



The Town of Barnstable

Comprehensive Financial Advisory Committee (CFAC)

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CFAC Committee:

Chair:

Lillian Woo

Members:

Vice Chair, Ralph Krau
Clerk, Hector Guenther
John Schoenherr
Melanie Powers
Tracey Brochu
Wendy Solomon
Chuck McKenzie
Adam Carter

Staff Liaison:

Mark Milne
Nathan Empey

Councilor Liaison:

Paula Schnepf

MEETING MINUTES

3.08.21

6:00 PM

Zoom Meeting : <https://zoom.us/j/96451047261>

Meeting ID: 964 5104 7261

Roll Call:

Lillian W. called the CFAC Zoom meeting to order at 6:00 PM. Hector G. called the roll call.

- CFAC Members Present: Lillian Woo, John Schoenherr, Tracey Brochu, Wendy Solomon, Hector Guenther, Melanie Powers, Ralph Krau, Chuck McKenzie, and Adam Carter
- CFAC Members Absent: None
- Councilors Present: Paul Neary
- Staff Present: Nathan Empey; Finance/Budget Analyst
- Other Present: None

Act on Minutes:

The following minutes were approved by unanimous vote:

02.22.2021

Public Comments:

None

Correspondence:

Lillian W. introduced the two new committee members: Chuck McKenzie and Adam Carter. Adam C. noted he's been living on Cape Cod for about two years working at the Marine & Biology Laboratory as Director of Research and Administration Operations. Adam C. noted he has about ten years of non-for-profit financial services experience, and he join the committee as an opportunity to give back to the community. Chuck M. noted he's been living in Massachusetts for about ten years. He has forty years of investment management and financial services experience, but is now semi-retired.

Councilor Paul N. noted he that everything the committee does is very much appreciated. Councilor Paul N. noted we're in a time right now that we are going to have some financial pressure, financial burdens, and needed financial solutions. Councilor Paul N. noted the committee is at the heart of this endeavor to vet out all the different possibilities to make this affordable, and really appreciate all that you do.

Staff Report:

None

Old Business:

None

New Business:

Lillian W. introduced the FY 2022 Capital Improvement Plan, which is now being printed. Lillian W. noted as per previous years, the committee is to look at the total plan, and that we do not recommended for or against specific projects. Lillian W. noted the CFAC subcommittee can decide if you would like to meet again to review the Town Manager's recommendations. Lillian W. noted FY 2022 total capital plan requests are \$107 million, FY22-26 Enterprise Funds total capital requests are \$124.9 million, General Fund request are \$204.9 million and CWMP \$144 million. Lillian W. noted on page 43 is Town Manager's recommendations for FY22 totals \$53 million. Lillian W. noted of the total \$53 million recommendations, \$17.7 million comes from the General Fund, and is allocated \$4 million from the Capital Trust Fund, \$11 million from bonds, \$2.3 million from General Fund reserves, and \$354k from Grants. The Enterprise Fund CIP projects for FY22 are \$35 million, with \$2.3 million is coming from reserves and \$32 million from bonds. Lillian W. noted the airport capital of \$26.8 million is funded a 100% from grants. Hector G. asked if \$27 million of the total Enterprise Funds \$35.2 million is funded with non-town funds? Ralph K. noted all Enterprise Fund recommended projects are with non-town funds.

Lillian W. noted a lot of the Town Manager recommended projects include previously proposed projects from last year. Lillian W. noted some of these projects are for economic development, infrastructure, high usage assets, public safety, and will receive outside funding. Lillian W. asked Ralph K. if the CFAC Capital Subcommittee would like to meet again and add anything to the original Capital Improvement Plan Report? Ralph K. noted that would be up to the subcommittee to meet. Tracey B. suggested we should meet one more time to make sure we all agree with everything. Wendy S. responded she is fine meeting again and flushing out the facts. Hector G. asked Ralph K. do you feel like the subcommittee recommendations were heard and/or is the Town Manager recommending anything the subcommittee opposed? Ralph K. responded that CFAC cannot recommend projects and that we can only offer our pros and cons on the projects and whether those projects have merit. Ralph K. noted our report is already in the hands of Town Council.

Wendy S. noted it would be good to review the Town Manager Recommendations. Lillian W. suggested a tentative meeting for the subcommittee on Saturday March 20th.

Matters not reasonably anticipated by the chair:

