

SELECTMEN'S MEETING AGENDA*

*Griffin Room, Town Hall
732 Main Street, Harwich, MA
Regular Meeting 6:30 P.M.
Monday, February 13, 2017*

I. **CALL TO ORDER**

II. **PLEDGE OF ALLEGIANCE**

III. **WEEKLY BRIEFING**

IV. **PUBLIC COMMENT/ANNOUNCEMENTS**

V. **CONSENT AGENDA**

- A. Approve minutes – January 30, 2017 Regular Session
- B. Appoint Brian Florence, Dennis Building Commissioner, pursuant to MGL c. 143 §3Z to act as Building Commissioner in all matters pertaining to Ray Chesley's new home construction
- C. Approve Harwich Participation in the FY 17 Truro Regional CDBG Grant for Housing Rehabilitation and Child Care and authorize the Chair to sign
- D. Re-appoint Jacqueline Etsten as Harwich's Representative to the Cape Cod Commission effective April 25, 2017 through April 24, 2020
- E. Approve request by Land Ho to close for renovations from February 27 to March 23, 2017
- F. Vote to sign Certificate of Recognition to be presented to Afghanistan and Iraq war Veterans

VI. **PUBLIC HEARINGS/PRESENTATIONS** *(Not earlier than 6:30 P.M.)*

- A. Presentation – Saquatucket Municipal Marina Landside Renovation Project Update – Tim Sawyer, Brown Lindquist Fenuccio & Raber
- B. Town Administrator to present the Budget Message and Budget to the Selectmen and Finance Committee

VII. **OLD BUSINESS**

- A. Action Item Register

VIII. **NEW BUSINESS**

- A. Draft Accessory Apartment Dwelling Unit By-law
- B. Draft Annual Town Meeting Warrant Articles
- C. Demonstration of the on-line Wastewater Calculator

IX. **TOWN ADMINISTRATOR'S REPORT**

- A. Update on the Finance Director/Town Accountant Search

X. **SELECTMEN'S REPORT**

XI. **ADJOURNMENT**

**Per the Attorney General's Office: The Board of Selectmen may hold an open session for topics not reasonably anticipated by the Chair 48 hours in advance of the meeting following "New Business." If you are deaf or hard of hearing or a person with a disability who requires an accommodation contact the Selectmen's Office at 508-430-7513.*

Authorized Posting Officer:

Posted by: _____
Town Clerk

Sandra Robinson, Admin. Secretary

Date: _____
February 8, 2017

**MINUTES
SELECTMEN'S MEETING
GRIFFIN ROOM, TOWN HALL
MONDAY, JANUARY 30, 2017
5:45 P.M.**

SELECTMEN PRESENT: Brown, Hughes, Kavanagh, LaMantia, MacAskill

OTHERS PRESENT: Town Administrator Christopher Clark, Assistant Town Administrator Charleen Greenhalgh, Alyxandra Sabatino, Linda Cebula, James Atkinson, Julie Eldredge, Eric Eldredge, Bob MacCready, Sharon Pflieger, John Stewart, Sarah Peake, Joe MacParland, Brooke Williams, Arthur Bodin, Sharon Stout, Terry Russell, Robert Sanborn, Supt. Carpenter, Katie Isernio, Mary Maslowski, John Chorey, Larry Ballantine, Jack Brown, Ed McManus, Laurie Gillespie-Lee, Mark Ameres, and others.

MEETING CALLED TO ORDER at 5:45 p.m. by Chairman MacAskill.

JOINT MEETING WITH SELECTMEN/PLANNING BOARD – Housing Production Plan – Karen Sunnaborg

Chairman MacAskill introduced consultant Karen Sunnaborg who provided a presentation of the Housing Production Plan (see attached). Questions and comments were taken from Sharon Pflieger, Jay Coburn – Executive Director of Community Development Partnership, Brooke Williams, and Arthur Bodin – Harwich Housing Chair. The Chair stated that the Board would have this item on their agenda in the next couple of weeks.

PUBLIC COMMENT/ANNOUNCEMENTS

A. Update from Representative Sarah Peake

Representative Peake reported that they have filed the Senior Exemption bill which was voted at Town Meeting. She noted that it is a House bill sponsored by Senator Cyr and will probably go to the Revenue Committee. She stated that it currently has a docket number and will eventually get a bill number. She said she would notify the Town Administrator when it goes to a hearing. Representative Peake also reported that in June the Governor signed into law our bill amending the Town Charter to give the Library Trustees greater hiring and appointing authority. She noted that she, Senator Cyr, and Representative Tim Whelan sent a letter to the Department of Elementary and Secondary Education in opposition to the Sturgis Charter School's request for 50 additional pupils although the request was approved. She noted that the Governor released his House 1 budget which she highlighted as it relates to Harwich. She stated that she participated in a series of meetings with working groups at the Cape Cod Chamber regarding wastewater funding and planning and the cost of the 208 Plan which she said she does not think we can pay for out of our real property tax base. She said they are kicking around a proposal to earmark some of the state share of the room occupancy tax to pay for it. She noted that the Governor, Senate President and Speaker are talking about identifying issues with regard to expanding the room occupancy definition and expect a bill in the next month with regard to room rental tax. She said she is

working closely with Congressman Keating's office regarding dredging in Harwich. She took questions and comments from the Board with regard to wastewater and dredging issues.

CONSENT AGENDA

- A. Authorize the Chairman to sign the Application for Building Official Certification for Raymond Chesley
- B. Approve appointments as recommended by the Interview/Nominations Subcommittee
- C. Approve the final draft of the CVEC Agreement with the Water Department

Ms. Kavanagh moved approval of the Consent Agenda. Mr. Hughes seconded the motion and the motion carried by a unanimous vote.

PUBLIC HEARINGS/PRESENTATIONS *(Not earlier than 6:30 P.M.)*

- A. National Grid project update – Phase 1 beginning early February

Bill Ciocca, Community Liaison for the project provided the attached information to the Board regarding the Easter Segment Main Replacement Project which he noted goes from Queen Anne Road/Route 39 to Church Street, a total of 1.6 miles, and is the first phase of the Mid Cape replacement project. He noted that the project starts on February 6th and they are keeping in constant contact with DPW and the Police Department.

Brad Wheeler, Project Manager, provided background information on contractor, AGI Construction, who he noted was awarded the construction contract. He said there will be one week of night work followed by daily work hours from 7 am to 5 pm. He noted that the work will start at Route 137 and the project will take 14-16 weeks to complete.

Mr. Ciocca reported that a letter will be going out to every resident along the route and they will be handing out flyers to businesses. He stressed that there will be one lane open at all times.

- B. Board of Selectmen and Finance Committee to discuss the first draft Budget with Monomoy Regional School District and Cape Cod Tech

Supt. Carpenter and School Business Manager Katie Isernio of Monomoy Regional School District provided their budget presentation to a joint meeting of the Selectmen and Finance Committee and took questions and comments from the boards.

Supt. Sanborn of Cape Cod Regional Technical High School provided his budget presentation to a joint meeting of the Selectmen and Finance Committee and took questions and comments from the boards.

OLD BUSINESS

- A. Action Item Register

Ms. Greenhalgh noted that the updates to the document are highlighted in yellow. There was no discussion on this item.

B. Final draft of the Wastewater Information Guide

Mr. Hughes stated that at last week's meeting it was agreed to have Mr. Young of CDM Smith incorporate the Board's comments into the document but that has not been done. Mr. Clark agreed to coordinate this with Mr. Young and Ms. Pflieger asked to be present if Mr. Clark met with Mr. Young to discuss the changes.

NEW BUSINESS

A. Community Preservation Committee review of applications and potential warrant articles

Mr. MacCready, Chair of the Community Preservation Committee, provided a history of the establishment of the committee as well as the membership make-up, purpose of the committee, and application process. He reported that this year they voted to support five applications totaling roughly \$250,000 which include Phase 4 Brooks Park renovation, adding 1 dozen fitness stations behind the Community Center, replacing the irrigation system at Whitehouse Field, replacing fencing at Evergreen Cemetery, and chimney restoration work at Chase Library. Mr. MacCready took questions from Chairman MacAskill regarding the application process.

B. Historic District/Historical Commission – Brooks Free Library color change

Mr. Clark stated that when the Facilities Maintenance Manager, Mr. Libby, attended the Historic District Committee meeting a couple of weeks ago to make the request, he explained that it was the intent of the Board of Selectmen and Library Trustees to keep the building white and after extensive discussion Mr. Libby was asked to come back. He was asked to do a color analysis to determine the color of the building when it was constructed and Mr. Libby did so and provided the information as such. Mr. Clark stated that since we only have money to paint a portion of the building, it doesn't make sense to change the color if it is only one-third of the building so he reached out to the Town Attorney who responded that if the owner wanted to change the color he should have filed a Certificate of Appropriateness and if the owner wanted to keep the color, the standard would be to file a Certificate of Non-Applicability. Mr. Clark stated that he would like to have Mr. Libby go back to the committee and say that if we should have filed a Certificate of Non-Applicability, we can make that adjustment in order to move forward with the project. Mr. Hughes stated that it was never the Board's intention to change the color of the building and Ms. Kavanagh said it was clear that the Trustees wanted it white.

C. Legalized Marijuana – initial discussion and election results

Mr. Clark explained that West Bridgewater did a temporary moratorium on legalized marijuana to allow them to do their zoning appropriately and it would make sense for us to consider this now. Ms. Brown asked for more information and also wanted to compare and contrast this with the liquor regulations. Mr. Hughes asked for a timeline for how quickly we have to do something. Chairman MacAskill stated that he has done some research on this and stressed the need to look at

what this means to law enforcement. He suggested bringing this back with more information including a timeline and input from the Police Chief. Ms. Greenhalgh clarified the Planning Board's process for the article.

D. Cost benefit of attending the MMA Annual Meeting/Trade Show

Ms. Brown said she was really taken aback by how much it cost per person and how much it costs the Town to attend the annual trade show. She commented that they can do a better job sharing information or have a limited number of people attend who would then report back. Mr. LaMantia stated that they used to divide up and go to different events. Mr. Hughes stated that there is a budget for this and they need to live within it. He encouraged the sharing of information. Chairman MacAskill suggested that Ms. Brown come up with a policy on this and she agreed.

TOWN ADMINISTRATOR'S REPORT

Mr. Clark reported on the status of the Library generator, recruitment of the Finance Director, and health insurance increases as well as concerns about the Cape Cod Municipal Health Group's low reserve funds.

ADJOURNMENT

Ms. Brown moved to adjourn at 9:48 p.m. Mr. LaMantia seconded the motion and the motion carried by a unanimous vote.

Respectfully submitted,

Ann Steidel
Recording Secretary

OFFICE OF THE TOWN ADMINISTRATOR

Phone (508) 430-7513

Fax (508) 432-5039



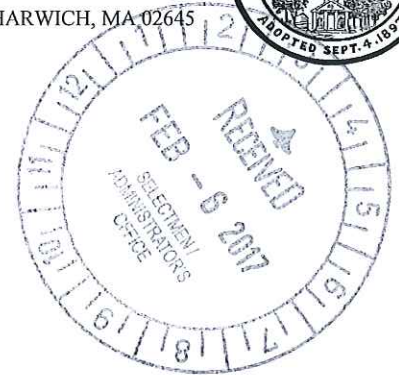
732 MAIN STREET, HARWICH, MA 02645

Christopher Clark, *Town Administrator*

Charleen L. Greenhalgh, *Assistant Town Administrator*

February 6, 2017

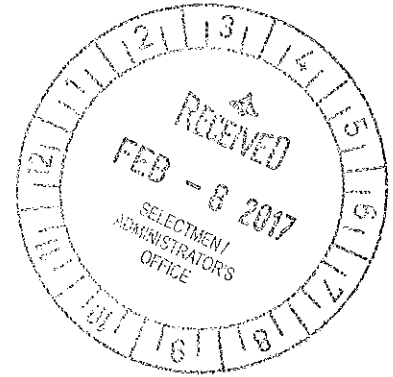
To: Board of Selectmen
From: Christopher Clark, Town Administrator
Re: Appointment of "Special" Building Commissioner



As you know, Raymond Chesley began work as the Harwich Building Commissioner on February 1, 2017. Mr. Chesley is also building a new home in Harwich and as such, he cannot have his employees, the local inspectors, completing inspections or certifications on his home. I would asked that you appoint Brian Florence, Dennis Building Commissioner, pursuant to MGL c.143, §3Z as Building Commissioner for the purposes of inspecting Mr. Chesley's home during construction and to issue the Certificate of Occupancy when the project is completed per the State Building Code.

For the purposes of the plumbing/gas and electrical permits and inspections and permits, this will be taken care of by other communities and does not require any action of the Board of Selectmen.

If you have any questions, please do not hesitate to contact me.



M e m o r a n d u m

To: Harwich Board of Selectmen
CC: Christopher Clark, Town Administrator
Charleen Greenhalgh, Asst. Town Administrator
From: Alice Boyd, Bailey Boyd Associates, Inc.
Subject: Participation in FY17 Truro Regional CDBG Grant
Date: January 25, 2017

The Town of Truro will once again be submitting a regional Community Development Block Grant requesting funds for housing rehabilitation and childcare subsidies. In recent years the Truro Board of Selectmen have invited the towns of Provincetown and Wellfleet to participate at no cost to the towns. This year we anticipate inviting Eastham and Harwich to participate. This is the 28th year that we are submitting a lower/outer Cape CDBG grant application. While this is a highly competitive grant application and there is no guarantee of funding, this grant has been funded 27 of the past 28 years.

The Housing Rehabilitation Program will fund 18 households with a 0% interest deferred payment forgivable loan, making repairs of up to \$40,000 to keep low and moderate-income residents in their homes. Code repairs, weatherization and health and safety violations will be the priority of the program. All applicants are accepted on a first come/first served basis.

The Childcare Subsidy Program will provide up to \$5,000 per eligible child to subsidize care while parents work, go to school or seek employment. The funds go directly to the participating certified childcare provider based upon the child's attendance. These funds subsidize the parent's payments on a sliding scale basis.

The Housing Rehab and Childcare Subsidy programs are also an important economic catalyst as the majority of contractors and all of the childcare providers are local.

It is anticipated that Harwich residents will utilize an average of \$175,000 in housing rehab loans and \$45,000 in childcare subsidies.

If the town of Harwich would like to participate in the FY17 joint application being submitted please sign the two copies of the attached DHCD Joint Authorization Form and return them to me by February 27, 2017.

As always there is no cost to the town and an enormous benefit to local residents, contractors and childcare providers. I'd be glad to answer any questions that you may have.

Community Development Fund 2017

CDF-2017-Truro-00032

Joint Application Authorization: Harwich

MUNICIPALITY: Harwich

Contact Person:
Name Michael D. MacAskill
Title Chairman, BOS

COPY

Signature of Chief Elected Official

Printed Name of Chief Elected Official

Title of Chief Elected Official

3225 MAIN STREET • P.O. BOX 226
BARNSTABLE, MASSACHUSETTS 02630

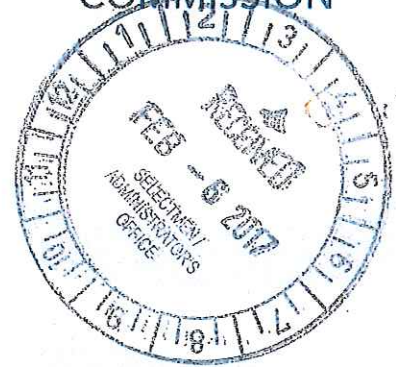


CAPE COD
COMMISSION

(508) 362-3828 • Fax (508) 362-3136 • www.capecodcommission.org

February 2, 2017

Board of Selectmen
Town of Harwich
732 Main Street
Harwich, MA 02645



RE: Harwich Representative to the Cape Cod Commission

Dear Selectmen:

As you know, towns are requested to appoint a representative to the Cape Cod Commission for a term of three years. After reviewing our records, we noted that your town's appointment is due to expire on April 24, 2017.

Your current member, Jacqueline Etsten, has expressed her interest in continuing to serve as the Harwich Representative to the Cape Cod Commission for another term. Therefore, at this time, I would ask your Board to consider reappointing Ms. Etsten, or make a new appointment, for the **three-year term effective April 25, 2017 through April 24, 2020**. According to legislation, all appointments are for three years and all members must be residents and registered voters in Barnstable County.

As you consider your appointment for this position, please know that I am available at your convenience to discuss this with you. Enclosed for your review are the *"Roles and Responsibilities of Cape Cod Commission Members."*

Please forward all appointment letters to Gail Hanley at the Cape Cod Commission office at the address above.

Thank you for your prompt attention to this matter.

Sincerely,


Harold W. Mitchell, Chairman

Enclosure

HWM/gph

cc: Jacqueline Etsten, Harwich Representative



CAPE COD COMMISSION

Roles and Responsibilities of Cape Cod Commission Members

The Cape Cod Commission was created in 1990 by an Act of the Massachusetts General Court and confirmed by a majority of Barnstable County voters to protect the region's unique natural, coastal, historical, cultural and other values.

The Commission functions as a department of Barnstable County, but is funded separately through the Cape Cod Environmental Protection Fund and other sources. Its work is divided into three major areas: **planning, technical assistance, and regulation**. The Cape Cod Regional Policy Plan, adopted as an ordinance of Barnstable County, sets the goals, priorities, and performance standards used in its regulatory work.

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Barnstable, MA 02630
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■ Commission Activities

Among other areas, technical assistance is provided to Cape communities on:

- Land use planning
- Transportation
- Economic development
- Water quality and supply
- Solid and hazardous waste management
- Affordable housing
- Land protection

Commission planners and technical staff have expertise in a wide variety of areas, such as landscape architecture, land use planning, economic development, affordable housing, historic preservation, wetland and wildlife resources, water resources, coastal resources, waste management, transportation planning, and geographic information and mapping.

■ Commission Makeup

The Cape Cod Commission is made up of 19 appointed members, including representatives from each of Barnstable County's 15 towns; one County Commissioner, one Native American, one Minority Representative and a Governor's appointee. All members are citizen volunteers who receive and evaluate information from the agency's professional staff, consider policies to guide the agency's activities, and make regulatory decisions about development proposals under the agency's jurisdiction.

■ Meetings of the Commission Board and Standing Committees

The full 19-member Cape Cod Commission board generally meets every other Thursday afternoon in the First District Courthouse of the Barnstable County Complex (off Route 6A) in Barnstable. Meetings last about two hours.

Commission members may also be asked by the board's chair (elected by the members annually) to serve on a standing committee. Participation is voluntary on the Committee on Planning and Regulations. The Executive Committee's includes the Chair, Vice Chair, Secretary, County



Commissioner and Previous Past Chair. Standing committees generally meet in the Commission office to discuss issues prior to meetings of the full Commission.

■ Regulatory Responsibilities

Commission members are expected to serve on regulatory subcommittees to review specific Development of Regional Impact (DRI) proposals. Members rely on the technical expertise of the agency's staff – a diverse group of professionals who gather and interpret data and advise on project consistency with the Regional Policy Plan's standards to make decisions. The evaluation of data and benefits and detriments of a project are vested in Commission members. In this way, members serve as "quasi-judicial" officials.

DRI subcommittees review written applications, materials and reports; conduct required public hearings; and hold public meetings to discuss issues and concerns and to formulate their recommendations about the DRI decisions to be voted on by the full membership of the Cape Cod Commission.

Depending on the nature and complexity of a development proposal, regulatory subcommittee work can require a significant commitment of time. Meetings may take place during the day and in the evening. Whenever possible, the first hearing is held in the town where the project is proposed. Other hearings and meetings may also be held there or in Barnstable. Preparation for and travel to meetings add to the time commitment.

■ Community Responsibilities

Commission members also serve as liaisons with their towns. Making periodic reports about Commission activities to the Board of Selectmen (or the Town Council, in the case of Barnstable) is an important duty. Within the limits defined by the state Open Meeting Law and the agency's own Public Relations Policy and the Communications Policy for Cape Cod Commission Members, members should make themselves available to answer questions and provide information about Commission activities.



■ Regional Advisory Responsibilities

Commission members are an advisory board responsible for guiding many of the agency's policies and initiatives. Members may also be appointed to represent the agency on special committees or other boards. Most importantly, members help the agency fulfill its mission and uphold the Cape Cod Commission Act and ordinances adopted by Barnstable County.

■ Communication Rules for Commission Members

Cape Cod Commission members serve in several different roles:

1. They are representatives of and liaisons to the 15 Cape towns and Barnstable County residents.
2. They are regional policy makers in issue areas such as land use, transportation and affordable housing.
3. They are quasi-judicial board members regulating development proposals.

In the first two roles, members are encouraged to communicate freely and regularly with local and county officials and the general public. In the third role, however, Commission members are more limited in when and how they may communicate.

Members of Development of Regional Impact subcommittees and the full Commission serve in quasi-judicial roles during project review and the DRI appeal period.

Each member must confine his or her review to the oral and written information received during the public hearing process.

Cape Cod Commission members have adopted and follow written policies governing their communications. The primary policies are the **Communications Policy for Cape Cod Commission Members** (approved June 12, 2008), and the **Cape Cod Commission Public Relations Policy** (approved July 9, 2007).



CAPE COD
COMMISSION

3225 Main Street
Barnstable, MA 02630

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BARNSTABLE, MASSACHUSETTS 02630

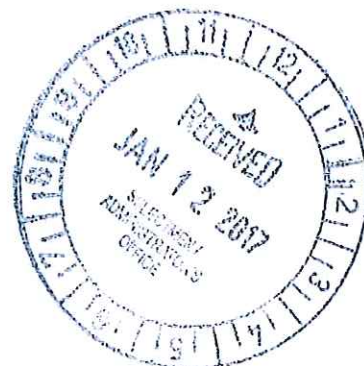


CAPE COD
COMMISSION

(508) 362-3828 • Fax (508) 362-3136 • www.capecodcommission.org

January 3, 2017

Board of Selectmen
Christopher Clark, Town Administrator
Town of Harwich
732 Main Street
Harwich, MA 02645



Dear Selectmen and Mr. Clark:

As you know, the Cape Cod Commission, through its review of Developments of Regional Impact (DRIs), can allow and/or require applicants to mitigate some of their projects' impacts through cash payments. The DRI decisions specify the activities for which the town may use the mitigation funds, such as to provide for open space or traffic improvements. In the case of Harwich, \$229,301 has been provided and \$348,325 is currently available for various purposes. Please see the enclosed list.

Commission staff would welcome an opportunity to assist you in utilizing these funds. Typically, after an initial assessment to determine if funds can be used for a particular purpose, a scope of work is developed, a Memorandum of Agreement is executed, and funds are provided to the Town on a reimbursement basis.

Please let me know if you have any questions or wish to utilize any of the available funds.

Sincerely,

Paul Niedzwiecki
Executive Director

Cc: Aly Sabatino
Lincoln Hooper
Jacqueline Etsten



Ann Steidel

From: Dillon Murphy <dillonjmurphy@gmail.com>
Sent: Tuesday, February 07, 2017 1:57 PM
To: Ann Steidel
Subject: Renovations

Hello Selectman,

My name is Dillon Murphy and I am the owner and manager of the Land Ho in Harwich Port at 429 Route 28. I would like to make some needed renovations to the restaurant's floor in the kitchen and prep area starting on February 27th 2017 and finishing by March 23rd. The estimated time to complete the job is a few days shy of this date but these jobs always seem to hit some snag so I have extended a few days. I would like to close for this period so that we can focus on this project. Please let me know what other information that you may need on this matter.

Thanks,

Dillon Murphy

Land Ho Harwich Port L.L.C.

door of the entrance to the premises and displayed in such a way that it may be readily seen from the street.

- b. Suspension orders of the Authority, as above, shall remain affixed throughout the entire period of suspension. The removal, covering, defacement, or obliteration of the order of suspension or the failure to maintain the order of suspension in the manner and place required prior to the expiration of the suspension period shall be deemed the act of the licensee and shall be cause for further suspension, modification or revocation of the license.
- c. Suspension periods shall not be used as a time to do renovations at the licensed premises unless such renovations have previously been approved by the Authority.
- d. No members of the public may be on the premises at any time during suspension periods, with the exception that restaurants may be able to continue to service patrons without serving alcohol, with the approval of the Licensing Authority.

→ **1.19 Permission to Close Premises Required; Non-use of Licenses**

- a. Licenses are granted to serve the public need and, to that end, licensees are expected to operate the license for a substantial number of hours on all days when the premises are permitted to be open under the terms of the license. In the case of alcoholic beverages licenses, the number of which are limited according to statute, no licensee may close its place of business for any reason other than the following:
 - 1. Upon approval of a request to the Licensing Authority for closing in order to do renovations for a reasonable time;
 - 2. For all holidays and religious days;
 - 3. A closing of one (1) or more days per week upon approval of a request to the Authority and a showing by the licensee that it does not have adequate business upon such days.
 - 4. A closing due to an act of God, natural disaster, illness or some other business problem for which request has been made to the Authority and approval granted.
- b. Any licensee intending to close a place of business, whether on a temporary or permanent basis, must notify the Licensing Authority in writing before such closing stating the reason and length of such closing and obtain approval. Failure to provide such notice may result in the suspension or revocation of the license.

Sandy Robinson

From: John Rendon
Sent: Wednesday, February 01, 2017 1:52 PM
To: Sandy Robinson; Ann Steidel
Cc: Matthew Hart (mhart2@comcast.net); Amy Usowski
Subject: BOS Meeting Agenda Item - Mon 13 February

Sandy, Ann,
Can you please include the following presentation on the BOS agenda for Mon, 13 Feb:

Saquatucket Municipal Marina Landside Renovation Project Update - Tim Sawyer, Brown Lindquist Fenuccio & Raber Architects, Inc

Thank you. regards,

John C. Rendon
Harbormaster
Town of Harwich
774 212-6193 (c)

Town of Harwich
Harbormaster's Office
715 Main Street – PO Box 207
Harwich, MA 02646
Phone (508) 430-7532
Fax (508) 430-7535

Memo

To: Christopher Clark, Town Administrator
From: John C. Rendon, Harbormaster
Date: February 1, 2017
Subject: Saquatucket Municipal Marina Landside Renovations

In October 2014, the Board of Selectmen established the Saquatucket Development Committee with a charge to develop a conceptual site plan that integrated the newly purchased 2.2 acre Downey property with the 5.2 acre Saquatucket Harbor property for the purpose of supporting the expansion of the municipal marina, encouraging the restoration of degraded wetland and river frontage and providing options for increased economic development. For the past two plus years the committee has held public meetings to seek input from all interested citizens and groups. A conceptual site plan was developed and approved by the Board of Selectmen, and a professional architect has been hired to develop detailed plans. In preparation for 2017 Annual Town Meeting where a warrant article for project construction funds will be proposed, the following project details are provided:

1. Project Description Overview – The Saquatucket Municipal Marina Landside Renovation project includes a new Harbormaster Office building, a leased waterfront Café restaurant, six leased seasonal vendor shacks, and a boardwalk with viewing areas that overlook the marina. On the former Downey Property the plan calls for creative landscaping to enhance the appearance of the area, a consolidated ticket office building for the four Passenger Boat owners, and a Harbormaster Department maintenance facility building. In addition, the Downey Property will accommodate much needed paved parking (approx 80 spaces) that will be available during the summer boating season, and the same area will be utilized for winter boat storage in the off-season. As a side note, a request was made to Mass DOT for the construction of a sidewalk leading from Harwichport to the harbor along Route 28. Significant annual revenue will be generated from the various aspects of the landside plan. An overview site plan is included as enclosure (1).

2. Objectives - The main objectives of the plan are to improve the safety of pedestrian access, improve the efficiency of harbor operations, and enhance the character, beauty, and attractiveness of the harbor for boaters and non-boaters alike for many years to come.

3. Justification

- Pedestrian safety is a significant concern; under present conditions hundreds of daily passenger boat customers either have to walk across busy Route 28 after purchasing tickets or line up in the main Saquatucket parking lot area for tickets, thus congesting the traveled way vehicles and boat trailers use to get to the boat ramp. Providing a leased consolidated ticket office building on the harbor side of Route 28, where significant parking is available will resolve this safety concern.
- Moving the Harbormaster Department maintenance operation from the Bank Street facility to the harbor will greatly improve the efficiency and safety of operations. The vast majority of maintenance and repair work occurs at our municipal marina. Having the department garage and workshop located at the marina is logical as well as needed. In addition, the Bank Street building is in disrepair, does not provide the space necessary and needs to be replaced. It is recommended that the Bank

Town of Harwich
 Harbormaster's Office
 715 Main Street – PO Box 207
 Harwich, MA 02646
 Phone (508) 430-7532
 Fax (508) 430-7535

Street property be sold and the revenue generated from the sale be used to offset the cost of the new maintenance building at Saquatucket Harbor.

- The current Harbormaster Department office building is long overdue for replacement. The building is made up of a small shanty on a slab, which serves as the front office space and the back section of the office was a shed. The entire building is poorly insulated, electrical wiring is not to code from years of piecemeal work, and the jury-rigged small space is not nearly adequate for the Harbormaster Department staff, the Natural Resource Director and the public. The proposed new office building will be in compliance with building codes, will enhance the effectiveness of staff operations and greatly improve the appearance and functionality of the facility.
- The Town has the opportunity to more fully capitalize on the true economic potential of Saquatucket Harbor, as has been recommended in past economic development studies. The addition of a leased waterfront café, boardwalk with viewing areas of the marina and harbor, leased vendor shacks for local artisans, and expanded parking will greatly improve access and attraction to the harbor for residents and visitors alike, and will generate additional revenue.
- Not only will the functionality of the harbor be improved, but the character and beautification of the harbor will be dramatically improved as well, increasing the charm and heritage of the town of Harwich as a vacation destination.

4. **Costs** – The 2016 Annual Town Meeting approved \$250,000 for the engineering design and associated permitting for the Saquatucket Harbor landside renovations. In addition, a \$187,500 MA Coastal Zone Management grant was awarded to the town for the design of the project. Through a competitive bid process, Brown Lindquist Fenuccio & Raber Architects, Inc (BLF&R) was awarded the project. Design plans are nearing 75% complete and once the town accepts the draft plans, BLF&R will submit the plans to the estimator for a more accurate assessment of the total project cost. The initial cost estimate is \$3 million as provided in the capital plan.

5. **Funding** – As stated above, the sale of the Bank Street workshop facility and property should be dedicated to assist in funding the Saquatucket Municipal Marina Landside Renovation project. Based upon a recent appraisal, sell of the property should generate approximately \$200,000. Also a significant amount of new revenue will be generated once the proposed landside renovations are completed. Based upon the initial estimated project cost of \$3 million, the average debt service on a 20 year bond at 4% interest rate will be approximately \$200,000. It is estimated that the harbor can generate approximately \$75,400 in annual revenue to put towards the debt service payment. The estimated new revenue as outlined in the below table will fund over one-third of the total project cost:

Sources of Revenue	Annual Revenue for Debt Service	Notes
Winter Boat Storage	\$30,000	First option is to lease areas of old Downey Property and west parking lot for boat storage; dept will rent space directly if no/little lease interest
Waterfront Café Lease	\$20,000	Estimated annual lease for waterfront cafe
Consolidated Ticket Office Bldg Lease	\$11,000	There will be four passenger boat companies that will lease office space within the building to sell tickets.
Six Vendor Shack Leases	\$14,400	Estimate based upon \$200 per week rental of vendor shack for 12 weeks: \$200 x 12 x 6 = \$14,400
Total	\$75,400	

Town of Harwich
Harbormaster's Office
715 Main Street – PO Box 207
Harwich, MA 02646
Phone (508) 430-7532
Fax (508) 430-7535

6. **Summary** - Saquatucket Harbor is a special place that contributes greatly to the character, appeal and economy of the town. Last year the town approved \$6 million dollars towards a \$7 million project to replace and reconfigure the dock system and services at the Municipal Marina, in addition to dredging the harbor to permitted depths. New and existing revenue generated from the harbors will fund approximately 75% of the total cost of the water-side project. The proposed landside renovations will further enhance the harbor for not only the boating community, but also for the non-boaters. Already a significant draw to local tourism, the proposed landside renovations will make Saquatucket Harbor a primary destination for residents and visitors alike. This proposed landside project, along with the water-side project will go a long way to achieving the Town's stated goals of upgrading and modernizing harbor facilities, maximizing economic and recreational opportunities, and increasing accessibility while protecting the area's environment, neighborhood character, and maritime history.

Enclosure: (1) Proposed Saquatucket Harbor Landside Overview Plan

Copy: (1) Chairman, Board of Selectmen
(2) Chairman, Waterways Committee
(3) Assistant, Town Administrator



Reconfigured Marina Parking Lot (Town)
 • 127 Total Parking Spaces
 (Existing lot contains 141 parking spaces)

Ticketing Parking Lot
 • 74 Total Parking Spaces

State Boat Ramp Lot
 *Existing:
 • 63 Boat Trailer Spaces
 • 18 Typical Car Spaces
 • 81 Total Parking Spaces
 *Proposed:
 • 53 Boat Trailer Spaces
 • 28 Typical Car Spaces
 • 81 Total Parking Spaces



1 OVERVIEW SITE PLAN

SCALE: 1"=30'

STAMP:

BROWN UNDQUIST FERRUCIO & RABER
 ARCHITECTS, INC.
 115 STATE ST.
 WASHINGTON MA 01890
 TEL: 508.332.2212
 FAX: 508.332.2212

SAGAUACKET HARBOR
 LANDSIDE IMPROVEMENTS
 715 MAIN STREET
 HARWICH PORT, MA 02646

TITLE:

OVERVIEW
 SITE PLAN

DATE ISSUED:

1.13.2016

REVISIONS:

DRAWN BY: TRS

DRAWING NO.:

SP1.0

Fiscal Year 18 Town Administrator's Budget Message

by Christopher Clark

1 INTRODUCTION AND SUMMARY MATERIAL

It is once again my privilege to present a balanced budget for the Town of Harwich. The balancing of the budget always comes as a challenge in an effort to try to meet the needs of the organization/community in terms of local services while also balancing the cost to the community's taxpayers. This budget maintains a level of service consistent with last year for municipal operations with some only very minor exceptions. This budget also offers a look at the requests by departments to enhance service delivery to all residents. The requests outstrip our ability to pay so are not called for in this budget but if desired would necessitate a Proposition 2 ½ Override.

Overall, the FY 18 budget maintains existing levels of services with only very limited expansion of services in areas that will be offset in whole or in part by fees. The two areas include some additional part time help for our Cable Operations that are funded by the cable operator's Franchise Agreement and not taxes. The Community Center part time staff has been slightly augmented to help with the 2 year program to assess the viability of the Middle School to serve as a Cultural Center for the Town. Interest from artists has been strong as this program starts. Town Meeting will be asked to set up a Revolving Fund for the Cultural Center Operation that should offset taxpayer dollars with rental income. Revolving Accounts do have limitations on funding permanent positions. I believe that these two modest increases are within the Board of Selectmen's Budget Directives of no new positions unless non-taxpayer funded.

Large capital challenges are present as the Town continues to address nitrogen levels which continue to impact the environment and cannot be ignored due to pending federal litigation, so a plan known as the Comprehensive Wastewater Management Plan (CWMP) has been developed to address this challenge. The CWMP Phase 1 is complete and Phase 2 is provided for in this plan. The \$34 million dollar three to five year phase will require a Debt Exclusion to fund. Debt exclusions increase taxes only to offset the debt service for a specific need to be addressed and all taxpayers pay the cost of the Debt. The tax goes away at the end of the borrowing. Last year, Town Meeting approved improvements to Saquatucket (SAQ) Harbor water side that is still in permitting and will be primarily funded by grants and user fees. The FY 18 Capital Plan calls for the Landside redevelopment to be completed which will be funded mostly by taxpayers with some offsets. The Golf Operation also is requesting a small building and site renovations that will be mostly paid by a new user fee adopted last year. Administration tries to offset these costs through the use of grants where applicable, specific user fees, low interest loans and other concepts that will help mitigate potential costs.

The core fundamentals of my budgeting process have once again been maintained by adhering to principles of Standard & Poor's AAA rated communities' standards. I have decided to include more graphic elements as opposed to solely text. I hope this makes the material more visual. Whereas the budget message contains many of the traditional elements but I have strayed to cover Five Budget Themes for not just this Budget but for those into the future. Potentially, a blueprint to view the future in a more favorable light. The areas discussed will be Maintain and Enhance Level of Service, Education Opportunities, Human Resources

(Collective Bargaining and Benefits), Comprehensive Wastewater Management Plan (CWMP) and Financial Management.

The first mission at hand is the discussion of the FY 18 Budget.

2 STANDARD & POOR'S RATING CRITERIA AND CAPE COD TOWN STANDINGS

Once again Administration has reviewed the various reports from Standard & Poor's in relation to the town's standing in the ratings world. I believe that the Town should consider seeking an AAA bond rating when we go out for a significant bond amount. This should happen within the next few years as large projects start to come on line. Administration has been adhering to these principles and after three years and onto our fourth budget message has seen very favorable results. We have seen greater consistency in Free Cash where they have been on target or above for now four years in a row. Our reserves have been significantly built up. These two items were of particular concern to Standard and Poor's.

