

**BOARD OF SELECTMEN
MEETING MINUTES**

February 2, 2011

Approved on March 2, 2011

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TOWN OF ORLEANS
TOWN CLERKS OFFICE
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A meeting of the Orleans Board of Selectmen was held on Wednesday, February 2, 2011 in the Nauset Room of the Orleans Town Hall. Present were Chairwoman Margie Fulcher, Vice-Chairman Sims McGrath Jr., Clerk Jon R. Fuller, Selectwoman Susan B. Christie, Selectman David Dunford, Town Administrator John Kelly and Recording Secretary (pro tem) Lynda Burwell.

Also present: Larry Haywood, Chairman of the Finance Committee

Call to order: (00:00:22)

Chairwoman Fulcher called the meeting to order at 6:34 p.m.

Mrs. Fulcher asked for a moment of silence to remember all fallen and active members of the military serving our country.

Mrs. Fulcher also announced that the plans for the roundabout are in the Planning Office for review prior to the Public Hearing to be held on February 10, 2011 at 7:00 p.m. in the Nauset Room.

Public Comment: (00:1:20)

Mr. Chris Ramsey, Administrator for the Orleans Conservation Trust announced that a presentation of Keeping Company with Kestrels will be held on February 5, 2011 at 1:00 p.m. at Snow Library. This is open to the public at no cost. Register at www.OCT.org, or call 508-255-0183.

Mr. Doug Pluciennik commented on the school budget. He had heard the Nauset High School principal speak about the need to add teachers for science, math, language, and guidance because of his concern about the student to teacher ratio. This additional expense would not be covered in the current budget. Mr. Pluciennik urged the selectmen to support the increased expense for additional teachers, perhaps necessitating an override, in order to maintain the high quality of education in the Nauset Regional school system.

Mr. Gary Clinton representing Decentralized Wastewater Options for Orleans discussed Cape Cod population projections and how it would affect the nitrogen loading projected for the future. He suggested that the Town further review the Comprehensive Wastewater Plan taking into consideration the statistics of neutral population growth.

Approval of Minutes: (00:08:34)

On a motion by Mr. Fuller, and seconded by Mr. McGrath, the Board voted to adopt the minutes of the January 5, 2011 meeting as amended.

The vote was 4-0-1. Mr. Dunford abstained.

Meet with AmeriCorps: (00:11:15)

Mr. *Eric Boyer* and Mr. *Michael Easter* introduced themselves and Mr. Easter explained that AmeriCorps is involved in natural resource management, disaster preparedness and response, community education, and volunteer engagement. There are currently 26 Corps members on Cape Cod. Mr. Boyer explained that they work on group service projects twice a week, and two other days each week members are placed with the National Seashore or nonprofits. He is currently working with the Orleans tree warden compiling a town tree inventory of more than 5000 trees. The tree department has a new gps program which allows mapping of the inventory. They have been working closely with the Conservation Department as well. Mr. Boyer has been conducting environmental restoration at the town landing on Uncle Harvey's Pond with the help of several Orleans departments and volunteers. He announced that Orleans will be the location for celebration of AmeriCorps Week from May 9 – 13, 2011. Mr. Boyer encouraged all town departments and agencies to use them as a resource for other projects in Orleans. He distributed Project Folders and a Report to the Community to the Selectmen.

Mrs. Fulcher expressed appreciation for their presentation, and Mr. McGrath noted that Mr. Connelly, as tree warden, is one of the best in the State and will serve as an admirable mentor for those in the AmeriCorps program.

Meet with County Representatives: (00:18:00)

The Board met with Mr. *Chris Kanaga*, Orleans' representative to the Barnstable County Assembly of Delegates (AOD), the legislative branch of county government which is responsible for the county budget. At the Cape Cod Commission the AOD has oversight of new regulations, DCPC designations, and changes in the regional policy plan, and vision maps. The County also supports the cooperative extension service and its many services. He noted that the county budget will be due in March and he will meet with Selectmen again to discuss it further. As of December 31, 2010, it appears that expenses are slightly below projection. Mr. Kanaga also discussed studies being conducted for regionalization of water treatment options and wind turbine regulations, and asked for input from towns for deliberation.

