



ARLINGTON FINANCE COMMITTEE
MINUTES OF MEETING
O'NEILL ROOM
7:30 PM 3/8/17

ATTENDEES:

Deyst	White	Caccavaro	Kellar*	McKenna
DeCoursey	Wallach	Harmer	Gibian	
Tosti*	Foskett*	Bayer*	Duvadie	
Russell	Beck*	Jones*	Deshler*	
Franclemont*	Howard*	Fanning*	Carman*	Diggins*

*Indicates present

VISITORS: CPC Members: Brian Rehrig Vice Chair, Michael Morse, Rich Viscay, Tony Lionetta, Barbara Thornton, Sandy Pooler; Others: Ethan Zimm, Kate Leary, Samit Chhobra

MINUTES of 3/6/17 Approved as corrected. Unanimous

ART 34 CAPITAL BUDGET: Foskett, Chair CPC, introduced members of the committee who were present. He, assisted by members of the committee, using Ref 1, explained how the CPC is organized and the status of capital projects funded in previous years. Foskett praised the work of Lionetta over the 25 yrs he has served on the CPC. The following notes summarize the much more detailed information in Ref 1.

Pooler described the new computer tools the Town is using under MUNIS 11.2. The switch from the older version has been gradual but almost all will be in place by the end of the year. The system will be hosted on Town equipment and the data will be stored here. It is backed up off site. He also reviewed the process for capping non-exempt capital appropriations at 5% of the non-exempt Town budget. Rehrig discussed police & fire requests. Police unions have not agreed on body armor types that would qualify for federal subsidies. The Chief is working on this. All weapons will be replaced since old ones are badly worn. A compatible tablet computer has been tested & will be supplied to each officer. A 1987 pumper fire engine will be replaced along with a 6 yr old ambulance. The 911 system replacement is budgeted in FY2020. Rehrig noted that several CPA projects were in the capital plan. Pooler discussed the new law concerning bond premiums that applies only to non-exempt debt. The principal borrowed will be reduced by the anticipated premium thus reducing the interest. The premium will be applied to the project. There is also a new system for photocopiers which reduces the responsibilities of departments in favor of the purchasing agent. Pooler also reviewed the Town-owned rental bldgs. explaining to status of the leases in each bldg and the profit or loss on each w/ & w/o debt. Thornton reviewed the capital work being done in the Civic Block. She discussed to growing effectiveness of the facilities department. Lionetta Covered the DPW, and Town Hall renovation projects. There no plans to maintain the bike path bridges. Rehrig explained the AHS process which is about to start a feasibility study. The new bldg may be ready in 2023. An override for about \$200m will be needed. Foskett explained why the Stratton funding plan presented last year could not be followed and what has been done instead.

Rehrig recommended the votes on P 43 of Ref 1.

VOTED \$11,409,312 Unanimous

ART 35 RESCIND BORROWING: Morse recommended \$17k (P40 Ref 1).

VOTED \$17,000 Unanimous

ART 36 BOND PREMIUM: Morse recommended the premium for money borrowed for Stratton School be used for capital projects according to wording of bond counsel.

VOTED favorable action. Unanimous.

ART 55 TRANSFER OF FUNDS CEMETERY:

VOTED to transfer \$200,000 from Perpetual Care to Cemetery Commissioners & \$10,000 from sale of lots & graves to Capital Budget. Unanimous
COMMITTEE: No meeting on 3/13/17
RESERVE FUND Balance: \$1,465,000
Peter Howard 3/9/17 Revised 3/15/17
Ref 1 CPC Presentation

Capital Planning Committee Capital Budget FY2018 Capital Plan FY2018 - FY2022

A Presentation To
The Arlington Finance
Committee
March 8, 2017



Arlington Police Department HQ 2017

CF

Capital Planning Committee Attendees

- Charlie Foskett
- Michael Morse
- Brian Rehrig
- Barbara Thornton
- Sandy Pooler
- Rich Viscay
- Tony Lionetta

CF

Agenda

- Committee Members
- Organization
- Program Accomplishments
- Budget Summary
- Significant Issues
- Recommended Budget and Actions

Committee Membership

- Steve Andrew - Citizen Appointee
- Charlie Foskett - Chairman, FinCom Designee
- Sandy Pooler – Town Manager Designee
- Diane Johnson –School Department Designee (ret.)
- Rich Viscay - Comptroller
- Anthony Lionetta – Secretary, Citizen Appointee
- Michael Morse – Treasurer Designee
- Brian Rehrig – Vice Chairman, Citizen Appointee
- Barbara Thornton - Citizen Appointee

