

# Town of Hubbardston



## Capital Improvement Plan FY22-26

Capital Improvement Planning Committee  
January 2021



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## Capital Improvement Planning Committee

### Charge and Process

The Hubbardston Board of Selectmen charged the CIPC with submitting the town's five-year capital plan to the Town Administrator for review. The Capital Plan will be completed in time to allow for consideration by the Board of Selectmen and Finance Committee in the annual budget process. The plan must include, at a minimum, suggested improvements for no less than five years, cost estimates, funding strategies and potential operating budget impacts. The Board of Selectmen also instructed the CIPC to produce recommendations that consider long-term debt considerations and larger-scale capital projects like addressing Hubbardston's failing municipal buildings.

The CIPC is appointed by the Board of Selectmen and is comprised of three members at-large and representatives from the Planning Board and Finance Committee for a total membership of five. The Committee Members for Fiscal Year 2021 are as follows:

Michael S. Stauder	Chairman
William Murray	Member
Stephanie Allis	Member
Francois Steiger	Planning Board Representative
Charles Reed	Finance Committee Representative

### **FY22 Capital Budget Recommendations Timeline**

September	Goals and guidance sent to departments, boards and committees
October	Capital requests and revisions sent to CIPC
Nov/Dec	Fact finding and deliberations
January	Revised capital plan sent to the Town Administrator



## Policy and Goals

The Board of Selectmen and Finance Committee this fall agreed on budget goals that help shape the FY22-26 Capital Plan process. These stated goals are also found in the town’s published [financial management policies](#). These policies and goals include:

- a. Stabilization Fund                      maintain 5% of operating budget
- b. Capital Stabilization                    maintain 1% of operating budget
- c. Free Cash                                    generate 5% of operating budget annually
- d. Capital Expenditure                    6% of operating budget annually
- e. Operating Debt                            3% of operating budget annually
- f. Annual Town Reserves                10% of operating budget

Understanding these targets is important. The town relies on free cash and healthy reserves to fund capital. Here is a breakdown of the stated policies and goals as it relates to current budget estimates. The chart demonstrates what 6% of the projected operating budget would look like, and how the town would need to allocate debt and free cash to meet the capital expenditure goal.

	Policy Targets				
	FY22	FY23	FY24	FY25	FY26
Projected Operating Budget	\$ 9,798,167.47	\$ 10,204,309.38	\$ 10,660,765.70	\$ 11,093,479.34	\$ 11,556,531.44
Capital Expenditure Target	\$ 587,890.05	\$ 612,258.56	\$ 639,645.94	\$ 665,608.76	\$ 693,391.89
Projected Debt	\$ 280,800	\$ 275,400	\$ 292,000	\$ 292,000	\$ 262,000
"Pay-as-you-go" Capital Target	\$ 307,090.05	\$ 336,858.56	\$ 347,645.94	\$ 373,608.76	\$ 431,391.89



## FY21 Capital Expenditure Summary

The following chart totals FY21 capital spending. The Board of Selectmen originally delayed the FY21 Capital Plan due to the financial impacts of COVID-19. The June Annual Town Meeting so only essential capital in order to reserve Free Cash for potential COVID-19 related revenue losses. Once the state budget picture became clearer in the fall, the Board of Selectmen presented the following plan to special town meeting voters. The measure passed.

### FY21 Capital Plan

DEPT	Project Title	FY2021	Notes
DPW	Asphalt Hotbox	\$ 45,000.00	Approved at Sept. Special Town Meeting
DPW	Dump Truck with Plow	\$ 100,000.00	Approved at Sept. Special Town Meeting
CEM	Backpack Blower	\$ 500.00	Approved at Sept. Special Town Meeting
CEM	Walk Behind Blower	\$ 1,300.00	Approved at Sept. Special Town Meeting
FD	Emergency Response Truck (Fire Chief)	\$ -	Paid from Holden Hospital
FD	Fire Station Exhaust Mitigation	\$ 30,000.00	Approved at Sept. Special Town Meeting
PD	Ceiling Repair and Insulation	\$ 10,000.00	Approved at Sept. Special Town Meeting
PD	Vehicle camera and storage server	\$ 15,000.00	Approved at Sept. Special Town Meeting
Parks	Curtis Field Bandstand Roof	\$ 12,000.00	Approved at Sept. Special Town Meeting
TA	Town Office IT Hardware and Software	\$ 20,000.00	Approved at June Town Meeting
TA	Slade Building Paving	\$ 18,000.00	Approved at Sept. Special Town Meeting
LIB	Foundation Assessment	\$ 10,000.00	Approved at June Town Meeting
		<b>\$ 261,800.00</b>	



## FY22-26 Capital Recommendations

The remaining sections of this report update the current [5-Year Capital Plan](#). Update decisions were derived by analyzing department requests and meeting with each department to understand the long-term impact of capital decisions. Zoom videos documenting this process [can be found here](#).