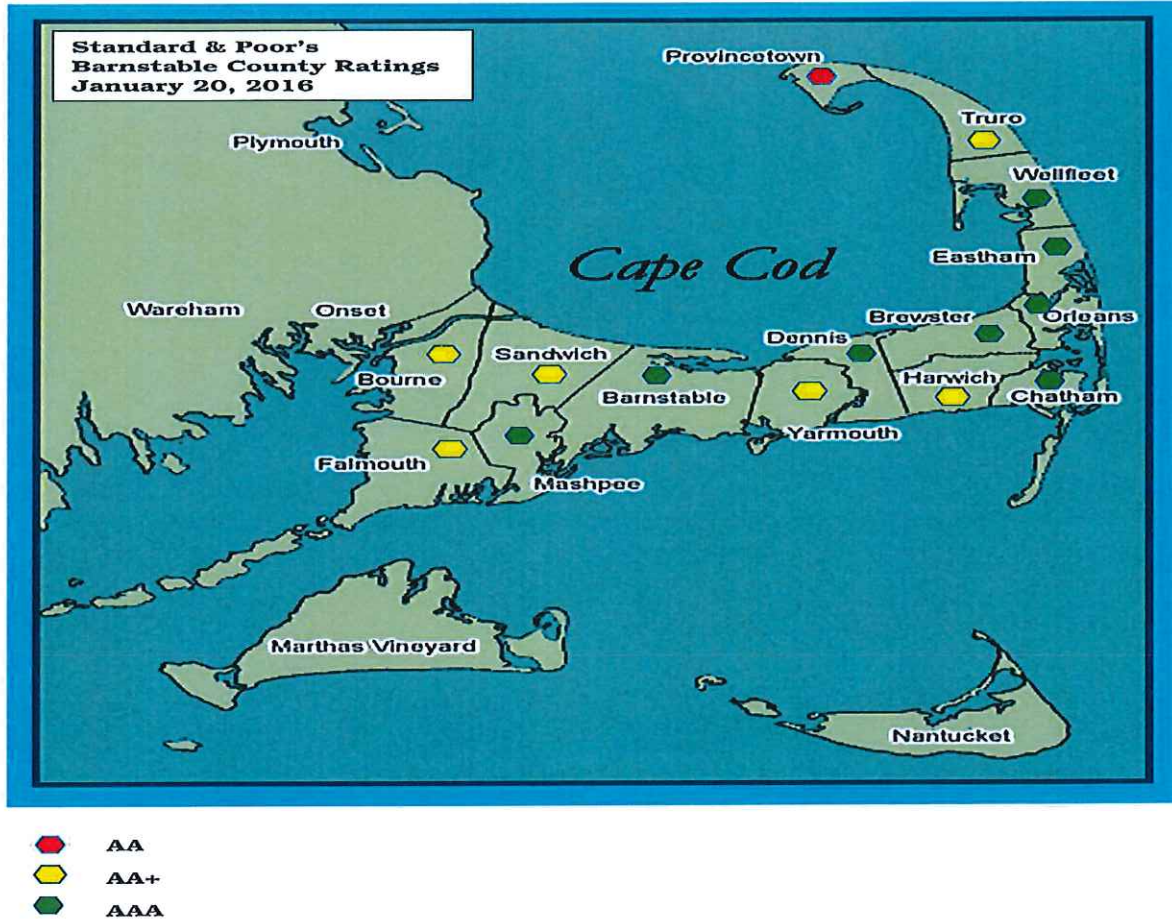
I would like to take the opportunity here to remind the reader of the top 10 management characteristics of highly rated US public finance issuers were discussed with those being:

1. Focus on Structural Balance
2. Strong Liquidity Management
3. Regular Economic and Revenue Updates To Identify Shortfalls Early
4. An Established Rainy Day/Budget Stabilization Reserve
5. Prioritizing Spending Plans and Establish Contingency Plans for Operating Budgets
6. Strong Long-Term and Contingent Liability Management (OPEB)
7. A Multiyear Financial Plan in Place and Considers the Affordability of Actions or Plans Before They Become Part of The Annual Budget
8. A Formal Debt Management Policy in Place to Evaluate Future Debt Profile
9. A Pay-As-You-Go Financing Strategy as Part of the Operating and Capital Budget
10. A Well-Defined and Coordinated Economic Development Strategy

Standard & Poor's ratings services undertook an evaluation of the revised criteria for US general obligation debt that took place from September 2013 to September 2014 that will also be discussed in part. The two reports reviewed include "The Updated General Obligation Criteria Reflect The US Local Government Sectors Strength And The Importance Of Qualitative Analysis" dated October 3, 2014 and "US Local Government Rating Review Shows Varied Economic Conditions Being Met With Sound Financial Underpinnings" dated December 10, 2014. The summary of those findings are twofold: first, the town needs to create a more established pattern of positive Free Cash. Second, the town needs to build reserves when opportunity presents. I believe in this budget message you will see that we are on our way to achieving both.

We have also included in this budget message a graphic that shows the various towns on Cape Cod that have increased their bond rating to a AAA. This includes our direct neighbors of the Towns of Dennis, Chatham, Brewster and Orleans. The Town of Harwich has an AA plus bond rating. The town already possesses a strong housing market and low unemployment and is very high in some area property values. It is these items that when matched with more consistent positive Free Cash and an improvement in reserves along with a stable

and experienced finance team will help us hopefully achieve an AAA bond rating. This will be of tremendous significance as the town enters into a new phase of significant capital infrastructure improvements for addressing the wastewater issue.



3 BUDGET COMPARISONS FISCAL YEARS 2017 AND 2018

This section is designed to provide an overview of the FY 18 budget. The total revenue for FY 18 totals \$60,697,660 and the total anticipated expenditures are \$60,692,708 creating a slight surplus of \$4,952. I have decided to include our *Sources and Uses* graphic because it is a great summary of our fiscal picture as we move from FY 17 Budget into FY 18. My discussion afterward will center on larger items of note. While setting the FY 16 Tax Rate excess levy capacity was created in an amount just over \$600,000. Administration indicated that we would draw this down over a two to three year period. The FY 17 Tax Rate had about \$300,000 of excess levy capacity left. Administration will pay close attention to the excess levy capacity when we set the FY 18 Tax Rate later in this calendar year.

BUDGET 2018

**Budget
FY 2017**

**Budget
FY 2018**

SOURCES OF FUNDS

FY 2017

FY 2018

%

Tax Levy Limit (R/E & PP)		45,171,567	46,754,365	3.5%
Local Receipts		10,899,086	11,358,779	4.2%
State Aid				
Cherry Sheet		683,884	705,430	3.2%
School Building Assistance (Ended in FY 2017)		993,194		100.0%
Overlay Surplus		125,000	100,000	-20.0%
<u>Transfers:</u>				
Harbor Capital Imp. Fund #1626	107,163	110,931		3.4%
Cable Fund (Comcast) #1614	129,237	143,417		9.9%
Septic Loans #1701	17,358	17,358		0.0%
Water Enterprise Indirect Cost #1320	587,382	650,178		9.7%
FEMA #1199	13,736	13,508		-1.7%
Alan Harbor Betterments #1740	151,000	185,550		18.6%
Road Betterments #1702+#1703+#1704	52,750	49,194		-7.2%
CPA Funds (land Bank) #8027	<u>633,400</u>	<u>608,950</u>		<u>-4.0%</u>
Sub Total:		<u>1,692,026</u>	<u>1,779,086</u>	5.1%
TOTAL SOURCES		<u>59,564,757</u>	<u>60,697,660</u>	1.9%
USES OF FUNDS				
Charges:				
RECAP, Offset		-	-	#DIV/0
State-Cherry Sheet Charges (CCC & BC Tax)		650,351	663,358	2.0%
Overlay (Abatements- Taxes)		<u>460,000</u>	<u>460,000</u>	0.0%
TOTAL CHARGES		<u>1,110,351</u>	<u>1,123,358</u>	1.2%

<u>NET AVAILABLE Sources</u>		58,454,406	59,574,302	1.9%
Town Operating Budget		21,950,681	22,711,025	3.5%
<u>Semi-Fixed Cost</u>				
Barnstable County Retirement	2,528,468	2,681,194		6.0%
Debt Service	3,750,309	2,608,420		-30.4%
Health Insurance	4,200,000	4,560,227		8.6%
OPEB	100,000	100,000		
Property & Liab. Insurance	616,521	613,451		-0.5%
ARTICLES included in Tax Levy				0.0%
Unemployment	35,000	20,000		-42.9%
Mega assessment (for FY 04-06)		=		0.0%
Total Fixed Cost		11,230,298	10,583,292	-5.8%
Cape Cod Tech HS		1,437,053	1,487,362	3.5%
Wonomony Regional School District		<u>23,833,578</u>	<u>24,787,671</u>	4.0%
TOTAL USES		<u>59,561,961</u>	<u>60,692,708</u>	1.9%
NET SOURCES & USES		<u>\$ 2,796</u>	<u>\$ 4,952</u>	

SOURCES:

On the **revenue side**, our primary source of revenue comes from **local property taxes** as governed by Proposition 2 ½. The total amount anticipated for Fiscal Year 2018 is **\$46,754,365** which represents a **3.5%** increase. The primary basis for the increase is from 2.5% of the levy plus \$250,000 anticipated for new growth. The total dollar increase \$1,582,797 including not just levy and new growth but all previously voted debt exclusions. **Local receipts** will account for \$11,358,779 of the FY 18 budget which is an increase of 4.2% or an additional \$459,693. Generally, the Town continues to benefit from Transfer Station revenues, Ambulance Receipts and building related activities (Building, Electrical and Plumbing Permits) where almost all other are reasonably flat. Motor Vehicle excise tax is a large amount of this and continues to show very modest growth. This budget item also includes again \$82,000 which is predicated upon the Golf Department securing the landscape agreement with Monomoy Regional School District. This item is directly offset by the additional cost that will be incurred of \$82,000 to perform this work. The CVEC electric receipts derived from the solar array on our former landfill have projected to be at a level sufficient to meet our target. The **Cherry Sheet** is the name given to aid provided by the Commonwealth of Massachusetts. The estimate includes the Governor’s budget 2% growth in what used to be called Lottery Revenue and is now referred to as UGGA. This line also does show a dramatic decrease of almost one million dollars of funds from Massachusetts School Business Authority (MSBA). The decrease is an offset to debt payments for an old School Building project. The revenue decrease is matched to an expenditure decrease. I also plan to use \$100,000 from our overlay surplus to support the budget.

Transfers account for portion of the budget with some notables including Water Enterprise Indirect costs offset General Fund expenditures for Water Employees. The Community Preservation Fund is used to offset Land bank debt. Cable, Harbor and betterment funds are used to offset operational costs (Cable) or support Debt Service (Harbor and Betterments’).

Charges & Allocation are items that we need to budget for and come directly from state law. The Commonwealth charges us operation costs and fees totaling \$663,358. Proposition 2 ½ requires setting revenue aside to account for tax adjustments that come from requests for abatements. This account is known as the Overlay Reserve which is budgeted for \$460,000.

Total Revenue increased by only 1.9% but this is somewhat misleading because of the almost \$1,000,000 reduction from the MSBA. When you exclude that element, revenue increased by over \$2,000,000.

Funding our operations includes utilizing undesignated fund balance, better known as “**Free Cash**,” which is certified at **\$1,984,792** million. This amount is available to fund capital programs and to build reserves for the FY 17 budget.

Capital Budget Items	\$1,155,975
Other Operating Capital Items, Articles	\$ 129,630
Middle School \$125K, HCT Reimbursement \$73K	\$ 198,000
<u>Contingency Snow/Ice (\$300K) and O.P.E.B. (\$200K)</u>	<u>\$ 500,000</u>
Total to Be Used	\$1,983,605

USES:

On the **expense side** of the equation, on the designated town operating budget the increase is 4.2%. The salary and wage component was facilitated by the negotiation of 2% increases to the various collective-bargaining agreements. Negotiation of moderate increases can create a certain level of stability. It is interesting going through the budget from a salary perspective in that some departments have not only the 2% adjustment but also the step increases and longevity play a significant role in having the expenses over 2%. The Library is one that comes to mind with the higher staffing levels due to the Monday openings now funded for the entire year and many newer employees who are in the steps. Last year we saw a tiny increase in the Police Budget in FY 17 due to the retirements but now that the department is more settled and with changes more people in the steps. On the opposite side, the Assessor's office budget was a modest decrease because of the staffing transition. The budget does include some newer costs such as in Engineering in which a new Professional Services costs of \$20,500 for compliance with the new Storm Water management requirements. Administration budget does include funding for Salary adjustments (\$5,000) for Management Employees based upon salary surveys and Wastewater Consultant Services \$20,000. The Department of Public Works was also increased for additional commitment to Facility Maintenance (\$ 26,000) and Solid Waste (\$155,000). The Solid Waste cost are offset by the increased revenue. The total overall increase is slightly over \$900,000 accounting for the increase but with \$200,000 coming from the above referenced puts it in perspective. FY 18 also has one less day during this fiscal year so the calculation for an annual salary is 52.0 weeks versus the 52.2 weeks in FY 17.

The limited **enhancement of services** in areas that will be offset in whole or in part by fees. The two areas include some additional part time help for our Cable Operations that are funded by the Franchise Agreement and not taxes. This revenue comes from the cable company in the form a portion of their revenues. The state has now mandated that we change our accounting for Cable Operations so they will be segmented off from the General Fund. The Community Center Part time staff has been slightly augmented to help with the 2 year program to assess the viability of the Middle School to serve as a Cultural Center for the Town. Interest from artists has been strong as this program starts. Town Meeting will be asked to set up a Revolving Fund for the Cultural Center Operation that should offset taxpayer dollars with rental income. Revolving Accounts do have limitations on funding permanent positions. I believe that these two modest increases are within the Board of Selectmen's Budget Directives.

The **Semi-fixed cost** section of the Sources and Uses identify costs that are prioritized for the budget. *Barnstable County Retirement system* has an increase of 6% this is driven by two factors primarily previous retirees and public safety who did or do not fund their full retirement and the requirement to have the retirement plan funded in full by 2040. Generally, all non-public safety employees pay the vast majority of their own retirement costs. *Debt Service* decreased because of the payment of almost one million dollar payment for debt related to a school project in which the final payment was made in FY 17. *Health Insurance* increase of 8.6% continues a trend of increased costs. The Town is part of a self-funded group called Cape Cod Municipal Health Group (CCMHG). A greater discussion of this issue is included later.

Salary and wages for the FY 18 budget include the negotiated and anticipated negotiated settlements. FY 18 does provide for a modest increase for FY 18 in anticipation of settlement. Six of the eight unions have Collective Bargaining Agreements covering FY 18. Greater discussion is included in the Major Initiatives/Themes section of this Budget Message.

Education is a large portion of our overall budget. As mentioned previously *Monomoy Regional School District* presented a budget that it considers to be a level of service budget consistent with their needs. The *Monomoy assessment increase for the Town of Harwich is 4.0% (FY 17 was 5.99%) in total and the assessment for capital of \$224,724 is planned in this budget to be funded by capital exclusion*. Last year, the capital assessment was funded from Free Cash. The hope is that Monomoy is able to build up its excess and deficiency account that they will be able to utilize this a portion of their capital program. It is nice to see that our assessment this year is a range of sustainable identified last year. The range identified last year was assessments that are in the 3 to 4% range would create less pressure on our operating budget. This is significant when one considers that Monomoy is also a member of CCMHG and having cost pressures related to premiums with increases from 8.5% to 12%. I do believe that the constructive working relationship between myself and Mr. Carpenter helps to create better fiscal understanding and consensus.

DRAFT FY18 ASSESSMENT 1/30/17

	Harwich	Chatham	Total
Operating Budget	\$22,487,923	\$8,129,234	\$30,617,157
Transportation	\$367,275	\$124,523	\$491,798
Capital	<u>\$224,114</u>	<u>\$80,886</u>	<u>\$305,000</u>
	\$23,079,312	\$8,334,643	\$31,413,955
Debt	<u>\$1,708,359</u>	<u>\$616,572</u>	<u>\$2,324,931</u>
TOTAL FY18 DRAFT ASSESSMENT 1/30/17	<u>\$24,787,671</u>	<u>\$8,951,215</u>	<u>\$33,738,886</u>

FY17 RE-VOTED ASSESSMENT

	Harwich	Chatham	Total
Operating Budget	\$21,644,248	\$7,783,493	\$29,427,741
Transportation	\$412,558	\$134,124	\$546,682
Capital	<u>\$224,724</u>	<u>\$80,276</u>	<u>\$305,000</u>
	\$22,281,530	\$7,997,893	\$30,279,423
Debt	<u>\$1,776,772</u>	<u>\$634,699</u>	<u>\$2,411,471</u>
TOTAL FY17	\$24,058,302	\$8,632,592	\$32,690,894

Δ From FY18 DRAFT to FY17 RE-VOTED

	Harwich	Chatham	Total
Operating Budget	\$843,675	\$345,741	\$1,189,416
Transportation	-\$45,283	-\$9,601	-\$54,884
Capital	<u>-\$610</u>	<u>\$610</u>	<u>\$0</u>
	<u>\$797,782</u>	<u>\$336,750</u>	<u>\$1,134,532</u>
	<u>3.58%</u>	<u>4.21%</u>	<u>3.75%</u>
Debt	<u>-\$68,413</u>	<u>-\$18,127</u>	<u>-\$86,540</u>
Total	<u>\$729,368</u>	<u>\$318,623</u>	<u>\$1,047,992</u>
	<u>3.03%</u>	<u>3.69%</u>	<u>3.21%</u>

FY18 Assessment

Cape Cod Technical High School overall budget had a very modest increase of 1.68%. The net increase is of three students (#621) over FY 17 (#618). Harwich added two students to the total to slightly increase our percentage of enrollment. Our assessment went up by 3.5%. This amount has been provided for in this balanced budget. Cape Cod Technical High School has also provided information about their building project in the upcoming request for commitments that will be needed to fund said renovations/additions. Additional information is provided in the Debt Section of this message.

FY18 Assessments

Towns	FY17	FY18	% FY18	Total Assessments		Change		Per Student	Per Student
	Enrollment	Enrollment	Enrollment	FY18	FY17	\$	%	Cost	Cost
								FY17	FY18
Barnstable	173	183	29.5%	\$ 3,535,665	\$ 3,302,096	\$ 233,569.00	7.1%	\$19,087.26	\$19,320.57
Brewster	43	43	6.9%	\$ 831,711	\$ 828,976	\$ 2,735.00	0.3%	\$19,278.51	\$19,342.12
Chatham	11	10	1.6%	\$ 194,070	\$ 210,206	\$ (16,136.00)	-7.7%	\$19,109.64	\$19,407.00
Dennis	76	67	10.8%	\$ 1,303,183	\$ 1,463,089	\$(159,906.00)	-10.9%	\$19,251.17	\$19,450.49
Eastham	16	15	2.4%	\$ 291,987	\$ 309,752	\$ (17,765.00)	-5.7%	\$19,359.50	\$19,465.80
Harwich	75	77	12.4%	\$ 1,487,362	\$ 1,437,053	\$ 50,309.00	3.5%	\$19,160.71	\$19,316.39
Mashpee	59	57	9.2%	\$ 1,135,010	\$ 1,137,175	\$ (2,165.00)	-0.2%	\$19,274.15	\$19,912.46
Orleans	13	15	2.4%	\$ 290,179	\$ 249,250	\$ 40,929.00	16.4%	\$19,173.08	\$19,345.27
Provincetown	3	5	0.8%	\$ 97,409	\$ 57,489	\$ 39,920.00	69.4%	\$19,163.00	\$19,481.80
Truro	1	3	0.5%	\$ 57,075	\$ 19,301	\$ 37,774.00	195.7%	\$19,301.00	\$19,025.00
Wellfleet	7	9	1.4%	\$ 173,827	\$ 135,249	\$ 38,578.00	28.5%	\$19,321.29	\$19,314.11
Yarmouth	141	137	22.1%	\$ 2,645,675	\$ 2,694,877	\$ (49,202.00)	-1.8%	\$19,112.60	\$19,311.50
	618	621	100.0%	\$12,043,153	\$11,844,513	\$ 198,640			
						1.68%			

Department Requests Reduced

In total, Administration reduced over \$925,000 in requests. These are worthwhile concepts that could enhance services. Balancing a budget is always a difficult endeavor. I have identified some of the larger items reduced from the original requests. The list does not include numerous smaller requests or adjustments to increase. These items total over \$25,000 plus.

	<u>Reductions</u>
Fin Com Res	25,000
Administration (Mgmt. Sal. Adj)	19,000
New Police Officer Elder Affairs	50,000+
New 2 Firefighters increase shifts	150,000+
DPW New Highway Position	48,000+
DPW New Park Position	48,000+
DPW New Build. Main. Electrical	67,000+
DPW New Build. Main. General	43,000+
DPW Central Main. (48K inc. reduced)	18,000
Municipal Solid Waste	60,000
Small Operating Capital Funded From Free Cash) DPW Equip	11,000
Police Equipment	25,000
Fire Equipment	25,000
IT Equipment	19,000
Snow & Ice	35,000
Dredging(Increase to \$100K reduced)	35,000
Health Insurance (15% down to 12%)	220,000
<u>OPEB</u>	<u>25,000</u>
	925,000+

The above list consists of adjustments made to the departmental budget recommendations that administration needed to adjust or eliminate. This is not a full comprehensive list as other reductions were made during the individual budget sessions with departments. It shows a reflection of the refinements to go into the budget.

If these balanced budget recommendations are not taken, then the town will need to either increase local taxes or reduce operating costs by a like amount in order to bring the budget back into balance.

4 MAJOR INITIATIVES/THEMES FISCAL YEAR 2018 BUDGET

As in last year's budget message, Administration is attempting to highlight various initiatives or themes in each of the budget cycles. I have selected five Budget Initiatives to discuss in this section including: Maintain and Enhancing Levels of Service in the overall Budget, Education Impacts, Human Resource Elements (Collective Bargaining and Benefits, Comprehensive Wastewater Management Plan and Overall Financial Management (Capital, Debt and Reserves).

MAINTAIN AND ENHANCING LEVELS OF SERVICE

Upon my arrival to the organization in December 2013, I encountered a significant demand on the town side to bring levels of service up. This concept emerged from an expectation that the merging of the Chatham and Harwich school systems into Monomoy would realize significant dollar savings and therefore those dollars could be applied to the Harwich town side organization. Chatham did realize savings due more to how school choice is calculated and Harwich had cost avoidance where attempting to build a school on our own as opposed to using MSBA funds would be costly. Therefore a demand was created where a dollar supply did not exist to fund. I've attempted in each of the budget messages to try to present modest salary increases, funding to the Proposition 2 ½ limits and not to request overrides and try to modestly meet some of the requests for personnel that come in each of the budget cycles. Fundamentally, I believe that we can add one or two positions per year provided that local receipts continue to grow and costs such as health insurance are modest. In years in which revenues are tepid and health insurance costs bordering on double digits necessitates a maintaining of service levels and not an expansion. The FY 18 budget is in this category. I have shown in one of the sections the new positions sought for an enhancing levels of service that were not funded.

EDUCATION (MONOMOY/CAPE TECH AND SCHOOL CHOICE)

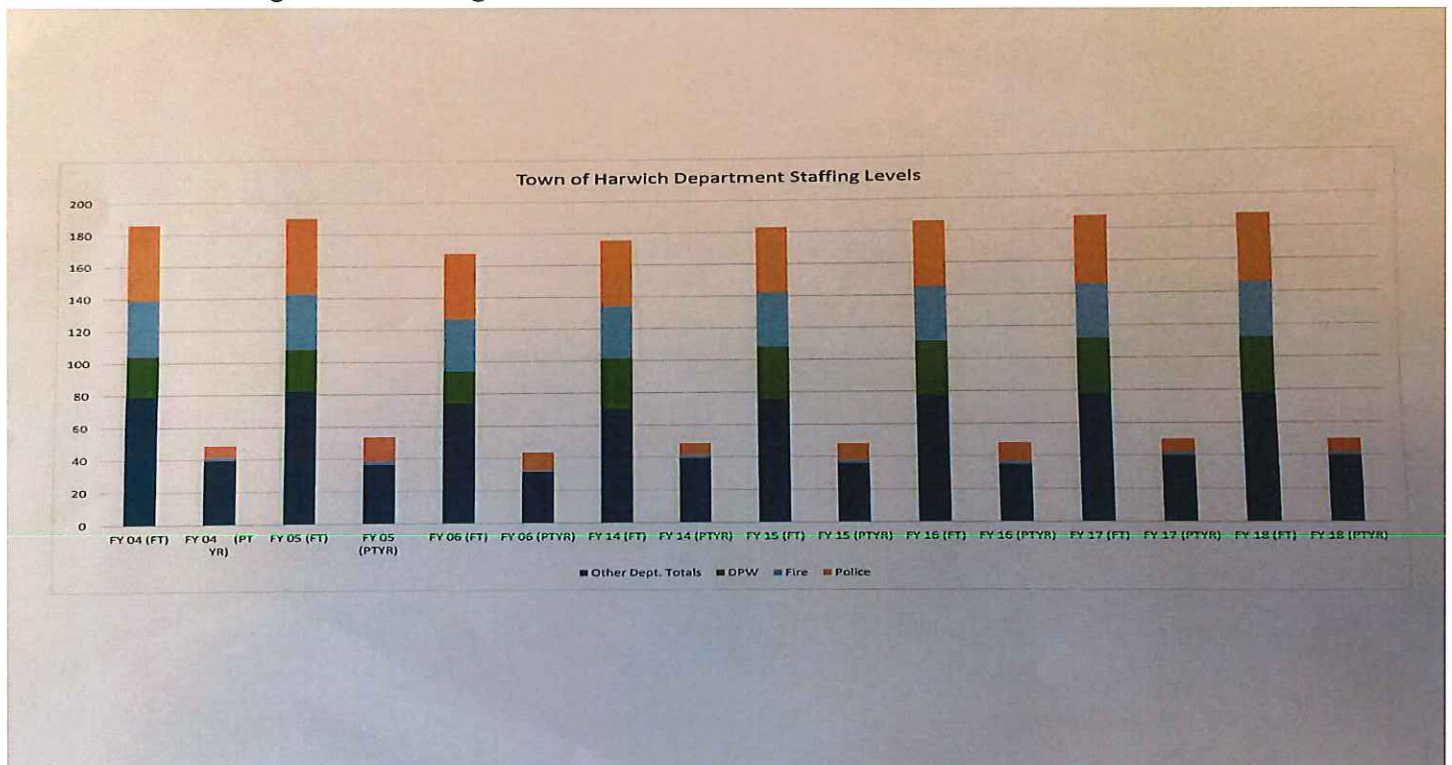
Education on Cape Cod is a zero sum game as overall demographics show a decrease in school-aged population and a very active school choice environment. It is not a surprise in this environment that schools need to maintain viability by updating their academic programs, athletic programs and overall school facilities in which to compete in this highly competitive marketplace that not only pits systems against each other but also having to deal with private sector opportunities. How a school system is viewed is critical.

Monomoy Regional School District is a newer district trying to build a name and reputation for quality with limited class sizes. The construction of the new high school has definitely made people think in the area that Monomoy is a consideration. *Monomoy as a system needs create a sense of stability and to continue to develop beyond just the new facility into maintaining and enhancing academic program offerings and athletic offerings.* Harwich is already a home to a charter school and has a charter school in Hyannis that draws much attention. The Nauset school system has a quality reputation and much more established academic and athletic programs. In this competitive environment, currently the town has general fund expenses related to school choice tuitions and charter school tuitions that in fiscal year 13 were at \$1,780,537 with a continuing modest but progressives climb up to \$2,530,332 in fiscal year 16 within anticipated decrease in fiscal year 17. *One goal that would help to moderate budgets for the Monomoy system would be to continue to market and retain Harwich and Chatham kids in the system and decrease the significant outflow of money that comes from school choice that could be redirected into the Monomoy system based upon current school choice regulations.*

The Cape Tech Regional Vocational Technical School has an existing solid track record for their vocational and academic programs but lacks an updated facility to operate said programs. The Tech School is completing its feasibility study elements and is anticipated to request the voters of the district in October 2017 to fund the results of that study which calls for the construction of a new school on the existing site. Harwich's portion will be a fraction of the total debt service for the project based upon enrollment numbers which are currently estimated for FY 18 at 12.4% of total enrollment. The early estimates anticipate construction cost to be in the \$140 million cost range. Detailed numbers will not be available until closer to the time that the bids are due in and the bids themselves will be more determinative of the actual costs. The original school was constructed in the 1970s and this upgrade comes as the building's life approaches the 50 year mark.

HUMAN RESOURCES ELEMENTS (STAFFING LEVELS, COLLECTIVE BARGAINING AND BENEFITS)

Administration has decided to look at staffing levels over time in the organization to assess the history of the levels of effort. We did select the FY 04 to 05 budget years because that was a time in which it was a failed override for \$3 million and a successful override for approximately \$1 million. This sequence of events led to a reduction of \$2 million out of the budget and did have a material effect on staffing levels. We also show what staffing levels have been over the last few years and project into the FY 18 budget. You'll see in many cases that we have not returned to those previous service levels. I can assure you that when I started into this profession in 1990 to now government type work has become much more complicated and demands of residents in communities' expectations continue to grow. Strictly from a budgeting perspective, our ability to meet these needs is limited. I have attempted to utilize technology where and when available to increase productivity without new staff. We have automated our sticker identification program at our transfer station and recycling center. This automation is made the process more accurate and more streamlined. Administration does look each year to try to introduce technology where and when available. Reorganizations have also been a focal point as we try to right size the organization and allow it to be modernized to address the advent technologies. See staffing chart below:



During my time with the town, I have advocated for modest wage adjustments that can be sustained within Proposition 2 ½ without the need for a General Override. This will be my fourth budget message and does not recommend a General Override. The workforce is heavily unionized and requires a more deliberative process of concessions and negotiations to negotiate the changes referenced above as well as negotiating modest wage adjustments. In general, many of the wage adjustments have had a base of 2% over this time with some allocation for modest benefit adjustments such as an incentive payment to not use sick time and modest increases in clothing allowances. The chart below shows the current status on collective-bargaining agreements and I am happy to report we're up to date with all and enter into FY 18 with six of the eight units already settled.

<u>Collective Bargaining Unit STATUS AS OF FEBRUARY 6, 2017</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>
Harwich Permanent Fire Fighters Association Local 2124	•	X	X	X	
Harwich Employees Association (HEA)	X	X	X		
Highways & Maintenance Employees Association (HMEA)	X	X	X		
Harwich Management Employees Association SEIU 888 (Highway & Maintenance)	•	X	X	X	
International Association of Machinists & Aerospace Workers (Water)	•	X	X	X	
N.E. Police Benevolent Association (NEPBA) Local 103 Emergency Telecommunication Dispatchers	•	X	X	X	X
Harwich Police Federation (Officers)	•	X	X	X	X
N.E. Police Benevolent Association (NEPBA) Local 69 (Superiors)	•	X	X	X	X
Personnel Bylaw	•	X	X		
• Previous Contract/MOU					
X Existing/Current Contract					

Health insurance continues to be a significant issue. The town actively participates in the Cape Cod Municipal Health Group (CCMHG) a regional joint purchase consortium. Town does realize the value of economies of scale by participated in the CCMHG. One of the significant drivers for health insurance costs on Cape Cod is that we are regionally isolated and have one primary provider - Cape Cod Hospital that derives a significant portion of its revenue from the Medicare and Medicaid programs which generally are underfunded and therefore governmental entities and private sector businesses make up for the shortfall in the costs allocated to us for those services. The CCMHG is a self-funded entity with the necessary applicable stop-loss coverage to try to control costs. Our experience over the last several years in terms of utilization and costs as a group have been high in which for each dollar paid in premium we are close to spending a dollar on costs. The group has had prior year surpluses that have been used to offset or subsidize the rates. Those prior year surpluses have now been reduced down to the level of approximately 10% of premiums and within the approved reserve

range of between 8% and 12%. The FY 18 rates have only minimal subsidy included and are closer to true costs levels the levels range from 8.5% to 12%. The group actively utilizes wellness initiatives and this year has introduced a new high deductible product that should help to reduce costs for those who choose to enter the voluntary program. It has been an honor for me to actively participate in the Steering Committee of the CCMHG, to work on this challenging and complicated issue on not only the behalf of the town of Harwich but also for the over 50 governmental entities that utilize this group on Cape Cod and Martha’s Vineyard. Obamacare had an influence on the marketplace and with the change of administrations and a commitment to again modify the health insurance marketplace will have an impact locally.

The Town does continue to actively fund our Other Post-Employment Benefits by funding within the operating budget an amount and to then supplement as funds are available during times of larger than expected undesignated fund balances in revenue and expense turn backs.

COMPREHENSIVE WASTEWATER MANAGEMENT PLAN (CWMP) (BUILDING FOR FUTURE)

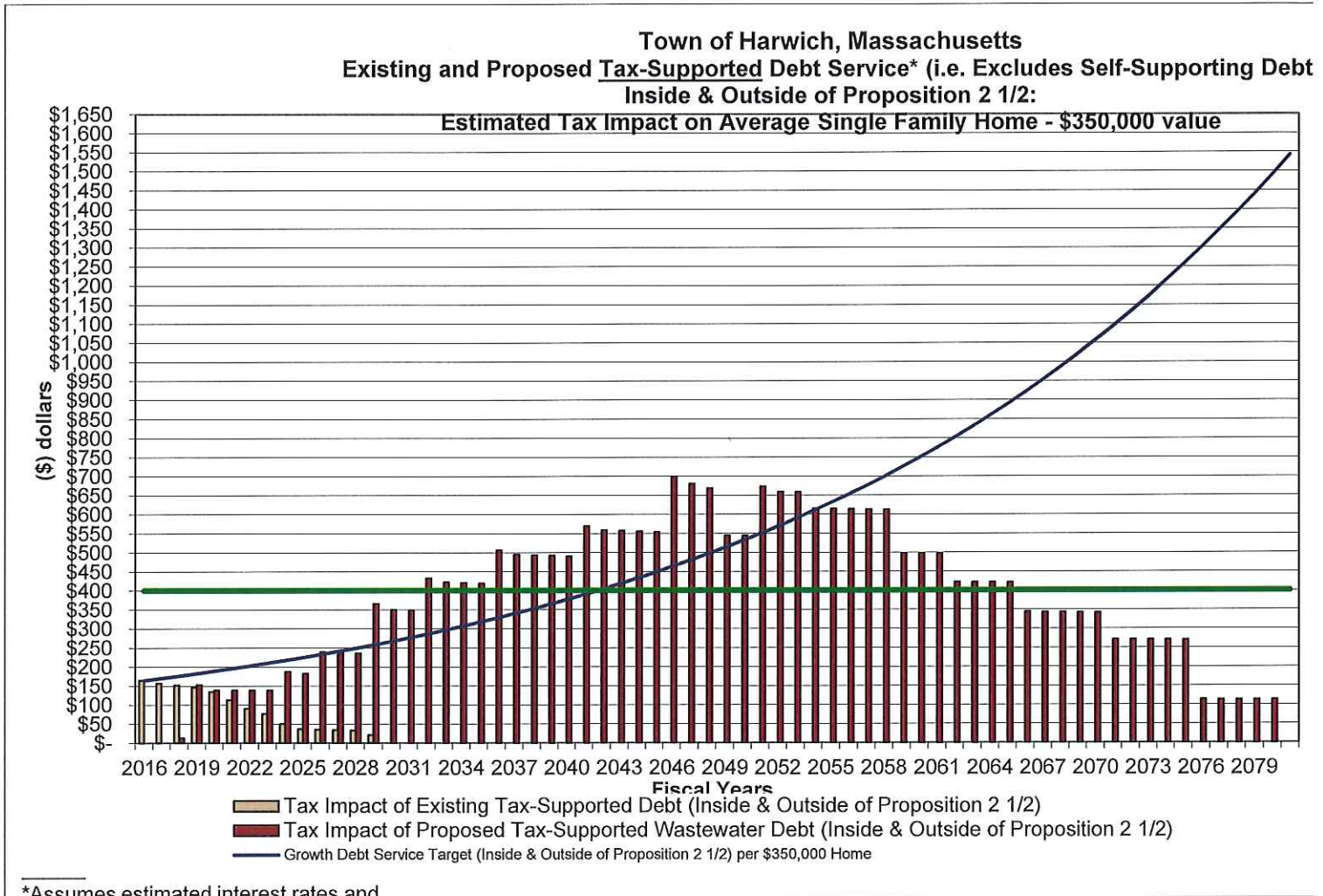
The Town has completed Phase 1 of the CWMP and this year’s budget calls for the first large capital appropriation as the Town commences with sewerage sections of the Pleasant Bay Watershed which encompasses most of the eastern portion of the Town. This area was chosen in part because of the opportunity to utilize the existing treatment facility in Chatham and because it is the primary source of the Town’s drinking water. Table 1 below show the various components of the Phase 2 request.

Table 1:

1. Intermunicipal Agreement (IMA) with Chatham Purchase Capacity	6,765,000
2. Tie-In Costs to Pipes and Pump Station to Chatham	2,400,000
3. CWMP Implementation Services	150,000
4. Pleasant Bay (South) Watershed Collection System Design & Construction	22,300,000
5. Cold Brook Natural Attenuation Design and Construction	2,000,000
6. Restoration of Hinckley’s Pond	550,000

The total **CWMP Phase 2 request is for \$34,165,000** to be funded by a Debt Exclusion with the work to be done over a three to five year period. The Phase has three components: first, the sewerage and connection of the sewer to the Chatham Treatment facility is contained in items 1 through 4 above. Second, Alternative treatment methods will be used in the Cold Brook area. The successful Muddy Creek Project falls into this category as well. Third, the Restoration of Hinckley’s Pond. Administration sought to have this funded through the Community Preservation Fund which has been done in other communities but it was voted down by the Committee. The funds are now being included because the work needs to be done. The treatment process mirrors the same process used very well in the Long Pond several years ago.

Administration has been requested and after designing out some financing concepts, we have engaged Hilltop Securities, our financial advisors, to put together some funding charts. I have enclosed one below. Separate educational materials are available on the overall plan and the request that will be on the Annual Town Meeting Warrant and Election Warrant.

