



Town of Nantucket Finance Committee

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Committee Members: Denice Kronau (Chair), Stephen Maury(Vice-chair), Joseph T. Grause Jr., Peter McEachern, Joanna Roche, Peter Schaeffer, Chris Glowacki, Jill Vieth, George Harrington

MINUTES

Saturday, February 06, 2021

*This meeting was held via remote participation using ZOOM and YouTube,
Pursuant to Governor Baker’s March 12, 2020 Order Regarding Open Meeting Law*

Called to order at 8:17 a.m. and announcements made by Ms. Kronau.

- Staff in attendance: Libby Gibson, Town Manager; Gregg Tivnan, Assistant Town Manager Rachel Day, Assistant Town Manager; Brian Turbitt, Director of Finance; Rick Sears, Deputy Director of Finance; Terry Norton, Town Minutes Taker
- Attending Members: Kronau, Maury, Grause, McEachern, Roche, Schaeffer, Glowacki, Vieth, Harrington
- Late Arrivals: Harrington
- Early Departures: Vieth, 12:33 p.m.
- Documents used: Draft FinCom minutes 1/28/2021; General Fund, Enterprise Funds, and Special Revenue Funds Operating Budgets

Adoption of Agenda.

- Action **Motion to Approve.** (made by: Grause) (seconded)
- Roll-call Vote Carried 8-0//Maury, Schaeffer, Glowacki, Roche, Grause, McEachern, Vieth, and Kronau-aye

I. REVIEW AND DISCUSSION OF FY2022 GENERAL FUND, ENTERPRISE FUNDS, AND SPECIAL REVENUE FUNDS OPERATING BUDGETS

1. Nantucket Police Department/Harbor Master/Office of Emergency Management

Dept. Head Chief William Pittman
Deputy Chief Charles Gibson

Discussion **Pittman** – Reviewed Police Department goals and challenges for FY2021: staffing and the parking management system. Explained significant changes; the Massachusetts Police Reform Bill went in effect December 31, 2020 and will significantly impact all Police Departments and impact us in terms of budget and staffing. Reserve Police Officers will be done away with, which means they won’t be staffing the Airport in the summer; we will have to hire three new officers just to cover the Airport. All police officers will have to be certified by the State, including current officers; that carries an administrative burden regarding training, hours worked, and dealing with complaints.

Biggest exceptions are COVID related regarding how to deal with new employees; asking for a parking enforcement officer, three additional CSO, \$230,000 to fund 25 additional lifeguards.

Capital Items include replace radios for \$400,000 and \$500,000 for to upgrade the Loran housing and connect to sewer, \$150,000 for a second pump out boat, and \$440,000 for F Street bulkhead repair.

C. Gibson – The F Street was delayed to the point we didn’t have enough in the budget to meet the bids; it will have to gout to bid again.

Pittman – Operating expenses are tied to seasonal housing. Due to COVID, we couldn’t double up on the rooms so could only hire half what we normally do. For the coming season, we will have to find alternative housing.

Roche – The budget is very good. Her only concern is the additional housing cost but there is no way around it. The beaches last summer were very crowded, and she is glad the resources are being asked for to support increase of lifeguards.

McEachern – Asked if there was a decline in calls related to events.

Pittman – We had more calls because more gatherings took place in people’s back yard.

McEachern – Housing is a big issue, and the Town is getting involved. Asked if it is a legal obligation to extend lifeguard hours.

Pittman – It is the humanitarian thing to do; over the last couple of years, those on call after 5 p.m. have seen increased calls.

Schaeffer – Asked if a decision has been made on extending outdoor dining.

L. Gibson – The Select Board wants to continue it, so Amy Baxter is looking into it. That will have an impact on parking, and we’re looking into alternatives to that; we’re working with National Grid to use their lot again for valet parking.

Schaeffer – Asked if there has been an increase in outdoor drinking.

Pittman – That moved to the beaches; we had an increase in late night beach parties.

Glowacki – Asked the current number of lifeguards and if they will have trouble hiring enough.

