

REQUEST FOR TRANSFER FROM THE RESERVE FUND

Request is hereby made for the following transfer from the Reserve Fund in accordance with Chapter 40, Section 6 of the Massachusetts General Laws.

- 1. Amount requested: \$ \$40,000.00
- 2. To be transferred to account number 001-5-420-5800-192
Account Title DPW-Bldgs Capital Outlay
- 3. Present balance in said line item appropriation: \$ new account - unbudgeted

The amount requested will be used for (give specific purpose): Replacement of two failing gas boilers in Montague Town Hall. The boilers are designed to work in tandem but have failed on multiple occasions this winter. Professional diagnosis indicates that although only 12 years old, they are nonetheless obsolete and parts availability is complicated due to their manufacture in Germany and assembly in the United States. These boilers are out of warranty and were originally paid for through a federal ARRA grant. The controls and limitations of the existing boilers make replacement of only one of the two boilers impractical.

The Town is actively procuring bids in response to the need to replace these boilers, with three vendors having come on site to consider the project scope and develop a response. An initial estimate brought a price of \$35,000, which is the basis for the \$40,000 request. Once installed, the new 285k BTU system should be properly sized to the building, carry a 10-year warranty, and include an alarm system that ensures notification in the event the system stops working. The recommended replacement boilers are in stock and replacement parts are comparatively easy to maintain. If later HVAC upgrades allow a shift away from a fossil fuel based heating system, this system could remain in place as the back-up/supplemental heat source.

This expenditure is extraordinary and/or unforeseen for the following reasons: The system has shut down or run at inadequate levels on at least three occasions this fall/winter, including system failures over at least two weekends. This threatens our ability to keep town hall open for services, and presents risk of frozen pipes that may result in substantial repair costs. These may be covered by insurance, but cost of deductibles, procuring and overseeing repairs, and later insurance premium increases will still present real costs to the town, over and above the loss of productivity associated with a potential building shutdown.

This was not anticipated coming into the FY23 winter season and so no special appropriation had been made for this purpose.

Officer/Department Head

Date: _____

ACTION OF OVERSIGHT BOARD

Date of Meeting: _____ Number present & voting: _____

Transfer recommended in the amount of \$ _____ Transfer disapproved: _____

Chairperson _____

ACTION OF FINANCE COMMITTEE

Date of Meeting: _____ Number present & voting: _____

Transfer voted in the amount of \$ _____ Transfer disapproved: _____

Chairperson, Finance Committee