



## Town of Nantucket Capital Program Committee

[www.nantucket-ma.gov](http://www.nantucket-ma.gov)

**Members:** Christy Kickham (Chair), Peter McEachern (vice chair), Richard Hussey (Secretary), Jim Kelly, Nat Lowell, Pete Kaizer, Stephen Welch

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### MINUTES

Wednesday, November 02, 2016  
4 Fairgrounds Road, Training Room – 8:00 am

Called to order at 8:06 a.m.

Staff: Brian Turbitt, Director Finance; Lynell Vollans, Assistant Director Finance; Julia Lindner, Financial Analyst; Terry Norton, Town Minutes Taker

Attending Members: Kickham, Hussey, Kelly, Welch

Absent Members: McEachern, Lowell, Kaizer

Late arrival: None

Department Heads: Tom Rafter, Airport Manager; Bob Gardner, General Manager Wannacomet Water Company; Rachel Chretien, OIH Director; Erin Kopacki, OIH Assistant Director

Documents used: Capital Improvement Plan 2018 thru 2027; capital project detail packets.

### I. APPROVE MINUTES

1. None

### II. COMMITTEE DISCUSSION OF POLICE, FIRE, AND IT REQUESTS

1. Held

### III. OVERVIEW OF FY2018 CAPITAL REQUESTS

1. Wannacomet & Siasconset Water Company Enterprise Funds

Discussion **Gardner** – For 2018 ‘Sconset replacement of water main on Baxter Road \$2.34M; will move it to the left side now that road seems to be stabilizing. This line is marginal for fire protection and can’t go another year. It will go out to bid pending Town meeting approval.

Wannacomet hydrant replacement program \$175,000. Phase I replace hydrants over 40 years old. Bids for Phase II open November 10 for 39 hydrants between 30 and 40 years old; the final phase, FY2018, is to replace 36 or 37 hydrants between 30 and 20 years old.

Water Main Replacement FY2018, 2019, 2020, 2021 & 2022: The goal is by 2022 all pipes will be of a condition to expect a life expectancy of at least 100 years. Lead and copper services aren’t an issue because we are the only system in the state not required to have quality water control due to the quality of our water.

**Kelly** – Asked about the impact of PH on pipes.

**Gardner** – Any PH below seven is considered acidic; that’s when leeching occurs in the metals in the pipes. In FY2018 will do North Liberty Street, Lily Street, Brush Road, Derrymore, Nantucket Avenue, Grant Avenue, and Lincoln Circle.

**Hussey** – Asked if money has to be borrowed.

**Gardner** – Yes with the exception of replacing the hydrants.

They are in n discussion with Massachusetts Department of Environmental Protection (DEP) regulators over their license renewal; that should be settled by mid February. We are not like any other system in the state; we have no connection hydraulically or geophysical with any other system. The Water Commission has reviewed this plan and is committed to funding it. Since 1996, 20 miles of pipes have been replaced or added.

**Kelly** – The DEP was talking about limitations on amount of water we could use.

**Gardner** – Each well has the amount of water that can be drawn off it. We recognize there will be a number but don't know what that will be 20 years from now; it's hard to predict the population growth in that time.

**Kickham** – Asked what determines which hydrants are replaced.

**Gardner** – Age; anything over 20 years old is considered marginal in regards to material. There were a number of hydrants over 40 years old.

**Hussey** – Last year there was discussion about a new office building.

**Gardner** – There is an allocation of \$3.5M; they have gone through the design and permit approval processes. The plans were turned over to an assessor who estimated cost of construction at \$1M higher than the allocation. They have been looking at modular construction, which will open those proposals soon; have been looking at all options to keep the cost within the appropriation.

**Kickham** – Asked if the new building includes shop space.

**Gardner** – No; we're pretty good on shop space.

**Welch** – Asked if there is a grievance procedure with the DEP regulators.

**Gardner** – Explained the reassessment process. Noted that he is applying for a 90-day extension to make a case of Nantucket; cited restrictions that he wants to negotiate.

**Kelly** – Have talked about stormwater treatment.

**Gardner** – Stormwater treatment needs to be addressed; we have a strong treatment program for Zone 2; but still need to look at it. It would help to add another level of protection.

**Hussey** – Asked about Mr. Gardner's retirement and his replacement.

**Gardner** – He is retiring and there is someone in house who is interested in taking the manager position and everything should be nailed down by the end of January 2017.

## 2. Airport Enterprise Funds

### Discussion

**Rafter** – Under equipment totaling \$198,000: Tire replacement for the loader and fire truck; deicer truck replacement; heavy-duty brush deck; mobile compressor replacement; new security vehicle for perimeter inspections. Under facilities: extend bag belt \$200,000; Fuel Farm fire-suppression system repair/replacement \$70,000; Fuel Farm pipe and coupling replacement \$436,100; paint and beads and rubber and marking removal on taxiway Echo \$176,000; other facilities upgrade \$52,000. Under Federal Aviation Administration (FAA): Environmental Impact Report 5-year permitting \$450,000; airport layout plan update and the Safety Management System narrative \$250,000; reconstruction of Apron Area 3 and replace 5,000 feet of fence \$2.2M.