Mr. McGrath requested that the Assembly of Delegates support the water protection collaborative during its budget discussions.

Mr. Kanaga also urged the Board to use the young people of AmeriCorps on town projects.

The Board met with Mr. *John Hodgkinson*, Orleans' representative to the Cape Light Compact (CLC) who also noted that AmeriCorps is one of the best organizations that presents a great opportunity for young people and is good for Orleans. He introduced Orleans resident, Mr. *Kevin Galligan* who would speak about energy efficiency programs.

Mr. Hodgkinson spoke about consumer advocacy and power supply and noted that CLC has, for fifteen years, acted as an aggregator of power supply in Massachusetts; but

they have been most effective as consumer advocates and in energy efficiency programs. He explained that CLC has recently negotiated a new three-year municipal rate with ConEd Solutions for all Cape towns effective July 1st, resulting in a 27 percent reduction. Favorable residential and small business rates have been negotiated for six-month, one-year, and two-year rates in an effort to stabilize the electricity markets. For more information, residents should access www.capelightcompact.org.

Mr. Hodgkinson also discussed that Republic Electric Energy (REE) maintains street lights in all Cape towns. He urged citizens to report any street lights out to the Highway Department who will notify REE to have them replaced.

Mr. Hodgkinson announced that CLC has been selected by the Department of Energy as one of ten organizations to conduct a pilot program of Home Energy Scores which will allow homeowners to get their individual house scores and specific suggestions for improvements at no cost.

Mr. Kevin Galligan, Energy Efficiency Program Manager for Cape Light Compact, explained that they have a generous budget to accomplish delivery of energy efficiency services to Cape Cod towns and residents. He presented the calendar year 2010 Town Activities for Orleans and noted that 93 percent of the allocated budget was spent; there was high participation in the low income program, and in the residential new construction program. However, there is more opportunity for participation in the Low Income Residential and Home Energy Audits program. He suggested home energy audits even for those that had previously had them. Residents should call 800-797-6699 to make appointments. Their goal is to get these programs out to the public. Mr. Galligan noted that Orleans has very active energy programs in the schools. He announced that the Lower Cape Expo will be held April 9, 2011 at the Cape Cod Regional Technical High School.

Follow-up Discussion on Fees: (00:45:21)

Mr. Kelly discussed the proposed fee schedule for 2011 and discussed a draft policy previously distributed to Board members for review. In particular he discussed the schedules and a comparison made with other local towns as well as changes suggested by the Parks and Beaches Superintendent for nonresident's beach parking and off road vehicles.

Mr. Kelly explained the draft policy he has proposed. He explained further that the Water Department is operating as an enterprise fund and must cover 100 percent of department costs from water usage fees. Seventy-five percent of the expenses of the Rock Harbor boat basin should be covered by the fees charged to users. It is difficult to make a single policy that would be appropriate for all departments because there are statutory limitations and by-law limitations that restrict fee management. He suggested that the Board of Selectmen Policy should require that all department heads review fees on an annual basis comparing them to surrounding communities' fee schedules and attempt to be at or near the average of other towns. The draft suggests covering the full cost of services but the Board of Selectmen needs some flexibility in setting fees for the Town. He suggested that the Board review the updated schedule with particular attention to the increases proposed by each department; especially the beach parking

fees and Building Department fees. He suggested a phased-in schedule increasing certain fees over a two or three-year period.

In answer to a request for clarification of beach fees Mr. Kelly noted that at one time the sticker fees paid 100 percent of Parks and Beaches expenses, but their recent income has been less than projected because of the loss of revenue from off-road fees.

Mr. Fuller requested a general overview, and noted that a fee is a form of taxation. He noted that commencement of the wastewater plan will cause a substantial increase in property tax; also that some departments have complete control of their fees. Mr. Fuller suggested listing fees that are restricted by regulation.

Mr. McGrath remarked that some labor costs have been reallocated to demonstrate more appropriately the escalation in some department budgets, and he requested a target percentage for departments.

Mrs. Christie noted the difference between revenue and expenses and how it might be compared with previous years. Mr. Kelly noted that he could provide that information but it is similar to the current spreadsheet and summarized that he would ask the Board to focus on a goal for each department.

