

REPORT OF THE CAPITAL PLANNING AND INVESTMENT COMMITTEE

[DRAFT]

The Capital Planning and Investment Committee (CPIC) submits our report to the Town.

Harvard's capital program, consisting of CPIC and the Capital Stabilization and Investment Fund (CSF), was established by the Town to improve capital planning and stabilize the impact on the tax rate due to large capital expenditures. It is the Capital Committee's responsibility to review capital requests submitted by various town departments, boards, commissions, or committees and determine if the proposed items represent a genuine need and fit with Town priorities, and if the proposed cost is reasonable.

FY25 Process:

In August 2023, CPIC solicited FY25 projects and the anticipated next five-year capital requests from all Town Departments, Boards, and Committees. We reviewed each request, compiled our questions, and met with all requesters to discuss each request and review their answers to our questions. After these meetings, each CPIC member independently rated each request against set criteria including: justification of need, consistency with Town priorities, the project plan and cost being detailed and substantiated, availability of alternative non-tax funding, impact on future Town operating expenses, environmental impact considerations, and how many of our residents will be impacted by this item. The projects were ranked according to these ratings, which informed our Committee's discussions and votes to recommend (or not) to the Finance Committee and Select Board which projects should be funded in FY25.

FY25 Recommended Capital Plan

The chart below summarizes the requests considered by CPIC for FY24. Detailed descriptions of each project are included in this report.

Dept	Project	Amount
DPW	F-550 Dump Truck	\$120,000
DPW	Garage Construction Project	\$10m ¹
DPW	Mini Excavator	\$70,000

DPW	Road Maintenance & Repairs	\$200,000
Facilities	Library Mechanicals	\$200,000
Fire	Radio Replacements	\$237,000
Parks & Rec	Beach House & Area Upgrades	\$20,355
Parks & Rec	Field Upgrades	\$26,523
Police	UHF Radio Repeater	\$74,000
Schools	Athletic Equipment	\$53,215
Schools	HES Fencing	\$21,437
Schools	Plow Truck	\$65,000
Schools	Science Wing Restrooms	\$100,000
Schools	TBS Flooring	\$130,000
Schools	TBS Gym Shades & speakers	\$25,174
Schools	TBS Retaining Wall, Ramp, Rear stairs	\$125,000

¹To be paid for with excluded debt

The Capital Stabilization and Investment Fund (CSF)—our “savings account”

One of the primary purposes of the CSF is to stabilize the impact of capital expenditures on the tax rate over time. Prior to the establishment of the CSF in 2011, Harvard funded most capital expenditures on a “pay as you go” basis. In order to build and maintain a sustainable capital fund, in May, 2010, the Town established a policy to transfer the prior year's Certified Free Cash to the CSF unless the Town's Stabilization Fund needs replenishing or there are unforeseen expenses in the current fiscal year that the budget cannot absorb.

This year, our Committee voted to use \$100,000 of the CSF fund in FY25, and the School Committee “matched” this with Devens funds, to reduce the tax impact on residents created by the initial debt payments for the new Hildreth Elementary School. We are pleased we can do this for the taxpayers to lower tax bills and minimize year-to-year fluctuations. This is the final payment, completing the commitment CPIC made to spend \$1M in this effort.

The CSF currently has a balance of \$2.4 million. As detailed in the 5-Year Capital Plan Projections, we have requests totaling approximately \$7 million for currently identified projects during FY25-FY29, plus a few large capital items coming up - DPW building, firehouse, new athletic fields, Bromfield improvements - which will likely require excluded debt.

The Committee expresses its sincere appreciation to the Town Administrator, Finance Director, and all the Town Department Heads, Boards, Commissions, and Committees for their help in the review process this year.

Respectfully submitted,

Voting members:

Nate Finch, Chair and Community Representative
Mike Derse, Vice-Chair and Finance Committee Representative
Abby Besse, School Committee Representative
Charles Oliver, Select Board Representative
Jeffrey Lin, Community Representative

Ex-Officio Members:

Tim Bragan, Town Administrator
Linda Dwight, School Superintendent
Jared Mullane, Finance Director

Capital Projects Recommended

F-550 Dump Truck (Article XX)

The DPW requests funds for a replacement medium-sized dump truck, to replace their current 2012 model. This is a scheduled replacement.

CPIC recommends \$120,000 be funded from the Capitalization Stabilization and Investment Fund.

Road Repairs (Article XX)

The DPW requests funds to maintain the town's public roads. While the town receives money from the state (known as Chapter 90) for road repairs, the funds from the state do not increase as fast as road repair costs. This request would fund additional road repairs needed across the town, including paving and crack sealing.

CPIC recommends \$200,000 be funded from the Capitalization Stabilization and Investment Fund.

Garage Construction Project (Article XX)

The DPW requests funds to do a renovation of the DPW building, which is in dire need of major work. This is a follow-on to past requests, which created a design for the building, and includes new offices, a new mechanic's garage, and new storage buildings for large DPW equipment.

CPIC recommends \$10 million be funded via excluded debt.

Mini Excavator (Article XX)

The DPW requests funds for a replacement mini excavator, to replace their current 2009 model.

CPIC recommends \$70,000 be funded from the Capitalization Stabilization and Investment Fund.

Fire Dept Radio Replacements (Article XX)

The fire dept requests funds to replace their aging mobile radios and pagers. These are the radios used to coordinate firefighters during an emergency, and pagers to contact volunteers.

