

**KNOX COUNTY COMMISSION
KNOX COUNTY BUDGET COMMITTEE**

Joint Commission & Budget Committee Review Meeting

Knox County Commission and Budget Committee

Tuesday – November 8, 2022 – 5:00 P.M.

A Joint Commission and Budget Committee Review Meeting was held on Tuesday, November 8, 2022, at 5:00 P.M., Knox County Courthouse, 62 Union Street, Rockland, Maine. The Administrative Assistant was present to record the minutes of the meeting.

Commission members present: Commissioner Dorothy G. Meriwether District #1, Commissioner Richard L. Parent, District #2 and Sharyn L. Pohlman, District #3.

County staff present included: County Administrator Andrew Hart, Administrative Assistant Wendy Galvin, Finance Director Kathy Robinson, EMA Director Candice Richards, Sheriff Patrick Polky and Airport Manager Jeremy Shaw.

Budget Committee members present: Roger Peabody, Shawn Levasseur, Bob Duke, Gayle Gallant, Vera Roberts and Nick Lapham.

Absent: Barry Norris, Charles Grover and Randy Stearns.

Joint Commission & Budget Committee Review Meeting

Tuesday – November 8, 2022 – 5:00 P.M.

Please use the link below for Town Hall Streams

https://townhallstreams.com/stream.php?location_id=50&id=48605

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| I. | 5:00 | Meeting Called To Order (Chair Roger Peabody for the Knox County Budget Committee, Commission Chair Dorothy Meriwether for the Knox County Commission) |
| II. | 5:01 | Public Comment |
| III. | 5:05 | Approve Minutes (Chair Roger Peabody for the Knox County Budget Committee, Commission Chair Dorothy Meriwether for the Knox County Commission)
1. Minutes of the 2022 Supplemental/Amended Budget Public Hearing/Final Vote of November 3, 2022. |
| IV. | 5:010 | Budget Review
1. Emergency Management Agency (Pgs. 19-20)
2. Communications (Pg. 35-38)
3. Airport Security (Pg. 31)
4. Airport & Airport Projects (Pgs. 28-30 & Pg. 9) |
| V. | 5:10 | Adjourn |

I. Meeting Called to Order

The November 8, 2022 Joint Commission and Budget Committee Review Meeting was called to order by Budget Committee Chair Roger Peabody and Commissioner Chair Dorothy Meriwether at 5:00 P.M.

- *Chair Peabody made a motion to call the meeting to order at 5:00 P.M.*
- *Commissioner Meriwether made a motion to call the meeting to order at 5:00 P.M.*

II. Public Comment:

- None

III. Approve Minutes

1. Minutes of the Joint Commission and Budget Committee Review Meeting of November 3, 2022.

- Minutes will be heard at the November 17th Joint Commission and Budget Committee Review Meeting.

IV. Budget Review:

Emergency Management Agency (Pgs. 19-20)

EMA Director Richards:

- **211 Maine:** 211 Maine is a tool that all levels of Government in Maine use. When there is anything going on where we need to open a warming center, the Towns notify us, we pass that along to the State and it goes into the 211 system. No matter where you are in the State, just use your zip code and see where services are. You can go on website 211maine.org, or you can call “211”. This service is free.
- **Nick Lapham** – *Is there any budgetary impact from year to year?*
- **Director Richards** – *There is no budgetary impact.*
- **Decrease in Revenue** – This is due to the Emergency Management Program Grant. This grant provides 50% back for our expenses from the State. Up until now, we have gotten enough from that grant to cover a whole years’ worth of expenses. This year the State decided to change their allocation formula. *(We t) We used to get \$130,000 each year, now we only receiving \$74,000. This new amount does not cover 50% of our wages. Unfortunately, that has to be made up by the County.*
- **Computers** request will be moved to the ARPA list.

