



TOWN OF TEMPLETON
Capital Improvements Committee

160 Patriots Road
East Templeton, MA 01438

Telephone: 978-894-2800
Fax: 978-894-2801

From: Capital Improvements Committee

**To: Select Board,
Chair, Advisory Committee,
Town Clerk,**

CC: Town Administrator

Date: December 27th, 2022

Subject: FY24 Capital Improvements and Planning Recommendations

Introduction

The Capital Planning Committee (CIC) kicked off the FY 2024 budget process in October of 2022. The CIC was fully staffed with staff, board and committee representatives as well as both "at large" positions. We met continuously in the main conference room at Town Hall and had the required quorums at all meetings; we regret that we needed to cancel two of our posted meetings due to unforeseen circumstances. Department participation was high, and the representatives were engaged and knowledgeable leading to very productive discussions. This committee has supremely benefitted from past years of process reform that assisted the CIC in streamlining the process that provided a standard format for requests and bid/quote requirements. The Committee met for the first time on October 5th and voted to organize in the following and by-law-prescribed manner:

Michael Currie, Chairman, Select Board Member
Tom Smith, Vice Chairman, Member at Large
Nowell Francis, Advisory Committee Member
Justice Graves, Clerk, Member at Large
Cheryl Richardson, Treasurer/Collector
Holly Young, Assistant Town Administrator, Ex-officio Member

The Committee, as in years past, has assembled their final report and list of recommendations in the following format for your review:

Cover page/ Introduction
Section 1: Process Narrative
Section 2: Department Narratives
Section 3: Non-Tax Impacting Requests
Section 4: Tax Impacting Requests
Section 5: Committee Recommendations
Section 6: Capital Improvement Plan

Lastly, the Committee would like to extend its gratitude to the Town Administrator's office, Department Heads, and TCTV for their professionalism and assistance in filling this report.

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Section 1: Process Narrative

When determining our recommendations, the committee was well informed in knowing the available funds for capital expenditures. Timely financial information was provided by key members of the town's staff which made the calculations of tax-implication and not-tax-implication considerations much easier. The participation and expertise of all the participating committee members made the process go smoothly. The committee-based recommendations on the merits, perceived need, and an assumed and original capital budget of \$450,000; however, due to unforeseen events at the 2022 Fall Town Meeting, the available 'free cash' assumption was reduced by the result of a floor amendment to \$300,000. Noting this, we did endeavor to develop creative ways to meet the capital demands of our town for 2024. The CIC was presented with over \$7.7 million in capital requirement requests.

Although the committee had voted to not have TCTV host or record meetings, TCTV successfully argued that the work of the CIC was of sufficient public interest and wished to support the CIC with the full suite of TCTV services. Each meeting was held at the Templeton Town Hall and was recorded by Templeton Cable TV that were held in the main conference room. In several instances, the TCTV Zoom account was utilized to allow members to attend remotely in accordance with state and town policy. Minutes from each meeting were recorded and posted to the town's website in accordance with policy. The committee held meetings on the following dates:

Wednesday, October 5, 2022	Organization, General Review, and Dept Head Memo (10/12)
Wednesday, November 2, 2022	Cancelled
Wednesday, November 16, 2022	Department Reviews - Fire, Community Services, Administrative & Finance Services
Wednesday, November 21, 2022	Department Reviews - Police & Dispatch, Sewer, CPC*, NRSD
Wednesday, December 7, 2022	Department Reviews – DPW; Develop Recommendations
Wednesday, December 14, 2018	Late file: Tennis Courts at Gilman Waite; Develop Recommendations
Wednesday, December 21, 2018	Cancelled
Tuesday, December 27, 2022	Finalize Recommendations
Wednesday, December 28, 2022	Present Recommendations to BOS
*Department scheduled, but did not present	

The CIC issued a memo (attachment 1, dated October 12th) following a vote at the October 5th meeting that provided all Town Departments, Boards, Commissions, and Committees the necessary schedule, guidance, and products needed for capital submissions and nominations. The coordination and availability of the department heads were central to enabling the priorities of the departments at the same time as observing fiscal discipline and creativity. The CIC utilized the town webpage, templetonma.gov, to coordinate all the necessary communication and products needed for proper submissions.

