

TOWN OF WELLESLEY



REPORTS TO THE SPECIAL TOWN MEETING

**MONDAY, OCTOBER 25, 2021
7:00 P.M.**

Zoom Videoconferencing Platform

by the

ADVISORY COMMITTEE

**SELECT BOARD
PLANNING BOARD**

Please read this Report and bring it with you to Town Meeting.

For more information and updates, please visit www.WellesleyMA.gov.

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TOWN OF WELLESLEY



ADVISORY COMMITTEE LETTER SPECIAL TOWN MEETING, OCTOBER 25, 2021, at 7:00 p.m.

TERM ENDS 2022

Jennifer Fallon
Neal Goins, Chair
John Lanza
Corinne Monahan
Patti Quigley, Vice Chair

TERM ENDS 2023

Shawn Baker, Secretary
Tom Cunningham, Vice Chair
Jake Erhard
Jeff Levitan
Doug Smith

TERM ENDS 2024

Susan Clapham
Alberto Ferrer
Wendy Paul
Pete Pedersen
Madison Riley

To the Town Meeting Members of the Town of Wellesley:

October 13, 2021

Welcome to the October 2021 Special Town Meeting! Attached please find the Report to Special Town Meeting containing the Advisory Committee's recommendations. This document is referred to extensively during Town Meeting, and is most useful if read in advance and kept handy during the presentations and discussions.

The Report will also be posted on the Town's website at www.wellesleyma.gov. In addition, various presentations, and background materials on some of the articles and issues surrounding the warrant articles can be found on the Town's website.

Notable matters coming before the October 2021 STM include:

- Construction and project management funds, and student relocation costs during the project, for reconstruction of the Hunnewell Elementary School (Article 2) *;
- Design and construction funds for a new replacement facility for the John D. Hardy Elementary School project (Article 3) *;
- Funding of filtration systems for water treatment purposes;
- Amending the Zoning Bylaws to permit certain outdoor dining without requiring a Special Permit; and
- A Citizen's Petition to amend the Zoning Map by re-zoning 307 and 309 Washington Street from General Residence to Business.

** If approved by Town Meeting, these projects will require a town-wide debt exclusion vote on December 7, 2021.*

The Advisory Committee appreciates the dedication, expertise, and knowledge of all those who presented to us on this year's STM matters. Advisory is also grateful for the many hours that elected and appointed officials, Town employees, and other concerned citizens devote to make our Town run so efficiently and effectively, and their dedication to making Wellesley a better place in which to live.

I personally want to recognize all members of the Advisory Committee for their hard work and diligence in making sure Town Meeting Members are well-informed and fully prepared for Town Meeting.

The Advisory Committee always welcomes input, whether through the Citizen Speak opportunities available at our meetings or via email at advisorycommittee@wellesleyma.gov.

Sincerely,

Neal Goins, Chair
Advisory Committee

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**Town-Wide Financial Plan Fiscal Year 2022 Special Town Meeting
Interim Budget Update
Submitted by the Select Board**

October 5, 2021

Dear Town Meeting Members:

Please find an interim Fiscal Year 2022 (FY22 is the year beginning July 1, 2021) budget update to the Town-Wide Financial Plan (TWFP) for the 2021 Special Town Meeting (STM).

The October 2021 Special Town Meeting will consider two significant debt exclusions for the Hunnewell and Hardy Elementary School projects. In preparation for that discussion, the Select Board has produced this interim report to provide Town Meeting Members with an update on the Town's financial picture and some preliminary considerations for FY23.

Highlights:

- State and federal relief funds have helped the town weather the financial impact of the pandemic, and the Town is now eligible for additional funds from the American Rescue Plan Act (ARPA).
- FY21 revenues outperformed the Town's conservative assumptions by \$3.8 million at year end.
- The Town's reserves were at \$25,830,840 at the end of FY21, allowing the Board to consider addressing deferred capital needs in FY23.
- Additional considerations for the FY23 budget include the need for a new union contract for School Department employees, and a new multi-year contract for health care benefits to be negotiated with all unions.
- The Board is planning for the proposed debt exclusions for the two school projects and estimates the peak impact to the median tax bill will be \$760 in 2025.
- The Board is contemplating capital spending at the high end of the debt policy range (6.8% of recurring operating revenues).
- Favorable reserves and additional federal relief funds are likely to allow for some greater flexibility as the Town seeks to catch up on capital needs.

Background:

The Select Board prepares the [Town-Wide Financial Plan](#) as required by the Town of Wellesley Town Bylaws (Section 19.16) and the Board submits the report to Town Meeting each year. The Select Board presented the FY22 Financial Plan in March 2021. The FY22 Budget Book and Town Wide Financial Plan are the basis for this report and can be found at wellesleyma.gov/2021budgetbook. The TWFP is constructed using information submitted by Town boards pursuant to the provisions of Sections 6.15 and 11.11 of the Town Bylaws. Financial projections for upcoming years are calculated according to board policies and other assumptions approved by the Board.

In April 2021, Town Meeting approved a balanced budget of \$182,196,368 for the Fiscal Year 2022. At the request of the Select Board, Town Meeting authorized the use of \$3,781,347 from reserves ("Free Cash") to balance the budget.

Overview of Recent Relief Funding for COVID-19 Expenses

The Town continues to emerge from the financial impacts of the COVID-19 pandemic which impacted FY20, FY21, and FY22. State and federal assistance has come in several waves and will continue to provide some relief.

Federal Consolidated Appropriations Act

In December 2020, Congress passed the Federal Consolidated Appropriations Act (Act), providing \$900 billion in stimulus relief in response to the COVID-19 pandemic. The Act allowed for Coronavirus Aid, Relief, and Economic Security (CARES) funds to be extended from December 30, 2020, to December 31, 2021, while also providing additional modest resources for schools. With the ability to expend CARES funds through the end of 2021, the Town was able to cover the anticipated COVID-19 costs associated with operations, including the significant salary costs of the Remote Learning School through June 30, 2021. The Town received \$2,616,201 in CARES funds and has expended all funds as of this report.

Federal Emergency Management Agency (FEMA) Reimbursement

On January 21, 2021, by Presidential Order, FEMA reimbursement was increased from 75% to 100% and eligible costs were expanded to include vaccine distribution costs, personal protective equipment (PPE), cleaning and sanitization costs, and school reopening costs. FEMA continues to issue revised guidance on implementation, and the Town is currently awaiting approval of submitted reimbursements of \$391,397.49 in Town expenses. Thus far, the Town has received \$365,638.00 in reimbursements submitted by the School Department for the school COVID-19 testing program. Additional reimbursements from FEMA will be added to Free Cash.

American Rescue Plan Act (ARPA)

On March 11, 2021, the President signed the American Rescue Plan Act (ARPA) into law. The law provides for financial assistance to municipalities and schools through direct local funds and through allocated county funds. Wellesley is eligible for the following:

- Approximately \$3 million in local funds (half of which was received in FY21)
- Approximately \$5.4 million available through an application process administered by the Norfolk County Commissioners
- Competitive grants from the Commonwealth which are still being developed. (The Commonwealth received \$2.8 billion in ARPA funds.)

The eligible uses for ARPA funds fall into these broad categories:

- Response to the public health emergency
- Premium pay to employees providing essential work
- Revenue replacement to support government services impacted by COVID-19
- Investments in sewer, water, or broadband infrastructure

ARPA funds are prohibited from being used for the following:

- To offset a reduction in taxes
- To offset or reduce pension obligations
- To Service debt for infrastructure investments (qualifying infrastructure projects must be pay-as-you-go investments)
- To increase reserves or stabilization funds.

The Town has not yet expended any ARPA funds and will be reviewing eligible projects as part of the FY23 budget process. ARPA funds must be obligated by December 31, 2024, and must be expended by December 31, 2026.

Total COVID Funding Assistance Available and Application of Funds:

	Federal and State Assistance	3/2020 - 9/2021
Municipal CARES Allocated	\$ 2,616,201.00	
Schools CARES Allocated	\$1,097,100.00	
School ESSR Grant	\$123,519.00	
School CARES Remote Learning	\$101,127.00	
Schools through 6/30/21	\$ (3,065,799.69)	
Health Dept.		(24,230.00)
Election		(81,058.00)
Morses Pond Summer Operations FY20,FY21,FY22		(143,832.00)
Personnel Backfill (Non-School)		(90,939.00)
Cleaning/Disinfection		(298,456.00)
Technology (Non-School)		(50,614.00)
Legal		(68,355.00)
Food Programs		(72,499.31)
Library		(42,164.00)
Subtotal CARES/Grants	\$ 3,937,947.00	\$ (3,937,947.00)
CARES Available		\$ -
Potential FEMA Reimbursement	\$ 757,035.00	
ARPA - Local Funds	\$ 3,000,847.00	
ARPA - County Funds (less 3% county admin. fee)	\$ 5,401,746.67	
ARPA - Available		\$ 9,159,628.67

Revenues

Performance of past revenue assumptions

In FY21, the Board applied a set of conservative assumptions to account for the potential impact of COVID-19 on revenue from New Growth, Motor Vehicle Excise Tax, Investment Income, Meals/Hotel/Motel Tax, and building fees. In FY21, parking revenue from meters and commuter lots plummeted.

The Board is pleased to report that the FY21 revenues outperformed the conservative assumptions by \$3.8 million due to several factors:

- The Town received a one-time building permit fee of \$1.14 million for the 350-unit multi-family housing structure at Williams Street, in the Wellesley Office Park.
- The Town experienced partial rebounds, including permits (+\$400,000), Motor Vehicle Excise Tax (+\$348,000), RDF Revenues (+\$238,000), and Meals/Hotel/Motel Tax (+\$205,000).

- The Treasurer was able to recoup \$1.17 million in one-time tax title properties including deferral and interest payoffs from the sale of long-term (20+ year) delinquencies.

Traffic and Parking Operations

The traffic and parking division funds traffic consulting services for the Town, management and maintenance of the parking lots and parking meters, traffic calming, traffic signs, street line painting, and salaries for the Parking Clerk, meter attendants, and half of the salary of the Police Lieutenant who oversees the division.

Current data shows the Town's traffic and parking revenues continue to be significantly lower than previous years, particularly in the commuter parking lots. COVID-19 resulted in a dramatic decrease in the use of public transportation and an increase in remote work, which continues to leave the Town's commuter lots largely empty. The Massachusetts Bay Transportation Authority (MBTA) has increased train service as part of its "Regional Rail" service initiative. Service to Wellesley is no longer limited to clusters of trains during traditional morning and evening commuting hours, as the MBTA is now offering "Clock Face Scheduling" on weekdays with trains throughout the day. The Select Board is encouraged by the slow but steady return of commuters to public transportation.

At the close of FY21, traffic and parking had risen from 2% (as of October 2020) to 26% of the FY20 totals and 20% of the FY19 totals. The FY22 operating budget subsidized the Traffic and Parking Budget, typically a self-sustaining fund, with just under \$900,000. The Board is anticipating a revenue shortfall of approximately \$500,000 in FY23 and is planning to subsidize the Traffic and Parking Fund, as was done in FY22.

Other Trends

Collections of property tax and excise tax reflect past year percentages and the Town has not seen a drop in valuation. [The current FY22 Budget has an increase of 2.39% compared to the FY21 approved Budget.](#)

Status of Reserves

Throughout the FY21 and FY22 budget process, the Select Board evaluated the use of Free Cash and the resulting impact on reserves as the Town prepared for the financial impacts of COVID-19. The Town's Financial Policies stipulate reserves should range from 8% to 12% of budgeted operating revenue. The FY21 budget approved by Town Meeting maintained funding levels for the stabilization funds and other reserves as well as Other Post-Employment Benefits (OPEB) and Pension contributions.

In June 2020, anticipated reserve balances for FY20 were 11.54% of revenue. In July 2021, with continued COVID-19 restrictions and modified operations throughout the fiscal year, departmental operating turnback was high at \$8.5 million. Town departments turned back \$3.2 million, the School Department turned back \$3.2 million, and the Health Insurance turn back was \$2.2 million, bringing the Town's reserves to \$25,830,840 or 19.64% of revenue.

The increased reserve balance and federal aid in the form of ARPA funds will allow the Board more flexibility in evaluating deferred capital needs resulting from necessary cuts in FY20 and FY21, however the Board is anticipating it may take several budgetary cycles to catch up on capital spending.

FY23 Budget Considerations

The Town's FY23 budget process is underway for FY23. The Board began discussing budget guidelines in August informed by the positive FY21 financial results and more favorable revenue estimates for FY23. The Board is working to re-establish the typical budget timeline, with a return to the late March start of Annual Town Meeting in 2022. As conversations begin on capital funding, the Board has been modeling capital costs for the five-year capital plan according to the upper limit of the Board's debt policy (6.8% of recurring operating revenues).

As in prior years, the key issues impacting the Town's financial planning include:

- Growth in personnel costs
- Rising costs of employee benefits
- Facilities and other capital needs.

Personnel Costs

The largest recurring item in the year-over-year growth of the Town budget is the cost of wage increases ("Cost of Living Adjustments" or COLA) for existing employees. Most Town employees are unionized, and their annual wage increases are a subject of collective bargaining. There are 11 unions representing 1,129 employees, the largest of which is the Teacher's Association. As part of the 2021 Annual Town Meeting, the Town had one union settlement outstanding for the Facilities Management Department Custodians. Following the 2021 Annual Town Meeting, the Town was able to settle with the union and will be bringing the settlement agreement to the Special Town Meeting for approval. For FY23, the School Committee will need to negotiate a successor agreement to their union contracts and the Town will negotiate with all unions on a new multi-year contract for health care benefits for FY23 and beyond.

Facilities Management Department Custodian Union Settlement

This fall, the Select Board is pleased to be able to bring the Custodian Union contract to Special Town Meeting for appropriation. Negotiations on this contract began with the Custodian Union in March 2020 and were stalled due to COVID-19. The negotiations resumed in the summer of 2020, and a tentative agreement reached in September 2020 subsequently fell through. The Town restarted negotiations in March 2021 and was able to reach agreement in May 2021, just following 2021 Annual Town Meeting.

Key Terms of FMD Custodian Collective Bargaining Agreement:

Positions Under Custodian Contract

- 58 Positions
 - 50 Custodians
 - 8 Maintenance Staff

Financial Terms

- Three-year agreement (FY21-FY23)
- 2.5% COLA FY21
- 2% COLA FY22 and FY23
- Adds Juneteenth as paid holiday
- Increases longevity in FY22 and FY23 by \$175 for each threshold
- Increases shoe allowance by \$50

- Adds the purchase of lightweight jacket to uniform allowance
- Eliminates payment in lieu of vacations
- Eliminates wage differentials for Municipal Head Custodian in FY22

FY21 Cost of Settlement (Retroactive Payment)

Total cost is \$85,912.00

FY22 Cost of Settlement

Total cost is \$78,926.00 (COLA, Longevity, and Expenses)

Debt-Funded Capital Projects

There are several debt-funded projects on the warrant for Special Town Meeting requiring appropriation. The projects include debt-excluded and enterprise fund borrowing. At the April 2021 Annual Town Meeting, all the proposed debt-funded projects were paid with inside-the-levy borrowing. The Town continues to proactively manage its debt by containing costs on construction projects, and by applying savings to other projects to reduce future borrowing costs.

