



March 3, 2017

Honorable Selectboard;

Please accept this as an abridged accounting of recent activities of the Town Administrator on your behalf and related to various projects and initiatives. Thank you to the numerous staff members who have a part in these efforts every week.

HCOG Director, there has been much controversy in regards to HCOG in the press recently. I had the opportunity recently to meet directly with Todd Ford. I expressed my concerns about South Hadley fitting into the services presently being provided by HCOG. We spoke about how HCOG have been hyper focused on energy and the fact South Hadley cannot gain from the resulting programs, as community served well by a municipal light board. The Director explained HCOG was drawn to the energy field by the income which may be realized from the evolving industry, but acknowledged there was nothing for South Hadley in the energy programs.

We discussed the on-going problems with trying to make the aging court house in NoHo functional and maintained to an acceptable level. I suggested while there has been a number of requests from the HCOG to SoHa, I would contend sending money up river to be used in restoration initiatives everyone is not looked upon well. HCOG should be aware we struggle to keep up with old building decay right here in South Hadley.

Not as part of a new conversation, but somewhat of a continuation of last years or the year before conversation, South Hadley needs access to professional municipal services, on an occasional or short term basis. We may be able to reciprocate by using some seasonal capacity other towns may need if HCOG could first identify the strengths and talents which may be lent and develop a system to facilitate the exchange in a practicable manner. Animal Control, elections, financial oversight, inspectional services and other services or skills we can share or need at different times of the cycle should be included in a model. As we regionalize, specialize and continue in a "do more with less" environment, dependence on our regional partners will be critical.

River, Roll and Stroll Press Conference, thank you to the River, Roll and Stroll organizers for organizing a meet and greet photo-op with some of the sponsors and with public officials from South Hadley and Holyoke. State Representative Vega, Mayor Morse, Selectboard Chair Hine, Vice Chair Etelman, all were on-hand, as well as Wayne Ashworth, Laura Picchi from E-Ink and Adam Trainer and Dan Higgins from Republic Services. Thank you to all the sponsors for attending the press event as a lead up to the May 7 River, Roll and Stroll.

Assessor's Seminar in Randolph, Assessor Kevin Taugher, Assistant Aide to the Assessors Melissa Rimbold, the Assistant to the Assistant Aide to the Assessors Maureen Cronin (that is a mouthful), Treasurer/Collector Deborah Baldini and I all attended a training and information session on how to properly lien fines or other outstanding fees as a tax lien.

One of the cautions which came out of this training was how the fines were accepted and the way a motion was expressed at town meeting. If the statute was not expressed in conjunction with the appropriate MGL, it may not be able to be liened. You could still levy the fine, but not impact equity on the property. This is great information to be aware of going forward, but I will have to evaluate how we correct the errors of the past which I expect occurred in a fiscally responsible way. If we were right on target with the motions at every Town Meeting, we would have been the only one in about 50 communities represented at the seminar.

Attorney Peter Brown was the presenter from D'Ambrosio and Brown and was very informative. His firm serves as our tax title attorney and has been a great resource. Presently we are working with him on several properties including the land of low value list.

Green Communities, John Howard (citizen), Sean Fitzgerald (SHELD), Town Planner Richard Harris, Lori Tanner (PVPC), Jim Barry (DOER and I met in person this past Wednesday, with Jim Weglinski (Siemens) Roland Butinski (Siemens) and Beth Greenblatt (Beacon Integration) on a conference call to discuss the sensibility of South Hadley becoming a "Green Community". I realize many of you have been considering this for years and working towards the goal, hopefully we will be able to decide in the next few months once and for all!

We covered each one of the five MassDOER criterion to become a GC and consider each of our roles in getting to the finish line. The subject of the Renewable Energy Trust (RET) and how SHELD was approaching that issue was part of the conversation. I was impressed with the new SHELD Manager Sean Fitzgerald's tactfulness and honesty. He explained that he was supportive in theory, but needed to ascertain how it would be best for all parties including SHELD. The approach was refreshing and encouraging in respect to working on future projects.

One of the challenges will be how we wring out another 20% out of our energy use from our present baseline (2015 we can go back to). This is a requirement, even though you far exceeded your target when you did energy upgrades. The "stretch code" was another topic, but the truth of the matter as Jim Barry from DOER suggested it is not much of a stretch. Most of the building materials available today are well within the requirements for the new energy code and it very much reflects the new standard building code which came into effect January 2017. The only challenge is all projects must be Herz rated.

