



Town of Nantucket Finance Committee

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Committee Members: David Worth(Chair), Stephen Maury(Vice-chair), Clifford Williams, Joseph T. Grause Jr., Peter McEachern, Henry Sanford, Joanna Roche, Denice Kronau, Peter Schaeffer

MINUTES

Monday March 4, 2019

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

Called to order at 4:00 p.m.

Staff in attendance: Libby Gibson, Town Manager; Brian Turbitt, Director of Finance; Alexandria Penta, Financial Analyst; Andrew Force, Director Planning and Land Use Services; Leslie Snell, Director Planning; Terry Norton, Town Minutes Taker

Attending Members: Worth, Maury, Williams, Grause, McEachern, Roche, Kronau, Schaeffer

Absent Members: Sanford

Late Arrivals: Roche, 4:10 p.m.

Early Departures: None

Documents used: 2019 Annual Town Meeting Warrant Articles.

I. ANNOUNCEMENTS

II. APPROVAL OF PRIOR MEETING MINUTES

1. None

III. PUBLIC COMMENT

1. None

IV. WARRANT ARTICLES FOR 2018 ANNUAL TOWN MEETING (ATM)

Worth – He was asked that FinCom defer the vote on housing until Tuesday, so Tucker Holland can attend.

ZONING & BYLAW AMENDMENTS

1. Article 38 (Zoning Map Change: RC to CN – Williams Lane)

Discussion **Vorce** - The Planning Board gave this a positive recommendation

2. Article 39 (Zoning Map Change: RC1-2 to CMI, CN and/or CTEC – Square Rigger, Nobadeer Farm, and Old South roads, Arrowhead Drive)

Discussion **Vorce** - The Planning Board gave this a positive recommendation

3. Article 40 (Zoning Map Change: RC-2 to CTEC – Nobadeer Farm and Hinsdale Roads, and Rosemary Way)

Discussion **Vorce** - The Planning Board gave this a positive recommendation

4. Article 41 (Zoning Map Change: RC-2 to R-5 – Yawkey Way, Hinsdale Road, and Macys Lane)

Discussion **Vorce** - The Planning Board gave this a positive recommendation

5. Article 42 (Zoning Map Change: RC-2 to CTEC – Youngs Way)

Discussion **Vorce** - The Planning Board gave this a positive recommendation

6. Article 43 (Zoning Map Change: RC-2 to SN and/or R-5 – Youngs Way)

Discussion **Vorce** - The Planning Board gave this a positive recommendation

7. Article 44 (Zoning Map Change: RC-2 to R-5 and/or CN – Old South Road)

Discussion **Vorce** – The Planning Board gave this a positive recommendation

8. Article 45 (Zoning Map Change: RC-2 to CN – Thirty Acres Lane and Essex Road)

Discussion **Vorce** - The Planning Board gave this a positive recommendation

9. Article 46 (Zoning Map Change: RC-2 to R-5 – Thirty Acres Lane, Bartlett Road, and Essex Road)

Discussion **Vorce** - The Planning Board gave this a positive recommendation

10. Article 47 (Zoning Bylaw Amendment: Residential Old Historic – Ground Cover Ratio)

Discussion **Vorce** – Planning supported this unanimously.

11. Article 48 (Zoning Bylaw Amendment: Nantucket Housing Needs Covenant – Qualified Family Member and Qualified Renter)

Discussion **Vorce** – The companion article has not moved forward through legislation and allows to convey property without the covenant within a family; when it transfers out of the family, the covenant is again active. The Planning Board gave this a positive motion.

12. Article 49 (Zoning Bylaw and Map Amendment: Miscellaneous Technical)

Discussion **Vorce** – The Planning Board gave this a positive motion.

Snell – Reviewed the technical amendments.

