderson (Cemetery Commissioner) said that he was not at their last meeting, but does know that in the past, money was put in their budget for paving that was not done and they lost that money.
  5. Bruce Schmidt said that he, personally, thinks it is a sad state of affairs. He wishes they could find a way to work this out. People expect this board to present a complete budget and Cemetery is part of it. We need to come to terms and understanding. It is confusing for the taxpayers.
  6. Frank Heald said that he went back in the records. For 4 years, the town budget has gone up less than 5%, while the Cemetery budget has risen 95%. The current Cemetery chair and commissioners have different perspective than ours.
  7. Bruce Schmidt asked Frank Heald if he knows of any other similar town cemetery budgets.
  8. Frank Heald said no.
  9. Bruce Schmidt asked if the budget reflects deferred maintenance.
  10. Frank Heald said no. As long as the town voted to have cemetery commissioners, they are in charge of their funds. The voters can take it back.
  11. Bruce Schmidt said that there was quite a bit of discussion about it last year. We need to compromise. Going up 95% shows a different spending policy.
  12. John Neal noted that the Revenue side looks like it has gone down.
  13. Frank Heald said no. There has been a challenge because for the past 2 years, there have not been distributions from cemetery funds because the funds are not earning the interest the way they used to.
  14. John Neal said they discussed raising fees last year.
  15. Brett Sanderson said they are still the same, but the commissioners are working on it.
  16. Howard Barton said this board can vote on the first two and leave the 3<sup>rd</sup> for legal opinion.
  17. Brett Sanderson said this board could vote on all three, with the 3<sup>rd</sup> pending legal clarification and counsel approval.
  18. Frank Heald said he will circulate any information received from Chris Callahan as soon as he receives it.
  19. Howard Barton asked when the budget deadline is.
  20. Frank Heald said January 29<sup>th</sup>.
  21. John Neal suggested waiting and doing all three together.
  22. Frank Heald said they need to hear from counsel because you can't change state law.
  23. Howard Barton said that they need to approve the articles and wording for the warning. They will need to hold another short meeting.
  24. Bruce Schmidt said that Fridays are not good for him.
  25. The Special Meeting for the warning is set for 7:30 a.m. on Tuesday, January 26, 2010.

C. CAPITAL

1. Frank Heald said that operational piece will be presented along with the \$1,200,000 bond similar to the way they did the buses.
2. Howard Barton asked how much it would go up.
3. Frank Heald said it would go up about 2.9% for the first year.
4. John Neal said that people need to understand that every voted article raises that percentage. He would like to see a breakdown in the booklet of how much the article would raise the budget percentage.
5. Frank Heald said that cemetery is up \$25,000 and other voted articles would be up only \$8,000. He added that the only effect we have on Capital for this year is the interest obligation of whatever money we borrow to do the armory. It would be less than \$40,000. The first payments would be in FY2012. That would be the same with long-term bond payments. Pretty much below 3 ½ to 4% increase.
6. Howard Barton asked what happened to the money approved for the purchase of the armory.
7. John Neal said it was \$337,500.
8. Frank Heald said the purchase total was supposed to be \$427,500, to be offset by the \$337,500. We only used \$85,000 for the purchase and \$2,000 for consultants. The money is in the budget, but not used. It appears on the Revenue side as bond. The balance will be rolled into the \$1,200,000. If we had paid the \$337,500, the bond would be \$1,400,000. We were able to reduce the borrowing costs for the renovations.

