

CAPITAL BUDGET COMMITTEE FY 2021 RECOMMENDATIONS

TO: Yarmouth Board of Selectmen

FROM: Yarmouth Capital Budget Committee

RE: **FY 2021 CAPITAL REQUESTS & RECOMMENDATIONS**

DATE: December 5, 2019

The Yarmouth Capital Budget Committee has been meeting regularly with various Town departments since August in preparation for this presentation to you on capital funding requests. On December 4th, we met with the Yarmouth Finance Committee and reviewed each of the projects and we are now pleased to present to you our recommendations for FY2021 funding. Kindly refer to the attached spreadsheet for the specific departmental requests we have evaluated.

ROUTINE CAPITAL BUDGET FROM TAX LEVY

We received and evaluated requests of more than \$5.8 million for 38 projects. Given our proposed tax levy allocation which calls for a Capital Budget of only \$1.5 million, our task of ranking the most important projects was challenging. Similar to years past, our deliberations were again complicated by several factors:

Operating expenses presented as Capital projects: Several departments prepared requests for items that are clearly operating in nature. These included: DNR proposal for the Lewis Bay Flushing Study; Police Department requests for furniture, cell phones and tablets; and Finance Department's need to replace voting booths. We recommend FY2020 free cash or the operating budget as the more appropriate venue for consideration of these items.

Capital projects presented in advance of organizational policy decisions: Several procurement requests were made for employee activities or projects not yet approved by the Board of Selectmen. These include Police requests for body worn /cruiser mounted cameras (\$300,000) and *Cellebrite Investigation Systems* software used to download personal cell phone data during arrests/investigations. DPW plans for Sandy Pond Recreation area improvements contained several alternatives, such as the splash pool, which has not yet advanced for Board of Selectmen approval. Finally, in the absence of action by the Town, funding to support the Army Corp of Engineers grant for Run Pond Revitalization remains unaddressed. We believe these are policy, not procurement decisions.

Coastal Waterway Infrastructure Renewal and Beach Erosion Mitigation: DNR faithfully submits this request for \$3 million every year. We feel very strongly that consideration be given to an annual funding or borrowing article (similar to roadways/storm water) that would support our waterways and beaches. Coastal infrastructure repair and maintenance is an urgent ongoing need at 12 critical locations throughout town. Revetments, shore erosion, dredging, permitting, and beach replenishment activities should have a permanent perpetual source of funding to maintain access to and protection of our rivers, ponds, estuaries and beaches.

Level funding of routine capital budget: Funding has been held at \$1.5 million for years. At this level, it will continue to be inadequate in funding Yarmouth's routine capital needs. We recommend again that consideration be given to providing annual increases of 2.5% beginning in FY2021. We are prepared to move additional projects into the budget immediately.

The complete list of projects to be funded by the tax levy is detailed in the attached table. Please note that we have included an allocation of \$100,000 for the Police Firearms Shooting Trailer estimated to cost \$750,000. CBC supports the Police request for this specialized trailer to address critical mandated firearms training and recommends that additional funding sources be identified for its purchase.

ROADWAY & STORM WATER IMPROVEMENTS FROM DESIGNATED TAX LEVY

DPW Engineering requested \$1.308 million, an authorized 2.5% increase over FY 2020, to support our annual program of roadway maintenance. DPW will also receive approximately \$1 million in Mass DOT Chapter 90 funds. When combined these total over \$2.3 million. We recommend that future consideration be given to the appropriate use of these funds for Town owned parking lots and access roads. DPW also requests \$225,000 for storm water improvements.

FIRE DEPARTMENT CAPITAL FROM AMBULANCE RECEIPTS

We approved \$495,000 for purchasing a new ambulance, Station 1 generator, SUV replacement vehicle and repaying stabilization fund for 2016 loan for pumper truck purchase. CBC recommends that the requested purchase of replacement dive equipment be made with the FY 2019 and 2020 allotments for Fire equipment.

WATER and GOLF DEPARTMENTS CAPITAL FROM RETAINED EARNINGS

Water Department requested \$2.07 million from the Water Fund balance for water tank painting, well redevelopment, facilities improvements and production/distribution upgrades. The Golf Department requested \$50,000 for the purchase of a dump truck.

WASTE MANAGEMENT ROUTINE CAPITAL FROM RECYCLING FUNDS

At the time of our review, the balance in the recycling fund was approximately \$128,000. Two requests were outlined: (1) Truck with plow attachment (\$43,000) and (2) project to redesign and rebuild the construction and demolition staging area. We recommend the purchase of the truck with the balance of recycle funds allocated to the design of C&D wall and pad.

FREE CASH RECOMMENDATIONS

During our discussions with staff, we identified five (5) projects totaling \$120,000 submitted as Capital Tax Levy requests that we believe are more appropriate for consideration under FY 2020 Free Cash. As we did last year, we will defer recommendation on these items until final Free Cash list is made available.

We look forward to our meeting with you on January 7, 2020.

YARMOUTH CAPITAL BUDGET COMMITTEE

Sandy Fife, Chair