



Capital Improvements Committee

Report of Budget Year FY21

Capital Project Recommendations

Chairman: Josh Lively
Staff: Steve Ellis

I. Background

The Capital Improvements Committee received requests and began meeting with Montague department heads beginning in November 2019 to evaluate capital needs as outlined in their Special Article Requests. The Special Article Request forms that were adopted and implemented in 2017 continue to serve as the framework for outlining and presenting the capital needs of each department.

This year's report of recommendations summarizes the committee's findings following several months of meetings, research and deliberation and relies upon the same approach to evaluation developed last year. The grading system, explained below, remains relatively the same, with one notable exception being the removal of the grade "highly" recommended in order to prevent confusion the label seemed to generate in the previous year's discussion with the Finance Committee.

This year the CIC initially received twenty-one (21) special article requests. All but three of these were capital in nature. Over the course of several months the department heads were brought in for presentation and discussion of their requests. Through these discussions, and as pertinent information became available, some of the original were reformulated, combined, disaggregated, withdrawn or otherwise modified. This report presents the final slate of requests and the CIC's recommendations following its investigation into said requests.

II. Approach to Evaluation of Requested Articles

Defined Criteria/Rationale Used in Assessing Special Article Requests

Public Safety: Does the capital improvement rectify a safety concern or otherwise prevent a potential public safety issue?

example: Installing the new front porch/egress stairs at the senior center. The old porch egress had stairs with risers that were inches higher than what is allowed by building code, resulting in the potential of a dangerous fall.

Cost Avoidance: Will the capital improvement save the town financially?

example: Replacing the controls at Denton Street sewer pump station. New controls included in the upgrade enhance its reliability and allow the station to be monitored remotely resulting in reduced alarms and need to send crew out to check on the system.

Service Interruption: Does the capital improvement prevent an interruption in services?

example: Replacing the building management system and components at TFHS. Without upgrading and replacing the hardware and software the school would be vulnerable to losing its ability to operate the equipment necessary to control classroom temperatures. Failure of the system would result in school closure.

Other- Any other reason identified and relevant by the CIC.

Grading System

Recommend: Given appropriate budget space, the committee believes that the capital improvement should be funded. The CIC evaluation does not formally consider the question of financial capacity, which is left to the Finance Committee and Selectboard.

Recommend with Reservations: The committee would generally recommend the capital improvement, but may find that elements of the project scope are unclear or incomplete, that it lacks a convincing professional cost estimate, or doesn't address or account for some long term needs and concerns of the town.

Does not Recommend: The committee does not recommend moving forward with the capital improvement as presented. This may be due to the nature or timing of the project, the apparent need for the project, the availability of scope or cost information, or other reasons.

III. Recommendations on Requested Articles

1. Summary Table of FY21 Submissions and Recommendations

The table below offers a summary view of special article requests and CIC recommendations for FY21 capital project spending. Overall, spending associated with recommended articles equals \$576,333, a reduction of 24% relative to the original cost of these requested articles. These recommendations are further explained in section III. 2. The table also lists those requests that were withdrawn from consideration, which are briefly discussed in section III. 3.

