

FY2022 Capital Budget Committee Report
To Belmont 2021 Annual Town Meeting

Town of Belmont FY 22 Capital Budget

The Capital Budget Committee (“CBC” or “Committee”) is established by Article 4, §40-405 of the Town General Bylaws. It is the duty of the Committee to prepare a capital report showing: a list of public improvements and non-recurring major equipment needs that represent the most necessary enhancement projects or purchases to be undertaken by the Town during each fiscal year. Section 40-405 also requires that the CBC provide to Town Meeting a report of the five-year projected capital needs of the Town. This can be found at the end of this report. What items appear on this list and why is explained *infra*.

This year the Town allocated approximately \$1,700,000 for discretionary capital spending. This amount represents \$1.5M allocated to capital by the Select Board and \$245K in turn backs from completed capital projects from previous years. For the past several years, the CBC has received requests on average of over \$3,000,000/year. Fiscal Year 2022 requests total \$4,319,722, yet the CBC had less than half that amount to allocate towards these projects.

The following chart shows the total number and costs of requests by Department:

Department	Number of Projects	Costs Requested	Approved	Deferred	Withdrawn
Accounting	1	\$ 50,000	\$ 50,000	\$0	
Council on Aging	1	\$ 65,300			\$ 65,300 (Grant)
Facilities	12	\$3,107,940	\$888,000	\$1,868,934	\$ 351,006
Fire	4	\$ 331,540	\$ 331,540	\$0	\$0
Information Technology	1	\$ 140,000	\$ 98,000	\$0	\$42,000 (Grant)
Library	2	\$ 223,800	\$ 0	\$ 223,800	
Police	3	\$ 87,000	\$ 76,000	\$0*	\$ 11,000 (Grant)
School Department	1	\$ 131,392	\$ 131,392	\$0	
Public Works	3	\$ 182,750	\$ 182,750	\$0	
Total:	28	\$ 4,319,722	\$1,757,682	\$ 2,092,734	\$ 414,245

The following table provides a list of FY22 requests that the CBC is recommending to Annual Town Meeting. These recommendations are contained in Article 19 of the FY22 Annual Town Meeting Warrant.

Department	Project	Total Approved
Accounting	Tyler Content Manual SE - Digital storage of documents by all departments using MUNIS modules. All departments will have access which will improve Town wide efficiency.	\$50,000
Facilities	Butler Window Replacement -Continuation of window replacement project and envelop repointing and sealing. There are 72 remaining windows to be replaced at Burbank-including those in this request.	\$200,000
Facilities	Wellington Exterior Damage - This is neither a reconstruction nor a replacement but a refinishing of failed exterior stain on the windscreen. Some areas of the exterior finish at Wellington are failing. The phase requested, the first phase, is to redo a failed section and determine the best method for fixing it. The building's architect is contributing to the project. The amount requested reflects this.	\$40,000
Facilities	Fire Station Roof Repair - Station #2 needs roof repair work to address the initial issues with construction. The town received an insurance settlement which is not enough to cover the work.	\$530,000
Facilities	Burbank and Butler Boilers Replacement - There is not enough funding available to cover the remaining boiler replacement needs at both Burbank and Butler. This funding would be used to supplement the funds needed.	\$118,000
Fire	Shift Comm Vehicle - The current vehicle (2015) will be placed in reserve status and used as a backup and for other Departmental needs. The current back up vehicle (2007) will be disposed of.	\$70,000
Fire	Ambulance Replacement - Ambulance replacement over five years was \$65,000 up until FY21 annually. In the last year of the five-year cycle (FY22) the total request is \$80,000 to complete the appropriation of 340,000 for a new ambulance. The new ambulance will be ordered this fall.	\$80,000
Fire	Cardiac Monitor - Annual request for \$7,000 towards replacement of a cardiac monitor after five years. Funds from Ambulance revenues. A new monitor is scheduled for purchase in FY23.	\$7,000
Fire	Portable Radios - The Fire Department's radios are required to work under extremely harsh conditions and are the communications lifeline between the firefighters and incident commanders. The current radios will be reassigned and used for other ancillary purposes within the FD.	\$174,540
Information Tech	Phone Infrastructure Upgrade - The Town of Belmont's current network infrastructure will not support a Town – wide hosted VOIP system. This request is to fund the upgrading of the network infrastructure. State grant covers \$42,000 of project cost.	\$98,000
Police	Replace Fire and SQL Server - Replace the PD's file and SQL server, this server holds documents and files as well as running both the time tracking software and the detail tracking and billing software. Also runs the SharePoint information and roll call software.	\$26,000

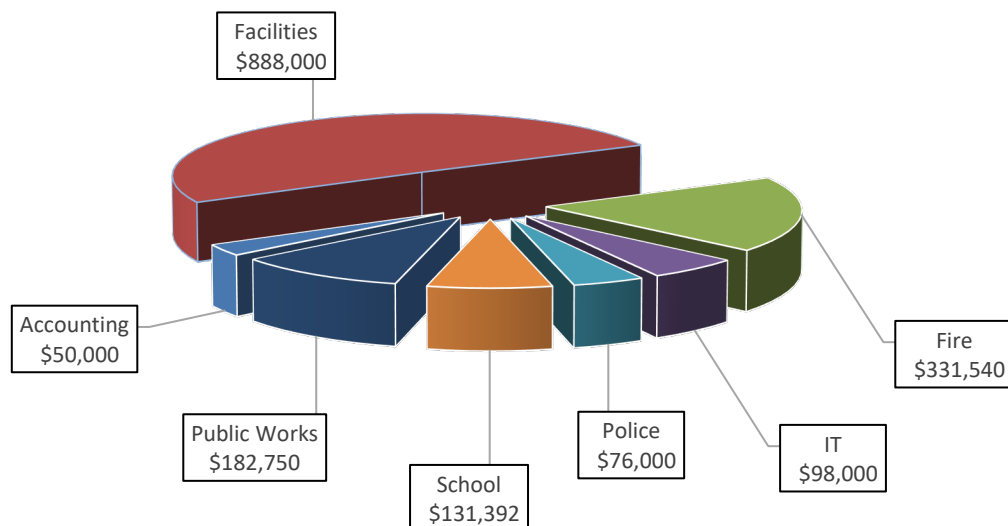
Department	Project	Total Approved
School Department	SAN Storage - Project will replace the central storage device for the school district. This device stores data files as well as virtual databases for district servers.	\$131,392
Public Works	Material Spreader - This primarily spreads salt and sand and attaches to a snowfighter, so it sees use under very harsh conditions. The frame is rotting through. This is one of three (3) units. The DPW replaces one of them every ten (10) years.	\$26,265
Public Works	Dump Truck - The current vehicle is a 2005 F450. The repair costs for the last four (4) years total over \$22K. The engine is in danger of imminent failure.	\$71,155
Public Works	Riding Mower - DPW's Parks Division will be responsible for maintaining the grounds of the new high school. A larger mower will be purchased with money from the BHS FF&E budget; however, this small mower is required for smaller, tighter areas both at the high school and other green spaces around Town.	\$85,330
Total Approved		\$1,757,682

Below is a chart of the capital requests the CBC either was unable to fund and deferred or were withdrawn. The amount listed as deferred or withdrawn reflects the actual request.

