

**CAPE COD REGIONAL GOVERNMENT
ASSEMBLY OF DELEGATES**

APPROVED Journal of Proceedings – April 16, 2014

Speaker BERGSTROM: Good afternoon. Welcome to the April 16th, 2014, meeting of the Cape Cod Regional Government, Assembly of Delegates.

I'd like to call this meeting to order. Is anyone recording this meeting besides our usual recording? Hearing none.

Then we will begin with a moment of silence to honor our troops who have died in service to our country and all those serving our country in the Armed Forces.

(Moment of silence.)

Thank you.

We will now stand for the Pledge of Allegiance.

(Pledge of Allegiance.)

Speaker BERGSTROM: The Clerk will call the roll.

Roll Call (62.22%): Richard Anderson (9.15% - Bourne), Cheryl Andrews (1.36% Provincetown), Ronald Bergstrom (2.84% - Chatham), Leo Cakounes (5.67% - Harwich), Ned Hitchcock (1.27% - Wellfleet), Marcia King (6.49% - Mashpee), Teresa Martin (2.30% - Eastham), Suzanne McAuliffe (11.02% - Yarmouth), Deborah McCutcheon (0.93% - Truro), John Ohman (6.58% - Dennis), Julia Taylor (14.61% - Falmouth).

Absent (37.78%): Christopher Kanaga (2.73% - Orleans), James Killion (9.58% Sandwich), Patrick Princi (20.92% - Barnstable – arrived at 4:05 p.m.), Anthony Scalse (4.55% - Brewster),

Clerk O'CONNELL: Mr. Speaker, we have a quorum present with 62.22 percent of the Delegates present; 37.78 percent absent.

Committee of the Whole

Speaker BERGSTROM: Thank you.

We will now need approval of the Calendar of Business. Do I hear a motion to move the Calendar?

Ms. MCAULIFFE: So moved.

Ms. KING: Second.

Speaker BERGSTROM: Moved and second. All those in favor, say "Aye."
Opposed?

(Motion carried.)

Speaker BERGSTROM: You should have received a copy of the Journal of March 9th, 2014.

Ms. MCAULIFFE: Move approval.

Speaker BERGSTROM: Are we -- is that the last Journal we have; March 19th?

Clerk O'CONNELL: It should be April 2nd.

Speaker BERGSTROM: It should be April 2nd. Okay. So we'll amend the

Calendar. Okay.

You should have received a copy of the Journal of April 2, 2014. Any additions or corrections to the Journal?

Hearing none. All those in favor say "Aye."

Mr. ANDERSON: One abstention.

Speaker BERGSTROM: One abstention. Okay.

(Motion carried.)

Communications from the Board of Regional Commissioners

Speaker BERGSTROM: We now have Communications from the Board of Regional Commissioners. I see one of the Commissioners present. What have you got to tell us?

Don't be shy.

Mr. MARK ZIELINSKI: Good afternoon, Assembly Delegates. I'm here actually to talk about the budget, but there's one thing I did want to mention and make sure you're all invited to. There's two things going on next Wednesday, and they are in honor of National County Government Month, that's the month of April.

And the two things are at 10:30 at the new Health Lab, we're going to do a little ribbon cutting and grand opening and a little tour. So that's at 10:30 and you're all, of course, invited, and I encourage you to attend and see the new Health Lab.

That's next Wednesday, April 23 at 10:30. And then we'll do a little tour and you can see what's going on in the Health Lab. And that's also the new Health and Human Service -- Human Services Offices are upstairs there, so you can see all of that.

And then immediately following at 11 o'clock, we're going to have an open house in the Harborview Conference Room. We're going to have a bunch of tables set up with featuring County government services that we offer. The Fire Training Academy will have a couple of props and a couple of their things set up outside, but inside we'll have some tables and some information and some demonstrations. And it's really geared towards the kids because it's actually school vacation week, so we've been doing a lot of work to invite school kids from around the area to come and see some of the things that we do. Hopefully it will be a good time. There will be some snacks and some refreshments available.

So we encourage everybody to attend, not just you, the Delegates, but anybody watching out there in TV land.

So I wanted you to know about that. So, I don't know if you have anything?

Commissioner LYONS: I really have nothing to report. I think you're going to be reviewing different parts of the budget today, and, hopefully, your questions will be answered.

But I did want to let you know that we did sign a position paper on Pilgrim today, the three Commissioners. We met with the Downwinders last week. They asked us to consider a proposal they put before us. And both Commissioner Doherty and I did feel that it was a little weak, that it should have been stronger. And my issue is that I think it's unacceptable to think that if there is an episode at the plant then we are sheltering in place.

You know when this country is under attack or if something drastic happens, it seems to me that a lot of military and people in planes know exactly what to do. And we go into a lockdown mode and there is a plan that is activated. I think that between airlines and ferries

and different modes of water and air transportation, I think it's unacceptable to say that we would have to stay here. Especially, I'm sure, during such an episode there would be private jets coming in to take some people off this berg and leave the rest of us behind.

So that is basically what we were impressing upon this proposal that we sent to the NRC and to Entergy and the Governor and our delegation. So, a copy of that will be online.

So I just wanted to inform you of that, that position was taken.

Speaker BERGSTROM: That brings up an interesting point is that when the Assembly takes a position on the issue, we usually do it in the form of a Resolution, which then goes to the County Commissioners for your approval.

But, apparently, the County Commissioners can file off these little cents of the Counties without any -- going by us; is that what I understand -- my understanding?

Commissioner LYONS: I guess that's the privilege of executive authority.

Speaker BERGSTROM: Well, we'll have to bring that up with the Charter Review Committee when we meet.

Commissioner LYONS: That's fine.

