

METHUEN CITY COUNCIL SPECIAL MEETING
MONDAY, June 16, 2008 – 6:30 p.m.
GREAT HALL, SEARLES BUILDING

Chairman Lahey called the Special meeting of the Methuen City Council, scheduled for June 16, 2008, to order at 7:10 p.m. in the Great Hall, Searles Building with all members present.

ACCEPTANCE OF AGENDA

MOTION BY: Councilor Cronin, seconded by Councilor Quinn to accept the agenda as posted.

MOTION BY: Councilor Leone, seconded by Councilor Pappalardo to take TR-08-37 and TR-08-38 out of order as the first items of business.

UPON VOTE: UNANIMOUS.

MOTION BY: Councilor Leone, seconded by Councilor Quinn to accept the agenda, as amended.

UPON VOTE: UNANIMOUS.

TR-08-37 Resolution Providing for the Adoption of the Fiscal Year 2009 School Department Budget (remove from the Table)

MOTION BY: Councilor Zanni, seconded by Councilor Leone to remove from the table. UPON VOTE: UNANIMOUS.

MOTION BY: Councilor Giordano, seconded by Councilor Zanni to adopt. Councilor Leone asked how much additional Chapter 70 aid we are receiving this year.

Mr. Kelly responded 1.2 million dollars.

Councilor Leone asked if there was another provision that captured a portion of our new growth.

Mr. Kelly said yes that would be based on the net school-spending amount. We had to increase payment to maintenance of effort by 1,160,000 dollars. The city's contribution went from 19 million to 20, an increase of \$939,000.

Councilor Leone noted that there is a \$939,000 net increase from us to the school department and the municipal budget is a level funded budget.

Mayor Manzi explained that the additional revenue, depending upon the new growth number, would be used to fund the schools.

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Councilor Willette said he would vote against the School Department Budget because of the position that will be eliminated as of July 1st. The position itself has paid for itself X amount of times over the years. He doesn't think it is a cost effective tool to eliminate a front line person who has the capacity to do the job, go to bus stops, travel to the homes, take down the license plate numbers and verify residency of those students outside the community. It is a mistake to remove this from the budget when we are talking about overcrowding in our school system, having to hire additional teachers alternating classrooms and potentially down the line expanding our schools. In the long term it is a detriment to the City of Methuen. This is a front line person who does his job.

Councilor Pappalardo asked for the salary of this 20-hour part-time position.

Mayor Manzi responded that the salary is \$18,000.

Councilor Pappalardo said she's hoping the Superintendent is on the right track with this new adventure she has going with the transportation person. She'd like to see it tried out for this first year. If it doesn't work out maybe we could bring the part-time individual back. If this other gentleman is not being utilized through the year and she'd like to see him do a lot more. She will go along with the Superintendents wishes and see how this works out.

Councilor Willette suggested a combined effort with all three individuals, maintaining the person on the front lines every day. He doesn't see the conflict.

Councilor Leone said Councilor Willette is right in his thinking. We have an \$18,000 position and if this individual catches 2 people, it covers his salary. If it was his choice, he would lobby for this individual because the money he was being paid was well worth it. It is not Council's place to insist on a reinstatement. Before the Budget workshop he intended on voting against the school's budget but the Superintendent agreed to look at the possibility of consolidating certain duties and he cannot fault the Superintendent for saving money.

Councilor Willette noted that the City Council voted against the Vocational School Budget because of the huge difference in their travel policy. Right now, we're going to give carte blanche to whatever budget is submitted to our attention, whether it is the vocational school committee or the Methuen School Committee. The Council is going to have a "hands off policy" and not raise any questions. He doesn't agree.

UPON VOTE: 8 yes, 1 no (Clr. Willette)

TR-08-38 Resolution Providing for the Adoption of the Fiscal year 2009 Greater Lawrence Regional Vocational Technical High School Budget (remove from the table)

MOTION BY: Councilor Zanni, seconded by Councilor Pappalardo to remove from the table.

UPON VOTE: 8 yes 1 abstention (Clr. Cronin)

MOTION BY: Councilor Zanni, seconded by Councilor Pappalardo to adopt.

Councilor Leone said he's doesn't know why the budget went down less than 1% and the enrollment went 7 to 9%. He did not get a satisfactory answer when he asked

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that question. He has the same problem with this budget that Councilor Willette had with the School department budget. He doesn't believe that the numbers are accurate nor do they reflect a sense of fiscal posterity that we expect from them as we expect from our own school department and as we expect from our own departments.

Councilor Pappalardo asked if the \$10,000 is our share for the school officer.

Mayor Manzi responded, yes. This would be the second year of the program. Prior to that, the school never had a school resource officer.

UPON VOTE: 7 yes, 1 no (Clr. Leone), 1 abstention (Clr. Cronin)

Councilor Cronin voiced his opposition to the state formula used because Methuen is paying more than Lawrence. If there is a mechanism, Methuen should have three members and Lawrence should be reduced from three members to two until they pick up the bulk of the payment. He noted that the vocational school is told what the numbers should be. It is not something they developed.

TR-08-35 Resolution Providing for the Adoption of the Fiscal Year 2009 General Government Budget (remove from the table) UPON VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Cronin to adopt for discussion.

Councilor Zanni asked the Mayor if he included the \$400,000 for the Fire Department.

Mayor Manzi responded, yes, noting that the administration submitted new budget sheets.

Councilor Giordano asked if the Mayor also included the two reserve police officers.

Mayor Manzi responded, yes.

Councilor Leone referred to the list Mr. Kelly distributed to the City Council at the last meeting dated January 31st regarding stipends and side letters and asked which of those items on the list do not expire June 30th.

Mr. Kelly said they don't expire. They get absorbed in with the contracts that they signed via collective bargaining, all of them, as they were in 08 and moving forward into 09.