Plans for Debt Exclusions

The Select Board continues to plan for significant debt-excluded capital projects using the Major Project Financing Schedule in the [Town Wide Financial Plan](#) which includes large projects that the Board anticipates will be brought to the voters for approval in the next one to five years. The Hunnewell and Hardy School Projects have been included in the Town-Wide Financial Plans since 2014 following a presentation by the School Committee to the December 2013 Special Town Meeting on the ten-year plan for the renovation of the Town's elementary schools and the Middle School. At the upcoming 2021 Special Town Meeting, Town Meeting Members will vote on whether to fund the construction of the two schools. If Special Town Meeting approves the funding, there will be a town-wide vote on the debt exclusion on December 7, 2021.

Based on current construction schedules, the Board estimates the peak impact to the median tax bill will be \$760 in 2025, if the school projects are approved. The tax impact would decline each year after 2025, over the course of the 25-year borrowing.

The Board is planning a Special Town Meeting in October 2022 for the approval of the renovation of the interior of Town Hall. The Town Hall Interior project completes the major financing of four debt exclusions in three years. The first of these projects was the Middle School Building Systems which was approved at the October 2020 Special Town Meeting and passed at the polls through a December 2020 debt exclusion of approximately \$12 million. Here is a brief description of the remaining three projects:

Hunnewell School

At a Special Town Meeting held December 1, 2019, the Town authorized \$4,680,000 for schematic design, permitting, and bidding for construction of a new Hunnewell School. To facilitate construction, internal swing space initially was found to be the only feasible option to allow the construction of Hunnewell School to begin prior to replacement of the Hardy School. The project has completed permitting and is awaiting bids. The current estimated costs associated with construction are \$55 million and the costs of internal swing space cost is estimated at \$3.7 million. The School Committee has just recently identified an option to redistrict the elementary schools earlier than anticipated and house the Hunnewell students at the Upham Elementary School. The option B Swing Space model is estimated to cost \$1.7 million. If funding is approved by Town Meeting at the Special

Town Meeting, the Select Board would call for a town-wide debt exclusion vote on December 7, 2021.

Hardy/Upham Schools

The Town was invited into the Massachusetts School Building Authority (MSBA) program for the consolidation and replacement of the Upham and Hardy Schools. The MSBA program approved reimbursement of approximately 34.9% of eligible costs (mostly limited to construction costs and not offsite costs). In an exhaustive and inclusive process, the School Building Committee (SBC) evaluated both the Upham and Hardy sites and selected the Hardy School site for a new consolidated school. The Town approved \$2.5 million at a Special Town Meeting in the fall of 2018 for a feasibility study through schematic design. The Hardy School Schematic Design was approved by the MSBA on August 25, 2021. The Permanent Building Committee (PBC) has voted a total project cost of \$70,000,000. If funding is approved by Special Town Meeting, the Select Board would call for a debt exclusion vote on December 7, 2021.

Interior renovation of the 1883 Town Hall

An interior space utilization and visioning study of the building was completed in 2018 and identified a number of serious deficiencies, including lack of clear wayfinding; insufficient space for meetings, offices, and storage; lack of secure storage for vital records; lack of security for financial transactions; insufficient parking; air quality issues; moisture infiltration; and handicap accessibility deficiencies. Moreover, the major building systems (boiler, HVAC) are at the end of their useful life and need to be replaced, and Town Hall does not currently meet the requirements of federal or state disabled persons' accessibility laws.

The utilization and visioning study recommended the construction of a Town Hall Annex as an addition to Town Hall was too challenging with the building design and parkland surrounding Town Hall. A feasibility study for the Annex was completed in 2019. Due to COVID-19, the Board eliminated the Town Hall Annex plans prior to the 2020 Annual Town Meeting.

Using Facilities Management Department capital funds, a supplemental study of the feasibility of the interior renovation of Town Hall was conducted and a revised recommendation was submitted to the Board in November 2020. The recommendations for Town Hall included removing the Land Use Departments to leased space and redistributing Town Hall departments in Town Hall. The 2021 Annual Town Meeting approved \$1.8 million for schematic design of the interior renovation. Schematic design is currently underway with the PBC, and it is anticipated the Board will seek a debt exclusion of \$15.5 million for construction funds at a fall 2022 Special Town Meeting, followed by a town-wide vote in December 2022.

Five-Year Capital Plan

As the Board evaluates the current capital requests on the Five-Year Capital Plan, we will be taking a close look at the significant capital reductions that were required in recent years due to the uncertainty arising from COVID-19. In FY21, the Board chose to reduce cash capital spending, which dropped to 5.33% of recurring operating revenues (below the low end of the debt policy range of 6.2%). The Board cautiously increased cash capital spending to 6.12% in FY22. In its deliberations on the FY23 budget, the Board is considering a cash capital target towards the high end of the range at 6.8%.

The Board continues to apply an objective and rational prioritization process to determine what projects move forward. This year, the Board will have some additional flexibility with the potential application of one-time ARPA funds or one-time Free Cash appropriations to catch up with deferred capital needs, while also working to maintain the Town's current operational performance and staffing. The Board will continue to balance the needs of all constituencies in a fair and predictable manner in order to bring costs in line with the debt policy and to equitably apply ARPA funds to eligible projects.

The Board continues to be mindful of the significant impact to taxpayers resulting from debt exclusions, including the proposed Hunnewell and Hardy Elementary School projects this year, and the Town Hall Interior renovation next year. For FY21, the Board took the proactive step of expending \$2 million in Free Cash to reduce the borrowing for the schematic design phase of the Hunnewell project to \$2,680,000, and the Board is now evaluating whether Free Cash could be used to fund the swing space associated with the Hunnewell project.

Conclusion

The Town's FY21 assumptions proved to be conservative and have resulted in an overperformance of revenues with considerable turnback from both Town and School departments that will be available for the FY23 budget cycle. As a result of the positive outcomes, the Town currently has reserves of 20%, which is higher than the upper end of the Reserve Policy range of 8% to 12%. The Board will consider modest use of Free Cash over the coming budget cycles to fund the deferred capital from FY21 and FY22 and will continue to evaluate individual high priority projects for funding, including the potential use of Free Cash for swing space for the Schools.

We look forward to working collaboratively during the upcoming FY23 budget cycle to prioritize needs, projects, and funding (taxation, grants, and federal relief) to maximize the resources that are available to the Town, Schools, and community to maintain the high-quality services and health of our community.

Sincerely yours,

Thomas H. Ulfelder, Chair
Lise M. Olney, Vice Chair
Elizabeth Sullivan Woods, Secretary
Colette E. Aufranc
Ann-Mara S. Lanza

TOWN OF WELLESLEY- SOURCES AND USES OF FUNDS

Exhibit I

	<u>FY2021</u>	<u>FY2022</u>	<u>% Change</u>
	<u>Tax Rate</u>	<u>Request</u>	
*** SOURCES OF FUNDS ***			
Tax & Other Current Revenues			
Within Levy Limits			
Real Estate & Per. Prop. Tax	139,002,423	144,277,484	3.79%
From the Commonwealth	10,700,206	10,885,925	1.74%
Local Revenue	11,004,683	10,592,688	-3.74%
Sub-Total (Tax & Cur. Rev.)	160,707,312	165,756,097	3.14%
Outside Levy Limits			
Real Estate & Pers. Prop. Tax	10,409,960	10,979,648	5.47%
Available Funds			
Water and Sewer	314,750	321,045	2.00%
Parking Meter Receipts	1,264,100	0	-100.00%
Appropriated/Reserved CPA Surcharge	549,500	575,000	4.64%
CPA Funds for North 40	553,444	549,444	-0.72%
Free Cash- balance budget	2,639,066	3,781,347	43.28%
Free Cash- Other items	1,225,409	113,787	100.00%
Unencumbered/Transfers from other funds	279,501	120,000	100.00%
Sub-Total (Available Funds)	17,235,730	16,440,271	-4.62%
TOTAL SOURCES OF FUNDS	177,943,042	182,196,368	2.39%
 *** USE OF FUNDS ***			
Personal Services (Non-School)	29,921,869	30,472,926	1.84%
Expenses (Non-School)	10,981,716	11,349,632	3.35%
Subtotal (Non-School)	40,903,585	41,822,558	2.25%
Personal Services (School)	70,862,362	73,590,176	3.85%
Expenses (School)	9,517,289	8,950,078	-5.96%
Subtotal (School)	80,379,651	82,540,254	2.69%
Sub-Total (Pers. Svcs.& Exp)	121,283,236	124,362,812	2.54%
Capital & Debt:			
Within Levy Limits			
Capital/Extraord./Special Items	3,881,232	4,260,119	9.76%
Debt Service	5,000,000	5,900,000	18.00%
Sub-Total (Within Levy Limits)	8,881,232	10,160,119	14.40%
Outside Levy Limits			
Debt Service	10,963,404	11,529,092	5.16%
SUB-TOTAL (CAPITAL & DEBT)	19,844,636	21,689,211	9.30%
Employee Benefits:			
Health Insurance & other	21,000,462	20,926,837	-0.35%
Pension Contribution	7,965,781	8,234,817	3.38%
OPEB Liability Fund	3,432,000	3,432,000	0.00%
Sub-Total (Shared Costs)	32,398,243	32,593,654	0.60%
SUB-TOTAL (OPERATIONS)	173,526,114	178,645,677	2.95%
Special Items:			
Traffic & Parking Management	1,228,015	894,685	-27.14%
Appropriated/Reserved CPA Surcharge	549,500	575,000	4.64%
State & County Assessments	1,308,172	1,317,219	0.69%
Property Tax Abatements	657,820	650,000	-1.19%
Free cash	673,421	113,787	100.00%
Sub-Total (Special Items)	4,416,928	3,550,691	-19.61%
TOTAL USE OF FUNDS	177,943,042	182,196,368	2.39%
TOTAL SOURCE OF FUNDS	177,943,042	182,196,368	2.39%
SURPLUS (DEFICIT)	(0)	(0)	

10/5/2021 11:12 AM

SPECIAL TOWN MEETING

ARTICLE 1. To receive and act on the reports of Town officers, boards and committees, including the Report to this Special Town Meeting of the Advisory Committee, and to discharge presently authorized special committees, or to take any other action in relation thereto.

(Select Board)

Advisory expects no motion under this Article.

OVERVIEW OF ARTICLES 2, 3 and 4

Articles 2 proposes funding to reconstruct Hunnewell Elementary School, while Article 3 proposes funding to replace both Hardy and Upham Elementary Schools with a new Hardy Elementary School. Article 4 proposes to transfer three Town-owned properties from the purview of the Select Board (SB) to the School Committee (SC) for the construction project at Hardy.

Each Article requires a separate vote, but the history underlying the proposals is intertwined. Hence, to avoid repetition, this report begins with background information common to all Articles, including the recent history of school building projects, enrollment and pedagogical considerations, and project funding and tax impacts. For complete details on these school building projects (meeting links, presentations, etc.), please go to the [Hardy, Hunnewell, Upham website https://www.wellesleyhhu.org/](https://www.wellesleyhhu.org/).

School Building Study History

Solutions for managing the Town's aging school buildings and population fluctuations have been studied extensively. Following the rebuilding of Sprague School (2002) and renovation of Bates School (2004), the Town began with an "Elementary School Master Plan Study" in 2005. The School Facilities Master Plan Committee succeeded the 2005 committee, and worked with SMMA, an architectural and engineering firm, to develop a "School Conditions Assessments and Feasibility Study" in 2012. This study updated past assessments, evaluated current conditions, and provided a long-term approach to solving the remaining building deficiencies at the Town's schools. It included completing projects to update and improve Fiske and Schofield Schools (2013-2015).

A series of Town committees then addressed Hardy, Hunnewell and Upham (HHU), the Town's three remaining elementary school buildings, which had all been identified as needing either to be completely replaced or to undergo significant repairs and reconstruction. Deficiencies noted at all three of the HHU buildings included:

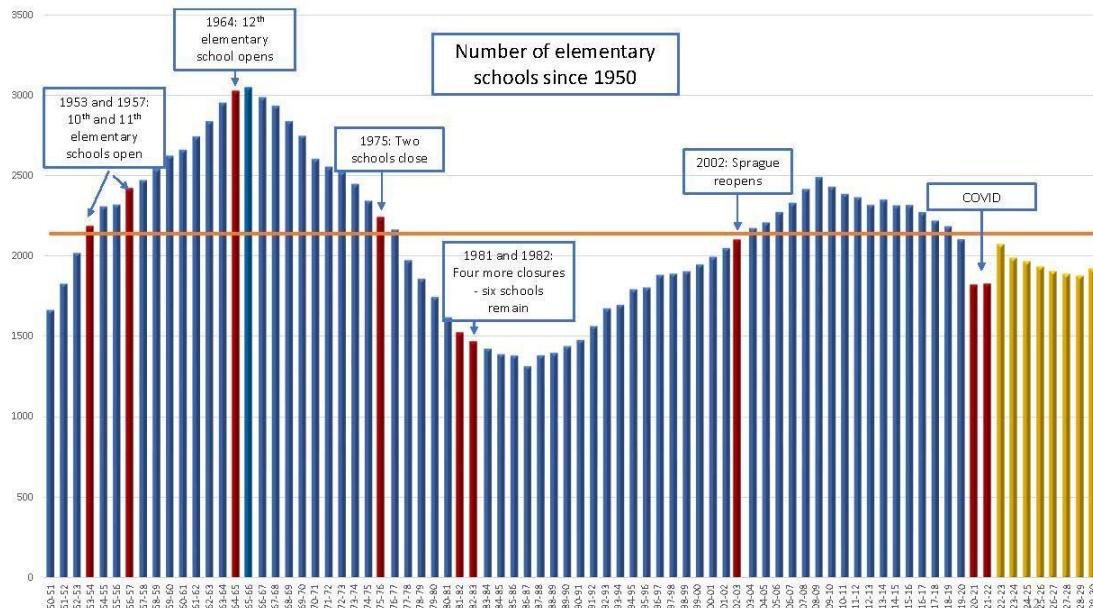
- Heating systems, plumbing systems (including bathrooms), electrical systems, life safety/fire alarm systems, and windows beyond their useful life, resulting in frequent repairs, uneven heating, and the constant threat of failure;
- Exterior envelopes (facades) in need of significant repairs;
- No sprinkler systems and combustible roof framing;
- Non-compliance with current Americans with Disabilities Act (ADA) requirements;
- Modular classrooms being used well beyond their service life;
- Undersized classrooms not conducive to learning, with outdated finishes, cabinetry, lighting, doors, and acoustical treatments;
- Lack of specialized spaces for delivery of educational services;
- Need to use hallways for storage and for one-on-one teaching space; and

- One space used for combined gym, cafeteria, and auditorium functions, which reduces time available for physical education classes and results in significant inefficiencies due to setup and changeover of the shared space.

