

Capital Planning Committee

Report to Selectboard and Town Meeting

Town of South Hadley

Draft April 14, 2025

Final Report - vote on May 6, 2025

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 FY2026 budget, the CPC met ten 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 FY2025 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 FY2025 projects is included with this report.

Projects and Source of Funds

The potential sources of funding for capital projects include the FY2026 operating budget, Unreserved Free Cash, Stabilization Funds, borrowing, Enterprise Funds, grants (including Chapter 90 funds), re-allocation of existing project funding, and in-kind contributions of time and materials from various departments and volunteers. A total of \$4,598,000 in capital projects and equipment have been requested for funding for FY2026. As of the issuing of the draft report on April 14, the CPC recommended total funding of \$3,756,000, including \$2,685,000 from Free Cash, \$180,000 from the Ledges Enterprise Fund, \$233,000 from the Wastewater Treatment Plant Enterprise Fund/Estimated Fund Receipts, and \$20,000 from the Cable Studio Account. The CPC recommended \$50,000 from Chapter 90 funds and \$633,000 in funds to be reallocated from existing projects. The remainder of the FY2026 requests will be considered later in FY2026 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. The Town continues to make progress on establishing a 5-year capital plan as planning and documentation of future capital needs remains a top priority. The following are key considerations in the next 5 years:

Town: The CPC discussed the future of Town Hall and voted to not fund a \$375,000 request to replace windows. The CPC requested that the Town Administrator analyze future options for the Town Hall building and report back to the CPC.

Schools: The Elementary School Project Building Committee has been appointed and begun meeting regularly. Significant known school projects include a feasibility study for Mosier Elementary School, continued HVAC and automation upgrades at the High School to remedy ongoing moisture issues, and a plan to upgrade the elevator at the Middle School.

Cable: The PEG Access account is used to fund most expenses for South Hadley Community Television. This account is funded through a small fee added to every individual's cable television bill. As more individuals discontinue their subscriptions to cable television, and move to alternative streaming services and/or over-the-air reception, the amount of funding in the PEG Access account continues to decrease.

Public Works Infrastructure: As has been the case for many years, roads, sidewalks, bridges, culverts, the Wastewater Treatment Plant, and sewer lines are all in need of increased attention and additional funding. One example of a major project that was recently included, and has been completed, is the Judd Brook Interceptor project.

From time to time, the CPC has been engaged in these discussions, but not on a consistent basis. We have begun identifying certain culverts that are in danger of failing, and including them as part of the Capital Plan. We have recently had discussion regarding increased involvement in other public works infrastructure. Work and planning continues in each of these areas, with the need for very significant funding in the years ahead.

Ledges: Financial results at the Ledges Golf Course have drastically improved in the past 5 years. 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. It should be noted that the course will be 30 years old by the time the original bond is paid off, and that significant new capital will likely be required to ensure continued success.

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.

WasteWater Treatment Plant: The Town has hired Beta to conduct a Comprehensive Wastewater Management Plan. The work will take approximately 18 months to complete so may be available in late 2026. The work is being done in phases - Phase I is the needs assessment; Phase II is the identification, screening, and evaluation of alternatives; and Phase III is the formulation of the recommended plan.

Fiscal Year 2026 Capital Budget Recommendations

The following is the Capital Planning Committee's recommended FY2026 Capital Budget. In each case, the recommended source of funding is Unreserved Free Cash unless otherwise indicated.

Cable Studio - Editing computers

\$20,000

South Hadley Community Television's (SHCTV) request is for \$20,000 to purchase two new Mac Studio desktop computers that have updated specs for better processing power, upgraded memory and storage with AppleCare+, 2 new Apple Studio Displays with AppleCare+, keypads and mice. These will replace 2 outdated iMacs in the studio that can't upgrade their OS anymore and allow all editing stations in the Cable Studio to run the same version of Final Cut Pro. *Source of funds - Cable Studio Account*

Police Department-2 vehicles **\$140,000**

This request is to maintain the current practice of 2 new police vehicles per year, purchased 6 months apart. It is anticipated that 2024-2025 model hybrid vehicles will be \$70,000. Vehicles are maintained until approximately 120,000 miles.

Police Dept - Technology-Building camera system **\$60,000**

The need for an updated camera system was identified in 2020. There are currently 18 cameras in the interior and exterior of the building. Of those, all but 2 are analog cameras. Analog security cameras are considered an obsolete technology. Analog has a lower video quality than digital and doesn't offer the zoom-tilt, pan and clarity of digital. (all vital components for risk reduction) Furthermore, analog does not provide the scalability as digital, meaning, expanding the system (2 cables, 1 for power, one for transmission) is cost prohibitive. A current analysis has found that approx. 10 additional cameras are needed: 6 interior in the detainee holding facility and 4 exterior cameras. The additional cameras are to address unrecorded areas that increase the liability to the Town and employee. 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. *Source of Funds - reallocation*

Police Dept - Upgrade computers **\$10,000**

In FY2024 it was identified that 10 computers operating on Windows 10 were no longer supported by Microsoft. Having police computers without the latest operating system and security features puts at jeopardy our adherence to criminal justice information systems user agreement both state and federally. In FY2025, the Police Department was granted \$10,000 in capital funding to begin the upgrade, and 5 computers were purchased. The Police Department is requesting \$10,000 in FY2026 to complete this upgrade. It should be noted that during FY25 the Department used grant funding for a new department server (\$19,000) and 2 additional computers used in the Detective Bureau (\$3,600).