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The committee used financial products provided by the town along with the department head's *input to develop an equitable and responsive set of capital recommendations that would 1.) benefit the community of Templeton and the adjoining villages, 2.) be responsive to the department head's prioritization, and 3.) be fiscally responsible, feasible, and attainable.*

It should also be noted that the committee members were always rooted in the recommendations of department heads when a request had an impact on life, health, or safety of the people and equipment in the community. Our goal was to assist in this effort by matching *priorities with safety concerns.*

In addition to the duties outlined in the CIC by-law, the committee had three phases in the approach to provide this final recommendation memorandum/report: preparation, department briefings, and course of action development. The first 2 are self-explanatory, but the third involved a detailed discussion of all department information while using financial reports and the capital planning long-range plan in Microsoft Excel (attachment 2). The spreadsheet also contains the future years' needs as a part of the CIC's mission.

The final phase was designed to succinctly provide a cohesive report that met the CIC objectives; this report was reviewed for the different community benefits and parity among the departments.

Section 2: Department Narratives

The CIC received 31 total capital requests representing about \$7.6 million. The departments presented over the course of 4 meetings and had ample time to prepare and present the details of their requests. Several of the presentations indicated the following years' requirements if they were not immediately required by the presenting departments. The 31 requests also represented total and future year's needs.

The **Town Administrator** appeared to advocate for improvements to the Templeton Center Town Common as it had been recently surveyed in the town for action. The TA also noted that he would work with the Community Preservation Committee to coordinate available upgrades.

The **Narragansett Regional School** was invited to meet with the CIC to discuss NRSD's capital needs. Dr. Casavant attended along with Annmarie Geyster. Dr. Casavant reviewed the impending need for a roof replacement for the middle/high school complex as well as a much-needed overhaul of the varsity playing field.

The **Sewer Department's** was presented by Mr. Jeff Aldrich. The primary concern of the Sewer Department and Commissioners is the Crotty Ave Pump Station that must be renovated in an approximately \$1.5 million project.

The **Police Department** was represented by Chief Bennett. TPD had a prioritized list that included: a vehicle and upgrades to the HVAC system in the Templeton Police Station. TPD does not have its own funding stream, but does manage several grants and gifts that make several of this years and next capital purchases possible; the remainder is on the tax-impact list.

The **Fire Department** was represented by Chief Dickie. TFD had a robust and detailed list of capital requests. The Fire Department currently has several projects going on as well as some statutory upgrades to its existing equipment. His top priorities were for forestry vehicle replacements (due to losses to fleet) and tanker truck replacements. Chief Dickie expressed that many items he is presenting were previously asked for and deferred. He relayed how much

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lead time is required to purchase fire apparatuses.

<i>Capital Request</i>	<i>Department Priority</i>	<i>Estimated Total Cost</i>
Forestry 3 Tanker	1	\$ 225,000
Tanker 1 Original: 3k/gal FWD Amended: 2k/gal 4WD	2	Original: \$ 600,000 Amended: \$385,000
Forestry 2 Truck	3	\$ 185,000
New Fire Station Professional Study	4	\$ 100,000
Forestry "Argo"	5	\$ 75,000

The Department of Public Works (DPW) was represented by the Director, Bob Szocik. A robust request and future plan was briefed to the committee as well as details on each capital line item.

Buildings and Grounds had:

<i>Capital Request</i>	<i>Department Priority</i>	<i>Estimated Total Cost</i>
Truck, F550 Swap Loader	1	\$ 163,880
Mower, zero-turn, Kawasaki	2	\$ 14,600
Electric panels, town hall	3	\$ 12,500
Windows, Replacement in Town Hall	4	\$ 15,800
Kitchen Upgrade, Senior Center	5	\$ 200,000
Paving, TC Fire	6	\$ 24,807.50
Paving, Bald Fire	6	\$ 40,830
Paving, Town Hall	6	\$ 67,533
Paving, DPW	6	\$ 43,568

Highway Department had:

<i>Capital Request</i>	<i>Department Priority</i>	<i>Estimated Total Cost</i>
7 Ton, 6-wheel, plow and dump, Ford 750 (Qty 2)	1	\$ 200,000

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Software, work orders and asset mgmt	2	\$ 37,220
Skidsteer loader	3	\$ 107,500
Engineering, Hamlet Mill Bridge	4	\$ 400,000
Drainage Work, N Main	5	\$ 600,000

Community Services

The **Recreation Department** presented twice during the process from the Community Services director and the chair for the Recreation Commission, Candace Graves. Jackie Prime advocated for a "water cannon" for use at Gilman Waite Athletic Field. Mrs. Graves made a late request on December 14th that advocated for an overhaul and improvements to the tennis and basketball courts, citing their degraded condition.

The **Council on Aging (COA)** was scheduled to appear, but DPW buildings and grounds spoke on community services and COA's behalf. The kitchen upgrades were recommended for ~\$200k in renovation costs. The CIC also recommends contact with the 501c3 organization named "Friends of Templeton Elders" to assess what funds may be transferred for this effort.