Councilor Pappalardo noted they would get the stipend signed for three years.

Mayor Manzi said it would correspond to the time period of the collective bargaining unit.

Councilor Pappalardo asked if the Mayor renegotiates their side letters and stipends after three years.

Mayor Manzi said everything that's associated with a bargaining agreement would be on the table for renegotiation.

Councilor Pappalardo said she would like Council to have knowledge of what stipends and side letters are being written with the new contracts before Council votes on it.

Mayor Manzi said if they were part of the original bargaining unit, Council would see it after the fact. If there is an amendment for some reason to a collective

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bargaining unit it just depends as Council asks for them, the administration provides them.

Councilor Pappalardo said she'd like to know what the amount is being given out before the Mayor gives out the contract, not after the fact, if that's possible legally.

Mayor Manzi said he doesn't have a problem with that.

Councilor Kannan said Council has a list of stipends. She suggested that the administration include in each department a total salary noting the stipend amount in parenthesis so they will know what an individual makes for a total salary, department by department rather than having to ask individually.

Councilor Quinn suggested, in future negotiations that a City Councilor is allowed to participate in the negotiation process, similar to the school committee.

Mayor Manzi said the School Committee actually does the negotiations with the different bargaining units. The check and balance is that the Council has a bargaining unit that comes to them. Council is free to ratify any agreement reached but under the Mayor form of government, the Mayor negotiates those contracts directly.

Councilor Willette - Point of Information - you do have the union, a member of the school committee, as well as the administration. All three parties are represented. In this case, there are two parties negotiating without the third party that actually votes on the contract.

Chairman Lahey said he doesn't believe in stipends or side letters and believes that longevity with some of the higher salaries has gotten out of hand. He's voting against future contracts, when he sees a side letter or if he doesn't see some movement on capping longevity.

Councilor Cronin asked for the definition of a side letter vs. a stipend.

Mayor Manzi said a side letter could lead to a stipend but a side letter doesn't necessarily have to be monetary in nature. A side letter is an agreement on a matter covered by the collective bargaining agreement between the city and that union or that bargaining unit. It could be monetary or non-monetary. It could affect working conditions. A stipend, for example, the customer service stipend is something that is there, listed in their budget that is part of collective bargaining agreement as well but clearly identified and something that had been talked about. The difference is that a side letter doesn't always have to be financial in nature, whereas a stipend is an extra pay for an extra duty that's usually defined through the collective bargaining process.

Councilor Cronin said he agrees with Councilor Lahey on this. For example, a certain person in Mr. Kelly's office was asked to take on some extra duties because of something that happened in the police department that the Council and the Mayor wasn't happy with. She was assigned extra duties; clearly she should be paid accordingly. To him, a stipend is work to be performed outside the normal workweek. He just wanted to make that clear that if that's the case if people are getting stipends, they shouldn't be performing it on their 40 hour or 35 hour work week, whatever their schedule or situation. From what he understands with the situation that just happened in the police department, they have to have supervisory personnel sign off that they've actually performed those duties outside their work hours. That's what he got out of this whole police investigation and he just wanted to make sure that nobody working on a stipend now is going to get in trouble later just because of the definition of a stipend.

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Mayor Manzi didn't agree with Councilor Cronin's definition of a stipend and doesn't think anything currently done would fall into that category.

Councilor Cronin said if someone is assigned additional duties other than the scope of their job, they should be rewarded and paid for that. It should be part of their salaries rather than part of a stipend.

Councilor Pappalardo noted that the stipend in the Treasurer's office, \$1,000, for certification and written courses required, is not something she'd include in these side letters and stipends prior to voting a contract.

Mayor Manzi said in that case it is actually statutory and different. We identify what it is for and what statute it follows.

Councilor Pappalardo asked if there are any other statutory stipends.

Mayor Manzi said there are certifications outside of public safety.

Mr. Kelly said there are some in DPW given so they retain their licenses.

Mayor Manzi said some are contractual, for professional licenses.

Councilor Leone said the list for this fiscal year, ending June 30th. Mr. Kelly responded yes.

Councilor Leone asked if these are increases for next year.

Mr. Kelly responded, no and explained that they are already absorbed into the budget. There are no additional increases over what Council has.

Councilor Leone noted that they are all subject to appropriation. Mr. Kelly said that is correct.

Councilor Zanni asked where the difference of \$349,000 (116 million and 511,904 last year) was obtained.

Mr. Kelly explained that when expenditures exceed revenues, there is a deduction off our free cash position, retained earnings.

MOTION BY: Councilor Cronin, seconded by Councilor Kannan to adopt the City Council FY 2009 Budget, page 1:

Personal Services:	\$142,387
Other Expenses:	7,551
TOTAL:	\$149,938

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Quinn to adopt the City Clerk FY 2009 Budget, page 4:

Personal Services:	\$260,293
Other Expenses:	40,775
TOTAL:	\$301,068

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Mayor FY 2009 Budget, page 7:

Personal Services:	\$270,709
Other Expenses:	19,550
TOTAL:	\$290,259

VOTE: UNANIMOUS.

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MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Human Resources FY 2009 Budget, page 10:

Personal Services:	\$141,684
Other Expenses:	12,000
TOTAL:	\$153,684

Councilor Pappalardo questioned the decrease in salary for the Human Resource Manager's position.

Mayor Manzi explained that in the last budget the Joint Human Resource Director's position between city and schools was reflected of 50/50 split with the school and municipal side. In this budget it is 60% funded by the school side and 40% funded by the municipal budget. The person's time will remain 50/50.

Councilor Pappalardo asked if there is any intention of moving this individual back to the School Department and hiring someone else full time on the municipal side. Mayor Manzi responded, no.

