

Capital Planning Committee

Report to Selectboard and Town Meeting

Town of South Hadley

Final Report May 7, 2024

The Capital Planning Committee (CPC) is responsible for studying and making recommendations to Town Meeting and the Selectboard with respect to purchase of capital equipment, as well as capital projects, including new construction, renovations and maintenance. Capital equipment and projects are defined as major non-recurring tangible assets with a useful life of at least five years and a cost more than \$25,000. This report is presented to the Selectboard, and subsequently to Town Meeting, for their consideration and approval.

We thank Town Administrator Lisa Wong, Director of Building Operations Scott Moore, as well as Town and School department administrators and staff for their thoughtful guidance as we reviewed their requests. The Director of Building Operations is a new position added in July 2023, and has resulted in remarkable improvement in maintenance, project management and planning for the future.

Process

In preparation for the FY2025 budget, the CPC met eleven times with the Director of Building Operations and Town Administrator, as well as appropriate department heads and staff. Our meetings were used to evaluate the scope, viability, appropriateness, relative priority, and source of funding for each project in the proposed Capital Budget. Following presentations by the various departments, input from others, and discussion by the committee, each CPC member submitted a rating sheet to the Town. The results were compiled and are included as part of this report. Additional topics of discussion in the past 10 months included progress reports on FY2024 projects, updating the bylaw which details the roles and responsibilities of the CPC, as well as updates to the 5-year Capital Plan. A summary of FY2024 projects is included with this report.

Recommended Projects and Source of Funds

The potential sources of funding for capital projects include the FY25 operating budget, Unreserved Free Cash, Stabilization Funds, borrowing, Enterprise Funds, grants (including ARPA funds), and in-kind contributions of time and materials from various departments and volunteers. A total of \$4,088,000 in capital projects and equipment have been requested for funding for FY 2025. As of the issuing of the draft report on April 30, the CPC recommended total funding of \$2,302,000, including \$1,530,000 from Free Cash, \$150,000 from the Ledges Enterprise Fund, \$602,000 from the Wastewater Treatment Plant Enterprise Fund/Estimated Fund Receipts, and \$20,000 from the Cable Studio Account. The CPC met on Monday May 6 and voted to endorse additional spending of \$355,000 from the Public School Lunch Revolving Account to fund equipment replacement and upgrades in three of the public school kitchens, bringing total recommended capital spending to \$2,657,000. At the same meeting, the CPC voted unanimously to recommend Town Meeting wait until a special meeting in the Fall before

appropriating funds for trash and recycling bins related to the anticipated contract extension with Republic Services. The remainder of the FY2025 requests will be considered later in FY2025 or in a subsequent fiscal year.

Future Planning

In addition to making recommendations on specific expenditures for the current or ensuing fiscal year, our charge also includes monitoring and updating future capital spending, often referred to as the 5-year capital plan. Although we advised the Town Meeting last year of our intent to re-establish a 5-year capital plan, and much work has been done in that regard, the goal has not been fully completed. Planning and documentation of future capital needs remains a top priority. With the newly established Department of Building Operations taking the lead, and a draft of the 5-year Capital Plan now under consideration, this long overdue plan is getting back on track. We expect the plan to be approved by sometime in the Fall.

Major projects that were highlighted in last year's report and remain this year include production of a feasibility study for Mosier Elementary School, continued HVAC and structural upgrades at the High School to remedy ongoing moisture issues, a plan to upgrade the WasteWater Treatment Plant, and funding of several culvert replacements that are in danger of failing. Work and planning continues for each of these projects, with the need for very significant funding in the years ahead.

In the past 3-4 years, through a management contract with IGM, financial and operational results at the Ledges Golf Course have drastically improved. With long term financing of the original construction of the course scheduled to be completely paid in the next 4 years, now is the time for the Town to determine the best path forward for the future. Creation of a Masterplan has been proposed, which will outline recommendations for best uses for the property that will maximize its use and best ensure continued financial viability. The property was originally acquired through a grant that requires that it be used for passive recreation. In addition to continued use as a golf course, the plan will provide suggestions for additional recreational activity. While funding of the Masterplan is not included in this year's Annual Meeting warrant, a request is expected in the near future.

