

MINUTES BOARD OF SELECTMEN FEBRUARY 26, 2009
Human Services Building, Quaker Meetinghouse Road
7:00 p.m.

Present: Linell Grundman, John Kennan, Frank Pannorfi, Randal Hunt, Dana Barrette

George Dunham, Douglas Lapp, SACAT, Sandwich Broadsider, Carl Johnsen, Bill Carig, Maureen Wicklund, Charles Kleekamp, Dave Mason, Rob Steen, Architect Wendall Kalsow and Project Manager Dave Lager, Stefanie Celata, Paul Kilty, John Vibberts

PLEDGE OF ALLEGIANCE

REVIEW AND APPROVAL OF MINUTES

Mr. Kennan moved the minutes of February 12, 2009. Mr. Pannorfi seconded. Unanimous.

TOWN MANAGER'S REPORT

1. On Monday, March 2, the Vocational Technical School will host a meeting at 5:30 p.m. with the five member communities for an overview of the school and the budget.
2. Finance Committee meets Tuesday, March, 3; and Selectmen meet Thursday, March 5.
3. On Tuesday morning, Mr. Dunham attended a meeting at the Cape Cod Commission on the Green Communities Act which the County is trying to address regionally. County Commissioners will be coming into to March 12th Selectmen's meeting to explain it. It requires a Board of Selectmen vote with quite a bit of effort involved and will need to get Energy Committee involved.
4. An internal posting was done for the police chief assessment center. Only three applicants applied and four were needed to proceed. Mr. Dunham will be speaking with the consultant to discuss the options.
5. The ad has been placed for the cable TV license renewal RFP. A copy of the ad was faxed to Verizon; however, Mr. Lapp spoke with the Vice President at Verizon who said they are not interested in negotiating, at this time. They have not built-out their network to this area right now. We will keep communications open with them for future bidding. The bids are due back on March 9.

CORRESPONDENCE/STATEMENTS/ANNOUNCEMENTS

- Mr. Pannorfi, Mr. Dunham, Ms. Grundman and Mr. Kennan attended a meeting in Boston on Wednesday, February 25 hosted by Senate President Murray regarding the Mirant plant. The Cape Delegation, as well as ISO New England, DPU, NStar, Cape Clean Air, and representatives of Mirant were present. Mirant gave a detailed presentation. The Cape Delegation spoke in support of Rep. O’Leary’s bill.
- Ms. Grundman and Mr. Kennan attended the Issues and Alliances meeting and Paige Kane of Mirant gave a presentation. Mirant is in a phase of trying to interact with community to avoid misinformation.
- Barnstable County Council for Youth and Families is presenting a Youth Summit on Friday, March 20, at Cape Cod Community College 8:00 a.m. – 1:30 p.m. and 2:40 p.m.– 4:30 p.m. There will also be teen and young adult workshops. It is open to the public.

PUBLIC FORUM

- Carl Johansen spoke on the tri-Board meeting, budget and leadership.
- Ms. Grundman responded to comments made by Mr. Johansen.
- Chuck Kleekamp invited the Board to the Cape Clean Air forum on Wednesday, March 4, 7:00 p.m. at Cape Heritage. Other scheduled forums are March 18 and March 26.
- Maureen Wicklund spoke about the tri-Board meeting and the budget.
- Bill Karig spoke about the budget.

UPDATE ON SANDWICH GRANT REQUEST FOR TEXTRON SETTLEMENT FUNDS

Dave Mason and Rob Steen, professor of engineering at Wright-Piece were present. Wright-Pirece was hired as a consultant to work on the application for the Textron settlement. Mr. Stein outlined the application process for the Natural Resources Damages Grant program. The funds which the Town is applying for will be used to fund the Comprehensive Water Resources Management Plan. The application outlined the fact the J-Range contamination from the MMR is solely located in the Town of Sandwich. Mr. Mason also said a letter will be done asking that EOEA give Towns first consideration on funding. **Mr. Pannorfi moved to support sending letter as presented for Natural Resources Damages Grant program (Textron Settlement) to Karen Pelto, Executive Office of Energy and Environmental Affairs. Mr. Kennan seconded. Unanimous.**

