

**FINANCIAL PLANNING COMMITTEE****MEETING MINUTES**

63 Main Street

Selectmen's Meeting Room

January 26, 2023

7:00 PM

MEMBERS PRESENT: David DeVries, Chair
John Rapa
Michael Hodge

MEMBER ABSENT: William Peterson, Jr.
Thomas Spataro

At 7pm, Chairman DeVries opened the meeting of the Financial Planning Committee.

APPROVAL OF MINUTES – MARCH 23, 2022 REGULAR MEETING

Mr. Hodge moved the Committee vote to approve the March 23, 2022 Meeting Minutes, Mr. Rapa seconded the motion. Vote 3-0-0.

APPROVAL OF MINUTES – MARCH 30, 2022 REGULAR MEETING

Mr. Hodge moved the Committee vote to approve the March 30, 2022 Meeting Minutes, Mr. Rapa seconded the motion. Vote 3-0-0.

MINUTES – DECEMBER 15, 2022 JOINT MEETING

The Board of Selectmen's Financial Trend Monitoring System Joint Meeting minutes were included in the meeting packet for informational purposes only. No approval needed from the Financial Planning Committee.

ELECTION OF OFFICERS

The Committee agreed to postpone the Election of Officers to a subsequent meeting when all members are present.

UPDATE ON PRELIMINARY FREE CASH PLAN

Mr. Coderre presented the preliminary FY2024 Free Cash Plan for consideration and use during the upcoming budget process. FY2022 year-end Free Cash was certified at approximately \$2.44 million, which is significantly less than the \$3.39 million from FY2021. Following the dramatic reopening of the economy and subsequent recovery from the pandemic, Free Cash levels are likely to remain at lower historic levels for the foreseeable future.

Mr. Coderre reviewed the FY2022 year-end results as follows:

- Unspent Free Cash from FY2021 was \$500,259, which means the Town “generated” \$1,939,814 during FY2022 for a total FY2022 Free Cash of \$2,440,073.
- Revenues exceeded the FY2022 budget by \$765,712 or 1.16%.
- Expenditures returned were \$1,144,386 or 1.67% of the FY2022 budget.

Mr. Coderre reviewed the preliminary Free Cash plan, which includes the annual \$175,000 appropriation to the Reserve Account, a contribution of \$500,000 to the FY2024 Operating Budget, a \$200,000 contribution to the Stabilization Fund, and the use of up to \$1,065,073 to pay for various capital projects. Lastly, the plan contemplates leaving approximately \$500,000 in unappropriated Free Cash, which would remain available if needed.

Mr. Coderre noted that the final use of Free Cash is subject to Town Meeting approval and appropriation. The Financial Planning Committee and Appropriations Committee will discuss the various projects and funding plans at their upcoming meetings for recommendation at the Annual Town Meeting.

DPW PROJECT UPDATE

Mr. Charpentier provided an update on the status of the Department project activities as follows:

Pavement Management

There have been roadway culvert failures over the past few years which required redirection of nearly all the \$300,000 roadway maintenance operating budget toward replacing these culverts. Culverts on Davis Avenue, Lyman Street, and Ridge Road were replaced in FY2022. Moving forward, additional funding sources need to be identified specifically for culvert and drainage replacements, or the Town risks losing ground in maintaining and improving townwide roadway conditions. He noted that significant drainage needs in the Assabet Hill neighborhood will require multiple years of funding to address problems associated with poor construction practices when the subdivision was built decades ago. Drainage funding was postponed during the pandemic which has delayed much of the work.

The most recent update to the pavement management Pavement Condition Index (PCI), which incorporates work completed in 2022 and a fully updated assessment, shows the Town-wide PCI improved from 71 in 2014 to 76 in 2022. The Town prepared a comprehensive 3-year roadway improvement plan to follow the program goals of maintaining or improving the overall roadway rating. These needs range from those associated with the Complete Streets Policy, which requires sidewalk improvements when the adjacent roadway is reconstructed, to drainage/culvert repair and replacement. Due to the Complete Streets standards being followed, costs will be significantly higher for future roadway work.

Sidewalk Improvements and Construction

The reconstruction of Stratton Way, Warren Drive, and Edmunds Way in 2022 included the installation of new sidewalk surfaces and cement concrete wheelchair ramps. A complete reassessment of all town sidewalks was conducted in 2022, which will culminate with a sidewalk management plan and an accompanying capital improvement plan. The assessment identified approximately \$2.1 million in existing sidewalk repairs needed. Without an identified funding source, this cost will continue to rise.

