

Finance Committee Meeting

March 10, 2021 7:00 PM EST
Zoom Remote Meeting Platform
Millis, MA 02054

In Attendance:

Pete Berube, Chairman
Craig Schultze, Vice Chairman
Doug Riley, Clerk
Joyce Boiardi
Jim Borgman
Jodie Garzon
Cathy MacInnes
Katie Tieu

Invited Guest:

Michael Guzinski, Town Administrator
Carol Johnston, Finance Director
John McVeigh, Board of Health Director
Jim McKay, Department of Public Works Director
Peter Jurmain, Select Board Vice Chairman

Pete Berube called the Finance Committee Meeting to order at 7:01 PM.

Board of Health FY22 Budget Request Discussion:

John McVeigh gave an overview of the Board of Health's Salary request; all increases are contractual. Staff consists of the Director, a Department Assistant and a Public Health Nurse. Expenses were increased by \$360.00 for Office Supplies. A Marijuana Impact Funds Request in the amount of \$4,000.00 for Education Materials and Consulting Fees is included in the Department's FY22 Budget Request. The request is intended to educate Middle and High School students in the dangers of marijuana use and vaping. The department does have a Revolving Account for Flu Vaccination and the Rabies Clinics.

Due to the COVID-19 Pandemic, the department has seen an increase in Region 4A and 4B Grant funding. The CARES Act Grant has been utilized by the department for a variety of services and supplies; PPE, Immunization Equipment as well as additional hours for the Public Health Nurse through December 31, 2021. Pete Berube encouraged John McVeigh to bring to the attention of the town any additional needs the department will require in order to address the pandemic. Craig Schultze acknowledged the department's request for Marijuana Impact Funding is exactly what the HCA's Impact Fund Agreement was intended to be used for. Doug Riley inquired what level the Board of Health, Council on Aging and School Department are coordinating their efforts in educating the public on the use of marijuana; the Board of Health communicates continuously with the School Department on a variety of different concerns. The hope is to not be redundant in services provided to the public.

Pete Berube acknowledged and thanked Peter Jurmain, Select Board Vice Chairman, for his attendance at this evening's meeting. The Finance Committee had requested a Select Board Member's presence at their meetings; it will be on a rotating basis for each Select Board Member.

Department of Public Works FY22 Budget Request Discussion:

Jim McKay provided the committee with a document highlighting the needs of the department for FY22 which include:

- A Budget and Procurement Manager: the position will oversee the administrative activities of the department as well as manage complex and multi-division budgeting. The individual is a key component of the Management Team in decision making, analytical data presentation and securing procurement of goods and services for the department. The addition of this position will alleviate the need to outsource engineering vendors in various areas including Stormwater Management and Water and Sewer Rate analysis.
- An increase in the Department Assistant I's weekly hours from twelve to nineteen in order to take over the daily routine activities. The additional hours will be funded by the Water and Sewer Enterprise Funds.

- An additional HEO/Laborer under the supervision of the DPW Superintendent to lessen the workload of Water and Sewer Staff from performing General Fund duties; maintaining parks, roads and the Prospect Hill Cemetery. A study conducted by an outside firm, Community Paradigm Associates, LLC, confirmed the need for this position, as well as three additional General Fund Staff, recognizing the additional burden on the department with additional road acceptance in the last ten years.

The study is available on the town's website: <https://www.millisma.gov/public-works-highway-department/news/dpw-study-report-and-documents-042020>

Recommendations from the study were implemented in a reorganization/contractual agreement with DPW Staff to include the reclassification of the General Foreman to DPW Superintended, the Water and Sewer Technician to Water and Sewer Superintendent and the Mechanic to Facilities Manager in June 2020.

Funding for the Budget and Procurement Manger and additional hours for the Department Assistant I are already included in the DPW Budget under Engineering Services and savings for the town are as follows:

General:	\$ 6,000.00
Sewer Enterprise:	\$ 7,000.00
Water Enterprise:	\$ 7,000.00
Stormwater Enterprise:	\$10,000.00
Water and Sewer Overtime:	\$ 6,000.00
Paving Contract Bid:	\$ 4,900.00
Water and Sewer Rate Analysis:	\$ 7,500.00
Stormwater Abatement and Appeals:	\$16,000.00

If an internal hire is unavailable, the department would seek a part time individual to fulfill the additional duties of the Budget and Procurement Manger. Craig Schultze pointed out that the net bottom line in the above position and additional hours is not impacting the overall Operating Budget; it will ultimately be the Select Board and Town Administrator's recommendations.