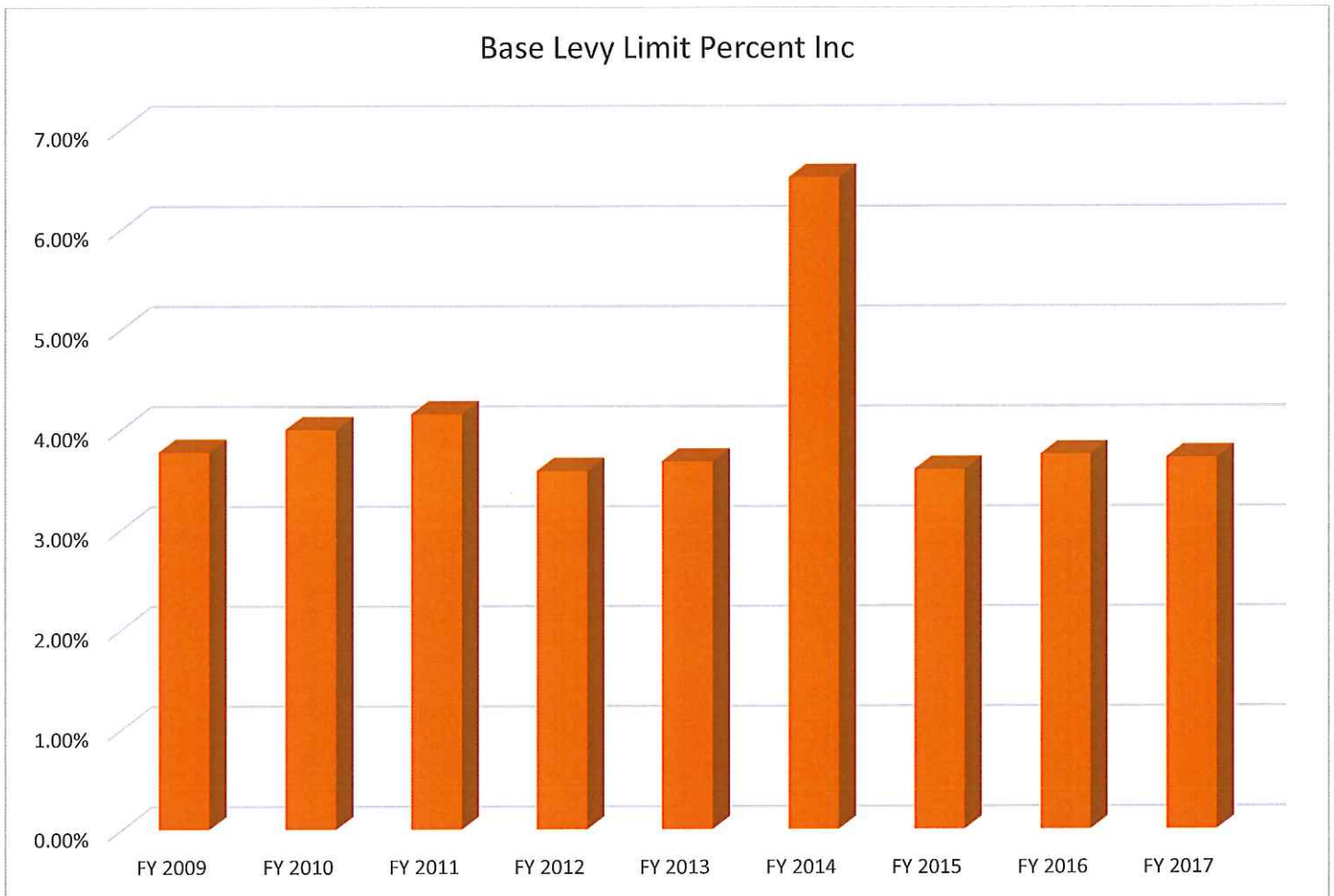


FINANCIAL MANAGEMENT (CAPITAL, DEBT AND RESERVES)

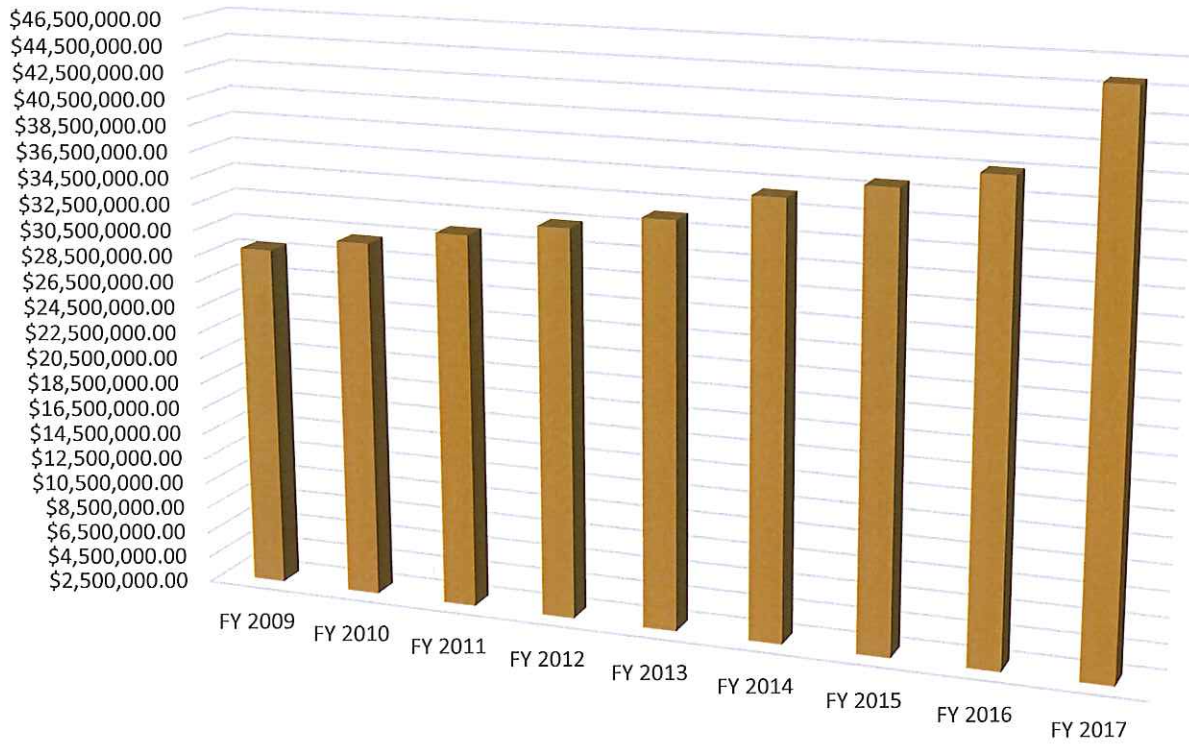
Financial Management discussion will be specifically discussed in the applicable sections of this budget message. Suffice to say here that with a comprehensive capital budgeting program, a debt plan that looks out over 40 years on the CWMP and other debt as well as a significant uptick in reserves the Town is in an excellent place to consider a Standard & Poor’s rating review. I would suggest that this be timed with going out for a long term borrowing as one or two of the larger projects comes on line. The strategy of doing temporary borrowing to ensure that we only borrow for the long term actually what we need is only one tool to mitigate costs.

5 HISTORICAL TAX LEVY DATA

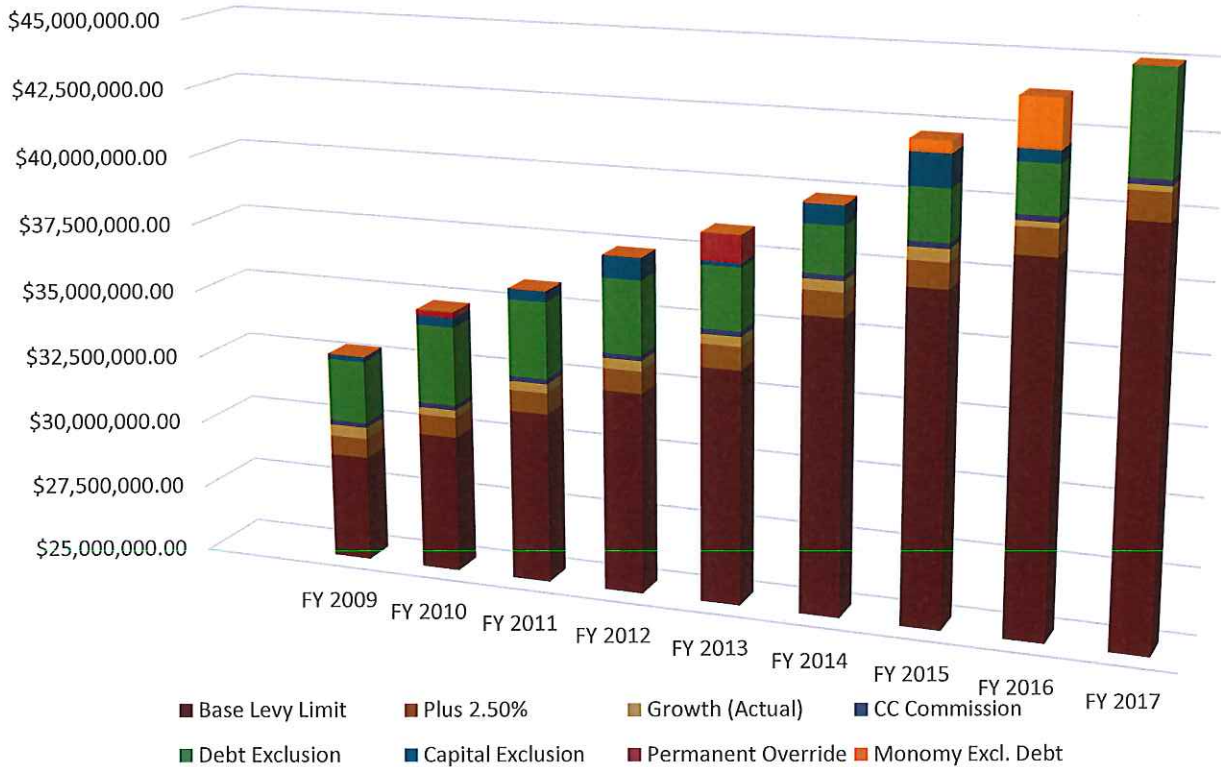
The Assessing Department has prepared several slides included in the presentation that show a fairly high level of consistency in the base levy limit percent increases from Fiscal Year 2009 through Fiscal Year 17 ranging consistently from 3 ½ to 4% with Fiscal Year 2014 at a higher level due to an override levy. The base limits in dollars also show a steady increase which reflect a strong ability of the town to meet its financial obligations. Finally the levy limit calculation chart that shows a willingness on the voters part to not only support the Proposition 2 ½ levels but to also approve on a consistent basis both capital and debt exclusions and on rare occasions general overrides with the most recent being in Fiscal Year 2014.



Base Levy Limit in Dollars



Levy Limit Calculation



6 FINANCIAL FORECASTING

The Charter for the Town of Harwich includes a component in which a five-year financing plan is prepared for the Board of Selectmen's review and for planning purposes. This projection was completed and presented to the Board of Selectmen in the late fall. Projections show the opportunity to balance the budget with the growing challenges in the outer years. The finance team and I will continue to work on making the projections as accurate of a tool as possible in order to predict what actions will be necessary in moving the community forward in order to stay within the confines of Proposition 2 ½. As always alternative revenue sources must be explored and cost containment measures taken in order to provide resiliency and improve our ability to balance the budget. As in any revenue and expenditure forecast, the accuracy of the first year is very high, while the accuracy of the out years is lower no person can truly predict or guarantee future developments with great certainty. The transition in the financial management team will give an opportunity to review current models which I believe to be fundamentally sound and make improvements and refinements where possible. *This projection is the one shown in the fall and not adjusted for current budget.*

SOURCES & USES ASSUMPTIONS

9/26/2016	2018-2022 Assumptions Five Year Plan
SOURCES	
Property Tax	
Property Tax (Base)	Prior year ending Tax Levy Limit
Statutory Increase 2.5 %	Statutory increase 2.5% per Year
Growth	Growth is estimate at \$200,000 per year.....
Capital Exclusion	As approved by ATM /STM.....
Debt	Per Treasurer & Assessor and includes proposed debt
General Override	NO General Overrides or/ Under ride included in plan.....
Overlay Surplus	Per Assessor \$ 100,000 per Year 2018- 2022.....
Community Preserv. Act	Per Community Preservation Committee Debt Service (Land Bank Only).....
Provision for Abatement/Exempt	Plan at \$ 470,000 for FY 2018 plus \$10,000 each year thru FY 2022.....
Non-Property Tax	
State Aid Gross	Trend line projection based upon past history;
MSBA Reimbursement	Ended in 2017
State Assessments	2.5 % increase.....
Motor Vehicle Excise	Flat for FY 18-22 at \$ 1.85M
Other Local Receipts	Updated projections based upon FY 15 Actual +CVEC 250,000.
Other Available Funds	Recap Sch. B-2 (Comcast Septic, Road & Harbors Betterments).....
Motel / Hotel Tax	90% of FY 15 Actual
Meal Tax	90% of FY 15 Actual
USES	
EXPENDITURES	
Municipal	
Operating Expenses	
Salaries and Wages	2.25% Annual Salary increases for FY 18 -22.....
General Expenses	1.5 % all plan years except as noted
Solid waste	Tiping fees increased from \$37.50 to \$70.00 effective January, 2015.....
Unemployment	Plan \$25,000/yr for FY 17-21 (\$40,000 - FY 17-21 for Golf unemployment costs).....

USES ASSUMPTIONS (CONTINUED)

USES		
EXPENDITURES		
Municipal		
Operating Expenses		
Salaries and Wages	2.25% Annual Salary increases for FY 18 -22.....	
General Expenses	1.5 % all plan years except as noted	
Solid waste	Tipping fees increased from \$37.50 to \$70.00 effective January, 2015.....	
Unemployment	Plan \$25,000/yr for FY 17-21 (\$40,000 - FY 17-21 for Golf unemployment costs).....	
USES		
EXPENDITURES		
Municipal (continue)		
Group Health Insurance	2018-2022 - 15%	
Pensions- Barnstable County	5.0% increases for FY 2017-2021 according to Barnstable County Administrator, predicated on a 7.75% investment return.....	
Natural Gas	1.50%	
Electric Utility	1.50%	CVEC solar panel credits of \$150k starting Jan.1, 2015.
Street Lights	new LED lighting lower base year FY14 + 2% annually.....	
Bulk Fuel	@ county bid.....	
Property / Liability Ins.	MIIA FY 18 for town only plus 5.0% per year through 2022.....	
Debt	Total Principal and Interest on existing Debt 2018-2022 Note: Authorized and Unissued Debt, as of June 30,2014 is \$9,661,000.00	
State/County Assessments	2.5% annual increase on municipal accounts;	
Education		
C.C. Technical High	Per Ed Reform Calculation	Current projections are FY 17 plus 0 new students Budget + 3.25% 2018-2022
Monomoy Regional Schools		
MRSD-Operating	Per Regional Agreement	Pending information by Region Operating Budget Increase by 3.25%
MRSD-Capital	Per Regional Agreement	Capital Budget zero same as fy 2015
MRSD-Transportation	Per Regional Agreement	Transportation Budget increase by 2.5% (holding place)
MRSD-Debt Service- Middle School	Per Regional Agreement	Not Exempt Debt under Tax Levy within Prop. 2.5% 2016=\$115,121.21: FY 2017= \$ 90,399.87: FY 2018=60,956.53: FY2019=\$24145.54 FY 2020 \$0, debt paid in FY 2019. Note this debt payment is net of SBA.
MRSD-Debt Service H.S. BAN	Per Regional Agreement	FY 2016 to be funded.
MRSD-Debt Service H.S.	Per Regional Agreement	Debt Service 9/16/2014 2016-2040.....Interest @ 3.07%... 25Year.....

FIVE YEAR FINANCIAL PROJECTION

Town of Harwich Five Year Plan 2018-2022		Budget	Five Year Plan	Five Year Plan	Five Year Plan	Five Year Plan	Five Year Plan
Line	SOURCES OF FUNDS	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
1	Levy Limit	\$ 45,171,567	\$ 46,914,318	\$ 49,374,327	\$ 50,486,494	\$ 52,618,868	\$ 53,050,864
2	Local Receipts	10,899,085	11,243,410	11,224,495	11,273,732	11,323,964	11,375,211
3	Other Revenues						
4							
5	State Aid						
6	Cherry Sheet	683,884	666,809	666,809	666,809	666,809	666,809
7	School Building Assistance	993,195	-	-	-	-	-
8	Overlay Surplus	125,000	100,000	100,000	100,000	100,000	100,000
9	OFS (Transfers In)						
10	Waterways Mgmt.	107,163	112,519	110,396	108,273	-	-
11	Library State Grant	-	-	-	-	-	-
12	Comcast Operating	129,237	132,468	135,780	139,174	142,653	146,220
13	Septic Loan	17,358	17,250	17,250			
14	Water Indirect	587,382	602,067	617,118	632,546	648,360	664,569
15	Harwich Emrg. Mgt.	13,736	13,648	13,890	14,137	14,389	14,645
15-a	Road/ Harbor Betterments	203,750	469,300	454,730	436,440	419,925	410,390
16	CPC Funds	633,400	608,950	588,750	553,700	341,750	238,050
	TOTAL SOURCES	\$ 59,564,757	\$ 60,880,739	\$ 63,303,545	\$ 64,411,306	\$ 66,276,718	\$ 66,666,758
18							
20	USES OF FUNDS						
21	Charges:						
23	State-Cherry Sheet Charges	650,351	666,610	683,275	700,357	717,866	735,813
24	Overlay (Abatements- Taxes)	460,000	470,000	480,000	490,000	500,000	510,000
26	TOTAL CHARGES	1,110,351	1,136,610	1,163,275	1,190,357	1,217,866	1,245,813
27	NET AVAILABLE Sources	\$ 58,454,406	\$ 59,744,129	\$ 62,140,270	\$ 63,220,949	\$ 65,058,852	\$ 65,420,945
31	Operating Plan Town	\$ 21,950,681	\$ 22,123,606	\$ 22,566,237	\$ 23,014,206	\$ 23,475,189	\$ 23,907,283
32	Fixed Cost						
33	Barnstable County Retirement	2,528,468	2,654,891	2,787,636	2,927,018	3,073,369	3,075,125
33-	Debt Service	3,750,309	3,241,458	4,438,477	4,241,014	4,926,480	3,873,625
34	Health Insurance	4,200,000	4,830,000	5,554,500	6,387,675	7,345,826	8,447,700
35	Property & Liab. Insurance	616,519	641,345	672,662	705,545	740,073	776,326
	Capital Exclusion	-	-	-	-	-	-
	OPEB	100,000	125,000	150,000	175,000	200,000	225,000
37	Unemployment Insurance	35,000	35,000	35,000	35,000	35,000	35,000
38	Total Fixed Cost	11,230,296	11,527,694	13,638,275	14,471,252	16,320,747	16,432,776
39	Education						
40	Cape Cod Tech	1,437,053	1,483,757	1,531,979	1,581,769	1,633,176	1,686,254
41-a	Monomoy Regional School District	23,833,578	24,608,169	25,407,935	26,233,693	27,086,288	27,966,592
42	TOTAL USES	\$ 59,561,959	\$ 60,879,837	\$ 64,307,702	\$ 66,491,276	\$ 69,733,266	\$ 71,238,719
45	NET SOURCES & USES	\$ 2,798	\$ 902	\$ (1,004,156)	\$ (2,079,970)	\$ (3,456,548)	\$ (4,571,961)

7 SPECIFIC BUDGET DATA

Items of significance such as last year’s message included an analysis of fringe benefits and other large capital projects such as the SAQ Landside Harbor Project and the Golf Operations Project.

A. Fringe Benefit Analysis

Administration was requested to complete an estimate of fringe benefit costs related to employees. We have attached as part of his presentation in the PowerPoint section a slide that details out some of the costs of those fringe benefits. In order to do a study of this nature, a large number of assumptions need to be made. We did group various positions into employee categories such as public safety which covers police and fire personnel, public works including highway, transfer station, cemetery and parks personnel. Administrative and clerical cover a wide variety of personnel including most of Town Hall and the Library. Water Department personnel were separated off in part because the information is more readily available due to the Enterprise Operation. Lastly, we had another grouping of people as kind of a catchall such as Harbor, Custodial and Maintenance, Recreation and the Public Nurse.

The caveats include a large majority of employees do take health insurance, but not all. The coverage ranges such as individual plans to family plans, as well as from HMO to PPO so a blended rate was derived in order to use one number. Retirement allocation is significantly skewed as we took the retirement allocation of our current assessment and applied it to the current employee payroll list. Employees who have previously retired at a 5% or 7% contribution rate did not pay the full actuarial cost of the retirement. Current employees, on the other hand, fund their retirement at 8% or 9% with a 2% surcharge on anything over \$30,000 from an actuarial perspective do provide for their own retirement without any significant subsidization from the taxpayer. Police and Fire personnel due to their shorter length of service only cover a portion of their total retirement from an actuarial standpoint. The workers compensation and Injured On Duty are derived from either the state schedule or past history. Unemployment compensation is strictly allocated based upon a budgeted amount versus payroll.

Fringe Benefits Analysis - Average Per Full-Time Employee

<u>Position</u>	<u>Total</u>		<u>Fringe Benefits</u>				<u>Fringe Benefits</u>	
	<u>Avg Wages</u>	<u>Health</u>	<u>Retire- ment</u>	<u>WC</u>	<u>IOD</u>	<u>UnEmp Comp</u>	<u>TOTAL</u>	<u>Percentage</u>
Public Safety	\$ 60,000	\$ 15,408	\$ 8,400	\$ -	\$ 1,200	\$ 180	\$ 25,188	42%
Public Works (13)	\$ 55,500	\$ 15,408	\$ 7,770	\$ 2,836	\$ -	\$ 167	\$ 26,181	47%
Admin/Clerical(55)	\$ 65,000	\$ 15,408	\$ 9,100	\$ 85	\$ -	\$ 195	\$ 24,788	38%
Water ¹ (14)	\$ 59,700	\$ 15,255	\$ 8,358	\$ 2,800	\$ -	\$ 179	\$ 26,592	45%
Harbor/Maint/Parks &Rec/ Nurse ¹ (16)	\$ 58,000	\$ 15,408	\$ 8,120	\$ 2,100	\$ -	\$ 174	\$ 25,802	44%

¹ For Avg Wage it does not include Clerical. Clerical is included under Admin/Clerical

Total Average Wages: The total of the wages divided by the number of positions.

Health: Is a blended rate of the Towns various plans and the Town's 75% contribution

Retirement: is the set against all employees although newer employees self fund their retirement

Workmen Compensation: Is the State set rate plus the Experience Modifier and the Premium Discount.

IOD: Is based upon the premium for coverage and some costs for deductibles

Unemployment Compensation: Is allocated based upon previous history

B. Infrastructure Improvement and Sales – Harbor and Golf Operations

The town has been faced with significant challenges in the form of improvements to its harbors, including the *Saquatucket Harbor* waterside capital improvement project which will be placed before the voters at the May 2016 Town Election. Saquatucket Harbor which is our last harbor to receive renovations will be completed in a two phase process. The first process is the waterside work that is currently under design will be constructed when fully permitted. The second phase to be presented at the 2017 Annual Town Meeting will include the landside work that would focus on the redevelopment of the purchased Downey property which may include the Harbormaster shop, ticketing building and then improvements to the restroom facilities and provision for a restaurant facility along the waterfront. The landside is contemplated for design consideration for 2018. The design process is still underway and the anticipated preliminary costs for the construction is estimated at \$3,000,000. Administration is working with the Harbormaster to see how we can offset some of the costs. A review and appraisal of the old existing Maintenance Building on Bank Street could be sold off with the proceeds to offset the cost of new buildings.

The *Golf Operation* is looking at updating facilities and parking areas. The \$1.2 million dollar plan calls for the replacement of the antiquated cart barn, reskinning of a maintenance building, reconfiguring some cart paths and the traffic configuration of the traveled lane and the parking areas. The Golf Operation did request and Town Meeting approved a new fee to cover the vast majority of costs. The design work is fairly straightforward so much is being done by our Engineering Department or will be purchased as a modular construction so the design is included in construction costs.

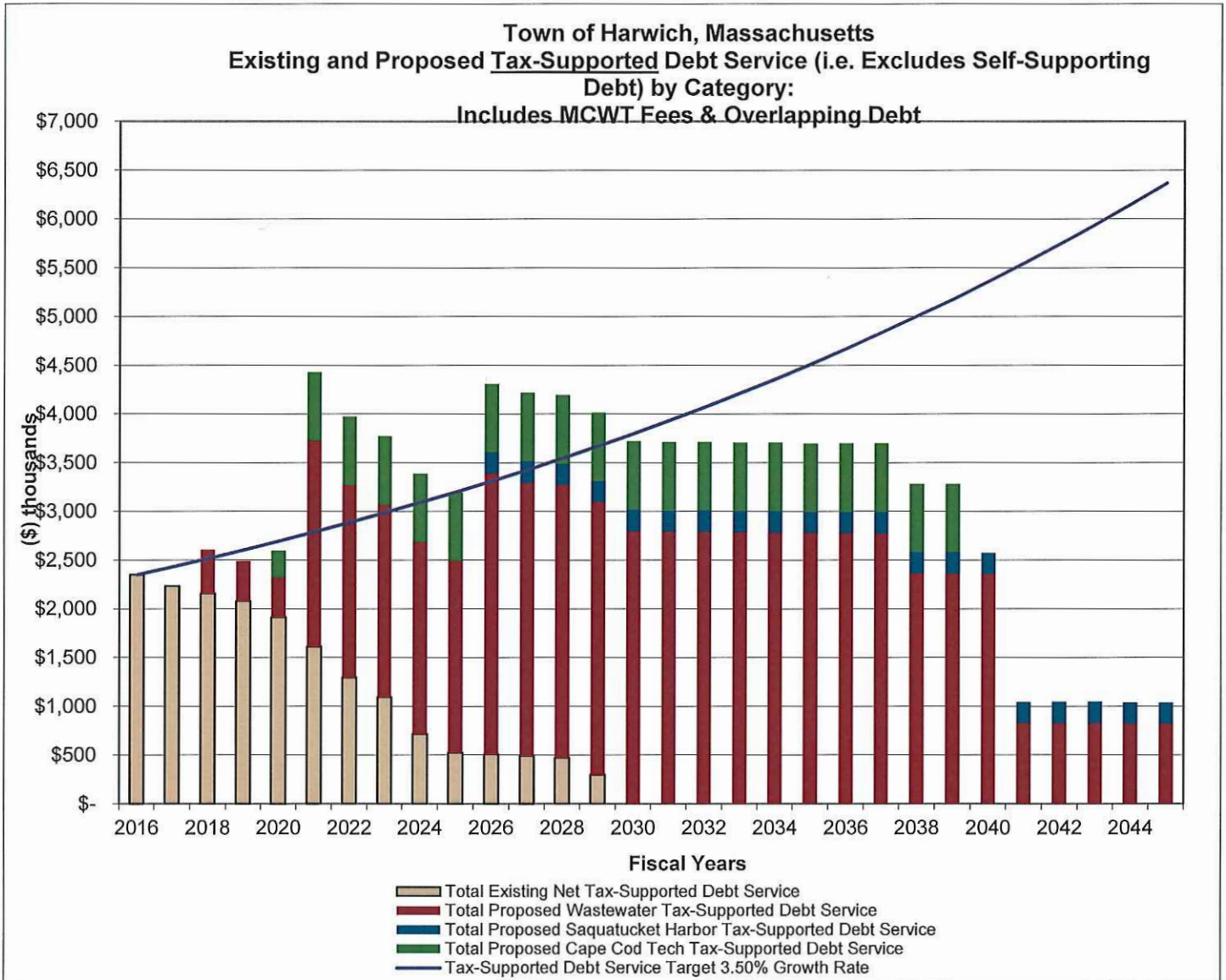
C. Review Of Departmental Operations For Self-Sufficiency

The town has made use of Massachusetts General Laws Chapter 44, Section 53 with all of its subsections to make use of self-supporting or enterprise types of operations. The new Finance Director will be working with Administration to continue the work that has been started on this topic and to raise the awareness of departments that have the ability to become more self-sufficient to do so. Due to the large number of personnel changes efforts in this area have not been as developed as Administration would like. As the transition personnel settles itself out Administration hopes to return to focus in this area. We will be looking at two areas for this upcoming Town Meeting. State Rules have changes regarding Cable Operations and the Middle School Cultural Center Concept can be best assessed if dealt with as a Revolving Account.

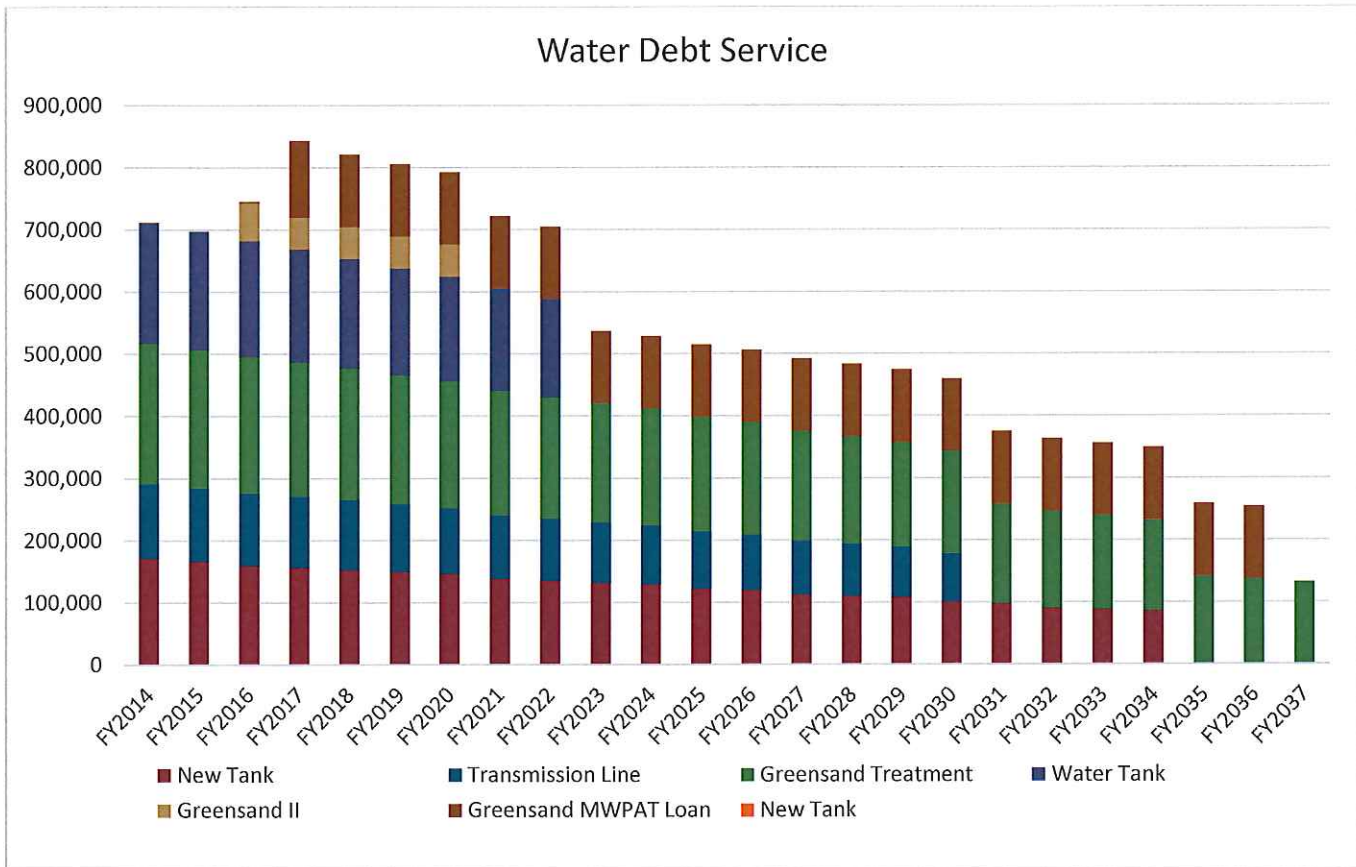
8 DEBT STRUCTURE

Any good financial planning document will include how the town structures and funds its debt. Now that some of the initial payments of the Monomoy Regional School District project exclusion payments have been made in FY 16, I believe that we will see some moderation in the rates as that debt service begins to decline as well as other items come to conclusion. The SAQ harbor water side project will add to the debt; however, this should be moderated as a large portion of this should be paid with harbor receipts in lieu of general taxation. The implementation of Phase 2 of the CWMP will add additional costs to the debt service. The overall financing plan of wastewater initially has been included in an earlier section of this message.

The funding of the Wastewater Implementation Plan will be significant and need to be funded over a multi-decade period of time. The hope is that a lot of the funding will be able to be accomplished through the state revolving loan program which in general has had a past history of borrowing interest of around 2% or less. This should be advantageous in the development of the wastewater management system. The below chart shows a potential costs with all projects (Only includes Phase 2 of the CWMP)



Water is an Enterprise Operation and shows some of the first significant falling off occurring in FY 2023. It is a plan that as debt falls off additional capital projects will be pursued and use the available cash to meet the needs of the capital program of the water system. .

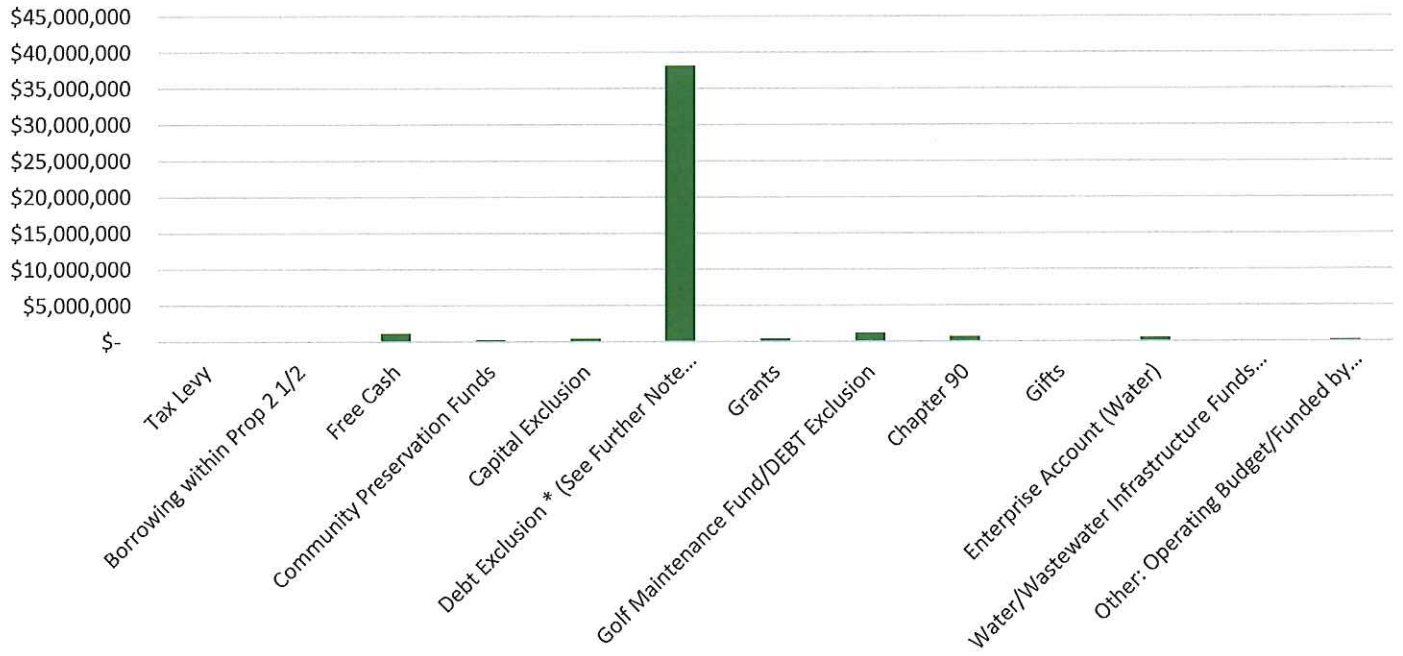


9 CAPITAL BUDGET

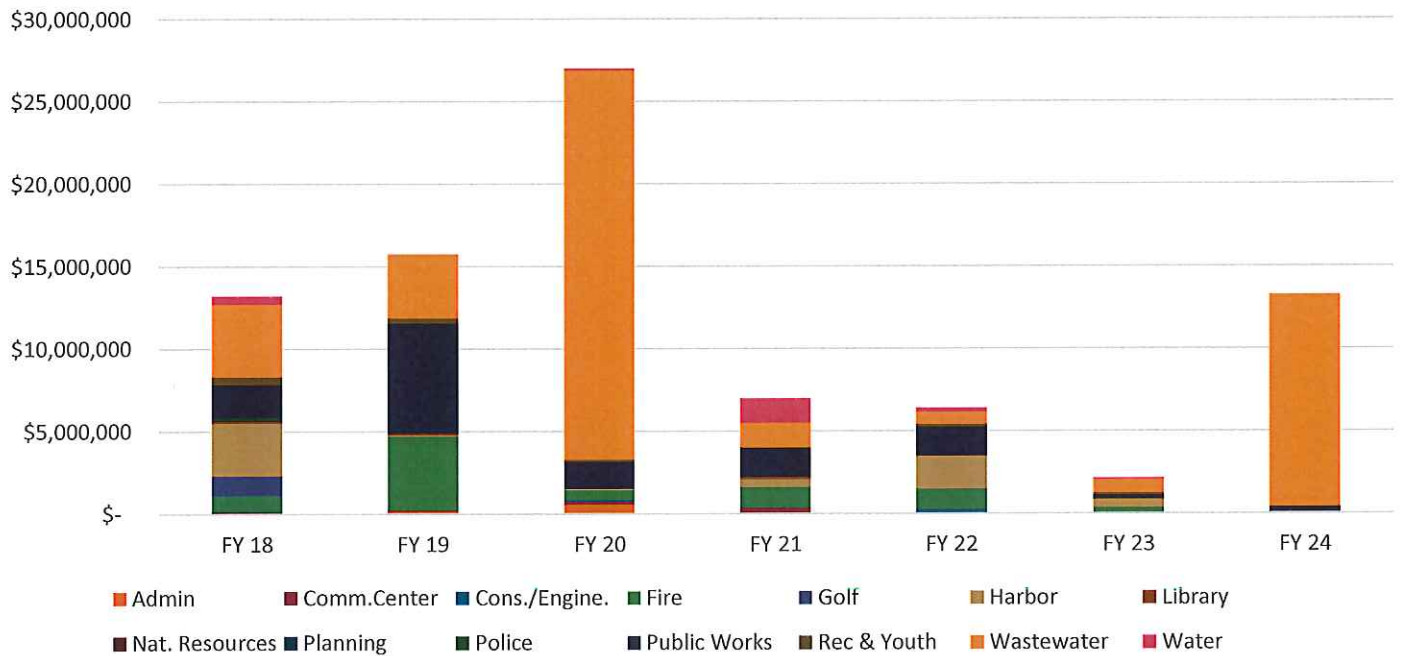
The FY 18 Capital Budget process went pretty smoothly as the forms have now become more commonplace and the early information on the amount of Free Cash that is available has allowed for decisions to be made on funding. I do greatly appreciate the efforts of the Capital Outlay Committee on determining prioritization of the requests. I have attached the latest version of the Capital Budget Request Summary that covers from FY 18 to FY 24. I believe the departments did a very good job in providing a seven-year look ahead for the needs of the community.

