

Advisory Committee Meeting Minutes

Meeting Date - February 08, 2022

Remote Meeting via Zoom

In Attendance: J. Strehle, G. Danis, N. MacDonald, D. Anderson, B. Black, D. Cooper, R. Curley, K. Dziergowski, M. Goulet, C. Kirk, A. Macdonald, A. McElaney, S. Melia, T. Sherwood, Town Accountant S. Nickerson.

Absent: E. Sheehan

1. Call Meeting to Order

The meeting began with a joint session with the Select Board and School Committee to hear the FY23 Preliminary Financial Forecast Update and the FY23 School Department Budget Presentation

At 7:00pm Select Board Chair Joe Fisher called the meeting to order and read the following statement:

“This meeting is being held remotely as an alternate means of public access pursuant to an Order issued by the Governor of Massachusetts dated March 12, 2020, Suspending Certain Provisions of the Open Meeting Law. You are hereby advised that this meeting and all communications during this meeting may be recorded by the Town of Hingham in accordance with the Open Meeting Law. If any participant wishes to record this meeting, please notify the Chairman at the start of the meeting in accordance with M.G.L. c. 30A, § 20(f) so that the Chair may inform all other participants of said recording.”

At 7:03pm Advisory Committee Chair Strehle called the AdCom meeting to order and adopted the statement read by the Select Board Chair.

Town Administrator Tom Mayo presented an overview of the Financial Forecast Update. The current forecast is showing a deficit of \$4,726,319, down \$2,546,555 from the previous forecast. Mr. Mayo emphasized that this is a live document that will be updated as we go through the budgeting process. He highlighted changes in revenue sources:

- Local receipts are up - particularly from the Motor Vehicle Excise tax and the Meals Tax
- Other Excise - by law, 50% of the boat excise taxes are put in the Waterway Fund which Hingham uses primarily to fund the decennial dredging of the Harbor. Typically, Hingham puts 100% into the fund. Mr. Mayo is recommending that this get applied to this year's operating budget, for additional revenues of \$35,000.
- Fund Balance / Federal Funds - increased by \$983,115 to \$1,783,115. \$1,383,115 is from ARPA money and \$400k of ESSER money
- WRWS shows a reduction, but this is an enterprise fund so does not affect the operating budget.

Town Administrator Mayo also outlined changes in uses:

- State Assessments are up \$64K because of changes in the Governor's budget
- Article 6 is down from projected, mainly due to changes in the WRWS and School budgets
- Article 4&5 represents the Collective Bargaining Agreements that have been settled

Mr. Mayo noted that there are additional adjustments expected as we go through the process, particularly in State Aid, which will be refined as the legislature completes their process. He also anticipates changes in local receipts, and the Stabilization fund, which the

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Select Board is reviewing. The Board of Assessors is reviewing the Excess Overlay Fund and what can be released from that fund. The Town Administrator sees a path forward for a fully funded budget without an override for FY23

There was discussion amongst the Select Board, AdCom, and School Committee. Mr. Anderson asked about the WRWS revenue/use numbers. Ms. Nickerson noted that the numbers are used just for forecasting and that if WRWS revenue exceeds expenses it goes to their fund balance. Ms. Melia inquired about the PILOT program and who participates. Mr. May replied Blue Cross/Blue Shield. Ms. Kirk noted that there are adjustments in revenue and inquired if there are also adjustments to expenses. Mr. Mayo noted that the path forward assumes cuts to additional requests but that is for AdCom to decide.