Questions:

- **Bob Duke** – *Health Insurance expenses up 104% due to an increase but also the fact that Ray was covered under a Federal Military Program?*
- **Director Richards** - *He had his own insurance outside of the County. Instead he just received the stipend which is significantly less.*
- **Nick Lapham** – *So that accounts for the increase of \$28,000?*
- **Director Richards** – *I am sure that is at least part of it. We don’t know what the actual Health Insurance increase will turn out to be at this point. This depends on staffing and which plan they have. The recent change of employees in EMA affects all the wages as well as the insurance costs.*
- **Nick Lapham** – *Is the Health Insurance managed by you and Kathy as a global point across the board, or is each department responsible for handling their own health insurance.*
- **Administrator Hart** – *Health Insurance is managed by the Finance Department. They do the Benefits Administration and Health Insurance is part of that.*
- **Finance Director Robinson** – *When we start the Budget process I look where everyone is and then do projections for open positions. We have different variances. In this case we had someone who left that did not have Health Insurance, and we had someone come in that elected the family plan. That is a big swing. Other departments, if they have a change in people it could be the same situation, or it they’ve had a change in their life situation. All of those situations cause variances to happen. The departments do not deal with those directly. Finance deals with this and Kathy put the projection in for what she anticipates Health Insurance will be for them next year.*

- **Director Richards** – That’s why in the Department Manager proposal there is no benefits in there. We do not fill that in. That is filled in by the Finance Department.
- **Bob Duke** – Training Seminars/Conference can you explain the ESRI convention?
- **Director Richards** – ESRI is the software that we use for Geospatial Database Manager. This training is to keep the Database Manager updated on updated software. This is not an annual thing. It’s a onetime thing. We utilize their software.
- **Bob Duke** – Is this something that we can expect to pay every five (5) years or so?
- **Geospatial Database Manager vanVuuren** – This is a onetime training and it is an online training it is not a conference.
- **Gayle Gallant** – The decrease in the EMPG is down to \$70,000 and it is only budgeted at \$50,000?
- **Director Richards** – That is because the grant year goes from October to September. By that time you get to January we will already have used about 1/3 of that. So we will only need about \$50,000 to cover from January to September.
- **Nick Lapham** – Are we to understand that we have a \$100,000 increase this year. Is that going to be this way going forward?
- **Director Richards** – As far as I know, yes. This is not something we have any control over. This is all up to the State.
- **Commissioner Meriwether** - The formula the State used to use for EMA was a performance grant, and it was based on performance. The fact that Knox County performed very well, we were very well compensated. The State changed the funding formula to population based. The State has also been not very good in coming forward with money that’s been promised.
- **Nick Lapham** – What is projection for rest of year. (inaudible) Where are you going to end up since its showing \$26,000?
- **Director Richards** – We will be fine for this year. The grant that covers October – September of next year, and will start this month. We will not run out until next year. This year will be fully funded.

A consensus vote was taken by the Budget Committee on whether to approve the Administrator’s budget recommendation of \$225,057:

*In favor: 4 (Roger Peabody, Shawn Levasseur, Gayle Gallant and Vera Roberts)
Against: 1 (Bob Duke)
Abstained: 1 (Nick Lapham)*

A consensus vote was taken by the County Commission on whether to approve the Administrator’s budget recommendation of \$225,057:

*In favor: 3 (Commissioner Meriwether, Commissioner Pohlman and Commissioner Parent)
Against: 0
Abstained: 0*

Communications (Pgs. 35-38)

Communications Director Coombs:

- **Roger Peabody** – How many Dispatchers are you down now?
- **Communications Director Coombs** – We are down six (6).
- **Roger Peabody** – Is anyone showing any interest?
- **Communications Director Coombs** – People are showing interest but they have criminal histories.
- **Nick Lapham** – What is your head count today?
- **Communications Director Coombs** - We have seven (7) Dispatchers including myself. We can only train so many at once, so we can only hire two (2) at a time.