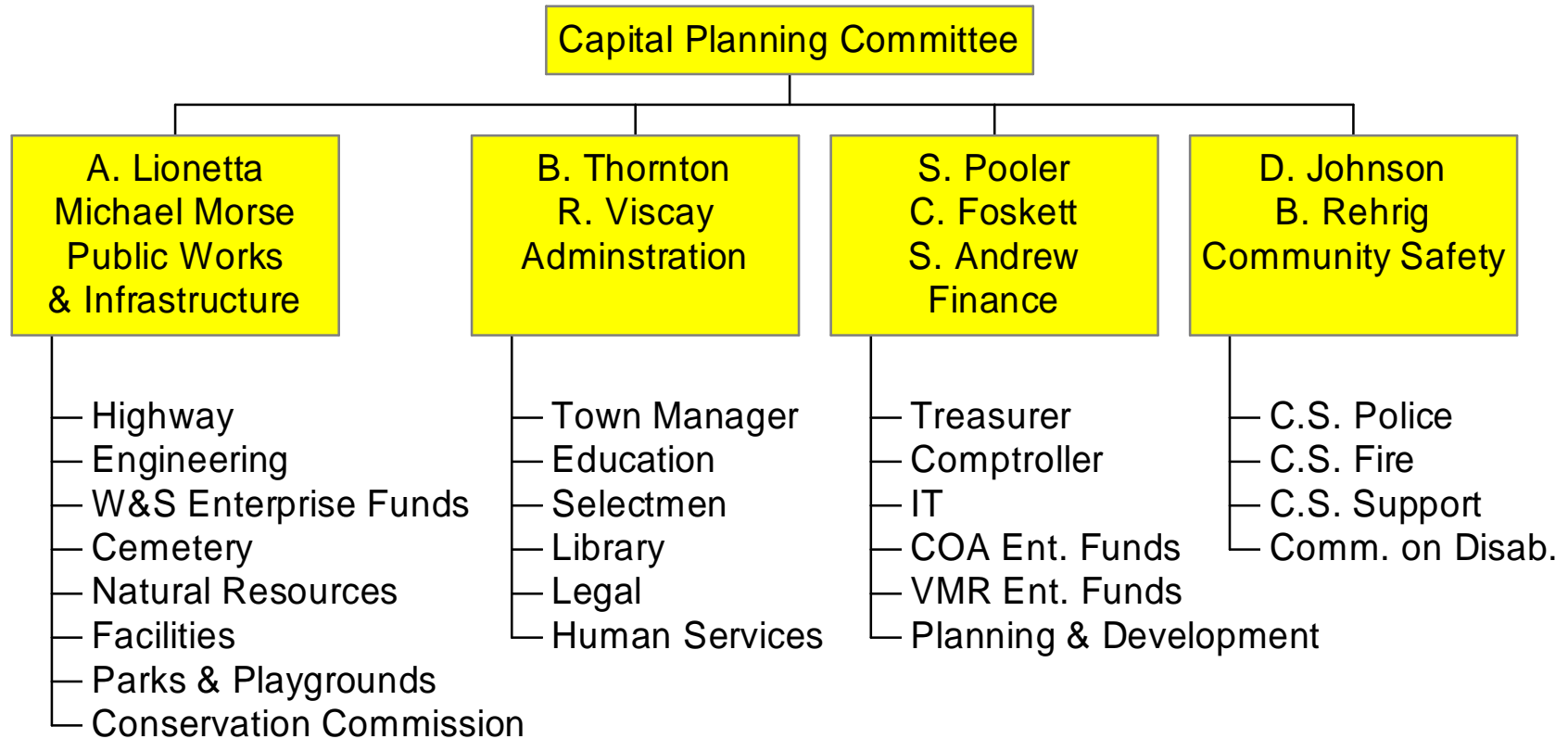
Amy Fidalgo, Management Analyst

Tony Lionetta

- Tony Lionetta has announced his retirement from the Capital Planning Committee
- Tony has served 25 Years on the Committee
- He also served 4 years as Arlington's delegate to the Minuteman Building Committee
- Tony has been our technical expert in all matters of infrastructure
- Tony has also served 25 years as CPC Secretary
- The Committee thanks Tony for long and outstanding service to Arlington

Committee Organization 2016-2017

Capital Planning Committee Organization



As Arlington's Management Analyst, Amy Fidalgo will be providing coordination and support from the Town Manager's Office.

Discussion: Budgets and Issues

- Capital Planning
 - Rationale, policy and practice
 - Five Year Plan
- Comparisons
 - Five Year Plan versus FinCom guidelines
 - Plan “Reserves”
- Major Issues
 - School Enrollment Growth
 - High School
 - DPW Facilities Renewal
 - Senior Center
- Budget and Plan Detail
- CPA Committee Evaluation

Why Capital Planning

- Capital Planning sets and meets long-range expectations for current and future capital expenditures.
- Capital Planning sets and meets expectations for Town executives and management, the Finance Committee, Town Meeting and citizens.
- Successful Capital Planning reduces or eliminates uncertainty in the acquisition of capital assets.
- Successful Capital Planning facilitates postponing some capital expenditures in favor of others as part of the planning process.
- Successful Capital Planning gives Town Meeting and voters comfort while spending large sums of taxpayers' money.

Arlington Capital Planning Practice

- Plan Five Years out with rolling request plan.
- Adjust non-exempt spending to within 5% of revenue budget.
- Attempt to *forecast future* budgets to effectively plan capital expenditures.
- We have twenty-nine years of *successful* capital planning, within budget.
- The requests from Town and School side are made with their knowledge of operating pressures.
- CPC strongly recommends sticking with FinCom 5% guideline policy.

Program Progress

- **Some recent realized benefits from Capital Plan Projects:**
 - Various Roadways and Sidewalks
 - Water Improvements
 - Sewer Improvements
 - Electrical Upgrades at Ed Burns Arena
 - Arlington High School Track Resurfacing
 - Hardy School Waterproofing Project
 - Phase 3 of the Community Safety Building project
 - Jefferson Cutter House Historic Renovation
 - New Fire Ladder Truck
- **Capital Projects in process:**
 - Ongoing Water Improvements
 - Ongoing Sewer Improvements
 - Ongoing Roadway and Sidewalk Improvements
 - Architect, Owner's Project Manager, and Construction Manager have been hired for the renovation of the Gibbs School
 - Thompson School Additions will be ready for school in September
 - Stratton Phase 3 Renovation; substantial completion scheduled for June
 - Arlington Center Safe Travel Project
 - Magnolia Park Improvements
 - Munis Software Upgrades

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Capital Budget Request Process

- Department Heads utilized an online PeopleForm in order to submit their capital budget requests for FY18-FY22.

[Capital Planning Request Form](#)

The screenshot shows a web interface for reviewing capital budget requests. At the top, there is a dark header with the word "Review" in white. Below this, the word "Instructions:" is centered in red. Underneath, three red links are displayed: "Submission", "Search and Export", and "Create a new record". The main form area has a light gray background. It starts with a label "Select your Department *" in bold blue text, followed by a dropdown menu showing "TOWN MANAGER" with a downward arrow. Below this is another label "Is this a new request? *" in bold blue text, followed by two radio button options: "Yes, this is a new request." and "No, I am updating or reviewing an existing request." The second option is selected. Below the radio buttons, there are two lines of red text: "Please click See all Department requests." and "Then click a blue arrow next to the item you want to update." A dark gray header bar with white text reads "See all Department requests (after Department is chosen)". Below this bar, there is a line of blue text: "View and edit by clicking a blue arrow; hover over link to see details." Finally, there are two list items: "Photocopier" and "Website Enhancements", each followed by a blue arrow icon.

