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COMMITTEE ON FINANCE AND TAXATION
THURSDAY, March 9, 2023 7:00 PM
School Committee Conference Room, Stoughton Public Schools District Office
31 Pierce Street, Stoughton, MA 02072
PUBLIC HEARING

Agenda items may be taken out of order at Chairman's Discretion

1. Mr. Vaughan Enokian, Chairman called the meeting to order at 7:00 PM .
2. Mr. Enokian asked all to stand for the Pledge of Allegiance.
3. Mr. Anzivino made the motion to open the public hearing, seconded by Mr. Lurie. The motion passed.
Present: Vaughan Enokian, Chair, John Anzivino, Vice Chair, Eric Anderson, Chet Collins, Robert Desmond, Dianne Dolan, Laura Gunn, Adam Iacabucci, David Lurie, Dr. Jess Miner, Mark Struck, Joel Wolk
Absent: Elliot Hansen, Kerry Marrocco, John Walsh

Mr. Lurie spoke on a point of order. Mr. Lurie commented on decorum of the committee and that all members should be permitted to express opinions without being disrespected by other members of the committee. Mr. Lurie stated that the financial decisions are important to the community. He stated that he attempts to present facts to the committee.

Mr. Rowe took the opportunity to clarify that the town accountant, nor the town manager are involved with the funding of the town's business. Mr. Rowe stated that during the interim when the town did not have a town manager, he stepped in to help, for which he was not compensated.

4. Town Budget (FY24 Sewer Department)

a) Article 9 – Sewer Department Enterprise Fund Budget p. 54

Mr. Rowe asked committee members to direct budget questions to him or to Mr. Calter.

Mr. Phil McNulty, Water and Sewer Superintendent stated that there was 1.8% increase in salaries, 1.7% increase in expenses, with an overall budget increase of 3.3%. He said that some FTE's had been reassigned, moved to the DPW side.

Mr. Struck asked about the certified mechanic, listed as 25% water and 25% sewer.

Mr. Rowe noted there was a spreadsheet available with a breakdown of the FTE's.

Mr. Wolk asked about the expenses for electric, gas, sewer.

Mr. McNulty responded that the expenses listed here were for the pump stations, other utility expenses are paid by the sewer department.

Mr. Wolk asked about the increase in the Mass Water Resource Authority, Mr. McNulty confirmed.

The committee took a 5-minute break to permit Ms. Dolan to provide the spreadsheet with the breakdown on FTE's.

Mr. Anderson asked about a list of indirect costs versus direct costs.

Dr. Miner asked about the subsidy of \$513,857 on page 53.

Mr. Rowe stated that this amount represents the shortfall in the budget.

Dr. Miner asked for a comparison of Stoughton's sewer rates to the rates of other towns. She asked if the town is adequately charging the subscribers.

Mr. Calter responded that the deficit results from not increasing rates for the last 8 years. He said there will be a public hearing on April 13, 2023 to discuss the rates. He stated also that there will be a meeting on April 18, 2023 to provide options to the public on how to overcome the structural deficit that exists in the sewer revenue.

Mr. Rowe added that current revenue does not cover current expenses.

Mr. McNulty commented that of the budget 5.74 million, 67% is due MWRA.

Mr. Enokian added that the finance committee for years had advocated subsidies.

Dr. Miner asked if comparable analysis was available.

Mr. Calter responded yes saying the rates of 4 towns had been compared. He noted that if a town took a bond, the rate information would not be comparable. He said every effort will be made to give the town the very best information. He explained that the town will have the option of correcting the shortfall in one year, 3 years or over 5 years. He said, in the past, the Boards have been sympathetic to the effect of increases on the residents.

Mr. Lurie suggested tabling this issue until more information is available.

Mr. Anzivino said meetings are scheduled March 15,16, and 23.

Mr. Calter said it would be preferable to have the finance committee recommendation prior to the public informational meeting.

Mr. Wolk asked how the MWRA calculations were derived, based on the number of residents, or based on usage.

Mr. McNulty said they are based on a MWRA formula, and the rates in Stoughton are comparable.

