

MINUTES OF THE MULTI-BOARD MEETING
SCHOOL COMMITTEE, BOARD OF SELECTMEN, FINANCE COMMITTEE,
CAPITAL PLANNING COMMITTEE
Monday, January 30, 2017
Brooks Gym, Brooks School, Ballfield Road, Lincoln, MA
OPEN SESSION

School Committee Present: Jennifer Glass (Chairperson), Al Schmertzler, Jena Salon, Peter Borden. Also present: Becky McFall (Superintendent), Buckner Creel (Administrator for Business and Finance).

School Committee Absent: Tim Christenfeld (Vice Chairperson), Samaria Stallings (METCO Representative).

Board of Selectmen Present: Peter Braun (Chair), Renel Fredriksen, James Craig. Also present: Timothy Higgins (Town Administrator).

Finance Committee Present: James Hutchinson (Vice Chair), Jeff Birchby, Laura Sander.

Finance Committee Absent: Peyton Marshall (Chair), Gina Halsted, Eric Harris, Andrew Payne.

Capital Planning Committee Present: Audrey Kalmus, Maria Hylton, Jacquelin Apsler, Peter Braun, Al Schmertzler.

Capital Planning Committee Absent: Jim Henderson, Robyn Dunbar, Peter Hussey, Peter Montero.

1. Greetings and Call to Order

Ms. Glass, Chairperson, called the open session to order at 7:07 pm. She thanked Mr. David Trant for filming the meeting.

2. Overview and Recommendation of School Committee

Document: Revitalization of the Lincoln School, January 30, 2017, PowerPoint presentation

Ms. Glass reviewed the progress of the process to renovate the Lincoln school buildings. The Town applied to the Massachusetts School Building Authority [MSBA] with a Statement of Interest [SOI] in April 2016 after the vote at the Annual Town Meeting. She noted that it was the fourth time in five years that the Town has submitted an SOI. In December 2016, the MSBA informed the Town that it was not invited into the funding pipeline. The question is, what should the Town do now to renovate the school buildings?

Ms. Glass said the School Committee, at its last meeting, voted that the Town should act on its own and do a Town-only funded school building project. The Committee wants to develop a process to get consensus, and she asked what they needed to do before Town Meeting. The School Committee has two warrant articles for Town Meeting; the first one asked the Town to use the \$750,000 that was appropriated by the March 2015 Town Meeting for a feasibility

study for a Lincoln-only funded school building project. The second article covered the option of continuing to apply to the MSBA, authorizing a submission of another SOI.

Ms. Glass addressed the issue of why should the Town act on its own instead of with the MSBA. The Committee said a Town-only project would allow the Town to reach its educational mission and is the financially responsible thing to do.

Ms. Glass showed slides of the new Hanscom Middle School [HMS] building. She noted the new design allows for new teaching and learning approaches and is a model of 21st-century design. At HMS, the spaces facilitate community and collaboration. There are common spaces and classrooms. The configuration of the spaces recapture learning time; when students no longer have to walk through hallways to get to classrooms, there is more time for teaching. The new building also has a dedicated Maker Space for students to learn many hands-on crafts and other activities. There are also opportunities for students to demonstrate learning across the curriculum.

Ms. Glass showed the slide from the 2014 school building process with Dore & Whittier Architects that had a range of projects and their costs. They ranged from two projects that would address facility needs, seven projects with a la carte enhancements, and two projects that were comprehensive projects.

Ms. Glass shared information about the MSBA's process of choosing schools from their SOIs. The MSBA prioritizes projects where schools are structurally deficient, have severe overcrowding, face the loss of accreditation (only high schools are accredited, so the K-8 school does not fit into this category), have a threat of future overcrowding, or have obsolete systems and classrooms. Ms. Glass noted that Lincoln's schools fit into the obsolete systems and classrooms category. She said a dozen other districts have failed to approve a MSBA project and have had mixed results with being invited into the pipeline again.

