



Town of Nantucket Finance Committee

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Committee Members: Denice Kronau (Chair), Stephen Maury (Vice-chair), Joseph T. Grause Jr., Peter McEachern, Joanna Roche, Peter Schaeffer, Chris Glowacki, Jill Vieth, George Harrington

MINUTES

Tuesday, February 4, 2020

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

Called to order at 4:00 p.m.

Staff in attendance: Brian Turbitt, Director of Finance; Alexandria Penta, Financial Analyst

Attending Members: Kronau, Maury, Grause, McEachern, Roche, Schaeffer, Glowacki, Vieth, Harrington

Early Departures:

Documents used: Draft minutes January 21, 23, 20, 27, & 28, 2020; Warrant Articles for 2020 Annual Town Meeting.

Agenda adopted by unanimous consent.

I. ANNOUNCEMENTS

II. APPROVAL OF PRIOR MEETING MINUTES

1. No action at this time.

III. PUBLIC COMMENT

1. None

IV. REVIEW COUNTY BUDGET – FINCOM ACTING AS THE NANTUCKET COUNTY REVIEW COMMITTEE

Discussion **Turbitt** – County commissioners adopted this on January 29th. Presented the Nantucket County FY2021 budget. Expenses slightly up due to increases in health, retirement, and pay increases.

Motion **Motion to Approve the budget.** (made by: Schaeffer) (seconded)

Vote Carried unanimously

1. Article 21 (Appropriation: County Assessment)

Discussion **Turbitt** – We have to write the actual motion. You will vote to adopt the budget then we will write the motion, which says to raise and appropriate \$170,000 from the General Fund. This will be ready for a vote on February 6th.

Motion No action at this time.

Vote N/A

2. Article 22 (Appropriation: Finalizing Fiscal Year 2021 County Budget)

Discussion **Turbitt** – You can vote on this. This exists in the event there is a disagreement between the County Commissioners and the County Review Committee.

Motion **Motion to take no action.** (made by: Glowacki) (seconded)

Vote Carried unanimously

V. DISCUSS OUR ISLAND HOME (OIH) BUDGET

Discussion **Turbitt** – The override will be part of the motion for the Enterprise Fund budgets. In FY2020 we were able to raise the revenue due to receiving funds from Direct Care from Mass Health. This is one of the budgets that gets heavy scrutiny between now and Town Meeting in the event the census drops. For FY2020, we are ahead of revenue. Reviewed the reasons for expense increases.

Schaeffer – Asked why the travelling nurses are more expensive than resident nurses.

Turbitt – They come from a staff agency and are paid \$3500 a week. They do not receive any benefits from the Town whatsoever. Health Insurance is going up 9.5% due to medical care inflation and property insurance is increasing 15% due to catastrophic losses of the insurance company to properties elsewhere. The Staff Development line has been 100% defunded.

Glowacki – Asked how he came up with a budget after the departure of the OIH manager.

Turbitt – He and Rachel Day reviewed the budget and made adjustments where reasonable; we came up with a recommended budget we are comfortable with.

Grause – The facility is licensed for 45 beds; he thought that had been reduced.

Turbitt – There was a time when there were staffing issues, so they didn't fill 5 beds, but it is licensed for 45 beds.

Grause – Asked if the number of patients goes down do the costs go down.

Turbitt – A reduction in residents doesn't result in a reduction of staff. We are currently staffed for 40 people; if we got an increase, we would have to fix the problem of adding staff. Most travelling nurses are here for four or five months; some have asked to stay longer; we cover the cost of housing.

Roche – Asked how many open positions exist now.

Turbitt – He doesn't know off hand.

Roche – Asked about the \$2,000 for overtime.

Turbitt – Overtime is spread through multiple lines; this budget is built up on the individual departments: RN, CNA, Dietary, etc.

Roche – She wants to know the total amount of overtime, how many open positions there are, and how many travelling nurses the \$450,000 funds.

