



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 24, 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; Terry Norton, Town Minutes Taker

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

Absent Members: Grause, McEachern, Roche

Documents used: Draft minutes as listed; Warrant Articles for 2022 Annual Town Meeting.

Adoption of agenda.

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

Roll-call Vote Carried 6-0//Schaeffer, Harrington, Glowacki, Vieth, Maury, and Kronau-aye

I. ANNOUNCEMENTS

II. PUBLIC COMMENT

1. None

III. APPROVAL OF PRIOR MEETING MINUTES

1. February 15, 2022:

Kronau: Item 4, FinCom isn't making a comment on Article 44

Motion **Motion to Approve as amended.** (made by: Harrington) (seconded)

Roll-call Vote Carried 6-0//Schaeffer, Maury, Glowacki, Harrington, Vieth, and Kronau-aye

2. February 17, 2022:

Kronau: Mr. Maury joined at 4:04 pm

Motion **Motion to Approve as amended.** (made by: Harrington) (seconded)

Roll-call Vote Carried 6-0//Schaeffer, Maury, Glowacki, Harrington, Vieth, and Kronau-aye

IV. REVIEW AND DISCUSSION OF WARRANT ARTICLES FOR 2022 ANNUAL TOWN MEETING (ATM); POTENTIAL MOTIONS

1. Article 4 (Revolving Accounts: Spending Limits for FY2023)

Speakers None

Discussion **Turbitt** – Reviewed the spending limits.

Glowacki – Asked if there will be a change in the fuel revolver with the increase in fuel prices.

Turbitt – There has been no further discussion; we don't have to make a lot of changes since the statute allows us to increase the limit if necessary.

Motion **Moved that the Town set the spending limits for revolving funds established pursuant to Section 19-21 (Revolving accounts established) of the Town Code.** (made by: Glowacki) (seconded)

Roll-call Vote Carried 6-0//Schaeffer, Maury, Harrington, Vieth, Kronau, and Glowacki-aye

2. Article 11 (Appropriation: Design of New Our Island Home (OIH) Facility)

Speakers Libby Gibson, Town Manager

Discussion **Turbitt** – Asking for \$8.5m for design and the Owner Project Manager (OPM); the OPM has to be in place before putting out qualifications for design.

Schaeffer – Asked if the \$8.5 is a percentage of total cost.

Turbitt – It’s about 15% of the total cost. This requires a successful ballot vote to expend the funds.

Maury – It isn’t clear the extent of services covered. Suggested a comment on what exactly will be covered by the \$8.5m: for example, add the OPM and length of time it covers.

L.Gibson – Agrees that should be clarified in a comment from Select Board or FinCom and/or in the Voters Guide.

Motion

Moved to appropriate the sum of Eight Million Five Hundred Thousand Dollars (\$8,500,000) to be spent by the Town Manager with the approval of the Select Board, for the purpose of design for a new Our Island Home Facility to be located on Town-owned land currently leased to Sherburne Commons located at 40 Sherburne Commons Way, including the costs of professional services for design, permitting, engineering, and other related professional services, and any other costs incidental and related thereto; that to meet this appropriation the Treasurer with the approval of the Select Board is hereby authorized to borrow said sum and to issue bonds and notes of the Town therefor pursuant to General Laws Chapter 44, Sections 7 or 8, or any other enabling authority; provided, however, that any borrowing authorized hereunder shall be contingent on the passage of a Proposition Two and One-half debt exclusion vote. (made by: Maury) (seconded)

Roll-call Vote Carried 6-0//Schaeffer, Harrington, Glowacki, Maury, Vieth, and Kronau-aye

3. Article 12 (Supplemental Appropriation: Replacement Harbormaster Building)

Speakers Charles Gibson, Deputy Police Chief

Discussion **Turbitt** – This is supplemental appropriation fore \$2m based upon bids.

