

GREENFIELD TOWN COUNCIL
Special Meeting Minutes
September 14, 2011

Greenfield High School Cafeteria

6:30 pm

CALL TO ORDER: Meeting was called to order at 7:04 p.m. by President Singer.

President Singer stated this meeting was being recorded. If any other person present was doing the same, they must notify the chairperson at this time. It was noted the Town Council was audio recording and GCTV-15 was video recording the meeting for future broadcast.

ROLL CALL OF MEMBERS: Roll Call was taken. Councilor Allis was absent.

ALSO PRESENT: Mayor William Martin; Director of Municipal Finance and Administration Marjorie L. Kelly; Town Clerk Maureen Winseck; Town Accountant Elizabeth Braccia; Town Attorneys Richard Hayes, Gordon Quinn, and Russell Denver; School Superintendent Dr. Susan Hollins; DPW Superintendent Sandra Shields; Human Resources Director Dennis Helmus; Precinct 7 applicant Karen Renaud; President Police Union A, David Rice; GEA Union Members Tom Bevacqua and Kathy Kennedy; Retirement Board members Betty Rice and Marilyn Matysiewicz; SSEA members MaryAnn Socquet and Alice Connelley; DPW Worker's Representative Frank Rossi; C Union members Kathy Garmalo, Peggy Kaepfel, and Carol Reed; Library Steward Jane Buchanan; Former UE Representatives David Cohen and Judy Atkins; GCTV-15 staff; Anita Phillips, *the Recorder*; and members of the public.

MOTIONS, ORDERS, AND RESOLUTIONS

MOTION: On a motion by Councilor Sutphin, second by Councilor McLellan, it was unanimously,

MOVED: THAT IT BE ORDERED THAT THE GREENFIELD TOWN COUNCIL WAIVES THE RULES OF PROCEDURE, RULE 8, ORDER AND DISPOSITION OF BUSINESS.

Ms. Kelly stated the Town Council was being asked to vote to allow the Town to deficit spend for expenditures caused by Hurricane Irene. She spoke of the attached document labeled Exhibit A, FEMA estimates. If the Town Council approved the order to borrow, notice would be sent to Massachusetts Bureau of Accounts. This would put them on notice for the Town borrowing on a short term basis for these expenditures.

Order no. FY 12-028

MOTION: On a motion by Councilor Sutphin, second by Councilor Farrell, it was,

MOVED: THAT IT BE ORDERED THAT THE GREENFIELD TOWN COUNCIL THAT THE GREENFIELD TOWN COUNCIL IN ACCORDANCE WITH GENERAL LAWS CHAPTER 44, SECTION 8(9) THERE IS AUTHORIZED AND APPROVED THE BORROWING OF \$13,000,000 TO PAY EMERGENCY APPROPRIATIONS ASSOCIATED WITH THE TOWN'S RESPONSE TO HURRICANE IRENE, WHICH ARE DESCRIBED IN EXHIBIT A. AND FURTHERMORE THAT THE MAYOR, THE TOWN TREASURER AND THE TOWN CLERK ARE AUTHORIZED TO TAKE ANY AND ALL SUCH ACTIONS, AND EXECUTE AND DELIVER SUCH CERTIFICATES, RECEIPTS OR OTHER DOCUMENTS AS MAY BE DETERMINED BY THEM, OR ANY OF THEM, TO BE NECESSARY OR CONVENIENT TO CARRY INTO EFFECT THE PROVISIONS OF THE FOREGOING VOTE.

DISCUSSION: Ms. Kelly noted any borrowing to be done would need Council and Mayoral approval. FEMA would reimburse the Town up to 75% of the cost of the disaster. Historically, the State would pay a portion of the 75%.

It was unanimously, 11 yes, 0 no, 0 abstain,

VOTED: TO APPROVE MOTION ORDER NO. FY 12 -028.

PUBLIC FORUM: President Singer noted the following procedure would be followed during the discussion relating to the Municipal Health Reform Act. This public forum was in no way to be considered bargaining.

The Mayor and Attorney Denver reviewed the following:

- The law and the steps the Town needed to take to implement the law (summary attached).
- The timelines set by the law if it were accepted by the Town.

