



# Town of Orleans

## Finance Committee

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*Lynn Bruneau*  
ORLEANS TOWN CLERK

### MEETING MINUTES

Thursday, July 20, 2023 – 6:15 pm

This was a hybrid meeting of the Orleans Finance Committee, convened in the Nauset Room at Town Hall, with remote participation provided by Zoom technology. Real-time public access was provided by Orleans Channel 18 on the Town website and cable television.

The meeting was called to order at approximately 6:30 pm by Finance Committee Chairman Nick Athanassiou. Also attending, and thus constituting a quorum were Committee Clerk Elaine Baird and Committee members Lynn Bruneau, Ed Mahoney and Tony Pearl. Chris Kanaga joined the meeting at 6:45 pm. Constance Kremer and Peter O'Meara were absent.

**Guests:** Energy and Climate Action Committee members Roger McDaniel, Susan Chandler and Hakim Janah. Mia Baumgarten from Media Operations provided technical support for this meeting.

#### **(0:15) Public Comment:**

There were no public comments.

#### **(01:00) Announcements:**

Ms. Bruneau reminded viewers that property taxes are due August 1; copies of bills may be obtained from the Tax Collector's office, or online.

#### **(1:30) Meet with Roger McDaniel of Energy and Climate Action Committee to be briefed on anticipated STM Warrant re Specialized Opt-in Energy Code**

Mr. Athanassiou suggested taking this agenda item out of order as a courtesy to Fin Comm's guests.

Mr. McDaniel discussed the Specialized Opt-in Energy Code, which his Committee is seeking to include in a Warrant Article for the Special Town Meeting Warrant this Fall. Mr. McDaniel explained the Specialized Opt-in Energy Code but first briefly described the Stretch Code that is already in place. The Stretch Code was adopted by Town Meeting in 2018 as a key step for Orleans to become a "green community". It provides extra energy efficiency provisions in the Building Code. The Specialized Code is an additional adoption that would require Town Meeting approval.

The goal of the Specialized Opt-in Code provisions is to increase energy efficiency for some new construction projects, particularly for commercial, municipal and multi-family homes. The provisions do not apply to existing construction, but could apply to "major renovations". Fin Comm members asked questions regarding what qualifies as "major renovations" and what defines a "multi-family home" (eg, would the housing project at 107 Main Street be a "multi-family home") that would trigger these requirements.

Mr. Athanassiou asked how the Town became a Green Community; Mr. McDaniel said that Town Meeting approved this in 2018. Mr. Athanassiou felt it was important to include that information in the messaging about the Opt-in Code.

Mr. Mahoney asked about the data and measuring the impacts of adopting these codes. Mr. Janah noted that the Commonwealth has mandated that the state be at Net-Zero by 2050; this code will assist the

State in reaching that goal. There was further discussion about the State's goals and efforts to achieve those goals.

Mr. Mahoney questioned the service provider role in this effort, such as Eversource and National Grid. Mr. Janah said that they will have to comply, along with other entities. Fin Comm noted, however, that at present, much of the state and the nation's electric energy is provided by fossil fuels and nuclear fuel.

Mr. Janah noted that the intent is for new construction to be compatible with the Specialized Opt-in Code, and the upfront cost will be minimized by subsidies and future savings. Fin Comm members wondered about the adequacy of state and/or federal funding programs to subsidize all of the proposed "green community" programs and timelines.

Mr. McDaniel discussed the commercial and municipal provisions of the Specialized Opt-in Code. For all electric buildings, and renovations of these buildings, there is no change from the existing code. The proposal requires new municipal and commercial buildings to meet defined HVAC and solar panel requirement. Mr. McDaniel also noted the requirements for large multi-family homes (see hand-out information below).

Ms. Chandler noted that a few Outer Cape towns (eg, Truro and Wellfleet) have already adopted the Specialized Opt-In code, and suggested that it is an issue each town should take up. Fin Comm expressed concern about the cost that might be incurred by homeowners, builders and municipalities with regard to code compliance.

Mr. Athanassiou suggested having cost information and general "green community" information included up front in the presentation. Fin Comm could provide any further questions to help the Climate Action Committee prepare for further discussion with other groups, including the Select Board.

