

MONTAGUE CAPITAL IMPROVEMENTS COMMITTEE

Meeting Minutes

Wednesday, November 13, 3:30 PM

Montague Town Hall Annex One Avenue A Turners Falls, MA

In Attendance:

CIC Members: Gregory Garrison (GG), Chris Menegoni (CM), Ariel Elan (AE), Lynn Reynolds (LR)

Town Staff: Christopher Nolan-Zeller (CNZ)- Assistant Town Administrator

Also in Attendance: Matthew Lord (ML)- Selectboard Member

Absent:

CIC Member: Jason Burbank (JB)

Meeting called to order 3:31PM, GG Presiding

1. Call to Order and Approve any outstanding meeting minutes: 10/30/24

MOTION to approve the minutes of 10/30/24 by CM, LR Seconded. CM-AYE, GG- AYE, LR- AYE, AE-ABSTAIN, JB-ABSENT. MOTION PASSED

2. Discussion with Selectboard Member Matthew Lord – Long-term financing strategy for capital projects

ML noted an ongoing discussion regarding the benefits and disadvantages of funding capital projects on a pay-as-you-go basis, versus utilizing short-term borrowing. While he has previously spoken in support of the former, he noted that this year's high volume of projects would make some debt financing necessary. He expressed confidence in CIC to advise the Selectboard and Town Meeting well and in accordance with the Town's financial policies.

GG noted that of the FY26 capital requests received, about \$3.6 million could be feasibly funded with borrowing, including the sewer re-lining and two large DPW trucks. However, the Finance Committee would have more of a say than CIC on funding sources for projects.

AE asked if the Town's accounts were interest-bearing. CNZ responded that funds sitting in Town accounts could be expected to accumulate interest, but the Town Accountant would be more familiar with the specifics.

CM noted his preference for not borrowing to purchase vehicles, but acknowledged this may make practical sense, especially with uneven year-to-year revenue due to factors such as litigation and disputed utility assessments.

3. Discuss anticipated FY26 capital project budget

According to a list of current balances of Free Cash and Reserves provided by the Town Accountant, the Town currently had about \$1.38 million in Free Cash, \$337k in Clean Water Facility (CWF) Retained Earnings, \$2.5 million in Capital Stabilization, and \$269k in CWF Capital Stabilization, all of which would be important for consideration during capital planning.

GG noted that it would be preferable to have closer to \$500k in CWF Capital Stabilization. CM stated that it would not make sense to have excess funds sitting in this account.

GG noted that ARPA has helped the Town avoid utilizing Stabilization funds, and without it, the \$2.5 million runs the risk of being drawn down quickly.

4. Review and approve FY26 capital planning cycle timeline

CNZ explained that a tentative schedule had been developed based on the Town Accountant's overall budget calendar. The committee requested removing the note that the slate of capital requests would be finalized by CIC on 1/15/25, and instead that the full month of January be utilized for this purpose.

5. Initial review and discussion of FY26 non-school capital article requests and Winter Special Town Meeting requests

GG summarized the capital requests received. Two departments (Airport and CWF) had projects being requested for consideration at Winter STM.

AE noted that the Airport should consider leveraging Green Communities grant funding for its HVAC replacement project. CM added that the Airport was in a challenging position in the court of public opinion after transfers were needed at a recent Town Meeting, but that he would be happy to recommend the Town fund up to 40% of the cost of mini-split installation. GG suggested asking the Airport Manager to check with the vendors who provided the quotes about the prospect of them taking assignment of rebates, which could help the Town avoid upfront costs.

AE left the meeting at 4:01 PM.

6. Status review of ongoing major capital projects

CNZ noted that the Selectboard had decided not to move forward with requesting capital funds for the Town Hall Annex buildout, and instead had directed CNZ and the Town Administrator to seek grant funding for a building needs assessment.

CNZ was working toward developing a scope for the re-paving of the rear parking area at Town Hall.

Solar installation on the roof of the Town Hall Annex was expected to begin in December.

The window and door replacement at the Millers Falls Library had recently concluded.

The Carnegie Library basement renovation was ongoing, and making rapid progress.

7. Topics not anticipated in the 48 hour posting requirements

None.

8. Establish next meeting date(s)

The next meeting would be in the Town Hall Annex on Wednesday, 12/11 at 3:30 PM. Airport Manager Bryan Camden would be invited to meet with the committee at 3:30, and CWF Superintendent Chelsey Little would be scheduled for 4PM, in order to discuss each department's requests being made for Winter STM.

GG expressed interest in having an on-site meeting with the DPW Superintendent at his department's facility in January to discuss the DPW's capital requests.

CM requested more transparency by Town departments when disposing of surplus property.

9. Adjournment

MOTION to close the meeting at 4:32PM by CM, LR Seconded. CM-AYE, GG-AYE, LR-AYE, AE-ABSENT, JB-ABSENT. MOTION PASSED

Respectfully Submitted,

Christopher Nolan-Zeller