13. Article 50 (Zoning Map Change: V-Tech to VN – Appleton Road) Arthur Reade

Discussion **Vorce** – The Planning Board decided to take no action

14. Article 51 (Zoning Map Change: R-20 to CN – Lovers Lane) Samuel Limperis

Discussion **Vorce** - The Planning Board gave this a positive recommendation

15. Article 52 (Zoning Map Change: LUG-2 to R-40 – Daffodil Lane) Sandra Palchanis

Discussion **Vorce** - The Planning Board gave this a positive recommendation

16. Article 53 (Zoning Bylaw Amendment: Swimming Pools) Frederick McClure

Discussion **Vorce** – The Planning Board decided to take no action

17. Article 54 (Zoning Bylaw Amendment: Definition of Marijuana Establishment Recreational) Steven Cohen

Discussion **Vorce** – The Planning Board decided to take no action

18. Article 55 (Zoning Bylaw Amendment: Definition of Marijuana Establishment Recreational) Steven Cohen

Discussion **Vorce** – The Planning Board decided to take no action

19. Article 56 (Zoning Bylaw Amendment: Definition of Ground Cover) Steven Cohen

Discussion **Vorce** - The Planning Board gave this a positive recommendation

20. Article 57 (Zoning Bylaw Amendment: Definition of Structure) Steven Cohen

Discussion **Snell** – Explained the how the definition is being corrected. The Planning Board gave this a positive recommendation.

21. Article 58 (Zoning Bylaw Amendment: Definition of Tent) Steven Cohen

Discussion **Vorce** – The Planning Board decided to take no action

22. Article 59 (Zoning Bylaw Amendment: Definition of Yard, Front) Steven Cohen

Discussion **Vorce** - The Planning Board gave this a positive recommendation

23. Article 60 (Zoning Bylaw Amendment: Nantucket Housing Needs Covenant Program) Steven Cohen

Discussion **Vorce** – The Planning Board decided to take no action

24. Article 61 (Zoning Bylaw Amendment: Rear Lot Subdivision) Steven Cohen

Discussion **Vorce** - The Planning Board gave this a positive recommendation

25. Article 62 (Zoning Bylaw Amendment: Solar Energy Overlay District) Tobias Glidden

Discussion **Vorce** - The Planning Board gave this a positive recommendation

26. Article 63 (Zoning Bylaw Amendment: Clarification of Height Limitations in Certain Flood Zones) Arthur Reade

Discussion **Vorce** - The Planning Board gave this a positive recommendation

Motion **Motion to Support the Recommendations of the Planning Board on Article 38-63.** (made by: Maury) (seconded by: Williams)

Vote Carried unanimously

27. Article 1(Receipt of Reports)

Discussion None

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

Vote Carried unanimously

28. Article 2 (Appropriation: Unpaid Bills)

Discussion None

Motion No action at this time.

