



December 29, 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. Happy New Year!!!!

**Own/Rent Housing Opportunities in South Hadley:** Peter Gagliardi Executive Director of HAP and David Elvin our liaison from PVPC for our PATH Grant application coincidentally visit recently on the same day to discuss the respective views regarding housing.

The Planning Assistance Towards Housing (PATH) grant, is a state grant for up to \$25,000 to develop a housing production plan which focuses on sustainable land use and multi-family dwellings. David Elvin, is very much aware of the work his PVPC colleague Larry Smith is doing on the 40R. As the 40R initiative deals with density of housing the PATH grant is consistent with and adds a research dimension to the both the 40R and the Redevelopment Plan. The PATH grant will hopefully reveal important opportunities and obstacles while ascertaining the best path (sorry, I could not resist, someone spent a lot of time on that acronym, it would be a shame to waste it) to creating a housing specific plan for South Hadley. There is no "town" dollar contribution to this grant.

The Housing Assistance Program of Springfield, Peter Gagliardi and Michelle McAdaragh (South Hadley resident) came in to discuss their possible involvement in creating some workforce housing in South Hadley, primarily the Falls. They have great experience in developing affordable rental housing for working class families. HAP have been successful in creating housing for people with disabilities, as well. I went over the different programs and initiatives we have in process and encouraged them to make contact with Pioneer Valley Planning Commission (PVPC) specialists (Smith and Elvin) to explore how they may invest their expertise and monetary assets in South Hadley as we work towards fulfilling the state mandated subsidized housing index (SHI) requirement. The SHI measures the affordability of housing in a community, not just the "subsidies" which are a part of every city and towns inventory of rental and owner occupied housing.

There is a renewed interest in living in the South Hadley, the Falls in particular, the reasons are varied and diverse, the different information we will derive from the various studies past and present will help use evolve a sustainable understanding of the needs for this basic human

need. The reason, as varied as they are, manifest as another sign of a strong community. Having a diverse market portfolio is critical for any town, I hope SoHa continues to show strength in that regard.

**PVPC CDBG:** We continue to work with Erica Moody at PVPC to complete our 2015 CDBG application. This project will include money focused at Neighbors Helping Neighbors expanding their services to the underserved community and making the improvements at Lathrop Village and Newton Manor to improve accessibility. This important grant program is highly competitive and is directed at serving citizens who earn less than 51% of the median income.

This grant will be a joint effort between South Hadley and Granby, as you may recall from last year there is added strength to apply with a neighboring community. Given the competitive nature of the CDBG process we will need all the strength we can muster.

**Police Department Roof and Other Projects:** As you can see from the picture below (or almost see) the “snow/ice” barrier has been installed to protect the façade and interior from the damage previously caused from reoccurring freezing and thawing.



As is depicted, we only had the vapor barrier applied to the front of the roof, as it is where we were experiencing the leaking, the sun hits the back and we do not have the ice dam problems. This project may slightly exceed the \$15,000, the roofing quote came in around \$11K , but when the roof was stripped it was discover the soffit was not extended properly so I had it repaired and there will be an added expense of around \$4,000. It made sense to do it now not later.

In the same vain ATA Wolowicz has been coordinating the renovation of the Assessor’s Office, Board of Health and installing a new break area for employees in the basement. We had planned that Room 1 was going to serve as a training/meeting/break room, but has become so popular we need to rethink the use of Room 1. There are average of over 20 training/meetings in Room 1 monthly, so there is little opportunity to use it for employee lunches and breaks. The bottom-line we are addressing the obvious needs in this 100 year-old building, but as we get closer to starting repointing of the brick work, replacement of the boiler, replacement of the

elevator mechanisms, replacement of the front roof , all together totaling over a half million dollars, without addressing handicap accessibility, the auditorium and other obvious and not so obvious issues which will drive the cost up, I would suggest a communal decision should be made about the future use or adaptive reuse of the building.