The additional need for software in order to attend to the Stormwater Abatement and Appeals aspect of the proposal will be discussed between the DPW Director, Finance Director and Assistant Assessor; the cost is approximately \$10,000.00. Pete Berube requested that cost be included in the FY22 DPW Budget Request.

Community Paradigm Associates, LLC has worked with the DPW Department Assistant III to analyze the work performed by the DPW Crew over the last four years to capture the hours worked by each DPW Crew Member within each division; Water, Sewer, Stormwater, General and Transfer Station. The findings will be shared with the Enterprise Fund Committee as well as the Select Board at a future date. The department has since implemented a work order system; City Works.

The potential for the town to accept the Hickory Hills Subdivision, located off Acorn Street, at the upcoming Spring Town Meeting will require the DPW to hire an outside contractor for snow removal unless an additional DPW Crew Member is hired. Time and materials alone to maintain that development by an outside contractor during the winter is approximately \$14,700.00. The total cost to hire an additional Crew Member is:

• Salary:	\$51,000.00
• Family Healthcare Plan:	\$19,000.00
• Clothing Allowance:	\$ 850.00
Total:	<u>\$70,850.00</u>

The DPW Department is requesting restoration of expense line items that were decreased in FY21:

- General Funds: \$35,400.00:
Reduced asphalt product purchases to repair roadways, line painting of crosswalks as well as tree removal.
- Street Lighting: \$5,000.00:
This reduction, 50%, impeded the department's ability to replace ornamental lighting on Main Street.

The Department is also requesting an additional \$50,000.00 for Road Maintenance Supplies; the town's budget for road improvements is limited to the State's Chapter 90 Funding. If funded in FY22, the department would pave two sections of Main Street that do not meet the criteria under Chapter 90:

- Plain Street to Park Road and Park Road to Exchange Street. This is a minimal request for funds; the town's road maintenance program is in dire need of funding in addition to Chapter 90 Funds.

Craig Schultze voiced his concern with funding road repair in the DPW Operating Budget and would prefer to see this item on the Annual Town Meeting Warrant. In past years, funds in department operating budgets were diverted to personnel, equipment, etc. instead of their original intended use. Road maintenance and Trim Trimming are in line with must funded Warrant Articles and having it on the warrant allows for flexibility in the amount funded.

During the last two months of the Fiscal Year, monies can be transferred within each line item, Public Safety for example, to cover deficits in other areas. Cathy MacInnes is in favor of having Road Maintenance part of the overall costs deducted from revenues prior to the split between the Municipal and School Departments. The Select Board will consider this option at an upcoming meeting.

Design and Construction of Drainage – Birch Street and Village Street:

The total cost for this project is \$711,728.00; Design, \$107,200.00 and Construction, \$604,528.00 and will be funded by a twenty-year borrowing which will be paid by Stormwater Enterprise Funds. The Capital Planning Committee is aware of this project. Delays with the project were due to possible land acquisition and overall design. The cull-tec system would alleviate flooding on Village Street which eventually floods private properties causing severe damage. Similar to residents discharging water onto public roadways, the town should not discharge water on private properties. If funded, the project would begin in the Fall of 2021. Doug Riley questioned the rather high contingency for the project; the area of the project is primarily ledge and there is the potential to encounter additional costs in removing the ledge. If the contingency is not needed, the monies would not be borrowed. The impact on Stormwater Rate Payors has not yet been determined.

PFAS Treatment Design Warrant Article Discussion:

Engineering Services for this project are two-fold:

- Wells #3, 4, 5 and 6 are \$255,600.00
- Wells #1 and 2, also known as the D'Angelis Water Treatment Plant, are \$197,990.00. Both wells were taken offline when PFAS levels were above the DEP/EPA limit, 20 PPT (Parts Per Trillion), in early September 2020.

