



CITY OF FRAMINGHAM

OFFICE OF THE ACTING CHIEF FINANCIAL OFFICER

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To: Mayor Charles J. Sisitsky
Michael A. Tusino, III, Chief Operating Officer
From: Jennifer A. Pratt, Acting Chief Financial Officer
Date: March 7, 2024
Re: Revised FY2025 Recommended Capital Budget (2023-103)

FY2025 Revised General Fund Capital Budget

The FY2025-FY2029 Capital Improvement Plan (CIP) and FY2025 Recommended Capital Budget was originally submitted to the City Council in November 2023. As the Mayor previously informed the City Council, the FY2025 Recommended Capital Budget has been reviewed and revised, and we respectfully submit the revised FY2025 Recommended Capital Budget for the City Council and Finance Subcommittee members consideration. Please note that this information is only in reference to the FY2025 Capital Budget. Due to time constraints a revised five-year capital improvement plan will be accomplished for the FY2026-FY2030 cycle. Work for this will begin in July/August 2024 and be submitted to the City Council for their consideration in November 2024. Please note that the detailed information for requests FY25-29 are still available on the city's website at this link <https://www.framinghamma.gov/2210/Budget-Central>. As always, the city staff is available to address specific questions or provide additional information.

Upon review of the FY2025 General Fund requests for capital projects we have determined that the city will recommend approval of a limited number of requested projects for FY2025 in order to stay within the city's debt service policy of 5% of the general fund operating budget. Adhering to our debt service policy is critical for strengthening the city's financial strategy. Additionally, limiting our FY2025 capital plan allows the city and school management to reassess and reprioritize future years capital planning processes and plan for an aligned approach which balances the needs of the city and school departments.

FY2025 Recommended Capital Budget General Fund

Departments requested a combined total of 46 capital projects for a total value of \$64M. Projects range from improvements to citywide technology, replacement of vehicles and equipment, building upgrades and repairs, school and municipal building roof replacement design and construction, roadway improvements, and improvements to parks and traffic intersections.

For FY2025 the city's existing general fund debt schedule payments of \$16.1M includes existing general fund debt already borrowed for previously approved and completed capital projects as well as projects that have been authorized, are in progress, and anticipated to be borrowed in FY2025. Each capital project follows a debt funding schedule which applies the number of years

a project can be borrowed for as well as the interest rate of the borrowing schedule. These calculations allow the city to understand its current debt burden and correctly plan for future years capital projects and debt projections. For FY2025, in order for the city to adhere to the debt service policy, the city must limit the number of projects recommended for approval. Debt service projections for the FY2025 recommended projects are less than \$1M for one year (FY2025) and bring the debt service projection to 4.7% of the projected FY2025 general fund budget. This plan still allows for some capital projects to move forward, but also provides the opportunity for the city to pause and carefully assess and plan for our next five-year CIP.