Speaker BERGSTROM: We'll see whether that passes muster. But, anyway, that being said, anybody have any questions for our erstwhile Commissioner here?

Commissioner LYONS: Erstwhile.

Mr. MARK ZIELINSKI: Wow.

Speaker BERGSTROM: Okay. Well, in that case, I guess we'll move on to the budget presentation, Mark.

Commissioner LYONS: Thank you.

Mr. MARK ZIELINSKI: Saving all your venom; huh?

Commissioner LYONS: Take a deep breath.

Mr. MARK ZIELINSKI: Oh, so I'm on; huh? I'm sorry. Well, I'm here to I think answer any questions that people may have on the budget.

I would say we just had the Public Hearing on the budget, or the Finance Committee just held a Public Hearing on the budget. And I thought we had a good discussion about some ancillary questions that came up after the Public Hearing closed. I thought that that was very helpful and very informative.

And we had a packed house here, but it was a packed house of department managers. And they were attending in case anybody had any questions to answer.

I think based on the nature of the discussion we had starting at two, most of them had filtered out. There's probably a couple behind me that are still here and may be ready to answer any questions that you may have in areas of the budget that they have expertise in.

Speaker BERGSTROM: Yeah, Mark, the reason I asked you here is because in the past few years what's happened is that the Assembly gets a budget -- the Finance Committee's recommendation on the day that we vote on the budget, and, often times, they have questions and they feel that they haven't had an opportunity to directly ask those question if something came up.

So I just thought I would give the Assembly a question -- I assume they've all reviewed the budget in detail over these last few weeks.

If you want -- if I want, I could call on John. Do you want to give us a preliminary review of your options today?

Mr. OHMAN: Sure. At 2 p.m., we held a concurrent Public Hearing with the

Finance Committee and the Finance Committee actually Committee hearing. The Department heads were all present.

The two department heads the came under the most questioning were Health and Human Services and IT. And I would like to know we asked the IT director to come back; his name is Billy Traverse, come back and answer any questions because that seemed to be the most contentious part of the budget throughout the 15-member Assembly.

The other part was in Health and Human Services. The main contention was about salary increases with the Human Rights Commission, and it was answered fairly succinctly by learning that there was an RFP put out and it's put out every three years, for the Director of the Health -- Human Rights Commission to apply for their job. And she asked for a salary increase to \$28 an hour from, if I'm not mistaken, \$25 which was in our budget was there was no increase in hours, but there was an increase in salary. And that's what it was. It was an increase per hour for the director.

Another part was with IT. It was -- we had a further explanation for us, technically-challenged people, from the Director of IT on why we're spending so much money on contractual services for information from Microsoft. In other words, they give us X amount of licenses and they will update them and coordinate them and keep them going for a five-year period.

And we were mostly satisfied with that, but we asked them to come back to make sure that the entire Assembly would be satisfied with his answers at that point in time. But it was pretty interesting and it's basically more of big corporations' rules and the rest of us rule.

That's what I got out of it mostly is that Microsoft wins because they're the best game in town if you want to have the best product in town.

Speaker BERGSTROM: Okay.

Mr. OHMAN: And the Finance Committee did vote 4 to 0 to extend the budget as presented to the full Assembly.

Mr. MARK ZIELINSKI: If I might, Mr. Speaker?

Speaker BERGSTROM: Sure.

Mr. MARK ZIELINSKI: Just to add to that, I think also, John, the other take away I thought it was an important one sort of in our whole decision-making process and this whole Microsoft licensing thing was there's sort of a couple ways to do it. And the one that we propose we think is the cheaper one, there's sort of economies of scale available if you do things in a certain way.

And we think over the long-term you're going to pay Microsoft one way or another, and the way we picked we think is the cheaper way of doing it.

Mr. OHMAN: Actually, more bang for the buck.

Mr. MARK ZIELINSKI: Yes.

Mr. OHMAN: You get more services per 310 users is what we're going to be licensing as opposed to now. We don't really know how many current licenses we have, and we don't know when they end but they don't end at the same time. They don't have the cross current of availability to go from license to license -- licensing agreement to licensing agreement. Some end earlier, some, again, I'm a little over my head on some of this, but some of them end early and some do not. They do not cross reference easily.

So this will get everybody on the same page with all the same updates at all the same time and have insurance that that will go forward for the next five years.

Speaker BERGSTROM: Okay. Anyone else have any -- Yes, Suzanne.

Ms. MCAULIFFE: Just to review the Director for the Human Rights Commission. The presentation that was given to us was the \$5.00 per hour increase in salary.

Mr. MARK ZIELINSKI: Right.

Ms. MCAULIFFE: And that came out to a 25 percent increase in her salary. So I was -- and my question was when you're looking at department heads that the County needs to have some consistency in terms of -- I know this is not a County employee, but I also hesitate to support something that really might be very much out of the range of regular department heads.

I know you did -- I just understand that you did an RFP for what the salary should have been, so you're saying that she came in very underpaid and was working very underpaid for a long time?

Mr. MARK ZIELINSKI: Well that's what I would -- I don't know the history of her salary of the top of my head, but I would say there probably hasn't been an increase in a number of years because I think that budget has pretty much stayed steady.

Ms. MCAULIFFE: But I don't think she's been here for a number of years.

Mr. MARK ZIELINSKI: No, but there's been an administrator in that position and that's really the position were talking about.

Ms. MCAULIFFE: Because her position was relatively new, so I don't know. My question is just in terms of the big picture, if you have salary increases that are disproportionate to personnel, you can run into trouble.

Speaker BERGSTROM: Yes, Julia.

Ms. TAYLOR: Well, I think that it was a little more complicated than that one. Yes, the salary had been set, but there's also the issue that the employees in that position including the current one usually work considerably more hours than they're contracted for. And their reasons for not changing the hours is because you then would have to go to a new contract and that can get very complicated.