- This law allows the Town to use an expedited process in collective bargaining.
- The law would not allow the Town to change the percentage paid by the employees.
- If this were favorably voted by the Town Council next week, it would be approximately 130 day until the process would be completed.
- The State Legislature moved this through the process quickly to allow Towns to benefit from the law.

In response to questions by Town Councilors the following information was given by the Attorneys:

- The 12 month mitigation implementation period outlined in the law.
- Public Employee Committee (PEC) recommendation must be a made by a majority of the members.
- If the Council were to adopt this law next week, the Town could not change the percentage retirees pay until June 2014.
- Currently, the Town/Employee split on Health Insurance was 80%/ 20% for the majority of employees. A small amount of employees opted for a higher plan with a 60%/ 40% split.
- A percentage change would be a collective bargaining issue.
- The Town has not identified a plan to be considered.
- The new law had been discussed with some of the unions for informational purposes.
- The PEC would negotiate to identify low wage earners and/or employees with high out of pocket expenses.
- Bargaining in good faith was required by law.
- The State would hire an independent agent to identify if the savings the Town was projecting was accurate.
- Communities which do not take advantage of this new law needs to report to the Secretary of Finance at the end of the fiscal year. The report must provide an estimate of the possible savings incurred if they had taken advantage of the new law.
- Moving the employees into the GIC was a completely different issue than adopting the new law.
- The most subscribed GIC plan would be used as the “base” plan. The Town could not adopt a plan with higher standards than the “base” plan if the new law was adopted.
- Currently, if there was an impasse during negotiations, a State appointed mediator would be brought in if the mediator could not resolve the impasse, there were further processes which could add considerable time on to the negotiation.
- Theoretically, other negotiation issues could take a considerable amount of time even if the law was adopted.

Public Comment

- Tom Bevacqua, 65 High Street, GEA - Questioned when the 30 day notice began. Health Insurance was a significant part of negotiations. “Shame on the state” for placing a 30 day deadline on such an important issue. This was putting a considerable amount of pressure on the Unions. He asked if the Town Council felt pressure from this proposal.
- David Cohen, 335 Green River Road – was a retired UE Representative however he had been involved in negotiations with the Town for over 20 years. The basic purpose of the law was to make employees pay more. The GIC would cost the current Town employee more money. State employees were generally paid higher wages than Town employees. A 30 day negotiation period doesn’t work. During the last contract with the last administration, the Town was found not to be bargaining in good faith. The past two contracts, Town employees agreed to larger co-pays and a higher percentage of Health Insurance premiums. The unions have tried to help the Town save money in Health Insurance.
- David Rice, 321 High Street, President Patrolmen’s Union and Chairman of the Insurance Advisory Commission (IAC) – In the spring of this year, the IAC was unable to forward a recommendation to the Mayor regarding a high deductible plan because of short time constraints and missing information. The GIC plan would not be a good fit for Greenfield and was not good for the retirees.
- Jane Buchanan, 24 Phillips Street, Library Union Steward – Understands the financial constraints on the Town, however, objected to the balancing of budgets on the backs of municipal employees. The employees were not the problem; it was the dysfunctional health care system that was the problem. She would like to see the Town make decisions on what would be best for employees, not a statute out of Boston. That may not be the best for Greenfield’s needs.

Attorney Denver stated the 30 days started from when the Town provides notice to each PEC member with information regarding the proposed plan, savings, and mitigation plan. He was not familiar with any way the Town could adopt the law then create an ordinance to amend items relating to the law. Attorney Hayes stated Ordinances could not be created to affect collective bargaining. He stated the unions affected could negotiate for other items of interest. All unions would have more than sufficient time to negotiate for any impact proposals they wish to make once the new Health Insurance changes go into effect. Attorney Hayes stated this law would make the Town’s Health Insurance equivalent to the state plan. Attorney Denver stated there was no

provision in the law which defined the Health Insurance provider or plan. Ms. Kelly stated it was important for everyone to understand there was no intention of changing the health care carrier. The Town was working with Health New England for a viable plan.

Public Comment

- o Frank Rossie, Principal Officer Teamsters Local 404, DPW Workers Representative – Stated the Town Council had two choices 1.) Stay with the statues and by doing so would have to answer to the state with the costs. The negotiation process would remain the same, and 2.) Town Council accepts the new law, for which 25% of the savings comes back to the employees. The Town may find during negotiations after the new law was accepted, the employees would negotiate for some of the 75% the Town gets from the savings. GIC would be a substantial cost to an employee who has a family member with dependants. Repercussions would be to the employee not the municipally.