Pittman – They hired 37 lifeguards this year and will hire 46 next year. We also need to increase dock workers due to the increase in transient boaters and use of the Town pier. He doesn’t expect there to be issues in hiring lifeguards. A bigger concern is housing; we put effort in hiring local people.

Glowacki – Asked if CSOs and lifeguards are considered first responders from a vaccine perspective

Pittman – If an applicant hasn’t gotten back to him by the time the State moves into the next phase, his understanding is they go into whatever group that phase is vaccinating. His concern is that they couldn’t be vaccinated until they actually start working.

McEachern – Asked if vaccination is a legal lure to get employees.

Pittman – He’d have to look into that.

L. Gibson – It isn’t a “lure”; lifeguards most likely are in Phase I with vaccination being when they start.

Kronau – Asked how many dispatchers and openings.

Pittman – We have 11 dispatchers; one is a supervisor; that’s adequate with their work schedule.

2. Nantucket Fire Department

Dept. Head Steve Murphy, Fire Department Chief

Discussion **Murphy** – In February we started preparing by buying N95 masks and gloves. There were grants we could use to help purchase PPE (personal protection equipment). We’ve been in the new station since November 2019 and very thankful for the upgrade. Professional Development was an issue when all classes of the National Fire Academy shut down until they moved to on-line. Our ALS (advanced life support) program has been more challenging to get set up than expected; as soon as training is in place, we will be able to provide ALS to the community.

Changes of the past year include a beach fire patrol, EMS (emergency medical services) support working in masks and gowns – not one member of the department has tested positive for COVID – and increased inspections. Ambulance calls went down but fire alarm calls went up.

FY2022, we will push forward ALS and professional development. Vehicle maintenance, we have an emergency mechanic on contract for our trucks, but our front-line truck, Engine 4, needs to be replaced.

Reviewed other expected training needs for FY2022. We are continuing to replace SCBAs (self-contained breathing apparatus); hope to outfit more ambulances with ALS; looking at

grants for replacement radios at about \$400,000 to \$500,000. Currently we have 3 certified ALS paramedics; hope to have an on-Island class to increase that.

Our overtime budget is reduced with operational changes. Capital requests: \$50,000 for ALS, replace front-line truck \$710,000, and \$100,000 for replacing SCBAs.

Schaeffer – That’s three years in the row with essentially the same budget. Asked what accounts for that.

Murphy – Change in our overtime; we’re staffing the station more and paying less; retention is very good.

Maury – Asked what the “pipeline” looks like for new employees.

Murphy – He tries to be cognitive of having people who know what it’s like to work and live on the Island. We can’t support a commuting department at all; he prefers to hire people with no experience and train Island residents.

Maury – Engine 4 is listed, he asked about the comment of playing catch up in deferred maintenance.

Murphy – The mechanic’s contract has worked very well over the past few years; he’s here at least 4 times a year.

Maury – Asked where the out-building ranks in terms of priority.

Murphy – That wasn’t carried forward this year by the Select Board; in his opinion, it seriously needs to be considered down the road.

Turbitt – It has been pushed out to FY2023 or FY2024. Deputy Chief Gibson, Chief Murphy and I have talked about the need for it.

McEachern – That building is important in his opinion because it not only helps maintain fixed assets but also helps operating costs by reducing wear on vehicles.

Grause – In the lead up to building the new station, there was study on response time. Asked if that has improved or is the same.

Murphy – The location shows there wasn’t a faster response time but have not been an issue; the study was comparing other locations.

Grause – The two gas-explosion fires, asked what was learned from those.

Murphy – Nothing new was learned; they were similar as catastrophic incidents but were different in every other way. We are stepping up working with Propane companies regarding education and inspections.

Kronau – Asked if the Town gas is for all Town vehicles or just the Fire Department.

Murphy – That is for all Town vehicles.

3. Wannacomet Water Company (WWCo)

Dept. Head Mark Willett, Manager Wannacomet Water Company

Discussion **Willett** – Reviewed goals, initiatives, and accomplishments from FY2021. FY2022 goal is to provide safe drinking water and sufficient water to respond to fires. We have one capital project: we will use Retained Earnings for the replacement of the Washington Street water main this year. Increased expenses include a \$85,000 salary increase to cover retirement costs for two people. Under Office Equipment: software there is an increase for \$26,000 to move the billing software to the The Cloud; it allow the Sewer Department Admin to look at customer bills. We need to replace a 2002 pick-up.

