

BOARD OF SELECTMEN

Minutes of the Meeting of June 15, 2016. The meeting took place in the Public Safety Facility Community Room, 4 Fairgrounds Road, Nantucket, MA 02554. Members of the Board present were Rick Atherton, Matt Fee, Dawn E. Hill Holdgate, and James R. Kelly. Robert DeCosta was absent.

I. CALL TO ORDER

Chairman Kelly called the meeting to order at 6:00PM.

II. BOARD ACCEPTANCE OF AGENDA

The agenda was unanimously accepted as presented.

III. ANNOUNCEMENTS

1. Chairman Kelly announced that David Worth Sr. passed away and recognized his invaluable service as the former manager of the Wannacomet Water Company. The Board held a moment of silence.
2. Fire Chief Rhude gave an update on the June 10, 2016 fire at Marine Home Center, which has been estimated at \$5 million in damages. He said the fire is under investigation by the Fire Marshal and the insurance companies for both Nantucket Island Resorts and Marine Home Center. Chief Rhude apologized on behalf of the fire department for some Facebook posts which were deemed inappropriate. Chairman Kelly thanked the Fire Department for their heroic efforts in containing the fire.
3. Town Manager C. Elizabeth Gibson announced that the Board of Selectmen meeting is being video/audio recorded in accordance with the Open Meeting Law.

IV. PUBLIC COMMENT

None.

V. NEW BUSINESS

None.

VI. APPROVAL OF MINUTES, WARRANTS, PENDING CONTRACTS

1. Approval of Minutes of May 18, 2016 at 6:00 PM. The minutes of May 18, 2016 were approved by the unanimous consent of the Board.

2. Approval of Payroll Warrants for Weeks Ending June 5, 2016; June 12, 2016. The payroll warrants for weeks ending June 5, 2016 and June 12, 2016 were approved by the unanimous consent of the Board.

3. Approval of Treasury Warrants for June 8, 2016; June 15, 2016. The treasury warrants for June 8, 2016 and June 15, 2016 were approved by the unanimous consent of the Board.

4. Approval of Pending Contracts for June 15, 2016 - as Set Forth on the Spreadsheet Identified as Exhibit 1, Which Exhibit is Incorporated Herein by Reference. Ms. Gibson reviewed various pending contracts, noting that Family and Children's Services in not included in the Health and Human Services contracts, but it is expected on July 6, 2016. The pending contracts for June 15, 2016 were approved by unanimous consent of the Board.

VII. CONSENT ITEMS

1. Resignation Acceptance: Agricultural Commission. Michelle Whelan's resignation from the Agricultural Commission was accepted by acclamation, with thanks for her service.

2. Gift Acceptance: Town of Nantucket Scholarship Fund. A \$25,000 gift from Nantucket Triathlon, LLC to the Town of Nantucket Scholarship Fund was accepted by acclamation with thanks.

VIII. CITIZEN/DEPARTMENTAL REQUESTS

1. The Jetties: Request for Extension of Entertainment License Hours from 10:00 PM to 10:45 PM for Nantucket Conservation Foundation Race for Open Space Event to be Held Saturday, July 9, 2016. Business License Inspector Amy Baxter reviewed the request to extend the entertainment license at The Jetties to 10:45 PM, noting the license only goes until 10:00 PM. She answered questions from Board members. Mr. Fee moved to approve the extension as requested; Ms. Hill Holdgate seconded. So voted 4-0.

2. Finance Department: Request for Approval of Sale of \$35,501,726 General Obligation Bond Anticipation Notes for Airport, Our Island Home, Wannacomet Water Company, Sewer and General Fund (General Fund includes School and Fire Station). Ms. Gibson reviewed the request, noting the amount is large but it is secured at a very low interest rate. Director of Municipal Finance Brian Turbitt reviewed the projects included in the \$35.5 million, noting it is primarily for the school. Chairman Kelly read the vote (attached). Mr. Fee moved to approve the request; Ms. Hill Holdgate seconded. So voted 4-0.

3. Finance Department: Request for Approval of Sale of \$1,188,709 General Obligation Bond to Executive Office of Energy and Environmental Affairs for Easy Street Bulkhead Project. Chairman Kelly read the vote (attached). Ms. Hill Holdgate moved to approve the request; Mr. Atherton seconded. So voted 4-0.

