

Tri-Board Meeting

December 8, 2021 7:00 PM EST
Veterans Memorial Building Room #229
Zoom Remote Meeting Platform
Millis, MA 02054

In Attendance:

Finance Committee

Peter Berube, Chair
Jodie Garzon, Vice Chair
Joyce Boiardi
Jim Borgman
Cathy MacInnes
Sara Reyes
John Steadman

Select Board

Peter Jurmain, Chair
Erin Underhill, Vice Chair
Craig Schultze, Clerk

School Committee

Robyn Briggs, Chair
Marc Conroy, Secretary
Steven Catalano
Denise Gibbons

Invited Guest:

Michael Guzinski, Town Administrator
Carol Johnston, Finance Director
James McKay, DPW Director
Terry Wiggin, Director of School Finances and Human Resources
Donna Cabibbo, Town Moderator

Pete Berube called the Finance Committee Meeting to order at 7:04 PM

Peter Jurmain called the Select Board Meeting to order at 7:04 PM.

Robyn Briggs called the School Committee Meeting to order at 7:04 PM.

Revenue Update and 3-5 Year Forecast:

Carol Johnston provided a summary of revenues the town has received from CommCan Marijuana Sales:

HCA (Host Community Agreement) Impact Fees through November 2021:	\$ 892,197.04
Local Option Sales Tax through September 2021	\$ 663,783.38
Total:	<u>\$1,555,980.42</u>

Although both the HCA and Local Option Sales Tax are three percent of sales, there is a delay in receiving the Sales Tax Revenues from the DOR (Department of Revenue).

The HCA is a five-year agreement signed in February 2019. CommCan opened in December 2019. The Local Option Sales Tax for Recreational Marijuana Sales is perpetual. The town is guaranteed annual revenues of \$80,000.00 for the next three years for Recreational Marijuana Sales and \$100,000.00 for Medicinal Marijuana Sales. Competitors of CommCan have opened in Franklin and Attleboro recently; as more Recreational Marijuana Retailers open, revenues could be impacted. The town conservatively anticipates annual revenues of \$400,000.00 from Recreation Marijuana Sales and \$100,000.00 from Medicinal Marijuana Sales.

617 Therapeutic Health Center, Inc, located at 1073 Main Street is a Marijuana Wholesale Cultivation Facility. HCA Revenues are not expected to be received for two to three years and there will not be Local Sales Tax Revenues. Annual Revenues are expected to be \$120,000.00.

GTE (Green Tech Enterprises), another cultivation facility will not generate revenues for several years. However, HCA Impact Fees are expected to total \$300,000.00, Annual Personal Property Taxes \$165,148.00 and Annual Real Estate Property Taxes \$86,600.00.

Advesa Wellness Inc., a Marijuana Product Business, located in the Colt Manufacturing Facility on Main Street has entered into an HCA with the town effective February 2021. However, revenues will not be recognized for at least three years.

PFAS Update:

Jim McKay gave an update of the town's PFAS Testing Results:

- Well #3, located off Birch Street, is tested monthly. The results from September 2021 were 12.2 PPT (Parts Per Trillion), October 2021 were 13.8 PPT and November 2021 13.7 PPT. Drinking Water Wells testing above 10 PPT are tested monthly as required by the DEP (Department of Environmental Protection).
- Well #4, located at South End Farm near the Sherborn town line is tested quarterly. The results in October 2021 were 4.67 PPT.
- Well #6, located off Norfolk Road is tested quarterly, the October results were 9.18 PPT. This well is hovering close to the 10 PPT maximum before it will be required to be tested monthly.
- Well #5, also located off Norfolk Road has not been online since April 2021 at which time the test results were 5.01 PPT.

Peter Jurmain asked if the town had moved forward with the use of two different testing laboratories for PFAS; it has. The results from both laboratories were the same and were reviewed by the DEP.

