



Town of Nantucket Finance Committee

www.nantucket-ma.gov

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

Monday, March 2, 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, Grause, Roche, Schaeffer, Glowacki, Vieth, Harrington

Absent Members: Maury, McEachern

Documents used: Draft minutes for January 21 through February 18, 2020; Warrant Articles for 2020 Annual Town Meeting.

Agenda adopted by unanimous consent.

I. ANNOUNCEMENTS

II. PUBLIC COMMENT

1. None

III. APPROVAL OF PRIOR MEETING MINUTES

1. January 21, 2020: held by unanimous consent
2. January 23, 2020: held by unanimous consent
3. January 27, 2020: held by unanimous consent
4. January 28, 2020: held by unanimous consent
5. January 30, 2020: held by unanimous consent
6. February 03, 2020: held by unanimous consent
7. February 04, 2020: held by unanimous consent
8. February 10, 2020: held by unanimous consent
9. February 13, 2020: held by unanimous consent
10. February 18, 2020: held by unanimous consent

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

1. Article 62 (Bylaw Amendment: Preservation of Historically Significant Buildings) Mary Bergman

Discussion **Bergman** – It would be useful to have NP&EDC comments. Without help, the Historic District Commission (HDC) has admitted they don't know how to determine the status of a building; thinks that is what the Historical Commission can do. Amending the article is outside the scope of this article. The HDC is talking about updating their regulations. Suggested the FinCom motion be no action with a comment calling attention to the authority of the HDC. The Historical Commission is supposed to advise the Select Board on long-range planning. The HDC has to feel empowered enough to make their decisions to protect historic structures. She wants to pull this on Town Meeting floor.

Kronau – The Massachusetts Historical Commission recommend not to adopt since HDC already jurisdiction. Read the February 18, 2020 HDC letter into the record.

Discussion about how to move forward: take no action versus not to adopt.

Ken Beaugrand, Real Estate Specialist – The approach to withdraw on town meeting floor is the best. Instead of different criteria, focusing on the HDC regulations is the best way to achieve what Ms. Bergman is looking for.

Grause – Suggested a strong comment.

Bergman – Read NP&EDC letter into the record asking FinCom not to adopt.

Kronau – This can't be adopted in its current form and it can't be amended. We will add a comment as suggested.

Motion **Motion not to adopt.** (made by: Grause) (seconded)

Vote Carried unanimously

2. Article 55 (Zoning Map Change: VR to VN – Polpis Road and Chatham Road) Robert Von Dampen

Discussion **Kronau** – We didn't understand this, and Planning Board at the time was still debating it. Libby Gibson has proposed a motion.

Ken Beaugrand, Real Estate Specialist – He couldn't understand the article in terms if it makes sense. He's comfortable with Andrew Vorce's recommendations. (His mic is bad.) You can have one driveway on Chatham Road, but you won't be able to have two.

Grause – Planning Board voted to take no action; Mr. Von Dampen can call this on the meeting floor and explain his reasoning.

Motion **Motion to take not action.** (made by: Grause) (seconded)

Vote Carried unanimously

3. Article 99 (Real Estate Acquisition: 24 Surfside Road)

Discussion **Ken Beaugrand**, Real Estate Specialist – This is the proposal to acquire the property for the school in exchange for two parcels elsewhere in Surfside. The properties were appraised and find the proposed swap plus \$370,000 equitable. Funding for the \$370,000 comes out of the Real Estate account. Explained how the acquisition of the property will facility changes to 4-Corner intersection and access to the School parking by the pool. The owners will be able to live in the house at this property for three years while they build their homes on the new property; also, if they sell their property within a 7-year timeframe, they have to pay back the cash consideration.

Schaeffer – Asked about the evaluation for 24 at \$1.3m; feels it could be worth more.

Beaugrand – That was established by comparison to other properties on First Way.

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

Vote Carried unanimously

4. Article 100 (Real Estate Conveyance: Industrial Land and Acquisition: 57 Surfside Road)

Discussion **Ken Beaugrand**, Real Estate Specialist – This is the Reis property and is tied to upgrading the sewer pump station on the left side of Surfside Road. We're trading one parcel for two 15,000 square-foot parcels on Industry Road and a small lot abutting the Reis property. This property is worth \$2.4m with the two lots on Industry about \$1.1m each.

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

Vote Carried unanimously

5. Article 101 (Real Estate Acquisition: 114 Orange Street)

6. Article 102 (Real Estate Conveyance: 114 Orange Street)

Discussion **Ken Beaugrand**, Real Estate Specialist – Ara Charter owns this property, west of the bike path; this property will go to the Nantucket Islands Land Bank and put together with Consue Springs for appropriate stormwater storage and run off. The lot is unbuildable and appraised at \$55,000. Explained why this has to go to Town Meeting and can't be addressed otherwise. We buy it and sell it to Land Bank at the appraised fair-market value.

Motion **Motion to adopt both Article 101 and Article 102.** (made by: Glowacki) (seconded)

Vote Carried unanimously

7. Article 103 (Real Estate Acquisition: 64 North Liberty Street)

Discussion **Ken Beaugrand**, Real Estate Specialist – This is also an unbuildable lot; it's for stormwater drainage in the Lily Pond area and will go to the Land Bank. The appraisal came in at a range of \$30,000 to \$55,000; he made an offer to the owners.