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Information Technologies FY 2009 Budget, page 13:

Personal Services:	\$212,160
Other Expenses:	342,960
Equipment Outlay:	114,950
TOTAL:	\$670,070

Councilor Leone asked what the change was in the maintenance contract.

Mr. Kelly explained that the request was \$93,500. The Mayor reduced it to \$90,100 but the actual contract is \$93,500. There is an increase of \$3400 for software and \$3450 on maintenance.

VOTE: UNANIMOUS.

MOTION BY: Councilor Leone, seconded by Councilor Pappalardo to adopt the Legal Services FY 2009 Budget, page 17:

Personal Services:	\$162,206
Other Expenses:	24,035
TOTAL:	\$186,241

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Historical Commission FY 2009 Budget, page 20:

Personal Services:	\$ 47,796
Other Expenses:	5,100
TOTAL:	\$ 52,896

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Quinn to adopt the City Auditor FY 2009 Budget, page 23:

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Personal Services:	\$410,009
Other Expenses:	131,450
TOTAL:	\$541,459

Councilor Pappalardo asked what the Procurement Officer's responsibilities are. Mr. Kelly explained that this individual handles all requisitions, purchase orders, does the bidding, advertising, and research.

Councilor Leone asked if this individual is certified.

Mr. Kelly said she has three out of four certifications.

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Assessment FY 2009 Budget, page 27:

Personal Services:	\$286,029
Other Expenses:	216,010
TOTAL:	\$502,039

Councilor Pappalardo asked how many Assistant Assessors we have and if they had to be certified.

Mr. Kelly said there are two Assistant Assessors.

Mayor Manzi noted that the Board Members have to be certified. They receive a monthly pay of approximately \$600.

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Treasurer/Tax Collector FY 2009 Budget, page 30:

Personal Services:	\$323,389
Other Expenses:	107,541
TOTAL:	\$430,930

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Reserve Fund FY 2009 Budget, page 33:

TOTAL:	\$200,000
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Councilor Leone noted that if revenues and new growth exceed the estimates, that money does not go into Reserves unless Council votes to place it there.

Mr. Kelly agreed. He said this is totally separate. In November, when we get ready to set the tax rate, we'll have a good idea where our revenues are with this fiscal year and move forward with the addition of the Assessor's new growth figures for the city. At that time, we'll declare whether or not we have any extra funds. If the Mayor determines further action is necessary, he will advise the Council.

Councilor Lahey asked if the \$800,000 deficit in snow and ice would be covered this fiscal year.

Mr. Kelly reported that they do have some revenues that will exceed his estimates, specifically local revenues, and we'll try to cover the deficit this year.

VOTE: UNANIMOUS.

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MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Bonds & Interest FY 2009 Budget, page 34:

General Bonds:	\$5,455,000
General Interest:	2,134,734
Interest, BANS, FANS, & SANS	25,000
TOTAL:	\$7,614,734

Councilor Pappalardo asked Mr. Kelly to explain what this budget item entails. Mr. Kelly said it is interest on small bonds, anticipation of notes and state aid anticipation notes, before we roll it over. At that time, the last portion of debt will become permanent.

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Employee Benefits Insurance FY 2009 Budget, page 35:

Group Health Insurance:	\$9,117,712
Mediplex:	10,000
Medicare Tax	771,444
Life Insurance	24,315
Indemnity Police & Fire	30,000
Insurance Premiums	435,000
Workers Compensation	
Salary	4,200
Expenses	350,000
Unemployment Insurance	
General Government	25,000
Section 125 Admin. Costs	
TOTAL:	\$10,767,671

Councilor Pappalardo asked how much of the 9 million dollars is collected from employees.

Mr. Kelly explained the city's share of employee health insurance is 62% (the 9million dollars) and the employees pay approximately 4.5 million dollars.

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Employee Benefits FY 2009 Budget, page 36

Non-Contributory Retirement:	\$ 48,000
TOTAL:	\$ 48,000

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Employee Benefits FY 2009 Budget, page 38

Contributory Retirement:	\$ 5,858,359
TOTAL:	\$ 5,858,359

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the

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Community Development FY 2009 Budget, page 40:

Personal Services: \$ 1,085,055

Other Expenses: 206,890

TOTAL: \$ 1,191,945

Councilor Pappalardo asked for an explanation of the appropriation of \$1 for the last two budgets under the line item of Sealer of Weights and Measures and noted the year prior to that it was zero.

Mr. Kelly explained that in fiscal year 2005 we had someone working in the position of Sealer of Weights and Measures, under the Building Inspectors office. He was cut out of the budget in 06 and at that time there was a move to have the state become our Sealer of Weights and Measures. They created a contract with the state to have the state do that type of work. It is no longer seen on the personnel page. It will be on the other expenses page because it is a contract with the state. There is a dollar remaining in the line item of the Sealer of Weights and Measures in case the Mayor doesn't want to go to the state. He could hire someone and that line item would be open for him to come to the City Council with an appropriation to fund the position and take the funds out of the contractual line item.

Councilor Leone asked where the fees collected from the users are posted.

Mr. Kelly stated the fees go into the general fund, fines and licenses.

Councilor Leone said he wants to make sure the city is charging enough in fees to offset what we are paying the state.

Mr. Kelly said last year we had state certifications of \$4,235.

Councilor Cronin asked how often they come to do inspections and if the city receives a report.

Mr. Kelly and the Mayor said they would find out that information.

Councilor Cronin said now is the time more than ever to have someone go around and check the filling stations to check the gas, gallon for gallon, price per gallon, etc.

Mayor Manzi said we're on a regimented schedule with this contract. The state contract gives us the level of service we need.

Councilor Pappalardo questioned the same salary for the food inspector and sanitary inspector last year. It is more than a 3% raise this year.

Mayor Manzi stated there is a step increase for both along with the collective bargaining.

