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**MINUTES
OF THE
FINANCE COMMITTEE
TUESDAY, AUGUST 4, 2015
7:00 P.M.
TOWN HALL MEETING ROOM
130 MAIN STREET, SANDWICH, MA**

Present: Linell Grundman, Bob Guerin, Tom Hickey, Mike Dwyer, Matt Terry, Mark Snyder, Jim Lehane and Gene Parini

Absent: Rich Riley

Also Present: Town Manager George Dunham, Finance Director Mimi Spahr, Selectmen Chair Frank Pannorfi, Assistant Town Manager Doug Lapp and SCT.

ITEM #1
CALL TO ORDER

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

ITEM #2
PLEDGE OF ALLEGIANCE

After the Pledge-

Ms. Grundman asked for a moment of silence in memory of David Whearty, Sandwich Harbormaster who recently passed away.

ITEM #3
TOWN MANAGER REPORT

- Opened bids for the Marina Building and Garage project. Three bids were received. The winning bid came in at less than what the projected job cost was. It is going to be presented to the Board of Selectmen this Thursday. If all goes well, this time next year we should have a new facility...in Dave's honor.
- The State did finalize their FY'16 budget. Chapter 70 aid is up about \$74,000 more than what was voted in May. Discretionary aid about \$115,000 above what the projections were. Assessment for Charter went up about \$165,000...more than what was voted in May. So, we are about \$50,000 in the hole. Finance Director Mimi Spahr and Principal Assessor Ed Childs are ok with the request sheet (for Reserve Fund Transfers).
- These are estimates and the State can change that to the good or bad.
- The tax rate certification has to be done.
- A Special Town Meeting may be planned in the fall.

Mr. Dwyer (on the topic of the Marina bid)...three bids were received, did the bidders get the assessment ahead of time including the project costs.

Mr. Lapp – responded noting that the winning bid was for \$2.5M and includes all the soft costs. There may have been an estimate in the information that was made available to potential bidders, would have to double check it, but the winning bid was for \$2.5 which is about \$200,000 less than what we were planning.

Mr. Dunham noted that the award has to be to the lowest qualified bidder.

Mr. Dwyer asked if it is the same contractor for the Marina that did the Town Hall project.

Mr. Dunham confirmed that, yes...it is.

Mr. Parini – asked to confirm that a Fall Special Town Meeting is being planned.

Mr. Dunham – Yes...maybe around mid-November...before Thanksgiving.

ITEM#4



PUBLIC FORUM

No one

ITEM #5

CLARK HADDAD MEMORIAL BUILDING PROJECT

-CPA Application Submitted by the Board of Selectmen to the Community Preservation Committee.

Ms. Grundman noted that the Finance Committee does review and approve CPA funding.

Mr. Dunham gave an overview of the Clark Haddad Memorial Building, Dewey Avenue, and the Deacon Eldred House, Water Street/Route 130 refurbishing projects. It was going to cost about \$2 M to do both projects and the Board of Selectmen decided that was too much so they decided to go ahead on the CPA application to fund the \$1.1M for the Clark Haddad Building only.

Mr. Parini asked about the possible uses of the Clark Haddad building.

Mr. Dunham noted that there are constant requests for meeting space in town.

Mr. Lapp mentioned that on page two of the 'Application for Community Preservation Funding' - Information about the Project, Item # are the goals that have been discussed.

Mr. Dwyer – is there an existing 3 or 5 year plan for the CPA?

Mr. Dunham noted that CPA funds can only be used for Open Space; Affordable Housing or Historic Preservation.

It was noted that there is a compelling need for public meeting space.

It was also noted that \$1.1M is a very expensive space...a lot of money for public space.

In response to a question raised about maintenance of this building, Mr. Lapp noted...that is addressed on page two of the CPA application.

In response to a question asked...is there a cost to the town that we will see in the budget next year...Mr. Dunham noted that it will probably take two to three years before we would have to maintain it. Thinks it could be incorporated into Ted Hamilton's Facilities Budget.

Mr. Lehane asked if the Clark Haddad building will also be available for private use? There could be projections of a revenue stream.

Mr. Dunham noted that we charge for about 1/3 of the people who use the Town Hall auditorium.

Ms. Grundman noted that Oak Crest Cove, the Human Services Building (Counsel on Aging) and Jan Sebastian Drive have a small amount of public meeting space but finding meeting space is hard. The public library is booked solid.

Mr. Lehane noted that, when making the presentation to the CPC for this funding, it would be a good idea to have these projections for use of the Clark Haddad Building available...would like to think that this could be an investment to get a return.

Mr. Dunham offered that Town Meeting did not give us permission to sell the Clark Haddad Building. They did give permission to sell the Deacon Eldred House. We only got one bidder on the Deacon Eldred House and that fell through. Oak Crest Cove is used often for meeting space and functions (non-alcoholic).

Mr. Hickey – noted that anyone can use any part of the schools at any time...has real reservations of the remaking of the Clark Haddad Building. It is a lot of money and there is no parking there. No one thinks it is an historical building. We would have to have a custodian to maintain the building and will have to be maintained with heat, etc...real reservations about this.

