



**BUDGET REVIEW COMMITTEE  
MEETING MINUTES  
FEBRUARY 19, 2020**

**1. CALL TO ORDER**

Meeting called to order by Vice Chair Tom Sellers at 10:00 a.m.

**2. ROLL CALL**

Present: Members Fred Lynk, Tom Sellers, and Alternate Elaine Cooper. Alternate Cooper was recognized as a voting member for this meeting. A motion was made to excuse Members Rick Dolliver, Bill Sawyer, and Mark MacLeod, as well as Alternate Peter Kahn by Lynk 1<sup>st</sup>, Cooper 2<sup>nd</sup>. Approved 3-0.

**3. OLD BUSINESS**

Reviewed the minutes from the February 12, 2020 BRC meeting and amended same. On a motion by Cooper 1<sup>st</sup> and Lynk 2<sup>nd</sup> the minutes were approved as amended. Vote 3-0.

**4. NEW BUSINESS**

**Public Works**

The Public Works FY20-21 was reviewed first. The Town Manager as well as Public Works Director Tom Torno and Jason Hall, Mechanic presented. The Town Manager first talked about what Public Works is responsible for saying that in addition to things like plowing snow they are responsible for “infrastructure,” such as things that are below ground or things that we don’t ordinarily see. Further she said that the department is also “first responders,” for accidents, fires or natural disasters for scene control and clearing the way for first responder vehicles. They are on call 24/7 like Police and Fire. They are a “full-service department” and do much of the work themselves rather than contracting it out. An example she provided was fleet and vehicle maintenance that is done in house.

The Town Manager addressed staffing of the Department. We need to have the right people doing the right things with the right equipment. She said that we are at the right staffing level, but that we need some additional equipment to be more effective. Another staffing change being recommended is a full-time Special Projects Manager. The position would continue to do the FEMA work that has been done by contract employee Dave Riccio, and there are other responsibilities contemplated around “asset management.” The job would be advertised for hiring. It would reside in Public Works this year but in future years would be split between there and General Government. The other “ask” for staffing in this budget is a Marginal Way Coordinator. Joan Griswold is supportive of this.

When asked by Lynk and Sellers if we would see a more detailed narrative of department objectives similar to what the BRC received from other Departments, the Town Manager said that with the new format comments are provided in a column in the roll-up budget spreadsheet. Given that Tom is new to his position, and that there wasn't a lot of detail provided in the past, there is only a high-level summary of departmental objectives. The Town Manager said more detail would be forth coming.

The Public Works Director reviewed the proposed changes in the operating budget. The first item reviewed was a requested increase of 30% in the pavement management program that would partially fund this year's street paving as part of the 5-Year Pavement Management Program. In this budget \$65,000 is being requested to do primarily culvert and drainage work that must be contracted out. This may be a multi-year effort until culverts and drains are at a point where they can be routinely maintained.

The total request this year for pavement management is \$165,000, comprised of \$65,000 in the operating budget as detailed above as well as \$100,000 being requested in the CIP budget. In addition, there is \$100,000 that the voters approved last year in a road improvement reserve account. There is also a request in the CIP budget of \$10,000 for sidewalks.

The next item discussed was for \$30,000 in engineering services. This had been in the General Government budget before. The Town Manager was asked what arrangement we currently have with engineering firms. We have contracts with both CMA and DuBois and King, but they are not on retainer, rather we "pay as you go." There is also another firm under contract, Walsh Engineering who specializes in the Marginal Way work.

Sellers requested of the Town Manager that when work is being moved from one department to another, the BRC would like to see the prior year spending and budgets so we can easily see if there is an increase.

Cooper asked what would happen to the striping streets and sidewalk budget lines if the voters approve a new piece of equipment requested in the CIP budget that has that functionality. The Public Works Director said that the line item would drop down but not to zero since the new machine would not be able to do center lines, only parking spaces and crosswalks.

The Public Works Director communicated the need for new radios.

When asked by Lynk where the Department is in identifying the deficiencies in the Public Works Garage, the Public Works Director said that having just started in the Fall that is one thing he hasn't gotten to as yet.

When asked why there is a line for Building Expenses, and why this isn't a Facilities Department expense, the Town Manager answered that there are similar lines in other departmental budgets, but that depending on the nature of the work involved Facilities may or may not perform it.

The line for Parks and Cemeteries is new in Public Works this year. It was in Facilities last year. The Town Manager said that this represents a complete transition. Facilities is now sanitation, buildings, bathrooms and trash removal. Public Works is now responsible for parks and open space.

Line 0147 Drainage is for materials. Line 0145 Sidewalks is for repair as opposed to replacement of sidewalks. Line 0150 Road Maintenance which is for pothole repair should drop down over time as the Pavement Management Plan kicks in.

Cooper asked why the Town Manager is asking for \$17,000 more than the Public Works Director is. The Public Works Director responded that the Town Manager has a better sense on some items than he does since he has only been here since September.

Cooper pointed out that there are items that have been moved from elsewhere into the Public Works budget.

Line 0156 Special Projects is to fund issues that arise that are unanticipated. It has nothing to do with the work of the Special Projects Manager.