The town has a dedicated webpage with PFAS Information:

<https://www.millisma.gov/public-works-highway-department/pages/pfas-drinking-water-information>

The D'Angelis PFAS Water Treatment Plant Project (Wells #1 & 2) is well underway. The approval to construct a Water Treatment Plant to mitigate PFAS, \$5.6 million, took place at the November 2021 Town Meeting. The new plant will remove PFAS chemicals to non-detectable levels; below 2 parts per trillion. In April 2020, Millis proactively began testing its wells for PFAS. In September 2020, Wells #1 & 2 were taken offline due to PFAS levels detected above 20 PPT. In December 2020, Kleinfelder, on behalf of the town, submitted a grant application for the Preliminary Treatment Plant Design to the DEP. The grant in the amount of approximately \$197,000.00 was received in April 2021. The design includes the use of carbon treatment vessels.

Millis is on the forefront in the mitigation of PFAS in its drinking water; other towns have just started the process. The Final Design is complete and construction bidding is expected in early 2022. ARPA (American Relief Plan Act) Funds will help offset the cost of construction. Borrowing for the project is not expected until Spring 2022. The town has received approximately \$400,000.00 in ARPA Funds and anticipates an additional \$1.5 million. The project should be complete and online within a year. The permitting process is underway; the Planning Board has reviewed the proposed design and the Conservation Commission has listed an Order of Conditions which will help the project move forward.

The town's Water Distribution System has experienced a couple hurdles over the last six months; Water Tank Maintenance and a Water Main Break. Wells #1 & 2 typically provide the lion's share of water to the town; once the Treatment Plant is online, the system will get a reprieve.

Capital Items Definitions:

Mike Guzinski thanked the Capital Planning Committee Members for their hard work over the last four years. The committee has endeavored to provide a list of necessary Capital Items for approval at Town Meeting. During discussions, the committee has deliberated the definition of a Capital Item; should items such as Police Cruisers, School Bus and Computer Leases, Road Maintenance and the Annual Audit be a fixed cost in the overall Town Operating Budgets. In the

past, the inclusion was not possible due to lack of funding. However, with the influx of revenues from Marijuana Retail Sales and New Growth, the time may be ripe for the shift. Consideration would need to be given if including such items would be exempt from the town's adopted 4% Growth Operating Budget Policy.

The Capital Planning Committee has established a broad definition of what qualifies as a Capital Item; over \$5,000.00 and a three-year useful life. Pete Berube, member of the Capital Planning Committee, has researched the definition of a Capital Item. There is definitely a broad range and it's based on the Town's ByLaw. Surrounding towns have established a range between \$5,000.00 and \$25,000.00 and a lifespan of ten years. Ultimately, the Town of Millis needs to determine its definition and in turn, plan accordingly.

Mike Guzinski noted the current Town ByLaw states:

Capital Improvements shall be defined to include but not limited to all expenditures for purchase, construction and maintenance of buildings, land, roadways, bridges and equipment in excess of \$10,000.00.

The not limited to portion enables some discretion to the town in determining what qualifies as a Capital Improvement/Item. Broad latitude for amendment to the ByLaw is certainly an option. Pete Berube noted it is imperative that the Select Board, School Committee and Finance Committee have an agreed definition of a Capital Improvement/Item moving forward. Craig Schultze noted that certain items: Senior Center, Elementary School, Water Treatment Facility and School Curriculum (materials needed to teach a subject matter) are not typical items considered for funding at Town Meeting. The Operational Budget Items such as the Annual Audit, Lease Payments for School Busses and Computers and Police Cruisers should be part of the Operating Budget. Obviously, there are certain unique items requiring funding that are placed on each Town Meeting Warrant and may or may not be considered Capital Improvements/Items. In order to avoid past failures of funding Operating Budgets with additional funds which were then used for staffing, it is vital that a clear line is set when supplementing future Department Operating Budgets above the 4% Growth Rate Policy. Marc Conroy agreed, certain items funded primarily through limited Free Cash probably should be in Operating Budgets. John Steadman voiced his concern with supplementing Operating Budgets for lease payments; Police Cruisers for example. The decision to fund a replacement should be considered within the town's Financial Management Team as opposed to automatically included in the Department's Operating Budget. Every Lease Agreement the town enters into must be approved at Town Meeting. The future payments can then be included in the Operating Budget.