STAFF MEETING TOWN HALL RESTORATION PROJECT

Architect Wendall Kalsow and Project Manager Dave Lager gave a detailed presentation on the Town Hall Restoration project to date. They reviewed the interior plans, as well as potential options for the exterior road work and landscaping. The upgrades to the front of the Town Hall entrance have been submitted under the economic stimulus package since part of the plan is reconfiguring the roadway. This may also require the State’s

involvement since it is a State road. \$125,000 is potentially needed to make permanent improvements to the exterior road improvements. A lot of planning has gone into making the building energy efficient, user friendly, and handicap accessible. They also mentioned the current septic system will be used, however, it will need to be pumped more often. They also felt there would be adequate parking available. Mr. Kalsow discussed the cost of the project and said the bids should be received prior to Town Meeting so a total project cost will be known. Project Manager Dave Lager's job is to be sure to keep the schedule for bidding, keeping track of the project budget, oversee the construction and interface daily with the architect. Mr. Kalsow said if the renovations aren't done, the structure will continue to deteriorate. Mr. Mark Marinaccio is also on the Town Hall Restoration Committee and encouraged the Board to support the project.

Mr. Pannorfi moved to authorize BAN up to \$200,000 for the Town Hall Restoration Design Phase to meet pending bills. Mr. Hunt seconded. Unanimous.

OLD BUSINESS

1. Booster Bar and Grill. At a hearing on January 22, 2009, the Board of Selectmen issued a two-day penalty to Booster Bar and Grill. Owner Stefanie Celata appealed the decision to the ABCC. Ms. Celata has since withdrawn her appeal to the ABCC, so the Board has to choose new penalty dates. Ms. Celata was present and participated in the discussion. **Mr. Hunt moved to suppose a suspension of two days being Thursday, March 5 and Friday, March 6. Mr. Barrette seconded. Unanimous.**
2. Mr. Dunham and the Board reviewed in detail the budget. He presented several scenarios, including a 2% budget and a 3% budget. He also provided information on the ambulance fund. Mr. Dunham first discussed the 3% budget which shows a bottom line deficit of \$454,000. The second budget, if the budget and local contribution is at 2% with health insurance adjustment - with that change and a 2% local contribution, the budget is balanced. And with a 2% budget, the balance for FY'11 drops to an estimated minus \$2.4 million balance, where at a 3% budget in FY'11 would mean a \$3.1 million deficit.
To get the local contribution to 3% for school and general government, Mr. Dunham increased estimated local receipts to be more aggressive adding \$150,000, adjusted health insurance, dropped the Reserve Fund by \$100,000, and dropped the capital \$100,00.. Mr. Dunham presented the adjustments in capital budget.
Mr. Hunt - his best guess low rates are likely to continue and he would assume for FY'10 invest account going to decrease, as well as concern over excise tax decreasing now increasing the local receipts from \$450,000 to \$500,000 - which he sees decreasing and could be worse. On expenses, cutting the Reserve that could be dangerous at a time when things happen and we may run short and may need extra to be appropriated for dealing with issues such as new people signing up for health insurance. This leaves nothing for emergency capital repairs that might come up. Also use that account for snow and ice and overtime - stuff you cannot predict. Also, \$500,000 isn't enough in Capital. Capital expenses always put off but don't know if ever catch up. This whole picture uses all of the \$1.2 million from land sale and look at bottom right 3% budget leaves us \$761,000 worse for FY'11. Going from a 3% to a-2% isn't just \$350,000

deficit this year it expands by more than 2x for FY'11. If we don't figure for the FY'11 the schools will have cut back 10x that, 7 or 8 times if we don't do 2%. Because of \$1.2 million from land sale we had intended would go towards capital and hopeful still will, will accept some of risk in 3% page if took money and knocked \$1.2 million down and put ½ of it into stabilization or more immediate capital projects.. Do 2% but same risks on 3% and putting into capital not operating.

Mr. Pannorfi- this is not a good time to take risks as Mr. Hunt said.

Mr. Kennan - the Board should not be so aggressive and risky.

Mr. Grundman commented on a 2% budget and what it means for the schools. It means net 1.52% which does not include Chapter 70. She is concerned about that.