Attorney Denver noted that if the Town accepted the law and wished to change the co-pay and deductibles in the future, the Town would be required to go through the same 30 day expedited process outlined in the law.

President Singer noted the Town Council would consider the acceptance of the law at their regular meeting on September 21, 2011. Correspondence should be sent to the Town Council office.

ADJOURNMENT: On a motion by Councilor Farrell, second by Councilor Wisnewski, it was unanimously **VOTED:** TO ADJOURN THE MEETING AT 8:04 P.M.

A true copy,

Attest: _____
Maureen T. Winseck, Town Clerk

GREENFIELD TOWN COUNCIL MEMBERS

Greenfield High School Cafeteria
Special Meeting
September 14, 2011

1. Kelner, Marian	P						
2. McLellan, Thomas	P						
3. Allis, Brickett	A						
4. Ronhave, Steven	P						
5. Singer, David	P						
6. Hoffman, Hillary	P						
7. Vacant	---						
8. Vicencio-Rasku, Iris	P						
9. Hirschfeld, Norman	P						
10. Farrell, Timothy	P						
11. Wisnewski, Mark	P						
12. Devlin, Patrick	P						
13. Sutphin, Tracey	P						

EXHIBIT A
FEMA/MEMA ESTIMATES

DPW		
Green River Water Supply Dam	\$6,500,000	estimate Tighe & Bond retained 8/29
Solon St Inceptor repair	\$176,000	quoted price Davenport Construction retained 8/30; work starting 9/7/11
Water Pollution Control Plant	\$750,000	estimate CRS, Aaron Assoc, AECOM and Elm Elec retained 8/29
Erosion downstream of Green River Pump Station	\$80,000	estimate New England Environmental retained 8/30
Misc road, bike path erosion (including Mead St)	\$12,000	estimate Town doing work
Removal covered bridge from river	\$150,000	estimate Davenport retained 8/29
Replacement of bridge & road at Eunice Williams Drive	\$3,000,000	estimate Tighe & Bond
Remove debris from Petty Plain Foot bridge	\$12,000	estimate Davenport retained 8/29
Swimming Pool on Green River-Grounds, fence bldg & bldg contents	\$65,000	estimate CRS and Elm Elec retained 8/29
North and southeasterly retaining walls at Swimming pool	\$500,000	estimate Tighe & Bond scheduled to view this 9/7/11
8 in sewer crossing under Green River @2A bridge breeched	\$1,300,000	estimate AECOM (nee Metcalf & Eddy) retained 8/30
		Quote (4 months)
Bypass pumping at 2A bridge to stop raw sewage to river	\$19,500	Godwin Pumps (equipment and setup)
Clean up of Green River Park, reseeding	\$2,500	estimate Work will be done by Town crews
POLICE		
Personnel Costs	\$15,668	
Equipment	\$275	
Fuel	\$770	
FIRE		
Personnel Costs	\$19,000	
Equipment	\$750	
Fuel	\$900	
SCHOOL DEPT		
Personnel Costs	\$2,000	
Supplies	\$1,000	
Building Damage	\$5,000	
	\$12,612,363	

ANALYSIS: THE NEW MUNICIPAL HEALTH INSURANCE REFORM LAW

Final FY2012 Budget (H. 3535 w/Gov's Amendments in H. 3581)

What this legislation does:

Requires the mandatory enrollment of municipal retirees in Medicare

Makes changes to existing Chapter 32B, Section 19:

- Lowers the threshold to enter into the Group Insurance Committee (GIC) from 70% to a majority
- Changes the notice requirement for the initial meeting of the public employee committee (PEC) and the appropriate public authority (authority) from 30 days to 7 days and now requires at least 3 business days notice for subsequent meetings

Creates two new sections, 22 and 23, in Chapter 32B that would allow municipalities to either do plan design or enter the GIC under the following conditions:

