



Town of Medway

FINANCE COMMITTEE

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Wednesday, September 8, 2021 – 7:00 PM
Sanford Hall, Town Hall
155 Village Street

Present: Todd Alessandri, Chair; Jim Sullivan, Vice Chair; Ellen Hillery, Clerk; Brian Cowan; Chris Lagan; Jeff O'Neill; Michael Schrader.

Absent: Brian Cowan, Will Lane, Sue Segarra.

Staff Present: Michael Boynton, Town Manager; Carol Pratt, Finance Director; Peter Pelletier, DPW Director; Barry Smith, Water Superintendent, DPW.

Others Present: John Foresto, Select Board; Cindy Sullivan, School Committee.

At 7:03 PM Chairman Alessandri called the meeting to order, reporting six members present and three members absent. As no one was participating remotely, roll call votes will not be required. He shared the items on tonight's agenda.

1.0 Update on Water Treatment Facility

Present: Michael Boynton, Town Manager; John Foresto, Select Board; Peter Pelletier, DPW Director; Barry Smith, Water Superintendent, DPW.

Select Board Member John Foresto spoke briefly about the history of this initiative, including changes made to the Town Charter relative to responsibilities for this type of project. He identified members of the group in charge of this. The Water Resource Plan was completed several years ago, taking four years to finish. Next came the RFP, Project Manager, and Design Plan which is currently at 25% engineering. He clarified this is not for the upcoming Fall Town Meeting as it is just going out to bid next month. Mr. Foresto expressed optimism that it would be ready to come before 2022 Annual Town Meeting in the spring.

Town Manager Boynton briefly reviewed some of the items prepared by Kleinfelder in 2017. Do we have sufficient quantities coming out of the wells for public drinking water and firefighting water? Some of the wells have a high iron content which must be addressed. Some water lines will have to be replaced as well as tanks that are part of the distribution system. Water quality cannot be fixed by

updated lines and tanks, and we have to do something about the iron content. So far nothing has come down from the DEP. At this point a solution is to have centralized treatment. He estimated the cost to be close to \$20 million. Brief discussion followed. We have been active with state and federal partners toward bringing additional revenues to Medway, funds that can be dedicated to this project. He added that there could be approximately \$4 million in ARPA (recovery) and other funds, some of which has already been received. This does not include \$2.75 million from the federal government, still in committee. With all the funds that could be available, it is believed that this can be accomplished without an increase in water and sewer rates. Brief discussion followed. We need to get staff up-to-date on appropriate certifications and chemical handling permits, and address periodic (every ten years) building maintenance with respect to corrosion from a very damp environment.

Responding to a question from Chairman Alessandri, Mr. Boynton stated that, if it is approved at Annual Meeting in May, we would get a contract prepared and the RFP would likely go out in February or March. The bids would be reviewed, and contract presented at Annual Meeting in 2023. Overall construction would take from 15 – 18 months. There are some small related projects to be completed, and then everything would be tied into the new facility.

Mr. Foresto explained that there would be a 10% contingency built into the financing to allow for unexpected increases in construction or change orders as the project progresses.

Responding to a question from Mr. Lagan, Mr. Smith stated that approximately 75% of the Town is on public water. Mr. Boynton explained that residents who have wells will not have an exemption because the public water supply is accessed by businesses, churches, and schools, presenting a benefit to all residents. Brief discussion followed.

Mr. Sullivan asked about additional expectations that are perhaps not being considered. Mr. Boynton responded that, until there is some type of universal regulation or standard, it is difficult to anticipate what that could be. Mr. Sullivan asked if there is sufficient capacity for 100% of the Town to be connected. Mr. Smith responded that the facility will have enough capacity to do that, adding that it would require approval from the DEP. Mr. Sullivan expressed concern that there are new housing developments being proposed that would likely require municipal water.

Mr. Smith reported that current water usage is 670,000 gallons a day with additional capacity available. Chairman Alessandri asked about the impact to the municipal budget with respect to electricity usage and other utility costs. Mr. Smith responded that there are currently operations at various pump stations that will no longer be performed at the new facility. The new pumping system will be state-of-the-art which should be very energy-efficient.

General discussion followed on municipal forecasting to anticipate “big ticket” items that may come forward in the next ten years including schools and other municipal buildings.

The Finance Committee will receive updates on this initiative every 3 or 4 months before it comes to Annual Town Meeting.

Mr. Pelletier and Mr. Smith exited the meeting room at 7:45 PM.

2.0 Discussion – Update on COVID expenses and FY21 Budget Close

The following information was received: Documents provided by the Finance Director reflecting COVID-19 expenses and funding awards/sources, list of ARPA Funding Allocations by Municipality, and Town Revenues – current year vs. previous year.

Present: Michael Boynton, Town Manager; Carol Pratt, Finance Director; Cindy Sullivan, School Committee.

Ms. Pratt explained that she had added the ARPA funds and others to the report prepared several months ago. She noted that the reimbursement process is continually changing and is a challenge. Brief discussion followed.

Regarding school expenses on page 2, Ms. Sullivan clarified that reimbursement of school expenses does not have to be spent in a single year. It was theorized that those funds cannot be used for recurring expenses but rather expenses relative to additional COVID needs. Brief discussion followed.

At this time, Ms. Pratt directed attention to the page reflecting year-to-date revenues and briefly reviewed the figures. She noted that the budget preparation had been conservative for state aid which later came in at an additional \$1 million. Several other line items were similarly impacted which boosted the overall municipal budget. Responding to a question from Chairman Alessandri, she theorized that this report encompasses miscellaneous revenues such as that realized from a property auction.