4. National Grid: Overview of Candle Street and Bunker Road Facility Upgrade Projects. Chairman Kelly introduced the presentation, noting the intention of the company to provide reliable electric service on Nantucket into the future and their plans to mitigate the need for third electric cable to the island. Joe Cardinal, manager of customer and community relationships for National Grid, gave an overview of how the company currently serves Nantucket, using two undersea electric cables with diesel generators for backup. He added that peak demand is rising at a significant rate, with a third cable forecasted to be needed by 2029 if nothing is done to reduce usage. Mr. Cardinal reviewed the non-wire alternative pilot project which is a seven-year effort to pilot new methods to reduce peak load (Demand Link Nantucket), currently before the MA Department of Public Utilities for approval. He also reviewed plans to increase emergency back-up power at their Bunker Road facility in two phases, noting phase one is to upgrade diesel generation by replacing the aging 3MW generator with a 10MW unit, and phase two is to install battery storage or a second diesel generator. Mr. Cardinal then reviewed a mitigation plan for flooding on Candle Street and stated that National Grid has started public outreach with the residents and commercial customers. Mr. Cardinal answered questions from Board members throughout the presentation. Dave Fredericks answered questions regarding the load center and past blackouts.

5. Citizen Request for Waiver of Sewer Connection Fees for Two Covenant Lots on Newtown Court (off Newtown Road). Chairman Kelly recused himself from this matter. Mr. Fredericks reviewed the request for sewer connection fee waivers and asked the Board to consider covenant homes for affordable housing. Ms. Gibson reviewed the Board's sewer waiver history and answered questions from Board members. Mr. Fredericks answered questions from Board members, noting that the covenant lots are affordable in perpetuity. Mr. Fee said he is willing to support the request because it is a permanent covenant, adding the Board should consider discussing tiering waivers. Mr. Fee moved to waive sewer connection fees for two lots on Newtown Court as requested; Mr. Atherton seconded. So voted 3-0.

IX. PUBLIC HEARINGS

Ms. Gibson reviewed a public hearing checklist prepared by Town Administration.

1. Public Hearing to Consider Petition for National Grid/Nantucket Electric Company Plan # 20895306 to Install 2-4" Conduits from Pole 21-50 East Across Surfside Road to New Intermediate School at 30 Surfside Road. Chairman Kelly opened the public hearing. Ms. Hill Holdgate recused herself from this matter. National Grid engineer Stephen Breton reviewed the petition, noting it has already been installed but National Grid needs to take ownership. Mr. Fee moved to close the public hearing; Mr. Atherton seconded. So voted 3-0. Mr. Fee moved to approve National Grid petition # 20895306; Mr. Atherton seconded. So voted 3-0.

2. Public Hearing to Consider Petition for National Grid/Nantucket Electric Company Plan # 21485138 to Install Direct Buried Primary Cable w/3" Spare Conduit from Pole 3 Newtown Road Along Side of Road Northwest to New Subdivision Called Newtown Court. Chairman Kelly opened the public hearing and then recused himself from this matter. Mr. Breton reviewed the petition and answered questions from Board members. Vice Chairman Hill Holdgate closed the public hearing. Mr. Fee moved to approve National Grid petition # 21485138; Mr. Atherton seconded. So voted 3-0.

3. Public Hearing to Consider Application for New (Third) Mobile Food Unit License for Hither Creek, LLC d/b/a Millie's. Mr. Fee recused himself from this matter. Chairman Kelly opened the public hearing. Christian Broder, general manager from Millie's, was present. Business License Inspector Amy Baxter explained this would be Millie's third mobile food unit and the intent is to use it only for private events and catering, and it would be on a trailer pulled by a truck. Chairman Kelly closed the public hearing. Ms. Hill Holdgate moved to approve a mobile food unit license for Millie's; Mr. Atherton seconded. So voted 3-0.

4. Public Hearing to Consider Application for New Common Victualler License for Nantucket Candy Company, Inc. d/b/a Sundae Shoppe, Alyssa Stone, Manager, for Premises Located at 48 Centre Street. Chairman Kelly opened the public hearing. Diana Giorgio presented her plan for a sundae shop and answered questions from Board members. Mr. Fee voiced concerns about "by right" zoning, and asked if the Town wants porch service and take out windows, saying he feels this could become a trend downtown and the Board needs to consider the possible ramifications. Ms. Giorgio answered additional questions from Board members. Some discussion followed on by right zoning and potential unintended consequences of by right zoning. Chairman Kelly closed the public hearing. Ms. Hill Holdgate moved to approve a new Common Victualler license for the Sundae Shoppe; Chairman Kelly seconded. So voted 3-1. Mr. Fee was opposed.

