

HARWICH CAPITAL OUTLAY COMMITTEE
Meeting Minutes
Thursday, August 15, 2019 - 4:00 P.M.
Small Hearing Room – Town Hall, 732 Main Street, Harwich

Members Present: Chairman, Rich Larios; Noreen Donahue; Peter Wall; Angelo LaMantia; Bruce Nightingale; Joe McParland

Members Absent: 2nd Finance Committee Representative

Others Present: Christopher Clark, Town Administrator and Carol Coppola, Finance Director.

Call to Order: Chairman Larios called the meeting to order at 4:00 PM.

Capital Outlay Committee (COC) Members introduced themselves.

Mr. Larios read the following: *Recording & Taping Notification – As required by law, the Town may audio or video record this meeting. Any person intending to either audio or video record this open session is required to inform the chair.*

Meeting Minutes: February 21, 2019 approved unanimously on a motion from Mr. McParland, seconded by Mr. Wall. 5-0-1 (Ms. Donahue)

Old Business: Mr. Larios noted that at the Annual Town Meeting there were some changes in the process for the Capital Plan. Article 36 made changes to the Plan (complete language appears as Attachment A). Mr. Larios asked for specifics of what this change means. If there are changes to the plan from one year to another then a 2/3 vote would be required. Per Mr. Larios the out years have always been flexible and the vote at Town meeting was only for the current year. The COC was never notified about this change or the intent of this bylaw. A brief discussion ensued about the need to have “placeholders” in out years. This will be placed on the next agenda for further discussion; however because this is a Charter Amendment it would not become effective until a vote at the 2020 May Annual Election. More clarification regarding the changes is needed. There is also confusion as to whether this is now a 5-year plan or a 7-year plan. This was a change proposed by the Charter/Bylaw Review Committee; however the COC was never consulted.

There is still a need for an additional Finance Committee Representative.

Mr. Clark reported: The BOS made some changes to the budget timeline and he wanted ensure the committee is aware of the changes as they relate to the committee. The COC would also like a copy of the capital plan template.

October 7, 2019 is the annual meeting with the Board of Selectmen.

The Board of Selectmen goals were voted on August 12, 2019 and will be distributed to the COC members.

New Business: Discuss the upcoming Capital Budgeting process for FY2021. Mr. Clark reviewed the timeline with the COC.

What is the difference between a Capital Outlay Request and a Capital Budget Request? A brief discussion ensued. Mr. Clark will clarify the language that he uses. The correct term is Capital Outlay Plan. The October 21, 2019 date on the schedule speaks to Capital Budget Request; however the question was asked if is this just for the schools or will this include the Town requests.

Mr. LaMantia spoke to what he saw at the May Annual Town Meeting and the concerns the citizens raised at the meeting. He suggested that more scrutiny by the COC may be needed to decide which projects to fund. In response to a question regarding the recent tornado, it is not anticipated that this will affect the Capital Outlay Plan. The State is looking towards a vote on a relief for communities affected by the tornado. If funding from the State is not received, Mr. Clark suggested that funding from the stabilization fund could be utilized. A brief discussion ensued about business disruption insurance.

Real discussion points will begin at the next meeting of the COC. Mr. Clark pointed to the chart at the end of the capital outlay plan which provides the requests by departments and the impacts on homeowners. He asked if the COC has ideas about different charts or other information that they think would be helpful to let him and/or Ms. Coppola know. Mr. Larios hears from people in the community about when to say “no” on projects. Mr. Nightingale made the point that there needs to be a distinction between “needs” and “wants”.

Next Meeting Date: September 5, 2019 at 4:00pm.

Agenda items to include:

1. Goals and Objectives of BOS
2. Capital Plan changes made at May ATM
3. Update on the Debt

Dates for review of Capital Requests for Departments:

September 24th
September 26th
October 1st
October 3rd
October 8th
October 10th

Adjourn

On a motion from Mr. McParland, 2nd by Mr. Wall the meeting adjourned at 5:01pm.

Respectfully submitted by,
Charleen Greenhalgh, Recording Secretary
Adopted: September 5, 2019

Attachment A

ARTICLE 36: To see if the Town will vote pursuant to M.G.L. c.43B, §10 to amend Chapter 9, Sections 5 and 6 of the Town Charter, which amendment will be subject to approval by the voters at the 2020 Annual Town Election, as set forth below, with strikethrough text to be deleted and bold text to be inserted:

CHAPTER 9. FINANCIAL PROVISIONS AND PROCEDURES

Section 5. Capital Outlay Committee

9-5-1 A capital outlay committee of 7 members shall be appointed for 3-year overlapping terms. Two members shall be appointed by the finance committee, 2 members shall be appointed by the board of selectmen, 1 member shall be appointed by the planning board, and 2 members shall be appointed by the town administrator.

9-5-2 The capital outlay committee shall assist the town administrator in the development of the capital outlay plan *to be adopted and/or amended each year at the Annual Town Meeting; and may, at the request of the Town Administrator and/or the Board of Selectmen, assist the Town Administrator in the preparation of a Capital Outlay Budget.*

Section 6. Capital Outlay Plan [Amended 5-23-2012 by Ch. 103 of the Acts of 2012] 9-6-1 The purpose of the 7-year capital outlay plan shall be to provide the town with a long-range forecast of the town's *major* capital improvement needs and to attempt to keep debt borrowing levels as even as possible from year to year.

9-6-2 A "capital outlay" shall mean the acquisition, construction or renovation of buildings, equipment or land having a total cost of **\$50,000** during any budget year and planning funds for any such capital outlay.

9-6-3 The town administrator and the capital outlay committee shall submit a 7-year capital outlay plan to a joint public meeting of the board of selectmen and the finance committee during the month of December of each year.

9-6-4 The board of selectmen shall prepare articles to be included in the May annual town meeting warrant seeking adoption of the 7-year capital outlay plan and funding of the current year of the plan.

9-6-5 A simple majority vote of the town meeting shall be required to adopt the 7-year capital outlay plan as submitted. *Any amendment to a previously adopted Capital Plan shall require a two-thirds vote at the Annual Town Meeting.*

9-6-6 If any part of the current year of the plan receives funding support at the annual town meeting, but fails at any necessary debt exclusion, capital exclusion or proposition 2 ½ override ballot votes, the unsupported portion shall be returned to the 7-year capital plan in year 1 of the next 7-year plan.

9-6-7 *With the exception of petition articles*, any article submitted for the annual or special town meeting warrant which requests a capital outlay as defined in section 9-6 2, but which is not included in the current year of the capital outlay plan as adopted by town meeting *shall require approval of* the capital outlay committee, the board of selectmen and the finance committee *and any such article shall require* a 2/3 majority vote of the town meeting, and to act fully thereon. By Request of the Board of Selectmen and the Bylaw Review Committee.

**THE FINANCE COMMITTEE RECOMMENDS THIS ARTICLE BE ACCEPTED AND ADOPTED TO REVERT THE 7-YEAR CAPITAL PLAN BACK TO A 5- YEAR PLAN, AND TO MAKE THE PLAN HARDER TO CHANGE FROM YEAR TO YEAR BY REQUIRING A 2/3RDS VOTE WHEN CHANGING THE PREVIOUSLY VOTED PLAN.
VOTE: YES-6, NO-0**