

**HAMILTON FINANCE AND ADVISORY COMMITTEE
WENHAM FINANCE AND ADVISORY COMMITTEE
Minutes of Joint Meeting
January 11, 2017**

Members Present: Hamilton Members: David Wanger (Chair), John Pruellage, and Nick Tensen
 Wenham Members: Michael Lucy (Chair), Alexander Begin, Ned Flynn, Richard Quinn, and Mike Therrien.

This Hamilton Finance and Advisory Committee meeting was called to order at 7:05 pm at the COA building 299 Bay Road.
The Wenham Finance and Advisory Committee meeting was called to order at 7:05 pm at the COA building, 299 Bay Road.

Public Comments

None

Discussion: Shared Services: Merged Fire Service Concept – Pros/Cons, Issues, etc.

The chairs thanked the Chiefs for participating in the meeting. It was noted that in a couple of years both Fire Chiefs will retire, and it might be useful to examine whether one person replace them to oversee both towns saving both towns one-half of a salary. The replacement would include one Chief with two full time Deputy Chiefs / Captains. It was agreed that if potential savings were only \$10,000 to \$20,000, it would not be worth doing. Another compelling argument would be savings in apparatus. It would be necessary have a total merger instead of sharing a Chief or truck. There could be one department with two stations, but money could be saved by closing one station.

According to Phil Stevens, there were two payrolls, two budgets, and employees working for two different people. The merger might double the work for everyone. Chief Stevens thought that even if it was one department, it would still handle the same amount of work, but handled by a larger department. The reason to move forward would be to save money and offer better service, according to Chief Stevens who indicated that the Fire Department was the only departments in town that would grow. The savings would not be seen in black and white, but as more people move to town, the shared services would pick up the growth for both towns. Chief Stevens thought savings would happen over time and that there would be a need for five to six fireman, 24 hours a day if the two towns shared services for fire prevention. Currently full time employees covered business hours with nights and weekends being on call.

David Wanger noted that previous studies indicated that it was hard to attract call persons due to occupational or generational hardships and asked if the towns were moving toward permanent firemen by necessity. Phil Stevens replied that it was reported in the 1990's that the department

would a full-time department within ten years, but it has been twenty. While it was determined that fire departments with on-call employees was the least expensive, the way to lessen the costs would be to have fewer calls.

David Wanger suggested that in terms of calculations and a paper trail, if eventually the town was headed as two separate department to permanent status, why not consider that and combine departments as one full-time department. Phil Stevens stated that the ambulance service could be run for profit and that it could be done now separately to bring in revenue to compensate fire prevention expenses. Both fire departments go to medical calls with no reimbursement.

Typically, the fire department arrives on scene to stabilize the patient and then Lyons or Beauport transport the patient to the hospital and bill insurance companies, while the fire department gains nothing.

While concern was issued about call fire fighters coming from their homes to the Wenham Fire Department to pick up the vehicle and drive to someone's house, Bob Blanchard responded that the fire department's average call time was five minutes for firemen. Nine out of ten times, the firemen get there before the ambulance service. Discussion ensued regarding if a full time employee needed to be stationed on site for a 24 hour ambulance service. Chief Blanchard said it would be better service and the Town would be able to recoup the money for transport. It was agreed that response time / life safety trumped everything else.

According to David Wanger, there would be certain circumstances which would drive both departments to a permanent staff. Mr. Wanger recalled that the just-purchased new equipment and that more equipment would be in need of replacement. Mr. Wanger asked both departments when they believed on-call firefighter would no longer be reliable and if they might consider a combined approach when the time was due. No savings for merging would be realized according to studies done in the past. The demands on the average person to work as a part time firefighter included training demands and certifications, which was hard for the average person to put enough time into, according to Bob Blanchard who recalled that it took years to get a full time Chief. Three firemen should go out on each call, but some night calls have between two and ten responding. All the neighboring towns rely on and give mutual aid. Phil Stevens said the departments were already strapped for manpower but due to money issues, they would not get the needed increase in full time staff. Chief Blanchard said Wenham averaged seven people per call, with some being right there and some being ten minutes away. The requirement for the State was a nine minute response time from dispatch, so they were well within that in call times.