Templeton Community Television (TCTV) was represented by Mr. Steve Castle. TCTV is funded almost exclusively by retained earnings and the CIC agrees with Mr. Castle's projections and uses for these funds. TCTV gave a very well-prepared briefing that touched on revenue and budget projections, a 5-year capital forecast/plan, and department integrated goals. This year's plan includes:

<i>Capital Request</i>	<i>Department Priority</i>	<i>Estimated Total Cost</i>
Broadcast Location upgrades	1	\$ 60,000
Miscellaneous Equipment upgrades	2	\$ 15,000
Scout Hall Furnishings	3	\$ 10,000
Montachusett.TV web site Phase 2 Development	4	\$ 20,000

The Community Preservation Committee, Boynton Library, Board of Health, Town Clerk, and Emergency Management were not assessed by the CIC, though these departments had previous submissions.

Subject: FY24 Capital Planning Recommendations**Section 3: Non-Tax Impacting Requests****Non-Tax Impacting Requests:**

- The Cable Commission has a well thought out five-year Capital Plan. Being a self-funded department, their requests do not have any tax impact.
- The School Department has 2 major projects that may have tax impact, but as the superintendent discussed with the CIC, there may be alternate funding sources that could shield the taxpayers from a 100% tax burden.
- The Police Department may have smaller requests that will be funded through the E911 grant or ARPA funds and would not have any tax impact.
- The Sewer Department has the project to renovate Crotty Ave Pump Station; retained earnings would not be sufficient for the initial outlay, but may be able to make contributions when a suitable loan is secured.
- The DPW's recommendation to replace windows in Town Hall may be possible with grant money already secured by the TA's office.

(no priority)

<i>Dept</i>	<i>Capital Request</i>	<i>Department Priority</i>	<i>Estimated Total Cost</i>	<i>Possible Funding Source</i>
TCTV	Broadcast Location upgrades	1	\$ 60,000	Cable Retained Earnings
TCTV	Miscellaneous Equipment upgrades	2	\$ 15,000	Cable Retained Earnings
TCTV	Scout Hall Furnishings	3	\$ 10,000	Cable Retained Earnings
TCTV	Montachusett. T V web site Phase 2 Development	4	\$ 20,000	Cable Retained Earnings
NRSD	Roof of the Middle School/High School		\$ 2,300,000	1. MSBA Green Repair Program 2. Phillipston/Templeton Capital Debt for the remaining %.
NRSD	Varsity Game Field inside		\$ 490,000	School District Budget
Police/Dispatch	HVAC at Police Station		\$ 150,000	\$75k from other sources (911 etc.), 50% by ARPA
Sewer	Crotty Ave Pump Station		\$ 1,500,000	Debt authorization-USDA loans, or other outside source

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DPW B&G	Windows, Replacement in Town Hall	4	\$ 15,800	Green communities Project
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Section 4: Tax Impacting Requests**Tax Impacting Requests:**

The departments submitted 26 capital request that are potentially tax impacting. The committee reviewed these requests and set our recommendations based on their merit, perceived need, safety concerns, and benefit to the community. We were severely hampered by the lower-than-expected capital budget, so we are recommending the use of the Capital Stabilization Account (known as CAPEX) in the amount of \$28,000 (~13% of current balance). We were able to rank 6 of the 26 projects before exceeding the assumed \$328,000 budget limit. These would of course by subject to vote at Town Meeting.

Dept	Capital Request	Department Priority	Committee Recommendations	Estimated Taxpayer Funded Expense (\$300k Free Cash + \$28k CAPEX)
Fire Dept	Tanker 1	1	1	Recommend Lease (\$93,000/yr. for 5 years) to be funded by request from other town enterprise funds, future capital budgets, or OPEX
DPW B&G	Truck, F550 Swap Loader	1	2	\$ 163,880.00
DPW	Software, work orders and asset mgmt.	2	3	\$ 37,220.00
Rec/CommServ	Water-reel device for irrigation	1	4	\$ 11,126.25
DPW B&G	Mower, zero-turn, Kawasaki	2	5	\$ 14,600.00
DPW B&G	Electric panels, town hall	3	6	\$ 6,300.00
			Total	\$ 327,126.25

A few of the remaining requests were not considered because they were not prioritized by the department or the department did not provide any cost estimate. The others were either lower priority, lower overall benefit, or alternative options may exist. The Main Bridge Survey will yield the cost that will be considered for repairs to the bridge and will likely be expensive enough for Capital Planning consideration.

