

TOWN CLERK
TOWN OF SANDWICH

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MINUTES
OF THE
FINANCE COMMITTEE
TUESDAY, OCTOBER 4, 2011
7:00 P.M.
SANDWICH PUBLIC LIBRARY
142 MAIN STREET

Present: Bill Diederling, Paul Sylvia, Paul Kilty, Linda Bliss, Courtney Bridge and Gene Parini

Absent: John Vibberts, Ellen Yaffe and Tom Hickey

Also Present: Town Manager George Dunham; Town Treasurer Craig Mayen; Community Preservation Committee members Steve Hayes and David DeConto; Selectman Jim Pierce; Barbara Shaner and SCT

ITEM #1
CALL TO ORDER

Meeting called to order at 7:00 p.m.

ITEM #2
REVIEW AND APPROVAL OF MINUTES

Minutes of September 20, 2011-

***MOTION WAS MADE BY MR. SYLVIA TO APPROVE THE MINUTES OF SEPTEMBER 20, 2011 AS PRESENTED. SECONDED BY MR. KILTY. VOTE – UNANIMOUS MS. BRIDGE ABSTAINING**

ITEM #3
TOWN MANAGER'S REPORT

Mr. Dunham deferred to Town Treasurer Craig Mayen for his report.

Town Treasurer Craig Mayen / Updated Investment Policy – Overview of Investment Policy noting that in April of 2007 the policy was presented to the Board of Selectmen and they approved it. That was the last update. Explained the proposed changes. Mr. Mayen noted that the Town uses Standard and Poors as the rating agency.

General discussion regarding investing funds that are AAA rated.

Mr. Mayen is currently in charge of managing the Town's investments and is looking for input regarding a possible RFP for someone to do that...someone who would be an expert that would do entirely municipal investments. The cost would be based on a percentage system based on what we have invested.

The Town funds are currently invested mostly in Money Markets and some CD's (Certificate of Deposit

Mr. Mayen wants to get the stamp of approval from both the Board of Selectmen and the Finance Committee prior to going out and doing it.

Mr. Dunham - the Finance Committee approved the last one.

Mr. Diederling noted that the Finance Committee is not ready to vote on this tonight...maybe in the future.

Mr. Kilty – If there are any changes to the document, does that mean it has to be resigned by the Board of Selectmen.

Mr. Mayen – no, just have to figure out how we want to say it.

Mr. Sylvia suggested that some of the wording regarding the investment rating can be deleted and just say if the rating ever goes down below AAA it would not be invested in.

ITEM #4
COMMITTEE UPDATES

Mr. Vibberts, representative to the Capital Improvement Planning Committee (CIPC), and Mr. Hickey, representative to the Water Quality Advisory Committee (WQAC) Community Outreach Team (COT), were unable to attend this FinCom meeting.

Mr. Sylvia, representative to the Tri-Board Sub-Committee, noted that the minutes of the last meeting were sent out to every one and the next meeting is scheduled for this Friday at 9 a.m. at the Town Hall.

On the matter of the IT system, Mr. Parini asked how many different systems does the town have? Mr. Dunham explained that the general government has the same system for all departments...we will be looking for the same type system for the school department if it works for them.

ITEM #5
SPECIAL TOWN MEETING WARRANT ARTICLES

Mr. Dunham noted that Articles #1, 2 & 3 were previously voted by the FinCom; Article #4 – Beach Account Transfer - will be discussed later in the meeting; Article #5 – Appropriation for School Department Boiler at H.T. Wing School. Waiting for additional information; Articles #6, 7, 8 and 9 (Community Preservation Commission ((CPC)) Articles) were supported by the CPC at their meeting last night. CPC members Atty. Steve Hayes and Mr. Dave DeConto are present at tonight's meeting; Article #11 – Authorization to Accept Easement off Tarragon Drive – checking to see if it needs a vote; Article #12 – Zoning By-



Laws...do not require a vote. Seventeen zoning articles have been approved by the Planning Board. Planning Director Greg Smith will be at the Selectmen's meeting this week to explain.
Article #4 and Articles 6 through 9 need a FinCom vote.

Article #4 – Beach Account Transfer: Oak Crest Cove Parking Lot Drainage Improvements (\$8,000) –

Mr. Dunham gave an overview noting that the current balance in the Beach Account is \$228,241.71. Most of the beach income comes in when the stickers are sold so this number will go up as we approach Town Meeting in May.

Mr. Parini asked if the work at the beach would be done by our Department of Public Works (DPW). Mr. Dunham offered that we would probably hire someone else to do the work. It would pull some DPW employees away from their regular jobs and we don't have the equipment for this type of project.

Mr. Diederling noted that it is totally appropriate that this should come from the Beach Account...it is reasonable.