CPIC recommends \$237,000 be funded from the Capitalization Stabilization and Investment Fund.

Library HVAC Mechanicals (Article XX)

The facilities manager requests funds to replace the HVAC components of the public library, which are at their end of life.

CPIC recommends \$200,000 be funded from the Capitalization Stabilization and Investment Fund.

Athletic Field Upgrades (Article XX)

The Parks and Rec department requests funds to update signage, fencing, irrigation, and parking facilities at various athletic fields.

CPIC recommends \$26,523 be funded from the Capitalization Stabilization and Investment Fund.

Beach House and Area Upgrades (Article XX)

The Parks and Rec department requests funds to renovate the Beach House including new doors, fascia, and gutters, as well as to address drainage issues in the surrounding landscape.

CPIC recommends \$20,355 be funded from the Capitalization Stabilization and Investment Fund.

Police UHF Radio Repeater (Article XX)

The police department requests funds to add a UHF radio repeater to replace their existing VHF radio repeater, as the department is moving to the now-standard UHF format.

CPIC recommends \$74,000 be funded from the Capitalization Stabilization and Investment Fund.

Bromfield Athletic Equipment (Article XX)

The Harvard Public Schools request funds to replace its aging – and in some cases broken – track and field equipment.

CPIC recommends \$53,215 be funded from the Capitalization Stabilization and Investment Fund.

Hildreth Elementary Fencing (Article XX)

The Harvard Public Schools request funds to add a fence around the school playground fields, to keep children and balls from running into the parking lot.

CPIC recommends \$21,437 be funded from the Capitalization Stabilization and Investment Fund.

School Plow Truck (Article XX)

The Harvard Public Schools request funds to buy a used plow truck for clearing school property in the winter and landscaping work the rest of the time.

CPIC recommends \$65,000 be funded from the Capitalization Stabilization and Investment Fund.

Bromfield Science Wing Restrooms (Article XX)

The Harvard Public Schools request funds to renovate the restrooms in the science wing of Bromfield, since they are outdated and have various ADA compliance issues. This work will be done by the school maintenance staff.

CPIC recommends \$100,000 be funded from the Capitalization Stabilization and Investment Fund.

Bromfield Flooring Replacement (Article XX)

The Harvard Public Schools request funds to replace portions of the flooring in Bromfield. Much of the flooring is at least 20 years old and needs replacement. This request would fund replacement with environmentally friendly tiles that do not need regular waxing as the current floors require, saving custodial time and cleaning

supplies. This is a continuation of the request from the last couple years, and saves the town money by having the project performed by the school facilities director and his staff.

CPIC recommends \$130,000 be funded from the Capitalization Stabilization and Investment Fund.

Bromfield Gym Upgrades (Article XX)

The Harvard Public Schools request funds to add shades to the windows of the Bromfield Gym, as well as to replace the existing speaker system used during assemblies and games.

CPIC recommends \$25,174 be funded from the Capitalization Stabilization and Investment Fund.

Bromfield Retaining Wall, Ramp, Rear Stairs (Article XX)

The Harvard Public Schools request funds to renovate the retaining wall and wheelchair ramp in front of Cronin auditorium, as well as the rear stairs at Bromfield. All have deteriorated significantly and need significant repairs.

CPIC recommends \$125,000 be funded from the Capitalization Stabilization and Investment Fund.

Existing CPIC Debt (Article XX)

Past CPIC committees committed to paying the debt service on loans for fire and police equipment.

CPIC recommends \$61,000 be funded from the Capitalization Stabilization and Investment Fund.

Other Projects Considered But Not Recommended for FY24

Fire Station Design (\$300,000)

CPIC voted to delay the design work until a location was chosen and nearer to construction time, which is estimated to be FY27.

Police Roof Replacement (\$58,000)

This was mainly requested in service of the accompanying solar panel addition, but that request was for next year. The roof still has several years of life to it, so it is not

needed to be replaced for that reason now. Given our limited budget, this got delayed until at least next year when we can consider solar.

Bromfield Cronin Auditorium Seating Replacement (\$97,000)

A large portion of this cost was reupholstering the seats, with only a portion being for the ADA compliance changes. The committee would like to see the ADA compliance portion put forth individually, since the upholstery seems to be in sufficiently good condition, and a full replacement of all seats was outside this year's budget.

Bromfield Locker Sections (\$200,000)

This request was simply outside of CPIC's budget this year.

Bromfield HVAC (\$1,700,000)

There is a study to determine what HVAC work needs to be done which has not been completed. CPIC voted to wait until the study is finished before voting for money for the HVAC work.

Automated Athletic Field Liner (\$60,000)

Though CPIC understands the benefits this kind of machinery would give to the town and its athletic coaches, this request was simply outside of CPIC's budget this year.

Master Plan Update (\$100,000)

This request was put in less because it needed to be done and more as a formality as the Town Planner felt it was required to be brought up by Massachusetts policies. Neither CPIC nor the Planning Board felt updates were necessary at this time.

Followed by Charts:

- Five Year Capital Plan Summary (one page)
- Five Year Capital Submissions by Department (2 pages)
- Five Year Major Projects (one page)
- Five Year Major Projects/timing of debt service (one page)
- Excluded Debt Service 10-year Projections (one page)
- CSF Sources and Uses Projections for Five Years (one page)