- **Gayle Gallant** – For the wages line, is that the number (\$722,000) if you were fully staffed?
- **Finance Director Robinson** – That is correct.
- **Gayle Gallant** - Does the over time line reflect those positions?
- **Finance Director Robinson** – We talked about that this week. No. Although we know we are not going to hire them until February or until June. We are normally budgeting as if they start in January because the offset covers the overtime that other people need to work. So I have actually updated these numbers for the next time we meet.
- **Nick Lapham** – You are at seven (7) now. If all goes well you'll add four (4) positions by March then one Supervisor by June. Then that would bring you to twelve (12), and then somewhere in the second half of the year you would add two (2) more.
- **Communications Director Coombs** – No we are not adding any more just filling the positions we already have vacant.
- **Nick Lapham** – If you don't fill two (2) positions for \$50,000 that carries over and goes into Reserves?
- **Administrator Hart** – Whatever is left in his budget by December 31st will go into Undesignated Funds.
- **Commissioner Meriwether** – Nick, is your question what happens to the increasing Undesignated Surplus. This keeps growing because we are understaffed. So you're asking what happens to that increasing surplus.
- **Nick Lapham** – Can we withdraw from that Surplus versus starting from a zero base and saying we've got to fill that.....
- **Finance Director Robinson** – Similar to the General Fund, if the Communications Undesignated Fund becomes too large there is a percentage we can use that to offset the expense. We have been trying to build that back up because their Surplus had been diminishing over the course of the years. We are not proposing to take any Undesignated for this budget cycle. When we have open positions the cost of the positions goes to offset the overage that we have in overtime to fill the positions.
- **Commissioner Parent** – Some of that money will be used to pay overtime?
- **Shawn Levasseur** – **Health insurance line is that presuming full staff**
- **Finance Director Robinson** – This is based off of a full staff and that will change slightly because I will adjust the five (5) positions that are delayed hire. Going back to them, I wasn't taking into account the overtime needs to increase or the Wages and Health Insurance need to be adjusted. Once the open enrollment closes we could have existing Employees going from one plan to another plan which would affect the cost.
- **Nick Lapham** – Asked questions about the Retirement line. You are up 89% & 62% are these one (1) time adjustments?
- **Communications Director Coombs** – I have one (1) retiring in August of 2023. We try to let Finance know in advance so we can be prepared for it.
- **Finance Director Robinson** – Why is it listed under Resignation/Termination? Because that's their comp time they have banked, their vacation pay out, it's half of their sick time pay. When they retire or resign we have to pay that out.
- **Nick Lapham** – Retirement line that is going from \$67,000 to \$59,000 is that just because of the retirement this year or is that the new number doing forward?
- **Finance Director Robinson** – The two fold – one Communications is now eligible for Maine PERs which they weren't previously. When we have new hires Maine PERs takes effect the first day that they are hired. Versus if they decided to go into ICMA they would not be eligible for the first six (6) months of employment. So that has big financial impact for all these open positions because I am assuming we are going to be hiring people and they are going to go into Maine PERS. We have kind of shifted our retirement. Maine PERS is at a higher percentage than ICMA is.
- **Bob Duke** – When is the last time we negotiated with their Union?
- **Administrator Hart** - In 2022. That is when the Union requested to join Maine PERS.
- **Bob Duke** – Is that contact good for two (2) or three (3) years.
- **Administrator Hart** – At this point they have requested a one (1) year contract.

- **Gayle Gallant** – The hourly differential looks like it doubled, is this something that will continue to be doubled?
- **Finance Director Robinson** – That was some that was negotiated with the Union negotiations which still is not finalized. We are not anticipating that to change again because it is State stagnant. It has not changed in the last fifteen (15) years.
- **Nick Lapham** – Is the \$3,000 for Labor Relations?
- **Administrator Hart** – Usually the Labor Relations comes out of the Admin./IT budget (still does). For the Jail, Dispatch and Airport we took a percentage of what we thought it was going to be and place that cost into those departments. This is similar to what we did to Legal a few years back. We broke it out not just to the Admin. budget but to the Jail, Dispatch and Airport. Labor Relations is mostly legal cost for negotiating the contract. We do have to have legal counsel for the different contracts. This covers any grievances as well.
- **Commissioner Pohlman** – October has been a very active month. I wanted to recognize Director Coombs and the Dispatchers to let them know we appreciate the work they are doing.
- **Shawn Levasseur** – There is a huge increase in the Advertising line. Is this for Advertising for positions?
- **Administrator Hart** – Correct.
- **Bob Duke** – Has there been an effort to look at a recruiting agency to assist, and coming up with a better plan than what we're doing now?
- **Administrator Hart** – The Sheriff's Office and Jail hired a Marketing Consultant.
- **Communications Director Coombs** – ARPA will fund the twelve new (12) monitors – The ones we have the screens are getting blurry so we need to replace those.