5. Public Hearing to Consider Application for New Entertainment License for Amelia Drive, LLC d/b/a The ACKtors Table, Cliff Blake, Manager, for Premises Located at 5 Amelia Lane. Chairman Kelly opened the public hearing. Ms. Baxter reviewed the request. Cliff Blake reviewed the concept and answered questions from Board members. Chairman Kelly closed the public hearing, Mr. Fee moved to approve a new entertainment license for the ACKtors Table; Mr. Atherton seconded. So voted 4-0.

6. Public Hearing to Consider Application for New Seasonal Wine/Malt Beverages Section 12 General On Premises License for Nantucket Golf Management, Inc. d/b/a Siasconset Golf Course, Joan Casey, Manager, for Premises Located at 260 Milestone Road. This Matter was withdrawn.

7. Public Hearing to Consider Increasing the Fee per Ton for Mixed Excavation Waste, Currently Set at \$30/Ton. Chairman Kelly opened the public hearing. Ms. Gibson noted that the Board has been having discussions on Mixed Excavation Waste (MEW) as the gate rate is much lower than the rate the Town has to pay landfill operator Waste Options Nantucket (WON). She said she had hoped to come to an agreement with WON for WON to lower the rate so the Town doesn't have to increase the gate rate as much. Chairman Kelly closed the public hearing. Chairman Kelly noted there is further internal discussion going on and he would like to postpone this matter for two weeks. Ms. Hill Holdgate agreed with putting this off for two weeks. Mr. Fee agreed, adding he hopes to partner with WON. He said he would like an analysis of what the rates were by year

and when amendments to the Waste Services Agreement were approved. Ms. Gibson clarified that the Board doesn't meet again in two weeks but this matter could be placed on the July 6, 2016 agenda. She added more time might be needed if the Board is asking for a high level of detail and suggested having the Town's solid waste consultant present. Mr. Atherton noted the Town will never "recoup the shortfall" with this delay. Mr. Fee suggested raising the fee for MEW to \$80 per ton in the meantime. Ms. Hill Holdgate moved to raise the fee for MEW to \$60 per ton; Mr. Atherton seconded. So voted 4-0. It was agreed to revisit this matter in a few weeks. Mr. Fee said he didn't understand when the amendment was voted to allow WON to charge different rates for different groups. Ms. Hill Holdgate said she would like to know what the Town is subsidizing and why.

X. TOWN MANAGER'S REPORT

1. Update Regarding Upcoming Improvements to Portion of First Way. Department of Public Works Director Kara Buzanoski explained that there were two appropriations at the 2016 Annual Town Meeting for improvements on First Way: \$750,000 for sewer work and \$750,000 for road construction, and noted that the sewer work has to be done first to rid of the existing "spaghetti" sewer lines. She reviewed the schedule and answered questions from Board members, saying she recommends a meeting with the neighbors. Questions and answers with First Way residents followed regarding sewer design and direct costs for the residents for required new pumps and electrical service, as well as traffic speed concerns once the dirt road is paved. Some discussion followed regarding communication between the Town and the neighbors. Mr. Fee said he would like to see on-street parking as he feels it is an "urban" area. He added that he wants to see the design plans for the road for the Board to review before implementation.

XI. SELECTMEN'S REPORTS/COMMENT

1. Committee Reports. Chairman Kelly reported that a group of 12 citizens went to the State House yesterday and gave testimony regarding H. 4317, which is a transfer fee on sale of homes where money would be allocated for affordable housing (Article 82 of the 2016 Annual Town Meeting). Mr. Atherton inquired about the cost of road reflectors. Ms. Gibson responded that when roads are being worked on road reflectors will be installed.

XII. ADJOURNMENT

The meeting was unanimously adjourned at 7:52PM.

Approved 14th the day of September, 2016.