It was asked if both towns saw their future as fire departments with permanent employment with an ambulance creating added service and income, why wouldn't the Towns consider staying on the same timeline and combine the department into one. The structure would be in the form of the school or library, becoming an entity of itself with its own structure and financial operation (it was noted that this raise a whole set of other issues re governance, management, etc.). It was argued that it was more likely than not to be as expensive or more than what the towns had now. Half of the calls are EMS calls, which are handled with the duty crew, according to Phil Stevens. Manchester had three full time people 24/7 and when they went out on a call they would call in two more employees, according to Bob Blanchard who suggested having two locations and when one went off on a call, the other station would cover.

In response to David Wanger's question as to whether the previous study contained any useful information, Phil Stevens responded that it offered information about mergers, full time staff 24/7 and said there would be a more than minimal increase to Hamilton with a minor increase to Wenham. Mr. Wanger said the catalyst for the reconfiguration could be the ambulance. The Committees recalled that the Administrations tried shared services and it fell apart. The COA failed due to personalities and the Facilities Director / virtual DPW concept failed. Wenham and

Hamilton had already separated from common emergency dispatch.

David Wanger stated that there was logic to the proposition because in 5-10 years, the towns would be two separate, full time, permanent departments buying apparatus so wouldn't it make sense to begin to try to find some pathways through the issues now. Bob Blanchard said it could not start by sharing personnel or truck, it would need to be all at once. Nick Tensen asked if it would be harder to combine if there was permanent employment or before. Chief Blanchard responded that it would be easier before union intervention and the involvement of fewer people. Capital equipment purchases could be coordinated in case there was a merger. It was added that in FY19, a pumper truck would be purchased and Chief Blanchard responded that Wenham just purchased one.

David Wanger opined that the towns' societies were changing with younger residents who may not be as proprietary about town limits, sharing schools, sports and the library. Ned Flynn and Mr. Wanger wanted some sorting out of some standardized question. Mr. Lucy suggested capturing it in writing and having Town management and the Selectmen review concepts. Someone would need to file legislation as there were no shared fire department in Massachusetts but there were a couple of private companies that were in Rowley and Newbury with only Georgetown remaining as the last working one. Bob Blanchard said other towns had the conversation but the merger never happened. It was suggested that it might be due to the call fire department status. It was asked if service would be better with one full time chief and a fully staffed department to which Chief Blanchard answered yes, but it would cost more money.

There was a combined budget of \$1.4M for Hamilton and Wenham, which was the same as Manchester alone because they were doing the full time three person shifts. Manchester's population was less than Hamilton but more than Wenham. The population of Hamilton and Wenham combined was 12,000. The Manchester model was the minimum. A lot of towns had both full time staff and call firemen, according to Phil Stevens. Ned Flynn recalled that Weston had 14,000 people with a \$1.5M fire department budget. Ipswich had four men on a shift with the same population as Hamilton and Wenham combined

Phil Stevens said there was a recommendation to have three firemen on each shift, but it was not a State mandate. Ned Flynn asked if it made sense to get three adjacent towns to merge and suggested talking to other towns. While Essex County had been torn down, Metropolitan Area Planning Council (MAPC) had done some work. Beverly, Danvers, or Manchester were not having conversation together. Bob Blanchard said there was a third party mediator and forum to brainstorm and everyone agreed there was a problem but no solutions were offered. Changes needed to be generated by the Selectmen or some power in the town to do it. It was suggested that the Town Manager meet with other Town Managers but that was not happening.

