



Town of Nantucket Finance Committee

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Committee Members: James Kelly (Chair), Clifford Williams (Vice-chair), Matthew T. Mulcahy, John Tiffany, David Worth, Stephen Maury, Craig Spery, Joseph T. Grause Jr.; Peter McEachern

MINUTES

Thursday, January 14, 2016

4 Fairgrounds Road, Community Room – 4:00 p.m.

Called to order at 4:01 p.m.

Staff in attendance: Libby Gibson, Town Manager; Gregg Tivnan, Assistant Town Manager; Brian Turbitt, Director of Finance; Lynell Vollans, Assistant Director of Finance; Paul Rhude, Fire Chief; William Pittman, Chief of Police; Sheila Lucey, Harbormaster; Amy Baxter, Business License Inspector; Terry Norton, Town Minutes Taker

Attending Members: Kelly, Williams, Mulcahy, Tiffany, Worth, Maury, Spery, Grause, McEachern

Absent Members: None

Late Arrivals: Spery, 4:02 p.m.; Williams, 4:29 p.m.

Early Departures: None

Documents used: January 7, 2016 minutes; Fire Department FY2017 proposed budget; Police Department and Harbormaster FY2017 proposed budgets; Citizen Warrant Articles for 2016 Annual Town Meeting.

I. PUBLIC COMMENTS – Any member of the public may address committee at this time

1. None

II. APPROVAL OF PRIOR MEETING MINUTES

1. None

III. REVIEW FIRE DEPARTMENT FY2017 BUDGET

Sitting Kelly, Williams, Mulcahy, Tiffany, Worth, Maury, Spery, Grause, McEachern

Recused None

Discussion **Rhude** – This coming year the focus on the new fire station; hope to break ground in June. Also looking to reduce call response time to meet the national standard.

Grause – Asked who the contractor for the new fire station is.

Rhude – He doesn't know at this time, the estimates from the bidders have just come in. The initial rough estimates are coming in under the budgeted amount.

McEachern – At Special Town Meeting, an increase in the budget was authorized because an estimate came in at \$1.7 million over and now the estimates are coming in \$1 million under.

Rhude – The initial budget was \$50 million; the initial estimates are coming in at about \$60 million.

McEachern – Asked if the bids are based on final design.

Rhude – No, not yet at the final design phase.

Kelly – Asked Chief Rhude to talk about the ambulance service and the move to Advance Life Support (ALS).

Rhude – A full presentation will be made to the Board of Selectmen (BOS) on January 20.

Spery – Asked if the services will take away from the hospital.

Rhude – No. ALS provides aid earlier.

Worth – Asked if outcomes go up or down with ALS.

Rhude – there have been a lot of studies that show long-term patient outcome is much better when ALS is provided earlier.

Worth – Asked if services are covered under typical insurances and Medicare/Medicaid.

Rhude – The billing costs would be increased but the reimbursement, not significantly. Patients with private health insurance would have a large co-pay for the service. Part of the increased cost is staffing and response time. The BOS will decide how much the cost will increase and how much will go to revenue.

Tiffany – Asked about the schedule for implementing the service.

Rhude – It will two years to reach the level of service where it needs to be for a community of this size. He anticipates having the ALS license about this time next year.

Tiffany – Asked if Chief Rhude has done a study to ascertain how much of the cost of the program will be covered by the reimbursements.

Rhude – The fees should cover 100% of the cost. He is applying for a federal grant that will pay for salaries for the first two years.

Mulcahy – Asked how additional staff might affect the overtime: will it lower the percentage.

Rhude – He doesn't expect the increased staffing to lower overtime but will increase the number of people available for calls. He compared the number of calls for his department in relation to others around the state; this department has one of the highest number of calls in the State.

McEachern – Asked about training costs going forward.

Rhude – ALS paramedics are required to take 28 hours of credits a year. They are negotiating with the Union what the those paramedics will be paid.

Worth – Asked if the Island is approaching the point where private service might be the more cost effective way to go.

Rhude – He doesn't believe so. If they give up the ambulance service, they would lose 50% of their staff and wouldn't have the people to fight a large fire.