Mr. Kelly said the food inspector is at max and the sanitary inspector is at Step II out of IV.

Councilor Pappalardo said she agrees with Chairman Lahey that the longevity is costing the city a lot of money and asked if the city can put a cap on longevity.

Mayor Manzi said for every contract that deals with it, every collective bargaining contract that identifies longevity and how it's paid for, certainly as the contract open ups you may ask for anything in that regard. You could cap it, eliminate it, anything that the bargaining unit is willing to agree to, and then we can do that.

Councilor Giordano questioned the reduction of the animal control officer and the hours of the one remaining animal control officer.

Karen Sawyer, Director of Community Development explained that the reduction of one animal control officer entails the 1:30 p.m. to 9:30 p.m. shift. Dispatch knows

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whom to call during the second shift. Joe Giarrusso can make the determination and can also go out on those calls if necessary.

Councilor Pappalardo said she received the answers regarding animal care and asked why they are boarded out of town.

Mayor Manzi said some of the local vendors in Methuen were not interested in providing this service.

Councilor Giordano stated that Methuen used to board strays but never new if the animals were vaccinated or carried diseases. He suggested talking to the Mayor of Lawrence about boarding because they have the facilities on Marston Street.

Mayor Manzi said he would check the capacity and speak with Mayor Sullivan.
VOTE: UNANIMOUS.

Chairman Lahey declared a brief recess.

MOTION BY: Councilor Zanni, seconded by Councilor Pappalardo to adopt the Elder Affairs FY 2009 Budget, page 45:

Personal Services:	\$ 192,098
Other Expenses:	69,400
TOTAL:	\$ 261,498

Councilor Pappalardo asked the Mayor to explain the reclassification process.

Mayor Manzi said reclassification of personnel is done essentially through departmental review. The department head would go to him and make recommendations based on their viewpoint of what would be appropriate.

Councilor Pappalardo noted that we have someone working as a Department head in Elder Affairs for quite a while now and is only being paid middle management salary. She knows the Council cannot raise or increase the budget, but she would like to see everybody on a level playing field. This individual deserves to be paid as a Department Head. As other people are being reclassified, they're getting stipends. This person should be receiving her due salary along with a couple of others who are hard workers with a lot of responsibilities and handle money. Councilor Pappalardo suggested that the Mayor consider having these individuals reclassified.

Mayor Manzi said he would review that and if there is a consensus of the Council, he'll take a look at it. With one exception he refused all reclassifications because of budgetary issues facing the city and he didn't think it was appropriate regardless of the merit. There is some merit and they can talk about that.

Councilor Pappalardo asked for an explanation on building rental, which was deleted from the budget.

Mayor Manzi said the building rental was the mortgage on the building, which has been retired. The line item was designed for the mortgage itself. The last payment on the mortgage may have been the \$600,000.

Councilor Cronin said he concurs with Councilor Pappalardo regarding the personnel at the Senior Center. They put in a lot of extra hours that they are not recognized for.

Councilor Kannan also concurred. She asked if this is all cities funded or if there is funding available through federal grants for elder affairs.

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Mayor Manzi said the Senior Center itself does private fundraising and hard work to raise additional funding for the center. There are state monies involved. Corrine is always searching out new state and federal grant funding. There are some tools available to us but we're not always successful in gathering those funds. Its an area, maybe not so much at the state level, but at the federal level that's seen a little bit of a change and it hasn't been good for senior centers.

Councilor Leone said the Mayor mentioned that he did not have any reclassifications in this budget because of budgetary constraints.

Mayor Manzi clarified that he said there was one reclassification in the budget that he mentioned to the City Council earlier. It was something that he considered to be and caused a bit of an inequity issue for him but he promised publicly that he would do so. It lays at Council's disposal to do what they see fit. It has created an equity issue because he did refuse three.

Councilor Giordano also commended the employees at the senior center for their hard work and dedication.

Councilor Quinn thanked Corrine for all the hard work done at the center, noting she is on board with the rest of the Council.

Councilor Zanni asked whom the three requests were from for reclassification.

Mayor Manzi said he was speaking of three at the senior center. There were substantially more requests in addition to the center that he'd had to refuse as well.

Councilor Leone said the senior center does wonderful work and he sympathizes with their financial plight. He doesn't want to indicate that he is part of a consensus to increase their budget because he remembers what happened the last time Tuesday a.m. when he read the paper. He will not indicate a consensus to raise taxes.

Councilor Pappalardo asked if this would raise taxes.

Mayor Manzi said, the reason that we don't set a classification factor for some months after the adoption of the budget is because, as the Auditor indicated earlier, we need to gauge how accurate our revenue estimates are going to be. "Is it possible that the relatively small amounts of money that we're talking about here, between ten and twelve thousand dollars, would go into the levy? Yes that's possible. Is it possible that absent any other increases that it would not increase the overall tax levy? That's possible as well." As Mayor, from his perspective, we end up with more of an equity issue than anything else. Other departments have made requests and have been denied. Though he acknowledges, particularly with regards to the department head, that there is some inequity there as well and said that it is a goal to rectify that inequity.

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Nevins Memorial Library FY 2009 Budget, page 49:

Personal Services:

Other Expenses: \$ 1,287,370

TOTAL: \$ 1,287,370

Councilor Pappalardo asked the Mayor to consider appropriating a little more money for Nevins Library if it becomes available. They are a wonderful entity in this city and we wouldn't want to lose them.

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Mayor Manzi agreed, noting that the Library is first rate and he is very proud of the people that work there. He committed to fund a 3% increase this year and 3% next year, noting they've gone at least five years without an increase. Because of the type of relationship they have with the city, they are not in a collective bargaining unit. It is well deserved. If we receive additional funds, it will be money well spent.

Councilor Cronin asked for the status of the litigation with the contractor at the Library.

