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TOWN OF SANDWICH

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**MINUTES
OF THE
FINANCE COMMITTEE
TUESDAY, March 1, 2016
7:00 P.M.
TOWN HALL MEETING ROOM
130 MAIN STREET, SANDWICH, MA**

Present: Linell Grundman, Bob Guerin, Mike Dwyer, Rich Reilly, Mark Snyder, Tom Whitham

Absent: Gene Parini, Matt Terry, Jim Lehane

Also Present: Town Manager George Dunham, Finance Director Mimi Spahr, Library Director Joanne Lamothe, DPW Director/Town Engineer Paul Tilton, Jim Pierce, Frank Pannorfi and SCT.

ITEM #1
CALL TO ORDER & PLEDGE OF ALLEGIANCE

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

Pledge of Allegiance.

ITEM #2
PUBLIC FORUM

None

ITEM #3
REVIEW AND APPROVAL OF MINUTES

Minutes of February 9, 2016-

*MOTION WAS MADE BY MR. GUERIN TO APPROVE THE MINUTES OF FEBRUARY 9, 2016 AS PRESENTED. SECONDED BY MR. REILLY. VOTE - UNANIMOUS

ITEM#4
CORRESPONDENCE STATEMENTS AND ANNOUNCEMENTS

None

ITEM #5
TOWN MANAGER'S REPORT

Mr. Dunham noted that the Library Director Joanne Lamothe and the DPW Director/Town Engineer Paul Tilton will present their budgets tonight.

Ms. Lamothe gave an overview and talked about the position of the public library today. We are the people's university ambassador to the community. We are potentially economic drivers for the community. People can get tax forms at the library. Robert Putnam once noted that people go to the library looking for information and they find each other there. The library works with the Council on Aging drivers and Director Jan Timmons and deliver books to the home bound. We have digital immigrants and digital natives...the generation that is trying to learn and keep up with the digital age and those that are younger and are growing up in the digital age. People expect their library to keep up with them. Ms. Lamothe commended her staff for keep up with everyone's needs.

Ms. Lamothe gave an overview of the library handout ' Sandwich public Library By The Numbers including information on circulation, programming, financials and holdings; copy of the February 26, 2016 library Newsletter; Monthly Calendar for March, 2016; March 2016 Sandwich Public Library Children's Room Calendar. The Library belongs to the Old Colony Library Network with allow people to borrow books/CD's and other materials that the Sandwich Library may not have on hand and request to borrow them from another library in the network...they are brought to the Sandwich Library where people can pick them up. There is a network fee of approximately \$34,000 per year. The network area is approximately from the Stoughton area, to the Walpole area, to the Plymouth area. The Library has down-loadable e-books.



Mr. Reilly, referring to a project at the library a couple of years ago, asked how did the HVAC work out?

Ms. Lamothe – it is wonderful. Thank you to the town for supporting that and thank you to my staff...we were gold in the library most of last winter.

Mr. Dunham – because of the savings realized with the HVAC, we were able to do the budget and combine the funds and hire a full time Archivist.

Mr. Snyder – I go to the library two or three time a week. It is a wonderful place for so many reasons. Some people have commented to me about the library being closed two days in a row. What would it cost to open the library on Monday? You used to have a donation account that sponsored Sunday openings.

Ms. Lamothe – it costs approximately \$600 per day.

Mr. Snyder – If we could have an option for another day...

Mr. Guerin – referring to budget line items for electricity and heating oil. The powers bounce around a bit...was expecting a little more consistency.

Ms. Lamothe noted that this winter is our first season with the gas heat...it's hard to compare.

Note was made that this was a consensus decision to level fund this.

Mr. Dunham – This is really an aberration because the heat was shut off for so long last season. Next year we will have a better estimate.

Mr. Guerin – is there a fee to use the meeting rooms at the library?

Ms. Lamothe – as long as you are a non-profit there is no charge...we do charge a fee otherwise.