Motion **Moved to appropriate the sum of Two Million Dollars (\$2,000,000) to be spent by the Town Manager with the approval of the Select Board, for the purpose of supplemental funding to construct a replacement Harbormaster Building at 34 Washington Street, including the costs of professional services for design, permitting, engineering, construction, construction supervision, materials, and other related professional services, and any other costs incidental and related thereto; that to meet this appropriation the Treasurer with the approval of the Select Board is hereby authorized to borrow said sum and to issue bonds and notes of the Town therefor pursuant to General Laws Chapter 44, Sections 7 or 8, or any other enabling authority; provided, however, that any borrowing authorized hereunder shall be contingent on the passage of a Proposition Two and One-half debt exclusion vote. (made by: Schaeffer) (seconded)**

Roll-call Vote Carried 6-0//Schaeffer, Harrington, Maury, Glowacki, Vieth, and Kronau-aye

4. Article 13 (Appropriation: Pleasant Street and Sidewalk Repaving/Reconstruction)

Speakers Libby Gibson, Town Manager

Discussion **Turbitt** – Asked for \$2m appropriation to reconstruct/repair the sidewalk and road; this is a debt exclusion requiring a successful ballot vote.

L.Gibson – This section of Pleasant Street is in high need of reconstruction. When doing curb to curb road work, it must include the sidewalk. This is from Silver to Main Streets.

Glowacki – Asked what happens if \$2m isn’t enough.

Turbitt – If \$2m isn’t enough, we have potential funding through Chapter 90 or the Island-wide Maintenance Program or some existing capital articles.

Glowacki – Asked if there’s a way to put the money in context; it might be helpful to anchor it to something; that information could go in the voter guide as well.

Motion **Moved to appropriate the sum of Two Million Dollars (\$2,000,000) to be spent by the Town Manager with the approval of the Select Board, for the purpose of making various transportation-related improvements on Pleasant Street and adjacent sidewalk(s) including the costs of professional services for design, permitting, engineering, construction, construction supervision, materials, and other related professional services, and any other costs incidental and related thereto; that to meet this appropriation the Treasurer with the approval of the Select Board is hereby authorized to borrow said sum and to issue bonds and notes of the Town therefor pursuant to General Laws Chapter 44, Sections 7 or 8, or any other enabling authority; provided, however, that any borrowing authorized hereunder shall be contingent on the passage of a Proposition Two and One-half debt exclusion vote.** (made by: Schaeffer) (seconded)

Roll-call Vote Carried 6-0//Schaeffer, Harrington, Glowacki, Maury, Vieth, and Kronau-aye

5. Article 14 (Appropriation: LORAN Barracks Repair)

Speakers Charles Gibson, Deputy Police Chief

Discussion **Turbitt** – This is for \$4.5m to repair the barracks; all borrowings require a Proposition 2½ ballot vote.

C.Gibson – Asked to change the reference “LORAN Barracks”; this is for employee seasonal housing, and he feels that is how it should be referenced. People might not know what the LORAN Barracks are.

Turbitt – We can put that into the voter guide. The ballot is already written, and if the ballot references LORAN Barracks it must do so here.

Discussion about how to address this to alleviate voter confusion

Motion **Moved to appropriate the sum of Four Million Five Hundred Thousand Dollars (\$4,500,000) to be spent by the Town Manager with the approval of the Select Board, for the purpose of funding repairs to the LORAN Barracks facility located at 54 Low Beach Road, including the costs of professional services for design, permitting, engineering, construction, construction supervision, materials, and other related professional services, and any other costs incidental and related; that to meet this appropriation the Treasurer with the approval of the Select Board is hereby authorized to borrow said sum and to issue bonds and notes of the Town therefor pursuant to General Laws Chapter 44, Sections 7 or 8, or any other enabling authority; provided, however, that any borrowing authorized hereunder shall be contingent on the passage of a Proposition Two and One-half debt exclusion vote.** (made by: Schaeffer) (seconded)

Roll-call Vote Carried 6-0//Schaeffer, Harrington, Glowacki, Vieth, Maury, and Kronau-aye

6. Article 15 (Appropriation: School Department – Athletic Facilities)

Speakers Diane O’Neil, NPS Facilities Manager

Discussion **Turbitt** – this asks for \$16.4m for the construction of athletic facilities; this is also a debt exclusion requiring a ballot vote.