The capital budget component will be broken down based upon funding sections that include utilization of Free Cash, General Fund borrowing capacity, Capital Exclusions, Debt Exclusions, Golf Maintenance Fund, Chapter 90, Water Enterprise and other funding mechanisms. The funding is predicated upon the recommendations of the Town Administrator and do match up with the recommendations of the Capital Outlay Committee.

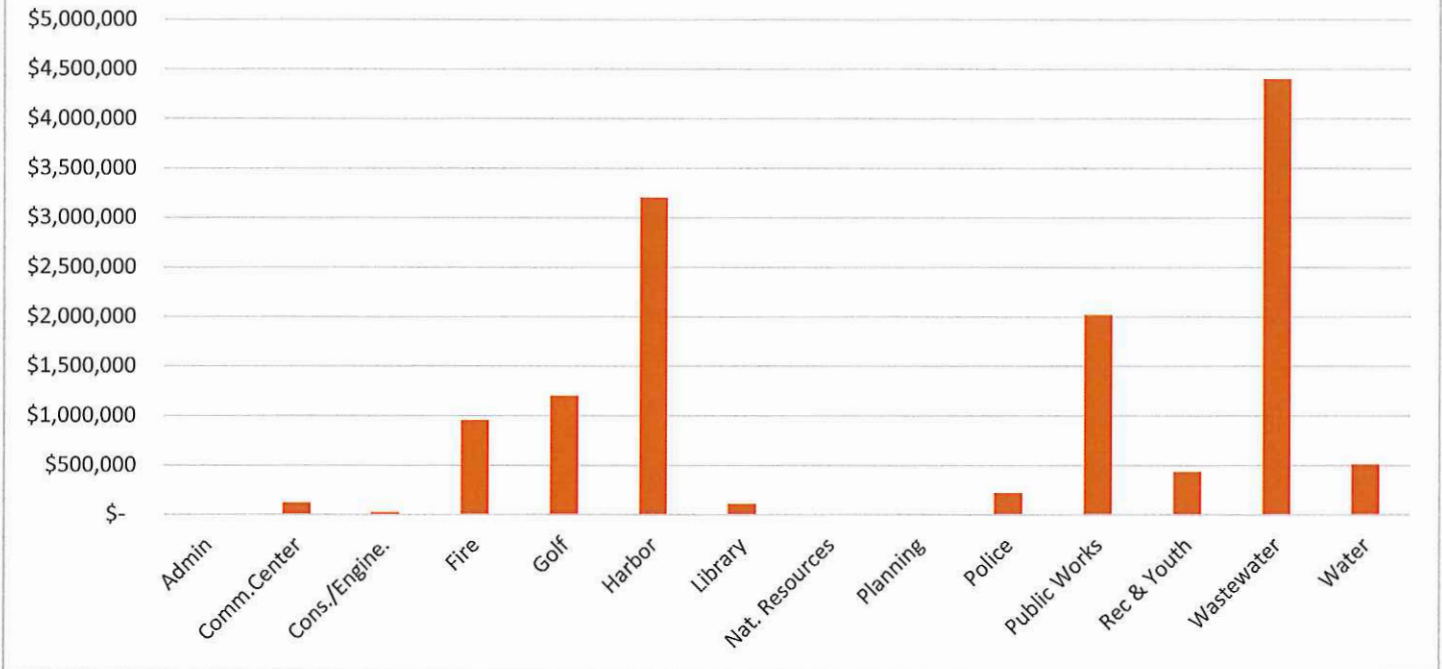
CAPITAL FUNDING BY SOURCE FOR FY18



CAPITAL REQUEST BY DEPARTMENT FY18 TO FY 24



FY 18 CAPITAL BUDGET REQUEST BY DEPARTMENT



Please see below the funding plan included in the Capital Plan for FY 18. Debt Exclusions are borrowing authorizations that may take several years before final borrowing.

Debt exclusions

• Harbormaster	Saquatucket Harbor Landside Construction	\$ 3,000,000
• Public Works	five-year road maintenance program	\$ 700,000
• Wastewater	Phase 2 (Chatham IMA, Pleasant Bay, Cold Brook)	\$ 34,165,000
• Fire	Station 2 Design	\$ 310,000
• Golf Operations	Building and Grounds (Cart Garage & Pavement)	\$ 1,200,000
	Total	\$ 39,375,000

Capital Exclusions

Fire	Pumper Truck	\$ 420,000
Monomoy	Capital Budget	\$ 224,724

Please see additional items on attached spreadsheet to be funded from Free Cash:

<u>Department</u>	<u>Project</u>	<u>TA Rec</u>
COMMUNITY CENTER		
Community Center	Gym Floor Resurface	\$ 57,724
Town Wide	Town Wide Radio System (Non-Emergency) (Town/DPW/F&P Backup)	\$ 102,643

LIBRARY		
Library	Brooks Library Generator and Installation	\$ 110,000
POLICE		
Police	Replacement of Bullet Resistant Vests (Town Portion Only)	\$ 22,000
Police	Ballistic helmets	\$ 10,220
Police	Replacement of Security System, Public Safety Complex	\$ 153,789
Police	Electronic Sign Board	\$ 17,820
PUBLIC WORKS		
Public Works	Volvo Loader	\$ 200,000
Public Works	MSW (C&D) Trailer Current 2 C&D will be 3 and 4 Trash MSW)	\$ 75,000
Public Works	John Deere Tractor	\$ 115,000
Public Works	Fuel Management System	\$ 42,000
<u>REC & YOUTH</u>		
<u>Rec & Youth</u>	<u>Red River Beach Parking Lot Paving/Overlay</u>	\$ 225,000
	TOTAL	\$ 1,155,975

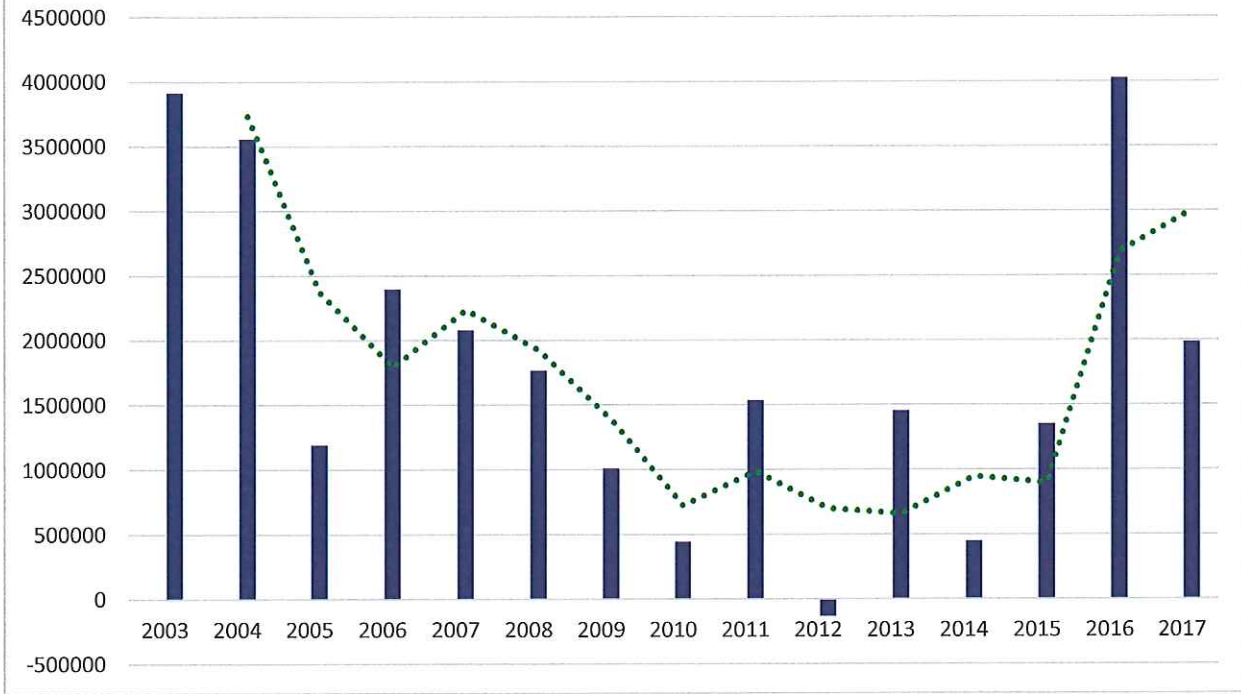
The FY 18 funding plan does also call for funding several operating budget small capital items from free cash totaling **\$81,130**. These items include the Police Department the digital fingerprint system for \$11,500, ballistic plates and mobile data terminals totaling \$14,130. Fire Department and Event Tied recorder for \$25,000. DPW stand on blower for \$11,500 and in the IT department \$19,000 for email archive system replacement and phased server.

10 RESERVE FUND BALANCES

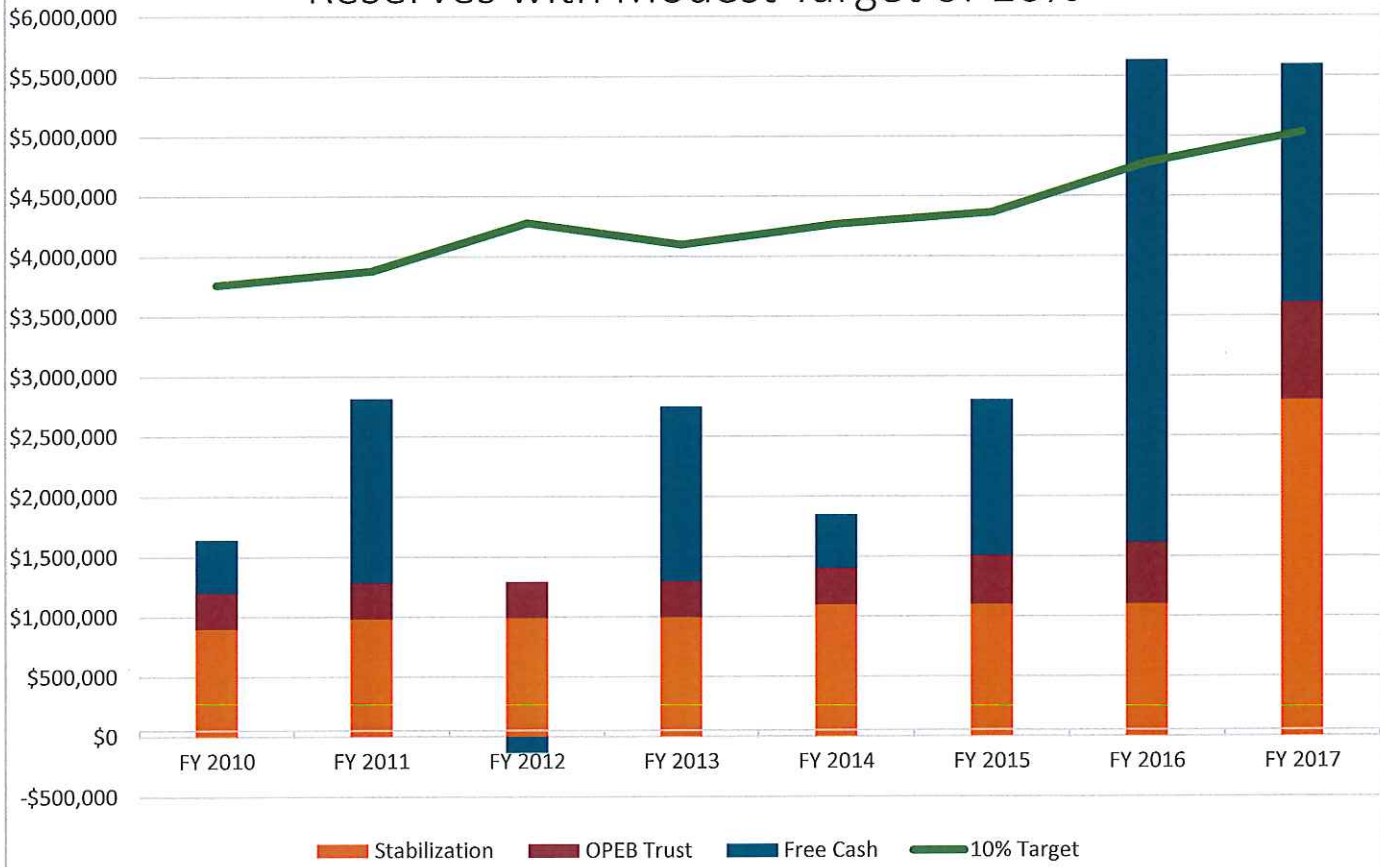
Administration considers reserves in a general way to include in part available undesignated fund balance otherwise known as "Free Cash", Stabilization Fund, OPEB Trust Fund and any other sources applicably recognized by the various bond rating agencies such as Standard & Poor's. It continues to be the intent of this Administration to move reserves to the range of 8% to 12%. You will see for FY 16 and 17 have made it up to the target range of over 10%. Prior levels were around 5.4%. The Town is now in a better position to request a new bond rating. Sustaining these numbers will be key and creating better stability of the Administrative and Finance Team will also be crucial to the bond rating agencies. This FY 18 budget recommendation to basically maintain our Stabilization Fund, increases our OPEB funding by an additional \$200,000 provided snow and ice costs do not exceed \$300,000.

Standard & Poor's range of reserves between 8 to 12% of the operating budget. Please see chart on next page. The first chart shows a much stronger position for free cash. The second chart shows the reserves.

Harwich Free Cash Certified - General Fund



Reserves with Modest Target of 10%



11 ECONOMIC DEVELOPMENT STRATEGY

Administration will continue to review current practices and adopt a multifaceted economic development strategy over the next several years. The essential elements of the strategy include:

- Advocate for single tax rate stability, tax policy and water fee policy
- Promote pro-business from the environment businesses seeking to come to town. Research efforts of the Chamber of Commerce, the County and various state agencies to seek out opportunities.
- Continue to support efforts to promote the town in general and enhance tourist efforts.
- Actively market surplus property for sale such as the middle school and promote business development utilizing in part local newspaper stories
- Review and/or expand our pro-business incentives.
- Keep up with infrastructure repairs, promote benefit of town services, including schools.
- Continue to work to develop new business strategies for promoting solar businesses and fiber loops.

This two years ago Administration did look carefully at expanding the Room Residency Tax as a form of creating greater equality between hotels and second homes that are used for rental purposes. Now that the Legislature of the Commonwealth is looking at this and it was included in the Governor's Budget it may be worthwhile to explore this concept again.

12 CONCLUSION AND THANKS

The FY 2018 budget is balanced and I believe that following suggestions included in this message will strengthen the town financially economically and improve our overall operational resiliency.

Lastly I would like to express my sincere appreciation to the financial management team. I would like to thank Andy Gould for his considerable efforts on the FY 18 Budget development along with Charleen Greenhalgh who participated in budget meetings with departments and assisted in the development of some of the materials requested by the board. David Withrow as Interim Finance Director has been very helpful. I believe that Amy Duffy Town Treasurer/Collector has been a great addition to the team. I would also like to thank the other team members who have been instrumental in the development of this year's budget, Donna Molino, and Foster Banford for their assistance. Sandy and Ann for their exceptional work in coordination and oversight of the process of developing the 2018 budget. I also appreciate all of the Department Heads in their efforts in submitting thoughtful capital and operating budgets and working with administration to provide a high level of services.

Most important, I wish to thank the Board of Selectmen and the residents of the community for their continuing support that I have been given to this point and I look forward to continuing to work with both in the adoption of the Fiscal Year 2018 Budget and organization to continue to provide a higher level of service to the community at large.

RatingsDirect®

Summary:

Harwich, Massachusetts; General Obligation

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Rationale

Outlook

Related Criteria And Research

Summary:

Harwich, Massachusetts; General Obligation

Credit Profile

US\$2.9 mil GO bnds ser 2013 due 07/15/2022

<i>Long Term Rating</i>	AA+/Stable	New
Harwich GO		
<i>Long Term Rating</i>	AA+/Stable	Affirmed

Rationale

Standard & Poor's Ratings Services assigned its 'AA+' long-term rating to Harwich, Mass.' series 2013 general obligation (GO) bonds. At the same time, we affirmed our 'AA+' long-term rating on the town's existing GO debt. The outlook on the ratings is stable.

The ratings reflect our view of the town's:

- Extremely strong property wealth due to its oceanfront location;
- Good financial position and financial management policies;
- A still-good financial reserve position despite recent declines;
- Moderate-to-low debt burden, coupled with rapid principal amortization; and
- Sizable long-term pension and other postemployment benefit (OPEB) liabilities, though recent changes could reduce these liabilities a bit over the next few years.

The bonds are a GO of the town for which its full faith and credit is pledged. Harwich officials will use bond proceeds toward dredging a harbor.

With an estimated year-round population of about 12,600, Harwich is a residential community on the southeast corner of Cape Cod on Nantucket Sound, about 80 miles from Boston. Given the substantial number of seasonal second homes, the population is estimated to double in the summer months. While Harwich has been evolving into more of a year-round community, its economy continues to depend on second-home owners and summer visitors. Seasonal employment such as retail trade, accommodations, and food services accounts for a large portion of the local employment base. Accordingly, the unemployment rate increases significantly in the winter. The median household effective buying income (EBI) of the town's full-time residents is good, in our view, at 101% of the nation, and per-capita EBI is 111%.

Assessed valuation (AV) was \$4.6 billion for fiscal 2012, a 12% decrease from fiscal 2009, but the per-capita market value of about \$360,000, measured against the number of year-round residents, is one of Massachusetts' highest and a good reflection of Harwich's real estate wealth. Even after adjusting for the summer population, per-capita market value remains extremely strong, in our opinion.

Harwich maintains a good financial position, in our view, despite recent declines to reserves. Harwich's 2012 financial

statements report a \$915,000 decline to the general fund and an ending total fund balance of \$4.9 million, of which \$3.5 million (6.7% of expenditures) is assigned and unassigned. Property taxes are the largest revenues source, comprising about two-thirds of general fund revenues in 2012, and property tax collections have been sound, exceeding 99%.

For fiscal 2013, officials report stable budgetary operations, but did use about \$1.2 million of available reserves for one-time capital spending. This is expected to lower the unassigned general fund balance to about 4% of expenditures, a level we still consider good. While we believe available reserves may be lower compared to its peers, we note the town has demonstrated the ability and willingness to exceed proposition 2 1/2 levy limits, giving it some additional operating flexibility. The town continues to operate with its tax levy at or very close to the maximum levy limit as stipulated by Proposition 2 1/2, but has substantial room under the primary levy limit, which caps the tax levy at 2 1/2 of AV. Voters did pass a permanent override (effective for fiscal 2013) of \$990,000 for operating costs associated with the new school district. In addition, voters recently passed a \$714,000 capital exclusion (effective in 2014) to fund ongoing capital expenditures, lessening the need to fund from its general fund reserves.

Moving forward, the town anticipates to see budgetary saving from the recently created Monomoy Regional School District. Harwich is still responsible for providing school funding, but these costs are now assessed to Harwich and neighboring Chatham by the regional school district. The 2014 budget is balanced and totals \$50.3 million, a 1.6% increase from the prior year. Education costs are the biggest expenditure, along with public safety.

With the creation of the regional school district, plans are underway for construction of a \$65 million consolidated high school, expected to open in fiscal 2015. About half the costs will be supported by the Massachusetts State Building Authority and the remainder will be financed by Harwich and Chatham. Harwich town meeting voters approved a ballot referendum for an override of the Proposition 2 1/2 levy limit to pay the town's share of construction costs; town officials expect to issue \$25 million of bonds for the project within one to two years.

Standard & Poor's considers Harwich's financial management practices "good" under its Financial Management Assessment methodology, indicating financial practices exist in most areas, but that governance officials might not formalize or regularly monitor all of them. The town maintains a five-year financial forecast updated annually. The forecast helps to identify budget pressures and enables officials to adjust accordingly. The town adheres to its policy of using available reserves for nonrecurring uses only.

The town's debt burden is low at less than 1% of market value, but a moderate \$1,790 per capita. Debt service expenditures have historically been moderate at an average of 8% of total governmental funds annually over the past three fiscal years. About 54% of the town's existing debt is exempt from the levy limitations of Proposition 2 1/2. We expect debt service costs to rise with the bond issuance for the new high school, but these costs are offset by a rapid amortization schedule of outstanding debt (75% of principal retired over 10 years) and the dedicated property tax stream to support the debt provided by the voted debt exclusion. The town is continually assessing its capital needs and has identified material wastewater improvement projects, though it is uncertain about the scale and scope of any potential financing plan.

As for long-term liabilities, pension and other postemployment benefit (OPEB) costs account for about 8.2% of total

governmental funds expenditures. The town makes annual contributions to the Barnstable County Retirement Association for all employees other than teachers, with the fiscal 2012 contribution totaling \$2.5 million, or 5% of 2012 budgeted operating fund expenditures. The town's share of the unfunded liability of the county plan is \$31.5 million, equal to \$2,500 per capita (year-round population only) and less than 1% of market value. Harwich meets its OPEB obligations on a pay-as-you-go basis (though it does have a small \$300,000 OPEB stabilization reserve) and contributed \$1.8 million in fiscal 2012, or 3.8% of budget. The most recent estimate of the town's unfunded OPEB liability is sizable at \$81.1 million, or \$6,400 per capita (year-round population only) and 1.8% of market value. Town officials expect that the town's pension and OPEB liabilities will be reduced because the regional school district will assume the pension and OPEB costs for all new employees hired by the school system. Further, effective for fiscal 2013, the town now offers health care benefits through a plan similar to that offered through state's Group Insurance Commission; officials believe that this could also result in a reduction in the town's OPEB liability at the time of the next actuarial valuation.

Outlook

The stable outlook reflects Standard & Poor's belief that the rating on Harwich will not change within our two-year horizon given that we expect a steady operating performance and no material change in the town's financial position. While financial reserves are down from previous highs, they remain good and we note the town has demonstrated the ability and willingness to exceed its statutory levy cap, providing additional operating flexibility to fund ongoing spending. The potential for a higher rating would be strengthened by significantly higher reserves, maintenance of a moderate debt burden, and reduced long-term liabilities. Downward rating pressure could be triggered by recurring operating deficits, lower reserves, a higher debt burden, and continued growth in long-term liabilities.

Related Criteria And Research

USPF Criteria: GO Debt, Oct. 12, 2006

Ratings Detail (As Of July 15, 2013)

Harwich GO

Unenhanced Rating

AA+(SPUR)/Stable

Affirmed

Many issues are enhanced by bond insurance.

Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column.

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McGRAW-HILL

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The Top 10 Management Characteristics Of Highly Rated U.S. Public Finance Issuers

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Top 10 List

The Top 10 Management Characteristics Of Highly Rated U.S. Public Finance Issuers

(Editor's Note: This is an updated version of an article published July 26, 2010.)

U.S. public finance issuers are a varied group, but the management practices of the strongest borrowers show some distinct commonalities. Standard & Poor's Ratings Services has widely disseminated to investors and issuers its approach for assigning credit ratings in U.S. public finance (see "USPF Criteria: State Ratings Methodology," published Jan. 3, 2011; and "USPF Criteria: GO Debt," published Oct. 12, 2006, on RatingsDirect on the Global Credit Portal). We have also developed representative ranges for key ratios that factor into our analysis of tax-backed credit quality (see "USPF Criteria: Key General Obligation Ratio Credit Ranges – Analysis Vs. Reality," published April 2, 2008). Although these ratios are the foundation of the quantitative measures Standard & Poor's uses when assigning a credit rating, Standard & Poor's also relies on qualitative factors to inform our credit analysis. In 2006, Standard & Poor's released its Financial Management Assessment, which offers a more transparent assessment of a government's financial practices, as an integral part of our credit rating process (see "Financial Management Assessment," published June 27, 2006). Our view of management factors, administrative characteristics, and other structural issues facing a government entity may be an overriding factor in a rating outcome.

(Watch the related CreditMatters TV segment titled, "What Do Highly Rated U.S. Public Finance Issuers Have In Common?", dated Aug. 14, 2012.)

We view management as contributing significantly to many of the individual credit ratios, which can positively affect ratings in a number of ways. On the whole, state and local governments have made many improvements to budget structure, reserve policies, and debt management during prior periods of budget stress. Whether these practices are developed as part of a comprehensive risk management plan or individually, they have, in our view, generally enhanced government's ability to manage through downturns and have contributed to credit stability over time. Conversely, we believe that the lack of strong management can be a significant factor in a weak credit profile. In our opinion, while the economy remains a key factor in assigning a rating level, our view of management and the institutional framework is usually one of the deciding factors in fine-tuning the rating.

Overview

- Our view of a government entity's management and administrative characteristics, along with other structural issues it faces, can move a rating up or down more significantly and swiftly than any other element of a credit review.
- We've observed some distinct commonalities in the management practices of highly rated U.S. public finance issuers over the years.
- Proactive budget and liability planning, strong liquidity management, and the establishment of reserves are among the factors the strongest issuers share.

When assessing management, Standard & Poor's analyzes the political and fiscal framework that governs it, as well as

the day-to-day management procedures and policies. There could be a strong management team in place, but if there is political instability or lack of political will to make difficult decisions, we have found that management could be ineffective in many cases. Standard & Poor's also focuses on the "whole of government." Our view of oversight and management controls covering the disparate operations of a government with a focus on accountability at each department or function is critical to strong credit ratings.

The following "Top 10" list of management characteristics associated with Standard & Poor's highly rated issuers is generally applicable to state and local governments as well as to other enterprise operations of government such as water, sewer, or solid waste. The relative importance of these factors may vary from issuer to issuer. Our view of credibility is an important part of a rating review process and management assessment. Every government has challenges, but we believe that identifying problems or issues and detailing how these will be addressed establish credibility and greater transparency in the rating process.

Top 10 List

1. Focus on structural balance

In our view, a structurally balanced budget is an essential characteristic of highly rated credits. There are many views of what constitutes a balanced budget. For some governments, a budget is balanced if current revenues plus available reserves match or exceed current expenditures. From Standard & Poor's standpoint, a budget is balanced if recurring revenues match recurring expenditures. In evaluating whether or not a budget is balanced, we analyze the underlying revenue and expenditure assumptions. We might not have a positive view of a budget that relies on optimistic revenue assumptions relative to the current economic environment to meet recurring expenditures. We consider recurring expenditures all of those that are typically incurred year after year and are required as part of a government's normal ongoing operations. This includes salaries, debt service, and pension payments among others. Consistent with our analysis of revenues, expenditure assumptions that rely on debt restructuring for budgetary savings, deferral of ongoing expenditures, and saving assumptions that have significant implementation risks could also color our view of whether a budget is balanced or not.

A government's ability to maintain or quickly return to structural balance during a period of economic weakness can lead us to affirm or raise an issuer credit rating. The opposite is also true. Reliance primarily on one-time measures without the appropriate re-alignment of revenues and expenditures could cause us to lower the ratings.

2. Strong liquidity management

An additional credit quality factor is management's ability to manage its cash flow and identify potential issues, internal or external, that could lead to a liquidity crunch. Potential for inadequate liquidity serves as a bellwether to the risk of immediate and potentially severe credit deterioration, particularly for those with significant budget misalignments and issuers of certain types of variable-rate debt, in our view. Ultimately, the possibility of having insufficient money to meet debt obligations is at the heart of our credit analysis. In the few instances where state or local governments may encounter genuine credit distress, it is likely accompanied and possibly exacerbated by problems with liquidity. Access to additional sources of internal or external liquidity and a plan on how, when, and in what amounts to access these, are a credit positive. However, just having access to additional liquidity, either through

pooled cash or loans from other funds, is not enough. The absence of clear accountability as to where the cash is coming from or when it will be paid back could create uncertainty about the sustainability of the cash flow and the potential implications of reallocating the cash from one use to the other.

In addition, some obligors' debt profiles include liquidity risk exposure tied to variable-rate demand obligations, alternative financing products, and other debt instruments. Under some of these structures, the potential for accelerated repayment causing sudden and significant demands on an issuer's liquidity could have credit implications (see "The Appeal Of Alternative Financing Is Not Without Risk For Municipal Issuers," May 17, 2011). We have found that management teams of highly rated credits are able to limit, mitigate, or develop a careful plan to manage the potential exposure to these liquidity demands.

3. Regular economic and revenue updates to identify shortfalls early

In our experience, having a formal mechanism to monitor economic trends and revenue performance at regular intervals is a key feature of stable financial performance. This is particularly true in the case of states, which we have observed tend to exhibit revenue declines during economic downturns because they rely on personal income tax, sales tax, corporate income tax, and other economically sensitive sources. We believe that evaluating historical performance of certain revenues is important to this analysis because each government will have different leading or lagging economic indicators that signal potential revenue variance issues based on its economic structure. The earlier revenue weakness is identified in the fiscal year, the more effective, in our view, the budget balancing response can be. We think it is important to monitor upside growth as well. In our opinion, it is also important to understand a surge in revenues to determine if the trend is an aberration or something that is likely to sustain.

4. An established rainy day/budget stabilization reserve

A formalized financial reserve policy is a consistent feature of most of Standard & Poor's highly rated credits. For some governments, such a policy has been standard operating procedure for decades. Others focused attention on this as a risk management tool following the recessions of the early 1990s, 2001, and especially the Great Recession when the country experienced sustained revenue weakness that required severe budget reduction measures. In our view, reserves provide financial flexibility to react to budget shortfalls or other unforeseen circumstances in a timely manner. No one level or type of reserve is considered optimal from Standard & Poor's perspective. We have seen many different types of reserves factor into an improved government credit profile. In our view, some important factors government officials generally consider when establishing a reserve are:

- The government's cash flow/operating requirements;
- The historical volatility of revenues and expenditures through economic cycles;
- Susceptibility to natural disaster events;
- Whether the fund will be a legal requirement or an informal policy;
- Whether formal policies are established outlining under what circumstances reserves can be drawn down; and
- Whether there will be a mechanism to rebuild reserves once they are used.

In our view, the use of budget stabilization reserves is not in and of itself a credit weakness. The reserves are in place to be used. However, we believe that a balanced approach to using reserves is important in most cases, because full depletion of reserves in one year without any other budget adjustments creates a structural budget gap in the following year if economic trends continue to be weak. As they've done in the past, state and local governments are

re-examining their fund balance reserve policies to determine their adequacy and, in many cases, have adjusted their funding targets.

5. Prioritized spending plans and established contingency plans for operating budgets

We have found that contingency planning is an ongoing exercise for most highly rated governments. Prioritized spending and contingency plans have always been important risk management tools that allow state and local governments to adjust to changes in the economic and revenue environment. In our analysis, we consider whether a government has contingency plans and options to address changing economic conditions, intergovernmental fund shifts, and budget imbalance when it occurs. This would include an analysis of the following:

- What part of the budget is discretionary;
- What spending areas can be legally or practically reduced;
- The time frame necessary to achieve reductions of various programs;
- Where revenue flexibility exists; and
- An analysis of revenue under varying economic and policy scenarios.

6. Strong long-term and contingent liability management

In our view, recognition and management of long-term and contingent liabilities are characteristics of highly rated credits. We continue to incorporate governmental liability management into our rating analysis, as we have for decades, with an emphasis on how liabilities are managed over time (see "Contingent Liquidity Risks In U.S. Public Finance Instruments: Methodology And Assumptions," March 5, 2012). In particular, Standard & Poor's views pension and other postemployment benefit obligations as long-term liabilities (see "The Decline In U.S. States' Pension Funding Decelerates, But Reform And Reporting Issues Loom Large," June 21, 2012; and "The OPEB Burden Varies Widely Among U.S. States," published Sept. 22, 2011). While the funding schedule for pension and OPEB can be more flexible than that for a fixed-debt repayment, it can also be more volatile and may cause fiscal stress if not managed, in our opinion. The size of the unfunded liabilities and the annual costs associated with funding them, relative to the budget, are important credit factors in our review of state and local governments. Currently, pension systems are undergoing the most significant level of reform in decades, which we view as a credit positive and highlights the importance of managing these liabilities. We will continue to differentiate credits where these long-term liabilities are large and growing, contributions are less than required, and there has been limited action on reform initiatives.

Non-essential areas of government operations and services that may fall out of the traditional general fund focus could also result in contingent liabilities and create budget pressures, if not properly managed. Stadiums, convention centers, and health care entities, as well as various other enterprise operations, could also cause funding challenges at the local level, even when there is no clear guarantee or legal responsibility for the government to provide funding. At the state level, we believe that local government fiscal difficulties can increase and become a funding and policy challenge for the state.

7. A multiyear financial plan in place that considers the affordability of actions or plans before they are part of the annual budget

In our analysis, we consider whether this plan is comprehensive. During a sustained economic recovery, we see program enhancements and tax reductions as typical. We believe that pension funds that performed at record levels provided incentive to expand or enhance benefits. Elected officials will be ultimately responsible for the decisions

necessary to restore out-year budget balance. In our view, even when there is legal authority to raise taxes, there may not be a practical ability to do so because it can be politically unpopular. Having detailed information on costs associated with various policy decisions can provide greater transparency to the budget process, in our view. We consider multiyear planning as an important part of this process. Standard & Poor's realizes that the out-years of a multiyear plan are subject to significant change. They provide a model to evaluate how various budget initiatives affect out-year revenues, spending, and reserve levels. These plans will often have out-year gaps projected, which we believe allows governments to work out, in advance, the optimal method of restoring fiscal balance.

8. A formal debt management policy in place to evaluate future debt profile

In the past decade, many states and local governments have developed debt affordability guidelines or models, which we regard as a positive development. This affordability analysis generally includes a systematic review of existing and proposed debt, and how they will affect a government's future financial profile. In many cases, these policies address exposure to variable-rate debt, swaps, and other contingent liabilities. They can also include criteria for when refunding bonds are allowed, amortization periods, and what types of projects can be funded through debt issuance. The affordability measures are typically tied to a government's revenues or expenditures, debt per capita, and debt per capita as a percent of either gross state product (states) or market value (local governments). The impact of these policies on a long-term credit rating will depend on our view of how the government establishes and uses the policies, and the track record in adhering to the affordability parameters established in the policies, especially during economic downturns. We believe the process enhances the capital budgeting and related policy decisions regarding debt issuance and amortization. In our view, these policies have moderated leverage at the state and local level.

9. A pay-as-you-go financing strategy as part of the operating and capital budget

In our opinion, pay-as-you-go financing can be a sound financing policy. Not only does it lower debt service costs, but it also provides operating budget flexibility when the economy or revenue growth slows. We see the use of pay-as-you-go financing as a more significant funding option when tax revenue growth is uncertain, given the fact that pay-as-you-go financing may provide additional budget flexibility in an uncertain revenue environment. Depending on the government's overall balance-sheet profile, we believe that the government can achieve a better match between nonrecurring revenues and nonrecurring expenditures if it uses this type of financing.

10. A well-defined and coordinated economic development strategy

In addition to historical economic trends, we consider each government's economic development initiatives and future growth prospects as they are likely to affect future revenue-generating capacity. Effective economic development programs typically take a long time to implement. We believe that the question for many state and local governments now is not whether there should be a formal economic development program, but rather how significant a resource commitment should be dedicated to running these programs and offering incentives. These are government policy decisions involving cost benefit analysis that are generally outside the credit rating process. However, if these economic development programs and strategies create employment, enhance diversification, and generate solid income growth, they could have a positive effect on a government credit rating over the long term. To the extent that there is a net revenue benefit to a government, this could also be a positive credit factor. We have seen economic development programs expand in the past 20 years with strategies increasingly becoming regional in nature, with a more coordinated approach between state and local governments.

