

**FINANCE COMMITTEE**  
PUBLIC MEETING  
Judge Welsh Room, Town Hall  
Provincetown MA

**MONDAY, FEBRUARY 4, 2019**

Members Present: Mark Hatch (MH), Chairman; Scott Valentino (SV) Vice-Chair; Duane Steele (DS); Mark Bjorstrom (MB); Mark Del Franco (MDF); Kathleen Goodwin (KG); Chip Cappelli (CC).

Absent: Stan Sirkorski.

Staff Present: David Panagore (DP), Town Manager; David Gardner (DG), Assistant Town Manager.

Others Present: Mary-Jo Avellar (MJA), Town Moderator.

MH opened the meeting at 10:02am; presented a document that he said had been referred to by someone on another committee as a scheme and his name disparaged by another board – behavior which, he said, would never be tolerated on the FINCOM; said the document represents matter to be voted on today and is the result of a lot of research concerning funding options for the new police station.

DP noted the budget book at hand is the first to appear online through Open Gov and that the templates are now all in place, which will make things easier going forward.

1. Departmental Budget Hearings; specific department schedule to be released prior to the meeting, as staff needs are considered.

Division 3 Public Safety  
**295 Marine: Harbor Master**

Regina Binder, Chairman of Provincetown Public Pier Corp. and Rex McKinsey, Harbor Master, presented. Ms. Binder said the budget this year is lower than the actual amount that was spent last year and, as a result, they are analyzing their budgets carefully and putting new systems and allocations in place for the 2019 season.

DP said he wanted to work with the Pier Corp on division of responsibilities. MH said clarity would be enormously helpful. Ms Binder thanked the FINCOM and the staff for their patience.

**SV made a motion to approve the 295 budget as presented. MB seconded the motion and it passed, 7-0-0; SV, MB, MH, DS, MDF, KG, CC.**

Division 3 Public Safety  
**296: Shellfish**

Stephen Wisbauer, Shellfish Constable, presented; said the 2020 budget is asking for level funding and that recreational shell fishing has become more popular; the department now has a working nursery which enables the purchase of less expensive seed and greater quantity; Town has supported the growing business of aqua-culture and permitting has been pro-active; referenced 30 years of lost industry due to past mistakes.

**CC made a motion to approve the 296 budget as presented. MB seconded the motion and it passed, 7-0-0; CC, MB, MH, SV, DS, MDF, KG.**

Division 3 Public Safety

**291: Emergency Management**

DP said applications have been collected for the Emergency Management Transportation Coordinator position, and more will be coming in as it was an open call with a wide net.

Chief Jim Golden presented; said the budget has been raised by about \$3,400 to accommodate for training time and travel in lieu of the new hire, but otherwise the budget is essentially the same as last year.

**SV made a motion to approve the 291 budget as presented. KG seconded the motion and it passed, 7-0-0; SV, KG, MH, DS, DS, MDF, CC.**

Division 3: Public Safety

**210: Police**

Chief Golden and Lt. Gregory Hennick, Executive Officer, presented. Chief Golden said the police budget is submitted to the FINCOM following approvals from Town Manager and the Board of Select and represents a 6% increase of about \$176,000, some of which is for seasonal staff, including one sworn seasonal officer and two additional traffic officers.

DP spoke of three applicants pending for marijuana dispensaries and the anticipated income expected from these as well as the new short-term room tax.

Doug Cligott spoke from the audience and asked of safety issues surrounding recreational marijuana use including transferring marijuana purchases by ferry. Chief Golden said he didn't expect any problems as long as the possession is within the State.

Chief Golden remarked that he is beside himself with the quality of officers on staff and MH said he concurred, noting the workload of the PD.

MJA commented on the amount of open containers of alcohol on the street and asked why it wasn't being dealt with better by businesses and Town staff. Chief Golden responded by saying that the PD tries to be as flexible as possible in light of the Town's visitors who come here to express themselves freely in a variety of ways, while also acknowledging the need to properly monitor open alcohol, especially in high season.

Louise Vendon spoke from the audience on the great job done by the Town's PD with a staff size that is kept relatively small compared to the number of recorded calls and when compared to the department sizes of Truro and other smaller principalities.

Chief Golden remarked that he was first presented with the idea of a new police station in July of 2009 and that the community needs to come around to the reality, as well as the nature of continual delays, and how these impact cost increases.

John Golden spoke from the audience of the fire at the Crowne & Anchor years ago when there wasn't enough police presence telling citizens to keep back and how the required police detail is essential in running Town properly.

Former Chief of Police Robert Anthony said his interest is in police officer safety and encouraged the Town to get on board with the new police station, in spite of the \$4 million override.

**SV made a motion to approve the 210 budget as presented. MB seconded the motion and it passed, 7-0-0; SV, MB, MH, DS, MDF, KG, CC.**

FY2020 CIP Five Year Plan, per pages 232, 266, 274.

Chief Golden spoke of the need for, and usefulness of, an improved Animal Control Officer's vehicle.