Schaeffer – With the controversy over PFAS, asked if the appropriation includes that the turf fields.

O’Neil – Currently it does; it could change but she doesn’t know. She doesn’t have the cost breakdown at this time. If we go with natural grass, the Athletic Department would need other fields to play on for about 2 years while these new fields grow to sustainability. She doesn’t have the cost of the fields alone.

Glowacki – Asked if School Committee would amend the warrant at ATM.

Turbitt – If this were amended, people would go to the polls knowing the number approved at ATM. They could ask for a technical amendment.

Glowacki – He’s concerned people might vote this down because of the PFAS issues.

Gibson – If the school goes to natural grass, that might be a technical amendment. We should prepare for the possibility of floor action requiring it only be grass.

O’Neil – The School Committee will discuss this on March 8th.

Vieth – Asked if there’s a ball-park figure on maintenance of turf versus grass.

O’Neil – The cost analysis is for 25 years over 2 synthetic turf cycles. Natural grass is about \$4.25m; synthetic turf is about \$3.1m. There is a link for the School Master Plan on the website.

Motion

Moved to appropriate the sum of Sixteen Million Four Hundred Thousand Dollars (\$16,400,000) to be spent by the School Superintendent with the approval of the School Committee, for the purpose of funding to construct athletic facilities and associated appurtenances at Nantucket Public School campuses, including the costs of professional services for design, permitting, engineering, construction, construction supervision, materials, and other related professional services, and any other costs incidental and related thereto; that to meet this appropriation the Treasurer with the approval of the Select Board is hereby authorized to borrow said sum and to issue bonds and notes of the Town therefor pursuant to General Laws Chapter 44, Sections 7 or 8, or any other enabling authority; provided, however, that any borrowing authorized hereunder shall be contingent on the passage of a Proposition Two and One-half debt exclusion vote. (made by: Vieth) (seconded)

Roll-call Vote Carried 6-0//Schaeffer, Harrington, Maury, Vieth, Glowacki, and Kronau-aye

7. Article 16 (Appropriation: Design of Central Municipal Facility)

Speakers None

Discussion **Turbitt** – This is for \$6m to fund design of 2 Fairgrounds including the OPM. This would get us from design and oversight through bidding and hopefully through the construction phase.

Kronau – This will need the same comment as other appropriation articles.

Motion

Moved to appropriate the sum of Six Million Dollars (\$6,000,000) to be spent by the Town Manager with the approval of the Select Board, for the purpose of funding the design of a central municipal facility at 2 Fairgrounds Road, including the costs of professional services for design, permitting, engineering, and other related professional services, and any other costs incidental and related thereto; that to meet this appropriation the Treasurer with the approval of the Select Board is hereby authorized to borrow said sum and to issue bonds and notes of the Town therefor pursuant to General Laws Chapter 44, Sections 7 or 8, or any other enabling authority; provided, however, that any borrowing authorized hereunder shall be contingent on the passage of a Proposition Two and One-half debt exclusion vote. (made by: Schaeffer) (seconded)

Roll-call Vote Carried 6-0//Schaeffer, Harrington, Maury, Vieth, Glowacki, and Kronau-aye

8. Article 17 (Appropriation: Construction of Town Employee Housing)

Speakers Libby Gibson, Town Manager

Discussion **Turbitt** – This is for \$8.5m for seasonal dormitory-style housing of modular construction; we have an OPM on staff and picked a design firm. This will cover intended construction as well as all services related to OPM and design firm.

Glowacki – Asked how many units this represents.