Worth – Asked if the ambulance service were eliminated, would the department hire more staff for fire fighting. He wants to see the ALS service at least break even.

Rhude – They would have to; without the ambulance service, there would still be increased costs for the additional staff.

Kelly – He would like to see a *pro forma* showing incremental revenue and expense for providing ALS to be reviewed by this committee.

Rhude – At this time, they have 5 people per shift with a minimum of 3; he would like to see that increased to 7 people per shift with a minimum of 5.

Consensus of the committee members is that they would like to see a *pro forma* on ALS services before Chief Rhude presents to the BOS.

Worth – Ensured that the \$500,000 shown in the budget is a capital request for equipping an ALS ambulance.

Rhude – It will cost about \$50,000 per ambulance to upgrade them for ALS service.

Discussion about the national standard for response time versus Nantucket Fire Department response time and how to get closer to the national standard.

Grause – The \$590,000 for ambulance, asked if that is coming out of the Ambulance Revolving Fund.

Rhude – Yes.

Worth – There is an increase in professional services between FY2016 and FY2017.

Rhude – Part of that is to train 10 Emergency Medical Technicians (EMT) to paramedic levels: 5 in FY2017 and 5 in FY2018. It costs \$125,000 to train 5 EMTs to paramedic level. After the 10 are trained, there will be \$25,000 budget line item for yearly training. It still has to be negotiated with the Union.

Worth – That incremental training should to be include in the *pro forma*.

Kelly – Several years ago, there was a plan to hire a full time trainer; now it sounds like they are going outside for that training.

Rhude – An Emergency Medical Services (EMS) officer has not been included in this budget. The \$125,000 for training would be contracted out.

Tiffany – There is a payroll increase of 8.8% for increased staff; pulling those out, there is a 6% increase in salary but overtime is going up 10%.

Turbitt – Looking at the historical average of the last three years, we spent in excess of \$400,000 and in FY2016 budgeted \$380,000. There is a goal to decrease overtime to reflect a more natural number than was budgeted. In FY2015 we used \$404,000 in overtime, in FY2014 used \$403,000, and in FY2013 used \$458,000; the average of that is in excess of \$400,000 when \$300,000 has been budgeted. Another part of that is the increase of contractual obligations.

Kelly – Clarified that there were no incremental man hours in the budget. There are no new positions requested; asked where the year-to-year FTE change is.

Rhude – Under the Ambulance Revolving Fund. To date, overtime is less than \$200,000; he hopes it will be under \$400,000 for this year barring any significant winter storms.

Turbitt – He is leery about saying overtime will be under \$400,000 with six months left to go in the fiscal year and looking at what has happened the past three years.

Worth – Looking at the budget there is permanent salary then education incentive, longevity pay, etc.; he feels those should be incremental to the permanent salary number.

Turbitt – The two positions in this budget are projected to be paramedics; there are two in January that will come out of the ambulance fund.

IV. REVIEW POLICE DEPARTMENT AND HARBORMASTER FY2017 BUDGETS

Sitting Kelly, Williams, Mulcahy, Tiffany, Worth, Maury, Sperry, Grause, McEachern

Recused None

Discussion **Pittman** – Reviewed the reorganization of the department. He has been asked to add another School Resource Officer (SRO) for the schools. He lost two officers that would be needed to get the motorcycle unit going for the summer. Training is a focus due to the nationwide changes in police work. He is reconstituting the Accident Reconstruction Team.

Tiffany – Asked about adding a SRO to the elementary school.

Pittman – The goal is to have two for the schools: one NHS/CPS and one for the elementary schools. Law enforcement is getting more involved in school education. The SRO is involved in bullying prevention as well as drug education.

Williams – Asked about a lock-down wall.

Pittman – Locks have been installed in the schools that lock the entire building down; the police have access cards.

Harbormaster: the goal is to get the lifeguard program USLA certified, which would help attract lifeguards; they are full implementing the Beach Management Plan next summer and have a full-time employee to manage that; aids to navigation would implement use of ice buoys; the town pier funding has been approved and he's implementing the 1st year of on-going maintenance. Emergency Communications/IT: training for dispatchers; implement a staff wellness program for dispatchers to manage stress; outreach and communication for Spanish speakers; focus on new dispatchers with Spanish speaking capability; change in 911 management enhancing communication devices.