This work was carried on in the HHU Master Plan Study conducted by SMMA in 2014-15 and updated in 2016-17, the HHU Parent Advisory Committee (2016), the HHU Master Plan Committee (HHU MPC, 2016-17), and the School Building Committee (SBC, 2017 onwards).

Enrollment Factors

Because the Town adopted a “Neighborhood Elementary School Model”, and because the Town has always experienced increases and decreases in enrollment, the number of elementary schools in Town fluctuates. For example, the Town operated a total of 12 elementary schools at its peak enrollment in the 1960s, and six elementary schools through the late 1980s and 1990s. See the history below from the SC:



The school system is currently in a cycle of declining enrollment. The issue has been studied over the past nine years by the District, external consultants, and Town study committees, including the HHU MPC and the SBC. Based on the existing declines and the consistent projections of future declines, in March 2017 the HHU MPC recommended and the School Committee (SC) adopted the position to build two 19-classroom schools at Hunnewell and either Hardy or Upham, and the third school when enrollment dictates. A summary of their findings can be found in the HHU MPC Final report 2017, and the decision to rebuild Hardy rather than Upham can be seen in the [video of the 9/24/2020 SBC vote](#).

In addition to previously projected declines, COVID-19 has also had an impact. Enrollment of elementary-age students dropped from the previous year's total of 2,094 to a total of 1,810 in 2020. As school opened this fall (2021), the number of students continued to be lower than expected, at 1,785. For an in-depth look at current enrollments and projections, please visit the WPS Enrollment Report 2020-21. The SC and District are continuing to use prior enrollment estimates until they determine whether the COVID-19 enrollment trends are the “new normal”.

As discussed immediately below, the recommendation to consolidate from three smaller schools to two 19-classroom schools also reflects the SC's desire to bring the new schools into alignment with modern pedagogy and programming offered at the four other elementary schools, and to

provide flexibility for fluctuations in enrollment. Previous solutions to insufficient classroom space included adding temporary modular classrooms, repurposing art and music classrooms, and reassigning newly enrolled students to other schools due to grade-level closures at their neighborhood schools.

Changes in Educational Pedagogy -- Design Considerations

Per the SC, educational practices and methodology have changed over the years, with much teaching now taking place as project-based, experiential learning in small groups, rather than rows of students seated at desks. Advances in the use of technology has also led to new approaches in instruction, as students access online resources for their research and to practice new skills. Students with special needs are included as much as possible in regular classroom space, while other, smaller spaces are used for individualized instruction. These shifts in educational pedagogy mean that spaces in schools are used differently than they were when the Hardy and Hunnewell schools were originally built. School safety and access are also concerns for today's teachers and learners.

With these factors in mind, teams of educators, administrators and residents developed priorities to guide design for the new buildings. These include:

- Support the District's Educational Plan
- Classroom "neighborhoods" supported through Learning Commons
- Appropriate spaces for specialized services/programs (SKILLS, TLC, EL, SPED)
- Connection between indoor and outdoor learning environments
- Flexible space and furniture that allow for easy reconfiguration
- Classrooms oriented to "quiet" side of site
- Compact design – two stories maximum
- Secure access after school hours for community uses, such as athletic events and practices, meetings, performances, etc.

Other design considerations of each new building included providing at least three sections per grade to allow for collaboration, efficient use of space and resources, environmental and sustainability issues, and awareness of the role schools have in the community, and meeting state and federal requirements for school buildings and programs. For comprehensive summary presentations of both the Hunnewell and Hardy projects, please see the 8/25/21 SC to Advisory Presentation, along with the follow-up 9/1/2021 SC to Advisory Presentation.

Project Funding and Taxpayer Impact

A comparison of project timelines, key characteristics, and costs for both Hunnewell and Hardy is summarized in the tables below. Information on comparable school building costs in other towns were presented and, while Wellesley costs are on the high end, the proponents believe this primarily results from Wellesley's neighborhood school model which dictates smaller schools with no more than two stories, which in turn drives up the per-student cost.

The proposed Hunnewell school would be paid for entirely by the Town as a major capital project. Because the Town has the opportunity to work with the MSBA on the new Hardy school, the Town is allowed to recoup up to 34.9% of the eligible costs (currently, reimbursement is estimated to be \$13.5 million). Town finance officials do not believe the total borrowing will impact Wellesley's credit rating in any way.

The Town manages spending on major capital projects so that the tax impact is smoothed out over time rather than presenting taxpayers with high peaks and valleys. The long-term fiscal plan includes a strategy for investing in the Town's physical assets over a multi-year time span. The

Hunnewell and Hardy projects have been part of the long-term capital budget plan since the need to repair/restore/rebuild the schools was first identified in 2012.

The Town borrows money for these capital projects on an “as-needed” basis. Each transaction has associated costs, the Town also tries to keep the number of occurrences to a minimum. The dollars requested at this STM, if approved by TMM and then by the voters as a Debt Exclusion in December, represent the maximum the Town can borrow for these projects. Debt is paid off on an even-principal basis, so that the amount the Town owes decreases over time.

Again, COVID-19 has had an impact on timing, costs, and supply chain risks, but the proponents believe the proposed costs are sufficient to cover these eventualities.

Using a conservative four percent interest rate assumption, and incorporating the maximum anticipated MSBA reimbursement, the Town projects the total tax impact of financing the two projects would be \$.65 per thousand per year at its highest; with the highest tax impact for Hunnewell of \$.33 per thousand per year and for Hardy \$.32 per thousand per year. The maximum projected annual tax impact for the median property value would be \$753.

Timelines

Steps	Hunnewell	Hardy
Design Development	July-December 2020	November 2021-March 2022
Permitting, Construction Documents, Bidding	August 2020-October 2021	February 2022-March 2023
Special Town Meeting	October 2021	October 2021
Town-wide Approval of Funding	December 2021	December 2021
Final Guaranteed Maximum Price (GMP) Approved	December 2021	April 2023
Submittals, Abatement, Demolition	January 2022-October 2022	July 2024-December 2024
Construction	June 2022-February 2024	April 2023-September 2024
Swing Space Required	September 2022-February 2024	None
Move-In	February 2024	September 2024
Landscaping	Spring/Summer 2024	Fall 2024

Characteristics

Differentiators	Hunnewell	Hardy
Building Size	76,000 GSF	80,000 GSF
Lot Size	5.6 Acres	8.9 Acres
Site Location	Downtown Wellesley, bordered by commercial, park, and wetlands	Neighborhood, bordered by residences, commuter roads (Weston Rd, Route 9)
Circulation Patterns	Utilizes Cameron St. as off-site circulation	On-site and off-site circulation
Off-site Improvements	Many infrastructure items already addressed	Additional requirements: TBD through PSI process
Specialized Programs	Therapeutic Learning Center TLC	SKILLS and EL programs
Swing Space	Yes	No
MSBA Partnering	No	Yes
Construction Timing	June 2022 – February 2024	April 2023 – September 2024
Sustainability and Environment	LEED-Certifiable (standards met, but paperwork not submitted to save money)	LEED-Certified (MSBA-required for reimbursement)

Budgets

Item	Hunnewell	Hardy
Building Construction	\$38,423,000	\$42,030,000
Site Construction	7,976,000	12,340,000
Photovoltaics Array (Allowance)*	1,200,000	1,200,000
Offsite-permitting Mitigation (Allowance)	Included in site costs	675,000
Furniture, Equipment, & Technology	1,442,000	1,462,000
Design and Consultant Fees	1,535,000	5,861,000
Project Management and Clerk of Works	1,176,000	1,613,000
Other Administrative Costs	532,000	1,181,000
Contingencies	2,653,000	3,638,000
Feasibility Study and Design Phases	Included above	Included above
Swing Space Cost**	3,500,000	NA
Total Project Budget ALL PHASES	64,117,000	72,500,000

* The Wellesley Municipal Light Plant (MLP) has agreed to provide funding for the Hunnewell PV array, and may do so for Hardy as well.

** Hunnewell swing space costs may be paid from available cash instead of as part of the Debt Exclusion. The Select Board will determine this.

ARTICLE 2. To see if the Town will vote to raise and appropriate, transfer from available funds, or borrow: (1) a sum of money, to be expended under the direction of the Permanent Building Committee, for construction, architectural and engineering construction administration, project management, related to the reconstruction of the Hunnewell Elementary School located at 28 Cameron Street, including all associated, incidental or related costs and, for the purpose of meeting such appropriation, to authorize the Town Treasurer, with the approval of the Select Board, to borrow said sum in accordance with Chapter 44, Section 7(1) of the Massachusetts General Laws, or any other enabling authority and to issue bonds or notes of the Town therefor; provided, however, that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of the issuance of such bonds or notes, may be applied to payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the Massachusetts General Laws, thereby reducing the amount to be borrowed to pay such costs by a like amount; and (2) a sum of money, to be expended under the direction of the School Committee, for any increases in School Department operating costs substantially attributable to the relocation of students from Hunnewell School to other school buildings or facilities during such reconstruction; provided, however, that no such funds may be utilized for any purpose that will continue beyond the date that such reconstructed Hunnewell School is substantially complete and placed into service; or to take any other action in relation thereto.

(School Committee/Permanent Building Committee)

Through Article 2 the School Committee (SC) and the Permanent Building Committee (PBC) seek approval by Town Meeting members to borrow the funds necessary to pay for the construction costs of rebuilding the Hunnewell Elementary School. If approved at this Special Town Meeting, the question will then be put to Wellesley voters for their approval of a Debt Exclusion at a town-wide election, currently slated for December 7, 2021.

Background

When Hunnewell students began school this September, it was the 83rd anniversary of the opening in 1938 of the Hunnewell Elementary School building on Cameron Street. Over the years, additions (1957 and 1995) and renovations have been made to accommodate growth in the number of students and changes in programming. Two modular classrooms, still in use, were added in 1993. In 2016, the Facilities Management Department (FMD) completed numerous

repairs at Hunnewell to ensure safety of the students and to prolong the life of the building; most improvements were anticipated to last for five to seven years.

The Hunnewell School has a unique Wellesley Center location and is the only elementary school south of Washington Street on the western side of town. Given Wellesley's neighborhood school model, multiple committees have determined that a school should be maintained at the Hunnewell site.

As noted in the combined Articles 2/3/4 Overview above, studies have identified significant deficiencies include heating, plumbing, ventilation, and electrical systems well beyond their expected lives; an exterior envelope (facade, roof) in need of significant repairs; an absence of sprinkler systems; and undersized classrooms with outdated finishes, cabinetry, lighting, and doors. In recent years, classrooms had to be evacuated to conduct emergency structural work and because of an electrical fire. Asbestos, commonly used when the original building was constructed, remains a hazard to those working in the building systems areas.

In addition, per the SC, space is constrained, with specialized learning taking place in former storage areas, closets and workrooms. One space serves as the combined gym, cafeteria, and auditorium. The room is undersized, and the sharing arrangement reduces time available for physical education classes and presents challenges in scheduling due to setup and changeover.

Complete details of existing conditions can be found on the [HHU](#) website. The decision was made in 2017 to address these educational and structural deficiencies by replacing the whole building. The Town submitted numerous Statements of Interest (SOIs) to the MSBA for Hunnewell, but the school was not selected to move forward in the process.

The Town typically follows a three-step process for undertaking major capital building projects; each step requires Town Meeting approval for funding.

- (1) The first step, a feasibility study for \$1,000,000, was approved by Town Meeting in 2018. Although Hunnewell is not a grant-eligible project through the MSBA, the Town elected to follow the MSBA Feasibility Study Process and standards as a general guide. The study was completed at the end of July 2019; details about the feasibility study process and recommendations can be found at <http://wellesleyhhu.org/milestone-submissions-reports>
- (2) The second step, funding of \$4,680,000 for the design and bidding phases, was approved at an STM in December 2019. In July 2020, the PBC awarded the Construction Manager (CM) contract under MGL Chapter 149A. Design was completed and bids from subcontractors were solicited at the beginning of September 2021 to be used by the CM in preparing a Guaranteed Maximum Price (GMP) for the construction of the new school.
- (3) The third step, funding for construction, is the Article before this STM, and represents the costs of building and equipping the new school as determined through bids solicited in the second step. These bids are expected to be presented at PBC's October 14th meeting. Advisory will re-vote if there are significant changes from current estimates. The cost also includes professional services during construction, contingencies and other related project expenses typically budgeted by the PBC. Funding of these costs (i.e., the appropriation amount), currently estimated not to exceed \$54,937,000, will also require a Town-wide Debt Exclusion vote scheduled to take place December 7, 2021. If approved, the project will begin on-site construction in June 2022, and is scheduled to be completed in December 2023, with school occupancy in February 2024. Some final work, such as landscaping will be done during the following summer.

Current Project Status

The new Hunnewell Elementary School is slated to be an 18-classroom building serving approximately 365 students in grades K-5, allowing each grade level to have three classrooms. The 19th classroom will have various uses now, and be used as additional space during years of higher enrollment. Again, as noted in the combined Articles 2/3/4 Overview section, the design is intended to bring the school into alignment with the educational programs at other schools that have already been updated (Sprague, Fiske, Schofield and Bates) and allow for flexibility with enrollment fluctuations. In addition, the design includes purpose-built spaces to accommodate the district-wide Therapeutic Learning Center (TLC) program based at Hunnewell. Details of the building design and site plan can be found on the [HHU website](#).

The SBC, which oversaw the feasibility study phase of the project, transferred responsibility for design and construction to the Town's Permanent Building Committee (PBC) once the design and bidding funds were approved. The PBC has worked over the past 1-1/2 years with Cambridge architecture and engineering firm SMMA to sift through the details and value-engineer the project. Previously, SMMA designed the new Wellesley High School and worked on various school building projects through our district, including the Schofield and Fiske renovations in 2015/2016. The full history of their discussions and presentations can be found on [PBC's website](#).