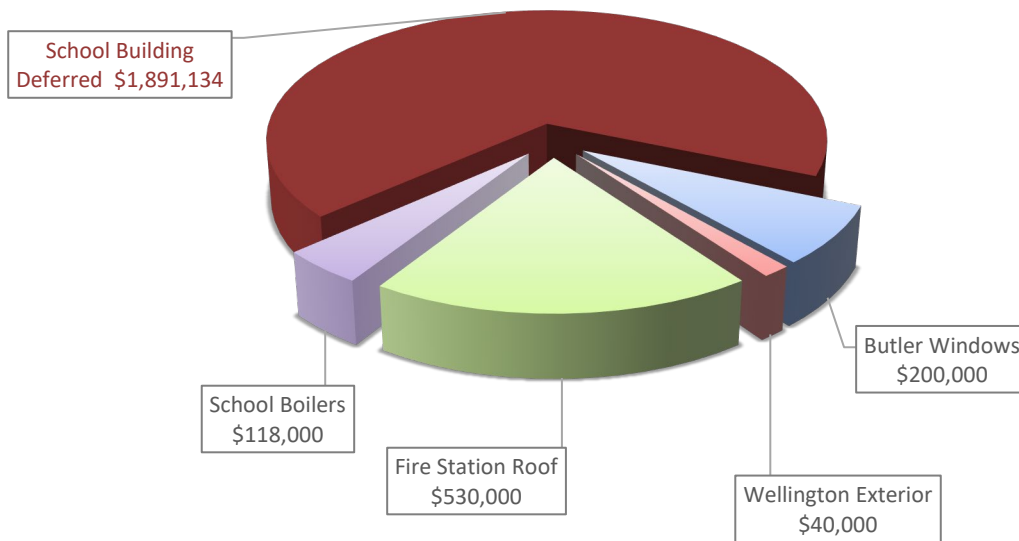
Department	Project	Amount Withdrawn	Amount Deferred
COA	Belderbus – Vehicle at end of useful life. State grant covers entire cost of replacement bus.	\$52,245	
Facilities	Work Truck - The DPW will rehab one of its truck that is being retired and give it to Facilities. The money to rehab a truck was previously approved.	\$53,000	
Facilities	Chenery Cafeteria A/C - There are 4 units, 2 of which were recently replaced. This estimate is for the remaining units.		\$96,000
Facilities	DPW Fuel Tank Replacement – Funding was secured through alternative sources for the remaining portion.	\$200,000	
Facilities	Burbank Secure Vestibule - This would create a remote access controlled secure vestibule with full view cameras and two-way communication with staff. Inner and out wood doors will be replaced.		\$46,963
Facilities	Winn Brook Secure Vestibule - Substantially the same project as that proposed for Burbank.		\$54,671
Facilities	Carpet Replacement(s) - This request was withdrawn. The CBC does not fund ordinary maintenance items.	\$98,000	
Facilities	Chenery Roof - The building is 24 years old. Its roof is at the end of its useful life and leaking. Project deferred until the Fall when the Town will have a better grasp on the scope of the work and its cost.		\$1,571,500

Department	Project	Amount Withdrawn	Amount Deferred
Facilities	Bldg. Management System - This system would assist in managing the complex HVAC programing of Town buildings, with special focus on the Wellington and the High School, which have the latest technologies.		\$122,000
Library	Fire Alarm System - Current system is now obsolete and out of code. It is hard to find replacement parts for it. A new system would have a life expectancy of twenty (20) years.		\$171,800
Library	A/C Equipment - Targeted repairs to A/C units to extend their useful lives for at least another five (5) years. Thousands of dollars are spent in repairing these units annually, which are essential for use of the library in the summer.		\$52,000
Police	Replace Livescan Fingerprint - Replace Livescan Fingerprint System scanner. In FY20 we replaced the computer from the operating budget for FBI compliance. The printer was also replaced under support agreement. The current scanner is no longer actively supported by manufacturer. Entire cost of project will be grant funded.	\$11,000	
Total Deferred			\$2,114,934
Total Withdrawn		\$414,245	

FY 22 Discretionary Capital



Facilities Request Breakdown



As the charts above demonstrate the capital needs of the Town far exceed available funding. Town departments submitted over \$4M in requests and the Capital Budget covered less than half of the amount requested.

These recommended projects will be funded from discretionary capital budget dollars. Some capital budget dollars are committed to specific purposes by Town policy and prior overrides. These are used for roads and sidewalk repair. A fuller description of these non-discretionary projects and funds is *infra*.

Deferring Some Capital Requests

This year, in an unusual move, the Capital Budget Committee is deferring some requests until a Fall Town Meeting. This additional time will allow the Facilities Department, in conjunction with the School Department and the Library, to fully explore very costly repairs to schools and the library. These additional steps will also allow the CBC to work with the Town Treasurer and others to determine appropriate funding for these projects. The CBC has reserved funds to address some of the projects that may come back in the Fall.

Chenery Middle School

The most expensive project will be the replacement of both sections of the flat, rubber membrane roof on the Chenery Middle School along with about twenty roof-top HVAC units. The Chenery opened in September 1997. Thus, the roof and the units are 24 years old, well past their warranty and at the end of their useful lives. The roof is already leaking. The roof top units will soon begin to fail and are more appropriately replaced at the same time as the roof. It is essential to address both these projects to keep the building in top condition. Very preliminary cost estimates – not a detailed proposal, not a bid – suggest that replacing the roof could cost \$4M. Replacing all the roof top units could cost on the same order of magnitude. As noted above, requests submitted by the Facilities Department reflect a cost of approximately \$1,500,000 for roof repair. Prior to the discussion of this project with the Capital Budget Committee, further exploration into the project revealed the likelihood of a much more complex project with a higher cost.

In addition, compressors for the Chenery cafeteria and Community Room have failed and must be replaced. More analysis is needed to form a plan of action with a reliable cost. Other systems at the Chenery have reached the end of their useful life and must be part of a long-term plan to maintain the building for decades to come.