The CIPC believes COVID-19 fiscal constraints require an impactful, but conservative approach to town capital in FY22 and beyond. For this reason, the recommended FY22 capital plan is less than the target spending goal of 6%. Free Cash levels available for FY22 limits pay-as-you-go capital expenditures are less than in previous years due to reduced revenue in the FY20 budget, requiring a careful consideration of what projects to the recommend to the Board of Selectmen.

Additionally, the CIPC carefully considered the Board of Selectmen's charge to recommend the next steps using funds from expiring long-term debt and for repairing or replacing Hubbardston's failing municipal buildings.

A high-level summary of this year's recommendations are as follows:

- 1.) Retain Free Cash for use in the operating budget in FY22 and FY33.
- 2.) Fully fund the FY22 capital plan as outlined in later sections
- 3.) Maximize alternative funding sources
- 4.) Use expiring operating budget debt (FY24) to fund future capital needs that require borrowing. Capital targets should include a fire truck and ambulance.
- 5.) Prioritize building a public safety complex and ask residents to support funding this project with a debt exclusion override



## Proposed FY22-26 Capital Plan

The following charts itemize the recommended plan. The first chart list annual expenditures, or those items normally funded through the Town Meeting process using funds from the Operating Budget, Free Cash or alternative revenues. The second chart lists multi-year or outside-funded projects. These initiatives receive funding from grants or the state/federal budget process.

The capital recommendations in the following section include new requests (green), requested changes (yellow) and projects that remained the same (blue).

# FY22-26 Proposed Capital Plan

## Annual Expenditures

DEPT	ASSET	Project Title	FY2022	FY2023	FY2024	FY2025	FY2026	Notes
DPW	Veh/Equip	Mini Excavator		\$ 45,000.00				Moved to FY23 due to lack resources
DPW	Veh/Equip	Brush Mower				\$ 150,000.00		
DPW	Veh	Dump Truck with Plow			\$ 200,000.00			
DPW	Facilities	DPW septic system replacement	\$ 1,500.00				\$ 40,000.00	Study Added; Repair Moved
DPW	Roadways	Additional Road Repair		\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	Removed FY22, Added FY26
DPW	Facilities	Exhaust Mitigation System (DPW)	\$ 26,000.00					
DPW	Facilities	DPW Garage Roof		\$ 100,000.00				
DPW	Veh/Equip	Ford F450 with Plow (Director)			\$ 60,000.00			
CEM	Veh/Equip	Backpack Blower		\$ 500.00				
CEM	Veh/Equip	Stihl Trimmer	\$ 500.00		\$ 500.00			
CEM	Veh/Equip	John Deere Z920M Mower				\$ 9,000.00		
FD	Veh/Equip	Firefighter Turnout Gear	\$ 17,000.00					
FD	Veh/Equip	Utility Pick Up Truck	\$ 46,000.00					Actual Price
FD	Veh/Equip	FD Portable Radios		\$ 10,000.00				New, Moved to FY23
FD	Facilities	Fire Station One Roof			\$ 28,000.00			



FD	Veh/Equip	Ambulance					\$ 300,000.00	New
FD	Veh/Equip	Fire Truck			\$ 550,000.00			Moved to FY24
LIB	Facilities	Windows Replacement			\$ 32,000.00			
LIB	Facilities	Basement Flooring Replacement		\$ 20,000.00				
LIB	Facilities	Repairing Library Foundation		\$ 20,000.00				New
LIB	Facilities	Architect Assessment for Library				\$ 42,000.00		
PD	Veh/Equip	Police Cruiser (cycle)	\$ 47,000.00		\$ 55,000.00	\$ 57,500.00		Actual Price
Parks	Facilities	Curtis Field Basketball Court		\$ 8,000.00				Moved from FY2022
Parks	Facilities	Skate Park Rennovation			\$ 20,000.00			Added to '24
Parks	Facilities	Curtis Field Walking Track			\$ 50,000.00			Moved from FY2022
TA	IT	Town Office IT Replacements					\$ 15,000.00	Cyclical Replacement
TA	IT	Document Management System						Removed - Received IT CCC Grant
			\$ 138,000.00	\$ 303,500.00	\$1,095,500.00	\$ 358,500.00	\$ 455,000.00	