**(1:00:00) Reorganize Finance Committee for FY24 – Election of Officers**

**Motion by Ms. Baird to nominate Mr. Athanassiou to continue serving as Chairman of the Finance Committee; second by Mr. Pearl** Mr. Athanassiou expressed interest in continuing to serve in the role for another year. **The vote was 6-0-0 with Mmes. Baird and Bruneau and Messrs. Athanassiou, Kanaga, Mahoney and Pearl all voting "aye".** (Note that roll-call votes were not required at this meeting because all Fin Comm members present at the meeting were physically present in the Nauset Room.)

**Motion by Ms. Bruneau to nominate Mr. Kanaga to continue serving as Vice Chairman of the Finance Committee; second by Mr. Mahoney.** The vote was 5-0-1 with Mmes. Baird and Bruneau and Messrs. Athanassiou, Mahoney and Pearl all voting "aye" with Mr. Kanaga abstaining. Mr. Kanaga also expressed interest in continuing to serve in the role for one year.

**Motion by Ms. Bruneau to nominate Ms. Baird to continue serving as Clerk of the Finance Committee; second by Mr. Pearl.** The vote was 6-0-0 with Mmes. Baird and Bruneau and Messrs. Athanassiou, Kanaga, Mahoney and Pearl all voting "aye". Ms. Baird expressed interest in continuing to serve in this role for one year.

**Motion by Mr. Athanassiou to nominate Ms. Bruneau to continue serving as Chair Emerita; second by Ms. Baird.** The vote was 6-0-0 with Mmes. Baird and Bruneau and Messrs. Athanassiou, Kanaga, Mahoney and Pearl all voting "aye".

Mr. Athanassiou noted that he will contact the appropriate Town Hall “authorities” to notify them of the results of tonight’s voting for updating Town Hall records and the Fin Comm website.

**(1:04:00) Review / Approval of Finance Committee Meeting Minutes – 7/13/23**

- 7/13/23 – Motion by Ms. Baird to approve the minutes as amended by Mr. Mahoney; second by Mr. Kanaga. The vote was 6-0-0 with Mmes. Baird, and Bruneau and Messrs. Athanassiou, Kanaga, Mahoney and Pearl all voting “aye”.

**(1:05:00) Discuss recruitment of new members for the Finance Committee**

Mr. Athanassiou noted that he spoke with Town Moderator David Lyttle (Fin Comm’s appointing authority), who said that he is having difficulty finding people to commit to the time requirement given the number of Fin Comm meetings, especially during “budget season”. Mr. Pearl noted that, as the newest member, there is a lot of homework to do, in order to be a well-informed member of the Committee and to be prepared. Mr. Mahoney confirmed the large number of budget-related and other meetings leading up to Town Meeting. Mr. Kanaga also noted the additional meetings with Department managers and other Boards/Committees outside of Fin Comm meetings.

Mr. Athanassiou referred to the amount of information that Fin Comm both gathers about the Town and puts out to the community. Fin Comm members discussed ways in which it can better advertise itself as a desirable committee to join. Ms. Baird said that key benefits of Fin Comm membership include getting to know the Town better and also to keep yourself sharp on financials and town government; she expressed the need to sell the positive parts of the Committee.

Ms. Baird will contact Ms. Kremer to see if they might work together on a community outreach strategy for identifying more candidates for Fin Comm membership. Ms. Bruneau will ask Ryan Bray, Chronicle reporter focused on Orleans, if he could do a feature on Town Boards/Committees, highlighting Fin Comm’s role and the benefits of joining, to recruit new members. If anyone is interested in joining the Finance Committee, please reach out to a current member to learn more about how Fin Comm contributes to the Town and how you can play a role. There was further discussion.

**(1:27:00) Discuss ongoing FinComm projects and future agendas as needed**

Mr. Athanassiou said the major project was Enterprise Funds, which he discussed below. Enterprise Funds will come back to a future agenda for discussion.

**(1:28:00) Updates**

**Recent Select Board meeting discussions/decisions (7/19, others)**

7/19/23: During the Select Board Liaison reports, Meff Runyon noted that in its 7/13/23 meeting, Fin Comm again suggested sun-setting some of the Enterprise Funds (EFs) and that Fin Comm would like to see EF debt service included in the EF budgets. Also, Fin Comm said that indirect expenses were not being done correctly. Mr. Athanassiou was present at the Select Board meeting and had the opportunity to correct this last statement - noting that Fin Comm would like more transparency regarding indirect and other expenses. Town Manager Kim Newman noted the clarification.

