

# City of Framingham FY23-FY27 5 Year Capital Improvement Plan and FY23 Capital Budget Recommendation

November 1, 2021

**Greetings Councilors and Framingham Residents,**

As we emerge from the pandemic, the City strives to maintain our assets and infrastructure for residents and business and balancing the resources necessary for these investments. Even as the stubborn COVID-19 pandemic dragged on this past year causing ongoing changes to everyone’s lives the city will continue its investment in resiliency and striving for excellence.

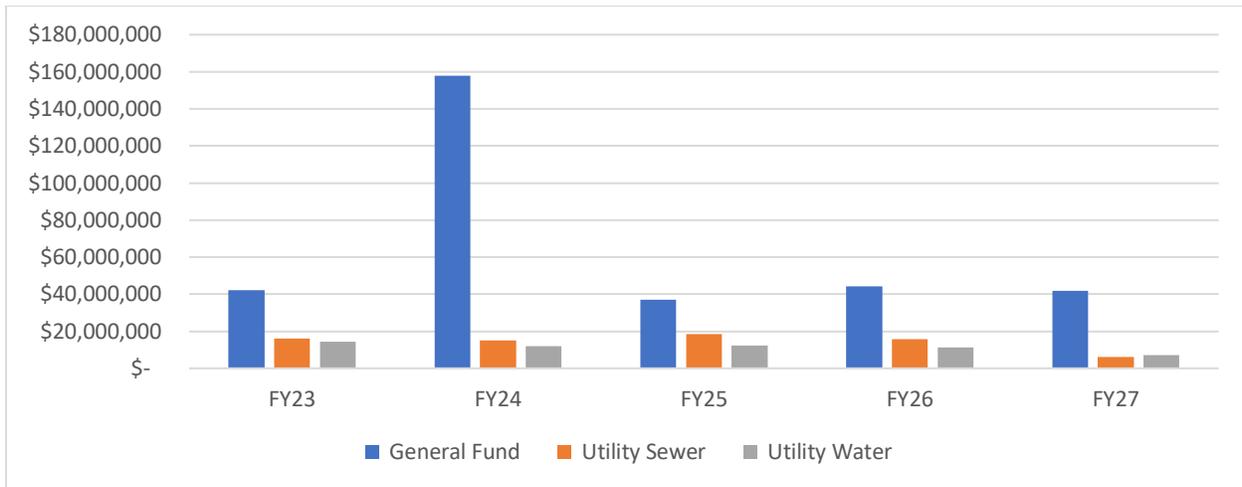
With this balance in mind, I present the FY23-27 Capital Improvement Plan (CIP) and make recommendations for investment in the FY23 Capital Budget component of the Plan. This is a five-year view of City government's capital needs developed by those departments that have custody of, operate, and maintain Framingham assets in the delivery of public services. Department managers and staff have used industry standards, best operating and maintenance practices, and physical evaluation of equipment, buildings, and infrastructure to determine the Capital Improvement Plan and the immediate needs for FY2023.

The development of the City’s five-year capital improvement plan (CIP) provides an opportunity to review, analyze and strategically plan for the important and wonderful assets our community has to offer its residents, visitors and businesses. Careful consideration has been given to all of the requirements necessary to be responsible stewards of our vast infrastructure which includes public buildings, historic and cultural assets, schools, parks/playing fields, sports arenas and libraries. Important work continues to maintain safe roadways and ensure a properly operating sewer system and a well-maintained water system to safeguard clean drinking water.

The five-year CIP includes a total of \$451.6M needed for the upkeep of the City’s assets including the utility enterprise fund for water and sewer infrastructure. General Fund requirements total \$322.8M while the Enterprise Fund makes up the remainder at \$128.7M (\$71.5 Sewer and \$57.1M Water).