Projecting 65 to 70 new connections. Water sales went up last year; we’ve never pumped that much water from April to November; people started coming in April and stayed.

Turbitt – We have raised the FY2022 Water Usage Revenue to \$5.5m; we increased connection fees and kept others level. We will propose in the motion we will use \$100,000 from Retained Earnings.

Vieth – Asked how much is going into testing and any losses in bad tests.

Willett – That is under Professional Service and Engineering. We spend \$60,000 to \$70,000 in testing. We’ve taken three rounds of testing in public water. Massachusetts Department of Environmental Protection (DEP) will soon mandate quarterly or semi-annual testing. If we see

a steady increase in PFAS, DEP will mandate monthly testing. Currently we are clean. There is an expense with lost samples of any kind to off-Island labs, if the boat and/or plains don't go or the cooler sits too long, the samples go bad; a lab here would help mitigate that loss. He can look into grants that might be available for an Island lab; with the number of tests we do a year, it would help Sewer and Natural Resources as well. It is something we should study regarding a financial benefit.

Vieth – Regarding the rate system, asked if that helps save money for some people who might feel they are overcharged.

Willet – Haven't seen much difference. We have to find the right way to tier the outside water use; that's what needs adjusting. This budget doesn't have any fee increase.

Roche – In terms of Retained Earnings for Washington Street, she didn't see the number of what's in the fund versus the budget.

Willet – The work is budgeted at \$1m, most of which is for dewatering; total Retained Earnings is \$3.8m. We will keep a safe amount in the Retained Earnings.

Roche – Asked what was contributed to the fund from last years and if it has been steady.

Willet – We've contributed \$700,000; the safe number to keep in the fund is around \$2m and use everything else we can.

Roche – We've been talking about the increased number of building permits and a potential decline. WWCo asked the number of connections from past years and projected for FY2022.

Willet – We budgeted for 75 new services; last year came in 15 over the projection; it is a moving target. We don't know what we'll get from larger projects.

Roche – About the PFAS, suggested calling out the testing so people will understand the money spent on it. The additional revenue from people staying longer in their seasonal homes, asked if that is accounted in this budget.

Willet – We bumped that up; we think people will come and stay again. PFAS is a very expensive test.

Roche – Read an article that said the Airport is being sued. Asked if the Town or WWCo has exposure to lawsuits against the Airport.

Willet – We've been working with the Airport to get water out to Madequecham residents and people on Evergreen way. The Airport has been very forth coming with us.

L. Gibson – We don't have extra money budgeted for legal action against the Town and WWCo at this time regarding PFAS.

Glowacki – That article wasn't about the Airport being sued but about them joining a class-action suit against the manufacturers. Asked the average age of the fleet across the town.

Turbitt – Greater than 10 or 11 years old; over the last few years, they've focused on the replacing the Town fleet. WWCo would fund it within their own operations.

Glowacki – Asked if they gave a total FTE number from last year's and this year's budgets.

Turbitt – At the January 28 presentation the FTE money given was only for the Town and did not include Enterprise Funds; it didn't include Enterprise Funds. The user fee revenue was budgeted for FY2021 at \$3.9m; it was raised to just over \$5m.

Bruce Mandel – Complimented WWCo in getting a small water line in Madaket down South Cambridge and side roads. The WWCo was proactive testing for PFAS and very open about it. We are now a Green Community, and the Green Community Act lists vehicles we are allowed to purchase.

4. Nantucket Memorial Airport Enterprise Fund

Dept. Head Tom Rafter, Airport Manager

Dan Drake, Airport Commission

Discussion **Rafter** – Reviewed goals and achievements for FY2021. Might have to ask for a technical
(9:44) amendment on ATM floor if the bid comes in higher than expected. FY2022 priorities: safety and security, Quality service, financial sustainability, public health/environmental mitigation, and improved air service.