# FY22-26 Proposed Capital Plan

## Multi-Year or Alternative Funding Source Projects

DEPT	ASSET	Project Title	FY2022	FY2023	FY2024	FY2025	FY2026	Notes
DPW	Road	Culvert Replacement		\$ 100,000.00				Seeking grant funding (MVP, DOER)
DPW	Road	Chapter 90 Road Repair	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	Annual Chapter 90 Estimate
DPW	Road	Reconstruct Lombard Road			\$ 1,000,000.00			Reapply for MassWorks STRAP
DPW	Bridge	Williamsville Road Bridge (Burnshirt)	\$ 884,240.00					STIP - Moved up one year
LIB	Facilities	Boiler Replacement		\$ 60,000.00				Green Communities
VAR	Facilities	Lighting Upgrades	\$ 25,000.00					Green Communities
VAR	Facilities	Weatherization Upgrades	\$ 98,000.00					Green Communities
HCS	Facilities	Outside Air Reset Controls	\$ 8,000.00					Green Communities
TCC	Road	Town Center Project		\$ 5,500,000.00				Calendar Year 22
TCC	Road	Extension of Williamsville Sidewalk				\$ 150,000.00		Complete Streets funding
TCC	Road	Brigham Street Design		\$ 25,000.00				Capital/Grant
TCC	Road	Brigham Street Reconstruction				\$ 1,000,000.00		STIP
TCC	Road	High Street Design	\$ 25,000.00		\$ 175,000.00			FY21 Funds
TCC	Road	High Street Reconstruction		\$ 1,000,000.00				STIP/MassWorks
TCC	Road	Pedestrian Lighting on Main Street			\$ 50,000.00	\$ 50,000.00	\$ 25,000.00	Complete Streets funding
			\$ 1,390,240.00	\$ 7,035,000.00	\$ 1,575,000.00	\$ 1,550,000.00	\$ 375,000.00	



## Department Request Summaries

This section offers details at the department level about changes to the previously published [capital plan](#). Anything not addressed in this section has not changed from the previous report and is found in the capital plan recommendations (blue).

### **Public Works**

Changes to the long-term capital plan for the DPW include adding a request to 2026 for ***additional road maintenance*** (\$100,000). This is a standard request and an attempt to address the road repair backlog cited by residents a top concern.

The long-range capital plan for the DPW included the cost of repairing the garage's ***septic system***. Given its current state, the department is requesting to move this request to a later year (FY26) and in this year (FY21) fund an evaluation of the system.

### **Fire Department**

Changes to the long-term plan for the fire department include updating the projected cost for replacing the ***Utility/Brush Fire Truck*** (\$46,000 from \$27,000). This truck, pictured below, is a multi-use vehicle. It is fitted with a removable skid unit that has 175-gallon water tank and pump. The small size of the truck makes it ideal to go off road and maneuver in wooded areas to reach brush fires. The skid unit is removed during the winter months and the vehicle is used to snow plow water holes, fire station and assist the highway department with plowing when needed. It is also used by the on-duty staff to go between Station One and Two and to conduct daily operations.



The department requested to purchase new **portable radios** (\$10,000). This is a new request not found on last year's plan. Each member of the department is issued a portable radio for use on the fireground and EMS emergencies. These portables are vital for communication and safety at every emergency call. This funding would allow for replacing the majority of portables that are over twelve years old.

The department requested to change the priority for the purchase of a **new fire engine** from FY25 to FY24. This new engine would replace Engine 2. Engine 2 is a 2000 KME pumper/tanker. It carries hose lines for fire attack as well as 1,100 feet of 5-inch supply line hose. Engine 2 supplies the first arriving unit at a fire with additional water. When a water source is outside the range of 3,000 feet of 5-inch supply line, then Engine 2 can be used to shuttle water from a pond or stream to the fire scene. The department originally projected replacement of this engine in FY25 (\$550,000). The department is requesting to have this vehicle moved from FY2025 to FY2024. After recent repairs, it was discovered that the frame holding the 2,500-gallon tank in place has several stress cracks due to age and continued exposure to New England weather. These cracks will eventually incur a costly repair or put the vehicle out of service for safety reasons. If funding was approved in FY2024 it would still take up to eight to twelve months for the new fire engine built and delivered.

The department requested to add the **purchase of a new ambulance** to the capital plan in FY26. This is a cyclical replacement.

