



Shaun A. Suhoski, Town Manager  
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**MEMORANDUM**

TO: Athol Board of Selectmen  
 FR: Shaun A. Suhoski, Town Manager  
 RE: Town Manager Update  
 DT: August 4, 2015

Dear Board: Please see the following update.

**Finance Matters:** The Town rolled over \$2,018,999 of the temporary financing for the water system expansion that serves the North Quabbin Commons development. The bond anticipation note received a low bid of 0.65 percent from Eastern Bank and the note will mature in March 2016. The bid was a good rate and translates into \$7,837.64 in interest costs according to Lynne Foster of UniBank, the Town’s bond advisor. The rollover for the nearly \$3 million project was adjusted downward by the \$1M of MassWorks grant reimbursement received but does not yet reflect the final contract figures. We anticipate that the amount to be bonded will be a few hundred thousand dollars less as the project appears to be closing-out under the initial cost projection.

BIDDER	AMOUNT	RATE
Eastern Bank	ALL	0.65
UniBank	ALL	0.70
Easthampton Savings	ALL	0.79

A separate BAN will need to issue for construction cash flow on the elementary school project; perhaps as early as next month.

**FISCAL YEAR 2016 BUDGET RECOMMENDATIONS**

ACCT #	Fiscal Year 2014	Fiscal Year 2015	Requested FY2016	Recommended FY2016
	Actual Expenses	Budget		
<b>Retirement</b>				
0100-911-5179 Pension Accumulation Fund	1,373,233	1,573,182	1,652,756	1,591,102
<b>Total Purchase of Services</b>	1,373,233	1,573,182	1,652,756	1,591,102
<b>Department Totals</b>	1,373,233	1,573,182	1,652,756	1,591,102



NOTE: Change to Worcester Regional Retirement System eff. 1/1/15. WRRS provides discount for lump sum payment of assessment in July 2015. Savings of \$61,654.

Finally, the Town issued a revenue anticipation note so that we could pre-pay our retirement assessment. The interest cost for the RAN – which will be paid in May 2016 – was \$9,483.23 and the savings for early payment was \$61,654 for a net benefit to the Town of \$52,171. With the temporary borrowing settled we’ll be able to make an adjustment in the debt service line item at the Fall Town Meeting. I will share a plan for the debt service correction at your next meeting.

**Town Hall Repair Projects Update:** After a period of time researching and searching for the best final coating products – and awaiting fabrication of the new railing system for the exterior stairs – Build Max has been back on site. They intend to begin painting the base of the cupola on Friday. Meanwhile the railing manufacturer has installed the galvanized pipe (silver), primed same (white) and completed final painting (black) yesterday and today. So, it was never to be silver or white, of course.



Also, a longstanding leak above the Town Accountant's office was located during the course of the work on the cupola base and will be addressed as will one additional area where bricks have lost all their mortar above the lower side entrance to the Town Hall.

The masonry will be repaired and the peeling cornice repainted.

The cost for the added work is less than \$2,000 and within budget. I hope to provide the Board with a final accounting at your next meeting.



**Police Supervisory Staffing:** As discussed at the July 21 meeting, I plan to engage the assistance of a five-member Police Chief Search Committee composed as follows:

- Two (2) members designated by the Board of Selectmen
- One (1) member designated by the Finance and Warrant Advisory Committee
- Two (2) members from law enforcement profession designated by Town Manager

Chief Anderson will also assist in an advisory capacity to the Town Manager.

The FWAC chairman has designated Paul Nelson to sit on the committee and I'm hopeful the Board will designate two of its members at your August 4 meeting. The Search Committee will begin its work in September. Chief Anderson and I are reviewing the Chief's job description to ensure it is current and meets the standards expected of the Town for this key position.

I am also reviewing the Lieutenant's job description – and position descriptions for the rank of Deputy Chief (we would have one or the other, not both) – to see whether that model may be more beneficial to the community. The Chief and Lt. Heath are assisting in this very preliminary discussion.

**Firefighter/EMT Chad Girard Graduates Fire Academy:** Chad Girard has graduated from the state Department of Fire Services firefighting academy in Stow earning the credentials of Firefighter 1, Firefighter 2 and Hazardous Materials First Responder operational level. Congratulations, Chad!

**Electricity Supply Contract and Solar Projects Update (standing update both complete):** This standing update shall remain until the Town and Library solar projects are fully operational.

**Lo and behold!** The Town solar field in Hardwick is operational and generating power to the grid. The so-called "commercial operation date" was July 24 and the Town should begin receiving "net metering

credits” – prorated in relation to the average kWh of our 40-plus accounts – in the August or September billing cycle. Further, the Town has locked-in to a 36-month fixed-rate for electricity supply from Suez Energy for \$0.08883 per kWh. A sub-nine-cent rate is very aggressive and represents an approximate savings of \$90,000 per year as compared to the 12-month weighted National Grid default rate.