And so as a way of making their pay be more in-line with the actual work, this was an easier way to do it. And I don't think it would be seen as an example or an in conflict with the way full-time employees or even hourly wage employees of the County are treated.

Ms. MCAULIFFE: Mr. Speaker.

Speaker BERGSTROM: Sure.

Ms. MCAULIFFE: During the presentation to us, it was represented by this particular person that they work part-time hours and they had no interest in working any more than part-time hours.

So regardless of whether there's this informal they will do more work than they say they do, the point was it was a part-time position and the person had no interest in increasing the hours but wanted to get paid more for doing the work.

Ms. TAYLOR: But the one reason there is no interest in increasing the hours is because that would put the position into an entirely different category which would have to be contracted for in a different way. And, so, that employee has no interest in that, yes.

Speaker BERGSTROM: Leo.

Mr. CAKOUNES: I'll even muddy the waters some more. You people keep saying "the employee" and you keep saying "the position." This is not a position of the County government. This is a contracted service.

So an RFP was put out under the Section 30 of Massachusetts General Law looking for someone to fill this contracted service and that figure was then put on it.

So it is different, although I understand your argument in comparing it to County employees, this is not a County employee. This is someone who -- an agency that we are contracting their service for. We do not have really control other than when the RFP went out to put the RFP out for a lot less money, that this is not -- it's not an employee, so we have to kind of understand that.

If you're thinking about amending the budget or thinking about changing this, I think it's going to be a little bit more difficult than just cutting an employee's salary because that's not it. There is, once again, a contracted service line item.

I missed -- I brought up the last time we talked about this a different situation, and I'll clarify that after we're done speaking with this if you want. I found the answer to my question about that missing 70,000, but I don't want to combine the two until we're done speaking about this particular position.

Once again, my figures show that it's an increase of 37,900 to 41,250, an increase of \$3,400.

Speaker BERGSTROM: Okay. Mark, when you contract like that, do you contract as of the beginning of the fiscal year? Do you do it during the year? I mean how do you -- in other words, I'm saying is that if you contract -- you send out a contract and that contract shows up in our budget, how do you know we won't gasp and say we can't do it or something like that.

Mr. MARK ZIELINSKI: Well, any time we do a contract at the County, there's typically subject to appropriation language. I mean any municipality will have that kind of language. So if you don't fund it, it doesn't get paid.

Typically a contract would be for July 1 to June 30, but often times especially these types of contracts where it's for a service or a professional service it starts when the RFP is issued and then that takes time and blah, blah, blah, all the steps have to happen.

So, typically, a professional services contract won't necessarily be on a July 1 contract. It could be any time.

Speaker BERGSTROM: All right. Are there any other questions on this or anything else? Yes, Suzanne.

Ms. MCAULIFFE: Just a general comment. It's very challenging to try and have oversight over a County budget when there are departments that you don't have authority over. Yet, I think a lot of us very eagerly and continually do weigh in on areas where we don't have authority, whether it's CLC and CVEC, whether it's the Cape Cod Commission. Even though we don't have authority over this budget, I think it is appropriate as a legislative body to have an opinion and to express it whether you have authority over it or not. I think that just kind of dismissing it is not necessarily in the best interest of everyone. I think everyone deserves our feedback. Thank you.

Speaker BERGSTROM: Okay. Yes, Leo.

Mr. CAKOUNES: The last time this came up, and I did bring up back on page 206 of your budget, there was budgeted 321,552 under Salary and Wages. And if you go to page 207, there's only allocated 1, 2, 3, 4 positions of 253,505, some \$70,000 -- actually, it was 68,077 which was a discrepancy.

Through our Public Hearing today and our Finance Committee meeting that Mark

was at, I did get that question answered. The \$68,077 is, in fact, listed on page 208 under the SHINE Program. And for those of you that remember, SHINE was being run elsewhere. We allocated some funds to bring the entire SHINE program under the auspice of County government.

So you will see or you should have seen on page 207 an additional line item saying SHINE and then allocating the 68,077.

I do also want to bring to the attention that on page 206 under the Grant Funds, the last year's or the anticipated budget for 2014 was 60,000. We now have proposed grants coming in at 102,594. That does, in fact, reflect the 68,077 grant that comes into the County to cover the SHINE program.

So because I brought that up last month or last meeting, I just wanted to clarify that if any of you still had any questions on that.

And if I may briefly, just in regards to the last thing, I by no means feel that we don't have authority over changing the contract service line item, but it was just continually mentioned that this is a part-time employee and that's what I was trying to specify; this is not a part-time employee.

If this particular service contract so desires to work one hour a week, as long as they fulfill their terms of the contract, they will get paid \$41,250. Obviously, that's an exaggeration, but this is not a part-time employee. That was my only clarification on that. I certainly didn't mean that we don't have the authority to scratch it if you want to, by all means, but it doesn't fall under employees. That was my only comment.

Thank you.

Speaker BERGSTROM: You know, Mark, I want to bring up something I just discussed because this hasn't come up before. By the way, I think the raise in that contract is fine. I don't have any problem with it.

But if you sign a contract -- I'm thinking if you sign a contract with someone that presumes an appropriation, and that contract is signed in the middle of the year, you're really putting them in the position of saying -- because the County is committing itself. A contract is an agreement between two parties and, yet, you're making that agreement with the language that is subject to appropriation which means that we could -- let's say we didn't like it, we could refuse to appropriate it which wouldn't be fair to the person signing the contract. I don't even know if it would be legal, you know.

So I would hope that in the future if a contract is signed before it takes effect during the fiscal year that you would come to the Assembly and that we would approve the contract with the understanding that now we are committing the County to this contract and to finance in the contract.

