

**OFFICE OF THE
EXECUTIVE ASSISTANT**



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To: Select Board
Finance Committee

From: Thomas Gregory

Date: January 21, 2022

Re: FY2023 Capital Recommendations

The purpose of the memorandum is to provide the Select Board and Finance Committee with additional information relative to the capital funding recommendations for FY2023. In my December 20, 2021 budget filing with the Select Board, I showed all of the capital requests submitted by the departments advising that I would have a funding recommendation prepared for the January 24, 2022 Select Board meeting. The full list of capital items recommended for funding can be viewed in Appendix A to this memorandum.

To assist me in evaluating the requests, I asked Patricia Fay, Kristina Johnson, and Fernanda Santos to rank each of the requests using a weighted ranking method that has been used since approximately 2015. Each of the capital requests was evaluated based on ten (10) criteria such as effect on public health and safety, external funding available, and payback. Each criterion has a total possible score of five (5) and there is a weighting factor which gives more emphasis to some of the criteria. Appendix B shows the rating scorecard as well as the how point totals are calculated for each criteria. Once I received the rankings from each of the reviewers, I aggregated the individual scores to arrive at a final score for each capital request. This can be viewed in Appendix C. I note that the Finance/IT and Community Development capital requests were evaluated by me to avoid a conflict by reviewing committee members.

There are three (3) funding sources for the recommended FY2023 capital program: free cash, which is the typical pay-as-you-go funding source for most capital acquisitions / projects each year – these requests are voted as a block; borrowing authorizations – these are presented as individual warrant articles; and, American Rescue Plan Act (ARPA) funds – these funds do not require Town Meeting appropriation. The funding summary is shown below:

Free Cash	\$1,625,435
Borrowing	\$1,565,000
ARPA	\$1,395,000

I note that free cash for FY2021 has not yet been certified and available for appropriation. I expect this will occur in February once the FY2021 balance sheet is finalized and submitted to

the DOR. The total recommended free cash figure for FY2023 capital expenditures is a conservative number and is in line with prior year capital appropriations funded via free cash.

The DPW capital requests include two (2) items that are mandates and must be funded. The first is \$146,000 for compliance with the MS4 stormwater permit with the EPA. Until the Town identifies a dedicated funding source to pay for stormwater permit activities, these costs will continue to consume a growing share of available free cash. The other mandated item is the removal of the street sweepings at the DPW yard. In June of 2021, the Town was issued an Administrative Consent Order (ACO) from the DEP which required removal of these street sweepings. In lieu of issuing the Town a fine, the DEP granted the Town a period of four-years to remove the street sweepings. The costs associated with hauling and disposing of this material is estimated at \$100,000 each year, and this is the amount requested for FY2023.

The annual \$300,000 free cash supplement to the Chapter 90 roadway improvement program has been increased this year to \$340,000 to include the design and construction of intersection safety improvements at Cox Street and Old Bolton Road. The increase is for FY2023 only.

Both of the Finance / IT capital requests are being recommended for funding for FY2023. These are critical network infrastructure investments. Maintaining the Town's network is of paramount importance for continuity of operations and security reasons. This is an area where needed investments had been deferred in recent years, and I am committed to continue closing this gap in the coming years.

The Open Space and Recreation Plan (OSRP) update is recommended for funding at \$50,000 with the expectation that supplemental funds will be requested of the Community Preservation Committee in the fall. The existing plan was published in 2016.

Capital requests recommended to be funded via borrowing authorizations include the replacement of the fire department's self-contained breathing apparatus (SCBA) at \$450,000, the installation of air conditioning at the Farley Elementary School at \$525,000, and the replacement of windows at the Mulready Elementary School at \$590,000.

The recommended ARPA-funded capital requests include a new fire pumper at \$750,000, the replacement of univents in 22 rooms in the Mulready Elementary School at \$280,000, and the replacement of univents in 30 rooms in the Forest Avenue Elementary School at \$365,000. As noted earlier, these capital requests will not appear on the Annual Town Meeting Warrant. I plan to bring these requests forward to the Select Board in March.

I am available to answer any questions relative to these funding recommendations.

