

HAMILTON FINANCE AND ADVISORY COMMITTEE
Minutes of Joint Meeting
November 20, 2019

Members present: Valerie McCormack, John Pruellage, Christina Schenk-Hargrove, Nick Tensen, and David Wanger (Chair).

This Hamilton Finance and Advisory Committee (FinCom) meeting was called to order at 7:00 pm at the Council on Aging Building, Bay Road, Hamilton.

Public Comment

Discussion with Kaleigh Pare regarding an update on the Patton Homestead progress.

Kaleigh Pare was present and distributed copies of the FY 20 Budget. Ms. Pare had previously emailed actuals. Ms. Pare said as of August 2019, 1,880 people had visited the property for Military Service Day and as of the current date, 2,340 people had visited the site for major events and meetings. As of August, \$100 had been collected in special event revenue. Currently the total earned was \$2,000 some of which was still outstanding from the Purple Heart Trail fundraiser race.

According to Kaleigh Pare, challenges included insurance coverage. Cabot Insurance had originally deemed the building abandoned and would not allow coverage under the general Town policy. Cabot Insurance had recently added the property to the policy but a quote for the next year was unavailable. The previous year cost \$6,000. Furthermore, the Town required renters to have their own event insurance policy, which was difficult for individuals and smaller groups. The cost was estimated to be \$100 to \$300 for events without alcohol. The Town policy only covered municipal uses. Ms. Pare had looked at other historic properties to find that most were managed by a non-profit rather than a municipality. The non-profit would have their own insurance. Purchasing separate insurance might cost more than \$6,000. John Pruellage noted that if enough events were held, the cost could be shared among the renters by adding it to the rental fee.

The Patton Park contract form was being used, which according to Kaleigh Pare was complicated. It needed to be amended to include where in the building visitors were allowed to be present. A longer rental contract would be developed similar to the Rockport Community House, which was owned by the Town of Rockport. Food service was another issue to be clarified and Ms. Pare would be meeting with the Food Inspector on December 2, 2019. Once the insurance and food issues were resolved, the contract would be rewritten and then approved by Town Counsel before marketing would begin.

Infrastructure limitations such as a lack of a kitchen were discussed. Caterers could bring in all fully prepared hot and cold food in containers. The lack of bathrooms in the stables was also an

issue. Kaleigh Pare was awaiting three seasonal port a potty quotes. One port a potty would be near the stable and one in the lower fields. Those hiking on site could use them. More units could be brought in for larger events. Electrical work was needed in the stables but the electrical system was exposed for easy access. Ms. Pare had contacted Essex Agricultural and Technical School to propose they complete the electrical upgrade. Twelve folding tables and 150 stackable chairs had been acquired as well as a projector and screen. Ms. Pare was searching for a podium.

While plans for a pop up pub with food vendors were thwarted by the Town not being able to give itself a permit, Accord Food Pantry was planning on having a similar event in the spring. Patton Homestead Inc. (PHI) would be in a better position to sponsor the event. Ms. Pare also noted that the EEE threat limited evening outdoor events.

PHI's fundraising for renovations had been limited by the chance the property might be sold so the group was focusing on small donations. Kaleigh Pare recalled that the Purple Heart Road Race had netted \$3,000 with 75 people running in the 10K race. PHI was proposing sending holiday letters to 500 supporters. A working group of Joe Domelowicz, Ms. Pare, PHI, Hamilton Historical Society, Wenham Museum, and the American Legion was being set up. On-line donations and a membership program were in place.

Lunchtime, evening, and weekend lectures were scheduled. Kaleigh Pare said lectures would bring in admission fees of \$5 but speakers would not require a fee. Ms. Pare said the maximum attendees would be 49. The series was publicized on the website, Facebook, and flyers, which cost \$50. David Wanger suggested using the electric sign in front of the Public Safety Building. A 103 year old Battle of the Bulge veteran, who served under General Patton would be one of the speakers. The event would be on a Sunday afternoon with a \$20 admission fee. Forty seats were expected to be sold.

A free preschool story time was held currently but would be a part of the budget for 2021. A sledding event would be held in the winter to alert parents to the facility's availability. The 100 year anniversary of the Suffragette movement would be commemorated with a \$20 per person event held in the stables. The League of Women Voters would advertise the event with an expected attendance of 50 to 100 people. Another series for May 2020 would be History at Play, which would be coordinated with the League of Women Voters with similar pricing and attendance expectations.

Sean Timmons was planning a Hamilton Wenham community picnic on May 16, 2020, which would be free but would generate donations. The Boy Scout Jamboree would be held on June 13 and 14, 2020. Two West Point alumnae luncheons were planned for July and June 2020. While the alumnae had not paid for the facilities in the past, in the future a fee would be assessed. Exclusive use of the facility was \$350 an hour. Last year the group used the facility for four hours. The group also paid the Wenham Museum to tour the archives. No costs would be associated with the event.