Status	Department	Department Priority #	Name of Project	Budget	FY2025 CIP	Recommended	Deferred
Requested	Cemeteries	1	Truck Replacement Chevy 3500	\$ 86,000	Defer		\$ 86,000
Requested	Cemeteries	2	New Leaf Truck	\$ 117,000	Defer		\$ 117,000
Requested	CPFM	1	Roof Construction Repairs and Replacements DPW HQ Western Ave	\$ 2,922,720	Recommend	\$ 2,922,720	
Requested	CPFM	2	Roof Replacement Construction Fire Station 7	\$ 245,000	Recommend	\$ 245,000	
Requested	CPFM	3	Citywide Solar Alternative Energy and Resiliency Plan	\$ 75,000	Defer		\$ 75,000
Requested	CPFM	4	Vehicle Electrification Initiative	\$ 400,000	Defer		\$ 400,000
Requested	CPFM	5	City Hall District Energy Project Design	\$ 826,892	Defer		\$ 826,892
Requested	Fire	1	Ladder 3 Fire Truck Replacement	\$ 1,800,000	Defer		\$ 1,800,000
Requested	Fire	2	Wireless Fire Alarm Master Box Conversion	\$ 950,000	Defer		\$ 950,000
Requested	Library	1	Third Space - Browsing, Seating, Periodicals	\$ 125,000	Defer		\$ 125,000
Requested	Parks	1	Equipment and Vehicle Replacements	\$ 250,000	Defer		\$ 250,000
Requested	Parks	2	Tennis and Basketball Court Replacement	\$ 106,000	Defer		\$ 106,000
Requested	Parks	3	Reardon Park Improvements	\$ 2,321,280	Defer		\$ 2,321,280
Requested	Parks	4	Bowditch Synthetic Field Concept Design	\$ 50,000	Defer		\$ 50,000
Requested	Parks	5	Fence and Guardrail Replacements/Repairs	\$ 330,000	Defer		\$ 330,000
Requested	Parks	6	Loring Arena Zamboni	\$ 170,000	Defer		\$ 170,000
Requested	Public Safety	1	Police Body Camera Program	\$ 371,000	Recommend	\$ 371,000	
Requested	Public Safety	2	Police Firearms	\$ 312,301	Defer		\$ 312,301
Requested	Public Works	1	Vehicle/Equipment Replacements	\$ 2,090,000	Recommend Partial	\$ 550,000	\$ 1,540,000
Requested	Public Works	2	Catchment Investigations (MS4 Permit)	\$ 650,000	Defer		\$ 650,000
Requested	Public Works	3	Roadway Improvements Citywide	\$ 8,500,000	Recommend Partial	\$ 2,500,000	\$ 6,000,000
Requested	Public Works	4	Drainage System and Surface Water Quality Projects	\$ 500,000	Defer		\$ 500,000
Requested	Public Works	5	Stormwater Master Plan	\$ 970,000	Defer		\$ 970,000
Requested	Public Works	6	ADA Compliance Citywide	\$ 150,000	Defer		\$ 150,000
Requested	Public Works	7	Culvert Re-Inspections	\$ 125,000	Defer		\$ 125,000
Requested	Public Works	8	Traffic Calming	\$ 150,000	Defer		\$ 150,000
Requested	Public Works	9	Drainage Improvements - Indian Head Heights Cross Country	\$ 220,000	Defer		\$ 220,000
Requested	Public Works	10	Intersection Improvements - Saxonville	\$ 6,125,000	Defer		\$ 6,125,000
Requested	Public Works	11	Survey and Modeling - Beaver Dam Brook	\$ 290,000	Defer		\$ 290,000
Requested	Public Works	12	Unaccepted Streets Improvements	\$ 1,370,000	Defer		\$ 1,370,000
Requested	Public Works	13	Road Rehab and Improvements - Garvey Road and Leo Chasse Way	\$ 3,250,000	Defer		\$ 3,250,000
Requested	Public Works	14	Intersection Improvements - Bishop Street and Arthur Street	\$ 2,745,000	Defer		\$ 2,745,000
Requested	Public Works	15	Bridge Evaluations - Taralli Terrace and Second Street	\$ 100,000	Defer		\$ 100,000
Requested	Schools	1	Roof Replacement Construction - Potter Road and Brophy	\$ 13,222,950	Recommend	\$ 13,222,950	
Requested	Schools	2	Exterior Envelope Construction - King and Framingham High School	\$ 3,225,600	Recommend	\$ 3,225,600	
Requested	Schools	3	Roof Repairs/Replacements Design - Juniper Hill and King	\$ 1,251,110	Recommend	\$ 1,251,110	
Requested	Schools	4	Building Envelope Design - Farley	\$ 200,000	Recommend	\$ 200,000	
Requested	Schools	5	PA System Upgrades and Replacements Design - High School	\$ 250,000	Recommend	\$ 250,000	
Requested	Schools	6	Fire Alarm Systems Upgrades - Districtwide	\$ 300,000	Recommend	\$ 300,000	
Requested	Schools	7	Paving Replacement/Storm Water - Districtwide	\$ 1,200,000	Defer		\$ 1,200,000
Requested	Schools	8	Asbestos Abatement - Districtwide	\$ 561,000	Defer		\$ 561,000
Requested	Schools	9	Generator Installation - Farley	\$ 610,000	Defer		\$ 610,000
Requested	Schools	10	Field Upgrades - Fuller	\$ 2,250,000	Defer		\$ 2,250,000
Requested	Schools	11	Rooftop Solar System Purchase and Installation - Farley	\$ 1,750,000	Defer		\$ 1,750,000
Requested	Technology	1	Data Storage and Virtual Environment Upgrades	\$ 371,000	Defer		\$ 371,000
Requested	Technology	2	Office 365 Implementation	\$ 248,000	Defer		\$ 248,000
			FY2025 TOTAL OF REQUESTED PROJECTS	\$ 64,132,853			
			FY2025 TOTAL OF RECOMMENDED PROJECTS	\$ 25,038,380		\$ 25,038,380	\$ 39,094,473
			FY2025 TOTAL OF DEFERRED PROJECTS	\$ 39,094,473			
			FY2026 - FY2029				
			FY2026 TOTAL OF REQUESTED PROJECTS	\$ 220,242,843			
			FY2027 TOTAL OF REQUESTED PROJECTS	\$ 49,767,670			
			FY2028 TOTAL OF REQUESTED PROJECTS	\$ 56,418,000			
			FY2029 TOTAL OF REQUESTED PROJECTS	\$ 64,519,600			
			TOTAL REQUESTED PROJECTS CIP FY25 - FY29	\$ 455,080,966			