APPENDIX A

FY2023 CAPTIAL PLAN FUNDING					
rev. 01-21-22					
Department	Request	Dept Priority	Requested Amount	Funding Recommendation	Funding Source
DPW	DPW Garage Facility Assessment	1	\$30,000	\$30,000	Free Cash
	Field Mower	2	\$89,000	\$89,000	Free Cash
	MS4 Year 4 Compliance	3	\$146,000	\$146,000	Free Cash
	Street Sweeping Disposal	4	\$100,000	\$100,000	Free Cash
	6-wheel Dump Sander & Plow	5	\$210,000	\$210,000	Free Cash
	Compact Track Loader	6	\$58,000	\$8,000	Free Cash
	Roadway Resurfacing	7	\$340,000	\$340,000	Free Cash
	Computer Equipment	8	\$28,000	\$0	
	Wastewater Treatment Plant Upgrades	9	\$100,000	\$100,000	Free Cash
FIRE	SCBA Replacement	1	\$450,000	\$450,000	Borrow
	New Pumper	2	\$750,000	\$750,000	ARPA
LIBRARY	Exterior power washing	1	\$35,500	\$35,500	Free Cash
COMMUNITY DEVELOPMENT	OSRP Update	1	\$100,000	\$50,000	Free Cash
IT	Redundant Switching	1	\$173,296	\$173,296	Free Cash
	Barracuda 790 Backup	2	\$50,139	\$50,139	Free Cash
POLICE	Cruisers (3)	1	\$201,000	\$201,000	Free Cash
	Tasers, Less-lethal, shotgun	2	\$92,500	\$92,500	Free Cash
	Patrol and Tactical Rifles	3	\$30,000	\$0	
	Police HQ Computers	4	\$65,000	\$0	
SCHOOL DEPT	Farley Air Conditioners	1	\$525,000	\$525,000	Borrow
	Mulready - 22 Univents	2	\$280,000	\$280,000	ARPA
	Forest Ave - 30 Univents	3	\$365,000	\$365,000	ARPA
	Mulready - Replace Windows	4	\$590,000	\$590,000	Borrow
	Forest Ave - Replace Windows	5	\$440,000	\$0	
TOTAL			\$5,248,435	\$4,585,435	

APPENDIX B

Project:
Evaluator:

Criterion	Rating	Points	Weighting	Extension
Effect on Public Health & Safety	Improves slightly	3	3	9
Mandates	Not mandated, unlikely in future	1	3	3
Effect on Operating Costs	Saves some money	4	3	12
External Funding Available	No funding	0	2	0
Impact on Economic Development	No impact	1	2	2
Payback	Possible break even	2	2	4
Potential Support or Opposition	Strong Support	5	2	10
Breadth of Benefit	No public impact	1	2	2
Priority Given by Submitting Department	1st priority	5	1	5
Prerequisite	Could be a prerequisite	1	1	1
Total points				48

Effect on Public Health & Safety	
Does not improve	0
Improves slightly	3
Vastly improves	5
Mandates	
Not mandated, unlikely in future	1
Not mandated, but likely in future	3
Mandated now	5
Effect on Operating Costs	
Increases costs	0
No effect	1
Saves some money	4
Saves significantly	5
External Funding Available	
No funding	0
Potential funding	2
Certain partial funding	3
Certain full funding	5
Impact on Economic Development	
Negative impact	0
No impact	1
Potential impact	3
Certain impact	5
Payback	
Will never pay for itself	0
Less cost than alternatives	1
Possible break even	2
Long payback	3
Short payback	5
Potential Support or Opposition	
Strong Opposition	0
Mild opposition	2
Neutral	3
Mild Support	4
Strong Support	5
Breadth of Benefit	
No public impact	1
Less than 10% of population	2
10-50% of population	3
51-90% of population	4
100% of population	5
Priority Given by Submitting Department	
5th or higher priority	1

4th priority	2
3rd priority	3
2nd priority	4
1st priority	5

Prerequisite

Not a prerequisite	0
Could be a prerequisite	1
Prerequisite for potential need	4
Prerequisite for certain need	5

APPENDIX C

FY2023 Capital Rankings		
Department	Capital Request	TOTAL
Fire Department	New Pumper	180
Police Department	Tasers, Less-lethal, shotgun	175
Public Works	MS4 Year 4 Compliance	171
Fire Department	SCBA Replacement	166
School Department	Forest Ave - Univents 30 Rooms	159
Police Department	Cruisers (3)	158
Public Works	Wastewater Treatment Upgrades	152
School Department	Mulready - Univents 22 Rooms	151
Finance Department / IT	Barracuda 790 Backup	150
Finance Department / IT	Redundant Switching	150
Public Works	Field Mower	149
Public Works	Roadway Resurfacing	149
Public Works	Compact Track Loader	147
Community Development	OSRP Update	146
Public Works	Street Sweeping Disposal	146
Public Works	6-Wheel Dump Sander & Plow	144
School Department	Farley Air Conditioning	144
Police Department	Patrol and Tactical Rifles	143
Public Works	DPW Garage Facility Assessment	142
School Department	Mulready - Replace Windows	138
School Department	Forest Ave - Replace Windows	133
Library	Exterior Powerwashing	122
Police Department	Police HQ Computers	102
Public Works	Computer Equipment	64