Mayor Manzi said it is settled and an agreement is in place. They are developing the plans to rectify the construction issues.

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Quinn to adopt the Recreation FY 2009 Budget, page 51:

Personal Services:	\$ 133,525
Other Expenses:	17,347
TOTAL:	\$ 150,872

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Veterans FY 2009 Budget, page 54:

Personal Services:	\$ 91,704
Other Expenses:	\$ 541,575
TOTAL:	\$ 633,279

MOTION BY: Councilor Pappalardo, seconded by Councilor Cronin (for discussion) not to grant the reclassification for Head Clerk.

Mayor Manzi stated that Ed Curran submitted this request prior to his retirement. The position in the fire department is funded as a half position and July 1st the clerical position will be full time in Veterans.

Councilor Quinn said this individual has worked for the Fire Department for many years. When Mr. Curran retired, she came here and did two jobs for the price of one. The city has more Veterans coming in for services, more Veterans with disabilities and more Veterans that are out of work. The Director can't do this by himself. Previously it was a Head Clerk's position.

Mayor Manzi said the reason he looked at it favorably is because clerical was taken away, restored ½ time and is now full time. The difference in salary between principle clerk and head clerk is \$1949.

Councilor Pappalardo said she wants everyone to be on the same playing field. There is one person that was being paid middle management instead of department head salary. (As long as this doesn't raise the tax rate.)

Councilor Cronin withdrew his second to the motion. Councilor Pappalardo withdrew her motion not to grant the reclassification.

VOTE: (to adopt Veterans' budget) UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Solid Waste & Disposal FY 2009 Budget, page 57:

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Tipping Fees:	\$2,521,700
Tire/Scrap/Pest Control	10,000
Recycling Contract	280,000
Brush Grinding/Compost	10,000
TOTAL:	\$2,822,174

Councilor Pappalardo asked, out of the 2.5 million dollars that we are paying for tipping fees how much money of that is going to Russell and if anything is going to Waste Management

Mr. DiFiore said the total amount of money expended for trash is in three separate contracts: Russell's contract which is a flat rate every month (637); Waste Management that hauls out of the landfill is \$113 and the last piece is the material that is collected on a weekly basis and goes to Wheelabrator in North Andover (owned by Waste Management). That cost fluctuates given the amount of trash collected on a daily basis. We're flat lining the amount of the contract even though there is an increase in the contract this year. We've level funded it. The reason they level funded it is because they feel very comfortable that because of the participation of the citizenry with recycling we've had good savings on the tipping fee.

Councilor Pappalardo referred to the \$50,000 appropriation in the landfill closure line item.

Mr. DiFiore explained it is a company by the name of Woodburn and Curran as a contract with them that's been in existence since the landfill was closed. They monitor, mandated by DEP, the wells on site to make sure that there are no problems and the facility is kept in check, monitoring the gases that emit from the wells. On our behalf, they report periodically to DEP.

Councilor Pappalardo asked if the \$50,000 is expended every year.

Mr. DiFiore said most of the time it is. On some occasions it's carried forward to the following year, which they must do because if something arises that DEP mandates again, it has to be paid for. On occasion it entail testing oversight. There are a couple of homes in that area with special indicators and alarms that will go off if there are some problems. There is a balance now and it will be carried forward into next year.

Chairman Lahey asked if this is the last year of the Solid Waste Contract.

Mr. DiFiore said this is the third and the final year. There are two options that we could act on if we chose to. The Mayor saw fit to bid this out in three increments so that if we feel as though we want to go out to bid we can. If you don't want to and you feel as though the price is right, you can maintain it for an additional two years. The Mayor has a meeting next week to talk to the recycling people.

Councilor Willette said, talking about the single stream recycling, he mentioned it to the Mayor; it has to be part of any movement for next year (Mr. DiFiore agreed). Other communities have actually been able to increase the recycling efforts on almost a weekly basis because it simplifies the process of having all recyclables in one container for residents and having 66% is excellent but if we allow single stream recycling, we could actually increase recycling more. People who recycle are actually saving money for the town.

Mr. DiFiore said that is one of the issues to be discussed with the recycling company. For example, we received \$42,000 over and above the recycling payment

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given to the city. What that equates to be not only \$42,000 but it also equates to the amount of money that is taken out of the main stream of the trash. The more we can increase recycling it's a savings.

Councilor Zanni said there are communities consolidating in terms of streamlining and trying to save more money.

Mayor Manzi said, through the Merrimack Valley Planning Agency, they formed a coalition that includes the Town Manager of Andover and North Andover and go as far as the coast. The coalition is actively exploring consolidations of that type. There are some challenges there for the cities and towns but there could be some potential.

Councilor Quinn noted that she and Councilor Pappalardo sent memos to the Mayor regarding sidewalks and asked him to meet to discuss this issue, particularly for major roads leading to schools.

Mayor Manzi said he is willing to discuss it but there is some major expense involved. A CIP book will be available the end of the week. He could include this in the CIP for discussion as to how to fund some of that.

Councilor Cronin said on Hampshire Street the residents gave a lot of concessions in their support of Lowes. Their main concern at the time was sidewalks. To date, nothing has been done on sidewalks. He asked the Mayor to place this area at the top of the list of any sidewalk projects to be built in Methuen. They were the first ones in need for all the added traffic in their neighborhood from the development of Lowes and what is going to happen there.

Mayor Manzi reported that the Lowes project was delayed at the Salem Planning Board. He believes the final approval happened within the last 30 days. Everything had been put into abeyance as talked about of potential impacts that Lowes would have in that neighborhood. Now that Lowes is approved, we have some highway work out front. The Planning people are working with the Salem people and will take a look at the sidewalks.

Chairman Lahey suggested inviting the neighborhood residents to a meeting to further discuss the concessions given.