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Munis Project Status Report

- Progress to Date: Munis 11.2 went live December 2016
 - Role based permissions, training for core staff, dashboard tile for approvals
 - Decentralization of A/P invoice entry
 - Tyler Cashiering

- Progress to Date: Upgrades
 - General Ledger, Purchasing, Payroll/HR, Budget

- Upcoming Process Improvements
 - Electronic PAFs, Time Entry/Payroll, School Access

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Reconciliation to Town Five Year Plan

Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Total Town Budget	\$151,404,149	\$157,245,080	\$164,402,757	\$171,583,686	\$178,827,104
Adjust for Water Sewer	(\$5,593,112)	(\$5,593,112)	(\$5,593,112)	(\$5,593,112)	(\$5,593,112)
Adjust for Exempt Debt Service	(\$2,625,960)	(\$1,600,047)	(\$1,552,102)	(\$1,474,300)	(\$915,956)
Adjust for Enterprise Funds	(\$2,357,379)	(\$2,433,994)	(\$2,513,099)	(\$2,594,774)	(\$2,679,104)
Adjusted Total Town Budget	\$140,827,698	\$147,617,927	\$154,744,444	\$161,921,500	\$169,638,931

- As of 2/15/2017 - Five Year Plan is a dynamic document

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Five Year Plan and FinCom Guidelines

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Total
Prior Non-Exempt Debt	\$7,192,219	\$6,096,240	\$5,346,815	\$4,489,902	\$3,823,015	\$26,948,191
New Capital Expenditures:						
Cash	\$3,881,928	\$2,268,309	\$2,539,701	\$2,206,035	\$2,700,544	\$13,596,517
New Non-Exempt Debt Service	\$81,900	\$532,268	\$1,241,791	\$2,497,538	\$2,805,337	\$7,158,834
BAN Interest and Principal	\$0	\$4,000	\$0	\$0	\$0	\$4,000
Total Non-Exempt Plan	\$11,156,047	\$8,900,817	\$9,128,307	\$9,193,475	\$9,328,896	\$47,707,542
Direct funding sources:						
Non-exempt Bond Premium FY2017	(\$2,154,418)					(\$2,154,418)
Rink Enterprise Funds	(\$85,153)	(\$82,591)	(\$79,966)	(\$28,128)	(\$27,078)	(\$302,916)
Ambulance Revolving Fund	(\$53,156)	(\$104,025)	(\$96,070)	(\$82,965)	(\$112,460)	(\$448,676)
Capital Carry Forwards	(\$341,778)					(\$341,778)
Antennae Funds	(\$189,835)	(\$193,220)	(\$195,478)	(\$196,984)	(\$197,988)	(\$973,504)
Urban Renewal Fund	(\$43,844)	(\$42,444)	(\$41,044)	(\$39,644)	(\$38,244)	(\$205,219)
Adjust for Roadway Reconstruction Override 2011	(\$452,563)	(\$463,877)	(\$475,474)	(\$487,361)	(\$499,545)	(\$2,378,821)
Adjust for 2016 and prior Bond Premium	(\$589,033)	(\$552,822)	(\$516,611)	(\$260,240)		(\$1,918,706)
Adjust for 2017 encumbered debt service	(\$266,516)					(\$266,516)
Net Non-Exempt Plan	\$6,979,751	\$7,461,838	\$7,723,665	\$8,098,154	\$8,453,581	\$38,716,988
Adjusted Total Town Budget	\$140,827,698	\$147,617,927	\$154,744,444	\$161,921,500	\$169,638,931	\$774,750,501
Budget For Plan at 5%	\$7,041,385	\$7,380,896	\$7,737,222	\$8,096,075	\$8,481,947	\$38,737,525
Plan as % of Revenues	4.96%	5.05%	4.99%	5.00%	4.98%	5.00%
Variance From Budget	\$61,634	(\$80,942)	\$13,557	(\$2,079)	\$28,366	\$20,537

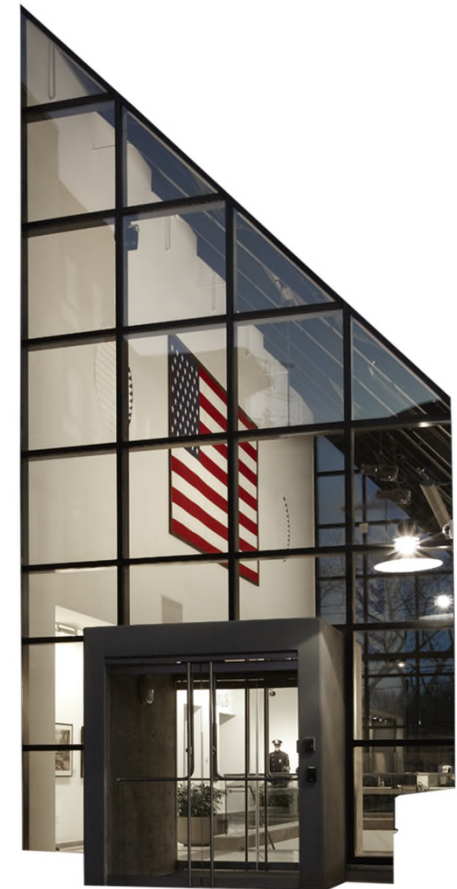
Topics

- Community Safety
 - Police Community Building- on time and on budget
- Recognizing the Community Preservation Act
- Bond Premium Strategy
- Stratton School Funding and Progress
- Hardy School Project
- Planning for Building Projects
 - High School
 - DPW Campus Plan & Renovations
 - Civic Block (incl. Senior Center) Plan & Renovations
 - School Enrollment Growth

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Community Safety Building Renovation

- Originally planned as a Five-Phase project:
 - I Plaza renovation (*completed 2011*)
 - II Building Envelope (*completed 2014*)
 - III Interview Area, Cellblock and Systems
 - IV Interior 2nd Floor offices
 - V Community Room and Administrative Offices
- Phases III through V consolidated to reduce mobilization costs and repeated disruption to Police personnel and operations.
- Final phase completed in summer 2016 bringing total 8-year investment to \$12.5 million. \$500k returned from budget.
- Contractor dispute over approximately \$300k in change orders now in litigation.



BR

Community Safety – Police

- Ongoing renewal of cruiser fleet in three-year cycle, and annual replacement program for LIDAR units and body armor.
- Replacement of all service weapons in FY2018.
- Tablet computers: Trials of various operating systems completed and compatibility with department report-writing system confirmed. Each officer will be equipped with a tablet to expedite reporting in the field.
- New K-9 officer on the job.