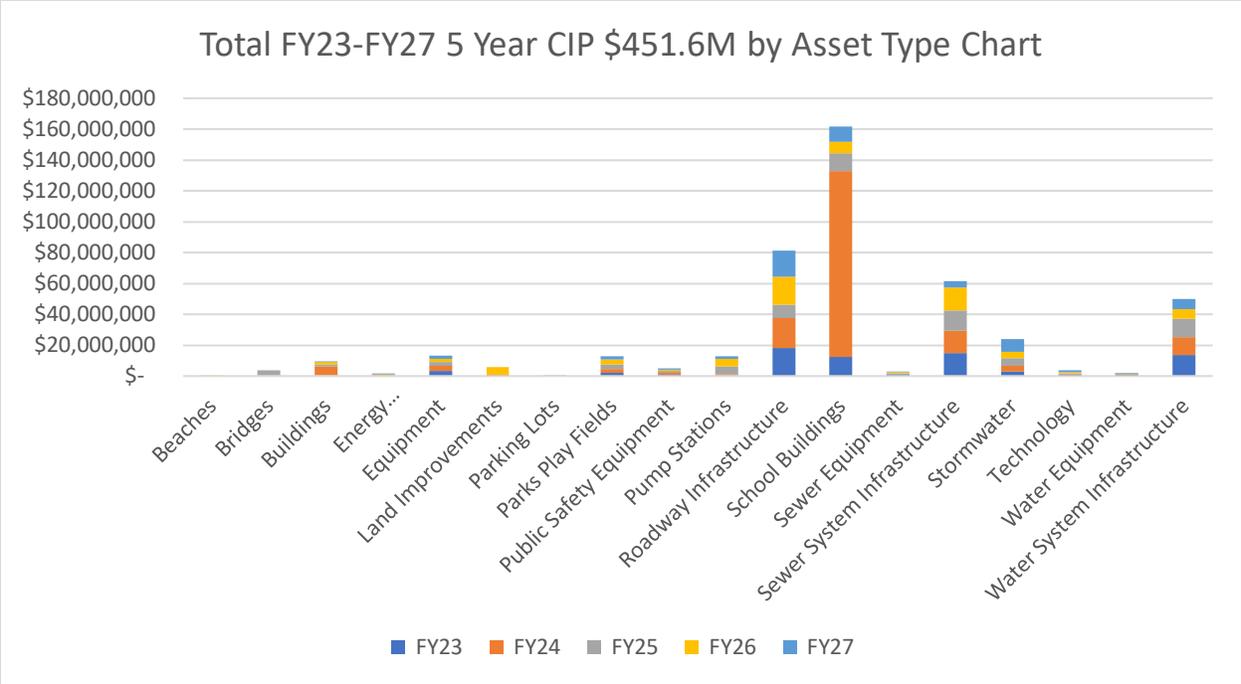
Total FY23-FY27 5 Year CIP \$451.6M By Fund					
	General Fund		Utility Sewer		Utility Water
FY23	\$	42,020,608	\$	16,225,950	\$ 14,485,300
FY24	\$	157,968,187	\$	15,176,502	\$ 12,055,280
FY25	\$	36,984,204	\$	18,433,601	\$ 12,347,500
FY26	\$	44,253,109	\$	15,735,500	\$ 11,276,001
FY27	\$	41,658,012	\$	6,015,502	\$ 7,000,001
<b>5 Year Total</b>	<b>\$</b>	<b>322,884,120</b>	<b>\$</b>	<b>71,587,055</b>	<b>\$ 57,164,082</b>

Total FY23-FY27 5 Year CIP \$451.6M By Fund Chart



Looking at the five-year CIP by asset type highlights the funding needs found throughout the city to maintain the structural integrity of city and school buildings, continue energy improvements and sustainability projects, enhance infrastructure for ADA compliance, invest in technology, preserve and update parks and playing fields, provide for current and critical public safety equipment, ensure safe roadways, recognize stormwater issues and support work necessary to the water and sewer infrastructure.