A family reunion had been held at the Wenham Museum in the past but would be held at the Patton Homestead in the future. The group was renting the stables and would not be charged the full \$350 an hour but would be charged \$150 an hour. The four hour event costs would be split with the Wenham Museum. The American Legion would pay \$350 an hour for Military Service Day. No fee would be charged for the September Kite Flying Day with Sean Timmons. Last year 150 people attended the event, which enjoyed free advertising through Trails and Sails. No fee would be charged for movies offered through the Recreation Department. The fee of \$350 an hour was established by PHI and was lower than other venues because the facility did not have as much to offer as other facilities.

David Wanger was concerned that the entity would not be self-sustaining within three years. Revenue for FY20 was \$875. Kaleigh Pare said her expectations were that things would be ready to go right away but challenges such as rental contracts and insurance issues had delayed the process.

Kaleigh Pare said an architect had been hired to determine that it would cost \$3M to bring the building up to a proper condition. Currently \$1M had been acquired, which went into building renovations, including new paint, roof, storm windows, and gutters. David Wanger would be provided the sources of funding and categories of expenditures. \$500,000 was funded through the Patton Ridge sale, according to Nick Tensen. John Pruellage thought there was funding through CPA. Ms. Pare said another grant was awarded as well.

Kaleigh Pare said there was an expectation that \$2M was needed to renovate the interior but where there was a chance the property could be sold, no big money funding sources were available. Ms. Pare said small contributions could not fund multiple millions of dollars. David Wanger said the prospects appeared bleak. Ms. Pare said \$150,000 was required to be considered a self-sustaining property for FY20. Ms. Pare would send David Wanger the amount of funding from the General Fund, which was needed for FY21. Ms. Pare said she did not know if the property would be self-sustaining within three years. Ms. Pare suggested having the property managed by a separate non-profit paying rent to the Town, which appeared to work for other towns. Ms. Pare said the Town would take on the \$2M cost, which Mr. Wanger did not think would happen. To be self-sustaining, Ms. Pare did not think there was a need for a kitchen as caterers would adapt. The bathrooms needed to be upgraded.

The PHI started as a committee to advise the Town and became a separate non-profit to expand their Board to include people from outside Hamilton. The Memorandum of Understanding included that the non-profit would advise and fundraise for the property. Money raised could be gifted to the Homestead. Ms. Pare said she had contacted Wedding Pro and received tips on how to prepare for weddings. Five or six couples had decided to go to more inclusive venues. Jack Lawrence referred to the Willowdale site, which was a successful wedding venue. Mr. Lawrence recalled that Willowdale wanted to buy the Homestead but was only offered a lease so they built

an inn in Rowley instead. Briar Forsythe was the manager of Willowdale. The Community House was giving away a wedding in 2021. The ceremony would be at the Homestead and the reception at the Community House.

Nick Tensen suggested raising money in an escrow account until a certain amount was reached when the Town would agree not to sell the site. It was agreed that a facility in need of renovation would not be successful. David Wanger noted the Town was facing a fiscal issue so a significant investment was debatable. Kaleigh Pare said she needed to work out the details of the contract and market the site. Mike Twomey would give Ms. Pare the contact information for Mike New who might be able to assist her.

Valerie McCormack suggested contacting movie companies who might renovate and rent the space. David Wanger suggested charging movie companies for parking. John Pruellage suggested PHI contact the WWII Museum in New Orleans. Christina Schenk-Hargrove offered to have her father give his alternate perspective at the Battle of the Bulge lecture.

Discussion with Mike Twomey of the Town Hall Building Committee regarding project progress.

Jack Lawrence and Mike Twomey were present. Mr. Twomey said the Committee had originally reviewed 34 options. Two members of the Selectmen asked them to review Option C, which had been presented by Doug Trees. The Hamilton Historic District Commission (HHDC) made suggestions and recommendations and asked the Committee to review Option B, which had been approved at Town Meeting. Of the 25 recommendations, only two did not conform (the stage and ballroom areas). The stage, which would be the Town Manager's office would be left intact. Mr. Twomey said not changing the stage would save money but handicapped access would be an issue. The HHDC asked to have a visual view into the ballroom and stage and keep the historic woodwork. Offices were moved 90 degrees and when a visitor walked into the space, the view would be as requested. The HHDC found the solution acceptable.