Mr. Rowe said the FY19 water use was based on the calendar year 2017; FY19 sewer based on calendar years 15,16,17 and the US. Census. Mr. Rowe said he would forward an informational email to the committee.

Ms. Dolan asked about the reduction in employees from 24 FY23 to 22 FY24.

Mr. McNulty said he wasn't sure, but there had been a death in the department.

Mr. Collins asked about various positions listed in the budget.

Mr. McNulty responded that these were unfilled positions. He said positions and expenses have a 3-year cycle.

Mr. Lurie asked about the work to be done on the aging sewer system.

Mr. Enokian suggested holding this question until discussion of the stabilization fund.

Mr. Desmond asked about employees with time sheets and if the time sheets are detailed in explaining the departments and hours served.

Mr. McNulty responded yes that there is an allocation chart.

Dr. Miner suggested a modification to the spreadsheet, to add a column for FY23 and a column for FY24. Mr. Rowe said it could be done by HR.

Mr. Anzivino noted that there proposed changes, adding \$7120 to each account, for a total of \$14,240.

Mr. Calter explained the increase was essential to convincing Mr. McNulty to stay in his position, rather than take another offer in Southboro. He commented that for years, Mr. McNulty has been underpaid. Mr. Calter said replacement hires are difficult to find. He mentioned that at present the police force has 10 vacancies.

Ms. Dolan asked if this increase was in the budget. Mr. Rowe said it was on the add-on sheet and offered to send Ms. Dolan a copy.

Mr. Peter Ventresco, 587 Central Street asked how the town would move forward once the deficit is erased.

Mr. Enokian responded that decision does not fall under the jurisdiction of the Finance Committee but the Select Board.

4b) Sewer Capital Inflow and Infiltration Article 55

Mr. McNulty reminded committee members of a video presentation that he had sent. He said the number of blockages had been reduced.

Mr. Enokian commented that funding sources were 75% via a MWRA grant; 25% from the town. He said the budget this year is \$400,000.

Mr. Anzivino asked the current balance under I & I.

Mr. Rowe said the amount is updated periodically. He explained the article is rescinded as the article is fully spent.

Mr. Lurie asked if the town would receive unused funds.

Mr. Rowe answered that these were not borrowed funds. He cautioned against using allocated funds toward borrowing funds, adding that borrowing requires town meeting authorization.

Mr. McNulty said it is easier to follow water usage rather than sewer. He said the annual request is to attack leaks. He said there is an annual cap on how much can be spent.

Mr. Anderson inquired if 26% of the pipes had been replaced. Mr. McNulty answered that there is a summary that updates that information. He said out of 90 miles of pipe, 20% have been relined, and 20% of the manholes have been addressed.

Ms. Dolan pointed out that the town cannot overfund because the town would then be ineligible for state reimbursement.

Mr. Rowe suggested that 90,000 could be added to the request, bringing the total to \$490,000.

Mr. Calter agreed, indicating that a 10% increase seemed reasonable.

Mr. Wolk asked that the additional amount be held pending deliberation.

Mr. Enokian suggested that it would be helpful to receive maps showing what has been completed and how past funding has been used.

Dr. Miner asked if it would be better for the town to pay more.

Mr. Collins said the subscriber pays the minimum toward sewer bills.

Mr. McNulty said water meters monitor usage. He said the department has determined to correct the leaks.

4c) Article 61- Acceptance of Kelsey Drive Sewer Pump Station as Public

Mr. McNulty explained that this area abuts Goddard subdivision. He said Phase I was the Atkinson Ave, and Phase II along route 138. He said on his last review of the station, he had issued a punch list with items to be completed. If this is not done, the article will be dismissed.

Mr. Anzivino added that the information must reach the committee prior to closing the book. He said the finance committee vote is scheduled for March 29.

Mr. Collins asked how the town would benefit from assuming responsibility of this pump station.

Mr. McNulty offered that the town has a mutual agreement from 2002 with the contractor to assume responsibility.

Mr. Struck asked what this would mean in additional man hours and maintenance.