FY2025 Enterprise Fund Capital Budget

The FY2025 Enterprise Capital Budget has a total project request of \$32.8M, of which \$11,465,000 in projects is recommended. The larger projects are deferred due to the limitations of the debt burden in FY2025 and will be reconsidered in the subsequent 5-year CIP for FY2026-FY2030. The current debt payments now take up 31% of the enterprise budget. Efforts will be made to evaluate the previously authorized projects and carefully plan for future authorizations to protect our vital water and sewer infrastructure. Deferred projects for FY2025 account for \$21.8M. Future year requests combined with the FY2025 deferrals total \$114.1M.

Status	Department	Department Priority #	Name of Project	Budget	FY2025 CIP	Recommended	Deferred
Requested	Sewer	1	Consolidated Vehicle/Equipment Replacements	\$ 700,000	Recommend Partial	\$ 130,000	\$ 570,000
Requested	Sewer	2	Various Sewer Improvements	\$ 375,000	Recommend	\$ 375,000	
Requested	Sewer	3	Gates Street Sewer Pump Station Rehab Design & Construction	\$ 3,350,000	Recommend	\$ 3,350,000	
Requested	Sewer	4	Sewer Defects Repairs Design & Construction	\$ 1,000,000	Recommend	\$ 1,000,000	
Requested	Sewer	5	Worcester Road Sewer Construction Phase II	\$ 4,080,000	Defer		\$ 4,080,000
Requested	Sewer	6	Saxonville Sewer Construction	\$ 450,000	Recommend	\$ 450,000	
Requested	Sewer	7	Private Inflow Removal	\$ 125,000	Defer		\$ 125,000
Requested	Sewer	8	Pleasant Street Area Sewer Construction Phase 1	\$ 6,730,000	Defer		\$ 6,730,000
Requested	Sewer	9	SCADA Master Plan	\$ 120,000	Recommend	\$ 120,000	
Requested	Sewer	10	Sewer Pump Stations Equipment Replacements	\$ 500,000	Recommend	\$ 500,000	
Requested	Sewer	11	Sewer Master Plan Update	\$ 450,000	Recommend	\$ 450,000	
Requested	Water	1	Consolidated Vehicle/Equipment Replacements	\$ 754,000	Recommend Partial	\$ 300,000	\$ 454,000
Requested	Water	2	Meter System Endpoint Replacement	\$ 2,610,000	Recommend	\$ 2,610,000	
Requested	Water	3	Saxonville Water Construction	\$ 700,000	Recommend	\$ 700,000	
Requested	Water	4	Garvey Road Water Services	\$ 550,000	Recommend	\$ 550,000	
Requested	Water	5	Elm Street Water Pump Station Design and Construction	\$ 575,000	Recommend	\$ 575,000	
Requested	Water	6	Worcester Road Water Construction Phase II	\$ 5,240,000	Defer		\$ 5,240,000
Requested	Water	7	Pleasant Street and Temple Street Water Mains Construction Phase 1	\$ 4,190,000	Defer		\$ 4,190,000
Requested	Water	8	Walnut Street, Warren Road, Burdette Ave Water Main Improvements Design	\$ 355,000	Recommend	\$ 355,000	
			FY2025 TOTAL OF REQUESTED PROJECTS	\$ 32,854,000			
			FY2025 TOTAL OF RECOMMENDED PROJECTS			\$ 11,465,000	
			FY2025 TOTAL OF DEFERRED PROJECTS				\$ 21,389,000
			FY2026 - FY2029				
			FY2026 TOTAL OF REQUESTED PROJECTS	\$ 23,147,000			
			FY2027 TOTAL OF REQUESTED PROJECTS	\$ 33,289,000			
			FY2028 TOTAL OF REQUESTED PROJECTS	\$ 22,593,000			
			FY2029 TOTAL OF REQUESTED PROJECTS	\$ 13,749,250			
			TOTAL REQUESTED PROJECTS CIP FY25 - FY29	\$ 125,632,250			

