



## Capital Planning Committee

Capital Plan for FY2023 (July 1, 2022 – June 30, 2023)  
5-Year Plan for FY2023 – FY2027

Date: Thursday, December 16, 2021  
Time: 5:00pm-7:00pm  
Location: Zoom Meeting

### Minutes

Attendance: Joseph Barr (left at 6:00pm),  
Ida Cody (arrived at 5:30pm),  
Kate Leary,  
Kate Loosian,  
Michael Mason (left at 6:30pm),  
Chris Moore,  
Sandy Pooler,  
Jon Wallach,  
Julie Wayman, Management Analyst,  
Timur Kaya Yontar (arrived at 5:15pm).

Not in attendance: Phyllis Marshall.

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**Meeting Opened:** Mr. Moore called the meeting to order at 5:06pm due to Mr. Yontar being late.

**Approval of Minutes:** The minutes from the December 2, 2021 meeting were reviewed and approved by the following vote:

Joseph Barr: Yes,  
Ida Cody: Absent,  
Kate Leary (seconded motion to approve): Yes,  
Kate Loosian (made motion to approve): Yes,  
Phyllis Marshall: Absent,  
Michael Mason: Yes,  
Chris Moore: Yes,  
Sandy Pooler: Yes,  
Jon Wallach: Abstain,

Timur Kaya Yontar: Absent.

**Future Calendar:** Mr. Moore noted that the next Committee meeting will take place on January 6, 2022, during which there will be an update on the work of the Community Preservation Act Committee (CPAC), along with a review of the latest update of the capital plan. The Committee also agreed to invite Director of Planning and Community Development Jennifer Raitt to present the Sustainable Transportation Plan at the January 20, 2022 meeting. The meetings after that will be focused on preparing for the Committee's presentation to the Finance Committee in early March.

**Update on Poets Corner:** Ms. Leary provided an update on discussions with Belmont Hill School regarding Poets Corner. These talks are going well and it seems likely that the external funding will be available. Recreation Director Joseph Connelly doesn't think that we need to include this in the plan with Town funding; if the Belmont Hill option falls through, then they would need to reevaluate what would happen next and it therefore wouldn't make sense to carry such a large number in the plan. Ms. Leary also noted that the Parks and Recreation Commission is interested exploring the installation of turf playing fields in the future, but it is important to remember that because turf fields are not eligible for CPAC funding so those projects would require regular capital funding. Ms. Leary also mentioned that the Town is looking to advertise priority park projects that are to be funded through the American Rescue Plan Act (ARPA) this spring, and that any projects that are to be funded in that manner have been removed from the capital plan.

**Review of Debt Service Level:** Mr. Moore provided an overview of the analysis he has done on the current future debt services levels, as compared to the 5% rule that is used for capital expenditures. Typically, the yearly debt payments are somewhere between 80%-100% of the 5% limit. At times, we were over 100% of the limit, but that was because of unique/one time cash contributions that allowed for this level of commitment. Currently, the debt payments are not at a historic high and the Town is not particularly highly indebted. This analysis provides a good guide for understanding how much capacity we have to borrow in the future and can be updated on an ongoing basis. The Committee discussed whether there should be an upper limit to our bonding (as a percentage of the 5%), or whether it is OK to be over the 5% as long as the overall plan balances, but did not reach a final conclusion. There was general agreement that this is useful information to have available, that could be used by the Committee to understand what level of capital expenditure will be possible in the future.

**Review of the FY23-FY27 Capital Plan:** Mr. Yontar provided an overview of the current status of the capital plan. Some of the costs were not properly accounted for in the prior version of the plan, so the plan is actually \$4.9M over budget (5.5% of budget rather than 5%) over the five years of the plan. To make the plan balance, Mr. Yontar started by removing projects to be funded by ARPA and made sure that other projects funded by external sources were properly categorized. From there, projects were moved into later years of the plan or removed based on the Committee scoring, to get to a plan that is balanced overall. Additional changes will need to be made to balance across the five years

of the plan. Ms. Cody also noted that the capital carryforward (sweeps) number has changed and gone down slightly, which will need to be accounted for in the plan.

Mr. Yontar noted additional issues that need to be discussed:

- There may not be enough ARPA funding available to shift all the projects that could be eligible for that funding. As a result, some of the projects that have initially been moved out of the plan will need to be considered for inclusion in the plan, in a way that minimizes the impact.
- In the items that are moved into the later years of the plan, there are some public safety vehicles, so there will need to be discussions with the Fire and Police Departments about the impacts of those changes.

Mr. Moore made a point about starting to differentiate between items that are conserving and maintaining what we already have, as opposed to expanding and doing more. He suggested that we may need to focus on the first category, and this may help us to reduce the cost of certain projects. Ms. Loosian also pointed out that this reduces the need for future operations and maintenance funding, as well as the future capital needs for those new/expanded assets.

Ms. Loosian suggested that this may be an appropriate time to look at transitioning items that may not be truly capital expenditures (like software licenses) to operating budgets. Mr. Pooler indicated that this could be challenging because of the significant constraints on the operating budget that are coming in the near future.

Ms. Leary raised the question of whether the Committee scores and the project rankings take into account the department head priorities. Timur indicated that this is the case, as the formula used for ranking the projects is partially based on the department head rankings, along with the Committee rankings.

Mr. Yontar raised a question about whether painting the school buildings is capital. Mr. Moore said that he struggles with this question, since it is both a maintenance activity and something that keeps the building from degrading and requiring more capital work. Ms. Cody agreed that this is a grey area that she could see from both perspectives. Mr. Moore also noted that some of these projects are preventive maintenance that will help to avoid or defer future major capital expenditures by taking better care of assets now.

Mr. Wallach asked about whether there needs to be more formal discussions about what we consider to be capital eligible. Mr. Pooler reminded the Committee of the existing rules about what is considered to be capital eligible, and also noted that we have moved some existing items out of the plan and added other new items, and it important to consider the impact of removing those existing items (such as the public safety vehicles noted earlier). Mr. Moore suggested that we need more specific rules and guidance to provide to department heads and Mr. Yontar said that this should be a discussion for a meeting that takes place after the capital budget has been submitted.

Based on the discussion, Mr. Yontar said that he would follow up on the various departmental items that have been discussed. Ms. Loosian also suggested that department heads should be consulted in general on which projects and items should be eliminated or deferred, based on their most pressing needs.

**New Business:** There was no new business to discuss.

**Meeting Adjournment:** The meeting adjourned at 6:43pm, based on the following vote:

Joseph Barr: Absent,  
Ida Cody: Yes,  
Kate Leary: Yes,  
Kate Loosian (seconded motion to adjourn): Yes,  
Phyllis Marshall: Absent,  
Michael Mason: Absent,  
Chris Moore (made motion to adjourn): Yes,  
Sandy Pooler: Yes,  
Jon Wallach: Yes,  
Timur Kaya Yontar: Yes.