3.0 Discussion – Consideration of Antique Fire Engine Restoration

The following information was received: Photographs of engine when new, and in its present condition.

Present: Michael Boynton, Town Manager; John Foresto, Select Board.

Mr. Boynton declared this to be “a unique situation”. The pictures depict a 1963 Maxim engine, made in Middleboro, and there are only a handful of local manufacturers left. This particular engine was retired in 1995, going to a private owner, and about 20 years ago came back to a former Medway firefighter. The longer it sat outside, the more deterioration continued. The engine needs to be overhauled, though the engine structure itself is in reasonable good shape. The Town has reached out to the Town of Nantucket as to how their restoration was accomplished, which turned out to be with a company located in Maine. As that individual no longer does that kind of work, another recommendation was secured. Two bids were received with the lower one being \$225,000. The funding will be comprised of two parts with \$1.1 million available in CPA funds for historical preservation. Nantucket also built a large shed to house the engine while it was being restored.

After the restoration is complete, the engine would become a showpiece for Family Day, displayed at various antique musters, and included in town parades. Other departments around the country add a bay to their fire station to house their historical engine. Brief discussion followed.

Responding to a question from Ms. Hillery, Mr. Boynton briefly reviewed the fire engines that have come and gone. There is a 1990 truck that Medway gave to the Town of Montgomery which may come back in a couple years.

Discussion followed on how CPC funds have been used recently. Chairman Alessandri expressed concern that, if a separate building was constructed to house the engine, that expense may not be

covered by CPC funds. Mr. Foresto reported that the cost of the extra building is approximately \$65,000, noting that much of the internal work could be done by staff. Discussion followed on where the building might be constructed, given the shortage of available space. Mr. Boynton clarified that the building cost could be considered part of the overall project and therefore it could come out of CPC funds. The restoration work would take 8-9 months. Mr. Boynton reported that one of the companies that could provide the building indicated that it has one that would accommodate the engine, and if it were not used for the engine, it could be used at the recycling center for storage.

Mr. Boynton will get additional information; staff will prepare an article for the Town Meeting warrant.

4.0 Miscellaneous

a. Discuss potential Finance Committee recommendation relative to Fields Stabilization Fund

Chairman Alessandri explained the committee's concern for unexpended Finance Committee Reserve Fund monies and whether they can be transferred into the Fields Stabilization Fund. Mr. Boynton responded that the committee should put this suggestion into the form of a recommendation, and the Select Board will vote on whether to add it to the Fall Town Meeting Warrant. There are no other options or mechanisms to get the funds in there, and it makes sense to do this. Mr. Schrader suggested that an assessment of the fields be performed to determine specifically what the fields will need and potentially when they will need it. Mr. Boynton responded that the expectation is that fields will not be done all at the same time, and the track at Hanlon will be done at the same time as that field. Replacement of a single field seven years ago cost \$500,000. Chairman Alessandri pointed out that the revenue from the turf fields is subsidizing expenses for the grass fields, and that slows the growth of funds available for turf fields. Discussion followed.

Ms. Pratt, Mr. Foresto and Mr. Boynton exited the meeting at 8:39 PM.

After discussion, **Mr. O'Neill made a motion to submit this request to the Select Board to utilize the unexpended funds in the Finance Committee Reserve Fund and request that a Warrant article be prepared to authorize transfer of those funds to the Field Stabilization Fund; Ms. Hillery seconded. No discussion. VOTE: 6-0-0.**

b. Chairman's Report

Chairman Alessandri stated he had no report but would like to discuss the change in the Fall Town Meeting calendar shortly.

c. Clerk's Report

Ms. Hillery reported that the Finance Committee Reserve Fund has a starting balance of \$100,000; no disbursements have been made. There is \$1,290 left in the Finance Committee Budget.

d. Liaison Reports

Ms. Hillery reported that the Bylaw Review Committee will soon start meeting again. The Master Plan Committee will hold an Open House on Sunday, October 3 at the High School. The Community Preservation Committee has not met yet this fiscal year. She added that she has not met with Ms. Riley on Council on Aging/Senior Center issues.

Chairman Alessandri reported that he and Mr. Cowan met with the schools; the budget process is beginning.

As liaison to the Select Board, Mr. Sullivan reported that the state is cutting funding for 911 services and those costs may fall more to municipalities. The Peace Garden was approved by the Select Board at the location where the basketball court currently is. It is anticipated that the court will be relocated though a new location is unknown at this time. He spoke briefly about the recreational marijuana establishments that are currently in the community, noting that some are not open at this time. He added that Charter Review will likely start this month,

5.0 Other Business

a. Review/Approval of meeting minutes

The committee reviewed draft minutes from July 14, 2021.

Mr. O'Neill made a motion to approve the July 14, 2021 minutes, as amended; Mr. Sullivan seconded. No discussion. VOTE: 5-0-1 (Schrader, abstain).

6.0 Upcoming Meetings

The next meeting will be on October 13 on the regular meeting night. The public hearing relative to the Fall Town Meeting will be on October 20, location to be determined.

Adjourn

At 9:00 PM Mr. Schrader made a motion to adjourn; Mr. Sullivan seconded. No discussion. VOTE: 6-0-0.

*Respectfully submitted,
Jeanette Galliardt*