Fiscal Year 2025 Capital Budget Recommendations

The following is the Capital Planning Committee's recommended FY2025 Capital Budget. In each case, the recommended source of funding is Unreserved Free Cash unless otherwise indicated.

Cable Studio - Video cameras

\$20,000

South Hadley Community Television's (SHCTV) request is for \$20,000 to purchase three cameras and accessories like tripods and personal LED monitors to upgrade their existing cameras used in the field for live broadcasts. This will enable them to match the colors in the video easier since they don't currently have three of the same type cameras, as well as updating the quality and features to allow for higher definition recordings with better technical capabilities. This will be funded from the Cable Studio account which is made up of

a percentage of South Hadley Comcast subscriber fees negotiated in the Cable Television License Contract.

Source of funds - Cable Studio Account

DPW - Highway and Parks Division Mini-X wrist attachment **\$25,000**

This attachment is for the recently purchased mini-excavator, and will enhance digging and cutting capability options, making this machine more versatile. It will allow for swale grading, and tree/brush maintenance cutting with a 360 degree rotational option for attachments, rather than just the fixed boom attachment options currently.

DPW - Parks Division Barn Furnace **\$15,000**

The existing furnace in the Parks facility is well past its serviceable life expectancy and has required extensive maintenance in recent years. We received several quotes and looked at multiple options, including a heat pump system, propane conversion, and like kind replacement with similar current technology . After reviewing the options and pricing, it was determined that the most cost efficient and practical alternative will be to go with a like kind replacement.

DPW - Shade Tree Management Plan **\$40,000**

The Town applied for a Community Forestry Challenge Grant in October 2023. Funding notification is expected to be announced in June 2024. If awarded, there is a local match requirement of \$20,000. The total project cost is budgeted at \$40,000 to develop a town-wide Shade Tree Management Plan. The Shade Tree Management Plan will take the initial Phase 1 inventory to the next level to plan for the current and future shade tree canopy. It will help the Town better understand the current condition of shade trees by collecting inventory data identifying potential medium to high risk trees. It will assist with planning both short and long-term maintenance needs. The associated work will create a comprehensive multi-year management plan that includes suggested maintenance cycles, removal of any diseased or dying/dead trees, and identification of future planting locations. This project builds on the initial shade tree inventory, previously funded through the Capital Plan in FY2024 (Phase 1). Currently in progress, Phase 1 work includes GIS mapping services associated with the development of a GIS-based street tree inventory and assessment. It involves conducting inventory and inspection of trees located within 10 feet from the edge of pavement along approximately 85 miles of Town accepted roadways. This initial inventory work, followed by the creation of a Shade Tree Management Plan, are the first stepping stones in managing the structure, function, and value of the Town's community forest for South Hadley residents today and into the future.

DPW - Pearl Street Elmer Brook Culvert **\$375,000**

The existing 6' culvert of the Pearl Street culvert crossing of Elmer Brook severely constricts the stream and has a cascade/free fall condition at the outlet. These conditions have resulted in the formation of a large scour pool approximately 40 feet across and 4-6 feet deep downstream of the culvert. The proposed replacement is a 16-foot span by 6-foot rise open-bottom corrugated metal arch structure designed to meet 1.2 bankfull widths and

accommodate predicted peak flows for the 2070 50-year design storm. The open bottom culvert will be set at the approximate invert elevations of the existing channel to keep the stream's longitudinal profile. Fuss & O'Neill has developed a design for the culvert replacement. The crossing was designed based on MassDOT Chapter 85 bridge Massachusetts Action Team (RMAT). The crossing has been identified as among the top 5% of crossings prioritized for replacement by the Mass Wildlife Climate Action Tool and is located along a stream that is mapped as a coldwater fishery resource. It is also identified as a top 10 priority crossing for the Town during the FY21 MVP Action Grant to assess and prioritize culverts for replacement Town-wide. The previous estimated project cost was \$675K, however that cost now increased to \$1.3M. Total project cost assumes road closure and an off-site detour, which is generally the most convenient and least costly alternative for traffic control from a construction perspective. Next steps include specifications & bid documents, MassDOT Chapter 85 bridge review, and finally construction.