Mr. MARK ZIELINSKI: I think, Ron, you're sort of shifting the cart and the horse a little bit. So, for example, let's say right now I didn't have anything for the Human Rights Administrator --

Speaker BERGSTROM: Right.

Mr. MARK ZIELINSKI: -- I couldn't issue an RFP because I don't have -- and I couldn't start even on a contract because I don't have any appropriation for it.

Speaker BERGSTROM: Right.

Mr. MARK ZIELINSKI: So assuming this passes in its current form, on July 1, I'll have -- what was the number -- 41,250, I think.

Speaker BERGSTROM: Right.

Mr. MARK ZIELINSKI: So on July 1, I know you've approved the budget of \$41,250. So I will put together an RFP saying blah, blah, blah, we want this service, blah, blah, blah. Somebody will bid on it, and say they bid 41,250. Then I will put a contract which has a start date and an end date, and that start date and end date will be one year because I really have one year of funding.

Speaker BERGSTROM: Right.

Mr. MARK ZIELINSKI: And I'll put in a PO into the MUNIS system that encumbers that 41,250. So it will be there.

Speaker BERGSTROM: Well, I understand that but you sign a contract let's say in December or something like that to commit to. Could you commit those funds before --

Mr. MARK ZIELINSKI: I could, say on July 1, you've appropriated this 41,250.

Speaker BERGSTROM: Right.

Mr. MARK ZIELINSKI: But for whatever reason, we didn't do anything until December 30 and -- June 30 of 2014, I could sign the contract on that day because I still have the appropriation and encumber the money.

Speaker BERGSTROM: So you wouldn't sign a contract with someone for a supplier that you wouldn't have previous appropriations for?

Mr. MARK ZIELINSKI: Correct. You can't do that.

Speaker BERGSTROM: Okay. That's what I'm getting at.

Mr. MARK ZIELINSKI: Yeah, you can't do that; right. If you don't have money to pay, you can't sign the contract.

Speaker BERGSTROM: But you could come to us and say, "We want a contract for an extra, you know, employer, we could transfer those funds during the course of the year?"

Mr. MARK ZIELINSKI: If I wanted a supplemental --

Speaker BERGSTROM: Yes.

Mr. MARK ZIELINSKI: -- or one of the transfer things, we could do all of those types of things.

Speaker BERGSTROM: The other question I have for you is we're now into the fourth quarter of fiscal 2014. Have you got any word on the income, the revenues? Are they running again -- are they running above/below or?

Mr. MARK ZIELINSKI: They're running a little bit above but not as above as they were a couple months ago, yes.

Speaker BERGSTROM: A couple months ago, yes.

Mr. MARK ZIELINSKI: It has slowed down over at the Registry of Deeds. The good news is I believe by the end of this year we'll actually make -- we'll make more than what we've budgeted this year and we'll make up to the level that we are proposing in this budget.

So even if we were flat going forward, next year would still be all right. That's the good news. Does that make sense?

Speaker BERGSTROM: So you're saying that the -- that what we're budgeting for for this coming fiscal year 2015 will make up -- even if we --

Mr. MARK ZIELINSKI: I'm saying we'll probably collect that level, that amount for 2014. So even if going forward into 2015 you're flat, you'll be all right.

Speaker BERGSTROM: I understand. Right. So even if we do not -- even if we did

not have an increase in revenue over this year, we would still cover the budget.

Mr. MARK ZIELINSKI: You'll be all right. Exactly, yeah.

Speaker BERGSTROM: I know these are throwing darts at the board but what are you going to do.

Mr. MARK ZIELINSKI: Our darts have been pretty good, haven't been way off.

Ms. MCAULIFFE: Just a final question. If you issue an RFP then on an annual basis, that doesn't necessarily mean that whoever's in that position will have that job the next year.

Commissioner LYONS: That's correct.

Ms. MCAULIFFE: So let's say if it's an annual contract, then whoever bids on this job for next year it might not be the same person.

Commissioner LYONS: Right.

Mr. MARK ZIELINSKI: Well I think on this particular one, Beth said that it's a contract, so it's with a person, so yes. And then there was two optional renewals which you can do under Mass. General Law Chapter 30(b).

Ms. MCAULIFFE: So this isn't an RFP then; it's an optional renewal?

Mr. MARK ZIELINSKI: No. They did an RFP and the RFP included a clause that you can renew the contract if you're satisfied with the service on an annual basis for two additional years. So it could be a three-year contract.

Ms. MCAULIFFE: Okay. So you're then issuing a new RFP then this year or is this a renewal of --

Mr. MARK ZIELINSKI: If you're satisfied with the service that that person provides, you do not have to reissue an RFP. You can renew the contract.

Ms. MCAULIFFE: Okay. So I'm asking specifically about the person who is in the position now; is this going to be a renewal of a satisfactory position?

Mr. CAKOUNES: What year are they in now?

Ms. MCAULIFFE: What years --

Mr. MARK ZIELINSKI: I don't know off the top of my head.

Commissioner LYONS: They're in their second year. This is their second year.

Mr. MARK ZIELINSKI: I assume they're satisfied but I can't --

Ms. MCAULIFFE: So this, technically, isn't an RFP going out then. It's just a renewal.

Commissioner LYONS: Right.

Ms. MCAULIFFE: Okay.

Commissioner LYONS: Right. And if there was an official change of staff, you know, then it may constitute a new RFP but that's why it's --

Mr. MARK ZIELINSKI: I think the notion was that we did an RFP for the initial procurement and that's what we have to do.

Commissioner LYONS: Right. And that's what we're going to do.

Speaker BERGSTROM: And that's at the County's discretion as to whether we want to renew?