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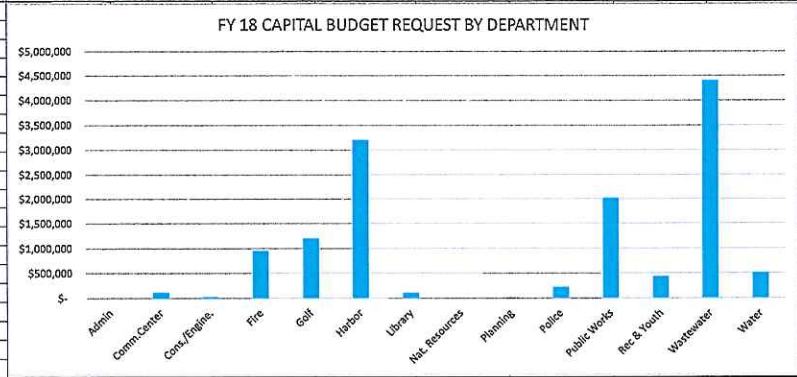
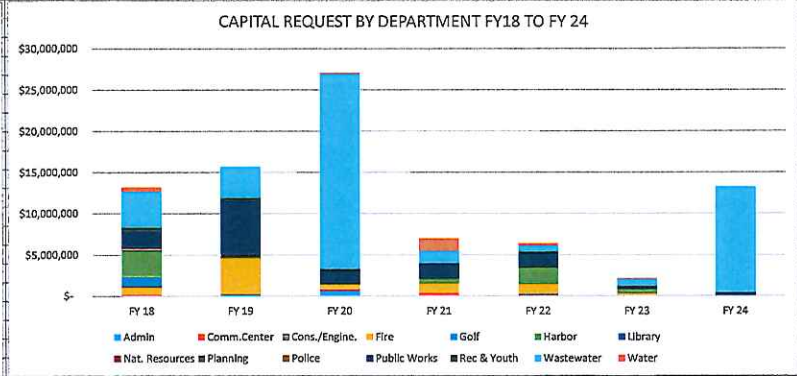
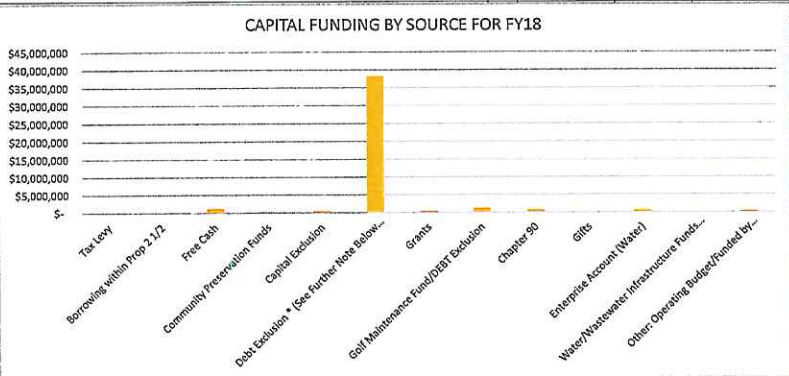
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McGRAW-HILL

TOWN OF HARWICH CAPITAL BUDGET REQUEST SUMMARY (FY 18 TO 24)											Original 10/3/2016		Revision #: 2/3/2017	
Department	Project	P	Funding		TA Rec	COC Rec	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Notes
			Source	BOS/CPC Approved										
ADMINISTRATION														
Admin	Harwich Center Initiative - StreetScape Only	1					\$ 50,000	\$ 500,000						T.I.P. Funds
Admin	Reuse or Demolition Harbormasters Building on Bank Street	1			\$ -	\$ -	\$ 50,000							BOS voted to retain to 2019
Admin	Demolition of Former West Harwich School on Bells Neck	1			\$ -	\$ -	\$ 30,000	\$ -						Keep land Gen. Mun. Use
Admin	Two Year Plan in Place for Reuse of Middle School Building on Sisson	1						\$ 50,000						Placeholder ONLY
ADMIN SUB-TOTAL					\$ -	\$ -	\$ -	\$ 130,000	\$ 550,000	\$ -	\$ -	\$ -	\$ -	
COMMUNITY CENTER														
Community Center	Roof Replacement	1B							\$ 240,000	\$ -				
Community Center	Carpet Replacement	1B					\$ 72,500	\$ 72,500	\$ -	\$ -				
Community Center	Gym Floor Resurface	1C	FC		\$ 57,724	\$ 57,724	\$ 57,724	\$ -						
Community Center	HVAC Repair and Updates	1A					\$ -	\$ 105,000						
Community Center	Generator Replacement	1A							\$ 99,000			\$ -	\$ -	
Community Center	Basement Construction of Public Records Storage	1B	CPC No Fund		\$ -	\$ -	\$ 62,028					\$ -	\$ -	Request to CPC also.
COMMUNITY CENTER SUB-TOTAL					\$ 57,724	\$ 57,724	\$ 119,752	\$ 72,500	\$ 177,500	\$ 339,000	\$ -	\$ -	\$ -	
CONSERVATION														
Conservation	Harwich Artificial Reef (Additional Project)						\$ -			\$ 250,000				
Conservation	Shore Stabilization/Jetty Extension Red River Beach							\$ 100,000						
CONSERVATION SUB-TOTAL					\$ 0	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ 250,000	\$ -	\$ -	
ENGINEERING														
Engineering	MS4 Municipal Surface Drainage Plan and Improvements		Other		\$ 20,000	Under 50K	\$ 25,000		TBD					
ENGINEERING SUB-TOTAL					\$ 20,000	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
FIRE														
Fire/Police Only	Public Safety Radios for Fire/Police (800 Mhz Ban Only Public Safety)	1			\$ -		\$ -			\$ 909,444				
Town Wide	Town Wide Radio System (Non Emergency) (Town/DPW/F&P Backup)	1	FC		\$ 102,643	\$ 102,643	\$ 102,643	\$ 177,037						Water/DPW/Town/FD&PD
Town Wide	Town Wide Radio System (Non Emergency) (Water Funded Portion)		Water E.		\$ 33,930	\$ 33,930	\$ 33,930							
Fire	Ambulance (Scheduled Replacement)	1					\$ 310,000							
Fire	Pumper Truck Replacement Scheduled	1	CE		\$ 420,000	\$ 420,000	\$ 420,000							
Fire	Automated Chest Compression System for CPR (Total \$62,000)	1	Grant		\$ 56,000	\$ 56,000	\$ 56,000							
Fire	Automated Chest Compression System for CPR (Previous App. Funds 10%)	1	Other		\$ 5,900	\$ 5,900	\$ 5,900							Previously Appropriated
Fire	4 Gas Meter Detection Devices		FC		\$ 24,779	Under 50K	\$ 24,779							
Fire	Pumper Truck Replacement Scheduled	1					\$ -	\$ 600,000						
Fire	Ambulance Replacement	1						\$ -	\$ 330,000					
Fire	Ambulance Replacement	1							\$ -	\$ 350,000				
Fire	Ladder Truck Replacement	1							\$ 1,240,000	\$ -				
Fire	Ambulance Replacement	1								\$ -		\$ -		Next in FY 25
Fire	Station 2 Building Upgrade (Planning and Design)	1B	DE		\$ 310,000	\$ 310,000	\$ 310,000	\$ -	\$ -					
Fire	Station 2 Building Upgrade (Construction)	1B					\$ 4,000,000		\$ -					
FIRE SUB-TOTAL					\$ 953,252	\$ 928,473	\$ 953,252	\$ 4,487,037	\$ 600,000	\$ 1,239,444	\$ 1,240,000	\$ 350,000	\$ -	
GOLF														
Golf	Golf Operations and maintenance Infrastructure Improvements	1	DE/Fees		\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
GOLF SUB-TOTAL					\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
HARBORMASTER														
Harbormaster	Saquatucket Harbor Landside Renovations and Improvements	1B	DE		\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ -	\$ -	\$ -				Various Partial Funding Options
Harbormaster	Project Round Cove Ramp Replacement and Bulkhead	2A	Other		\$ 200,000	\$ 200,000	\$ 200,000	\$ -	\$ -					Re-Allocate Old Appropriations
Harbormaster	Study Allen Harbor Jetty Reconstruction	1B					\$ 50,000	\$ -						
Harbormaster	Wixon Dock Landside Improvements	2B			\$ -	\$ -	\$ -	\$ 30,000						
Harbormaster	Herring River Ramp Replacement	2A						\$ 75,000	\$ -					
Harbormaster	Wychmere Outer Harbor Dredging	1B						\$ 500,000	\$ -					
Harbormaster	Allen Harbor Jetty Reconstruction Study and Construction	1A							\$ 2,000,000					
Harbormaster	SAQ Harbor East Bulkhead (Offloading Area) Reconstruction	1C								\$ 500,000				
Harbormaster	Study - Wychmere Outer Harbor Jetty	1A							\$ -				\$ 75,000	
HARBORMASTER SUB-TOTAL					0	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ 80,000	\$ 75,000	\$ 500,000	\$ 2,000,000	\$ 500,000	\$ 75,000

Department	Project	Funding		BOS/CPC Approved	TA Rec	COC Rec	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Notes
		P	Source											
LIBRARY														
Library	Library Interior Modifications/Renovations	A			\$ -	\$ -	\$ -	\$ 100,000						
Library	Brooks Library Generator and Installation	A	FC		\$ 110,000	\$ 110,000	\$ 110,000		\$ -					
Library	Library Roof Replacement	A						\$ -		\$ 135,000				
LIBRARY SUB-TOTAL					\$ 110,000	\$ 110,000	\$ 110,000	\$ 100,000	\$ -	\$ 135,000	\$ -	\$ -	\$ -	
NATURAL RESOURCES														
Natural Resources					\$ -	\$ -	\$ -							
NATURAL RESOURCES SUB-TOTAL					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
PLANNING														
Planning	Albro House - Renovations Review	1	CPC No Fund		\$ -	Below \$50K	\$ 12,000							
Planning	Interior Renovations - Albro House	1			\$ -	\$ -		TBD						
Planning	Walkway Reconstruction Bank Street Center to Rte 28	2				\$ -		\$ 231,000						
Planning	Walkway Reconstruction Rte 28 SAQ to Harwichport	3				\$ -	See Note							MassDOT Agreed to do work
PLANNING SUB-TOTAL					\$ -	\$ -	\$ 12,000	\$ 231,000	\$ -	\$ -	\$ -	\$ -	\$ -	
POLICE														
Police	Replacement of Bullet Resistant Vests (State and Fed Grant Portion)		Grant		\$ 18,000	Below \$50K	\$ 18,000	\$ -						Fed Grant In/State ?
Police	Replacement of Bullet Resistant Vests (Town Portion Only)		FC		\$ 22,000	Below \$50K	\$ 22,000							Town Portion of Cost
Police	Ballistic Helmets		FC		\$ 10,220	Below \$50K	\$ 10,220							Below Capital Threshold
Police	Replacement of Security System, Public Safety Complex		FC		\$ 153,789	\$ 153,789	\$ 153,789							
Police	Electronic Sign Board		FC		\$ 17,820	Below \$50K	\$ 17,820							Below Capital Threshold
POLICE SUB-TOTAL					\$ 221,829	\$ 153,789	\$ 221,829	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
PUBLIC WORKS														
Public Works	5 Year Road Maintenance Plan	1B	DE		\$ 700,000	\$ 700,000	\$ 1,434,700	\$ 1,293,972	\$ 1,405,210	\$ 1,494,125	\$ 1,400,000	TBD	TBD	
			Ch. 90		\$ 700,000	\$ 700,000								
Public Works	West Harwich Route 28 Design (Construction via Fed Funds)		Grant		\$ 300,000	\$ 300,000	\$ 150,000	\$ 150,000						Road Safety Grant Co,Comm.
Public Works	Lower County Road (Maintain Profile/Not TIP)				\$ -	\$ -	\$ -	\$ 3,500,000						
Public Works	Route 39/Pleasant Bay Road Roundabout	E1			\$ -	\$ -	\$ -	\$ 600,000						
Public Works	Volvo Loader	1	FC		\$ 200,000	\$ 200,000	\$ 200,000							
Public Works	MSW (C&D) Trailer Current 2 C&D will be 3 and 4 Trash MSW)	1	FC		\$ 75,000	\$ 75,000	\$ 75,000							
Public Works	John Deere Tractor	1	FC		\$ 115,000	\$ 115,000	\$ 115,000							
Public Works	Fuel Management System	2	FC		\$ 42,000	Below \$50K	\$ 42,000							
Public Works	Vehicle Listing (FY 18 to 24) Summary	E1			\$ -	\$ -	\$ -	\$ 425,000	\$ 250,000	\$ 275,000	\$ 365,000	\$ 250,000	\$ 310,000	
PW-FM/Cemetery	Pet Crematory				\$ -	\$ -	\$ -	\$ 486,000						
PUBLIC WORKS SUB-TOTAL					\$ 2,132,000	\$ 2,090,000	\$ 2,016,700	\$ 6,454,972	\$ 1,655,210	\$ 1,769,125	\$ 1,765,000	\$ 250,000	\$ 310,000	
REC & YOUTH														
Rec & Youth	Red River Beach Parking Lot Paving/Overlay	1B	FC		\$ 225,000	\$ 225,000	\$ 225,000	\$ -						
Rec & Youth	Bank Street Beach parking Lot Paving/Overlay	1B						\$ 98,000	\$ -					
Rec & Youth	Pleasant Road Beach Parking Lot Paving/Overlay	1B							\$ -	\$ -		\$ 112,000		
Rec & Youth	Sand Pond Restrooms and Playground Improvements						\$ -							TBD
Rec & Youth	Whitehouse Field Irrigation		CPC		\$ 28,000	\$ 28,000	\$ 28,000							
Rec & Youth	Veterans Memorial Field Fitness Stations		CPC		\$ 13,806	\$ 13,806	\$ 13,806							
Rec & Youth	Brooks Park Phase IV Restrooms and Playground Improvements		CPC		\$ 167,900	\$ 167,900	\$ 167,900							
Rec & Youth	Brooks Park Phase V - Comprehensive Light Plan		CPC				\$ -	\$ 200,000						
Rec & Youth	Red River Beach Restroom Renovations	1B							\$ 125,000	\$ -				
Rec & Youth	Cahoon Road Beach Restroom										\$ 125,000			
RECREATION AND YOUTH SUB-TOTAL					\$ 434,706	\$ 434,706	\$ 434,706	\$ 298,000	\$ 125,000	\$ -	\$ 125,000	\$ 112,000	\$ -	
WASTEWATER														
Wastewater	Intermunicipal Agreement with Chatham Purchase Capacity (See Note#)	1A	DE*		\$ 6,765,000	\$ 6,765,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 765,000	\$ -	\$ -	SRF Loans
Wastewater	Tie-In Costs to Pipes and Pump Station to Chatham		DE*		\$ 2,400,000	\$ 2,400,000	\$ -	\$ 2,400,000						
Wastewater	CWMP Implementation Services	3B	DE*		\$ 150,000	\$ 150,000	\$ 150,000							
Wastewater	Pleasant Bay (South) Watershed Collection System Design and Construction	2A	DE*		\$ 22,300,000	\$ 22,300,000	\$ 2,000,000	\$ -	\$ 20,300,000	\$ -	\$ -	\$ 800,000	\$ 12,600,000	North portion in FY 22/24
Wastewater	Cold Brook Natural Attenuation Design and Construction	3B	DE*		\$ 2,000,000	\$ 2,000,000	\$ 200,000		\$ 1,800,000					
Wastewater	Restoration of Hinckey's Pond	1B	DE*		\$ 550,000	\$ 550,000	\$ 550,000							CPC Did not Fund
Wastewater	Evaluate Phosphorus issues in Seymour Pond & Action	1C									\$ -	\$ 40,000	\$ 250,000	
WASTEWATER SUB-TOTAL					\$ 34,165,000	\$ 34,165,000	\$ 4,400,000	\$ 3,900,000	\$ 23,600,000	\$ 1,500,000	\$ 765,000	\$ 840,000	\$ 12,860,000	



FY 2018 BUDGET PRESENTATION

Harwich, MA

Town Administrator: Christopher Clark
Former Finance Director: Andrew Gould
Interim Finance Director: David Withrow
Assistant Town Administrator: Charleen Greenhalgh

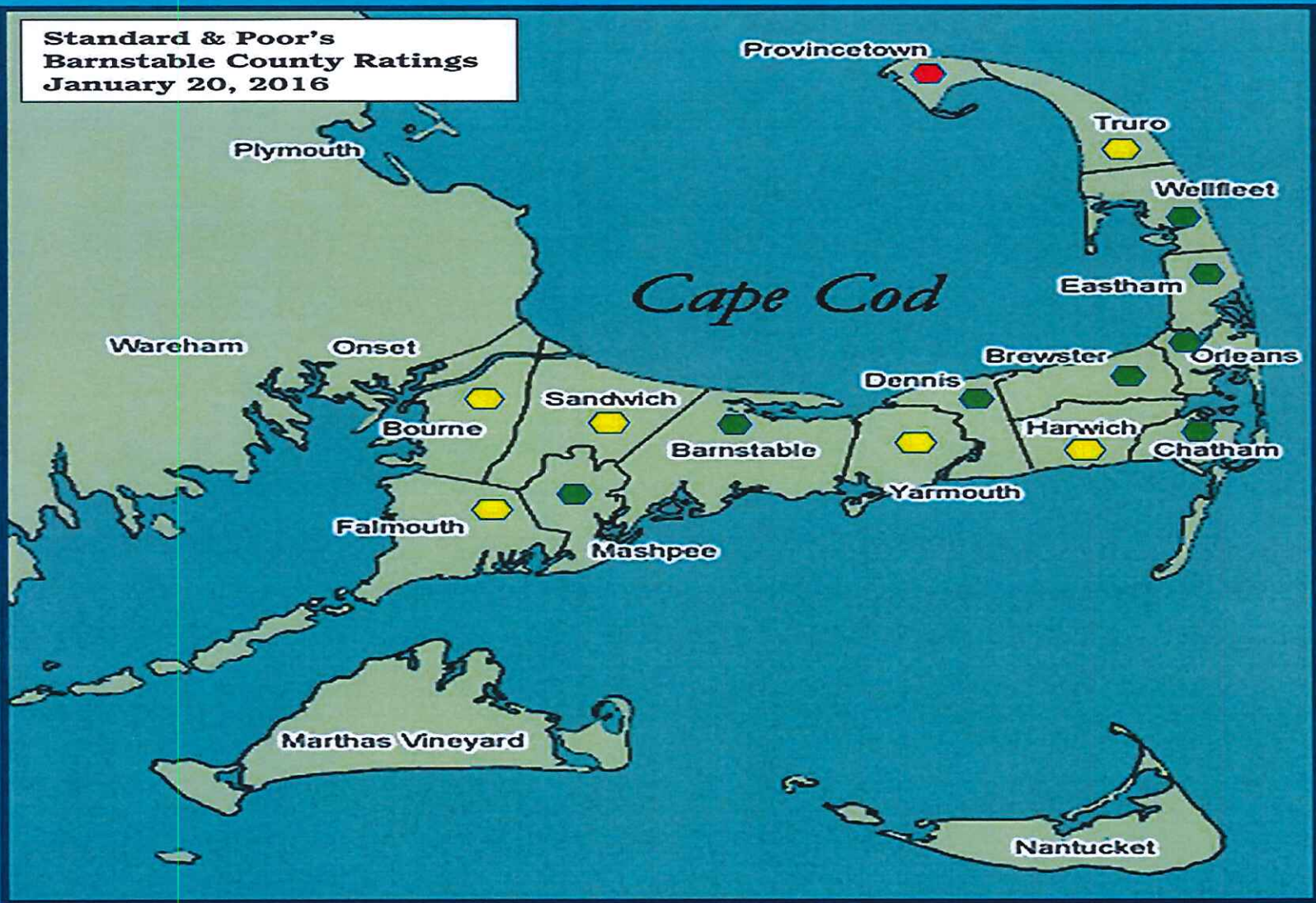
S&P: THE TOP TEN MANAGEMENT CHARACTERISTICS OF HIGHLY RATED U.S. PUBLIC FINANCE ISSUERS

1. Focus on Structural Balance
2. Strong Liquidity Management
3. Regular Economic and Revenue Updates to Identify Shortfalls Early
4. An Established Rainy Day/Budget Stabilization Reserve
5. Prioritizing Spending Plans and Establish Contingency Plans for Operating Budgets
6. Strong Long-Term and Contingent Liability Management (OPEB)
7. A Multiyear Financial Plan in Place and Considers the Affordability of Actions or Plans Before They Become Part of The Annual Budget
8. A Formal Debt Management Policy in Place to Evaluate Future Debt Profile
9. A Pay-As-You-Go Financing Strategy as Part of the Operating and Capital Budget
10. A Well-Defined and Coordinated Economic Development Strategy

PREVIOUS STANDARD & POORS OBSERVATIONS OF HARWICH

- Extremely strong property wealth due to its oceanfront location
- Good financial position and financial management policies
- Still maintains a good financial reserve position despite recent declines
- Moderate to low debt burden, coupled with rapid principal amortization; and
- Sizable long-term pension and other Post employment benefit (OPEB) liabilities, though recent changes could reduce these liabilities a bit over the next few years.

**Standard & Poor's
Barnstable County Ratings
January 20, 2016**



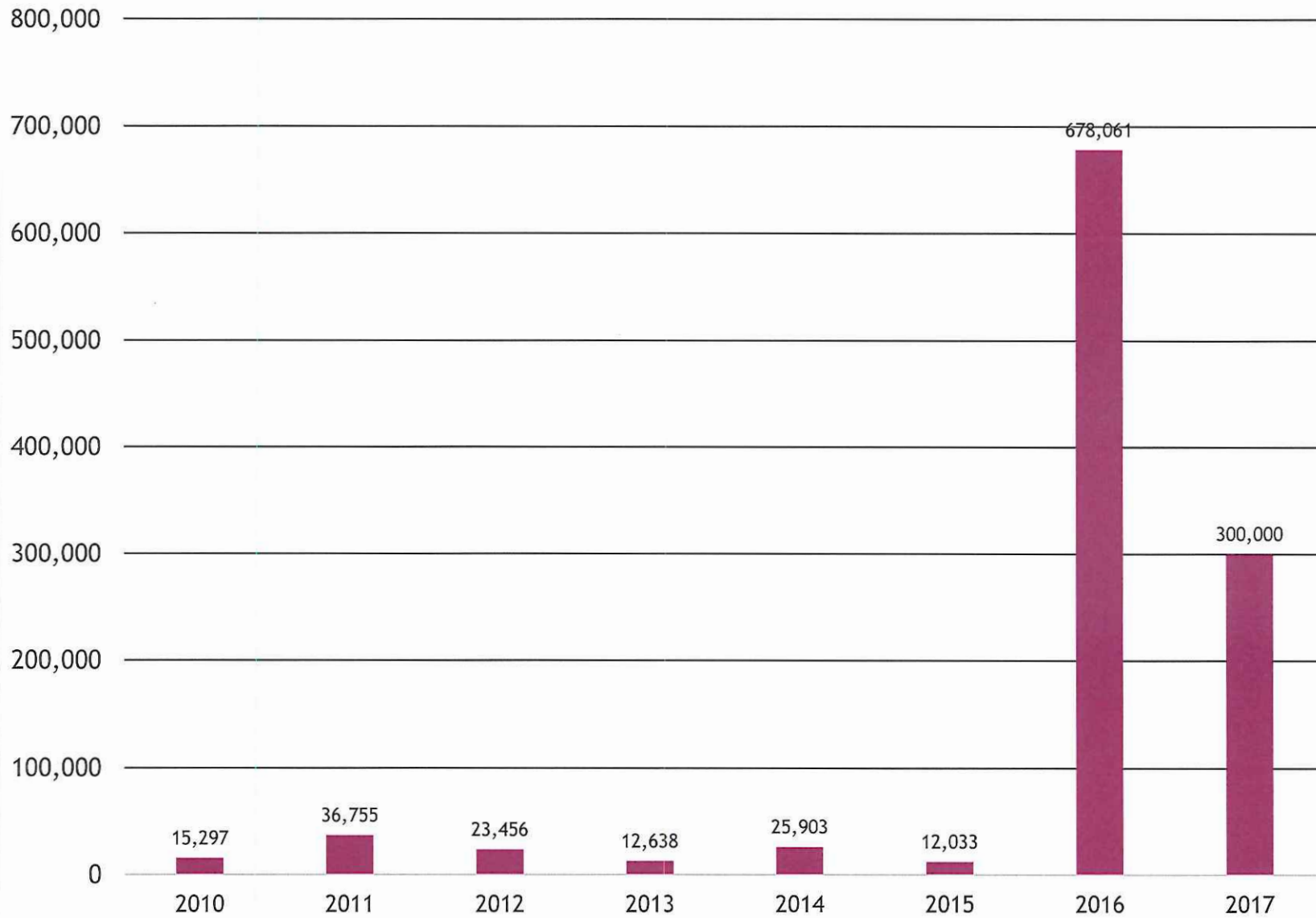
-  AA
-  AA+
-  AAA

BUDGET REVENUE AND EXPENSE SUMMARY

**Displaying the Projected Budget
for FY 2018**

- The Total Revenue for FY2018 is **\$60,697,660** and the Total anticipated expenditures are **\$60,692,708** creating a balanced budget. Minor surplus **\$4,952**
- Budget Highlights
- Major Initiatives

Excess Levy Capacity



Enhanced Levels of Service (EoS)

Concept

Amount

Part-time Cable Operations

\$ 9,906

(to be funded by Franchise Agreement, not taxes)

Part-time Community Center hours slightly augmented

\$ 5,896

(to help with the 2 year program to assess the viability of the Middle School to serve as a Cultural Center for the Town. Interest from artists has been strong as this program starts. Town Meeting will be asked to set up a Revolving Fund for the Cultural Center Operation that should offset taxpayer dollars with rental income.)

Funding our operations includes utilizing undesignated fund balance, better known as “Free Cash,” which is certified at **\$1,984,792** million. This amount is available to fund capital programs and to build reserves for the FY 17 budget.

Capital Budget Items	\$1,155,975
Other Operating Capital Items, Articles	\$ 129,630
Middle School \$125K, HCT Reimbursement\$73K	\$ 198,000
<u>Contingency Snow/Ice (\$300K) and O.P.E.B. (\$200K)</u>	<u>\$ 500,000</u>
Total to Be Used	\$1,983,605

MONOMOY ASSESSMENT

DRAFT FY18 ASSESSMENT 1/30/17

	Harwich	Chatham	Total
Operating Budget	\$22,487,923	\$8,129,234	\$30,617,157
Transportation	\$367,275	\$124,523	\$491,798
Capital	<u>\$224,114</u>	<u>\$80,886</u>	<u>\$305,000</u>
	\$23,079,312	\$8,334,643	\$31,413,955
Debt	\$1,708,359	\$616,572	\$2,324,931
TOTAL FY18 DRAFT ASSESSMENT 1/30/17	<u>\$24,787,671</u>	<u>\$8,951,215</u>	<u>\$33,738,886</u>

FY17 RE-VOTED ASSESSMENT

	Harwich	Chatham	Total
Operating Budget	\$21,644,248	\$7,783,493	\$29,427,741
Transportation	\$412,558	\$134,124	\$546,682
Capital	<u>\$224,724</u>	<u>\$80,276</u>	<u>\$305,000</u>
	\$22,281,530	\$7,997,893	\$30,279,423
Debt	<u>\$1,776,772</u>	<u>\$634,699</u>	<u>\$2,411,471</u>
TOTAL FY17	\$24,058,302	\$8,632,592	\$32,690,894

Δ From FY18 DRAFT to FY17 RE-VOTED

	Harwich	Chatham	Total
Operating Budget	\$843,675	\$345,741	\$1,189,416
Transportation	-\$45,283	-\$9,601	-\$54,884
Capital	<u>-\$610</u>	<u>\$610</u>	<u>\$0</u>
	\$797,782	\$336,750	\$1,134,532
	3.58%	4.21%	3.75%
Debt	<u>-\$68,413</u>	<u>-\$18,127</u>	<u>-\$86,540</u>
Total	\$729,368	\$318,623	\$1,047,992
	3.03%	3.69%	3.21%

FY18 Assessment

CAPE TECH REGIONAL HS

FY18 Assessments

Towns	FY17 Enrollment	FY18 Enrollment	% FY18 Enrollment	Total Assessments		Change		Per Student Cost	Per Student Cost
				FY18	FY17	\$	%	FY17	FY18
Barnstable	173	183	29.5%	\$ 3,535,665	\$ 3,302,096	\$ 233,569.00	7.1%	\$19,087.26	\$19,320.57
Brewster	43	43	6.9%	\$ 831,711	\$ 828,976	\$ 2,735.00	0.3%	\$19,278.51	\$19,342.12
Chatham	11	10	1.6%	\$ 194,070	\$ 210,206	\$ (16,136.00)	-7.7%	\$19,109.64	\$19,407.00
Dennis	76	67	10.8%	\$ 1,303,183	\$ 1,463,089	\$ (159,906.00)	-10.9%	\$19,251.17	\$19,450.49
Eastham	16	15	2.4%	\$ 291,987	\$ 309,752	\$ (17,765.00)	-5.7%	\$19,359.50	\$19,465.80
Harwich	75	77	12.4%	\$ 1,487,362	\$ 1,437,053	\$ 50,309.00	3.5%	\$19,160.71	\$19,316.39
Mashpee	59	57	9.2%	\$ 1,135,010	\$ 1,137,175	\$ (2,165.00)	-0.2%	\$19,274.15	\$19,912.46
Orleans	13	15	2.4%	\$ 290,179	\$ 249,250	\$ 40,929.00	16.4%	\$19,173.08	\$19,345.27
Provincetown	3	5	0.8%	\$ 97,409	\$ 57,489	\$ 39,920.00	69.4%	\$19,163.00	\$19,481.80
Truro	1	3	0.5%	\$ 57,075	\$ 19,301	\$ 37,774.00	195.7%	\$19,301.00	\$19,025.00
Wellfleet	7	9	1.4%	\$ 173,827	\$ 135,249	\$ 38,578.00	28.5%	\$19,321.29	\$19,314.11
Yarmouth	141	137	22.1%	\$ 2,645,675	\$ 2,694,877	\$ (49,202.00)	-1.8%	\$19,112.60	\$19,311.50
	618	621	100.0%	\$12,043,153	\$11,844,513	\$ 198,640			
						\$	1.68%		

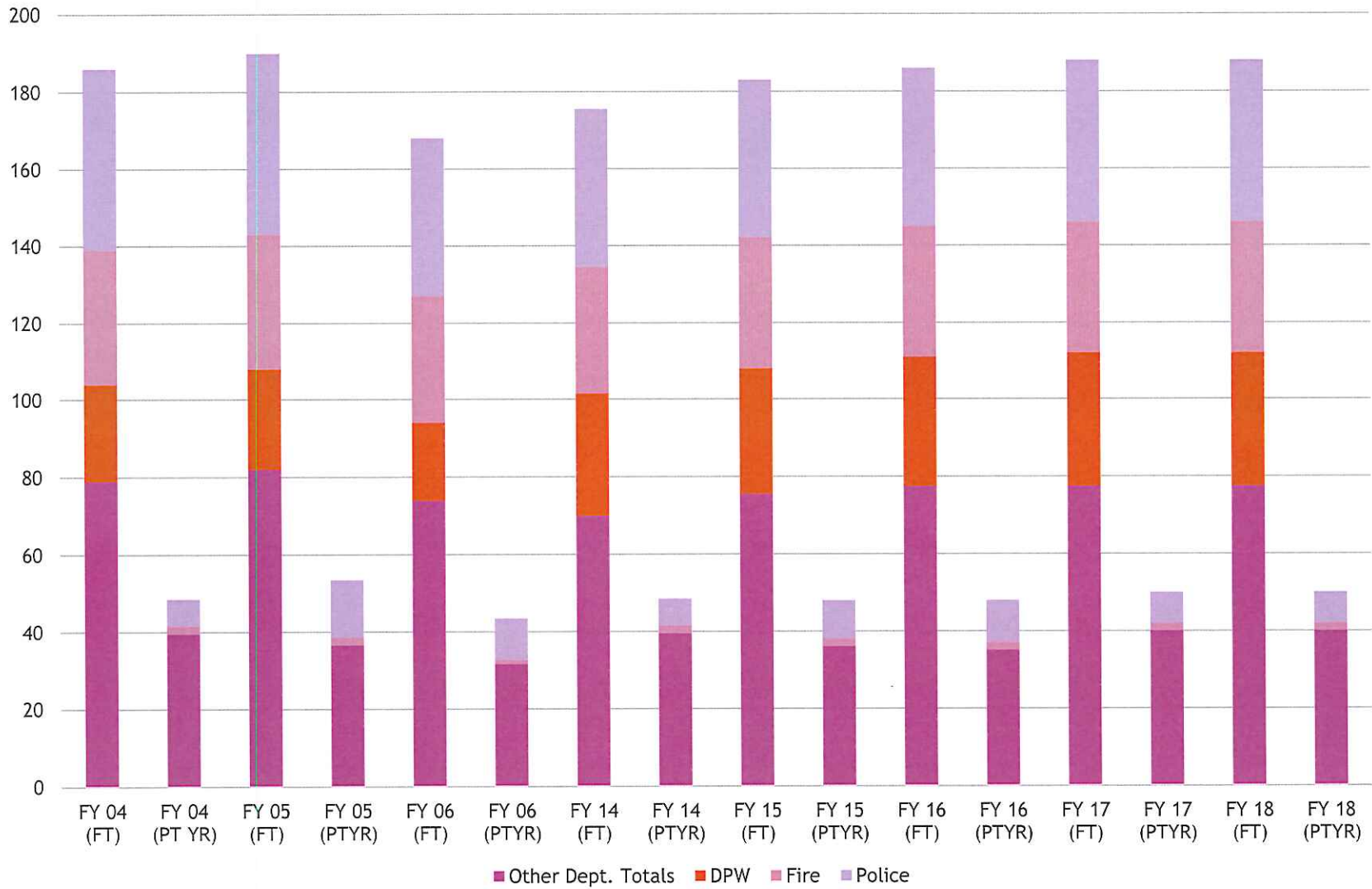
	Reductions
Fin Com Res	25,000
Administration (Mgmt. Sal. Adj)	19,000
New Police Officer Elder Affairs	50,000+
New 2 Firefighters increase shifts	150,000+
DPW New Highway Position	48,000+
DPW New Park Position	48,000+
DPW New Build. Main. Electrical	67,000+
DPW New Build. Main. General	43,000+
DPW Central Main. (48K inc. reduced)	18,000
Municipal Solid Waste	60,000
Small Operating Capital Funded	
From Free Cash) DPW Equip	11,000
Police Equipment	25,000
Fire Equipment	25,000
IT Equipment	19,000
Snow & Ice	35,000
Dredging(Increase to \$100K reduced)	35,000
Health Insurance (15% down to 12%	220,000
<u>OPEB</u>	<u>25,000</u>
	925,000+



MAJOR INITIATIVES/THEMES FISCAL YEAR 2018 BUDGET

- ◉ **MAINTAIN AND ENHANCING LEVELS OF SERVICE**
- ◉ **EDUCATION (MONOMOY/CAPE TECH AND SCHOOL CHOICE)**
- ◉ **HUMAN RESOURCES ELEMENTS (STAFFING LEVELS, COLLECTIVE BARGAINING AND BENEFITS)**
- ◉ **COMPREHENSIVE WASTEWATER MANAGEMENT PLAN (CWMP)**
- ◉ **FINANCIAL MANAGEMENT (CAPITAL, DEBT AND RESERVES)**

Town of Harwich Department Staffing Levels



<u>Collective Bargaining Unit STATUS AS OF FEBRUARY 6, 2017</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>
Harwich Permanent Fire Fighters Association Local 2124	•	X	X	X	
Harwich Employees Association (HEA)	X	X	X		
Highways & Maintenance Employees Association (HMEA)	X	X	X		
Harwich Management Employees Association SEIU 888 (Highway & Maintenance)	•	X	X	X	
International Association of Machinists & Aerospace Workers (Water)	•	X	X	X	
N.E. Police Benevolent Association (NEPBA) Local 103 Emergency Telecommunication Dispatchers	•	X	X	X	X
Harwich Police Federation (Officers)	•	X	X	X	X
N.E. Police Benevolent Association (NEPBA) Local 69 (Superiors)	•	X	X	X	X
Personnel Bylaw	•	X	X		
• Previous Contract/MOU					
X Existing/Current Contract					

CWMP PHASE 2: Total Request \$34,165,000

1. Intermunicipal Agreement (IMA) with Chatham Purchase Capacity

6,765,000

2. Tie-In Costs to Pipes and Pump Station to Chatham

2,400,000

3. CWMP Implementation Services

150,000

4. Pleasant Bay (South) Watershed Collection System Design & Construction

22,300,000

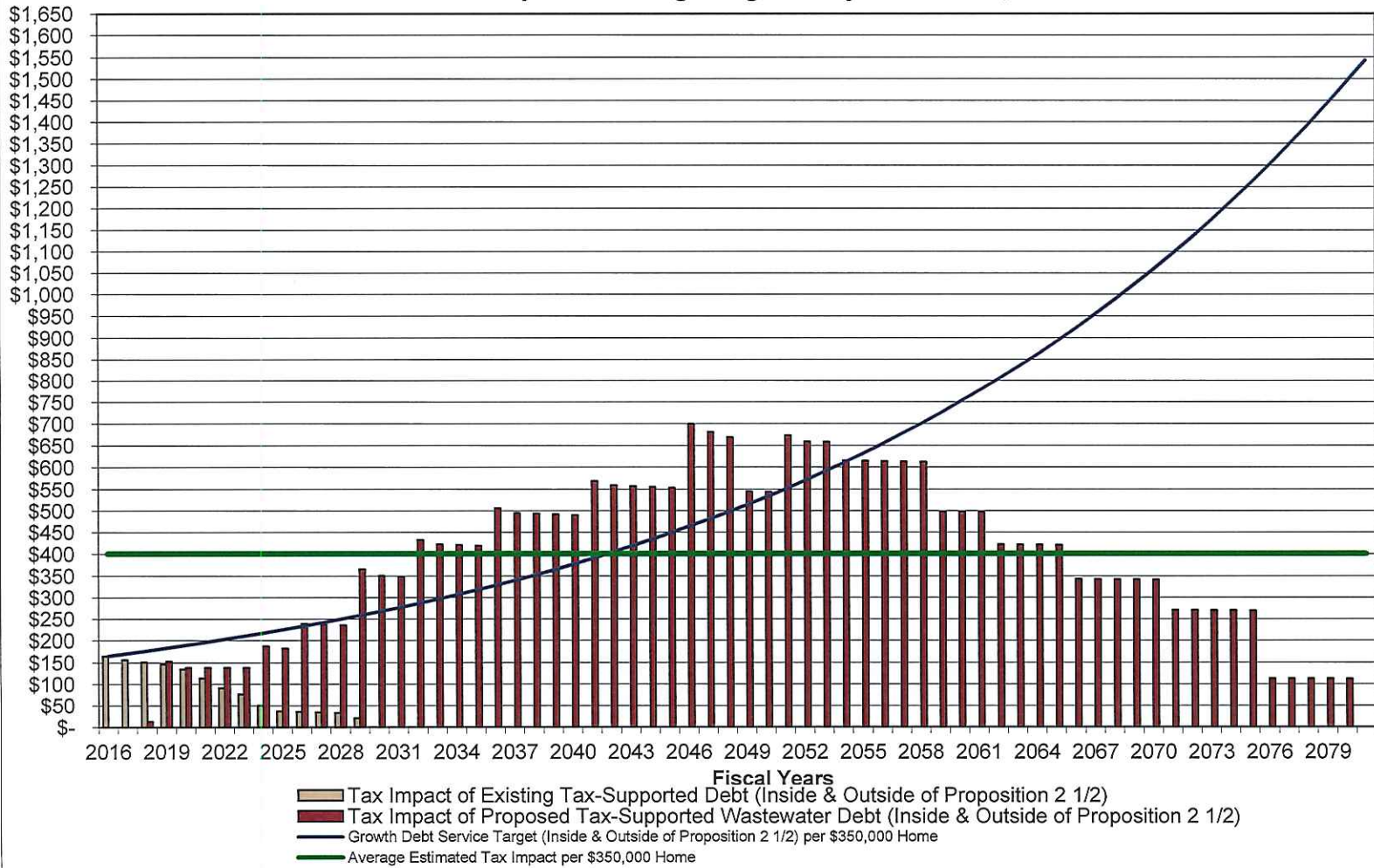
5. Cold Brook Natural Attenuation Design and Construction

