

FINANCE COMMITTEE

Thursday, March 23, 2006

Dennis Town Hall-Large Hearing Room

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Approved

Present: Chair James Plath, Michael Brennan, William Crowell, Robert Prall, Brian Sullivan, Peter McDowell, Town Administrator Robert Canevazzi, Assistant Town Administrator Sandra Fife and Town Accountant MaryAnne Gibbs. Also present Selectmen members Donald Trepte, Charles Crowell, Paul McCormick and Sheryl McMahon and Recorder Peggie Hunter.

Absent: Ted Dumas

Meeting will include: review of Warrant Articles, report by Capital Outlay Committee and Reserve Fund Transfers.

Veterans Benefits request for Reserve Fund Transfer will be handled on the warrant due to insufficient funds.

Article 44-Wampanoag Tribe Petition

Chair Plath read the petition. Margaret Liliental of East Dennis presented this Article. Peter McDowell asked what this recognition does. Ms. Liliental said that it recognizes that the Wampanoags have functioned as a tribe for a period of time. It makes monies available for affordable housing, health care facilities and education. Peter McDowell asked what will the tribe achieve. Discussion of casino being built took place. William Crowell asked if Finance Committee should take a position on this article. Chair James Plath said a position or no position must be taken on every article.

Donald Trepte asked how many members are in the Tribe. There are about 12,000 members.

Chair Plath said he has a real concern about not knowing about federal recognition and the gaming situation. William Crowell was not sure if the Finance Committee should take a position on this.

MOTION:

William Crowell moved and Michael Brennan seconded and Committee voted 6-0-0:
Committee voted that no action be taken on this article.

Article 30-War Resolution Petition

This article will be rescheduled.

Article 37-Cape Care Petition

Sarah Thacher presented article. Cape campaign is an effort to start a county-wide conversation on offering non-employment based single based plan health care. At this time there is no request of money from the Town. Support of this resolution by the Finance Committee is hoped for. The details will be figured out when this plan is pushed to the county level. Michael Brennan said it is a nice utopian idea and asked if this emulates what the state legislature is doing. Ms. Thacher said this state plan doesn't

seem to have much of a prayer of going very far. Michael Brennan said that by the end of the fiscal year, they hope to have a state plan in place and this petition could be a duplication of efforts. Ms. Thacher said that the possibility of the state plan passing is slim.

Mr. McDowell asked about how many people on the Cape & Islands could use insurance. Ms. Thacher said 14% of Cape residents don't have insurance. Mr. McDowell asked what would this cost. Ms. Thacher said she wasn't equipped to answer that. Petitioners are looking at a fund that would include all health care professionals who would be affiliated with this Cape Care Alliance.

Mr. McDowell said it sounds very costly.

Robert Prall said this would be somewhat of a county self-insurance fund and it wouldn't hurt to look into it.

William Crowell asked who will carry the ball. Ms. Thacher said it is non-binding and we as a Town are looking into this. Chair Plath asked if this would be some type of replacement plan. Ms. Thacher said this plan would create a fund and doctors would be paid through this fund. This petition is appearing in all towns except for Falmouth and Mashpee. Chair Trepte said the county isn't in a position to look at something like this. Ms. Thacher said that on April 26, 2006 at a 2PM forum at the Dennis Senior Center, the doctors involved with the plan, will be taking questions.

Donald Trepte has heard that the Canadian Health Plan is quite expensive. Ms. Thacher said the patterning and raising of funds in Canada will be looked at.

MOTION:

Peter McDowell moved and Michael Brennan seconded and the Committee voted 5-1-0:
(R P)

Committee voted not to recommend the Article.

Board of Assessors Increase

Robert Canevazzi presented this Article stating that the Board of Assessors increase would be from 3 to 5. This is being requested so that in the event of member non-attendance, the Board can still function. Michael Brennan asked who appoints the Board of Assessors. Mr. Canevazzi said the Board of Selectmen does. Mr. Brennan said that those that can't attend meetings might be replaced if it poses a problem. The Board of Selectmen voted unanimously to support this article. The Town would benefit from this.

MOTION:

Michael Brennan moved and William Crowell seconded and Committee voted 6-0-0:

Committee voted to approve the article as printed.