Revenues projected at \$7.6m; expenses are projected at \$10m going up, which has to do with PFAS, COVID, and personnel increase. Projected deficit is \$2.8m. We will receive \$6.2m in Cares Act to go to personnel; we are in line for a 2nd supplemental for about \$1.4m; that doesn't include a 3rd stimulus package under discussion in Washington.

Vieth – Asked if they have access to Federal or State money regarding testing.

Rafter – There is no Federal or State money available for PFAS at this time. In our capital request, we ask for \$6.7m for the PFAS program to include installation of a water line. We're in the process of development accounting mechanisms to identified costs because, should there be potential responsible parties (PRP) involved, we need to be able to bill back according to them by geographic areas.

Vieth – Asked if the Town or FAA (Federal Aviation Administration) owns the contaminated land.

Rafter – The majority is Airport land; there are private wells on private land out there. The DEP indicated that once we detect above accessible amounts in the water, we test farther out until we find acceptable results to set our area of responsibility.

Vieth – Asked if there are tests the Airport can't do or can get at reduced rate. It cost her \$2,000 to test her well for PFAS; it's an expensive test.

Rafter – We are limited on what we're allowed to spend Airport money on. We have to keep the FAA in the loop to ensure we aren't running afoul of the Revenue Diversion Law and have to argue why we are putting in a water main. We encouraged interested people to petition the State to get the Island on the list to receive money. Our omission might have been a DEP oversight or we didn't meet certain levels; he doesn't know what the reason was.

Grause – The Cares Act fund off-sets costs at the Airport resulting from losses due to COVID.

Rafter – We've expended our Cares Act One funds. We do not have to pay it back. We expect the next round to be similar.

Grause – So the Town won't have to support the Airport because of Cares Act funds.

Rafter – Because of PFAS, he urges caution moving forward; we're hoping to be able to balance that out but will be a big hit. We're hoping to come back strong post pandemic.

Grause – Confirmed PFAS is tied to the fire-suppression foam.

Rafter – That was the impetus for the notice of action from DEP; we provided historical information about how much foam, when, and where it was discharged. We're in constant communications with DEP.

Drake – We expect as much as \$6m related to PFAS remediation. Back in the summer, we were very concerned about funding to start testing and begin immediate remediation and provide bottled water to the affected residents. Thanked Mr. Turbitt for finding a path and there is an article to provide funding for this.

Maury – Asked if the increased cost requiring a non-reserve Police Officer on site for all Boston flights can be supported by the airlines.

Rafter – It falls to the Airport and we consider that in our charges and gets billed back to Airlines.

Kronau – On the Medallions, asked if there is a way to time-bound them to be good for only a year.

Rafter – Our Attorney and Town Counsel were working that and to allow us to issue RFPs (requests for proposal) in a proper manner.

5. Sewer Enterprise Fund

Dept. Head David Gray, Sewer Manager

Discussion
(10:14)

Gray – We had 6 operators test positive for COVID, so we were down to minimal staffing; everyone should be back on Monday. Reviewed FY2022 goals: meet state COVID testing mandate, move forward on CMOM, move forward on water and sewer line replacements, continue implementation of CWMP, complete the Surfside area sewer replacement, and complete laying the new sewer Force Main. We’ve gone over to the E-permitting process.

Our permitting numbers are skyrocketing with between 20 to 25 permits a week. One of the biggest increases we’re seeing in permits for renovations and modifications projects. The sewer expansion to Madaket is still on our radar. We are not yet mandated to test for PFAS; it’s in almost everything we use but haven’t started testing. We did not see a drop off in sewer usage at the end of the season until very recently; we are into 1.4m gallons a day. Because many restaurants were not open, we saw a lot of grease issues across the Island in residential areas. Continuing education and specialized training has been a challenge; almost all training has gone on-line. We are now staffed 7 days a week. A couple of increases include getting repair parts, cleaning supplies, equipment, and maintenance. CMOM is a continuing capital program; we have saved up to \$2m in excavating. Looking to design and build a new garage; we have about \$500,000 in vehicles sitting outside. Other capital projects include South Shore Road sewer line, replace F150 truck, water-tight sewer manhole cover replacement along the route to the fuel tank farm, and replace our Jetter/Vacuum truck. The Vacuum Truck is a high-use vehicle on the road every day; it’s a 2012 and we’ve already replaced the engine.