Councilor Leone asked if we have a sidewalk contributory fund.

Mr. Kelly said we do have one and believes it is done through guaranteed deposits.

VOTE: UNANIMOUS.

Capital Improvement FY 2009 Budget, page 58: "0"

Councilor Zanni noted that there are things in the municipal buildings that need upgrading, in particular the west end fire station. He asked the Mayor to prioritize the items outlined in the proposed CIP. The Mayor agreed to do so.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Public Works FY 2009 Budget, page 59:

Personal Services:	\$3,528,818
Other Expenses:	788,923
Equipment Outlay:	125,000
Fuel Expenses:	1,250,000
Snow and Ice:	215,000

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TOTAL: \$5,907,741

Councilor Pappalardo questioned the \$125,000 appropriation in equipment outlay. Mr. Kelly indicated this is the last payment of the bond. In 2005 we borrowed \$900,000 for equipment for DPW and Water and Sewer. There is a separate appropriation under the Enterprise Fund.

Councilor Pappalardo asked if the fuel expenses' line item is for the entire city (\$1,250,000) and then there are charge backs.

Mr. Kelly referenced the actual detail on the page. Fuel expenses are for electricity, fuel, gas and oil, fuel heat, street lighting, grease and solvents. It shouldn't be called that. It should say "fuel and utilities"

Mayor Manzi said the breakdown is on page 65 and it totals the \$1,250,000. The utilities' cost has gone up and this includes all our buildings.

MOTION BY: Councilor Pappalardo, seconded by Councilor Cronin to delete from the budget \$21,000 for the outside landscape contract. She said she would like to see DPW pick up the work.

Mr. DiFiore said when he was hired the only park under contract was Riverwalk. Mayor DiZoglio chose to do that. At that time, the cost was \$12,500 just for that park. Then when Mayor Pollard came into office, she wanted some extra work done to the Veterans Memorial on Pleasant Street. They put down new sod, sprinkler systems, and all of the masonry was done, lighting replaced, etc. She wanted it part of the contract to make sure everything was okay. During that time, Greycourt was completed. It was suppose to be maintained by the state. Half way through the year a meeting was held at the Gatehouse with the state agency that said they were going to walk away from Greycourt, as they didn't have the funds to maintain it. They had just spent over one million dollars. The city decided given the resources that we have to go out to bid and see what it would cost to do all three, which he did. The cost to do all three was \$21,000. The second bidder came in at \$58,000. For \$21,000 he doesn't have the manpower, we buy no equipment, no gasoline, no fertilizer and still maintain the places as far as the structures are concerned. Just recently we had vandalism there and the police arrested the vandals. He is working with the District Attorney's office now to recoup the money. The vandals kicked out all the railings on the structure. The city takes care of the structure, electrical, masonry repair, unless the city lets it go into disrepair. On the weekends it is opened and closed with the help of Heritage Park in Lawrence. Methuen doesn't have to expend the overtime to do that.

Councilor Pappalardo said she understands what he is saying. She can't see spending money for an outside landscaper. She understood that the second bidder was much higher because he was coming from Southboro, MA. She questioned why other people didn't bid on this.

Mr. DiFiore said a formal bid was placed in the newspaper. Some applied. Others took the application and didn't submit a bid. The main reason is he doesn't have enough people to work the additional three parks.

Councilor Pappalardo said she mentioned at the Workshop if the position of groundskeeper in the Enterprise Fund was deleted and put it into DPW there would be more people to take care of these parks. There is a proposed new park at Bea's.

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Mayor Manzi said now is not the time to cut this contract because he's cut summer help. A million dollars was spent at Greycourt and it is difficult to maintain. There are logistical difficulties. Our existing personnel could maintain Bea's.

Councilor Kannan said equipment is less of an issue than manpower and for \$21,000 it is better to have a professional handle it than summer help. If Mr. DiFiore feels this landscaping group can handle it, she doesn't see a problem.

Councilor Leone said as the DPW work force declines the city should look into privatization of work such as landscaping, earmarked if possible for Methuen landscapers.

Mayor Manzi said it is not his intent to expand beyond the limited scope of this contract.

Councilor Zanni said he has no problem with the \$21,000 contract but doesn't want to outsource any more work.

Chairman Lahey said he is 200% against outsourcing this type of work. He spoke with DPW people and because of the lack of summer help and equipment; they do not have the time to do it.

Councilor Leone noted his suggestion would be done through attrition, if someone retires or leaves the city.

Councilor Cronin asked when this was sent out to bid.

Mr. DiFiore noted it was bid three months ago. The other person cuts a tremendous amount of condominiums in this area. Travel is immaterial, no limitation because he's already in Methuen. The city doesn't utilize CAC that much because of an incident that happened in Andover. Sometimes they may utilize someone who is very close to being released.

Councilor Zanni asked how often the work is done.

Mr. DiFiore said it is done weekly to maintain the grass, fertilizing plants, clean up of leaves, etc. City workers could do the job but he doesn't have the manpower. You need special equipment to cut the slope. The City is still responsible for maintenance of the structures.

Councilor Willette asked if the helpers from CAC are non-violent criminals.

Mr. DiFiore said the city is very careful. The individuals (DWI, B & E, early release program from CAC, or non-paying fathers) are kept under guard with people from the trial court. Sheriff Cousins is very good to us with help. They come with a list of who they are and why they are performing community service. They are monitored and if there are any infractions, the guards take them back.

Councilor Giordano noted it took Methuen a long time to get these two pieces of property and they have to be maintained.

UPON VOTE: (to reduce by \$21,000 for landscape contract) 7 No, 2 Yes (Clr. Pappalardo, Clr. Cronin)

Chairman Lahey said if spending isn't curtailed and we have a similar winter this year, snow and ice could reach two million dollars. It is funded for \$215,000 and he understands why but feels spending needs to be reduced.