Memorial Library

The Library is waiting in line to go forward with a new building. Meanwhile, numerous systems have failed. Others are outdated and do not meet code. The dilemma faced by the CBC is what systems and replacements should be funded, knowing that the building will be replaced. The most urgent is the fire alarm system. However, HVAC and electrical systems are also issues. The Library has some estimates for this work, but they are now several years old and should be updated.

Elementary Schools

Over the past few years, the CBC has funded the replacement of fire alarm panels and systems at various schools. Some of these projects have been completed but others have not. Additional money may be needed for full completion. Waiting until the Fall gives the new Facilities Director time to determine the scope and updated cost for the work.

Finally, the HVAC system at the Wellington School is under review. This system may need some repair work. We hope to have a determination and cost for the Fall.

Capital Budget and the Financial Cliff

For years the Capital Budget Committee has requested more money to meet the growing department needs for discretionary spending. Other surrounding towns allocate between 5% and 10% of their operating budgets for Capital. Belmont only sets aside 2% to 3%. Historically, the CBC has been able to fund top priority department requests from its yearly discretionary allotment. However, when the Schools Department and the Town combined into one Facilities Department in 2013 no additional money for the CBC followed the merger. Similarly, no additional Capital funds followed the Library's inclusion in the Facilities Department Capital requests. Where once the CBC could fund fire trucks and snowplows, roofs and windows, now large purchases had to be deferred, bonded, or split across two fiscal years. Even if the CBC had enough money, there is not enough staff in the town to accomplish all the projects and purchases for a given year. The Facilities Department has experienced large personnel turnover and the DPW staffing has been reduced. Summer 2020 tells the story. With limited personnel, all the time of the Facilities Department was spent on Covid modifications to the schools and no other approved Facilities projects were completed.

Further, to effectively manage roof, window and building envelop repairs the CBC instituted a roof replacement program and funded it every year. When roofs were finished the program expanded to include building envelope and the goal was to spend \$250,000 a year doing this essential work, building by building. Recently the CBC has been unable to set aside any more than \$200,000 per year, some years much less, and without the worker power to bid and supervise the projects little has been accomplished. The same is true of a multi-year building security upgrade project.

Each of the past five to seven years the CBC has received requests for boiler and fire alarm replacements at the Burbank, Butler and Winn Brook schools. Even with grants for the boilers, Facilities has spread the work over multiple years with multiple requests to complete the projects in each school.

With this background in mind, a short review of recent CBC actions to fund essential work:

- In 2013 the CBC worked with the Town Treasurer to combine a fire department ladder truck and other town vehicle purchases into a \$1.42M five-year bond.
- In 2014 the replacement/refurbishment of the Harris track and field was a ten-year \$960,000 borrowing.
- In 2015 the CBC could not fund the \$1.39M for the Chenery modular classrooms and the money was taken from free cash.
- In 2016 a Police and Fire radio system was rolled into a ten-year, \$1.086M bond with the Belmont High School fire alarm system.
- By 2019 it was clear that the CBC could not purchase the deferred fire pumper and the cost was split over the FY20 and FY21 budgets.

Which brings the CBC to Spring 2021. Throughout the budget season emergency requests came in week after week. The estimates for some projects doubled. The override failed and the available money was limited to \$1.5M plus the turnback money the Committee chose to use. The CBC has been inching toward a fiscal cliff for years. Preparing the FY22 budget pushed the Committee to the edge of the cliff. The request for the Chenery roof and roof top units sent it careening into the chasm. As noted above, very preliminary estimates to replace the Chenery roof are \$4M. The roof top units could be another \$4M but the Committee has no written proposal for this work. Other last minute or additional requests include:

- The FY21 allocation of \$540,000 to replace the fuel tanks at the DPW was insufficient by half. The Weston and Sampson proposal is \$1.033M. The CBC proposes to fund the delta with water and sewer enterprise funds and a payment from Belmont Light.
- The Burbank and Butler boiler projects require an additional \$118,000.
- The roof repairs at the two fire stations require another infusion of \$530,000. (The insurance settlement in 2016 of \$985,000 was supplemented by \$463,500 from Capital Budget that year. In 2018 an additional \$600,000 was taken from free cash for this project.)
- AC compressors, potentially \$96,000 at the Chenery failed. The compressors are deferred until the Fall.

Where does the CBC go from here? The Town needs to make a radical shift in how it funds Capital requests and the personnel to carry out the work. The Committee has been working with the Town Treasurer to rebalance our borrowing schemes and with department heads to gather accurate pricing for all requests. It is hoped that melding the work of the CBC with that of the Long-Term Capital Projects Committee will inform the Town's thinking on addressing both short- and long-term prioritization and funding of projects.

For FY22 the CBC recommends the list outlined in this document. The Committee will work to present additional projects with potential funding to a Fall Town Meeting.