Ms. Glass showed a timeline for the Lincoln-only funded project, at the earliest students could move into a fixed building would be late 2021. She said that the school buildings have real needs, and they are risking the failure of systems. She said for the 2012 project that was rejected by Town Meeting, the costs were \$358 per square foot. In 2016, construction costs have increased, and the costs for building projects, whether renovation or new construction, would likely increase to approximately \$500 per square foot. Since the 2012 vote, the Town has worked together to get consensus. Ms. Glass noted that in the 2014 process with Dore & Whittier Architects, the consensus of those who engaged in the process was that they wanted to get as much educational value as possible for the money spent. She estimated that the costs of a Lincoln-only project would be at least \$36 million at the lowest, and said that a Lincoln-only funded project enables the Town to collaborate on the school buildings and the community center project.

Ms. Glass explained that the feasibility study process would need input at all phases. The study would define the school buildings' spaces and needs, have a vision, develop scenarios, and look at a range of options. She said that while the 2014 process developed scenarios, they did not work with the site or work with the faculty on options, or go through the decision phase on choosing a design. The new feasibility study would include those tasks, the Town would choose one design option, and then the details and schematic design would be developed for the one design.

Ms. Glass explained that the School Committee decided that it was not in the Town's best interest to vote yes for both warrant articles because it sends a confusing message to the MSBA and to others in Town. In addition, there is risk of repeating work, and the Town could spend at

least twice the money on more feasibility studies. She noted that they have used much human capital in developing different school building projects and thanked the residents who have served on the original School Building Committee from 2011-2012, the School Building Advisory Committee of 2013-2014, and the School Building Advisory Committee II. Ms. Glass projected that next year at this time, if the feasibility study warrant article is passed, the Town could be at the stage of choosing options for the school buildings. She noted that there could be a parallel process with the school building and Town community center.

3. Finance Committee Information

Document: None.

James Hutchinson, Vice Chair of the Finance Committee, said Lincoln voters ultimately have to decide whether to fund a school building project. He said that the question for the Finance Committee is how much can the Town borrow at what cost and how to soften the impact of that borrowing. Mr. Hutchinson said the numbers that he would share are only estimates and are subject to change. He shared that while it has been said that interest rates will increase, at this time, interest rates have not increased as much as has been predicted.

Mr. Hutchinson said the Town has an AAA rating, and borrowing impacts the Town's liquidity rating. Borrowing for any Town projects will drive the debt service to operating costs higher. At this time, Lincoln's debt service to operating costs is in the 3-4% range. Lincoln is now rated one of the lowest towns in terms of debt load, which is good.

Mr. Hutchinson said the Finance Committee's bond subcommittee has talked with the bond rating agencies, who evaluate a Town's financial wellbeing using criteria on 15 items. At this time, the agencies have determined that Lincoln could borrow a total amount of \$70 to \$80 million without losing its AAA rating. If the Town borrowed that entire amount, it would drive the debt service to operating costs into the 12-14% range, which would make Lincoln the top town in terms of debt load. Mr. Hutchinson said that the Finance Committee thinks that the Town could afford to borrow for a school building project.

Mr. Hutchinson said that the bad news is that \$70 to \$80 million is a lot to borrow. The Committee has been encouraged not to spend the Town's entire whole stabilization fund. He noted that the Town is small, and things happen that have to be handled, and the Town needs a financial buffer. He said there are options to soften the impact, and a school project will benefit the Town for many years. He said that they could borrow the money for 30 years instead of the normal 20 years, and the Finance Committee could structure the borrowing to be level debt so that the payment each year would be the same amount. He also mentioned that staging the school project and the community center project would soften the impact of borrowing.