In essence, the combination of net metering credits and new supply contract should serve to hold our electric costs steady for FY16 as was stated during the budget process. After a couple months of operation of the solar field a presentation will be made at a BOS meeting to see how the net metering credits are actually working.

The wiring inspector reports that RGS (Real Goods Solar) has informed him of a change in electricians and that new permits will be pulled in order to complete that project. The wiring inspector will notify me once the permits are pulled.

**Miscellaneous Items:** Other items include:

- Convened coordination meeting with code inspectors, finance and legal staff relative to vigorous enforcement of health and safety codes and ongoing tax title prosecutions.
- Participated with substance abuse task force at North Quabbin Community Coalition.
- Reviewed borrowing plan with bond advisor and finance staff.
- Filmed video segment with AOTV for parks and greenways initiative.



F/F Chad Girard, Chief John Duguay  
and state Fire Marshall Stephen Coan



Company Name: **Town of Athol**

Billing address: **584 Main Street - Suite 17, Athol, MA 01331**

Utility: **National Grid**

Number of Accounts: **40**

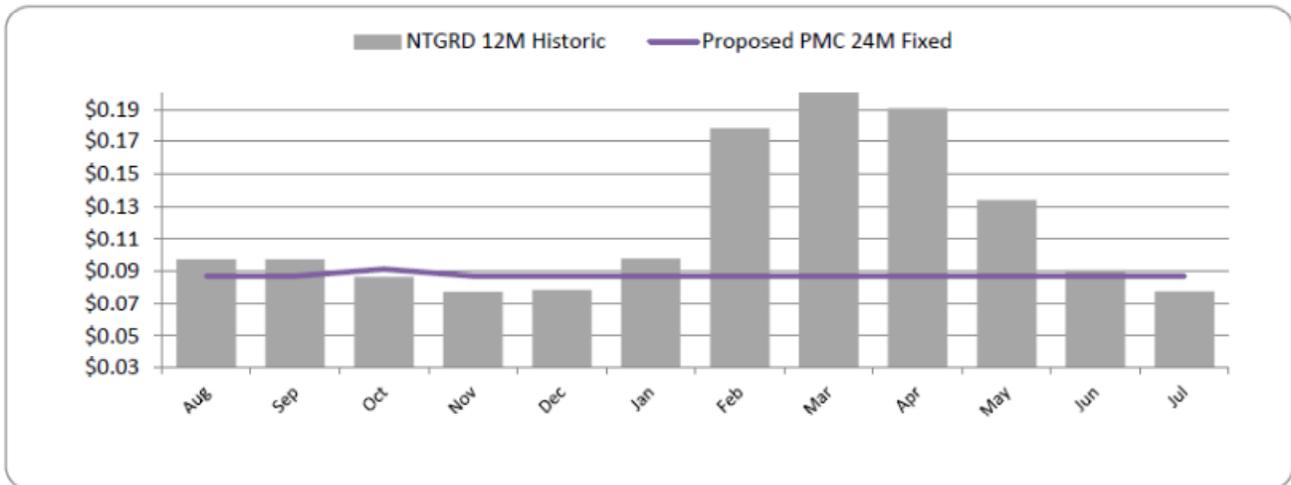
12 Months kWh Usage: **2,734,785**

Avg Monthly Usage (kWh): **227,899**

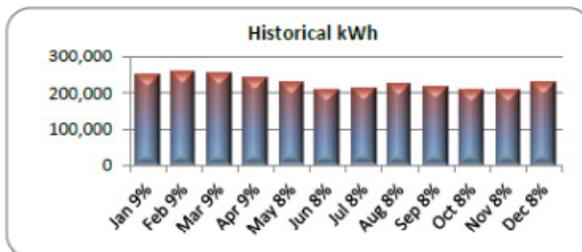
**Annual Rate Analysis**

<u>Current Month History</u>	<u>S/kWh</u>	<u>Proposed Rates - August 2015 Start</u>	<u>Impact + or (-)</u>
12 M Wgt Avg National Grid (G1/G2/G3)		<b>Fixed-</b>	<b>Proposed PMC 24M Fixed-</b>
(June 2014-May 2015)	<b>0.1213</b>	PMC 12M Fixed: \$ <b>0.08939</b>	Vs. Current Program: \$ <b>0.0343</b>
		PMC 24M Fixed: \$ <b>0.08699</b>	(+/-) Annual Impact: \$ <b>93,768</b>
		PMC 36M Fixed: \$ <b>0.08883</b>	Percent: <b>16%</b>

**Marketplace View**



**Account Detail**



**Annual kWh Usage and Facility Address**

Please See Attached Master List

The analysis and performance predictions above are Power Management's estimates of the energy costs described herein. This information is not a guarantee of performance or predicted result. Actual performance may vary from the information provided herein.