Mr. Guerin – loved hearing about the approach to on line and digital availability. Is there a line item to support how you fund and invest in this?

Ms. Lamothe – most of our software is leased for three year term. That does show in that area of the budget.

Mr. Guerin - the access of digital periodicals?

Ms. Lamothe – an assessment fee to Old Colony Library Network (OCLN).

Mr. Whitham – follow up question on leasing computers...do you hold the computers for three years...or each year turn in a few at a time?

Ms. Lamothe – we do a one fell sweep. Every three years we replace all at one time. That is what works for us.

Mr. Dunham noted that we are going to the Mass. Library Commission on Thursday regard their decision not to certify the library and we will share the information with the FinCom next week.

Mr. Dunham introduced the DPW Director/Town Engineer Paul Tilton.

It was noted that the Board of Selectmen voted last week to more realistically fund the Snow & Ice account and try to establish a line item for lease purchase of equipment.

Mr. Tilton gave an overview with a power point presentation noting that the DPW consists of several departments...Engineering, Sanitation, Highway, Snow & Ice, Parks/Trees. We are involved with GIS mapping and Boardwalk Design. We work with National Grid...we have been working with them for eight years. We are constantly inspecting the areas on the Service Road where National Grid is working and the potential bike path. We were involved with the parking area renovations at the library. We are involved with the bike path group with Woody Mitchell at the Cape Cod Canal.

Sanitation operations...there is an increase of about 2.5% each year for solid waste disposal. Discussed PAYT (Pay As You Throw) comparison. Solid Waste Cost Avoidance (Update over four years)...remains a success. – No longer rely on tax subsidy – all costs covered by recycling revenue and PAYT (Bags and Stickers). We did receive a recycling grant with thanks to Sarah Cote from the Energy Committee. We were awarded \$51,350 from MassDEP for Recycling Program for: PAYT, Mattresses, School Recycling (Developed policy/plan to increase recycling at all school in district).

Pavement management - we've done a road inventory. We have approximately 150 miles of public roads in Sandwich. There is a PCI summary (Pavement Condition Index). If we could infuse this with a road bond we can keep up with the maintenance of the roads more regularly. Overview of Recent Funding – 2015; recently completed projects; storm water drainage; winter storm impacts; snow & ice...winter maintenance of public and private roads; snow & ice costs;

Parks Department – Maintenance of public areas and trees; Parks and Tree Warden; School assistance (education, design/planning assistance, solid waste, recycling. The DPW/Engineering provided \$1.5 million in services over 10 year period...\$150k/year.

Budgetary Issues discussed as well as operating budget needs.

Request \$400 thousand per year and receive an average of \$150,000 in capital. Hope to get more money from another road bond. We would request to add \$300,000 to our budget annually to increase the PCI level up.

The Wing School – if we do take over we will need about \$100,000 to take care of things there.

Mr. Dunham noted that Chapter 24 Federal requirement will increase by about \$75,000 and will have an impact on our budget going forward. It is being looked at that MassDOT should have them help us out.

Mr. Dunham noted that if anything goes wrong during the year we turn to Paul Tilton and Ted Hamilton's budgets...they are outstanding about helping us out through their budgets for emergency issues. That type of thing happens all the time and we all reap the benefits.

Mr. Dwyer asked about the cost of street sweeping being done twice a year.

Mr. Tilton – It costs \$75,000.

Mr. Dwyer – on the matter of the Wing School. You are asking for additional funding to maintain. Has there been any discussion about outsourcing this.

Mr. Tilton – we have not.

Mr. Dunham noted...we have not but we could.

Mr. Snyder - two years ago \$5.2 m for the roads would have kept you going for about four years...thinks we should do the larger amount, plan out what you would like to do and know you will have the money to do it.

Mr. Whitham – do we plow the schools?

Mr. Tilton – They do the parking lots...we do the roads. They have their own plow. We have the sander so they can sand and salt when they need to.

Mr. Dunham noted that we do not charge them for the services but do get credited through net school spending.