OEM: there is no existing plan for continuity of operation so he is going through different functions of the Town to determine how departments would continue to operate starting with Public Safety; live, table-top exercises; accumulation and cataloging of Memorandums of Understanding.

Priorities: community safety, community access, and staff support.

Significant changes: reorganization to include business licensing, hiring and staffing, permitting requirements.

Cost centers: police budget and Harbormaster budget.

Tiffany – Maintenance is up 16%.

Pittman – The 4 Fairgrounds Road building is 5-6 years old and equipment is nearing the end of its useful life.

Grause – On the harbormaster budget there is a decline in professional services.

Pittman – In FY2016 they paid for engineering studies for dredging.

Williams – Public Safety salaries line item has way gone up from FY2013 to FY2017.

Pittman – That results from adding business licensing and clerical staff and dispatchers.

Tiffany – Supplies are up.

Pittman – Public Safety is responsible for several buildings.

Grause – Asked about the other line.

Pittman – Everything has gone up in price: postage, advertising, and towing for snow emergency routes.

Kelly – FY2017 Personnel spreadsheet, asked about the no new positions and no vacancies under FTE.

Pittman – He is asking for an up-grade of several positions. The numbers are correct.

Mulcahy – Asked about the \$185,000 under vehicle expense.

Pittman – That's for new vehicles; the schedules to replace 3 vehicles every year.

Tiffany – Marine maintenance is up.

Pittman – That's maintenance on the Town pier.

Worth – Looking at personnel longevity, a year from now, 7 officers will hit the end of their contract.

Pittman – That would be a year from July 1st. He can't do anything about the reasons they are leaving: housing, cost of living, and young families.

Kelly – Asked if there is a risk profile in regards to turnover for all employees.

Gibson – No; a survey was done a year ago to establish an idea of who needs stable housing.

Grause – The amphibious boat was brought on line; asked if it has been used.

Lucey – It has been on line for training. They used it 3 times.

V. REVIEW OF CITIZEN WARRANT ARTICLES FOR 2016 ANNUAL TOWN MEETING (ATM)

1. Article N, Appropriation: Cost Reimbursement – Clifford Williams

Sitting Kelly, Mulcahy, Tiffany, Worth, Maury, Spery, Grause, McEachern

Recused Williams

Discussion **Kelly** – He had distributed an email from Leslie Snell, PLUS Deputy Director, about the Building Code Appeals Board ruling on this matter. Town Counsel's opinion is that this expenditure does not benefit the Town and therefore not a legal reason for reimbursement. This is a civil matter.

Grause – As far as this committee is concerned, our hands are tied; it is not an appropriate use of public funds.

Mulcahy – Agrees with Mr. Grause. However, this is an opportunity for this board to explore irregularities that have occurred with the Building Department and makes the permitting process onerous for citizens. There have been other complaints on dealings with the building inspector.

Gibson – She hasn't spent time reviewing the inspectors' response times. She is aware of steps being taken to improve that response time.

Kelly – PLUS informed this board that an incremental inspector has been hired and the response time has been decreased.

Williams – In his opinion, if the building department can't facilitate a permit after 6 months, there is a problem.

Tiffany – The reasons the courts turned down the appeal seem logical.

Kelly – This board can only accept the documentations of the professionals.

Maury – His concern as a member of this committee is whether or not there is some liability to the Town resulting from the handling of this situation. He feels this board should recommend the problem be looked into. Notwithstanding Mr. Williams testimony to the contrary, there is no record of issues like this costing the Town money.

Motion **Motion Not to Adopt.** (made by: Grause) (Seconded by: McEachern)

Vote Carried 8-0

VI. NEXT MEETING DATE/ADJOURNMENT

Date: Tuesday January 19, 2015; 4:30 p.m.; Nantucket High School Cafeteria

Topics: DPW, Wastewater, and Sewer 2017 budgets.

Discussion about when the sewer district change articles will be discussed and what information will be available and which sewer articles are actually going forward.

Adjourned 6:04 p.m.

Submitted by:

Terry L. Norton