Mr. MARK ZIELINSKI: I believe it would be upon the recommendation of the Human Rights Commission.

Speaker BERGSTROM: Okay. Yes. You animated Marcia.

Ms. KING: Because you just said something, Sheila, that -- so this is not an

automatic renewal -- the one-year contract had two renewals. We're not changing the salary.

Was the salary in the contract? How are you doing that? Or it was just the full dollar value with X. So you just -- I'll give you -- your RFP is \$40,000. They could do it in four hours a week or they could do it in 30 hours a week.

Commissioner LYONS: (Nodding.)

Ms. KING: Okay. That's an interesting way to do it.

Commissioner LYONS: Well, hopefully, they're using 40 hours but they don't have to be at a desk 9 to 5. They could do it --

Speaker BERGSTROM: Excuse me, but this is being recorded. So if you -- you should --

Commissioner LYONS: I apologize. I think 40 hours is 40 hours. It's when you do those 40 hours is your discretion, you know.

Ms. KING: But then explain to me what the issue is with -- is the person already in the position that wants an increase in salary?

Commissioner LYONS: She feels that it takes more hours to do the work. There was more work than she --

Ms. KING: No, I disagree with that. I was here and she said there was no more hours; she wanted more money per hour.

Commissioner LYONS: Yes.

Ms. KING: So I disagree with that statement.

Commissioner LYONS: Okay. So --

Ms. KING: It isn't more hours. I think if it was more hours, I think there might be a whole different discussion.

Commissioner LYONS: Right.

Ms. KING: So say she worked 20 hours --

Ms. TAYLOR: I thought I made that clear. I'm sorry.

Ms. KING: -- the person works 20 hours --

Commissioner LYONS: Am I right?

Mr. MARK ZIELINSKI: You know, I foolishly said to Beth that she could leave because you're not going to talk about this. You're going to talk about the Microsoft thing.

Commissioner LYONS: Right. That's exactly right.

Mr. MARK ZIELINSKI: So that was foolish of me.

Commissioner LYONS: But I think what Beth said is that it turned out to be more work. To up the hours, you would have to issue a new RFP. If you wanted to increase the salary, you could without; am I correct?

Ms. TAYLOR: Yes.

Commissioner LYONS: And you could --

Mr. MARK ZIELINSKI: I wasn't part of that discussion so I have no idea.

Commissioner LYONS: I think that's what I understood her to say. So, again, she is not the person.

Speaker BERGSTROM: Julia, wants to reiterate what she said.

Ms. TAYLOR: The real issue was if you didn't want to issue a new RFP, which would be a whole new --

Commissioner LYONS: Be a whole new ball game.

Ms. TAYLOR: -- much more complicated procedure which has its costs, never mind the employee or the person that's getting contracted --

Commissioner LYONS: And the employee might not get the job.

Ms. TAYLOR: -- then the only way that you would have to do that if you make certain changes. Increasing this amount of money for the contract did not require a new RFP.

But if you change the terms of the contract, such as services provided, hours, etc., that would require the new RFP.

Mr. MARK ZIELINSKI: Julia's absolutely correct. You can change the contract amount up to 10 percent without having to do a new RFP under 30(b).

Ms. TAYLOR: This is why it's done this way. That's why she said she didn't want more --

Commissioner LYONS: Right. That's why she said that.

Ms. TAYLOR: That's why she said she didn't want more hours because she didn't want to change the RFP

Commissioner LYONS: Because then it goes out and maybe there will be other people bidding.

Ms. KING: Right.

Commissioner LYONS: Not a bad thing.

Mr. ANDERSON: But if you raise the contract by 11 percent --

Ms. TAYLOR: Then you'd have a new RFP.

Speaker BERGSTROM: Okay. Now is there anything -- anybody else have any questions on the budget? Looks like we're all there.

Mr. OHMAN: Well there's lot of questions.

Speaker BERGSTROM: This includes the 2-1/2 percent increase on the assessment to the towns?

Mr. MARK ZIELINSKI: Yes, it does on both the County tax and the Cape Cod Commission assessment.

Mr. CAKOUNES: At the Finance Committee in the Public Hearing, we had a very lengthy discussion --

Speaker BERGSTROM: Guys.

Mr. CAKOUNES: -- in regards to the IT Department and their request for the \$300,000-plus for the Microsoft service agreement purchase.

At one point, I did ask you, Mr. Speaker, that maybe we should have the IT Department come in front of the Assembly, the entire Assembly, to put to rest any questions they may have on that quite large part of the budget.

Mark is here now. I see our IT Director is in the audience. I certainly was privy from 2 o'clock till 4 o'clock to be able to ask questions and feel comfortable myself. But I would like to just remind the members that now is the time because I do not believe, Mr. Speaker, you have our IT Director scheduled to come in front of us for a full presentation; is that correct?

Mr. OHMAN: Before the budget is approved.

Mr. CAKOUNES: Before the budget is approved.

Speaker BERGSTROM: If there had been an issue, he certainly could have, but, no, I want to make him available to answer questions. I don't know enough about IT to ask intelligent questions but if anybody else has anything that they want to ask, that's fine.

Yes, Cheryl.

Ms. ANDREWS: It has nothing to do with IT. I just heard you say something very quickly, and either I misheard you or its news.

I did hear from various members of committees that this budget proposes a 2-1/2 increase in the environmental tax, but I didn't hear anything about stamps being touched. But I just heard you say "stamps."

Mr. MARK ZIELINSKI: Just to clarify. So, when Ron's question and my understanding was he asked about the County tax and the Cape Cod Environmental Protection Fund tax. So the County tax is a statutory tax. It's about \$3 million now, and the Cape Cod Commission is about the same level, a little bit higher than that, and those statutorily can go up to a limit of 2-1/2 percent. But that's different and completely distinct from the deeds assessment that you're talking about.