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

Vote Carried unanimously

8. Article 104 (Real Estate Acquisition: 1 Hatch Circle (corner of Bartlett Road and Raceway Drive))
Discussion **Ken Beaugrand**, Real Estate Specialist – This is for public safety to get around the corner recommended by Mike Burns and supported by Rob McNeil. The whole lot is assessed at just over \$500,000; if the whole lot is acquired, part can be used for affordable housing. He hasn't looked into the issue of where the funds come from; this just authorizes the acquisition. Unfortunately, he hasn't been able to reach the sellers.
Turbitt – He hasn't looked at allocation sources for this yet.
Motion (Due to mic static, couldn't hear the motion.) (made by:) (seconded)
Vote Carried unanimously
9. Article 2 (Appropriation: Unpaid Bills)
Discussion **Turbitt** – Small change is the bottom line number 24,488.27. reviewed sources for unpaid bills.
Motion **Motion to Adopt.** (made by: Grause) (seconded)
Vote Carried 6-0//Glowacki recused
10. Article 3 (Appropriation: Prior Year Articles)
Discussion **Turbitt** – This is a reappropriation \$61,909.03 to IT Professional Services. For Our Island Home (OIH), move all balances into the OIH building improvement account. Airport move funds not needed in original articles into the fuel farm rehab. DPW would like to move \$13,000 into the 16 Broad Street repairs for replacement of fuel tanks.
Schaeffer – Asked about the OIH building improvements.
Turbitt – Renovations still need to be done to the building as we move through the process of design and construction of a new building. This will provide the flexibility to make necessary repairs.
Motion **Motion to Adopt.** (made by: Grause) (seconded)
Vote Carried unanimously
11. Article 6 (Fiscal Year 2020 General Fund Budget Transfers)
Discussion **Turbitt** – We picked salaries for gas and mosquito control up after we did the recap sheet. School medical department asked for additional \$65,000 salaries. Town Administration salary to move \$125,000 for the new assistant town manager and operating salaries for the real estate specialist.
Motion **Motion to Adopt.** (made by: Grause) (seconded)
Vote Carried unanimously
12. Article 8 (Appropriation: FY2021 General Fund Operating Budget)
Discussion **Turbitt** – Gone through more vetting. Proposed \$92,637,516 a 3.7% increase.
Motion **Motion to Adopt with changing free cash.** (made by: Schaeffer) (seconded)
Vote Carried unanimously
13. Article 10 (Appropriation: General Fund Capital Expenditures)
Discussion **Turbitt** – Proposes raising \$8,592,512. Reviewed sources for those funds. \$1,162,000 is subject to an override.
Motion **Motion to Adopt.** (made by: Grause) (seconded)
Vote Carried unanimously
14. Article 15 (Appropriation: Fiscal Year 2021 Enterprise Funds Operations)
Discussion **Turbitt** – There is a change in the total to \$46,270,421. The language for the motion includes the \$5m for OIH being contingent upon a Proposition 2 Override passage at the ballot. Discussion about what would happen and the impact to the \$46m if the override does not pass and if there is a way to avoid needing the override.
Turbitt – If the \$5m doesn't pass at the ballot, we will need a special town meeting to authorize OIH; we can't set a tax rate until that happens. We cannot fund OIH within the levy.
Grause – He will draft a comment about the need for the \$5m tax override
Motion **Motion to Adopt.** (made by: Schaeffer) (seconded)
Vote Carried unanimously
Motion **Motion to Accept the Comment.** (made by: Schaeffer) (seconded)
Vote Carried unanimously

15. Article 17 (Enterprise Funds: Fiscal Year 2020 Budget Transfers)
Discussion **Turbitt** – Changing Airport retained earnings to \$50,000. Wannacomet is transferring from unallocated expenses to salary. Transferring \$500,000 from free cash into feasibility study and operating models established in 2015 Article 15. Transferring \$200,000 into solid waste. Transferring \$200,000 into OIH operations funds.
Motion **Motion to Adopt.** (made by: Glowacki) (seconded)
Vote Carried unanimously
16. Article 26 (Appropriation: Special Purpose Stabilization Fund for Airport Employee Accrued Liabilities)
Discussion **Turbitt** – This is to establish a fund to pay off retirement accruals.
Motion **Motion to Adopt.** (made by: Schaeffer) (seconded)
Vote Carried unanimously
17. Article 68 (Complaint Committee) Theresa Williams
Discussion None
Motion **Motion Not to Adopt.** (made by: Grause) (seconded)
Vote Carried unanimously

V. NEXT MEETING DATE/ADJOURNMENT

Date: Wednesday, March 4, 2020, 6:00 p.m., PSF Community Room
FinCom members may attend the Select Board meeting.
Thursday, March 12, 2020, 5:30 p.m., PSF Community Room
Public discussion of the article motions
Wednesday, April 1, 2020, PSF, 1:00 p.m., PSF Community Room
Review of technical amendments and Moderator meeting.
Saturday, April 4, 2020, 8:30 a.m. Nantucket High School Auditorium
Annual Town Meeting

Motion to Adjourn at 5:48 p.m. accepted by unanimous consent.

Submitted by:
Terry L. Norton