



# 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

Thursday, February 17, 2022

Called to order at 4:00 pm by Ms. Kronau

Staff in attendance: Brian Turbitt, Director of Finance; Rick Sears, Deputy Director of Finance; Mariya Basheva, Financial Analyst

Attending Members: Kronau, Maury, Grause, Roche, Schaeffer, Glowacki, Vieth, Harrington

Absent Members: McEachern

Late Arrivals: Harrington, 4:04 pm; Maury 4:04 pm

Documents used: Draft minutes as listed; Warrant Articles for 2022 Annual Town Meeting; Our Island Home and Sewer Enterprise Funds budgets

Adoption of agenda.

Motion **Motion to Approve.** (made by: Schaeffer) (seconded)

Roll-call Vote Carried 6-0//Schaeffer, Grause, Vieth, Roche, Glowacki, and Kronau

### I. ANNOUNCEMENTS

### II. PUBLIC COMMENT

1. None

### III. APPROVAL OF PRIOR MEETING MINUTES

1. February 14, 2022

Motion **Motion to Approve.** (made by: Schaeffer) (seconded)

Roll-call Vote Carried 8-0//Schaeffer, Grause, Vieth, Glowacki, Harrington, Roche, and Kronau

### IV. REVIEW AND DISCUSS FY2023 OUR ISLAND HOME (OIH) BUDGET

Speakers Bob Petroff, OIH Administrator  
Michelle Monroe, OIH Assistant Administrator

Discussion **Petroff** – Reviewed goals for FY2023: administrator vacancy, capital budget, LPN training program; and consistent staffing. Reviewed FY2022 initiatives and accomplishments.  
FY2023 priorities: Staffing, new facility, building upgrades, and west-wing shower upgrades and window projects.

FY2023 exceptions: personnel are \$9,663 for full-time maintenance position, \$18,997 for full-time activity director, and \$10,334 for full-time housekeeping. Capital items are \$145,000 for a new generator shed and \$8.5m for the design and project management for a new facility. Operating items are \$50,000 for professional service for travel nurses, \$10,000 for medical supplies, and \$50,000 for upgrades to communications.

**Turbitt** – The \$8.5m is 17% of the estimated construction costs.

**Kronau** – Asked how OIH is doing in terms of COVID.

**Munroe** – All our positives have recovered. We have a goal of no new positives for 7 days. If we go 2 weeks with no new positives, we are out of our outbreak status.

**Grause** – There was a heading in the story section “Payment Driven Payment Model” that is changing. Asked what that is and what the benefit is.

**Petroff** – CMS is doing that, and it’s based around diagnoses and billing off that. It impacts Medicare payments.

**Grause** – Asked about the huge salary increase in the FY2023 plan.

**Munroe** – Maintenance and Housekeeping are increasing due to COVID regulations and protocols.

**Turbitt** – A lot of the increase is also driven by projected benefit and pension increase scheduled to increase 9.5%.

**Grause** – Asked what the percentage of travel nurses is.

**Munroe** – In 2019, we had an average of 2 nurses in the facility. With COVID, we were not able to get travel nurses until September 2021.

**Schaeffer** – Most hospitals are running 3 times the cost for travel nurses than last year. Asked if the union for hospital nurses is the same for OIH nurses. Asked about staff housing.

**Munroe** – Yes; salaries are the same. We have an apartment for use by our travelers; we don't have housing for staff. We are discussing that with Tucker Holland and Amanda Perry.

**Petroff** – We have a lot of long-term staff here for more than 18 years. As that changes, we will have to deal with housing.

**Grause** – Asked the current licensed-bed capacity and the average occupancy over the last 6-12 months.

**Petroff** – We've averaged 30 out of 45 beds. The has been a stable number over the past year.

**Glowacki** – Asked how "fresh" the \$50m for new facility is.

**Turbitt** – It's actually \$55m and is about 18 months old. Should we be granted the \$8.5m, we would have the firm bid in hand by the time we get to ATM so we can have a meaningful discussion on the article.

**Kronau** – Asked if they get rehab patients.

**Petroff** – Right now we don't have rehab services at the building so we're working with the hospital. Trying to work to get those services back on site.

## V. REVIEW AND DISCUSS FY2023 DEPARTMENT OF PUBLIC WORKS (DPW) BUDGET

Speakers Stephen Arceneaux, DPW Director

Discussion **Arceneaux** – Reviewed Department goals: maintain Island infrastructure, proactive delivery of services, and improve the quality and aesthetics of the Town's public-access infrastructure.

FY2023 priorities: professional development, Town-wide assessment of stormwater infrastructure, and Town-wide assessment of trees and vegetation to prioritize maintenance, removals, and replacements.

