FY20 CAPITAL COMMITTEE ANNUAL REPORT AND FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

Board Members

Tom Barry - Resident member	2019	Anthony Wilson - Selectman
Tim Waitkevitch - Finance & Advisory Board		Dennis Sheehan - Town Administrator
Kara Johnston - Resident Member	2019	John Macero - School Superintendent
Ryan Brown - Resident Member	2020	Jaime Wallace - School Committee
Daniel Moynihan - Planning Board		
Dave Castellarin - Town Accountant		

MARCH 26, 2019

TOWN OF STONEHAM

35 Central St. Stoneham, Massachusetts 02180

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Section I: Capital Committee Annual Report

EXECUTIVE SUMMARY

The Capital Committee met starting in November of 2018 to begin a new process for the May 2019 Town Meeting. The process for the FY20 Capital Improvement Program (CIP) recommendations included standardized forms and deadlines for capital requests, meetings with all department heads, and time to debate prior to final recommendations. The committee met six times in November through February to achieve the requested timeline for presenting a Warrant Article for May 2019 and supporting documentation to the Board of Selectmen (BOS).

The Capital Committee continued to meet after the warrant submission to assure a full and prioritized Five-Year CIP and report are available for Town Meeting as required by section C of the Town of Stoneham Financial Guidelines and Town Code Section 2-37.3.c.

For FY20 consideration, all department requests were found to have merit, but funding is not adequate for all requests. In discussion for FY20, the committee considered the following points to help prioritize:

1. Public or employee safety
2. Potential to increase in cost if delayed
3. Age and condition of items being replaced or repaired
4. Regular maintenance / replacement cycles
5. Department priority

In prioritizing the department requests for FY20, the committee also considered revenue sources available for Capital. Revenue sources identified in conjunction with the Town Administrator and Town Accountant are:

- **$1,100,000 Debt/Bonding**
- **$275,000 Available Funds**

The Capital Committee expressed significant concern about availability of funds for capital repairs. Even with a historically large total of $1,375,000 in funding, significant items were not funded. These items may be critical repairs or greatly influence quality of life in Stoneham. A sample of items that were <u>not</u> funded include:

<u>Roads and Sidewalk</u>: The committee reviewed the Pavement Management Plan created by Stantec. Extensive discussion about roads and sidewalks resulted in a small $140,000 contribution for street paving. The plan states $1,200,000 is requires just to keep the roads in their current condition and $1,800,000 to improve. There is currently not a funding source for this level of repair. Improvement to our roads would exceed the entire capital budget.

<u>South School Playground</u>: Each year the committee discusses the need to invest in our playgrounds which have failing equipment, poor footing and lack accessibility. ($200,000)

<u>Arena Side Roof</u>: The roof over the locker room and new compressors is leaking. This is also causing structural damage. These repairs are needed. ($275,000)

Senior Center Driveway: Safety improvements, additional parking and repairs to the driveway at the senior center.

Drainage: The storm water system needs regular maintenance just as other system in town do. It has been many years since the town has invested any funds into this system which risks failures and does not improve existing flooding issues in town.

The above references are examples of the $3,500,000 in capital request submitted to the committee and demonstrate the needs for additional capital funding. (the $3,500,000 in requests does not include the funding for street paving because the report came after the submission deadline) Without additional investment, town facilities and infrastructure will continue to degrade over time.

One other area of discussion is the new facilities department planned for May Town Meeting. If the department is funded and staffed, a number of items on the capital list may move to operational budgets such as painting or HVAC work. The capital committee will watch progress in this area to see if the new department is a way to achieve savings.

CAPITAL COMMITTEE

The Town of Stoneham Capital Committee is defined under Sec. 2-37.3. of the By-Laws of the Town of Stoneham. The committee consists of:

(i) one member of the Board of Selectmen as chosen by the Board;
(ii) one member of the Planning Board as chosen by the Board;
(iii) one member of the Finance and Advisory Board as chosen by that Board;
(iv) the School Superintendent or his designee;
(v) the Town Administrator;
(vi) three residents of Stoneham selected by the Board of Selectmen;
(vii) one member of the School Committee; and
(viii) the town accountant

Under the By-Law, the Capital Committee is to issue an annual report recommending a Capital Improvement Budget for the next fiscal year and a Capital Improvement Program including recommended capital improvements for the following five (5) fiscal years to the Board of Selectman.

This document is that submission for FY 2020.

Everything the Town does, from providing services to its residents and citizens, to equipping employees to effectively perform their jobs, requires the existence of certain basic physical assets. These assets include streets, water mains, parks, buildings, large equipment, and technology. They must be purchased, maintained, and replaced on a timely basis or their usefulness in providing public services will diminish. The Town's five-year Capital Improvement Program (CIP) and annual Capital Budget are developed to ensure adequate capital investment in the Town's assets.

The CIP includes major non-recurring tangible assets and projects, which:

(i) are purchased, or undertaken, at intervals of not less than five years;
(ii) have a useful life of at least three (3) years; and
(iii) incur a total cost over $10,000.

FIVE-YEAR CAPITAL PROGRAM

A five-year capital improvement program is an important part of any organization's overall budgeting process. Multi-year planning allows proper staging and sequencing of capital projects to even out spikes and make funding needs more predictable. Capital investment requirements can be uneven, sometimes involving unique large projects such as a new fire engine or a new school building. Other capital investment needs are recurring. We will continue to refine the five-year planning process to identify – and hopefully fund – an appropriate annual level of capital investment.

FUNDING HISTORY

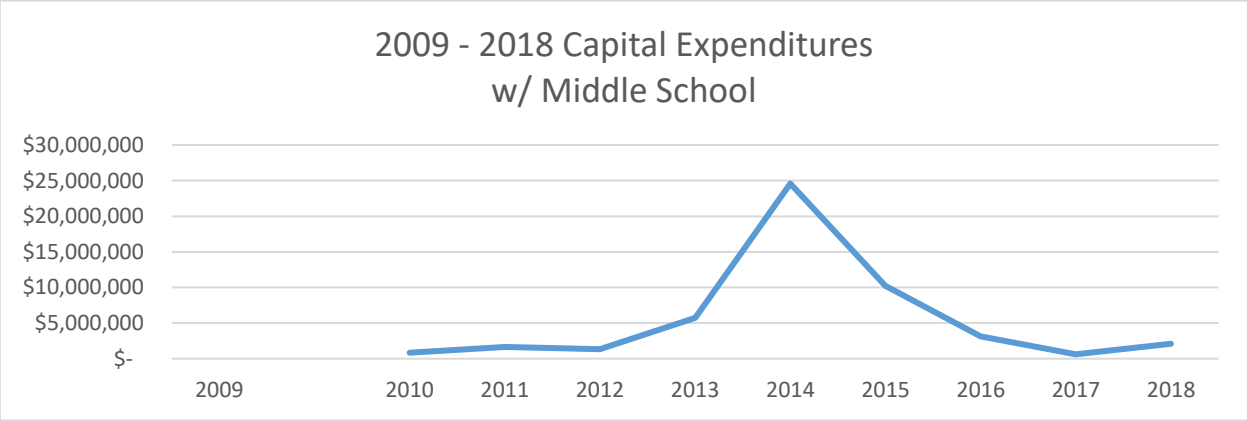
In recent history, the Town of Stoneham has primarily allocated free cash for capital expenditures at the October Special Town meeting or through debt for large items such as fire trucks or the Middle School. The