Vote N/A

29. Article 3 (Appropriation: Prior Year Articles)
Discussion None
Motion **Motion to Adopt.** (made by: Williams) (seconded by: Roche)
Vote Carried unanimously
30. Article 4 (Revolving Accounts: Spending Limits for FY2020)
Discussion None
Motion **Motion to Adopt.** (made by: McEachern) (seconded by: Grause)
Vote Carried unanimously
31. Article 5 (Appropriation: Reserve Fund)
Discussion None
Motion **Motion to Adopt.** JG/PS (made by: Grause) (seconded by: Schaeffer)
Vote Carried unanimously
32. Article 6 (Fiscal Year 2019 General Fund Budget Transfers)
Discussion None
Motion **Motion to Adopt.** (made by: McEachern) (seconded by: Williams)
Vote Carried unanimously
33. Article 7 (Personnel Compensation Plans for FY2020)
Discussion None
Motion **Motion to Adopt.** (made by: Maury) (seconded by: Kronau)
Vote Carried unanimously
34. Article 8 (Appropriation: FY2020 General Fund Operating Budget)
Discussion **Turbitt** – The total was different from what was in the budget; explained the reason for the difference. What is now in Article 8 is the appropriate net of all the revolver funds.
Motion **Motion to Adopt.** (made by: Maury) (seconded by: McEachern)
Vote Carried unanimously
35. Article 9 (Appropriation: Health and Human Services)
Discussion **Maury** – Thinks this should be revisited before reaching this point next year. There have been issues in the past. We need a way to assess the value of which dollars will do the most good.
Kronau – The application was changed from last year requiring the budget for the upcoming fiscal year. Hospital doubled their request for outpatient care.
Gibson – Something similar occurred last year; she will send a memo to the contract review committee about their application process.
Roche – There was a comment from the Hospital that if a program weren't funded this year, it might not exist next year. The Hospital and Fairwinds are the two largest requests.
Grause – It seems like the Hospital is changing “their tune” regarding funding some of their services.
Worth – Asked Ms. Kronau to speak with “Debbie” and Ms. Gibson to take appropriate follow-up action. We will add a meeting a week ahead of Town meeting.
McEachern – Thinks it would be better to ascertain, from mission statements, how many services overlap and get them to consolidate.
Motion **Motion to Adopt.** (made by: McEachern) (seconded by: Schaeffer)
Vote Carried unanimously
36. Article 10 (Appropriation: General Fund Capital Expenditures)
Discussion **Maury** – If we hold this for Tuesday, March 5, he can follow up on if there is future money for a new senior center. Asked if there is a placeholder for senior center.
McEachern – Even though the capital budget as proposed is \$95M, there is about \$150M down the road. The Capital Program Committee did not have an out year for a new senior center.
Turbitt – Noted that there might be some non-substantive changes to the borrowing impact numbers for this article.
Motion **Motion to Adopt.** (made by: Maury) (seconded by: Kronau)
Vote Carried unanimously

37. Article 11 (Appropriation: Operations Old South Road/Fairgrounds Road Intersection Area and Newtown Road Transportation Improvements)
- Discussion None
- Motion **Motion to Adopt.** (made by: McEachern) (seconded by: Maury)
- Vote Carried unanimously
38. Article 12 (Appropriation: Milestone Road Improvements and Milestone Road Improvements – Local Support)
- Discussion None
- Motion **Motion to Adopt.** (made by: Maury) (seconded by: McEachern)
- Vote Carried unanimously
39. Article 13 (Appropriation: Town Pier)
- Discussion **Worth** – Asked if there is a “walking away number?”
Gibson – We didn’t discuss that; all professional input indicates the maximum number will not be exceeded. An evaluation will be done by March 22. A FinCom meeting on March 26 will allow the Committee to vote on this in time for a technical amendment for March 27 meeting with the Town Meeting Facilitator.
- Motion No action at this time.
- Vote N/A
40. Article 14 (Appropriation: Landfill Closure Costs)
- Discussion None
- Motion **Motion to Adopt.** (made by: Grause) (seconded by: Roche)
- Vote Carried unanimously
41. Article 15 (Appropriation: Public Safety Facility Auxiliary Building)
- Discussion None
- Motion **Motion to Adopt.** (made by: McEachern) (seconded by: Maury)
- Vote Carried unanimously
42. Article 16 (Appropriation: In-Town (Orange Street) Bike Path)
- Discussion **Gibson** – The engineering plan is from Goose Pond out to the Rotary with some road widening. Takings would be included. Some funds are already appropriated for design; this is two bike LANES, one on each side of the road.
- Motion **Motion to Adopt the motion as written.** (made by: Maury) (seconded by: Schaeffer)
- Vote Carried unanimously
43. Article 17 (Appropriation: Surfside Area Road Reconstruction)
- Discussion None
- Motion **Motion to Adopt.** (made by: Williams) (seconded by: Maury)
- Vote Carried unanimously
44. Article 19 (Appropriation: Fiscal Year 2020 Enterprise Funds Operations)
- Discussion **Worth** –The sewer number is about \$130,000 lower that we were presented.
Williams – Asked how the Our Island Home (OIH) line item would disappear from the General Fund since it doesn’t make money.
Turbitt – The motion has the funding source; OIH doesn’t show on the operating budget. The funding source is broken out per enterprise fund; OIH is funding through user charges, retained earnings and general fund subsidy.
- Motion **Motion to Adopt.** (made by: Maury) (seconded by: Williams)
- Vote Carried unanimously