Article 11- Large Capital (Capital Outlay Committee Revised Recommendation)

Heidi Schadt, Chair of Capital Outlay, said that two weeks ago her Committee made their recommendations. They were told to come back with 1 million in recommendations. We have unanimously agreed on our recommendations.

1. Replace the five cruisers
2. S2 replace 76 Dodge
3. H4 Replace 87 Dodge
4. Secondary Road Improvement
5. Fire Pumper-3 Year Lease
6. Water testing
7. Data/Voice Network
8. Drainage Improvements
9. Replace electrical panels at Ezra Baker
10. Bridge Street Restoration Phase II
11. Replace H5 94 Pickup Truck
12. Security System at the Wixon School

Chair Plath asked Ms. Schadt to go into detail on the three-year lease for fire.

Michael Brennan asked about water testing and asked why it should be funded by Capital. Sheryl McMahan said this three-year testing has been done and that the modeling and analysis on the three years needs to be done as follow-up. Not doing this will leave a gapping hole in wastewater management. Mr. Brennan said it does not look like a capital item to him. This is a nonrecurring expense.

The wiring at Ezra Baker School was discussed. This is a personal safety issue and that it is the school's number one priority. Michael Brennan said we haven't done a complete job of understanding the problem at Ezra Baker. Michael Brennan asked if we have a quote on the \$105,000.00. Capital Outlay Chair said there is a quote from RDK Engineers. Mr. Brennan asked if we have more than one quote. Mr. Finnell said no, this will be a sealed bid.

Mr. McDowell had questions on the fire pumper. Chief Mark Dellner explained how the fire pumper works. Mr. McDowell said that this truck is run only 80 hours per year. Chief Dellner said it is an antique truck that the Department has trouble getting parts for. Chief Dellner went through some of the issues on this 1981 truck. It is underpowered. If this purchase is delayed, in addition to the truck's poor image, the truck doesn't meet a lot of the National Fire Protection Standards. It is the only truck that is not standardized. The price of these trucks will continue to go up. The 2007 emissions for the new trucks are coming out. The delivery time will be up to 10 months and could take up to a year. Mr. McDowell said we have a number of engines. Mr. McDowell asked how many other pumpers does the Department have. Chief Dellner said they have four in total. Chief Dellner explained what a fire pumper does and how the Department utilizes their pumpers. Pumper trucks are also used for medical aid. There are two pumpers on the

Northside. Robert Prall asked about the lease terms. Chief Dellner said if the Town pays the first payment upfront before delivery, this would save several thousand dollars. Chief Dellner gave interest rates and said the three-year lease is the way to go. Chief Dellner said that this is very important to what we do. Robert Koscsó asked Chief Dellner to discuss pumping capacity.

Mr. McDowell said the Town will spend \$20,000.00 more on leasing rather than paying cash for it now.

Replacement of the cruisers was discussed. They are replacing 4 of the marked vehicles and 1 of the unmarked. Walter Dubois said the vehicles will be replaced identically by a state bid. Chair Plath asked about the graphics on unmarked cruisers. Walter Dubois said that 2007 will be the last year of the Crown Victoria.

Michael Brennan asked if David Johansen is replacing like trucks with like trucks. Mr. Johansen said no they are not. Mr. Johansen described vehicles. We hope to have numbers before Town Meeting. What about trade-in value? Mr. Johansen said that whatever we receive for trade-in will come off the price of the vehicle. If they could get more money by auctioning them off, they would.

Mr. McDowell asked if there were a mechanism in place if there were anyone interested in submitting a bid. Town Administrator Robert Canevazzi said that utilizing bids is a good management practice.

Ambulance trade-in was discussed. Chair Plath said it might be best that when we do a bid process, that we submit it with trade in and submit it without trade. Brian Sullivan said wouldn't we be subject to the Lemon Laws and subject to liability. Sheryl McMahon said the Lemon Law primarily applies to dealers. Walter Dubois said that if you renege, then a re-bid may be necessary.

Michael Brennan has a problem with water testing being capitalized. MaryAnne Gibbs said she wouldn't book these with assets.

Robert Koscsó explained the data voice network purchases. The biggest part is replacing computers. Three laptops will also be purchased. Sheryl McMahon explained applications the Town utilizes. Mr. McDowell referred to a schedule for the useful life of computers that Steve Buss was going to put together.