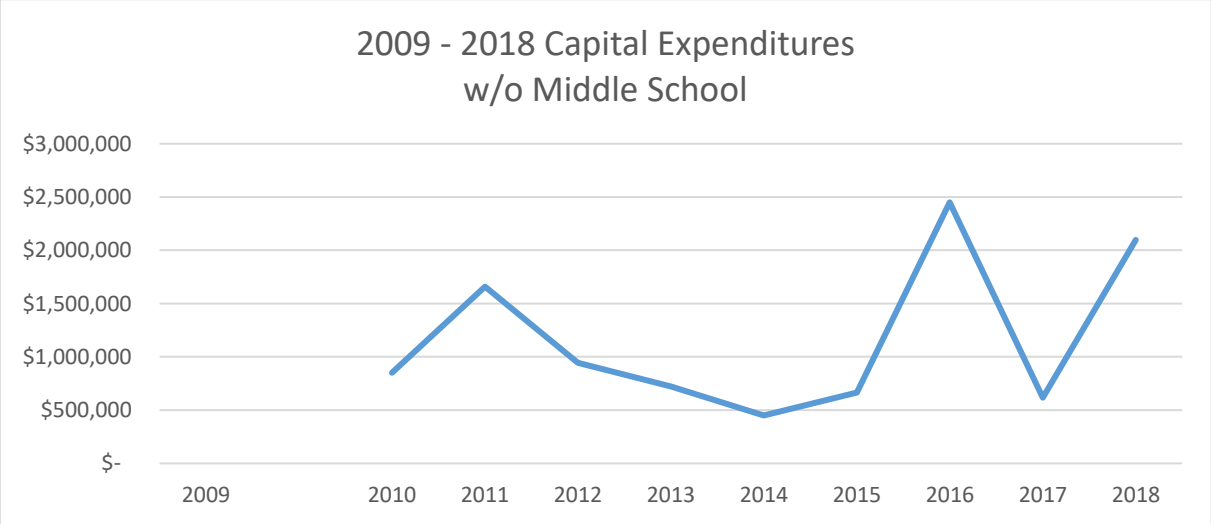
fiscal guidelines adopted by the Stoneham Select Board in 2019 will provide more structure to capital funding starting in FY21.

The following series of charts provides insight into the total funding and funding by department through 2018. The fiscal year 2019 (July 2018 through June 2018) is not complete so charts for this year would not be accurate. The charts are generated from Munis reports and therefore show the year expended, not year allocated so they are not 1:1 with warrant articles. Charts also represent all funding sources, not just capital articles. For example, there are funds from state grants and the MSBA included in the charts to present a complete view of our capital outlay.

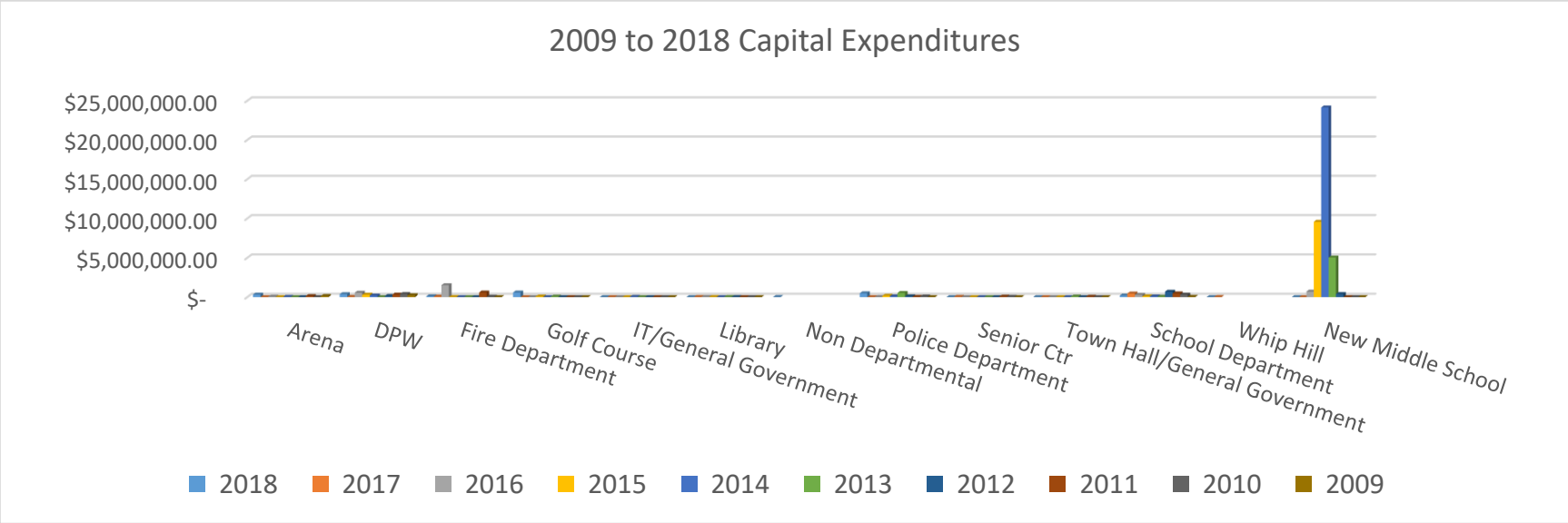
Many of the charts are shown twice: once with and a second time without the expenditures for the new Middle School, because the large size of that expenditure makes the charts difficult to read. All expenditures are shown as the year the money is paid and not in the year it was voted by Town Meeting. There are differences in several cases.

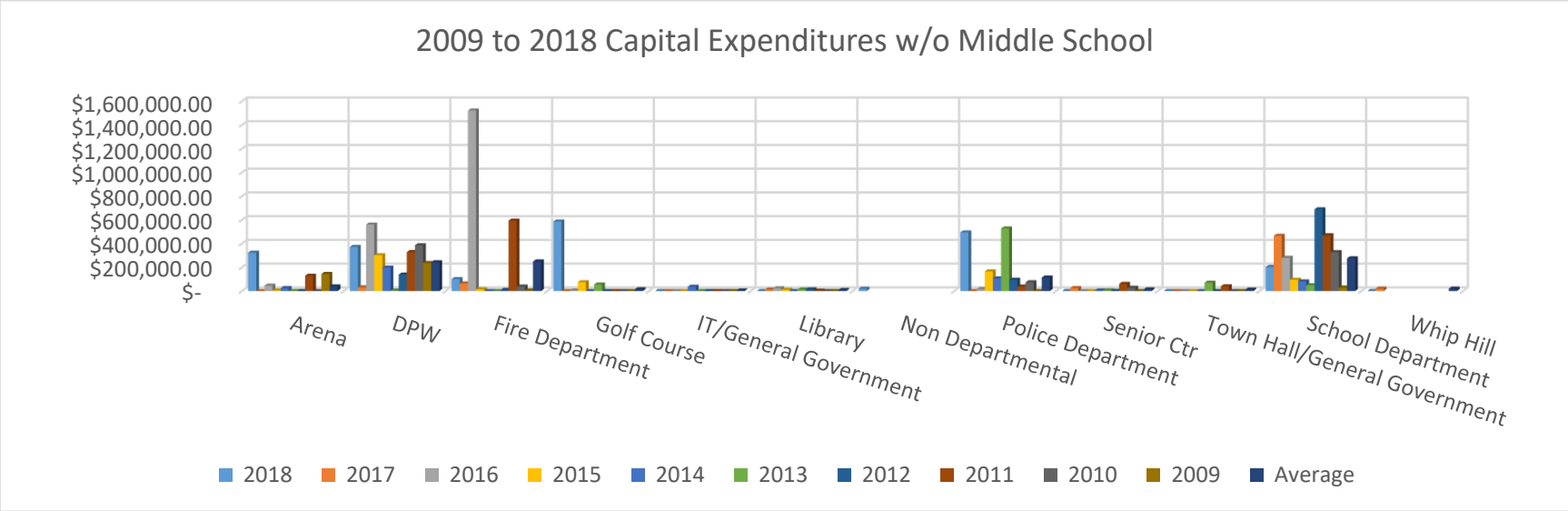
A review of the last eight years shows capital expenditures vary significantly by year and are frequently driven by large expenditures that are funded through debt. In 2011, the town spent $591k for fire trucks. The peak around 2014 was driven by the Middle School project. The peak in 2016 was driven by $1.5M for fire trucks and $559k for DPW equipment.





