

Finance Committee Meeting

October 5, 2022 7:00 PM EST
Veterans Memorial Building – Room #229
Millis, MA 02054
Participation Available Via Zoom Remote Platform

Committee Members In Attendance:

Pete Berube, Chair
Jodie Garzon, Vice Chair
Peter Underhill, Clerk
Joyce Boiardi
Patrick Gatto
Jonathan Loer
Cathy MacInnes
Sara Reyes
John Steadman

Invited Guest:

Michael Guzinski, Town Administrator
Carol Johnston, Finance Director
Ellen Rosenfeld, Select Board Clerk
Lisa Hardin, Town Clerk
Patty Kayo, Council on Aging Director
Elizabeth Derwin, Council on Aging Board Member
Wayne Klocko, Permanent Building Committee Chair

Pete Berube called the Finance Committee Meeting to order at 7:00 PM.

Rocklawn Petitioned Article Presentation and Discussion:

Lisa Hardin:

This article would authorize the Select Board to purchase the property located at 270 Exchange Street, the corner of Exchange and Union streets. The intent of the article is to preserve history. An overview of the family and history of the property was given. The current owner of the property is Thomas Roche, a local builder/developer. The property is approximately 1.3 acres and is close to Kennedy Terrace; Millis' Senior Housing. It provides 70 parking spaces, a commercial kitchen, large dining and bar area as well as meeting rooms. Overall, the building is 8,000 square feet and is zoned as commercial. Open Houses to view the property will be held on the next three Sundays from 12:00 PM – 3:00 PM.

The asking price of the property is \$1,250,000.00 although it's valued at \$968,000.00. The owner has invested in upgrades and a fire suppression system has been installed on the first and second floors. Improvements will most likely be needed for the second floor. Michael Giampietro, Millis Building Commissioner, has inspected the building in the past. It was requested the Millis Building Commissioner give the committee an overview of the overall condition of the property. It was noted, that any necessary improvements, 1/3rd would trigger total ADA (American Disabilities Act) Compliance; potentially \$360,000.00 over 3 years.

The article has been reviewed by the Community Preservation Commission however, they have tabled discussion on using their resources to help fund the purchase. Jim McKay, member of the Community Preservation Commission noted that the commission is not in a position to allocate all their reserves until the Select Board and Finance Committee determine their recommendation on the purchase of the property and how much funding the General Fund will allocate. If the article is once again presented to the Community Preservation Commission, the results of the commissions vote will be provided to the Finance Committee.

The property is not on the Historic Registry but the intent is to display artifacts of the town. The potential to generate revenues for the town is possible; renting rooms and the kitchen, fees to hold events and meeting and office spaces. Grants to fund the purchase and upkeep could be obtained after purchase. Unlike the Braun Property which the town purchased under 61A, first right of refusal, this property does not qualify. It is unknown if contaminants such as asbestos are on the property.

The article would authorize an appointed committee by the Town Moderator consisting of seven members including representatives from both the Millis Cultural Council and Historical Commission.

New Senior/Community Center Presentation and Discussion:

Elizabeth Derwin reviewed the Council on Aging Board's vision of a new Senior/Community Center.
https://www.millisma.gov/sites/g/files/vyhlf901/f/uploads/council_on_aging_senior_center_presentation_1.pdf

Abacus Architect was chosen by the Permanent Building Committee to perform a feasibility study to construct a new facility. Three options were obtained and four focus groups, consisting of approximately sixty residents, participated in the proposed Option #2 in the amount of \$16,000,000.00; new construction at Cassidy Field, town owned land located across from Oak Grove Farm. The property has 16 acres of buildable land, this project would use 2 acres. The proposal was presented to the Select Board. The project is expected to be bonded for 30 years with a 4.25% interest rate and will cost the average homeowner \$266.00 per year. The median assessed value of a home in Millis is \$434,000.00. If this article is approved at Town Meeting, construction will begin in the Fall of 2023. It would take approximately sixteen months for construction.

The Senior Population, residents over sixty years old, has grown significantly; currently 2,620. The current Senior Center, located in the basement of the Veterans Memorial Building is uninviting and does not provide adequate space for programming and storage. The Town Wide Social Worker, funded by HCA Funds, is located at the Senior Center and there is limited privacy.