Complete Streets

Public Works applied to become a Complete Streets Community and was awarded \$35,200 in State grant funds to assist with the development of a Townwide Prioritization Plan. The Town adopted a Complete Streets Policy, which was subsequently approved by the Massachusetts Department of Transportation (MassDOT). An online survey was conducted in August of 2022 with 808 respondents. The results were then presented to the Board of Selectmen (BOS) at their

October 17, 2022 meeting, during which additional public input was obtained. The resulting plan has been submitted to MassDOT for comment and approval, after which the Town will be eligible for a total in construction funding grants of up to \$500,000 over the next five years. Approximately \$4.5M in Complete Streets projects were identified.

Lincoln Street Culvert Replacement

The culvert located just south of the Lincoln Street Elementary School failed in 2021. This structure conveys Cold Harbor Brook and is critical to safe and efficient traffic circulation to and from schools. In addition, the sidewalk located on the east side is used for student pedestrian access to the school. Final design and construction funding was approved at the 2020 Annual Town Meeting (ATM). Construction began August 1, 2022 and was completed on August 25, 2022. The Town was successful in obtaining a \$50,000 earmark from the State to aid in paying for these improvements.

New Pickleball Courts at Ellsworth/McAfee Park

Project construction is complete and the courts were available for play in conjunction with the June 22nd Be Well Northborough community event at the Ellsworth/McAfee Park. Court amenities were improved with the addition of interior gates paid for with \$18,000 of Board of Selectmen American Rescue Plan Act (ARPA) supplemental funding.

New Assabet Playground

This project was funded by an appropriation of \$102,775 from free cash and \$452,225 from the Community Preservation Act (CPA) reserves at the 2020 ATM. The completed project replaced the Assabet Playground surface and equipment, resulting in a new and fully accessible play area. The work scope was enhanced with additional new fencing supported by allocated ARPA funds.

SCADA Project

The 2021 ATM approved funding for the Town's first Supervisory Control and Data Acquisition system for the water and sewer divisions. This allows operating staff to monitor and adjust control of critical water and sewer infrastructure remotely through a secure dedicated network. This first phase of implementation includes two control stations as well as five monitoring locations. The operational software customization is complete. Installation of site-specific control panels continues, but has been delayed due to scarcity of materials. The system is expected to undergo testing early in 2023 with full commissioning by the end of that year.

A Federal earmark was included and approved as part of the recently signed omnibus bill which awards the Town \$491,000 for implementation of the final phase of the SCADA project. The grant funds 80% of the total costs with the remainder to be appropriated from water and sewer free cash at the 2023 ATM.

Northborough Reservoir Dam Removal

The Northborough Water Division owns a dam located in Shrewsbury and Boylston, which no longer provides a useful function for the Town. The Massachusetts Office of Dam Safety found the dam to be in poor condition and has ordered its repair or removal. A recent study concluded that removal is the most cost-effective and environmentally conscious alternative. The 2021 ATM approved funding for the design and permitting phase of the removal project in the amount of \$50,000, combined with an additional \$168,750 competitive grant awarded through the State.

Local environmental permit applications have been submitted. Recent amendments to State environmental regulations now require the project to prepare an Environmental Impact Report, which is a longer and more costly process. The design and permitting phase is complete and the Town intends to seek grant funding through the State Dam and Seawall Grant Program, as well as the Municipal Vulnerability Program to help fund the cost of the removal.

Dog Park

Adding a dog park to Northborough's recreational facilities was identified as a priority both in the Master Plan as well as in the Open Space Plan. CPA funding in the amount of \$35,500 was allocated to the first phase of the project which includes a siting study and preliminary design. A public input session was held on October 11, 2022 to obtain thoughts and opinions on 4 proposed locations. A Town owned property on Boundary Street was found to be the most appropriate. The conceptual design is complete and advancing into preliminary design. The Town will request CPA funds at the 2023 ATM for the final design and construction. In addition, a grant application for approximately \$225,000 was submitted to the Stanton Foundation for their consideration. The full Stanton Foundation application can be found in the meeting packet for reference.

Brigham Street Burial Ground Beautification

Northborough owns a pre-revolutionary war era burial ground on Brigham Street near the South Street end. The Northborough Historic District Commission installed interpretive signage in 2021 to bring public awareness to these grounds. CPA funds of \$137,500 were allocated at the 2022 ATM to remove dead and dying trees, loam and seed the impacted areas, and install a post and chain border. Trees requiring removal have been marked and the area has been surveyed along with the development of a base map. The project bid documents are being developed with an expected construction period during the first half of 2023, dependent upon availability of materials.