Michael Brennan asked George MacDonald to speak about the total cost of the Bridge Street project. Mr. Macdonald said that the project is basically in the million-dollar area. There are grants that will defray the cost. The \$65,000.00 grant is currently being spent for preliminary expenses. This is a reimbursement grant. Culvert options were discussed.

Mr. McDowell discussed reimbursement grants and monies spent before July 1, 2006. Mr. McDowell is concerned about spending this amount of money and said that replacing culverts only would be a considerable savings. Chair Plath asked how does money flow back to Town. MaryAnne Gibbs said the reimbursement goes back into special fund that was set up for this project. In-kind services also need to be figured out. The in-kind services are part of the match. Sheryl McMahan said that reimbursement is just terminology. Robert Prall asked what is best guess of the amount of money that will be asked for. George MacDonald said that \$50,000.00 for the upcoming fiscal year will be needed. Then for FY '08, an additional \$150,000.00 will be needed.

Mr. McDowell asked Capital Outlay why the Bridge Street Project was so highly rated. Chair Heidi Schadt said she believes it is an important project.

Robert Prall asked about the security system at Ezra Baker. Michael Brennan asked about the \$10,000.00 for the security system. Ms. Schadt said it is for the initial equipment including cameras and monitors. Skip Finnell spoke about the security system at the Wixon School.

Sesuit fire lines were discussed. Robert Pelosky explained the system. Chief Mark Dellner explained this process.

Chair Plath discussed the funding mechanism which includes \$235,825.00 from the Golf Improvement Fund, \$35,300.00 from the Cable Receipts Reserve, Free Cash of \$500,000.00, Capital Improvement Fund for \$506,213.00 and Water Ways Improvement Fund for \$12,500.00, totaling \$1,290,038.00 for this article. The BOS has not voted on the article yet. Donald Trepte said BOS will discuss this during an upcoming meeting.

Finance Committee will table the recommendation and will make the recommendation after BOS renders their recommendation.

Committee took a five-minute break.

Article 28-Naushon Road Property

Chair Plath read the article.

Nancy Davison Chair of the Affordable Housing Partnership spoke about this article. Ms. Davison said that plans are to turn parcel over to developer to build either a two or three bedroom affordable unit for the Town. This home would be held as affordable in perpetuity. Response to RFQ would be evaluated by subcommittee and then would go to Board of Selectmen for selection. There is the benefit of having one additional housing unit, as well as the benefit to the new homeowner.

Peter McDowell asked Ms. Davison to explain the process. There are qualifications in the RFQ that the nonprofit or for-profit developer must comply with in order to be

chosen. Once the house is built, then it goes through the process that the Town created, which includes a series of specifications that need to be followed in order to dispose of affordable housing. The developer is responsible for paying for the administration of the process of finding the eligible buyer. The question was raised of who owns the land during the construction period. There may need to be a lease arrangement.

Peter McDowell asked how the money would be handled and Robert Canevazzi said that he couldn't answer that. This is the piece that we haven't yet nailed down. Mr. McDowell asked if a chart of how this process will work could be done. Mr. Canevazzi will work on that.

Chair Plath asked what happens if builder goes bankrupt. Mr. Canevazzi said they would have to find someone else. Chair Plath asked what is the assessed value of the land. Mr. Canevazzi said the cost is \$186,000.00 for the land. Chair Plath said we haven't looked at any possibility except for the outright gift to the builder. This RFQ has already been released and we have not yet received any bids from builders on Cape Cod. These builders may feel it is not economically feasible to do this project. Bids have been received from the Southeastern part of the state.

Robert Prall asked why aren't we selling this at a marketable rate. Ms. Davison said it is important to remember that the lack of housing is having a tremendous impact on the economy of Cape Cod. Ms. Davison also said that the Town has made a couple of good steps with the four year old bylaw and that we are getting smarter in working with developers. The Town itself has not made any financial investment and now is the time. William Crowell said that he feels that someone out there would pay for this lot and that we don't have to give it away. Michael Brennan felt it was also an expensive investment. Ms. Davison said if we don't do something now, it will cost us more in the future.

Mr. McDowell spoke about the Dennis Housing Authority and their role in providing units. A local buyer preference has been included in the proposal.

