



May 16, 2014

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.

**Annual Town Meeting 2014;** By most accounts members were satisfied with our attempts to make Town Meeting more efficient and streamlined. Rena Myrick's suggestion for longevity has been thankfully ignored by participants, although I believe she has point. Regardless, suggestions about keeping the members more informed, using technology more effectively and continuing to seek efficiency, not only in respect to Town Meeting, but in the general operation of the municipality.

I would like to thank all the department managers for their attendance and pre-meeting assistance. I believe Article 7 presented an easy to follow format and its content provides each department with its needs for FY 15. I would however note as a "snapshot" in time, the picture may change, for better or worse. This is the nature of government operations.

As you are aware we will have a Special Town Meeting for June 4, the primary warrant articles are zoning related (4), as of this writing we are still discussing our options for 50-52 School Street. I have spoken to the Appropriations Chair and he will review the need for a demolition article or a transfer from Reserve Fund or other sources.

While some may argue this was a foreseen expense, I would argue as such we have a plan to address it through a grant application. With that said, if the grant which is to be announced in July fails, it would immediately become an unforeseen expense, but we would have few options beyond waiting until a Fall STM to address the problem. My hope is that we create a Plan "B" by identifying and alternate revenue (other than the grant) to deconstruct the building. It has quickened its pace to blight and I do not believe should be left to languish any longer. I hope to have a strategy by Tuesday evening when you vote on the STM June 4 Warrant.

Please accept my sincere gratitude to all members of the Selectboard, Appropriations, School Committee and Town Meeting for their encouragement and support, as we evolve our governmental process on many levels.

**"457" or Deferred Comp;** Linda Graham a representative of the state SMART Plan, Julie Gentile (Payroll and Benefits Specialist) and I met with about fourteen members of the South Hadley Police Department to explain our recent changes in the deferred compensation program.

As you may know we manage the deferred comp for employees at ministerial cost with no cost recovery option to the town. Over a number of years this and several other benefits were added to the offerings adding complexity and fertile ground for error to the process. To streamline the process I directed the

Payroll and Benefits Coordinator to make side by side comparisons of all plans being managed by the municipality and to determine where there was overlap or duplication from vendors with an eye on reducing the sheer number of providers. This is an on-going review, in this year we will be removing three previous vendors. In the deferred comp are we have ceased doing business with Nationwide in favor of the SMART Plan. Upon review it was determined the SMART plan was a better return for the employee, but the most important reason I decided to make the change was the SMART Plan as a “state” plan shed our risk exposure for investments and lowered the internal demands on reporting to additional providers, not to mention (again) the chances for a mistake is increased, not that would ever happen.

All participants will have greater investment options for their plan, be able to meet with a licensed SMART plan advisor and save a substantial amount on the fees the employees pay. It will be another streamlining step for the town and significantly reduce our risk exposure ...don't let the state suggest we never give them anything. Anyone familiar with this type of change will tell you, it is not one which should be done by committee or polling, I made the decision based on the information gathered by trusted employees reviewed their research with me. I do not know any of the parties or do I participate in South Hadley's deferred comp plan.

**Tax Title Assignments;** Treasurer Deb Baldini organized a meeting with a group who specializes in tax title “bundling”, basically the by a town or cities outstanding liens. Presently the tax title balance is \$662,669. Basically the way this works is we would offer our liens to interested parties (several companies do this work) through a process similar to a traditional request for proposal system. The town would expect to get something greater and would not accept anything less than the amount due.

Treasurer Baldini has contacted several of her colleagues who report the initial offering is time intensive, but the returns have been impressive. No community contacted received less than their outstanding balance. The advantage these groups have is their knowledge of land court and relationships with the investor community. Communities from Worcester to West Springfield to Paxton have used this program with great success. It has allowed towns to accelerate their collection process and shed the politics of collection. Just as reminder if you are in tax title you have been presented with over seven different notifications of your arrears and most property owners will redeem before the sale (another windfall).

**Rental Property Symposium;** Sharon Hart our Town Health Director and Jennifer Jernigan the Administrative Assistant in the Health Department have done a phenomenal job coordinating this program. With support from the Police Chief, Planning Director, Treasurer/Collector, Assistant Assessor, internally and from the AG's Office, DPH, PVPC, the Fire Districts this looks to be an interesting and informative opportunity for landlords, potential landlords, property managers, tenants and the general public to hear about best practices and the importance of rental properties.

It will be held this Saturday morning in Town Hall Auditorium beginning at 9:30 and ending about 11. We will have a panel of experts present and then hopefully elicit some discussion about the state of rentals in South Hadley, particularly the Falls.

**Texon;** it seems to be washing away, but thank fully it is being professionally dismantled as you can see from the photo. A year from now it will be exciting to see the metamorphosis both structurally and

culturally of this area. I fully believe it will become an attraction of huge benefit economically to South Hadley Falls.



There have been continuing discussions with the police and other departments as to how we will work to keep this area safe and secure going forward. This is a sight distance challenge, but we will work through the challenges and put in [place workable strategy.

**IPG Industrial Power Group;** As part of the continuing discussions with IPG as you see in your packet there is a skeletal structure for an underlying agreement beginning to emerge. The concept early on is to construct a pipeline from the landfill to the already existing facility in Granby. The pipeline would take the presently “flared off” methane from the South Hadley landfill and harness it to create electricity. The pipeline would not cross any deeded chapter 97 land.

The construction and permitting would be IPG’s responsibility with the general support of the town. IPG would have to receive DEP and South Hadley ConsCom approval. They would have to commit to protecting rare or endangered habitats during construction as instructed by the ConsCom, use directional drilling and other methods to make this a low impact installation.

IPG would take over the responsibilities for methane monitoring and flare operation resulting in a substantial savings to the town. They would pay the Town of South Hadley something in excess of \$60,000 annually for the next ten years, with an option to extend. The likely live of the methane reserve at the SoHa Landfill is less than fifteen years.

We have looked a several options, CNG for vehicles, anaerobic digesters and pyrolysis to name a few technologies, none have shown the possibilities at a lower risk factor than this concept. I am not at a point where I can make final recommendation to the SB, but we do want to avoid paralysis by analysis, allowing us to make a decision to garner some return for the community. I will keep informing you and the public of progress, as we go forward.

**PBEs:** As we headed towards the new fiscal year I will be doing mid calendar year reviews of PBE participants and their progress towards our shared goals. I believe we have made some progress in that regard, but we have a long way to go. I appreciate your support and the participant's cooperation as we evolve our approach in South Hadley through performance based evaluation.

I will also be looking at effective ways to reassign or distribute workloads, within descriptions and contracts.

Please contact me if you would like any clarification on any item and I look forward to seeing you at the upcoming Selectboard meeting.

Respectfully submitted,

Mike Sullivan  
Town Administrator, South Hadley