Operational: since last year, we’ve tested for COVID every week; it’s a \$1,2000-a-week test and a great forecasting tool for the Health Department and Hospital.

The renewal of the ‘Sconset Discharge Permit will bring ‘Sconset up to the new standards. We know the new permit will include PFAS limits.

We aren’t anticipating an increase in chemicals. There’s been an uptick in building and equipment supplies because we can’t get new parts and have to fix stuff. Oil and gas go up and down; rates have gone up; the Telecom budget is up. Landfill fee goes up every year.

Grause – Asked if they have the personnel and bandwidth to handle the increases.

Gray – Seeking a new admin person for the e-permitting. Looking to increase salaries for operators; we have highly trained staff. Our engineer on staff takes a lot of construction stuff on; our general foreman handles a lot of day-to-day projects. He’s been very lucky with his consultants as well.

Grause – We went through a sewer rate revision recently; regarding the revenue jump, asked how much was due to rate change and how much due to volume.

Gray – Our permitting and operations have gone through the roof. We did a rewrite of our regulations, which put in other permitting practices we did not have the ability to capture, ie, renovations and modifications. Permitting fee went up about \$200; the increased rates provided a boost. ‘Sconset flow was at summer levels until last month; that was a surprise.

Grause – You’re adding to retained earnings.

Turbitt – They did add some in FY2020; the budget was slightly higher than brought in. In FY2021, there was a larger jump in sewer connections; right now, sewer billing revenue through end of January is up 17% over the last year. People are staying coupled with the rate increase. Working with Hazen & Sawyer on a tiered model, which could benefit people on the lower end. There was a revenue increase of about 30% to 40% projected for FY2021 related directly to the rate increase; the remainder is based upon the increase in connections.

Vieth – Regarding the big projects like Shimmo, when does that finish.

Gray – Construction work is complete; now it is residential connections; COVID shut that down.

Grause – Regarding Shimmo and Hussey Farm lines, asked the percentage of connections.

Gray – As of last week, 300 permits were issued; COVID really slowed us down. We're coming up to 70%. Some permits have been issued but not acted upon because the houses were demolished and rebuilt. Shimmo is moving along well.

McEachern – We're into our Coastal Resiliency planning; asked if there is data on the height of the water table, if it's risen.

Gray – We don't monitor wells in the core district; we monitor those here at the plant and 'Sconset. We'll see an influx of 1 to 2 feet in ground water during wet seasons. We had to upgrade Sea Street Station and reinforce force mains. We are experiencing coastal erosion over the last 2 years and seen a huge difference in the shoreline out here; the whole Point of Breakers seems to have moved. We don't have normal winter storms; storms from the southeast or southwest are unusual for winter.

6. Department of Public Works (DPW)

Dept. Head Rob McNeil, Director DPW

Discussion **McNeil** – Reviewed goals and priorities and exceptions for FY2022. Looking to bring on new staff: 2 for facilities and 1 to begin a more robust construction inspection program. Due to COVID, we had significant personnel changes. Reviewed capital projects. We do see sea-level rise; but when pumps are working, we see a decrease in ground water influenced by tide. The supplemental request for the Nobadeer Field house is based upon a pared-down design. CCTV allows us to do a system assessment and identify needed repairs. Supports Mr. Gray's request for a new Jetter/Vacuum Truck to keep the street clear. We expect operational expenses and public building expenses to increase. Starting to see more winter-weather impacts; Sheep Pond Road lost 30 feet of material Monday, February 1; we are working to provide alternative access. Coastal Resiliency requires we be able to act to prevent loss of property and life.

(10:52) **Harrington** – The situation is dynamic and on-going, and Mr. McNeil is working it as best he can.

McEachern – It would be helpful for future years relevant to operating expenses, to list how many managers oversee in-house as opposed overseen by consultants.

McNeil – The Zoom platform have benefited us in being able to conduct meetings with consultants without their having to come to the Island. That allows us to efficiently utilize the budget away from travel for meetings.