2,000,000

6. Restoration of Hinckley's Pond

550,000

Town of Harwich, Massachusetts
Existing and Proposed Tax-Supported Debt Service* (i.e. Excludes Self-Supporting Debt)
Inside & Outside of Proposition 2 1/2:
Estimated Tax Impact on Average Single Family Home - \$350,000 value

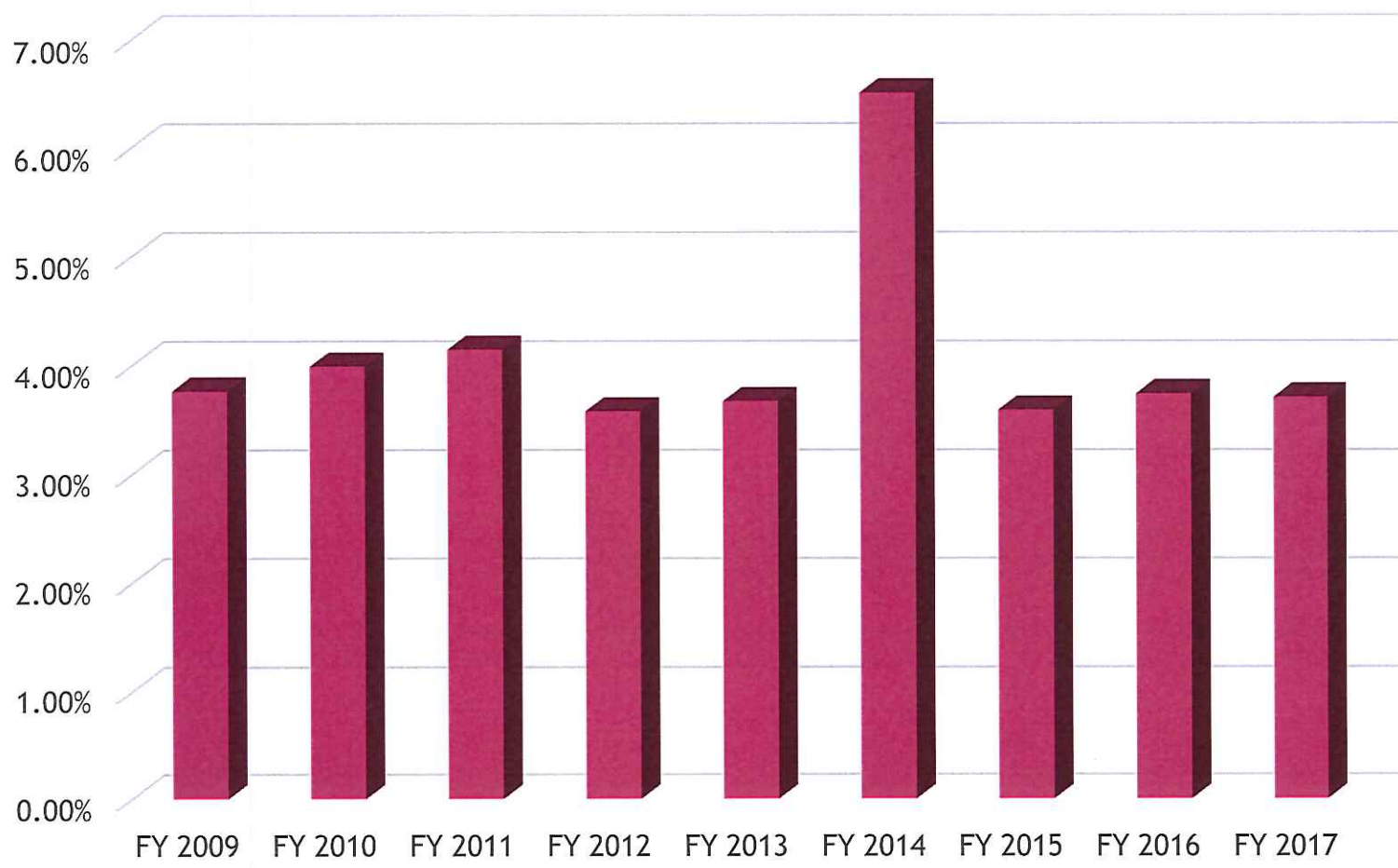


*Assumes estimated interest rates and

HISTORICAL TAX REVENUE DATA

For Fiscal Years 2009-2017

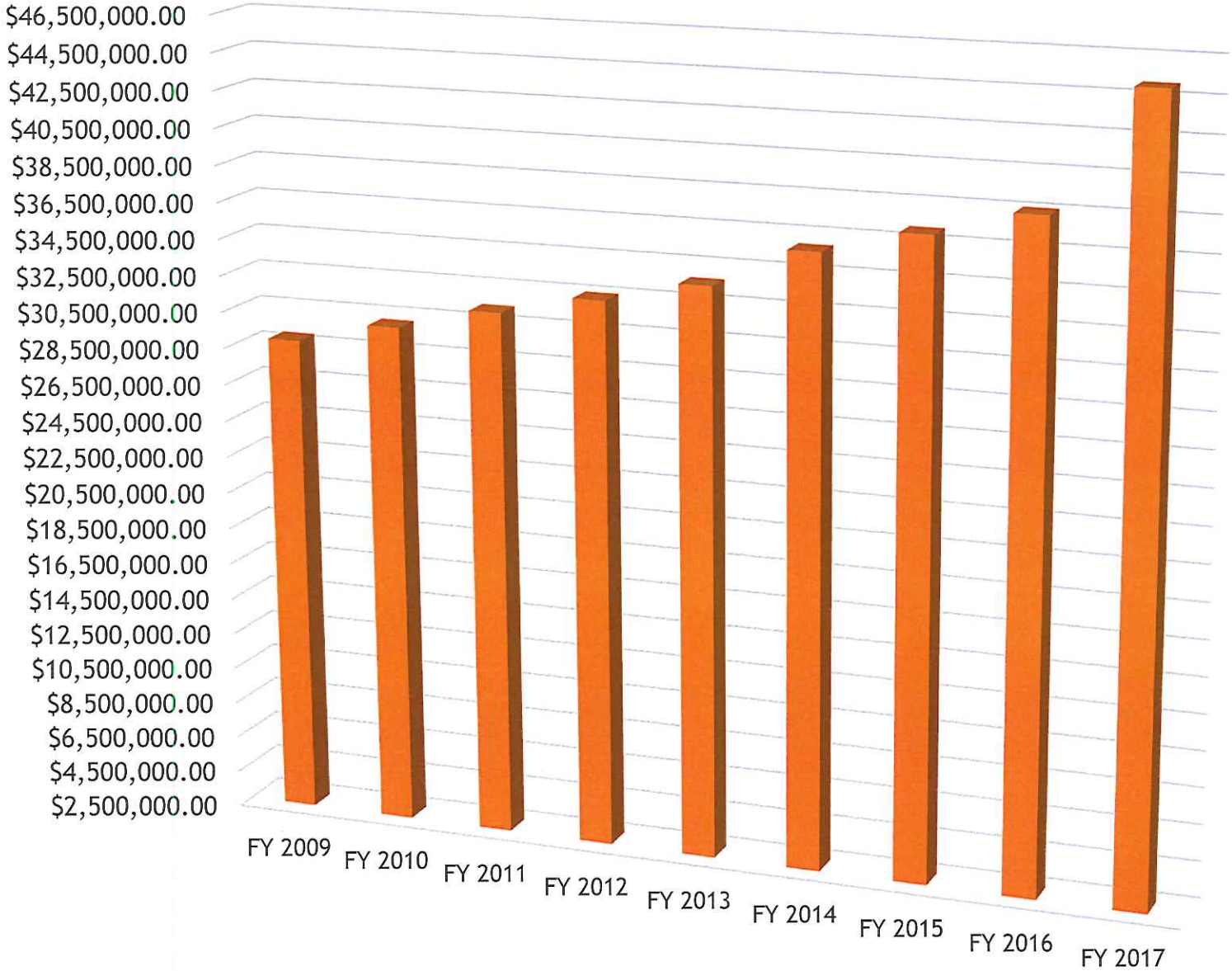
Base Levy Limit Percent Inc.



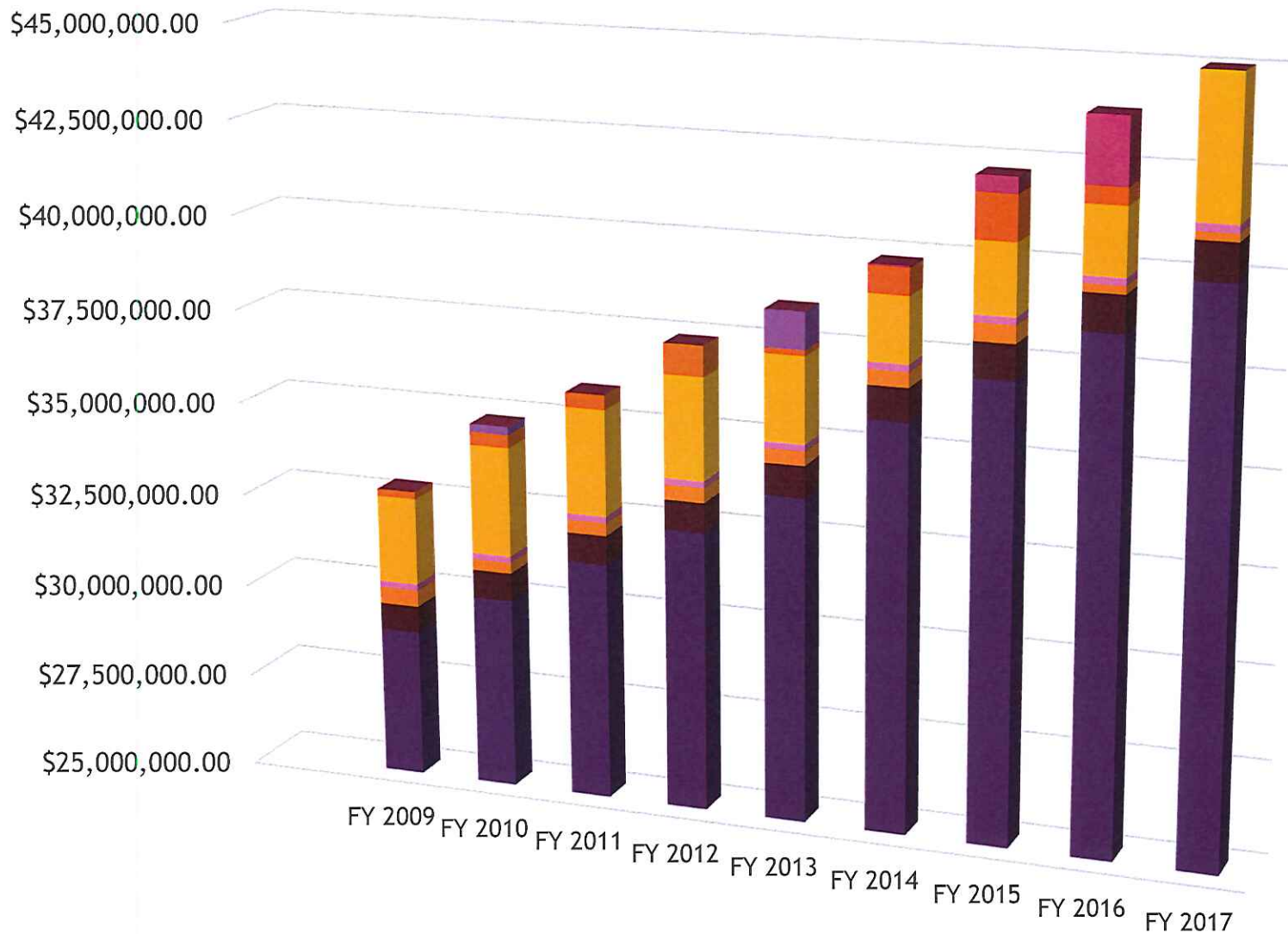
FY 2014 Override Levy \$ 990,193 = 2.9%



Base Levy Limit in Dollars



Levy Limit Calculation



- Base Levy Limit
- Plus 2.50%
- Debt Exclusion
- Capital Exclusion
- Growth (Actual)
- Permanent Override
- CC Commission
- Monomy Excl. Debt



SELECT BUDGET DATA

Charts for Past, Present and Future

Fringe Benefits Analysis - Average Per Full-Time Employee

<u>Position</u>	<u>Total</u>	<u>Fringe Benefits</u>					<u>Fringe Benefits</u>	<u>Percentage</u>
	<u>Avg Wages</u>	<u>Health</u>	<u>Retire- ment</u>	<u>WC</u>	<u>IOD</u>	<u>UnEmp Comp</u>	<u>TOTAL</u>	
Public Safety	\$ 60,000	\$ 15,408	\$ 8,400	\$ -	\$ 1,200	\$ 180	\$ 25,188	42%
Public Works (13)	\$ 55,500	\$ 15,408	\$ 7,770	\$ 2,836	\$ -	\$ 167	\$ 26,181	47%
Admin/Clerical(55)	\$ 65,000	\$ 15,408	\$ 9,100	\$ 85	\$ -	\$ 195	\$ 24,788	38%
Water ¹ (14)	\$ 59,700	\$ 15,255	\$ 8,358	\$ 2,800	\$ -	\$ 179	\$ 26,592	45%
Harbor/Maint/Parks &Rec/ Nurse ¹ (16)	\$ 58,000	\$ 15,408	\$ 8,120	\$ 2,100	\$ -	\$ 174	\$ 25,802	44%

¹ For Avg Wage it does not include Clerical. Clerical is included under Admin/Clerical

Total Average Wages: The total of the wages divided by the number of positions.

Health: Is a blended rate of the Towns various plans and the Town's 75% contribution

Retirement: is the set against all employees although newer employees self fund their retirement

Workmen Compensation: Is the State set rate plus the Experience Modifier and the Premium Discount.

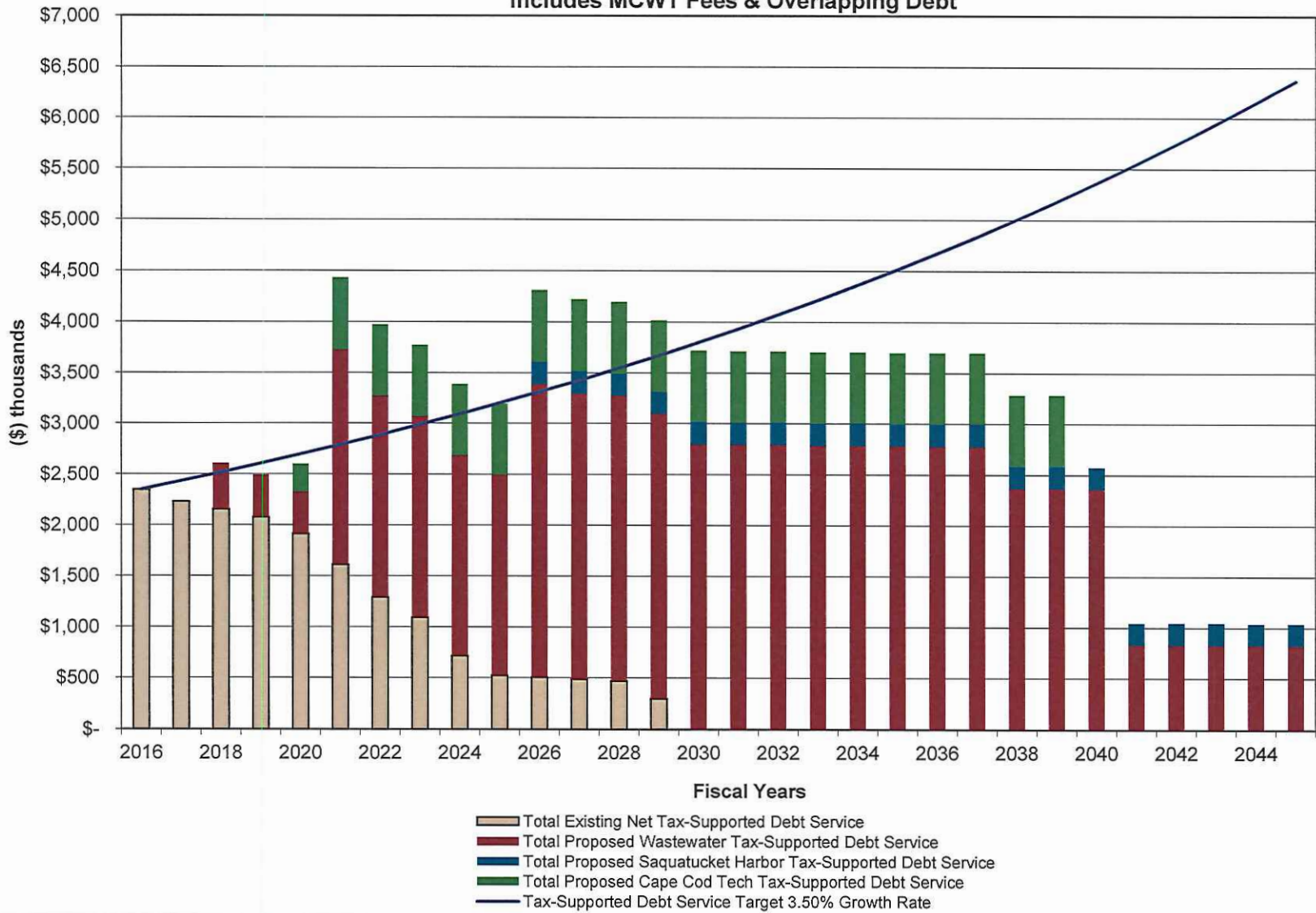
IOD: Is based upon the premium for coverage and some costs for deductibles

Unemployment Compensation: Is allocated based upon previous history

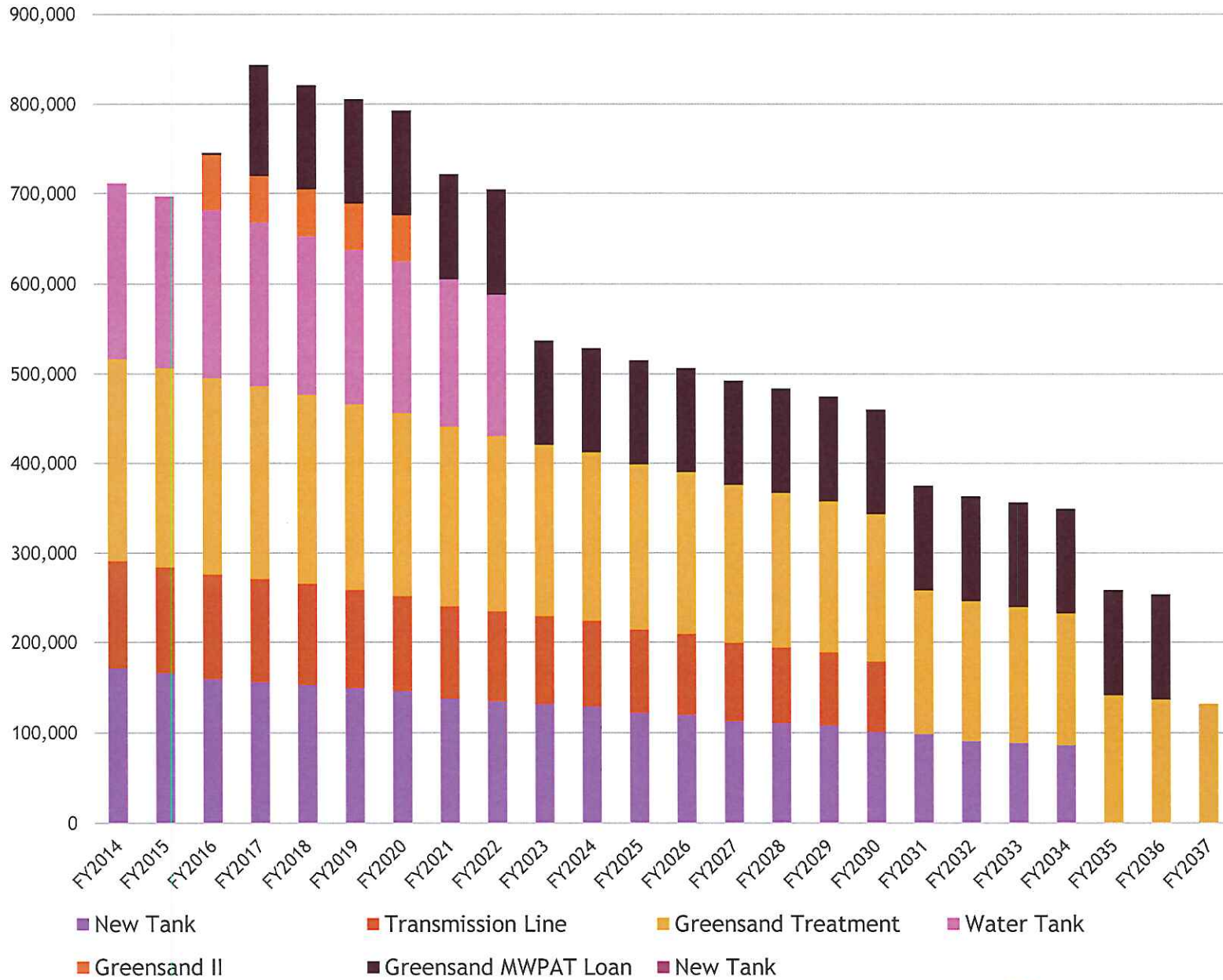
DEBT STRUCTURE

Future Planning

Town of Harwich, Massachusetts
Existing and Proposed Tax-Supported Debt Service (i.e. Excludes Self-Supporting Debt) by
Category:
Includes MCWT Fees & Overlapping Debt

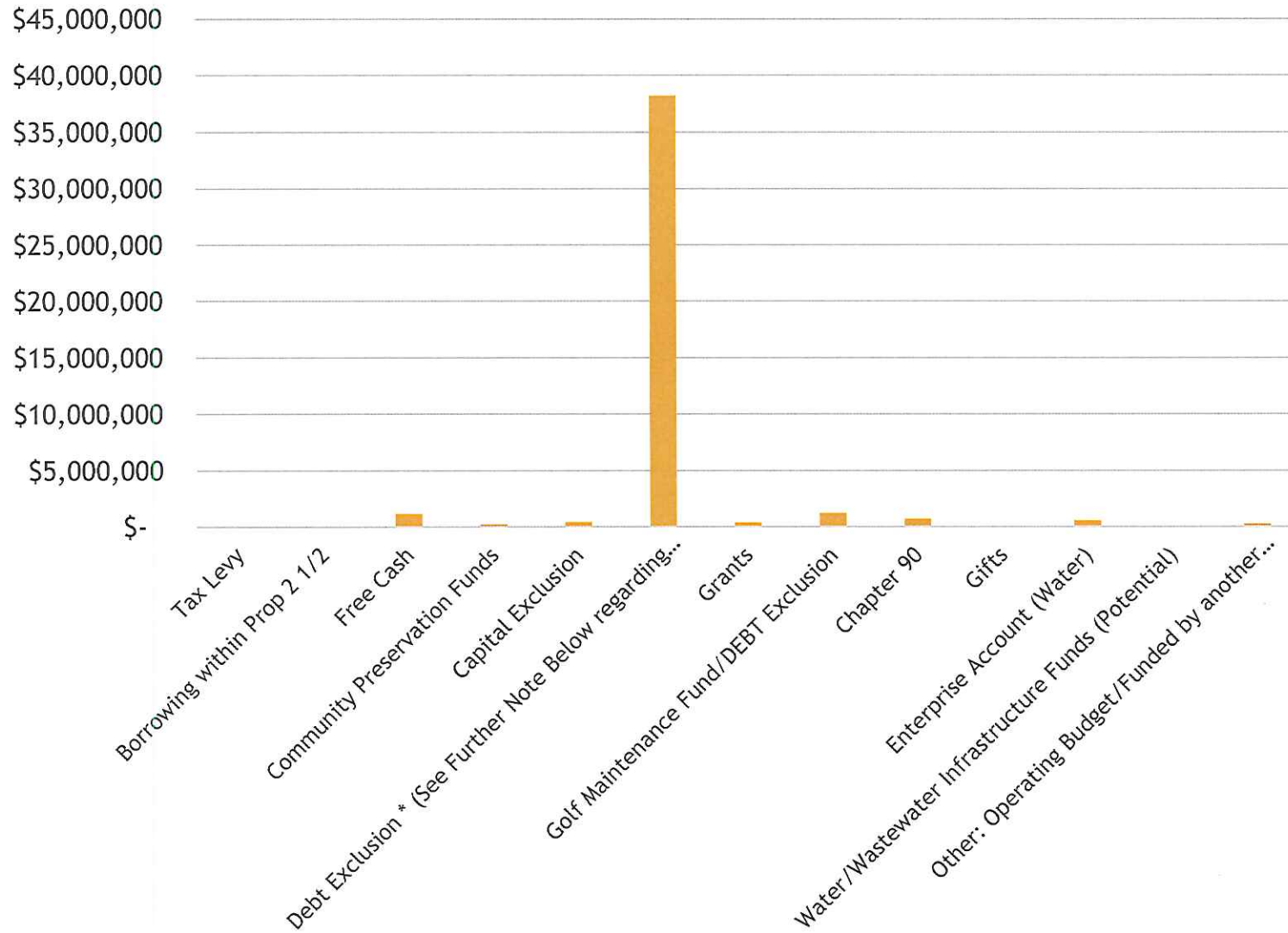


Water Debt Service

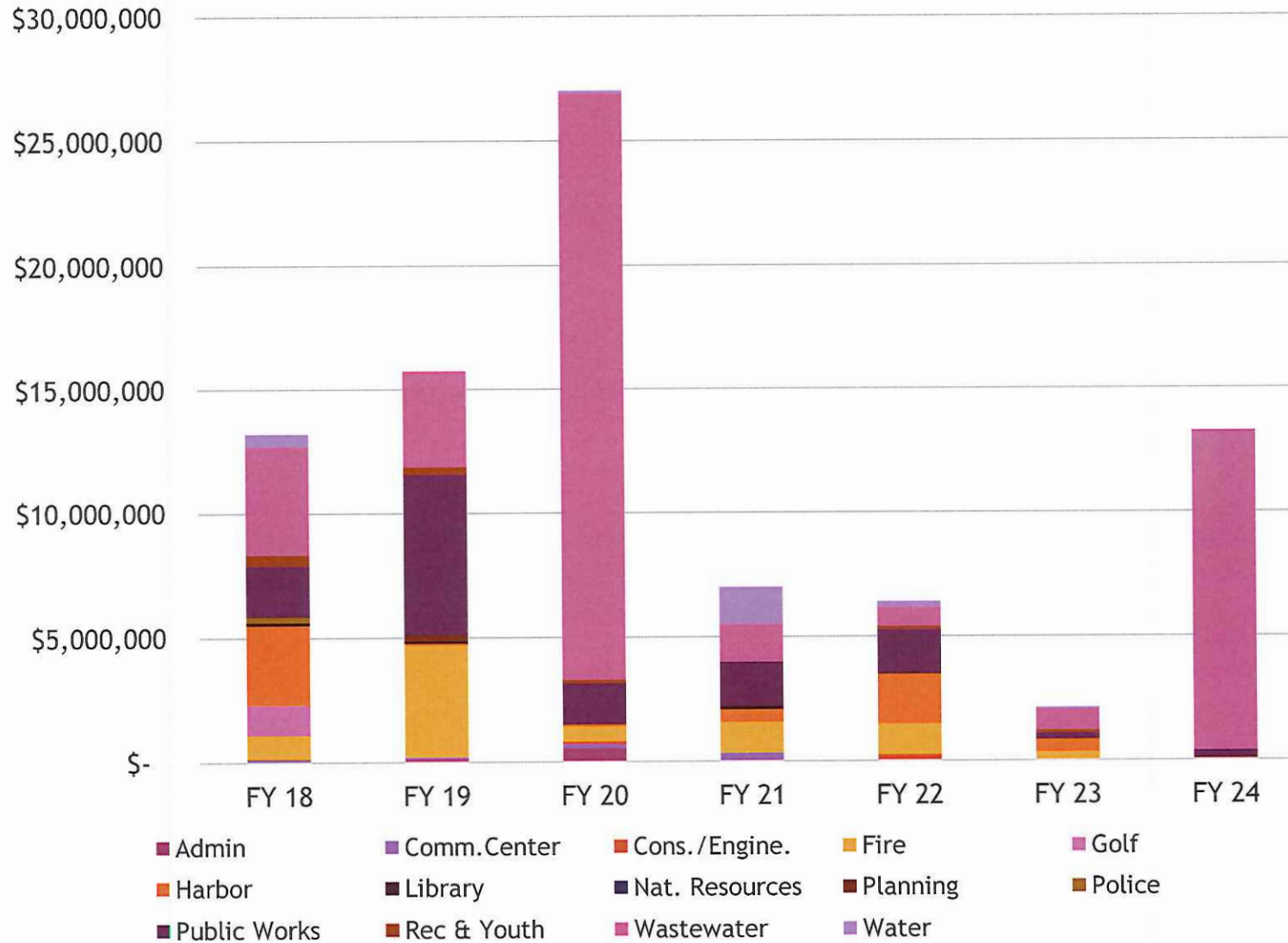


CAPITAL BUDGET

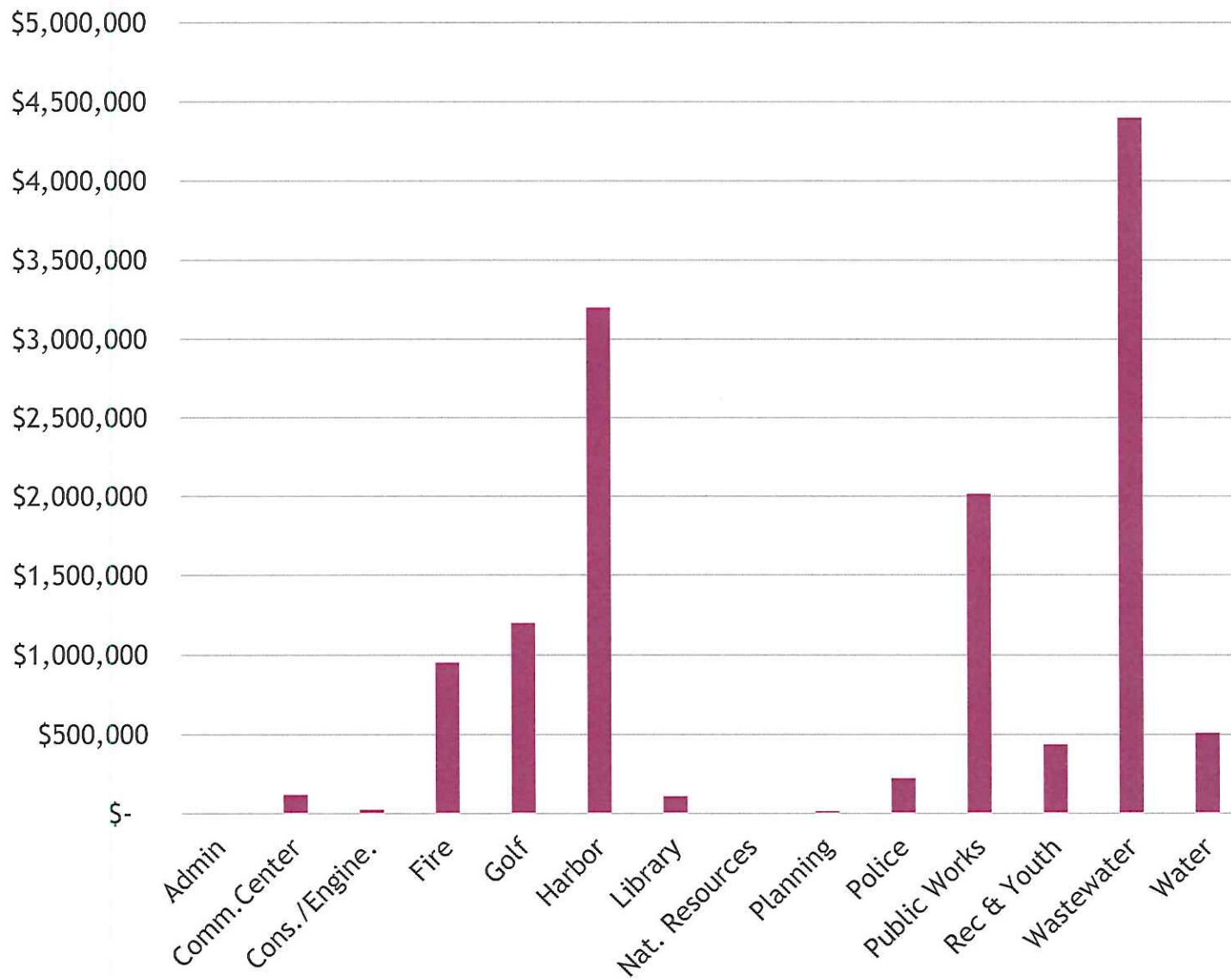
CAPITAL FUNDING BY SOURCE FOR FY18



CAPITAL REQUEST BY DEPARTMENT FY18 TO FY 24



FY 18 CAPITAL BUDGET REQUEST BY DEPARTMENT



Free cash funding source:

<u>Department</u>	<u>Project</u>	<u>TA Rec</u>
Community Center	Gym Floor Resurface	\$ 57,724
Town Wide	Town Wide Radio System (Non-Emergency) (Town/DPW/F&P Backup)	\$ 102,643
Library	Brooks Library Generator and Installation	\$ 110,000
Police	Replacement of Bullet Resistant Vests (Town Portion Only)	\$ 22,000
Police	Ballistic helmets	\$ 10,220
Police	Replacement of Security System, Public Safety Complex	\$ 153,789
Police	Electronic Sign Board	\$ 17,820
Public Works	Volvo Loader	\$ 200,000
Public Works	MSW (C&D) Trailer Current 2 C&D will be 3 and 4 Trash MSW)	\$ 75,000
Public Works	John Deere Tractor	\$ 115,000
Public Works	Fuel Management System	\$ 42,000
Rec & Youth	Red River Beach Parking Lot Paving/Overlay	\$ 225,000
	<u>TOTAL</u>	\$ 1,155,975

FY 18 funding plan also calls for funding several operating budget small capital items from free cash totaling **\$81,130**

Police digital fingerprint system:	\$11,500
Police ballistic plates and mobile data terminals:	\$14,130
Fire Department and Event Tied recorder:	\$25,000
DPW stand on blower:	\$11,500
IT department email archive system replacement and phased server:	\$19,000

Debt exclusions

• Harbormaster Saquatucket Harbor Landside Construction	\$ 3,000,000
• Public Works five-year road maintenance program	\$ 700,000
• Wastewater Phase 2 (Chatham IMA, Pleasant Bay, Cold Brook)	\$ 34,165,000
• Fire Station 2 Design	\$ 310,000
• Golf Operations Building and Grounds (Cart Garage & Pavement)	\$ 1,200,000
Total	\$ 39,375,000

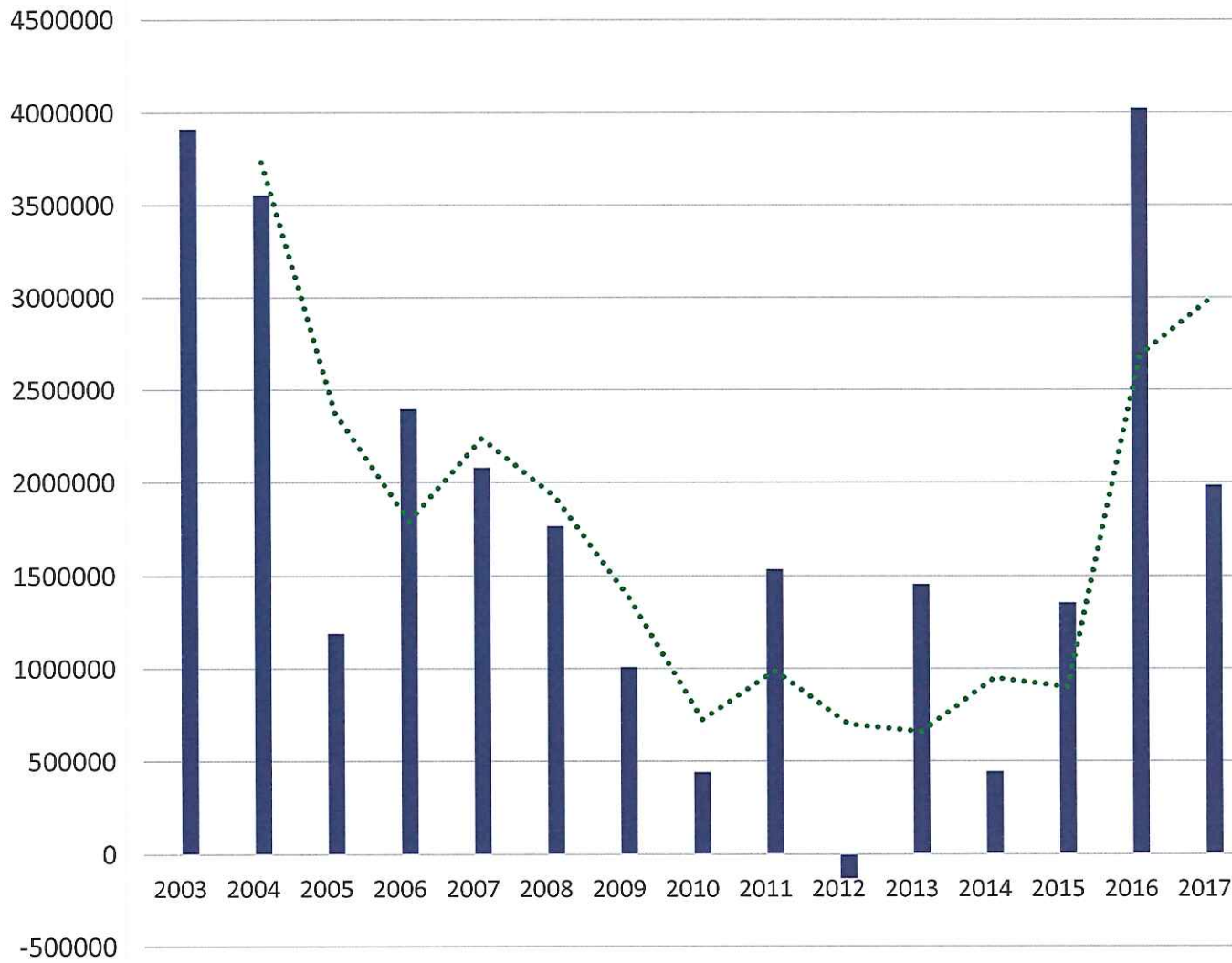
Capital Exclusions

• Fire Pumper Truck	\$ 420,000
• Monomoy Capital Budget	\$ 224,724
Total	\$ 644,724