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9. Howard Barton asked if too many bonds hurt the town's credit. What would happen if there was a major disaster?
  10. Frank Heald said the municipality does have a credit limit, but he does not think we are anywhere near it. We have net assets of \$6,000,000. We have a low tax rate. If there were a terrible disaster, at the town level, we would probably be able to get grant funds.
  11. John Neal asked about the Public Service Building and using Enterprise funds to offset that bond.
  12. Frank Heald said that they structured contributions from the Enterprise Fund for \$43,250 for 10 years. The bond is for 20 years. We use \$20,000 of that to pay the principle and the balance goes into a reserve account called Debt Service. At some point, we will start taking money out of that account for payments and around 2020, you will have to pay \$20,000 per year for the rest of the payments. You can't prepay the bond.
  13. Frank Heald said that he has tried to set up a replacement schedule for equipment and decided 5 years ago to use the trade-in value and monies from the equipment and operational funds to purchase new equipment. This way, the people who benefit are actually paying for it.
  14. Bruce Schmidt said that the board decides, each year, what is going to be a capital expense. He noted that this year's list includes 2 trucks, 2 bridges, the roof at the West Hill building, and a drainage issue at the back of Dorsey Park.
  15. Howard Barton asked if we could manage without any of them. Things are hard with the economy.
  16. John Neal asked if they could defer the trucks for a couple of years.
  17. Howard Barton asked if the pick-up is really needed this year.
  18. Bruce Schmidt noted that it is not inspected and not being used.
  19. Frank Heald said the truck would probably be used by Howie Paul and Ron Tarbell and plow from time to time. It would not be the end of the world if we did not replace it, although it would not cost a lot of money.
  20. Bruce Schmidt asked about the tandem.
  21. Brett Sanderson said that if it is not replaced, it would definitely need a new body – about \$20,000.
  22. John Neal asked if it is mechanically sound.
  23. Frank Heald said no. It is 10 years old.
  24. Bruce Schmidt said he does not want to see any more letters about plowing.
  25. Frank Heald said that they have an issue if the trucks are broken down. He said that the tandem is more efficient. It carries more salt and sand and takes less time. It is also better for moving snow, sand and stones.
  26. Howard Barton asked about maintenance for it.
  27. Brett Sanderson said tires are more, but not much.
  28. Bruce Schmidt asked if the truck is beneficial year round.
  29. Frank Heald said we move sand and rocks with it.
  30. Brett Sanderson asked when the grader would need to be replaced.
  31. Frank Heald said 2013-2014.
  32. Bruce Schmidt said we need the tandem. We have done a good job cutting back on the number of trucks we have.
  33. Howard Barton asked about bridges to be repaired.
  34. Frank Heald said the bridge on Pond, by Dorsey and the Walker Street Bridge. Dorsey needs a lot of work and the Walker bridgework is nominal, but expensive because it's under water.
  35. Bruce Schmidt asked about the scale at the transfer station. He said that he has heard different things and it would run about \$20,000.
  36. Frank Heald said not to exceed \$20,000.
  37. Bruce Schmidt asked if they could use estimates.
  38. Frank Heald said that state law requires scales. It was used when they put it in 15 years ago.
  39. Bruce Schmidt said that he is just trying to make sure that we ask all of the questions that the voters might ask at town meeting, so that we are ready with the answers. We should look at this one. Maybe there is another solution.
  40. John Neal said that \$20,000 is about ¼ of a cent increase.
  41. Brett Sanderson asked if the scale is calibrated and inspected.
  42. Frank Heald said every year and it has been right on the edge for the past 2 years.
  43. Brett Sanderson asked when it would be inspected again.
  44. Frank Heald said next fall, but it could fail at any time.
  45. Doug Ficken said they could rent a scale if it fails and put the \$20,000 in next year.

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46. John Neal said it is only \$20,000 and tipping fees are \$85,000. It pays for itself.
  47. Howard Barton asked the life expectancy of a new scale.
  48. Frank Heald said his guess would be about 20 years.
  49. Bruce Schmidt asked if the \$20,000 includes installation.
  50. Frank Heald said it would pretty much be installed with some work on put part.
  51. John Neal suggested they leave the tandem and scale in and leave the pick-up out. He noted that there is not much fluff in this budget.
  52. Howard Barton said to leave the bridges in.
  53. John Neal said he would still like to show things that people will vote on in the booklet and how they would affect the budget.
  54. Frank Heald said the articles are \$8,000 more than last year.
  55. John Neal asked if all articles were approved, what would the tax rate be.
  56. Doug Ficken asked if the armory is approved, what would West Hill be used for.
  57. Brett Sanderson said the summer program is there unless it rains.
  58. Doug Ficken asked if they would still need to replace the roof.
  59. Frank Heald said they don't want to trash the building by letting the roof leak.
  60. Howard Barton said the tandem is about \$195,000 and the bond would be \$140,000. Where would the difference come from?
  61. Frank Heald said \$30,000 from the Highway Equipment Fund, \$20, from the old truck and \$5,000 if we don't get the pick-up.
  62. Howard Barton asked about the server upgrade.
  63. Frank Heald said it is for the network in the office. They would use \$2,500 from the FY2010 budget and another \$2,500 from operations.
  64. Howard Barton asked about the Dorsey/ West Hill drainage.
  65. Frank Heald said there are a series of culverts running from West Hill down. They pass behind Pike's house and by Howard Barton, Sr's. house. Last year, too much water came too fast and a blast of water broke through. They need to get in there with an excavator and stone. The estimate is about \$40,000. They need to make sure that the watercourse coming down is clean and culverts are open.
  66. Bruce Schmidt said the pickup is out and everything else should stay in.
  67. John Neal asked Frank Heald to send out a revised draft and asked if it could be done with and without the armory.
  68. Howard Barton said they need to give a recap at town meeting of what was done last year.

4. **Sign Warrant Orders**

- A. Howard Barton advised that Warrant orders have been signed.

5. **Adjourn**

- A. **MOTION by Brett Sanderson and seconded by Bruce Schmidt to adjourn. Motion passed unanimously.**
- B. Meeting adjourned at 8:53 p.m.

Respectfully submitted,

Lisha Klaiber

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Howard Barton, Jr., Chairman

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Brett Sanderson

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Doug Ficken

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Bruce Schmidt

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John Neal