



## **FINANCIAL PLANNING COMMITTEE**

### **MEETING MINUTES**

Tuesday, January 16, 2020  
Selectmen's Meeting Room  
6:00 p.m.

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

**MEMBERS ABSENT:** Roger Leland

**ALSO PRESENT:** John Coderre, Town Administrator  
Scott Charpentier, DPW Director

#### **APPROVAL OF MINUTES – APRIL 22, 2019 MEETING**

Mr. Hodge moved the committee vote to approve the meeting minutes of the April 22, 2019 meeting as submitted; Mr. Rogers seconded the motion; all members voted in favor.

#### **APPROVAL OF MINUTES – DECEMBER 12, 2019 JOINT MEETING**

The Committee acknowledged that Mr. DeVries, Mr. Hodge, Mr. Peterson, Mr. Rogers and Mr. Spataro were present at the December 12, 2019 Joint Meeting to hear the presentation on the Financial Trend Monitoring System Report. It was noted that the December 12, 2019 Joint Meeting minutes were approved by the Board of Selectmen; and therefore, do not require approval by the Financial Planning Committee.

#### **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 and Vice Chair.

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

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

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

#### **REVIEW OF FY2021 CIP INSTRUCTION MANUAL**

Mr. Coderre reported that all departments were provided with the distributed CIP Instruction Manual for upcoming Fiscal Years 2021-2026. Departments were instructed to review, update and resubmit all existing requests for FY2021-2025 and add any new requests for FY2026.

## **DISCUSSION OF PRELIMINARY FREE CASH PLAN**

Mr. Coderre presented the preliminary FY2021 Free Cash Plan for consideration and use during the upcoming budget process. The FY2021 year-end Free Cash was certified at approximately \$2.85 million. Of the total Free Cash, \$1,479,397 can be used to finance the FY2021 pay-as-you-go capital investments with no additional tax impact.

## **OVERVIEW OF PRELIMINARY FY2021 CAPITAL BUDGET**

Mr. Coderre reviewed the draft FY2021 Capital Budget and the updated six-year plan. The following requests and projects are included in the FY2021 Capital Budget:

Police Cruiser Replacement	\$ 98,000
Wing Mower Replacement	75,000
Loader Replacement	240,000
Highway Garage Emergency Generator	130,000
Assabet Park ADA Rehabilitation	552,225
Culvert and Drainage Replacement	250,000
One Ton Dump Truck with Plow	110,000
One Ton Pickup Truck with Plow	65,000
Roadway Improvements/Maintenance	300,000
Water/Sewer Garage Operations Building	900,000
Assabet Hill Water Storage Tank Rehabilitation	725,000
Melican Middle School Walkway & Parking Lot Improvements	<u>120,000</u>
<b>TOTAL FY2021 CAPITAL BUDGET</b>	<b>\$3,565,225</b>

## **FY2021 CAPITAL BUDGET FUNDING SOURCES**

Free Cash	\$1,393,000
Community Preservation	452,225
Grants	95,000
Sewer Enterprise Fund	900,000
Water Enterprise Fund	<u>725,000</u>
<b>TOTAL</b>	<b>\$3,565,225</b>

Mr. Coderre noted that the school paving project estimate was still being reviewed and there will likely be an additional request related to the Town Offices needs assessment. In addition, the costing sharing for the new Water and Sewer garage is still under review. More details will be provided at an upcoming meeting.

## **DPW PROJECT UPDATE AND FY2021 CAPITAL REQUESTS**

DPW Director Scott Charpentier reviewed his January 13, 2020 memo and provided an update on the following projects:

### Pavement Management

Annual spending of \$1.1 million is necessary to maintain or slightly improve the Town's current pavement conditions. The DPW Director reviewed the list of past projects from the previous construction season and noted the Town's roadway surface rating continues to improve based on the consistent investment made by the Town.

### Rice Avenue Culvert Replacement

This project replaced the Rice Avenue culvert which conveys flow of a tributary to the Assabet River. The existing culvert pipe and stone retaining wall were in poor condition and needed to be replaced. The invert of the pipe had deteriorated such that the pipe collapsed and the dry laid stone wall was significantly out of plumb. Chapter 90 funds in the amount of \$425,000 were allocated for design and construction of this critical culvert crossing. The project team was able to complete the work under budget and in a single construction season.

### Town Common

The Community Preservation Fund provided resources at three annual town meetings for purchase of the land, design, and construction in the amount of \$972,400. The project scope increased in 2018 through donation of a parcel of land from a private land owner. The Town received a matching state grant in the amount of \$215,000 to help offset some of the project costs. The work was completed on-budget and within a single construction season and includes a memorial dedicated to the Town's Gulf War and Global War on Terrorism Veterans. Two private donations were made from donor brick sales and from a private donor in the amounts of \$10,560 and \$91,041 respectively. These funds will be used for the future construction of a shade pergola and associated benches and amenities.