**Budget FY 16:** All departments will have had their initial budget meeting with me by the January 6 SB meeting. There is nothing shocking to report and I am confident that we will be able to contain the budget within the constraints of Proposition 21/2 and by way of the savings we are making in other areas. However, we are anticipating a 2.5% increase in health insurance rates from HCHIT. There will be a required vote taken by the Insurance Advisory Committee on January 7. I will advocate to use some of the trust's reserve to lower the increase to 1.5%.

We will benefit from our movement to reduce staffing and the adjustments we made to Medex, but hopefully will combine with other measures we have taken to offset the increased rates.

We also will see an increase of about \$400,000 to our Hampshire County Retirement contribution, again a future cost I believe we will be aiding but taking a detailed look at any hiring. Our Payroll and Benefits Specialist has done a great job at positioning us to recoup dollars from other communities which by law are bound to share in the retirement health insurance cost if part of their credible service was with another town or entity. I would not count on this money, but at least now we know who the people are and are ready to bill those communities ...I am not sure if there is anything we can do if they do not pay.

I have reached out to both the Capital and Appropriations Chairs to set up preliminary meetings towards the end of January. All in all it looks like it will be a lean year, but not disastrous. On the revenue side we will calculate a loss of 5% in General Government subsidies over FY 15 from the Commonwealth as we build the revenue projections.

**Mohawk Fine Paper;** The last hurdle remains in regards to this substantial SoHa opportunity is getting the final lease documents from LakeStar Development, while I wish I could say there was no question in my mind the lease was forthcoming, I remain supremely confident it will happen.

There have been a number of inquiries as to employment and I have left a message with Mohawk offering to accept the applications and forward them to their HR if it would help their transition. It is an exciting time, I will rest easier when the envelopes are rolling off the line ...on Gaylord Street.

**Policy Development:** ATA Wolowicz, Superintendent Reidy and I are working on a "Vehicle Policy" which addresses the both vehicles which are taken home and use of personal vehicles, while the latter is much more commonplace, both a critically important. The "mileage" reimbursement will follow best practices and will be based on the IRS rate.

A person who regularly uses their personal vehicle will submit a reimbursement request monthly (i.e. Health Director, Building Commissioner) and mileage to and from one's home is

not reimbursable. Other travel must pre-notify administration and “best route” software (Google Maps) will be the default tool to calculate trips and only municipal business will be acceptable for submittal. Mileage to and from one’s home is not acceptable.

We will unveil the South Hadley Financial Policies at next week’s Professional Development Day (January 9). Town Accountant Bill Sutton, Treasurer/Collector Baldini and their staff have been involved in creating the fiscal guidelines which will act as standard operating procedures for all internal financial, budgetary and purchase procedures.

There continues to be review and discovery of defects and deficiencies in Personnel Policy, which I believe to be the normal course for policy. The ATA and Julie Gentile (Payroll and Benefit Coordinator) have done a great job recognizing the weaknesses and seeking best practices. It will continue to evolve, but we are in a much better place than this time last year. The savings from these policy adjustments have already started to show in the budget, small, but they will grow.

**Town Hall Boilers:** As we limp through the winter running mostly on two boilers (out of four) we have discovered boiler #3 which we use as a backup is not functioning. In order to avert a serious situation we have begun to cannibalize boiler #4 for parts. Old #4 was laid to rest half way through last year and the investment to bring back to life is not practical, so stealing parts to revive #3 was a practical and economical option.



Our property manager and the technician from the heating company agree, in most weather situations the building can sufficiently operate on two boilers, but in the case of a considerable cold snap or one of the two main workhorses quitting we would be in a difficult situation. Therefore the reclamation project for #3 is critical. This issue should be addressed in the spring on the Annual Capital List.

Happy New Year, I look forward to working with you in 2015.

Respectfully submitted

Michael J Sullivan  
South Hadley, Town Administrator