Mr. Dunford discussed the frequency of reviewing fees by department and comparing them to other towns.

Selectmen discussed further how much detail should be included in the draft policy. Mr. Kelly noted that he would include on the next regular meeting agenda a meeting of the Parks Commission to discuss and vote on their fee schedule.

General Obligation Bonds and BAN Rollovers: (01:11:47)

Mr. David Withrow, Finance Director, explained the three different forms of debt to be discussed. The General Obligation Bond (GOB) appropriated by Town Meeting of \$6.8 million includes funding for sewer and road work, a fire pumper truck, loader, and land acquisitions (including the Hubler property for Nauset Beach parking), Water Department equipment, and Transfer Station equipment. The Bond Anticipation Notes (BANs) represent \$300,000 for docks, piers, and ramps projects; and the remaining \$50,000 for Well No. 8 of the total amount of \$350,000. The third form of debt is a permanent note to convert the debt for renovations at the Orleans Elementary School (OES) to a permanent debt.

Mr. Withrow explained that the recent Standard & Poor's rating resulted in an AA+ rating for Orleans allowing him to obtain attractive rates on all three forms of debt.

Responding to a question about the Bond Anticipation Notes, Mr. Withrow explained that they would be held until incorporated in more permanent debt, typically for two years depending on limitations on how much must be spent. He also noted that arbitrage could be a problem. He explained that the funds for the Rock Harbor docks will be spent to determine how much should be included in a future GOB.

Mr. Withrow explained that the BAN for the OES debt has been rolled several times and cannot be rolled into a GOB.

Mr. Dunford questioned the 30-year bond rate and Mr. Withrow explained that it is primarily for the Hubler property and explained that interest rates might change after ten years.

On a motion by Mr. McGrath and seconded by Mr. Fuller, the Board of Selectmen voted that the maximum useful life of the departmental equipment listed below to be financed with the proceeds of the \$480,000 borrowing authorized by the vote of the Town passed May 10, 2010 (Article 7) is hereby determined pursuant to G.L. c.44, §7(9) to be as follows:

<u>Purpose</u>	<u>Borrowing Amount</u>	<u>Maximum Useful Life</u>
Fire Dept. Pumper Truck	\$480,000	10 Years

The vote was 5-0-0.

On a motion by Mr. McGrath and seconded by Mr. Fuller, the Board of Selectmen voted that the sale of the \$6,804,000 General Obligation Municipal Purpose Loan of 2011 Bonds of the Town dated February 15, 2011 (the "Bonds"), to Robert W. Baird & Co., Inc. at the price of \$6,851,628.00 and accrued interest, if any, is hereby approved and confirmed. The Bonds shall be payable on February 15 of the years and in the principal amounts and bear interest at the respective rates, as follows:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
2012	\$489,000	3.00%	2027	\$170,000	4.00
2013	480,000	3.00	2028	170,000	4.00
2014	480,000	2.00	2029	170,000	4.125
2015	480,000	3.00	2030	170,000	4.25
2016	475,000	2.50	2031	170,000	4.375
2017	260,000	3.00	2032	140,000	4.50
2018	255,000	3.25	2033	140,000	4.625
2019	250,000	3.50	2034	140,000	4.625
2020	250,000	4.00	2035	140,000	4.75
2021	250,000	3.30	2036	140,000	4.75
2022	180,000	4.00	2037	140,000	4.875
2023	180,000	4.00	2038	140,000	4.875
2024	175,000	4.00	2039	140,000	4.875
2025	175,000	4.00	2040	140,000	5.00
2026	175,000	4.00	2041	140,000	5.00

The vote was 5-0-0.

On a motion by Mr. McGrath and seconded by Mr. Fuller, the Board of Selectmen voted to approve the sale of a \$350,000 0.98 percent General Obligation Bond Anticipation Note of the Town dated February 15, 2011, and payable February 12, 2012, to Cape Cod Five Cents Savings Bank at par and accrued interest, if any. The vote was 5-0-0.