Mr. McNulty responded that the town currently monitors 12 sewer pump stations, and this would mean 13, perhaps adding one hour to the work schedule.

Mr. Anzivino asked if the pump station was 20 years old.

Mr. McNulty said it was opened 2-3 years ago. Mr. Lurie asked the useful life of pump stations. Mr. McNulty responded 40-50 years.

Ms. Cynthia Walsh, 1096 Park Street, town meeting representative for Kelsey Drive, stated that these folk pay taxes and sewer costs and deserve to be considered.

5. Town Budget FY24 Water Department

5a) Article 10 Water Department Enterprise Fund Budget page 56

Mr. McNulty explained that salary is down 3.2%; FTE .5 reduction; expense side up 2.6% because of the cost of chemicals, cost of water pipes, and utilities.

Mr. Wolk asked about water meters.

Mr. McNulty responded that line is zero because of a proposed article.

Mr. Iacabucci asked for an explanation of funds spent through January. Mr. McNulty responded there had been a new bid.

Ms. Dolan inquired about the number of employees from 27 to 24. Reduction due to change in employees, some over to the DPW.

Ms. Cynthia Walsh, 1096 Park Street commented on the efficiency of the staff. She said it is great that the subscriber receives alerts as to extraordinary situations relative to their invoices, perhaps indicating a problem such as a leak.

5b) Article 52 Residential Meters Mr. McNulty stated that from 2015 to 2016 commercial meters were replaced. He stated that 42% of the residential meters have been replaced. This article will permit completion of replacement of approximately 4800 residential meters. He said new meters alert to leaks, problems, meaning there will be fewer abatements.

Mr. Calter cautioned that the structural deficit occurred because of various components such as old meters, rates charged, number of hook-ups. He said a condo neighborhood with 200 units operates with one meter, and 1 hook-up.

Mr. Struck pointed out the current quote for the meters expires June 23, 2023.

Mr. McNulty responded that the quote had already gone to bid. In response to a question from Mr. Lurie, Mr. McNulty confirmed that this request was the first for replacement of residential meters. He said the subscriber is paying \$175.00 for the meter which actually costs \$230.00.

Mr. Lurie asked if there were data relevant to ROI. Mr. McNulty responded that there exists some sample data.

Mr. Enokian expressed frustration that he had requested information relative to the installation and location of the commercial meters. He said had not received a response. He said the commercial meters should have been paid by the businesses and not the residents. He said he opposed the article.

Mr. Calter asked Mr. Enokian if he would feel differently if he were provided the information requested. Mr. Calter added that having this vote for the article was important to moving forward with the completion of replacement of the meters.

Mr. Lurie offered a response to Mr. Enokian stating that a positive vote on this article would facilitate greater efficiency because of new technology.

Mr. Anzivino asked if a resident could have two meters if there was public and well water on the property. Mr. McNulty responded that private wells are not charged by the town. He said there is one DEP rate for watering to discourage greater water use. He said the town has a fixed rate system.

Mr. Calter said changes will be proposed to the Select Board at the next meeting of the Board.

Ms. Dolan inquired if there were many people in the arrears. Mr. McNulty responded the number remains stable, and after a period of time, those properties are placed under liens.

Mr. Anderson asked if there was a way to quantify the impact of new meters on the structural deficit. Mr. Rowe answered that a 3-year and a 5-year plan would be presented at the rate hearing. He said it would be difficult to calculate the ROI.

Mr. Anderson asked if the new meters would interface with MUNIS. Mr. McNulty responded no.

5c) Article 53 Pratts Court Water Treatment Plant Upgrades Mr. McNulty explained that this request is the sequel to Article 26 proposed in 2020. He said those funds have been spent and DEP has approved the findings of the survey. The current request will be directed to three areas:

a) hydraulics b) compliance with new regulations relative to the chemical PFAS c) financial

Mr. McNulty stated that it would be a good idea to withdraw this article pending more definitive regulation pertaining to the level of PFAS, and the requirements for compliance.

Mr. Calter asked the preference, dismiss now or dismiss at town meeting.