The architect showed the addition on the back of the existing building with a tower covered with a flat and gabled roof and a third rendition of another addition on the back of the building. The architect had looked at a center addition similar to the Wenham Town Hall but the roof line and windows prohibited the plan. The architect settled on an addition on the corner of the building that was big enough for a stairway and elevator covered with a gabled roof. The problem with the plan was that a valley would be created where water and snow would increase the load on the roof, which might trigger structural upgrades. Another issue was that access would be below the stage level so a lift between the ballroom and the stage would be needed.

According to Mike Twomey, the architect had issued a letter stating his dissatisfaction with the process. Mr. Twomey hoped to meet with the Town Manager to develop a course of action and set up a meeting to resolve issues. The meeting with the DPW, Town Manager, two Owner's Project Managers (OPMs) and two architects would be held in the hopes of setting a direction or

a change of course. Mr. Twomey said the Town would not tolerate the behavior of the architects as there were good reasons why there had been changes from Options A to B. Mr. Twomey said leaving the stairs intact would be a huge savings.

Mike Twomey said the structural reports indicated that the structure was solid even though the architects planned to rip out the whole first floor ceiling to put in joists to eliminate bounce on the second floor. Mr. Twomey said this was not a structural requirement and the Town should decide upon joists or not rather than the architect. The existing load was 100 pounds per square foot. Another issue was the perimeter drain around the exterior, which had been completed a few years ago. Reportedly Dave Thompson said it was sufficient and should not be changed. Mr. Twomey said the vault in the basement was a huge cost and the architect was asked to relocate it outside the basement. Mr. Twomey thought building a larger addition to accommodate egress and flow to the ballroom would be a prudent thing to do. Mr. Twomey suggested lowering the elevator stop at the ballroom level and lowering the addition so the roof valley would be eliminated. A lift might be needed to go up to the stage level. The first floor would stay the same. Mr. Twomey said the job had not changed a lot.

According to Mike Twomey, Option C was reviewed but not considered as it was not approved at Town Meeting but Option B was taking on some of the attributes of Option C. Originally a plan similar to Option C was considered but the Selectmen had decided to keep all work within the existing structure. Mr. Twomey said money was better spent doing an addition with better access and flow.

The architects wanted additional money for Option B, which had already been figured into the cost of the project. Mike Twomey said making the addition correct should be part of the architects' work. Reportedly the architects said they had to do the joists in the main floor by code, but the Committee had a letter from their in house structural engineer stating the change was not required by code. Mr. Twomey said the Committee needed to determine the value of the joists and detriment of having a floor that bounced before making a decision.

Mike Twomey was annoyed that no exploratory analysis by a structural engineer had been done prior to the design stage. The Town was told to hire an OPM and architect first, which would not be what Mike Twomey would have suggested. Mr. Twomey wanted to have a hole cut into the wall to determine if insulation was present but his own board criticized him as it was minutia. It was later determined that there was insulation installed a couple of years ago. Mr. Twomey also said there was a State mandate that an employee in the Town with seven or more years of experience in construction could substitute the need for an OPM. While Mr. Twomey was only on the committee and not technically an employee, he did have 46 years of experience and questioned the need for an OPM. Mr. Twomey reiterated that the Town should have had a structural engineer produce a report before putting money into the design process.

Mike Twomey hoped to have the architect further the design, meet with the HHDC to review the exterior, stage, and ballroom and then go to Annual Town Meeting with the option visible with isometrics. Mr. Twomey wondered if the Town could approve the project and then have it be bid, proceeding as long as it was under budget. If another Town Meeting was required, it could be done in the summer. It was agreed that bonding a project for a specific amount needed to be approved at Town Meeting. John Pruellage suggested putting in a not to exceed budget amount. Timeline and milestones would be set. Mr. Twomey said construction could start within a month of approval and the length of construction would be one year and six months as the job was substantially simplified. While Gordon Conwell would offer space for employees, Jack Lawrence thought they might not need to be relocated during construction. Mr. Twomey said the project would be segmented by constructing the addition then renovating department spaces.

Mike Twomey said the Committee needed FinCom support and that residents needed to know what they were getting. Members discussed if having a Special Town Meeting would help focus on the project. Christina Schenk-Hargrove noted that the new position would help with attendance and publicizing the project. Discussion ensued regarding if the addition would impact the placement of the proposed cell tower. It was agreed that if the cell tower had to be constructed behind Town Hall, it would be doable.

Committee member and liaison updates.

Christina Schenk-Hargrove reported on the Schools. The Julie Kukenberger (Interim Superintendent) started a spending curtailment program to find cost savings. Ms. Kukenberger would go step by step with staff to determine needs. The proposed budget would be open to input and potentially changed before being approved, which was different than in the past. David Wanger said John McWane (previous FinCom member) had proposed the Schools not increase their budget by more than 2.5%. Mr. McWane said the Schools would then cut their essential programs as they were restricted in their thought process. Mr. Wanger said Alex Begin was to draft inquiries to review and send to the Schools, but Mr. Wanger had not heard from him despite e-mail requests sent by Mr. Wanger.