BR

Community Safety – Fire

- Pumper replacement scheduled for FY2018 at \$575k, retiring 1987 apparatus
- Ambulance replacement in FY2018 at \$240k; now on 6-year cycle
- Protective turnout gear: Cyclical replacement program instituted to comply with NFPA standards of 10-year life



Fire and Police Emergency radio system

- Complete replacement of emergency dispatch center systems, radio infrastructure at HQ and repeater locations, and all portable and mobile radios. Two-phase project budgeted at \$1mm in FY2020.

BR

Community Preservation Act

	2018	2019	2020	2021	2022	Grand Total
PARKS & RECREATION						
Arlington Reservoir Master Plan	\$100,000	\$500,000	\$500,000			\$1,100,000
Hurd Field Renovation			\$407,700	\$407,700		\$815,400
Wellington Playground and Clean-up					\$475,000	\$475,000
CONSERVATION COMMISSION						
Spy Pond Edge and Erosion Protection Phase II	\$552,900					\$552,900
PLANNING & COMMUNITY DEVELOPMENT						
Whittemore Park Revitalization Study	\$50,000					\$50,000
Arlington Historic Resources Inventory Update	\$115,000					\$115,000
HISTORICAL COMMISSION						
Robbins Town Garden Water Feature	\$643,213					\$643,213
CEMETERY COMMISSION						
Old Burying Ground/Mt Pleasant Tomb Repair Study	\$64,920					\$64,920
Grand Total	\$1,526,033	\$500,000	\$907,700	\$407,700	\$475,000	\$3,816,433

- Eleven FY2018 proposals received and evaluated in well-managed public process by CPA Committee
- Nine projects recommended for full funding and one for partial, with endorsement of Capital Planning Committee and FinCom
- Projects above are those eligible for both CPA and traditional Capital Planning funding, including expected proposals for future years
- Capital Planning continues to segregate such eligible expenditures in funding category "CPA" for consideration by the Community Preservation Committee and remains committed to considering these projects in the capital plan if CPA funding is unavailable

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Municipal Modernization Act

- Bond Premiums, Ch. 40 § 20.
 - Reduce the Borrowed Amount or
 - Reserve Fund and appropriate to reduce borrowing for other capital project of greater or equal useful life.
 - Retroactive application (ATM Article 36)
- Surplus Bond Proceeds
 - Reuse, up to \$50,000 without appropriation to pay debt service
- Parking Fees
 - Parking District and Fund (ATM Article 26)

Bond Premium Strategy

- **Bond Premium defined:** One-time payment received from investors on bond issuance, adjusting nominal interest rates to market rates
- **Town's Previous Policy on Non-Exempt Debt:**
 - Town borrows full amount needed to fund projects and equipment within Capital Budget
 - Premium returned to the General Fund
 - Application of "Non-Cash Offset" to bottom line of Capital Budget & Plan for premium, amortized over life of bond issue. Appropriation from Free Cash not required
- **Policy Change under Municipal Modernization:**
 - When bond premium can be clearly anticipated, reduce current borrowing by expected premium (borrowing "net of premium")
 - Any excess premium received to be appropriated in the next fiscal year Capital Plan, reducing borrowing requirements for projects of equal or greater life
- **Exempt Debt Policy unchanged:**
 - Premium applied directly to exempt purpose; only "True Interest Cost" net of premium can be excluded from levy limit

Photocopier Inventory - Revised CPC budget recommendation

Department	Type	Serial Number	Installed	Lease End	Lease or		2018	2019	2020	2021	2022	
					Own	Age						
DPW/Engineering	MP7000				Own	?						
DPW/Engineering, plans	MPW3600				Own	?						
Inspections	Kyocera	1 6754306732				?						
Police	AF1022		9/24/2003			13.3						
Police/Dispatch	MP5000B	M5685000183	4/23/2008		Own	8.7						
Data Processing	DDP70E	01200694-479	5/3/2008		Own	8.7						
Human Resources	MP7000	M9385500478	8/13/2008		Own	8.4	\$5,000	\$5,000	\$5,000	\$2,500	\$0	
Assessing	MPC5000	V1385900588	1/30/2009	2/1/2012	Own	7.9	\$4,500	\$4,500	\$4,500	\$2,250	\$0	
Police/Records	MP5001SP	V8015000556	3/21/2011	4/1/2014	Own	5.8						
Planning	MPC4501	V951900394	11/29/2011		Own	5.1						
HHS	MP5001SP	V8016001500	2/1/2012		Own	4.9	\$3,000	\$3,000	\$3,000	\$1,500	\$0	
Housing	MPC3001	V9315901074	2/1/2012	2/1/2017	Lease	4.9	\$1,822	\$911		\$1,913	\$1,913	
DPW/Admin	MPC5502/NSI	W542L700828	8/24/2012	9/1/2015	Own	4.4	\$5,000	\$5,000	\$5,000	\$2,500	\$0	
Police/CIB	MP4002	W522LC00166	12/20/2012		Own	4.0						
Robbins House/Youth	MP5002SP	W532LB00308	1/1/2013	1/1/2016	Own	4.0	\$3,000	\$3,000	\$3,000	\$1,500	\$0	
Fox Library	MP2852	C81031336	9/27/2013		Own	3.3	Revolving Fund Paid					
Treasury	MPC5503	E183M860131	10/15/2013	11/1/2016	Own	3.2	\$4,155	\$4,155	\$4,155	\$2,078	\$0	
Library	MP2554SP	G144R901209	2/11/2015	3/1/2018	Lease	1.9	\$1,192	\$596		\$1,252	\$1,252	
Library	MP2554SP	G144R901921	2/11/2015	3/1/2018	Lease	1.9	\$1,192	\$596		\$1,252	\$1,252	
Police/Admin	MP5054	G184RA20841	4/1/2015	4/1/2018	Lease	1.8	\$2,613	\$1,307	\$0	\$2,744	\$2,744	
Fire	MP4054	G175R331088	6/2/2015	6/2/2018	Lease	1.6	\$2,160	\$1,080	\$0	\$2,268	\$2,268	
Legal	MPC4503	E175M411448	8/1/2015	8/1/2018	Lease	1.4	\$3,000	\$3,000	\$3,000	\$1,500	\$0	
Comptroller			2016		Lease	1.0	\$3,600	\$3,600	\$3,600	\$1,800	\$0	
Town Manager	MP6002SP	W866L100556	5/1/2016	5/1/2019	Lease	0.7	\$3,673	\$3,673	\$1,837	\$0	\$3,857	
Selectmen	MPC5503	E186M260921	6/1/2016	6/1/2019	Lease	0.6	\$4,155	\$4,155	\$2,078	\$0	\$4,363	
Library	MP6505	C91085328	10/5/2016	10/5/2019	Lease	0.3	\$3,247	\$3,247	\$3,247	\$1,624	\$0	
School Department							\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	
Total							\$171,309	\$166,820	\$158,416	\$146,679	\$137,647	
Town Total					Revised		\$51,309	\$46,820	\$38,416	\$26,679	\$17,647	
MP = Black and White	MPC = Color				Original		\$63,600	\$66,300	\$66,300	\$46,100	\$48,100	
First two digits indicate speed. E.g., MP6000 can make 60 copies per minute.							Savings	(\$12,291)	(\$19,481)	(\$27,884)	(\$19,421)	(\$30,453)
Buyouts are 50% of annual lease payment. Future leases are 50% of current lease.												