Submitted by...	Project Description	Project Cost	Dept Rank	CIC Recommendation	Recommended Appropriation
COA	COA Roof Replacement and Chimney Rebuild	\$90,496	1	Recommend	\$ 50,500
DPW	DPW Discretionary	\$100,000	1	Recommend	\$ 80,000
Planning/DPW	Millers Falls Stair and 7th Street Walkway Repairs	\$41,200	1	Recommend	\$ 36,720
WPCF - STM	Oil Tank and Vault Removal/Replacement	\$51,000	1	Recommend	\$ 51,000
WPCF	Pump and Blower Upgrades	\$235,000	1	Recommend	\$ 100,000
WPCF	Primary Sludge Pump #2	\$35,000	2	Recommend	\$ 40,000
GMRSD	Hillcrest Façade and Roof Project	\$60,000	1	Recommend	\$ 60,000
GMRSD	Admin Building Masonry Wrap and Entry Canopy Repair	\$50,000	2	Rec w Reservation	\$ 60,000
GMRSD	Sheffield - dividing wall in library	\$20,000	3	Recommend	\$ 20,000
GMRSD	TFHS tennis court re-surfacing (92.7% Montague share)	\$55,620	4	Recommend	\$ 55,620
GMRSD	Building assessment studies	\$21,953		Recommend	\$ 21,953
Total		\$760,269			\$ 575,793
Withdrawn ...					
Libraries	Carnegie Basement Rehab	\$110,000	1		withdrawn
Libraries	Montague Center Library Window Replacement	\$160,000	2		withdrawn
Selectboard	Town Hall Carpeting (awaiting estimate)	\$25,000	1		withdrawn
WPCF	Montague Center Pump Station Rehab	\$150,000	2		withdrawn
WPCF	Septage System Upgrade	\$150,000	4		withdrawn
WPCF	Disinfection System Upgrade	\$250,000	4+		withdrawn
WPCF	Main sewer line replacement (Line from TF, CSO related)	\$500,000	4+		withdrawn
WPCF	Primary Effluent Pump Replacement (screw pumps)	\$600,000	4+		withdrawn
GMRSD	Tractor	\$48,000	1		withdrawn
GMRSD	Hillcrest - bathroom plumbing upgrades	\$100,000	7		withdrawn
Total Withdrawn		\$2,093,000			

2. Articles Recommended for Consideration by Annual Town Meeting

WPCF

Oil Tank and Vault Removal/Replacement - \$51,000

The WPCF recently decommissioned the underground oil tank and concrete vault which served the heating system for the administrative building due to apparent leakage believed to be contained within the vault. New above ground oil tanks are in place and the Town is working actively with DEP to accomplish removal of the tank and vault, as well as any necessary remediation. Note: This article would supplement the previously approved \$75,000 for this same purpose at Special Town Meeting on March 5th, 2020. The additional sum is requested due to a more comprehensive quote received subsequent to the original appropriation.

*Capital Improvements Committee grade. **Recommend***

Other: Environmental : Although the oil spill is believed to be contained to the concrete vault, it is very important to remove the tank and vault now and search for and remediate any potential problems. The proximity to the river calls for immediate rectification of the situation.

Cost Avoidance: If the vault and tank were to be left untouched the Town would have to assume responsibility for whatever penalties and fines the DEP may impose.

Council on Aging

Replacement of Council on Aging Roof - \$50,500 (\$35,000 based on estimate, \$15,500 contingency, including \$7,000 for upper chimney repair)

Replace the entire roof on the Council on Aging building. The existing roof is near the end of its life expectancy, with missing shingles evident. Both asphalt and standing seam metal were considered and the asphalt option is ultimately thought to be wisest choice at this time. A quote of \$35,000 was received to replace the roofing. Later it was determined that the chimney which serves the boiler is in need of replacement from the roofline up. A second estimate for chimney replacement was received at a cost of \$7,000. A total contingency of \$15,500, including the chimney work, is recommended to supplement the base cost.

*Capital Improvements Committee grade: **Recommend***

Cost Avoidance: Replacing the roofing before it fails will allow the Town to avoid costly repairs to the roof structure, as well as repairs to the interior finishes, which will arise as a result of inevitable water damage.

DPW

DPW Discretionary Fund - \$80,000

Provide accessible funding for the DPW superintendent to fund purchases of and/or major repairs to DPW vehicles and equipment. Addresses unforeseen expenditures where timeline is of importance. Based on information from the DPW superintendent at the time of the recommendation, this appropriation is expected to return the total DPW discretionary fund balance to approximately \$100,000 at the end of the current fiscal year, consistent with the historical target level.

*Capital Improvements Committee grade: **Recommend***

Service Interruption: Should a vehicle or large piece of equipment fail (without this appropriation) it is quite possible that said equipment could remain out of service, while the Town identifies a method to appropriate funding to repair or replace.