Grause – The numbers for public buildings, professional services, and supplies jumped, asked why.

McNeil – For the foreseeable future, COVID affected services regarding cleaning. The funding will expire but the requirement to clean at a higher level will not.

Turbitt – The Town did get money in the first round of Cares Act back in early March; the Airport gets it from a different appropriation. Currently there is a large bill that would be the 3rd phase and would provide money to municipalities across the country based upon population; we are in line for it.

Kronau – She thought we were done with mosquito control.

McNeil – It continues to be done under the radar. The larvicide program Island wide continues to work very well.

7. Solid Waste Enterprise Fund (SWEF)

Dept. Head Rob McNeil, Director DPW

Discussion **McNeil** – We are looking to recognize a 3% inflation rate year to year. This coming year, one change includes adjustment to the 7% SSA rate increase and increase in C&D transportation going from once to twice a day. We are dealing with COVID and seeing drop in resurgence of activities such as landscaping but are not coming back. For Take It or Leave It (TIOLI), we're asking for money to reopen a reimagined facility with 2 new attendants. Beginning February 21 and every 3rd Sunday, in conjunction with Salvation Army, we'll be running textile collection events in front of TIOLI. We have no FY2022 capital items; but do have approved projects to be worked through. The TIOLI expansion will be asked for in FY2023.

(11:12)

Regarding PFAS, right now, the facility produces four materials in its program: mulch, compost, topsoil, and tilt compost co-compost. The regulators require that co-compost be tested quarterly; results will be posted on the Town website as they become available. We don't have answers to the concern if PFAS is migrating from the unlined cells into ground water; it's quite possible PFAS testing will be added to landfill monitoring. There are expected PFAS-associated testing costs in the SWEF budget and General Fund.

Harrington – It looks like money was phased over the course of this year; asked where it might be going.

Turbitt – Payroll is increasing for 2 additional staff people; over year, it's related a lot to the cost of disposal of what will be delivered to the Madaket Road facility.

Grause – Asked what's left on the contractor and what the current capacity estimate is.

McNeil – About Mr. Harrington's question regarding reduction, we have administratively worked through refining the mattress program and TIOLI and textile collection program; that program will expand beyond textiles. Conservatively we expect to save between \$65,000 to \$100,000 annually. This Island produces a huge number of commercial mattresses; we have been able to partner with DEP and take advantage of programs to drop our costs in disposal and transport of all mattresses.

The Waste services agreement runs through the calendar end of 2025; the Town has sent out a request for interest. We expect to hear responses by the end of next year from whomever is interested.

Regarding capacity cell 3A was recently brought online; that provides about 10 years' worth of disposal. In landfill years, that will go by in a blink. The Town needs to think long-term about solid waste. We will continue to monitor that. We are including items in our compostable waste stream that don't belong there mostly plastic. The stream is in place to minimize/eliminate what goes into the land fill. The department has committed to twice a year testing of a day-long sampling of bags of trash. We've seen trends for high-occupancy and low-occupancy months and try to understand behavior and develop messaging to drive the goal. We are working on a colored-bag program with different colors for each waste stream. It's important to have the haulers involved in the program regarding separating and transporting waste.

McEachern – Manure usually means animal waste; asked if people bring that to the landfill or are you asking for it.

McNeil – Manure is coming from horses. He's not advertising for it and sadly it's a situation where we've always done it that way.

McEachern – Mattresses is a large issue; we could request it not be delivered to the landfill, but they have to be collected. We are running out of land.

Kronau – Asked if there is an uptake in waste with TIOLI closed.

McNeil – In the past, the weekly cleanout resulted in everything going to an off-Island C&D facility; working with the Salvation Army will reduce that.

Bruce Mandel – Asked about status of the so-called unmined cells.

McNeil – The mining process stopped at the end of FY2019, which was the end of the State permit. We've moved into capping the landfill.

Mandel – We’re all concerned about PFAS in the unmined cells and would like to see that taken care of.

McNeil – There has been, through the current RFI, we’ve received questions about continued mining of the existing cells should different technology be brought to bear, i.e., use for fuel.

