



Special Town Council Meeting
April 29, 2021



The April 29, 2021 meeting of the Barnstable Town Council was physically closed to the public to avoid group congregation.

A quorum being duly present, President Matthew Levesque called the April 29, 2021 Special Town Council meeting to order at 6:00 PM from a remote location.

An announcement was made by President Levesque regarding the meeting being televised live and questioning if anyone was actively taping the session to please make their presence known. This session is recorded and broadcast on Channel 18.

PRESENT: (On Zoom) Nikolas Atsalis, David Bogan, Kristine Clark, Jennifer Cullum, Debra Dagwan, Jessica Rapp Grassetti, Paul Hebert, Matthew Levesque, Paul Neary, Paula Schnepf, Tracy Shaughnessy, Gordon Starr, Eric Steinhilber

The Pledge of Allegiance was led by President Levesque followed by a moment of silence.

Proposed Sewer Assessment Ordinance presented by Mark S. Eells, Town Manager and Mark A. Milne, Director of Finance. (Exhibit A) Mark Eells, Town Manager started with the Town Council Mission Statement, and then discussed the Clean Water Act which requires communities to meet water quality standards in coastal waters and some fresh water bodies. He indicated this workshop is about identifying funding and financing mechanisms. We have to be adaptive to changes in technology, regulations, finance and our community. He then covered the multiple extensive outreaches which is ongoing to all of Barnstable, and pledged to continue to work together going forward.

Mark A Milne, Director of Finance, went over the changes from the original draft of the ordinance based on feedback from Councilors and residents. These changes included:

- Defining a commercial sewer unit
- Added definition of an unbuildable lot
- Compensatory Sewer Privilege Fee
- Residential Dwelling Unit (RDU) expanded
- Lots capable of subdivision
- Deferred sewer assessment option for eligible low income property owners
- Abatement process
- Eliminated the System Development Charge

Proposed Sewer Assessment Ordinance
Only 2 options available under state law
Fixed Uniform Rate – by frontage or square footage

Uniform Unit Method – sewerage construction costs divided by the total number of existing and potential sewer units to be served.

Commercial, industrial, business and semi-public lots would be equal to 330 gallons of actual or reasonable anticipated daily sewage volume.

Proposed Assessment Amount \$17,000 maximum initial assessment could be less in some circumstances. This only applies to new sewer customers; does not include existing customers and those that currently have the ability to connect are exempt.

Funding the Remaining Gap:

Barnstable will receive funding from the Cape Cod and Islands Water Protection Fund, paid out over a 4 year period. We need to generate another \$50 million over the next 4 years

Councilor questions and comments:

(Steinhilber) intends to offer an amendment to the sewer assessment. On the 20th of May the amendment will change the sewer assessment amount to ten thousand (\$10,000) as the seventeen thousand (\$17,000) is too high for the residents. Once you add the connection fee of 7 to 8 thousand dollars, now you are in the range of \$17,000. We all need to take a hard look at the budget. (Cullum) Could Director Milne go over the last two slides one more time? (Milne) There is not a significant difference between the general fund contributions; however it is a significant amount over a ten year period. He firmly believes the assessed values of the property will go up significantly. (Clark) Asked to clarify the lots that could be developed when a sewer becomes available, but is currently a vacant lot? Does that put pressure on the property owner? (Milne) The lots have the potential to be developed; it can be deferred until it is developed. (Clark) if it does become developed what happens? (Milne) once the sewer line is available in front of the property; if it remains undeveloped a 4% interest rate on the sewer assessment will accrue over time. (Clark) If they never develop the land they will always have a deferred assessment? (Milne) They will incur an interest charge until the property changes ownership (Nober) it is an annual interest charge, there will be an annual payment every year of 4%. (Cullum) what about the folks at Stewart Creek that haven't hooked up to the sewer yet, are we going to make them step up? (Ells) All the people have had a betterment added for 20 years, still properties have not connected, and they would have a connection charge and usage charge. It is under discussion at this time. Title 5 systems do not remove the nutrients; it is not apples to apples. (Cullum) Were the terms for not hooking up judged on a case by case basis? (Ells) Some people had new septic systems, some proved a hardship, they did not have to hook-up. (Cullum) We should look at the Stewarts Creek as we go forward. (Ells) if a resident chooses at the time hook up is available, not to hook up, they get the sewer assessment without the hook up. If the customer doesn't want to hook up, it is up to the Board of Health (BOH) to determine if they can wait. (Cullum) It would be great to hear from the BOH regarding the discussions are with the Stewarts Creek residents. What are the sources of money from the Cape Cod & Islands Water Protection Fund (CCIWPF) (Milne) the sources are 2.75% on all lodging and short term rental money. (Hebert) Fully support Councilor Cullum regarding Stewarts Creek (Neary) the assessment needs to be set at a lower amount; we still do not know what the costs will be as we go forward. Elderly, the low income abatement what is that age? How will we be dealing with residents in Phase One? (Milne) Elderly exemption, Clause 41A, 65 years of age or older, total income cannot exceed 40,000 per year; there is also a residency requirement, which allows you to defer assessment as well as the property taxes. The Town Council could adopt a lower rate. As we build the system out we will have to have alternatives. (Ells)