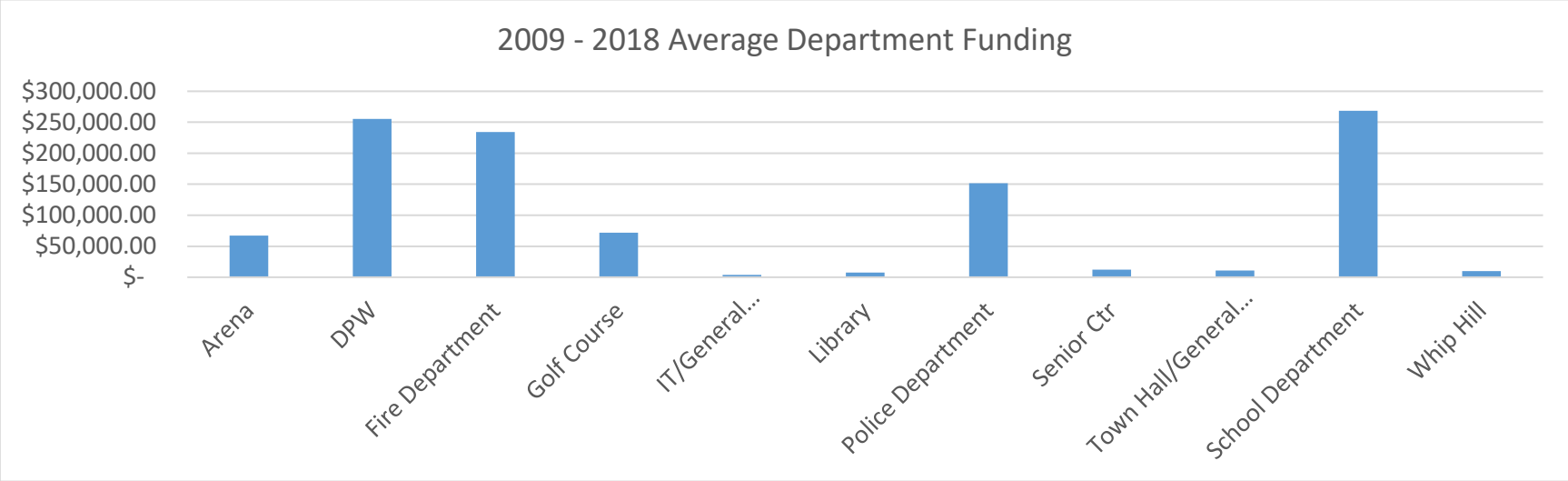
<u>Capital Expenditures by Year</u> - Represent both cash expenditure and debt.

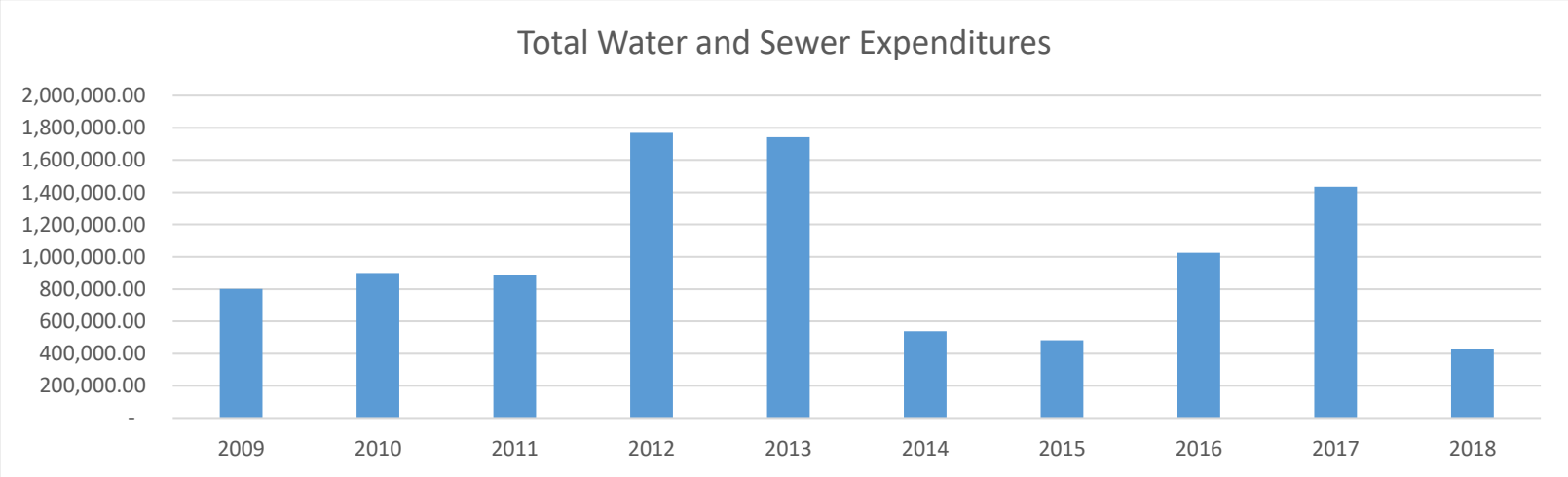




Allocation of Capital (2009-2017)

The full list of capital expenditures is in Appendix A. Chart displays without Middle School. Note, much of the arena expenditure falls into FY2019 and is not yet shown in the charts.





FUNDING SOURCES

There are several potential methods for financing the Town's capital investments:

Available Funds including Free Cash – The town regularly appropriates monies from the general fund and the enterprise funds to finance short-term, small capital investment projects. Examples of available funds are free cash and enterprise fund retained earnings. This may include funds from the Water/Sewer enterprise fund to maintain our water/sewer systems or transfers of funds not spent from previous warrant articles.

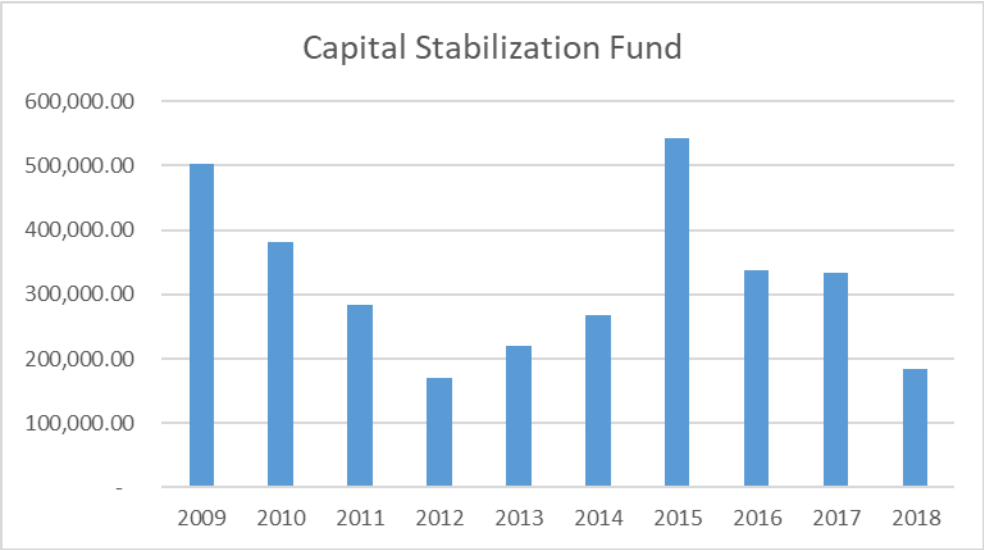
Surplus revenue from the previous year becomes part of free cash and is often used for Capital Expenditures in Stoneham. After the end of each fiscal year, the Town Accountant submits a financial statement to the MA Department of Revenue (DOR). The DOR calculates and certifies the available Surplus Revenues. Once certified by the DOR, the Surplus Revenues become available for appropriation by the Town. *Surplus Revenues should be used to fund such items as capital purchases/projects, increases to the Stabilization Account, and unusual one-time expenditures. (Mass Department of Revenue, Department of Local Services Free Cash Best Practices February 2016)*

According to Stoneham's Financial Guidelines, the term "stabilization account" shall include both the General Stabilization and Capital Stabilization accounts. The use of the Stabilization Account to fund operating and personnel costs should be avoided whenever possible.

The Town's Fiscal Guidelines state that cash should be used for purchases below $50,000 and the Town Administrator should determine if cash is appropriate for capital expenses between $50,000 and $250,000.

General Stabilization Fund – There is a guideline "to achieve a minimum balance in the Stabilization Account of 10% of the Town's General Fund." Appropriations out of the stabilization fund can be used for any purpose, but require a higher (2/3) quantum vote of Town Meeting to be used as a funding source. It is a recommendation that the General Stabilization Fund serve as a reserve only for true emergencies and extraordinary needs. No capital needs were funded from the General Stabilization Fund during the past year.

Capital Stabilization Fund – Appropriations out of this stabilization fund can be used to fund capital equipment and improvements as well as debt-service payments related to capital purchases.