Planning Department/DPW

Millers Falls Stairway and 7th St Walkway Repairs- \$36,720 (\$27,200 plus 35% contingency)

This article would provide funding to repair the traditional walking paths in the villages of Turners Falls and Millers Falls. Specifically the focus is on the walkway between 7th street and High street in Turners Falls (sometimes referred to as the “boardwalk”), and the stairs in Millers Falls leading from West Main Street to Grand Ave. The walkway from 7th to High will need repair to a failed drainage swale, replacement of a broken sidewalk block, and removal of a failed handrail. The stairs in Millers Falls will receive new handrails as well as a repairs to both the stairs themselves and repairs to the walkway leading from them.

A third request for repairs to the walkway from K street to Ave A was withdrawn due to concerns over the failing retaining wall above the walkway and located at Our Lady of Czestochowa, while the Town investigates into the matter further.

*Capital Improvements Committee grade: **Recommend***

Public Safety: These walkways are used by residents and are in need of repairs to enable safe passage. The Millers Falls stairs serve as access for Highland Park. The 7th Street to High Street walkway serves the local neighborhood as well as Hillcrest and Sheffield students walking to school from downtown.

WPCF

Pump and Blower Upgrades- \$100,000 (\$235,000 project leveraging \$135,000 in DEP Gap II grant funding)

Replace coarse bubble diffusers with fine bubble diffusers to significantly reduce electrical costs. This upgrade would reduce electrical costs at the WPCF by up to 30%-40%, which amounts to approximately \$20,000-\$40,000 per year in reduction. By leveraging the Gap II grant funding the Town could see a full return on investment within 5 years.

*Capital Improvements Committee grade: **Recommend***

Cost Avoidance: The Town must use the \$135,000 in DEP Gap II grant funding by the end of the year. The grant can only be used for certain energy conserving projects and at this time there is no other project known which could be practically implemented. The subsidized cost coupled with the strong ROI make this project a must do.

WPCF

Replacement of Primary Sludge Pump #2- \$40,000 (\$35,000 plus \$5,000 contingency. \$15,439.53 to come from prior appropriation of the same purpose, article 19 of 5/7/16 ATM)

Replace existing sludge pump with a new unit. The existing pump is 39 years old and has been maintained in working order far past the expected lifetime of 20 years. Existing pump requires high level of maintenance from staff and new pump technology does not require the same amount of maintenance.

*Capital Improvements Committee grade: **Recommend***

Service Interruption: Lacking a backup pump in working order, if the pumps were to fail, it would cause a disruption to the plant process and threaten the plant's ability to maintain operations and regulatory compliance.

Cost Avoidance: Replacing the primary sludge pump #2 now will reduce the time spent by staff servicing and maintaining the pump.

GMRSD

Hillcrest Facade repair and Roof Project- \$60,000 (\$49,500 facade repair, \$6,000 roof repairs, \$4,500 contingency)

Repair the brick facade at Hillcrest Elementary School and roof repair. The brick facade is crumbling in several areas near windows and outside corners. Bricks are cracking and mortar is deteriorating which allow water to penetrate the facade where it then freezes and causes

further damage. Also there are numerous problem areas with the aging rubber roof which require significant investigation followed by repairs.

*Capital Improvements Committee grade: **Recommend***

Public Safety: The bricks that comprise the facade are becoming loose and will soon pose a threat to public safety if left unrepaired.

Cost Avoidance: The Town can expect compounding damages to the building if repairs to the facade are not initiated soon. The goal is to stave off a roof project which would be in the million dollar range.

GMRSD

Admin Building Masonry Wrap and Entry Canopy - \$50,000 (\$40,500 Masonry Wrap, \$6,500 Canopy, \$3,000 Contingency)

Repair and clad the concrete skirt that wraps the admin building and replace rotted upper trim of the side entrance canopy of the admin building. The protective steel-reinforced concrete skirt which wraps around the admin building approximately six feet above grade is failing. Numerous sections of the skirt have large cracks and in some instances the concrete is pulling away from the building, allowing water to flow into the space, where it can freeze and cause further damage. The same issue is happening with the masonry window sills on the admin building. The loose masonry would be stabilized and then both the skirt and the sills would be wrapped in decorative aluminum and sealed to prevent further damage. This is thought to be a more economical solution to the problem rather than replacing all damaged masonry. This method also provides preventative measures which will help ensure that no more of the aging concrete can split and crack due to freezing water. The canopy which serves the side entrance of the building needs upper trim repair, some areas are rotten and are letting water penetrate the roof structure.