DPW - Replace truck #39 **\$350,000**

2008 Freightliner 10-wheeler Dump/Plow/combo body spreader with load sense computer for material distribution, 40,000 miles: This vehicle is used primarily for snow and ice response as a designated spreader of deicing materials. Heavy undercarriage rusting of all components due to corrosive applications over the past 17+ years of service. Brakes seize up during non-off winter season use; The plan is to replace this vehicle with a 2025 6-wheel dump/plow/combo body spreader with load sense computer for material distribution.

DPW - Replace truck #34

\$60,000

(1): 2016 F250 pickup/flatbed/plow/sander: 68,000 miles; vehicle has front frame issues from parking lot plowing, heavy towing use over the years, and rusting issues from corrosive environment use. Replace with 2025 ¾ ton truck/flat bed/plow/sander.

DPW - Streetlight replacements

\$50,000

(1) Rt. 116: The decorative streetlights installed with the 2006 Rt. 116 project, have internal light head components that have become obsolete. The options are to replace the entire head (\$2000 each) to replace components with a transition kit (+/- \$1000 each), which allows a change to LED's, and a light quality option. SHELDT will conduct a light study to determine light lumen options and recommendations, especially for the 5 crosswalks between Morgan Street and the south end of the Town Common, as well as the Silver at Woodbridge crosswalk.
Source of Funds - Chapter 90

DPW - Titus Pond Restoration Project

\$250,000

The Planning & Conservation Department is working with consultant Fuss & O'Neill on an MVP FY26 Action Grant Application to fund up to \$2.5 million in work related to Titus Pond Conservation Area and downstream watershed improvements. The project requires a 10% match. This request is for \$250,000. Through previous MVP Action Grant funding, Fuss & O'Neill conducted an assessment and design of corrective measures in the area of the Buttery Brook watershed over several years of planning. This work will address failing infrastructure, improve water quality, and upgrade infrastructure to accommodate larger storms of higher frequency.

Public Library - Library HVAC RTU fan replacement

\$25,000

The fan in the main roof top unit at the library has failed twice, literally breaking into pieces. Our HVAC company believes that it is a poor design and is recommending replacing it with a retrofitted aftermarket fan.

School Dept - High School HVAC repairs and maintenance

\$75,000

We have replaced the failed building automation system and performed many mechanical repairs during the first phase of the project. During the second phase of the project, many more needed repairs have been identified. Due to the age of the components, we anticipate continued repairs to maintain building conditioning. This request will provide for the repairs and maintenance of the current system as we develop a long-term plan for the High School and Middle School HVAC systems.

School Dept - High School roof repairs and maintenance **\$25,000**

It was identified in our recent thermal study that approximately 3% of the roof is compromised and needs to be repaired. Approximately 24% of the roof is under warranty until 2033, but the balance of the roof consists of three different materials and is considered to be in fair condition. This request will allow us to address the worst of the problems as we formulate a long-term plan for the balance of the roofing system.

School Dept - High School Intercom System **\$75,000**

The sound and intercom systems in the South Hadley High School auditorium and gymnasium are in need of significant upgrades to meet the evolving needs of our students, staff, and community. These spaces serve as central hubs for performances, assemblies, athletic events, and public gatherings, yet the current audio infrastructure presents challenges that hinder safety, communication, performance quality, and overall functionality. The current speakers and accompanying equipment do not allow for announcements or emergency notifications to be heard in the auditorium or gymnasium which presents a safety concern.

School Dept - Middle School Building automation system upgrade **\$275,000**

The current system is obsolete and no longer supported. Components are not available, and we currently have to rebuild or refurbish units as they fail which also results in extended downtime. There was \$100k allocated towards this in 2024 but that amount falls well short of the actual cost. There are state incentives that address these particular systems and their eminent failure, that can help to offset some of the costs. As it was with the High School, it is imperative that we have control of the current systems before we invest in a major HVAC overhaul.

School Dept - Middle School elevator replacement **\$175,000**

The Middle School elevator is at the end of its useful life. We have spent thousands on repairs to keep it functional. There have been multiple entrapments, and there are several students and staff members that rely on the elevator to access the building. The replacement parts are obsolete, and we currently have to have components rebuilt or refurbished to keep it operational. It should be replaced over the summer break.

