



The Town of Barnstable

Comprehensive Financial Advisory Committee (CFAC)

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CFAC Committee:

Chair:

Lillian Woo

Members:

Vice Chair, Hector Guenther
Clerk, Chuck McKenzie
Jacky Johnson
Neil Kleinfeld
Chris Lauzon
Wendy Solomon

Staff Liaison:

Mark Milne

Councilor Liaison:

Paula Schnepf

MEETING MINUTES

09.11.2023

6:00 PM

Zoom Meeting: <https://townofbarnstable-us.zoom.us/j/87936203918>

Zoom Meeting ID: 879 3620 3918

Roll Call:

Chair Lillian Woo called the CFAC Zoom meeting to order at 6:00PM

Roll call and quorum verified by Clerk Chuck M.

- CFAC Members Present: Lillian Woo, Hector Guenther, Chris Lauzon, Neil Kleinfeld, Jacky Johnson, Wendy Solomon and Charles McKenzie
- CFAC Members Absent: None
- Councilors Present: Betty Ludtke
- Staff Present: Director of Finance, Mark Milne
Town Engineer, Griffin Beaudoin
- Other Present: None

Act on minutes:

No minutes to approve at this time

Public Comment

None

Correspondence

None

Staff Report:

Griffin Beaudoin – Comprehensive Wastewater Management Plan (CWMP) update

The programs' goal is to try and address the impairments of our coastal waters specifically our embayment's which all our self-facing embayment's are impaired basically by nitrogen. The chart provides details regarding the sources of controllable nitrogen on Cape Cod. It shows that 78% of the nitrogen that enters our coastal water ways comes from our septic systems. Addressing our septic systems is key to nitrogen remediation. We have had a proliferation of water quality concerns in pond water, i.e. Cyanobacteria and other similar concerns which link back to proliferation, not all that dissimilar than what we are seeing in our coastal waterways. Other areas to be addressed are flood zone climate change and promoting targeted economic development. These areas are referenced in the chart and part of the requirements for our regulators.

Barnstable's plan is three ten-year phases of sewer expansion for a total of thirty (30) years; 190 miles of new sewers, about 12,000 new properties to be connected. Key points include leveraging the existing infrastructure like the sewer system that is built out in a large part of Hyannis and some portions of Barnstable Village that goes back to our Water Pollution Control Facility (WPCF). It also incorporates some non-traditional projects such as dredging, stormwater enhancement and some others – aquaculture, but it doesn't really rely on them. They are intended to supplement the program and potentially result in some savings on the back end; plan is set to achieve the goals with the traditional solutions which are sewer expansion. It is also adaptive, which is the key, the plan must be flexible, and must adapt to the changing regulatory environments. We are required to submit 5-year updates as well as annual updates. The ultimate goal is to achieve the total maximum daily loads (TMDL) in the coastal waterways.

Plan review: Phase I in red is 0-10 years; Phase II in green is 11-20 years, Phase 3 in yellow is 21-30 year timeframe. There are the three (3) stages in Cotuit identified as need sewer but does not have a time associated with it yet for numerous reasons, the biggest being distance.

Implementation: Within each phase are projects. There are approximately 17 projects that make up the sewer expansion program (SEP) in Phase I. Each color represents a different project that will be executed. We are currently in year 3 of Phase I – the first connections within the Strawberry Hill Road (SHR) project are anticipated for this upcoming spring. There are 13 individual Phase II projects that are either actively in some level of planning, design or construction and have funding associated with them. The plan is built to be adaptive to accommodate inherent issues with supply chains or changes to the plans, i.e. partnering with a private project. Vineyard Wind (VW), or other opportunities that present themselves to clearly benefit the program in either a more financial or efficient manner.

Project Updates

- SHR expansion – first significant project undertaken. We are about 95% completed, all the inroad work has been completed. This project partnered and coordinated with the VW project. Additional construction will be done this fall to install sewer service risers, to make the lateral locations closer in elevation to the surface so that it is easier for property owners to connect at some point in the spring. We are still waiting on the electrical service for the single pump station that is installed as part of this project which is located at the intersection of Strawberry Hill and Craigville Beach roads – everything is in place except the electrical service from Eversource; at that point, the infrastructure will be active. Roadway paving at both Craigville Beach Road and Strawberry Hills roads is completed. Phinney's Lane and Wequaquet Lane to Route 132 will be completed in November.
- Route 28 East – the foundational project of the program is the cornerstone of the infrastructure we install. The new pump station is at the intersection of Phinney's Lane and Falmouth Rd / Rte 28. All

the flow to the west that is collected from this program, which encompasses approximately 8,000 – 9,000 properties will be going through this pump station. There is also some sewer expansion there – from Rte 28 to Phinney’s Lane to where it meets with Wequaquet Lane as well as a portion of the sewers along Rte 28.