VOTE OF THE BOARD OF SELECTMEN

I, the Clerk of the Board of Selectmen of the Town of Nantucket, Massachusetts, certify that at a meeting of the board held June 15, 2016, of which meeting all members of the board were duly notified and at which a quorum was present, the following votes were unanimously passed, all of which appear upon the official record of the board in my custody:

Voted: to approve the sale of \$35,501,726 General Obligation Bond Anticipation Notes (the "Notes") of the Town dated June 23, 2016, payable November 10, 2016, at par and accrued interest plus the premiums, and to the Purchasers, indicated as follows:

<u>Number</u>	<u>Denomination</u>	<u>Interest Rate</u>	<u>Premium</u>	<u>Purchaser</u>
R-1	\$28,001,726	1.50%	\$103,046.35	Morgan Stanley & Co. LLC
R-2	\$7,500,000	2.00%	\$42,600.00	J.P. Morgan Securities LLC

Further Voted: that in connection with the marketing and sale of the Note, the preparation and distribution of a Notice of Sale and Preliminary Official Statement dated June 2, 2016, and a final Official Statement dated June 9, 2016, each in such form as may be approved by the Town Treasurer, be and hereby are ratified, confirmed, approved and adopted.

Further Voted: that the Town Treasurer and the Board of Selectmen be, and hereby are, authorized to execute and deliver a significant events disclosure undertaking in compliance with SEC Rule 15c2-12 in such form as may be approved by bond counsel to the Town, which undertaking shall be incorporated by reference in the Note for the benefit of the holders of the Note from time to time.

Further Voted: that we authorize and direct the Treasurer to establish post issuance federal tax compliance procedures in such form as the Treasurer and bond counsel deem sufficient, or if such procedures are currently in place, to review and update said procedures, in order to monitor and maintain the tax-exempt status of the Notes.

Further Voted: that each member of the Board of Selectmen, the Town Clerk and the Town Treasurer be and hereby are, authorized to take any and all such actions, and execute and deliver such certificates, receipts or other documents as may be determined by them, or any of them, to be necessary or convenient to carry into effect the provisions of the foregoing votes.

I further certify that the votes were taken at a meeting open to the public, that no vote was taken by secret ballot, that a notice stating the place, date, time and agenda for the meeting (which agenda included the adoption of the above votes) was filed with the Town Clerk and a copy thereof posted in a manner conspicuously visible to the public at all hours in or on the

municipal building that the office of the Town Clerk is located or, if applicable, in accordance with an alternative method of notice prescribed or approved by the Attorney General as set forth in 940 CMR 29.03(2)(b), at least 48 hours, not including Saturdays, Sundays and legal holidays, prior to the time of the meeting and remained so posted at the time of the meeting, that no deliberations or decision in connection with the sale of the Notes were taken in executive session, all in accordance with G.L. c.30A, §§18-25 as amended.

Dated: June 15, 2016

Clerk of the Board of Selectmen

AM 58124746.1

VOTE OF THE BOARD OF SELECTMEN

I, the Clerk of the Board of Selectmen of the Town of Nantucket, Massachusetts, certify that at a meeting of the board held June 15, 2016, of which meeting all members of the board were duly notified and at which a quorum was present, the following votes were unanimously passed, all of which appear upon the official record of the board in my custody:

Voted: that the sale of the \$1,188,709 General Obligation Bond of the Town dated June 22, 2016, to the Executive Office of Energy and Environmental Affairs (the "Agency") is hereby approved and the Town Treasurer, or any other Town official, are each authorized to execute on behalf of the Town a Contract, Loan Agreement and a Finance Assistance Agreement, and any other document with the Agency with respect to the bond. The bond shall be payable at the rate of 2% per annum, in semiannual installments as set forth below:

