

Approved March 9, 2022

**Advisory Committee Meeting
Zoom Video Conference
Wednesday, March 2, 2022, 6:00 p.m.**

Those present from Advisory Committee included Shawn Baker, Tom Cunningham, Jake Erhard, Jenn Fallon, Neal Goins, John Lanza, Jeff Levitan, Corinne Monahan, Doug Smith, Susan Clapham, Al Ferrer, Wendy Paul, Pete Pedersen, Madison Riley, Patti Quigley.

Neal Goins called the meeting to order at 6:00 pm and introduced members of Advisory in attendance.

Citizen Speak

There was no one present for Citizen Speak.

Town Wide Financial Plan (TWFP) Presentation

Meghan Jop, Executive Director, Sheryl Strother, Finance Director; Tom Ulfelder, Chair, Select Board (SB); Lise Olney, SB; Colette Aufranc, SB; Ann Mara Lanza, SB were present.

The FY23 Town Wide Financial Plan was presented and is defined by the bylaws as a sequenced combination of forecasts of the Town's operating budgets for the current fiscal year, following fiscal year and one or more fiscal years beyond. It is available on the website at <https://wellesleyma.gov/1807/2022-Budget-Book> The TWFP guiding principles were reviewed. The TWFP highlights were presented and reviewed. New federal funding assistance was summarized and reviewed. Revenue assumptions and local receipt trends were reviewed. Key financial planning issues in FY23 and beyond were reviewed. Employee benefit costs were summarized. The proposed major project financing schedule was reviewed. Debt mountain of exempt debt was reviewed. The summary of sources and uses for FY22 and FY23 was presented. FY23 Operating/Capital projects were reviewed. A summary of the projection of sources and uses for FY24, FY25 and FY26 was presented. A median tax bill summary was presented.

Questions/Comments

- A question was asked about the Town Hall renovation and if the use of reserves will reduce the costs of the renovation or if the reserves will be an alternate source of funding. An additional comment was made that the cost of the renovation is now being shown at \$19 million when it was previously projected to be \$17.5 million.
 - The Town Hall interior renovation is forecast at \$19 million and this is up from what was originally projected as we go through the design process. Free cash could be used as an alternate source of funding to lower the overall debt. However, this number is unknown. Reserves continue to be projected at 15.75% if everything is approved at Town Meeting.
- What is the benefit load of converting a part time position to full time?
 - An employee working under 19 hours does not receive benefits. Benefits are \$20,000 per full time employee and the department must account for the first year of benefits. If an employee is full time then they have a right to benefits even though not everyone takes the benefits.
- With the reserves at such a high level has consideration been given to taking some of the reserves to slow the tax rate increase?
 - We can always not go up to 2.5% but this won't assist operating costs going forward. It is not typical and it is uncommon not to go up to 2.5%
- Are the per person health care costs based on comparable communities?
 - Wellesley is part of West Suburban Health and year over year we do have averages. This year's rate is a 9% increase because of various carriers and the variations of carriers play

a factor into this. We feel it is a conservative estimate. Health insurance is based on previous claims history.