Turbitt – It’s intended to mirror the Nantucket Yacht Club (NYC) employee housing; it will hold 33 to 36 seasonal staff.

Schaeffer – Asked if the facilities can be used out of season for other purposes.

Turbitt – It’s labeled Town Employee Housing and could be used for someone who loses housing and could potentially cut our costs for contractors who work for us off season.

L.Gibson – Talked about the possibility of renting it to organizations that might have students or vendors coming in for projects off season.

Vieth – Asked to see where it is on a map.

Beaugrand – It would be on the right of Waite Drive where Amelia Drive crosses.

- Motion **Moved to appropriate the sum of Eight Million Five Hundred Thousand Dollars (\$8,500,000) to be spent by the Town Manager with the approval of the Select Board, for the purpose of funding the construction of town employee housing located at Town-owned property located at Fairgrounds Road/Waitt Drive including the costs of professional services for design, permitting, engineering, construction, construction supervision, materials, and other related professional services, and any other costs incidental and related thereto; that to meet this appropriation the Treasurer with the approval of the Select Board is hereby authorized to borrow said sum and to issue bonds and notes of the Town therefor pursuant to General Laws Chapter 44, Sections 7 or 8, or any other enabling authority; provided, however, that any borrowing authorized hereunder shall be contingent on the passage of a Proposition Two and One-half debt exclusion vote.** (made by: Schaeffer) (seconded)
- Roll-call Vote Carried 6-0//Kronau, Harrington, Schaeffer, Glowacki, Vieth, and Maury-aye
9. Article 18 (Appropriation: PFAS Soil Investigation)
- Speakers None
- Discussion **Turbitt** – He and Ms. Gibson discussed this and are asking to hold off on this tonight. We have a water main project we submitted to the State Revolving Fund for SRF money. The discussion on this will be brought up by the Select Board on March 9th; we ask that the vote be taken up at the joint meeting on the 9th.
- Motion No action at this time.
- Roll-call Vote N/A
10. Article 20 (Appropriation: Affordable Housing Capital Expenditures)
- Speakers Tucker Holland, Municipal Housing Director
Ken Beaugrand, Real Estate Specialist
- Discussion **Turbitt** – This for Affordable Housing consistent with a \$7.5m debt exclusion last year.
- Motion **Moved to appropriate the sum of Ten Million Dollars (\$10,000,000) to be spent by the Town Manager with the approval of the Select Board, for the purposes of capital expenditures for the costs for acquiring real estate, including any buildings thereon, or interests therein which may include affordable housing restrictions, for the development of affordable housing, and which may include the costs of designing, engineering, constructing, reconstructing, remodeling and equipping affordable housing, and the buy down for the acquisition of said real estate or interests therein, all of which shall be undertaken in conjunction with the Town’s Affordable Housing Trust, and for all other costs incidental and related thereto; that to meet this appropriation the Treasurer with the approval of the Select Board is hereby authorized to borrow said sum and to issue bonds and notes of the Town therefor pursuant to General Laws Chapter 44, Sections 7 or 8, or any other enabling authority; provided, however, that any borrowing authorized hereunder shall be contingent on the passage of a Proposition Two and One-half debt exclusion vote.** (made by: Maury) (seconded)
- Roll-call Vote Carried 6-0//Vieth, Harrington, Maury, Glowacki, Schaeffer, and Kronau-aye
11. Article 31 (Appropriation: Fiscal year 2021 Senior Work-off Program)
- Speakers Libby Gibson, Town Manager
- Discussion **Turbitt** – This is for \$25,000 for the Senior Work-off Program. Asking for a positive motion to transfer that from the overlay surplus.
Kronau – Asked how many people take advantage of this program.
Turbitt – Probably a dozen people have taken part. Most departments have the same people coming back year after year.
Gibson – Participation fell off during COVID.

