

Advisory Committee Meeting Minutes

Date: March 10, 2020

Place: Town Hall

In attendance: Committee Members Victor Baltera, Bob Curley, Julie Strehle, Tom Belyea, Eric Haskell, Eryn Kelley, Evan Sheehan, Libby Claypoole, George Danis, Andy McElaney, Davalene Cooper, Dave Anderson, Nancy MacDonald, Ed Gaydos, Kathleen Almand, and Town Accountant Sue Nickerson.

Absent: None.

Chairman Baltera called the meeting to order at 7:31 pm.

Comments from the public regarding items not on the Agenda None

Budget Hearing: Water

Bob Curley presented the Weir River Water System FY21 budget. BOS member Mary Power, Town Administrator Tom Mayo, and Assistant Town Administrator Michelle Monsegur were present to answer any questions. The FY21 budgeted revenue amount differs from the estimated revenue figures used at 2019 Annual Town Meeting by \$2,449,189 due to the timing of billing (quarterly, on the last day of the month) and the expected rate of collections. In other words, while the billed amount for the first full fiscal year of operation will approximate the budget presented to ATM 2019, the cash received from customer payments within the fiscal year will be lower than the billed amount, as is always the case in cash accounting versus accrual accounting. Assuming that the closing of the water company purchase occurs by July 1, 2020, the first bills of the Weir River Water System would be sent out on the last day of the month which would represent charges for July only to one third of the customers. At the end of August a second third of the customers would receive a bill for July and August. At the end of September the remaining third of the customers would receive a bill for the entire first quarter of the operation. Staggered quarterly bills would proceed thereafter. Based on the past collection experience of Aquarion Water Company, 80% of ratepayers pay their bills within 30 days, 10% within 60 days, then 10% in 90 days.

Budgeted Operating Expenses have increased from the 2019 Annual Town Meeting estimate because the scope of work for the operating company (SUEZ) has been expanded. For example, instead of flushing $\frac{1}{3}$ hydrants a year, the operator will flush them all. The PILOT (Payment in Lieu of Taxes) amount owed to Hingham, Cohasset and Hull, increased slightly. Certain other budgeted salary and expense items were not included in the 2019 estimate. The cost of Debt Service, however, is budgeted at \$1.1 million less than the assumptions that were used at TM19 because the town is expected to be able to borrow at favorable rates. As explained above, the budgeted surplus is projected to be \$2.3 million, \$2.5 million less than originally projected.

Mr. Mayo reported that SUEZ has significant experience in managing water systems, and its responsibilities will include the billing.

Mr. Curley recommended the approval of the Weir River Water System budget for FY21: Salaries \$246,725; Operating Expenses \$5,638,990, PILOT \$840,959; Debt Service \$1,539,000; Revenue/Budgeted Surplus \$2,332,306; for a total of \$10,597,979. The vote for this budget will be part of the total budget vote.

Warrant Article Votes

O - Repair/Reconstruction of Town Pier - Libby Claypoole reported that this Article was withdrawn over questions over whether the proposed new height of the sea wall is sufficient given the significant increase in project cost. The Harbor Development Committee reluctantly voted on Monday to pull the article.

KK - Climate Action Plan - Ed Gaydos provided an update on the Comment for this Article, and recommendation for No Action, based on feedback from the AdCom hearing last week, and BOS support for the establishment of a task force under the Town Administrator. The revised Comment includes language about the creation of a task force.

Energy Action Committee (EAC) Chair Brad Moyer reported that the EAC agrees with the BOS task force plan and a vote of No Action. The EAC will meet next week to vote whether they recommend that this Article continue on to Town Meeting.

The vote to approve the recommendation for No Action was 14-0.

Warrant Article Hearings and Votes

JJ - Transfer of Insurance Funds Related to East School Flood - George Danis reported that a letter from the insurance adjuster has arrived with the amount of the final insurance payment, \$74,979.60. However, there is a question about whether the \$10,000 deductible has been withheld from this amount. The total insurance payment for this event at East School is \$461,078.05 (with the possibility of that amount being less \$10,000). These funds will be added back into the operating budget of the School Department, to offset the expenses already incurred to bring East School back to functioning order.

The vote to approve the recommended motion was 14-0.

D - Report of Personnel Board - Eric Haskell provided an overview of this Article, Comment, and a favorable recommendation. This Article asks that the Town appropriate \$463,454 to meet the financial obligations relating to salary increases, fringe benefit changes, and job reclassifications for certain non-School Department employees who either are not yet in a collective bargaining unit or who are covered by a collective bargaining agreement not yet concluded.

This Article also seeks to make two amendments to the Town's personnel by-law, which would align the benefits provided by the Town with those provided by comparable municipalities. The

first would provide an additional week of paid vacation for employees with twenty or more years of service. The second would enable employees to utilize up to five days of paid sick leave to care for a sick or ill child, spouse, or parent.

The vote to approve the recommended motion was 14-0.

