



Town of Swampscott
Select Board, Capital Improvement Committee,
and Finance Committee Joint Meeting Minutes
Wednesday, September 30, 2020 – 6:00 PM
Virtual Meeting

SELECT BOARD MEMBERS PRESENT

Peter Spellios (Chair), Polly Titcomb, Neal Duffy, David Grishman, Don Hause

FINANCE COMMITTEE

Tim Dorsey (Chair), Mary Ellen Fletcher (Vice Chair), James Goldman, Eric Hartmann, Joan Hilario, Cinder McNerney, Gail Rosenberg, Jill Sullivan

CAPITAL IMPROVEMENT COMMITTEE

Richard Raymond (Chair), Kelley Begin, David Brodsky, Jeremiah Sullivan

OTHER TOWN OFFICIALS PRESENT

Sean Fitzgerald, Town Administrator; Ron Mendes, Assistant Town Administrator of Administration and Finance; Allie Fiske, Assistant to the Town Administrator; Max Kasper, Facilities Director; Suzanne Wright, School Building Committee Chair; Martha Sybert, School Business Administrator; Pamela Angelakis, Superintendent of Schools; Scott Burke

The meeting was called to order at 7:01pm

Paul Kalous, the project OPM and Leigh Sherwood, the architect from LBA provided a recap of the feasibility process for the Proposed school projects. On October 13, the School Building Committee will select a preferred solution, which will be presented at another meeting on October 20 and a schematic plan will be submitted to the MSBA for approval. Mr. Sherwood reviewed the 3 remaining options:

- Hadley Only (K-4) - New School on Hadley Site (\$63M-73M)
- District grades 3-5 – New School on Hadley Site (\$71M-\$83M)
- District grades K-4 - New School, 3 stories on Stanley Site (\$97M-\$114M)

Town Administrator Sean Fitzgerald and Assistant Town Administrator of Administration and Finance Ron Mendes presented a financial analysis to evaluate the effect different construction options could potentially have on the average single-family tax bill. Mr. Mendes reviewed 3 different scenarios using both a Level Principal (Declining Debt Service) analysis and a Level Debt Service analysis. The scenarios are:

1. A project where we fund 2 schools simultaneously (one with MSBA and support one without).
2. A project where we fund 2 schools staggered, both with MSBA support
3. Building one larger school

Mr. Mendes then provided some information about the Town's Excess Levy Capacity, Year 1 Debt Service Estimates, and Reserve Levels - drawing comparisons between this project and two previous school building votes in 2002 and 2014. Town Administrator Fitzgerald suggested using a portion of the Town's reserves to mitigate the initial debt service increase, providing some relief for tax payers.

From a financial perspective, Mr. Fitzgerald stated that a single consolidated school would be the least impactful and most prudent. The Select Board, Finance Committee, and Capital Improvement Committee engaged in discussion about the various scenarios and requested a reformatted document consolidating all of the comparisons for easier analysis

The topic of potentially selling the Hadley School was raised and Select Board Chairperson Spellios provided an update on ongoing discussion the Select Board has had regarding the property and the Select Board's unanimous standing against engaging in a sale to a private developer, but more likely a hybrid public/private partnership to utilize the facility for more civic and innovative purposes.

Facilities Director Max Kasper spoke briefly, and put forth his opinion that a single school at the Stanley site would be his preference considering the state of each of the facilities and growing maintenance needs. The Middle School will not get the attention it deserves if the Stanley School continues to be kept in service.

Tim Dorsey, Chair of the Finance Committee asked if there were any details available regarding the difference in operating efficiencies between the one-school and two-school option. School Business Administrator Martha Sybert briefly reviewed examples of efficiencies (staffing, for instance) and stated that she could provide more information prior to the next meeting.

If the Hadley site is no longer used as a school, there were questions about the cost of keeping ownership of the building, renovating it, and keeping it as community space. Chairperson Spellios shared that he envisioned a scenario wherein the Town does not serve as landlord of the building but enters into public/private partnerships for creative use.

There was a discussion regarding who has the authority to make decisions about the exact financing of the project and whether it is the sole responsibility of the Treasurer to determine how the financing should be structured.

The intention of the next meeting would be to develop a recommendation to the School Building Committee to help inform their final decision on October 13. In preparation for the next meeting, the boards requested a 1-page summarization of the amortization schedules, and a better understanding of difference in operating cost differences between different scenarios – including transport.

There will be a meeting on Monday, October 5 at 7:00pm. A meeting of the Finance Committee will immediately precede that meeting from 6-7pm.

Meeting was adjourned at 9:38pm.

True Attest,

A handwritten signature in dark ink, reading "Allie Fiske". The signature is written in a cursive, flowing style.

Allie Fiske, Assistant to the Town Administrator

Minutes APPROVED by vote of the Finance Committee 11/2/20