

Office of Town Manager

Town of Burrillville, Rhode Island

Memorandum

To: Town Council

Cc: Budget Board
Leslie McGovern, Finance Director
Vicki Martin, Town Clerk
Dr. Michael Sollitto, School Superintendent

From: Michael C. Wood, Town Manager *Mike*

Date: March 30, 2022

Re: CIP Budget FY2023

Enclosed, please find spreadsheets summarizing the proposed Capital Budget after the Town Manager's review. I've also enclosed a copy of the advertisement (notice) for the Capital Budget ("CIP"). The Budget Board's report is included.

You have two (2) spreadsheets. One is the FY2023 recommendation and the other is a draft of the five (5) year projection. After the Council approves this year's CIP budget, we will incorporate whatever changes made by the Council into the five (5) year CIP and present it to the Council to receive and file at a later date.

The spreadsheet tracks the departmental/original requests, the Budget Board's actions and the Town Manager's recommendations. This is a comprehensive plan that includes all proposed projects and expenditures so it will show higher spending than the amount required from tax (OSP) revenue. My report tracks, as closely as possible, the order the items are listed in the spreadsheet.

Note: This budget uses the LS Power (OSP) revenue and separates it from the Operating Budget per se. We now have fixed revenue and assessed values for the next six (6) years.

The revenue amount for FY2023 is \$2,627,200.

I recommend moving some of our CIP expenditures to the Operating Budget.

The larger goal should be to prioritize the road, infrastructure and capital projects paid for from the OSP revenues, while shifting equipment and other incidental capital purchases to the Operating Budget.

OSP revenue will still be over \$2,000,000 for the next six (6) years so shifting CIP money to the operating budget can be done incrementally. The capital ordinance calls for \$800,000 total per year to be appropriated between the town and school departments. In the big picture, that should be the target for the operating budgets.

General Comments

The cost to construct and reconstruct roads has been significantly impacted by inflation. As a result, we have adjusted our cost projections which, in turn, changes the number and scope of road projects in the CIP.

It may be a reasonable strategy to finish whatever we have bid and/or specked, and hold off future projects until prices come down.

I've recommended that two (2) police vehicles be funded from the Operating budget and will propose we move all police vehicles to the Operating budget in ensuing years.

There are other potential CIP appropriations that are consistent in nature, that we may want to move to the Operating budget in future budgets.

The School Capital program will have to be re-evaluated as the current School Construction Program (bond) is implemented. It is feasible that the School Operating budget may need to incorporate some CIP funding going forward, but that can be considered at a later date.

American Rescue Plan

We have a little over 5 million for ARPA projects and programs. Not all these monies are CIP targeted, but we do have some big dollar infrastructure projects under consideration.

We did not include these in the CIP Program, short or long term, because everything is speculative at this point.

As the Town Council authorizes these funds, and if they are targeted for capital needs, they will be integrated into the CIP Program.

Department Highlights

These are summaries and do not include all items or recommendations.

Jesse M. Smith Memorial Library

- HVAC unit in the server room - \$5,947
- Copy machine - \$6,730
- Carpet in the Children's area - \$19,305 (Grant)
- Sewer pump alarm - \$5,000*

Funding is recommended from the library unassigned fund balance and grant funds, with the exception of the sewer pump alarm. *This is from the regular CIP.

Board of Administration (BOA)

I recommend the full amount requested by the Board of Administration, which is \$55,100 to be funded from the FY2023 CIP budget. The projects contemplated are:

1. Lighting
2. Restroom(s) and ADA Compliance
3. Stage Renovations at the Assembly Theater

The Budget Board agreed with the same total amount but wanted the amount split between the Town's CIP Budget and the BOA's Reserve Account.

The Board of Administration is, in effect, a landlord. They have the right to set rent and charge the Town accordingly. The BOA should maintain a healthy surplus balance and grow it as it deems appropriate. Otherwise, future expenses associated with a major building project or repair could disproportionately impact taxpayers in the event of a very large one-time expense or expenses that could require a one-time tax increase or displace other items in our CIP program.