Planning for the FY2026 - FY2030 CIP Process

Planning ahead for the FY26-FY30 CIP process, the city intends to engage in a process using best practices for developing a CIP. The CIP will be strategically aligned with the needs and goals of the city, the city will work with stakeholders to understand the needs globally, and the work will produce a CIP that is balanced and manageable within our financial means. Currently, the total of requested projects for the next five years, including projects deferred in FY2025, is \$430M in the General Fund and \$114.4M in the Enterprise Fund.

Typically, the city has engaged in a process in which departments are tasked with developing capital plans that are department centric. Alternatively, we propose engaging in a process that is more strategically aligned as a comprehensive citywide capital improvement plan. Improving our methods for developing a 5-year CIP will allow for citywide synergy and provide an opportunity for stakeholders to have meaningful involvement in future capital planning activities. Work for this will begin in July/August 2024 and the 5-year CIP will be submitted to the City Council for their consideration in November 2024.

This endeavor also provides an opportunity for increased collaboration between city and school departments and staff. Currently, department managers are often fulfilling the role of project

managers for their capital projects. While this saves money for the project, it also demands significant resources of time and effort from the departmental managers and staff. To improve our overall processes surrounding capital projects we are in the process of creating a citywide Capital Project Management Group. This group will be comprised of the existing staff in various departments, utilizing their extensive skills sets and knowledge which will provide the city with better opportunities for efficient capital project management activities. This plan will save the city effort, time, money and resources and is a vision for moving forward using a collaborative approach with the city and school departments. Additionally, this allows for a comprehensive assessment and evaluation of the previously approved projects and their progress.

The City of Framingham has a vast and complex infrastructure which we are responsible to maintain. The city has over 100 buildings/properties which include, but are not limited to, 14 schools, 5 fire stations, 2 libraries, ice rink, police headquarters, senior center, sewer and water pumping stations, historic buildings, athletic complexes, parking garage, municipal and public works buildings, recycling center, beach houses, and cemetery buildings; as well as our roadways, traffic and lighting systems, and water and sewer systems.

The CIP provides a framework for decision-making, promotes fiscal responsibility, and helps ensure the sustainability and reliability of our public infrastructure systems. Our CIP is intended to provide a comprehensive outline to guide the acquisition, constructions, maintenance, and improvements of the city's physical assets and infrastructure over a specified period of time. This plan allows our community to strategically allocate resources and prioritize projects to address the current and future needs of the city while promoting economic growth, enhancing quality of life, and ensuring the efficient and responsible use of public funds. The goal of the CIP is to prioritize investments and allocate resources in a manner that maximizes the long-term benefits for the community.

The city will use best practices for developing the next 5-Year Capital Plan (FY2026-FY2030), which will include identifying and prioritizing current and future needs based on strategic plans, establishing project scope and cost, detailing estimated amount of funding from various sources, projecting realistic future operating and maintenance costs to be worked into operating budgets, and using cash flow projections for the management of debt service.