As part of the Town's response to environmental and sustainability concerns, the building is designed to be LEED-certifiable, a globally recognized standard. As LEED-certifiable, it will meet the recommended standards without completing additional paperwork necessary for the certification process, thus saving time and money. Per the Climate Action Committee (CAC), it is also targeted as Net-Zero Ready construction and will be one of the first Town buildings to be constructed under their Sustainable Building Guidelines including maximization of insulation and enclosure tightness, passive heating and cooling strategies, and all-electric climate control systems. In addition, a photovoltaic array (i.e., solar panels) planned for the roof will be managed and financed by the Wellesley Municipal Light Plant (MLP) through its program to reduce greenhouse gas emissions.

Because of site limitations, the new Hunnewell building will be constructed on the footprint of the current Hunnewell school and thus the project will require swing space for the students for the duration of the construction. A plan is currently being finalized to use existing classroom space in other district elementary school buildings to house these students.

Construction Budget and Tax Impact

The total project budget, which includes the previously appropriated \$5,680,000 for feasibility study and design phases, is \$64,117,000. Details of specific expenditures can be found on the [HHU website](#). The Article before STM would authorize the Treasurer to borrow up to \$54,937,000 to pay for the construction phase, with the Town projecting the highest annual tax impact \$.33 per thousand per year or \$386 for the median Wellesley property value.

Description	Cost
Building Construction	\$38,423,000
Site Construction	7,976,000
Photovoltaic (PV) Array*	1,200,000
Offsite Permitting Mitigation	Included in site costs
Furniture, Fittings, Equipment & Technology (FFET)	1,442,000
Design & Consultant Fees	1,535,000
Project Management & Clerk of the Works	1,176,000
Administrative Costs	532,000

Contingencies	2,653,000
Draft Construction Budget	\$54,937,000
Swing Space Budget**	3,500,000
Draft Project Budget – Fall 2021 Appropriation	\$58,437,000
Feasibility and Final Design/Bids (previously funded)	5,680,000
TOTAL PROJECT COSTS	\$64,117,000

* The Wellesley Municipal Light Plant (MLP) has agreed to provide funding for the PV array.

** Swing space costs may be paid from available cash instead of as part of the Debt Exclusion. The Select Board will determine this.

Advisory Considerations

Advisory recognizes the considerable amount of work and effort that has been done on the HHU project by multiple committees and individuals over many years.

Factors discussed during the Article 2 conversation include:

- Current condition of Hunnewell, and suitability for today's educational programs
- Hunnewell location and the Town's commitment to neighborhood schools
- Enrollment trends and capacity utilization
- Construction costs
- Impact on taxes

Condition

All members of Advisory recognize that the Hunnewell School has been in extremely poor condition for a number of years, and agree it is not appropriate for Wellesley today. Several Advisory members recently toured both Hunnewell and Hardy and reported their findings back to the Committee.

- A member whose children attended the Wellesley elementary schools years ago expressed surprise and "shock" at the current poor teaching conditions and lack of storage space. The member also noted the presence of buckets in the hallways from Hunnewell's leaking roof, and the water-stained ceilings. The member applauded the teachers for the job they are doing under such conditions, and felt that "everyone in Town recognizes that Hunnewell needs to be replaced" and that the same is true for Hardy.
- Another member who toured Hunnewell as a member of the School Committee several years ago expressed agreement with the prior comments, and stated the conditions are "appalling" noting Hunnewell had an electrical fire several years ago and a safety issue with a tree that was falling down.
- A member who was part of a task force that reviewed, in detail, all spaces at Hunnewell ten years ago noted that even then there were numerous "red dots" that represented critical systems that were failing in the building. The member joined the recent tours, and was "stunned" at the even poorer conditions now and asserted that "it is well past time that these schools be rebuilt".
- Another member also used the word "appalling" to describe conditions at Hunnewell and Hardy, and felt that these schools were essentially abandoned ten years ago. In their view, Advisory needs to reflect on the needs of the students trying to learn in such an environment.
- One member strongly felt that, given the very thoughtful, detailed and multiyear process that the Town has pursued, the time to build is now. Delaying the project further may lead to more bunching of projects in the future. and is not likely to reduce costs. Another member expressed similar feelings, adding that Hunnewell should have been rebuilt ten years ago which would have avoided the need to build two schools at the same time.
- Finally, a member noted that the buildings do not accommodate today's specialized educational programs that did not exist at the time the schools were built, and expressed

the need for new buildings that will do so. More generally, in many instances, the spaces available appear inadequate for their purpose. The designs for the proposed new schools support the type of education those students should be receiving.

Overall, there was agreement that if these schools are to be used, they need to be replaced given their current condition and the prior committee work that studied the potential for renovation versus replacement.

Location

One member stressed that the Town has decided many times over the years that it wants to offer neighborhood elementary schools. As noted in the Background sections, Hunnewell is the only elementary school south of Route 16 on west side of Town, and if Hunnewell were taken offline it would leave a large section of the town without a neighborhood school. Another member agreed, and noted the geographic distribution of students supports rebuilding Hunnewell.

Enrollment

There was extended conversation about enrollment trends in the elementary schools. All parties acknowledged that pre-COVID work by both Futurethink and the school department anticipated that Wellesley elementary school enrollment would continue to decline for the foreseeable future. Concern was expressed that, in addition to that trend, the elementary schools had lost an additional 284 students last year and 17 more this year due to concerns about COVID-19. It was pointed out that this unanticipated two-year, COVID-related drop in student population was more than the population of an entire elementary school. The point was further made that it was impossible to predict if, when, and how many elementary school students would ultimately return. The high price of housing in Wellesley -- a barrier to new, young families entering the community -- and declining birth rates across the country were cited as potential exacerbating factors.

As a result, some members of the Committee felt that construction of Hunnewell should be delayed until the school department has a stronger sense of enrollment trends, saying that the Town would be embarking on two expensive projects without new enrollment projections. Members arguing for delay expressed a preference for delaying the Hunnewell project rather than Hardy because a) MSBA contributions to Hardy would result in a lower net cost to the Town than Hunnewell, and b) Hardy is a larger school and provides greater utility to the town given its location and playing field. In addition, they noted that the school design work that had already been done could be saved and used (adjusting for building code changes) to accelerate the building of a new Hunnewell if and when required.

At the same time, many members of the Committee noted the data show that school enrollment has fluctuated up and down in the past. As a result, they supported building a new Hunnewell School now (and Hardy as well) because they felt that the Town would not be able to react quickly enough to bring a new school online if enrollment rises. Further, the Town has historically pursued a 50-year cycle of upgrading/replacing the school building inventory, and members believed that Hunnewell (and Hardy) are projects whose time has come and that further delay would be shortsighted. In addition, it was stated that Newton and Needham both continue to invest in new elementary schools while Wellesley has not, which could discourage potential new residents from moving to Wellesley.

Cost

The total budget for the Hunnewell School is expected to reach approximately \$64 million including approximately a five percent "COVID upcharge" due to increases in raw material costs and construction labor shortages. While some members of the Committee felt that the Town would benefit from costs coming down as short-term supply imbalances are resolved, others

suggested that traditional annual cost escalations would drive the cost of the project even higher. The Committee acknowledges that the PBC has done extensive value engineering work to reduce the overall cost of the Hunnewell school.

Taxes

The cost of building the combined Hunnewell and Hardy schools will increase the annual median tax bill by around \$760 in the peak year of 2025. The tax impact of each of the new schools is roughly equal, but will vary in timing based on when the money is borrowed to fund the projects and interest rates of the issued bonds. Some members were concerned about the effect this tax increase would have on the overall affordability of the Town, and the impact it would have on various groups in the Town. Those supporting the two schools acknowledged those issues but felt that the schools needed to be built now for the reasons cited above. That said, all members are cognizant of and concerned about the cost impact. One member stated that it is regrettable that the Town needs to build two schools at the same time, noting that Hunnewell should have been rebuilt ten years ago.

Summary

The majority of Committee members voted in favor of Article 2. They felt that the long-standing and severe deficiencies at Hunnewell to be the key driver for building a new school. They also cited Hunnewell's strategic location as essential to Wellesley's commitment to provide neighborhood schools. While many shared concerns about declining enrollment, they noted that it does fluctuate over time and the project is to deliver a 50-year school. From a cost perspective, many felt that delaying the project would likely lead to higher costs later, and cited the current favorable interest rate climate as one incentive for proceeding now. They also noted the new buildings would accommodate the needs of teachers and students, including those benefitting from specialized education programs. They expressed confidence in the ability and expertise of PBC, FMD, and contractors to appropriately manage the risk of multiple major projects.

A minority of Committee voted against Article 2. These members argued for delaying the construction of the Hunnewell school to allow for better understanding of go-forward elementary school enrollment and how much overall school capacity is needed; gathering of operating experience with a newly designed Hardy school before moving forward with Hunnewell; managing just one major construction project in a time of supply shortages and labor uncertainty rather than two; and allowing material costs to settle down as supply imbalances are resolved.

Passage requires a 2/3 vote.

Advisory recommends favorable action, 10 to 4.

ARTICLE 3. To see if the Town will vote to appropriate, borrow or transfer from available funds, an amount of money to be expended under the direction of the Wellesley Permanent Building Committee for design, construction, equipping, and furnishing of a new replacement facility for the existing John D. Hardy Elementary School Project located at 293 Weston Road, which school facility shall have an anticipated useful life as an educational facility for the instruction of school children of at least 50 years, and for which the Town may be eligible for a school construction grant from the Massachusetts School Building Authority ("MSBA"). The Town acknowledges that the MSBA's grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any project costs the Town incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the Town. Any grant that the Town may receive from the MSBA for the Project shall not exceed the lesser of

- (1) Thirty four and ninety one hundredth percent (34.9%) of eligible, approved project costs, as determined by the MSBA, or (2) the total maximum grant amount determined by the MSBA.

or to take any other action in relation thereto.

(School Committee/School Building Committee/Permanent Building Committee)

Through Article 3 the School Committee (SC) and the Permanent Building Committee (PBC) seek approval by Town Meeting members to borrow the funds necessary to pay for the design and construction costs of rebuilding the John D. Hardy Elementary School. If approved at this Special Town Meeting, the question will then be put to Wellesley voters for their approval of a Debt Exclusion at a town-wide election, currently slated for December 7, 2021. The Town will be eligible for reimbursement from the MSBA of 34.9% of eligible costs or up to \$13,500,000 once the project is completed.

Background

The "new" Fells school was built in the early 1920's, replacing the original "old" Fells school, but before the first school year was over there was already a need for additional classrooms. A three-classroom addition was completed by fall 1925, and the school was renamed the John D. Hardy Elementary School in honor of a prominent citizen who had chaired the building committee for the new school building. Additional renovations occurred in 1957, 1993 and 1997; the 1993 and 1997 renovations added four modular "temporary" classrooms that are still in use today.

The Facilities Management Department (FMD) have addressed the building deficiencies at the Hardy School for many years. As noted in the combined Articles 2/3/4 Overview, these include heating and ventilation systems beyond their useful life; outdated safety systems; accessibility issues; use of modular classrooms well beyond their service lives; lack of specialized spaces for delivery of services; significant asbestos and scheduling constraints resulting from a single space used for gym, cafeteria, and auditorium.

In addition, per the SC, undersized classrooms are not conducive to learning, and overcrowding has resulted in the need to repurpose art and music rooms as classrooms, and to move these programs, as well as other educational services, into shared spaces and former storage rooms and closets. Additional information about the physical deficiencies of the building can be found on the HHU website.

As noted in the combined Articles 2/3/4 Overview the three oldest schools – Hardy, Hunnewell and Upham (HHU) -- were extensively studied through a series of committees. As detailed immediately below, the consensus decision was made to consolidate the Town's elementary schools from seven to six by completely replacing Hunnewell and Hardy and closing Upham.

Unlike Hunnewell, the Hardy School was selected to be part of the MSBA grant program, thus making the Town eligible for partial reimbursement. (Note that the MSBA considers this project to be the replacement of both the Hardy and Upham schools. If, for example, enrollment was to increase to a level requiring an additional elementary school on Upham site, the existing facility would have to be rebuilt.

Typically, the Town follows a three-step process for undertaking major capital building projects (feasibility, design, and construction); each step must receive approval by Town Meeting for funding. Because the Hardy School project has been accepted by the MSBA, however, the Town must follow a different schedule for approval and funding. The MSBA process consists of two phases:

- 1) Feasibility/schematic design phase conducted by a School Building Committee (SBC)
 - a) Town created the School Building Committee (SBC) to oversee the project through feasibility, schematic design, final design, bidding and construction.
 - b) A \$2,500,000 feasibility study was approved by STM in October 2018 and executed, including an analysis that led to the decision to rebuild Hardy and not Upham. Each site was evaluated and examined to determine whether new construction or renovation should take place.
 - i) The SBC engaged with a variety of groups in Wellesley in order to determine which location would be replaced and which would be closed. The groups included Wellesley Public School parents (current and future); environmental and sustainability groups; neighborhood abutters; historical groups; recreation and playing fields groups; and Wellesley town government groups.
 - ii) Areas studied included needed educational programming; conceptual building designs; topography; geotechnical factors; environmental considerations; wetlands; hazardous materials; traffic; swing space issues; and total project cost. The Hardy location also included consideration of three abutting properties (818, 822, and 826 Worcester Street) approved for purchase during STM April 2018.
 - iii) The SBC voted in September 2020 to recommend Hardy as the preferred option, and then reorganized to include the entire PBC and other members, so the responsibility for the project is now in the hands of the PBC/SBC (per Article 14 Bylaw).
 - c) With submission of the feasibility study to the MSBA in July 2021, and their approval on August 25, 2021, the project is currently at the end of the Schematic Design phase. The plans for Hardy can be seen at <https://www.wellesleyhhu.org/hardy>.
- 2) Detailed design/construction phase.
 - a) Article 3 seeks approval at this STM for funding of the second phase -- detailed design and construction. It represents the costs of building and equipping the new school as determined through cost estimates. Funding of design and construction costs (i.e., appropriation amount), not to exceed \$70,000,000, will also require a Town-wide Debt Exclusion vote scheduled to take place December 7, 2021. If approved, the Hardy school construction will begin in April 2023, with completion in September 2024. As noted, the project is eligible for up to 34.9% (approximately \$13,500,000) reimbursement of MSBA eligible and approved costs.

Current Project Status

As with Hunnewell, the new Hardy school is slated to be an 18-classroom building designed to serve approximately 365 students in grade K-5, allowing each grade level to have three classrooms. There will be additional spaces that could be repurposed as a 19th classroom if enrollment dictates. Again, as noted in the combined Articles 2/3/4 Overview section, the design is intended to bring Hardy into alignment with Sprague, Bates, Schofield, and Fiske and allow for fluctuations in enrollment. The rebuilt Hardy will also include purpose-built spaces for both the SKILLS program, the in-district specialized program serving students on the autism spectrum,

and English Learner (EL) program. Details of the building design and site plan can be found on the HHU website.