The focus groups voted 9% for Option #1, expansion of VMB Facility \$15.5 million, 12% not to anything, 17% Cassidy Farm without gym, \$16 million and 64% Cassidy Farm with gym, \$21 million. The focus group consisted of approximately 60 residents.

The pros to Option #2 are a one-story building, ample parking, open space and room for expansion including tennis and pickleball courts, however it does not offer a downtown location. The space would be available to other town groups on nights and weekends. It could potentially be a facility to offer Adult Daycare and Physical Therapy and would be a revenue generating source for the town.

Ms. Derwin noted that the Town's Operating Budget spends approximately \$60.00 per year on a Senior Resident as opposed to \$15,900.00 per Millis School Student; it's a stark contrast. Millis needs to invest in its Senior Population.

Article #7 in the amount of \$16 million does not specify the exact location of a newly constructed Senior/Community Center; its ambiguous for residents at Town Meeting to vote on. Ellen Rosenfeld clarified the intent of the article is to appropriate funds for Option #2 for a new Senior Center located at Cassidy Field. It was noted the current Senior Center is used on average by sixty-four individuals. However, a new facility offering a more accommodating facility and expanded programs would draw more users. The Operating Cost would increase between \$150,000.00 - \$300,000.00 annually. There are hopes that volunteers would offset the need for additional staffing. There is no evidence that if a new facility is built, more Seniors will choose to engage in the center. However, surrounding towns that have invested in a new Senior Center have seen an influx of participants.

James Duffy, Millis Resident, pointed out the difference in percentages from the Council on Aging's presentation of the focus groups vote to the presentation of the PBC at the Select Board's Meeting in July. Paul Simpson, Millis Resident, resides near Cassidy Field and has concerns with building on the property; water levels, DEP issues and the impact on wildlife. Lastly, the impact on the town's water and sewer infrastructure, specifically the Timberline Road Sewer Pump Station. The construction of this facility will require upgrades to the pump station. Mr. McKay clarified, any project in town requires a water and sewer extension permit which outlines the impact on the town's infrastructure. The Select Board, as the Water and Sewer Commissioners, as well as town's engineers review it to determine the impact and suggest any necessary upgrades to move forward with the project. The Water Street Sewer Station upgrade costs were \$750,000.00 four years ago.

Permanent Building Committee – Senior/Community Center:

Wayne Klocko:

The current facility is inadequate. The plans at Cassidy Farm and the Veterans Memorial Building are essentially the same in square footage, however, the Cassidy Farm plan is a one story and VMB is two stories. The concern is adding a new facility to an aging building at the VMB. The cost to build a new facility is \$1,000.00 per square foot; the most cost-effective option is to build it in one stage as opposed to several stages over the course of numerous years.

The actual construction cost is \$11,717,442.00. \$1.2 million was added to ensure all possible costs were included. Abacas advised to add additional funding for architecture, engineering and project management fees as well as furniture and fixtures. Using a 35% markup from the actual construction cost, the PBC took the most conservative approach and rounded up to \$16 million. It is anticipated that a 7.4% increase in costs will be inevitable once the project is underway. The PBC is confident the building will be fully utilized and will be a great investment for the town.

The Finance Committee requested a cost summary in order to help make a recommendation; a total contaminant contingency is not factored into the overall cost of the project as well as upgrades to the Timberline Road Sewer Pump Station.

DPW Warrant Article Review and Discussion:

Jim McKay:

The DPW is requesting funding of (2) Capital Items: an Air Compressor, \$26,967.00 and Pickup Truck with plow, \$61,940.00.

Article #13 Lead Line Service Inventory and Replacement Plan: The Clean Water Trust Act requires this program and the town has obtained a Federal Grant to do so. However, in order to qualify for the grant, a borrowing of \$139,000.00 is necessary. Carol Johnston clarified the Operating Budget will be reduced by \$139,000.00 and once the grant is received the monies will flow back into the Enterprise Fund.

Article #14 Water Management Act – Permit Renewal Support, \$56,864.00

The permit is required in order to discharge the Town's Well Water into the distribution system. The DPW Director's concerns include:

- Water Ban Restrictions regulated by the DEP – the renewed Water Management Act Permit will limit watering for residents and businesses. Stricter guidelines should be expected.
- Pumping Capacity – 12 million gallons per day will be limited due to consumption records from previous years.
- Sale of Water to the Town of Franklin was granted when Wells #5 & 6 were built. The Town of Millis does not sell any water that is pumped from its wells.