Much work has been completed this past spring; in-road construction resumes just after Labor Day starting on Phinney’s Lane near the pump station, and again on Rte 28 on 9/27/23. The plan is to complete the sewer work on Phinney’s Lane by the end of February, which is the end of the contract. Paving work will be completed after that. Cable conduits are within the split from the portions of Phinney’s Lane / Wequaquet Lane split to Rte 132, that portion has the duct bank; and then the southern portion after Rte 28 is part of the Rte 28 project but does not have any duct bank underneath it, that is just sewer. The final paving on Phinney’s Lane will be completed after the next sewer portion goes in at some point this winter. We require 90 days after the last excavation, otherwise known as a settlement period prior to final paving.

Phinney’s Lane pump station status: Construction is advancing; most of the structure is there and we are anticipating substantial completion this winter.

- Centerville Village Sewer Expansion: This one is identified along the proposed Park City Wind (PCW) Onshore duct bank route. Sewer installation would coordinate with the duct bank installation; the wind developer would be responsible for the paving of the roadways. The sewer project is about 75% of the way through the design and that portion is under review. The TOB submitted the SRF loan commitment application last month. The Town Council appropriated \$30.9 million for this project back in April as part of the capital improvement plan (CIP). We are anticipating the bidding of this project over this winter and/or spring with anticipated commencement next fall. The route follows the PCW effectively starting at Craigville Beach, working its way north up Craigville Beach Road through Main Street Centerville, up Old Stage then turning up Shoot Flying Hill Road.

- Discussion:

Hector: PCW project is still in permitting and their power purchase agreements have not been formally defaulted, but have said publicly that they need to renegotiate with the state; if project drags out, what does that do to the timing for this sewer project through Centerville?

Griffin: At this time, it is unknown, we are operating under their expectation is that they expect to start construction in the fall of 2024; under that expectation the TOB will proceed with preparing the bid and design documents and getting the project out to bid. At that time a bid decision will be made with the best available information. The Avangrid schedule will be the driving factor. To receive the SRF loans contracts must be in place and our deadline is June 30, 2024; we have to proceed and backdate that schedule and meet that target. Should the PCW project not happen or is delayed for another 2 to 3 years, a decision as to what the best way to proceed will be made but is unknown at this time.

Hector: One option is to not lay the sewer on that route until PCW is ready with their construction

Griffin – Correct, one option would be to delay or to do some portion. No decision has been made at this time.

Hector – several people have tried to speak with Connecticut DPU with no responsive updates. It is an assumption that the fall of 2024 is aggressive in terms of timing, and if a re-bid is required that creates a delay of a few more years.

Griffin - we are operating under the best available information at this time.

Lillian – what is the impact on the loan?

Griffin – There is no application in for the upcoming SRF cycle, and no conversation has taken place yet if this year’s funds are not utilized or if an extension is possible,

Jacky – These two projects – Craigville beach project is open to the ocean, my concern is that it would be great to have the sewer line go further into the most polluted area which is Prince Cove, North Bay, Cotuit Harbor instead of continually of putting huge amounts of resources into this North/South areas of Craigville Beach and some other areas more open to ocean water because the Three Bays Watershed (TBW) system is extremely polluted and there exists a sewage smell. At some point in time estuary water quality needs to be looked at regarding how soon sewer gets to that area.

Griffin – This is known and understood. One of the largest goals of Phase I of the plan is to get sewer out to the TBW. Half of the Centerville Village project was in Phase II; it was expedited to get the infrastructure into the roadways as opposed to doing it after the duct banks are in. This is the decision that was made with the VW project. Moving forward with and having a high priority for getting the sewer expansion out to the western part of the town and has seen no delays in that regard.