Mr. Kelly said there was \$189,000 on fixed costs, increased 3%.

VOTE: (to adopt budget) UNANIMOUS.

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MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Police Services FY 2009 Budget, page 67:

Personal Services:	\$7,745,228
Other Expenses:	688,943
Equipment Outlay:	6,900
TOTAL:	\$8,441,071

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Cronin to adopt the Fire Prevention FY 2009 Budget, page 71:

Personal Services:	\$7,594,364
Other Expenses:	314,185
Equipment Outlay:	109,618
TOTAL:	\$8,018,167

Councilor Leone said there was an article in the newspaper regarding North Andover getting a sizeable grant to cover some new hires.

Chief Gallant acknowledged he read the article. It's the SFA grant and its been around for a few years. What it involves is the first year of the grant; the municipality has to cover 50% of the salary. The second year 60% of the salary and so forth and it disappear after five years. There is a cost to the municipality.

Councilor Leone asked if that's something Methuen pursued and has been denied.

Chief Gallant said Methuen has not pursued it in the past. He's been told not to pursue that type of grant because of the cost that is associated with it.

Councilor Giordano commended the Fire Department for an outstanding job and commended their efforts.

VOTE: 8 yes, 1 abstention (Clr. Kannan)

MOTION BY: Councilor Zanni, seconded by Councilor Quinn to adopt the Emergency Management FY 2009 Budget, page 75:

Personal Services:	\$ 5,000
Other Expenses:	1,100
TOTAL:	\$ 6,100

VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Kannan to adopt the Enterprise Fund FY 2009 Budget, page 78:

Personal Services:	\$ 413,513
Laborers:	1,988,455
Other Expenses:	2,161,550
Equipment Outlay:	153,940
Capital Improvement Program:	60,000
Bonds & Interest:	1,948,693
Gr. Lawrence Sanitary District:	2,918,785
TOTAL:	\$9,644,936

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Councilor Pappalardo asked who fills the position of Water Registrar.

Mayor Manzi stated that the position is vacant.

Councilor Pappalardo asked how the salary of \$45,542 is dispensed.

Mayor Manzi said that \$27,535 is the Chief engineer and \$13,767 is for the Assistant engineer. Stipends are paid for by another line item, agreed upon. He agrees with the rationale of the prior administration.

Councilor Cronin asked what the total salaries are for these two positions.

Mr. Kelly said the total for the Chief Engineer is \$116,516 and \$79,379 for the Assistant Engineer. The contract stipend of \$8,000 is for two people as part of the collective bargaining agreement.

Mayor Manzi further explained that \$4,000 is what they are given to maintain their license.

Councilor Leone asked if the duties (water registrar) entail additional hours.

Mayor Manzi responded yes, no question.

Councilor Leone asked what these duties entail.

Mayor Manzi said the duties pertain to anything that has to do with that department; rate setting, billing, data collection, any and all associated tasks within that department.

Councilor Leone questioned the job description for the Water Superintendent whose job description contains all the items just mentioned.

Mayor Manzi noted that the Superintendent works in the field. The registrar is doing other things, clearly different.

Mr. DiFiore explained that the Water Distribution Superintendent is responsible for everything underground, the tanks underground, and the people associated with that. Mike Sheehan, Superintendent of the Water Treatment plant, has nothing to do with the rate setting. He further explained that when Sheila Schruender the Water Registrar retired, they posted the job, went through the interview process and hired someone in-house. This individual lasted three months in the position and asked that he return to his original job and was allowed to do so. Sheila came back to help. Mr. DiFiore said he chose Frank Russo and Steve Gagnon and a third person to work with Sheila Schruender on the new system for the water rates. Once the system was in place it was no longer necessary to keep the third person. He felt Mr. Russo and Mr. Gagnon were good choices to continue with these tasks.

Councilor Pappalardo said she does not agree with stipends and would like to see all stipends eliminated.

VOTE: 7 yes, 2 no (Clr. Pappalardo, Clr. Cronin)

Mr. Kelly read Resolution TR-08-36 Resolution Providing for the Adoption of the Fiscal year 2009 Sewer and Water Enterprise Budget (remove from the table)

MOTION BY: Councilor Zanni, seconded by Councilor Leone to remove from the table. UPON VOTE: UNANIMOUS.

MOTION BY: Councilor Kannan, seconded by Councilor Zanni to adopt Resolution TR-08-36

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WHEREAS: The Mayor has submitted an Enterprise Fund operating budget for the period beginning July 1, 2008 and ending June 30, 2009, in accordance with the provisions of Chapter 44, Section 53F ½ of the General Laws; now

THEREFORE, BE IT ORDERED: That in accordance with provisions of Chapter 44, Section 53F ½ of the Mass General Laws, the Methuen City Council hereby appropriates and authorizes the expenditure, for the period beginning July 1, 2008 and ending June 30, 2009 of the Enterprise Fund in the gross operating amount of the \$11,159,693, inclusive of General Government indirect cots Totaling, \$1,514,757.

BE IT FURTHER ORDERED: That a certified copy of said resolution be submitted to the Office of the City Auditor upon adoption.