## **Library**

The Board of Trustees is currently evaluating the library building foundation with an engineering firm. The engineer is to provide the Trustees with a detailed report with costs for repairing the foundation. The Town Administrator added this \$20,000 request to execute the **library foundation repair**. It is important to note that based on the report's findings, this additional funding might not be necessary.

## **Recreation**

The Parks Commission reprioritized the repair of the Curtis Recreational Fields **walking track** (\$50,000) and resurfacing the **basketball court** (\$8,000) to FY24 and FY23 respectively. These requests were originally slated for FY22. The Parks Commission also added a request for **repairing the skate park** (\$20,000) to FY23.

## Town Offices

The Town Administrator originally requested funding to *digitize town records* (\$40,000). This project was to begin in FY22; however, the town received a Community Compact IT Grant (\$60,000) and will be able to fund this project without capital.

The Town Administrator also added funding for *replacing town office computers* in FY26. The town just completed a full overhaul of town office computers; however, these are a cyclical replacement. This request serves as a placeholder.

## Town Infrastructure

While not part of the pay-as-you-go (annual) capital plan presented at town meeting, the town's large infrastructure projects continue to be a town official focus. Most of these larger scale projects are funded through grants and/or state/federal dollars. Several changes are noted on this year's plan. These changes include seeking funding grant funding in FY23 for the *library boiler* (Green communities), *culvert replacement* (DOER), *repairing High Street* (Complete Streets/MassWorks) and *repairing Lombard Road* (MassWorks). The plan also include funding requests for *engineering and designing repairs on High Street and Brigham Street*. These design and engineering requests are often coupled with outside funding to maximize grant potential.



## FY22 Projected Spending Summary

Based on information from the Town Administrator, the CIPC is projecting the following in terms of FY22 capital spending. This does not include opportunities for alternative funding such as grants, CPA funds or other revenue sources.

This projected spending level is lower than the 6% annual target, but higher than the available Free Cash total “allocated” by the Town Administrator. This means the difference must come from alternative sources (grants, stabilization) or the Board of Selectmen and Finance Committee would need to recommend using more Free Cash for capital than recommended by the Town Administrator.

	<b>FY22</b>
<i>Capital Target</i>	
Projected Operating Budget	\$9,798,167.47
Capital Expenditure Target (6%)	\$587,890.05
FY22 Projected Operating Debt	\$280,800.00
FY22 Proposed Capital Plan (CIPC)	\$138,000.00
<b><i>Surplus/Deficit from Target</i></b>	<b><i>\$ (169,090.05)</i></b>
<i>Available Free Cash</i>	
Certified Free Cash	\$312,052.00
<i>FY22 Free Cash Uses</i>	
Operating Budget	\$100,000.00
Reserve	\$100,000.00
FY22 Proposed Capital Plan	\$138,000.00
Subtotal	\$338,000.00
<b><i>Free Cash Deficit/Surplus</i></b>	<b><i>\$ (25,948.00)</i></b>



## Additional Recommendations

This Capital Plan is designed to help guide the Town Administrator, the Finance Committee and the Board of Selectmen with FY21 budget processes. While the capital plan demonstrates a Free Cash deficit (from policy) in FY22, it does not account for potential alternative sources of funding. The reason for the lowered recommendation is to balance the needs of the town's departments with the current economic climate. The goal of the plan is to efficiently lay out a strategy for maximizing resources.

The year the CIPC was also asked to weigh two major decisions for the town – what to do with budget capacity created by expiring debt in FY24 and how to address the town long-term municipal building problem. After much deliberations, the CIPC recommends the following to the Board of Selectmen and Finance Committee.

### **Expiring Operating Budget Debt**

The town borrowed a significant amount of money in 2013 to repair town roads. This was paid for by debt carried annually in the operating budget. The total cost per year is more than \$165,000. This ten-year borrow ends in 2023, meaning Town Officials have several options:

- 1.) Absorb the borrowing costs into the operating budget to help address the structural deficit. This would reduce the use of one-time revenues in the budget and allow for service increases.
- 2.) Continue to borrow money to address another town problem such as:
  - a. Road Repair
  - b. Municipal Building Repair/Construction
  - c. Capital costs (buildings, vehicles, equipment)
- 3.) Reduce the size of the operating budget. This would lower taxes. It would also reduce services and not address the town's structural operating budget deficit.