Schaeffer – The program with the Salvation Army, asked if that would eliminate going to TILOI.

McNeil – They will start taking only clothing which will be loaded into the truck after people have had a chance to peruse locally.

Mandel – Asked if commercial haulers who use the facility pay a tipping fee every time they bring in a load and where is it accounted for in the budget.

McNeil – The only fee haulers pay goes to the Health Department for the permit to haul per company. There are no tipping fees for trucks.

8. Our Island Home (OIH)

Dept. Head Bob Eisenstein, OIH Administrator

Rachel Day, Assistant Town Manager

Discussion **Eisenstein** – Read the OIH mission statement. Reviewed goals for FY2022: West wing shower, full-time staff, coordinated collection process, and educational and professional opportunities. Reviewed FY2021 initiatives and accomplishments. FY2022 priorities include an expense increase requests (EIR) for traveling nurses, business office assistant, and an assistant administrator; install upgraded HVAC system; building upgrade of lighting, signage, homey environment; and complete the west-wing shower upgrade. Significant changes going into FY2022 include the reimbursement system has changed, received the checks for 2018 and 2019, and the potential implementation of increased square footage. The requirement is for new buildings square footage per bed has gone up to 106 sf per bed from 80 sf per bed. Key issues are addressing COVID and the industry trend to go to private homes. We want to be able to isolate a wing with barriers to minimize spread of infection. We look to increase staffing and training. The Department of Health is requiring Center for Disease Control (CDC) certification in infection prevention; have several staff already certified. Many state facilities have gone down 50% occupancy; we have not experienced that and maintained 46 beds. Looking ways to increase revenue. Looking at a FY2022 projected budget of \$8.5m; about \$113,000 less than current budget. Reviewed department exceptions: business office assistant, HVAC – COVID compliance, and occupational expenses including health insurance and seniority bonuses.

(11:41)

Glowacki – We haven’t celebrated the heroic efforts by OIH at preventing COVID. Asked for a review of the revenue.

Eisenstein – He did an analysis of FY2021 versus FY2022, we came in ahead in July. We’ve all been vaccinated and now that we’re stabilized, we have seen an increase in calls, which fell off due to COVID fears. We also had CPE dollars, which came in. Looking at expenses, it was amazing how consistent it was regardless of COVID; he didn’t see an extraordinary expense.

Day – We were lucky to get the funding we got; it helped to make sure they were on top of the impacts from COVID. Temporary positions won’t be needed as we open up more; PPE and nursing supplies might increase but we can handle it in the budget. The real expenses would be in the long-term changes in the buildings.

Eisenstein – It’s hard to predict where things are headed; we’ve been able to stabilize the nursing staff without relying on traveling nurses. The biggest expense will be PPE, which is here to stay. Fortunately, testing has been covered but there might be an increase as long as the surveillance program continues.

Glowacki – Pleased about the decrease in travel costs. Asked if that can be sustained.

Eisenstein – He thinks it will be sustainable. The more exposure we get that we’re COVID free, the more interest we get from nurses.

Glowacki – About collection, asked if that is characterized as bad debt or finding additional reimbursement.

Eisenstein – Some is system improvement and focus. Being tighter on admissions also helps in preventing Medicare denials.

Glowacki – The State funding, we never know what it will be or when we’ll get it; asked if there are any updates around that and visibility in lobbying. He’s curious about the process.

Day – The formula is more consistent now. With the government and COVID, we didn’t get that funding; with the help of our reps, we got 2018 and 2019. It is all based on our cost support, not where the revenue comes from. An accountant helps us with filing for CPE funds.

Kronau – Asked if short-term rehab stays are reimbursed at a higher rate and how to encourage people to go to OIH rather than recuperate in the Hospital.

Eisenstein – Yes, he has an open dialogue with the hospital and physicians. His idea is to partner with orthopedic surgeons and case managers regarding referrals.

Grause – Asked what the current revenue from Medicaid versus private and Medicare use.

Eisenstein – Had 1 Medicare recently; averages about 70% Medicaid with 30% mix.