Brief discussion about 'hot box' and 'cold patch' regarding the maintenance of the roads.

It was noted that work at the Boardwalk was done in house.

Mr. Dwyer – the CIPC (Capital Improvement Planning Committee) has recommended a \$5m bond...Why do we need it.

Mr. Tilton – Referring to the PCI Chart reviewed earlier in the presentation, the cost is so much cheaper if you can keep up with the maintenance of the roads.

Mr. Dwyer – if we support the \$5.2m bond, how would it be executed?

Mr. Tilton - there would be maybe a four or five year period. It would all go out to bid and we would attack it over time.

Mr. Dwyer – could you look at it for multiple years?

Mr. Tilton – yes, you can. If you bid it entirely...\$5.2m.

Ms. Grundman – there is a good possibility there would be cost savings at getting a larger bond.

Mr. Snyder – The larger amount makes sense, and avoids politics. And the job on the parking lot of the library is amazing.

Mr. Reilly – if we do get the bond, how long before we would have to start the process all over again?

Mr. Tilton – typically 10 –15 years. It has been about 20 years at this point.

Mr. Dwyer – why does the state want to mandate sweeping twice...if you sweep once and you do the cleaning of the catch basins, why the need to sweep twice?

Mr. Tilton – there is a lot of buildup on the roads over the winter. We get it in the spring. Everything that accumulates after the cleaning.

Mr. Tilton was thanked for his involvement with the clean water act through the Federal Government.

Mr. Dunham gave a budget update and Capital Review noting that Snow & Ice and the Police and Fire overtime have been chronically underfunded; no new personnel or services being added; drop of approximately \$175,000 in health insurance line item. Barring anything coming from the state...things are looking ok. The UCCRVTS number reflects their recommendation.

Mr. Guerin – does the CIPC (Capital Improvement Planning Committee) have a prioritized list.

Mr. Reilly (FinCom Rep to the CIPC) – yes.

Mr. Dunham - \$686,000 was voted by the CIPC.

Mr. Guerin – a \$512,000 bond does not make sense...there is an option of doing the work a little each year. If you add additional funding of a lesser amount you could manage improvement.

Ms. Grundman – it has been twenty years since we have done major improvements...it may be the reason to consider a large bond.

Mr. Snyder – the Board of Selectmen either have to do the \$5.2m or get approval each year for the 1.2m.

Ms. Grundman – we did not take a vote of support for the larger bond.

Mr. Witham – thinks he would like to go for the \$5.2m to string it out over many years does not seem like a good idea.

Mr. Reilly noted that interest rates are low, gas prices are low...good time to lock into having the bonding for the roads.

Mr. Dwyer – There is a demonstrated need that has showed over the last many years.

Mr. Dunham on the topic of the capital items list noted items greater than \$10,000 -public safety, the roads and short a term decision on the Wing School but noted that Mr. Lapp has been working on this...so if you need more details he can come in at a later date. Possible security cameras at Peters Pond and Oak Crest Cove; mobile radios for the police and fire departments; brush breaker vehicle; Fire/EMS HazMat & sight data...support software. Five thermal cameras (The Kiwanis Club donated thermal cameras over time but those have broken down...it is time to replace them). Replacement of dump truck with plow (DPW/HWY); Human Services Building security system cameras. Under \$10,000 capital items...security cameras. Dept. of Natural Resource (DNR) vehicles and equipment (for beach and swimming areas would be helpful). Vaccine refrigerator/freezer for the Public Health Nurse (Nursing will be in next week).

Additional FY'17 Capital Budget if funding allows – (greater than \$10,000) replace Kubota RTV (DNR); Library repairs (ADA Ramp etc); towable debris/leaf blower (Facilities); New Stump Grinder (DPW/Hwy); Utility Vehicles for OCC (Recreation); Skate park repairs & improvements (Recreation). (Less than \$10,000) – Gravelly Brushcutter Attachment (Facilities); Gravelly mower (Facilities); Rescue Air Cushion to life 10 tons (Fire Dept.); OCC Cabin equipment (Recreation).