DP brought attention to a budget item related to generator-capacity for the Public Library as a warming station, and battery implementation at the Transfer Station. MJA asked why Town Hall isn't considered a warming center, to which DP said it has been, but a back-up facility is prudent, adding that the flooding of Town Hall is also an access issue. MJA said better back-up is needed for the Town, particularly in light of an aging population which requires refrigerated medication. DP said there would be continued talks with Eversource, but that this proposal is the first step.

### Division 3, Public Safety

#### **299: Parking**

DP said there were only two bids in for a new system, to be financed through previously allocated funds, called Parking Access and Revenue Control (PARC), based on the remote location of the Town, and that if the Town were over the bridge there would normally be 6-8 bids. DP said the goal is to have the system up and running online by the summer.

Domenic Rosati, Parking Administrator, presented the budget, which Chief Golden said represented a 3.3% decrease. Mr. Rosati said apps have been useful in processing parking fees by credit card, which DP said has not resulted in a financial loss to the Town.

**CC made a motion to approve the 299 budget as presented. KG seconded the motion and it passed, 7-0-0; CC, KG, MH, SV, DS, MB, MDF.**

### Division 3, Public Safety

#### **220: Fire**

Fire Chief Michael Travato, presented; said the biggest challenge, as usual, is the rescue side of the operations and that they've asked Lower Cape Ambulance to hire four more people due to increased rescue response; said they were seeking a crew for 240 days for the regular rescue with extra coverage for July and August, suggested that maybe in the off-season they can reduce from 24 hours a day coverage to eight hours a day.

Chief Travato said they were doing well on the fire-side of things with recruits from the junior program.

MB asked of the certificates of compliance, which Chief Travato explained as mandated inspections – such as with changes in gas and oil.

Louise Vendon spoke from the public in support of what she said is a great job by the department under Chief Travato, referenced a waiver assumed in past years by Outer Cape Health Services (OCHS) to see patients rather than require them to be transported to Hyannis. Ms. Vendon said those waivers have lapsed, but said she encourages OCHS to apply for new waivers in order to provide urgent care.

The FINCOM reviewed **231: Ambulance** and had no questions or concerns.

**SV made a motion to approve the 231 budget as presented. KG seconded the motion and it passed, 7-0-0; SV, KG, MH, DS, MB, MDF, CC.**

DP requested to delay the Capitol Budget until Assistant Town Manager for Finance & Administration, Josee Young, could be present.

#### Division 3 Public Safety

#### **250: Community Development**

DG presented; said there were three major changes this year: folding the 254 budget into the 250 budget, reclassifying the Conservation Planner and Agent to a Grade 8, and transition the part-time co-compliance position to a full-time year round officer position; spoke of critical staff turn-over as a challenge along with vast licensing and permitting needs; said he is maintaining a marijuana-status chart pertaining to applications.

MB asked if the staff turn-over was due to people leaving town based on the high-cost of living. DP replied that the turn-over he indicated did not seem to be based on that condition.

**SV made a motion to approve as presented. MB seconded the motion and it passed, 7-0-0; SV, MB, MH, DS, MDF, KG, CC.**

#### Division 3 Public Safety

#### **251: Building Division**

Anne Howard, Building Commissioner, presented; spoke of new Building Inspector hire and the challenges of renovations in an already dense area that is the Town ground plan.

MDF asked if the short-term rental measure will increase inspections. DG said the rental tax itself does not require inspections but permits local jurisdictions to allow inspections; current Board of Health does not require inspections, self-certification program is in place, but Town can respond to complaints.

**SV made a motion to approve as presented. KG seconded the motion and it passed, 7-0-0; SV, KG, MH, DS, MB, MDF, CC.**

Division 3 Public Safety

**255: Housing & Economic Development**

Michelle Jarusiewicz presented; said budget has remained the same as it has over the past few years with the exception that this year 25% of the budget is to be covered by CPI funds. DP suggested taking a part of the new short-term rental tax and placing those funds in Housing Development and considering the possibility of increasing staffing to that end as there is a lot on Ms. Jarusiewicz's plate. MH said he agreed and felt this proposal was a step in the right direction.

**MH made a motion to approve as presented. SV seconded the motion and it passed, 7-0-0; MH, SV, DS, MB, MDF, KG, CC.**

Division 3 Public Safety

**253: Health Division**

Morgan Clark, Director, Department of Health & Environment, presented; said small additional budget request will allow the department to continue to fund community programming and pilot, in small-scale ways, public health focus areas, including access to produce for low-income families.

DP spoke in high favor of the test programming implemented by Ms. Clark and prospective innovations aimed at maintaining the Town's aging population. MH concurred.

**SV made a motion to approve as presented. MB seconded the motion and it passed, 7-0-0; SV, MB, MH, DS, MDF, KG, CC.**

2. Discussion on proposed financing options to be presented by the Town Manager and a representative of the Building Committee (to be confirmed) to frame a Warrant Article for the new police station. Votes may be taken.