45. Article 20 (Appropriation: Enterprise Funds Capital Expenditures)
Discussion **Worth** – The Airport has the biggest expenditures, but they get up to 90% reimbursed.
Turbitt – We would not let the Airport go forward until they have finalization of the infrastructure grant.
Motion **Motion to Adopt.** (made by: Grause) (seconded by: McEachern)
Vote Carried unanimously
46. Article 21 (Enterprise Funds: Fiscal Year 2019 Budget Transfers)
Discussion **Worth** – It is all Airport. Asked if the Airport is carrying a large receivable.
Turbitt – No, they are not.
Motion **Motion to Adopt.** (made by: McEachern) (seconded by: Grause)
Vote Carried unanimously
47. Article 22 (Appropriation: Waterways Improvement Fund)
Discussion None
Motion **Motion to Adopt.** (made by: McEachern) (seconded by: Schaeffer)
Vote Carried unanimously
48. Article 23 (Appropriation: Ambulance Reserve Fund)
Discussion None
Motion **Motion to Adopt.** (made by: Williams) (seconded by: McEachern)
Vote Carried unanimously
49. Article 24 (Appropriation: Ferry Embarkation Fee)
Discussion **Worth** – Asked if the Embarkation Fees are attached to commuter books.
Gibson – No, they are not. The Department of Revenue felt the Steamship Authority and HyLine should start applying it to the books; however, it wouldn't be the windfall we initially thought.
Motion **Motion to Adopt.** (made by: Grause) (seconded by: Schaeffer)
Vote Carried unanimously
50. Article 25 (Appropriation: County Assessment)
Discussion None
Motion **Motion to Adopt.** (made by: Kronau) (seconded by: McEachern)
Vote Carried unanimously
51. Article 26 (Appropriation: Finalizing Fiscal Year 2020 County Budget)
Discussion **Gibson** – This article is a placeholder.
Motion **Motion to Adopt the motion as written.** (made by: Maury) (seconded by: Schaeffer)
Vote Carried unanimously
52. Article 27 (Appropriation: Other Post-Employment Benefits Trust Fund)
Discussion **Turbitt** – We need about \$6M a year to get this fully funded; that will take about 30 years.
Motion **Motion to Adopt the motion as written.** (made by: Maury) (seconded by: Kronau)
Vote Carried unanimously
53. Article 28 (Appropriation: Affordable Housing Trust Fund)
Discussion None
Motion No action at this time.
Vote N/A
54. Article 29 (Appropriation: Special Purpose Stabilization Fund for Town Employee Accrued Liabilities)
Discussion **Turbitt** – The auditors are okay with this; it builds up a fund for the accrued liabilities.
Motion **Motion to Adopt as written.** (made by: Kronau) (seconded by: Williams)
Vote Carried unanimously
55. Article 30 (Bylaw Amendment: Finances)
Discussion None
Motion **Motion to Adopt.** (made by: Grause) (seconded by: McEachern)
Vote Carried unanimously
56. Article 31 (Appropriation: Fiscal Year 2020 Senior Work-off Program)

Discussion None

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

Vote Carried unanimously

Worth – Articles 32 through 37 have already been voted on.

57. Article 32 (Appropriation: FY2020 Community Preservation Committee)

Discussion **Roche** – They are giving money to the Affordable Housing Trust Fund (AHTF) as well as to \$150,000 Housing Nantucket, but as she reads it, it is only for projects CPC decide to approve.

Grause – Noted that in the past, Habitat for Humanity has been given money directly; now they will get funds through AHTF; that’s why the \$700,000.

Already voted.