Budget Discussion and Vote

There has been a new development in the Capital Budget. The Town Administrator recommends using \$284,500 out of available reserves, funds previously received from FEMA for 2015 winter storms, to appropriate additional capital funds for the Department of Public Works and School Department, which were the departments most impacted. Libby Claypoole reported that the Capital Outlay Committee convened today to discuss this additional funding, and voted to add 11 projects for a total of \$284,500. The Capital Budget was updated to reflect these additions.

Sue Nickerson reported that the impact of all Articles proposed for Town Meeting this year that seek funds from Fund Balance is between \$1.1 - \$1.2 million.

AdCom reviewed the latest budget numbers. The surplus as it stands is \$190,277. Proposed uses of this surplus are to increase the education budget, and TA recommended additional requests. The education budget discussion centered on the use of revolving funds and whether the School Department is using those funds for the Status Quo budget or to fund Tier 1 requests. Then AdCom members discussed the TA recommended additional requests. The new IT Director three-month training expense (\$30,730) and timeline were considered, and the majority agreed that this would be an adequate and necessary expenditure, considering the importance of this technical, skilled position. Eric Haskell suggested funding this one-time training expense from the \$33,474 unused debt capacity, which is budgeted to be set aside, but not used.

AdCom members and BOS Chair Karen Johnson discussed the lack of sufficient revenue to fully fund all additional requests, the Town's financial policy of not using Fund Balance to balance the budget, the perceived trend of underfunding expenses to fund capital, pressures to maximize dollars while maintaining economic diversity in the Town, and delays in anticipated commercial development.

After completing discussion of all TA additional requests, and the possibility of adding funds for Harbormaster Reorganization and Fire Promotional Exams, AdCom paused its budget deliberations to take up discussion and votes on Articles NN, OO, PP, QQ, and C.

After the pause, the final selections were made to determine the use of the \$190,277 in surplus, plus \$30,730 from Unused Debt Capacity reserve reduction.

School Department: \$123,828 (with the School Department using \$90,000 in revolving funds for unfunded Tier 1 Expenses).

TA Additional Requests:

\$21,620 - Procurement Position

\$1,620 - GIS Coordinator

\$1,582 - Building inspector uniforms

\$3,500 - Elections expenses

\$30,730 - IT Director transition

\$5,000 - Fire Department emergency management expenses

\$2,000 - Monuments

\$21,914 - Town Hall custodian

\$2,213 - Harbormaster reorganization for pump-out operator

\$7,000 - Fire Department promotional exam

The Committee recommended a total Article 6 budget of \$115,879,093. This amount does not include the water budget amount of \$10,597,979, which results in a total Article 6 budget amount of \$126,477,072. Each of the Municipal, Education, Capital, and Water Budgets were moved for favorable action reflecting previous Advisory Committee liaisons' recommendations as adjusted by the evening's discussion of additional requests. There were no holds requested on any budget line item. The vote to approve the recommended budgets was 14-0.

Warrant Article Hearings and Votes

Town Administrator Tom Mayo presented an overview of the following four new Articles. The Town has come to an agreement to purchase a property at 335 Lincoln Street for the siting of a new joint Public Safety Facility, to include North Fire Station and Police Headquarters. With the Police departure from the Town Hall complex, the Senior Center would expand into existing Police first floor space at Town Hall.

The estimated costs for these projects: Public Safety Facility design \$250,000, construction \$28,000,000, and property purchase price \$5,475,000. Senior Center design \$525,000, and construction \$8,000,000. The plan would be to hold a Special Town Meeting in fall 2020 to vote for acquisition of the property and the full design and construction funds for the Public Safety Complex, and vote for construction funds for the Senior Center.

Discussion on the Public Safety Facility included whether grant funds could be available, which are offered by both public and private organizations; these grants opportunities will be explored during the feasibility analysis. Fire Chief Murphy stated that the siting of the new Public Safety Facility on Route 3A would not impact emergency responses to South Hingham; SSRECC will stay at Town Hall; while there are no immediate plans to renovate or relocate Constitution Fire Station, there may be an opportunity to relocate that station in the future. A affirmative vote at 2015 Annual Town Meeting established a Fire Station Building Committee to oversee renovations to the North Fire Station, and allocated \$500,000 for design and engineering services. Funds expended were just under \$88,000. An affirmative vote at 2016 Annual Town Meeting allocated \$300,000 towards re-siting North Fire Station, but those funds were not expended. While the new Quint fire apparatus is not intended for relocation to the Public Safety Facility, the building will be built to accommodate large apparatus. Libby Claypoole stated that it

makes sense to house the new Quint at that location because part of the cost for this apparatus was funded by Shipyard development since those new buildings require a ladder truck sufficient to reach the top floors. Ms. Claypoole also stressed the need for appointing a single person in charge of construction and oversight, who can hold contractors accountable for the quality of work done since issues have arisen at Central Fire Station because this was not done during its renovation.

Regarding the Senior Center expansion, the size of the expansion was discussed, and whether it would be large enough, compared to the square footage of centers in other towns. Mr. Mayo stated that this plan to expand into the vacated Police station space is the best solution possible at this point. The Chair of the Council on Aging is in full support of this Article, and AdCom received many emails in support of this project.