Asset Type	FY23	FY24	FY25	FY26	FY27
Beaches	\$ -	\$ -	\$ -	\$ 72,000	\$ -
Bridges	\$ 500,000	\$ -	\$ 3,370,000	\$ -	\$ -
Buildings	\$ 282,100	\$ 5,809,320	\$ 1,158,810	\$ 1,959,300	\$ 173,340
Energy Improvements/Sustainability	\$ 338,075	\$ 554,545	\$ 150,000	\$ 216,444	\$ 250,000
Equipment	\$ 3,244,665	\$ 3,479,849	\$ 2,258,748	\$ 2,264,746	\$ 2,014,600
Land Improvements	\$ -	\$ 1,000,000	\$ -	\$ 5,000,000	\$ -
Parking Lots	\$ 195,500				
Parks Play Fields	\$ 1,915,294	\$ 2,736,677	\$ 2,960,251	\$ 3,142,000	\$ 2,226,175
Public Safety Equipment	\$ 984,647	\$ 970,000	\$ 1,400,000	\$ 1,000,000	\$ 800,000
Pump Stations	\$ 545,600	\$ 875,000	\$ 4,820,000	\$ 5,000,000	\$ 1,500,000
Roadway Infrastructure	\$ 18,240,520	\$ 19,192,000	\$ 8,650,000	\$ 18,450,000	\$ 16,550,000
School Buildings	\$ 12,384,275	\$ 120,235,796	\$ 11,867,595	\$ 7,172,812	\$ 9,829,896
Sewer Equipment	\$ 685,000	\$ 373,500	\$ 538,600	\$ 850,500	\$ 290,500
Sewer System Infrastructure	\$ 14,995,350	\$ 14,303,002	\$ 13,075,001	\$ 14,885,000	\$ 4,225,002
Stormwater	\$ 3,000,250	\$ 3,740,000	\$ 4,801,000	\$ 4,100,000	\$ 8,314,000
Technology	\$ 935,282	\$ 250,000	\$ 367,800	\$ 875,807	\$ 1,500,000
Water Equipment	\$ 665,000	\$ 237,000	\$ 335,500	\$ 276,000	\$ 500,000
Water System Infrastructure	\$ 13,820,300	\$ 11,443,280	\$ 12,012,000	\$ 6,000,001	\$ 6,500,001
<b>Totals by Fiscal Year</b>	<b>\$ 72,731,858</b>	<b>\$ 185,199,969</b>	<b>\$ 67,765,305</b>	<b>\$ 71,264,610</b>	<b>\$ 54,673,514</b>



The FY23 portion of the five-year CIP includes General Fund and Enterprise Fund project requests in the amount of \$72.7M of which \$19.8M (27.3%) are recommended and \$52.8M (72.7%) are deferred. Each project was reviewed as a team with the department managers, the finance division staff, the Mayor and the Chief Operating Officer. Departments have been kept apprised of the recommendation and deferral of projects requested. Projects that are deferred are not a reflection of the project not having merit or being necessary, but must be deferred to meet the City’s debt service policy constraints that require balancing the debt service costs within each fiscal year to no more than 5% of the General Fund budget.

General Fund Requests for FY23 Total \$42M of which \$12.5M (29.76%) are recommended and \$29.5M (70.24%) are deferred.

Enterprise Fund Requests for FY23 Total \$30.7M of which \$7.3M (23.9%) are recommended and \$23.36M (76%) are deferred.

FY23 Totals By Department						
	Total Requested	%	Total Recommended	%	Total Deferred	%
Assessing/Finance Division	\$ 29,500	0.07%	\$ 29,500	0.07%	\$ -	0.00%
Capital Projects & Facilities Management	\$ 338,075	0.80%	\$ 338,075	0.80%	\$ -	0.00%
City Clerk	\$ 115,000	0.27%	\$ 115,000	0.27%	\$ -	0.00%
Fire	\$ 984,647	2.34%	\$ 914,647	2.18%	\$ 70,000	0.17%
Library	\$ 345,500	0.82%	\$ 150,000	0.36%	\$ 195,500	0.47%
Parks & Recreation	\$ 2,585,959	6.15%	\$ 770,662	1.83%	\$ 1,815,297	4.32%
Police	\$ 79,000	0.19%	\$ 79,000	0.19%	\$ -	0.00%
Public Works	\$ 24,252,870	57.72%	\$ 4,357,100	10.37%	\$ 19,895,770	47.35%
Schools	\$ 12,384,275	29.47%	\$ 4,845,105	11.53%	\$ 7,539,170	17.94%
Technology Services	\$ 905,782	2.16%	\$ 905,782	2.16%	\$ -	0.00%
Total General Fund	\$ 42,020,608	100.00%	\$ 12,504,871	29.76%	\$ 29,515,737	70.24%
Sewer	\$ 16,225,950	52.83%	\$ 4,384,300	14.28%	\$ 11,841,650	38.56%
Water	\$ 14,485,300	47.17%	\$ 2,965,500	9.66%	\$ 11,519,800	37.51%
Total Enterprise Fund	\$ 30,711,250	100.00%	\$ 7,349,800	23.93%	\$ 23,361,450	76.07%
Total FY23 Requested all Funds	\$ 72,731,858		\$ 19,854,671	27.30%	\$ 52,877,187	72.70%

In reviewing projects for FY23 it is important to note that projects may fall into several of the categories listed below, but this list provides a highlight of the recommendations. Complete project details are included as a separate report.