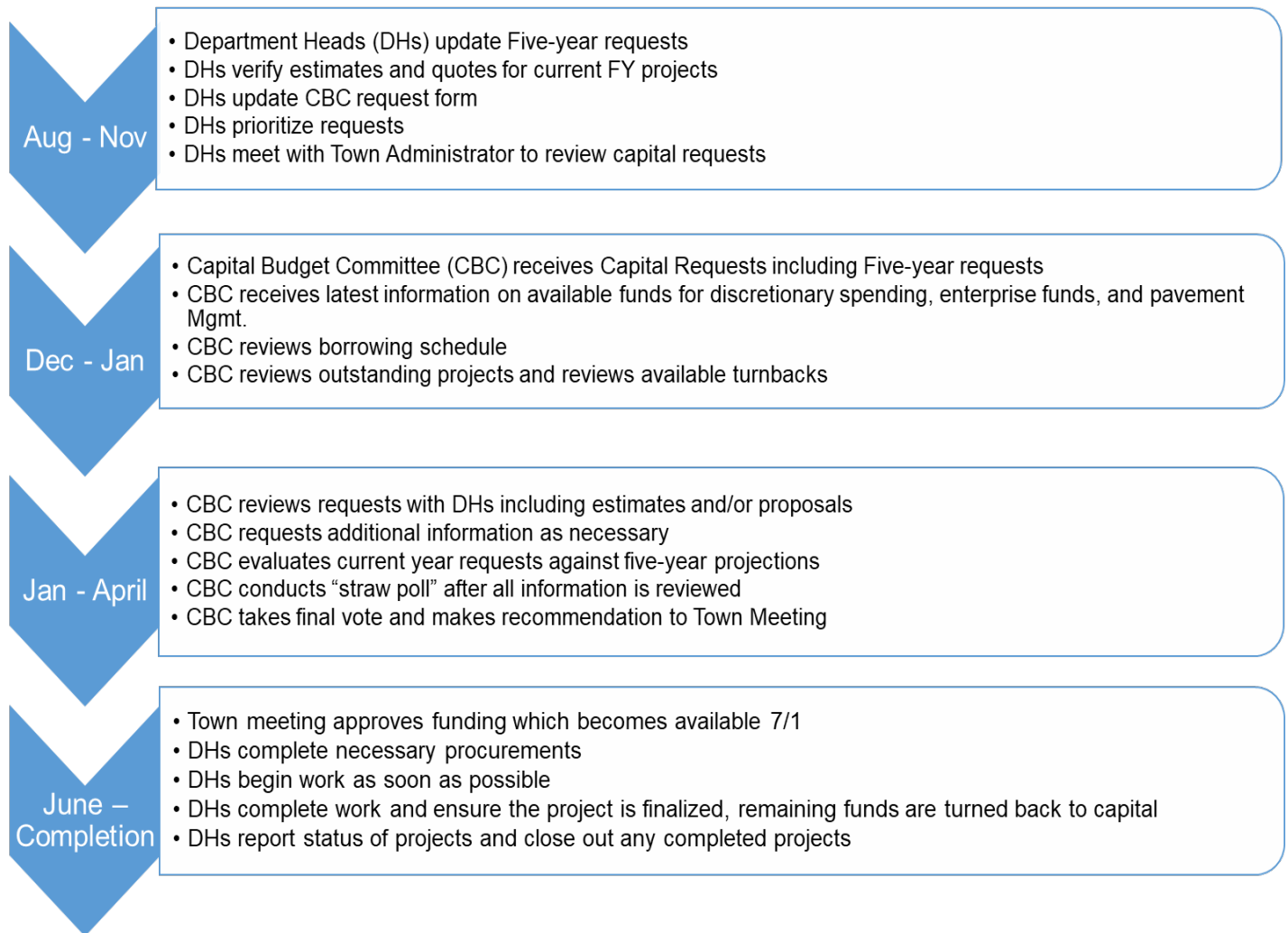
What is the CBC and What Does it Do?

This spring as the Committee reviewed and analyzed the FY22 capital requests from town departments and the schools, members found that several of the project cost estimates were out of date. This was largely due to (1) the vacancy in the position of Facilities Director and (2) the overwhelming demands of responding to the COVID crisis which swamped Town departments.

As part of its responsibilities, the Committee also received and discussed updates on major capital projects which this year included the high school, the renovation of the Police and DPW facilities and the library.

In FY22 the Capital Budget Committee was comprised of three (3) moderator appointed members, and four members who represent the Select Board, School Committee, Warrant Committee and Planning Board (PB). (A warrant article adopted at the May 2021 session of Annual Town Meeting (ATM) eliminates the PB representative and increases the Moderator appointees to four (4). This Bylaw amendment goes into effect ninety (90) days after the final session of ATM pending the approval of the Attorney General.)

Below is a flow chart of the capital budget process the Committee follows to receive, develop, analyze, and ultimately decide on its annual recommendations of projects to Town Meeting.



CBC's Definition of Capital

It should be noted here that the CBC employs its own definition of “capital” for purposes of developing a recommended budget. Section 40-405 of the Town’s General Bylaws describes a capital expenditure as being for “public improvements and non-recurring major equipment needs.” The CBC’s working definition requires a requested item fall into one of these categories and cost at least \$10,000. Please see APPENDIX A for more on the difference between the common understanding of a “capital asset” and the CBC’s working definition.

Some General Remarks

The Committee has for several years reported to Town Meeting about issues are of critical importance, namely the envelope study and taking a coordinated approach to significant ongoing maintenance work.

Over the years, studies conducted by the Town and the Schools revealed ongoing big-ticket maintenance projects prompting multi-year plans to tackle these needs. This happened for the roofs on Town buildings and the building envelope (the material enclosing the interior of a building – exterior walls, windows, doors, etc.) of School buildings, also discussed *supra*. The result was phased programs to address these major maintenance issues with money being allocated in successive fiscal years. The envelope work continues with the next phase funded when the previous one is complete. Committee members agree that the goal is protection of the Town’s investment in its built infrastructure. Since the creation of the Facilities Department in Fall 2013, the responsibility for overseeing and managing this work rests with that department.

As noted above, this year the position of Director of Facilities was vacant for several months. Before then the Department was overwhelmed with the demands of addressing problems created by the pandemic. Managing the demands of retrofitting work and school spaces to meet health and safety criteria consumed the staff’s time. The confluence of these events made for truly chaotic conditions, exacerbated by understaffing. Many projects from prior years simply could not and did not move forward creating a large backlog that Facilities and its new director, just recently hired, are beginning to tackle.

During the interim period, when Facilities was without a director, Jay Marcotte and Mike Santoro, Director and Assistant Director, respectively, of DPW took on responsibility for managing Facilities. It is important here to acknowledge their herculean efforts. Messrs. Marcotte and Santoro took on this work while fulfilling their DPW duties and did so with professionalism and good cheer. The CBC and the Town owe them a debt of gratitude.

Community Preservation Act and Its Interplay with the Capital Budget

The Capital Budget Committee has long supported additional funding to address the Town’s capital budget needs. The Community Preservation Act (CPA) adopted by the Town in 2011 is a source of funding for certain types of capital projects. Eligible projects must fall into the categories of affordable housing, recreation/open space, and historic preservation. This Committee is again pleased to see the range of projects proposed by the CPA Committee for funding. Some, if not most, of these projects would not meet the criteria for funding in the capital budget, not because they lack merit but because the Town has long stopped supporting certain types of projects for lack of money. Further, the projects on which CPA money can be spent, though very worthy, for the most part may not be considered central to the core functions of town government.

This year the CPA projects include funds to construct one new tennis court at Winn Brook, to study improvements to Payson Park, to begin the process of acquiring rights-of-way for the Community Path and to replenish the funds diverted by Town Meeting last year for emergency rent assistance that create readiness to address the need for affordable housing in Town.

Some of these projects would most certainly be CBC requests were they not funded by the CPA. CPA funds may not always lessen the burden on the Town's capital budget but will support worthy projects that enhance the quality of life in Belmont and preserve valuable public assets that would otherwise suffer neglect. It should also be noted that the Committee, which oversees these CPA projects, requests that project sponsors coordinate the scope and timing of work with the appropriate Town department, i.e., either DPW or Recreation.

Non-discretionary Capital Funds

A portion of the Town's capital funds are non-discretionary. This is because certain funding is either (1) committed by prior override votes in the case of roads and sidewalks or (2) is generated by the Town's Enterprise Funds and can only be spent on items and projects related to water and sewer work.

