

MINUTES CAPITAL OUTLAY COMMITTEE

November 7, 2022

Members Present

Chair:	William Heitin
Select Board:	Hanna Switekowski, Emily E. Smith-Lee
Finance Committee:	Ann Keitner, Anja Bernier, Jada Wang, Alternate
Planning Board:	David Blaszkowsky, Rob Maidman
School Committee:	Wenxiao Tiano
Town Administrator:	Frederic Turkington, Jr.
Finance Director:	Krishan Gupta

Members Absent

Select Board:	Kiana Pierre-Louis, Alternate
School Committee:	Adam Shain, Prisnel Dominique, Alternate
Planning Board:	Shannon McLaughlin, Alternate

Others Present

Fire Department:	James Wright, Chief Michael Madden, Deputy
Police Chief:	Steve Coffey, Chief
Civil Defense:	Chuck Levine
Council on Aging:	Kathleen Medeiros, Director

Capital Outlay Mission and Goals

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.

It may be helpful to understand 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.

Administrative Items

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

Department Presentations

Council on Aging – Kathleen Medeiros, Director

Ms. Medeiros reviewed the request of the Council on Aging for replacement of a new lift-equipped minibus to be used primarily for transporting seniors to medical appointments, Adult Center programming, weekly shopping and more. These funds will be used to replace our current 2012 Ford 18 passenger minibus. It is recommended by MassDOT that vehicles be replaced every seven years or upon reaching 100,000 miles whichever comes first. The existing van needs rear springs and body mounts in addition to increasing locations of rust and rot. The Town’s mechanic has advised that continued repairs and routine maintenance is no longer recommended. Grant funding is also being sought which would reduce the expense to \$20,000. The Town was a grant recipient in the past but naturally grant funding is not guaranteed.

Fire Department – Chief James Wright

Chief Wright reviewed prior capital items for the Committee. The FY21 radio repeater replacement project has been completed. The quick response vehicle has been delayed, the F150 has been received and is being outfitted now. This will be completed soon. The boat and snowmobile are complete and in place. The bailout equipment has been purchased and training has been completed. The thermal imagers have been purchased and are in service. The Deputy Chief’s car has been purchased and is currently being outfitted. Chief Wright is awaiting a response on a federal grant for the fire hose, but an award is unlikely.

He went on to describe the Fire Department capital requests for Fiscal Year 2024 which include additional funds to support the previous award for an ambulance. The price for the ambulance was received for \$366,000 in June. In July, when trying to secure the order and price, Chief Wright was told by the dealer that Dodge was increasing the price of the vehicle by \$10,000 and the body manufacturer would not set their pricing at the moment. Consequently, the price has yet to be secured. Three weeks ago, the dealer informed Chief Wright that pricing was expected within a few weeks. Several inquiries have since been made and he has yet to hear back. At this time,

there is a \$10,000 shortage. Chief Wright has set a conservative request at \$60,000 which he expects should be more than enough to cover the shortfall. The ambulance could take eight to ten months to receive. The stretcher price has also increased by five percent or \$4,000.

Deputy Chief Madden delivered a presentation to the Committee on the brush truck. He provided photos illustrating the condition of the existing brush trucks as well as photos and features of the recommended replacement vehicle. He explained that one of the issues with the existing brush trucks is that the pump is exposed to the elements which has resulted in the need for its maintenance. The pictures illustrate the amount of rust on the body as well as in the equipment storage cabinets. The recommended vehicle is referred to as a BRAT or Brush Rapid Attack Truck. The vehicle is equipped with off road tires, has a crew cab, and skid plates protecting the oil pan and transmission during off-road use. He also noted that a feature of this recommended vehicle has the pump enclosed, eliminating exposure to the elements and a relocated exhaust point for the pump. The current brush vehicles discharge exhaust near the operator, posing a hazard.

Police Department, Chief Steve Coffey

Chief Coffey reviewed prior capital items. He then 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.

The public safety radio communication system is excellent, however, as with any system it does have limitations in covering 25+ square miles with a fair amount of hilly terrain. Combine that with building materials and below grade situations there are several areas in town that do not have adequate portable radio transmission capability. Our radio system basically requires line of sight to transmit from a radio to the receiving antenna. Additionally, sufficient "signal power" is needed. Vehicle radio's typically have a 40-watt transmitter verses a portable radio that has a 5-watt transmitter. The vehicle radios can communicate with the system 99% of the time. The idea of a vehicle repeater is to have the portable radio talk to the vehicle and the vehicle to "repeat" that communication on the public radio system. With this system the portable radio transmission only must travel a short distance and has a much higher probability of ensuring reliable communication with dispatch and other public safety personnel on the scene or responding to the scene. This system does require the personnel to switch from the primary frequency to the vehicle repeater frequency which is not ideal but far better than not having communication. Public Safety personnel are aware of areas with poor communication and would use it in those areas. The police department requires more units because they respond frequently with only one or two officers which requires all patrol vehicles to be equipped with a unit. The fire department typically has the same vehicles responding to calls so less are needed. Thought it would be ideal to fix the entire system, it would be extremely expensive and would require construction of multiple additional communication towers and links back to the public safety building. The cost would easily exceed one million dollars. Although this proposal is a sizeable investment, it is believed to be the most cost-effective option to address the communication shortfall.

Civil Defense – Fire Chief, James Wright

With respect to prior Capital projects, Mr. Polimer has advised by email that a generator of close specification to the original machine has been secured and ordered. Additional equipment of special 3 phase cables & connectors, plus a starting battery and a battery charger have yet to be purchased. Once secured, there may be a turn back of perhaps up to nearly \$2,000.

Chief Wright explained the bids received on the Civil Defense prefabricated steel building came in over budget, due to inflation. The two bids received were for \$549,000 and \$692,000. The bids were only for installation of the shell of the building, the electrical service, the foundation, a couple of small pads, and antenna set up. The original \$100,000 request has not been borrowed because of the increase in funding needed. The cost now meets the threshold for involving the Standing Building Committee. The latest plan, should the project proceed, was to put the building back out to bid to get the latest price then add a request for additional funds to fully complete the project on the next Town meeting warrant.

Mr. Turkington advised that the Standing Building Committee expressing feeling stretched thin with the construction of the new High School and potential library when considering the construction of a possible water treatment facility for PFAS for which they do not feel qualified to undertake.

Mr. Heitin made a few closing remarks about the future schedule and facilities tour. He mentioned that further questions can be made of appropriate department officials as needed.

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

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