

MINUTES CAPITAL OUTLAY COMMITTEE

November 4, 2021

Members Present

Chair:	Paul Linehan
Select Board:	Hanna Switekowski
Finance Committee:	Jada Wang, Anja Bernier
Planning Board:	Rob Maidman, David Blaszkowsky
School Committee:	Adam Shain; Prisnel Dominique (7:12 pm) Avi Shemtov (8:00 pm)
Town Administrator:	Frederic Turkington, Jr.
Finance Director:	Krishan Gupta

Members Absent

Select Board:	William Heitin, Emily Smith-Lee
Finance Committee:	Ann Keitner
Planning Board:	Kai Yu

Others Present

Fire Department:	James Wright, Chief Michael Madden, Deputy
Police Chief:	Don Brewer Steven Coffey
Civil Defense Director:	Michael Polimer

Administrative Items

The meeting of the Capital Outlay Committee was called to order on Zoom at 7:00 pm by Chair, Paul Linehan.

MOTION: To approve the regular session minutes of January 28, 2021.
(Bernier-Switekowski)

VOTED: 6-0-0, **PASSES**
Roll call vote: Maidman, Switekowski, Wang, Blaszkowsky, Bernier, Shain voting in favor of approval

Chair Paul Linehan reviewed the guidelines and definitions. The current benchmark for borrowing is 4.5% of the net operating budget. Mr. Gupta noted that the Town's current bond rating is AA and the outlook is positive.

The mission of the Capital Outlay Committee is to consider applications for funding capital requests – items with value of \$10,000 or more and a minimum life span of 5 years with the following objectives:

- To prioritize the allocation of resources on a town-wide basis,
- To coordinate long term capital planning,
- To help maintain the Town's fiscal wellbeing,
- To help maintain the Town's capital assets and municipal services,
- To provide recommendations to the Town for the allocation of limited funds for capital purchases, recognizing there are competing fiscal needs of the Town that need to be considered.

To meet the following specific goals:

- To use a guideline of $\leq 4.5\%$ of the Town's corresponding year's annual budget (less over-rides, debt exclusions and water appropriations) for the "capital budget."
- To gradually shift funding from a debt-based model to a direct purchase to avoid incurring interest and issuance expense.

He explained the following terms:

- Debt Service as a percentage of operating budget – 4.5% of "net" operating budget is the benchmark for the yearly Capital budget less overrides and water appropriations
- Capital Outlays- COC Request Minimum Qualifications – \$10,000 value, 5-year lifespan
- Inside, non-exempt debt (capital borrowing) – the Town's normal borrowing, what it is included in the normal budget
- Excluded Debt – overrides and water debt, special borrowing outside the COC purview; examples: *New High School, Library*
- Terms of Borrowing – Issue bonds with statutory time limits for borrowing of 5, 10 & 20 years; examples: *5 Yr-Vehicles; 10 Yr-Heavy Equipment; 15 Yr-Pumper; & 20 Yr-Buildings; Roads 10-20yrs*
- Bond rating – determines credit worthiness, effects cost of borrowing
- Debt Reduction Plan – plan to reduce reliance on borrowing
- Bundling – grouping of smaller capital purchases to meet the \$10,000 threshold criteria: examples:
 - *technology items such as computers*

Community preservation funds are generated from a 1% surcharge on every tax bill and the state matches 25% collected.

Department Presentations

Civil Defense – Michael Polimer

Mr. Polimer reviewed prior capital items. He stated due to supply chain issues, the generator has yet to be ordered. Mr. Polimer will work with the distributor to order the model requested or an equivalent. The land swap is still in process and is currently held up in Norfolk County Land Court due to the parcel of land being a land court parcel. The process is very slow, but it is moving forward.

This year's capital request is to cover increased costs of building materials. Mr. Turkington advised that the process is wrapping up and it is expected that a firm number should be presented before the committee deliberates. The construction documents have been prepared. The architect who completed Town Hall has been hired to help construct the building and with the bid process.

Mr. Polimer thanked the committee for their awards in the past. The equipment was useful because of the storm the area suffered last week. Each piece of equipment was used, enabling the public safety radio repeaters to continue working despite power outages.

Fire Department – Chief James Wright

Chief Wright reviewed prior capital items. The radio replacement for fire, police, DPW and schools. Out to bid and awarded. Supply chain issues. Hope to start upgrade over next few months. Also tied to new water tank project. Will be installed under and on the new water tank. Project is also delayed due to supply chain issues.

He provided an update on the Cape Club antenna. He has looked at line-of-sights to see if a connection to that location was possible, but it does not look promising. A receiver site at Blue Hills may give better coverage in that area. Testing will be completed when the new system is in place.