Mr. Dwyer asked for an explanation of the Library repairs (the ADA ramps).

Mr. Dunham – this is for improvements to the ramp that is already there now.

Mr. Dunham noted that Shawme Heights I & II make a donation (in lieu of taxes – PILOT Program) each year.

Ms. Grundman – There was a show of support for the road bond.

Mr. Reilly – yes

Mr. Dunham – overview of Free Cash information...same as what was presented at last meeting. Overview of 5 Year Average Tax Levy Increase & Cost Centers Increasing Faster Than That; Cost Centers Increasing Faster and 3.71% from FY'12-FY'16; Comparisons; Auto Fleet Schedule (2010/2011).

Note was made of the work the Human Resources Dept. does for employees on so many levels.

Mr. Dwyer noted that he was very impressed with the Human Resource Director, Marie Buckner's presentation a few weeks ago. Amazed that her capacity is so stretched between town and schools. Is there any thought...there are a lot of union contracts in this town, have we ever thought about hiring someone to negotiate these contracts?

Mr. Dunham explained the current process and noted that the Human Resources Department does all the worker's Compensation etc. Town Treasurer Bill Jennings's office deserves a lot of credit on the health insurance process also.

Mr. Dunham – part of the packet for tonight's meeting is information on the Auto Fleet...thank you to Kathy in my office for this. Anything that has a place is listed here.

Mr. Guerin – is this in Excel?

Mr. Dunham – we can get it as a spread sheet.

ITEM #6
OLD BUSINESS

Finance Committee Inquiries: Free Cash, Cost Center etc. discussed earlier in the meeting under Town Manager's Report.

ITEM #7
NEW BUSINESS

FinCom report to Annual Town Meeting & Warrant Recommendations...please contact Ms. Grundman with any input. She and Mr. Guerin will work together on it.

Ms. Grundman noted that we do anticipate voting on the budget by the end of March.

Ms. Grundman anticipates that the Board of Selectman will have Health Agent David Mason before them to give an update them on the Comprehensive Water Resource Plan on Thursday, April 7 Selectmen's meeting. This is not a joint meeting; however, Ms. Grundman invites the FinCom to watch or come to the meeting. Mr. Mason will be attending a FinCom meeting after that. Please have questions ready for him at our meeting (Water Quality Advisory Committee map will be available at our April 12 FinCom meeting.

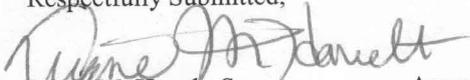
ITEM #8
CLOSING REMARKS

None.

ITEM #9
ADJOURNMENT

**9:05 p.m. *MOTION TO ADJOURN WAS MADE BY MR. SNYDER. SECONDED BY MR. GUERIN
VOTE – UNANIMOUS.**

Respectfully Submitted,


Diane M. Hanelt, Secretary

Approved: 3/15/16

Supporting Documents:

- Information from the Town's Website relative to the Library and the DPW/High/Parks/Sanitation Dept./Engineering Depts.
- Letter of Support from the CIPC for Debt Exclusion for Public Roads & Infrastructure
- Projected Revenues and Expenses – FY'17 (GHD Draft 2/25/2016)
- FY'17 Budget (GHD Draft 2/29/2016)
- FY'17 Recommended General Government Budget (Summary of Significant Budget Changes +/- \$5,000) (GHD Draft 2/29/2016)
- FY'17 Capital Budget Summary
- Proposed Timeline for Sy'17 Budget (GHD Draft 10/26/2016)
- Chapter 14 – The Calculation of free Cash (Uniform Mass. Accounting System 7/2013)
- Mass. Dept. of Revenue Informational Guideline Release – Free Cash 6/1986
- 5 year (FY'12 – FY'16) Average Tax Levy Increase & Cost Centers Increasing Faster Than That..
- Auto Fleet Schedule