Reviewed the FY2023 department overview; responsibilities are consistent year-to-year.

FY2023 Exceptions: personnel are \$99,019 for another mechanic, \$91,906 for a position under the Parks & Rec Division, \$91,906 for a position under trees, and \$144,695 for a Town engineer. Capital items are: \$500,00 for Phase 1 of the Parks & Rec Master plan, \$75,000 to repair Jetties Beach tennis courts, \$75,000 for a chain-link fence at the skate park, \$96,000 to replace 2 Ford Rangers, \$72,000 to replace the skid steer loader, \$68,000 to replace a Ford F350, \$80,000 to replace the Ford F550, \$50,000 for a "Forestry Package" for the Cat Skid Steer, \$50,000 to replace the tandem vibratory roller, \$120,000 for a mechanic's truck, \$120,000 for a mini sweeper, \$1.1m for the Sidewalk Improvement Plan, \$2m for Island-wide road improvements, \$500,00 for the redesign and construction of Millie's Bridge, \$250,000 for maintenance of the multi-use paths, \$525,000 for cobblestone improvements, \$600,000 for the Milestone bike path extension, \$500,000 for improvements to Washington/Francis/Union Streets intersections, and \$2m for repaving and improved sidewalk of Pleasant Street from Silver Street to Main Street. Operational expenses are \$200,000 for Parks & Rec field maintenance.

**Glowacki** – Asked how they are running on snow and ice removal; the budget is low over the past actuals.

**Arceneaux** – We have \$500 tons of materials used a lot in the last storms; we had to replace 50 tons. Equipment suffered some damage so are putting in everything to get replacement parts.

**Turbitt** – Snow and ice is the only account we're allowed to overextend. We consistently budget \$83,000 knowing we'll spend more. If we increase the money the following year then don't hit

that, we don't have legal authority to overextend in the following year. Every community does this.

**Glowacki** – Asked if we have centralized fleet management; replacement always comes up in each department budget.

**Turbitt** – The goal is to centralize all Town vehicles under DPW Fleet Management, which would schedule replacements.

**Glowacki** – Millie's Bridge, asked if the money to be invested in the bridge will address Coastal Resiliency. Over the next 10 years, a lot of infrastructure projects will need to be done in a way as that addresses Coastal Resiliency.

**Arceneaux** – He will be revisiting the plans to ensure they consider that.

**Glowacki** – We've seen a number of requests to fill positions, but we already budget with all those positions filled. Asked where savings show up.

**Turbitt** – They show up in the unexpended budget line item that is then certified as free cash. The expectations is that those positions will ultimately be filled.

**Roche** – Millie's Bridge has been on the Coastal Resiliency Plan (CRP) and capital list for years; asked how the two will be "married". In her experience, it's unlikely that there's not some level of accommodation we can make to the bridge, so it falls under some code to be part of the solution.

**Sears** – \$500,000 is directly related the CRP recommendation to stabilize the bridge footings.

**Schaeffer** – Asked how many full-time openings does DPW have.

**Arceneaux** – We have 3 openings with more coming. Reviewed how personnel are being moved around to fill positions.

**Turbitt** – DPW had 7 open positions as of February 9<sup>th</sup>.

**Schaeffer** – Last year, Milestone road was mowed only up to Nobadeer Farm Road and the same is happening with tree removal. Asked why.

**Arceneaux** – A lot of the Milestone Road works is by a State contractor. He'd have to research that.

**Kronau** – A third of the budget is for maintenance of Town Buildings.

**Arceneaux** – There's windows, interior, tiling, drywall; a lot goes into that.

**Kronau** – Thought we stopped mosquito control.

**Turbitt** – We didn't stop, we withdrew from the Massachusetts Coalition to manage it on our own.

**Glowacki** – Capital Program Committee gave a negative response for the Mech Truck.

**Sears** – That is correct. Capital Program Committee thought \$120,000 was a lot for something that won't be used much.

**Arceneaux** – We have an alternative method to call a third party.

## VI. REVIEW AND DISCUSS FY2023 SOLID WASTE ENTERPRISE FUND BUDGET

Speakers George Aronson, Consultant

Discussion **Turbitt** – Reviewed department goals: improve waste management, plan for services after end of Waste Options contract, and maintain/expand environmental monitoring program to include PFAS.

FY2023 priorities: support Select Board strategic plan goal, work to manage capital aspect of the funds, coordinate with residents and agencies to provide transparency and input into critical issues, continue planning for expiration of Waste Service Agreement, and manage and work with Department of Environmental Protection sampling plan.

FY2023 exceptions: positions are \$105,000 for a Solid Waste Manager and \$29,364 for a full-time Take It or Leave It (TIOLI) attendant. Operational are \$1m for collection and disposal professional services, \$1.1m for freight collection and disposal, and \$30,2600 for Materials Recovery Facilities (MRF) professional services.

