

Special Commission on County Governance

Wednesday, January 11, 2012

Approved

Co-chairs Henri Rauschenbach and Rob O'Leary convened the meeting at 6:30 p.m. in Superior Courthouse conference room 11/12. Minutes of the December 14 meeting of the Special Commission were approved.

**OpenCape** was reviewed with Scott Ridley and Dan Gallagher, noting strands available for municipal use, with a franchise fee of 5-7% to be returned to municipalities. Open Cape was summarized as owning the assets and licensing to CapeNet to operate, with 60% of 144 strands going to CapeNet and 40% held, 10 for the State in connection with a \$5-million grant, 12 strands to Nstar, two strands to link municipalities, and the remainder (34-36 strands) for future unanticipated needs.

Mr. Gallagher said communities would pay \$200,000 to CapeNet for service otherwise valued at \$600,000, and the cost may be reduced eventually, if revenues exceed costs, after building reserves for emergencies like hurricanes and after extending service to other locations.

OpenCape was described as a private non-profit 501(c)(3) nonprofit corporation for community benefit, with its own board as well as the communities' board.

In reply to Mr. Ridley's query regarding what the public will get and how it will be represented, Mr. Gallagher said the current 11-member board includes representatives of the County, towns, Chamber of Commerce, Woods Hole Oceanographic Institution and water districts, and the board determines its composition. In contrast to OpenCape, Mr. Gallagher said that similar Federal grants went to private companies across the nation to extend broadband without public requirements.

Special Commissioner Charles Sumner felt that towns could benefit from the Regional Umbrella Services System (RUSS) operating in conjunction with the County, and Mr. Gallagher anticipated revenues of \$2.5-\$3 million after three years, with all public entities, including schools and libraries, integrated in a single network. With the capital investment paid by OpenCape, towns' total cost would approximate \$200,000 per year, he said.

Co-chair O'Leary asked if there was any follow-up on the State Inspector General's report, and Mr. Gallagher replied, "No," adding that OpenCape exceeds standards in all categories, governed by board involvement and legal contractual obligations.

Mr. Ridley noted that County involvement should assure public benefit, and Special Commissioner Julie Taylor said the County representative

should pursue the public benefits outlined in the Inspector General's report, while the County should pursue RUSS directly, under the County Administrator, with a County elected official as the County's representative.

Special Commissioner Ron Bergstrom felt County oversight was needed, especially as the Board picks its own successors. Mr. Sumner said that involvement of public officials will assure public benefit from the private nonprofit corporation.

Special Commissioner Florence Seldin asked how the County should pursue RUSS, and Ms. Taylor replied that a county employee should pursue it.

Co-chair Rauschenbach asked how OpenCape strands would be allocated, adding that the Special Commission should recommend governance and revenue. Mr. Gallagher replied that there are no strands for the County now, but two for towns at a cost of \$200,000 or less, a discounted rate that represents operating cost without profit, with excess capacity available for contract by Comcast, banks, etc. A County Request for Proposals (RFP) would be required per Mass. General Laws Chapter 30B (Uniform Procurement Act), he said, before a contract could be negotiated.

Co-chair O'Leary acknowledged consensus for a recommendation that the County pursue RUSS, and asked if concern with structure and governance in the Inspector General's report was relevant.

Mr. Gallagher replied that the OpenCape Board is reviewing needs after network construction, but would accept and consider County recommendations, as well.

Special Commissioner Bob Lawton noted that OpenCape sets up the infrastructure, while RUSS operates it, and Mr. Gallagher explained that RUSS involves applications, including a possible Capewide telephone system for all government offices, adding that it would not require a technical employee as it's not Information Technology.

County Commissioner Mary Pat Flynn noted the connection between OpenCape and Smarter Cape for storage of strategic data such as regional assessing records.

Mr. Gallagher recommended the County issue an RFP for CapeNet to respond, noting that it already has a 25-year lease on a County building.

In concluding the discussion, Co-chair Rauschenbach said Mr. Ridley and Ms. Taylor had agreed to draft a RUSS proposal for consideration.

In discussing **emergency dispatching**, Sean O'Brien, the County's representative on the OpenCape Board, explained that Cape departments had asked last year for a study of Cape dispatching, funded by a \$135,000-grant. He said Intertech Associates of New Jersey had met

with all the departments in conducting the study, and had just completed their report and issued recommendations.

Two to three dispatch centers were anticipated, he said, adding that the Sheriff now handles dispatching for 10 Cape fire departments, but no police departments. He felt that savings could be projected for regional dispatching, and that a steering committee should be considered next, as the State 911 board seeks to reduce public safety answering points and the Cape has 13. Dispatchers require training in handling phoned emergencies, he said, noting that police are traditionally sensitive about unstaffed stations at night and have preferred to retain dispatching responsibility. Mr. O'Brien felt that a steering committee might include one County representative, two from police departments, two from fire departments, one from the Sheriff's Department, and one town manager. The County or an independent board could coordinate regional dispatching, he said.