*Capital Improvements Committee grade: **Recommend with Reservations**.* Reservations reflect uncertainty regarding long term adhesion of the lower edges of the flashing to the building. The CIC believes this project can be a cost effective approach to a necessary project but requests that the GMRSD allows the CIC to review and have input to the bid specifications before procurement.

Cost Avoidance: The Town can expect further deterioration and compounding damage to the building if repairs to the masonry and roof are not initiated soon.

GMRSD

Sheffield Dividing Wall- \$20,000 (NON-Capital Request)

Divide the large library in Sheffield into two rooms to provide more instructional space. The large library is being underutilized and a dividing wall is proposed to create much needed space. Electrical and Fire Alarm/Egress modifications will be needed to complete the project and those costs are included in the request. The new private instructional space would be a 46 foot by 23 foot room. The remaining room would remain library space.

*Capital Improvements Committee grade: **Recommend***

Other: With the library space being underutilized and Sheffield being as full as it is, this would seem to be an affordable way to expand the instructional space within the building envelope.

GMRSD

TFHS/GFMS Tennis Court Resurfacing- \$60,000

Resurface all tennis courts at the TFHS so they are smooth, solid playing surfaces. Approximately 400 feet of cracks will be repaired followed by the application of three coats of filler/primer and a final surface coat. New posts to be installed on the doubles court. The MIAA has advised that the defects in the court will become an issue in future seasons and may jeopardize the tennis teams ability to host home matches.

*Capital Improvements Committee grade: **Recommend***

Service Interruption: Without the repair and resurfacing of the tennis courts the MIAA will exclude TFHS from hosting tennis matches, jeopardizing the continuation of the team
Cost Avoidance: Left untreated, the tennis courts may face more serious repair interventions like re -milling or replacement

GMRSD

Building Assessment- \$21,953 (\$7,500 each for Sheffield, Hillcrest. TFHS \$6,953 - 92.7%)

Enhance the district's capital planning with a formal facility assessment of the buildings it owns and leases to help create an action plan for repairs and improvements. The intent is to provide both GMRSD and the Town with a 15 year action plan that will address any required repairs identified or undertake any improvements that will extend the useful life of the buildings.

*Capital Improvements Committee grade: **Recommend***

Cost avoidance: Achieving a better understanding of the current state of the school buildings and their various components and systems will enable the Town and the School District to make repairs and improvements in a timely fashion and hopefully prevent small issues from becoming larger ones.

3. Withdrawn Articles

Library

Carnegie Basement Rehab- \$110,000

No certainty of scope of project until architectural study recently contracted for is completed, the request was considered premature.

Library

Montague Center Window Replacement- \$160,000

Uncertainty as to whether this is the required solution. Return on investment for this project is dubious. Alternative ideas that may be more cost effective means to ensure long-term integrity of the building are to be considered.

Selectboard

Town Hall Carpeting- \$25,000

This was withdrawn following discovery of asbestos tile in selected areas under the carpet. The presence of asbestos substantially complicates the project scope and pricing.

WPCF

Montague Center Pump Station Rehab- \$150,000

This is a multi-dimensional project not fully scoped, may require an engineering assessment.

WPCF

Septage System Upgrade- \$150,000

Project would benefit the treatment process, but does not yet have an expected ROI.

WPCF

Disinfection System Upgrade- \$250,000

DEP requires action to be taken to bring the system into compliance. Need engineering specs and cost estimate. Assessment of such is expected in spring 2020.

WPCF

Main Sewer Line Replacement-(Turners Falls line, CSO related) \$500,000

Need an updated quote as this may understate cost. Project is essential to reducing CSO events, may require borrowing and likely better done as a comprehensive set of CSO improvements.

WPCF

Primary Effluent Pump Replacement- \$600,000

Need updated quote. Project requires debt and may best better as a larger, integrated upgrade.

GMRSD

Tractor- \$48,000

GMRSD is supporting this investment directly through its operating budget.

