



# The Town of Barnstable

## Office of Town Manager

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**Mark S. Ells, Town Manager**

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**M. Andy Clyburn, Assistant Town Manager**

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May 6, 2021

To: Barnstable Town Councilors

From: Mark S. Ells, Town Manager

RE: Town Manager update for period April 2, 2021 thru May 6, 2021

1. Andy Clyburn, Assistant Town Manager, will provide an update relative to municipal operations and activities as we progress through Phase IV of the COVID recovery plan.
2. Elizabeth Jenkins, Director of Planning & Development, will provide an update on plans for Main Street Hyannis Summer 2021.
3. Elizabeth Jenkins, Director of Planning & Development, will provide an update on progress on the Local Comprehensive Plan.
4. We are proceeding with the tasks in the budget action calendar for FY 2022 as scheduled. We plan to distribute hardcopies of the FY 2022 proposed operating budget to the Town Council on Monday, May 10<sup>th</sup>. The electronic version of the document will be posted to the website on May 10<sup>th</sup> as well. The first reading of the budget appropriation orders will be on the Town Council's May 20<sup>th</sup> agenda at which time Mark Milne, Director of Finance, will provide a summary of the proposed FY 2022 Operating Budget. Public hearings on the budget will commence June 3<sup>rd</sup>. Our Comprehensive Financial Advisory Committee is in the process of preparing a report on their review of the budget which will be issued to the Town Council prior to the public hearings. The proposed General Fund operating budget of \$182.5 million is an increase 1.5% over the approved FY21 budget. The proposed operating budget including all Enterprise Funds is \$213 million; a 1.8% increase over the FY 21 budget. General Fund fixed costs total \$64.9 million, a net increase of \$46,000; the school operating budget totals \$75.7 million, an increase of \$1,048,000; and the proposed municipal operating budget of \$41.9 million is increasing \$1,660,000. As you remember, the FY 2021 municipal operating budget included \$1 million in reductions from the FY 2020 approved budget. Those reductions were made in anticipation of COVID related financial pressures. As the town's financial situation due to the pandemic has stabilized, mainly as a result of Federal stimulus funds, we are able to restore some of the reductions made to the FY 2020 budget as well as address the increase in operating costs to existing service levels. As a result, the proposed municipal operating budget for FY 2022 of

\$41.9 million is only \$700,000 more than the approved FY 2020 operating budget of \$41.2 million, equaling an average percentage increase of less than 1% (0.8%) per year over this 2 year period.

5. On Tuesday, March 30, 2021 at 10:00 am the Town Manager held the fiscal year fee hearing for FY 2022. The proposed fee changes were for the Department of Public Works Water Supply, Water Pollution Control, and Solid Waste Division. The Town Manager fee hearing has been closed and the fee changes approved as proposed for Water Pollution Control and approved with modification (reduced) for Water Supply and Solid Waste. The approved fees have been posted on the Town web site under Town Manager Fees. For information on our fiscal year budgets please view the Town's Open Budget website at <http://budget.townofbarnstable.us>.
6. On April 29, 2021 the Town Council held a Special Town Council Meeting on a proposed Sewer Assessment Ordinance as part of the fiscal policy under consideration by Town Council to establish how to equitably distribute the remaining cost of the Comprehensive Wastewater Management Plan (CWMP). The Town Manager's proposal to Town Council includes the following:
  - First, review and approve the proposed Sewer Assessment Ordinance which includes a sewer assessment to each individual property receiving the planned sewer; and
  - Second discuss the use of general funds to pay for the remaining portion of cost associated with proceeding with the CWMP.

The second reading and public hearing on the proposed Sewer Assessment Ordinance is planned to be held at the May 20, 2021 Town Council Meeting.

7. On April 22, 2021 we received a Notice of Subsidy from the Cape Cod and Islands Waster Protection Fund that Barnstable has qualified projects listed on the 2020 and 2021 Clean Water State Revolving Fund Intended Use Plans (IUP). These commitments represent a 25% subsidy for projects with a cost of greater than \$1,000,000 and a 50% subsidy for projects less than or equal to \$1,000,000. The Fund Board also voted to award subsidies for pre-existing wastewater related debt not associated with Clean Water State Revolving Fund. The Town of Barnstable has been awarded a subsidy for pre-existing debt as well.
8. On April 14, 2021 we received notice from the Massachusetts Water Pollution Abatement Trust that Barnstable's Water Supply Division (Hyannis Water Supply) received a total of \$856,863 in principal forgiveness on State Revolving Fund loans and the Trust waived the origination fees saving us about \$73,000 on these loans. One loan was issued at 0% and the other for the Maher water filtration was issued a 2.2% as we extended the amortization to 25 years. The reduced cash flow allowed the Water Supply Division to reduce the FY 2022 rates by 2% for the water enterprise fund.

9. Funding from the new Coronavirus Local Fiscal Recovery Fund (CLFRF), created by the American Rescue Plan Act of 2021 (ARPA), will be disbursed directly from the federal government to Community Development Block Grant (CDBG) entitlement communities within the coming weeks (\$7.1M). Staff has taken the necessary steps as provided by the federal government in order for the town to receive its first payment under this program. We anticipate the first round of funding to be received by the end of next week. The guidance on use of these funds is expected to be released with the first payment. I plan to have further discussions regarding strategy on the use of the funds with Mark Milne and Andy Clyburn then Town Council leadership. A suggested approach would be Tier 1 - additional costs incurred due to public health requirements. Tier 2 - the replacement of lost revenue, and Tier 3 - one-time expenses for capital outlay. We will keep you advised as we receive additional information.
10. Relative to the American Rescue Plan Act funds being distributed to Barnstable County on behalf of the communities in Barnstable County (\$41M). I have offered Beth Albert, Barnstable County Administrator, to work with the County to achieve equitable distribution upon receipt of eligibility guidance of said funds. We will keep you advised as we receive additional information.
11. We continue with regular conversations with Vineyard Wind regarding the status of the Phase I and Phase II projects. Vineyard Wind continues to work with Barnstable staff regarding both Phases of the project. They anticipate commencing construction on Phase I in 2021 and are proceeding with permitting on Phase II. Vineyard Wind has notified the Town that their contractor shall commence test boring along the route of cable installation for Phase I construction. We have continued our discussion with Vineyard Wind regarding an update to the Host Agreement for Phase II and a Host Agreement for a potential Phase III. We will keep you advised as this project progresses.
12. On April 30, 2021 Brian Florence, Director of Inspectional Services and Building Commissioner, submitted to the Massachusetts Board of Building Regulations and Standards a request for Building Code Amendments. In addition to the work done by the Building Commissioner addressing the alternate compliance with the Building and Energy codes, staff continues to work with its grant funded consultant through the Cape Light Compact to complete the other aspects of seeking Green Community designation. A draft energy reduction plan resulting from over 45 building audits is being finalized for presentation and endorsement. The base year of 2019 for energy use is currently being used to develop a 20% energy reduction goal over the next five years. Likewise, a Green Vehicle policy that meets the requirements of the Green Communities Designation process is being finalized. In this plan, a calculated reduction in fuel use and resulting emissions will be set up for the next five years. Finally, we are currently verifying and mapping out the internal approval and acceptance process of these policies through the various departments and committees that have a connection with this process. We will provide future updates as the plans evolve.

**NOTE:** Mr. Ells also mentioned that he and the Yarmouth Town Administrator wrote a letter to Mass Coastal requesting that they address the trash falling off the train and along the railway.