Roads and Sidewalks

Although the maintenance (including rebuilding, if needed) of the network of streets in Town is (or should be) a recurring item, the funds for providing the Town with its streets have traditionally been included in the Capital Budget. Much of the work on the Town's streets must be planned and contracted for in advance and accomplished in warm weather over more than one fiscal year. Previous overrides have committed funds to the roads and each year that amount is increased by 2 ½%. There is also state aid available for this in the form of Chapter 90 highway funds. The Warrant article appropriating c. 90 funds will be taken up at the Fall 2021 Special Town Meeting. The annual allocation to roads plus state aid totals the amount that Community Development, which manages the program, can handle given staffing levels and the typical length of the paving season.

Previous Select Board policy omitted curbing and sidewalk work when roads were repaired. This policy was revised a few years ago with respect to curbing that affects pavement work going forward. In 2014 the Committee was able to use \$200,000 in one-time funds for sidewalks and in 2015, the override vote included \$200,000 for sidewalk repair. In the FY22 budget, that sidewalk figure has grown to \$230,000. Sidewalk repair is performed by the DPW. (The Department includes curbs and handicap accessible sidewalks at intersections.)

Last year, readers will recall, the entire roads budget was used to balance the Town's operating budget. This meant that all the roads work that would have been performed with FY21 dollars was deferred to future years. Fortunately, in FY22 that funding has been restored.

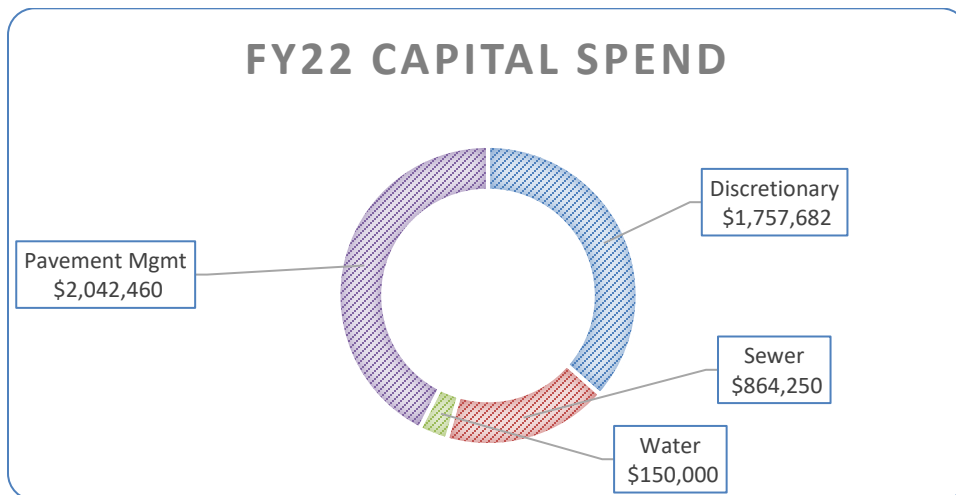
The Committee included extensive discussions of the Town's streets and efforts to maintain them in its 2009 and 2010 reports to the Annual Town Meeting. The reader is referred to those reports for more detailed information.

Water and Sewer Enterprise Funds

The Director of Community Development who is responsible for the management of these programs reports annually to the Committee on the status of these undertakings and funding mechanisms. They are described here but are not part of the annual capital budget allocation.

Expenditures from the Enterprise Funds are contained in Article 16 of the FY22 ATM Warrant. Below is a table of FY22 Non-discretionary requests from Enterprise Funds as well as Pavement Management and Sidewalk Maintenance funding.

Department	Project	Revised FY22 Cost
Public Works - Sewer	#4 - 1 Ton Pick-up Truck	\$58,310
Public Works - Sewer	#7 – 1 Ton Pick-up Truck	\$58,310
Public Works - Sewer	#18 40,000 GVW Truck	\$147,630
Public Works - Sewer	Fuel Tank Replacement – Additional funds are needed to complete this project. Funds were requested in FY21 based on estimates received from North East Petroleum. Those estimates were incomplete.	\$150,000
Community Development	Sewer and Storm Water Capital Program – Investigate, evaluate and mitigate sewer and storm drain failures. Repair / replace mains and services, test water quality of the storm water system and correct deficiencies as required. Fund the Annual MS4 DEP storm water permitting program.	\$450,000
Public Works – Water	Fuel Tank Replacement – Additional funds are needed to complete this project. Funds were requested in FY21 based on estimates received from North East Petroleum. Those estimates were incomplete.	\$150,000
Community Development	Pavement Management Program - Annual reconstruction of roadways with limited sidewalk and curbing construction.	\$1,812,460
Public Works	Sidewalk Maintenance - Repair or Replace Cement Concrete Sidewalks and Granite Curbing as needed throughout the Town.	\$230,000
Total Sewer Funds		\$ 864,250
Total Water Funds		\$ 150,000
Total Pavement Management		\$2,042,460
Total Non-Discretionary Funds		\$3,056,710



Status of Large, Extraordinary Capital Projects

Here is a summary of some of the large capital projects the Town is pursuing or faces – projects that cannot be undertaken within this Committee’s annual allocations from general tax. This information will give the reader background on these projects.

High School

The Belmont Middle and High School Project has been moving forward during 2020. Fortunately for this project most of the work in the spring and early summer was outdoors which meant that the impact from Covid restrictions was minimal. Most of the work was done with far greater than 6 ft of social distancing and was not indoors. That permitted a good amount of time to plan for how to keep the workers safe when the building was enclosed in the fall.

There were, of course, many accommodations made for safety precautions, special personnel were hired to monitor the large work force, a lot of hand washings stations were added all over the site, additional facilities were added for female workers, and daily cleaning was done and is still ongoing. Some of this work was covered by money from the CARES Act, and all of it is being tracked separately so that the Town can know exactly what the financial impact has been.

As of the end of 2020, the high school portion of the new facility was mostly enclosed, and work was ongoing on the interior (walls, ceiling, floors). The Covid precautions have forced the project to use double shifts (to decrease the manpower at one time) and to work on Saturdays. During 2020 the building committee also worked on the furnishings for the new building, what is needed to purchase and what can be reused from the current building. The project is still within budget and is on schedule. It is anticipated that grades 9 to 12 will be able to occupy the building beginning in September of 2021.

Once the high school portion of the project is complete (August 2021) work will begin on the existing building with remediation of hazardous material and then demolition of the building itself. Construction will then begin on erecting the remainder of the new building. That portion of the school, which will house the Grades 7 and 8, is anticipated to be occupied in the Fall of 2023.

