



FINANCIAL PLANNING COMMITTEE

MEETING MINUTES

Tuesday, February 19, 2019

Selectmen's Meeting Room

6:00 p.m.

MEMBERS PRESENT: David DeVries
Michael Hodge
William Peterson, Jr.
T. Scott Rogers
Thomas Spataro

ABSENT: Roger Leland

ALSO PRESENT: John Coderre, Town Administrator
William Lyver, Police Chief
David Parenti, Fire Chief
Scott Charpentier, DPW Director

APPROVAL OF MINUTES – APRIL 23, 2018 MEETING

Mr. Hodge moved the committee vote to approve the meeting minutes of the April 23, 2018 meeting as submitted; Mr. Spataro seconded the motion. Vote 3-0-2. (Mr. Peterson and Mr. Rogers were not present at the meeting and therefore abstained).

APPROVAL OF MINUTES – NOVEMBER 29, 2018 JOINT MEETING

Mr. Rogers moved the committee vote to approve the meeting minutes of the November 29, 2018 Joint meeting as submitted; Mr. Spataro seconded the motion. Vote 4-0-1. (Mr. Hodge was not present at the meeting and therefore abstained).

APPROVAL OF MINUTES – DECEMBER 13, 2018 JOINT MEETING

Mr. DeVries moved the committee vote to approve the meeting minutes of the December 13, 2018 Joint meeting as submitted; Mr. Rogers seconded the motion. Vote 3-0-2. (Mr. Hodge and Mr. Spataro were not present at the meeting and therefore abstained).

REORGANIZATION – ELECTION OF OFFICERS

For the purposes of reorganization, Mr. DeVries turned the meeting over to Mr. Coderre. Mr. Coderre opened up nominations for Chair, Vice Chair and Clerk.

Mr. Hodge moved the committee vote to nominate David DeVries as Chair; Mr. Spataro seconded the motion; all members voted in favor.

Mr. DeVries moved the committee vote to nominate Michael Hodge as Vice Chair; Mr. Spataro seconded the motion; all members voted in favor.

Mr. Hodge moved the committee vote to nominate Thomas Spataro as Clerk; Mr. DeVries seconded the motion; all members voted in favor.

REORGANIZATION – ELECTION OF OFFICERS CONT...

Following the reorganization, Mr. DeVries took over as Chair and proceeded to take up the agenda items.

REVIEW OF FY2020 CIP INSTRUCTION MANUAL

Mr. Coderre reported that all departments were provided with the distributed CIP Instruction Manual for upcoming Fiscal Years 2020-2025. Departments were instructed to review, update and resubmit all existing requests for FY2020-2024 and add any new requests for FY2025.

DISCUSSION OF PRELIMINARY FREE CASH PLAN

Mr. Coderre presented the preliminary FY2020 Free Cash Plan for consideration and use during the upcoming budget process. The FY2020 year-end Free Cash was certified at approximately \$2.23 million. Of the total Free Cash, \$861,167 will be used to finance the FY2020 pay-as-you-go capital investments with no additional tax impact.

OVERVIEW OF PRELIMINARY FY2020 CAPITAL BUDGET

Mr. Coderre reviewed the draft FY2020 Capital Budget and the updated six-year plan. The following requests and projects are included in the FY2020 Capital Budget:

Three Police Cruiser Replacements	\$ 145,000
Ambulance 1 Replacement	315,000
Fire Station Design, OPM and Land Expenses	3,500,000
One-Ton Pickup Truck w/ Plow	90,000
20-Ton Dump Truck w/ Spreader & Plow	271,000
Roadway Improvements/Maintenance	300,000
Water/Sewer Garage Design	75,000
Assabet Water Storage Tank Rehab Design	70,000
K-8 Public Schools Security Upgrades	<u>185,000</u>
TOTAL FY2020 CAPITAL BUDGET	\$4,951,000

FY2020 CAPITAL BUDGET FUNDING SOURCES

Free Cash	\$ 861,167
New Bonds	2,116,548
Repurposed Bonds (from Lincoln Street School project)	1,383,452
Other Funds	129,833
EMS Revolving Fund Bonds	315,000
Water Sewer Enterprise Fund Free Cash	70,000
Sewer Enterprise Fund Free Cash	<u>75,000</u>
TOTAL	\$4,951,000

POLICE DEPARTEMNT FY2020 CAPITAL REQUESTS

Chief Lyver reviewed the following capital request for FY2020:

Three Police Cruiser Replacements - \$145,000

Patrol vehicles are typically used for four years/100,000 miles, while detective and administrative vehicles have a six to eight year/ 100,000 expected useful life. Funding sought in FY2020 will provide for the purchase of three new vehicles which will replace a 2011 Ford

POLICE DEPARTEMENT FY2020 CAPITAL REQUESTS CONT. . .