Wells with PFAS levels over 10 PPT are tested monthly; levels below 10 PPT quarterly. Testing results are available on the town's website: <https://www.millisma.gov/public-works-highway-department/pages/pfas-drinking-water-information>

The committee was provided documentation outlining the scope of work for engineering PFAS Treatment Facilities for all town wells. The hope is to determine the origin of PFAS in order to mitigate its presence in the town's drinking water. Treatment of PFAS is the only option to eliminate it from the water system. The Enterprise Fund Advisory Committee is evaluating the possible locations of PFAS Treatment Plants. Wells #3, 5 and 6 could be treated at one location. Well #3 provides the bulk of water in the distribution system and is currently trending up to 20 PPT. Funding for both projects will likely come from Water Enterprise Fund Reserves.

PFAS is a manmade substance and is present in cleaning products, landfills, plastic water bottles, Teflon as well foam used to extinguish fires. At one time, the town had two manufacturing plants that used chemicals to rainproof their products which most likely are contributing factors to the PFAS levels.

The town applied for a DEP Grant for the design for Wells #1 and 2 in the amount of \$197,990.00 and are hoping the grant is awarded prior to the May Town Meeting. The construction of a treatment plant, three in total, could amount to \$3.5 - \$4 million dollars each. The town's water distribution system is adequate with the remaining four wells online. However, in the event another well is taken offline, it may necessitate emergency measures. Funding for emergency measures has not yet been determined; the town is working with outside counsel to clarify funding options. Committee members voiced their concern with the pace in which the town is addressing PFAS. The Select Board is cognizant of the issue and has sent a letter to the Governor and State Representatives requesting funding and clarification on PFAS issues.

Update Emergency Response Plan Warrant Article Discussion:

The update would complete new EPA (Environmental Protection Administration) requirements of Community Drinking Water Utilities and would cost \$30,000.00. In conjunction with the RRA (Risk and Resilience Assessment) which was funded in 2020, the Emergency Response Plan would incorporate natural hazards

and cybersecurity systems. The update plan is due by December 31, 2021 and the project would be funded by Water Enterprise Fund Reserves.

Jim McKay outlined all standard budget forms, Organizational Chart, Salaries, Buildings, Vehicles and Equipment, Capital Item Schedule, Accomplishments and Staffing History, for each division of the department. An update on the DPW Building Project was also provided. At the November 2020 Town Meeting, an additional \$600,000.00 was appropriated for the project. The majority of that appropriation was for possible contamination at the site; to date, no contaminants have been detected.

61A Purchase – Braun Property, Village Street Warrant Article Discussion:

The town has the option to purchase the Braun Property located on Village Street. The property is under a 61A tax status which allows the town first right of refusal to purchase the property. The purchase price is \$1,000,000.00. Mike Guzinski explained the “lookback provision” which differentiates the agricultural tax versus retail market tax on the property over the past five years; approximately \$11,000.00. If the town purchases the property, the town will not receive those funds; if it's a private sale, the town would receive the funds. If the town does not vote to purchase the property, the potential revenues generated when the property is developed is \$400,000.00 - \$500,000.00 annually in Real Estate Taxes. The interested developer, Mr. Bob Fox, intends to build another 55+ community.

Community Preservation Act Funds could be used to purchase the property with Open Space Reserves. However, in doing so, the town's future use of the property would be limited. Pete Berube encouraged members to view the Public Hearing on the 61A Purchase – Braun Property on Village Street held by the Select Board on Monday, March 1, 2021. The recording is available on the town's website: <https://www.millisma.gov/select-board/minutes/select-board-meeting-61a-hearing-3121> The committee will have to make a recommendation to Town Meeting on this Warrant Article.

Peter Jurmain outlined the various aspects for consideration in the purchase of the property:

- Potential future use to develop the property for Town Buildings
- Loss of Real Estate Tax Revenues
- Cost of clearing and maintaining the property
- Use of funds to construct a new Senior Center

The Select Board continue to discuss the town's options and encouraged committee members and residents to voice their concerns to the Select Board. Joyce Boiardi voiced her concern with another 55+ community being built in town and the burden it would take on the Police and Fire and Rescue Departments, Cathy MacInnes agreed. Jim Borgman inquired about the sewer requirements for a 46-unit development; the town's sewer capacity is limited. Mike Guzinski clarified, developers are taxed with providing solutions for water and sewer utilities as part of the Planning Board and Select Board approval process. Doug Riley asked what the end date is for the town to make their decision. Mike Guzinski explained, factoring in the Governor's freeze on first right of refusal deadlines, the town would have to make a decision prior to the Fall 2021 Town Meeting. It would be prudent to make that decision for consideration at the Spring 2021 Town Meeting. Cathy MacInnes noted that the town purchased Oak Grove Farm in 1984 for \$900,000.00, and has since purchased the Verderber and Cassidy Farms. The Dewey property was purchased with CPA Open Space Reserves. She is in favor of purchasing the property; there are no playgrounds/open space in that area of town. Craig Schultze is also in favor of purchasing the property; 61A opportunities are rare.

