

Capital Improvements Committee Meeting Minutes
First Floor Conference Room - Town Hall
One Avenue A, Turners Falls MA 01376
Wednesday, July 12, 2017

Meeting opened at Town Hall at 3:07 PM. Attendees included Capital Improvement Committee (CIC) members Fred Bowman, Greg Garrison, Bob Obear, and Steven Ellis. Also in attendance was Joe Markarian of the FRCOG. Note that Mr. Obear arrived at 3:35.

Review and approval of minutes

- Mr. Garrison moved to approve the minutes of the CIC's June 14, 2017 meeting without revision. Mr. Ellis seconded. Motion passed 3-0.

Consider sample work products resulting from developing a long term capital plan

- It was decided that the committee would consider the final item on the agenda first while we waited for all members to arrive, as it was a less important discussion topic.
- Mr. Ellis distributed CIC member binders including: meeting minutes, financial policies, capital improvement planning resources, existing capital budget and inventory forms, and partial draft copies of the Montague Capital Improvement Plan and Capital Improvement Data workbook.
- Mr. Markarian also provided a sample binder he developed for the Town of Heath for review.

Progress and Preliminary Findings of Capital Needs Interview Process

Mr. Markarian made substantial headway engaging department leaders, as evidenced by the data presenting in the Capital Improvement Data workbook. The committee reviewed the data and noted places where projects may not be included or where capital needs were not forecast beyond ten years. Joe is working on this. The question was raised as to whether projections for the period of years 11-20 could be precise enough to have value and consensus formed that they were beneficial, despite limitations.

Mr. Garrison noted that it may make sense to include a CPI inflation calculation for certain vehicles that repeat on the schedule. Mr. Markarian noted that police cruisers are an annual capital expense that should likely be added to our budget sheet even though they don't come before the CIC and are nested in the Town's operational budget.

Discussion capital projects not directly related to departments

Discussion of building maintenance and repair items began with an acknowledgment that the Town has not had a strong facilities management plan and management process. Questions arose as to how requests for capital maintenance of buildings are routed, as well as whether our present process is structured and calendarized so as to avoid major issues from arising.

A second conversation arose relative to IT purchasing. It was explained that there is an equipment inventory and that the IT coordinator and IT consultant work to maintain a broad view of IT needs and a technology replacement schedule. The limited staffing afforded to the function does allow for reliable and secure IT service, but town-wide systems are fragmented from a network integration standpoint. Major IT capital expenses should be included in the plan, but are not presently.

Moving forward on these same themes

Mr. Markarian will next begin to start populating the revenue projections section with starting values on a department by department basis. As he considers this, he is interested in knowing why we have multiple

stabilization funds. Mr. Garrison explained that we began developing purpose specific stabilization accounts to ensure that distinct and capital intensive operations (such as WPCF, schools) had such set asides, as well as wanting to ultimately create both a general and capital stabilization fund for the Town.

Mr. Markarian noted that our debt levels seem to be quite low overall. Mr. Garrison noted that the Town has been quite debt averse. Mr. Markarian thinks we should consider doing more borrowing within the tax levy, as opposed to debt exclusion. This lead to some discussion of debt and of the need to spend more time getting our core numbers in place so we have a wider view of the big picture to inform our discussion. It was noted that ultimately, investments in capital and services are going to shape what we are as a community. Mr. Garrison sees this work – supporting our vision with strong data and a plan – is essential.

Mr. Markarian will continue with department head interviews and data entry, then meet with Steve to review and make progress to bring back to the committee in August. We can also perhaps begin the conversation with the finance committee about how the town might leverage debt both within and outside our tax levy.

Meeting adjourned at 4:30pm

Next meeting date is to be determined.