The Town can decide how to pay the rent. Splitting the charge between the Operating Budget (taxes) and the CIP (OSP) is a reasonable course of action, and I do not see the need to require expenditures to be taken from the BOA Reserve Fund at this time.

Redevelopment Agency (Nasonville)

The Redevelopment Agency continues to work to create a Redevelopment District for Nasonville. This project was originally funded by the Town Council in the FY2018 CIP. One of the key concepts being discussed is how to promote pedestrian travel (walking or bike) between sections or areas of the village. The old Turex Mill site, 8river and Route 7 Bridge proximate to the Western Hotel are the focus, as are infrastructure improvements that will promote and allow for new business and housing opportunities for the village.

The Redevelopment Agency met with Rhode Island Department of Transportation (RIDOT) to consider options to create a pedestrian-friendly corridor in conjunction with RIDOT's planned project

to upgrade or replace the bridge. The Town Council approved a bridge and pedestrian friendly alternative in 2020.

\$20,000 has been included in the FY2023 CIP to complete this task.

Information Services

No FY2023 CIP requests.

Police Department

1 Dodge Durango police vehicle in the CIP

Two (2) additional vehicles are proposed to be funded from the FY2023 Operating Budget

Communication Center - \$150,000

This project has a range of potential costs from \$350,000 to \$400,000, depending on vendor and scope of project. \$250,000 was funded in FY 2022. The recommended funding brings the appropriation to \$400,000*

We have another \$15,000 set aside for related professional services.

*Funding of \$15,000 to \$25,000 for the Communication Center could come from third party sources, e.g.: the fire districts.

A security FOB system is recommended for the police station complex. The \$10,000 recommendation supplements FY2021's appropriation of \$31,000, for a total project cost of \$41,000.

Police Radios (\$14,200) 800mz.

Animal Control

The request for vehicle replacement (\$51,000) in FY2023 has been moved to FY2024, after inspection of the vehicle.

School

The Budge Board reduced the original School Department CIP request to \$227,800. When I reconciled the numbers, I changed the recommendation to \$225,000, with an additional \$32,000 for computer network upgrades coming from the school's carry over funds (at their request). Three (3) projects were left in the line item list with a TBD in the event the school department wants to shift priorities from the other CIP items funded via the \$225,000 total appropriation.

Public Works – Engineering

Harrisville Mill Pond Dam design for RIDEM required repairs of abandoned low level discharge pipe and at grade level improvements.

Landfill Monitoring Professional Service to continue ground water and gas monitoring of landfills. Required State reporting.

Road Bid Docs – consultant development of FY2023 roadway reclamation / reconstruction projects.

Professional Services to include surveys, DOT project design work, AutoCAD, etc.

Public Works Vehicles/Equipment

The general goal is to have enough money in the Public Works Annual Operating Budget to purchase one (1) large 45,300 lb. GVW plow truck if needed. This size truck costs approximately \$175,000 with plow and accessories. If we don't purchase a plow truck, we have other high-cost equipment or combinations of vehicles/equipment that will approximate the \$175,000 appropriation. We should increase this to \$200,000 over time for inflation.

Equipment Recommended this fiscal year:

- Roadside Brush Tractor (from Operating) - \$130,000
- Landscape Trailer (CIP) - \$12,000
- Electric Charging Station Software(CIP) - \$7,000
- Rubbish, bags, events, containers (CIP) - \$5,000

Maintenance

- Sign Replacement (from Operating) - \$10,000
- Crack sealing (CIP) - \$30,000

Public Works – Construction Projects

Harrisville Mill Pond Dam Repairs

Secured \$1.8M RIIB loan for sink holes and other deficiencies identified by RIDEM. We are in the project development stage. Project could escalate in value due to inflation and/or new FEMA/Federal government regulations. APRA funds could be used if needed.