### Water and Sewer Garage Operations Building

The 2019 Annual Town Meeting allocated \$75,000 for development of a space study, preliminary design, and land use permit applications for a second building at the water and sewer department. The preliminary design is complete and land use permit applications have been submitted for review. The project will be phased with the goal of having the site work, foundation, and building envelope publicly bid and built. The Town is planning to team with Assabet Valley Regional Tech. to supply the labor for all interior framing and finish work at no cost to the Town. Refer to Page 5 of these minutes – the FY2021 Capital Request for the Water and Sewer Garage Operations Building for further details.

### Assabet Hill Water Tank Rehabilitation

The 2019 Annual Town Meeting allocated \$70,000 toward the design and permitting for rehabilitation and improvements to the Assabet Hill Water Storage Tank. The Town's top priority tank being Assabet Hill warranted last year's design and this year's construction as the most pertinent and appropriate direction for improvements. The Assabet Hill Water Storage Tank Improvements project design is complete and all required state permits have been issued. Refer to Page 6 of these minutes – the FY2021 Capital Request for the Assabet Hill Water Tank Rehabilitation for further details.

### Sanitary Sewer Inflow and Infiltration (I&I) Program

The Town is required by current MassDEP regulations to conduct a comprehensive study and implement a detailed Operations and Maintenance Plan to mitigate inflow and infiltration into the Town's sanitary sewer system. Inflow is from stormwater and runoff making its way into sanitary sewer manhole covers, or by illicit connections of storm drains or sump pumps into the sanitary sewer system. Infiltration is the seeping of groundwater into the system through pipe connections, cracks in manholes, or other small openings in the system below grade. Identifying and mitigating this I&I greatly reduces the volume of 'clean' water sent to the wastewater treatment plant for processing resulting in significant cost savings. The first year of I&I elimination was completed in 2019 through issuance of a construction bid package. Work included pipe lining, manhole and

pipe repair, as well as other miscellaneous repairs to eliminate infiltration. Evaluation work is funded through the operating budget while the physical elimination of I&I was and will continue to be funded through the Capital Improvement Plan and paid for by sewer user fees.

#### Incremental Sewer Pump Station Improvements

The Town introduced to the operating budget in FY2019 an incremental pump station improvement line item. The goal is to update the Town's aging sewer pump stations through smaller and more systematic improvements as an alternative to full scale reconstruction. FY2020 funds are being utilized for improvements to the Forbes Road Pump Station. The work includes replacement of the backup power generator and installation of an automatic transfer switch. The goal is to utilize future operational funds to implement communication and alarm controls at this station which will allow it to function similar to those stations that have recently undergone full rehabilitation.

#### **DPW FY2021 CAPITAL REQUESTS**

Mr. Charpentier reviewed the FY2021 Capital project requests for the DPW Department as follows:

##### Wing Mower Replacement - \$75,000

This request is to replace the 2013 John Deere large area mower with a newer model. The mower is used at all the large, town-owned fields including the fields at the elementary and middle schools, as well as the cemetery. This is the only wide area mower in the Public Works fleet. The useful life expectancy of this piece of equipment is 8-10 years.

##### Loader - \$240,000

This request is to replace the 2006 John Deere loader with a new model. At the Public Works Garage, the loader is regularly used to transfer materials, remove the debris piles and load the spreaders with salt for snow removal operations. Off-site, it is used throughout town on various construction projects, as well as during snow removal operations. The loader is exposed to many different environments including corrosive materials which cause disintegration of the Public Works equipment. As the equipment ages, it requires additional mechanical and body work to keep it operational. This capital request includes \$7,600 for body repair and painting of the 2014 model year loader as well.

##### Highway Garage Emergency Generator - \$35,000

This request is to replace the emergency generator at the highway garage. The current generator is undersized such that it cannot provide power to critical components of the facility. During power outages, the fuel island does not have power, thus hindering emergency service operations. The Town has submitted a grant application to the Federal Government requesting 75% of the \$130,000 total project cost, resulting in an anticipated Town expense of approximately \$35,000.

##### Assabet Park ADA Compliance - \$100,000

This request seeks funds to reconfigure portions of Assabet Park and to replace equipment and surfaces within the playground area. Assabet Park is one of the most popular parks in Town, specifically for pre-school children. Currently the playground area is not compliant with the Massachusetts Architectural Access Board accessibility regulations (521 CMR 19) and requires substantial surface and equipment improvements to allow safe and efficient use by all residents. The overall park space is in need of reconfiguration to maintain and expand features for the target

age group of children and to incorporate better pedestrian circulation. Full project funding is proposed through a combination of \$100,000 in the Capital Budget, as well as \$452,225 from the Community Preservation Fund, for a total project cost of \$525,225.

