

Provincetown Finance Committee Minutes
March 7, 2013, 1:00 p.m.
Judge Welsh Room, Provincetown Town Hall

Members Present: Tom Donegan, Mike Canizales, Doug Cliggott, Catherine Russo, Gordon Siegel, Duane Steele, Clarence Walker and Tim Grobleski (remote)

Excused Absent: none

Others Present: Finance Director Dan Hoort, Town Moderator Mary Jo Avellar, Building Commissioner Russ Braun

Meeting called to order at 1:00 p.m.

Police Capital Improvement Program (CIP) Requests

Presented by Chief Jaran and Lieutenant Golden

The Committee discussed the annual maintenance costs of vehicles and the Finance Director reported that we don't track individual vehicle maintenance costs at this time, but hope to do so in the future.

Lt. Golden spoke to the fleet replacement schedule. There are ten vehicles in rotation. The first request listed is for replacement of a police cruiser. The cruiser being replaced will have a better green presence which supports Provincetown as a 'green community'

The second request discussed is the animal control vehicle. The vehicle is a pick-up truck and was not built as an animal control vehicle and the animal control officer should have the appropriate equipment to do her job. The officer currently has to lift sometimes very heavy dogs up on to the pick-up and should have a vehicle designed for animal control.

The third and fourth requests are appropriations for lease payments. The third is the second year of a three year lease and the fourth is the third year of a three lease.

Lt. Golden then spoke to the requests for bulletproof vests. It's possible the town will receive a 50% matching grant for these vests, but won't know until October at the earliest.

The last request from the Police Department is for the Speed Advisory Signs. These signs may be rotated through the community. They are advisory only, they do not take pictures or enforce.

The Committee discussed the need to consider when an item is a capital item vs. when it should be included as part of the operating budget.

Doug Cliggott discussed the future debt service. He provided three different scenarios, version 1 was the current debt service, version 2 was current debt service plus CIP requests (includes \$8.5 million for a police station) and estimates \$4.5 million for pier repairs, version 3 is the same as version 2, but changes the amount for the police station from \$8.5 million to \$3 million. The Committee discussed what should be a target for debt. The Finance Director mentioned that the Town's Debt Management Policy states that total debt service should be limited to a maximum of ten percent of gross revenues.

The Finance Director relayed his conversation with Jim Eldredge of Cape Cod 5 Bank. Mr. Eldredge stated his opinion that the Town's S&P Rating is secure. Additional borrowing should not influence that rating unless the town looked at borrowing \$20 to \$30 million dollars.

CPW Capital Improvement Program (CIP) Requests

Presented by Rich Waldo, Sherry Prada and Ray Duarte

The first item discussed was the Fleet Replacement request. The DPW staff explained that while in some circumstances the mileage was fairly low, the rusting of vehicles is a major problem. The vehicles suffer because they are outside in the elements and are used to salt roads in the winter. The Committee discussed the possibility of storing the vehicles at a facility in Truro to get them out of the elements.

The Committee discussed the roadway maintenance plan with Mr. Waldo. The Town is responsible for maintaining Route 6, but any major paving of the road is to be covered by the State. Mr. Waldo will further research the separation of responsibilities for Route 6 and get back to the Committee.

The Committee discussed the Streets & Sidewalks CIP and the Stormwater CIP. The Streets & Sidewalks is for continuing maintenance of the sidewalks and bike paths. The Stormwater CIP is an annual article that helps reduce pollution on the beach. The Committee questioned whether either or both of these articles were ongoing maintenance items that should be part of the operating budget vs. a capital improvement item.

Mr. Waldo explained that the Johnson Street Parking Lot CIP was to re-grade the lot to improve drainage.

Mr. Waldo discussed the CIP article for generators. We have a maintenance contract on generators and they are tested on a regular basis. Five generators failed in some capacity over the weekend during the recent storm. The Committee discussed having back-up generators. While we can't predict when breakdowns will occur the Committee is not sure it's comfortable recommending a CIP request for a need that may happen in the future.

The Committee moved on to the Water Main CIP. The first water main replacement was originally scheduled from Johnson St to Winthrop, but was scaled back to Freeman St to the Post Office.

The Committee felt there were several items that could be recommended at this time. The following items were recommended by unanimous consent:

Annual Town Meeting article 5	8-0-0	
Annual Town Meeting article 6	8-0-0	
Annual Town Meeting article 7	8-0-0	
Annual Town Meeting article 8	8-0-0	
Annual Town Meeting article 9	8-0-0	
Annual Town Meeting article 12	8-0-0	
Annual Town Meeting article 15	8-0-0	
Annual Town Meeting article 18	7-0-0	(Gordon Siegel recused himself from discussion/vote)
Annual Town Meeting article 19	7-0-0	(Gordon Siegel recused himself from discussion/vote)

The Committee then moved to a discussion of the petitioned article 30. The Finance Committee Chair had sent a list of questions regarding article 30 to the Town Manager who forwarded it to the Building Commissioner. Building Commissioner Russell Braun stated he was drafting a response to the Committee.

Mike Canizales presented the results of his research through a Power Point presentation titled 'Construction Cost Benchmarks for Police Stations'. The presentation questions the cost for building a police station. The presentation cited a 2008 survey stating costs ranged from \$143/sq ft to \$206/sq ft with \$170 being the median. Tim Grobleski referenced another survey done by a Massachusetts town that produced an average cost of approximately \$400/sq ft. The presentation also discussed a Maryland company (Modular Genius) that could build a 4,000 square foot temporary station at an estimated cost of \$100/sq ft or \$400,000 total. Presentation compared the national average cited to the Kaestle Boos dollars to the Article 30 dollars. Building Commissioner Braun informed the Committee that the estimate for the Provincetown Police Station was done by a national cost estimator firm and not by the Town's architect, Kaestle Boos.

The Committee will start their meeting early on Monday, March 11th and will convene at 4 p.m. They will have a joint meeting with the Board of Selectmen at 6 p.m. The Committee will continue to push for a reduction in the legal budget. The Committee also discussed their proposed addition to the Buildings and Grounds budget for building maintenance.

Committee discussed the special town meeting warrant.

The Committee recommends the following articles by unanimous consent:

Special Town Meeting article 2 8 – 0 – 0

Special Town Meeting article 3 8 – 0 – 0

The Committee briefly reviewed the other articles in the Special Town Meeting warrant, but will wait until the March 14th public hearing on the warrant articles to make any further recommendations. The Committee also reviewed the Water Enterprise Fund CIP requests included in the Special Town Meeting.

The Committee again discussed their joint meeting with the Board of Selectmen scheduled for March 11. The Committee needs to decide how important the differences are between their recommended budget and the Board of Selectmen's budget. Opinions differed as to how far to push the issue.

Meeting was adjourned at 5:05 p.m.

Meeting Documents:

- Future Debt Service - Principal & Interest schedule
- DPW Fleet Replacement Update
- Information for Article 30
- 03-11-13 Public Hearing Notice