Ms. ANDREWS: Right.

Mr. MARK ZIELINSKI: Where we had proposed no increase in the rate of the deeds tax.

Ms. ANDREWS: Okay.

Mr. MARK ZIELINSKI: We think we'll collect a little bit more money but the rate will stay the same.

Speaker BERGSTROM: Just for the education about a few of you who haven't been here. For quite a while, the County did not increase the assessment on the towns by 2-1/2 percent. And we found out, much to our dismay, that if you don't do it every year, you can't go back. This is what I understood. You could only -- you had to start from the same level.

So as time went on, we lost ground. So we began, I think, about three years ago/four years ago.

Ms. KING: No, more than that.

Mr. MARK ZIELINSKI: More than that. We went through a period of having the surplus. Remember all the fun we used to have with surplus?

Speaker BERGSTROM: It's a fond memory, Mark.

Mr. MARK ZIELINSKI: Those were fun times; right? Maybe we'll get back to those someday. We sort of have a policy where we didn't increase the County tax assessments. But the Cape Cod Commission one always went up every year because that's really a main revenue source of the Commission.

And we estimated that over those years that we didn't increase at 2-1/2 percent, it would be about a \$1 million higher today that it actually is. So it's about a \$1 million a year that it cost us.

Speaker BERGSTROM: All right. Is everybody happy? Are we ready to vote on this budget coming in two weeks, May 7? All right. Thanks a lot, Mark.

Mr. CAKOUNES: He's off the hook.

Ms. ANDREWS: All right. I'm going to ask a question.

Speaker BERGSTROM: Okay. Ask your question.

Mr. MARK ZIELINSKI: Too late.

Mr. CAKOUNES: You were almost gone.

Ms. ANDREWS: Mark, it's true. The reason why I hesitated so much because it's really a broad-based question on a big issue facing the towns, and I had mentioned it to the some of the Finance Committee members and that was about OPEB. And your answer to me

was that in this budget it wasn't funded.

And I guess I was just wondering is there any way for you to comment on why when you make recommendations to the County Commissioners you're not pushing funding that as opposed to say my town's Finance Committee that this is all they talk about, and I'm curious why your position's different.

Mr. MARK ZIELINSKI: Well, I'm happy to say there's been some progress today. I got an OPEB button from John. So it says "I GASB at OPEB." And I'm not sure whether that's supposed to mean (gasp demonstrated) gasp like that or.

I think it's the same reason that any other municipality in the state, for that matter, has been sort of -- I don't think the right word is "reluctant." It's do I, in a municipalities case, do I take a policemen off the street to fund that? Do I take a fireman out of the fire house to fund that? Or for some sort of relatively nebulous thing that you can't point to as a service.

So the question is is do you actually do services or do you pay into this nebulous fund? That's the delay in people facing up to this OPEB challenge.

Having said that, we recognize that it's time to get to that point, and we know at the end of this year we're going to have to, assuming we have some money left, put some money aside to deal with it. And deal with it in the future.

And one of the options is there, and we haven't decided if we're going to do this, is we're going to be involved in some of the net metering credits from some of the PV systems.

And we're thinking maybe we put aside some of that every year to start funding this obligation that we have. And I think many of the towns aren't doing that at this point in time. They're just starting to face-up to the obligation. I don't think there's anybody, maybe Wellesley, but I'm not even sure about that, who are actually funding their annually required contributions. That's not what they call it anymore but that's what it used to be, the ARC.

Commissioner LYONS: Falmouth just did it.

Mr. MARK ZIELINSKI: But there aren't too many. You know, our level would be \$4.5 million every year for 20 -- basically for 20 years that you'd have to put aside. That's a lot of money. I don't know too many who are dedicating that level of obligation to funding this because it's a budget buster.

Speaker BERGSTROM: Mark, just a follow-up on this. I mean let's put our cards on the table. Are the County and the municipalities sitting back hoping that someday somebody will come to their rescue, either the state or the federal government?

Mr. MARK ZIELINSKI: No.

Commissioner LYONS: No.

Mr. MARK ZIELINSKI: No, because that's not going to happen. That's absolutely not going to happen.

Speaker BERGSTROM: So we have a liability --

Mr. MARK ZIELINSKI: This is what you get from the state, and they, you know, on their behalf, they did a good thing. They gave us the opportunity to invest in a fund where you can actually earn a decent return.

And they set this up in parallel with the PRIT Fund, the Pension Reserve Investment Trust, is really the state seeded it for their own obligation with tobacco settlement money. I think, and don't quote me on this number, I think they used like \$300 million on tobacco settlement.

But they seeded this fund. It mirrors the PRIT Fund, and that is in the same asset

allocation. And last year that fund for the pension reserves returned 14.2 percent.

So I know there's a number of towns that have signed up for that. I don't know if there's any on the Cape, but I think there's a least a dozen or so municipalities in Massachusetts that have signed up to deposit their whatever they put aside into that fund. And that would be wise on our behalf too.

Speaker BERGSTROM: And you're on the Barnstable County -- you're still in the Barnstable County Retirement Board?

Mr. MARK ZIELINSKI: Yes.

Speaker BERGSTROM: Now when does it become critical, in other words, are you looking at a date 5-10 years when they basically, the pension's going to run a deficit?

Mr. MARK ZIELINSKI: No. You have to be careful about talking about pensions in Massachusetts and drawing the parallels to all of these doomsday scenarios you hear in Rhode Island and Illinois and Detroit.

There's one majorly difference to the pension system in Massachusetts. You're required to pay your assessment every year. Many of these other places, surprisingly, and it sounds strange, they're not required to pay. So when times are tough, you don't pay.