Motion **Moved that Twenty-Five Thousand Dollars (\$25,000) be transferred from the Overlay Surplus Account for the purpose of supporting the Senior Work-off program pursuant to Massachusetts General Laws Chapter 59, section 5k for the Town of Nantucket for Fiscal Year 2023.** (made by: Schaeffer) (seconded)

Roll-call Vote Carried 6-0//Vieth, Harrington, Maury, Glowacki, Schaeffer, and Kronau-aye

12. Article 32 (Marijuana Cultivation Host Community Payments – Special Purpose Stabilization Fund for Substance Abuse Efforts)

Speakers Libby Gibson, Town Manager

Discussion **Turbitt** – We created the stabilization Fund in 2018; this year we’re asking to modify the fund by adding 100% of any marijuana cultivation host community payments to go into this fund.

Kronau – Asked why we didn’t start out with this.

Gibson – This was probably more of a technical omission than anything else.

Vieth – Asked how much is going in.

Turbitt – This year there’s \$175,000 we propose allocating out of this fund. We have to vote to appropriate money out of this fund.

Motion **Moved that the prior votes under Article 28 of the 2021 Annual Town Meeting and Article 30 of the 2018 Annual Town Meeting are hereby amended by dedicating 100% of any marijuana cultivation host community payments to the Special Purpose Stabilization Fund for Substance Abuse Efforts established under Article 30 of the 2018 Annual Town Meeting.** (made by: Schaeffer) (seconded)

Roll-call Vote Carried 6-0//Schaeffer, Maury, Glowacki, Harrington, Vieth, and Kronau-aye

13. Article 34 (Appropriation: Special Purpose Stabilization Fund for Town Employee Accrued Liabilities)

Speakers Libby Gibson, Town Manager

Discussion **Turbitt** – This is for \$1.5m from Free Cash to go into this stabilization fund. This would be a funding mechanism to pay out accrued leave when employees retire or leave Town employment. It would be a good idea to start funding this rather than piece it together in the General budget as recommended by the auditors. There’s over \$3m in accrued employee leave on the books

Motion **Moved that One Million Five Hundred Thousand Dollars (\$1,500,000) be transferred from Certified Free Cash in the Treasury to be deposited by the Treasurer into the Special Purpose Stabilization Fund for Town Employee Accrued Liabilities.** (made by: Schaeffer) (seconded)

Roll-call Vote Carried 6-0//Schaeffer, Maury, Harrington, Glowacki, Vieth, and Kronau-aye

14. Article 106 (Appropriation: Stabilization Fund)

Speakers Libby Gibson, Town Manager

Discussion **Turbitt** – We’re asking to move \$1.5m from free cash to the Stabilization Fund and \$1.25m from Free Cash to Capital projects. We thought it prudent to begin bringing these funds into alignment with financial policies.

Motion **Moved that One Million Five Hundred Thousand Dollars (\$1,500,000) from Free Cash in the Treasury of the Town be deposited into the Stabilization Fund; and, that One Million Two Hundred Fifty Thousand Dollars (\$1,250,000) from Free Cash in the Treasury of the Town be deposited into the Capital Projects Stabilization Fund.** (made by: Schaeffer) (seconded)

Roll-call Vote Carried 6-0//Schaeffer, Maury, Harrington, Glowacki, Vieth, and Kronau-aye

V. COMMITTEE REPORTS

1. None

VI. NEXT MEETING DATE/ADJOURNMENT

Date: Monday, March 7, 2022; 4:00 p.m.

VII. OTHER BUSINESS

1. Kronau – She got a proposed motion from John Giorgio, Town Counsel, in respect to Article 79, fertilizer. She will forward that and a proposed comment to the committee members.
2. Adjournment:
Motion **Motion to Adjourn at 5:02 pm.** (made by: Maury) (seconded)
Roll-call Vote Carried 5-0//Schaeffer, Maury, Glowacki, Vieth, and Kronau-aye

Submitted by:
Terry L. Norton