**Welch** – Compared to the October 21 spreadsheet, capital request are down \$820,000. The last report shows project numbers and descriptions and dollar amounts that don't track with this printout; asked if the project numbers are rigid or not.

**Turbitt** – One project was removed so he reconfigured the numbers.

**Rafter** – The capital program is getting more intense on airport money.

**Hussey** – Asked about the loan from the Town.

**Turbitt** – Submitted to FAA and Massachusetts Department of Transportation; FAA came back with questions and have put together responses to all but one. Airport made the 2016 payment as required; because waiting for approval, have reserved the payment on the General Fund balance sheet. There are 19 remaining payments built into the budget.

**Rafter** – Getting a little stable but still in the process of managing cash flow needed to operate. We're doing okay but not out of the hole yet. Explained what is being done to avoid using reserve funds toward the end of a fiscal year. Their properties are considered FAA obligated land and have to get their approval for leasing. Currently the airport has 25 to 30 leases, which represent steady monthly income. Noted that the parking revenue is dropping due to the equipment; hope to have a fix on that by next year. Restaurant and rental cars are concessions; advertising space is being reevaluated. There is an Request for Proposal (RFP) out for the gift shop concession.

**Welch** – Asked if the plan takes into account down-year revenue.

**Rafter** – Yes. Noted that loss of Island Air represented a lowering of passengers; explained what is being done to offset that loss.

**Kickham** – Asked if the fuel pump replacement is associated with the fuel farm expansion.

**Rafter** – No; the fuel farm expansion pertains to the tanks.

### 3. Our Island Home (OIH) Enterprise Funds

Discussion **Chretien** – Noted changes to the spreadsheet: “tub & shower room” should say “resident room”. Stated she can’t set a quote on MedLine until she hears from them.

Resident room upgrade is for new furniture. Detailed issues with existing furniture.

**Kelly** – Had a tour of patient rooms and took photos: no storage, corridors are cluttered, coat base is coming off, the closets are in disrepair and residents can’t open them. All these requests have been deferred and can’t be put off any longer.

**Chretien** – This came up ten years ago but was held off due to discussion about a new building. They are looking at furniture that would be transferrable to a new building.

Exterior sidewall work estimate was done a year ago. Our heating and ventilation system are of concerns; have a contract in place to improve circulation of the system. The exterior trim of windows needs to be replaced to improve the seal and eliminate drafts.

The kitchen and laundry renovations have been combined; based on the most recent survey, the walk-in freezer is in need of replacement and washers need to be replaced. Outsourcing laundry is too expensive. Kitchen lights in the freezer have condensation on them.

**Kelly** – Asked if there are items that should be in the capital plan such as the generator.

**Chretien** – Yes. The current generator needs to be replaced in three to five years; if it can’t be replaced, it would be better not to have a generator. There is still the question of investing in this building if OIH will get a new building. To handle the storage issue, they would need a new addition to the building just for storage.

**Kelly** – Another option is to stop taking any more patients and converting some resident rooms to storage.

**Welch** – Asked who oversees the facility and allows it to operate.

**Chretien** – The Massachusetts Department of Public Health (DPH) issues the certification to operate as a nursing home and ensures the facility meets State standards or that work is being done to correct deficiencies.

**Hussey** – Asked the planning timeline from the approval for a new building and moving in and what will happen to the current building.

**Chretien** – She can’t answer what will happen to the old building. If Town Meeting gives the go ahead, it could four to eight years until move in. It will take a year to get DPH approval of the new building.

**Welch** – He doesn’t think this capital plan meets the needs of keeping the current building functioning properly for possibly nine more years.

**Kelly** – These repairs can’t be put off any longer. He’s more optimistic in the timeline until move into a new facility, five years. Reviewed decisions that have been made that impact the design.

**Hussey** – We need to address critical issues necessary to operate and the generator needs to be replaced.

**Kickham** – In the past, he has been cautious about adding to the plan; however heating needs to be maintained.

**Welch** – He would like to look at the past few years of capital request for OIH. If Ms Chretien thinks something is needed within the next five years, it should be added to the capital plan. Suggested she create a six-year capital plan.

Discussion about the possible future uses of the current building once OIH moves.

**Kickham** – To keep the quality of living to State standards, suggested Ms Chretien work on a five-year outlook as if there will not be a new building. Asked she add justification on the three FY2018 projects to the request sheets.

**IV. CAPCOM BUSINESS**

1. Kickham – Noted that all individual meetings with their target departments will be published so any committee member can attend.

**V. DATE OF NEXT MEETING**

Wednesday, November 9, 2016, 8:00 a.m. at 4 Fairgrounds Road, Training Room

Topic: Sewer & Solid Waste Enterprise Funds

Adjourned at 10:02 a.m.

Submitted by:

Terry L. Norton