NN - Public Safety Facility Feasibility and Design Funds - Nancy MacDonald provided an overview of this Article, Comment, and a favorable recommendation. This Article asks whether the Town will transfer from available Fund Balance an amount not in excess of \$250,000 for a feasibility study and conceptual design documents for a new Public Safety Facility Complex at 335 Lincoln Street, Hingham. This Article creates no obligation to purchase the property at 335 Lincoln Street, which would be decided by a Special Town Meeting in the fall. The closing date would be by 11/30/2020, after the Special Town Meeting.

The vote to approve the recommended motion was 14-0.

OO - Public Safety Facility Building Committee - Kathleen Almand provided an overview of this Article, Comment, and a favorable recommendation. This Article asks whether the Town will vote to establish a Public Safety Facility Building Committee, currently planned at 335 Lincoln Street.

Currently there is a Fire Station Building Committee, so the intent is that this new committee will supersede the old committee. (The old committee will be discharged with an affirmative vote for Article C, see below.) Membership of the new committee would be 7 members: 3 citizens appointed by the Moderator, 2 citizens appointed by the BOS, 1 citizen appointed by the Fire Chief, 1 citizen appointed by the Police Chief, with the Fire Chief and Police Chief serving as non-voting, ex officio members.

The vote to approve the recommended motion was 14-0.

W - Design Funds for Moderate Senior Center Renovations -

This Article has been withdrawn. If there had been no plan to move the Police Department out of Town Hall, this Article would have been an effort to make small renovations to the Senior Center.

QQ - Design Funds for Senior Center Renovations - Ed Gaydos provided an overview of this Article, Comment, and a favorable recommendation. This Article asks that the Town appropriate from available reserves an amount not in excess of \$525,000 to be expended by the BOS to be used for the design and engineering for renovations to the Senior Center, the space currently occupied by the Police Department in Town Hall, including related parking areas.

Mr. Gaydos recognized all of the correspondence received in support of this renovation, and the perseverance of senior residents for staying late at the AdCom meeting. The Senior Center is very important to many residents. It is the sole source of socialization for some seniors. But the current space at Town Hall is too small, not ADA (Americans with Disabilities) compliant, has an inadequate kitchen facility, lacks small meeting areas for functions such as meetings with tax professionals or financial counselors, and has inadequate parking spaces outside. There is also the possibility that the Town Hall lunchroom would move into the new Senior Center.

The vote to approve the recommended motion was 14-0.

PP - Senior Center Building Committee - Ed Gaydos provided an overview of this Article, Comment, and a favorable recommendation. This Article asks that the Town establish a Senior Center Building Committee consisting of 7 members: 3 citizens appointed by the BOS, 4 citizens appointed by the Moderator, with the Director of Elder Services serving as a non-voting, ex officio member.

The vote to approve the recommended motion was 14-0.

C - Reports of Various Town Committees - Kathleen Almand provided an update to this Article, which was initially voted favorably by AdCom on 1/28/2020. If Town Meeting approves Article OO, a new Public Safety Facility Building Committee will be established with responsibilities which would include those of the existing Fire Station Building Committee. The update to this Article would discharge the existing Fire Station Building Committee, with thanks. The vote to reconsider this previous Article C needs a two-thirds majority.

The vote to approve the recommended motion to reopen Article C was 13-0-1 (with Eric Haskell abstaining because he was absent from the AdCom meeting on 1/28/2020). The vote to approve the recommended motion to approve the updated Article C was 13-0-1.

Minutes of February 25 Meeting Proposed Revision

The Minutes for the AdCom meeting on 2/25/2020 were approved with incorrect language about the Capital budget. The motion to open the 2/25/2020 Minutes to make revisions was 13-0-1 (with Eric Haskell abstaining because he was absent from the 3/3/2020 meeting). The vote to approve the Minutes from 2/25/2020 with revisions was 13-0-1.

Liaison Reports - None

Warrant Process Update

Articles from tonight need to be sent to Bob Curley tomorrow, so they can be finished by the deadline at the end of the week.

Discussion of Advisory Committee Housekeeping Items

Kathleen Almand reported that the year-end party, scheduled for 6/6/2020, needs to be relocated to another venue, such as the Old Ordinary/Annex. Police Chief Olsson expressed his concern about the lack of parking for that location. Bob Curley suggested the use of the Hingham Public Library.

Matters Not Anticipated within 48 Hours of the Meeting - None

Adjourn - 11:39 pm.

Respectfully submitted,
Julie Strehle, Secretary

List of Documents Distributed at this Meeting:

Agenda

Articles C, D, NN, OO, PP, QQ

Report of the Personnel Board

Memo from Eric Valentine, Capital Outlay Committee Chair, with Revised FY21 Capital Outlay Recommendations

FY21 Weir River Water System Budget

FY21 Weir River Water System Detailed Budget

Public Safety Complex and Senior Center Presentation

Email correspondence from proponents of Senior Center Renovations

Email correspondence from proponents of the school budget

Email from BOS member Mary Power with link to 2018 presentation relating to balancing the budget

AdCom Minutes 2/25/2020 with proposed changes highlighted

AdCom approved 5/12/2020