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March 8, 2017
 Dollar figures are based on current leases. Shaded areas = leases periods.

CPC Presentation to the Finance Committee
 22

Photocopiers

- **Old System**
 - Appropriate by department
 - Departments pay invoices
 - Departments request their own copiers
 - CPA meets with each department
- **New System**
 - Appropriate to Purchasing
 - Purchasing pays Invoices
 - Purchasing evaluates copier needs
 - CPC meets with Purchasing

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Photocopiers

- Old System
- App... to
- Dep... pays
- Dep... copier
- CPA meets with each department Purchasing

March 8, 2011

CPA Presentation to the Finance Committee

Town Owned Buildings

- Town owns and operates 8 buildings as rental properties.
- Urban Renewal Fund – consists of 3 buildings *Current Fund Balance \$428,732
- Central School – Various leases
 - 23 Maple Street - The current lease expires June 30, 2020 with an option to extend through June 2025.
 - Jefferson Cutter House – The Arlington Redevelopment Board is in the process of creating lease agreements with both tenants.
- Gibbs School – On July 1, 2017 the School Committee will have complete jurisdiction over the Gibbs School.
- Parmenter School – current leases expire June 30, 2019; includes Tenant Capital Contribution.
- Dallin Library – lease currently expired (beginning negotiation).
- Ryder Street – the lease expires in 2018 with a 2 year option to extend.
- Mt. Gilboa House – the lease expires in 2017; the bid process will begin in spring of 2017.

Town Owned Buildings

Town Owned Buildings Profit/Loss (With Debt)

	FY2013	FY2014	FY2015	FY2016	Annualized FY2017
Urban Renewal	\$50,814.51	\$30,329.24	\$44,893.09	\$97,066.84	(\$99,890.19)
Gibbs School	\$15,105.73	\$34,590.09	\$71,648.68	\$99,455.23	\$127,424.00
Parmenter School	\$154,231.38	\$159,718.93	\$185,591.36	\$185,247.08	\$110,935.13
Dallin Library	\$45,116.04	\$45,116.04	\$9,336.04	\$45,116.04	\$40,116.04
Ryder Street	\$122,387.00	\$109,383.00	\$131,682.00	\$127,875.08	\$131,170.08
Mt. Gilboa	\$6,702.00	\$1,592.01	\$23,388.69	\$24,000.00	\$21,000.00
TOTAL	\$394,356.66	\$380,729.31	\$466,539.86	\$578,760.27	\$330,755.06

Town Owned Buildings Profit/Loss (Without Debt)

	FY2013	FY2014	FY2015	FY2016	Annualized FY2017
Urban Renewal	\$50,814.51	\$30,329.24	\$44,893.09	\$113,532.73	(\$43,863.08)
Gibbs School	\$50,463.48	\$69,230.34	\$121,053.93	\$146,813.49	\$198,549.60
Parmenter School	\$170,671.38	\$175,783.93	\$201,656.36	\$210,152.08	\$207,655.36
Dallin Library	\$45,116.04	\$45,116.04	\$9,336.04	\$45,116.04	\$40,116.04
Ryder Street	\$122,387.00	\$109,383.00	\$131,682.00	\$127,875.08	\$131,170.08
Mt. Gilboa	\$6,702.00	\$1,592.01	\$23,388.69	\$24,000.00	\$21,000.00
TOTAL	\$446,154.41	\$431,434.56	\$532,010.11	\$667,489.42	\$554,628.00

Civic Block Campus Planning

Civic Block: *the block bounded by Maple, Academy, Mass Ave. and Pleasant St., including Town Hall, Central School, 23 Maple St., Robbins Library, Whittemore Robbins House, Carriage House, Cottage, Burial Ground and Winfield Robbins Memorial Garden, forms an important "town center" identity for Arlington*

Central School Renovations:

- Overseen by Planning and Community Development Dept. with planned funding from public & private sources
- FY18: \$500K for architectural plans, specs, docs for bidding
- FY19 & 20: \$4MM CPC request + \$1MM private fundraising for renovations
- Ground floor: Town offices Health & Human Services, Retirement Board, Council on Aging
- 1st floor: Senior Center, including public spaces for COA and Arlington Senior Assoc.
- 2nd floor: Offices for Menotomy Weatherization program, STEP program
- 3rd floor: Offices for Mystic River Watershed, Arlington Center for the Arts (ACA) offices, classroom, studio and gallery space
- 4th floor: ACA office & studio space (ACA will fundraise to do more extensive "fit out". Applied for \$300k matching grant from Mass Cultural Council)
- Driveway: \$200k reconstruction to mitigate hazards from brick paving and to create accessible parking and building access

Whittemore Robbins House:

FY18 CPC funds for structural, building envelope renovations

Carriage House:

FY17 CPA funds, through an HHS application, cover building envelope renovations and stabilization. Work begins in April and should be complete by September
Building will be used for storage

Cottage: Awaiting structural analysis report. Expect request for funding for FY19.