School Superintendent Dr. Maestas and Director of Business and Support Services for HPS presented the School Department Budget. Mr. Ferris presented the budget requests approved by the School Committee. The FY23 request is for a \$62,677,112 total budget, (1.43% increase). He noted that enrollment is down 400 students since the pandemic started but he is hoping that will bounce back. There is a significant reduction of OOD tuitions. Regular Ed increases of 3.38% to \$47,767,001 (increase of \$1,563,602); Special Ed increase of \$2,261,246 (3.74%) but add in the one-time decrease in OOD and it becomes 1.43%. The 32.05 new FTE's added last year remain in this year's budget. The School Committee provided their thoughts on the budget and highlighted that the pandemic exposed deficiencies that continue. The 32 positions added last year made a difference and Dr. LaBillois's presentation to the School Committee made that evident, and noted the need to set up the incoming superintendent for success. Mr. Danis noted that the budget increase is 1.43% but driven by reduction in OOD tuitions and asked what the actual increase in expenses would be without this onetime adjustment. Mr. Ferris answered that he did not have the number at hand. Mr. Curley asked what budget risks there are as relates to inflation. Mr. Ferris offered that there are none for FY23 as the contracts are set and do not have inflation riders. Mr. McElaney noted that 87% of the budget is personnel costs and asked if there is a standard in Massachusetts regarding School spending on personnel. Mr. Ferris is not aware of one. Ms. MacDonald asked about technology trends and how they affect the operating budget. Mr. Ferris said the school budget reflects software licenses. There are infrastructure needs such as computers and smartboards which are requests of Capital Outlay. The plan is to move the capital budget into the school budget.

2. At the conclusion of the Joint Session, the Advisory Committee will recess and resume its regular meeting using the AdCom remote meeting login

Chair Strehle put the AdCom meeting into recess at 8:48pm; AdCom reconvened at 8:50pm.

3. Comments from the Public Regarding Items Not on the Agenda

There were none.

4. Review and Approval of Minutes from

Meeting minutes of January 25, 2022 were reviewed and approved by roll call vote 9-0-2.

Meeting minutes of February 1, 2022 were reviewed and approved by roll call vote 10-0.

Meeting minutes of February 3, 2022 were deferred.

5. Warrant Article Hearings and Potential Votes

Article O: Modify Size of Long-Range Waste & Recycling Committee

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Ms. Sherwood presented a summary of this Article. She noted that it was passed unanimously by the Select Board. In summary, the current committee is made up of nine members which makes it difficult to achieve a quorum and that moving to a 3-year term puts them in line with other committees in Town. Ms. Black noted that the original name of the committee was the "Long Range Waste Disposal and Recycling Committee" and it is more colloquially known as the Cleaner Greener Hingham Committee. She noted that if citizens look on the Town website, they will find no reference to the Long Range Waste Disposal and Recycling Committee. Ms. Cooper suggested that the comment and recommendation use the correct name. The AdCom discussed correcting the name through the Article's recommended motion. Mr. McElaney suggested Ms. Sherwood talk to the Article's proponent and the Town Moderator to see if correcting the name is within the scope of the Article. Ms. Sherwood will do further work on this Article and will report back at our next meeting.

Article P: South Shore Country Club Maintenance Facility Article

Mr. Goulet presented a summary of this Article. The SSCC requests \$815,000 in additional funds for construction of the Maintenance Facility. The additional funds are needed because of increases in costs due to supply chain issues. He noted that the SSCC fund balance is now \$497,000; revenues are up, and they can afford to pay the debt service. He also noted that approvals from all the permitting boards have been obtained and that the Select Board voted unanimously in favor of this Article. The building is being designed with net zero principals in mind. Chair of the SSCC Management Committee Christine Smith and SSCC Executive Director Kevin Whalen provided a history of the project. ATM 2020 authorized \$2.2M to build a 7,000 square foot maintenance garage and equipment storage building. The current Article asks for an additional \$815K for Phase 1; the SSCC Enterprise Fund will be responsible for the debt service. They noted that the site work is complete. This will add \$250,000 to their current debt service, but they have additional capacity as the debt payments for the golf carts rolls off this year. They expect to put the project out for bid in mid-March, begin construction in May, and have the project complete by the end of CY2022. Priya Howell (26 Del Prete Drive) inquired about the costs of the project. Mr. Whalen explained that the original authorization was \$2.2M; at the time, the SSCC was in an emergency situation as the current facility was failing and that was what the SSCC could afford. The additional request now is \$815K to cover all the requirements of the facility and the SSCC can now afford the complete project. Ms. Howell asked if the demolition of the current pool is included in this number. Mr. Whalen said that no that it is not part of this request and that will be part of a later project to replace the Pro Shop which is in the same building. The recommended motion was approved by roll call vote 13-0.

