



Capital Improvement Committee

Report of Recommendations On FY 22 Capital Requests

May 4, 2021

The Capital Improvements Committee met frequently between November 2020 and March 11, 2021 to evaluate capital requests submitted by Town Departments and the Gill Montague Regional School District. This included requests for funding in FY21, which were considered at a Special Town Meeting on February 25, 2021; and requests for funding in FY22, which will be addressed at the FY21 Annual Town Meeting.

As in recent years, this report first provides an overview of evaluation criteria and the approach to reviewing requested articles. Following a summary table of requests and recommendations, it then briefly describes and presents recommendations for each project submitted for funding in FY22, omitting any requests that were withdrawn by the proposer. Finally, it presents the CIC's recommendations relative to five requests that have already been approved at the aforementioned Special Town Meeting.

The CIC would like to offer two comments ahead of the main body of the report:

1. With regard to article requests for funding in FY22, in addition to more routine requests for vehicles, equipment and building repair, the CIC considered three requests proposed by the Town Administrator that would aid in project planning and execution, and provide for emergency repair of distressed properties. Each of these would require a Selectboard vote before usage. Included are appropriations to cover:
 - unforeseen cost overruns on Town Meeting-approved projects;
 - unanticipated engineering and survey costs that frequently arise; and,
 - repair costs in unsafe/unhealthy buildings that require immediate attention.

In addition, the CIC requests funding to support Town building assessment and the development of a six-year capital plan.

2. The GMRSD submitted five special article requests totaling just over \$300,000. In the opinion of the CIC, four of these were sufficiently well defined to warrant moving forward in the request budget cycle. The four remaining articles total \$246,511. Although this is an unusual number of requests, it should be understood that they represent two years' worth of projects, with four of the five expenses associated with core systems of town owned elementary schools. The district had agreed to delay action on three of these articles in spring 2020 to reduce the duration of Town Meeting in response to the pandemic.

I. Approach to Evaluation of Requested Articles

A. Defined Criteria/Rationale

Following are key criteria that drive the CIC's assessment of project requests.

Public Safety: Does the capital improvement rectify a safety concern or otherwise prevent a potential public safety issue?

example: Installing the new front porch/egress stairs at the senior center. The old porch egress had stairs with risers that were inches higher than what is allowed by building code, resulting in the potential of a dangerous fall.

Cost avoidance: Does the capital improvement present a reasonable opportunity by which the town could avoid an increased future expenditure?

example: Replacing the controls at Denton Street pump station. New equipment can be monitored remotely resulting in less occasions of having to send crew out to check on system.

Service Interruption: Does the capital improvement prevent a potential interruption in public service?

example: Replacing the building management system and components at TFHS. Without upgrading and replacing the hardware and software the school would be vulnerable to losing its ability to operate the equipment necessary to control classroom temperatures. The original equipment is obsolete and no longer supported by the service provider.

Other- Any other reason identified and relevant to the request.

B. Grading System

Recommend: Given appropriate budget space, the committee believes that the capital improvement should be funded, although they may not be as urgent as projects graded.

Recommend with reservations: The committee would normally recommend the capital improvement, except the request form is incomplete, lacks a professional estimate, or doesn't address or account for the long term needs and concerns of the town.

Does not recommend: The committee does not recommend moving forward with the capital improvement as presented, whether due to the nature or timing of the project, the quality of quote or other information submitted to support the article or other reasons.

II. FY22 Budget Capital Improvement Requests

A. Summary of Submissions

Below is a table illustrating the requests received by the CIC, less those that may have been retracted due to the lack of a project ready scope or cost estimate. The CIC does not seek to comment on funding source or whether a lease option would be preferable to direct outlay for any individual item. Note that the “Dept Rank” column clarifies the relative priority assigned to the account by the Department Head.

Submitted by...	Project Description	Dept Rank	CIC Recommendation	Recommended Appropriation
Planning	Phase II Environmental Study of 500 Avenue A (former DPW)	1	Recommend	\$ 32,500
DPW	Six-Wheel Dump Truck with Plow / Sander (lease option \$55k x 5)	1	Recommend	\$ 250,000
DPW	DPW Discretionary		Recommend	\$ 100,000
GMRSD	Hillcrest Façade Repair	1	Recommend	\$ 55,000
GMRSD	Sheffield/Admin Façade Repair	2	Recommend	\$ 45,000
GMRSD	Sheffield/Admin Fire Alarm Modernization	3	Recommend	\$ 90,000
GMRSD	TFHS tennis court repair & re-surfacing (89.7% Montague share)	4	Recommend	\$ 56,511
CIC	Building Assessment and Capital Plan Development	1	Recommend	\$ 50,000
Town Admin	Project and Bid Cost Overruns Fund	1	Recommend	\$ 25,000
Town Admin	Unexpected Survey and Engineering Fund	2	Recommend	\$ 25,000
Town Admin	Unsafe Unhealthy Building Fund	3	Recommend	\$ 25,000
Total				\$ 754,011