Explorer, a 2014 Ford Explorer and 2015 Ford SUV interceptor. This funding request includes the cost of outfitting the vehicles with radar and emergency warning equipment, as well as the replacement of 800MHz State Police radios due to the State Police's upgrade to digital radios making analog units incompatible.

FIRE DEPARTMENT PROJECT UPDATE AND FY2020 CAPITAL REQUESTS

Chief Parenti indicated that the capital request for self-contained breathing apparatus (SCBA) replacements in the amount of \$290,000 has been removed due to the receipt of a Federal Firefighter Assistance Grant. It took three consecutive tries before the Town was successful in obtaining the grant. Committee members thanked Chief Parenti for his aggressive pursuit of grant funding.

Chief Parenti then reviewed the following capital requests for FY2020:

Fire Station Addition/Renovation Project – Phase II - \$3,500,000

This request provides for the relocation of the existing fire station located at 11 Pierce Street. Built in 1974, the station's main systems are all in need of replacement and updating, including HVAC, roof, electrical and plumbing. The operational areas lack the appropriate space and accommodations needed for today's staff and equipment. The Town engaged an architect and a Feasibility Study is currently underway to better define the proposed project location, design and cost estimates. In FY2020, funding will be sought for design development, construction bid documents, and land acquisition. The proposed funding sources include approximately \$2.1 million in new bonds and \$1.38 million in repurposed bond proceeds that were initially borrowed to finance the now complete Lincoln Street School Addition/Renovation project. These funds can only be used for another debt-excluded project with a 20-year life and would offset future costs of a fire station renovation/addition project.

The Committee suggested scheduling another joint meeting of the Financial Planning Committee, Appropriations Committee, Fire Station Building Committee and the Board of Selectmen to review the Fire Station Project presentation to be made at the Annual Town Meeting. The updated presentation will include detailed cost estimates based upon the selected site and design.

Ambulance Replacement - \$315,000

The Town operates an Advanced Life Support (ALS) ambulance service, which is physically housed in the Fire Station at 11 Pierce Street. There are two ambulances associated with this service, a front line ambulance and a back-up ambulance. The newest ambulance operates as the front-line responder and the older ambulance serves as the back-up. Typically, a new ambulance serves for about 8 years as a front-line responder and an additional four years as the back-up ambulance before being replaced. This request seeks to replace the 2012 ambulance in FY2020, at which time the 2016 ambulance would become the back-up. Purchase of new ambulances are funded entirely by EMS user fees. The planned, regularly scheduled replacement of emergency ambulances is critical to ensuring public safety.

DPW PROJECT UPDATE AND FY2020 CAPITAL REQUESTS

DPW Director Scott Charpentier reviewed his February 12, 2019 memo which provided an update on all capital projects including: the pavement management plan, Fisher Street culvert replacement, Town Common, West Main Street sewer pump station improvements, Edmund Hill water tank rehabilitation, Park and Winn Street water main replacements, sanitary sewer inflow and infiltration (I&I) program, Community Preservation Committee Funded cemetery projects, incremental sewer pump station improvements and the Rice Avenue culvert replacement project.

Mr. Charpentier provided a summary of the Town's water storage and supply status, recent analyses, as well as an outline of design considerations which are part of the proposed FY2020 Capital Budget. He also reviewed the funding strategy for the removal of the Northborough reservoir dam in Shrewsbury.

Mr. Charpentier informed the Committee that the request for \$50,000 for improvements to the Memorial Field Building has been removed because Assabet Valley Vocational students completed the work for just the cost of materials, which were funded from the FY2019 operating budget. He then reviewed the following capital requests for FY2020:

20-Ton Dump Truck with Spreader & Plow - \$271,000

This request will replace a 1999 truck in FY2020 with a new truck with plow and spreader. These trucks have useful life expectancy of between 15 and 20 years. Due to the caustic nature of the salt and chemical additives used in snow removal operations, the metal bodies of these vehicles disintegrate much sooner than the total number of hours or miles would typically indicate, in spite of being washed after every salting event. Not only are these trucks used for snow removal operations but also for hauling materials during the construction season. The Town currently has ten of these trucks in service and has a schedule to replace one every other year, resulting in a 20-year replacement cycle.