School Dept - Chrome Books **\$543,000**

During COVID the Federal Government released money, in the form of grants, to help K-12 Districts purchase Chromebook for at home learning. Since then, our district has been responsible for their upkeep and now that the equipment is beyond repairs due to damage or

just simply the age of the machines. Chromebooks in education offer several advantages, making them a valuable tool for students and staff. They are cost-effective, lightweight, and easy to use, providing access to a wide range of educational apps and resources. Their cloud-based nature allows for seamless collaboration, real-time updates, and easy storage, ensuring that students can access their work from any device. Chromebooks help promote digital literacy and help prepare students for future careers that will almost certainly utilize technology in some way, shape or form. *Source of funds - Reallocation*

School Dept-Transportation purchase of 15 vans

\$1,200,000

This is a request for the approval for the purchase of 15 specialized vans for the transportation of students. The current system, using a vendor to provide transportation, has resulted in significant costs for the district that continue to rise each year. As a result, we believe that bringing specialized transportation in-house will provide substantial savings and improve efficiency in the long term. For the upcoming fiscal year, we are projected to pay \$1.9 million for specialized transportation services in FY26. The current arrangement with our vendor requires the use of 32 individual vans for our specialized education students, each of which is used to transport students to different schools. On average, the district is paying \$192 per van, per school day. We propose the purchase of 15 vans to bring specialized transportation in-house. This will allow us to combine routes, reducing the number of vans required to transport our students. Additionally, by optimizing these routes, we anticipate significant savings both in terms of operational costs and overall transportation efficiency. By consolidating transportation and reducing the number of vans to 15, we estimate that we will save approximately \$800,000 annually to the school's budget. Considering that there will be additional benefits and insurance costs to the town's budget we expect a combined savings ranging from \$500,000 to \$600,000.

Planning and Conservation- Trailhead kiosk installation

\$30,000

This is a request for the purchase and installation of ten kiosks at six conservation areas. Trailhead kiosks serve a variety of functions. They formalize the setting of a trailhead, welcome visitors, and provide trail users with information that may be essential to their safety and enjoyment on the trail. The only kiosks currently installed at Conservation Areas are in Black Stevens, Bynan, and Bachelor Brook-Stony Brook. These are the only locations at town conservation lands where trail maps, rules and regulations, and other important information can be displayed to the public. South Hadley's open spaces contribute to a sense of community and strengthening social resiliency by bringing residents together on the trails. The local Eagle Scouts have expressed interest in completing the labor and installation related to this project. *Source of funds - Reallocation*

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

Ledges Golf Course - Maintenance **\$180,000**

Funds will be used to perform general grounds and building maintenance, including cart path paving, HVAC system replacement, driving range ball machine, kitchen appliances, clubhouse doors, and pump repairs. *Source of funds - Ledges Enterprise Fund*

WasteWater Treatment Plant – Channel Grinder #2 **\$25,000**

In preparation of the replacement of channel grinder #2, there are some electrical and concrete issues that need to be addressed. There is an electrical conduit that runs through concrete that will need to be replaced due to excessive corrosion, prior to the replacement project. *Source of funds - WWTP Enterprise Fund*

WasteWater Treatment Plant – Replacement of truck #20 **\$68,000**

Truck #20 is a 2009 Ford F250 pick up. It has 98,000 miles on it and has issues with the engine, the lift gate, the brakes, and rust. This truck was primarily a plow truck until 2020 and is at the end of its useful life. The replacement vehicle would be a 2025 pickup truck with the same features and capabilities. *Source of funds - WWTP Enterprise Fund.*

WasteWater Treatment Plant – Water heater and tank removal **\$45,000**

With the replacement of the plant generator, and transition from diesel to natural gas, the only component still on diesel fuel is the plant water heater. Recommendations are to replace the water heater with either an electric or natural gas heater, thus allowing for the removal of the in-ground diesel tank, by an outside contractor, including associated permits for both, inspections, and soil testing, backfill and paving. *Source of funds - WWTP Enterprise Fund.*

WasteWater Treatment Plant – Inflow and infiltration study **\$50,000**

This funding will allow for the continuation of flow monitoring of the existing sanitary sewer system, in scheduled sections and segments to comply with DEP and EPA regulations, to assess and plan/confirm system upgrade efficiency (ex. Judd Brook lining project, Edison Dr. manhole near stream, etc.) This will also allow for continued GPS mapping of key system components for the sanitary sewer mapping overlay. *Source of funds: WWTP Enterprise Fund.*

WasteWater Treatment Plant – security gate installation

\$45,000

Additional funding is needed to fully complete the electronic portion of the security gate installation at the Wastewater Treatment Plant. The project was started in 2022 with a capital appropriation, which has a current balance of \$20,650. The estimated amount to complete the project with electrical upgrades, chip reader, cameras, and the gate operator assembly, is approximately \$57,000. Given the current economic climate and potential unforeseen issues, we are requesting an additional \$45,000 to complete the project. *Source of funds - WWTP Enterprise Fund.*

Respectfully submitted,

Ira Brezinsky, Chair
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