The Massachusetts Department of Environmental Protection regulates the town's Water Management Act Permit. The proposal by Kleinfelder to address the issues can be found by clicking the link:

https://www.millisma.gov/sites/g/files/vyhlf901/f/uploads/water_permit_support_proposal.pdf

Article #15 Preliminary Design of PFAS Treatment Plant at Well #3, \$165,000.00

Town Meeting appropriated \$5.5 million to fund building a PFAS Treatment Facility to mitigate contaminants at Wells # 1 & 2; the Wells have been offline since September 2019. There is the potential for State Grants to offset the borrowing for the facility. No additional staff will be needed to operate the facility but costs to flush the system every two years will be necessary. Mr. McKay encouraged the Select Board to reinstate the Enterprise Fund Committee to manage the upcoming regulations.

Well #3, located off Birch Street, is testing high in levels of PFAS which will need to be addressed; the Massachusetts Environmental Protection Agency and Department of Environmental Protection are implementing stricter guidelines in terms of PFAS Chemicals in drinking water. Twenty-nine more chemicals are being added and the threshold for PFAS is expected to be reduced from 20 parts per trillion. The DPW tests the Well Water monthly and quarterly for PFAS Levels and the results are published on the Town's Website: https://www.millisma.gov/sites/g/files/vyhlf901/f/uploads/pfas_results_2022_4.pdf

Well #3 has been offline due to necessary repairs; the DPW is awaiting delivery of parts. The Town's Water Distribution System currently runs on Wells #4 and either 5 or 6.

Article #16 Sewer and Stormwater Asset Management System – the cost is \$250,000.00 of which \$150,000.00 will be a 0% borrowing from the Sewer Enterprise Fund and the remaining from the Stormwater Enterprise Fund. Once the borrowings are approved, a grant will offset some of the costs. The DPW has implemented a Water Asset Management Plan, this article would fund expansion to the Sewer and Stormwater Infrastructure Inventory, assess the overall infrastructure and develop a 5-year Capital Improvement Plan.

Article #17 Engineering Services for I/I (Infiltration and Inflow), \$130,333.61, will be funded through rescinded borrowing for completed Sewer Enterprise Fund Projects which requires a Town Meeting Vote.

Road Improvement Projects including a portion of Main Street, Pleasant Street and Exchange Street have been complete with the exception of line painting which is scheduled next week, weather permitting.

Article #19, Acceptance of the Hickory Hills Subdivision which consists of Pearl Street, Debrah Lane and Teresa Drive, is at the discretion of the Select Board and Town Meeting approval. The developer has fulfilled his obligation with regards to catch basin cleaning and drainage system infrastructure. The DPW Director is confident the subdivision is worthy of becoming a town accepted development.

November 2022 Town Meeting Draft Warrant Articles:

Mike Guzinski:

At the Select Board Meeting on October 3, 2022, one article from the previous week's Draft Warrant was removed, FEMA Flood Plain Zoning ByLaw, which will be addressed at the Spring 2023 Town Meeting. The sequence of articles was also changed, a

Citizen Petitioned Article was added as well as DPW articles. Article #5 Repairs to Majors Field was added at the request of Millis Youth Baseball. The article in the amount of \$20,000.00 would repair the infield and warning track areas of the ballpark which has suffered greatly due to drought conditions and the DEP Water Ban. Pete Berube, member of Millis Youth Baseball, will recuse himself from the committee's recommendation of this article. This article is not included in the Capital Items due to its emergent need and was requested at the Select Board's Meeting on Monday by Pete Berube. Unfortunately, Millis' Operating Budget does not have a surplus of funds to address the maintenance of the ballpark. Millis Youth Baseball receives fees and donations to operate the league, however funding to address the condition of the ballpark is not available. The ballpark is on Town Property. Draft Motions, which outline funding sources, for each Warrant Article will be available for next week's meeting.

Jodie Garzon voiced her concern with the sequence of articles, specifically Article #7 New Senior/Community Center. There are four Citizen Petitioned Articles #24 – 27 which pertain to the Senior/Community Center as well as its position following Article #6, Feasibility Study for the Middle/High School; it seems disjointed. It was noted, at Town Meeting, a Warrant Article can be reconsidered after a formal vote is taken; residents who attend to vote on a specific article may have left and therefore are not in attendance to vote on the reconsideration. In addition, with a majority vote, an article can be moved out of sequence by the attendees with the approval of the Town Moderator, Brutus Cantoreggi. The Select Board decide the sequence of Warrant Articles. Typically, the Finance Committee does not make a recommendation to the Select Board on the sequencing of Warrant Articles, however, if the majority of the committee feel the need to, the Select Board is meeting October 17, 2022 and can reopen the Warrant prior to finalizing it.