Energy Efficiency and Sustainability

- Green Communities Grant Round for 2022 for implementation of cost-effective energy projects and clean energy measures
- Climate Action Plan for development of a comprehensive and holistic blueprint for reducing climate impacts as a community
- Repairs to cement pad at Police Headquarters gas tank to ensure safe operations and avoid potential pollution issues

ADA Compliance and Enhancements

- Various roadway, sidewalk and ramp infrastructure improvements and repairs
- Flagg Drive ADA compliant sidewalks and curb ramps
- Edgell Road/Central Street intersection improvements
- ADA upgrades for school buildings throughout district and specifically at Walsh and High School
- Temple Street Playground replacement and improvements
- Replacement of existing non-compliant voting booths

Equipment

- Additional Voting Booths and Voting Machines for new precincts
- Replacement of Fire Engine 3
- Replacement of Fire Shift Commander Vehicle
- Replacement of Firefighter protective gear

- Parks Department vehicles and equipment
- Public Works vehicles and equipment

#### Facility Improvements

- Library Technology Learning and Expanded Homework Center
- Temple Street Playground
- Parks Fence and Playing Fields Backstop Replacements
- Loring Arena full replacement audio upgrade
- Roof repairs at DPW facility at Western Avenue
- School Farley Building Roof Replacement
- Walsh Middle School Exterior Envelope Repairs
- McCarthy and Dunning Schools Roof Repair Design
- ADA upgrades Walsh Middle and High School and throughout district

#### Technology

- Conversion of Patriot CAMA system used for Assessing
- Library Technology Learning Center
- Replacement of Technology Barracuda Appliance System
- Replacement of Technology Firewall System

#### Infrastructure

- Citywide roadway, sidewalk and curbing improvements
- Flagg Drive sidewalk and curbing
- Citywide drainage and stormwater compliance projects
- Edgell Road/Central Street Intersection improvements
- Catchment Investigations for NPDES MS4 permit requirements
- Traffic Calming measures

#### Utilities

- Vehicles/Equipment Sewer Department
- Citywide Sewer System Improvements
- Sewer Pump Station Equipment Replacement
- Cedar Street Area Sewer Improvements
- Sewer Defects Repairs Phase 3
- SSES Report Phase 7
- Vehicles/Equipment Water Department
- Fire Flow Restoration and Improvements
- Cedar Street Area Water Improvements
- Merriam Hill and Goodnow Water Tank Rehabilitation

#### Debt Service for General Fund

The City's debt service policy limits debt service to no more than 5% of the general fund budget. This limit requires a careful review of the existing general fund debt service that includes funds already

borrowed, projects that have been authorized but have not yet issued debt and upcoming December 2021 Bonds and BANS. New debt service costs are then added to calculate the total debt service cost for FY23. The FY23 CIP recommendation for total general fund debt service is \$12.5M which is (4.0%) of the estimated FY23 operating budget. As debt services costs are generally lowest in the first year and most expensive in the second and third year of the debt, the calculation of the FY23 recommendation also takes into consideration the impacts to future years debt service costs, again to keep within the 5% debt policy limit. This policy limits the number of projects that can be authorized in any given year and continued deferrals become realized through additional emergent expenditures, that generally impact operating budgets, to keep assets viable.

#### Debt Service for Enterprise Fund

Debt service for the Enterprise Fund continues to be especially challenging. Debt service for the FY23 recommendation totals \$20.4M (36%) including existing debt combined with the new debt and aligns with past budgets for this fund. This represents continued investment in the infrastructure for the water and sewer utility. The Enterprise Fund as a whole requires critical analysis and the City staff in public works and the finance division have hired a consultant with such expertise to assist with a complete evaluation of the current utility rate structure and determination of the funding necessary for responsibly maintaining our water and sewer infrastructure. During the next several months we will have a more complete and detailed representation of this fund and intend to move towards an in-depth evaluation of revenue requirements and strategic budget planning.

Overall the needs of the capital investments outpace the revenues available to support projects to the degree that provides for good progress. As we see from the number of projects deferred in FY23 and the number of requests for the outyears of FY24-FY27 there is a tremendous amount of work necessary to meet the demand. Working together with all stakeholders will provide a platform for the strategic planning required to keep our city's assets strong.