Requests for Funding in FY22

Planning: Phase II Environmental Study of 500 Avenue A Property. \$32,500

The Town seeks to dispose of the former DPW building and grounds at 500 Avenue as it is now surplus property. Although there have been many expressions of interest and the bid conference attracted numerous interested parties, no bids were received. It is understood that the findings of a previous Phase I Environmental Study left too much uncertainty relative to the possible liability of environmental issues, deterring bids. The Phase 2 study would resolve uncertainty as to the need for future remediation of the property – making issues known.

Capital Improvements Committee: **Recommends**

Other: Not only is having the Phase II Environmental Study performed the ethical thing to do, it also will allow the town to attract better quality bidders, facilitating the development of a private business that is compatible with Town goals for the property – returning it to the tax roll and seeing it become a source of new employment.

DPW: Six-Wheel Dump Truck with Plow and Sander. \$250,000

This request would fund the purchase of a new six-wheeled dump truck equipped with a plow and sander that would replace a 1997 model at the end of its serviceable life. Plow package comes with additional wing blade, which more efficiently plows larger roads in town. Option to lease is available with a five-year term at \$54,892/year at present interest rates (3.19%).

Capital Improvements Committee: **Recommends**

Service Interruption: Replacing the 1997 with a modern model removes a majority of the risk of having a truck go down in the middle of a large scale snow event, which is this truck's primary use.

DPW: Discretionary Account. \$100,000

This account is well-established and is governed by policy. It enables the DPW superintendent to make small- and medium-scale equipment purchases, including both emergency repair and for the purposes of expanding capabilities or replacing aging vehicles or equipment. Expenditures are reviewed periodically throughout the year by the CIC and Finance Committee. The DPW would otherwise be required to wait for Town Meeting appropriation or to request a Reserve Fund Transfer for emergency repairs or purchase.

Capital Improvements Committee: **Recommends**

Service Interruption: The DPW discretionary fund helps ensure that vital equipment can be repaired or replaced in a reasonable timeframe.

GMRSD: Hillcrest Facade Repair. \$55,000

This is priority number one on the district's request list this cycle. The exterior of the building is experiencing significant issues that, without intervention, will lead to further deterioration of the brick facade. Many bricks have come loose and/or are beginning to deteriorate completely. There is potential for risk to public safety should the masonry continue to erode and bricks loosen and fall. All compromised brick would be either replaced or re-secured to building. This project is considered to be a phase one project in the restoration of the exterior of the building,

Capital Improvements Committee. **Recommends**

Public Safety: Should the masonry continue to degrade it is reasonable to assume that bricks may begin to fall out of place and eventually onto the ground surrounding the building.

Cost Avoidance: Without proper restoration the masonry facade will continue to degrade as more and more moisture works into and between the mortar joints. Spalling is inevitable and exponential damage and repair costs are not far behind.

GMRSD: Sheffield/Admin Facade Repair. \$45,000

This is priority number two for the district and has also been on review by the CIC over the last two cycles. The Sheffield/Admin building is having masonry issues that need to be corrected. The repair is essential to the continued viability of the building and should be considered a close second as to prioritization. Earlier concerns about the methodology and materials presented in the request have been eased as key details of the installation procedure have been clarified. This project involves wrapping the affected areas in coil stock aluminum which will then be mechanically fastened to masonry and sealed into the mortar joint above.

Capital Improvements Committee: **Recommends**

Public Safety: Pieces of masonry are breaking away from the building and have already been found in small chunks on the ground.

Cost Avoidance: By acting now the town can slow or stop the deterioration of the antique masonry and avoid a very expensive restoration project in the future.

GMRSD: Sheffield School/Admin Building Fire Alarm Upgrade/Modernization. \$90,000

This is the third priority of the GMRSD request list. This project will include a new fire alarm panel, full replacement of existing and antiquated call devices throughout the two sides of the building, and expansion of call devices throughout the Sheffield Elementary School to enhance ability to identify the location of alarm incidents.

Capital Improvements Committee: **Recommends**

Public Safety: Updating the antiquated system and components will allow for expedited responses to emergencies in buildings serving the youth of our community.

Cost Avoidance: In the event of a fire, a more reliable fire alarm system with better call location accuracy could help prevent substantial damage to the building.

