



Finance Committee **Meeting Minutes** **January 26, 2022**

The regular meeting was called to order at approximately 6:00PM by Acting Chair Stefanie Coxe. Roll call of Finance Committee members present: Stefanie Coxe-Y, George Perkins-Y, Jack Moylan-Y, Nathan Ladley-Y and Robert Ciavarra-Y. Absent was Brian Gardiner. Also attending: Town Administrator Robert Whritenour and Assistant Town Administrator William Scott.

William Scott, Assistant Town Administrator, read the advisory as required by Massachusetts General Laws, Chapter 30, Section 18-25, and pursuant to Chapter 20 of the Acts of 2021, an Act relative to extending certain COVID-19 measures adopted during the State of Emergency, consistent with Governor Baker's March 12, 2021 executive order and as amended and signed into law on June 16, 2021 extending Open Meeting Law provisions to April 1, 2022, and the public was welcome to attend the meeting either in person or via the alternative public access. The notice was posted and the Zoom link was provided as well.

1. DPW Department Budget Review

Jeff Colby, Director of DPW, appeared before the Committee. He was accompanied by Roby Whitehouse, Assistant Director, Amanda Lima, Town Engineer, and Laurie Ruzsala, Director of Wastewater. He reviewed the PowerPoint presentation on the FY2023 budget including the following highlights:

- Mission statement
- Recap of key points/highlights of the past year
 - Buildings and grounds
 - Highway
 - Waste management
 - Water
- Budget overview
 - FY2021 actual
 - FY2022 on track
 - FY2023
- Changes in the budget – DPW Facilities
 - Wages
 - Expenses

Discussion ensued on ways to enhance the role of the Facilities Department. Mr. Colby stated that the Facilities Department is on a strict budget and does not generate additional revenues. However, his request to prioritize an increase in staffing would enable that department to respond to the Police and Fire Departments' proposed consolidation. There is a part-time maintenance person that does not report to the DPW at the Senior Center, and more can be done to centralize services to utilize resources collectively.

Additional personnel could also be used to service and maintain Town vehicles. The new DPW facility was designed with four maintenance bays. There are currently two mechanics in the Highway Department and the addition of a third maintenance person would not only decrease the need to outsource vehicle maintenance, but would facilitate the maintenance of all Town-owned vehicles.

Mr. Moylan asked if there was opportunity to use students enrolled at the Vocational Tech in apprenticeships not only as mechanics but in other areas such as beaches, golf course, cemetery, etc. Mr. Colby responded that was limited opportunity in full-time opportunities, as many positions require license qualification as written in the job description approved by the union. However, there was opportunity to explore offering apprenticeships in the part-time job classification.

- Changes in the budget
 - Tree expense
 - Greenhead fly
 - Wages and expenses
- Changes in budget
 - Admin/Engineer

Mr. Colby noted that changes in wages reflected the recent reorganization of positions within the department. The Assistant Director position was finally filled after many years of vacancy following the death of the employee.

- Changes in budget
 - Highway
- Changes in budget
 - Snow and ice

Mr. Colby noted that the intensity and duration of storms has increased over the last ten years. The compensation of contractors was increased this past year in order to stay competitive with neighboring towns.

- Changes in budget
 - Sanitation

Ms. Whitehouse noted that the costs of construction and demolition and general recycling continues to go in addition to new regulations by DEP with regard to mattresses. She has submitted a request to Town Administration for an increase in recycling fees for construction, demolition and mattresses.

Discussion ensued on the unintended consequence of raising fees of illegal disposal. Ms. Whitehouse noted that the fees for construction and demotion have not been raised since 2017, and contractors consider the Town's disposal an excellent option for disposal of materials and the ease of getting into and off the site. Mr. Colby noted that the Town needs to raise fees to cover costs, but not to the cost-prohibitive extent that it leads to illegal disposal methods.

- Changes in budget
 - Septage

Discussion ensued on the management of the enterprise fund and the unpredictability of revenue and expenses. Mr. Colby noted that retained earnings serve as a buffer. He also noted that the septage product cannot be processed and needs to be disposed of at a landfill in New York. New England facilities no longer accept this disposal due to PFAS concerns.

Chair Coxe noted it would be helpful for the Committee to see an actual balance sheet for this fund indicating assets and liabilities and retained earnings. This information could be attached as an addendum to a department's budget proposal. In this way the Committee would have a better understanding of the actual costs and forecasting for developing trends.

- Changes in budget
 - Wastewater

Discussion ensued. Mr. Colby noted that Town Meeting had appropriated \$200,000 for wastewater treatment plant planning efforts, which are now ongoing. Funds with regard to design and construction will not be needed until the Spring of 2023. Debt service is anticipated at some point in the future. The two DOT projects for the opening of Route 28 are planned for 2024.

Discussion also ensued on the \$1.6 million transferred from short-term rentals into an enterprise fund. Going forward, a stabilization fund will be created to provide structure for these payments to automatically accrue for the purpose of the wastewater project. A warrant article will be presented at the Fall Town Meeting.

Chair Coxe asked Mr. Colby to return to the Committee at a future time with an update on the project.

- Changes in budget
 - Water
- Change in budget
 - Cemetery
- Change in budget
 - Park

Chair Coxe asked for clarification on the maintenance performed on beaches. Mr. Colby stated that beach receipts in the amount of \$877,000 go directly into the general fund. Six full-time and six part-time seasonal staff oversee the cleaning of restrooms and beaches as well as eleven employees as beach gate attendants. Ms. Coxe asked for a breakdown of services performed across departments of park and beach maintenance.