An update on the FY22 items was provided. Thermal imaging cameras have been purchased and were just received. Project is now completed. Bailout equipment has been ordered and awaiting delivery. Ice rescue awaiting delivery and quick response vehicle awaiting delivery. Supply chain and computer chip issues have prevented order of the transportation equipment, and it is very challenging to complete procurement right now. Chief Wright explained they got lucky and were able to jump in on an order for generic auto units. Everything has been tracked down and pending delivery.

The FY23 requests include an ambulance and related equipment. The bigger ticket items to be purchased with it include a 3rd Lucas device which is a CPR device that provides compressions. It's use allows for proper circulation. Chief Wright explained that a human can only perform efficient compressions for two minutes. Survival rate for those who don't receive high quality CPR is reduced significantly. A Lucas device is necessary equipment on an ambulance these days. A fourth cardiac monitor is being requested, there are currently three. There are three ambulances and one fire engine involved in current rescue operations. Although the engine can treat, it cannot be used for transport, but does provide care. The Department is currently swapping one cardiac monitor between the ambulance and truck. Having a fourth would allow for better patient care. Finally, the Department is requesting an ambulance one year earlier than five-year plan, again, due to supply chain issues. An ambulance has a one-year delivery lead time already, but due to anticipated back log it would be advantageous to start the procurement process now.

The ambulance reserve fund is healthy and can support the purchase of a new ambulance, thus no borrowing would be required. If delayed due to supply chain issues, the funds won't have been borrowed and sit in an account unused. It was explained that ambulance services are billed. Receipts are collected and appropriated to the Ambulance Reserve Fund. Annually, \$650,000 is appropriated to budget needs and pays for ambulance billing and supplies. Last year, the receipts collected exceeded \$1 million. However, receipts are not guaranteed as they are based on the number of calls.

Chief Wright responded to a question regarding cardiac equipment on the quick response vehicle (QRV), stating that the equipment isn't necessary for the QRV as its primary job is to transport two fire fighters with the ambulance on medical calls. It was purchased to eliminate or significantly reduce wear and tear on a \$600,000 fire apparatus. He explained that medical calls make up 60-70 percent of the total calls received.

Replacement of the Deputy Fire Chief vehicle is requested. It is currently a 2010 Ford Edge with 100,000 miles, a hand-me-down from the Police Department. With replacement the vehicle will be moved down to serve as the EMS coordinator/training vehicle.

The last request is for large and small diameter fire hose. There are hoses of various sizes on each vehicle, 4" diameter hose connects to hydrant. Many hoses in the inventory today exceed 20 years old. Several sections have been tested and failed. Chief Wright is also looking into possible grant funding may not need the full amount. In

addition, there are some 2.5” and 1.75” diameter hoses which also need to be replaced. This is a good example of bundling. The average life span for hose is about 15-20 years depending on the use. Hoses are typically used in harsh conditions, they are dragged over rough surfaces, over curbing, and around corners.

What drives how much hose is needed? NFPA has a specific amount which is required to be on pumping apparatus. In most situations, 1,100 feet of large diameter hose seems to be the right amount in most situations depending on the distance from hydrant.

Bunker gear which is purchased every five years takes place this cycle. Thirty-two sets of firefighter gear will cost \$125,000. This includes coats and pants. Every other five-year cycle includes boots, helmets, and gloves. This cycle, a Nomex hood is included. NFPA standard requires gear be replaced at ten years. This allows personnel to have two sets. Older firefighting gear contained PFAS. Newer gear is not 100 PFAS free, but the outer shell was a major issue and now the fire-resistant outer shell is PFAS free. All newer gear purchased within the last year or so is PFAS free. PFAS has been a concern for dermal transfer and causing cancer in firefighters. No definitive conclusion in testing but they are doing all they can to minimize exposure. When asked what happens to retired gear, Chief Wright responded that if it is in reasonably good condition, it is donated to a country with need or cut up and disposed of.

Chief Wright thanked the Committee for their consideration.

Police Department, Chief Donald Brewer

Chief Brewer reviewed prior capital items. One cruiser has arrived. There was a problem with the first model, the cabin is 11 inches wider thus much of the gear in current models cannot be used in new vehicles. Some internal parts like computers and radios need updating. Chief Brewer stated that issues with first model have been addressed and were mostly electronic in nature. Savings in gas exceeds whatever losses were incurred due to equipment changes.

It was explained that the Police Department continues to replace their cruiser fleet on a rotating three-year basis. They will continue to go with the Ford Interceptor hybrids due to the fuel savings. The manufacturer’s warranty does cover battery replacement for a period of three years and within a certain mileage threshold.

There was a brief discussion about market conditions and interest rates before adjourning.

MOTION: (Bernier - Blaszkowsky) To adjourn the meeting at 8:13 pm.

VOTED: 7-0-0 **PASSES**