The number of homes is close to 100 in the Long Beach project for approximately \$9 million; and the intent here is to build on the infrastructure there and the VW project. The largest part of the CWMP planning was to make sure we had significant progress in the TBW. All areas encompassed within the sewer expansion plan is designed based off the findings of the Massachusetts Estuaries project (an attachment included with the CWMP) which identifies the areas where nitrogen mitigation is needed to remediate the impaired water bodies. The remaining areas (in white) do not need to be sewerred to achieve TMDL’s. Members request Griffin to provide the date when the density data was done in the estuaries project compared to what is residing in Cotuit now. When the CWMP was done in 2020 there was a full land use update that was included and was an accurate portrayal of what was in the water. The plan was built on the land mass flow taking into account the water flow. The model includes water use data for every parcel in town as well as lawn areas, impervious areas and others which help to drive the nutrient calculation. It is a ground water model which inputs a value for each property wastewater and nutrients into the ground; the model sums it all up and creates the determination on where the plume will go; it then tabulates the input into the system and checked against what is measured in the system for accuracy.

- Rte 28 West:

This project will extend sewer from Phinney’s lane to Rte 149. This puts major sewer structure in Rte 28, this is where main wastewater will be conveyed. The preliminary design is on-going. Current review includes sewer alignments, siting of pump station locations, evaluating the need for additional lengths in order to accommodate where the pump stations will go and looking at topography for best implementation. SRF project evaluation form was submitted in August. We are expecting notification in late winter / early spring; and if received we expect commencement in 2025 which would be included in this year’s capital plan.

The sewers are in from Phinney's to West Main Street, next week the small pipe laterals are being installed (from sewer to house), from then the remainder of sewer force mains to the wastewater treatment plant will be installed.

The timeframe to reach Rte 149 is expected to be 2027.

- **Phinney's Lane:**

This is the first 'neighborhood' project, from Rte 28 to Rte 132.

There are approximately 50 roadways in this, many of which are private roads; a total of about 630 properties that will be connected.

The internal design team is about 30% complete.

We are in the process of retaining a consultant to finalize the design.

The process is started of taking utility easements over the private roadways to allow access to install the infrastructure; eighteen (18) have been completed. The remainder is in progress. Utility easements are a preferable option as opposed to taking the roadway in order to get access to those roads. These easements require a title report on each road and who have interest on the road; this is being done by hired counsel and title examiners so that each one is properly notified, and no one is missing in the process. Each one is different and may have unique requirements to achieve this. Utility easements themselves have no fee just require approval from the Town Council for the taking; the costs incurred for the town is for the legal fees and title reports associated with producing the documents. We have done appraisals which indicate that there is no award of damages to the property owners because their property value would be increased. Roads will be paved at the end of the project, but we would not be responsible for the roadway in perpetuity because we are not taking the roadway. The utility easement gives us access for potential repairs. Title certification to the roadways is required to obtain the SRF loans.

* Mark advises members that there will be a workshop with Town Council that speaks specifically to private roads in correlation with the sewer expansion program.

- **Additional projects:**

Old Craigville Road, Old Yarmouth Road and Shootflying Hill road have contracts in place to be completed to map these areas which is the first step in the design process and are expected to be completed this fall. Design funding is appropriated for each of these.

Long pond area project has design funding appropriated, and we have completed as well as survey work. Design effort continues as well.

Long Beach project had preliminary design funding approved in the 2024 budget. A surveyor will be hired to map that area so that the design process there can begin. Construction is anticipated to begin in 2027.

- **Water Pollution Control Facility (WPCF)**

Facility Upgrade: An upgrade project to improve the solids processing is underway. All the solids generated by the wastewater plant as well as septage that is delivered to the plant from septic pumping goes through and gets treated at this facility; it is then trucked out to a facility in Rhode Island. The cost for this was about \$12 million and is scheduled for completion by the end of this calendar year.

Nitrogen removal and headworks improvements: The intent is to reduce the nitrogen discharge from the plant to 3 mg per liter or less which is effectively the maximum reduction number under current technology. The plant is currently permitted for 10mg per liter, we do on average about 6mg per liter. The upgrade is to convert the nitrogen reduction process to a four stage Bardenpho process which is a biological process and adding a membrane biological reactor for advanced treatment to the facility, reducing the nitrogen level. It reduces the amount of sewer expansion needed in the Hyannis area in order to ensure we achieve the maximum TMDL's in Lewis Bay which is ultimately the receiving waters from our WPCF after a number of years of traveling through the ground water. The headworks facility must be upgraded to accomplish this, the screening in the facility is due for replacement and is needed to make this work. The conceptual design is in review and the report is due within the next couple of months. Around that time, we should also hear about SRF funding for this project, with anticipated construction commencing in 2025. If the 3mg per liter is not met, then additional sewer expansion in the Lewis Bay watershed would be needed. It is not a consideration in other watersheds.