- By local option, upon approval of the city council and mayor/manager or the board of selectmen
- The authority must notify the PEC of its intent to make changes or join the GIC and should include the proposed changes, an estimate of anticipated savings for the first 12 months of implementation, and a proposal to mitigate the impact on subscribers (including retirees, low-income subscribers and those with high out-of-pocket costs)
- The PEC is comprised of one representative from each of the municipality's unions and one retiree
- The authority and PEC have 30 days after the PEC receives notice to negotiate over the proposal; any agreement must be approved by a majority vote of the PEC (however, the retiree representative has 10% of the vote)
- If the authority and PEC cannot agree on the proposal, the matter goes to a 3 person "municipal health insurance review panel" consisting of 1 person appointed by the authority, 1 person appointed by the PEC, and 1 chosen from a list of persons recommended by the Secretary of Administration and Finance (A&F). The authority and PEC have 3 business days to agree on the third person, otherwise the Secretary of A&F will choose this person. The municipality and PEC will split any associated costs or fees.
- The panel must approve the proposed benefit changes for immediate implementation as long as the changes were made in accordance with the requirements of these new sections and has 10 days to:
 - Confirm the estimated savings
 - Review and adjust the mitigation proposal (i.e., give more of the savings to subscribers in the form of health reimbursement arrangements, wellness programs, health care trust funds for emergency medical care or inpatient hospital care, out-of-pocket caps, Medicare Part B reimbursements or reimbursements for other qualified medical expenses)
 - However, the panel cannot give more than 25% of the savings back to the subscribers

- In making its decision, the panel may also consider an alternate mitigation proposal by the PEC and, in evaluating the distribution of savings to retirees, may consider any discrepancy between the contribution ratio of retirees compared to that of other subscribers
- The panel's decision is final and binding
- The Secretary of A&F will establish regulations governing the negotiations with the PEC and the panel, and will issue guidelines to be used by the authority and the panel in evaluating which subscribers are disproportionately affected by the proposed changes, subscriber income and subscriber out-of-pocket costs associated with health insurance benefits
- Savings is defined as the difference between the total projected premium costs for health insurance benefits with the changes made under Section 22 or 23 for the first 12 months after implementation and the total projected premium costs for that same period without such changes (not just the savings realized by the municipality)
- The first time a municipality makes changes under these new sections it is prohibited from increasing retiree contribution ratios for a period of 3 years
- Additional details regarding Section 22, or the Plan Design option:
 - As part of both its Medicare and non-Medicare health plans, municipalities have the ability to provide co-pays, deductibles, tiered co-payments and other cost sharing plan design features that are no greater in dollar amount than the plan design features offered by the GIC's largest Medicare and non-Medicare subscriber plans
 - A municipality can only provide plans with a reduced or selective network if it also provides a plan without a reduced or selective network
 - Municipalities can still offer plan design features that are greater in dollar amount than the plan design features offered by the GIC as long as it bargains those changes
 - Every time a municipality increases the dollar amount of its plan design features, it must satisfy the requirements in Section 21 (b) through (h); i.e., estimate the potential savings, notice the PEC, negotiate the mitigation plan. However, a municipality's city council or board of selectmen is only required to take the vote to use this new option once.
- Additional details regarding Section 23, or the GIC option:
 - Municipalities must demonstrate to the panel that joining the GIC would save at least 5% more than the maximum savings possible under the plan design option
 - For the next fiscal year (FY2012), the GIC is required to provide three opportunities (January 1, 2012; April 1, 2012; and July 1, 2012) for municipalities to transfer subscribers, provided that the municipality gives the GIC four months notice of its intent to do so

Miscellaneous changes:

- Municipalities in Chapter 32B are authorized to offer health reimbursement arrangements and health care flexible spending accounts and are required to undertake an enrollment audit at least every two years to ensure its subscribers are eligible for health insurance
- Requires that the GIC or other insurance carriers give municipalities in the GIC their historical claims data within 45 days of making such a request
- Each fiscal year, the GIC must create a report detailing the plan design features for both its non-Medicare and Medicare extension plans with the largest subscribers and post this report on the GIC website
- Prohibits changes to the co-pays, deductibles or other cost sharing plan design features that are specifically referenced in a bargaining agreement until that agreement expires

For more information: Contact Jennifer R. Garcia at the Metropolitan Area Planning Council at 617-451-2770 x2046, or jgarcia@mapc.org.