

MINUTES
CAPITAL OUTLAY COMMITTEE
November 7, 2019

The meeting of the Capital Outlay Committee was called to order in the Second Floor Meeting Room at Sharon Town Hall at 7:00 pm by Chair Paul Linehan.

Members Present

Chair:	Paul Linehan
Board of Selectmen:	William Heitin
Finance Committee:	Gordon Gladstone, Anja Bernier
School Committee:	Katie Currul-Dykeman
Planning Board:	Rob Maidman, David Blazkowsky
Town Administrator:	Frederic Turkington, Jr.
Finance Director:	Krishan Gupta

Members Absent

School Committee:	Fern Fergus, Amy Garcia
Board of Selectmen:	Emily Smith-Lee

Others Present

Information Technologies:	Donald Hillegass, IT Director
Civil Defense:	John Ford, Police Chief
Fire Department:	James Wright, Fire Chief

Administrative Items

Chair Paul Linehan asked the Capital Outlay Committee members to introduce themselves. The Board approved meeting minutes from the previous capital cycle.

MOTION: (Bernier - Gladstone) To amend the second paragraph on page 5 of the December 6, 2018 regular session minutes to clarify a misleading statement regarding sidewalks on Norwood Street.

VOTED: 4-0-1, **MOTION PASSES**

MOTION: (Gladstone - Bernier) To approve the regular session minutes of December 6, 2018 and January 30, 2019 as amended.

VOTED: 5-0-0, **MOTION PASSES**

Review of Mission Statement, Borrowing Criteria & Definitions

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 Aa3 and the outlook is positive.

- Debt Service as a percentage of operating budget – 6% 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*

Information Technologies Requests

FY’20 Capital Review

The IT Department had no prior capital requests.

FY’21 Capital Requests

- *Generation 10 Virtual Servers \$40,317*
- *Microsoft Outlook 365 (cloud based email) with Barracuda \$19,340*

Mr. Hillegass explained that the current servers can no longer be upgraded with current VMware. The quote received is for the latest equipment, Generation 10. This SAN or storage area network can accommodate ten servers (the Town presently has five), two (2) processors per server, two (2) power supplies, two (2) 300gb drives, 64 gigabyte per server, and two (2) terabyte drives on each server. If not done this year, the expense will be critical next year because the VMware cannot be upgraded.

Mr. Hillegass further explained that Microsoft Office exhausts considerable labor hours for the department. Converting to a cloud-based email server has the benefit of perpetual email archive, good email security, Barracuda Essentials is included, and Office 365 has built-in encryption. There are presently 205 mailboxes. The total set up cost is \$19,339 which includes installation, 205 mailboxes; and a one-year license for Barracuda Essentials. The per-mailbox cost would be \$47.43 for a total of \$9,724. There would be a charge for Barracuda in the second year which would result in an expense of roughly \$19,000.

Mr. Heitin asked whether there were sufficient funds in the building budget for the server expense as Mr. Hillegass could have upgraded the servers with the building project had he been aware that the VMware couldn’t be supported with the current equipment. Mr. Gladstone indicated that he and Mr. Gupta had just recently discussed that very topic. Mr. Turkington suggested however that the capital borrowing would be five years as opposed to the building project borrowing which is 20 years.

Ms. Bernier asked whether the user licenses for the first year would be a qualifying capital request. Mr. Turkington suggested looking at the overall capital budget to see whether the expense can be absorbed in the operating budget.

Police Department Requests

FY’20 Capital Review

Chief Ford explained that there will likely be some funds returned from an outstanding capital request for firearms from the previous budget cycle.

FY'21 Capital Requests

- *Vehicle replacement (3) - \$150,000*

Chief Ford explained that for FY2021, the based Ford gasoline model SUV will increase in price by approximately \$4,000. The gas/electric hybrid model will be approximately \$8,000 more than what was paid for fleet vehicles in 2019. However, these new models should see substantial fuel savings. Estimates savings on driving and idling time is in the range of \$3,600 per cruiser per year. They will also be far better for the environment.

The average cost for each vehicle with replacement equipment will be in the area of \$50,000 per unit. Chief Ford is requesting a total of \$150,000 for three new vehicles. If vehicles are traded in rather than transferred to other departments, there will be some savings.

Mr. Turkington asked whether battery life would be an issue. Chief Ford explained that over the past five years, there have been very little problems with battery life.

Ms. Bernier stated that she supports the move to hybrids explaining that the zero emissions goal recently passed Town Meeting. She also noted that this was something that would need to begin being tracked to show progress.

Mr. Gladstone asked whether DPW would be able to maintain the vehicles with hybrid technology. Chief Ford stated that the electrical components would be maintained by the manufacturer.

Fire Department Requests

FY'21 Capital Requests

Radio Repeaters - \$225,000

Chief Wright provided an overview of the Fire Department capital requests for FY2021. He explained that the priority for the department is to replace radio repeaters for improved radio communications. Chief Wright explained briefly how the communications system worked, the role of the repeaters in the system, interoperability between departments and the geographical challenges of the community.

Snowmobile Ice Rescue - \$25,000

The Department has identified a shortfall area in their equipment fleet. There are increasing calls of injured hikers during the winter months. There are areas which are unable be reached with the ATV. A snowmobile would make most areas accessible. Chief Wright explained that the life expectancy of a snowmobile is 15-20 years. The Department would maintain this apparatus. When asked about mutual aid, Chief Wright stated that he was unaware of any other communities with a snowmobile which could be called upon in an emergency. It was also noted that this would provide quicker access to secondary roads in inclement weather. General safety training is the only training that would be required for fire personnel.

Rescue Boat - \$30,000

Chief Wright provided information on the third request item which is a water rescue boat. The Department currently shares a boat, originally designed for fishing, with the Recreation Department. It was explained that at any given time, the boat could be located at various locations on Lake Massapoag which considerably reduces the response time in the event of an emergency. This fishing boat is not the right tool for a water rescue. There is a demonstration scheduled for the first week in December where a rescue will be staged to illustrate the front of the boat which opens up to receive a patient. There was a discussion about storage and security at the beach. Although

there hasn't been an incident yet where a boat like this would be useful, there is a need and a big concern for Chief Wright.

Chief Ford noted that there have been instances of capsized boats and there is potential also for kayakers who may experience a medical issue on the lake.

FY'20 Capital Review

Chief Wright explained that the new ambulance is on order. A delay of 3-4 months is expected. Training was just provided for the EMS mannequin. There are some other small ancillary items outstanding. Chief Wright still has no definitive answer on the IV pumps. There may be some funds being returned on the EMS equipment but it would be returned to the Ambulance Reserve Fund.

Adjourn

MOTION: Heitin-Maidman (6-0-0) To adjourn the meeting at 8:35 pm

VOTED: 5-0-0, MOTION PASSES