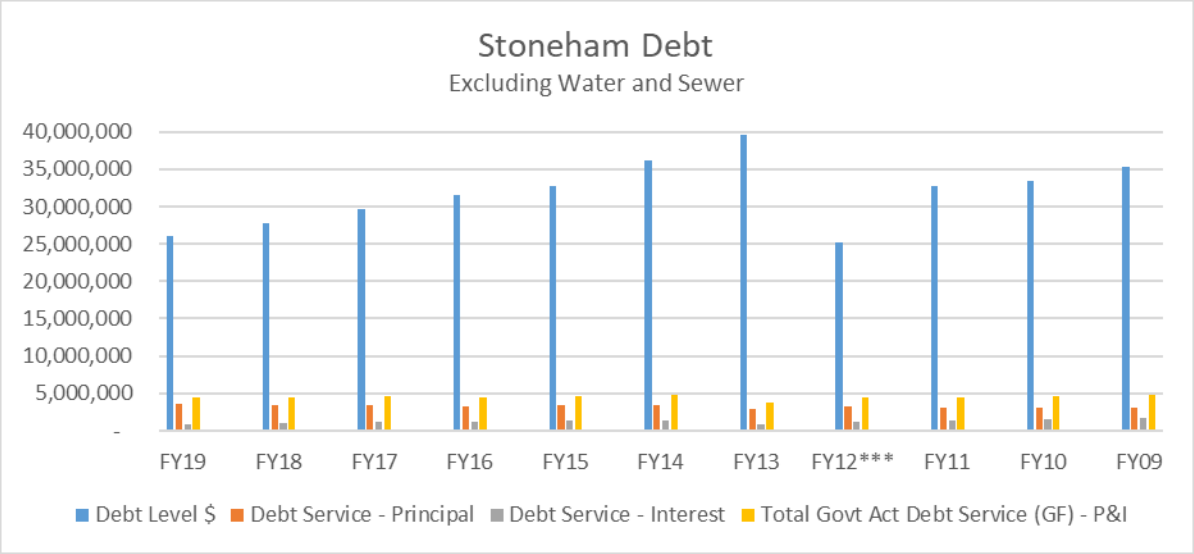
Debt Service – The Town has traditionally financed large capital projects or purchases through borrowing. The resulting debt obligations are appropriated under the General Fund Tax Levy (either within the levy limit or from a voter-approved debt exclusion) or from Enterprise Funds.

The Town Financial Guidelines give the Town Administrator discretion to use debt for items between $50,000 and $250,000 and recommend debt for those items in excess of $250,000. Further, the guidelines state that the Town consider the overall financial condition of the Town when determining whether to increase debt or pay cash. Factors to help determine to increase debt or use free use include but not limited to reviewing whether the Town has met or exceeded its minimum policy of all reserve funds such as: Stabilization; Overlay; Department #132 Reserve Fund; etc. In addition, the Town Administrator must determine if there is borrowing capacity under the limitations established in the Debt Capacity Fiscal Policy.

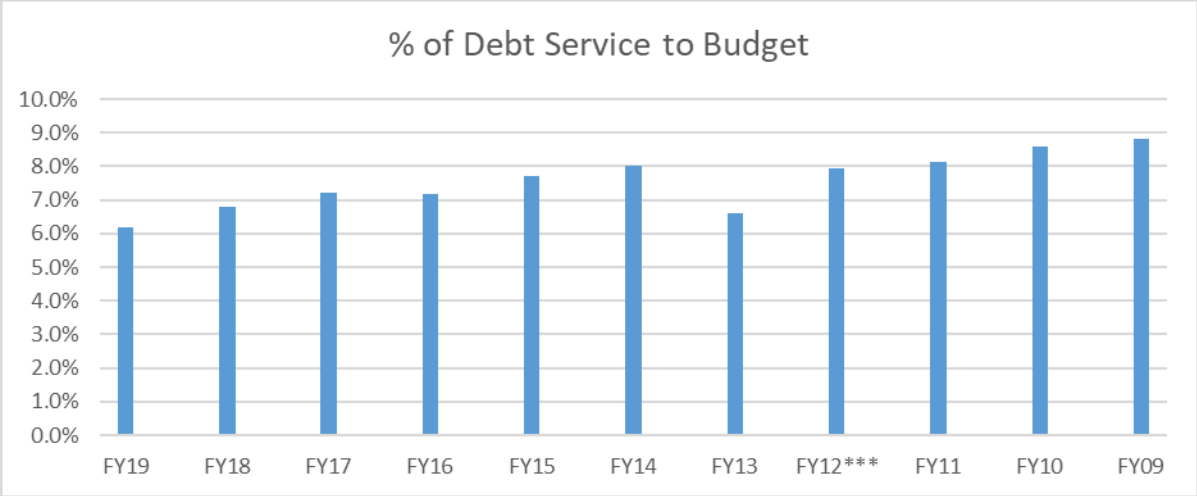
It is important to monitor how much debt the community has at any one point in time and determine what impact the amount of debt service has on the operating budget and the taxpayers. The amount of general fund resources spent on capital-related items for Stoneham should be monitored carefully to ensure it is not too much of a burden on the Town or too low, representing an opportunity to invest in capital improvements.

Many municipalities maintain control over their debt service costs by limiting annual debt service to a percentage of the annual operating budget. While Stoneham has not set a specific cap for FY19 debt service under this capital plan, including debt exclusions is estimated at 6.2%. Without debt exclusions, it is 1.7%, well below the 4% maximum of our fiscal guidelines.

Over recent years, the level of debt as a percentage, including debt exclusions, of our budget has ranged from a high of 8.8% in 2009 to its current low of 6.2%.

