

Advisory Committee Meeting Minutes

Date: March 18, 2019

Place: Town Hall

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

Chairman Smallwood called the meeting to order at 7:30 pm.

Questions from the Public regarding items not on the Agenda – None

Approval of Minutes

Review and approval of minutes was deferred.

Reserve Fund Transfer Request

The Advisory Committee approved a Reserve Fund Transfer of \$65,012.90 for replacement of the Harbormaster's truck and associated equipment by a vote of 14-0-0. The truck was damaged while parked and unoccupied. Harbormaster Kenneth Carson and Police Chief Glenn Olson presented the details of the loss and damage.

Water Company Warrant Article Hearings

- MM – Water Company Acquisition
- NN – Board of Water Commissioners
- OO – Water System Enterprise Fund
- PP – Water Company Acquisition – Transition Costs

Members of the Water Company Acquisition Study Committee and the Board of Selectmen attended this meeting. Harbor Media (HCAM) recorded this meeting in its entirety. Dave Anderson presented a sensitivity analysis relating to the water system ownership financial models developed by the Town and Aquarion. That sensitivity analysis examined multiple scenarios and variables with respect to the cost or savings to the Town of the acquisition of the water system. The analysis

concluded that in the most likely scenarios there would be substantial savings to the water system ratepayers under Town ownership and operation.

Draft Comments for Articles MM, NN, OO, and PP were provided by Victor Baltera, Bob Curley, and Libby Claypoole.

Among the evening's speakers, citizens of Hull, Polly Rowe, Paul Smith and Richard Booth raised questions about potential effects of an acquisition on water quality, the aging infrastructure of the water system and the need for representation of Hull in the operation of the water system. Jim Taylor, former chair of the Advisory Committee and Liaison to the Water Company Acquisition Study Committee between 2012-2017, provided comments that the acquisition was in the best interest of the Town, would present significant cost savings and would best protect the watershed. Charles Firlotte CEO of Aquarion stated that the operation of a water system is all about infrastructure replacement. He also made remarks about Andersen Tax, who had been engaged by the Town to review the various financial models. Judith Ingram of Hull asked about water flow minimums in the Weir River. Selectman Paul Healey observed that the Town had expended approximately \$9 million to acquire about 278 acres of land for the purpose of watershed protection and that Aquarion had not made any similar investment. John Walsh, Aquarion's Vice-President, provided comments about improvements made in unaccounted for water in recent years. Hingham citizens Christie Roberts, Tom Carey, Laura Burns and selectman Mary Power offered comments in favor of the acquisition. Ben Bastianelli of Hull discussed the role of water commissioners. Jim O'Hare offered comments about potential risks. John Walsh offered comments in favor of involvement by the DPU. Karen Johnson and Kerry Ryan offered a different perspective on the actual experience of the DPU in water company operations and involvement of the public.

The Committee then received public comment on Articles NN, OO, and PP. NN is irrelevant if the Town does not adopt MM. It was pointed out that the board of selectmen has executive authority for the Town and hires the police chief, fire chief, and town administrator. If NN is adopted, there will be a study of the appropriate form of governance, and future changes could be made. Polly Rowe

of Hull asked a guarantee that the selectmen will not negotiate a land deal that would extend the system at Hull ratepayers' expense.

With respect to OO, it was noted that the acquisition would be paid for through water rates. There will be flexibility to move money between accounts within the enterprise fund.

In connection with PP, there was discussion as to limits on Aquarion's ability to make large capital expenditures during the transition period and whether Aquarion would be able to continue to meet normal capital needs of the system.

Ted Matthews provided materials to the Committee in opposition to the acquisition.

Advisory Committee Housekeeping Items

The next regular meeting of the Advisory Committee will be on 3/20/19

Matters not anticipated within 48 hours: None

Adjourn – 11:15pm

Respectfully submitted,

Bob Curley, Secretary

List of Documents Distributed at this Meeting:

Agenda

Harbormaster Reserve Fund Transfer Request and supporting documents

Water System Ownership Financial Models: Sensitivity Analysis

Draft Comments Articles MM, NN, OO, PP

AdCom approved on 4/9/2019 by a vote of 11-0-0