Also, as with Hunnewell, the PBC has worked over the past year with SMMA on the design. The full history of PBC's discussions and presentations can be found on their website.

As part of the Town's response to environmental and sustainability concerns, the new Hardy School has been designed to be LEED-certified (rather than just LEED-certifiable for Hunnewell), as the MSBA reimbursement program requires such certification. Per the Climate Action Committee (CAC), it is also targeted as Net-Zero Ready construction and, along with Hunnewell, will be one of the first Town buildings to be constructed under their Sustainable Building Guidelines including maximization of insulation and enclosure tightness, passive heating and cooling strategies, and all-electric climate control systems. The photovoltaic array (i.e., solar panels) planned for the roof will likely be managed and financed by the Wellesley MLP through its program to reduce greenhouse gas emissions. This decision will be made by the MLP when the Hardy project goes out to bid.

Construction Budget and Tax Impact

The total project budget, which includes the previously appropriated \$2,500,000 feasibility study, is \$72,500,000. Details of specific expenditures can be found on the [HHU website](#). This Project amount does not deduct the MSBA reimbursement for construction of a new Hardy School of approximately \$13,500,000, as the MSBA requires the project be fully funded by the Town. The Article before STM would authorize the Treasurer to borrow up to \$70,000,000 to pay for the design and construction phase, with Town projecting the highest annual tax impact, after anticipated maximum MSBA reimbursement, at \$.32 per thousand per year or \$370 for the median Wellesley property value.

Description	Cost
Building Construction	\$42,030,000
Site Construction	12,340,000
Photovoltaic (PV) Array*	1,200,000
Offsite Permitting Mitigation	675,000
Furniture, Fittings, Equipment & Technology (FFET)	1,462,000
Design & Consultant Fees	5,861,000
Project Management & Clerk of the Works	1,613,000
Administrative Costs	1,181,000
Contingencies	3,638,000
Draft Construction Budget	70,000,000
Swing Space Budget	0
Design & Construction Phases Budget Fall 2021 Appropriation	\$70,000,000
Feasibility and Schematic Design (previously funded)	2,500,000
TOTAL PROJECT COSTS	\$72,500,000
MSBA Maximum Total Facilities Grant**	13,500,000
Projected Town Share of Project Costs	\$59,000,000

* The Wellesley Municipal Light Plant (MLP) may provide funding for the PV array.

** Actual reimbursement amount is subject to MSBA determination.

Advisory Considerations

Advisory recognizes the considerable amount of work and effort that has been done on the HHU project by multiple committees and individuals over many years.

Given the interrelated nature of Article 2 (Hunnewell) and Article 3 (Hardy), detailed Advisory considerations on the condition of the schools, enrollment trends, and tax impact should be read in the discussion of Article 2 Advisory Considerations and will not be repeated here.

In general, everyone who supported rebuilding Hunnewell due to its poor condition and lack of accommodation for modern pedagogy also agreed that Hardy should be rebuilt for the same reason. The minority of members who felt that Hunnewell should be deferred as noted in the Article 2 Considerations all agreed that at least one new school should be built now. In that regard, Hardy was favored over Hunnewell for a variety of reasons including lower costs (due to MSBA funding), the fact that no swing space would be needed, and the larger site.

In addition, there were other factors unique to Hardy that Advisory discussed.

Costs

As fully detailed in the Article 3 Background above, the total budget for the Hardy School is expected to reach \$72.5 million including, as with Hunnewell, anticipated COVID upcharges due to increases in raw material costs and construction labor shortages. The Town is expected to receive reimbursement of approximately \$13.5 million from the MSBA.

It was acknowledged, however, that Hardy is earlier in the process than Hunnewell due to working with the MSBA. Specifically, the Town has not gone out to bid on the Hardy project yet because the MSBA requires the Town to approve funding before issuing a request for bids. As a result, not all issues and costs have been addressed to the same level of completeness as they have with Hunnewell.

Accordingly, Advisory requested details of the process by which the current Hardy costs estimates were obtained, and the level of comfort with them. Advisory understands the Town solicited and received estimates from three different firms, including the contractor, covering all planned work. These independent estimates form the basis of the \$72.5 million Hardy proposed appropriations, including contingencies and potential cost-saving opportunities to offset any increased costs. In addition, the MSBA reviewed the Town's estimate and has confirmed its appropriateness.

Given MSBA requirements that funds must be appropriated now for the project to proceed, Advisory believes the multiple independent estimates, MSBA's validation, and PBC's assurances that issues will be addressed, managed, and resolved appropriately as they arise provide sufficient support for the requested \$72.5 million appropriation, recognizing it will be validated by bidding as the project moves through the MSBA process.

Traffic

Traffic has been as a concern for the Hardy site from several different perspectives -- congestion, safety, and the feasibility and cost of mitigation measures.

The primary issue for the police department is the elimination of on-road queuing on Weston Road. The PBC has been presented, and has approved, a plan developed by SMMA (the school's architect) and Beta (the Town's traffic consultant) to handle the Weston Road traffic and provide for restricted Route 9 access to the Hardy site. The plan is being worked through with MassDOT for their approval, and is subject to revision. In any case, PBC assures Advisory that the issues are understood, appropriate remedies are available, and that there are sufficient funds in the budget to cover work required to address MassDOT's requirements.

Passage requires a 2/3 vote.

Advisory recommends favorable action, 14 to 0.

ARTICLE 4. To see if the Town will vote to transfer three parcels of land acquired for general municipal purposes at the April 9, 2018 Special Town Meeting, to the care, custody, and control of the School Committee for school purposes to be added to the land area of the Hardy School, said parcels are described as follows:

Parcel 1: the real property commonly known and referred to as 818 Worcester Street, said property currently being identified as Parcel No. 159-74, see deed recorded in Norfolk Registry of Deeds Book 32385, Page 82;

Parcel 2: the real property commonly known and referred to as 822 Worcester Street, said property currently being identified as Parcel No. 159-75, see deed recorded in Norfolk Registry of Deeds Book 26213, Page 341;

Parcel 3: the real property commonly known and referred to as 826 Worcester Street, currently identified as Parcel No. 171-76, see deed recorded in Norfolk Registry of Deeds Book 28602, Page 260;

said transfer subject to an affirmative vote of the voters at an election to exclude from the limitations imposed by Proposition 2 1/2, G.L. c.59, §21C, the amounts required to pay for any bonds or notes issued pursuant to Article 3 of this Special Town Meeting; or take any other action in relation thereto.

(Select Board)

Through this article the School Committee (SC) and the Select Board (SB) seek to transfer control of the three properties listed from the SB to the SC for use as part of the Hardy School campus. If voters approve Article 3 to build a new Hardy School, these parcels would be utilized in part to provide additional ingress and egress to Worcester Road/Route 9 during construction and possibly beyond.

Background

At the April 2018 Special Town Meeting, Town Meeting Members authorized the purchase of three parcels of land at 818, 822 and 826 Worcester Road abutting the Hardy School. The parcels are currently controlled by the Select Board.

Per the proponents, these three parcels will allow for the awkward-shaped Hardy site to be larger with more regular borders and therefore more usable space. This allows the new school to be built without having to demolish the old structure and relocate current students during construction and creates more flexibility in siting. In addition, creating an entrance at Route 9 could allow for a significant level of traffic relief for the construction vehicles that will be needed at the site for upwards of 20 months. Following construction, the parcels could continue to provide additional potential options to alleviate traffic pressure on Weston Road. At this time, such options are under review and are subject to approval by MassDOT as discussed in the Article 3 considerations.

Transferring these three parcels to the control of the SC will allow for the Town to proceed with the Hardy design and construction phases as planned. Full details can be found [here](#).



Figure 2. History of Hardy School Site Land Acquisitions

Advisory Considerations

Advisory members felt that this transfer of properties to SC control is essential to executing the Hardy project plan for the reasons expressed above. One Advisory member noted that, based on the discussion and vote on Article 3, if followed that an affirmative vote on Article 4 was required.

Passage requires a 2/3 vote.

Advisory recommends favorable action, 14-0.

ARTICLE 5. To see if the Town will vote to amend Article 31 of the General Bylaws by making changes to Schedule A, entitled "Job Classifications by Groups," and Schedule B, entitled "Salary Plan – Pay Schedule," copies of which are available for inspection at the Human Resources Department, and to authorize the Town to raise and appropriate or transfer from available funds a sum of money for the purposes of complying with said Schedule B, as so amended, or to take any other action in relation thereto.

(Select Board

ARTICLE 5, MOTION: 1

That the sum of \$164,838.00 (ONE HUNDRED SIXTY FOUR THOUSAND EIGHT HUNDRED THIRTY EIGHT DOLLARS) be appropriated and added to the amounts appropriated under Motion 2 of Article 8 of the Warrant for the 2021 Annual Town Meeting to the Select Board for Facilities Management Department (FMD); said sum to be raised by a transfer from Free Cash as certified as of June 30, 2021, and allocated as follows:

192 Facilities Management Department
 Personal Services \$ 158,606.00
 Expenses \$ 6,232.00

and in support thereof, that the agreed upon Pay Schedules for the FMD Custodian Union, AFSCME Council 93, Local 49, are as follows:

FMD Custodian Union, AFSCME, Council 93, Local 49– rate per hour

Effective July 1, 2020

Job Group	Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
15	Custodian	\$20.01	\$20.91	\$21.85	\$22.86	\$23.86	\$24.94
17	Elementary Head Custodian Night Supervisor	\$23.96	\$25.02	\$26.14	\$27.30	\$28.57	\$29.83
18	Inventory & Equipment Tech.	\$24.93	\$26.05	\$27.22	\$28.44	\$29.75	\$31.06
22	Facility Supervisor	\$28.66	\$30.26	\$31.66	\$32.38	\$33.08	\$33.81
23	Electrician/HVAC/Plumber/ Carpenter/Painter/HVAC Controls Tech/Maintenance Craftsman	\$29.77	\$31.23	\$32.82	\$34.43	\$36.15	\$37.97
24	HVAC & BAC System Admin.	\$31.25	\$32.79	\$34.46	\$36.15	\$37.96	\$39.86

Effective July 1, 2021

Job Group	Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
15	Custodian	\$20.41	\$21.33	\$22.29	\$23.32	\$24.34	\$25.44
17	Elementary Head Custodian Night Supervisor	\$24.44	\$25.52	\$26.66	\$27.85	\$29.14	\$30.43
18	Inventory & Equipment Tech.	\$25.43	\$26.57	\$27.76	\$29.01	\$30.35	\$31.68
22	Facility Supervisor	\$29.23	\$30.87	\$32.29	\$33.03	\$33.74	\$34.49
23	Electrician/HVAC/Plumber/ Carpenter/Painter/HVAC Control Tech/Maintenance Craftsman	\$30.37	\$31.85	\$33.48	\$35.12	\$36.87	\$38.73
24	HVAC & BAC System Admin.	\$31.88	\$33.45	\$35.15	\$36.87	\$38.72	\$40.66

Effective July 1, 2022

Job Grd	Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
15	Custodian	\$20.82	\$21.76	\$22.74	\$23.79	\$24.83	\$25.95
17	Elementary Head Custodian Night Supervisor	\$24.93	\$26.03	\$27.19	\$28.41	\$29.72	\$31.04
18	Inventory & Equipment Tech.	\$25.94	\$27.10	\$28.32	\$29.59	\$30.96	\$32.31
22	Facility Supervisor	\$29.81	\$31.49	\$32.94	\$33.69	\$34.41	\$35.18
23	Electrician/HVAC/Plumber/ Carpenter/Painter/HVAC Control Tech/Maintenance Craftsman	\$30.98	\$32.49	\$34.15	\$35.82	\$37.61	\$39.50
24	HVAC & BAC System Admin.	\$32.52	\$34.12	\$35.85	\$37.61	\$39.49	\$41.47

Overview

The Facilities Maintenance Department (FMD) is responsible for 29 town buildings (not including the municipal light building and the water treatment plants) which covers 1.2 million square feet of space. There are three core areas of work: 1. Custodial; 2. operations and 3. design and construction which supports the Permanent Building Committee (PBC) on major projects. The FMD has a team of 73 full time equivalent employees and their central office is located at 888 Worcester Street (rented space). Joe McDonough is the Facilities Director who reports to Meghan Jop, Executive Director of General Government Services, and the responsibilities roll up to the Select Board (SB). Additionally, Mr. McDonough has a dotted line relationship to the Superintendent of Schools. The FMD FY22 budget is \$8.5 million and typically the Cash Capital budget hovers around \$2 million. FMD asserts that there is a very good relationship currently between FMD management and the custodian union, AFSCME as evidenced by the high retention rate.

Contract Negotiations Background

The Custodians Union Contract was negotiated between the Town of Wellesley and FMD Custodian Union, AFSCME council 93, Local 49. The union consists of 58 members made up of 50 custodians and 8 maintenance staff. The negotiation team was made up of: Joe McDonough, the Town's HR Director, the Town's Finance Director, the FMD Custodial Manager, and the FMD Finance Manager and it is a 3-year contract – FY21- FY23. Negotiations started in March 2020, were delayed because of COVID-19 and a tentative agreement was reached in May 2021, pending approval at STM - 2021 Fall.

Terms of the Agreement

The following are the terms of the new agreement:

- COLA wage increases for FY21, FY22, FY23 of 2.5%, 2%, 2% respectively
- Added Juneteenth as a new holiday
- Increased longevity by \$175 in FY22 and FY23
- Added a lightweight jacket to the clothing allowance
- Increased the shoe allowance by \$50 to \$200
- Deleted payment in lieu of vacation option
- Eliminated wage differentials for Municipal Head Custodian in FY22
- Retroactive payment limited to active employees (with two exceptions)
- Town and union continuing to work on improving the “sick bank” program
- Housekeeping language changes

The FMD compared its terms with 11 cohort towns and found themselves to be very competitive with no large adjustments needed to be made to “catch up” or “hold back” on salary or other terms.

Cost of the Settlement

FY21 \$85,912 (retroactively)
FY22 \$78,926

Asking for approval of \$164,848 (FY21&22 combined) at this STM.

Advisory Considerations

Advisory recognizes the critical role that the custodial staff has taken in addressing the needs of our schools to be safely and effectively sanitized during the recent challenging times of COVID. Advisory considered the agreement and whether it was competitive with other towns in the area. The union and the town are keenly aware of other town contracts and this contract is competitive and falls within the 2.5% guideline. Although negotiations of this contract were delayed due to COVID, and although the final agreement will be retroactive to cover the period in which the union was working without a contract, the FMD fiscal 2021 budget will be within the 2.5% guideline. Advisory supports the FMD, its ongoing strong efforts to support the Town of Wellesley, and the efforts of the negotiating team to deliver this new union contract.