Turbitt – The \$450,000 isn't exclusively for travelling nurses; the contract on the Select Board agenda would be funded from that and there are other services and consultants it covers. We vote on this budget as two lump sums but have the flexibility to move the budget around keeping it within the bottom line.

Grause – The budget for Medicaid revenue is \$1.75m and was increased \$350,000; asked the reason.

Turbitt – An increase in Medicaid rate.

Grause – If the increase in census doesn't happen, he wonders if the \$5m override will cover the budget.

Turbitt – We get CPE, which could be considered a revenue source should that happen. This budget is constantly reviewed to prevent getting caught in a deficit situation.

Grause – OIH is fiscally a bad situation.

McEachern – Pointed out that the kitchen at the new intermediate school was designed to be used as a satellite commissary kitchen owned by the Town to prepare and deliver food. It costs OIH \$165,000 a year to buy the food; so, looking at that, salaries, benefits, utilities, and maintenance of the antiquated kitchen at OIH, you are looking at \$1.4m, which is about 20% of the net loss. If we don't take some step to advocate its existence, you have to make a hard decision. OIH serves about 35,000 meals a year and it costs OIH \$34 a plate; however, the food only costs \$4.50 a plate. That does not make money. Sometimes you have to make hard decisions to make things work before giving up. This is a dilapidated building on prime real estate.

Turbitt – We looked at that. He doesn't think anything is off the discussion table, but Union contracts add extra steps to the process.

Schaeffer – Asked if the Medicaid reimbursement is based on cost.

Turbitt – He's not confident in how the rate is calculated.

VI. WARRANT ARTICLES FOR 2020 ANNUAL TOWN MEETING (ATM)

1. Article 48 (Zoning Bylaw Amendment: Swimming Pool – Residential)

Discussion **Kronau** – Leslie Snell provided a list of R1 & R5 properties impacted by this article; a total 740 lots in the zones eligible to have a pool. Ms. Snell couldn't tell us how many pools already exist on the designated lot sizes; there are currently 900 pools on the Island.

Grause – Asked how many lots in the R1 and R5 districts could not have pools.

Jill Vieth – People do subdivide lots in those areas, so this could impact more lots going forward. This would take away building rights and devalue the property.

Kronau – In R1, 405 lots would be subject to the pool prohibition. In R5, 372 lots would be subject to the pool prohibition.

Maury – He watched the Planning Board meeting; there didn't seem to be a consensus on where to go with this except to have a discussion at Town Meeting.

Glowacki – They gave a positive recommendation on their own article. Our issue is do we endorse this or not.

Roche – If we vote for this, we are potentially lowering the potential tax revenue off these properties.

Maury – This also has an impact on pool installers and landscapers.

Glowacki – In Madaket, the residents put forward an article limiting pools. Conversely these limitations are being imposed on the residents in these districts.

Maury – There is no demonstrated need for this; none was presented in Planning Board the discussion. Judith Wegner pointed at the Australian forest fires and that we need to look at our own water table.

Grause – This is the Planning Board being responsive to a couple of members who are anti-pool.

Kronau – It was also mentioned that this would be a start to impact density. She doesn't understand how pools affect density.

Glowacki – The only cognitive point was that people can subdivide now they can have a pool on each lot; with this article, they can't subdivide but retain the ability to have a pool on one, which might be more valuable than two lots without pools.

Vieth – The other issue about density is that can be buildings and people; if you can have a bigger building, you can have more people.

Maury – We hear public outcry about development; this is an effort to stop some form of development.

Grause – Thinks FinCom should vote to take no action.

Maury – He would like to see a study done to ascertain if people see this as a problem; that's what the Planning Board did with the article prohibiting pools in the ROH.

Schaeffer – Last year FinCom supported the Planning Board motion on the groundcover issue.

Grause – Do we really want to oppose the Planning Board or just take no action.

Maury – We have to either support or not support here.