Mike Guzinski clarified, this Warrant Article for consideration at the May Town Meeting would authorize the town to purchase the property and authorize borrowing for the purchase. If no action is taken by the town at the May Town Meeting, a Special Town Meeting would be held during the summer to comply with the 120-day period for the town to make a decision. Additionally, depending on how the purchase is funded, 75% CPA and 25% General Funds for example, the property's use could then been split accordingly between Open Space and potential development.

May 2021 Town Meeting Warrant Article Additions Discussion:

Mike Guzinski presented the current Warrant Article List which has not been finalized and is subject to change. He outlined the two additional Warrant Articles since the last version of the Warrant:

Article #16 Tree Pruning/Removal
Article #17 Road Maintenance/Repair

The Select Board will make a determination if the above articles should be included as part of the DPW Operating Budget or be considered at the Spring Town Meeting.

Pete Berube asked the Select Board to consider adding a Warrant Article for Sidewalks; it's equally as important as tree trimming and road improvements. It would add to the quality of life and address safety concerns. There are a number of streets without sidewalks or have sidewalks in disrepair. Craig Schultze recalled at one point in time, the town had a Sidewalk Committee which he and Cathy MacInnes were members. The committee phased out due to lack of funding for sidewalk repairs. Jim McKay has ideas for installing and repairing sidewalks. The town should consider a sidewalk article at Town Meeting to jump start the program again if the Select Board are in agreement. Doug Riley will contact Jim McKay for information on what the article would entail. Cathy MacInnes asked Carol Johnston to confirm the town does in fact have a Sidewalk Fund and the available balance in the fund. Potential developers are asked by the Planning Board to contribute to both sidewalks and trees when the board is considering approval of a development. Pete Berube followed up with an inquiry of the Tree Fund balance, separate from the DPW Tree Care Budget Line Item and any Warrant Articles approved at Town Meeting. He asked Carol Johnston to provide the detail of both funds: how the funds are expended as well as the history of each fund. The information will be provided at next week's meeting.

Finance Committee Operating Policies and Procedures Index Discussion:

The committee was provided with the Index to the Handbook. Jodie Garzon sent a Draft ten-page Policies and Procedures Handbook to the subcommittee members, Joyce Boiardi and Shawn Power; Shawn Power has resigned from the Finance Committee. Joyce Boiardi noted that Jodie Garzon has done a phenomenal job drafting the document and suggested the entire committee review and offer feedback before it is formally voted on. Pete Berube offered to review the document prior to sending it to all committee members.

Old Business/New Business:

The Oak Grove Farm Commission sent a Thank You Letter to the Town Administrator, Select Board, Finance Committee and DPW Director for their support in funding tree removal and cleanup efforts at the farm after the 2020 Tornado.

Pete Berube asked the Town Administrator and Finance Director to provide the committee with a one-page document outlining the CARES Act Funding and Expenditures; the item will be included on next week's agenda.

A Departments Budget Presentation Schedule has been drafted. Police and Dispatch, Fire and Rescue, Emergency Management, Library and Planning Board will attend next week's meeting. The committee's Final Recommendations are scheduled for April 14, 2021. Warrant Article Assignments will take place at the March 17, 2021 Finance Committee Meeting.

Finance Committee Meeting Minutes Approval:

Jodie Garzon made a motion to accept the March 3, 2021 Finance Committee Meeting Minutes as written; Doug Riley seconded. Vote: 7/0 1 abstained motion carries.

Adjourn Meeting:

Jodie Garzon made a motion to adjourn the Finance Committee Meeting at 9:38 PM; Joyce Boiardi seconded. Vote: 8/0 motion carries unanimously.

Respectfully submitted,
Deirdre Gilmore