Memorial Library Building

A feasibility study for a new Memorial Library was completed in 2017, and the Board of Library Trustees voted to approve the recommendation for a new building on the current site. A Library Building Committee was approved by Town Meeting and began working with an architect and an owner's project manager in January of 2018 to produce a schematic design. The Committee was funded half by an appropriation from the town and half by the Belmont Library Foundation, an independent section 501(c) (3) organization.

The town now has a schematic design for a new Library on the current site which was completed and presented to the community in the fall of 2019. The project is on hold until the town can fund it. The cost of the project will rise with every year of delay in moving forward. In the meantime, it will be a constant challenge and drain on the town's capital resources to make necessary investments to ensure the building remains a safe, efficient space for patrons and staff. The needs will continue to grow, with continued awareness that any improvements may have a limited useful life.

Department of Public Works/Belmont Police Department Building Project

The additions and renovations to the DPW facility and the Police Station are complete. A full accounting of the project with a financial summary will be presented to the June session of the Annual Town Meeting. (See report of the DPW/BPD Building Committee to Town Meeting Members, June 2, 2021.) This project has been funded without a debt exclusion. Grants from the Community Preservation Committee, Belmont Savings Bank Foundation, and private donors helped to finance this successful project. While the work at the Police Station necessitated remediating some unforeseen existing conditions which required additional funding from the Town, the project has succeeded in providing \$40M to \$50M of value for about \$12M through creativity and flexibility on the part of the design team and the Building Committee. The bonds on the total borrowing of \$10.9M will be paid annually through the Capital Budget.

The work at the main DPW building was completed in January 2020 and was in full use by that spring. The new spaces are bright and welcoming, providing essential functions such as a break room, training and quiet rest space, locker rooms for both males and females, washing machine and dryer as well as new office space. Contractors have a new check-in room and lavatory in the existing building. While the work is only meant to be a ten-year solution it has been a big boost to the morale of the department. Now, the clock starts on a completely new, permanent facility.

The Police Department moved into the newly renovated 1931 building with two additions in March after working out of trailers at the DPW yard for twenty months. Covid restrictions on obtaining some building materials delayed the completion of the project by several months. The police are thrilled with their new spaces which are bright, cheerful, and highly functional. Architectural features of the original building have been enhanced and blended seamlessly with the additions. Architect Ted Galante was able to accomplish all that the Building Committee desired: elevator, second stairway, locker space for both genders, and safety for prisoner processing. The new construction includes a sally port, secure entrance, and booking area for officers and prisoners. The male and female cells are certified by the Department of Public Health. The other areas of the building include fully outfitted locker rooms, partially funded by the Belmont Savings Bank Foundation, including a lactation room for females. Office space, evidence storage, roll call room, and interview rooms are new along with a spacious conference room which can host large, regional meetings and training sessions. Friends of deceased Assistant Chief Richard Lane funded a renovated kitchen/lunchroom now known as the Richard J. Lane Café. Private donations helped to fund other amenities and the landscaping. The facility will be an asset for the Police Department and Town for decades to come.

Other Projects

There are other, less-well-defined projects that have received some consideration by this or other committees of the Town. They include the Viglirolo skating rink. (In 2015 a group of ice hockey supporters began discussions with School administrators, the School Committee, and the Select Board about a private/public partnership to construct a new rink. The prospect of a new or renovated high school building put those discussions on hold. The Town continues to explore paths forward for the rink and reviewed several options this past year. The Select Board has decided that the incinerator site once capped will be used for solar panels and battery storage as well as some DPW purposes. Also, on the horizon are some updating needs at schools that have not been renovated in the past 20 years. These include the Daniel Butler School (renovated in 1979-80), and the Winn Brook and Burbank Schools (renovated in 1987-89). Affordable housing should also be part of the Town's capital project planning. The DPW renovation was only meant to last for 10 years. The Town must have a plan for a permanent replacement before 2030. Finally, the Community Path project's next step of identifying the cost of acquiring rights-of-way will proceed if Town Meeting approves this as a CPA project.

Financial Task Force II

As of the writing of this report, the Select Board appointed second Financial Task Force (FTF II) is close to finalizing its recommendations. Its signature accomplishment is the development of a financial modeling tool that will guide the Town's budgeting process going forward. The SB has already adopted and implemented the FTF II's recommendations to create a Long Term Capital Planning Committee (LTCPC) and a Structural Change Impact Group (SCIG), the former is permanent and the latter temporary. The SCIG is charged with investigating and recommending a list of key structural changes for the Town. More on the LTCPC is in the following section. The FTFII endorsed the override question that was on the April 2021 ballot. That override would have increased the capital budget by \$500,000, funding that the CBC supported, and this Report demonstrates is badly needed to address the Town's capital needs. In light of its failure, the challenges of maintaining Town and School buildings and equipping Town departments to meet their responsibilities will continue to compound.

Long-Term Capital Planning Committee (LTCPC)

The LTCPC started work in the fall of 2020. Members have looked at the Town's current capital planning process and investigated capital planning in other towns. A crucial first step will be to create a comprehensive inventory of the status and life cycle of all the Town's capital assets. This will require significant time and effort from the staff which has been stretched thin by the response to the pandemic and the vacancy in the leadership of the Facilities Department. This work will now move ahead in the coming months.

To improve the planning process the LTCPC has identified several objectives: identify the capital improvement and infrastructure needs of the Town in the next thirty (30) years as a planning tool; ensure clear guidelines to review and prioritize capital requests, including consideration of full life-cycle costs; plan for the best use of all available sources of funding; and achieve better, broader communication of the town's capital needs across the community and all decision makers.

A preliminary recommendation of the LTCPC will be to broaden both the scope and the membership of the Capital Budget Committee to include responsibilities to make annual recommendations to Town Meeting for appropriations to support capital projects, equipment and infrastructure up-grades in the following year; to prepare for Town Meeting a detailed five (5) year program of capital improvements and expenditures and a more general thirty (30) year plan of anticipated major capital needs; and advocate for sufficient resources to fund the capital improvement plan. The LTCPC will engage other Boards and Committees in discussions to move this recommendation, and the Bylaw change to accomplish it, to Town Meeting for approval.

Five-Year Projection of Belmont's Capital Needs

It is the responsibility of the Capital Budget Committee to present to the Town Meeting, in addition to the items to be funded in the upcoming fiscal year, a list of the expected projects for the following five years. (The available data, however, is often not precisely five years: the implications of some entries go beyond five years and, in a few instances, only four years projections are available. FY22, dealt with above, is sometimes taken as year one.) In the past, it has been the practice of the Capital Budget Committee to compile this five-year list from requests from department heads and to present it largely unaltered. For this year, we will continue with this practice. We have not deleted items that are to us not within our mandate. The appearance of an item in the chart should not be taken as a decision that an item is properly within this Committee's jurisdiction. We might later screen out some items as more appropriate for the operating budget. This chart is a raw document for planning purposes only. The items in the chart have not been "vetted" either by the Town Administrator or the Capital Budget Committee. The chart is attached to this report.