Motion **Motion not to support the Planning Board motion.** (made by: Glowacki) (seconded)

Vote Carried 6-2//Roche and Schaeffer opposed and Vieth recused

2. Article 58 (Zoning Bylaw Amendment: Commercial Mid-Island – Height Restriction) Vallorie Oliver

Discussion **Maury** – He didn't have time to write something on this so asked to wait.

Motion No action at this time.

Vote N/A

3. Article 66 (Town Meeting Vote Required to Implement On-street Paid Parking) Christopher Glowacki

Discussion **Kronau** – Read the wording making this a non-binding question.

Glowacki – This has nothing to do with valet parking. The goal is to make this a non-binding request that the Select Board to bring that question to Town Meeting; they can respectfully decline.

Grause – In terms of the original article, can we vote on an amended article.

Maury – We can make our motion contingent upon that wording change.

- Motion **Motion to accept the article with the proposed language change making it non-binding.**
(made by: Roche) (seconded)
- Vote Carried 7-1//Grause opposed and Glowacki recused
4. Article 69 (Traffic Rules and Regulations: Limit Heavy Commercial Vehicle Deliveries in Core District)
Grant Sanders
- Discussion **McEachern** – (brought up during discussion of Article 79) As an operator, when the Steamship Authority (SSA) changes its schedule for trucks coming to the Island, that messes things up. If the SSA can figure out how to get those trucks off the streets earlier, that will free up traffic. To him it has a simple solution of working for timing.
- Kronau** – Last week we had restaurateurs here and they were all opposed to this. Their point was that their licenses don't allow anyone in the building outside the operating hours noted in the licenses.
- Maury** – Attorney Rick Beaudette noted that it is specified in the noise bylaw that there will be no off-loading of trucks early in the morning. If the SSA could stack which types of trucks get on which ferries, you might have something.
- Harrington** – The reason the truck traffic changed was the increased need for petroleum to support the Island's growth and the need for the SSA to have a boat with nothing but HAZMAT. The only likely solution he can come up with is to run a mid-night freight boat specifically for HAZMAT; however, you have to work with those shipping companies.
- Kronau** – The sponsors wanted to meet with the SSA for possible language change to this article.
- Motion (made by:) (seconded)
- Vote Carried
5. Article 72 (Bylaw Amendment: Single-Use Plastics)
- Discussion **Kronau** – This cleans up the bylaw voted on in 2018. In conjunction with Article 73, that was withdrawn in favor of this article.
- Grause** - Mr. Mandel's article, Article 73, was far more comprehensive than the Town bylaw with changes. He expects that to be back in the future.
- Motion **Motion to adopt.** (made by: Grause) (seconded)
- Vote Carried unanimously
6. Article 78 (Bylaw Amendment: Outdoor Lighting) Linda Williams
- Discussion **Kronau** – She had a subsequent conversation with Town Administration; they will not implement the nightly inspections.
- Maury** – There are many issues. Enforcement is in place
- Grause** – He doesn't think this is a problem.
- Glowacki** – There is the Dark Sky issue versus a neighbor's spotlight shining in your house. He's sympathetic about the dark night sky especially when he sees the glow from the Intermediate School and supports the overall notion of this. However, this article is not workable.
- Maury** – Suggested people write letters to the editor; that would be more appropriate. Also, there is no documented history of complaints not be responded to. It wouldn't be true to say people complain about lighting and it doesn't get addressed. There are ways to document the issue.
- Motion **Motion not to adopt.** (made by: Grause) (seconded)
- Vote Carried unanimously

7. Article 79 (Bylaw Amendment: Noise – Gas-powered Leaf Blowers) Julia Lindner

Discussion **Kronau** – She reached out to some people and had conversations. The gist of those is that this is where the industry is headed over a period of time. It is more of a carbon-monoxide issue over noise. Other places that have done this provided a longer adaptive runway, couple of years for smaller companies. Another point made was that this would have better if it had started as a grassroots idea with people making the move over then introducing it as a bylaw after about 80% of landscapers had made the change.

Maury – This notion that sponsors can put their own explanations in the warrant without fact checking is bothersome. There was no data represented or provided referencing a growing number of complaints or supporting the claim that there is an increase in the use of these tools.