58. Article 35 (Appropriation: Health and Human Services – Ambulance Transport Fund) Walter Wieners

Discussion **Gibson** – Asked a second look be taken at this article. She received an email stating the comment should be worded differently.

Maury – Asked if it was intentional to approve \$100,000 instead of the requested \$110,000.

Worth – It’s in on the new comment as \$110,00. Read the comment. It was conveyed to him that there is a future funding source for this program.

Already voted.

59. Article 64 (Bylaw Amendment: Committees)

Discussion None

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

Vote Carried unanimously

60. Article 65 (Bylaw Amendment: Council for Human Services)

Discussion **Worth** – Asked if there is a statutory requirement the residents be members.

Gibson – The bylaw for this states “residents.”

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

Vote Carried unanimously

61. Article 66 (Bylaw Amendment: Noise)

Discussion **Gibson** – This pertains to outdoor construction noise in the morning and at night.

Motion **Motion to Adopt.** (made by: Kronau) (seconded by: McEachern)

Vote Carried unanimously

62. Article 67 (Bylaw Amendment: Underground Fuel Storage Tanks)

Discussion **Gibson** – This is probably connected to a State law.

Motion **Motion to Adopt.** (made by: McEachern) (seconded by: Williams)

Vote Carried unanimously

63. Article 68 (Bylaw Amendment: Board of Sewer Commissioners/Siasconset Sewer District Map Changes)

64. Article 69 (Bylaw Amendment: Board of Sewer Commissioner/Sewer District Map Changes – Hickory Meadow Lane) John Brescher

65. Article 70 (Bylaw Amendment: Board of Sewer Commissioner/Siasconset Sewer District Map Changes – Polpis Road) John Brescher

Discussion **Worth** – The select board has gone through these. All were approved

Motion **Motion to Adopt Articles 68, 69, and 70.** (made by: Grause) (seconded by: Williams)

Vote Carried unanimously

66. Article 71 (Bylaw Amendment: Bicycles) Ian Golding

Discussion **Gibson** – You had a motion to take no action, and she drafted comments. Then there was subsequent discussion with the proponent. An alternate motion is as shown that is more positive; but the proponent is out of the country and hasn’t seen the new motion. Town Administration thinks this won’t properly happen due to points of confusion within the article; enumerated the issues.

Worth – We’ve already voted on this unless we want to reconsider that.

Roche – As she recalls, we voted not to adopt. She would like Public Works and Bicycles, Pedestrian BPAC to work together.

Turbitt – The motion was to take no action.

Maury – He would not support a motion to reconsider that vote.

Worth – The discussion then is what our comments should say.

McEachern – Suggested edits to the comments.

Grause – The motion was to take no action; asked where we are on the comments. Read the comments.

Discussion about changes to the comments.

Motion **Motion to uphold the motion to take no action with the comment that FinCom appreciates the petitioner’s concern for bicycle safety but find that the bylaw as written is not realistically enforceable, which is likely to lead to confusion.** (made by: McEachern)
(seconded by: Maury)

Vote Carried unanimously

67. Article 72 (Bylaw Amendment: Stretch Energy Code) Tobias Glidden

68. Article 73 (Committee Establish Sensible Cannabis Policy)

69. Article 74 (Sense of the Meeting Request to Seek the Designation as a Whale Heritage Site through the World Cetacean Alliance) Tobias Glidden

These have already been voted on.

70. Article 75 (To Develop a Proposal for a Nantucket Residential Rental Registration, Inspection, and Certification System) Judith Wegner

Discussion Motion to Reconsider the motion. (made by: Schaeffer) Carried unanimously

Gibson – In reading through the motion in detail, she wants to know if the committee wants to change the timing. At any time, the Board of Health could have a workgroup look at the regulations. It states a report is due at Annual Town Meeting; therefore, if “report” means an article, this requires a lot of work and public outreach after the 2019 Town Meeting; the report would have to be prepared for special town meeting in October and there isn’t enough time.