**Aronson** – One issue under the existing agreement is that construction and demolitions debris (C&D) is sent off Island for a hefty charge plus rising off-Island processing costs. One focus is to figure out how to reduce what goes off Island and/or pass the cost on to the generators of the C&D.

**Turbitt** – A lot was put forward in this year’s capital budget: \$151,034 for smart compacter waste receptacles, \$332,000 for MRF roof replacement and improvements, \$400,000 for a staff vehicle, \$80,00 to upgrade MRF restrooms and breakroom, \$300,000 for new MRF concrete pad and catwalk, \$250,000 to move and install 131 Pleasant Street trailer at TIOLI, \$100,000 for TIOLI roof and siding replacement, \$500,00 new hard-to-manage waste building, \$60,00 to replace MRF sprinklers, \$125,000 to repair site fences and gates, \$60,00 to replace the front gate, \$600,000 for storm water improvements, \$346,134 to improve and upgrade the MRF sorting station, and \$125,000 to improve the MRF de-bagger.

**Aronson** – Hard-to-manage waste is things like mattresses. Compost and yard waste are moved around on a pad and storm water on the site isn’t managed to not run off toward Long Pond; better management of storm water reduces costs and avoids potential PFAS contamination. Currently the Town doesn’t recycle paper, some of which contains PFAS; it’s bunched with compost and should be separated out. If bags are improperly sorted, they end up going to the mainland, which increases costs; if we can open a bag, we can adequately sort the waste.

**Roche** – In the context of forward thinking, asked how the facility will function in the future and are we investing in things that provide a stable facility. \$3.1m is a huge investment.

**Aronson** – We are going through a specific process focused on 2025, the end of the waste management contract. We need to know what is generated on the Island, how it’s collected, and what facilities can handle what materials. We don’t want to invest on equipment upgrades until we know what the best configurations will be. There are pilot tests in process while we make decisions; one test is for new technology we might be able to put on Island to handle plastics.

**Turbitt** – We need to maintain the facility because the contract is still in place for 3 years and we have to provide a functioning facility. Also, a lot is done with an eye toward what it will look like after 2025.

**Roche** – Asked the cost of the buy-out of the composter.

**Aronson** - \$1m but that might go up; that’s based upon the definition of facility.

**Kronau** – Asked if there are multiple options to consider when the time comes to renew or replace the contract.

**Aronson** – Yes, though not as many as we’d like.

**Turbitt** – Need about \$1.3m to subsidize solid waste. We will be presenting an override to fund that starting with the FY2024 budget; he’ll find a way to fund this year.

**VII. WARRANT ARTICLES FOR 2022 ANNUAL TOWN MEETING (ATM)**

1. Article 24 (Appropriation: Waterways Improvement Fund)

Discussion **Turbitt** – Asking \$367,000 to motions as listed. Historically we’ve used this for repairs to the Town pier. We have insurance on the Town pier; damage from the most recent storm is less than the deductible. This begins July 1.

Motion **Move that \$367,000 be appropriated from the Waterways Improvement Fund for the purpose of (1) maintenance, dredging, cleaning and improvement of harbors, inland waters and great ponds, (2) the public access thereto, (3) the breakwaters, retaining walls, piers, wharves and moorings thereof, and (4) law enforcement and fire prevention in the Town and County of Nantucket and any other purpose allowed by applicable law.** (made by: Grause) (seconded)

Roll-call Vote Carried 7-0//Maury, Schaeffer, Harrington, Grause, Glowacki, Vieth, and Kronau-aye