Harrington – He agrees.

Roche – It’s the same issue as with the lighting.

Vieth – We kept asking what the problem is but there was no answer beyond there is a problem.

Kronau – If something is submitted within the article on the signature page, you have to print everything.

Grause – We can add a comment about the committee’s concern for undocumented assertions.

Maury – That impacts how he feels about this; it’s not okay to say complaints are arising with no documentation.

McEachern – If he had brought this forward, he would have required both private and commercial use.

Roche – Suggested changing the article to “all residential and commercial” and allowing 2 years to make that change. She thinks this is a good idea and the industry is headed in this direction.

Vieth – Last week there was a very intense discussion on this and it sounded great; however, the landscapers made the point that electric products aren’t strong enough to do the work and the work would take more hours and thus raise the cost for their clients.

Glowacki – He hears the argument that doing this is in the best interests of the market; his response is let them do it.

Maury – Used planes as an example: in the 1990s people complained about plane noise, which resulted in the noise abatement bylaw asking commercial planes to fly around the Island; they went and talked to people in the industry about the benefits. The sponsors of this article didn’t do that; they didn’t talk to even 1/3rd of the list of identified contractors in the area.

Vieth – They also didn’t speak with the big companies. We got a letter from the owner of a large commercial company about the electric products not being strong enough.

Kronau – The sponsors said they spoke to 25 landscapers and 18 liked the article; 7 didn’t.

Motion Motion not to adopt. (made by: Schaeffer) (seconded)

Vote Carried unanimously

8. Article 92 (Home Rule Petition: Merger of Nantucket Water Commission and Siasconset Water Commission)

Discussion No further discussion.

Motion **Motion to Adopt.** (made by: Maury) (seconded)

Vote Carried unanimously

9. Article 94 (Home Rule Petition: Town Charter – Select Board Amendment/Airport Capital Projects)

Discussion **Kronau** – This is tied to issues with FAA funding.
Discussion about a comment.

Motion **Motion to adopt.** (made by: McEachern) (seconded)

Vote Carried unanimously

10. Article 96 (Home Rule Petition: Amending the Town Charter Relative to the Audit Committee)

Discussion **Turbitt** – We ask that you wait because we haven’t finished preparing the motion.

Motion No action at this time.

Vote N/A

11. Article 98 (Long-term Lease Authorization for Solar Facilities)

Discussion **Kronau** – This would extend the lease limit to 20 years.

Turbitt – 5 years is statutorily required; anything above that requires a Town Meeting vote. We have undertaken solar procurement that rests on the outcome of this article as well as a State grant to put solar at the sewer plant.

Roche – She thinks 20 years is a long time when the technology changes so quickly.

Turbitt – This allows the Town to accept a lease up to 20 years; they need long-term leases to make the investment viable. The procurement tied to just three of multiple sites across the Town; as technology changes, we have plenty of opportunity to use the advanced technology.

Schaeffer – He can't imagine that the vendors not upgrading their equipment during those 20 years.

Motion Motion to adopt. (made by: McEachern) (seconded)

Vote Carried unanimously

12. Article 113 (Real Estate Conveyance: 4 Morgan Square) David Callahan

Discussion **Kronau** – We have not ruled on these, we are waiting for the Real Estate Advisory Committee.

Motion No action at this time.

Vote N/A

13. Article 117 (Appropriation: Free Cash)

Discussion **Turbitt** – Given that appropriations and use of free cash would be tied to specific articles, you could move to take no action.

Motion **Motion to take no action.** (made by: Grause) (seconded)

Vote Carried unanimously

VII. NEXT MEETING DATE/ADJOURNMENT

Date: Thursday, February 6, 2020; 4:00 p.m.; 4 Fairgrounds Road Community Room

VIII. COMMITTEE REPORTS AND OTHER BUSINESS

1. None

Motion to Adjourn at 5:42 p.m. accepted by unanimous consent.

Submitted by:

Terry L. Norton