David Wanger suggested putting the charge down in writing and consensus noting to take steps forward. Others may see this concept was germinating in terms of other communities. It was announced that the Topsfield Chief would retire in two weeks. Essex would be looking for full time people and a new station. While 20 years ago, there was 100% in town volunteers, Phil Stevens, said the breaking point was lack of in town volunteers. The DPW, estate, and store workers who originally filled the on-call positions, could not be replaced by the white collar community that existed today.

Last time this was brought up in a Selectmen's meeting, it was shot down within seconds so the Selectmen should be contacted before a working group was established. The difference this time could point to the lack of volunteers so a merger may be appropriate earlier. David Wanger suggested starting by sharing drafts of the concept, then get a buy in from the Selectmen. It would be the same amount of people covering two towns instead of one. Ned Flynn, and Rick

Quinn were working with Peter Lombardo on the Wenham ambulance working group.

There was a sense from the discussion that there is a need to get action to address the issues and that Town Management / Selectmen should be asked if they wanted to address it. David Wanger reiterated that he wanted to get thoughts down in writing to give the Selectmen something concrete. The Wenham study, conducted four years ago, was presented to the Selectmen who said it was not an issue to date even though it would be a problem someday. Bitter feelings from certain shared programs in the past were noted.

David Wanger wondered if the Hamilton Selectmen would take the lead and create an interest to pursue a solution. The library, which was a success, originally merged to save money, but that was not how it ended. The COA, dispatched facility director, and virtual DPW were failures. While there were lessons to be learned from the failures, it was probably due to personalities..

Insurance companies look at response time and water capacity and over the years the towns' ratings had not dropped, according to Phil Stevens who noted it was not a huge impact on the homeowner. Bob Blanchard considered the town losing control like the school entity with Hamilton paying a portion and Wenham paying a portion within a regional budget. Employees would need to answer to a committee and be employees of one town with trucks being registered in one town.

Discussion: HWRSD Superintendent's Proposed FY 18

The Committees noted that the proposed Superintendent's budget had come in at a net increase in town assessments of 1.2% which is helpful in containing municipal costs for FY 18. Wenham still faces enrollment shift impact and will for a couple more years. The need for turf fields was discussed with members having varying opinions. It was questioned if the maintenance of the fields would be reduced or if the benefit was due to multiple use and longer use if lights were used for night games. Injuries, environmental concerns, overscheduling of children, and health concerns were discussed. While the proposal was being look at by the Selectmen and the schools, the Recreation Department was for it. Shawn Farrell responded that the turf fields were being pushed to alleviate the use of Patton and Pingree Parks, creating a longer season. Mr. Farrell noted that field usage went way up when turf fields were constructed. Lights were a complicated issue with the neighbors. According to Shawn Farrell, the Selectmen had money for recreation fields from the sale of Patton Ridge. Wenham would need to determine their share.

Current School Committee membership was 6:1 in favor of Wenham. David Wanger recalled when the historic district agreements apportionment were based on populations, but Mr. Wanger said he had not seen the document. It was agreed it should be a set number of representatives from each Town.

Next meeting January 26, 2017 – Joint Meeting with HWRSD

Adjournment

Nick Tensen made motion to adjourn the Hamilton Finance Committee meeting.

Darcy Dale seconded.

Vote: Unanimous to adjourn at 8:26pm.

Rick Quinn made motion to adjourn the Wenham Finance Committee meeting.

Alex Begin seconded.

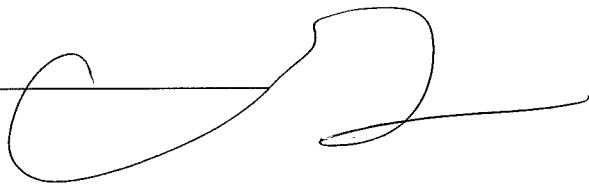
Vote: Unanimous to adjourn.at 8:26pm.

Prepared by:

Marcie

Ricker

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Attest

Date