<u>Payment Date</u>	<u>Amount</u>	<u>Payment Date</u>	<u>Amount</u>
December 23, 2016	\$35,542.45	December 24, 2026	\$36,202.84
June 22, 2017	36,202.84	June 23, 2027	36,202.84
December 23, 2017	36,202.84	December 24, 2027	36,202.84
June 23, 2018	36,202.84	June 22, 2028	36,202.84
December 24, 2018	36,202.84	December 23, 2028	36,202.84
June 23, 2019	36,202.84	June 22, 2029	36,202.84
December 24, 2019	36,202.84	December 23, 2029	36,202.84
June 22, 2020	36,202.84	June 23, 2030	36,202.84
December 23, 2020	36,202.84	December 24, 2030	36,202.84
June 22, 2021	36,202.84	June 23, 2031	36,202.84
December 23, 2021	36,202.84	December 24, 2031	36,202.84
June 23, 2022	36,202.84	June 22, 2032	36,202.84
December 24, 2022	36,202.84	December 23, 2032	36,202.84
June 23, 2023	36,202.84	June 22, 2033	36,202.84
December 24, 2023	36,202.84	December 23, 2033	36,202.84
June 22, 2024	36,202.84	June 23, 2034	36,202.84
December 23, 2024	36,202.84	December 24, 2034	36,202.84
June 22, 2025	36,202.84	June 23, 2035	36,202.84
December 23, 2025	36,202.84	December 24, 2035	36,202.84
June 23, 2026	36,202.84	June 22, 2036	36,202.84

Further Voted: that each member of the Board of Selectmen, the Town Clerk, the Town Treasurer, and any other Town official be and hereby are, authorized to take any and all such actions, and execute and deliver such certificates, receipts or other documents as may be determined by them, or any of them, to be necessary or convenient to carry into effect the provisions of the foregoing vote.

I further certify that the votes were taken at a meeting open to the public, that no vote was taken by secret ballot, that a notice stating the place, date, time and agenda for the meeting (which agenda included the adoption of the above votes) was filed with the Town Clerk and a copy thereof posted in a manner conspicuously visible to the public at all hours in or on the municipal building that the office of the Town Clerk is located or, if applicable, in accordance with an alternative method of notice prescribed or approved by the Attorney General as set forth in 940 CMR 29.03(2)(b), at least 48 hours, not including Saturdays, Sundays and legal holidays, prior to the time of the meeting and remained so posted at the time of the meeting, that no deliberations or decision in connection with the sale of the bond were taken in executive session, all in accordance with G.L. c.30A, §§18-25 as amended.

Dated: June 15, 2016

Clerk of the Board of Selectmen

AM 58118846.1

BOARD OF SELECTMEN
JUNE 15, 2016 – 6:00 PM
PUBLIC SAFETY FACILITY COMMUNITY ROOM
4 FAIRGROUNDS ROAD
NANTUCKET, MASSACHUSETTS

List of documents used at the meeting:

- VI. 1. Draft minutes of May 18, 2016 at 6:00 PM
- VI. 4. Pending contracts spreadsheet for June 15, 2016
- VII. 1. Email from Michelle Whelan, re: resignation from Agricultural Commission
- VII. 2. Cover letter from Nantucket Triathlon, LLC and copy of check
- VIII. 1. Memo from Business License Inspector; copy of 2016 entertainment license for The Jetties
- VIII. 2. Vote of the Board of Selectman, re: Bond Anticipation Notes
- VIII. 3. Vote of the Board of Selectman, re: Easy Street Bulkhead project
- VIII. 4. National Grid presentation: Upgrading Nantucket's Electric Grid
- VIII. 5. Breakdown of Newtown Court sewer fee waiver request; letter from David and Laura Fredericks; sketch of Newtown Court; Planning Board approved plan for Newtown Court Subdivision; Planning Board approvals of Newtown Court subdivision; search results, recorded land name search – Claris Properties LLC; Email from Dave Fredericks to Whitney Gifford, April 1, 2016
- IX. 1-8. Town Administration Public Hearing Checklist
- IX. 1. Departmental comments; National Grid petition for Surfside Road plan # 20895306; plan; letter from Christopher and Linda Roberts, June 3, 2016
- IX. 2. Departmental comments, June 15, 2016; National Grid petition for Newtown Road plan # 21485138; plan
- IX. 3. Memo from Business License Inspector; Millie's application for Mobile Food Unit License
- IX. 4. Memo from Business License Inspector; cover letter from applicant; Common Victualler license application for Sundae Shoppe
- IX. 5. MGL Chapter 140, s. 181; Memo from Business License Inspector; cover letter from applicant; entertainment license application for ACKtors Theater; departmental comments; 2015 entertainment license for Fog Island Grille; letter from Gary A. Beller, June 9, 2016
- IX. 6. Memo from Business License Inspector; department comments; cover letter, re: Siasconset Golf Course; ABCC liquor license application
- IX. 7. Mixed Excavation Waste materials analysis – FY16 YTD
- X. 1. Email from DPW Director, re: First Way timeline and appropriations