Maury – Suggested changing the date to Dec. 31, 2019. He feels there is work that could be done but would hate to see this pushed off. This is something other resort towns have in place.

Roche – Asked the intention behind this, if it is a crackdown on illegal rentals. Other resort towns put requirements on seasonal rentals. She wonders why there needs to be all this other stuff; she’d like to see this article pared down.

Kronau – Her concern is the requirement that compliance be accomplished within six months.

Worth – He would prefer to give the proponent time to make changes to the article; it isn’t FinCom’s job to rewrite citizen articles. We can make comments about what aspects be stricken. We’ll come back to this Tuesday.

Motion No action taken at this time.

Vote N/A

71. Article 18 (Appropriation: Acquisition of Property at 1 Millers Lane)

Discussion **Worth** – Mr. Grause won’t be here tomorrow, so any discussion will be taken today. No motions will be made at this time.

Grause – He is supportive of the Town directing capital to affordable housing; both of these articles represent a large amount of money. In his comments, he tried to frame how FinCom looked at these articles – the pros and cons. On Nantucket Inn, even though it’s a lot of money and there is risk, this seems the more efficient use of money. He would motion to adopt this. Under Article 37, they can only purchase a couple of houses a year, but it might work. He would like to see Article 37 worked out with a lower appropriation to ascertain if it is a viable idea.

Schaeffer – These are apples and oranges: Article 37 provides real housing; Nantucket Inn provides temporary housing.

Maury – He likes that the money under Article 37 has been broadened to allow other options that will get units on the Subsidized Housing Inventory (SHI) list.

Kronau – Her question is who the manager of the housing would be.

Turbitt – The borrowing entity can't manage the housing; AHTF could be the entity to manage them.

Schaeffer – He doesn't think the Nantucket Inn front building is worth \$12M.

Worth – If we're off on the assessed value of the front building and it's less, the question is what to do with the extra money. You still have value in the back lot. He can see where the \$27M risk can be brought down; he doesn't think this rises or falls on getting \$12M value out of it.

McEachern – Wants to state that he thinks the Town as an employer is doing what it should in caring for its employees. He doesn't think the Town should own or maintain buildings or housing for non-Town employees. He doesn't support either Article 18 or Article 37.

Motion No action at this time.

Vote N/A

72. Article 37 (Appropriation: Acquisition of Existing Properties for Affordable Housing) Tobias Glidden

Discussion **Worth** – Mr. Grause won't be here tomorrow, so any discussion will be taken today. No motions will be made at this time.

See discussion for Article 18.

Motion No action at this time.

Vote N/A

Following Articles to be addressed at the March 5, 2019 meeting.

73. Article 76 (Committee Establishment: Complaints) Theresa Williams

74. Article 77 (Home Rule Petition: Town Charter - Select Board Amendment)

75. Article 78 (Home Rule Petition: Merger of Nantucket Water Commission and Siasconset Water Commission)

76. Article 79 (Home Rule Petition: Community Housing Bank Real Estate Transfer Fee)

77. Article 80 (Home Rule Petition: Amending Special Act Authorizing Affordable Housing Covenants)

78. Article 81 (Conveyance of Easement on Waitt Drive)

79. Article 82 (Real Estate acquisition and Conveyance: Naushop Sewer Lines and Easement)

80. Article 83 (Bylaw Amendment Board of Selectmen: Authorization for Lease or License) Steven Cohen

81. Article 84 (Real Estate Acquisition: Washington Avenue) Steven Cohen

82. Article 85 (Real Estate Conveyance: Washington Avenue) Steven Cohen

83. Article 86 (Appropriation: Stabilization Fund)

84. Article 87 (Appropriation: Free Cash)

V. NEXT MEETING DATE/ADJOURNMENT

Date: Tuesday, March 5, 2019; 4:00 p.m.; 4 Fairgrounds Road Community Room

VI. COMMITTEE REPORTS

None

Motion to Adjourn at 6:11 p.m. accepted by unanimous consent.

Submitted by:

Terry L. Norton