Mr. Parini agrees with other Finance Committee members...this is an extremely expensive project. Would like to see some marketing projections...for revenues.

Mr. Guerin concurs with the Finance Committee members also. Would like to understand how projects like this are prioritized...who does it. How is it that the Deacon Eldred House is not part of this...the public ok'd the sale of the Deacon Eldred House and not the sale of the Clark Haddad Building...would like to see the data on town buildings being used by the public. Where does providing public meeting space rank among the needs of the town to deliver.

Ms. Grundman – We have 140 some volunteer people in town ...there are a number of town committees that meet during a month that need a location to meet.

Mr. Snyder noted there is no doubt that we need meeting space. We are looking at the Wing School for public meeting space. We can use CPA funding to renovate a lot of buildings in town; perhaps, we should consider applying for grants for this purpose. Parking is not an issue at the Wing School. Many of our town buildings have a parking issue.

Mr. Dwyer – Someone should be paying for custodians...there should be a fee to use the meeting space.
Mr. Dunham – when the building deteriorated it was not under municipal control.
Mr. Guerin – there was tax payers' money. We should be prepared to discuss the maintenance of this building.
Ms. Grundman – We are not doing our capital well enough. The schools were never represented on the Capital Improvement Planning Committee (CIPC).
Mr. Dwyer – would like to make an agenda item for some time in the future...maybe in the fall. Down the road would like to know what the Finance Committee role is...to do our due diligence.
Ms. Grundman – we will have ancillary costs at some time in the future.
Mr. Snyder – Mr. Dunham and Mr. Lapp have provided everything we need at our meetings, and on line, for us to come to a decision on these items.

ITEM #6
COMMUNITY PRESERVATION ACT CRITERIA

General Discussion-

Mr. Dunham noted that there is a town By-law for the CPA and there is an annual public hearing. Most of the CPA projects are internal.

ITEM #7
LONG TERM CAPITAL STRATEGIC PLANNING

Mr. Pannorfi, Chairman of the Board of Selectmen, gave an overview of the Long Term Capital Plan and recalled some information from Town Counsel John Giorgio's e-mailed opinion on the Role of the Finance Committee in Community Preservation Act (CPA) appropriations.

Mr. Dwyer asked for an explanation of the role of the Finance Committee as it applies to the CPA and asked that the FinCom be provided with a copy of the e-mail dated May, 2012...Town Counsel John Giorgio's opinion on the role of the Finance Committee in CPA appropriations. It is very restrictive as it applies to this Committee. Mr. Dwyer feels there are two different areas to be considered for himself...the Finance Committee member and the citizen. Mr. Pannorfi explained. We have been struggling to decide what to do with the Clark Haddad building. The Town Meeting did not want any part of selling that property. We have tried on a couple of occasion to do something with this. We are, indeed, getting many requests for meeting space. We believe there is adequate parking at the Clark Haddad building. It has potential...it is a good investment of CPA funds to the extent that we will be able to refurbish this building. It is a lot of money. The question is...why? This is not like fixing your house...we need to be American's with Disabilities Act (ADA) compliant ...water sprinklers, etc. We are going to move forward with this application. We will see what happens with the Community Preservation Committee (CPC). On the matter of the Deacon Eldred House, there are a lot of different feelings about what should be done with this building. We agreed that we would not use CPA funds. Selectman Ellis has suggested giving Upper Cape students a chance to do some work on the Deacon Eldred House. We will be meeting with Bob Dutch at the UCCRTS.

Mr. Dwyer – The Board of Selectmen voted 5-0 to take the Clark Haddad building on for the CPC/CPA funding. Can we use our time wisely between now and next March when this will be on the warrant. We don't want to pick things apart all the time. What can we do in a positive way? Would like to learn and have future conversations so that we are aligned.

Referencing Mr. Dwyer's earlier statement, Mr. Pannorfi noted that it is important that you put on two different hats...Personal and Finance Committee. For the May Annual Town Meeting suggests looking at...do we have the funding in the CPA fund based on what other projects are on the CPC list?

Mr. Snyder – coodos to Selectman Ellis about asking the UCCRTS to do the work at the Deacon Eldred House.

Mr. Guerin –thanked Mr. Pannorfi for coming in to this meeting...appreciates Mr. Pannorfi's recollection of Atty. John Giorgio's e-mail. Thinks we need to keep our focus on financial matters.

Ms. Grundman – there is a real issue...we go to Town Counsel for opinions...we are not a policy committee but at times we step into discussions that are bigger than we have anything to do with as a Finance Committee. Ms. Grundman asked Mr. Pannorfi if he would send the FinCom membership the opinion from Atty. John Giorgio.