Advisory recommends favorable action,13 to 0.

ARTICLE 6. To see if the Town will raise and appropriate, transfer from available funds, or borrow a sum of money to be expended under the direction of the Board of Public Works for treatment of the Town's drinking water, including equipment, and all costs incidental or related thereto, or to take any other action in relation thereto.

(Board of Public Works)

Overview

PFAS are man-made chemicals that were produced in the United States starting in the 1950s and are generally associated with fire retardant foams and anti-stick, rain-proof and stain-proof surfaces. PFAS chemicals, often known as "forever chemicals" since they break down very slowly, are prevalent in the United States. They are no longer made here, but consumer products containing PFAS chemicals, such as apparel, leather goods and plastics, may still be imported into the United States. Most Americans have been exposed to PFAS, and over two dozen community water systems in the Commonwealth of Massachusetts, including Wellesley, exceed the Massachusetts Department of Environmental Protection ("MADEP") standard of 20 parts per trillion ("ppt") established on September 24, 2020. The Town of Natick, for example, also exceeded the MADEP ppt limit for drinking water at its Morses Pond location, voted on treatments of the detected PFAS chemicals and is now building the treatment system, and the DPW and its personnel have been in touch on this matter with knowledgeable Natick personnel.

The Town of Wellesley operates three drinking water plants, and the Morses WTP tested in excess of the MADEP ppt limit for PFAS chemicals and was taken off-line in early May of 2021. The MADEP standard is non-negotiable and non-discretionary, and in order to continue to supply adequate supplies of drinking water to Wellesley, the DPW must comply with the MADEP rules. Therefore, the DPW has asked that it be allowed to borrow, through the Water Enterprise Fund, \$1.5 Million for an interim solution and \$5.3 million for a long-term solution to address the PFAS issue at the Morses WTP. The cost estimates are derived from the DPW consultant Environmental Partners Group, Inc. The \$1.5 million interim solution, slated to enter service in early 2022, combines carbon filter and ion exchange technology and consists of trailer-mounted tanks and associated piping to operate as a filtration system to the south of the existing Morses WTP building, and the long-term solution, now slated to be constructed and in service by the middle of 2023, is to feature carbon filter technology and will consist of four tanks inside a new brick-clad

building to be appended to the north end of the existing Morses WTP building. Both solutions and the sums to pay for them are considered appropriate and justified by the DPW, which in the absence of the Morses WTP has to buy water from the Massachusetts Water Resources Authority (the “MWRA”) to deliver to Wellesley customers.

Advisory Considerations

Advisory members inquired about the borrowing and firming up the costs of the projects including comparing it to the current interim solution of purchasing water from the MWRA. The money required for the systems is to be borrowed by the Water Enterprise Fund. While the numbers associated with the interim and permanent fixes are now being refined and may change, any revised numbers will be shared with the Advisory Committee before STM. The DPW has determined that the cost of providing the interim solution is lower than the cost of added water purchases from the MWRA if the interim solution were omitted from the plan. Aside from the cost factor, the DPW has also expressed the opinion that the physical limitations of the current MWRA connection would present substantial risks in meeting ongoing demand, especially during the peak water use months. The Advisory Committee is supportive of DPW’s moving ahead with this project, both as to the interim and long-term solutions. Numbers justifying the investment in the PFAS treatment equipment vs. the cost of buying water from the MWRA and delivering it to Wellesley users have not been developed in final form, but DPW is confident the investment will be less than continuing to buy water from the MWRA. Advisory members also asked about investigating the cause of the issue. The DPW intends to pursue that after securing approval for the solutions. Advisory is supportive of this approach.

Passage requires a 2/3 vote.

Advisory recommends favorable action, 13 to 0.

ARTICLE 7. To see if the Town will vote to raise and appropriate, transfer from available funds, or borrow a sum of money to supplement or reduce appropriations approved by the 2021 Annual Town Meeting, or to take any other action in relation thereto.

(Select Board

ARTICLE 7, MOTION: 1

That the Town appropriate \$150,000.00 (ONE HUNDRED FIFTY THOUSAND DOLLARS) for supplemental legal costs, said sum to be taken from Free Cash, as certified as of July 1, 2021, and added to the amount appropriated to the Select Board–151 Law under Motion 2 of Article 8 of the Warrant for the 2021 Annual Town Meeting.

Overview

Legal expenses are classified as costs incurred by the Town of Wellesley from the Town Counsel, Labor Counsel and Special Counsel. Legal expenses could include costs that arise from Town and School issues, but not Special Education issues (those invoices go directly to the School Department). A Special Counsel could be used for issues that come up related to, e.g., issuing debt, healthcare, various Boards issues and Verizon/Comcast negotiations to name a few.

The Town uses outside legal counsel (verses in-house counsel) to help maximize the legal expertise available to the Town; having an outside firm(s) has brought depth to the subject matters and fees range from \$155 to \$205 per hour.

Legal costs have fluctuated over the years from as high as \$425,700 in 2021 to as low as \$236,300 in 2017. For FY22 they were budgeted at \$350,000, anticipating COVID-19 related issues, Chapter 40B issues, and some heavy negotiations going on during FY22.

Specific cost drivers for the request are:

- Litigation of 680 Worcester St and 16 Stearns Rd
- Filing of Civil Rights complaint
- Increased COVID-19 modifications of day-to-day operations and meeting requirements
- Higher than normal number of union issues related to school bargaining, healthcare, and general and COVID-19 related grievances
- Finalization of 148 Weston Rd and other Chapter 40B projects
- Finalization of North 40 restrictions
- Enforcement of encroachments on Town land
- Higher than normal number of public records requests and redactions

Without the COVID-19 expenses the Town may have been able to meet its budget, but because ARPA funds and related funding has not been distributed yet the Select Board (SB) felt the need to ask for the additional funding to prepare for the higher costs. Additionally, the civil rights complaint came up after the budgeting process.

The SB is recommending an increase of \$150,000 from Free Cash, bringing the total Legal budget to \$500,000, to help fund legal expenses for the rest of FY22. Any unused funds will be returned to Free Cash at the closing of the fiscal year.

Advisory Considerations

There was one advisory member who voiced their concern about the lack of competitive bidding for better legal fee pricing. Another member also noted that alternative fee arrangements such as agreeing on fixed fees for projects are becoming more common and asked the Town to consider them going forward to help manage overall legal costs.

Advisory recommends favorable action, 13 to 0

ARTICLE 8. To see if the Town will vote to rescind authorized and unissued loans, to authorize the transfer of unused proceeds from previously issued loans to one or more eligible appropriations, and/or to amend existing borrowing authorizations on unissued debt in order to allow the use of premiums for project costs and to reduce the amount of the borrowing so authorized in accordance with Section 20 of Chapter 44 of the Massachusetts General Laws, as amended by Section 67 of Chapter 218 of the Acts of 2016, or to take any other action in relation thereto.

(Select Board)

Advisory expects no motion under this Article.

ARTICLE 9. To see if the Town will amend the Zoning Bylaws to permit outdoor dining in certain business and commercial districts without requiring a Special Permit and to make certain other changes to the provisions for dining in business and commercial districts by:

- I. Amending Section 9B.B.2 to read in its entirety as
 2. Restaurant, tea room, café, or other eating place for the sale of any food or beverage, and outside dining area accessory to any such restaurant, tea room, café, or other eating place; drive through windows where food or beverage is purchased by customers in vehicles are not allowed;
- II. Amending Section 9C.A.3 to read in its entirety as
 3. Restaurant, tea room, café, or other eating place for the sale of any food or beverage, and outside dining area accessory to any such restaurant, tea room, café, or other eating place; drive through windows where food or beverage is purchased by customers in vehicles are not allowed;
- III. Deleting Section 9C.A.13.I in its entirety.
- IV. Amending Section 11.A.3 to read in its entirety as
 3. Restaurant, tea room, café, or other eating place for the sale of any food or beverage, and outside dining area accessory to any such restaurant, tea room, café, or other eating place.
- V. Deleting Section 11.A.13.I in its entirety.

or take any other action in relation thereto.

(Planning Board/Select Board)

Eating outdoors makes for good health and long life and good temper, everyone knows that.

— Elsie de Wolfe

The above quote from Lady Mendl (Elsie de Wolfe), prominent New York City author, designer and actress, should supply all the justification necessary for this Article, which seeks to simplify the zoning requirements for outdoor dining. Currently, if a restaurant owner wishes to seat patrons outside the establishment, the owner is required to obtain a Special Permit. This regulation is in addition to the Common Victualer license and other Town licensing that requires approval of the Select Board.

Outdoor dining increased in use and popularity due to COVID-19 restrictions and concerns. The emergency orders that allowed outdoor dining will expire in April 2022. Because outdoor dining has proven to be very popular, supports the restaurant economy in town, and revitalizes the various business districts in town, Planning believes that streamlining the permitting process for outdoor dining will be beneficial to residents and the business community.

Advisory Considerations

Advisory clarified that this change would not allow a restaurant to serve food or alcohol on public land. Outdoor dining would be allowed by right only on the owner's property. The Town, through the

Select Board, will retain the right to license use on public property, such as within the property's right of way, including the five-foot sidewalk adjacent the curb or, in some cases, part of the street itself. Moreover, the Select Board will still be required to issue a Common Victualer license and other licenses to the restaurant, such as those defining the regulations pertaining to alcohol consumption. Advisory noted that the Planning Board approved the motion unanimously.

Passage requires a 2/3 vote.

Advisory recommends favorable action 14 to 0.

ARTICLE 10. To see if the Town will vote to authorize the Select Board on behalf of the Town, to act on, waive or otherwise respond to the right of first refusal to purchase the Glen Grove Apartments at Grove Street as provided in a Comprehensive Permit issued by the Zoning Board of Appeals, filed with the Town Clerk on April 4, 1977; or take any other action in relation thereto.

(Select Board)

Overview

This motion asks that Town Meeting authorize the Select Board to waive the Town's right of first refusal to purchase the property at 50-60 Grove Street in order to enable the owner to obtain refinancing from the Massachusetts Housing Finance Agency (MHFA) for needed capital improvements.

Constructed in the late 1970s under a Comprehensive Permit (Chapter 40B, or "40B"), Glen Grove was the Commonwealth's first 40B project and, up until 2018, the Town's largest affordable housing site. Chapter 40B properties are allowed to override the local zoning laws. Located at 50-60 Grove Street, with 125 units for low-income seniors, it is a project-based federal (Section 8) subsidy site, meaning the residents' income must be sixty percent (60%) or less than the median income of the Town. As part of the agreement and permitting process back in the 1970s, if the property was to be sold or refinanced the right of first refusal had to either be terminated or subordinated to Housing and Urban Development (HUD). In 2009, Town Meeting voted to subordinate the right of first refusal to HUD when the property was sold.

In March 2021, PRI Glen Grove, LLC, the current owner, notified the Town it would like to refinance for \$38,500,000 to fund capital improvements for each unit and some landscaping. This project does not trigger a Project of Significant Impact (PSI) application process because the improvements are inside the building, and not adding to the building envelope or the landscaping envelope.

Advisory Considerations

Based on the presentation from the Select Board, Advisory notes that the proposed capital improvements are badly needed, and will enhance living conditions for the renters. In addition, conditions of the waiver will require assurances from the owner of their intention to maintain the property's affordable housing status by renewing the Section 8 contract for not less than 60 years (2081) or other maximum period required by the MHFA, and Case Law protects the affordable units in perpetuity or until the property complies with local zoning. Advisory also confirmed that the loan proceeds must be used for improvements documented to the MHFA and cannot be diverted to other purposes. Advisory further takes comfort in the fact that the waiver applies to this transaction only, i.e., the right of first refusal will apply to future sales or refinancings.

Passage requires a 2/3 vote.

Advisory recommends favorable action, 14 to 0.

ARTICLE 11. To see if Town Meeting will vote to amend the Zoning Map of the Town of Wellesley by rezoning 307 Washington Street and 309 Washington Street, currently zoned as General Residence District, to Business District, such that the entirety of 307 Washington Street and 309 Washington Street shall now be zoned entirely with the Business Zoning District.

(Citizen Petition)

Passage requires a 2/3 vote.

Advisory will make a recommendation at or before Special Town Meeting.

REPORT OF THE PLANNING BOARD

In accordance with the provisions of Section 26, *Notice of Public Hearings*, of the Zoning Bylaws, and Chapter 40A of the General Laws of the Commonwealth of Massachusetts, the Planning Board convened a duly advertised public hearing for the consideration of banning the use of land in Wellesley for the purpose of gun shops or stores on Monday, June 7, 2021; and, on proposed amendments to the Zoning Bylaws on Outdoor Dining for Restaurants, Accessory Dwelling Units, Sustainable Zoning Working Group Proposals, Definitions of Town House and Two-Unit Dwellings, and FEMA Map updates on July 19, 2021; and then continued these duly advertised public hearings on July 19, 2021 (Gun Shops/Stores) and on August 16, 2021, and September 13, 2021 (all proposed amendments as listed). The Planning Board closed the public hearings for Outdoor Dining for Restaurants, Accessory Dwelling Units, Sustainable Zoning Working Group Proposals, Definitions of Town House and Two-Unit Dwellings, and FEMA Map updates on September 13, 2021. Only the Outdoor Dining for Restaurants, as contained in the Warrant for the October 25, 2021 Special Town Meeting (Article 9) will proceed to a Town Meeting vote. The Planning Board continued the duly advertised public hearing for the proposed amendment banning the use of land in Wellesley for Gun Shops/Stores to September 20, 2021 and then to October 4, 2021. Following the close of the public hearings on September 16, 2021 and on October 4, 2021, as further required by the Zoning Bylaws and General Laws of the Commonwealth of Massachusetts, the Planning Board produced this Report with recommendations on the article for consideration (Article 9) by Town Meeting.

Article 9 – Amend the Zoning Bylaws to permit outdoor dining in certain business and commercial districts without requiring a Special Permit and to make certain other changes to the provisions for dining in business and commercial districts as follows:

- **Amend Section 9B.B.2 (Lower Falls Village Commercial District) to delete the requirement for a Special Permit for restaurants, tea rooms, cafes, or other eating places; and substitute by right Zoning.**
- **Amend Section 9C.A.3 (Wellesley Square Commercial District) to delete the requirement for a Special Permit for restaurants, tea rooms, cafes, or other eating places; and substitute by right Zoning.**
- **Amend Section 11.A.3 (Business Districts) to read in its entirety:**
 - 3. Restaurant, tea room, café, or other eating place for the sale of any food or beverage, and outside dining area accessory to any such restaurant, tea room, café, or other eating place. (Delete Section 11.A.13.1 in its entirety.)**

Final Recommendation – Adoption.