Senior Center Accessible Trail

The need for an accessible trail was identified in the Town's Master Plan as well as the Open Space Plan. The Town prepared a conceptual design in 2020 and submitted an unsuccessful grant application to the State. However, funding in the amount of \$28,500 was approved at the 2022 ATM which supports design permitting services. A land survey was completed this past fall and local environmental permit applications will be submitted shortly. The final design is expected to be complete in Spring of 2023. The Town will request \$370,000 in CPA funds at the 2023 ATM for final design and construction.

ADA Accessibility

Northborough has been awarded grant funds in the amount of \$49,600 from the Massachusetts Office on Disability to support preparation of an ADA self-evaluation and transition plan. The work will include accessibility evaluations of Town buildings, grounds, and parks. The objective is to identify where accessibility barriers exist at Town facilities and to develop a comprehensive plan to address these concerns. This work will be conducted by an architectural consultant in concert with Public Works and Town Administration. The expectation is that work on the self-evaluation and transition plan will be complete by the end of this calendar year.

Following Mr. Charpentier's presentation, questions and comments were heard from members of the Committee.

DISCUSSION REGARDING AMERICAN RESCUE PLAN ACT (ARPA) FUNDING AND POTENTIAL PROJECTS

Mr. Coderre indicated that the following projects were funded through the \$4.5M ARPA funds received, which leaves an approximate balance of \$4.3M.

- Proctor School Roof Repairs - \$38,000
- Assabet Park Fence - \$20,000
- Pickleball Project Alternates - \$18,000
- BeWellNorthborough Wellness Initiative - \$100,000
- Community Meals Program - \$15,000

Mr. Coderre referred to a June 15, 2022 memorandum that was included in the meeting packet. This memorandum summarized those projects that Town staff believes should be funded through ARPA funds. He informed the Committee members that he will be providing an update to the Board of Selectmen and part of that update will be to recommend the following three Capital projects that were postponed due to the pandemic, to be funded through ARPA funds for FY2024: \$1.7M for the Proctor School Roof Replacement, \$900,000 for a Fire Engine, and \$475,000 for the DPW Tight Tank compliance project, which totals \$3,750,000. This leaves an ARPA fund balance of approximately \$1.3M that can be used for other mid-size projects.

Mr. Coderre noted that additional ARPA requests that were included in the meeting packet were compiled by Selectman Hirsh. At the October 17, 2022 Selectmen's Meeting, Selectman Hirsh explained that the list was compiled from sources including prior meetings, the public input forum and emails over several months' time. He added that at that time, the Board of Selectmen agreed to schedule and publicly post an in-person meeting as a working session to categorize and tabulate the details of each request in order to provide more content for discussion purposes. To date, this meeting has yet to be scheduled.

MEETING SCHEDULE

The Committee members agreed to set the meeting schedule as follows:

Meeting Date	Meeting Topics
Thursday 2/2/2023 7pm	Preliminary FY2024 Capital Budget; Police Department Capital Requests; Fire Department Capital Requests
Thursday 2/9/2023 6pm	DPW Capital Requests, Water & Sewer Capital Requests; School Department Capital Requests
Thursday 2/16/2023 7pm	Final Review of FY2023 Capital Budget; Discussion of Financial Planning Committee Recommendations and Draft Report; Review of CPC Project Requests

Monday 3/27/2023 7pm	Joint Meeting with Board of Selectmen – Budget Hearing (Charter 6-5) (FPC Optional)
Monday 4/24/2023	6pm at ARHS Auditorium

Mr. Coderre commented that generally projects included in the Six-Year Capital Improvement Plan are reviewed for years before being included in a Capital Budget, so the projects before the Committee for funding in FY2024 have been discussed and reviewed in detail for the past 5-6 years. New projects are generally added in year 6 of the Plan and move up each year until fully defined and ready for funding.

Committee members thanked Mr. Coderre and Mr. Charpentier for their presentations this evening.

OTHER BUSINESS

None.

ADJOURNMENT

Mr. Rapa moved the Committee vote to adjourn; Mr. Hodge seconded the motion. Vote 3-0-0.

The meeting adjourned at 8:40 p.m.

Respectfully submitted,

Diane M. Wackell
Executive Assistant

Documents used during meeting:

1. January 26, 2023 Meeting Agenda
2. March 23, 2022 Meeting Minutes
3. March 30, 2022 Meeting Minutes
4. December 15, 2022 Joint Meeting Minutes
5. Informational Packet – Preliminary Free Cash Plan
6. DPW Project Update.
7. Informational Packet – ARPA Funding and Potential Projects
8. Meeting Schedule