Source of Funds: The Town has applied for two grants for possible construction funding - The Division of Ecological Restoration (DER) Culvert Replacement Grant (\$400K maximum award) as well as the MVP Action Grant for the full construction cost (\$1.3M). The MVP program has a 10% match requirement (\$130K). A partial award from either funding source is possible. The request of \$375K from Free Cash will only be used if grant funds are not available to fund the entire project.

DPW - Parks Division Infield groomer

\$24,000

This purchase will replace a 2008 Toro infield groomer, and is used to groom the finish surface of baseball and softball field infield dirt surfaces. It is also used for fine grading of natural turf repairs and roadside loam and seed repairs after construction projects. The current machine has reached its normal serviceable life.

DPW - Parks Division Exmark Mowers

\$20,000

This is to replace one older piece of mowing equipment that is beyond its normal serviceable life expectancy. Replacement of an additional mower is expected for inclusion in the FY2026 Capital Budget.

DPW - Landfill

The current contract with Republic Services for trash and recycling pickup and disposal is set to expire on June 30, 2024. The Town Administrator, DPW Superintendent, and Selectboard are expected to sign a new 6-year contract with Republic Services that will transition from the current "Green Bag" program to a new program utilizing trucks with hydraulic arms for automated pickup of both trash and recyclables. This program will require that the Town acquire the appropriate trash and recycling bins for each residence and business that will be participating in the program. As of the date of this report, the quantity and size of the bins to be purchased has not been decided. Depending on the exact proposal the Selectboard negotiates with Republic Services, the capital cost for acquisition of bins is expected to be in the \$750,000 range. The total source of funds remains to be determined, although a significant portion is anticipated to be funded through Retained Earnings in the Landfill Enterprise Fund as a result of the planned FY2025 increase to the

trash fee billed to residents. With these questions remaining, the CPC voted unanimously at its meeting on May 6 to recommend delaying a vote on this request until a Special Town Meeting in the Fall of this year.

Town Hall - Town Hall mini splits

\$50,000

These funds will be used to install mini split units to provide heating and air conditioning for the school department offices on the second floor. Most of the rest of the Town Hall has already been converted to this type of system. We also plan to take advantage of generous rebate opportunities offered by the State and utility companies. More than one third of the cost of the systems we installed this fiscal year were reimbursed through these rebate programs.

Public Library - Library HVAC and roof repairs

\$15,000

The HVAC system at the library is aging and this year experienced costly repairs that also caused failures to the system, forcing closure of the library until repairs could be completed. There are also some missing shingles and minor roof repairs that need to be made before they develop into leaks. These funds will be used to address both issues.

Town VEHICLE - 2 Police vehicles

\$135,000

This is the standard request to upgrade 2 police cruisers and to rotate out older vehicles to keep the fleet operational at peak performance. This will replace the two oldest cruisers currently in use and no longer are under warranty.

Police Dept - Police fire alarm panel and devices

\$25,000

The current fire alarm panel is proprietary, limiting our ability to use contractors of choice. The panel is also past its normal serviceable life expectancy and is no longer supported by the manufacturer. We have received several quotes from open source contractors, and need to upgrade the system as it is a potential safety issue.

Police Dept - Police computers

\$10,000

This request is to replace aging and outdated equipment, and to upgrade technology.

School Dept - Mosier Elementary School Feasibility Study

\$600,000

After previous denials, the Town has now been provisionally approved by the Massachusetts School Building Authority (MSBA), which will assist in the process of investigating various alternatives for replacement or renovation of Mosier Elementary School. A School Building Committee is currently being formed and the next major step will be to hire a firm to guide the committee in the creation of a Feasibility Study. The study will result in one or more recommendations for the most cost effective and educationally appropriate solution regarding a potential building project. Once accepted and approved by the Building Committee, the report will then be presented to the MSBA Board of Directors for feedback and subsequent approval to move forward.

School Dept - Safety Upgrades**\$50,000**

In FY24 the Town underwent a voluntary health and safety inspection by the Massachusetts Division of Local Services at all schools and facilities. Most of the violations and recommendations were able to be corrected within normal operating budgets with the exception of some fall protection issues and personal safety equipment. Installation of safety railings are needed around all of the rooftop hatches at the school buildings in order to provide fall protection for any roof activities within 16' of the roof edge. Portable eye wash stations are also needed for custodial staff for work with chemicals in areas that are not close to the fixed eye wash stations. All items have been sourced and estimates obtained. Work will be set to commence once school is out for summer vacation.