Article Q: South Shore Country Club Pool Article

Chair Strehle clarified that this is the hearing for this Article and the vote will be taken at a later date. Chair of the SSCC Management Committee Christine Smith noted that this is a Town pool that will be sited at the SSCC. Executive Director Kevin Whalen provided a history of the project. Project Architect Chris Rotti provided an overview of the design given the charge of the ATM 2020 vote. The proposed design includes a 6-lane lap pool, a zero-depth entry pool, a splash pad, and a pool house as well the infrastructure to support a year-round pool in the future. OPM Taylor MacDonald presented the construction budget, for a total of \$7.2M in construction. With soft costs, total project budget is \$7,897,518.72 (which includes a 4% contingency). Mr. Whalen anticipates construction starting in August 2022 with the pool complete and open July 1, 2023. Ms. Smith read a statement of support from the High School Athletic Director Quatromoni.

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Mr. Macdonald presented a summary of the Article. The committee discussed the value of the SSCC to the Town. If the CPC Article is passed at TM, \$550,000 of the request will come from CPC funds. The debt service will be the responsibility of the Town; the SSCC will cover operating expenses. Ms. Nickerson offered that the Town Administrator will suggest how to finance Warrant Articles. Mr. Macdonald has reservations about the additional expense to make it 'bubble ready' which is ~\$700,000, not including the actual bubble. The seasonal pool would be supported by the SSCC enterprise fund but does not believe that their operations will support the operating expenses of a year-round pool. Mr. Curley offered his belief that the pool has large community support and is a good thing to have. He believes the pools should be paid for using excess fund balance which would change the nature of the vote at Town Meeting, making it a simple majority vote. Mr. Danis noted that there are other Articles that are candidates for fund balance and questioned using fund balance for a 3-month seasonal activity. He inquired if the High School Swim Team use is contingent on it being a full year pool. Ms. Smith indicated it is as Swimming is a winter sport. Mr. Danis inquired about the operations of the pool. Mr. Whalen explained that there is an MOU with the Recreation Department to run the programs at the pool. Profits from previous programs were split between Rec and SSCC. He envisions that pool revenues will go into a separate fund for the pool. Ms. Melia believes it is critical to our youth to provide reasonably priced and assessable swim lessons and that the Rec Department has looked at alternatives at the Bathing Beach and it does not work because of tides. Mr. Anderson asked about the designs and uses of modern municipal pools. Mr. Rotti discussed changes in the nature of public pools and that there is a move away from the 'single tank/single use' design to more multi-generational, family oriented recreational areas. He noted that the cost to retrofit the pool for a bubble after construction is not practical as it would be cost prohibitive. Ms. MacDonald supports the investment in infrastructure for a full-year pool. She believes there is an equity issue as many kids in Town have access to private pools. She is also in support of Town projects where support the whole community and believes a pool is a multi-generational asset for the Town. She expressed full faith in the SSCC and Rec management to create programming to make the pool as profitable as possible. She also noted that there is an additional equity issue at the High School as swimming is one of the few no-cut sports and provides access to a broad range of student athletes. The Town has invested heavily in fields and courts for other High School sports. Ms. Black agreed that there is an equity issue that is important. She inquired about the carbon footprint. Mr. Whalen commented that the committee has embraced net zero principles. Ms. Black inquired about winter operations and how heating will be handled. Mr. Rotti noted that typically the bubble is inflated with gas fired equipment and noted that the technology for this type of facility has not caught up with net zero trends but are working to mitigate that. Ms. Black asked if the infrastructure can be swapped out as technology emerges. Mr. Rotti said that is supported in the design. Mr. Macdonald reiterated his support of the pool but is concerned about the operating budget pressure. Ms. Smith reviewed the history of the project and that that the design of a year-round facility is a result of citizen input. In 2017 a Town survey was done which showed large community support for a year-round pool and that ATM 2020 Warrant Article tasked the committee to design a pool that can support a bubble. Mr. McElaney supports the use of Fund Balance to pay for the pool and notes that a pool is desirable particularly for older citizens. He noted that many insurance companies offer reimbursement for health club membership and that perhaps fees can be designed such that people can take advantage of that. Mr. Goulet asked if the Town uses this same profitability framework for other community projects in Town and wondered why this project is being held to a different standard. Mr. Macdonald questions the value to the Town of a year-round pool.