GMRSD

Hillcrest Bathroom Plumbing Upgrades- \$100,000

Need quote for comprehensive project complete with specifications.

Additional Comments Relative to Withdrawn WPCF Articles

The capital improvements committee met with members of the Water Pollution Control Facility (WPCF) on several occasions. During those meetings a number of plant improvement requests were presented by the administrators of the WPCF. The requested improvements will allow the plant to meet its regulatory requirements, reduce maintenance costs and keep the plant operating efficiently. These improvements total over 1.7 million dollars. During this cycle the capital improvements committee only recommended three separate projects totaling \$275,000. This leaves 1.5 million in unaddressed capital needs.

The WPCF remains one of the towns greatest challenges. Its services are used by the majority of the town's residents and all of the businesses. Many of the requested improvements have been pushed back year over year and are reaching the point where no option will be left but to complete them. Although the CIC role is to review, deliberate and select for recommendation capital improvement request — we always do so under the parameters of available funds. With the WPCF we are aware that the funds are not there.

The plant is currently carrying debt that is 30% of its operating expense. For every \$50,000 in increased operating expense, sewer user rates will have to be increased 2% - 3%. Although sewer user fees are escalating in many neighboring towns, Montague's is still currently one of the highest. Further increasing the fees will only have a negative effect on future growth. These fiscal realities make addressing these issues even more difficult.

Members of the committee felt it was important to highlight our concerns regarding the WPCF in our annual report to the finance committee. We believe that the failure to start seeking solutions outside of standard sewer rate fees and debt for the WPCF could result in fines, costly actions and rapidly increasing sewer user fees.

Additional CIC Recommendations: Coronavirus Response Proposed FY21 Capital Special Articles

As discussed and Voted on April 29, 2020

In light of financial and operational uncertainty caused by the COVID-19 pandemic, the Capital Improvements Committee (CIC) met on April 29 to give additional consideration to its special article recommendations for the FY21 budget cycle, which were previously made to the Selectboard and Finance Committee on March 18, 2020. The key question for the CIC was “What further recommendations would it make if these boards felt it necessary to delay action on any of the previously considered articles?”

CIC members considered the slate and concluded that all projects were timely and well-justified, but after extensive deliberation, came to the following conclusions, reflected in two unanimous 4-0 votes. Table labels reflect intention rather than precise wording of motions.

Projects that SIMPLY MUST BE FUNDED

Submitted by...	Project Description	Project Cost	Recommended Appropriation
Planning/DPW	Millers Falls Stair and 7th Street Walking Path Repairs	\$41,200	\$ 37,260
WPCF - STM	Oil Tank and Vault Removal/Replacement	\$51,000	\$ 51,000
WPCF	Pump and Blower Upgrades	\$235,000	\$ 100,000
WPCF	Primary Sludge Pump #2	\$35,000	\$ 40,000
COA	COA Chimney Rebuild	\$10,000	\$ 10,000
GMRSD	Hillcrest Roof Repair	\$10,000	\$ 10,000
GMRSD	Admin Building Entry Canopy Repair	\$50,000	\$ 10,000
Total		\$432,200	\$ 258,260

Projects that COULD MOST REASONABLY BE DELAYED

Submitted by...	Project Description	Project Cost	Recommended Appropriation
COA	COA Roof Replacement and Chimney Rebuild	\$90,496	\$ 40,500
GMRSD	Hillcrest Façade	\$50,000	\$ 50,000
GMRSD	Admin Building Masonry Wrap	\$50,000	\$ 50,000
GMRSD	Sheffield - dividing wall in library	\$20,000	\$ 20,000
GMRSD	TFHS tennis court re-surfacing (92.7% Montague share)	\$55,620	\$ 55,620
Total		\$266,116	\$ 216,120

Projects on which no formal vote was taken, but consensus advised in favor of funding now

Submitted by...	Project Description	Project Cost	Recommended Appropriation
DPW	DPW Discretionary	\$100,000	\$ 80,000
GMRSD	Building assessment studies	\$21,953	\$ 21,953
Total		\$121,953	\$ 101,953