On a motion by Mr. McGrath and seconded by Mrs. Christie, the Board of Selectmen voted that in connection with the marketing and sale of the Bonds, the preparation and distribution of a Notice of Sale and Preliminary Official Statement dated January 18, 2011, and a final Official Statement dated February 1, 2011 (the "Official Statement"), each in such form as may be approved by the Town Treasurer, be and hereby are ratified, confirmed, approved and adopted. The vote was 5-0-0.

On a motion by Mrs. Christie and seconded by Mr. Fuller, the Board of Selectmen voted that the Bonds shall be subject to redemption, at the option of the Town, upon such terms and conditions as are set forth in the Official Statement. The vote was 5-0-0.

On a motion by Mrs. Christie and seconded by Mr. Fuller, the Board of Selectmen voted that the Town Treasurer and the Board of Selectmen be, and hereby are, authorized to execute and deliver a continuing disclosure undertaking in compliance with SEC Rule 15c2-12 in such form as may be approved by bond counsel to the Town, which undertaking shall be incorporated by reference in the Bonds for the benefit of the holders of the Bonds from time to time. The vote was 5-0-0.

On a motion by Mr. Fuller and seconded by Mr. McGrath, the Board of Selectmen voted that each member of the Board of Selectmen, the Town Clerk and the Town Treasurer be and hereby are, authorized to take any and all such actions, and execute and deliver such certificates, receipts or other documents as may be determined by them, or any of them, to be necessary or convenient to carry into effect the provisions of the foregoing votes. The vote was 5-0-0.

On a motion by Mr. Fuller and seconded by Mr. McGrath, the Board of Selectmen voted that the Board of Selectmen of the Town of Orleans does hereby authorize the refunding of the school remodeling portion (article 5, voted 3/29/2004) of note no. 508 dated 2/16/2010 with the issuance of a permanent note to be dated 2/15/2011, in accordance with the provisions of c.44, s.21A of the Massachusetts General Laws. The vote was 5-0-0.

Change of Hours – Hearth 'n Kettle: (01:33:58)

Town Administrator John Kelly presented the Board with a request for a change in hours at the Hearth 'n Kettle Family Restaurant to open early on Sundays at 10 a.m. to serve alcohol as allowed in the provisions of Chapter 138, section 33B, and effective

July 1, 2010 a new amendment to section 33B of Chapter 138 which authorizes the licensing authority to allow licensees to sell alcohol on Sunday as early as 10:00 a.m.

On a motion by Mr. Dunford, and seconded by Mr. McGrath the Board voted to approve the request of Hearth 'n Kettle of Orleans, Inc. dba Hearth 'n Kettle Family Restaurant located at 9 West Road to change their hours of operation on their current liquor license to 10:00 a.m. Sundays through 1:00 a.m. Mondays in accordance with the Rules and Regulations of the Local Licensing Authority. The vote was 5-0-0.

Temporary Closing – Rosina's Café: (01:35:10)

Town Administrator John Kelly presented the Board with a request for a temporary closing of Rosina's Café for repairs from February 3, 2011 to May 5, 2011. However, Rose Gerardi, the owner, was not aware of a 30-day limitation for annual liquor license holders. The owner has revised her request to close from March 1, 2011 to March 31, 2011.

On a motion by Mrs. Christie, and seconded by Mr. Fuller, the Board voted to approve the request of Rose Gerardi, owner of Rosina's Café located at 15 Cove Road to temporarily close the business for the period of March 1, 2011 through March 31, 2011 for repairs and in accordance with the Town of Orleans Rules and Regulations of the Liquor Licensing Authority and M.G.L. Chapter 138.

Mr. McGrath discussed the opportunity for the opportunity to request an extension of time for renovations to which Mr. Kelly affirmed that the owner could apply to the Board for an extension.

The vote was 5-0-0.

Committee Reappointment: (01:40:40)

On a motion by Mr. Dunford, and seconded by Mr. Fuller, the Board voted to reappoint Mr. Will Joy to a one-year term on the Old Kings Highway Regional Historic District Committee as Architect from January 1, 2011 to December 31, 2011. The vote was 5-0-0.