Overall, a definitive definition of a Capital Improvement/Item needs to be established and agreed upon prior to the FY23 Operating Budget Cycle. If indeed a ByLaw Amendment will be needed, it can be considered at the May 2022 Town Meeting.

Terry Wiggin explained the need to fund digital curriculum materials over the next few years. The School Department is moving towards providing digital curriculum materials and subsequent subscriptions to its students and staff.

The town could establish a Capital Improvements/Items Stabilization Fund. In order to do so, a Town Meeting Vote would be required. However, in doing so the benefit would be to have funding to meet the needs of the community. Moving forward, the town is in desperate need of athletic fields, sidewalks, road improvements, etc.

Braun Property Status Update:

Mike Guzinski made the group aware the town is in full possession of the property. The authorization to purchase the land was approved at the May 2021 Town Meeting. The Select Board is discussing the possible uses of the land and how the property will be maintained. The Select Board is considering establishing a committee to evaluate all town owned properties. The Braun Property, located off Village Street, has several structures that will need to be demolished. The town is working in conjunction with the DEP in order to determine the best possible solution to do so.

Partnership to Optimize Resources:

Pete Berube opened up the topic noting his desire to optimize on all town resources; personnel and equipment. The potential benefit to all departments is paramount. Collaboration between all departments is necessary. Similar to the town's agreement with the Town of Norfolk to share an IT Director and the Town of Medway to share an Animal Control Officer, the opportunities are certainly worth considering. Steve Catalano suggested an internal audit of resources prior to discussing the opportunity to share resources. Field Maintenance, for example, could possibly be shared between the School Department and Department of Public Works.

Stakeholder Engagement on Budget Decision:

This item was placed on the agenda to emphasize the town's desire to continue its effort to engage residents to participate in Public Meetings regarding Operating Budgets and overall town decisions. In the aftermath of the May 2021 Town Meeting, the Finance Committee has looked for avenues to make the citizens of Millis more aware of Town Business in order to prepare for the upcoming May 2022 Town Meeting. Although, all information is available on the Town's Website: www.millisma.gov it is quite clear residents are reluctant to research what the town's options are, its financial obstacles and being well versed in items considered at each Town Meeting.

The Finance Committee Webpage: <https://www.millisma.gov/finance-committee> has a wealth of information regarding Town Meeting Topics. The committee also provides a Meeting Materials link for all of their meetings:

<https://www.millisma.gov/meeting-materials/pages/fy22-meeting-materials>

A Finance Committee Report is distributed to all residents one week prior to each Town Meeting. The report includes the Finance Committee's recommendations for each Warrant Article, the Capital Planning Committee's Report and the Select Board's Warrant Articles to be considered.

Erin Underhill noted the town did establish a Town Meeting Review Committee to better assess what the town could possibly do to better engage residents' participation in Town Meeting. Over the course of several years, Town Meetings have been held on Saturdays during the day and during the COVID-19 Pandemic outdoors with little to no improved attendance.

The November 2021 Finance Committee Report was posted on the Millis/Medway Community Newspaper Website in an effort to educate the residents of items for consideration at Town Meeting.

Adjourn Tri-Board Meeting:

Robyn Briggs made a motion to adjourn the School Committee Meeting at 8:39 PM; Marc Conroy seconded. Vote: 4/0 motion carries.

Peter Jurmain made a motion to adjourn the Select Board Meeting at 8:40 PM; Erin Underhill seconded. Vote 3/0 motion carries unanimously.

Cathy MacInnes made a motion to adjourn the Finance Committee Meeting at 8:40 PM; Joyce Boiardi seconded. Vote: 7/0 motion carries unanimously.

Respectfully submitted,
Deirdre Gilmore