Mr. Hutchinson said that in the fall of 2014, the Finance Committee determined that the tax impact for residents would be \$321 per \$10 million with a 3.6% interest rate, and the tax bill for the median home, assessed at \$883,000, was \$12,500. Since the fall of 2014, that price has risen by 5%. At a 4.6% interest rate, it would be \$367 per \$10 million. With the 30-year borrowing, they are roughly looking at \$300 per \$10 million. He noted that the Town has tax programs for elder residents and veterans. He asked if anyone had expertise with real estate values, noting that Lincoln real estate values have come back the slowest of all surrounding towns since the recession, and he wanted to know the reasons.

Mr. Hutchinson said the Finance Committee will have vetted calculations to present at the next meeting.

4. Questions and Answers

Ms. Glass asked what has resonated with her presentation, what was clear and compelling, what they would challenge, and what was missing for her to make the case at Town Meeting for the first warrant article.

Mr. Braun, Chair of the Board of Selectmen, thanked the School Committee for making their decision. He noted that they were at the meeting to listen and to support the School Committee and to collaborate with the School Committee. He said the Board of Selectmen will have a formal vote on the issue and agreed that the Town needed to move forward and deal with the issues with the school buildings. He noted that the Hanscom Middle School is great, and he would like to see one like it on the Lincoln campus. He also mentioned that there is much talk on the community center and that it would reside on the Ballfield Road campus, and he liked the collaborative planning process with the community center and school buildings.

Ms. Kalmus, Chair of the Capital Planning Committee, said that the presentation resonates with her. She said there is a risk to the Town of a catastrophic event should a major system or structural part of a school building fails. She said that the expense of a catastrophic event is very high. She said that the Capital Planning Committee is interested in a new school building.

Mr. Hutchinson of the Finance Committee said he was nervous about the escalation in construction costs. Ms. Glass noted that the range of prices for renovation and new construction for school building projects that are currently being constructed in the state is from \$300 per square foot to \$700 per square foot, but that both ends of the range were outliers. Mr. Peter Sugar said that over the last 30 years, construction costs have risen 5-6% each year.

When asked what should be added to the presentation, Mr. Hutchinson mentioned that there were choices from repair, meeting codes, renovation, and new building. He noted that some want renovation, and that there is the MSBA's accelerated repair program. Ms. Glass explained that the MSBA's accelerated repair program handles only roofs, boilers, and windows, and Mr. Creel said that program is only for schools that have no other problems. She noted that the Lincoln school buildings have more needs than the accelerated repair program would address. Mr. Craig wanted to add other towns and districts that have constructed school building projects on their own. Ms. Glass explained that Lexington, Brookline, Newton have overcrowding issues and are building new buildings themselves. She said that Wellesley is in a similar situation as Lincoln. Ms. Fredriksen said they should add the Capital Planning Committee's 25-year capital planning expenditure plans.

Residents had additional comments. Mr. Adam Greenberg did not appreciate the information about the Hanscom Middle School noting that it felt like a sales pitch. He suggested that they create a fast track to sustain the momentum on the consensus and that a town meeting be held when it is needed instead of waiting for the regular schedule. He did not want to start over. Ms. Glass said they want the maximum engagement of residents, and she said the timeline for a Lincoln-only funded project is faster than one for an MSBA funded project. Mr. Creel noted that a Lincoln-only funded project would still require the Town to follow state law, M.G.L. Ch. 149, regarding advertisements and processes and timelines to select the Owner's Project Manager and designer, but they could collapse the time for making a decision with the Town. Mr. Gary Taylor, a member of the Planning Board, noted that they were building consensus on what stage of the process they should start at, given the two other processes with previous School

Building Advisory Committees. He noted that one priority had been the preservation of the Lincoln campus. Ms. Glass noted that the starting point now for going forward is that piecemeal repair projects are not financially responsible, and they are looking at spending at least \$30 million on a project. They want to get as much educational value as they can for the money spent, and they know it is important to maintain the campus feel from the process with Dore & Whittier Architects. Dr. McFall suggested that the starting point of the process could be where they left off with Dore & Whittier in February 2015.