- What was the thought process for using reserves for Town Hall rather than using it to reduce current debt and lower the debt mountain?
 - That is the plan for the Town Hall - to take some of the edge off the incremental debt. Exempt is put on top of the tax rate and the debt mountain is modeled with a reduction.
- Is there a policy or methodology where the enterprise funds are applied because before enterprise funds were applied IT was over guidelines?
 - Towns are allowed to assess enterprise funds the full administrative costs and it is a complicated calculation to get to those numbers and the benefits associated with those employees. We carried them as IT because IT is legitimately inclusive.
- How is the Middle School paving being funded?
 - PBC released a project for a little over \$300,000 and we are applying this and the remainder is from free cash. That first project was originally a free cash project.
- Why is risk management increasing 8.4%?
 - It is primarily related to claims data and we looked at a 3-year block.
- Why is there a 17% increase in the Town Clerk budget and a 15% increase in the NRC budget?
 - These departments have presented to Advisory and with small departments small changes can result in larger increases. There are costs that we can't avoid such as the number of elections in a year.
- Do we receive funds from the colleges and do we have a line item for that?
 - We do receive funding from the colleges. Wellesley College is one of our top taxpayers. For example, the colleges contributed to the Quint firetruck.
- What is the budget impact next year if we don't get the one-time funds that are flowing into the budget for FY23?
 - These funds are offsetting expenses and resulting in a turnback.
- Clarification was requested that the land use move is covered by free cash this year but that it will be an operating expense as a lease payment that will have to be shown somewhere in the budget.
 - It depends on the lease agreement and it will be a separate line item and will be reflected that way. It does not impact one budget due to Wellesley's de-centralized government. It crosses multiple departments and therefore needs to have its own line item in the budget.
- The overall budget shows an increase of 2.86% versus the 2.75% guideline and is this mostly due to the conversion of part time positions to full time?
 - Risk management is part of this and it is mostly departmental and smaller departments.
- A comment was made that it appears to be a strategic approach to reserves by pulling the three capital projects out and to fund them from free cash. This left room for the smaller capital projects. Are you balancing meeting the 6.8% limitation and 8 to 12% free cash target?
 - Yes, that is correct and there is also an absorption rate of how much people can do. We can only add so many projects to the workload.
- Is there any funding available per year to get to the key initiatives?
 - There are different strategies and action items within those plans. We will start evaluating early in the year to see what we can bring forward. There are also capital projects in there. At this point we don't have a good number and it depends on what we put forward.
- What are the thoughts on the impact of inflation on negotiating contracts into the future?
 - All factors are considered in negotiations. Inflation will be part of the conversation and needs to be evaluated each year. We would not open a contract to consider inflation. Inflation will be a factor along with many other unknowns.

Middle School Paving – Article 20

Joe McDonough, Director, FMD; Melissa Martin, School Committee; Dave Hickey were present. An introduction, history of the project, and project overview were provided.

Questions/Comments

- A comment was made about the curve and if there are any ideas for helping with this.
 - We are adding ADA cutouts and high visibility cross walks. The town traffic committee has discussed other things that can be done to bring attention to this road as being close to a school.
- Is there a fee for using an EVA charging station?
 - This is a bigger issue that the town will be facing as many EV charging stations are installed around town. There are initial discussions about what to charge to recoup maintenance costs. We are looking to see what Babson College and Wellesley College charge. We also need to figure out how process the fees?
- What type of feedback did you receive from the neighborhood hearing?
 - It was lightly attended and we will have a public meeting as part of the ZBA process.
- How are you reducing the amount of impervious space?
 - The Calvin Street lot currently has wide drive aisles and we can bring them down to a standardized size which creates surplus in the middle. There are other smaller areas to accommodate deliveries and truck traffic with an opportunity for aisles and to increase impervious space at the same time.
- When does this start?
 - We plan to start this summer in June and be complete in August. Most of the work will be done this summer and will straddle fiscal years.
- Do we end up with more or less parking?
 - There is a slight increase in spaces but it is not significant.
- A request was made to clarify the bike rack costs and the grant.
 - Bike racks are in other pieces of the estimates. In the end we will get \$70,000 in reimbursement.
- Will the retaining wall work done last year need to be redone?
 - When the retaining wall and railing were designed we made certain there was a protection so when the sidewalk is removed it won't damage the retaining wall.

Walnut Street Paving – Article 19

Dave Cohen, Director, Department of Public Works (DPW); Jeff Wechsler, Chair, Board of Public Works (BPW); Dave Hickey, DPW; Jeff Azano-Brown, Assistant Director, BDPW; George Saraceno, DPW;

A presentation of the Walnut Street paving project was provided. The high points of the project were reviewed. This project was on capital plan two years ago so the project is a bit overdue. This project covers just under a mile of roadway and extends from the Warren School to the town line. It is hoped to have bid results at the beginning of April.

Questions/Comments

- What are you thinking regarding the bike lane and Sharrow markings? Some of the road gets thinner are you making it all the same width?
 - There will be uniform width to the street. Currently upper Walnut is different and lower Walnut increases by two feet.
 - Preferred use is pedestrian but there will be shared use and safety with a multi-use path on one side, and sidewalk on other side. There will be Sharrow markings and signage.