(Planning Board voted 5-0 on September 20, 2021)

Article 9 was initiated and is sponsored by the Planning Board.

In Article 9, the Planning Board seeks to simplify the zoning requirements for outdoor dining. Currently, if a restaurant owner wishes to seat patrons outside of the establishment, the owner is required to obtain a Special Permit. This regulation is in addition to the Common Victualler license and other Town licensing that needs approval from the Select Board.

Outdoor dining increased in use and popularity because of Covid-19 restrictions. The Governor's Emergency Orders allowed and encouraged outdoor dining, but these orders are set to expire in April 2022. As outdoor dining is now popular, supports the restaurant economy, and revitalizes the various business districts in Town, the Planning Board believes that streamlining the permitting process at Special Town Meeting is critical and opportune. It will facilitate outdoor

dining in the late spring and summer of 2022 while waiting for action at the 2022 Annual Town Meeting will not.

The Planning Board also appreciates the opportunity with this Article to ask Town Meeting to approve minor amendments to the language of Sections 9B, 9C, and 11 of the Zoning Bylaws so our Business Districts use the same verbiage for parallel constructs.

The Planning Board acknowledges that changing the Zoning Bylaws to shift from a use allowed by Special Permit to a “by right” use addresses only part of the permitting and licensing process, namely, land use. Outdoor dining would be allowed by right on the owner’s property only. The Town (Select Board) retains the right to license use within the Right of Way (ROW), whether that is the five-foot sidewalk adjacent to the curb or part of the street itself. The Town (Select Board) also issues the Common Victualler’s or CV license, which defines the regulations pertaining to alcohol consumption. The Select Board has a Restaurant Task Force that comprises the Select Board, Building, Police, Fire, and Health Departments that oversees implementation of the regulations.

Therefore, believing that amending the Zoning Bylaws will be beneficial to residents and the business community, and knowing that the licensing process for restaurant establishments will have simplified Zoning requirements but continue the vigilant Town policies for licensing of restaurants, the Planning Board supports the amendment proposed under Article 9 by a unanimous vote of 5-0.

CITIZENS PETITION REGARDING 307 AND 309 WASHINGTON STREET

On August 16, 2021 the Planning Board received from the Executive Director on behalf of the Select Board a Citizens Petition proposing rezoning of 307 and 309 Washington Street to include the properties in the Town’s Business District. The Properties are currently in the General Residence District.

In accordance with the provisions of Section 26, *Notice of Public Hearings*, of the Zoning Bylaws, and Chapter 40A of the General Laws of the Commonwealth of Massachusetts, the Planning Board convened a duly advertised public hearing for the consideration of banning the use of land in Wellesley for the purpose of gun shops or stores on Monday, September 13, which was subsequently continued to September 20, 2021, October 4, 2021, and October 18, 2021.

As of the writing of this report, the Planning Board has not yet closed the public hearing or prepared a report on the Citizens Petition. The Planning Board will provide a supplemental report to Town Meeting concerning the Citizens Petition.

APPENDIX A: GUIDELINES FOR CONDUCT OF WELLESLEY REPRESENTATIVE TOWN MEETING

I. INTRODUCTION

The purpose of Wellesley Town Meeting (the "Meeting") is to reach decisions with respect to the matters brought before the Meeting by a democratic process. The process should not be partisan or adversarial. Rather it should demonstrate an effort by the elected representatives of the Town in open discussion, free from technicalities of parliamentary procedure, to establish constructive policies for the government of the Town. The Meeting depends for its effectiveness on familiarity of the Town Meeting Members with the matters before the Meeting and upon their ability to rely one upon the other and upon their elected or appointed boards and committees.

All who speak to the Meeting or prepare

to it should seek to be worthy of this trust. Proponents of action should make full and fair disclosure of all facts and considerations bearing on a problem, not merely those favoring their proposal. On the other hand, those opposed to a proposal should make their opposition known to the sponsors as soon as possible, rather than seeking to succeed by surprise at the Meeting. Negotiations prior to Town Meeting are more likely than debate at Town Meeting to clarify the issues and to produce solutions that will receive the support of the Meeting as a whole.

The great diversity among the residents of the Town often will lead to differences with respect to the matter before the Meeting. The good faith of no one should be questioned; rather, there should be a cooperative effort to find solutions that are reasonably responsive to the needs of all.

The Meeting shall abide by the laws of the Commonwealth including the prohibitions of smoking and carrying firearms on school property.

The following guidelines are intended to inform and guide those who participate in the Meeting and, thus, to assist in its orderly conduct. These guidelines, except to the extent that they embody statutes and Town Bylaws, are not intended as rules having legal effect.

II. PARTICIPANTS IN THE MEETING

- A. *Public Meeting*** - The Town Meeting is a public meeting and may be attended by all. Since only the Members may make motions and vote thereon, they are seated separately from non-members.
- B. *Quorum*** - A majority of the Town Meeting Members shall constitute a quorum for doing business; but a lesser number may adjourn the Meeting to another time.
- C. *Moderator*** - The Moderator shall preside at the Meeting and shall regulate the proceedings and decide all questions of order.

No one shall distribute any material at Town Meeting except with permission of the Moderator.

The Moderator may appoint persons to assist in the conduct of the Meeting, including determination of the vote of the Meeting.

If the Moderator is absent or cannot act, a Moderator Pro Tempore may be elected by the Meeting, the Town Clerk to preside at such election.

The Moderator shall not be an elected Town Meeting Member and shall not vote with respect to any matters before the Meeting. A Town Meeting Member may be a Moderator Pro Tempore, but shall not vote while presiding at the Meeting.

D. Clerk - The Town Clerk shall determine the presence of a quorum and shall maintain the records of the Meeting, including the results of all votes and other action taken at the Meeting. If there is no Town Clerk, or if the Town Clerk is absent from the Meeting, the Meeting shall elect another person (usually the Assistant Town Clerk) to act as temporary Clerk of the Meeting.

The Town Clerk shall not be an elected Town Meeting Member and shall not vote with respect to any matters before the Meeting. A Town Meeting Member may be Temporary Clerk, but shall not vote while acting as Clerk of the Meeting.

E. Town Counsel - Town Counsel shall be present at all Meetings and, upon request, shall advise the Moderator and any Member or other person present with respect to any pertinent question of law on which his or her opinion is requested. Such opinion is advisory only and not binding upon the Town, any person or the Meeting. If Town Counsel is unable to attend, the Selectmen shall designate another attorney as Acting Town Counsel to perform those duties at the Meeting.

Town Counsel shall not be an elected Town Meeting Member and shall not vote with respect to any matter before the Meeting. A Town Meeting Member may be Acting Counsel, but shall not vote while so acting.

F. Tellers - The Moderator shall appoint Town Meeting Members as Tellers for the purpose of counting the votes of the Meeting. Such appointments may, in the Moderator's discretion, be effective for more than one session of any Meeting. The Tellers shall report the results of their count of the section of the Meeting assigned to them, indicating the number in favor of the motion, the number opposed, and, if so, instructed by the Moderator, the number abstaining and such shall be announced to the Meeting and maintained with the records of the Meeting. Tellers may vote on any question on which they act as Tellers, but any Teller who decides to participate in the debate of a question should request the Moderator to appoint another Teller to count the vote on that question.

III. MOTIONS

A. Need for Motion - Action by the Meeting is taken solely by a vote of the Meeting on a motion duly made at the Meeting.

B. Subject of Motions - Except for such matters as resolutions recognizing individual achievements and the like, no motion shall be entertained by Town Meeting unless the subject thereof is contained within the Warrant. The Moderator shall determine whether a motion is "within the scope of the warrant," that is, whether the warrant gave adequate notice that the action proposed by the motion might be taken at the Meeting. Motions may propose action at variance with that desired by the sponsor of the article. Such motions may, for example, propose the establishment of a guideline, referral to an existing board or committee or one to be established; but all such motions are proper only if "within the scope of the warrant" as determined by the Moderator.

C. Order of Consideration - All articles shall be considered in the order in which they appear in the warrant, unless the Moderator in his/her discretion or the Meeting by majority vote changes the order. Where there are a number of motions relating to a project calling for

the expenditure of funds, the motion calling for the expenditure of the largest sum shall be the first put to vote, unless the Moderator in his/her discretion decides to change the order.

D. Formal Requirements - Motions can be made only by a Member of the Meeting. All motions other than procedural motions must be in writing signed by the sponsoring Member. No seconds are needed for any motion.

Sponsors of motions are required to submit their motions to the Selectmen by a date specified by the Selectmen. The motions must also be submitted to the Moderator and the Chair of the Advisory Committee. The exact form of any motion or amendment must either be distributed to Town Meeting Members or projected on a screen at Town Meeting before a vote thereon can be taken.

After the initial call to order of any Annual or Special Town Meeting, if a proponent informs the Moderator of an intention to present an amendment or substitute motion or resolution, notice of the action and the text must be made available to Town Meeting Members before action is taken on the article to which it relates.

E. Notice to Moderator - Every person who prior to the Meeting has decided to make a motion with respect to an article should inform the Moderator and the Chair of the Advisory Committee prior to the Meeting or, if the decision to make a motion is reached only during the Meeting, as early as convenient thereafter.

F. Reconsideration - Motions to reconsider any action shall be entertained only if in the view of the Moderator there is reason to suppose that Members may have changed their minds. The Moderator may rule that any motion is a motion for reconsideration if it is not substantially different from a motion previously voted upon.

No action taken at any session of a Town Meeting shall be reconsidered at any subsequent session, unless notice of intention to move for reconsideration shall have been given at the session at which such action was taken. If action taken at the final session is to be reconsidered, debate and a vote on a motion for reconsideration may occur at the same session only after all articles have been acted upon unless, in the Moderators discretion, debate and a vote on the motion at an earlier point in the session would expedite the conduct of the session. Any vote that requires more than a simple majority for passage shall require a 3/5ths vote in order to be reconsidered by Town Meeting.

IV. DEBATE

A. Persons Authorized - All residents of Wellesley, whether or not Town Meeting Members or registered voters, may address the Meeting. Non-residents may address the Meeting with the approval of the Moderator or a majority of the Meeting.

B. Permission of the Moderator - Persons wishing to address the Meeting shall raise their hands or stand and wait until they are recognized by the Moderator and no one shall address the Meeting without first requesting and receiving the permission of the Moderator.

C. Identification of Speaker - Each person addressing the Meeting shall begin by stating his or her name and precinct if a resident of Wellesley or place of residence if a non-resident.

D. Conduct - All remarks should be limited to the subject then under discussion. It is improper to indulge in references to personalities and all expressions of approval or disapproval, such as applause or booing, are out of order.

The Moderator may request any person to keep silent. If, after a warning from the Moderator, a person refuses to be silent or persists in other disorderly behavior, the Moderator may order such person to withdraw and, if he or she fails to withdraw, may order a police officer to remove such person from the Meeting.

E. Personal or Financial Interest - Individuals who have a personal or financial interest with respect to a matter may speak or vote thereon but should frankly disclose their interest before speaking. However, no Town Meeting Member should accept compensation for speaking to or voting at the Meeting.

F. Time - There is no time limit to the debate of any question. Accordingly, motions to limit time for debate or to call the question are not in order. However, each individual who speaks to the Meeting should make an effort to be as brief as possible, out of consideration for the others attending the Meeting and the need to give adequate time to all matters coming before it. The Moderator may request that all persons who intend to speak for more than five minutes give him/her notice before the start of the session.

G. Repeated Speaking - In order to give all a fair opportunity to speak, no one who has addressed the Meeting on any particular motion shall speak again, except to answer questions, until all others wishing to speak to the motion have done so.

H. Maps - The Planning Board has slides of Town maps available for use at all Meetings and may be requested on reasonable notice to make available a slide of any map appropriate to the subject under discussion.

V. VOTING METHOD

Except as specifically otherwise provided by law or these rules, voting shall be by voice votes or show of hands as the Moderator may determine and the Moderator shall declare the results of such vote. If a vote so declared is immediately questioned by seven or more Members, the result shall be determined by counting the votes of the Meeting by means of a standing vote.

VI. DEFINITIONS

A. Roll Call - Upon motion supported by not less than sixty members and made prior to the taking of a standing vote, the vote shall be by a roll call of all Members, the Clerk to indicate on the record with respect to each Member, "Aye," "Nay," "Abstain," or "Not Present" as the case may be.

B. Secret Votes - There shall be no secret ballots or other secret votes at Town Meeting.

C. Majorities - Except as otherwise provided by law or the Town's Bylaw, all actions of the Meeting shall be taken upon vote of a simple majority of those present and voting.

D. Ballot Vote

(a) Upon a motion supported by not less than 20 Members made prior to a vote on any question (whether required by law to be a counted vote or not), the vote shall be taken by ballot in such form as will in the opinion of the Moderator indicate how individual Town Meeting Members have voted on a question. The results of such vote shall be announced in terms of the numbers of aye, nay, or abstain votes cast. The Town Clerk shall, within a reasonable time after the session has been

adjourned, compile a list of Members voting on the question, which list shall disclose how each Member voted. Said list, together with the original ballots, shall be open to public inspection so that the public shall be able to determine the way in which each Town Meeting Member voted on the question and shall be preserved for at least 3 years.

(b) If a law or a bylaw requires a two-thirds vote for action by the Meeting, the Moderator is authorized to declare the vote without taking a count, subject to the roll call and ballot vote provisions noted above. If more than a two-thirds vote is required, the Moderator may first determine whether the vote is unanimous and, if it is not, the vote shall be counted either by means of a standing vote, by roll call or by ballot as provided in the Town's Bylaw.

VII. ADJOURNMENT AND DISSOLUTION

A. *Adjournment* - Sessions of the Town Meeting shall normally adjourn about 11 o'clock in the evening but may adjourn at such earlier or later time as the Town Meeting upon vote of a majority of its Members may determine.

B. *Dissolution* - The Meeting shall not dissolve until all articles in the warrant with respect to which any Member wishes to make a motion have been considered.

VIII. RECORD OF MEETING

The Town Clerk in consultation with the Moderator shall prepare and maintain a complete record of the Meeting at the office of the Town Clerk where, upon request, it may be inspected by any interested person and also shall deposit a copy of such record at the Main Library. Such record may, but need not be, verbatim. However, it shall as a minimum contain the text of all articles and motions, whether main motions or subsidiary motions, the name of the moving party, the action of the Meeting with respect thereto and such summary of statements made at the Meeting as will in the opinion of the Town Clerk contribute to a better understanding of the action of the Meeting.