GMRSD: Turners Falls High School Tennis Court Repair and Resurfacing. \$56,511

Although it is the fourth priority on the GMRSD list, is also considered an essential repair as the MIAA has warned the Athletic Director of TFHS that the courts will soon no longer be able to be played upon competitively at the high school level, as injuries may occur as a result of the uneven surface. This is due to large cracks in the asphalt which are believed to have been caused by improper post installation during initial construction. The repairs to the cracks would be accompanied by resurfacing of the courts and proper slip joints to allow for expansion where the posts are seated into the court. This would ensure against long-term issues.

Montague would own an 89.7% share of this project, with Gill to pay the balance of the total anticipated project cost of \$63,000.

Capital Improvements Committee: **Recommends**

Public Safety: Without the repairs the courts will continue to crack and the uneven surface cannot provide sure footing for players resulting in potential injuries.

Cost Avoidance: If left unrepaired the cracks will open up to the point where the entire court will have to be milled up and repaved along with inevitable site work posts.

Service Interruption: If left unrepaired the MIAA has indicated that the high school will no longer be an accepted site for competitive tennis matches, jeopardizing those popular student programs.

CIC Article: Building Assessment and Capital Plan Development. \$50,000

The Capital Improvement Committee requests \$50,000 to fund a third party assessment of all currently occupied Town buildings to ensure capital project needs are well understood and can be used as a basis for capital expense forecasting. The funding is also expected to cover some technical assistance to assist with development of the capital plan document.

It is expected that the study will include assessment of the following buildings: Town Hall, Public Safety Complex, WPCF, Council on Aging, Colle Opera House, Shea Theater, Airport, Unity Park Fieldhouse and the Central Street School. Expense is anticipated to be in the range of \$4,000-\$5,000 per building, based on previously completed/contracted building assessments. Specifically, the GMRSD used a \$22,000

appropriation to study its three schools in Town (\$22,000) and Montague's three libraries are in the process of assessment at a combined cost of \$10,000. The DPW building is new and will not require assessment. This plan is not expected to include roads, bridges, sewers or the WPCF treatment system.

It is expected that \$10,000 will remain after building assessment, a portion of which would be used to acquire outside support for development of a fully integrated capital plan for the Town.

Capital Improvements Committee: **Recommends**

Cost Avoidance: Without a comprehensive understanding of the needs of each of the Town buildings it will be nearly impossible for Town bodies to make informed decisions regarding the future of each. Knowing the long term needs and associated cost of improving and maintaining each building is essential in a creating capital plan.

Town Administrator: Project and Bid Cost Overruns Fund. \$25,000

The intent of this article is to create a fund that the Selectboard could deploy in a time efficient fashion to make certain that a project previously approved by Town Meeting can be fully and satisfactorily completed. The CIC recommends that this fund be limited to provide no more than 10% of the value of the original appropriation to support any given project, but in no case to exceed the lesser of either the resources available in the fund or \$25,000. Larger requests would need to be otherwise supported.

Capital and other project requests are typically based on estimates of cost provided by those vendors willing to provide them. While great effort is made to get reliable estimates, they are not always available. Quotes may also overlook or not anticipate problems that become evident over the course of implementation. This may in some cases exceed the contingency included in the project budget. This fund would reduce the need to substantially over-estimate expected cost/contingency for every project.

Capital Improvements Committee: **Recommends**

Service Interruption: The alternative to creating this account, in the event of a project overrun, is the work must be halted or completed in a less than adequate fashion. A Reserve Fund transfer may be possible.

Town Administrator: Unexpected Survey and Engineering Fund. \$25,000

The Town does not employ an engineer and does not have a discretionary engineering and survey services budget. In most cases, the cost of hiring for those services can be planned for and included as part of a project's budget. However, there are times when, for example, a grant opportunity may emerge that requires the Town access these services on short notice in order to develop and submit plans required by an application. Likewise, there are times when a concern emerges relative to a structure, road, or bridge that would benefit from survey or engineering, but may not be allowable or accounted for in planned Chapter 90 spending.

This account would provide the Selectboard with the flexibility to consider and fund requests to secure these types of services in a timely fashion, while avoiding unplanned spending from other sources.

Capital Improvements Committee: **Recommends**

Other: As described above, this account would allow for rapid action to respond to respond to opportunities or problems that may develop, with unplanned projects, allowing the Town to work more efficiently and productively.

Town Administrator: Unsafe Unhealthy Building Fund. \$25,000

The Town has maintained a “community development/unhealthy buildings” account and historically placed funds returned to the Town through payback of CDBG loans to that account. This has allowed the Selectboard to make strategic investments in response to public safety or other concerns relative to unoccupied properties. These resources most typically are focused on property that is owned by the Town or that has been abandoned by negligent owners. Based on past issues, it may be used to secure a site by fencing or boarding, repair a collapsing roof or failed water line, or demo a dangerous structure.