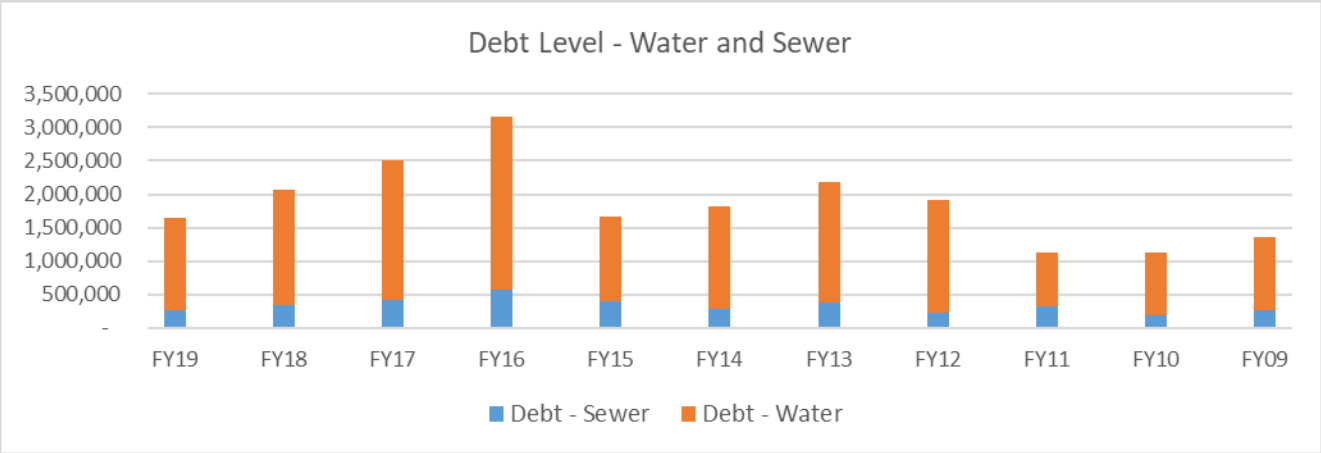


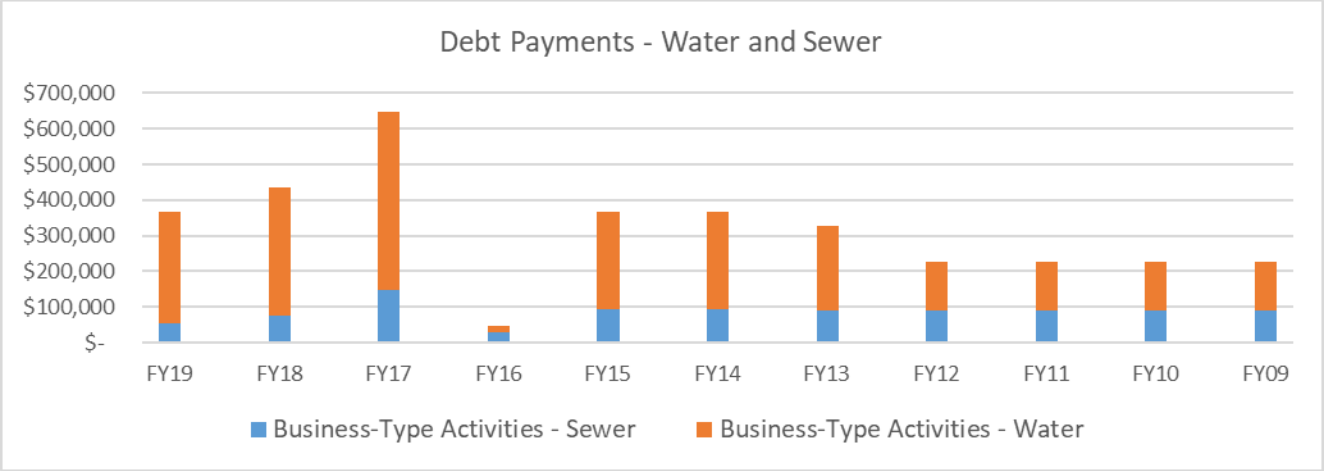
Please note, the debt guidelines will be revised next year to match the new fiscal guidelines adopted by the Stoneham Select Board in February 2019.



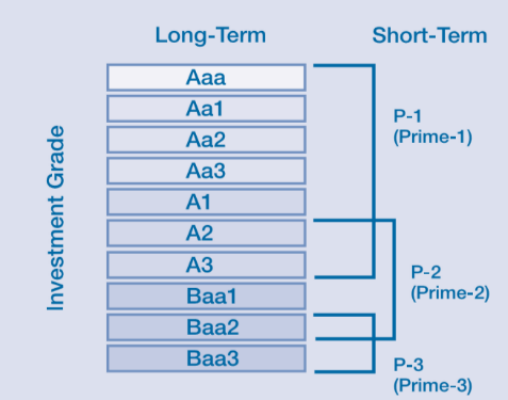
****There was significant debt activity during FY12, which decreased the GF debt balance by $7,537,000. The decrease was a result of $3.2M of regularly scheduled principal payments, $4.2M of current refunded debt due to a one-time lump sum payment from the MSBA, $2.3M of current refunded debt, $5.5M of advanced refunded debt, offset by the issuance of $7.7M of refunding bonds. There was also an increase in the Water debt balance due to the issuance of a $1M MWRA bond.*

The Water/Sewer Enterprise Fund debt is separate from the general fund. The Town lost a significant Water/Sewer customer during FY16 as a result of Atlantic Gelatin closing. Since the Massachusetts Water Resources Authority (MWRA) assessments are based on prior year consumption, the Town was assessed higher than revenue supported. Therefore, the MWRA allowed the Town to significantly reduce its FY16 principal payments to offset the increased assessment and restructure its future debt service payments. Payments resumed in FY17.





Credit rating agencies monitor the amount of debt a community has just like they monitor individual credit. A variety of factors, including the level of debt service/annual revenues and level of debt service per capita and per household are evaluated by credit rating agencies. We are proud that the Town of Stoneham holds a AA2 bond rating from Moody's. Ratings range from Aaa to C but are not straight letter grades. Credit ratings listed from best to least favorable include Aaa, Aa1, Aa2, Aa3, A1, A2, A3, Baa1, etc. See Moody's credit rating scale (PDF) for a full list.



The current credit rating for Stoneham is Aa2. This will be re-issued when the next time we go out for bonding which is expected in December of 2019.

FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12***	FY11	FY10	FY09
Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	A1	A1	A1	A1

***There was significant debt activity during FY12, which decreased the GF debt balance by $7,537,000. The decrease was a result of $3.2M of regularly scheduled principal payments, $4.2M of current refunded debt due to a one-time lump sum payment from the MSBA, $2.3M of current refunded debt, $5.5M of advanced refunded debt, offset by the issuance of $7.7M of refunding bonds.

Other Sources – The Town uses dedicated state aid, mitigation funds, receipts reserved, and grant funding and even re-appropriation of unspent capital funds to finance capital investment when these funds are available.

FY 2020 to 2024 CIP PHILOSOPHY

The FY 2020-2024 Capital Improvement Program provides for the maintenance and replacement of Stoneham's current capital assets, recommends new capital assets where necessary, and funds unexpected capital repairs that have surfaced since the last capital budget.

In the five-year CIP, the Capital Committee considered the following priorities:

A Lifecycle Management Program

This program will smooth replacement purchases across multiple years to reduce year-on-year volatility and set clear expectations for departments. Several examples include:

- **DPW Equipment:** The DPW has proposed a replacement cycle of 10 years for standard equipment (pickups & mowers) and 20 years for heavy equipment (front end loaders and large trucks).
- **Fire equipment:** Replace equipment, such as turn out gear, on an annual basis to assure it remains in certification. This cycle starts next year in the CIP because a large purchase was just made this year.

Note that the Town Administrator has discussed including some regularly recurring capital purchases in department budgets. The Capital Committee will continue to make recommendations for purchase until this transition takes place. As for FY20, police vehicles are now part of the police operational budget.

Investment in infrastructure

The Town of Stoneham manages significant capital assets that require regular investment to maintain good working order and reliability.

- **Water Pipes:** The Town manages approximately 75 miles of water lines. The Capital Committee is recommending funding for maintenance in accordance to the Stoneham Fiscal Guidelines of one mile per year. The water maintenance program that will replace pipes approximately every 75 years. The town currently has water pipes as old as 100 years.
- **Sewer Pipes:** The Town also manages miles of sewer lines and five sewers pumping stations. Along with replacing for reliability, old sewer lines are subject to infiltration from outside water due to the frequent two foot connections. Infiltration costs residents significant money in MWRA fees. Replacement reduces the amount of sewer water that leaves Stoneham.
- **Storm Drains:** The Town also manages miles of drainage lines. They should be regularly cleaned, maintained and replaced for reliability.
- **Sidewalks –** The Town has not regularly invested in sidewalk maintenance. The capital committee recommends a regular maintenance program and has recommended funding for sidewalks in the last two years.
- **Roads –** The Town has not regularly invested in repaving roads. Road repaving traditionally was funded only by State Chapter 90 funding, which has been level for years. The capital committee recommends a regular maintenance program and has recommended funding for repaving for the first time this year.

Prioritized maintenance

- **Maintenance and replacement of current assets –** Maintenance preserves the value that Stoneham has invested in its assets and lengthens its useful life, forestalling the need to purchase a replacement.

The FY 2020 Five-Year Capital Improvement Program is found in Section II. They were added during discussions with department heads.

Section II: FY 2020 to FY 2024 CIP

Capital Improvement Program, Departmental Project Summary

‡ Equipment purchase proposed on a standard replacement cycle. Vehicle condition will be reassessed each year.
‡‡ Item requires a policy discussion before expenditure

Department	Department #	Title	FY2020	FY2021	FY2022	FY2023	FY2024
GENERAL FUND							
Information Technology							
GIS/MIS	155	Upgrade to MS Windows Server 2008R2->2016					
GIS/MIS	155	Upgrade to MS Exchange Server 2013->2019		30,000			
GIS/MIS	155	Replace a 2013 Server 1			20,000		
GIS/MIS	155	Upgrade MS Office 2013 -> 2022			40,000		
GIS/MIS	155	Replace a 2013 Server 2				20,000	
GIS/MIS	155	Upgrade MS SQL Server 2012	-	20,000			
GIS/MIS	155	Town Hall Generators	30,000				
Total Information Technology			**30,000**	**50,000**	**60,000**	**20,000**	**-**
Elections & Registration							