Town Administrator's Report: (01:41:03)

Mr. Kelly discussed with the Board an update on the snow removal budget and noted that the Highway Manger indicated they would exceed the budget this year. As long as the snow removal budget is level funded each year, the town could transfer funds to cover the expenses. Mr. Kelly will update the Board every two weeks through the winter on the status of the snow removal deficit.

On a motion by Mrs. Christie and seconded by Mr. Fuller, the Board of Selectmen voted to acknowledge receipt of the memorandum from Mr. Budnick and approve deficit spending for necessary snow and ice removal activities for the remainder of the fiscal year. The vote was 5-0-0.

Mr. Kelly presented the Quarterly Revenue Report through December 31, 2010.

Mr. Dunford noted that the Disposal Charges and Investment Income items appear to indicate very low percentages of Year-To-Date Estimates. Mr. Kelly explained that revenue from Disposal (Transfer Station stickers) shows up in the prior fiscal year; and Investment Income reflects current interest rates. He will ask Mr. Withrow for more information.

Mr. Kelly announced that a special meeting of the Board of Selectmen will be held Tuesday morning from 9:30 a.m. to 12:30 p.m. for Budget Review. He discussed that the FY 2012 budget projected a ten percent increase in health insurance, but recent rate negotiations indicate a saving of approximately \$140,000. He also explained that the Elementary School has requested \$50,000 to fund a short-fall in funds as a result of certain long-term absences, etc. It appears that the School Committee might be able to reallocate \$18,000 in order to further reduce the short-fall. Mr. Haywood noted that the Finance Committee has not yet received a letter from the School Committee regarding the short-fall. He recommended that they initiate discussions with the Town Administrator and Finance Director.

Liaison Reports: (01:52:59)

Mr. Dunford reported on his recent attendance at the MMA conference and discussed Governor Patrick's comments to MMA board members. In particular, Governor Patrick spoke about town authority on health care plan design and it appears that most legislators agree that the State should provide relief to towns on this matter but many details must be worked out. The MMA also passed an increase in Chapter 90 funds in recognition that municipalities need more funds to maintain their infrastructures. The Massachusetts Selectmen's Association heard a presentation on collective bargaining.

Mr. Fuller reported on the January 20, 2011 meeting of the Finance Committee when they heard a presentation from Gary Clinton about the decentralized wastewater disposal proposal for Mashpee. The Finance Committee discussed the combined department head meetings with the Selectmen, as well as the joint Public Hearing with the Board of Selectmen on the Capital Plan. The Finance Committee requested certain reports they would like on a regular basis and to receive them at the same time as the Board of Selectmen.

On January 27, 2011 at the Finance Committee meeting Gary Clinton distributed an article on the use of alternative wastewater treatment. The Finance Committee discussed the proposed FY 2012 budget and draft Capital Improvement Plan and decided that the advertisement for the Public Hearing on February 23, 2011 should be rewritten in a more general nature.

Mr. McGrath had no liaison reports.

Mrs. Christie presented the Board with information on recent meetings of the Board of Health and the Community Preservation Committee. At the January 20, 2011 meeting of the Community Preservation Committee they discussed several grant requests. Mrs. Christie also attended the Historical Commission meeting on January 26, 2011 as they discussed the historical value and precedent set for digitalization of the Cape Codder from 1946 to the present. On January 22, 2011 she joined a walk from the Rock Harbor

marsh toward Cedar Pond guided by Jeff Norgeot who has been clearing the creek to allow the water to flow more freely to Cedar Pond.

Mrs. Fulcher reported that the schools continue to work on their budgets. She has future meetings scheduled with the Regional School Committee and the Housing Committee.

Any Other Business: (02:04:12)

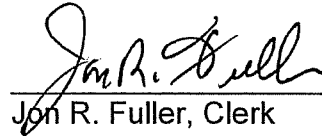
There was no other business to be discussed by the Board of Selectmen.

Adjourn: (02:04:20)

On a motion by Mr. McGrath and seconded by Mr. Fuller, the Board voted to adjourn this meeting at 8:40 p.m. The vote was 5-0-0.

Respectfully submitted,

Lynda M. Burwell



Jon R. Fuller, Clerk

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