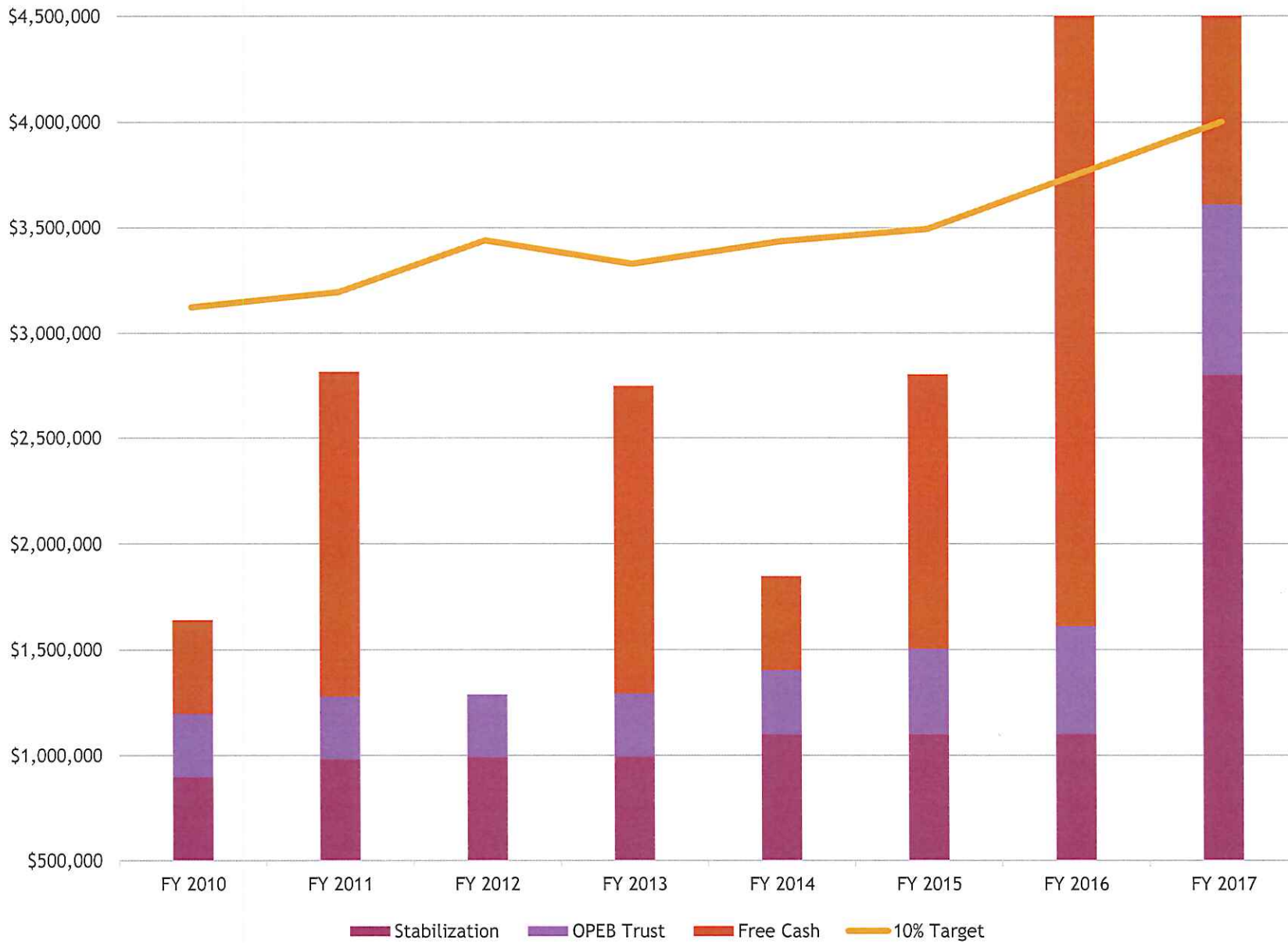
RESERVE FUND BALANCES

Historical and Projected

Harwich Free Cash Certified - General Fund



Reserves with Modest Target of 10%



THANK YOU FOR YOUR
ATTENTION

ANY QUESTIONS

HARWICH BOS/TA ACTION ITEMS REPORT 1/19/17 New Updates highlighted in YELLOW

Item Number	Action Item	Criticality (1, 2 or 3)	Lead Responsibility	Date Assigned	Due Date	Status	Comments
16-001	Disability Access to Brook Park Bandstand			7/11/2016		Referred to Recreation for inclusion in the next phase of Brooks Park Improvements.	No funding available at this time to cover cost of ramp.
16-002	Lighting at Brook Park Bandstand/Parking		TA, ATA, Town Eng., Rec. Dir.	7/11/2016		Spoke with Town Engineer. Came up with concept for 2 lights in keeping with the Historic Dist. Cost \$2500/ea. Status Complete	No funding available at this time to cover costs of lights. Path behind ballfield fence is not formal to make more accessible & add lighting would require a fence along the bank, t-base walkway 5' wide, electricity, etc.
16-003	West Harwich Plume+B4:B29 +B4:B21		TA, ATA, Health Dir.	7/11/2016		Paula completed review week of August 15; meeting with Chair, TA and Asst. TA on 8/24/16. Paula made presentation to the BoS on 9/26/16 - Status Complete	Paula Champagne asked to research all applicable reports and to report back her findings/recommendations/plan.
16-004	Committees: Vacancies; Charge Updates: Members being Sworn-in.		Selectmen	7/25/2016		On-going	
16-005	Track Additional Costs at Middle School		Selectman LaMantia, TA	7/25/2016		On-going	
16-006	Embers: Outside Bar Status		ATA	8/8/2016		Completed 8/10/16- Status Complete	Consulted Licensing Secretary; Building Comm; Health Agent. Mr. Nickerson contacted.
16-007	Dedicated Turn Signal North on Rte 124 at Queen Anne Road		DPW Director	8/8/2016		Completed 8/10/16- Status Complete	DPW Director contacted consulting Engineer. The trip counts do not warrant a dedicated signal. Mr. Nickerson Contacted.
16-008	Perk - Public Hearing for Entertainment License potential violation(s)		TA; Licensing Secretary	8/22/2016		Hearing to be scheduled for 9/19/16 - Status Complete	
16-009	Waterways - Slip Regulations		TA; Harbormaster; Waterways Committee	10/17/2016			
16-010	Entertainment Licenses (Rte 28 HP) - Public Hearing for uniform hours		TA	10/17/2016		Public Hearing Schedule for November 14, 2016 - Status Complete -- Licensees (Rt 28 HP) to be notified	Advertising and posting on Website completed. Licensees to be notified.
Goal 1. Financial Leadership and Stability - Provide financial leadership and stability to all Town departments and Town sanctioned boards and committees. (Primary responsibility is with TA although the Finance Team, Capital Outlay Committee and the Finance Committee provide significant input)							
Objective A: Develop FY2018 budget within the limits of Proposition 2 1/2 that minimizes the use of capital exclusions.							
16-011	G1-A(1) Provide Seven Year Capital Plan, 2018-2024		TA	7/25/2016		Status Complete	
16-012	G1-A(2) Report: Estimated Free Cash		Town Accountant	7/25/2016		Status Complete	
16-013	G1-A(3) Report: FY2018 TA Budget Message		TA	7/25/2016		Status Complete	
16-014	G1-A(4) Provide Initial Budget & additional updates as needed		TA	7/25/2016		On-going	
Objective B: Provide transparency in town finances.							
16-015	G1-B(1) Provide quarterly expense & revenue reports for each Town department.		Town Accountant & TA	7/25/2016		Status Complete - Provided Monthly	
16-016	G1-B(2) Provide revenue sources & expenses for each department.		Town Accountant & TA	7/25/2016		Status Complete - Provided Monthly	
16-017	G1-B(3) Further implement the visual software package to better inform the taxpayers where their tax dollar is being spent.		Town Accountant & TA & Selectmen	7/25/2016		On-going	
16-018	Examine 1-3 years of auditors' reports & document how Finance Dept. has resolved auditor's suggestions/recommendations.		Town Accountant & TA	7/25/2016		Pending	

HARWICH BOS/TA ACTION ITEMS REPORT 1/19/17 New Updates highlighted in YELLOW

Item Number	Action Item	Criticality (1, 2 or 3)	Lead Responsibility	Date Assigned	Due Date	Status	Comments
16-019	G1-B(5) Evaluate the need to form an insurance advisory committee to work with the TA to identify, develop options & implement town insurance matters		LaMantia, Finance, TA	7/25/2016			
Objective C: Develop specific financial strategies to increase S&P Bond rating							
16-020	G1-C(1) Provide memo identifying potential savings that could result over the next 5-10 years of planned borrowing if Harwich rating was increased.		MacAskill, TA, Finance	7/25/2016			
16-021	G1-C(2) Identify specific, sustainable revenue sources to fund annual contributions to Other Post Employment Benefits (OPEB).		MacAskill, TA, Finance	7/25/2016			
Goal 2. Governance - Communicate and conduct Town government business in an efficient, effective, transparent and responsive manner.							
Objective A: Conduct Town government business in an efficient and effective manner							
16-022	G2-A(1) Implement Accela		TA	7/25/2016		Status Complete	
16-023	G2-A(2) Request Charter Review Committee to assess Charter to identify needed changes/improvement.		LaMantia & MacAskill	7/25/2016		On-going	
16-024	G2-A(3) Direct Town boards & committees to review Charges for appropriateness or modifications.		LaMantia & MacAskill	7/25/2016			
16-025	G2-A(4) Ensure Town boards & committees conduct meetings/public hearings in accordance with Charter, Regulations & MGL.		LaMantia & MacAskill	7/25/2016			
16-026	G2-A(5) Assess document storage needs.		TA	7/25/2016		Funding Deny by CPC	
16-027	G2-A(6) Review & reevaluate BOS policies.		LaMantia & MacAskill	7/25/2016			
Objective B: Conduct Town government business in a transparent manner							
16-028	G2-B(1) Develop & implement informational meetings ("pre-annual town meetings) to improve understanding & assess potential impacts of the Harwich budget & selected warrant articles.		BoS	7/25/2016		Voter Information Committee has scheduled a series of voter information work shops: 4/11: Finance, 4/25: Warrants Articles, 5/9: Candidates	
16-029	G2-B(2) Public Awareness & Outreach: improve awareness & understanding of the BOS, other Town-sanctioned groups, & Town departments.		TA w/Voter Info Comm., BoS	7/25/2016		Voter Information Committee holding a Town Committee Volunteer Recruitment Fair 1/28/17	
16-030	G2-B(2)(a) Two memos, co-authored by Administration & Dept. Head selected to participate in outreach activity describing activities planned, resources & schedules required to achieve this objective.		LaMantia, MacAskill, TA, Finance	7/25/2016			
16-031	G2-B(2)(b) Periodic status reports on media projects, site visits, & initial feedback from residents/visitors.		LaMantia, MacAskill, TA, Finance	7/25/2016			
16-032	G2-B(3)(c) End-of-year report on lessons learned.		LaMantia, MacAskill, TA, Finance	7/25/2016			
Objective C: Conduct Town government business in a responsive manner							
16-033	G2-C(1) Establish Harwich-specific email addresses (4 memos).		Brown, IT, TA	7/25/2016			
16-034	G2-C(2) Reevaluate Town Hall hours: 8 PM on Monday & noon on Friday.		Brown, BoS, TA	7/25/2016			

HARWICH BOS/TA ACTION ITEMS REPORT 1/19/17 New Updates highlighted in YELLOW

Item Number	Action Item	Criticality (1, 2 or 3)	Lead Responsibility	Date Assigned	Due Date	Status	Comments
16-035	G2-C(3) Evaluate improvements to Griffin Room audio reception, recording & broadcasting.		Brown, IT, TA, Cable	7/25/2016		On-going; Ms. Goodwin has made many updates to the system.	
16-036	G2-C(4) Develop agreement for classroom use at MRHS & Harwich Elementary (fee/no fee) for Town-sanctioned groups meetings.		Brown, BoS	7/25/2016			
Goal 3: Infrastructure - Work with and support the design, construction and renovation activities of the Harbormaster, Department of Public Works, Board of Water Commissioners, Library and other departments conducting major projects							
16-037	G3 Objective A: Support and report periodically on the water side rebuilding project at Saquatucket Harbor.		MacAskill, TA, Harbor	7/25/2016			No Action Items or Deliverables Provided
16-038	G3 Objective B: Support and report on the land side design project		Harbor & Conservation	7/25/2016			No Action Items or Deliverables Provided
16-039	G3 Objective C: Investigate renovation project proposed for Lower County Road.		Hughes, TA, DPW, Highway & Engineering	7/25/2016			No Action Items or Deliverables Provided
16-040	G3 Objective D: Determine appropriate distribution of CVEC energy savings		MacAskill, TA, BoS	7/25/2016			
Goal 4: Natural Resources - Continue to implement the Comprehensive Wastewater Management Plan							
Objective A: Wastewater planning and implementation							
16-041	G4-A(1) Attempt to finalize IMA negotiations with Chatham BOS		Hughes, LaMantia, TA	7/25/2016		Staff has completed in responsibilities.	
16-042	G4-A(2) Convene preliminary discussions with Dennis & Yarmouth		Hughes, LaMantia, TA	7/25/2016		Status Complete	Initial Meeting held, discussions continuing
16-043	G4-A(3) Document results of Muddy Creek projects & support Cold Brook mitigation planning & implementation		Hughes, LaMantia, TA	7/25/2016			
16-044	G4-A(4) Continue ongoing pollution mitigation efforts & implementation of new technologies.		Hughes, LaMantia, TA	7/25/2016			
Objective B: Wastewater Education and Outreach							
16-045	G4-B(1) Using available information develop guidelines for environmentally-appropriate fertilization of lawns & gardens		BoS, TA, WIC, IT, Nat'l Resources, Health/Conservation	7/25/2016			
16-046	G4-B(2) Plan & implement wastewater education program for residents & nonresidents to explain the need for the project, the process & next activities planned		BoS, TA, WIC, IT, Nat'l Resources, CDM Smith	7/25/2016		On-Going	
Goal 5: Planning and Economic Development - Actively participate in development of housing, business, transportation and historic and cultural enhancements. Establish working relationships with officials of nearby towns, Barnstable County, State and Federal agencies, as appropriate.							
Objective A: Investigate improved utilization, sale or lease of several properties in Town.							
16-047	G5-A(1) Develop plans on how to use, sell or lease the Albro House, Bank Street Fire Station, Old Recreation Building, West Harwich Schoolhouse & Harwich Middle School.		TA	7/25/2016		On-going	
16-048	G5-A(2) Support community involvement, State compliance, planning, & public information activities in the Rt. 28 reconstruction project from Herring River to the Dennis line		TA	7/25/2016		On-going	
16-049	G5-A(3) Support community involvement in the HECH/Chase House historic preservation & Chapter 40B development at 93 & 97 Rt. 28		TA	7/25/2016		On-going	

HARWICH BOS/TA ACTION ITEMS REPORT 1/19/17 New Updates highlighted in YELLOW

Item Number	Action Item	Criticality (1, 2 or 3)	Lead Responsibility	Date Assigned	Due Date	Status	Comments
Objective B: Create and maintain a strong business and job growth environment							
16-050	G5-B(1) Explore creation of an economic development committee		Brown, MacAskill, BoS	7/25/2016			
16-051	G5-B(2) Create & maintain positive Town & business relationships		Brown, MacAskill, BoS	7/25/2016			TA meets monthly with Chamber Director.
16-052	G5-B(3) Assist Town departments & Town sanctioned groups with grants & pursue funding opportunities in support of town priorities & policy goals		Brown, MacAskill, BoS	7/25/2016			
16-053	G5-B(4) Develop educational program agreements with MRSD & CCTech whereby special projects can be conducted coincident with major capital projects in Town		Brown, MacAskill, BoS	7/25/2016			
16-054	G5-B(5) Investigate novel ideas to promote Harwich & attract tourists, such as painting/decorating fire hydrants		Brown, MacAskill, BoS, TA, Chamber	7/25/2016			
16-055	G5-B(6) Explore affordable & senior housing options where the Town may retain the property		Brown, MacAskill, BoS	7/25/2016			
16-056	G5-B(6)(a) Memorandum #1: TA shall outline a plan to identify proven & novel approaches to develop Affordable housing in Harwich.		Brown, MacAskill, BoS	7/25/2016			
Goal 6: Quality of Life and Public Safety - Develop and support programs that improve quality of life for Harwich residents and visitors. (Public Safety Departments have the primary responsibility for progress and accomplishments. TA has coordination, support and reporting responsibility)							
Objective A: Provide high quality, cost-effective public safety services to residents and visitors.							
16-057	G6-A(1) Assess public safety signage throughout the Town for adequacy & consistency		Kavanagh, TA, Highway	7/25/2016			
16-058	G6-A(2) Investigate options, including increased police surveillance, low cost, automatic speed detection systems, raised crosswalks or speed bumps to lower vehicle speed on town streets.		Kavanagh, TA, Highway, CCC	7/25/2016			
16-059	G6-A(2)(a) Memorandum #1: Define near-term options that could be implemented in 30 days or less		Kavanagh, TA, Highway, CCC	7/25/2016			
16-060	G6-A(2)(b) Memorandum #2: Identify steps & resources needed to develop a comprehensive safety improvement plan for Harwich		Kavenagh, TA	7/25/2016			
Objective B: Support the Fire Station #2 Renovation Project.							
16-061	G6-B(1) Apply Town resources (Planning, Engineering, etc.) to support conduct & documentation of needs assessment, preliminary design & alternatives development, cost estimation & preparation of periodic presentations & open meetings & final recommendations to the Selectmen & Town voters		Brown, TA, Station 2 Comm.	7/25/2016		Status Complete: Station 2 Committee made presentation to BoS on 1/17/17.	

HARWICH BOS/TA ACTION ITEMS REPORT 1/19/17 New Updates highlighted in YELLOW

Item Number	Action Item	Criticality (1, 2 or 3)	Lead Responsibility	Date Assigned	Due Date	Status	Comments
16-062	<i>G6-B(1)(a) Station Needs Assessment - provide operational requirements that drive the need and design of enhancements and expansions</i>		Brown, TA, Station 2 Comm.	7/25/2016		Status Complete: Station 2 Committee made presentation to BoS on 1/17/17.	
16-063	<i>G6-B(1)(b) Alternatives analysis and preliminary design</i>		Brown, TA, Station 2 Comm.	7/25/2016			
16-064	<i>G6-B(1)(c) Cost Estimates</i>		Brown, TA, Station 2 Comm.	7/25/2016			
16-065	<i>G6-B(1)(d) Final Recommendations</i>		Brown, TA, Station 2 Comm.	7/25/2016			

New Business

2/13/17

Ann Steidel

From: Karen <ksunnarborg@msn.com>
Sent: Thursday, February 02, 2017 1:10 PM
To: Ann Steidel
Cc: Charleen Greenhalgh
Subject: Fw: AADU bylaw
Attachments: CCC ADU Bylaw.pdf

Ann, here's the draft Accessory Apartment Bylaw that I referred to during the recent meeting.

Karen

Karen Sunnarborg
Housing and Planning Consultant
3 Parkside Drive
Jamaica Plain, MA 02130
617-983-9883 Phone
617-983-4991

From: Heather Harper <heather.harper@capecodcommission.org>
Sent: Thursday, February 2, 2017 12:59 PM
To: Karen
Subject: RE: AADU bylaw

Hi Karen,

Here you go. It is difficult for communities to let go of the permit process and the deed rider, but the likelihood of actually creating an affordable unit is stronger if it's by right. Let me know if you need anything further. I look forward to meeting you some time – I've been reading a lot of your reports!

Heather

Heather B. Harper
Community Design/Affordable Housing Specialist
Cape Cod Commission
Heather.Harper@capecodcommission.org
Tel. 508-744-1225



From: Karen [mailto:ksunnarborg@msn.com]
Sent: Thursday, February 2, 2017 11:40 AM

To: Heather Harper <heather.harper@capecodcommission.org>

Subject: AADU bylaw

Hi Heather!

I understand that the Cape Cod Commission has prepared a model Accessory Apartment Dwelling Unit bylaw that you are hoping to have approved by all Cape communities. I am currently working with 4 such communities on housing activities/plans and in fact mentioned it at a joint hearing of Harwich's Board of Selectmen and Planning Board this past Monday. Could you send me a copy? From what I know, it appears that your bylaw has many of the provisions for which I have been advocating.

Your help would be greatly appreciated.

Karen

Karen Sunnarborg
Housing and Planning Consultant
3 Parkside Drive
Jamaica Plain, MA 02130
617-983-9883 Phone
617-983-4991

CAPE COD COMMISSION
MODEL ZONING PROVISIONS FOR ACCESSORY DWELLING UNITS (ADUs)

Introduction

All 15 Cape towns have adopted zoning that allows for the creation of dwelling units accessory to principal single family dwellings (e.g. accessory dwelling units, accessory apartments, affordable accessory dwelling units or family apartments). The primary purpose of these zoning bylaws and ordinances is to permit the creation of a greater number and variety of housing units, in terms of size and price, which can be integrated into single family residential properties with little or no negative impact on the character of their surrounding neighborhoods.

Current zoning bylaws and ordinances include various restrictions intended to mitigate potential negative impacts of accessory units. Town planners across the Cape report that some of these restrictions have discouraged the creation of new accessory units. This model limits zoning restrictions to encourage the creation of more accessory units, while including those limitations (primarily regarding site and building design) necessary to protect community character.

This model proposes that accessory dwelling units (ADUs) should be allowed as a “by right,, accessory use to a principal single family dwelling use. It proposes that dimensional considerations for ADUs should be addressed by general standards required of all buildings and uses contained in the zoning.

This model does not include an owner occupancy requirement for either the principal or accessory dwelling unit, and it therefore allows for the rental of both or either of the units, so long as the ownership of the units is not severed into legally separate units. Owner occupancy can be difficult to enforce, and the literature does not necessarily support the proposition that owner occupancy is necessary to protect neighborhood character.

The italicized comments appearing throughout are not intended to be part of the draft model, and are provided for the reader’s consideration.

MODEL ZONING – Accessory Dwelling Units (ADUs)

A. Purpose and Intent.

The intent of permitting Accessory Dwelling Units is to:

- a. Add moderately priced rental units to the housing stock to meet the needs of smaller households and make housing units available to moderate income households who might otherwise have difficulty finding housing;
- b. Develop housing units on single-family residential properties that are appropriate for households at a variety of stages in their life cycle;
- c. Increase the number of small dwelling units available for rent in Town, and increase the range of choice of housing accommodations;
- d. Encourage greater diversity of population with particular attention to young adults and senior citizens; and

- e. Encourage a more economic and energy-efficient use of the Town's housing supply while maintaining the appearance and character of the Town's single-family neighborhoods; and
- f. Provide homeowners with a means of obtaining rental income to defray housing costs.

B. Definitions.

The following definitions shall be applicable to this section:

Accessory Dwelling Unit (ADU) An Accessory Dwelling Unit is a Dwelling Unit incorporated within a lawful principal single-family dwelling or within a detached building accessory to and on the same lot as a lawful principal single-family dwelling use, which ADU shall be clearly subordinate in design to that principal single-family dwelling use to which it is accessory.

Dwelling Unit: One or more rooms designed, occupied or intended for occupancy as separate living quarters, with cooking, sleeping and sanitary facilities provided within the dwelling unit for the exclusive use of a single family maintaining a household. This definition does not include a mobile home trailer, however mounted.

COMMENT: Having fewer or no restrictions on accessory dwelling unit tenants gives greater control over the unit to the homeowner while offering more diverse housing opportunities, and eases burdens of local administration and enforcement.

Note, that the definition of "Dwelling Unit" limits use to a 'household' unit, which would help maintain the single family residential use of the property.

COMMENT: A Town may want to ensure that its general zoning contains clear definitions for terms used herein such as "building" and/or "structure," "attached building/ structure," "detached building/structure," "single family dwelling," "accessory use" and "principal use."

C. Procedural Requirements/ Administration and Enforcement:

- a. An ADU shall be permitted as a "By Right,, use accessory to a lawful single family dwelling use.
- b. The Building Commissioner/ Chief Zoning Officer shall administer and enforce the provisions of this section.
- c. ADUs shall not be eligible for zoning use variances, or for zoning dimensional variance relief proposing to increase the allowable number of ADUs on a lot.
- d. The construction of any accessory dwelling unit must be in conformity with the State Building Code, Title V of the State Sanitary Code and lawful under all other provisions of applicable town health, building, zoning and other local laws and regulations.
- e. Prior to issuance of a building permit for an ADU, site plans, floor plans and elevations shall be submitted showing the proposed interior and exterior changes to existing

buildings or new building and improvements on a lot associated with a proposed ADU.

COMMENT: Permitting and review could also be through Special Permit; Conditional Use; Site Plan Review; or Design Review processes, or some combination thereof to the extent they exist or may be created under zoning.

D. Use and Dimensional Requirements:

The Building Commissioner may issue a Building Permit authorizing the installation and use of an Accessory Dwelling Unit within a lawful existing or new single-family dwelling to which the ADU is accessory, or in a new or existing detached building accessory to and on the same lot as the principal dwelling subject to the following:

COMMENT: This provision allows accessory dwelling units accessory to any lawful new or existing principal single-family dwelling, regardless of whether the principal single family property is conforming or nonconforming. There may be situations where the Zoning Board of Appeals has Special Permit jurisdiction over construction of an ADU because of the non-conforming nature of the residential property on which it is proposed.

- a. The ADU shall be a complete, separate housekeeping unit containing both kitchen and bath.
- b. No more than one (1) Accessory Dwelling Unit may be created per lot.
- c. If the primary entrance of an ADU is not proposed to be shared with that of the principal dwelling, such entrance shall be less visible from the street view of the principal dwelling than the main entrance of the principal dwelling.

COMMENT: A town could require that any new separate outside entrance serving an accessory dwelling unit shall be located on the side or in the rear of the building.

- d. An ADU shall be clearly subordinate in use, size and design to the principal single family dwelling. An ADU shall be designed so that, to the maximum extent practical, the appearance of the property on which it is to be located remains that of a single-family residential property and the privacy of abutting properties is maintained, considering the following: building architectural details, roof design, building spacing and orientation, building screening, door and window location, and building materials.
- e. The ADU shall contain no more two bedrooms and no greater than a maximum habitable floor area of 50% of the habitable floor area of the principal single family dwelling unit, but in no event greater than 1000 square feet. Garages, unfinished attics and basements, common entries, porches and decks shall not be included in the floor area calculations. Once an ADU has been added to a single-family dwelling or lot, the accessory dwelling unit shall not be enlarged beyond the square footage allowed by this section.

Comment: A town could require that the owner execute/ record a deed rider or restriction limiting the number of bedrooms in and size of an ADU.

- f. At least one (1) off street parking space in addition to that required for the principal single family dwelling is required for an ADU.

- g. The Board of Health must have documented to the Building Commissioner that sewage disposal will be satisfactorily provided for in accordance with the provisions of Title 5 and local Board of Health regulations, including provisions for an appropriate reserve area on the site. The principal dwelling unit and accessory apartment shall meet all wastewater requirements for the combined number of bedrooms/ wastewater flow on the lot.
- h. An ADU is not intended for sale. The principal dwelling and ADU and lot on which they are located shall remain in common or single ownership, and shall not be severed in ownership, including that the lot or buildings thereon shall not be placed in a condominium form of ownership.
- i. An ADU shall not be used for boarding and lodging, or other commercial use. An ADU and principal dwelling to which it is accessory may be rented for periods not shorter than one month at a time, and are prohibited from any use as rental units on a weekly or daily basis.
- j. An ADU and principal dwelling shall share common septic/ wastewater and water service facilities.

DRAFT

**COMMONWEALTH OF MASSACHUSETTS
TOWN OF HARWICH
ANNUAL TOWN MEETING
May 1, 2017**

BARNSTABLE, ss:

To either of the Constables of the Town of Harwich in said county,

Greetings:

In the name of the Commonwealth of Massachusetts you are hereby directed to notify and warn the inhabitants of said Town qualified to vote in elections and Town affairs to meet in the Community Center Gymnasium, 100 Oak Street in said Town on May 1, 2017 at 7:00 P.M., then and there to act on the following articles:

ARTICLES

TOWN OFFICERS AND COMMITTEES

ARTICLE 1 To choose various Town Officers and Committees. Customary Article

REPORTS OF TOWN OFFICERS AND COMMITTEES

ARTICLE 2 To hear reports of all Town Officers and Committees for the year 2017. Customary Article

ELECTED OFFICIALS SALARIES

ARTICLE 3 To see if the Town will vote to fix the salaries of the elected officials of the Town for fiscal year commencing July 1, 2017 and ending June 30, 2018 as follows and to act fully thereon. Estimated cost: \$84,697

Selectmen (5)	\$1,500 (each)
Moderator	\$300
Town Clerk	\$ _____
Water Commissioners (3)	\$500 (each)

TOWN OPERATING BUDGET

ARTICLE 4: To see if the Town will vote to raise and appropriate and/or transfer from available funds such sums of money as may be required to defray Town charges for Fiscal Year 2018, and to act fully thereon. (BUDGET – SEE APPENDIX B).
Estimated cost: _____.

MONOMOY REGIONAL SCHOOL DISTRICT BUDGET

ARTICLE 5: To see if the Town will vote to raise and appropriate and/or transfer from available funds such sums of money as may be required to pay for the Monomoy Regional School District Assessment for Fiscal Year 2018, and to act fully thereon. By request of the Monomoy Regional School Committee and Superintendent.

Estimated cost: \$ _____

CAPE COD REGIONAL TECHNICAL SCHOOL DISTRICT BUDGET

ARTICLE 6: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sufficient sum of money as may be required to pay for the Cape Cod Regional Technical High School District Assessment for Fiscal Year 2018, and to act fully thereon. By request of the Cape Cod Regional Technical High School District. Estimated cost: \$ _____

WATER BUDGET

ARTICLE 7: To see if the Town will vote to raise and appropriate and/or transfer from available funds such sums of money as may be required to defray Water Department Operating Budget for Fiscal Year 2018, and to act fully thereon. By request of the Water Commissioners and Superintendent. Estimated cost: \$ _____

ADOPT THE CAPITAL PLAN

ARTICLE 8: To see if the Town will vote to adopt the Capital Plan for the ensuing seven year period as adopted last year by the Town Meeting with new fiscal year 2024 as proposed by the Board of Selectmen and set forth below or as amended by vote of the Town Meeting, and to act fully thereon. By request of the Board of Selectmen.

CAPITAL ITEMS FUNDED FROM FREE CASH – ITEMS UNDER \$50,000

ARTICLE: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sufficient sum of money to fund the items in the table below, and further to authorize the Selectmen to accept grant monies for chest compression system* and to act fully thereon. By request of the Board of Selectmen. Estimated cost: \$ _____

- 1.
- 2.
- 3.
- 4.

FACILITY MAINTENANCE AND REPAIR FUND

ARTICLE: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sufficient sum of money as may be required to defray costs related to Facility Maintenance and Repair for FY 18, and to act fully thereon. By request of the Board of Selectmen. Estimated cost \$_____.

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

FUND REPLACING FIRE DEPARTMENT PUMPER

ARTICLE: To see if the Town will vote to raise and appropriate, transfer from available funds or borrow a sufficient sum of money to purchase or lease one pumper for the Fire Department, and further to authorized the trade-in or sale of the 1985 Pierce pumper, and to act fully thereon. By request of the Fire Chief. Estimated cost: \$420,000

FUND FIRE DEPARTMENT GAS METERING EQUIPMENT

ARTICLE: To see if the Town will vote to raise and appropriate, transfer from available funds or borrow a sufficient sum of money to purchase replacement 4 Gas meters for the Fire Department, and to act fully thereon. By request of the Fire Chief. Estimated cost: \$24,779

FUND PHASE 1 OF TOWN WIDE RADIO SYSTEM

ARTICLE: To see if the Town will vote to raise and appropriate, transfer from available funds or borrow a sufficient sum of money to purchase or lease one Phase 1 of a Town Wide Radio System to update communications between Town Departments and to act fully thereon. By request of the Fire Chief. Estimated cost: \$102,643

FUND PLANS AND BID DOCUMENTS FOR STATION 2

ARTICLE: To see if the Town will vote to raise and appropriate, transfer from available funds or borrow a sufficient sum of money to hire an architectural firm to develop construction plans and bid documents for construction/renovation of Fire Station 2 at 149 Route 137 to act fully thereon. By request of the Fire Chief. Estimated cost: \$310,000

FUND THE REPLACEMENT OF THE ROUND COVE BOAT RAMP

ARTICLE: To see if the Town will vote to transfer from available funds the remaining balance of funds contained in the following articles funded by Free Cash: Article 23 of 2010 Annual Town Meeting (\$7,600), Article 14 of 2014 Annual Town Meeting (\$159,812.01), and Article 33 of 2014 Annual Town Meeting (\$9,658.24). Said transfer of funds to be used for the replacement of the Round Cove boat ramp, and to act fully thereon. By request of the Harbormaster. Estimated cost: \$177,070.25

Explanation: The existing public boat ramp at Round Cove landing is poorly constructed and in very poor condition. Every year several boat trailers get hung-up on the leading edge of the ramp because it is too short and not properly pitched, causing significant damage to trailers. With close to 180 permitted moorings in Round Cove and Pleasant Bay, the ramp is heavily used throughout the boating season. Construction costs above the \$177,070.25 will be requested to be paid for out of the department's Mooring Account (fund #1621); Town Administrator is the approving authority.

FUND THE CONSTRUCTION OF THE SAQUATUCKET HARBOR LANDSIDE RENOVATIONS

ARTICLE: To see if the Town will vote to raise and appropriate, transfer from available funds or borrow a sufficient sum of money to fund the construction of Saquatucket Harbor landside renovations, to include a new Harbormaster Office building, a leased waterfront Café restaurant, six leased seasonal vendor shacks, a boardwalk with viewing areas that overlook the marina, and a consolidated passenger boat ticket office building and a Harbormaster Department maintenance facility building on the former Downey Property, and to act fully thereon. By request of the Harbormaster. Estimated cost: \$3,000,000

Explanation: In October 2014, the Board of Selectmen established the Saquatucket Development Committee with a charge to develop a conceptual site plan that integrated the newly purchased 2.2 acre Downey property with the 5.2 acre Saquatucket Harbor property for the purpose of supporting the expansion of the municipal marina, encouraging the restoration of degraded wetland and river frontage and providing options for increased economic development. Seeking input from all interested citizens and groups at numerous public meetings, the resulting proposed plan improves the safety of public access, improves the efficiency of harbor operations, and enhances the character, beauty, and attractiveness of the harbor for boaters and non-boaters alike. Also included in the plan are a new facility septic system, creative landscaping, and the addition of much needed vehicle parking spaces (approx.. 80).

FUND THE PURCHASE OF A NEW GENERATOR FOR BROOKS LIBRARY

ARTICLE X: To see if the Town will vote to raise and appropriate and or/transfer from available funds a sufficient sum of money to fund the purchase of a new generator for Brooks Library, and to act fully thereon. By request of the Library Trustees. Estimated cost: \$_____

FUND THE PURCHASE OF A SIGN BOARD

ARTICLE: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sufficient sum of money to fund the purchase of a sign board that would be available to all Harwich Departments in times of need, and to act fully thereon. By request of the Police Chief. Estimated cost: \$18,000

Explanation: The Harwich Police Department, Harwich Department of Emergency Management, and Harwich Fire Department request that a new signboard be purchased by the town. Currently the town owns two sign boards that were purchased as used items several years ago. Due to age these signboards they are often out of service in need of repair during times of need. We rely on the Barnstable County sign boards to be available, but they are often in use by other towns, in a state of disrepair or are not immediately available as they are stored in the village of Barnstable. A purchase of a sign board that would be warranted, would allow us to have immediate access to this board in times of emergency to assist in citizen notifications.

FUND THE PURCHASE OF BULLET RESISTANT VESTS

ARTICLE: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sufficient sum of money to fund the purchase of bullet resistant vests for the officers of the Harwich Police Department, and to act fully thereon. By request of the Police Chief. Estimated cost: \$22,000

Explanation: The Harwich Police Department has a five year replacement plan for the replacement of bullet-resistant vests worn by the officers of this department. The vests have a five year life expectancy per all manufacturers. The Harwich Police Department is due to replace these vests during the summer of 2017 (FY 2018). Based upon this replacement cycle, the Harwich Police Department applied for a grant from the United States Department of Justice to assist in the replacement of these vests. This grant would normally cover 50% of the cost of the vests. Due to the overwhelming number of request for assistance, we were awarded \$15,300 to purchase thirty four vests when in reality we need thirty nine vests. The estimated cost per officer is \$900 to \$1,000.