In summarizing the Public Works budget Cooper pointed out that the Special Projects Manager has been instrumental in securing a number of grants for the town and from a cost-effectiveness standpoint the position has more than paid for itself. The Special Projects Manager mentioned some examples of grants he has obtained including a \$95,000 grant for Captain Thomas Road drainage. He is also looking for funds that may be available from MDOT and researching opportunities for the Perkins Cove pedestrian bridge work that has to be done. That would be in addition to a grant already obtained by the Harbor Master. Other projects being investigated involve energy efficiency and conversion of streetlights to LEDs. In addition, FEMA reimbursement continues.

CIP requests were reviewed for Public Works. Regarding the request for a new tractor it was pointed out that this machine will do a lot more than just snow plowing of sidewalks and will really be a year-round vehicle that improves functionality of the department. This is not a "truck." The other items requested are components that get mounted on existing trucks and the next time that a truck is requested is in FY22-23.

There is a request to fund the remaining upgrade of streetlights on Shore Road and new lighting in Perkins Cove. Also, there is a request of \$200,000 for pavement management that was explained earlier.

### **Transfer Station**

The Transfer Station Manager John Fusco went over the Transfer Station Operating Budget that is proposed which represents a 5% increase. This is largely driven by line 0061DD which calls for a 7% in contracted services for waste and recycling hauling. Revenues are hard to predict due to the shifting nature of the marketplace for recycled products.

Sellers asked about the status of the “Pay as you throw” program. The Transfer Station Manager said that there is a company that provides much of the support for these types of programs. The Town Manager reported that the Select Board is also in support of the concept and that the Transfer Station Manager and the Town Manager will be meeting with the company and they have been costing out what the cost of the bags should be and what communications are necessary for a successful rollout. The Town Manager believes that starting in the Fall can be accomplished. It will take three months to achieve a full rollout. No revenues from the program have been recognized in this budget. Rollout costs are built into the administration of the program and will be reflected in the cost per bag.

Cooper thanked the Transfer Station Manager for his thoughtful work on presenting a budget that has a relatively low increase.

The CIP requests for the Transfer Station were reviewed. The requests are to repair the two compactors. There was a discussion about what would happen if the units failed. Hauling costs which are volume based would go up. The Transfer Station Manager believes that this may not be a critical need, but the sense of the BRC members present is that it seems that a prudent measure would be to take care of this now.

With respect to the need to start replacing rollovers, the Transfer Station staff has been repairing the units, but the first replacement unit will be needed next year.

### **Lifeguard Service**

The Lifeguard Service Captain J.P. Argenti gave an overview of operations. On any given day in the peak season there are 17 guards on duty constituting a full staff. Training occurs in mid-June to late-June and J.P. anticipates being fully spent by the end of the fiscal year.

With respect to lifeguard salaries the request of \$213,594 recommended by the Town Manager would allow J.P. to advertise at the same rate as last year (\$15 an hour to start) for this year’s staff and also allow him to advertise a higher starting salary (\$17.50) for next year.

Sellers suggested that a benchmarking of the labor market for a similar job be conducted in order to set a range of salaries. He asked if there has been such a study done. The Lifeguard Captain replied that he had not done such a study himself but that the Special Projects Manager had done so. J.P. believes that the rate should be set according to what alternative jobs his guards could do such as a jobs in the hospitality industry.

Sellers pointed out the budget increases that have occurred over the last several years and they have been sizable. In 2016 the increase was up 13% 2017 up 2%, 2018 up 11.5% and 2019 up 8.5%. He reiterated a need for a comparative study against beaches such as Old Orchard, Hampton Beach, the state park beaches and the larger beaches in Massachusetts as a starting point that can then be modified based upon local extenuating circumstances.

Lynk pointed out that minimum wage has increased from 2018 to 2020 by 20% and that the request by the Town Manager represents a 27% increase in lifeguard wages over that time.

When Hampton Beach was raised as a possible beach against which to benchmark, the Lifeguard Captain said that it is not a good comparison for a variety of reasons and cited “huge turnover” among the reasons.

Cooper asked where the hiring of a lifeguard administrator stands. JP says that he believes the position description probably needs to change and maybe be broken apart with each function earning a stipend.

In reviewing CIP requests for the Lifeguard Service there is also a need to replace rescue boards and that request is not shown in the current version of the budget. If the boards need to be replaced in 2021 this request has to be included now. The Town Manager promised to incorporate the request in the next version of the budget issued.

The Lifeguard Captain talked about the desire to start monitoring of Great White shark activity and has included a specific request in the CIP budget. A number of buoys would be deployed that would monitor tagged sharks and at the end of the season the data would be downloaded and analyzed. We would be able to establish a baseline and trend over time. If the money is approved in the June warrant, the units could probably be delivered by the end of July and could probably be installed in one day. Sellers asked for more detail on both the boards and the shark monitors.

## **5. FUTURE MEETINGS**

The next regularly scheduled meeting of the Budget Review Committee will be on Wednesday, February 26 at 10:00 a.m. Topics for that meeting will include a review of Harbor, Land Use, Visitor Services, Shellfish Commission and Information Services/WOGT.

## **6. ADJOURNMENT**

Motion to adjourn at 11:57 a.m.: Cooper 1<sup>st</sup>; Lynk 2<sup>nd</sup>. Vote 3-0.

Respectfully Submitted By:

Fred Lynk, Secretary