Co-chair O'Leary called regional dispatching a 30-year-old issue, but Mr. O'Brien noted that regional dispatching of all towns' emergency calls could save \$5 million annually, with the Sheriff's dispatching operation now a model for the State.

Special Commissioner Cheryl Bartlett said that the State Department of Public Health prefers consolidation due to limited funding, and Special Commissioner Bud Dunham said the County should coordinate regional dispatching, while Ms. Taylor noted that the Sheriff is not accountable to anyone except the voters. Ms. Flynn said that Hingham, Hull, Norwell and Hanover just began coordinating dispatching, and other South Shore towns may join them.

Co-chair Rauschenbach asked Mr. Lawton and Mr. Sumner to draft a recommendation for consideration, and Mr. Sumner noted that Mr. O'Brien had played a critical role in the development of regional dispatching as it evolved since 2002 from hazardous materials concern.

Co-chair Rauschenbach asked if regional inspection services would also be of interest, and Mr. Lawton noted that Barnstable provides weights and measures services to other towns now, adding that the County should perhaps be more entrepreneurial in providing such services. Mr. Gallagher said that the County is pursuing e-permitting and inspecting, while Eastham and Orleans have pursued an intermunicipal agreement for public safety management following a Lower/Outer Cape regional public safety service study by the MMA Consulting Group.

In discussing **Human Services**, reference was made to the Massachusetts Municipal Association's (MMA) County management report issued three to four months ago that suggested combining Human Services with the Health and Environmental Department and Cooperative Extension Service.

Ms. Taylor felt that the County Commissioners should determine what would be appropriate after reviewing the report. Special Commissioner Sue Rohrbach suggested inviting the Human Service Department head to a

meeting to discuss what they do, while Mr. Bergstrom felt that all the departments are successful in their current structure. Ms. Bartlett called consolidation and integration vital in view of diminishing resources, and Ms. Flynn noted that departments can team up for Performance-based budgeting.

Co-chair Rauschenbach felt the County Commissioners might be encouraged to consolidate and integrate functions after hearing from the Human Services Department at the next meeting.

County Commissioner Bill Doherty noted that the Human Services Advisory Council coordinates human services, and Ms. Flynn said that the County Commissioners will consider the MMA report after the Special Commission's report.

Regarding the issue of **housing**, Co-chair Rauschenbach recalled that Housing Assistance Director Rick Presbrey had thought consideration of an expanded County role could have value. Mr. Doherty felt that regional or subregional consolidation of housing approaches could be promising, and Mr. Sumner thought regional housing consolidation with Community Preservation funds could be possible. Ms. Rohrbach noted that housing issues to be considered include homelessness, planning, plus production and administration, e.g., housing authorities. Special Commissioner Mark Forest called the Cape's HOME Consortium unique in the U.S., and Co-chair Rauschenbach deferred further discussion of housing to the next meeting, to include the Cape Cod Commission Affordable Housing Specialist.

Discussion of **revenues** involved the question of the amount of available unused revenue capacity, and how further services could be offered without additional revenue or cutting of current services. Mr. Bergstrom called County reliance on fluctuating Registry deeds tax revenue unreliable, preferring a dedicated, stable revenue stream, and he wondered if the County could benefit from towns' savings gains from regional services.

Ms. Flynn said the Registry fee can be raised further (with 30% of the County budget now derived from the Deeds tax, amounting to \$7 million).

Special Commissioner Alan McClennen, Jr. felt that present costs are justified to preserve the attractiveness of the Cape that is valued by residents and visitors.

Special Commissioner Larry Cole felt that County rooms and meals taxes could be substituted for similar taxes that towns collect, and Co-chair O'Leary noted that a short-term summer rental tax could be promising but would require State approval. Mr. Sumner reminded that time shares are exempt from room excise, as well.

Ms. Flynn reported that the current County financial status requires cuts of \$400,000-\$600,000 due to lower Deeds Excise revenues, while the Cape Cod Commission has reduced its budget by about \$1 million.

Special Commissioner Mary LeClair noted that the County has equity available for borrowing, as an option to avoid cutting services.

Ms. Rohrbach said that the Special Commission should note that opportunities for more services will also require more funding.

Mr. Dunham said that town revenues increase at 3.5-5% per year, but costs increase at a much higher rate.

Co-chair Rauschenbach recommended towns consider sharing with the County the savings accruing from regional services.

**Public Comment** concerned the increasing importance of regional coordination of housing services, as well as human services and employment opportunities, while calling for more publicity of County services.

The next three meetings were scheduled for Wednesdays on January 18, 25 and February 8, 2012, at 6:30 p.m. in the same room: the first to concern wastewater, energy, housing, human services and review of issues from earlier meetings; the second to address governance, along with any new issues raised at the previous meeting; and the third to involve discussing and voting on the Special Commission report.

The meeting was adjourned at 9:10 p.m.

Respectfully submitted,

Marilyn Fifield

Minutes Clerk