The State of Massachusetts has at times provided funds to pay for the other 50% of the cost of the vests, but these funds are far from a guarantee as last time we purchased vests, the state funds were not available.

With this in mind, the Harwich Police Department request that \$22,000 be available to cover the remaining cost of the vests if the state is unable to provide matching funds.

PURCHASE OR UPGRADE OF POLICE DEPARTMENT SECURITY SYSTEM

ARTICLE: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sufficient sum of money to fund purchasing/upgrading the security system now in use at the Harwich Police Department, and to act fully thereon. By request of the Police Chief. Estimated cost: \$153,789

Explanation: The current electronic security system in use at the public safety building since 2009 is in need of replacement. During FY 2018 this system will be approximately eight to nine years old. The system that is in use has on occasion failed. When this occurred video surveillance of the lock up was interrupted so people in custody could not be monitored, the front doors to the building could not be activated, interior doors could not be locked or at times unlocked without a key, etc. The system in use is not warranted at this point with hardware for the system not easily located. The current system has a known design flaw resulting in a complete technological redesign by the manufacture which results in an annual large expenditure to keep the system operating. The purchase of this system will also allow us to correct deficiencies that were noted during the recent audit of our evidence room.

FUND THE PURCHASE OF BULLET RESISTANT HELMETS

ARTICLE: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sufficient sum of money to fund the purchasing of Bullet Resistant Helmets that will be placed in all police vehicles that are in use by the Harwich Police Department, and to act fully thereon. By request of the Police Chief. Estimated cost: \$10,200

Explanation: In an attempt to provide all officers with the best available protection, the Harwich Police Department request the purchase of twenty two Bullet Resistant Helmets that will be placed in each police vehicle. Items of this type are presently not owned by the Harwich Police Department. These items are crucial for officer safety and survival in the event of any emergency such as active shooters in public buildings. These helmets are capable of protecting the officer's head from many types of bullets.

PURCHASE AND EQUIP VEHICLES FOR THE DPW

ARTICLE: To see if the Town will vote to raise and appropriate a sufficient sum of money to purchase and equip the following vehicles:

Volvo Loader (Disposal)	\$ 200,000
John Deere Tractor (Highway)	\$ 115,000
C&D Trailer (Disposal)	\$ 75,000

and to further authorize the trade-in or sale of the 1996 Volvo Loader toward the purchase price, where the Board of Selectmen find that the vehicle cannot be utilized elsewhere in Town, and to act fully thereon. By request of the DPW Director. Estimated cost: \$390,000

Explanation:

Volvo Loader - The current loader has over 33,000 hours on it, which is the equivalent of approximately 1,650,000 road miles.

John Deere Tractor - The current 1996 Ford Tractor is rusting apart from its many years of pulling the Surf Rake on the beaches. With a swing-arm mower attachment, the new tractor would also be utilized during the off season for roadside mowing.

C&D Trailer - This new trailer would augment the two existing trailers and improve operational efficiency. A third C&D trailer would alleviate the need to haul a full trailer immediately and allow more flexibility in managing the Town's C&D waste.

ROAD MAINTENANCE PROGRAM

ARTICLE: To see if the Town will vote to raise and appropriate and/or transfer from available funds in accordance with Ch.44 of the M.G.L., or any other authorizing authority, the sum of \$700,000 to fund the Road Maintenance Program as requested in the Capital Plan for FY18. The appropriation authorized by this vote shall not take effect until the Town votes to exempt from the limitation on total taxes imposed by M.G.L. c.59 § 21c (Proposition 2 1/2) the amounts required to pay the principal of and the interest on any borrowing authorized under this article, and to act fully thereon. By request of the DPW Director. Estimated cost: \$700,000

Explanation: The capital request for road maintenance is for \$700k for FY 18, which we anticipate being augmented by approximately \$700k in Chapter 90 funds. The capital project request form lists 5 years of our road maintenance plan with cash flows of approximately \$1.4M each year and has our 5 year Road Maintenance Plan attached.

PURCHASE AND EQUIP THE FUEL MANAGEMENT SYSTEM

ARTICLE: To see if the Town will vote to raise and appropriate a sufficient sum of money to purchase and equip the Fuel Management System, and to act fully thereon. By request of the DPW Director. Estimated cost: \$ 42,000.00

Explanation: Fuel Management System - Although the Town replaced our underground fuel storage tanks in 2007, the Gas Boy fuel management system that we purchased with the Convault was based on an older DOS polling system that was the only the only software available at the time. Due to the obsolete nature of this platform, we have lost significant data twice over the last few years and are now finding it difficult to find parts for the system.

FUND RED RIVER BEACH PARKING LOT PAVING/OVERLAY

ARTICLE X To see if the Town will vote to raise and appropriate, borrow and/or transfer a sufficient sum of money to re-pave, overlay and re-furbish Red River Beach Parking Lot for safety purposes, and to act fully thereon. By request of the Recreation and Youth Commission. Estimated Cost: \$225,000

FUND THE PURCHASE OF VEHICLES FOR THE WATER DEPARTMENT

ARTICLE: To see if the Town will vote to raise and appropriate, or transfer from available funds, a sufficient sum of money for the purchase of a 2017 Ford Super Duty F-350 SRW (X3B) XL 4WD SuperCab 6.75' Box and a 2017 Ford Super Duty F-350 SRW (F3B) XL 4WD Reg Cab 8' Box. These vehicles are to replace a 2004 F-150 and 2007

Ford Ranger, and to act fully thereon. By request of the Board of Water Commissioners and the Superintendent. Estimated cost: \$107,855.50

Explanation: The two trucks being replaced are very undersized for the work they perform on a daily basis resulting in many expensive repairs. The new trucks have been sized appropriately, and will also be able to provide support with snow removal efforts.

FUND THE REPLACEMENT OF HDPE PIPE ALONG NATIONAL GRID PROJECT ROUTE

ARTICLE: To see if the Town will vote to appropriate \$400,000 to replace the old metal water services with HDPE pipe from the water main to the curb stop along the National Grid project route (Great Western, Queen Anne Road, Route 39, Main Street, Depot Street, Depot Road) and for the payment of all other costs incidental and related thereto, and to determine whether this amount shall be raised by taxation, transfer from available funds, or borrowing or otherwise provided, and to act fully thereon. By request of the Board of Water Commissioners and the Superintendent. Estimated cost: \$400,000

Explanation: This work is to be completed as part of the department's preventative maintenance program in advance of the curb to curb repaving, and will ensure the road will not need to be cut for repairs during the Road Cut Moratorium. The labor and construction components will be put out to bid. Supplies will be provided by Water Department.

COMPREHENSIVE WASTEWATER MANAGEMENT PLAN – PHASE 2

ARTICLE X: To see if the Town will vote to raise and appropriate, transfer from available funds, or borrow a sum of money to implement Phase 2 of the Town of Harwich Comprehensive Wastewater Management Plan, approved by the Massachusetts Secretary of Energy and Environmental Affairs in a Massachusetts Environmental Policy Act Certificate dated May 13, 2016, including the following: the design and installation of sewers in the Pleasant Bay watershed, the payment to the Town of Chatham of the capacity purchase fee pursuant to the inter-municipal agreement between the Town of Harwich and the Town of Chatham dated _____ which permits the Town of Harwich to deliver wastewater to the Chatham Water Pollution Control Facility for treatment and disposal, and for the implementation of the Cold Brook project, all as more fully described in said Comprehensive Wastewater Management Plan, including any land acquisition costs and all other costs incidental and related thereto; provided that any borrowing authorized hereunder shall be contingent on the passage of a Proposition 2 and ½ debt exclusion vote, and provided further that the payment of said amount and the issuance of debt therefor shall be in accordance with the schedule of payments anticipated to be set forth in the inter-municipal agreement, a copy of which will be on file with the Office of the Town Clerk prior to Town Meeting; and to act fully thereon. By request of the Board of Selectmen

RESERVE FOR FUTURE APPROPRIATION AMOUNTS FROM FY 2017
COMMUNITY PRESERVATION FUND ESTIMATED ANNUAL REVENUES

ARTICLE X To see if the Town will vote to reserve for future appropriations amounts from the FY 2017 Community Preservation Act Fund estimated annual revenues as recommended by the Community Preservation Committee as follows:

- A sum of money for the acquisition, creation and preservation of open space;
- A sum of money for the acquisition, preservation, restoration and rehabilitation of historic resources;
- A sum of money for the acquisition, creation, preservation and support of community housing; and
- A sum of money for the Community Preservation Act Fund FY 2017 Undesignated Reserve; and to act fully thereon. By request of the Community Preservation Committee.

FUND LAND BANK DEBT SERVICE

ARTICLE X: To see if the Town will vote to appropriate from Community Preservation Act Funds-Undesignated Fund Balance, \$ _____ to fund the Debt Service on the outstanding Land Bank Debt. Any funds left unspent from this Article are to be returned to the Community Preservation Act Funds-Undesignated Fund Balance, and to act fully thereon. By request of the Community Preservation Committee and the Town Administrator. Estimated Cost: \$ _____.

RESTORATION OF THE CHASE LIBRARY CHIMNEY

ARTICLE X To see if the Town will vote to appropriate from Community Preservation Act Funds-Historic Fund Balance, \$5,100 to fund the restoration of the chimney at the Chase Library and to authorize the Board of Selectmen to enter into a grant agreement with the Chase Library. Any funds left unspent from this Article are to be returned to the Community Preservation Act Funds-Historic Reserve, and to act fully thereon. By request of the Community Preservation Committee and the Chase Library Trustees. Estimated Cost: \$5,100

WHITEHOUSE FIELD IRRIGATION SYSTEM REPLACEMENT

ARTICLE X To see if the Town will vote to appropriate from Community Preservation Act Funds-Undesignated Fund Balance, \$28,500 to replace the irrigation system at Whitehouse Field. Any funds left unspent from this Article are to be returned to the Community Preservation Act Funds-Undesignated Fund Balance, and to act fully thereon. By request of the Community Preservation Committee and the Harwich Recreation and Youth Commission. Estimated Cost: \$28,500.

BROOKS PARK EXPANSION/IMPROVEMENT PHASE 4

ARTICLE X To see if the Town will vote to appropriate from Community Preservation Act Funds-Undesignated Fund Balance, \$167,900 to replace the playground equipment, add a restroom and provide other park amenities at Brooks Park. Any funds left unspent from this Article are to be returned to the Community Preservation Act Funds-Undesignated Fund Balance, and to act fully thereon. By request of the Community Preservation Committee and the Harwich Recreation and Youth Commission. Estimated Cost: \$167,900.

VETERANS MEMORIAL FIELD FITNESS STATIONS

ARTICLE X To see if the Town will vote to appropriate from Community Preservation Act Funds-Undesignated Fund Balance, \$13,800 to add a series of 20 fitness apparatus stations around the Veterans Memorial Field track. Any funds left unspent from this Article are to be returned to the Community Preservation Act Funds-Undesignated Fund Balance, and to act fully thereon. By request of the Community Preservation Committee and the Harwich Recreation and Youth Commission. Estimated Cost: \$13,800.

RESTORATION OF FENCE RAILS AT EVERGREEN CEMETERY

ARTICLE X To see if the Town will vote to appropriate from Community Preservation Act Funds-Historic Fund Balance, \$39,000 to use for restoration of the fence rails at Evergreen Cemetery. Any funds left unspent from this Article are to be returned to the Community Preservation Act Funds-Historic Fund Balance, and to act fully thereon. By request of the Community Preservation Committee and the Harwich Cemetery Department and Commission. Estimated Cost: \$39,000.

PEG ACCESS AND CABLE RELATED FUND ACCEPTANCE

ARTICLE X To see if the Town will vote to accept General Laws Chapter 44, Section 53F^{3/4}, which establishes a special revenue fund known as the PEG Access and Cable Related Fund, to reserve cable franchise fees and other cable-related revenues for appropriation to support PEG access services and oversight and renewal of the cable franchise agreement, the fund to begin operation for fiscal year _____, which begins on July I, _____, and to act fully thereon. By request of _____

AMEND THE TOWN ZONING BY-LAWS TO INCLUDE NEW SECTION –
“TEMPORARY MORATORIA”

ARTICLE X: To see if the Town will vote to amend the Town's Zoning By-laws by adding the following new section:

10.0 “TEMPORARY MORATORIA” and further to amend the Table of Contents to add Section 10.0. "Temporary Moratoria" and the ensuing parts as proposed herein.

10.1. Temporary Moratorium on the Sale and Distribution of Recreational Marijuana

10.1.1 Purpose:

By vote at the State election on November 8, 2016, the voters of the Commonwealth approved a law regulating the cultivation, distribution, possession and use of marijuana for recreational purposes. The law provides that it is effective on December 15, 2016 and the Cannabis Advisory Board is required to issue regulations regarding implementation by September 15, 2017.

Currently under the Zoning Bylaw, Recreational Marijuana Establishments and Marijuana Retailers are not a permitted use in the Town and any regulations promulgated by the State Cannabis Advisory Board are expected to provide guidance to the Town in regulating Recreational Marijuana Establishments and Marijuana Retailers. Further, the ballot measure establishes two important provisions that require ballot action by the Town prior to the adoption of zoning. First, the Town must, by ballot, determine whether it will issue licenses for Recreational Marijuana Establishments and Marijuana Retailers and second, by ballot that cannot occur prior to November 6, 2018, the next biennial state election, on whether to allow on consumption of marijuana products should the Town decide to allow licenses for such facilities.

The regulation of Recreational Marijuana Establishments and Marijuana Retailers raise novel and complex legal, planning, and public safety issues and the Town needs time to study and consider the regulation of Recreational Marijuana Establishments and Marijuana Retailers and address such novel and complex issues, as well as to address the potential impact of the State regulations on local zoning and to undertake a planning process to consider amending the Zoning Bylaw regarding regulation of Recreational Marijuana Establishments and Marijuana Retailers and other uses related to the regulation of recreational marijuana. The Town intends to adopt a temporary moratorium on the use of land and structures in the Town for Recreational Marijuana Establishments and Marijuana Retailers so as to allow the Town sufficient time to engage in a planning process to address the effects of such structures and uses in the Town and to adopt provisions of the Zoning Bylaw in a manner consistent with sound land use planning goals and objectives.

10.1.2 Definitions:

"Manufacture", to compound, blend, extract, infuse or otherwise make or prepare a marijuana product.

"Marijuana accessories", equipment, products, devices or materials of any kind that are intended or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, ingesting, inhaling or otherwise introducing marijuana into the human body.

"Marijuana cultivator", an entity licensed to cultivate, process and package marijuana, to deliver marijuana to marijuana establishments and to transfer marijuana to other marijuana establishments, but not to consumers,

"Marijuana establishment", a marijuana cultivator, marijuana testing facility, marijuana product manufacturer, marijuana retailer or any other type of licensed marijuana-related business. (k)

"Marijuana product manufacturer", an entity licensed to obtain, manufacture, process and package marijuana and marijuana products, to deliver marijuana and marijuana products to marijuana

establishments and to transfer marijuana and marijuana products to other marijuana establishments, but not to consumers.

"Marijuana products", products that have been manufactured and contain marijuana or an extract from marijuana, including concentrated forms of marijuana and products composed of marijuana and other ingredients that are intended for use or consumption, including edible products, beverages, topical products, ointments, oils and tinctures.

"Marijuana testing facility", an entity licensed to test marijuana and marijuana products, including certification for potency and the presence of contaminants.

"Marijuana retailer", an entity licensed to purchase and deliver marijuana and marijuana products from marijuana establishments and to deliver, sell or otherwise transfer marijuana and marijuana products to marijuana establishments and to consumers.

10.1.3 Temporary Moratorium.

For the reasons set forth above and notwithstanding any other provision of the Zoning Bylaw to the contrary, the Town hereby adopts a temporary moratorium on the use of land or structures for Recreational Marijuana Establishments and Marijuana Retailers. The moratorium shall be in effect through June 30, 2018. During the moratorium period, the Town shall undertake a planning process to address the potential impacts of recreational marijuana in the Town, consider the Cannabis Advisory Board regulations regarding Recreational Marijuana Establishments and Marijuana Retailers and related uses, determine whether the town shall restrict any, or all, licenses for Recreational Marijuana Establishments and Marijuana Retailers, determine whether the town will prohibit on-site consumption at Recreational Marijuana Establishments and Marijuana Retailers and shall consider adopting new provisions of the Zoning Bylaw to address the impact and operation of Recreational Marijuana Establishments and Marijuana Retailers and related uses.

10.1.5. Severability.

The provisions of this by-law are severable. If any provision, paragraph, sentence, or clause of this By-law or the application thereof to any person, establishment, or circumstances shall be held invalid, such invalidity shall not affect the other provisions or application of this bylaw."

And to act fully thereon. By request of the _____

VARIOUS AMENDMENTS TO THE HARWICH HOME RULE CHARTER

ARTICLE X: To see if the Town will vote to propose the following amendments to the Harwich Home Rule Charter, to be approved by the voters at the next annual Town election as follows, and to act fully thereon. (Deletions shown in strike through and new text shown as underlined):

1. **Amend Chapter 3 subsection 3-7-3, Prohibitions, as follows:**

Members of the board of selectmen shall be eligible to serve, ~~to the extent permitted by law, as ex-officio members of~~ as liaisons to appointed and elected town agencies. A liaison for any elected town agency or committee shall be

appointed by a majority vote of the entire board of selectmen and shall be for the sole purpose of efficient communication between the board of selectmen and the affected appointed and/or elected town agency.

2. Amend Chapter 3 subsection 3-6-1, Powers of Appointment, as follows:

3-6-1 Except as may otherwise be provided by General Laws, this charter, or the personnel by-law, the board of selectmen shall have the power to appoint and remove: a) a town administrator as provided in chapter 4; b) a town counsel; c) a ~~town accountant~~ a finance director; d) a police chief; e) a fire chief; f) 3 assessors for overlapping 3-year terms; g) 3 members of a board of registrars of voters for overlapping 3-year terms; h) election officers; and i) 1 or more constables.

3. Amend Chapter 7 subsection 7-1-2, Advertising of Vacancies and Appointing Town Agencies, as follows:

7-1-2 To further promote a maximum level of qualified, active, and interested citizen participation on appointed town agencies, the board of selectmen shall advertise all vacancies and impending appointments. This advertising shall enumerate the vacancies that are to be filled and shall solicit the submission of a citizen activity record form from persons willing and able to serve. The advertisements shall be posted in a manner consistent with open meeting law postings (including on the Town's web site) and may be published in a newspaper of general circulation in the town. and shall be made once a week for a minimum of two weeks after the vacancy arises Vacancies shall remain posted/advertised a minimum of two weeks prior to an appointment by the board of selectmen.

4. Amend Chapter 7 subsection 7-2-2, General Provisions, as follows:

7-2-2 All town agencies ~~of the town~~ shall; a) organize annually at the first meeting after the beginning of the town's fiscal year (July 1 - June 30); b) ~~elect necessary officers a chair, a vice-chair and a clerk~~; c) adopt rules of procedure and voting; d) maintain minutes and records of attendance, copies of which shall be a public record and regularly filed with the town clerk; and e) nominate prospective employees of their choice, who shall be considered for appointment by the town administrator, as provided in clause 4-4-2.

5. Amend Chapter 7 subsection 7-4-1, Board of Health, as follows:

7-4-1 A board of health ~~of 5 members~~ shall be appointed in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms. One member, at least, shall be a doctor of medicine, or a person with significant experience in public health.

6. Amend Chapter 7 subsection 7-5-1, Planning Board, as follows:

7-5-1 A planning board of ~~9 members and 2 alternate members~~ shall be appointed in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms.

7. Amend Chapter 7 subsection 7-6-1, Board of Assessors, as follows:

7-6-1 A board of assessors of ~~3 members~~ shall be appointed in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms. One member, at least, shall be professionally qualified for the duties of the office.

8. Amend Chapter 7 subsection 7-7-1, Conservation Commission, as follows:

7-7-1 A conservation commission of ~~7 members and 2 alternate members~~ shall be appointed in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms.

9. Amend Chapter 7 subsection 7-8-1, Council on Aging, as follows:

7-8-1 A council on aging of ~~9 members~~ shall be appointed in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms.

10. Amend Chapter 7 subsection 7-9-1, Historic District and Historical Commission, as follows:

7-8-1 A historic district and historical commission shall be appointed ~~by the Board of Selectmen in accordance with the provisions of this charter and the General Laws as outlined in Article V of the By-laws~~ in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms.

11. Amend Chapter 7 subsection 7-10-1, Recreation and Youth Commission, as follows:

7-10-1 A recreation and youth commission of ~~7 members~~ shall be appointed in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms.

12. Amend Chapter 7 subsection 7-11-1, Cultural Council, as follows:

A cultural council of ~~5 members~~ shall be appointed in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms in accordance with the General Laws of the Commonwealth of Massachusetts. Members shall not be eligible to serve more than 2 consecutive terms.

13. Amend Chapter 7 subsection 7-12-1, Zoning Board of Appeals, as follows:

A zoning board of appeals of ~~5 members and 5 associate members~~ shall be appointed in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms.

14. Amend Chapter 7 section 7-13, Golf Committee, as follows:

7-13-1 A golf committee of ~~7 members~~ shall be appointed in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms.

7-13-2 The committee shall ~~have full power and responsibility for recommend~~ governing policies relating to the maintenance and operation of the municipal golf course for consideration by the board of selectmen.

15. Amend Chapter 7 subsection 7-14-1, Waterways committee, as follows:

7-14-1 waterways committee of ~~7 members and 2 alternate members~~ shall be appointed in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms and shall be advisory to that board.

16. Amend Chapter 7 subsection 7-15-1, Cemetery Commission, as follows:

A cemetery commission of ~~3 members~~ shall be appointed in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms.

17. Amend Chapter 7 subsection 7-16-1, By-law/Charter Review Committee, as follows:

A by-law/Charter Review Committee of 5 members shall be appointed in such numbers as outlined in chapter 7, Article III, Boards and Committees, of the Town's by-laws by the board of selectmen for 3-year overlapping terms. The committee shall regularly review the by-laws of the town and submit proposed revisions to the town meeting at least once every 5 years. In addition, the committee shall regularly review the charter and submit proposed amendments to it to the board of selectmen under section 2 of chapter 10 of this charter.

DEFRAY THE EXPENSES OF THE CHASE LIBRARY AND HARWICH PORT LIBRARY

ARTICLE X: To see if the Town will vote to raise and appropriate or transfer from available funds the sum of \$20,000 to help defray the expenses of the Chase Library and the Harwich Port Library; said funds to be expended under the direction of the Chase Library and Harwich Port Library Trustees, and to act fully thereon. By Petition. Estimated cost: \$20,000.

Explanation: Chase Library and Harwich Port Library are free, publicly supported libraries. Town funds have been appropriated either through the general budget or by articles since 1911 (Chase) and 1926 (Harwich Port). These funds are essential for continued operation and for the customary State reimbursements.

PROMOTE THE TOWN OF HARWICH

ARTICLE: To see if the Town will vote to raise and appropriate a sufficient sum of money for the Harwich Chamber of Commerce to promote the Town and its businesses and to advance economic development initiatives for and with the Town of Harwich. Said monies to be used to manage and fulfill year-round visitor/resident/business information services, to promote and market the Town, to generate and initiate materials and activities that encourage the establishment, growth and sustainability of businesses in Harwich, and to implement economic development objectives and activities in partnership with the Town, and to act fully thereon. By petition. Estimated cost: \$35,000

Explanation: For more than 58 years, Harwich Chamber of Commerce (HCC) has worked in the best interest of Harwich and for the people living in, working in and visiting the Town of Harwich. Since 1995, the citizens of Harwich, through the annual Town Meeting, have voted to fund warrant articles submitted by the Harwich Chamber of Commerce in support of its work promoting the community, providing needed informational services, and developing and advancing economic sustainability and development strategies. We are again requesting the Town's support for the Chamber's efforts in:

- (a) providing year-round informational services to visitors, residents, second homeowners, and businesses (over 74,000 visits to our Information Center in 2016)*
- (b) promoting the Town of Harwich and its new brand: The Warm Side of the Cape, thereby bringing much needed income into the community.*
- (c) Support of the Chamber's efforts, in partnership with the Town of Harwich, to develop*

and implement economic development initiatives to benefit the Town as defined by objectives in the Town's Local Comprehensive Plan.

*(a) **Year-Round Information Services:** Harwich's Information Center is open 52 weeks a year. Combining this valuable resource with the Chamber's internet/website portals, as well as telephone and mail inquiries, Harwich Chamber annually provides more than 320,000 instances of contact with visitors, seasonal and year-round homeowners and residents, organizations and businesses. These connections offer the opportunity to market and promote the Town utilizing our new brand "The Warm Side of the Cape." By being available to meet the needs of our "customers" we are able to encourage patronage of our local amenities and businesses and to connect individuals and businesses with the appropriate Town offices and officials 12 months a year in a friendly, warm and upbeat fashion.*

*(b) **Promoting the Town of Harwich:** The Harwich Chamber continues to be the lead force in promoting the Town of Harwich. By utilizing a multi-faceted approach, HCC strives to position Harwich as a premier destination for local, regional, national and international individuals and families. The marketing strategies are aimed at encouraging residents, second homeowners (current and potential), and visitors to avail themselves of Harwich's recreational amenities, as well as for shopping, dining, vacations, day trips, events and festivals. The plan, which positions Harwich as a desired vacation destination and an outstanding place in which to live and work, includes:*

- 1. The Harwich Magazine, the Town's primary comprehensive printed and online resource for attracting tourists and visitors to Harwich, and for our residents, second home-owners and businesses.*
- 2. The HCC website's robust content complements the Magazine and links to a wide range of Town resources.*
- 3. Ancillary printed and on-line pieces, including specialized maps (cranberry bogs, lodging locator, dining locator, beaches, bike trail) that target market segments and interests.*
- 4. Media placements in local, regional and national publications.*
- 5. Online targeted ads geared towards establishing new residents, building our workforce and bringing in tax revenues for the town.*

Special events and festivals are about more than attracting people to town to enjoyable experiences. They are about defining key elements of Harwich's brand and about parlaying those assets into support for our businesses, non-profit organizations, and the community. For example, Fall for Harwich provided the umbrella under which thousands of people were invited to participate in a robust array of more than 30 events, including the half-marathon road race, music festival, bog walks, concerts, teas, arts & crafts, our first sidewalk sale and more. Fall for Harwich and Christmas in Harwich also provide opportunities for our local non-profits to raise badly needed funds and increase their visibility. In addition, the Chamber continues to actively engage in creating and implementing new events as well as expanding existing events. In 2016, the Chamber coordinated eight Port Summer Night Musical Strolls in Harwich Port, several musical concerts that combined opportunities with restaurants to increase meals off season with a night out and a show. We look forward to continue to expand these offerings in 2017.

Economic Development: HCC will continue to collaborate with the Town on economic development strategies and initiatives. Over this past year, HCC has worked tirelessly on behalf of the Town and its businesses and continues to do so. HCC has advocated for a strengthened technology infrastructure and better health insurance rates for small businesses. The Chamber has also provided training, counsel and support to dozens of small businesses struggling to survive in the current economic climate, and has met with several individuals considering locating their business in Harwich.

HCC continues to strengthen its collaboration with other local chambers of commerce through the Local Cape Chambers Collaborative (LC3) and the Lower Cape Chambers group. Among the many activities currently underway are:

- *With LC3: meeting with the Economic Development Council on regional economic development priorities, identified by local chambers in consultation with town officials*
- *With LC3: continued advocacy on transportation issues, including real time information, bridge issues, issues relating to drug use, attracting more traffic to the Regional Airport and more.*
- *With Lower Cape Chambers: hosting the Annual Lower Cape Home & Garden Expo this year again to be held at the Cape Cod Tech, trainings (WISP and Roundtable Workshops), inter-chamber networking (giving greater business-to-business opportunities)*
- *Parking and Connectivity: Explore opportunities for remote parking lots and transit service for harbors, beaches and other sites with high seasonal demand*

The Chamber is honored to partner with the Town on building a better community, but the Chamber relies on the Town's support to help achieve its goals. Without this support, the Chamber's marketing activities will be significantly reduced. We appreciate the past support of the Town of Harwich and request funding for these important, revenue-generating initiatives. Thank you for your consideration.

SUPPLEMENT ANNUAL ALLOCATION OF MASS CULTURAL COUNCIL FOR LOCAL CULTURAL COUNCIL GRANTS

ARTICLE: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sufficient sum of money to supplement the Massachusetts Cultural Council annual allocation for grant awards to artists, performers and interpretive scientists who bring events to local venues which enhance the cultural experience of Harwich citizens of all ages, and to act fully thereon. By request of the Harwich Cultural Council. Estimated Cost: \$3000

ENFORCE THE CURRENT IMMIGRANT LAWS

ARTICLE X: To see if the Town will vote to request the Harwich Board of Selectmen to protect the civil liberties and human rights of all Harwich residents and visitors regardless of race, ethnicity, religion, ability, sexual and gender identity, national origin, or citizenship and immigration status, and to act fully thereon. By Petition.

Explanation: This Article seeks to reaffirm the Town's commitment to the values of freedom, justice and equality for all Harwich residents and visitors to lead lives of peace and dignity free from fear, harassment and violence.

LEASE OF THE DOWNEY PROPERTY

ARTICLE X: To see if the Town will vote to authorize the Board of Selectmen to lease on such terms and conditions as the Board of Selectmen deem in the best interests of the Town all or a portion of the so-called Downey property, as shown on a sketch plan entitled _____, for boat storage and _____-related purposes, for a term not to exceed _____ years, including all extension and renewal options; said property having been acquired for general municipal purposes; and to act fully thereon. By request of _____

MEMORIAL TREE AND LANDSCAPING FUND FOR CEMETERY DEPARTMENT

ARTICLE X To see if the Town will vote to raise and appropriate a sufficient sum of money to fund the Memorial Tree and Landscape Fund, a program to plant at any of the Town owned Cemeteries in Harwich, and to act fully thereon. By request of the Cemetery Commission. Estimated cost: \$30,000.00.

APPROVE RULES AND REGULATIONS FOR PET CEMETERY

ARTICLE X To see if the Town will vote to approve the Cemetery Department Rules and Regulations for the Pet Cemetery as submitted by the Harwich Cemetery Commission, and to act fully thereon.

DEPARTMENTAL REVOLVING FUNDS AUTHORIZATION

ARTICLE 58: To see if the Town will vote to authorize revolving funds for certain town departments under M.G.L. Ch. 44, § 53E ½ for the Fiscal Year beginning July 1, 2016; and to act fully thereon. By request of the Board of Selectmen

<u>Revolving Fund</u>	<u>Authorize to Spend Fund</u>	<u>Revenue Source</u>	<u>Use of Fund</u>	<u>FY 17 Spending Limit</u>	<u>Disposition of FY16 Fund balance</u>
Golf	Director, Golf Committee & ATA	Golf Lessons and Pro Shop Sales	Pro Shop expenses, clubhouse and kitchen maintenance, modernization, and lessons instructor	\$200,000	Available for expenditure
Council on Aging	Director & Council on Aging	Fees from health, recreation, nutrition and education programs	Health, recreation, nutrition and education programs	\$125,000	Available for expenditure
Cemetery	Administrator &	90% of Lot Sales, 100 % of all Cemetery	Maintenance of town cemeteries	\$50,000	Available for expenditure

	Cemetery Commission	Services and Fees			
Community Center	Director & Facilities Committee	Fees from use of the weight room	Weight Room Equipment (and repair)	\$50,000	Available for expenditure
Recreation	Director & Rec & Youth Commission	Fees from recreation and youth programs	Recreation and youth programs	\$120,000	Available for expenditure
Albro House	Town Planner & Historic District/Hist. Commission	Fees from receipts of lease or fees for short term rooms use and rental	Restorations, maintenance, care and support of town-owned property	\$10,000	Available for expenditure
ADA	Town Administrator	Receipts of parking penalty fees	Interpreter services or accommodations required under ADA	\$2,500	Available for expenditure
Wetlands	Conservation Commission	Notice of Intent filing fees	Consultants and wetland and buffer zone management and restoration projects	\$6,000	Available for expenditure

ESTABLISH ANNUAL REVOLVING FUND FOR THE CARE AND MAINTENANCE OF THE FORMER HARWICH MIDDLE SCHOOL

ARTICLE X: To see if the Town will vote to authorize the creation and establishment of a revolving fund as authorized under M.G.L. Ch. 44, § 53E ½ for the Community Center Director and Facilities Manager, for the purpose of funding continuing period appropriate restorations, maintenance, care, and support of town-owned property, not to exceed \$100,000 annually with funds generated from receipt of lease or fees collected for short term, year-round, temporary or otherwise, room(s) use and rental, and to act fully thereon. By request of the Community Center Director and Town Administrator.

ESTABLISH ANNUAL SIDEWALK REVOLVING FUND

ARTICLE X: To see if the Town will vote to establish a revolving fund, effective FY 2018 under M.G.L. Chapter 44, Section 53E ½ for the purpose of accepting monies generated from receipts paid to the Town in lieu of sidewalks required to be installed in new subdivisions, credited to the revolving fund, expenditures for sidewalk improvements including consulting services and construction approved by the Town Planner and the Planning Board in an amount not to exceed fifty thousand dollars (\$50,000), and to act fully thereon. By request of the Planning Board.

Explanation: While this Revolving Fund was properly established under M.G.L., Chapter 44, Section 53E ½ at the May 2004 Special Town Meeting, Article 9, it has not been reauthorized annually by Town Meeting as required by the statute. This article is intended to correct this oversight.

STABILIZATION FUND

ARTICLE X: To see if the Town will vote to raise and appropriate or transfer from surplus revenue or available funds a sufficient sum of money to be added to the Stabilization Fund, and act fully thereon. By the request of the Board of Selectmen. Estimated cost: \$ _____

OPEB TRUST FUND

ARTICLE X: To see if the Town will vote to raise and appropriate or transfer from surplus revenue or available funds a sufficient sum of money to be added to the OPEB Trust Fund, and act fully thereon. By the request of the Board of Selectmen. Estimated cost: \$.

FUND PRIOR YEAR'S UNPAID BILLS

ARTICLE X: To see if the Town will vote to raise and appropriate or transfer from available funds a sufficient sum of money to pay unpaid bills of prior years as provided for in M.G.L. Ch. 44, Section 64, and to act fully thereon. By request of the Finance Director/Accountant. Estimated cost: \$2,877.87

Explanation:

<i>Planning - copier contract (Axion) un-invoiced bill</i>	\$678.07
<i>BBE Corporation – FY 16</i>	\$225.00
<i>Siemens Industry – FY 16</i>	\$930.00
<i>Police – T-Mobile – FY 16</i>	\$700.00
<i>Police – Moore Medical – FY 16</i>	\$344.80
	\$2,877.87

COMPENSATING BALANCE AGREEMENT

ARTICLE X: To see if the Town will vote to authorize its Treasurer to enter into a compensating balance agreement or agreements with banking institutions for Fiscal Year 2017 pursuant to Chapter 44, § 53F of the General Laws and to act fully thereon. Customary Article.

LIABILITY TIDAL/NON-TIDAL RIVERS

ARTICLE X: To see if the Town will assume the liability in the manner provided by § 29 of Chapter 91 of the General Laws as amended by Chapter 516 and 524, Acts of 1950, for all damages that may be incurred by work to be performed by the Department of Public Works of Massachusetts, for improvement, development, maintenance and protection of tidal and non-tidal rivers, streams, harbors, tide waters, foreshore and shores along a public beach outside of Boston Harbor, including the Merrimack and Connecticut Rivers in accordance with § 11 of Chapter 91 of the General Laws and to authorize the Selectmen to execute and deliver a bond of indemnity to the Commonwealth and to act fully thereon. Customary Article.

HERRING FISHERIES

ARTICLE X: To see what action the Town will take in regard to the Herring Fisheries and to act fully thereon. Customary Article.

DRAFT

**COMMONWEALTH OF MASSACHUSETTS
TOWN OF HARWICH
SPECIAL TOWN MEETING
MAY 2, 2017**

BARNSTABLE, ss:

To either of the Constables of the Town of Harwich in said county,

Greetings:

In the name of the Commonwealth of Massachusetts you are hereby directed to notify and warn the inhabitants of said Town qualified to vote in elections and Town affairs to meet in the Community Center Gymnasium, 100 Oak Street in said Town on Tuesday, May 2, 2017 at 8:00 P.M., then and there to act on the following articles:

ARTICLES

FUND SHORTFALLS IN BUDGET TRANSFERS

ARTICLE To see if the Town will vote to raise and appropriate or transfer from available funds a sufficient sum of money to fund shortfalls in various budget transfers, and to act fully thereon. By request of the Town Administrator and Town Accountant.
Estimated cost: _____

OFFICE OF THE TOWN ADMINISTRATOR

Phone (508) 430-7513

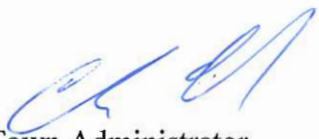
Fax (508) 432-5039

Christopher Clark, *Town Administrator*
Charleen L. Greenhalgh, *Assistant Town Administrator*

732 MAIN STREET, HARWICH, MA 02645



February 9, 2017

To: Board of Selectmen 
From: Christopher Clark, Town Administrator
Re: Recommended Finalist for Finance Director/Town Accountant

The interview team, made up of John Rendon, Harbormaster, David Withrow, Interim Finance Director, Larry Ballantine, Finance Committee, Charleen Greenhalgh, Assistant Town Administrator and myself, interviewed candidates for the position of Finance Director/Town Account on Wednesday, February 8, 2017. Overall the town received 11 applications; of those six were chosen for interviews, with four interviewed.

The team came to a unanimous decision to recommend to the Board of Selectmen two candidates. These two candidates stood out, with the experience and skills necessary for this position that may not be as direct, but have applicable skills. It is with great pleasure to recommend the following candidates, in alphabetical order:

- Carol Cappola
- Alison Ann Parker

Each candidate has been notified as the teams recommended finalist, with the understanding that a public interview with the Board of Selectmen would be completed, with the Board making the final decision.

It is my recommendation that the interviews take place on Monday, February 27, 2017, to allow for adequate time to transition before the departure of Mr. Withrow.