Ms. Grundman - appreciates Mr. Hunt's accounting but do not consider aggressive to adjust local receipts because the Town departments consistently turn money in. But she thinks we need responsibility budgeting now - detriment to a 2% budget morale of the community. This may be the year to take risk for good of the Town. The Reserve Fund decrease is a risk. but 2% budget seems almost immoral, laying people off in this economy when largest employer in community is government that is not a good thing. Laying off people and buying vehicles she finds inconsistent with moral values that she thinks people should apply to budgeting. Not uncomfortable with Bud cutting capital. She said at tri-Board although have to do assumptions have to look at actual benefits to take risk and would like us to consider it. Ms. Grundman asked Bud to bring a 3% balanced budget taking a look at a few places in line items. Because most frustrating is how people are quick to use generalities and not look at methodology of going into line-items.

Ms. Grundman - believes have to reorganize way budgeting is done and way we talk about it and we did not talk much about it. But we keep forgetting we are in better shape than most communities. We are looking at our responsibility to the community or just taking a conservative view. She understands that escalates and are taking risk at \$475,000. We do have right to go into Enterprise Fund for the golf course to apply to the debt service. What I propose about 9C cuts, why not take \$136,000 out of golf enterprise and free up that money. Main point is out of a \$69 million budget, \$454,000 can represent a lot of things.

Mr. Pannorfi - does not agree on risks but does agree on capital. Having done a thorough job, we have been able to sustain that override beyond what we promised.

Mr. Hunt - would challenge looking at line items, the increase in local estimated receipts that Ms. Grundman is looking at history of last 5 years and those were different economic times. Went into line items and broke them out i.e. vehicle receipts believe overstated by \$350,000 - then overstate by \$150,000 more, the state DOR people say we must have cushion. Lets assume there is an override put forward in FY'11 and it doesn't happen, should not be ignore what is going to happen and accelerates it by \$800,000 because we want to live for today – I do not think we can keep blinders on.

Ms. Barrette - disagrees with Mr. Hunt. Financially for schools a 3% is really 2.29% and 2% is 1.52% and we have budget from School Committee and we know what those kids do not get those things back – that's living for tomorrow. Mr. Barrette would like to see schools to the 3% and preserve those programs and five teachers - that would be a successful budget.

Ms. Grundman - the override issue is being overplayed She thinks we should work hard similar to the schools and creating efficiencies and work to cooperate better with schools managerially. A year makes a huge difference.

Mr. Hunt - if we end up with a 3 million deficit give or take ½ million in FY'11, you cannot fix it by doing those things. It would take everyone in town forgoing all increases all steps for 2 years to be able to get enough to get close that. The rainy day fund could go us thru FY'11. Or its an override to make it balance or we let go 100+ people if did not have override and do not count on an override passing. May have to do thing radical to make this happen.

Mr. Barrette - to bring schools up to 3% or 2% we discussed \$190,000 of non-CPA funds for Town Hall project not knowing how we are going to pay for it. We have to come up with that money in a year. Willing to spend \$190,000 to pay for sidewalk and other things but not willing to try to find \$454,000 in this budget to keep some of what we have in our schools.

Mr. Pannorfi - he is perturbed that Town Hall is a reason. \$125,000 is what we said would cost if we were to do certain things. Sources to pay for those things have been identified outside of budget projections. It is not \$190,000 it is \$65,000. He said he worked to get more money for the schools but also need to look at municipal side. Trying to justify using another project as leverage bothers him.

Mr. Hunt - when look at trends, no question we have supported schools over many years, when Ch 70 money went up schools used all that 5%. When you look at 5 year trend we have 15% fewer kids and for the 5 years before that we were running at less than \$1million above minimum spending.

Mr. Barrette - the current budget reflects that you had done that, not trying to use Town Hall project to leverage - but \$65,000 to buy chairs and move Town Hall is not worthy or spend \$125,000 or have jersey curbs in front of Town Hall not priorities. Net School spending you did a lot of work, as well as town and schools doing a better job of true accounting of what town does on behalf of schools.

Mr. Pannorfi - the MOU was right thing to do. This town committed themselves to schools. History is important to remember.

Mr. Barrette - it is not 3% for biggest part of our Town government, it is 2.29%. or 1.52% if 2%. If full 3% , we save 5 positions.