2. Article 25 (Appropriation: Ambulance Reserves Fund)  
Discussion **Turbitt** – This allocation is only for the ambulance reserve fund. Capital items are in Article 10.  
Motion **Move that \$742,992 be appropriated from the Ambulance Reserve Fund for the purchase of ambulance-related equipment, including but not limited to extrication collars, backboards and other emergency equipment, oxygen tanks and refills, blankets and other linens, bandages and other medical supplies, fuel, repairs and maintenance of ambulances, and other such related costs to operate the Town’s ambulance services, including up to 7 full-time firefighter/EMT and/or paramedic positions. All expenditures to be made by the Fire Department, subject to the approval of the Town Manager.** (made by: Schaeffer) (seconded)  
Roll-call Vote Carried 8-0//Maury, Schaeffer, Harrington, Roche, Vieth, Glowacki, Grause, and Kronau-aye
3. Article 26 (Appropriation: Ferry Embarkation Fee)  
Discussion **Turbitt** – We use this to fund the CSOs in the core district.  
Motion **Move that \$275,000 be appropriated from the Ferry Embarkation Fee Fund for the purpose of public safety protection, emergency services, and any other purpose allowed by applicable law.** (made by: Schaeffer) (seconded)  
Roll-call Vote Carried 8-0//Maury, Grause, Glowacki, Vieth, Roche, Harrington, Schaeffer, and Kronau-aye
4. Article 27 (Appropriation: County Assessment)  
Discussion **Turbitt** – Asking for a positive motion to allow it to be raised and appropriated.  
Motion **Move that \$174,707 be raised and appropriated from the FY2023 tax levy and other general revenues of the Town to fund the FY2023 County assessment.** (made by: Maury) (seconded)  
Roll-call Vote Carried 8-0//Maury, Schaeffer, Harrington, Grause, Vieth, Roche, Glowacki, and Kronau-aye
5. Article 28 (Appropriation: Finalizing Fiscal Year 2023 County Budget)  
Discussion **Turbitt** – This article would only be necessary if there were a denial by the County Review Committee; that’s not happened since he’s been here.  
Motion **Motion to Take No Action.** (made by: Maury) (seconded)  
Roll-call Vote Carried 8-0//Vieth, Roche, Glowacki, Grause, Harrington, Maury, Schaeffer, and Kronau-aye
6. Article 30 (Appropriation: Other Post-Employment Benefits (OPEB) Trust Fund)  
Discussion **Turbitt** – Historically we’ve appropriated \$500,000 into the Trust Fund except in FY2021 due to COVID. We would like to request the normal appropriation plus \$500,000 from Free Cash to make up for missing FY2021.  
**Glowacki** – Asked if there was thought of putting in more from Free Cash.  
**Turbitt** – We discussed that but given increased utilization at the transfer station, we might need some of the Free Cash to balance that budget for FY2022.  
Motion **Move that \$500,000 be appropriated from the FY2023 tax levy and other general revenues of the Town; and that \$500,000 be transferred from Certified Free Cash in the Treasury to be deposited by the Treasurer into the OPEB Trust Fund.** (made by: Grause) (seconded)  
Roll-call Vote Carried 8-0//Maury, Grause, Harrington, Schaeffer, Glowacki, Vieth, Roche, and Kronau-aye
7. Article 64 (Bylaw Amendment: Animals)  
Speakers Libby Gibson, Town Manager  
Discussion **Gibson** – This is a bylaw amendment to allow a dog park.  
Motion **Motion to Adopt.** (made by: Grause) (seconded)  
Roll-call Vote Carried 8-0//Maury, Schaeffer, Harrington, Roche, Vieth, Grause, Glowacki, and Kronau-aye
8. Article 65 (Bylaw Amendment: Committees/Agricultural Commission)  
Speakers Libby Gibson, Town Manager  
Discussion **Gibson** – This is a house keeping issue to clarify the Commission membership.  
Motion Motion to Approve. (made by: Roche) (seconded)  
Roll-call Vote Carried 7-0//Schaeffer, Harrington, Grause, Vieth, Roche, Glowacki, and Kronau-aye

9. Article 66 (Nantucket Historical Commission: Membership)

Speakers Libby Gibson, Town Manager

Discussion **Gibson** – This changes the number of members to 7 and eliminates alternates.

Motion **Motion to Adopt.** (made by: Grause) (seconded)

Roll-call Vote Carried 8-0//Maury, Schaeffer, Grause, Harrington, Roche, Vieth, Glowacki, and Kronau-aye

10. Article 67 (Bylaw Amendment: Streets and Sidewalks)

Speakers Libby Gibson, Town Manager

Discussion **Gibson** – There was a request to add “...bicycle paths or ways” to the name.

Motion **Motion to Adopt.** (made by: Roche) (seconded)

Roll-call Vote Carried 8-0//Maury, Schaeffer, Harrington, Roche, Glowacki, Vieth, Grause, and Kronau-aye

11. Article 68 (Cemetery Regulations)

Speakers Libby Gibson, Town Manager

Discussion **Gibson** – Cemetery Regulation changes require approval of Town Meeting. This is to officially adopt their regulations incorporating the changes.

Motion **Motion to Adopt.** (made by: Maury) (seconded)

Roll-call Vote Carried 8-0//Grause, Maury, Schaeffer, Glowacki, Vieth, Roche, Harrington, and Kronau-aye

**VIII. COMMITTEE REPORTS**

1. None

**IX. NEXT MEETING DATE/ADJOURNMENT**

Date: Tuesday, February 22, 2022; @ 4:00 p.m.

**X. OTHER BUSINESS**

Adjournment:

Motion **Adjourned at 5:31 pm.**

Roll-call Vote N/A

Submitted by:

Terry L. Norton