Sheryl McMahon said that affordable rents are in the range of \$750.00 per month. There is a big disparity between affordable and what landlords need to pay. Ms. McMahon asked the Finance Committee for their support of this project.

Mr. McDowell said it would be more than one family that might benefit if the land was sold for approximately \$180,000.00. It would be responsible to maximize this opportunity. Nancy Davison said that assets come in many shapes and forms.

Donald Trepte said that we are looking for a way to look at our long-term affordable housing goal of 10%. At some point in time, we must allocate the funds and the community must invest in it. We need to give this an opportunity to succeed.

Chair Plath said he isn't convinced and is troubled that we haven't explored other opportunities. The whole concept of giving the land to a builder troubles Mr. Plath.

Chair Plath asked about a time frame. William Crowell said that nothing has been approved yet so it would be difficult getting a developer. Mr. Canevazzi said there is no cost to the builder. The builder is only submitting paper and a proposed design layout.

Mr. McDowell would prefer not to vote tonight.

Paul McCormick said there was a family living there and if they had stayed there we'd have the property on the tax rolls. Should we give it to a family that is going to use it or should we sell it outright to someone who will use it as a rental property?

Michael Brennan said that the one transaction doesn't bother him, but if this becomes a way of doing things, then there's a problem.

MOTION:

Peter McDowell moved and William Crowell seconded and Committee voted 6-0-0:
Committee voted to table this article.

Reserve Fund Transfers

Steve Estey came before Committee for Reserve Fund Transfers.
There is presently \$62,000.00 including utilities money left in the Reserve Fund.

MOTION:

Peter McDowell moved and William Crowell seconded and Committee voted 6-0-0:
Committee voted a Reserve Fund Transfer for \$5500.00 for repairs and maintenance.

MOTION:

William Crowell moved and Peter McDowell seconded and Committee voted 6-0-0:
Committee voted to approve a Reserve Fund Transfer for 1500.00 for in-state travel.

Article 27-AFSCME Compensation & Classification Study

Assistant Town Administrator Sandra Fife spoke about this article. Town is looking to do a classification study. We only received one bid and it came in slightly lower at \$8500.00. They may have to write more job descriptions so more financial leeway is needed. Robert Canevazzi said \$10,500.00 should do the job. This study would look at the actual job descriptions.

MOTION:

Michael Brennan moved \$12,000.00 be used for this study.
There was no second on this motion.

Mr. Brennan would like to see this study done right.

MOTION:

William Crowell moved and Peter McDowell seconded and Committee voted 5-1-0:
(MB)

Committee voted to approve \$10,000.00 for this study.

Mr. McDowell said that if more money is needed, the Committee will take another look at it.

Article 35-Fuel Assistance

Sandra Fife explained the Fuel Assistance Program. Bills come in usually during the summer and the current balance is \$65,000.00. Ms. Fife is asking for \$15,000.00 in the hopes it will cover FY '07. William Crowell asked if we are the only ones on the Cape that offer this program. Ms. Fife said yes.

MOTION:

Michael Brennan moved and Brian Sullivan seconded and Committee voted 3-3-0: (JP, PM and WC)

Transfer of \$10,000.00 failed to pass by a vote of 3 to 3.

Article 10-Elected Officials Salaries

Robert Canevazzi said we are the third lowest on Cape Cod for Town Clerks.

MOTION:

Robert Prall moved and William Crowell seconded and Committee voted 6-0-0:
Committee voted to approve 5 selectmen at \$2000.00 each, 1 Moderator at \$450 and Town Clerk at \$50,614.

Peter McDowell presented an article to see if the Town would adopt the following by-law:

“Requirement to Identify Dennis Motor Vehicles”

Mr. McDowell read the article.

Michael Brennan doesn't think that a bylaw is necessary. Robert Canevazzi said we do have a vehicle use policy. This policy has not been published. Mr. Brennan asked if we could incorporate Mr. McDowell's bylaw recommendation into the policy. The bylaw withstands future Boards of Selectmen. Mr. McCormick thinks vehicles should be marked.

MOTION:

Peter McDowell moved and Brian Sullivan seconded and Committee voted 6-0-0:

Committee voted to send this to the Board of Selectmen.

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MOTION:

Peter McDowell moved and Brian Sullivan seconded and Committee voted 6-0-0:

Committee voted to adjourn at 10:40PM.