

Capital Outlay Committee Meeting
Finance Commission Room
August 3, 2023, 6:30pm
MINUTES OF MEETING

COC Members Present: Myev Bodenhofer, Kevin Connolly, Vice Chair, Bob Donnelly, Chair, Eric Fleming, Anne Marie Mazzola (remote), Gerry Miller, Ernie Paciorkowski, Sarah Sullivan

Ex-Officio Members Present: Clayton Cheever, Alex Haggerty, Meg LaMay, Tony Mazzucco

Absent: Kevin Connolly, Tim McDonough,

Guests present: Jason Adams, Tim Bailey, Kevin Broderick, William Brooks, John Cianciarulo, Joe Collins, Anne Haley, Andrew Jurewich, John Kinney, Mark Raymond, Paul Riccardi, Mike Rosen, Mark Ryan,

Capital Outlay meeting called to order by Chair Donnelly at 6:33pm

Approval of June 20, 2023 minutes, Mr. McDonough motioned to approve, Mr. Fleming seconded and the minutes were approved unanimously.

Discussion of ongoing/open capital projects

Ms. Bodenhofer asked what projects are on hold and the amount set aside for them? What are their original funding sources? Could those resources be used in short term? And could those projects be funded again when they are not on hold?

Mr. Riccardi spoke to the a few of the projects on hold:

1. Oldham floor still has a section to be done, took last year off, this year we did the parking lot and did not want two projects to interfere with one another, expecting to do floor next summer.
2. Library painting project is on hold, \$120,000 was the estimate to paint the library when approved at Town Meeting, estimates came in at over \$400,000 to paint and almost \$300,000 to pack books, so not enough to complete the job. The project has been put on hold for a full study of the library building. The two projects have a total of \$165,000 set aside for them.
3. NHS solar project bids came in much higher than \$25,000, facilities is having conversations to see if it is worth contracting out rather than trying to do in house. The proposed funding source was free cash.

Discussion of FY 24 Capital Improvement Plan

High versus Medium priority was determined by degree of failure but the rating is arbitrary.

Spoke to projects and potential financing.

- Airport projects are split with FAA they pay 90-95% the town is responsible for remaining portion. • Savage Center Parking lot needs to be replaced and reconfigured.
- Apparatus Floor Replacement Design/Study – Public Safety Building – The floor is cantilevering, radiant heating system is 20 years old needs to be addressed.
 - Project is not in following year so requested that cost be added if design approved. •
- Mechanic's Truck – Fire Department 2007 truck
- Red Dot Firearms
 - Site for firearm that allows for much better accuracy, important for safety, risk management. ○

- Trade in value is factored into the cost.
 - Do not fit on our existing firearms.
 - Chief Brooks would like to standardize and do all once.
 - Last time replaced 2014 and they have retained their value.
- Police Tasers
 - Part of our annual replacement process.
 - Would like to work into operating budget eventually but not quite there yet.
 - Still working on getting our police vehicles into operating budget.
- Police Cruisers 4 years
 - In the operating budget.
- Pavement Management Program (Annual)
 - Chapter 90/General Fund/Operating Budget
- Road Repair Program, Year 4
 - Continuing with this plan allow the town to do the work would needed to get roads into good repair so that we can maintain them in perpetuity.
 - Ms. Bodenhofer asked why is this rated as high and the Washington Street bridge program is rated medium?
 - Bridge needs to get done, but could wait a year, but will only get more expensive.
 - Mr. Fleming asked if the town has considered a sidewalk program similar to this?
 - Not at this time.
 - Mr. Paciorkowski asked what is the difference in Road Repair and Pavement Management?
 - No real difference just the town is funding additionally monies to catch up.
 - Ms. Mazzola asked to remind us how this lines up with the relining projects and/or discussions with National Grid as to what streets will be torn up for water/gas work?
 - Mr. Mazzucco responded that the town makes sure the water work and national grid work are done before we do the pavement.
 - Mr. Miller asked if curbing is involved with the roads at all?
 - Mr. Mazzucco answered yes.
- Washington St. At Hawes Brook Bridge Rehabilitation
 - Will try to apply for grant funding but likely will be difficult to get.
 - Partial repairs to keep the bridge in good working order.
- Ellis Pond Dam Improvements
 - Significant maintenance repairs to dam.
- Construct Improvements to Meadowbrook Channel
- Meadowbrook Drain Improvement (Hennessey Basin Design)
- Traffic Signals at Washington St./Nahatan St. Corridor
 - Replacement of system originally installed in 80s.
 - Wires are failing, pedestrian boxes are failing, ADA compliance is good but could be improved.
 - Spending 40K/year maintaining it.
- Replace One Ton Dump Truck (#39)
 - Operating budget
- Replace Water Utility Truck (310)
 - Paid out of water fund/water retained earnings.
- Replace Cemetery Rider-Mower

- Operating budget
- Replace Street Sweeper
 - Swapped for Sewer Vac last year.
 - Looking at paying for this out of the sewer fund to repay for paying for sewer vac out of general fund.
- Design and Replace Water Tanks
 - Initial engineering study is complete.
 - Reaching their useful life – 80 years life expectancy.
 - Replacing is a better financial decision despite the higher price tag in beginning.
 - Repair could cost 4-5 million now and still have old tanks that will need to be replaced. ○
 - Balance water pressure throughout town.
 - Provides some storage in case of emergency – stores 1 day supply.
 - Mr. Fleming asked if they would present financial information and how we are working the other water programs to help spread the cost at Town Meeting.
 - Mr. Connolly asked if there is any chance MWRA offering a low interest loan?
 - No, Town is going through states water quality fund which will get us a better rate. ○
 - Ms. Bodenhofer reminded the committee that Water and Sewer are now Enterprise funds. ▪
 - Board Of Selectmen are regulatory authority.
 - Money still needs to be appropriated by Town Meeting.
 - Would we see an estimate of cost and how it would affect rates?
- Water Improvement Program
 - Year 4 of 10-year plan to reline water mains.
 - Likely we will pause in years 6,7,8 and restart after the water tank project complete. ○
 - Taking advantage of 0% loan from MWRA.
- Hawes Pool Construction
 - Borrowing
- Student Transportation Vehicles (3)
 - Operating Budget
- Proposed Funding
 - Was presented in a slide to the group. See attached slides.
- Funding the Capital Plan – General Fund Debt Service
 - Could push some off to balance FY24 and FY25.
 - Discussion of different options borrowing versus free cash.
 - Discussion of debt service, more debt service falling off in next two years.
 - Mr. Paciorkowski asked what is the cost of borrowing?
 - Mr. Haggerty responded rates are not as low as they were, change every three months ~4%
 - Hilltop used 4% in their estimates
- Ms. Bodenhofer requested a copy of presentation and numbers be sent to Capital Outlay Committee members.

Discussion of Capital Improvement Financial Policy

- Final edit of policy before going to Board of Selectmen, Finance Commission and School Committee for review.

- Definition of capital project updated.
- Ms. Bodenhofer motioned to approve proposed changes with 5-year useful life, Mr. McDonough seconded, approved unanimously.

Future Meetings

- Next meeting scheduled for September 6.
- Mr. McDonough asked will Capital Outlay Committee have a set amount of money that we will be able to spend before we vote on plan? He would like to know what the bottom line is? What is 5% of the non utility operating budget?

Mr. Connolly motioned to adjourn, Mr. McDonough seconded, unanimously approved

Respectfully submitted,

Sarah E. Sullivan