IX. REFERENCE TO TOWN MEETING RULES

Wellesley Representative Town Meeting was established by Chapter 202 of the Acts of 1932 which has been amended several times since then. Certain customs have developed in the conduct of the Town Meeting. Wellesley custom does not differ substantially from the custom of other representative town meetings, as generally described in Town Meeting Time (Little, Brown, and Company 1962), a book that also contains references to applicable court decisions and statutes. All custom may be changed by law, or the Bylaws of Wellesley, as from time to time amended.

It is the combination of the foregoing which produces the "rules" of Wellesley Town Meeting in conformity with which the Moderator regulates the conduct of the meeting.

APPENDIX B: TOWN MEETING ACRONYMS

AC	Advisory Committee
ACS	Access Control Systems
ADA	Americans with Disabilities Act
AED	Automated External Defibrillator
AFSCME	American Federation of State, County and Municipal Employees
AMI	Advanced Metering Infrastructure
ATC	American Tower Corporation
ATM	Annual Town Meeting
BOH	Board of Health
BOS	Board of Selectmen
BPW	Board of Public Works
CAFR	Comprehensive Annual Financial Report
CB	Circuit Breaker
CBR	Circuit Breaker Reimbursement (State money for Special Education Expenses based on a formula)
CCF	Hundred cubic feet (water measurement)
COA	Council on Aging
COLA	Cost of Living Adjustment
CPA	Community Preservation Act
CPC	Community Preservation Committee
DAS	Distributed Antenna System
DEP	Department of Environmental Protection
DESE	Department of Elementary and Secondary Education
DHCD	Department of Housing and Community Development
DOR	Department of Revenue
DPW	Department of Public Works
DRB	Design Review Board
ELL	English Language Learner
FAR	Floor Area Ratio
FBPC	Fuller Brook Park Committee
FCM	Forward Capacity Market
FF&E	Furniture, Fixtures and Equipment
FMD	Facilities Maintenance Department
FTE	Full-Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GFOA	Government Finance Officers Association
GIC	Group Insurance Commission
GIS	Geographic Information Systems
HDC	Historic District Commission
HHU	Hardy, Hunnewell and Upham
HRB	Human Resources Board
HRS	Human Relations Service, Inc.
HVAC	Heating, Ventilation and Air Conditioning
ID	In District
IDEA	Individuals with Disabilities Education Act

IEP	Individualized Education Plan
IND	Innovative Neighborhood Design (Planning)
ISO-NE	Independent System Operator – New England
IT(D)	Information Technology (Department)
LHR	Large House Review
LRE	Least Restrictive Environment
LTD	Long Term Disability
MAAB	Massachusetts Architectural Access Board
MAR	Municipal Annual Requirement (Library)
MassDOT	Massachusetts Department of Transportation
MEMA	Massachusetts Emergency Management Agency
MGL	Massachusetts General Laws
MIAA	Massachusetts Interscholastic Athletic Association
MLB	Municipal Light Board
MLP	Municipal Light Plant
MOU	Memorandum of Understanding
MSBA	Massachusetts School Building Authority
MUNIS	Integrated suite of Municipal Software primarily used for Financial, HR, Payroll, Billings, and various other Town Departmental needs
MWRA	Massachusetts Water Resources Authority
MWRTA	MetroWest Regional Transit Authority
NCD	Neighborhood Conservation District
NRC	Natural Resources Commission
NRP(Z)	Natural Resource Protection (Zoning)
OOD	Out of District
OPEB	Other Post-Employment Benefits
OPM	Owner's Project Manager
PARCC	Partnership for Assessment of Readiness for College and Careers
PAWS	Preschool at Wellesley Schools
P&S	Purchase and Sale Agreement
PB	Planning Board
PBC	Permanent Building Committee
PFTP	Playing Fields Task Force
PILOT	Payment in lieu of taxes
PSI	Project of Significant Impact
RDF	Recycling and Disposal Facility
RFID	Radio Frequency Identification System
RFP	Request for Proposals
RMD	Registered Marijuana Dispensary (Planning)
SADI	System Average Interruption Duration Index
SBHD	Single Building Historic District (Planning)
SC	School Committee
SEC	Sustainable Energy Committee
SFC	School Facilities Committee
SFMP	School Facilities Master Plan
SMMA	Symmes, Maini, McKee & Associates
SOI	Statement of Interest
SPGA	Special Permit Granting Authority

SR	Single Residence (District)
STEM	Science, Technology, Engineering and Mathematics
STM	Special Town Meeting
SWG	Security Working Group
TDRT	Town Development Review Team
TGSC	Town Government Study Committee
TM(M)	Town Meeting (Member)
TPC	Tolles Parsons Center
TWFP	Town-Wide Financial Plan
UMAS	Uniform Municipal Accounting System
UP	Unified Plan
VMS	Video Management System
WCRS	Wellesley Contributory Retirement System
WFL	Wellesley Free Library
WHA	Wellesley Housing Authority
WHC	Wellesley Historical Commission
WHDC	Wellesley Housing Development Corporation
WHS	Wellesley High School, Wellesley Historical Society
WMS	Wellesley Middle School
WPC	Wetlands Protection Committee
WPS	Wellesley Public Schools
WSCD	Wellesley Square Commercial District
WSHG	West Suburban Health Group
WSVD	West Suburban Veterans' District
ZBA	Zoning Board of Appeals

APPENDIX C: GLOSSARY OF MUNICIPAL FINANCE TERMS

ABATEMENT. A complete or partial cancellation of a tax or assessment levied (imposed) by the Town. Abatements usually apply to tax levies and special assessments.

APPROPRIATION. An authorization granted by Town Meeting to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to time when it may be expended.

ASSESSED VALUATION. A valuation set upon real estate or other property by the Town as a basis for levying taxes. Equally assessed valuation refers to the Town's assessed valuation as determined by the Assessors, adjusted by the State Department of Revenue on a biennial basis to reflect full market value ("equalized valuation").

BUDGET. A plan of financial operations embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. A budget may be "preliminary" – the financial plan presented to Town Meeting, or "final" – the plan approved by Town Meeting.

CAPITAL PROJECT. A major nonrecurring physical acquisition expenditure often including planning, acquisition, and construction phases.

CHERRY SHEET. An annual statement received by the Assessors from the State Department of Revenue detailing estimated receipts for the next fiscal year from various State Aid accounts and the Local Aid Fund (Lottery) and estimated charges payable by the Assessors in setting the tax rate. Supplemental Cherry Sheets may be issued during the year and there is no guarantee that the estimated receipts and charges shown thereon will not vary from actual receipts and charges.

COLLECTIVE BARGAINING. Negotiations between an employer and union representative regarding wages, hours, and working conditions.

DEBT AUTHORIZATION. The formal approval required under the procedures set forth in Chapter 44 of the Massachusetts General Laws before the Town may lawfully incur debt.

DEBT SERVICE REQUIREMENT. The amount of money required to pay interest on outstanding debt, and serial maturities of principal for serial bonds.

ENTERPRISE FUND. A fund established to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Examples of Enterprise Funds are those established for the Town's water, sewer, and electric utilities.

EQUALIZED VALUATION. The value of all property as determined by the State Tax Commission biennially, using a standard of "full and fair value." This is also referred to as "100% valuation." The equalization figures are reported in December and affect State Aid distributions for the two-year period beginning the following July.

EXCESS LEVY CAPACITY. The difference between the Town's maximum tax levy limit as established by Proposition 2 ½ and its actual tax levy in the most recent year for which the Town has set a tax rate. This is the additional tax levy that the Town could raise without going to the voters for an override or debt exclusion.

EXCLUSIONS. A provision in the Proposition 2 ½ Law (Chapter 580 of the Acts of 1980) that provides, through referendum, to add funds to the total tax levy on a temporary basis. Exclusions and Debt Exclusions are specifically for capital or special onetime items. Exclusion type questions, if approved by voters, are used to fund onetime items, usually large capital projects. These funds do not become part of the permanent tax levy base. An exclusion for debt service on a loan to pay for a major capital project expires when the loan is paid. The amount added to the tax levy for a particular year is the debt service needed for that year only. Exclusions are only effective until the funding for the project to which they apply is complete.

FISCAL YEAR. A 12-month period to which the annual operating budget applies and at the end of which the Town determines its financial position and the results of its operations. The Commonwealth and the Town operate on a fiscal year that begins on July 1 and ends on June 30. The number of the fiscal year is that of the calendar year in which the fiscal year ends; e.g., the fiscal year 2014 begins July 1, 2013, and ends June 30, 2014, usually written as FY 14.

FIXED ASSETS. Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

FREE CASH. Sum of funds appropriated and raised by the Town, but not expended in the years for which they were appropriated, minus uncollected taxes of prior years. This amount must be certified by Massachusetts Bureau of Accounts before it can be used.

FULL-TIME EQUIVALENT. A term that expresses the amount of time a position has been budgeted for in terms of the amount of time a regular, full-time employee normally works in a year. For most positions in Town, one FTE has been set to equal the number of hours a typical full-time employee works during a calendar year after deducting holiday, vacation, sick and personal time from a 52.2 week year consisting of 2,088 total hours. A position that has been budgeted to work full-time for only six months is 0.5 FTE.

FUND. A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND TYPE. In governmental accounting, all funds are classified into seven generic fund types: General, Special Revenue, Capital Projects and Debt Service (Governmental Funds), Enterprise and Internal Service (Proprietary Funds), and Trust and Agency (Fiduciary Funds).

GAAP. Generally Accepted Accounting Principles. There are twelve basic principles of accounting and reporting applicable to state and local governments. These include the use of the modified accrual basis of accounting, as appropriate, for measuring financial position and operating results. These principles must be observed in order to provide a basis of comparison of data among different cities and Towns.

GENERAL FUND. The fund used to account for all financial resources of the Town except those required to be accounted for in another fund.

GENERAL REVENUE. The revenues of the Town other than those derived from and retained in an enterprise. If a portion of the net income in an Enterprise Fund is contributed to another non-enterprise fund, such as the General Fund, the amounts constitute general revenue of the Town.

GROWTH REVENUE. The amount of property tax revenue that the Town can add to its allowable tax levy (above the 2 ½%) from new construction, alterations, subdivision, change of use or anything being taxed for the first time. It is computed by applying the prior year's tax rate to the increase in valuation.

MODIFIED ACCRUAL BASIS. The accrual basis of accounting adapted to the government fund type, wherein only current assets and current liabilities are generally reported on fund balance sheets, and fund operating statements present "financial flow" information (revenues and expenditures). Revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are recognized when the related fund liability is incurred except for a few specific exceptions. All governmental funds and Expendable Trust Funds are accounted for using the modified accrual basis of accounting.

OFFSET RECEIPTS. Includes certain education programs, aid to public libraries and environmental programs which are designated on the Cherry Sheet as offset items. These amounts can be spent without appropriation but must be spent only for these specific municipal programs.

OPERATING BUDGET. Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of the Town are controlled.

OVERLAY. The amount raised by the Assessors in excess of appropriations and other charges for the purpose of creating a fund to cover abatements on real and personal property taxes and to avoid fractions in the tax rates.

OVERRIDE. A provision in the Proposition 2 ½ Law (Chapter 580 of the Acts of 1980) that provides, through the referendum process, to add funds to the total tax levy on a permanent basis. If approved by a Town-wide vote, the override amounts become a part of the tax levy base and therefore the amount approved in a given vote does grow with the rest of the base by 2 ½% per year. An override question can only provide for additional funding for either the operating budget or the ongoing capital budget.

PRIMARY LEVY LIMIT. 2 ½% of certified full and fair cash value of taxable property.

PROPOSITION 2 ½. A statewide tax limitation initiative petition limiting the property tax levy in cities and Towns in the Commonwealth to 2 ½% of the full and fair cash valuation of the taxable real estate and personal property in that city or Town. The statute also places an annual growth cap of 2 ½% on the increase in the property tax levy.

REIMBURSEMENTS. (1) Repayments of amounts remitted on behalf of another party. (2) Inter-fund transactions which constitute reimbursements of a fund for expenditures or expenses initially made from it which are properly applicable to another fund – e.g., an expenditure properly chargeable to a Special Revenue Fund was initially made from the General Fund, which is subsequently reimbursed. They are recorded as expenditures or expenses (as appropriate) in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed.

RESERVE FUND. A fund established by the Annual Town Meeting which is under the control of the Town's Advisory Committee and from which transfer may be made for extraordinary and unforeseen expenditures. It may be composed of an appropriation of not more than 5% of the prior year's tax levy.

REVOLVING FUNDS. Those funds which may be used without appropriation and which are established for particular uses such as school athletics, continuing education programs, school lunch programs, self-supporting recreation and park services, conservation, etc.

SECONDARY LEVY LIMIT. Prior year levy limit plus 2 1/2% (Base) plus "growth revenue."

SPECIAL APPROPRIATION. An authorization to expend funds for a specific project not encompassed by normal operating categories.

STABILIZATION FUND. A special reserve account created to provide for capital improvements which is invested until used. The Town may appropriate into this fund in any year an amount no more than 10% of the prior year's tax levy. The outstanding balance in the account cannot exceed 10% of the Town's equalized valuation. Generally, it requires a 2/3 vote of Town Meeting to appropriate money from the Stabilization Fund.

STATE DISTRIBUTION. All revenue flowing from the Commonwealth. Major categories include reimbursement for loss of taxes, educational distributions and reimbursements, funds for direct education expenditures, general government reimbursements and distributions.

SURPLUS REVENUE. This is the amount by which cash, accounts receivable and other floating assets exceed the liabilities and reserves.

SUPPLEMENTARY APPROPRIATION. An appropriation submitted after the main budget has been approved, which must specify a revenue source.

TAX LEVY. The net amount to be raised by the Town each fiscal year by assessing ad valorem taxes on real estate and personal property located within the Town.

TAX RATES. The amount of tax stated in terms of a unit of the tax base; for example, \$8.91 per \$1,000 of assessed valuation of taxable property.

UNFUNDED PENSION LIABILITY. Unfunded pension liability is the difference between the value assigned to the retirement benefits already earned by the Town's employees and the assets the Town's retirement system will have on hand to meet these obligations. The dollar value of the unfunded pension liability is driven by assumptions about interest rates at which a retirement system's assets will grow and the rate of future costs of living increases to pensioners.

UNENCUMBERED APPROPRIATION. The portion of an appropriation not yet expended or encumbered.

UNIFORM MUNICIPAL ACCOUNTING SYSTEM. A comprehensive and practical municipal accounting system that conforms to GAAP for local governments. UMAS is regarded by the Department of Revenue as the professional standard for modern municipal accounting in Massachusetts. Among the benefits of conversion to UMAS are increased consistency in reporting and record keeping and enhanced comparability of data among cities and Towns.