	Elections & Registration	162	Voting Booths		25,000			
	Elections & Registration	162	Voting Equipment Replacement		50,000			
	Total Elections & Registration				**75,000**	**-**	**-**	
Town Planner								
	Town Planner	185	Green Communities Energy Updates	10,000	10,000	10,000	10,000	10,000
	Town Planner	185	Rapid Flashing Beacon at Maple Street - Greenway	30,000				
	Town Planner	185	Downtown Stoneham Configuration Complete Streets Improvement Program, Design Study					
	Total Town Planner			**40,000**	**10,000**	**10,000**	**10,000**	**10,000**
Public Property								
	Maintenance	192	Elevator Lift	50,000				
	Maintenance	192	ADA Building Compliance Town Wide			5,000,000		
	Maintenance	192	Town Hall Exterior Painting		17,000			
	Maintenance	192	New Roof for Auditorium & Town Hall			200,000		
	Maintenance	192	Town Hall Boiler Redundancy				40,000	
	Maintenance	192	Town Hall Auditorium Interior Painting					30,000
	Maintenance	192	Auditorium A/C Installation					100,000
	Total Public Property			**50,000**	**17,000**	**5,200,000**	**40,000**	**130,000**

Police Department

	Police	210	Building Installation Placeholder		50,000			
	Police	210	Window Replacement Placeholder		50,000			
	Police	210	Boiler Redundancy Placeholder		40,000			
ǂ	Police	210	Marked Police Vehicles		150,000	156,000	156,000	160,000
ǂ	Police	210	Unmarked Police Vehicles	35,000	35,000	50,000	37,000	38,000
	Total Police Department			**35,000**	**325,000**	**206,000**	**193,000**	**198,000**

Fire Department

	Fire	220	Fire Station Kitchen	135,000				
	Fire	220	Cascade Air System (fills breathing apparatus) Compressor				45,000	
ǂǂ	Fire	220	Fire Station Brick Repointing			1,100,000		
	Fire	220	Portable Radios	30,000				
	Fire	220	Pick Up Truck			50,000		
	Fire	220	Fire Station Window Replacement			100,000		
	Fire	220	Fire Station Garage Roof Replacement				20,000	
ǂǂ	Fire	220	Sub Station				8,000,000	
	Fire	221	Vehicle Replacement			50,000		
	Fire	222	Engine-3 Replacement					725,000
	Fire	220	Emergency Generator				50,000	50,000
	Fire	220	Refurbished Spare Fire Engine	325,000				50,000
	Total Fire Department			**490,000**	**-**	**1,300,000**	**8,115,000**	**825,000**

School Department

	Schools	300	MSBA Feasibility Study	750,000				

Schools	300	School Technology Capital Replacement Program	100,000	100,000	100,000	100,000	100,000
Schools	300	Energy Management System Upgrade					
Schools	300	Security Radio System					
Schools	300	All-Terrain Vehicle w/plow		50,000			
Schools	300	Flashing LED School Sign System		25,000			
Schools	300	Phone Upgrades For Elementary Schools					
Schools	300	Ford Transit Van (Food Deliveries etc.)		40,000			
Schools	300	South School Roof Repairs			200,000		
Schools	300	Elementary School Painting			50,000	50,000	50,000
Schools	300	Elementary Furniture Upgrade - All Schools					100,000
Schools	300	Roof Repair/Replacement - Colonial Park					200,000
Schools	300	School Sidewalk Repair/Replacement					
Schools	300	School Playground Repair/Replacement	200,000	200,000	200,000		
Schools	300	Robin Hood Roof Repair			-	200,000	
Schools	300	High School Marching Band Uniforms				50,000	
Schools	300						
Schools	300	Motorized Shades for Central Gym				85,000	
Total School Department			**1,050,000**	**415,000**	**550,000**	**485,000**	**450,000**
Department of Public Works							
Public Works	400	Sidewalk Program	150,000	150,000	150,000	150,000	150,000

		400	Drainage Repair/Replacement	100,000	100,000	100,000	100,000	100,000
ǂ	Public Works	400	3 in 1 Loader Bucket	25,000				
ǂ	Public Works	400	1997 Volvo Loader	180,000				
ǂ	Public Works	400	2008 Mower			20,000		
ǂ	Public Works	400	2005 Used Ford Explorer					
ǂ	Public Works	400	2003 Used Ford Explorer	25,000				
ǂ	Public Works	400	2008 F250 Utility Pickup Truck				40,000	
	Public Works	400	Cemetery Program	25,000		25,000		25,000
	Public Works	400	Streets (Paving)	140,000	200,000	200,000	200,000	200,000
	Total Department of Public Works			**645,000**	**1,215,000**	**720,000**	**730,000**	**775,000**
Board of Health								
	BOH	510	ACO Vehicle	30,000				
	Total Non-Departmental			**30,000**				
Council on Aging								
	COA	541	COA Roof Replacement		50,000			
	COA	541	COA Parking Lot Paving	36,000				
	Total Recreation Department			**36,000**	**50,000**			
Recreation Department								
	Recreation	542	Clara Steele Playground Renovation	210,000				
	Recreation	542	Athletic Fields Enhancement	280,000	280,000	280,000	625,000	
	Total Recreation Department			**490,000**	**280,000**	**280,000**	**625,000**	
Library								
	Library	610	Security Gate Replacement	15,000				
	Library	610	Interior Painting	30,000				

	Total Library			**45,000**				
Golf Course								
	Golf	630	Rebuild Hole 4		24,500			
	Golf	630	Rebuild Hole 9	17,000				
	Golf	630	Install Net at 3rd hole	25,000				
	Golf	630	Tree Work	10,000	10,000	10,000	10,000	10,000
	Golf	630	Rebuild Hole 8			21,500		
	Golf	630	Rebuild Hole 2				21,500	
	Golf	630	Rebuild Hole 6					19,000
	Golf	630	Install Drainage on 7th Fairway			30,000		-
		630	Install Drainage on 5th Fairway				26,000	
	Golf	630	Install 3-Bay Hitting Cage				15,000	
	Golf	630	Install kitchen, exhaust hood, grill, fryer in Clubhouse		40,000			
	Golf	630	Renovation of maintenance building staff lunch/break room	17,000				
	Golf	630	New Carpet in Clubhouse		11,000			
	Golf	630	Replacement and Upgrade of Clubhouse Exterior					38,000
	Golf	630	Renovate Clubhouse Basement			15,000		
	Total Golf Course			**69,000**	**85,500**	**76,500**	**72,500**	**67,000**
Arena								
	Arena	631	Little Roof & Ventilation Replacement	275,000				
	Arena	631	ARENA PROJECT CLOSE OUT	210,000				
	Arena	632	Solar Panels					
	Arena	631	ADA Contractual Renovations					

	Arena	631	Ice Resurfacer					
	Arena	631	Upper Level Bathroom Storage					
	Total Arena			**485,000**				
Non-Departmental								
	ND	920	Historical Commission - Gravestones restoration	15,000	34,000	34,000	145,000	100,000
	ND							
	Total Non-Departmental			**15,000**	**34,000**	**34,000**	**145,000**	**100,000**
GENERAL FUND TOTAL				**3,510,000**	**2,556,500**	**8,436,500**	**10,435,500**	**2,555,000**
ENTERPRISE FUNDS								
Sewer Enterprise								
30	Sewer	440	Sewer Lines, Pump Stations, Materials & Equipment		500,000	500,000	500,000	500,000
	Total Sewer Enterprise				**500,000**	**500,000**	**500,000**	**500,000**
Water Enterprise								
31	Water	450	Water lines, services, hydrants, Materials & Equipment		500,000	500,000	500,000	500,000
	Total Water Enterprise				**500,000**	**500,000**	**500,000**	**500,000**
ENTERPRISE FUNDS TOTAL					**1,000,000**	**1,000,000**	**1,000,000**	**1,000,000**
GRAND TOTAL: 5-YEAR CAPITAL PLAN				**3,510,000**	**3,556,500**	**9,436,500**	**11,435,500**	**3,555,000**

Section III: FY 2020 CAPITAL RECOMMENDATIONS

Summary of Funding Sources Recommended for FY 2020: 275,000 in Available Funds and $1,100,000 in bonding total $1,375,000 in capital expenditures. The Stoneham Capital Committee unanimously recommends the following FY20 capital expenditures.