One will note in the chart that there are items requested for buildings that may receive major renovation or replacement in the future. We are uncertain of the timing of any of these projects, and so have included repairs that have been identified in the year that it appears such a need will occur. It is expected that any expenditures of a capital nature will be carefully thought out in terms of the expected future of the facility. However, the buildings do have to function, and be safe and comfortable, for as long as they are being used.

This Committee asked that departments submit costs estimated for the year matching the effective date of the request, thus requiring an adjustment for the economy in future years. Some departments tried to comply with this request; others did not. Moreover, unmet capital requests from the past that we have tried to carry forward are shown at the values originally submitted (without adjustment). Finally, most of the capital items are subject to a bidding process before they are actually purchased. Therefore, these cost values should be treated as only roughly comparable orders of magnitude.

Because the Pavement Management Program must be executed on a seasonal basis, the Committee has not attempted to cast the full planning for roads by the Community Development Department in this fiscal year chart form. The Committee has met in past years with the Director of Community Development, has reviewed his planning and is satisfied that the Pavement Program will make good use of any funds that this Committee is able to allocate to that Program for the indefinite future. A more extensive discussion of the roads situation is available in the reports of the Belmont Pavement Management Committee available from the Town Clerk's Office or on the Town website.

This chart contains some expenditures for sewer and water enterprise funds. The Director of Community Development is responsible for some of those projects in his capacity as Town Engineer. (As a general matter, the Director of Community Development is responsible for sewer capital projects and those items are in the Community Development Department budget; the Director of the Public Works Department is responsible for water capital expenditures and those items are in the DPW budget. The Committee has been assured that planning for water and sewer projects is coordinated between the departments.) Some water and sewer projects are funded or to be funded from the proceeds of borrowing previously authorized or which the Town

Engineer hopes will be authorized. The debt service for that borrowing will be included in the operating budgets of the enterprise funds.

The Parks Division and the Cemetery Division have been combined but are still carried separately for budgeting purposes.

As the five-year chart demonstrates, it is doubtful that the Town can fund all worthy capital requests in coming years from the current, annual allocation to the capital budget. The Committee recommended financing some acquisitions (lease/purchasing of Police and Fire equipment) in previous years. Among Other possible financing approaches the Committee may consider in future are so-called BANS (bond anticipation notes), leasing, capital outlay exclusions, and debt exclusions. It is very likely that the Committee will make further recommendations in this regard in coming years.

Anne Marie Mahoney, Chairman	Moderator Appointee (Term ending 2022)
Rebecca Vose, Secretary	Moderator Appointee (Term ending 2023)
M. Patricia Brusch	Moderator Appointee (Term ending 2021)
Amy Checkoway	School Committee
Susan Burgess-Cox	Liaison to Planning Board
Jennifer Fallon	Warrant Committee
Thomas Caputo	Select Board (until April 6, 2021)
Roy Epstein	Select Board (beginning April 7, 2021)

Five Year Projection of Belmont's Capital Needs

Department	Project Title	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY22-27
Accounting	Tyler Content Manual SE	50,000						50,000
Accounting Summary		50,000						50,000
Facilities	BUTLER PHASE VI WINDOW	200,000	245,000					460,000
Facilities	CREATION OF SECURE		46,963					46,963
Facilities	CREATION OF SECURE		54,671					54,671
Facilities	WELLINGTON PAINT	40,000	-	-				40,000
Facilities	BMS CHASE UPGRADES		122,000					122,000
Facilities	Chenery Middle School		2,299,150					2,299,150
Facilities	Chenery Cafeteria AC		96,000					96,000
Facilities	Burbank & Butler Boiler	118,000						118,000
Facilities	Station #2 Roof Repair	530,000						530,000
Facilities Summary		888,000	2,863,784	-	-	-	-	3,766,784
Fire	Replace Shift Commander's	70,000						70,000
Fire	Ambulance Replacement	80,000	70,000	70,000	70,000	70,000	90,000	450,000
Fire	Cardiac monitor	7,000	7,000	7,000	7,000	7,000	7,000	42,000
Fire	Portable radio replacement	174,540						174,540
Fire	Replace Staff Car		75,000					75,000
Fire	Replace 2005/2014		804,320					804,320
Fire	Replace Staff Vehicle				72,000			72,000
Fire	Replace 2007 Engine						940,940	940,940
Fire Summary		331,540	956,320	77,000	149,000	77,000	1,037,940	2,628,800
Information Technology	Phone Infrastructure	98,000						98,000
Information Technology	Increase Network		60,000					60,000
IT Summary		98,000	60,000	-	-	-	-	158,000

Department	Project Title	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY22-27
Library	Extend Useful Life of Existing		52,000					52,000
Library	Upgrade Fire Alarm System		171,600					171,600
Library	Expand existing		26,000					26,000
Library	Upgrade & Replace Unit		83,200					83,200
Library	Chiller Rooftop Replacement		233,626					233,626
Library	Replace Windows and		312,000					312,000
Library	Repoint Masonry			162,000				162,000
Library	Renovate 8-10 bathrooms(ne			199,800				199,800
Library	Elevator Replacement			270,000				270,000
Library	Replace Interior Doors				134,400			134,400
Library	New Furniture				168,000			168,000
Library	Repave Parking Lot				270,950			270,950
Library	Fire Suppression					40,600		40,600
Library	Automatic Sprinkler					290,000		290,000
Library	Upgrade electrical					290,000		290,000
Library	Replace HVAC System						1,440,000	1,440,000
Library	Building Management						300,000	300,000
Library Summary		-	878,426	631,800	573,350	620,600	1,740,000	4,444,176

Department	Project Title	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY22-27
Police	Replacement of Police				20,000			20,000
Police	Radio Console Server			100,000				100,000
Police	Redundant fiber line to		100,000					100,000
Police	Replace Police portable radios			150,000	150,000			300,000
Police	Town-wide Base Radio					100,000	100,000	200,000
Police	Replacement of Police					35,000		35,000
Police	Replace File and SQL Server	26,000						26,000
Police	Replace Dispatch Radio	50,000						50,000
Police	Replace Netclock		13,000					13,000
Police	Replace EMD Server		11,000					11,000
Police	Replace Update Server			11,000				11,000
Police	Replace Fiber Multiplexers				100,000			100,000
Police	Replace CAD and RMS						18,000	18,000
Police	Replace Call/Radio			18,000				18,000
Police	Replace Department					30,000		30,000
Police Summary		76,000	124,000	279,000	270,000	165,000	118,000	1,032,000
School Department	School Department	131,392						131,392
School Summary		131,392	-	-	-	-	-	131,392