In Massachusetts, you have to pay whether times are tough or not, the pension system and the laws governing it, they don't care; you have to pay. And so that puts us in a distinct advantage.

There's been a number of reforms passed over the past five or however many years they've been dealing with this in Boston. So I think we are in a good situation. We're on a schedule to pay down the unfunded pension liability. That schedule is as of 2038.

And don't forget, we were just talking about this earlier, the pension system used to be pay-as-you-go just like the health insurance retiree system is now. And it wasn't that long ago that it was a pay-as-you-go system, the pension system; 1984 I think is when those reforms were passed by the state legislature. So that's not very long ago at all.

So it takes time then for all of those built-up liabilities to be paid down and that will happen.

Speaker BERGSTROM: Okay. Yes, Julia.

Ms. TAYLOR: Well, Mark, is there any talk in your circles of a state-required health benefit fund contribution-like funding the pensions? Are they talking about maybe they're going to try to do that for the health benefits?

Mr. MARK ZIELINSKI: I think, Julia, I'd say, unfortunately, they're really not. I think in a couple of those reform efforts at the retirement level, they probably missed an opportunity to maybe fold some of this in at some point. You know they had extended the funding schedule there for a while. There was probably some opportunities to try to do something and they didn't.

And it's because from the state's perspective it's your problem, not -- they have their own problem for it and they're using the tobacco money to pay for it. But it's sort of an individual municipal units' problem to deal with.

I would say that short of coming at it from a different perspective, you know they had filed that legislation, it was age 59, and it was to make a retirees' health insurance contribution benefit commensurate with their years of service basically. And that did not get a very good reception in the hearings as had sort of been pushed off a little bit.

Speaker BERGSTROM: What's the acronym for that? Is there an acronym?

Mr. MARK ZIELINSKI: I forget what they call it, but it was basically if you retire with 30 years of service and your municipality such as Barnstable County got 75 percent contribution rate, you got the 75 percent contribution rate. But if you retired with 10 years of service, actually under the proposed rule, you weren't even eligible.

So it didn't receive a very good -- it wasn't a good reception. I think they're relooking at it, but you can expect something to come back that will match retirees' contribution rates with their years of service. It would probably be a better option in terms of more beneficial for the retiree, but something is going to happen, I'm sure of that over the next couple years.

Speaker BERGSTROM: Okay. Yes, John.

Mr. OHMAN: It's sort of incredulous that we haven't talked about IT, but we do have all the talent here to talk about it. I did want to give you a general question to see if it gets the ball rolling.

Could you tell us if the budget passes intact, the Microsoft Enterprise Agreement is about \$319,000 a year and it covers approximately 310 employees of the County, employees and other -- several members of the County structure? Can you give us sort of a general breakdown of how many employees you've had, how many people from other organizations that are tangentially affiliated with the County? Could you break down that 310 for me?

WILLIAM TRAVERSE: Out of the 310, I might have to get back to you on that. Some of that quantity is, obviously, the Cape Cod Commission is a big department so that's 40 or so. That's the easiest one of the bunch. Everything else is kind of divided up fairly evenly. AmeriCorps as you mentioned with the AmeriCorps members, with RDO, that's another decent batch.

Mr. OHMAN: Thirty-two.

WILLIAM TRAVERSE: Nice. Thank you.

Mr. MARK ZIELINSKI: That doesn't include RDO though, John.

Mr. OHMAN: No.

Mr. MARK ZIELINSKI: I'd say CLC's maybe 18, somewhere in that neighborhood.

Speaker BERGSTROM: I've got a question for you. What's the length of this contract?

WILLIAM TRAVERSE: It's indefinite.

Speaker BERGSTROM: Okay.

WILLIAM TRAVERSE: It can go on for as long as you want it to drag out to. The first three years are the years that you pay for the actual licenses. After that, you paid -- usually from what I've seen, I don't want to guarantee anything, it drops to about half of that so it would be right around 150-160 or something perpetually after that for as long as you want to extend the benefits of the agreement.

Speaker BERGSTROM: Yeah, I'm just concerned about -- not concerned, but I mean at some point what's our flexibility in this? I mean I have, you know, I sign a contract with my cable supplier and it sounds good in the beginning, but then as time goes on, he bumps me up 20 bucks a month and so on and so forth.

WILLIAM TRAVERSE: Right.

Commissioner LYONS: Really?

Speaker BERGSTROM: But how flexible is the County if this guy -- if we start getting charged up, you know, charged, could we switch the contract to somebody else?

WILLIAM TRAVERSE: One of the good selling points of the agreement is that they can't do anything to the price. They seldom drop it, but it locks in prices for all these products too. So that's one of the reasons people do that.

Speaker BERGSTROM: But also just for the length of the contract.

WILLIAM TRAVERSE: Yeah, exactly.

Speaker BERGSTROM: Which is?

WILLIAM TRAVERSE: Indefinitely.

Speaker BERGSTROM: Indefinitely. Oh, okay.

WILLIAM TRAVERSE: Yeah.

Mr. CAKOUNES: We can get out too.

WILLIAM TRAVERSE: Yeah, and that's the other part of it is we can bail out as well. And you'll keep -- I think the example I used earlier if we cancel or we back out after \ year one, it's a three-year payment for the licenses so we'll get one-third of the licenses.

Speaker BERGSTROM: It seems strange that the company would sign a contract saying their price would stay the same indefinitely. I mean we could have the contract for 50 years.

WILLIAM TRAVERSE: I'm sure there's something as time goes on when you get five years down the road there's going to be shift in technology where you're going to have to do a different enrollment or something like that for a different product. They'll get you.

Speaker BERGSTROM: Not that I don't trust these guys. They are a monopoly.