Mr. Anzivino said it would be a good idea to explain the reason for withdrawal at town meeting.

Mr. Lurie asked about existing data on Pratts Court.

Mr. McNulty responded Pratts Court tests between 7 and 14. The average is 11 or 12, meaning that at present, Stoughton is compliant.

Mr. Enokian listed recent test numbers for Pratts Court at,12,6,9,12,10,13.

Mr. Collins reminded the committee of current problems that exist for service people and their families at Camp LeJeune. He said we need to be very careful with water supply in Stoughton.

5d) Article 54- Phase 5 Water Main Upgrades and Improvements

Mr. McNulty said this is the same article as last year. He said the Local Water Assistance Program is loaning the town 1.87 million zero interest for 10 years.

Mr. Anderson asked if grants were available to replace pipes with lead.

Mr. McNulty responded that there needs to be a capital plan that addresses this issue. He said there is the promise of federal infrastructure funds. Mr. McNulty added that 27 to 30 miles of main water mains are cast iron and need to be replaced.

Mr. Calter commented that he has consulted with Mr. Giffune and Mr. McNulty to synchronize installation of the water pipes with repaving. He thanked Mr. McNulty for his expertise and decision to remain in Stoughton.

Mr. Enokian announced that the Great Hall will not be available as previously thought. Next week meetings will be held at the School Committee Conference Room, Stoughton Public Schools District Office, 31 Pierce Street.

Mr. Calter explained further that the decision was determined by the insurance company that had denied the possibility of moving equipment, furniture off-site. Therefore, most of the equipment is stored in the Great Hall making it impossible to use.

6. Town Budget FY24 Cedar Hill Mr. Enokian suggested that Article 7 and Article 50 would be discussed together.

6a) article 7- Cedar Hill Enterprise Budget

6b) article 50- Multiple Small Equipment and Maintenance Purchases for Cedar Hill

Mr. Victor Barruzza, superintendent said the golf course was open through the winter.

He said the golf course has had a banner year with revenue up from \$278,000 to \$366,000 and increase in rounds played from 9,655 to 12,288. He said if this pace remains, by the end of the year revenue could reach \$600,000.

Mr. Struck inquired about an increase in the line item, grounds maintenance by \$2,000.

Mr. Barruzza responded as the golf course grows, the grounds receive more traffic and require more maintenance. He said presently, the course needs to replace flags, cups at a cost of \$2500 for 9 holes.

Mr. Struck inquired about the pruner.

Mr. Barruzza responded that the purchase included pruners, chainsaws, edgers.

Mr. Struck suggested combining this request with another article.

Mr. Barruzza said he was following past practice.

Mr. Struck asked if a line should be added to cover small tools. Mr. Barruzza said it is possible, as the course is still piecing together lawn mowers, gas intake, sod cutters and slice eaters that have exceeded useful life span.

Mr. Struck asked what is an 18" delta wheel, cost \$2100.

Mr. Barruzza said it is a hose reel cart, a trailer that carries the water hose and keeps it in line.

Mr. Anderson asked about the volunteer staff and its effectiveness.

Mr. Barruzza said it is more difficult working with volunteers. He said presently there are 14 volunteers, but once they are done golfing, they leave.

Mr. Anderson asked about the high credit card fees. He asked if it would be possible to discount players paying cash.

Mr. Barruzza said the increase in credit card fees had occurred after covid. He remarked that it would be too difficult to track cash golfers against those paying with credit cards.

Mr. Rowe interjected that this article would be funded from retained earnings.

Mr. Anzivino suggested that the new position and the 17.8% salary increase should be discussed.

Mr. Calter commented that this increase is less than requested by Mr. Barruzza. He said the assistant had been reduced to part time. Mr. Calter expressed regret that this was necessary, given the extraordinary results being achieved.

Mr. Anzivino said the article should be accompanied with clarification and explanation of the new position and the large increase in salary.

Mr. Calter responded that after a review of comparable positions at other golf courses, this pay level is still low. He said the town is struggling to keep good personnel.