Ms. Bliss asked if it would make sense to have a geo-technical person improve the design so we won't be coming back here in another few years to do the work again. Mr. Dunham mentioned that this type of work can be done in house.

***MOTION WAS MADE BY MS. BLISS THAT THE FINANCE COMMITTEE RECOMMEND PASSAGE OF ARTICLE #4 AS WRITTEN. SECONDED BY MR. KILTY VOTE – UNANIMOUS**

Mr. Dunham gave an overview of the Estimated Community Preservation Act Calculations and a memo Mr. Dunham sent to the Community Preservation Committee on September 9, 2011 regarding 'Upcoming Town of Sandwich CPA Requests & Future CPA Projections. The Board of Selectmen support the Town Managers input as noted in the memo. Mr. Dunham also gave an overview of an Application For Community Preservation Funding submitted by the Town Manager and Director of Natural Resources – Permitting of Beach Management Plan and Old Harbor Inlet Stabilization Projects.

General discussion on the funding for the CPA projects. Mr. Dunham noted that we have always tried to be conservative and noted (referencing the calculations sheet) that the State matching funds have gone down over the years. There have been legislative bills to lock in the percentage, that have not made it through the legislature.

Mr. Diederling - the 3 percent surcharge is covering our current obligations? Mr. Dunham – yes.

It was noted that the CPC wanted to recommend possibly bonding the land purchases. This will be looked into.

Attorney Steve Hayes and Mr. David DeConto, members of the CPC, were present and gave an overview and answered questions about CPA articles #6, 7, 8 & 9.

Article #5 / CPA Appropriation / Restoration & Protection of Town Records (\$25,000) – Previously \$93,000 was approved for this project. About \$80,000 has been spent leaving a balance of about \$13,000. The Town Clerk, keeper of the records, was looking for \$104,000 additional for this project. The CPC voted to approve \$25,000. There was no other money from other sources for this project.

Discussion regarding available funding and the Estimated Community Preservation Act Calculations.

***MOTION WAS MADE BY MR. KILTY TO RECOMMEND APPROVAL OF ARTICLE #5. SECONDED BY MS. BLISS.**

Brief discussion.

VOTE - UNANIMOUS

Article #6 / CPA Appropriation / Town Neck Beach Management Plan & Old Harbor Inlet Stabilization Project Permitting (\$150,000)

Mr. Dunham explained that this would be to complete the work for putting permitting in place for the project. This money should get us to the end point to get the permits. If dredging materials come available, we can ask the Army Corps of Engineers for it. We could not do it before because we did not have the permits in place. Mr. Dunham also noted that if the Old Harbor area is not fixed...the jetty is the real issue. Mr. Diederling noted that the consequences of doing nothing would be really bad. Mr. Diederling thanked Mr. Dunham for all his hard work on this project.

Brief discussion on the history of the project. Ms. Bliss asked if the Town has ever reached out to Barnstable for help on this?

Mr. Dunham noted that the Town could explore that.

***MOTION WAS MADE BY MR. KILTY TO RECOMMEND APPROVAL OF ARTICLE #6 AS PRESENTED. SECONDED BY MS. BRIDGE.**

Discussion-

In response to a question raised by Ms. Bliss, Mr. Dunham noted that the jetties have changed and the mouth of the Old Harbor inlet has widened a lot. There is a lot of additional water that comes through the area. We are trying to establish a place with the right height, width and angles. The water comes into the area faster and deeper. Mr. Dunham stressed that the important thing is patients. We are looking for a bigger source of sand etc. and looking at different options. The Natural Resources Director Mark Galkowski is in contact with the County regarding dredging...that would mean permitting to. Ms. Bliss asked if the Town has ever thought about suing the Army Corps? Mr. Dunham – yes, but Town Counsel feels the chances are that if we went to court it would not be in our favor. In response to a question about the funding from the CPC, it was noted that even if we did get the permits, the project is bigger than what the CPC can afford to give. Mr. Dunham noted that we need to get the permits to get any more done.

Mr. Kilty – thinks this is a very important project.

Mr. Sylvia noted that he will be abstaining from the vote...he will recuse himself from the vote because he has two pieces of property that would directly be effected by the vote.

VOTE – UNANIMOUS MR. SYLVIA ABSTAINING

Article #7 / Purchase of 3 Tarantino Parcels Mr. Steve Hayes of the Community Preservation Committee gave an overview noting that open space is the reason for pursuing the land. It is on the Conservation Commission's top 5 list of parcels of land. Mr. DeConto noted that this piece of property is a wild life corridor to connect with West Barnstable.