Facility Study: As the CWMP plan was developed, an additional study was required for this facility. It looks at every piece of infrastructure within the facility and a plan on how to proceed through the future. Improvements are also looked at regarding additional flow or regulatory requirements. We do expect PFAS to be a factor in the future.

- FY24 Capital Improvement Plan / FY25 Capital Pan review

Once the design is finalized the final number is expected to increase for FY25. The referenced chart is what was approved last year and what is projected to be submitted this year.

Mark – in looking at projections all projects will be submitted to the Mass Clean Water Trust and financing them through low interest loans through the state revolving loan fund and then pay those loans back we will use existing resources which includes rooms and meal taxes, general fund contributions sewer assessments, etc.

Wendy: Believes that prioritization needs to be given to estuaries that are not seeing any projects and may end up dying.

Griffin: Understands and agrees even though sewerage is a slow and heavily involved project. We do understand the priorities.

Hector: CFAC issued it's CIP report back in April and spoke to the most important criteria was to target the areas of Barnstable with the greatest need; removing nitrogen from the bays and phosphorus from the ponds. Wendy identifies TBW as one of the greatest needs; does it make sense to reorient resources from Centerville and build out the Rte 28 project sooner than 2027? Start it in 2024 and accelerate it.

Griffin: Unfortunately, the design process and timeline is not possible to be expedited from a practical or logistical perspective option. No project can slow down or be redirected. The current projects speak to the identified areas in order to achieve goals in that watershed.

**Communications:*

In the fall of 2022, a Communications Manager (Kelly Collopy) was hired to be a center point of contact for the public and to help develop a communications strategy. You are encouraged to peruse the

website, barnstablewaterresources.com, all information about water resource related within our community is there. It has been updated and made more user-friendly.

The homeowners resource guide will be out before the end of the year, prior to homeowners connecting.

With the information on the submitted application to DEP for watershed for the community, these permits should be applied for areas with watersheds in need of improvement. The document we submitted is our CWMP. We are leveraging our CWMP to the maximum extent possible. We will address comments from DEP as they arise.

The new Title V regulations that were issued the same time as the new watershed permit regulations require all properties within an impaired watershed to install an innovative alternative septic system, unless you have a watershed permit that maps out what your plan is to address that impairment in that watershed. In our latest discussions with DEP, once we have an approved watershed permit, and it identifies parcels that have to be sewerered will be sewerered as part of our permit requirement; and those parcels not identified not have to upgrade to an innovative alternative septic system. It takes the mandate away.

There are additional costs with installing additional the sewers adjacent to the duct bank due to additional considerations we must have in the design, for example they must be a little deeper, which results in increased costs with the implementation. It is difficult to quantify those costs without the design at this time.

Communication is consistent with ongoing projects. Costs incurred for staff time spent in these communications has been factored to an extent.

The largest cost savings lie within the repaving of the roads, not within the excavation portion of the project; there are minor savings on the design side. Those savings average about \$1 million per mile.

Increased projected growth is constantly being monitored and has been factored into the plans.

Lillian: Thank you to Griffing for providing the broad overview as well as the capital plan. Looking forward to having Kelly attend. Anyone who has questions, please provide them to Griffin and we can address them at a future meeting.

- Health insurance benefit update provided by Mark Milne.

5:46pm - Jackie Johnson excuses herself and must leave the meeting.

Health insurance benefits workshop with Town Council

This presentation was made by Town Manager Ells, Town Attorney Nober, Human Resources Director Cole and Finance Director Milne.

Challenges exist to retain and attract employees as a result of rising salaries benefits and other reasons. The group was asked during the budget cycle by the Town Council to look at the process being used and come back with ways we may be able to improve employee vacancy rates so we can continue to provide good services to community by filling existing vacancies; there are currently over 100 vacancies.

Town Attorney Nober covered the necessary steps and spoke to review and abiding with conflict-of-interest laws and matters that need to be taken into consideration specific to health insurance; and what changes to the shared costs would look like financially. Several Town Councilors take health insurance with the Town, as well as several employees involved with union negotiations take health insurance with the Town. Providing appropriate disclosures to the state Ethics Commission, to supervisors, etc. regarding who are the employees who may benefit from such a change.