Capital Items –

Mr. Pannorfi noted that buildings, roads, culverts, sand and other items are on the capital list. Mr. Pannorfi asked Mr. Lapp to put together a list of the things we have done. Mr. Pannorfi passed out the list of assets and items from Mr. Lapp dated August 3, 2015. It took 25 years to get where we are. Our buildings may not look pretty but most are functioning. We get a lot of work done from them. To those ‘nay’ sayers that say we don’t take care of our buildings...where is the documentation that shows that we do...projects, etc. We have the beach situation...we have to plan for the future. Police & Fire facility is at the top of the list. Roads...we have spent quite a bit of time working on our primary roads. There is some work being done on subdivision roads. There is a summary of prioritized large scale projects and the CPA project. The adoption of the CPA was a good thing. The Adventure Playground Park across the street from the Human Services Building (COA and Nursing Depts.) on Quaker Meetinghouse Road.

Mr. Dunham – as we look at the Long Range Capital Plan 2012...a lot has been done...a lot of studies. Public Safety, roads, waste water and the beach as well as the Wing School, the Marina Office. The Marina project may get done before the rest of the list; however, we are not quite ready to update this list.

Mr. Hickey –who has prioritized these projects?

Mr. Dunham – Facilities Director, Ted Hamilton works very closely with Assistant Town Manager Doug Lapp. He has his operating budget and a capital budget. He has a list for when funds become available. He built his money up over a couple of years to be able to do the work at the Council on Aging for the Americans with Disabilities Act (ADA)...handicap ramp etc. Sometimes it has to be decided what was important and what was not...if there was a roof that a building needs that is more important then something less important.

Mr. Hickey – when there are capital projects for the schools, to you work with them?

Mr. Dunham – sometimes the CPC meets with the school facility people and discusses what to do and how to fund them. The schools have a certain amount of money in their capital budget.

Mr. Dunham noted that the financial plan calls for \$500,000 per year.

Ms. Grundman noted that Dr. Canfield has been invited to a meeting when they have their Capital List in order.

Mr. Guerin – The Wing School, Public Safety, Waste Water...are big #'s. Is there really a #1 and what would be the timing on #2?

Mr. Pannorfi – Public Safety was #1 but now we have the beach situation and also the roads. Doesn't think the #1 ever remains at #1. How do we get these things done? All these projects have big numbers. We need to find other ways to expand the tax base.

Mr. Pannorfi explained how much time the Town Manager has spent on the NRG (Canal Plant) project; the potential expense of the South Sandwich Village could be...but it is going to take some time. These are things that will bring us revenue in the next 5, 6, 7 or 8 years.

Mr. Dunham – when we knew that our school debt was coming off in 2007 and the economy tanked...we need to take care of our responsibilities... which we have not done and for over 15 years for any non-school projects.

The Committee decided to wait for another meeting for an - Update on South Sandwich Village; Old Business: Strategy Communication Committee; Code of Conduct as noted on the posted agenda.

ITEM #8 RESERVE FUND TRANSFERS

Mr. Dunham noted that the State budget was approved in mid-July the supplemental FY'15 budget bill included another \$25m state wide for help with Chapter 90 funding (approximately \$98,000 for Sandwich). Funding could come as early as August. The departments/budgets that are requesting Reserve Fund Transfers are Public Safety, Snow & Ice, Veterans', Library matching funds for Glass Town grant which will probably not be supported again as Mr. Dunham feels the town did not get enough 'bang for the buck'.

Ms. Grundman introduced the town's Financial Director, Mimi Spahr, again.

Mr. Dunham gave an overview of the updated information relative to the Reserve Fund Transfers - Police (\$189,703.18); Fire \$28,082.09; Snow and Ice (\$96,270.87); Veterans' \$3,849.66; Library 25% matching funds for Glass Town; Charter School Assessment (\$25,196.00) – Total \$358,901.80. The balance in the Reserve Fund account will be just over \$141,000.

****MOTION WAS MADE BY MR. GUERIN TO APPROVE A RESERVE FUND TRANSFER IN THE AMOUNT OF \$358,901.80 AS PRESENTED. SECONDED BY MR. SNYDER. VOTE - UNANIMOUS**

Mr. Dunham noted that the Finance Committee has always supported public safety needs. After Public Safety is the DPW...after that there is almost nothing left for large budgets. If we could put some more money towards Fire and Police overtime \$50,000 and \$150,000. If I could have five positions to sprinkle amongst departments... If I had a little extra money I could tell you how I would spend it and it would be a lot more efficient.

Mr. Dwyer – are you going to bring a list to the Board of Selectmen.

Mr. Dunham – yes...I don't think it will be a lot of money but we have to decide what the best way to do it is.

ITEM #9
ADJOURNMENT

9:05 p.m.

***MOTION TO ADJOURN WAS MADE BY MR. SNYDER. SECONDED BY MR. DWYER. VOTE – UNANIMOUS.**

Respectfully Submitted,


Diane M. Hanelt, Secretary

Approved: 5/28/15

Supporting Documents:

- Application for Community Preservation Funding – Clark Haddad Building, Dewey Ave.
- E-mailed legal opinion from Town Counsel, John Giorgio dated 5/18/12 re Role of the FinCom
- Strategic Communications Committee – Overview, discussion and vote will be rescheduled for next meeting
- Code of Conduct – Overview, discussion and vote will be rescheduled for next meeting
- Reserve Fund Transfer information including updated information