Town Gardens:

FY18 CPA funds for restoring outdoor water features in Olmsted designed garden in center of Civic Block

Mass Ave Phase II:

FY18 and future fiscal years: Town meeting with Mass DOT, which will primarily fund construction work. Additional funds will be requested from CPC and other sources for related streetscape investments.

Facilities Maintenance Focus

1. PREVENTATIVE MAINTENANCE (PM) system for all school and municipal buildings under the Facilities Dept.

- a) The PM “platform” is a software system that schedules work orders for internal and external PM tasks for buildings and their key component parts
- b) As of today, over 95% of PM projects are scheduled in the system
- c) Automated recommendations for preventative work to be done to maintain equipment and assist in forestalling unanticipated capital expenses, like HVAC failures
- d) Provides expenditure information for all costs, including municipal staff time
- e) New HVAC staff members by FY 18 will enable 75% of all maintenance work to be done “in house”

2. FAULT DETECTION DIAGNOSTIC (FDD) system

- a) Constant commissioning of building HVAC operations
- b) Energy management system for every building installed
- c) FY18-19 targets: Pierce, Brackett, Stratton, Gibbs

3. FACILITIES CONDITION INDEX (FCI) system

- a) Grades Facility Dept. buildings on a “need for maintenance investment” scale
- b) Now thru FY20
- c) Enables financial forecast of planned and priority costs

Maintenance Operations

1. Responsibilities: Set and Maintain Standards for all Town/School Buildings & Assets

- a) Utilizing the Arlington Maintenance Policy and Plan, create standards for all facilities which could include health and safety, preservation of assets, special permit requirements, degree of need, life cycle of asset class, and cost to maintain asset.
- b) Ensure maintenance is done in a timely and cost effective manner as necessary to insure the long term health of Town assets.
- c) Capture all required facility information in database.
- d) Develop tools for measuring and reporting the progress of the Town's investment in maintenance.
- e) Provide measurable results for maintenance levels in all facilities.

2. Multi year phase in of systems

- a) First, establish preventative maintenance system
- b) Train and organize maintenance and custodial staff for new patterns of operation
- c) Schools, with most buildings and most occupants received priority for maintenance

3. Team ready to go

- a) Supervisor of Maintenance will oversee automated work order processes
- b) Supervisor of Facilities will oversee major projects such as HVAC replacement at Ottoson & HVAC/generator project at Town Hall
- c) Director of Facilities overseeing asset condition analysis

Parks & Recreation

- **Prior Year Projects**
 - Complex Concept Feasibility Study (Hurd, Hills Hill & Lussiano) → Underway → Changes at all 3 sites expected to cost \$2.5m
 - Magnolia Field → Under construction → Summer 2017 Opening
 - ADA Improvements, Florence & Lussiano → CD's being finalized
- **Current Year Requests:**
 - Reservoir Master Plan (\$100k) – CPA funded
 - Playground Improvements (\$50k)
 - Summer St. Safety Fencing(\$50k)
 - ADA Implementation (\$60k Annually)
- **Future Year's Requests:**
 - Reservoir Beach Facilities (\$500k, FY19 & FY20), Hurd Field (\$408k, FY20 & FY21), Wellington Playground (\$475k, FY22)



Facilities

- **Prior Year Projects**
 - DPW Facility Architect Design → OPM RFP issuance targeted for early March → Say retained mid May → Design Team RFP to follow OPM boarding.
 - Town Hall Renovations → Target to replace Boiler /Generator (\$190k)
- **Current Year Requests:**
 - Town Hall Renovations (\$100k) – Bathroom Renovations/HVAC Upgrades
 - Consultant Services (\$18k) – Biennial Request
- **Future Year's Requests:**
 - Town Hall Renovations (FY19 \$100k) – Entrance Area
 - DPW Facility Renovation (FY20 \$10m)