David Wanger recalled that the Selectmen approved the proposal to have waste collected every other week by 4-1 with Jeff Hubbard saying it was unfair to revert to every other week. Mr. Wanger said he, Darcy Dale, and the Town Manager had met to amend the Budget schedule. The FinCom would meet with department heads on December 10, 11, and 12. The Boards of Selectmen, two FinComs, and Schools usually met in December to present the budget and then met again in February.

Marisa Batista would have a booklet for each department with the history of their FY20 budget, where the department was since December, and what the department was requesting for FY21. The information would allow for analysis such as if extra personnel were hired to prevent overtime and then overtime was requested anyway. It was concerning that the Schools would be asked to present a budget increase of 2.5% while the Town was requesting more due to adding

staff. Mr. Wanger questioned why current staff could not do the function of the new position. Mr. Wanger said having new employees was not consistent with the fiscal concerns nor approach to the Schools. Nick Tensen said there were six new positions added (finance, police, DPW, Patton, planning, and fire) in one fiscal year. Mr. Tensen noted that the shared Building Inspector would create more revenue due to increased fees. John Pruellage said Ms. Batista would provide a head count by department to illustrate the growth. The drivers in the budget had been labor but new people had previously entered employment at lower rates than those who had left and some positions had remained unfilled in the past. It was unclear how growth would remain under 2.5%.

David Wanger said Marisa Batista had found a student to take on projects and asked the FinCom to consider what projects might be worthwhile such as research or data gathering. Christina Schenk-Hargrove suggested researching how other towns communicated information to the public and how they managed to have more people show up for Town Meeting. John Pruellage suggested researching other towns for specific financial metrics and what would be a reasonable head count for Town Hall. Valerie McCormack suggested having the intern update the website but Mr. Wanger recalled that was part of the new position. Ms. Schenk-Hargrove thought the intern could determine why Hamilton's population was decreasing at a different rate than neighboring towns. Members discussed the possibility of going into a proposition 2.5 situation as the taxing capacity was running out.

Discussion with Finance Director and/or Town manager regarding FY21 budget or other finance related updates including FY 200 Q1 results, tax rate and other matters.

Discussion regarding any updates on HWRSD Budget and process

Discussion regarding 2020 FinCom schedule

Discussion of FinCom goals and project for FY20

Review and approval of available minutes

Motion made by Nick Tensen to approve the minutes of October 23, 2019 as amended.

Seconded by John Pruellage.

Vote: Unanimous in favor.

Determine/Discuss agenda for next meeting

Other topics not reasonably anticipated as determined by the chair.

Nick Tensen suggested either improving the Patton Homestead or getting rid of the program because if the facility was not changed, the program was not going anywhere. Mr. Tensen hoped a decision would be made soon rather than dragging the situation out for two more years, which would be a waste of money. Christina Schenk-Hargrove disagreed. David Wanger noted that Patton was a matter of emotional value to a certain segment of the town so allowing it to continue would satisfy that it was given a chance to succeed. Ms. Schenk-Hargrove said Kaleigh Pare brought in \$825 and it was hard to bring in \$30,000 even if it were combined with the

\$80,000 from the Town. The program needed \$150,000 to be self-sufficient, which would be nearly impossible. John Pruellage thought the pressure should be on PHI for fundraising. Mr. Tensen said if PHI could raise \$2.5M, then the property should not be sold. It was questioned why donors were told the property could be sold. Mr. Wanger said John McWane was critical of the fundraising process. Mr. Wanger said that if the facility were fixed up, there might be a market for it but then wondered if the market had already been absorbed by the nearby Willowdale site. Mr. Wanger wondered if a market analysis should be conducted. Mr. Tensen said that should not be a driver as the site was historical and a benefit to the town, which might provide something that fed the soul. Valerie McCormack said many farms had food trucks with local vineyards and breweries and the site would not need to be fixed up to be a beer garden. Mr. Pruellage said the site had unique features and could become a military wedding venue. Ms. McCormack would reach out to Carin Kale about fundraising.

Adjournment

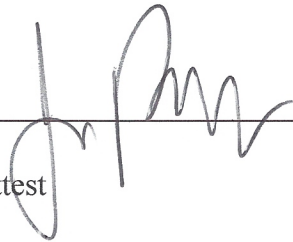
Christina Schenk-Hargrove made motion to adjourn.

Seconded by Nick Tensen.

Vote: Unanimous in favor to adjourn at 9:56 pm.

Prepared by:

Marcie Ricker

 _____ 1/23/20
Attest Date