A consensus vote was taken by the Budget Committee on whether to approve the Administrator's budget recommendation of \$0:

In favor: 5 (Roger Peabody, Shawn Levasseur, Bob Duke, Vera Roberts and Nick Lapham)
Against: 0
Abstained: 1 (Gayle Gallant)

A consensus vote was taken by the County Commission on whether to approve the Administrator's budget recommendation of \$0:

In favor: 3 (Commissioner Meriwether, Commissioner Pohlman and Commissioner Parent)
Against: 0
Abstained: 0

Airport Security (Pg. 28-30)

Sheriff and Airport Manager Shaw:

- **Sheriff** - Part of requirement from FAA is we need to have a sworn Officer during screening for commercial flights. We have one (1) Full Time and one (1) Part Time. CARES Act is covering most of the expense, if not all. The Supervisor used to be 25% of those cost, now is showing only 10%.
- **Sheriff** – The biggest increase is replacing a Deputy. We assume the highest pay, highest insurance plan as these cost are just in anticipation of hiring someone.
- **Sheriff** – We have asked for additional training for the Airport. The new person will be required to attend training.

Questions:

- **Vera Roberts** – Why is OT amount double what you asked for?

- **Finance Director Robinson** – We are looking at how we are trending this year. We have already spent more than what the Department Manager had put in for his recommendations. This was at full staff.
- **Sheriff** – In order to cover we have to use existing staff currently. This position could go unfilled for several months. We hope this does not happen but it is a possibility.
- **Shawn Levasseur** – Cape Air security is paying more per year. How long is this for?
- **Airport Manager Shaw** – This is for the next four (4) years. The TSA has changed their formula. They used to pay 100% and they kept reducing recently. I increased it to \$10,500 a month which this should well cover Law Enforcements, supplemented with TSA legal reimbursement program.
- **Nick Lapham** – When will the CARES Act money go away?
- **Airport Manager Shaw** – This expires in April 2024.
- **Nick Lapham** – What will the budget be like without CARES Act money?
- **Airport Manager Shaw** – Between Cape Air security and our regular security it should be fully covered. The CARES Act money reimburses the County essentially. The Airport actually puts all of that money that we get reimbursed from the CARES Act and place that into Undesignated Funds. So our Security costs are covered 100% by the Cape Air contract and the TSA reimbursement program.

A consensus vote was taken by the Budget Committee on whether to approve the Administrator’s budget recommendation of \$0:

Questions:

-

In favor: 5 (Roger Peabody, Shawn Levasseur, Gayle Gallant, Bob Duke, and Vera Roberts)

Against: 0

Abstained: 1 (Nick Lapham)

A consensus vote was taken by the County Commission on whether to approve the Administrator’s budget recommendation of \$0:

In favor: 3 (Commissioner Meriwether, Commissioner Pohlman and Commissioner Parent)

Against: 0

Abstained: 0

Airport & Airport Projects (Pg. 31)

Airport Manager Shaw:

- **Airport Manager Shaw** - We have increased the revenue by \$238,000. We received \$17.9 million dollars (CARES Act) which we have strategically invested in revenue generating projects. The new operations facility we built, and we now lease that out to our Airport operations. One side is being rented as long term rental and the other side is a short term rental. We are generating \$37,000 for occupancy for the short term six (6) month rental.
- **Legal budget** has some issues that we are working through. We increased this amount to \$60,000. This increase is due to a current Superior Court case, Benner Lane purchase and new Hangars.
- **The Hangar Taxilane (Phase 2)** coming along fairly soon. This will be an additional fifteen (15) Hangars and ground leases. Excise tax is on top of this so there is a significant amount of revenue projected for next year.
- We are looking at other options for Internet. Zach also looking at other options for Internet.
- **Rubbish / Shredding** – PFAS was present when the Airport was required to have firefighting foam. Now this is found to be highly toxic and has since and has congealed in its containers. It’s a hazard now and we need to dispose of it properly.
- The biggest impact is the new HVAC system. This was a \$939,000 project. To maintain the HVAC we have a contract with Siemens for \$13,000 per year.

- Have seen significant amount of revenue from rental cars. We are over \$60,000 of revenue with a few months left to go in the 2022 year.