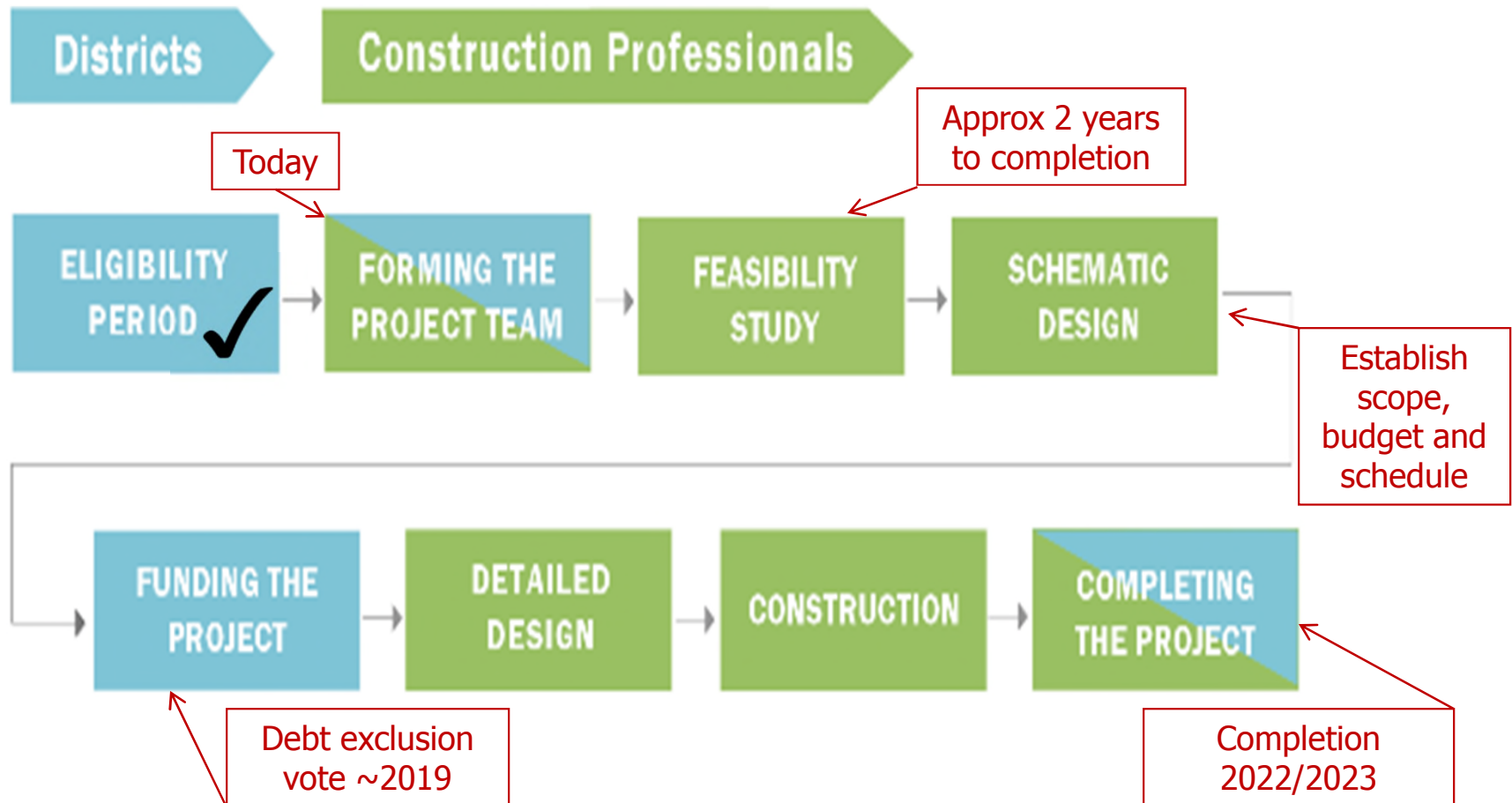
Public Works

- **Prior Year Projects**
 - Mystic St Bridge Replacement → Applied for Small Bridge Grant
 - Westminster Wall → Plans have been completed → Spring bid planned
 - Concrete Light Pole Replacements → Current plan to be done by Street Light Contractor
 - Mill Brook Mitigation Project → Underway → Survey Done , Modeling Underway
- **Current Year Requests:**
 - Traffic Signal Upgrade Program (\$60k/annually)
 - Increase in Sidewalks/Curbstones (\$500k)
 - Work Crane – 120' Boom (\$275k)
- **Future Year's Requests:**
 - Mystic St Bridge Construction (FY21/FY22, \$225k/\$425k) ??
MassDOT grant
 - DPW Facility Renovation (FY20, \$10m)



BR

Arlington High School – MSBA Process



March 8, 2017

CPC Presentation to the Finance Committee

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Arlington High School

- Mass School Building Authority (MSBA) voted in February to invite Arlington to enter the Feasibility Module of its process
- Building Committee has been formed and approved by MSBA
- Design enrollment of 1,755 students agreed upon
- Next Steps: Forming the Project Team and Feasibility Study
 - Owners' Project Manager selection
 - Designer Selection Panel process
 - Project Team will document the educational program, and existing conditions, establish design parameters, develop and evaluate alternatives, and recommend the most cost-effective and educationally appropriate preferred solution to MSBA.
- Based on recent High School projects in other communities, projected cost at schematic design of \$200 million.
 - Best available information based on recent and current projects in Winchester, Wilmington, Concord-Carlisle, Wellesley and Belmont; adjusted for projected Arlington timeline and higher costs due to site constraints.
- Expected reimbursement by MSBA of 40-50% of eligible costs.

RV

Stratton School Initiative Update



Stratton is the final step in the Elementary School Rebuild Program committed to voters in 2000

- Construction began at the close of school, June 2016
- Modulares are in place; students have been relocated to modular classrooms on site for the duration of construction (one school year)
- Renovated Stratton building will be ready for the start of school, 2017
- Permanent Town Building Committee is overseeing this project
- The project appears to be on schedule and may come in under budget

CPC Presentation at STM January 2016

Stratton Funding Plan	
Total Project Cost	\$15,793,000
Non-exempt in 2017 Capital Plan bonding	\$6,319,206
Prior BAN	\$1,085,000
Total non-exempt Debt	\$7,404,206
Apply Capital Carryforward	1,642,000
Total non-exempt contribution	\$9,046,206
Exempt Debt Required	\$6,746,794
Asset Sale Contribution	\$1,000,000
Exempt Impact After Asset Sale	\$5,746,794

- Employ unused elementary school debt exclusion funds
- Sell underutilized Town assets
- Fund balance through the non-exempt Capital Budget
- Impact of \$6,746,794 on tax for average \$585,000 single-family home is about \$34 per year, which is reduced by the asset sale
- Although voted at the STM on 1/25/2016 the debt service impact is accounted for in the Capital Budget and Plan presented to you

Stratton Funding As Borrowed

Stratton Funding Plan	STM January 2015	Post Nov 2016 Borrowing	Variance
Total Project Cost	\$15,793,000	\$15,793,000	
Non-exempt in 2017 Capital Plan bonding	\$6,319,206	\$6,319,206	
Prior BAN	\$1,085,000	\$1,085,000	
Total non-exempt Debt	\$7,404,206	\$ 7,404,206	
Less asset Sale Contribution		(\$750,000)	(\$750,000)
Less Increase in Exempt Debt		(\$2,000,474)	(\$2,000,474)
Net Total Non-exempt Debt		\$4,653,732	\$4,653,732
Apply Capital Carryforward	1,642,000	1,642,000	-
Total non-exempt contribution	\$9,046,206	\$ 6,295,732	(\$2,750,474)
Asset Sale Contributon		\$750,000	
Revised Non-exempt Contribution	\$9,046,206	\$7,045,732	(\$2,000,474)
Exempt Debt Applied	\$6,746,794	\$8,747,268	\$2,000,474
Project Total	\$15,793,000	\$15,793,000	
Asset Sale Contribution	(\$1,000,000)	(\$750,000)	\$250,000
Exempt Impact After Asset Sale	\$5,746,794	\$8,747,268	\$3,000,474
Non-exempt Debt Contribution	\$9,046,206	\$6,046,000	(\$3,000,206)
Prior Ban	\$1,085,000	\$ 1,085,000	
Capital Carry Forward	1,642,000	\$ 1,642,000	
New Borrowing	\$6,319,206	\$ 3,319,000	(\$3,000,206)
Project Total	\$15,793,000	\$15,543,268	(\$249,732)