## **Failing Municipal Buildings**

The town has continually attempted to address its building infrastructure through temporary upgrades, emergency fixes and override attempts. Each attempt is trying to solve the following combination of problems:

### *Fire and Ambulance*

These services are presently headquartered at the Fire Station on Main Street and the rented property (Station 2) at 48 Garder Road (Breezy Hill Corners). Fire Station One is too small to safely house town fire trucks and renovating it to do so is not feasible. It also is too small to house factory-sized fire engines, meaning every time the town needs to purchase a new fire engine, the vehicle needs to be custom made. The town pays more than \$20,000 annually rent space for the staff and ambulances at Station 2. Both Station One (town owned) and Station Two (rented) need significant upgrades to continue reasonable usage.

### *Police*

These services are presently located in The Slade Building, which was built many years ago as an auxiliary school building to house the town kinder garden. It is too small, failing structurally and is at the end of its useful life. Soon, based on population growth, Hubbardston will need a detention cell. Currently, officers must transport detainees to a neighboring town. Whenever these transports are necessary, the town loses police coverage. Additionally, the town police department is not compliant with current safety laws by not properly separating detainees from employees and/or the public.

### *Senior Center*

The Slade Building also houses senior services. The town has attempted to build a new senior center on multiple occasions. Each attempt was rejected by voters. Although the current Senior Center has received some recent upgrades, its structure does not allow for more than one activity at a time, restricting potential services. There is only one bathroom in the Senior Center, which causes privacy and health concerns. Additionally, there is no private space at the Center, meaning there is little ability for agencies and staff to provide important and dignified counseling. And finally, the Hubbardston Senior population is the fastest growing population in town. Much like the rest of Massachusetts, Hubbardston is aging, creating a future service demand that would overwhelm the current Senior Center.



## *Town Offices*

The Slade Building also houses the Town Administrator and the Finance Department. None of these offices have full walls, meaning there is no ability to conduct private meetings necessary for negotiations and human resource matters. This building should also, in future renovations, address security concerns with town finances, human resource materials and town documents. Finally, there is no formal meeting space in this building. On many occasions, staff meetings, public meetings and presentations complete with regular foot traffic.

Additional offices are found in the Hubbardston Public Library Basement. The offices include the Land-Use Department, the Town Clerk and various additional offices like veteran services and the MART van staff. The space in this building is adequate, but the library systems continue to need maintenance. The town vault is also located in these offices, an important consideration for any future changes. The vault is necessary for Town Clerk functions.

## *Library*

While the Library is one of the town's most beautiful buildings, it was not designed to house the town offices and the town's historical artifacts. The Library does not meet most modern codes related to building, electrical and the Americans with Disability Act (ADA). This capital plan aims to address many of the buildings structural problem to include a complete review of what is necessary to preserve this building. One of the most important issues with long-term library planning is by hosting the town offices, the building is not eligible for lucrative state and federal grants designed to help communities retain and upgrade their libraries.

## **CIPC Recommendations**

*The CIPC recommends to the Board of Selectmen that the expiring 2013 debt be dedicated to future large-scale capital projects like borrowing for a new fire truck and ambulance.*

This recommendation is made for several reasons. First, these large-scale items are necessary due to normal public safety wear and tear and are directly related to public safety. Second, they are also expensive. And third, they are difficult to purchase as pay-as-you-go items, requiring several approval votes. Given their importance and cost, the CIPC recommends that the town secure their purchase without the need for an override attempt or tax increase.

*The CIPC recommends to the Board of Selectmen that they should prioritize asking residents to support the construction of a public safety complex on existing town land.*

This recommendation serves as the first step in addressing the town's complex municipal building problem. Here is the CIPC's reasoning:

- 1.) Public surveys continually support addressing Hubbardston's public safety needs
- 2.) The town is currently wasting resources by hosting these departments in buildings that are leased or failing.
- 3.) Moving the police department allows for the combination of town offices. The space would also allow for a modest Senior Center expansion.
- 4.) Moving the town offices out of the Library allows the Library Trustees to apply for grants
- 5.) The town would be eligible for an USDA 40-year low-interest building loan
- 6.) Creating a public safety complex would allow police, fire and ambulance to meet current regulation and codes
- 7.) Creating a public safety complex would properly house capital equipment like vehicles, extending their life and limiting their impact on the capital plan
- 8.) Constructing a public safety complex will improve the town's ISO rating which may lower homeowner insurance costs

*The CIPC recommends that the Board of Selectmen use the town-owned land on Gardner Road to limit construction costs (land acquisition, well, site work). The CIPC further recommends that the town attempt to sell the current Fire Station One or repurpose the land following the construction of a public safety building.*