Department	Project Title	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY22-27
Public Works	#74 10' Material	26,265	-	-	-	-		26,265
Public Works	#73 - 10" Material			26,265				26,265
Public Works	#32 - Snowfighter			49,545				49,545
Public Works	#1 - Administrative				40,850			40,850
Public Works	#67 - 9' Material					16,710		16,710
Public Works	#37 - Snow Fighter					49,545		49,545
Public Works	#34 - Snow Fighter						49,545	49,545
Public Works	#47 - Wacker Sidewalk Snow						90,000	90,000
Public Works	#55 Brush Chipper		57,950					57,950
Public Works - Cemetery	#117 - 1 Ton 4WD Pick-up		58,310					58,310
Public Works - Cemetery	#119 - 19,000 GVW Dump			71,155				71,155
Public Works - Cemetery	#116 - 19,000 GVW Dump				71,155			71,155
Public Works - Parks	#106 19,000 GVW Dump	71,155						71,155
Public Works - Parks	Toro 10' Riding Mower	85,330						85,330
Public Works - Parks	#108 - Small Front End		86,800					86,800
Public Works - Parks	#110 - 1 Ton 4WD Pick-up		58,310					58,310
Public Works - Parks	#102 - 1 Ton 4WS Pick-up			58,310				58,310
Public Works - Parks	Toro - 16' Cut Riding Mower			92,925				92,925
Public Works - Parks	#104 - 1 Ton 4WD Pick-up				58,310			58,310
Public Works - Parks	#107 John Deere Tractor					44,570		44,570
Highway Park Cemetery		182,750	261,370	298,200	170,315	110,825	139,545	1,163,005

Department	Project Title	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY22-27
Public Works - Sewer	#4 - 1 Ton Pick-up Truck	58,310						58,310
Public Works - Sewer	#7 - 1 Ton 4WD Pick-up	58,310						58,310
Public Works - Sewer	#18 - 40,000 GVW Dump	147,630						147,630
Public Works - Sewer	Fuel Tank Replacement	200,000						200,000
Public Works - Sewer	#24 - Front End Loader		220,625					220,625
Public Works - Sewer	#21 - 1 Ton 4WD Pick-up		58,310					58,310
Public Works - Sewer	#5 - 1 Ton 4WD Pick-up			58,310				58,310
Public Works - Sewer	#52 - Emergency			38,310				38,310
Public Works - Sewer	#2 - Administrative			40,950				40,950
Public Works - Sewer	#17 - 40,000 GVW Dump			153,320				153,320
Public Works - Sewer	#8 - 1 Ton 4WD Pick-up				58,310			58,310
Public Works - Sewer	#50 - Vactor Machine				250,000			250,000
Public Works - Sewer	#11- 40,000GVW					153,320		153,320
Public Works - Sewer	#12 - 40,000 GVW Dump					153,320		153,320
Public Works - Sewer	Replace #25 Front End					220,625		220,625
Community Development	Sewer and Storm Water	450,000	600,000	600,000	600,000	600,000	600,000	3,450,000
Sewer Summary		914,250	878,935	890,890	908,310	1,127,265	600,000	5,319,650

Department	Project Title	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY22-27
Public Works - Water	#81 Administrative						40,850	40,850
Public Works - Water	#85 - 40,000 GVW Dump			153,320				153,320
Public Works - Water	#77 - Administrative		40,850					40,850
Public Works - Water	#88 - Closed Utility 4WD		79,800					79,800
Public Works - Water	#83 - Closed Utility 4WD			79,800				79,800
Public Works - Water	#76 - Administrative				40,850			40,850
Public Works - Water	#50 - Vactor Machine				250,000			250,000
Public Works - Water	#80 - Emergency					38,310		38,310
Public Works - Water	#89 - Emergency					25,450		25,450
Public Works - Water	Fuel Tank Replacement	200,000						200,000
Public Works - Water	Replace #79 Backhoe		110,000					110,000
Public Works - Water	Material Storage		100,000					100,000
Water Summary		200,000	330,650	233,120	290,850	63,760	40,850	1,159,230
Community Development	Pavement Management	1,812,460	1,857,772	1,904,216	1,951,821	2,000,617	2,050,632	11,577,518
Public Works	Sidewalk Maintenance	230,000	235,750	241,640	247,680	253,870	260,220	1,469,160
Pavement Summary		2,042,460	2,093,522	2,145,856	2,199,501	2,254,487	2,310,852	13,046,678
Discretionary Total		1,757,682	5,143,900	1,286,000	1,162,665	973,425	3,035,485	13,374,157
Sewer Total		914,250	878,935	890,890	908,310	1,127,265	600,000	5,319,650
Water Total		200,000	330,650	233,120	290,850	63,760	40,850	1,159,230
Pavement Total		2,042,460	2,093,522	2,145,856	2,199,501	2,254,487	2,310,852	13,046,678
		4,914,392	8,447,007	4,555,866	4,561,326	4,418,937	5,987,187	32,899,715

APPENDIX A

The Difference between the Common Understanding of “Capital Asset” and the CBC’S Working Definition

The definition of capital expenditure for which the Committee is responsible is *not* the common understanding of a capital asset – it is a narrower concept. The common understanding of a capital asset is some asset that can be used and enjoyed for an extended period, often taken as more than one year, or that can be used to produce another product. It is often thought of as anything that is not for immediate consumption. This is *not* the definition with which this Committee works.

Note the key words in the Bylaw responsibility quoted previously – “public improvements and non-recurring major equipment needs.” An example of the differences between the two concepts that is very relevant to the Town’s budgeting process is police cruisers. In common understanding, an automobile is a capital item, but a police cruiser is a “recurring” item. (The average front-line cruiser is driven 25,000-30,000 miles in its first year. Cruisers must be replaced on a regular cycle.) In the view of the Committee, replacement of police cruisers belongs in the regular operating budget.

To draw a “bright line” between what it would consider and not, more than twenty-five years ago a previous Capital Budget Committee established a \$10,000-per-item requirement for requests addressed to it. There may be a time in the near future when this definition should be revisited. This may happen with the recently created Capital Planning committee, which is being considered by the Select Board recently appointed second Financial Task Force (FTF II). More on FTF II *infra*.

Please see prior Capital Budget Reports to Annual Town Meeting for a more complete description of the history of the Committee’s thinking on what constitutes capital for purposes of Belmont’s capital budget.