DP opened up discussion of the Police Station Options report, compared the cost of living in Town with that of Boston; said there is roughly \$1.2 million from Free Cash to put toward the new police station overage.

DP said research led to a State program known as BANS, or Bond Anticipation Notes, issued for one year which can be rolled over; said he felt options 5 and 6 were the cheapest and wanted to get input from the FINCOM to ascertain what might be foreseen in future Free Cash; said something would be coming out of the short-term rental tax, some of which would fall into Free Cash; felt that 50% of short-term rental tax should go to Housing and 50% to items such as capitol debt reduction, funding OPEB and lowering the cost of borrowing; lamented that the

solution the Town has adopted to solve problems is to tax itself more and less by exhausting other options, to which MH agreed.

DP said he felt our current police station estimates are on a par with other, similar facility budgets on the Cape.

#### Police Station Budgetary Concerns

Louise Vendon presented an analysis of the new police station costs which, she said, is also available online at Town Talk; said most of the overages are on soft costs, including a location premium, which she said was never taken into account in the first set of numbers and includes putting people up from out of town. DP countered that Kaestle Boos Associates, Inc., which did the original budget plan, would have known that and factored in these associated costs.

Ms. Vendon added that the electric became a big cost increase as no one seemed to be aware of the sophisticated needs of a police station; added that the wood budget went up and questioned the employment of wood; plumbing went up \$250,000; furnishings went up \$270,000; site work was raised to \$621,000 because there wasn't a clear knowledge on the location needs based on the specific site; compared square footage costs with other Cape precincts and said she hoped the project will prove big enough to attract competitive bidding.

MH said his hope was to advance this project without raising people's taxes and that a creeping rise in taxes is what troubles residents from what he is told on the street.

Doug Cliggott spoke; said he felt options 5 and 6 are 180 degrees against the management approach of former Town Manager, Sharon Lynn; cited the revenue from the short-term rental tax as an unknown and noted that options 2, 4 and 5 are identical in terms of all-in costs where funding is assumed over a ten-year period; said he felt options 1, 2, 3 or 4 were the best way to go as they take a level of risk off the table and that 1 and 2 give more flexibility.

DP addressed Mr. Cliggott in offering another option which combines all the options, includes the BAN borrowing or changing direction toward the bond and the 2 ½ over-ride. MH said he felt it was ambitious to commit to 20 years of borrowing and striking some sort of balance seemed the right approach. Mr. Cliggott said that as a citizen he was most concerned with rolling over short-term debt. Ms. Vendon noted that the State was going to oppose an 11.7% tax of its own for the short-term rentals and that owners who have already booked this season will be eating those cost increases for this first year and added that funding for risk mitigation in term of shoreline erosion per FEMA demands is also a determining factor for the health of the Town and its economic livelihood.

DP mentioned that three years ago there was a minor increase in room tax and last year a gigantic percentage increase in room tax, while this year there was a minor drop, which, he said, makes for a three-year healthy trend of growth.

SV asked if a proposal can be made to start off with options 5 and 6 and a short-term loan, with Plan B featuring long-term borrowing if projections don't go as planned; asked of a penalty when going with options 1 and 2 and paying it off early.

DP said his recommendation would be to issue a bond at the end of the project to which \$8.6 million is already dedicated, but that if the Town can pay off a loan in a shorter time through secure funding than that makes sense. MH weighed in, said the cheapest options are 5 and 6 with minimal costs to the taxpayers. CC said he was with 5 and 6 until Mr. Cliggott spoke and raised the issue of interest rates. DP said that if the Town was in a position of receivership, he would choose option 7, but spoke for unity within the community Town leadership in making the numbers work, suggested a key question for the Town is to ask its risk profile.

MH directed the FINCOM to the two payment sheet documents to examine risk potentials and stated his wish to not fob off the police station costs and overages to the tax payers; referenced the Town funding OPEB (Other Post-Employment Benefits) for the past three years to the tune of three-quarters of a million dollars out of Free Cash as a basis for finding the means to fund and approve the police station project.

DP spoke of what he felt was an undercurrent of conspiracy and suspicion which he cannot fight, but requested to revisit the issue on Friday when Director of Finance Josee Young would be present

MDF asked DP and MH for their thoughts on using the Capital Stabilization Fund. DP replied that he was not looking at option 3, said the Capital Stabilization Fund will grow automatically from the room tax as a set category, noted there is currently \$1.275 million in Free Cash that isn't being spent on anything else and will follow up on these prospective allocations on Friday. SV mentioned the needs of the sewer project as a prospect for funding. DP said probably 13% is currently attributed to the sewer project.

MDF made a statement on what he said is the wrong rhetoric on the police station project or on FINCOM matters in general that continues to be circulated online by a very few people. MH followed up by highlighting the transparency of the FINCOM.

**MB made a motion to continue the current discussion to the meeting of Friday, February 8, 2019. KG seconded the motion and it passed, 7-0-0; MB, KG, MH, SV, DS, MDF, CC.**

MH adjourned the meeting at 1:29pm.

Respectfully Submitted,  
Jody O'Neil