Public Works – Fuel Station

Outside of disposing of the old DPW facility on Union Avenue, the last major project at this site is to relocate the fuel depot to the Public Safety Complex. This budget (\$60,000) for professional services will allow us to review the site related options, create specifications and prepare to bid the project. Supplemental funding will be needed to build the new fuel depot that will serve all public safety vehicles Town-wide and the Town's needs. The Director has already completed some of these services. The balance needed is \$60,000.

Spring Lake Beach

We applied for a DEM Grant for improvements to Spring Lake Beach. The match for that grant is 25% or \$100,000. If we do not receive the grant or a lesser amount than requested, we will still use the \$100,000 CIP appropriation for needed improvements at the beach.

Artificial Field

The artificial field plans have been developing, and we have new cost estimates to construct the field at the high school. Total cost estimate is \$2,772,850, of which \$135,000 is for professional services. \$2,637,850 will be budgeted in a future CIP for construction.

I've included \$135,000 in the CIP Budget under DPW Professional Services to start the process to design and plan a field if all the other project details come together in FY2023.

The Middle School Practice Field has been permitted and is ready for bid. This project is needed to relieve pressure on existing fields and as a location for play if and when the high school field comes under construction

River-Walk and Pedestrian Bridge (Pascoag)

High Street Park's pedestrian bridge and replacement of the existing River Walk design, permitting and construction are in the planning stages. Total project is estimated to be \$250,000, with \$200,000 funded by a legislative grant and the balance from Town funding. \$50,000 is in the CIP to match the \$200,000 grant.

Public Works – Road & Infrastructure

This coming construction season Public Works will be completing Brook and Collins Taft Roads. Harrisville Village will need supplemental funding in FY2023, \$1,083,169.

We are placing additional projects on a priority list to be completed at a later date or if we can't do Harrisville Village as planned. Those alternate projects are Spring Street (\$227,200), Emerson Road (\$618,400) and upgrades to the Skate Park on Chapel Street (\$50,000).

Construction of the FY2023 CIP road list is dependent on development of the bid documents and contractors secured through the town bidding process. This is the best projection as of today. This list is subject to change, including adding, subtracting or modifying projects as circumstances dictate.

Harrisville Village

Steere St.	\$147,816
Herendun	\$43,200
Park Ave	\$89,280
North Hill	\$512,257
Wood	\$46,800
Stewart Court	\$77,544
Burrill Road	\$166,272
<i>TOTAL</i>	<i>\$1,083,169 (balance)</i>

Alternate Projects (List)

Spring Street	\$227,200
Emerson Road	\$618,400
Skate Board Park Upgrade	\$50,000

We have grant applications pending for Zam Dam and Centennial Street projects (Municipal Resilience Program). The matching funds are recommended for appropriation (\$62,500), which includes Centennial Street culvert repairs. If the grants are not received as requested, we might need supplemental funding or reprioritize these projects at a future date.

	<u>Grant</u>	<u>Town</u>	<u>Total</u>
• Zam Dam Flood Control	\$22,500	\$7,500	\$30,000
• Zam Dam Spillway	\$120,000	\$40,000	\$160,000
• Centennial Culvert	\$37,500	\$12,500	\$50,000
• Professional Services	\$7,500	\$2,500	\$10,000

Three (3) Year OSP Revenue Projection/Uses

	<u>OSP</u>	<u>Town/ School</u>	<u>Roads/ Infra- Structure</u>	<u>Other CIP Needs</u>
FY2023	\$ 2,627,200	\$800,000	\$1,200,000	\$627,200
FY2024	\$2,463,000	\$800,000	\$1,200,000	\$463,000
FY2025	\$2,298,800	\$800,000	\$1,200,000	\$298,800

Note: These projections assume no change in operating status at the OSP (LS) facility.