- Challenges facing Public Works
- Recommendations to consider for addressing future challenges
- Free Cash requests
- FY2021 Actuals

Chair Coxe stated, that in light of the fact that all Cape towns are struggling to attract and retain qualified workers, the Town needs to consider ways to offer billable services to other neighboring towns. With some kind of capital investment in a particular division, she asked Mr. Colby to consider what services that his department could offer to capture market share and position. Mr. Colby responded that water had been supplied to Barnstable and could be supplied to other towns as well. In the field of wastewater, with a new water treatment facility, there may be opportunity to provide treatment services to the Town of Dennis and other towns.

Discussion also ensued on the intended benefits of the recent reorganization both short-term and long-term in terms of service delivery. Mr. Colby stated that the work is ongoing in addressing service deficiencies. In terms of consolidation of services, the IT Department serves all departments and consolidation of services for other departments is an ongoing goal. He also addressed Mr. Perkins' questions about the process of handling the sludge byproduct eventually turning over to compost.

Discussion also ensued on the Department's capital items. Routine capital items address the well redevelopment with the ongoing replacement of four to five wellheads each year. Water main replacement is coordinated each year with water infrastructure planning. The Sandy Pond facility is an aged facility that is maintained regularly, but will need to eventually be replaced. Vehicles are maintained and need to be replaced when the cost of maintenance becomes cost-prohibitive.

Chair Coxe asked for a list of items of capital requests that are carried over year to year through maintenance and an assessment of their "life expectancy."

2. Preliminary Vote for Above DPW Departmental Budget

MOTION: To recommend approval of the DPW budget as presented.

Motion by: George Perkins

Seconded by: Nathan Ladley

Roll Call Vote: Stefanie Coxe-Y, George Perkins-Y, Jack Moylan-Y, Nathan Ladley-Y and Robert Ciavarra-Y.

5 ayes; 0 nays. The motion passed unanimously.

3. Old Business

Chair Coxe asked for any old business items for discussion. There were none.

4. New Business

Chair Coxe expressed concern that the Finance Committee was not brought into the general discussion of the relocation of the fire training academy, and asked about the process of when the Finance Committee generally gets "weaved into" the discussion of a capital item.

Town Administrator Whritenour gave a brief history of the project. The way the project was designed it was not intended to have a financial impact on the Town and thus the Finance Committee was not involved in the initial discussions. He acknowledged that the Committee should have been involved and committed to working with the Committee throughout the contingency discussions.

Mr. Whritenour then gave a brief history of the project. The original fire academy in Provincetown was closed down due to environmental concerns. The new site selected was deemed not feasible for relocation and the Cape Cod Association of Fire Chiefs was asked to consider a more central location for the facility to serve the area. A \$750,000 grant was obtained from FEMA. A parcel of land was identified behind Fire Station 3 in Town for an "environmentally safe" building structure located on a slab. The inside is equipped with propane gas and a water-based system for extinguishing "practice" fires. Since the Cape does not have enough real fire incidents to maintain the "hands-on" skills of firefighters, this facility would provide a modicum of training for local and neighboring towns' firefighters to maintain and build the necessary skills to successfully address a fire catastrophe for T

The county came forward with a 100% match to the grant and promised all towns on the Cape a turnkey opportunity of 100% funding. It would be operated by an intermunicipal agreement with the fire departments to pay for the operation and maintenance only. The Select Board had a number of readings to ensure that the agreement amongst all of the towns would receive enough funds for the operation and maintenance of the facility. Affidavits will be submitted signed by all towns to provide funding and complete indemnity of all costs.

Chair Coxe stated that the Finance Committee have a platform along with the Select Board to vet all the issues. She noted that the financial arrangements with the previous county-wide police academy project did not materialize. Mr. Whritenour acknowledged that it would have been better to involve the Finance Committee in the initial deliberations with the Board of Selectmen. He stated that he is looking forward to working with the Finance Committee in addressing the hard questions on this project. He stated that he would invite the Fire Chief to a meeting to provide more detail on the project. He also stated that Town Counsel is reviewing all aspects of the intermunicipal agreements including addressing risk and liability by the provision of insurance and indemnification of user parties.

Assistant Town Administrator Scott stated that he and the Town Administrator are committed to setting up policies with the Finance Committee to clarify budget and CIP submittals.

Chair Coxe asked for clarification on the process of generating minutes of meetings and postings of the recordings on the website. Town Administrator Scott stated that he will work with IT to ensure the quality and timely posting of meetings on the Finance Committee webpage. He will resubmit the backlogged minutes for review by the Chair and Committee members and notations of amendments, which will be corrected by his staff. They will then be presented to the Committee for general motion and approval as amended. Ms. Coxe asked members to forward any revisions to her for inclusion in the final minutes.

5. Adjournment.

MOTION: To adjourn.

Motion by: Robert Ciavarra

Seconded by: Jack Moylan

Roll Call Vote: Stefanie Coxe-Y, Robert Ciavarra-Y, Jack Moylan-Y, George Perkins-Y and Nathan Ladley-Y.

5 ayes; 0 nays. The motion passed unanimously.

Meeting adjourned at 7:56PM.

Respectfully Submitted,

Christine Martin Barraford

Attachments:

DPW Budget Presentation