Department	Amount	Description	
Schools	750,000	**MSBA Feasibility Study:** This is a MSBA Feasibility Study to replace the High School building. The study is a required part of the MSBA process to secure matching funds for building a new school.	Bonding
Arena	210,000.00	Additional funds required to complete the ice sheet replacement.	Available Funds
Planning & Community Development	10,000.00	**Green communities funding.** The Town is currently spending money on utility costs. This funding is to pursue grants and improvements to make improvements which yield a savings in those costs and pay back the upfront costs. Additionally, improvements will make our buildings and spaces will be more comfortable and efficient.	Available Funds
Fire	30,000.00	**Replace the Fire Departments portable radios.** Not only have the current radios reached the end of their service life and are failing at fires/incidents in Stoneham as well as out of town but they are not even waterproof. We had serious communication breakdowns this past year providing mutual aid to Chelsea, Revere, Lawrence, and Andover due to the older technology of the current radios. In the next couple of years Motorola will not service the radios because they have been discontinued. Funding is a small portion of the required amount. The fire department will either purchase a lessor number of units or if awarded, use the allocated funds as part of a matching grant for the full set of radios.	Available Funds
Golf	25,000.00	**Install Net at 3rd hole.** This is to address safety concerns and liability of balls hitting residential houses.	Available Funds
Recreation	210,000.00	Clara Steele Playground Renovation. *The Clara Steele Playground is one of the most cherished and utilized playground in Stoneham with use at all times of the calendar year. The structure has become a safety hazard for children and is commonly being repaired by Public Works. Many of the safety chains and infrastructure is beginning to fail due to overuse and standard aging. The funds will create a state-of-the art, all-inclusive playground for the community is essential to provide safe, recreational opportunities for all members of our community.*	Bonding
Public Works	140,000.00	**Streets (Paving)** *The town typically uses only State Chapter 90 funds to pave. The annual funding is approx. $470,000. A recent Pavement management plan recommended $1,200,000 yearly funding simply to maintain the current conditions and $1,800,000 yearly to improve the road condition. Though the capital committee feels it is important to add to the chapter 90 funds and looks to increase this amount in future years.*	Bonding
Total	**1,375,000**		

High School Feasibility Study

Department: School

Request Title: High School Feasibility Study

Basis for Estimate: Discussion with MSBA, Comparative to other towns

Estimated Cost: $750,000

Recommended Funding Sources: Bonding

Expenditure Description: MSBA Feasibility Study to replace the High School building. This is a required part of the MSBA process to secure matching funds for building a new school.

Capital Committee Notes: The committee recommends this items.

Arena Project Closeout

Department: Arena

Request Title: Project Closeout

Basis for Estimate: Actual Cost

Estimated Cost: $210,000

Recommended Funding Sources: Available Funds

Expenditure Description: Additional funds required to complete the ice sheet replacement.

Supporting Information: Vendor costs / invoices.

Capital Committee Notes: The committee recommends this items.

Green Communities Energy Updates

Department: Town Planner

Request Title: Green Communities Energy Updates.

Estimated Cost: $10,000

Recommended Funding Sources: Available Funds

Expenditure Description: The Town is currently spending money on utility costs. This funding is to pursue grants and improvements to make improvements which yield a savings in those costs and pay back the upfront costs. Additionally, improvements will make our buildings and spaces will be more comfortable and efficient.

Supporting Information: NA

Capital Committee Notes: The committee recommends this items.

Portable Radios

Department: Fire

Request Title: Portable Radios

Basis for Estimate: Estimate /quote

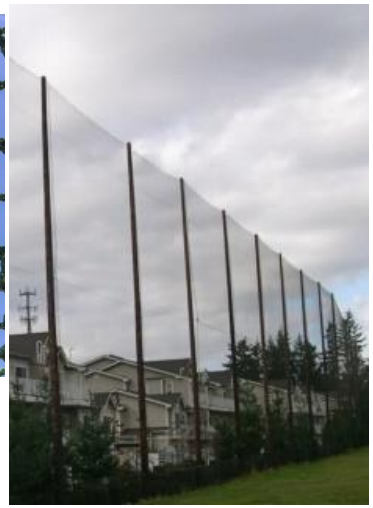
Estimated Cost: $30,000

Recommended Funding Sources: Free Cash

Expenditure Description: Not only have the current radios reached the end of their service life and are failing at fires/incidents in Stoneham as well as out of town but they are not even waterproof. We had serious communication breakdowns this past year providing mutual aid to Chelsea, Revere, Lawrence, and Andover due to the older technology of the current radios. In the next couple of years Motorola will not service the radios because they have been discontinued. *Funding is a small portion of the required amount*. The fire department will either purchase a lessor number of units or if awarded, use the allocated funds as part of a matching grant for the full set of radios.

Capital Committee Notes: The committee recommends this items.

50 foot Golf Netting



Department: Golf Course

Request Title: 50 foot Golf Netting at 3rd hole

Basis for Estimate: Quote

Estimated Cost: $25,000

Recommended Funding Sources: Available Funds

Expenditure Description: Install Net at 3rd hole. This is to address safety concerns and liability of balls hitting residential houses. The area covered is 200 feet with a 50 foot tall netting.

Capital Committee Notes: The committee recommends this items.

Clara Steel Playground Renovation

Department: Recreation

Request Title: Clara Steele Playground Renovation

Basis for Estimate: Garland Company Vendor Estimate.

Estimated Cost: $210,000

Recommended Funding Sources: Bonding

Expenditure Description: Clara Steele Playground Renovation. *The Clara Steele Playground is one of the most cherished and utilized playground in Stoneham with use at all times of the calendar year. The structure has become a safety hazard for children and is commonly being repaired by Public Works. Many of the safety chains and infrastructure is beginning to fail due to overuse and standard aging. The funds will create a state-of-the art, all-inclusive playground for the community is essential to provide safe, recreational opportunities for all members of our community.*

Capital Committee Notes: The committee recommends this items.

1Roof has been patched. Patches are failing.

Public Works Street Update Program

Department: Public Works

Request Title: Street Program

Basis for Estimate: Capital Committee Allocation

Estimated Cost: $140,000

Recommended Funding Sources: Bonding

Expenditure Description:

The town typically uses only State Chapter 90 funds to pave. The annual funding is approx. $477,000. A recent Pavement management plan recommended $1,200,000 yearly funding simply to maintain the current conditions and $1,800,00 yearly to improve the road condition. Though the capital committee feels it is important to add to the chapter 90 funds and looks to increase this amount in future years.

Capital Committee Notes: The committee recommends this items.

Appendix A – Capital Expenditures 2009 to 2016

Department	ACCT DESCRIPTION	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
DPW	Backhoe & Dump Truck			299,265.00					-	-	
Library	Library Painting			23,000.00					-	-	
DPW	Const S/W								6,707.08		
Police Department	Police Station Renovation								6,414.46	12,474.61	
School Department	Renovate Schools								-	-	835.00
DPW	Drainage at MAC/Spring Street								-	-	196,395.52
DPW	Drainage at Spencer Street								-	-	25,000.00
Fire Department	Turnout Gear								-	-	4,421.75
School Department	HS Roof								-	327,038.00	28,213.75
Arena	Arena Boards								-	-	143,740.00
DPW	Drainage								-	385,464.37	14,535.63
Police Department	Cruisers								-	61,181.50	
Senior Ctr	Sr Ctr AC							576.70	59,423.30	-	
Fire Department	Fire Alarm								2,172.00	37,827.36	
Senior Ctr	Sr Ctr Van								825.00	27,150.00	
Library	Library Windows						2,625.00	12,375.00	-	-	
Arena	Arena Doors								14,976.00		
DPW	Drainage			1,015.59	248,638.96	34,420.34		3,724.87	2,200.24		
New Middle School	MS Study								299.58		
New Middle School	MS Study								100.00		
School Department	MS Study						3,025.85	466,154.42	130,420.00		
Town Hall/General Government	REPLACE TOWN HALL ROOF								25,000.00		
School Department	SOUTH SCHOOL AIR CONDITIONER								75,000.00		
Police Department	DIGITAL PORTABLE RADIOS				5,199.00	8,844.25	11,020.95	23,095.38	31,078.18		
DPW	STREET SWEEPER								164,989.00		
Fire Department	FIRE PUMP TRUCK							8,982.00	591,018.00		
Arena	ARENA ZAMBONI								113,780.02		