Grause – The proposed 22 budget requires a \$5m transfer from GF; asked how that is being handled.

Turbitt – When we write the motion, it will be to raise and appropriate \$5m override dependent on a successful ballot vote.

9. Town Administration

Dept. Head Jeff Carlson, Director Natural Resources

Discussion **Carlson** – Reviewed FY2021 accomplishments. Goals going forward: Coastal Resiliency Program, regulatory updates, continue shellfish management, partnering with Nantucket Conservation Foundation on oyster propagation, complete the Coastal Resiliency Plan, and improve regulatory enforcement. An area to be addressed going forward is an EIR for a Coastal Resource Officer. We are seeing other areas along the South Shore experiencing erosion and need timed data collected on a regular basis for shoreline assessment. Another EIR is to replace the 2008 Ford250.

(12:33) **Kronau** – That presentation was very clear.

L. Gibson – Reviewed Town Admin goals: Select Board Strategic Plan, housing, COVID-19, PFAS, and Coastal Resiliency Plan. Our PFAS consultant will be presenting to the Select Board next Wednesday; there will be further costs going forward. Working on seasonal housing. Reviewed FY2021 initiatives and accomplishments; the implementation of a town-wide strategic management was sidelined due to COVID and will be moved forward. Kimal McCarthy was introduced as the Diversity, Equality, Inclusion (DEI) Director. Significant changes include PFAS, short-term rental tax, and COVID. Reviewed key issues: OIH, coastal erosion, climate change, housing, COVID and PFAS. We want to fill a position for a Sustainability Officer to manage Coastal Resiliency Plan and Hazard Mitigation Plan among a few. Town-wide document management system is an involved process to determine a system to manage all our documents; scanning alone is extremely expensive. Town-wide security measures have been discussed for several years now; we have concerns for our employees for that. Reviewed operational EIRs. PFAS response number is a placeholder; there will be costly steps going forward for testing, mitigation, etc. COVID response is a placeholder going into next year. Transitional housing began this fiscal year; we need to have at least one housing unit available for a department head, especially should we have to hire mid-year; we’ve rented a unit. NCTV support, which has been excellent, is a stop-gap number. Reviewed \$50k and above EIRs.

Day – Reviewed Health and Human Services EIRs.

L. Gibson – IT has an EIR for one new position. PLUS has EIRs for a new Administrative Specialist position to help with the large volume of applications and update the 2001 Master

Plan, replace a truck and update the historical structures surveys. Health has an EIR for an additional inspector; they have more regulatory issues to deal with as well as on-going COVID issues. Human Resources has an EIR for a study that will hopefully help with Union negotiations.

Kronau – Asked about the \$475,000 for Housing Specialist Support.

L. Gibson – It isn't in there yet; it'll be a stand-alone article on the warrant. She'll send out information on that.

Glowacki – Who would the Sustainability Officer report to.

L. Gibson – It might be a new officer including the Energy Officer or include it in Natural Resources. We have to figure out where to place it. This person would coordinate with a number of departments on Town projects.

Glowacki – Asked if one additional Health Inspector is enough.

L. Gibson – One should be able to deal with everything with that one more inspector.

Roche – The salary for the Sustainability Officer seems low; that isn't the going rate.

Grause – There was no discussion about cyber security and protection of overall network.

L. Gibson – We have good protection; there is no 100% fool-proof prevention from hacking. We have a robust cyber security training program.

Day – Karen McGonegal has a network security assessment she does every 3 years; the next is due in FY2023.

Harrington – Asked if there is an annual review of cyber security from more than one source on any infiltration that might go on.

L. Gibson – IT is pretty on top of that sort of thing. Ms. McGonegal is extremely away of cyber attacks. She'll asked about an annual review.

II. APPROVAL OF PRIOR MEETING MINUTES

1. None

III. COMMITTEE REPORTS/OTHER BUSINESS

1. None

VI. NEXT MEETING DATE/ADJOURNMENT

Date: TBA

V. OTHER BUSINESS

1. None

Adjournment

Action **Adjourn at 1:15 p.m.**

Roll-call Vote None

Submitted by:

Terry L. Norton