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Mr. Danis believes that it is worth investing in the infrastructure and is pleased with the design being presented. Ms. Cooper supports the additional infrastructure being designed in and believes that not all Town services need to be profitable – that this is not true for schools, the senior center, the police department, etc. She supports community gathering places. Mr. Anderson also supports the additional infrastructure and that there may be other revenue sources and that we should not presume that it is unprofitable. Ms. Black confirmed that the seasonal operations will be covered by the SSCC Enterprise Fund. Chris Jones (20 Del Prete) questions the placement of the pool and does not believe that the Article is clear. Karen Jenkins (111 Fitzroy Drive) supports the pool and believes there are other revenue opportunities that will support year-round operations. Priya Howell (26 Del Prete) inquired about the use of private funds that would be used to purchase the bubble; does this mean the town would not need to vote on the bubble. Ms. Smith noted that putting a bubble on the pool would need to go through all the permitting boards. Mr. Whalen also noted that any operational funds needed would also be voted on by the Town at TM. Erin Cignetti (6 Del Prete Drive) stated support for the pool and noted that there is no other sport at the High School that does not have an in-town facility. She believes there are revenue opportunities to bring club teams to a year-round facility. John Smallcomb (18 Del Prete) is concerned about the readiness of the plan and asked about the plot plan. He noted that there is a vernal pool near the property and expressed concern about parking. Chair Strehle noted that these are all Planning Board issues. Amanda Galgay (264 South Street) had questions about the parking and noted that when the hockey rink was proposed it was determined there was not enough parking. Mr. Whalen commented that they are aware of the parking concerns and are working on plans to mitigate them and that they do not want to create additional impervious space on the property so looking at solutions. Kelly Smallcomb (18 Del Prete) suggests the warrant should be clear. Chair Strehle explained the role of the AdCom in writing the comment for the Warrant. Stephanie Jones (20 Del Prete) wants to understand the cost of 'bubble ready' at the line-item level. She inquired if the project was approved by the Conservation Commission. Mr. Whalen confirmed that the site is outside of any wetlands so did not require Conservation permitting. Mr. Rotti noted that environmental safety issues are built into the design of modern pools. Jim Moynihan (17 Del Prete) asked why it is more expensive to build a bath house than a house. Mr. Rotti offered that the facility needs to accommodate 16 bathrooms and is a commercial facility, not a residential facility. Mr. Moynihan inquired about ledge on the site. Mr. Rotti noted that they have done a number of borings and test pits and based on that data inserted a line item for ledge removal. Mr. Whalen noted that this is one of the reasons for raising the site.

Article U: Rescind Authorized but Unissued Debt

Ms. Sherwood presented a summary of this Article. The Article is asking to rescind debt for older projects completed between 1998 to 2011. Ms. Sherwood noted that rescinding debt is consistent with good accounting principles which the Town does periodically. The \$6,409,671 represents ten projects that came in under budget (8) or found other funding sources (2) such that it was not necessary to issue the debt. The recommended motion passed by roll call vote 13-0.

6. Liaison Reports

a. Capital Outlay

Ms. Cooper noted that the committee still has requests of over \$4MM. They have \$1.8MM after annual capital requests and need to cut \$2.2MM from the requests. The

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total for all requests this year was \$12.5MM; about \$5MM are self-funding and some became Warrant Articles.

b. Planning

Mr. McElaney noted that Article AAA and Article BBB were approved by the Planning Board; Article CCC is continuing to be heard and Article DDD is being reviewed by Town Counsel.

7. Warrant Process Update

Chair Strehle reviewed the Warrant editing process.

8. Discussion of Advisory Committee Housekeeping Items

Our next meeting is Thursday, February 10, 2022. On the Agenda are the WRWS Warrant Article the DPW budget which has minor changes, the four School Articles, and the Town Administrator's Funding Recommendations. She noted that the Select Board is not meeting again until February 17 which impacts our ability to hear additional Articles.

9. Matters not anticipated within 48 hours of meeting

None

10. Adjourn

The meeting was adjourned at 11:50pm by roll call vote, 13-0.

Documents Distributed for this Meeting

- Agenda
- WASS
- Draft Meeting Minutes - 01/25/2022, 02/01/2022, 02/03/2022
- Warrant Article Draft Versions – Articles U (with supporting information), Z, O, P (with supporting information), Q, X,
- Correspondence to the AdCom

Respectfully submitted,

Nancy MacDonald
Advisory Committee Secretary

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