perhaps a workshop with Town Council and staff, so we can make sure this is done correctly. BOH is such a significant part of this issue, make sure moving forward we have good communication. (Neary) we need to have something concrete so we have an answer with no waffling back and forth. (Cullum) do we have any latitude on this money could we make it higher? (Milne) This is statutory the range is 20,000 to 40,000 the Town Council has already adopted the 40,000 the other way is through the interest rate. (Schnepp) Any land that is already sewerered or has had the ability to connect to the sewer they will not be assessed for any future connections to the sewer is that policy decision? (Milne) No, we it is not policy, the sewer is already constructed we can't do that. (Schnepp) If we lower the assessment from 17,000 to 10,000, would that be the same for the commercial properties? (Milne) Yes. (Schnepp) How much of the sewerering is going to go onto private roads? (Santos) about 45% private roads and 45% public roads; (Rapp Grassetti) Looking at the ordinance, if the assessment is being adjusted annually, at 3% rate of inflation, how are you going to figure that out? Of the parcels that are being sewerered, if we were not to impose a sewer assessment what would that look like to the general fund? (Milne) The general fund contribution would be 16 million dollars by year 10. (Rapp Grassetti) If a homeowner wanted to put in an alternate/innovative system that would bring down the Total Maximum Daily Loads (TMDL's) and become approved, what would happen? (Ells) We do not know yet what the level of compliance is with the alternate systems. If they fail the municipality not the homeowner that will be held responsible, we are just not at that point yet. (Rapp Grassetti) when the wastewater treatment plant was originally constructed how was that paid (Ells) I believe it was 90% state and federal grants and 10 % local; we can go back to the records and check on these numbers. (Atsalis) An additional financial burden on the residents, makes me in favor of a lower number than 17,000; is there a process for financial hardship (Milne) Clause 41A, eligible seniors that make under 40,000 each year. (Atsalis) As a council can we implement something to help our residents financially? (Milne) implement a higher residential exemption from 20% to the highest 35%. (Levesque) More of the tax burden would go to the commercial? (Milne) more of the tax burden would go to 2nd homeowners. (Starr) the 17,000 assessment, not everyone was going to pay that or do you have an average number? (Milne) Some projects may be less that 17,000, when we put in a main trunk line on Strawberry Hill Road, we have to allocate the reduction to all those on that main trunk line. (Starr) that bothers me, rather see you take the number of units in the whole phase and spread it out to everyone on the sewer. (Milne) Legally, we cannot do that. (Starr) What happens with Bell Tower Mall's new units, would each one pay half a sewer unit (Milne) the one bedroom would pay half the sewer unit (Starr) Listened to the October presentation, there were 5 or 6 policy issues, are we dealing with the issues now? (Levesque) we are just talking about the sewer assessment ordinance we will have a second reading and give the public the chance to comment (Ells) we could probably put together a matrix that would show where we are, what items are required by law and what we can and cannot do. For this workshop do you believe the proposed sewer assessment has merit and we can go forward? We believe it has merit. Think it is important that the properties that have this improvement, that they see property value increases and they see this benefit. We are here to help you bring appropriate amendments on the May 20, 2021 Town Council Meeting (Starr) the sewer assessment is a great way, water quality definitely needs help, and we can't continue to think of title five systems as the answer. Are we going to be involved with the connections to the houses such as grinder pumps? (Ells) Yes we did that in Stewarts Creek area and it is planned for this as well. (Starr) Is there a 40% tax credit for sewer hook ups through the state? (Milne) there is a state program and some may be eligible (Cullum) Outreach to communities of color and to renters whose rent will be going up, are we looking at talking to these individuals, the churches, wondering how we are

doing that? (Ells) Once we work through the assessment ordinance, when we get to general fund, don't believe we can get into that level of detail at this time, we will provide support. (Nober) there really are a lot of restrictions on appointed officials on the distribution of objective information. (Cullum) property values are rising so rapidly, talk to people about the value of their homes. (Clark) Come from a part of the town where we will probably not be sewerred, and shift to the general fund people who have to maintain their own septic tanks maintenance, no extra compensation. (Levesque) Remember the point of this is not only to assess a cost but to assess a value, to save our bays, the ownership of the homes will have an added value, and Title 5 systems will be a thing of the past. (Ells) In moving forward to May 20th, my recommendation is to bring in a facilitator to go through the draft ordinance step by step, in an organized way, to compile all of the changes. This person will also help craft the ordinances with the legal department. Please let me know if you think this would be beneficial. (Levesque) would support that effort, (Starr) supports that issue; (Ells) If we find our community doesn't support our plan we have to be adaptive. (Starr) just as long as we have a policy in place once the first house has a hook up. (Levesque) We are going to have to address these things and be flexible as we move forward. There is a lot of opportunity. Thank you for putting this together.

VOTE: ADJOURNMENT:

Upon a motion duly made and seconded it was

VOTED TO ADJOURN:

ROLL CALL YES: Atsalis, Bogan, Clark, Cullum, Rapp Grasseti, Hebert, Levesque, Neary, Schnepf, Shaughnessy, Starr, Steinhilber; Off Zoom (Dagwan)

Adjourned at 7:52 PM

Respectfully submitted,

Ann M Quirk
Town Clerk/Town of Barnstable

NEXT MEETING: May 6, 2021

Exhibits:

A Proposed Sewer Assessment Ordinance