Ms. Grundman - the budgeting we have alluded to is the budget that schools make choices about who they hire and fire and what remains in their curriculum regardless there are still choices made managerially thru school and school committee I have focus on just/fair/moral budget. Reason I asked Bud to do 3% budget is people are losing their jobs in this community and a lot of despair in this community if in good conscience get there and provide community with degree of hope and positive energy by giving them best budget we can give them, I am struggling with how people talk about budgeting, not just dollar and sense and a lot of political posture, manipulation. Struggling with believe budget is also moral document.

Mr. Hunt - it gripes me that you call your budget the moral budget that implies any other budget is immoral.

Ms. Grundman - not a budget is a moral budget.

Mr. Hunt – you said 3% is a moral budget

Ms. Grundman - I believe budgeting is a budget we as leaders have responsibility to look at budget in a moral way.

Mr. Hunt – Motion

This is not the budget going before Town Meeting, this is budget that goes to the Finance Committee for their review.

We use this 2% budget page that we send this forward to the Finance Committee with the following adjustments that we take the changes that are on the 3% budget page, the more risky numbers, and we take that \$450,000 and put that to stabilization for purposes or directly to capital, I do not think we want to spend that money, put in rainy day fund. Put \$454,000 into stabilization. Mr. Pannorfi second.

Mr. Dunham said he came up with different figures because of the health insurance.

Use 3% page and make operating budget 2%. And use \$450,000 drop reserve and capital and put balance into stabilization.

Invited Finance Committee Chair Paul Kilty and Vice Chair John Vibberts to come up.

Mr. Kilty – a lot of uncertainty trying to deal with this budget. We are not putting any money into stabilization, would be very concerned about making these adjustments and hoping and put money into stabilization. Think overestimating these numbers so tightly - that we would probably get ourselves into a jam. Will probably have to take the money put into stabilization out.

Mr. Hunt - the motion he made puts \$450,000 into stabilization and he agrees if we decide during the year we can have a Town Meeting and pull that out with a 2/3 vote. At least we would be putting it there and hopefully use it for capital but that we need to make it thru the next two years.

Mr. Dunham came up with \$350,000 not \$450,000 - the health care has already been accounted for.

Mr. Hunt amended his motion to \$350,000 into Stabilization. Mr. Pannorfi seconded. Unanimous.

Mr. Pannorfi commented he agrees with the Finance Committee to put at least some money into the stabilization. Really preventing catastrophe next year. Mr. Kennan agreed.

Mr. Kilty said its with the windfall profits such as the \$1.2 million land sale we were able to afford FY10.

Motion taken: Mr. Kennan, Mr. Pannorfi. Mr. Hunt in favor.

Mr. Barrette, Ms. Grundman - opposed. Motion passes 3 ayes to 2 opposed.

110:00 p.m. Due to the time, the Board agreed to forgo the rest of agenda.

PUBLIC FORUM

- Ms. Grundman stated that Mr. Johansen and she are having a disagreement over the public forum guidelines. Ms. Grundman said that the guidelines state no personal attacks so we need to make a ruling on that. What we are trying to do is a level of respect that lends itself to a more productive and positive meeting. Mr. Johansen said not allowing him to speak is a violation of his first amendment

- rights. Mr. Barrette said he does not think the Board is qualified to make that decision.
- Mr. Johansen reiterated he has followed the rules and regulations under rights first amendment claims he did not use the Chairs by name. He was addressing a position and not a person. He believes he is within my legal rights to say what he has said. He said spent a lot of not getting personal but saying what needs to be said. Mr. Johansen also spoke about the Town Hall project.
 - Bill Karig spoke about laws unjust to taxpayers.

NEW BUSINESS

Mr. Pannorfi asked the Board's opinion on the proposed county assessments. Mr. Hunt said he is not in favor of increasing the Registry fee and the Board agreed. Mr. Pannorfi said he would not support the county budget if the other Board members are in consensus.

ADJOURNMENT

11:20 p.m. Mr. Kennan moved to go into Executive Session for the purpose of discussing Collective Bargaining and reconvening for the purpose of adjournment only. Mr. Pannorfi seconded. Unanimous.

Respectfully submitted,

Kathleen Coggeshall