

Capital Planning Committee
December 20, 2022
Meeting held at Training Room (and via Zoom)
Public Safety Building
32 Cordaville Road, Southborough, MA

I. Call Meeting to Order

Mr. Jason Malinowski, Chair of the Capital Planning Committee, called the meeting to order at 7:08PM.

Members present: Jason Malinowski and Lisa Braccio. Members Jeff Hark, Joe Palmer and Tony Schoener appeared via Zoom.

Members Not Present: Karen Wheeler

Ex-Officio Members Present: Mark Purple

II. Joint Meeting with Select Board and Advisory Committee re:

a. Hear presentation from Regional School Administration and Regional School Committee re: Athletic Complex Upgrades at Algonquin Regional High School (FY24 Capital Request)

Appearing before the Board on behalf of Algonquin Regional High School were the following: Superintendent of Schools Greg Martineau, Keith Lavoie, Assistant Superintendent of Operations, Rebecca Pelligrino, Director of Finance, Paul Desmond, Chair of the Algonquin Regional School Committee and Co-Chair of the Algonquin Regional High School Athletic Complex Project, David Roman, Co-Chair of the Algonquin Regional High School Athletic Complex Project and Kathy Herbold liason from Gale Associates, the engineering firm for the project. Superintendent Martineau provided a historical overview of the project. Mr. Lavoie provided an overview of the scope of the project. Ms. Pelligrino provided a financial overview of the project. She stated Southborough's portion of the project would be 37.67% or \$2,840,630.27 million dollars and that repayment of the athletic complex project debt would begin after the High School renovations were paid off, although interest only payments would be due in 2025 and 2026. She also stated work would begin during Summer 2023 and be completed by Fall 2023, in time for the Fall sports season. Mr. Pfaff stated Southborough should consider whether to bond its portion of the project under its AAA rating. Superintendent Martineau stated the Region's bond rating is AA. Superintendent Martineau stated that, presently, they are working with Northborough committees regarding permitting, finalizing the design with Gale Associates and ensuring the public in each town has accurate information on the project. Ms. Braccio asked about the CPC application for funds. Superintendent Martineau stated the application requested 33% of Southborough's portion or \$1.2 million dollars. The Board discussed the use of CPC funds and also the timing of project approval. It was noted that the project budget presented this evening does not include any CPC funds. Ms. Cook asked what would Annual Town Meeting approve in March of 2023. Superintendent Martineau stated Town Meeting would need to approve the Regional School District's ability to bond the total project cost of \$7,539,899.78 and then assess Northborough and Southborough, based on enrollment percentages. Mr. Dennington asked about the life expectancy of the project. Mr. Lavoie stated that the turf field has a life expectancy of 12-15 years. Superintendent Martineau stated they are looking into ways to raise funds (e.g. sponsorships, field rentals) and create an account to fund future improvements as parts of the complex age. Mr. Purple stated determining the financial aspect of the project would be manageable but there may be challenges in messaging to the public between now and Town

Meeting. Ms. Cook asked about the concerns with turf fields. Superintendent Martineau stated they would use environmentally friendly products and those that promote physical safety, as well. He also said it will be important to hold forums to provide information and get public feedback on the matter prior to Town Meeting. Ms. Malinowski asked what athletic opportunities Algonquin is giving up with the current state of the athletic fields. Mr. Lavoie stated no State track and field competitions could be held at Algonquin. Superintendent Martineau stated that Algonquin field hockey rents other fields for competitions and poor lighting impacts the ability to hold evening competitions. Ms. Malinowski asked if the fields are currently generating any revenue. Superintendent Martineau stated some revenue is generated during the summer months. Mr. Martel expressed concern about field safety and stated he would like to see training for athletes and coaches around field safety. Mr. Pfaff asked what happens to the financing scenario if a sponsor(s) comes forward. Superintendent Martineau stated a discussion would need to take place with bond counsel. Mr. Pfaff also suggested the group explore if there was a revolving account associated with the project, could funds be used to service debt. He also stated he is supportive of Southborough increasing its CPA surtax and bonding as much of the project through CPA as possible, noting that may impact the project's timeline. Mr. Malinowski stated this project is long overdue and he supports the level debt service approach for the regional district. He asked if there would be a bid prior to Town Meeting so the financials would be known. Ms. Herbold stated that this is the goal. Mr. Malinowski asked if a 20% contingency is reasonable. Ms. Herbold stated she expects the final contingency number to be in the 10-15% range. Ms. Cook thanked those appearing on behalf of the proposed Algonquin athletic complex for their presentation.

b. Presentation on recommended FY24 Capital Items for 2023 Annual Town Meeting

Mr. Malinowski thanked Ms. Braccio for her work as Board liaison, noting she will be stepping off the Committee. Mr. Malinowski presented the Capital Committee's FY24 budget. He stated that, historically, Capital has represented approximately 8% of the total operating budget but is trending down due, in part, to the retirement of school debt. Mr. Malinowski described the process the Capital Committee engaged to provide tonight's presentation. He thanked department heads for their collaboration and discussed the challenges of shifting costs in arriving at an exact number for the Capital warrant article. He advocated for giving the Town Administrator, in consultation with the Board, Advisory and Capital, flexibility when adjusting to cost changes throughout the fiscal year. He presented the Capital Committee's recommendations for FY24, along with potential funding sources, to be included in the Capital Planning warrant article. The Board and Advisory discussed the recommendations. Mr. Malinowski recommended that the Board ascertain CPC's level of commitment to the Algonquin regional athletic complex project to accurately make financial projections impacting the Town. In addition to the recommendations for FY24, the Capital Committee asked the Board and Advisory to consider the following: the Algonquin athletic complex project, road/sidewalk maintenance, Fire Dept. tower truck and Trottier rooftop HVAC unit. Mr. Malinowski shared that the State had allocated \$100,000 in ARPA funds for the HVAC unit. The Board and Advisory discussed the Trottier rooftop HVAC unit project. Mr. Malinowski also shared the Capital Committee projections out to 2028. He also stated the MSBA would be taking action on the potential Neary School project at its March or April meeting and this would impact potential future Neary projects. Ms. Cook asked for an update on the CPC funds for work on Town Hall. Mr. Purple stated that it has been determined that it is more feasible to restore the building's windows, rather than replace them. Mr. Malinowski asked that the Board work to craft a Capital warrant article that is as clear as possible for presentation at Town Meeting to facilitate decision-making for Town residents. Mr. Dennington asked Mr. Malinowski for his thoughts on increasing the CPA surcharge. Mr. Malinowski suggested

comparing the average tax bill with a 1%, 2% and 3% surcharge to determine the impact to residents and also review potential CPA-eligible projects to determine if it is necessary to increase the surcharge. Mr. Stivers stated having a plan of CPC-eligible projects would help clarify the process of determining whether or not to increase the surcharge.

III. Other business that may properly come before the Committee

None noted

IV. Adjournment

Mr. Malinowski moved to adjourn the Capital Planning Committee meeting at 9:30PM. Ms. Braccio seconded the motion. The motion was unanimously approved (4-0-0) by roll call vote: Ms. Braccio, aye; Mr. Hark, aye; Mr. Palmer, aye; Mr. Malinowski, aye.

(Note: Mr. Schoener departed meeting prior to the adjournment vote).

Minutes submitted by Jeffrey Hark, Committee Clerk.

Documents Referenced During Meeting:

- 1) Select Board and Advisory Update – FY23 Capital Recommendations for Spring Town Meeting (December 20, 2022)
- 2) Algonquin Regional High School Athletic Complex Project