Business West Annual Article, we should expect an annual article on the Town of South Hadley in the regional business magazine. The article will focus generally around the Redevelopment Authority, River Roll and Stroll and simply promote South Hadley as a great place to do business. RDA Chair and Selectboard member Frank DeToma was interviewed, MASH Chair and Selectboard member Ira Brezinsky and Mariann Millard from BWC provided comments.

On the business front Environmental Integrity (EI) will be moving their operation into South Hadley along with 48 jobs. They will occupy the former PressTek facility on New Ludlow Road. PressTek moved

to Enfield and down sized again a sign that the 3D printing business is not as developed or demanding as some had been thought by some. EI recovers precious metals and other resources from electronic equipment. They do business with major banks and large corporations throughout New England. We hope to have a meet and greet sometime in April, I hope you all will be able to attend.

Capital Planning, I met with the Capital Planning committee last week to discuss plans for finishing up FY 17 and getting started on FY 18 Capital projects. We discussed the upcoming (July) rolling debt borrowing and what available reserves may be available for equipment, vehicles or projects which do not qualify for bonding (i.e. cruisers, small heavy equipment).

The recommendation I made was to borrow another \$500K for sidewalks, \$500K for building repair and \$500K for the larger equipment. I am certainly hoping the Town Hall front roof gets moved up to FY 18 and also recommended a new "Holder" which clears sidewalks in the winter, but also has other functions which can be added such as brush cutting and mowing. I believe with growing size of storms and more sidewalks needed to be done faster this would be a wise investment.

There is a new "Google Sheets Capital List" which Jackie Iskander has been instrumental in developing that should be ready for prime time next week. Presently I have asked departments to comb through it to check estimates, remove completed projects or adjust time lines. Once that step is taken I will have it up on the website with links to several pages.

Appropriations Committee, February 22 I attended the Appropriations Committee hearing to discuss the FY 18 budget and review the present year. It was a preliminary discussion and as such it was very cordial. The committee asked for a few things to be gathered and had several questions around RDA, Gaylord and the School budget.

There was no indication of any specific cuts or requests to add to the budget at the time, but it should be noted it was strictly an expense budget. It is not until we apply the revenue side of the equation that it starts to get tricky (see next section).

Budget FY 18, still as a draft we have now started to apply the revenue to the expense side of the equation. Early indications demonstrate we are somewhere near a quarter of a million short on the revenue side. Funny how that it never works out where you have too much revenue. There are a few recalculations we are starting to consider and there is no doubt when I hand off this budget it will be balanced.

As has been the fiscal policy in South Hadley for a long time, I will not attempt to apply unreserved free cash to re-occurring needs in the GF budget. That does not mean I do not think it prudent to offshore some free cash to various funds (i.e. stabilization, OPED, WC), I understand some could be argued to be re-occurring, but at the end of the day DOR sees these funds as best practices and prudent to add to the balance.

We have been using the "Governor's" or "H1" numbers to work off and adding in a conservative growth factors as is always is the practice. We did meet with the School Superintendent and the Chair of the SC. They asked some very practical questions, I explained the predicament and they said they would do what they can to help close the deficit. They did point out it would likely mean additional staffing cuts, including teachers. These cuts are necessary, but never accepted well.

16 Ludlow Street; this recently acquired property has been more difficult to get the courts to allow us into than to acquire. The former owners were nice people who seem to have fell on hard times. All the former residents have found housing and were cooperative through the process, as were the town. Unfortunately the process to access and to start the journey to place it back on the tax rolls has been bureaucratic-ly challenged. On Bardwell Street we cannot get out of a building we want to sell and on Ludlow Street we cannot get into a property we were left with no alternative but to acquire.

Okay enough of the whining Mike! It looks like we will get access on Wednesday March 8 at 11 AM, we have insured it since the tax title taking three months ago. We will remove trash from inside and around the perimeter, re-key all locks, board and secure, shut off all utilities a work to get it ready for divestment. We will either auction or use the request for proposal (RFP) process to move the property back on to the rolls.



We continue (three years) to work with the owners of 19 Ludlow Street directly across the road. I have spoken with several neighbors, to say they are happy there is progress being made on one and pressure being applied on another would be an understatement. We may need to order it demolished in the next two weeks, it is vacant, as well.

Thank you as always for you guidance and support. It is never more meaningful or needed as in the stressful budgetary period. I promise we are doing the best we can to be fair, balanced and prudent with the taxpayers money!

Respectfully,

Michael J. Sullivan

South Hadley, Town Administrator