WILLIAM TRAVERSE: Right.

Speaker BERGSTROM: Yeah, Cheryl.

Ms. ANDREWS: I think you've caught on from the gist of some of my questions. I'm always just trying to compare the size of the problem to some of the municipalities.

If I'm hearing correctly, any town that has the same number of employees as the County does, should it expect this kind of a bill as well? And, if not, why? What's the difference between our issue?

WILLIAM TRAVERSE: It depends on how an individual town wants to handle it. consistent to one level and be completely compliant across the board and not have to worry about people being on different versions and different places on unlicensed versions, God forbid.

But it ultimately comes down to that. I can't really make any judgments as to why another organization does something differently. If they fit the bill though, if they're in that user base, if 250 is the minimum and upwards, there's a certain threshold as I mentioned earlier too where these large multi-national companies that don't need complete uniformity across the board, is not advantageous for them to do these sorts of agreements.

And I can actually elaborate a little further on other municipalities too. Since I just talked with a rep from Microsoft about this recently, and other towns could conceivably use our agreement to have their own enrollment underneath it. So they could get the pricing benefits through our initial agreement. And they'd have the flexibility of using a different vendor but that's kind of an aside. I just figured it was on the same topic.

Speaker BERGSTROM: Ned, did you want to say something?

Mr. HITCHCOCK: Yeah, in our earlier discussion, it became clear that this contract and this budget refers only to the County. It does not refer to the towns. This is not a service at this point for the towns. It's a service for the County, and the towns may be able to buy

into it but not at this stage.

Commissioner LYONS: That's correct.

Mr. HITCHCOCK: These guys, their goal is to get the County under control, I'd guess you'd say.

Commissioner LYONS: Yes, that's right.

Mr. HITCHCOCK: And I think that's an important thing to be aware of and to know.

WILLIAM TRAVERSE: Thank you.

Mr. HITCHCOCK: You're welcome.

Speaker BERGSTROM: Julia, did you have something to say?

Ms. TAYLOR: No. I was just going to question we didn't hear about that earlier, so that theoretically we could hold the license that would mean that people who had under 250 might be able to be used, and we'd then be doing 500 and payoffs or something like that?

WILLIAM TRAVERSE: That would be -- I don't want to get too far into the legality of it. There's companies out there that specialize in Microsoft Enterprise Agreement negotiating. So it's a pretty complicated topic.

Speaker BERGSTROM: All right. Well --

Commissioner LYONS: So is it the bottom line that the towns could benefit under our agreements, that they wouldn't have to purchase the agreement? We would be able to put them -- is that the bottom?

WILLIAM TRAVERSE: Yes, that's what I was told.

Commissioner LYONS: Am I understanding that right?

WILLIAM TRAVERSE: Yeah, that's what I was told.

Speaker BERGSTROM: Okay. Well why don't we give John -- John, did you want to get in here?

Mr. OHMAN: Yes.

Speaker BERGSTROM: I don't want to get too far away from the budget.

Mr. OHMAN: No, this is budgetary. And I was one of the critics saying, "Do we really need this high a budget item?" And Bill actually answered most -- all my questions within my comprehension abilities.

But there's another thing that we're probably out of compliance in general with what we're doing right now. So we're liable for fines. We're liable there to have significant money levied against us if we don't come into compliance. And there's an issue that we're not in compliance right now.

So I think that's an important -- it's not monetary at the moment but it could; warfare if so. Billy, sorry.

Speaker BERGSTROM: Anyway, okay.

WILLIAM TRAVERSE: It's a possibility but that's one of the reasons why we're doing this so it's all in the rearview mirror.

Speaker BERGSTROM: Okay. So we got it? Anything else besides the IT or anything? I think we've covered it.

Again, I'm going to let you go for the second time.

Mr. MARK ZIELINSKI: You're going to have to make a hasty retreat though.

Speaker BERGSTROM: Head to the door before somebody raises their hand again.

Mr. MARK ZIELINSKI: In all seriousness, if you guys want us back, we'll be happy to be back. We just, you know, --

Speaker BERGSTROM: Well they can probably email you.

WILLIAM TRAVERSE: Oh yeah. Contact me, call me, come in my office.

Speaker BERGSTROM: Assuming the email system works and we can get in contact with you for stuff like this.

WILLIAM TRAVERSE: Okay. Thank you.

Speaker BERGSTROM: Do we have any Communications from Public Officials? Communications from Members of the Public? Hearing none.

Assembly Convenes

Speaker BERGSTROM: The Assembly will now convene. We'll skip these Committee Minutes because the Finance Committee already approved them. And we'll go with a Report from the Clerk

Report from the Clerk

Clerk O'CONNELL: Just a couple reminders. Your Conflict of Interest training certificates are due, a copy to me by the end of April. I've received a few but there is still a few yet to be submitted.

And as you heard the Speaker say, the vote on the budget will be May 7th.

And looking a little bit further ahead to the meeting on the 21st of May, I believe we will have scheduled with the Finance Committee a meeting with the auditors to review fiscal year 13's audit.

And I should have out by the end of the week a notice for the next Charter Review Committee meeting which right now looks like it's going to be scheduled on the 23rd of April at 3 p.m.

And that's all I have.

Other Business

Speaker BERGSTROM: Okay. Do we have any other business? Anybody have any other business before the Assembly?

Deputy Speaker MARTIN: Motion to Adjourn.

Ms. KING: Second.

Speaker BERGSTROM: Moved and seconded. All those in favor, say "Aye Opposed?"

Whereupon, it was moved, seconded, and voted to adjourn the Assembly of Delegates at 4:55 p.m.

Respectfully submitted by:

Janice O'Connell, Clerk
Assembly of Delegates