Carol Johnston reviewed the ARPA (American Rescue Plan Act) Funding, the town has received \$2,483,915.00 from the Treasury and Norfolk County of which \$48,423.52 was used for Norfolk County Administration on behalf of the town. Approximately, \$1.4 million has been expended for PFAS mitigation at Wells #1 & 2, PFAS Treatment Facility, leaving a balance of approximately \$1,000,904.00. A BAN (Bond Anticipation Note) for \$3 million will be used to complete the PFAS Treatment Facility.

Free Cash has been certified for \$2,926,232.00. In previous years, Free Cash has averaged \$830,000.00. The significant increase is due to Marijuana Revenues, \$892,192.00, which include HCA (Host Community Agreement) Funds, a five-year agreement, as well as the 3% Sales Tax. HCA Funds will expire however the Sales Tax is perpetual. The CCC (Cannabis Control Commission) is reviewing new legislation related to Annual License Renewal for Marijuana Facilities. It is possible that once an HCA has expired, the town could have the ability to present the Marijuana Facility with an invoice to cover the cost of the impact to the town with hosting the facility. However, the town's Operating Budget would need to fund the resources beforehand. HCAs can be extended from five years to eight. Receipts from the Marijuana Facility in town have declined in recent months due to more facilities opening throughout the Commonwealth.

Free Cash to be appropriated at the November Town Meeting is \$1,237,000.00, \$204,285.42 for Marijuana Impact Fees; Article #2. A balance of \$1.4 million will remain in the General Fund for appropriation at the Spring 2023 Town Meeting.

Funding the Stabilization Fund in the amount of \$300,000.00 at the November Town Meeting will fulfill the town's Stabilization Fund Policy for FY23; additional funding will be required to meet the FY24 Budget and funding should be appropriated at the Spring 2023 Town Meeting. The Finance Director will provide the committee with detailed information justifying the need to fund Article #23.

Concerns regarding the SPED shortfalls will be addressed at next week's meeting when the School Administration and School Committee will present Article #6, Feasibility Study – Middle/High School Renovations.

Warrant Article Assignments:

Joyce Boiardi – Articles #1, 19 & 20
Jodie Garzon – Articles #2, 3 & 27
Pete Berube – Articles #4, 6 & 7
Jon Loer – Articles #12, 18 & 22
Peter Underhill – Articles #8, 9 & 25
Patrick Gatto – Articles #5, 10 & 23
Cathy MacInnes – Articles #15, 16 & 17
John Steadman – Articles #13, 14 & 26
Sara Reyes – Articles #11, 21, 24

Pete Berube reminded the committee that if a member is assigned an article in which they are in the minority of the committee's recommendation, articles can be reassigned and a Minority Report can be presented at Town Meeting.

Approve Bills Payable

Jodie Garzon made a motion to recommend approval of payment to the Millis Postmaster in the amount of \$971.18; Joyce Boiardi seconded. Vote: 9/0 motion carries unanimously.

Finance Committee Meeting Minutes Approval:

Jodie Garzon made a motion to approve the September 28, 2022 Finance Committee Meeting Minutes; Joyce Boiardi seconded. Vote: 9/0 motion carries unanimously.

Old Business/New Business:

Next week's meeting will include presentations from the Capital Planning Committee Chair, (3) Petitioned Articles presented by Pete Jurmain and the School Department. The committee's Final Recommendations, included in their report to the residents prior to Town Meeting, will be made on October 19, 2022. There is always the option to make a recommendation at Town Meeting however the committee would prefer to have their recommendations included in their report. The Finance Committee's Report includes a synopsis of each article. The Chair asked the committee members to provide their synopses to the Chair and Assistant by Friday, October 21, 2022 in order to meet the print deadline of October 24, 2022.

Adjourn Meeting:

Jodie Garzon made a motion to adjourn the Finance Committee Meeting at 10:02 PM; Joyce Boiardi seconded. Vote: 9/0 motion carries unanimously.

Respectfully submitted,
Deirdre Gilmore