- DOR allowed \$8,747,268 exemption from the 2000 Rebuild Referendum contemporaneously with STM
- Treasurer, BoS and CPC agreed that this was voters decision
- Treasurer increased exempt debt by \$2,000,474, and reduced non-exempt debt burden by same amount
- Treasurer borrowed assuming \$1,000,000 for DAV building sale
- Sale came in at \$750,000 so Stratton debt is higher by \$250,000 than in plan
- Project is under budget; also, next borrowing round will likely produce a premium that the MMA requires be applied to reducing debt
- Change produced benefit to non-exempt capital plan of \$2.75 million

Hardy School

- Hardy School population growing past capacity even without Mugar development
- School Enrollment Task Force recommended six new classroom addition at Hardy
- School Department Architectural study projected \$3.5 million cost for Hardy addition
- Capital plan funds Hardy extension with benefit of revised Stratton funding plan

MM

Rescinding Prior Debt Votes – Town Treasurer Warrant Article

Motion: VOTED That the Town hereby rescinds **\$17,000** in the following individual amounts that have been authorized to be borrowed, but which are no longer needed for the purposes for which they were initially approved:

Unissued Remaining Amount	Date of Approval	Warrant Article	Statute	Original Purpose
\$17,000	5/10/2010	53	7	Various Purposes

Big Issues to Ponder

- AHS Renovation/ New Construction
- School Playgrounds Renovations (Parks and Recreation Review)
- DPW Campus: Renovation and Renewal Planning
- Civic Block Campus Planning
- Capital Budget and 5% Limit and Debt Exclusions
- Improving Sidewalks Requires Increased Funding

BR

Five Year Plan and FinCom Guidelines

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Total
Prior Non-Exempt Debt	\$7,192,219	\$6,096,240	\$5,346,815	\$4,489,902	\$3,823,015	\$26,948,191
New Capital Expenditures:						
Cash	\$3,881,928	\$2,268,309	\$2,539,701	\$2,206,035	\$2,700,544	\$13,596,517
New Non-Exempt Debt Service	\$81,900	\$532,268	\$1,241,791	\$2,497,538	\$2,805,337	\$7,158,834
BAN Interest and Principal	\$0	\$4,000	\$0	\$0	\$0	\$4,000
Total Non-Exempt Plan	\$11,156,047	\$8,900,817	\$9,128,307	\$9,193,475	\$9,328,896	\$47,707,542
Direct funding sources:						
Non-exempt Bond Premium FY2017	(\$2,154,418)					(\$2,154,418)
Rink Enterprise Funds	(\$85,153)	(\$82,591)	(\$79,966)	(\$28,128)	(\$27,078)	(\$302,916)
Ambulance Revolving Fund	(\$53,156)	(\$104,025)	(\$96,070)	(\$82,965)	(\$112,460)	(\$448,676)
Capital Carry Forwards	(\$341,778)					(\$341,778)
Antennae Funds	(\$189,835)	(\$193,220)	(\$195,478)	(\$196,984)	(\$197,988)	(\$973,504)
Urban Renewal Fund	(\$43,844)	(\$42,444)	(\$41,044)	(\$39,644)	(\$38,244)	(\$205,219)
Adjust for Roadway Reconstruction Override 2011	(\$452,563)	(\$463,877)	(\$475,474)	(\$487,361)	(\$499,545)	(\$2,378,821)
Adjust for 2016 and prior Bond Premium	(\$589,033)	(\$552,822)	(\$516,611)	(\$260,240)		(\$1,918,706)
Adjust for 2017 encumbered debt service	(\$266,516)					(\$266,516)
Net Non-Exempt Plan	\$6,979,751	\$7,461,838	\$7,723,665	\$8,098,154	\$8,453,581	\$38,716,988
Adjusted Total Town Budget	\$140,827,698	\$147,617,927	\$154,744,444	\$161,921,500	\$169,638,931	\$774,750,501
Budget For Plan at 5%	\$7,041,385	\$7,380,896	\$7,737,222	\$8,096,075	\$8,481,947	\$38,737,525
Plan as % of Revenues	4.96%	5.05%	4.99%	5.00%	4.98%	5.00%
Variance From Budget	\$61,634	(\$80,942)	\$13,557	(\$2,079)	\$28,366	\$20,537

March 8, 2017

CPC Presentation to the Finance Committee

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BR

Recommended Vote

- We are asking you to vote the capital expenditure budget as currently presented.

Cash	\$	3,881,928
Bond	\$	5,080,000
Other	\$	3,571,500
Total	\$	12,533,428

- FinCom will have opportunity to review detailed written vote and any modifications later in process.

FY 2018 by Funding Source	Expenditures
By Funding Source	
Cash	\$3,881,928
Bond	\$5,080,000
Other	\$3,571,500
Total	\$12,533,428
Calculation of Net Appropriation of Article 36	Capital and Debt Service
Prior Years Non-exempt Debt Service	
Principal	\$5,341,000
Interest	\$1,851,219
Total Prior Non-exempt Debt Service	\$7,192,219
Plus Enterprise Fund Debt Svc. Appropriation	\$458,425
Plus MWRA Loan Payments	\$789,494
Net Prior Non-Exempt Debt Service	\$8,440,138
New Non-exempt Debt Service	\$81,900
Less Non-exempt bond premium FY2017	(\$2,154,418)
Less Antenna Funds	(\$189,835)
Less Ed Burns Rink	(\$85,153)
Less Ambulance Revolving Fund	(\$53,156)
Less Capital Carry Forward	(\$341,778)
Less Urban Renewal	(\$43,844)
Current Year Cash Outlay	\$3,881,928
Total Non-exempt Appropriation	\$9,535,782
Exempt Principal	\$2,394,000
Total Exempt Interest	\$727,449
Total Exempt Debt Service	\$3,121,449
Less Enterprise Fund Debt Svc Approp.	(\$458,425)
Less MWRA Loan Payments	(\$789,494)
Total Tax Rate Appropriation	\$11,409,312

CF

Attachments

- FY 2018 Capital Budget
- FY 2018 - FY 2022 Capital Plan
- Forecast of New Debt Service

CF

Actions Requested of FinCom

- Vote favorable action on our recommended budget
- Support five year plan
- Transfer \$10,000 from Perpetual Care to Capital Budget
- Support the Treasurer's Debt Recision Article

CF

Summary

- We respectfully ask your support of the Capital Planning Committee budget request.

Thank you
The Capital Planning Committee