Section 5: Committee Recommendations

The committee recommends acceptance of the above tax and non-tax impact capital requests. Furthermore, this committee must strongly urge the SB, the Department heads, and the town supporting staff offices to promptly execute the MGL-defined purchase goals. Based on historical data, this committee recommends prompt purchases made in accordance with the

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town administrator's guidance on leased items and future impacts to the operating budget. Of the roughly \$3.4 million requested by department heads (excluding school and enterprise funds), the CIC was able to make recommendations satisfying \$1.8 million in requirements.

Furthermore, the CIC in addition to suggested the use of a reasonable percentage of the CAPEX fund, the CIC recommends promptly devoting ~\$1.3 million in previously awarded American Rescue Plan Act (ARPA) funds to supplement the available funding for the large capital requirements presented to this committee. We would recommend the following uses:

Dept	Capital Request	Department Priority	Committee Recommendations	ARPA Fund Candidate
DPW	7 Ton, 6-wheel, plow and dump, Ford 750 (Qty 2)	1	1	\$ 200,000
Fire Dept	Forestry 3 Tanker	1	2	\$ 225,000
Police/Dispatch	HVAC at Police Station		3	\$ 75,000
Fire Dept	Forestry 2 Truck	3	4	\$ 185,000
DPW	Skidsteer loader	3	5	\$ 107,500
DPW B&G	Kitchen Upgrade, Senior Center	5	6	\$ 200,000
DPW B&G	Paving, TC Fire*	6	7	\$ 24,807.50
DPW B&G	Paving, Bald Fire*	6	7	\$ 40,830
DPW B&G	Paving, Town Hall*	6	7	\$ 67,533
DPW B&G	Paving, DPW*	6	7	\$ 43,568
Fire Dept	New Fire Station Professional Study	4	8	\$ 100,000
Town Admin	Upgrades to Town Common	1	9	\$ 30,000
		Total Recommended		\$ 1,299,238.50

*All paving totals ~\$176,000 and should be bundled for bid purposes

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The CIC was unable to recommend funding sources for the following projects, but wishes to inform the SB of their importance and pending cost, potentially to the taxpayer. The CIC would recommend that the appropriate town bodies form requests to our MA State Congressional Delegation requesting funding for the Police Station HVAC, Bridge work, and Senior Center Kitchen upgrades if they are not offset by available ARPA funding.

Dept	Capital Request	Estimated Total Cost	Possible Funding Source	Note
Fire Dept	Forestry "Argo"	\$75,000	6 th priority	Recommend deferral to FY25
DPW	Engineering, Hamlet Mill Bridge	\$ 400,000	Grant Possibility	Recommend deferral
DPW	Drainage Work, N Main	\$ 600,000	Grant Possibility	Recommend deferral
NRSD	Roof of the Middle School/High School	\$ 2,300,000	1. MSBA Green Repair Program, 2. Phillipston/Templeton Capital Debt for the remaining %.	Override or Debt Excl
NRSD	Varsity Game Field inside	\$ 490,000	School District Budget	NRSD E&D or ESSR
Sewer	Crotty Ave Pump Station	\$ 1,500,000	Debt authorization- USDA loans, or other outside source (estimated cost, 1.5 mil)	Debt Exclusion/Town Meeting
Rec	Gilman Waite Tennis and Basketball Courts	\$25,000 - \$120,000	Community Preservation	Recommend deferral; reassess after CPC views
	TOTAL REQUIREMENT	\$ 4,890,000		

Finally, upon our last meeting, the CIC voted to accept these recommendations with one member voting 'present' to a possible ethics consideration related to the Fire Department recommendations and one voting member absent.

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Section 6: Five Year Capital Projection

	2024	2025	2026	2027	2028
Total of All Capital Requests	\$1,001,266	\$2,764,124	\$1,101,952	\$624,454	\$443,310

The CIC has updated the Master Capital Improvements Plan (MCIP) spreadsheet with all new data and updated the life cycle cost and expected life. The town has made modest improvements to its overall capital position, but is still struggling with expensive infrastructure repairs as well as managing the public safety and public works fleets. The CIC did notice a bump in projections and investment from last year's report and attribute this to concentrated costs of old fleet and new requests from this year's cycle. The five-year outlook for capital needs is consistent with the MCIP but include some items that will need careful consideration for funding source.

Projected Annual Capital Investment

5 Year Avg	\$ 686,570
10 Year Avg	\$ 936,796
15 Year Avg	\$ 770,054
20 Year Avg	\$ 799,903
Averaged Avg	\$ 798,331