School Department	COMPUTER EQUIPMENT							0.40	79,999.60		
School Department	SCHOOL OIL TANKS							162,359.82	157,640.18		
DPW	PURCHASE SIDEWALK PLOW								99,600.00		
Town Hall/General Government	REPLACE TOWN HALL ROOF								15,000.00		
DPW	1 TON DPW TRUCK								29,460.00		
DPW	1/2 TON DPW TRUCK								25,225.00		
Library	INSTALL LIBRARY GUTTERS							1,500.00	2,850.00		
School Department	SCHOOL AUDITORIUM CHAIRS						3,612.00		26,388.00		
Fire	Emergency Communications System					40,116.79	368,383.22				
Police Department	Emergency Communications System					40,116.79	368,383.22				
Police Department	2 Pol Vehicles							71,784.20			
School Department	MS Gas Conversion							60,000.00			
DPW	Dump Truck							124,520.00			
New Middle School	New Middle School				129,610.00	347,353.54	330,599.72	47,000.00			
New Middle School	New Middle School				362,303.00	465,024.15	1,532,424.15	315,262.50			
New Middle School	New Middle School			657,794.03	7,202,369.22	23,186,883.95	3,115,000.40	29,203.50			
New Middle School	New Middle School			3,237.75	121,568.38	66,998.19	15,122.00	900.00			
New Middle School	New Middle School			39,560.00	1,761,139.05	68,000.00	34,000.00				
Police Department	2 UNMARKED POLICE VEHICLES					1,111.18	61,394.00				
Town Hall/General Government	TOWN HALL FIRE PANEL				3.08		29,996.92				
DPW	PARK & FIELD RENOVATIONS				(0.27)	6,225.27	3,775.00				
Golf Course	UNICORN GOLF COURSE FENCE						16,385.16				
Golf Course	UNICORN GOLF COURSE MOWER						37,855.90				
School Department	EAST SCHOOL PARKING LOTS						19,198.03				
Police Department	POLICE TASER EQUIPMENT				10,100.00						
Police Department	POLICE CRUISERS				425.00		69,566.96				
Police Department	8 POLICE TACTICAL PATRL RIFLES						8,528.00				
Police Department	POLICE COMPUTER SOFTWARE						8,000.00				
Town Hall/General Government	REPLACE TH BOILERS W/ GAS		-	-	-	-	40,000.00	-	-	-	-

Library	HVAC Pneumatic at Library		5,847.88								
Library	REPLACE LIBRARY WINDOWS						10,250.00				
School Department	MUSIC LAB AT THE MIDDLE SCHOOL						22,995.00				
Fire Department	Fire Truck			900,600.00							
Senior Ctr	SR CENTER NEW WATER HEATER						5,000.00				
DPW	DPW Roof					36,750.00					
Senior Ctr	Senior Ctr Doors					4,699.00					
School Department	Robin Hood Windows					10,874.00					
School Department	School Computers					70,000.00					
Police Department	POLICE CRUISERS					42,852.80					
IT/General Government	TOWN TECHNOLOGY UPGRADES				150.47	36,199.53					
Arena	ARENA COMPRESSOR				-	25,000.00					
Police Department	POLICE STATION HVAC SYSTEM	1,620.00			4,843.00	13,537.00					
Library	LIBRARY CARPET				10,000.00						
DPW	DPW UNDERGROUND WIRING			10,000.00							
DPW	RECREATION PARK LIGHTING				10,353.25						
DPW	Hydraulic Lift		27,259.00								
DPW	DPW Dump Truck				5,621.01	119,378.99					
School Department	Elementary School Security System			4,665.32	21,465.68						
DPW	DPW Garage Doors			1,608.50	7,625.00						
DPW	Doors, Various Articles 10/17/16 October 2016 STM										
School Department	PHONE/COMMUNICATION SYSTEM			30,000.00							
Police Department	POLICE CRUISERS			2,419.00	126,794.95						
School Department	SCHOOL COMPUTER EQUIPMENT			8,230.50	41,769.50						
Police Department	POLICE VESTS			6,397.60	15,602.40						
Police Department	POLICE RANGE & RIFLES	15,000.00		7,955.40	2,077.12						
Fire Department	FIRE GEAR RACK				14,391.00						
DPW	DPW SANDER & ROLLER				29,553.99						
Golf Course	UNICORN IRRIGATION			4,248.42	10,135.00						
Golf Course	UNICORN 3 MOWERS & SPRAY UNIT				64,168.19						

Arena	ARENA BLEACHERS/STAIRS/SHOWER		-	45,535.88	4,200.00						
School Department	SCHOOL PAVING			25,000.00							
School Department	SCHOOL HVAC SYSTEM		10,923.09	175,637.33	13,439.58						
School Department	ELEMENTARY SCHOOL ROOF			16,500.00	18,500.00						
Fire Department	FIRE ENGINE PUMPER		4,786.34	620,313.66							
Police Department	BUILDING IMPROVEMENTS	25,681.36									
DPW	PICK UP TRUCK, CHIPPER & BUCKET TRUCK		1,014.00	247,943.50							
School Department	HISH SCHOOL BOILERS		12,676.72								
School Department	HISH SCHOOL BOILERS	51,856.29	375,768.07	19,783.63							
DPW	Sidewalk Program	70,797.54									
DPW	PURCHASE SIDEWALK PLOW	151,692.00									
Police Department	POLICE STATION HVAC SYSTEM	300,599.00									
Golf Course	UNICORN IRRIGATION	585,500.00									
Arena	ARENA RENOVATIONS 161017	323,450.95									
School Department	School Technology		50,862.50								
Fire Department	Fire Chief Command Vehicle	559.01	44,433.87								
Fire Department	Turnout Gear	60,120.00	14,880.00								
Fire	Relocate Antenna	995.17									
Police Department	Relocate Antenna	995.17									
DPW	Relocate Antenna	995.17	2,560.00								
Library	Replace Warren Street Window & Door		6,275.00								
Whip Hill	Whip Hill Repairs		20,000.00								
School Department	Water Tank		15,000.00								
Senior Ctr	Replace Center Decking		25,000.00								
Non Departmental	Old Burial Ground	9,227.50									
Non Departmental	Old Burial Ground Preservation	10,000.00									
DPW	CEM FY15	8,942.50									
Police Department	HVAC	448.64									
Police Department	PD UPS	40,000.00									
Fire Department	FS Lead	40,000.00									
School Department	HS Study	125,000.00									
School Department	School S/P	25,144.04									

DPW	Repave Town Hall Lots	20,088.60									
DPW	Island Beatification	16,286.15									
DPW	Pav Mgt PL	8,165.37									
DPW	DPW UTTRL Vehicles	54,555.50									
DPW	DPW UT TRS Vehicles	40,000.00									
Police Department	PD Cruisers	109,962.20									
		2,097,682.15	**617,286.47**	**3,150,711.11**	**10,242,045.56**	**24,624,385.76**	**6,117,141.47**	**1,337,438.79**	**1,660,565.64**	**851,135.84**	**413,141.65**

Appendix B – Capital Stabilization Account History 2009 to 2017

FY2009	
2009 ATM - Establishment of Fund (Article 20)	500,000.00
2009 Interest	1,994.71
	501,994.71
FY2010	
2009 FSTM - Appropriated from Free Cash (Article 5 & 6)	87,000.00
2009 FSTM - Capital Equipment/Improvements (Article 7)	(224,160.00)
2010 Interest	16,271.01
	381,105.72
FY2011	
2010 FSTM - Capital Equipment/Improvements (Article 7)	(112,000.00)
2011 Interest	14,734.33
	283,840.05
FY2012	
2011 FSTM - Capital Equipment/Improvements (Article 3)	(132,100.00)
2012 Interest	18,407.23
	170,147.28
FY2013	
2012 FSTM - Appropriated from Free Cash (Article 8)	137,293.00
2013 SSTM - Capital Equipment/Improvements (Article 2)	(100,000.00)
2013 Interest	12,466.74
	219,907.02

FY2014	
2013 FSTM - Appropriated from Free Cash (Article 12)	38,871.00
2014 Interest	9,753.34
	268,531.36
FY2015	
2014 FSTM - Appropriated from Free Cash (Article 29)	269,127.62
2015 Interest	5,024.28
	542,683.26
FY2016	
2015 FSTM - Appropriated from Free Cash (Article 10)	228,925.90
2015 FSTM - Capital Equipment/Improvements & Debt Service (Article 8)	(450,000.00)
2015 Interest	14,983.69
	336,592.85
FY2017	
2016 ATM - Debt Service	(100,000.00)
2016 Interest	12,397.20
10/16 stm	84,091.78
	333,081.83
FY2018	
2017 ATM - Debt Service	(150,000.00)
	183,081.83