

# TELEGRAM & GAZETTE

FRIDAY, SEPTEMBER 19, 2008

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Weather



A2

Sunny but cool  
High 60, low 46

★ ★ ★

60 CENTS

Living

## Here comes Tamfest '08

Music festivals have been popping up all over Worcester lately, and here's another  
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WORCESTER MASSACHUSETTS

## LOCAL NEWS

### WORCESTER

#### WRTA RAISING FARES

The Worcester Regional Transit Authority Board unanimously voted to raise fares 25 cents per trip.  
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### WORCESTER

#### PROBATION IN GUN CASE

A man shot by police after firing a pellet gun at officers is placed on probation.  
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### WORCESTER

#### RETIREES WANT INPUT

Retired municipal employees want a seat at the bargaining table during health care negotiations.  
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# Police union scrambles to keep details

By Shaun Sutner  
TELEGRAM & GAZETTE STAFF

## Worcester brass aiding plan to fight gov. on flaggers

WORCESTER — Police officials and union leaders are working behind the scenes to fast-track a provision that would preserve lucrative road work details for city police officers even as Gov. Deval L. Patrick's administration is readying to issue rules by Oct. 3 that would require lower-paid civilian flag-

gers at many locations. One potential scenario could have city councilors taking up as soon as Tuesday a new municipal ordinance that would carve out an exemption from Mr. Patrick's plan for Worcester police; such a move could proceed without a public hearing because it would not be the result

of a recommendation from City Manager Michael V. O'Brien. Another approach being considered in fast-moving private negotiations among the union, Police Chief Gary J. Gemme, and Mr. O'Brien is to pen a memorandum of agreement that would make the issue part of union contract negotiations and

give the manager leverage to obtain concessions in exchange for keeping the details. Chief Gemme, like many other police officials across the state, framed the issue as a critical public safety matter, though

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# Word of fix sparks rally



Photos/THE ASSOCIATED PRESS

A cleaning crew sweeps the floor of the New York Stock Exchange after the close of trading yesterday.

## Dow's leap makes up most of Wednesday loss

By Patrick Rizzo, Jeannine Aversa and Martin Crutsinger  
THE ASSOCIATED PRESS



Richard Reilly, right, holds his head yesterday as he trades with Nicholas Cerone in the S&P 500 futures trading pit in Chicago.

WASHINGTON — The stock market finally found reason to rally yesterday, and Congress promised quick action as the Bush administration prepared a plan to rescue banks from the bad debt at the heart of the worst crisis on Wall Street since the Great Depression. Details of the plan were still being worked out, but Treasury Secretary Henry M. Paulson Jr. emerged from a nighttime meeting in Capitol Hill to say he hoped to have a solution "aimed right at the heart of this problem."

As word of a government plan began to reach Wall Street earlier in the day, the Dow Jones indus-

trial average jumped 410 points, its biggest percentage gain in nearly six years.

The rebound also came after an infusion of billions of dollars by the Federal Reserve and world governments aimed at getting nervous banks to stop hoarding money and lend again.

Stocks had fluctuated throughout the day, without severe swings in either direction, until CNBC reported the administration might back a new agency to take bad assets off the books of struggling financial institutions.

But a person with knowledge of the talks told The Associated Press that the idea, patterned after the Resolution Trust Corp. set up in the aftermath of the savings and loan crisis of the 1980s, was not a certainty.

- Banks look for buyers, PAGE D1
- Putnam closes fund, PAGE D1
- Slowdown deeper than forecast, PAGE D1

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### The Dow's up and downs



# Fruitlands says ex-COO embezzled \$1M

By Karen Nugent  
TELEGRAM & GAZETTE STAFF

HARVARD — Fruitlands Museum has filed a lawsuit against a former chief operating officer and her children for allegedly embezzling more than \$1 million during the past eight years.

Also named is a Leominster accounting firm that allegedly did not notify museum officials about the alleged fraud.

The lawsuit, filed Tuesday in Worcester Superior Court, accuses Peggy Kempton, Fruitlands' former chief op-

erating officer, and her children, Kristen Kempton, Bunker Kempton, and Robert M. "Michael" Kempton Jr., all of 38 Main St., Hollis, N.H., of obtaining money and property by false pretenses, and converting or misappropriating Fruitlands' assets.

Peggy Kempton, who leased a cottage owned by Fruitlands at 144 Prospect Hill Road, next to the museum, for \$1,400 a month, is also accused of failing to pay rent.

Solar & Kilcoyne, an accounting firm at 32 School St., Leominster, is

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THE ASSOCIATED PRESS

A sign marks the entrance to the Fruitlands Farmhouse.

# O'Brien fails to regain his seat

## Judge rejects blocking vote

By Brian Lee  
TELEGRAM & GAZETTE STAFF

WORCESTER — A Superior Court judge yesterday denied Kenneth M. O'Brien's petition to block the Oct. 7 special election to replace him on the Southbridge Town Council.

Judge Timothy Q. Feeley also declined to reinstate Mr. O'Brien to the council.

Mr. O'Brien wrote to Town Clerk Madaline I. Daoust on June 26, stating he intended to resign from the council. Mr. O'Brien, who represented



Mr. O'Brien

himself in court, told the judge he was dealing with a personal issue and that the letter was merely "a heads-up" to the clerk's office, in case he followed through.

After learning that the town accepted his resignation, Mr. O'Brien said, he attempted to rescind the letter on June 29.

Brian W. Riley of Kopelman & Paige represented the town, Ms. Daoust, and Councilor Laurent E. McDonald, all of whom were

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# Canine helps foil robbery

## Dog points to gun and zombie mask

By Scott J. Croteau  
TELEGRAM & GAZETTE STAFF

WORCESTER — Police yesterday quickly tracked down an armed man who allegedly robbed a Grafton Street bank wearing a zombie-type Halloween mask, thanks to some alert citizens and a keen canine.

While police were going to the Bay State Savings Bank branch at 799 Grafton St. at 9:36 a.m. after a reported robbery, a nearby city motorist saw smoke shoot out of a silver Chevrolet Malibu. The Malibu then went into a nearby business plaza at Grafton and Valmor streets.

What the motorist didn't realize was that the "smoke" was caused by dye packs exploding

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