- Is there a way to make the intersection of Walnut St., River St., and Cedar Street safer?
 - Beta looked at the lights at the intersection. We don't see any alignment or geometry changes that would improve safety. All high visibility cross walks will be installed.
- A concern was expressed about the children darting around the Warren playground.
 - There is a chance by the Warren playground to increase the space by the sidewalk. We will create more visibility with a high visibility crosswalk. We think we can improve this area.
- In the lower Walnut Street area before the bridge where there are doctor's office and businesses, there is no curb, are you leaving no curb in this area?
 - We are envisioning a harder curb is lower Walnut. We can tighten up some areas so the sidewalk user is better protected and utility poles are better protected. For grading and pedestrian reasons, we feel the vertical curb is the right choice.
- A comment was made that the Grove Street project did a great job protecting pedestrians.
- A question was asked how the commercial portion of Walnut Street will be made safer.
 - There will be a new set of center lines and fog lines and Granite curb and some definition on driveways. We hope to work with building owners to better define the driveways. We hope to improve the safety piece.

DPW – FY23 Budget Update - PFAS

A PFAS update was provided. The PFAS article will be delayed to STM or later because there is a fair amount of regulatory uncertainty. Interim treatment is not up and running so the data is not yet available to help steer the design of the permanent solution. The interim treatment is under construction and it is anticipated to have it online at the end of April. DPW is also working with the MWRA to develop a second connection into Wellesley. There is a lot of uncertainty around PFAS.

Questions/Comments

- Will the stringent water conservation be maintained this summer?
 - DPW is working behind the scenes to be ready for the watering season. We benefitted from a lot of rain last summer and outdoor watering came down last summer and we will need to continue to bring it down.
- Is the DPW working with other parts of Wellesley such as the BOH to find out the right solution to PFAS as it is a developing issue and likely a costly one.
 - We are working with the BOH in our plans. As we develop plans DPW will keep the BOH in the loop and any comments they have.
- If we don't bring the wells back online and need to add piping for the MWRA water, who pays for the upgraded piping?
 - We have not had a discussion on cost sharing with the MWRA. We are trying to come up with a regional project/solution that might serve other towns. Currently we are carrying almost \$15 million in the capital budget over the next several years. There is a lot of uncertainty which is why we are holding off.
- If we have a drought situation is there a Plan B?
 - Our winter demand is 2.5 million gallons per day and this is indoor use. We need to provide that amount which will grow. We will provide this with whatever system we have. We have a diverse source of water and we need to understand what adding PFAS means in terms of treatment. This is a moving target to make sure we have as many options as possible. MWRA system is not stressed and they have an ample supply of water. Their water is much more expensive. Rates will go up this year.

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FY23 DPW Budget Update

After DPW cut \$600,000 from the capital budget, \$85,000 was restored to the capital budget for the automatic brine system. The stormwater enterprise fund is delayed until the fall and there will be no motion on this article. An update on Article 7, Motion 1 for snow removal costs was provided and DPW is seeking a \$300,000 additional appropriate for a total of \$700,000 additional appropriation for snow removal under Article 7. This amount should cover one more storm and if not needed it will be turned back.

Human Resources, Article 25– Modification of HR Policies

Scott Szczebak, Director, Human Resources; John Hussey, Chair, HR Board; Robin Tusino, HR were present.

Current personnel policy organization, personnel policy issues and personnel policy objectives were presented, explained, and reviewed.

Questions/Comments

- The new remote work policy is on the website and in the folder under “New”.
- Are there other HR experts on the HR Board?
 - Two members are recognized labor attorneys and one member is an HR specialist with Harvard. All have significant experience. All policies are approved by Town Counsel.
- Were policies reviewed by Town Counsel from a legal perspective or HR perspective?
 - It is good to have a second set of eyes.

Discussion

- A comment was made that it is good that see DPW taking a step back to look at the PFAS situation and it would be helpful to hear from public health officials on this issue.
- A comment was made that the TWFP is good and that it is good to see the expansion of projects by making them into articles.