Questions:

- **Bob Duke** – *The solar farm is still moving forward right. When that occurs, when that is up and running will the County be able to net meter off that.*
- **Airport Manager Shaw** – *It is projected to generate \$80,000 worth of energy credits. The Airport right now is projecting it will consume \$50,000 of that just based on our current costs. Then there will be an opportunity to net meter \$30,000.*
- **Nick Lapham** – *Is Electric and Gas going up because of the HVAC system?*
- **Administrator Hart** – *We are under standard offer rate with CMP, and those went up \$0.08-\$0.10 cents per kilowatt. The Airport is considered a heavy user thus the higher rate.*
- **Shawn Levasseur** – *Why did Penobscot Island Air rent go up dramatically?*
- **Airport Manager Shaw** – *This is projected for the new terminal hangar we are building. This is to service the islands. We projected this is a minimum and have not finalized the contract yet. They were working out of a tiny building paying us \$183/month. Now we have the new building and we are looking at thousands per month.*

A consensus vote was taken by the Budget Committee on whether to approve the Administrator’s budget recommendation of \$0:

Questions:

-

In favor: 6 (Roger Peabody, Shawn Levasseur, Gayle Gallant, Bob Duke, Nick Lapham and Vera Roberts)

Against: 0

Abstained: 0

A consensus vote was taken by the County Commission on whether to approve the Administrator’s budget recommendation of \$0:

In favor: 3 (Commissioner Meriwether, Commissioner Pohlman and Commissioner Parent)

Against: 0

Abstained: 0

Airport Projects:

- **Airport Manager Shaw** – *For 2023 we have a plan to generate electricity. We were looking at the five (5) kilowatt but settling for a little less. Electricity costs will probably never go down. This is hedging the County’s own interest in generating their own power. Most Airports have a program where they lease out property for \$1,000, per acre, per year. The standard one (1) Megawatt solar which is about four (4) acres and they make about \$4,000 per year. If we were to own this (at 1 Megawatt) we would generate \$150,000. We do have a permit from the Town of Owls Head and an Interconnection Agreement.*
- **Environmental Assessment** – *We have two hundred (200) abutting acres at the Airport, and have to keep vegetation down. The equipment we have purchased allows us to do these things. On the intersection of Ash Point Drive and Dublin Road, there are a number of easements the County does not currently own. We have to do an Environmental Assessment prior to doing an Easement Acquisition Project. So the \$55,000 is a required Environmental Assessment we need to do. The FAA will only fund this for one (1) time. We have two (2½) and half acres where we need to keep brush down. This project is an FAA required assessment which is obstruction removal.*

Questions:

- **Gayle Gallant** – *I do not understand the funding.*

- **Airport Manager Shaw** - Airport Improvement Program (AIP) is \$1.1 million dollars in entitlement funds we receive each year under the FAA. This is funded under the BIL (Bipartisan Infrastructure Law). This is an improvement project but being funded until the BIL.
- **Nick Lapham** - What is the economic impact of the Solar project?
- **Airport Manager Shaw**– The economic impact would be significant. This would be an \$80,000 increase in revenue. We would be selling the power to Hangar owners, Cape Air pays us \$850 per month for electric and our business partners would still pay us each month.
- **Nick Lapham** – What is life of the solar panels?
- **Airport Manager Shaw** – The life is thirty (30) years.

A consensus vote was taken by the Budget Committee on whether to approve the Administrator’s budget recommendation of \$0:

Questions:

-

In favor: 5 (Roger Peabody, Shawn Levasseur, Gayle Gallant, Bob Duke and Vera Roberts)

Against: 0

Abstained: 1 (Nick Lapham)

A consensus vote was taken by the County Commission on whether to approve the Administrator’s budget recommendation of \$0:

In favor: 3 (Commissioner Meriwether, Commissioner Pohlman and Commissioner Parent)

Against: 0

Abstained: 0

Adjourn

- **Bob Duke made a motion to adjourn the meeting. Vera Roberts seconded the motion. A vote was taken with all in favor.**
- **Commissioner Pohlman made a motion to adjourn the meeting. Commissioner Parent seconded the motion. A vote was taken with all in favor.**

The next Joint Quarterly Budget Committee & Commission Meeting will be held on November 17th
@ 5:00 P.M.

The meeting adjourned at 6:21 P.M.

Respectfully submitted,

Wendy Galvin
Administrative Assistant

**The Knox County Budget Committee and Knox County Commission approved these minutes
at the Joint Meeting held on November 17, 2022.**