



**TOWN OF NAHANT
Advisory and Finance Committee**

Members

Robert Vanderslice, Acting Chair
Barbara Beatty
DeWitt Brown
Dana Sheehan
Julie Tarmy
Deborah Warren
Judy Zahora

Tuesday December 14, 2021 by ZOOM

FinCom Members Present: Vanderslice, Tarmy, Beatty, Zahora, Sheehan, Warren

Members absent: Brown

Others present: A. Barletta, M. Capano, A. Nieto, "D"

FinCom Meeting called to order: 7:08 pm

Meeting to organize a schedule for the upcoming fiscal year.

Updates from Tony Barletta:

- Spoke meeting with Moderator re: vacancies on FinCom.
- RFP for financial software project is released – responses due by December 30th. Munic was no longer on State bid contract. In order to catch them we had to put out a bid. REALLY WANTED MUNIC – hope to get a competitive price. We have been talking with Jeff Lewis a lot. Planted the seed to have him come back to the FinCom.
- Sewer project – most of bypass finished. Hope to connect before end of month. Every other Thursday we have project meetings. Just received the first pay request. Slip lining scheduled for May. Feel good about the timeline.
- Interesting challenge re: sewer project – a lot more sewer work needed after this portion. Submitted three-year I/I plan. Waiting for response. I/I = inflow/infiltration. Discussed the issues and requirements on this. Gave DEP three-year plan, subject to funding. We won't know how much money we will have until current project is completed. Please with progress.

DS: Is the project on target? Will there be another borrowing next year for sewer?

Financial recap:

- Borrowed on our own, \$4.1 million for this project. Spent about 1 million.
- Have had two additional borrowing articles which added up to \$7.6 million, approved by the town to borrow through the state.
- Planned to use the \$3 million that we borrowed to add to this, to total \$10.6 million.
- The State Sewer revolving fund has approved us to borrow \$9.7, but the town only approved \$7.6. Technically, this leaves us with an additional \$2.3 mill available to use, but not authorized by the town. This \$2.3 is 'unrestricted'. Can be used for other items. We need Town Meeting to vote to authorize this borrowing.

DS: What about Grants? State has a lot of surplus right now.

JZ: Is there a payback time?



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AN: We are paying interest only.

RV: Can part of the \$3 mil be put toward the current project?

AB: Not without town meeting article. If the sewer main project does not get past \$8.8 million, we won't use the remaining State Authorized funds, but we could change the language to use funds in other areas. Remaining funds best used toward sewer needs: Willow Road, Ward Pump, Willow Pump. Challenging thing about this is going back to Town Meeting and explaining all this.

RV: Asking for borrowing easier if it can be pinned to a specific project.

AB: To touch on what Dana was saying. There are other pockets of money out there, regarding grants and state funds. The Federal infrastructure bill – any funds will most likely be funneled down to the state, not to us directly. American Recovery Act funds – separate list of eligible expenses that this can be used for. We received \$1 mil from this.

DS: Would Town Meeting have to vote to spend this?

AB: Not required.

DS: Some should go to sewer.

AB: Value of the ARA funds are greater for projects that don't have a borrowing mechanism. COVID related expenses, for example.

Discussion on other options for funding: grants, etc.

DS: Where's the end of borrowing?

AB: Wish I knew. We have a 50-year old system.

JT: This borrowing article is to say that we want to authorize to borrow, not that we WILL borrow, but that the funds will be there if they are needed.

AB: Don't see any major funding requests in the budgets yet. Will have a better idea in January.

RV: We haven't talked about how the town will fund for inflation impact, Lowlands drainage, rates.

AB:

- Met with storm water engineer – on-site – Lowlands ditch system- easement where pipe is – they are putting together a feasibility study.
- Applied for \$1.2 mil grant through Brick Program with FEMA to build up the Short Beach Dune.
- Working with mosquito contract/ditch system/ multiple culvert crossings. Seeking quotes to apply to CPC to change those culverts to bridges along Heritage Trail/open space to lower culverts to allow water to flow consistently.
- Applied for a hydrology study in the Lowlands area as well. Not sure we'll be ready for a borrowing article by Town Meeting – May not have the data in time.



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- Have utmost confidence in current system. This summer the Golf Course flooded from rainwater and we de-flooded it in ½ day. Sub-grade water issues in the Lowlands will always be there.
- Massive mitigation in Lowlands would be a hard revetment behind houses on Castle Road – years down the road.

JZ: What's happening with the Coast Guard Property?

AB: Three properties have been vacated – two are in great shape, one is not. Residents have until September of 2022. Management company can re-rent one of these houses to someone who will be a month-to-month tenant. The second house will be used in case of emergency involving one of the other units. Third property will be left empty.

Looking forward:

- Tony will present, with Jeff Lewis, what they have been working on with Debt Shift/revenue issue. Non-tax entities not contributing is a problem. Debt-shift – intention of law is NOT to provide a benefit to non-tax paying entities. Look at amounts they should pay and shift that to non-tax payers' sewer bill.
- Talk about smart meters for water
- Need to have Jeff Lewis at next meeting (comments: 'We really need him.' 'He can walk on water.' 'Handsome, smart.')
- Fee Schedule: Jeff has 30 to 40 schedules from other municipalities looking to target fees that would make a greater impact on revenue
- Next step is for Tony and Jeff to meet with three building inspectors – want to get this out to public in February – before it gets voted on in June
- One last item – Last two years, Citizen petitions do we provide recommendation – who looked at other towns? FinCom should set up guidelines – key elements required. J. Zahora will look into this. Using what John Fulghum provided last year.
- Goals of FinCom budget building process – OPEB, Free Cash, etc. Do this before we get budget.

BB: put in a time limit for people to speak?

AB: This would be up to the Moderator.

DS: Amount of time FinCom has to review articles.

JZ: Schedule recurring meetings?

AB: Will should Bob how to schedule a meeting for every 2nd and 4th Wednesday.

Agreement from the FinCom members present. Book all the way to May.



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RV: Ask Alison about preparing Historic Financial Statements as: Salaries, Revenue, Capital, etc. All departments listed under these categories instead of by department. RV will talk with Alison.

Assign liaisons to committees:

School – Beatty and Warren

Public Works – Zahora +

Cultural and Recreation – Tarmy +

General Government –

Public Safety –

Public Forum: No questions or comments

Motion to adjourn meeting by Tarmy, seconded by Beatty. Unanimous Ayes.

Meeting adjourned at 8:51 pm.