Discussion and Vote on 2022 ATM Warrant Articles

Article 19

Shawn Baker made and Wendy Paul seconded a motion for favorable action on Warrant Article 19, as proposed by the Board of Public Works, that the Town vote to appropriate \$2,450,000 to be expended under the direction of the Department of Public Works, for all costs related the construction, reconstruction, rehabilitation, and repair of the Walnut Street, and that the Town Treasurer, with the approval of the Select Board, be authorized to borrow such amounts as set forth in the Warrant and Motion.

Roll Call Vote

Jennifer Fallon – yes
John Lanza – yes
Corinne Monahan - yes
Patti Quigley - yes
Tom Cunningham – yes
Jake Erhard – yes
Jeff Levitan - yes
Doug Smith – yes
Susan Clapham - yes
Al Ferrer - yes

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Wendy Paul – yes
Pete Pedersen - yes
Madison Riley – yes
Shawn Baker – yes

Advisory recommends favorable action on Article 19, 14 to 0.

Article 20

Shawn Baker made and Jenn Fallon seconded a motion for favorable action on Warrant Article 20, as proposed by the School Committee and the Board of Public Works, that the Town vote to appropriate \$2,500,000 to be expended under the direction of the Department of Public Works, for engineering designs, bid documents, construction, reconstruction, rehabilitation, and repair of the Middle School Parking Lots, including street, sidewalk and/or drainage repairs and improvements, and that these funds will be transferred from the Middle School Building Systems Project and from Free Cash, as set forth in the Warrant and Motion.

Roll Call Vote

Jennifer Fallon – yes
John Lanza – yes
Corinne Monahan - yes
Patti Quigley - yes
Tom Cunningham – yes
Jake Erhard – yes
Jeff Levitan - yes
Doug Smith – yes
Susan Clapham - yes
Al Ferrer - yes
Wendy Paul – yes
Pete Pedersen - yes
Madison Riley – yes
Shawn Baker – yes

Advisory recommends favorable action on Article 20, 14 to 0.

Article 25

Shawn Baker made and Corinne Monahan seconded a motion for favorable action on Warrant Article 25 as proposed by the Human Resources Board, that the Town vote to revise the Town of Wellesley Personnel Policy, by modifying certain HR Policies which change will be reflected in the Town of Wellesley Personnel Policy Updates document, on file with the Town Clerk.

Roll Call Vote

Jennifer Fallon – yes
John Lanza – yes
Corinne Monahan - yes
Patti Quigley - yes
Tom Cunningham – yes
Jake Erhard – yes
Jeff Levitan - yes
Doug Smith – yes
Susan Clapham - yes
Al Ferrer - yes
Wendy Paul – yes
Pete Pedersen - yes

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Madison Riley – yes

Shawn Baker – yes

Advisory recommends favorable action on Article 25, 14 to 0.

Minutes Approval/Liaison Reports/Administrative Items

Liaison Reports

Recreation/Wendy Paul – Article 31 information will be provided next Weds.

PBC/Jeff Levitan – an update of the last PBC meeting was provided and it covered Town Hall and a traffic light on Weston Road for the Hardy School.

Administrative

- There was a discussion about Article write ups and what is needed. All articles that have been voted can be updated to reflect the discussion and the votes.
- The role of the liaison to the boards was discussed and explained.

Minutes

Shawn Baker made and Jenn seconded a motion to approve the February 23, 2022 minutes and to adjourn the meeting.

Roll Call Vote

Jennifer Fallon – yes

John Lanza – yes

Corinne Monahan - yes

Patti Quigley - yes

Tom Cunningham – yes

Jake Erhard – yes

Jeff Levitan - yes

Doug Smith – yes

Susan Clapham - yes

Al Ferrer - absent

Wendy Paul – yes

Pete Pedersen - yes

Madison Riley – yes

Shawn Baker – yes

The February 23, 2022 minutes were approved at the meeting was adjourned, 13 to 0.

Meeting was adjourned at 9:10 p.m.

Documents Reviewed

<https://wellesleyma.gov/DocumentCenter/Index/1377>

- Town Wide Financial Plan
- HR Policy Quick Guide