The current contribution rate is 50% by the Town and 50% by the employee; this was established through MGL c32B S7 for all municipalities. In order to move away from that the Town would have to adopt what is known as S7b which allows a community to come off of a 50% split; that is what the Town Council did, it doesn't mean that we are going to change, but it does provide an avenue for Town Manager Ells to sit down with unions and negotiate any possible change in the health insurance contribution rate.

Conversation then moved into employment and recruitment covered by HR Director Cole. It has been difficult with dozens of candidates for upper-level positions declining because of the health insurance contribution. The other important factor involved is housing. Existing employees have left due to better health insurance costs elsewhere. This topic was approached because Barnstable's contribution is at the lowest point.

We do offer 'premium holidays' for employees which is where the employee does not pay for a six non-school pay periods (56/44%) and four bi-weekly (58/42%) for school employees. This was the only way to adjust the split without moving off the state law. Retirees do not receive any premium holiday.

Currently there are 1,325 employees eligible for health insurance with only 750 actively participating. For further breakdown of potential costs changes see attached Budget Impact page attached. If the existing vacant positions were filled these costs would change. A higher town covered contribution may also encourage those not participating to then enroll. Those factors are unknown at this time.

Other cost considerations include post-employment benefits and those for retirees and surviving spouses, these require legislative changes. Costs also rise higher than inflation. Previous rate increases have been historically 5-8% it is difficult to figure future increases.

This was presented to the Town Council; and are actively negotiating with all but the teachers' unions. It is a slightly different process because it affects all simultaneously. While not an inexpensive proposition it would make the town more competitive to attract valuable employees so we can continue to provide the best services to our community.

Wendy: The town shouldn't procrastinate on this as it affects obtaining good employees, and what we need to do for the town.

Mark clarifies that the Town Council has given the authority to the Town Manager Ells; and under our Charter the Town Manager has the authority to conduct all bargaining negotiations. Ultimately the Town Council approves it by approving a budget that is brought forward by the Town Manager and it would then be voted subject to appropriation.

Hector: Mark agrees that in theory a change happen in the current fiscal year given that all but the schools are working without an active contract? It would be more likely that if a change were approved it would be brought forward with the FY25 budget proposal.

Neil: Mark explains that wages are competitive with other towns, specifically teachers and police; this is reviewed under contract negotiations. Health care contribution rates may not be the best factor as it would only benefit about half the workforce. It is clearly a balancing position where the adjustment point factors into health insurance vs. salary; and health insurance is pre-tax.

There are currently about 50 non-union employees.

Pension contributions are determined by hire date; most contribute 10% of their salary; when salary exceeds a certain point an additional 2% is contributed by the employee.

Should this change be implemented, it then becomes a fixed cost and funds must be allocated in line with benefits. Benefits packages need to be addressed to attract employees. While benefits are a major factor in recruitment, they are not the only factor. Benefit costs increase annually, the town needs to be competitive.

Vacant positions will still take time because housing is also such a crucial issue. The pool of potential employees would exist from those already living on Cape Cod. Recruiting strategies have changed in municipalities over the years. Internal transitional workforce housing does not exist, nor does sufficient rental or purchase opportunities.

Labor negotiation results should be completed by the end of the fiscal year.

Other communications:

Neil: Members should have the same computer capacities and be consistent and compatible with Mark's documents. Neil will provide a link for the no-cost version to review and implement.

Mark: The report is at the printer and should be ready by the end of the week. This year's report will be posted to the website as well and will investigate the possibility of placing it on the homepage. Google analytics will likely be started to track the downloads.

Wendy: Seek a way to reach out to the untapped audience to look at the report. Posting it on the website may not be the only realistic way to reach out.

Lillian: Kelly Collopy will be invited to review her PR; Neil's suggestions for PR will be reviewed as well.

Future agenda items should be directed to Lillian.

- Housing should be a future agenda item as well, as it is a major issue facing the town; extend an invitation to Director Jenkins for an update on existing empty sites and rental housing.
- A future meeting on the Local Comprehensive Plan (LCP) and how to develop downtown.

Next CFAC meeting will be held on September 25, 2023.

Motion to adjourn the meeting by Hector, seconded by Wendy
Roll to adjourn Lillian, Hector, Neil, Wendy, Chris
Meeting adjourned at 6:23pm.

Respectfully submitted.
Theresa M. Santos

Attachments:
CWMP Update
Health Insurance Benefit Update

APPROVED