School Dept - High School HVAC automation**\$100,000**

The current building automation system at the High School is over 25 years old and the software is no longer supported. The equipment, for the most part, is no longer available. The result has been very drastic heating and cooling failures and exorbitant repair costs. The current system is also proprietary, resulting in very few contractors that can service it. There are several grant opportunities right now to address this particular system that many other school districts are experiencing. Our plan is to utilize grant funding, utility company incentives, and Green Community funding once we receive our designation, to replace the system in its entirety with a non-proprietary system that is open source, with products and service widely available. This is needed as the first step in addressing the HVAC issues at the High School.

School Dept - High School roof thermal study**\$8,000**

The High School currently has four different types of roofing systems at varying ages and conditions. There is one portion of the roof that is still under warranty however most of the roof is at the point of needing major repairs or replacement. Recent advancements in technology have provided means of renovation of older roofs instead of complete replacements. This offers a long term warranty consistent with a full replacement warranty, and is much more cost effective. A thermal study will identify the areas of the roof where moisture has infiltrated into the insulation requiring replacement. This study will result in a multiyear plan to address the roofing issues.

School Dept - High School concession, parking and egress**\$38,000**

These funds will be used to procure conceptual drawings and cost estimates for determining the feasibility of building a new concession building with restrooms at the football field, improvements to fencing to segregate the DPW Parks facility from the public, and to expand parking. A second design will be done to include construction documents to create an accessible emergency egress from the 600 wing of the High School to the fire lane, as well as an accessible pathway to the football field for those with disabilities. The egress is required by the District 1 Fire Department, as the newly designated evacuation gathering area is at the athletic fields. A grant from the Massachusetts Office of Disabilities is currently being drafted that will hopefully cover much of the cost of the project. Lastly a design with construction documents will be done to renovate the existing staff parking area at the High

School. There are many drainage issues, areas of failed concrete and asphalt, ADA compliance issues, and overall lack of space for staff and visitor parking.

School Dept - Food Service Equipment Replacement **\$355,000**

Funding sources of capital equipment for the School Department Food Service Program have changed over the years. For decades, the lunch program was self-sufficient with all expenses of the program, including capital, funded through the School Lunch Revolving Account. For the past 10 years or more, the program was no longer able to pay all expenses through the revolving account, and certain capital expenses were funded through taxation (Free Cash). As a result of previous Covid Relief funding from the federal government, which ultimately resulted in policy and funding changes from the Commonwealth through the Universal Free Meals law, there has been a significant increase in funding, which allows for the current capital needs of the program to be funded through the revolving account.

The High School walk-in cooler and freezer needs to be replaced. The current coolers are from the original construction of the school. The interior walls are concrete, over the years the walls have cracked and now are chipping and coming apart. The new coolers will be energy efficient and will meet current food codes. There is some demolition that needs to happen along with a new concrete pad poured. Estimated project cost: \$90,000-\$110,000

Both the High & Middle School are having the serving lines replaced. These are the original serving lines from when the schools were built, replacement parts are not available. There will be some demolition of the floor and retiling will be required. Estimated project cost for 2 full serving lines at the high school is \$90,000. The cost for 1 serving line at the middle school is \$45,000. Estimated project cost for both schools is \$135,000.

A few pieces of cooking equipment at Mosier School are being replaced. The Food Service Director states that, although a new Mosier School is in the planning stage, the ovens are from the 1960's when the school was built, and they are unable to obtain replacement parts. The equipment being purchased will be able to be moved and utilized in the new school. Estimated project cost is \$110,000.

Source of funds: School Lunch Revolving Fund (Does not require Town Meeting approval)

The following projects will be funded from Retained Earnings within Enterprise Funds.

Ledges Golf Course - Maintenance **\$150,000**

Funds will be used to perform general grounds and building maintenance, including cart paths, irrigation, and building repairs. It may also be used for tree maintenance and drainage. The original request for FY2025 is \$243,000.

Source of funds: Ledges Enterprise Fund