#### Culvert & Drainage Replacements - \$250,000

The Town recently completed a town-wide culvert inventory and condition assessment. Several culverts have been found in need of replacement due to deteriorated pipes and end treatments. Drainage systems in Town are aging and many have surpassed their functional life. The Town video inspects those systems where repeated repairs have been needed to identify and prioritize the replacement projects. This request seeks funds to replace/rehabilitate multiple culverts and replace/repair failing drainage systems. The FY2021 request is for replacement of up to three culverts.

#### One Ton Dump Truck with Plow - \$110,000

This request seeks to replace a 2008 F450 dump truck with a similar model truck. As part of this capital item an existing vehicle will be repurposed to extend its useful life. The one-ton dump trucks are one of the most heavily used pieces of equipment in the DPW 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 paired with 20-ton dump trucks to perform snow removal operations in the winter months. The useful life expectancy of these vehicles is 10 to 12 years. At the time of replacement, the existing trucks will have reached the end of their useful lives. The Town currently has 7 one-ton dump body trucks in service and has a program to replace one every other year, resulting in a 14-year replacement cycle.

#### One-Ton Pickup Truck with Plow - \$65,000

This request seeks to replace a 2003 pickup truck with a similar model. As part of this capital item an existing pickup truck will be repurposed to further its useful life. 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 expectancy of these vehicles is 10 to 12 years.

#### 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 at least \$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 local appropriation of \$300,000 results in a \$300,000 funding gap, which would be filled if the statewide Chapter 90 funding were released at \$300 million. Our recent update to the pavement management assessment completed in 2019 found that, through implementation of our pavement management plan, the Town-wide RSR increased slightly from 73.4 to 73.9. This FY2021 capital request of \$300,000 from Free Cash would get the Town's investment up to the requisite \$1.1 million target investment.

#### Water/Sewer Garage Operations Building - \$900,000

This request seeks to fund construction of a new operations building for the Water and Sewer Departments. 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. The existing garage will be reconfigured for equipment storage. The Assabet Valley Technical School has agreed to assist the town with interior fit-out of the building. This will provide the Town with significant savings in labor costs and afford the students the opportunity to work on an important project for their community. Funding for this project will be split between the Water and Sewer Enterprise Funds.

#### Assabet Hill Water Storage Tank Rehabilitation - \$725,000

As a result of water storage tank inspections, which were performed as required by MassDEP, repairs and a recoating are recommended for the Assabet Hill Tank which is a 3.5 MG concrete water storage tank. A tank disposition and recommendations report has been prepared and the determination is that Edmunds Hill Tank provides little to no flow or pressure benefit to the community, therefore the appropriate expenditure of funds is on the Assabet Hill Tank. The 2019 Annual Town Meeting funded design and permitting for repair and improvements to this tank and this request is to fund construction which will include repair and coating of the tank, installation of a non-mechanical mixing system to improve water quality, and updated controls and communication equipment.

#### **NEXT MEETING DATES**

The next committee meeting dates will be:

1/30/2020	Review of FY2021 Community Preservation Committee Project Requests; School Department and Police Department Capital Requests
2/11/2020	Review of Town Offices building assessment and options. Final review of FY2021 Capital Budget and Discussion of Financial Planning Committee recommendations and draft report
2/18/2020	Review of final recommendations and report.
3/23/2020	Joint Meeting with Board of Selectmen – Budget Hearing (Charter 6-5) (FPC Optional)
4/27/2020	6:15 PM Pre-Town Meeting @ ARHS
4/27/2020	7:00 PM Annual Town Meeting @ ARHS

**ADJOURNMENT**

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

Meeting adjourned at 8:20p.m.

Respectfully submitted,

John W. Coderre  
Town Administrator

Documents used during meeting:

1. January 16, 2020 Meeting Agenda
2. April 22, 2019 Meeting Minutes
3. December 12, 2019 Joint Meeting Minutes
4. Capital Budget Manual
5. Free Cash Plan Memo
6. Draft CIP FY2021-FY2026 Summary (handout)
7. DPW Department Project Update Memo
8. DPW Department Summary and Project Detail Sheets
9. Design Plan for Water/Sewer Garage (handout)
10. Design Plan for Assabet Tank Rehabilitation (handout)
11. Open Meeting Law Training (handout)
12. MVP (handout)
13. Meeting Schedule & Town Meeting Schedule