Mr. Barruzza said the closest comparable golf course is Strawberry Hill in Abington. He said the superintendent only has 2-year tenure, has full time paid staff, paid pro shop staff and receives \$10,000 more than he. Mr. Barruzza said he has 10-year tenure and works with volunteers.

Mr. Enokian said he had checked the salary in the finance committee reports, Abington and the salary was listed at \$83,500. Mr. Barruzza said the amount would still be \$5,000 more than he receives.

Mr. Desmond asked how many of the volunteers take advantage of the tax relief program.

Mr. Barruzza responded 2. He said he had spoken with the veteran's agent relative to more participation by the veterans.

Mr. Desmond asked if DPW could help with maintenance. Mr. Barruzza responded no, the DPW is understaffed. Mr. Desmond suggested seeking interns from Norfolk County Agriculture.

Mr. Barruzza said he was in a meeting yesterday looking at this possibility.

Dr. Miner congratulated Mr. Barruzza for the improved status of the golf course, and the fact that subsidy was no longer necessary. She asked if at some point, Mr. Barruzza would want to increase the .5 assistant to full-time. Mr. Barruzza responded yes. He said at times he has called on friends from other golf courses to help. Dr. Miner asked if the position would be part time over 12 months. Mr. Barruzza responded mostly seasonal.

Mr. Calter pointed out that there is cooperation between departments, reflected in a capital expense for the golf course that had been moved to the DPW budget.

Mr. Collins asked if it would be more feasible to install a gas tank at the course so that DPW would not have to fill the tanks for the golf course.

Mr. Calter responded yes but cannot be funded now.

Mr. Rowe said to date, the course has retained earnings of \$304,626.

Mr. Barruzza said the course tries to stay within its budget, to pay for expenses out of retained earnings. He said some requests are made of CPC.

Mr. Lurie asked if there was a plan in place, a hedge against a downturn.

Mr. Barruzza said he had discussed with Mr. Rowe, the possibility for maintaining perhaps \$100,000 as a rainy day fund.

Ms. Dolan said she was thrilled that the golf course was finally making money. She suggested that Mr. Barruzza contact Stonehill College for interns or assistants.

Ms. Cynthia Walsh, 1096 Park Street remarked that she has been on the Cedar Hill committee for 45 years. She said the course has been profitable for many years. She added that the golf course has a very diverse clientele.

13. Any other matters relating to FY24 or FY25 Budget and Town Meeting Warrant Articles

Mr. Calter announced the following:

03/20 Public informational meeting on the fire station

03/21 Public informational meeting on the 4-year municipal capital plan

03/23 Public informational meeting Great Hall at 5PM on regional 911

04/13 Public informational meeting on water/sewer rates

04/18 water/sewer rates

**Committee on Finance and Taxation Open Meeting
March 9, 2023 7:00 PM**

05/1 Public informational meeting for town meeting representatives

05/2 Select Board meeting on restructure of management

Mr. Rowe said the debt service numbers may not be available to the Select Board in time for the finance committee vote, but would be available by March 29.

Mr. Rowe said that he and Mr. Calter are organizing a financial summit for September to discuss consensus of revenues estimate, and allocation of joint costs. He said Hilltop Securities will be invited to share ideas on the town's financial status.

The chair, Mr. Enokian thanked Mr. McNulty, Mr. Barruzza, Mr. Calter for their input and efforts.

Mr. Lurie asked if there was an understanding of how to bridge the gap in the Health Care Trust Fund.

Mr. Enokian stated that this matter was on next week's agenda.

Mr. Anzivino announced that the new town web site was up and invited all to check it out.

Mr. Anzivino made the motion to continue the public hearing until Wednesday, March 15, 7:00 PM at the School Committee Conference Room, Stoughton Public School District Office, 31 Pierce Street. The motion was seconded by Mr. Lurie. The motion passed.

Mr. Anzivino made the motion to adjourn, seconded by Mr. Anderson. The motion passed and the open meeting for the Finance Committee was adjourned at 10:39 PM.

Committee on Finance and Taxation Open Meeting

March 9, 2023 7:00 PM

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