Lillian W. opened discussion to the committee on the three sewer assessment ordinance meetings conducted by the Town Manager, Finance Director, and Director of Public Works on February 25th. Lillian W. noted 150 residents participated on Zoom and Facebook, and 2,000 watched it on Channel 18. Wendy S. noted she attended the first meet and sent a notice around to members of a Facebook Group Cotuit Connections. Wendy S. noted it's kind of a hit or miss from Cotuit because they are not getting hooked up to sewer. Hector G. noted financial prudence is very crucial from Town Council and Town Administration. Wendy S. noted the feedback from others is really negative about the sewer project because they can't get hooked up. Wendy S. noted the response is that they are paying for it but not directly benefiting from it, and that it would be good to highlight to them the effects on drinking water over time. Lillian W. noted she attended the 2 o'clock meeting and that the primary focus was on the sewer assessment, and that everybody who attended asked a lot of questions that were not question either on the sewer assessment or the amount of the proposed assessment. Lillian W. noted the questions were more focused on the equity and when it is going to take place. Ralph K. noted he attended the 2 o'clock and that it was well done and Lynne Poyant did an excellent job of moderating. Ralph K. noted the takeaway is that there is still a misconception from people in the Hyannis area already on sewer who believe they already paid for sewer over time, but a lot of the money did come from Federal funds. Ralph K. noted the other misconception is that the \$1 billion is for the entire town versus the 12,000 dwellings, and that there is still the issue that 17,000 residents are not in the program, but are going to be asked through a debt exclusion to make a contribution. Ralph K. noted this goes with Wendy S. comments that they are paying but not getting. Tracy B. noted she was on the 7 o'clock session and that the Town Manager and Finance Director did a good job, but we still need to get more information out to people. Tracey B. noted there are not a lot of residents getting hooked up, but a lot want to get hooked up. Councilor Paul N. noted he listened to all three meetings throughout the day, and the questions progressively grew throughout the day. Councilor Paul N. noted that it is going to be a heavy lift, if we ask property owners to vote for a debt exclusion, and that it is going take educating the residents of the town about benefits such as fire, police, and education. Councilor Paul N. noted just recently we have been handed another lawsuit to the town. Ralph K. asked is this addition to the Conservation Law Foundation (CLF)? Councilor Paul N. responded yes. The additional lawsuit is from Lopes and Julius, it has just come, so in and the pressure is on. Councilor Paul N. noted we need to come up with a solution, not so much those that are getting hooked up, but those not getting hooked up will need convincing. Lillian W. noted this primary discussion was for the community to discuss the sewer assessment because that is coming to Town Council in April. Lillian W. noted the property tax override is further down the road. Hector G. wanted to give a shout out to Lynne Poyant for preparing the Barnstable Weekly news letter. Hector G. noted we've talked about the need to do more publicity and engage the community more. Hector G. noted the Barnstable Weekly from last Friday's March 5th includes pages that discuss the Comprehensive Wastewater Management Plan (CWMP), which it lists 75 presentations that have been made since 2016. Hector G. asked Councilor Paul N. what more can be done by the town to convince the 17,000 residents that are not being hooked up in the first thirty years? Councilor Paul N. noted he agreed completely and the whole process of rolling this out. If the debt override does not go through, then collectively we'll have to figure where the cuts would have to come. Councilor Paul N. noted he's not an advocate of selling something using a stick, but is it fair to put up certain services to be eliminated? Councilor Paul N. noted it is going to take a year and make the debt exclusion override the topic of every discussion. Councilor Paul N. asked how to do we sell the benefits? Ralph K. noted if you go back a decade, a former CFAC member Bob Ciolek and I would go through the entire town and visit the civic associations for five weeks. In the end, 80% of the ballot box was against the sewer program because they weren't going to get hooked up. Ralph K. noted you have to put a hook out there, and at some point in time their investment through taxes will eventually give the residents a piece of pipe. Councilor Paul N. responded in reality it is not going to happen, so how do you build value? Councilor Paul N. noted we're looking at a plan that could go over three or five decades, but the numbers are jaw dropping. Councilor Paul N. noted we already spent \$23 million on cleaning up our water supply in Hyannis, and that is only two-thirds of the water system. John S. noted he thinks it is going to be very hard in that the issues are really going to come down to a social

contract to support one another and help one another. John S. noted that is why we pay taxes, and that we all pay taxes for things that we don't support personally. John S. noted it is a moral commitment to maintain our environment for our generation and future generations. John S. noted this is a language that is foreign to most people. Tracey B. responded I think we need to reverse the message from what do we get to what do I keep and improvements for me? Tracey B. noted clearly there are benefits for clean water, and if we don't do this we won't be able to sell our properties if the water is fouled. Melanie P. noted hopefully the concept of common and public good is compelling, for example, being able to allow your dogs to go swimming in our water bodies. Tracey B. noted our summer rentals are full this year, and if they can't go swimming in our waters we will be impacted by this, cost of doing business. Lillian W. commented that both Town Administration and Town Council are very aware of these issues, and both our capital and operating budget reflect this. Lillian W. noted the councilors will have a much bigger role in the future to explain this to their constituents.

Adam C. asked if there are any quantifiable data to support the qualitative things we're putting out to show residents current and future trends. Lillian W. responded there was a Water Resources Advisory Committee (WRAC), there is a webpage on the town website, and we have already invested about \$30 million to deal with the nitrification. Ralph K. noted there have been many committees that have been meeting well over a decade on the wastewater issues that you can review. Tracey B. noted you could try and attended any of the sessions on the sewer assessments in March. Hector G. noted you could explore the Water Resources webpage. John S. noted we're still collecting data through organizations and universities, but it may be too much data for the public to understand. John S. noted he thinks Director of Public Works Dan Santos does a good job condensing all this data.

Adjournment:

Meeting adjourned at 8:00 p.m.

List of documents handed out

1. 02.22.21 draft minutes
2. FY 2022 Capital Improvement Plan document