UPON VOTE: 7 yes, 2 no (Clr. Cronin, Clr. Pappalardo)

MOTION BY: Councilor Giordano, seconded by Councilor Zanni to adopt the Methuen Schools FY 2009 Budget, page 88:

Net School Spending:	\$57,657,323
Transportation- Non Net	3,082,422
Community Services-Non Net	30,000
Crossing Guards	101,031
Capital Outlay	
TOTAL:	\$60,870,776

Mr. Kelly read resolution TR-08-37, A Resolution Providing for the Adoption of the Fiscal Year 2009 School Department Budget

Ordered: That in accordance with the provisions of Chapter 44, Section 32 of the General Laws, upon the request of the Council and statutory recommendations of the Mayor pursuant thereto the amount of \$61,061,492, be and hereby appropriated in Fiscal year 2009 for the total support of the Methuen School Department. That said appropriation should include an appropriation for the Net School Spending Requirement in the amount of \$57,848,039, and an appropriation in the amount of \$3,082,422 for Transportation Non Net, an amount of \$30,000, for Community Services Non-Net, and an amount of \$101,031, for Crossing Guards Non-Net. The Methuen School Department total appropriation of \$61,061,492, shall be reduced from other available funds known as Cherry Sheet in the amount of \$37,417,698, and from the Tax Levy in the amount of \$23,643,794, to affect the School Departments appropriation;

Be It Further Ordered: That a certified copy of said resolution be submitted to the Office of the City Auditor upon adoption

VOTE: 8 yes, 1 no (Clr. Willette)

MOTION BY: Councilor Zanni, seconded by Councilor Pappalardo to adopt Greater Lawrence Regional Vocational Technical High School FY 2009 Budget, page 87:

Methuen's Assessment: \$1,582,699

Net School Spending: \$1,396,514

Non Net School Spending:

Transportation: 52,505

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Long Term Debt/Service:	7,100
Capital Lease:	116,580
TOTAL:	\$1,572,699

Mr. Kelly read Resolution TR-08-38 Resolution Providing for the Adoption of the Fiscal Year 2009 Greater Lawrence Regional Vocational Technical High School Budget

Ordered: That in accordance with the provisions of Chapter 44, Section 32 of the General Laws, an amount of \$15,582,699, be and hereby is appropriated as Methuen's share in support of Fiscal Year 2009 for the Greater Lawrence Regional Vocational Technical high School as initially recommended by the Mayor. Provided however, that said appropriation shall be reduced from the Tax Levy in the amount of \$1,582,699, to affect the Greater Lawrence Regional Vocational Technical High School appropriation, and

Be It Further Ordered: That a certified copy of said resolution be submitted to the Office of the City Auditor upon adoption.

VOTE: 7 yes, 1 no (Clr. Leone), 1 abstention (Clr. Cronin)

Mr. Kelly read resolution TR-08-35 Resolution Providing for the adoption of the Fiscal Year 2009 General Government Budget

WHEREAS: The Mayor has submitted a General Government operating budget for the period beginning July 1, 2008, and ending June 30, 2009, in accordance with the provisions of Chapter 44, Section 32 of the General Laws as amended;

WHEREAS: Said budget as submitted and recommended by the Mayor has been determined by the City Auditor to be in compliance with Chapter 580 of the acts of 1980 (Proposition 2 ½) as modified by Chapter 781 of the acts of 1981, utilizing estimated equalized values; in accordance with the Constitution of the Commonwealth of Massachusetts relative to full and fair cash value assessments, reaffirmed by the 1974 Sudbury decision; and pursuant to Chapter 797 of the Acts of 1979; now

THEREFORE BE IT ORDERED: That in accordance with provisions of Chapter 44, Section 32 of the General Laws as amended and with the provisions of the Methuen Home Rule Charter, the Methuen City council hereby appropriates and authorizes the expenditure, for the period beginning July 1, 2008 and ending June 30, 2009 of the General Government appropriations in the gross amount of \$58,500,408, as recommended and provided for in the Budget Summary pages; said appropriation inclusive of fixed cost in the following amounts; \$673,046 for Overlay; \$7,614,734, for Debt and interest; \$48,000, for Non Contributory Pensions; \$5,858,359 for Contributory Pensions; \$10,767,671 for Employee Benefits and Insurance; \$2,822,174 in Solid Waste and disposal Costs; \$1,241,704, for County, Sate, & Miscellaneous Costs and \$98,723, for Restricted Use appropriations from the Cherry Sheet. Provided however, that said appropriations of the General Government Operating Budget shall be reduced from other available revenue funds known as Sale of Lots & Graves in the amount of \$100,000, from the Water & Sewer Enterprise Fund-Indirect Costs in the amount of \$1,514,757, from the Local Revenues in the amount of \$8,953,000, from the Health Insurance Trust Fund \$620,000, from Non Recurring Employee Benefits Grants Allocation \$190,746, from the Cherry Sheet in the amount of \$12,799,270 from Medicare Tax \$500,000 and

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from the Tax Levy in the amount of \$33,822,665, to affect the net General Government operating Budget; and

BE IT FURTHER ORDERED: That a certified copy of said resolution be submitted to the Office of the City Auditor upon adoption.

NEW BUSINESS

TR-08-42 Resolution Authorizing Acceptance of Donation to Methuen Police Department and Appropriation Thereof (Arbella Mutual Insurance Company)(EPA REQUESTED)

MOTION BY: Councilor Giordano, seconded by Councilor Zanni to adopt an EPA for the good and welfare of the community. UPON VOTE: UNANIMOUS.

TR-08-43 Resolution Establishing a School "E Rate" Revolving Fund Pursuant to the Provisions of General Laws Chapter 44, Section 53E ½ (EPA REQUESTED)

MOTION BY: Councilor Kannan, seconded by Councilor Zanni to adopt an EPA for the good and welfare of the community. UPON VOTE: UNANIMOUS.

MOTION BY: Councilor Zanni, seconded by Councilor Willette to adopt. UPON VOTE: UNANIMOUS.

ADJOURN

MOTION BY: Councilor Cronin, seconded by Councilor Giordano to adjourn. UPON VOTE: UNANIMOUS.

The meeting adjourned at 9:45 p.m.

I do hereby certify that at a meeting of which a quorum was present, the foregoing minutes were adopted by the Methuen City Council by a unanimous vote on July 7, 2008.

COUNCIL CLERK