One-Ton Pickup Truck with Plow - \$90,000

This request replaces an existing 2000 one-ton pickup truck with plow. Pickup trucks are the most used equipment in the fleet. The Public Works employees use these vehicles to perform their everyday tasks including moving materials and equipment that is carried and towed by these vehicles. These trucks are also responsible for snow removal at the municipal buildings during the winter months. The useful life of these vehicles is 10 to 12 years. The FY2020 replacement vehicle will also include a covered utility body primarily for use in cemetery operations.

Roadway Improvements/Maintenance - \$300,000

The Town's initial pavement management plan inventory and assessment was first completed in 2013 which measured an average Town-wide Roadway Surface Rating (RSR) of 71. In FY2015 the Legislature authorized a \$300 million Chapter 90 program; however, subsequent years' funding levels have been reduced to \$200 million. Annual spending of \$1.1 million is necessary to maintain or slightly improve our current pavement conditions. Under that standard, the Town's Annual Chapter 90 allocation of approximately \$500,000 plus a DPW appropriation of \$300,000 results in a \$300,000 funding gap, which would be filled by this capital budget request of \$300,000. Our second update to pavement management assessment was completed in 2018 which found that, through implementation of our pavement management plan, the Town-wide RSR increased by slightly more than two points from 71 to 73.4.

Water/Sewer Garage Design & Improvements - \$75,000

This request seeks to fund the planning and design of renovations and expansion to the Water/Sewer Garage. The existing garage was originally constructed in 1964 to house only the Water Department. The Town installed sewers in the 1970's, and this expansion of the departmental operations required additional staff and equipment that was not contemplated when the original garage was built. The current facility is undersized for the number of vehicles and equipment it houses. It requires security improvements and HVAC and electrical upgrades to allow the Town to maximize the benefits of new technologies, including electronic alarms and monitoring systems. Currently several pieces of equipment are stored outside with some utilizing on-board water, thus requiring it to be drained and winterized after each use, and others housing sophisticated global positioning and communication gear that really should be stored in a climate controlled building.

Assabet Hill Water Tank Rehabilitation Design - \$70,000

As a result of the most recent tank inspections in September 2015, which were required by MassDEP, some small repairs and a recoating are recommended for the Assabet Hill Tank which is a 3.5 MG concrete water storage tank. The Edmunds Hill Tank requires similar attention with minor welding repairs and a complete recoating. The cost associated with the Edmunds Hill 1.0 MG steel tank is far more than Assabet due to the complexity of steel tank stripping and coating. A tank disposition and recommendations report is being prepared which will make recommendations for both tanks based upon condition, hydraulics, storage requirements and a cost benefit analysis. This \$70,000 request is for the design and bid document associated with the rehabilitation project for just the Assabet Hill Tank at an estimated cost of \$725,000 in FY2021.

NEXT MEETING DATES

The next committee meeting dates will be:

- March 5 – CPC projects, School Department capital requests and White Cliffs Update
- March 12 – Committee recommendations and draft report
- March 19 – If needed
- March 25 – Joint Budget Hearing with Board of Selectmen and Appropriations Committee
- April 22 – Annual Town Meeting

ADJOURNMENT

Mr. Hodge moved the Committee vote to adjourn; Mr. Rogers seconded the motion; all members in favor.

Meeting adjourned at 9:20 p.m.

Respectfully submitted,

John W. Coderre
Town Administrator

Documents used during meeting:

1. February 19, 2019 Meeting Agenda
2. April 23, 2018 Meeting Minutes
3. November 29, 2018 Joint Meeting Minutes
4. Capital Budget Manual
5. Free Cash Plan Memo
6. Draft FY2020 Capital Budget Transmittal Letter
7. Draft CIP FY2020-FY2025 Summary
8. Meeting Schedule
9. Police Department Summary and Project Detail Sheets
10. Fire Department Summary and Project Detail Sheets
11. DPW Department Summary and Project Detail Sheets