While this account is seldom used, it is of great importance in the event a crisis develops or might occur if immediate action is not taken. The balance of the Unsafe Unhealthy Buildings account is currently \$10,753. While this is a helpful starting point, it is a limited sum in the context of a major issue. This article will improve the Town’s capacity to respond to issues that develop in a building or site that meet the criteria of unsafe or unhealthy as determined by the Selectboard. Money in this fund can only be accessed with Selectboard approval.

Capital Improvements Committee: **Recommends**

Public Safety: The ability to immediately respond to an unsafe building or site issue is crucial in order to maintain the highest level of safety to the public.

B. Prior Requests for Funding in FY21

While not relevant to the development of the FY22 Annual Town Meeting warrant, the CIC wishes to provide a summary of capital article requests that were submitted as part of the FY21 Capital Requests Cycle. Each of these projects received funding as requested in the FY21 budget year, with authorization received at either the October or February Special Town Meeting.

Council on Aging: Roof Replacement. \$50,000

The existing roof of the Gill-Montague Council on Aging building, located at 62 5th St in Turners Falls, is near the end of its life expectancy. Missing and deteriorated shingles are widely evident. Although both asphalt and standing seam metal roofs were considered, the asphalt option was thought to be the wisest choice. Replacing the roof before it fails will allow the Town to avoid costly repairs to the structure and interior finishes. Reconstruction of the building's chimney has already been completed through an appropriation from the 2020 Annual Town Meeting.

Capital Improvements Committee: Recommends

Town Administrator: Resources to Complete Capping of the Town Burn Dump. \$82,000

The Town is under order of MA DEP to complete capping of its long closed Town Burn Dump at Sandy Lane in Turners Falls. The Town entered into an agreement with Kearsarge Solar, granting land lease rights for a 3MW solar installation in exchange for capping of the Burn Dump. Through this exchange, the Town avoids about \$2.5M in capital expense, but still has certain responsibilities to the project. These include funding for design (\$32,000) and construction (\$50,000) associated with a Modified Corrective Action Design, which is required by MA DEP to address unexpected debris areas uncovered during construction of the new landfill cap.

Capital Improvements Committee: Recommends

WPCF: Replace current gas chlorination system. \$215,000

This project would fund the equipment purchases necessary to replace the facility's antiquated chlorine gas disinfection system, which relies on one ton cylinders that are extremely hazardous to handle. Chlorine gas inhalation can be lethal. WPCF is under an EPA order to have the system substantially overhauled or removed and replaced. The WPCF intends to switch to a less hazardous and equally effective liquid chlorine system and will perform the installation with its own staff, who are well qualified and will have support from attending engineers who developed the conversion plan.

Capital Improvements Committee: Recommends

WPCF: Replace Dewatering Press. \$260,228 (\$70,000 cost for Year 1 of 4-Year Lease)

This project would fund the replacement of the facility's existing Fornier dewatering press with a Screw press to improve the effectiveness of the facility's sludge dewatering process. The current press was designed to press waste containing fibrous industrial paper mill waste. Without the paper pulp presence the Fornier press is ineffective in removing liquid from sludge and will not allow the plant to meet standards required by the DEP and EPA. A pilot test with two different screw presses was performed in August 2020 and demonstrated excellent results.

*Capital Improvements Committee: **Recommends***

Planning: Chestnut Hill Loop Bridge Replacement. \$68,000

This request would the cost of the replacement of Chestnut Hill Loop Bridge (currently closed) not already funded through the MA Small Bridges Grant. The bridge is essentially a box culvert and is currently closed under order from the MA DOT. Funding for the majority of the cost has been secured through the grant, which was for \$450,000.

*Capital Improvements Committee: **Recommends***

Airport: Purchase of Pioneer Aviation. \$1,450,000

Purchase of three parcels of land and occupying buildings currently owned by Pioneer Aviation by the Airport Commission. The CIC toured the buildings and discussed the request extensively on multiple occasions. The assets were observed to be in very good repair relative to the cost of purchase and thereby to represent a good value to the Town while also enhancing Airport sustainability.

*Capital Improvements Committee: **Recommends***

Airport: Fuel Farm Upgrades. \$68,000

The upgrades to the fuel farm include adding a credit card machine and equipment that would allow for ease of public use. Currently one must call in to Pioneer Aviation and setup an account and because there is no attendant, fuel availability is not guaranteed. Upgrading the tanks will have the dual effect of increasing revenue (fueling will require no attendant) and extending the useful life of the asset.

*Capital Improvements Committee. **Recommends***