Ms. Sara Mattes noted that they need as much consensus as possible and said this was a planning exercise. She wanted the key Boards and Committees to develop a bigger and more holistic vision for the Town with a Master Plan and financial models. She suggested that they send a survey to residents that asked what they wanted and what they would spend. Ms. Dilla Tingley, from the Council on Aging Board, said that the Council and the Recreation Department were working on the Community Center project, and that the schools and Community Center project are moving together, and the Community Center should come first. Mr. Jonathan Light said that they need a list of upcoming capital projects and noted that he sees buckets collecting water that is leaking from the roof at the schools. Another resident said that they will need to estimate the size of the school building, and they could make the building very attractive to others moving into Town. Mr. Steven Perlmutter thanked the School Committee for taking a position and was concerned about the Town's priorities. He did not like another "uber" Town committee because there already are Boards and Committees in Town, and he did not want to start the school building process over again. The Boards and Committees need to lead and take positions on Town priorities. Another resident wanted to discuss all the needs as a Town and asked about the role of the Town Planner. Mr. Higgins said that Director of Land Use Jennifer Burney and Planning and Land Use Administrator Paula Vaughn-MacKenzie can assist.

Mr. Braun said that the task was to get consensus for the first warrant article and to authorize the feasibility study. He noted that after that, the School Committee would form the School Building Committee, and the Selectmen would form the Community Center feasibility study committee. Ms. Glass said the composition of a School Building Committee would include the superintendent, administrator for business and finance, facilities manager, one principal, one or two School Committee members, one member each from the Board of Selectmen, Finance Committee, and an architect, people with engineering and construction experience, and people knowledgeable in the function of the facility and educational mission. Mr. Ken Hurd agreed with Mr. Perlmutter that the Town needed a strong vision. He said they needed to focus on the school buildings the most, and while a community center is nice and needed, schools bring people to Lincoln. The Planning Board is focusing on Lincoln Station, but they could be brought in to help with the school buildings. Another resident said they should focus on the schools but have shared spaces. Ms. Glass said that a Lincoln-only funded project will allow for mixed use of spaces, whereas the MSBA requires a single focus on schools. Mr. Joe Robbat agreed with Mr. Perlmutter and Mr. Hurd and said it was time to put resources into the school, and schools have to be rebuilt every thirty years. Ms. Mattes did not want to start over and wanted the Board and Committee Chairs to get together as a unified front for Town Meeting. She said the Town has planned carefully through the years. She said that 30% of the Town was over 60 years old, and they needed to be part of the coalition. All residents need to buy into the vision. Ms. Maggy Pietropaolo asked if private donations could be accepted for the school as they would not be receiving funds from the MSBA, and Ms. Glass indicated that they

could. Ms. Pietropaolo suggested that all of the Town Boards and Committees needed to present their opinions at Town Meeting.

5. Feedback Activities

Ms. Glass asked that they take a snapshot in time and wanted to know where people stood. She asked that each resident and Board and Committee member place one sticker on a grid of four choices to indicate their support or lack of support for the money to be released for a feasibility study for a school building project that is funded only by the Town. The choices were: “yes”, “yes but can be convinced”, “yes but with reservations”, and “no”. There was one grid for residents and one grid for Board and Committee members. After the activity, the residents’ grid had the most dots on “yes” and two dots on “yes but can be convinced”. There were no dots on “yes but with reservations” and “no”. The Board and Committee members’ grid had the most dots on “yes”, one dot each on “yes but can be convinced,” “yes but with reservations”, and “no.”

Ms. Glass also asked each resident and Board and Committee member to share three thoughts on what was important for the presentation at Town Meeting. She asked that the feedback be written on sticky notes provided on the tables.

Ms. Glass thanked the audience for attending.

6. Adjournment

The meeting adjourned at 8:50 pm.

The next multi-Board meeting will be held on Wednesday, March 8, 2017.

Respectfully submitted,
Sarah G. Marcotte
Recording Secretary