Ms. Bruneau said that she and Mr. Mahoney and Mr. Athanassiou, and Mr. Mahoney will meeting to update Fin Comm’s EF material (eg, the 11/17/22 letter to the Select Board and the FY24 Budget Reviews with current EF-specific financial results) in preparation for a meeting with Town Manager Kim Newman and Finance Director Cathy Doane regarding these concerns and questions about the Enterprise Funds.

The July 19 Select Board meeting also included the Annual Summer Information Meeting with “frequently asked questions” prepared and reviewed by 10 or so Departments. DPW Director Tom Daley and Building & Facilities Manager Ron Collins also reviewed their quarterly reports.

Select Board Chair Michael Herman led a discussion re the draft FY24 Select Board Goals. Any comments/suggestions about the draft Goals should be sent to the Select Board for further discussion at their 8/2/23 meeting.

Liaison Reports as appropriate

Ms. Bruneau reported briefly on the Affordable Housing Trust Board joint meeting with the Affordable Housing Committee on 7/18/23. The primary focus was a discussion of the draft Housing Needs Assessment Data Analysis Report and related materials that Mr. Athanassiou had forwarded to Fin Comm members this week. This material is part of the update of the AHC’s 2017 Housing Needs Assessment. Mr. Mahoney noted that he found the material very helpful. The discussion continues at a joint AHTB/AHC meeting on 8/1/23. At this meeting, it was also noted that the 107 Main Street and the CC5/Pennrose housing projects are both waiting for word on additional ARPA funding. 107 Main Street is preparing for the closing process, reviewing construction costs and also considering modular unit as a construction option.

Ms. Bruneau also provided a brief update on the 7/19/23 BOWSC meeting that included a discussion of proposed new water rates that would go into effect w/ the October water bills (approved at the 7/19/23 Select Board meeting) and a drought status update (voluntary water restrictions continue). There had been a lightning strike at the well-field that damaged Well #4; however, further needs were discovered in repairing the damage. Likely a new pump will be needed - possibly with additional funding needed at October’s Special Town Meeting.

Also at the BOWSC meeting, Veolia presented the June Sewer Operations Report which included MTD and YTD revenue and expense information. Veolia is working w/ AECOM to address noise complaints from the neighbors (likely emanating from out-door equipment). Ms. Bruneau will work with wastewater representatives to schedule date for a Fin Comm update.

**(1:55:00) Review Schedule and Items for Future Agendas**

- Wednesday, August 2 (5PM) – Joint meeting with Select Board and Orleans Elementary School Committee to review Asset/Accessibility Report to be presented by Habeeb consultants.
- Future FinComm meetings: Thursdays August 10, 24, and 31 at 6:15 pm

**Adjourn**

**Motion to adjourn by Ms. Baird; second by Mr. Mahoney. The vote was 6-0-0 with Mmes. Baird and Bruneau and Messrs. Athanassiou, Kanaga, Mahoney and Pearl all voting “aye”.**

The meeting adjourned at 8:27 pm.

Respectfully submitted,

Courtney Butler, Secretary

The documents listed below are all in the Finance Committee Drop Box except as noted:

1. July 20, 2023 Finance Committee meeting agenda
2. Climate Control Committee Hand-out on “Multi-Family, Commercial and Municipal Requirements” related to the Specialized Opt-In Code for Energy Savings/Efficiency (info transcribed below)
3. Draft July 13, 2023 Fin Comm Meeting Minutes
4. Select Board meeting packet for the 7/19/23 Select Board meeting (Select Board website)
5. Fin Comm FY24 Liaison Assignments

Multi-Family, Commercial and Municipal Requirements (per Climate Action Committee hand-out)

- The commercial/municipal/multi-family rules under the current Stretch Code (updated as of January 1, 2023) are technical and quite detailed
- Specialized Opt-in Code:
  - = No change from Stretch Code for new all-electric buildings, existing buildings, renovations and additions
  - = Be pre-wired for electrification
  - = Meet minimum HVAC equipment and service water heating efficiencies
  - = Have solar PV panels on-site (minimum 1.5 watts/sq ft for each sq ft of the 3 largest floors or for 75% of the Potential Solar Zone, which is based on roof dimensions and specifications)
- Multi-family buildings over 12,000 sq ft must have Passive House pre-certification

The minutes for the July 20, 2023 Finance Committee meeting were reviewed and approved at the August 10, 2023 meeting. **Motion to approve by Ms. Baird; second by Mr. Pearl. The vote was unanimous, 5-0 (no need for a roll-call vote as all Fin Comm members were present in the Nauset Room).**