***MOTION WAS MADE BY MR. KILTY TO RECOMMEND APPROVAL OF ARTICLE #7, PURCHASE OF THE TARANTINO PARCELS OF LAND, FOR UP TO \$400,000. SECONDED BY MS. BRIDGE. MS. BRIDGE WITHDREW HER SECOND. MS. BLISS SECONDED THE MOTION.**

Discussion-

Ms. Bridge would like to bring the CPA funding number down lower. Mr. Hayes offered an explanation of the total CPA funds being requested.

Continued discussion on the running total.

Mr. Kilty - wants to be sure we are not effecting future years.

It was noted that the CPC expressed that these projects be bonded so that if another large land purchase comes up we will have the funding to do it.

Mr. Dunham offered information on the bonding and funding process. If the town bonded over ten years it would be about \$112,000 through for the first year and then it would go down. It would be less if the town did it for a longer time.

Mr. Diederling noted that if we were to bond the articles, it would be different language.

Mr. Dunham noted that the Board of Selectmen determine the number of years.

Mr. Diederling offered that bonding or not...someone could decide differently, if it is going to be bonded.

Mr. Dunham – the time line for posting the warrant is an issue.

Mr. Mayen and Mr. Dunham – depending on when the town actually gets the money if this all tied in for the MSBA (Mass. School Building Association) number...it may be better interest number. The MSBA funding would probably be bonded for about ten years.

Mr. Diederling – would vote for this either way...cash or bonding. We have been this low before in the running total. This involves four or the top five projects on the list from the Conservation list and if we get the last one (Article #8 – Schmonsees parcel) it is all of the items on their list.

Mr. Parini – is there override interest on this property? It could be a good tax base if homes were built on it. Mr. Dunham noted that it is hard to answer that...any home with at least one child in it we lose money i.e. taxes.

Mr. Diederling noted that there is a cost avoidance with this article and a real value to the land.

In response to a question asked by Ms. Bridge, Mr. Hayes noted that, yes all of these parcels are of equal importance.

Mr. Kilty noted that the Conservation Commission has been working on these for a long time and the vote of the CPC was unanimous.

Mr. Dunham – There are approximately 1,500 acres of land owned by the town in conservation.

Mr. Diederling – land purchases are important.

VOTE - UNANIMOUS

Article #8 – Purchase of Schmonsees Parcel – Brief overview

***MOTION WAS MADE BY MS. BLISS TO RECOMMEND APPROVAL OF ARTICLE #8 FOR THE SUM OF \$200,000. SECONDED BY MR. KILTY. VOTE – UNANIMOUS**

Mr. Diederling – we will be reporting on the tax impact of these articles at Town Meeting. Mr. Dunham will get that information. On the matter of the Finance Committee doing more than recommending the articles, Mr. Diederling asked how the Committee wants to do that...should the chairman to it or should each person making the recommendation make a statement?

Mr. Kilty suggested that each person who is taking the recommendation of an article have prepared a couple of sentences about the tax impact etc. on why we recommend it and why the article is important.

Ms. Bliss offered that sometimes it is easy to come up with a consensus statement and is concerned about the value of the time spent on it. Do we want one person to represent the whole committee?

Mr. Sylvia – people who want to know 'why' ask at the microphone. Anyone else can add to what the chairman offers for an explanation.

Ms. Bridge noted that the public can also watch the Finance Committee meetings ahead of time for information.

Mr. Diederling – the Finance Committee has elected a chairman to represent the committee.

Mr. Sylvia mentioned that the Mr. Dunham always gives the back ground of the articles at Town Meeting.

Mr. Parini offered that, coming from the chairman of the committee, the information would appear to be more organized.

Mr. Kilty – the role of the chairman is to represent the committee objectively. If there is something significant to add to the discussion it is ok for the membership to offer any information.

ITEM #6

OTHER

The impact on the tax rate was briefly discussed.

ITEM #7

NEXT MEETING

At this time there is no need to meet again before the Special Town Meeting.

ITEM #8
ADJOURNED

9:04 p.m.

***MOTION TO ADJOURN WAS MADE BY MR. KILTY. SECONDED BY MS. BLISS VOTE – UNANIMOUS.**

Respectfully Submitted,

Diane M. Hanelt, Secretary

Approved: 3/27/12

Supporting Documents:

Investment Policy

List of Potential November 7, 2011 STM Articles (GHD Draft-10/4/11)

Letter of Support from Ted Hamilton, Facilities Director to Mark Galkowski, Natural Resources Director for the transfer of funds from the Beach Account for OCC parking lot drainage repairs.

Beach & Recreation Account Transfer History

Estimate CPA Calculations (10/3/2011)

9/8/11 letter from Town Manager to CPC re upcoming CPA Requests & Future CPA Projections

Summary of CPA Approved Projects at Oct. 3, 2011 meeting.

Application for Community Preservation Funding – Town Neck & Spring Hill Beached