



CAPITAL ASSET MANAGEMENT COMMITTEE

REPORT TO ANNUAL TOWN MEETING
RELEASED APRIL 17, 2024

Submitted by:
Ronald Schneider, Chair
Anthony Tinnirella, Vice-Chair
Scott Pozerski, Clerk
Eric Eldridge
Ryan McMahon



TOWN OF TYNGSBOROUGH

Capital Asset Management Committee

Town Offices

25 Bryant Lane

Tyngsborough, MA 01879

Tel: (978) 649-2300 x100 | Fax: (978) 649-2320

Ronald Schneider, Chair
Anthony Tinnirella, Vice-Chair
Scott Pozerski, Clerk

Eric Eldridge
Ryan McMahon

Assistant Town Manager Katharine Foster, Non-Voting
School Business Administrator Joseph Messina, Non-Voting

Report to Annual Town Meeting **Fiscal Year 2025 Report**

Herein lies the FY2025 Capital Asset Management Committee (CAMC) Report. This report outlines the process, strategy, and ultimate recommendations of the Committee for fiscal year 2025 and includes projects the Committee expects to see in fiscal years 2025-2029.

Assistant Town Manager Katharine Foster serves as a non-voting coordinator of the Committee's efforts. School Business Administrator Joseph Messina serves as a representative of the School Department and coordinates gathering and presenting their requests. The Committee is composed of two (2) members of the Select Board, two (2) members of the School Committee, and one (1) representative of the Finance Committee. All five members are appointed annually by their respective boards. The Committee and Town Administration reviews requests from each department and makes recommendations to the Select Board for projects to be placed on the Annual Town Meeting Warrant. In consultation with the Finance Committee and Finance Director/Town Accountant, the Committee also recommends funding sources. Ultimately, their recommendations must be approved by Town Meeting.

Capital Budget

The Town of Tyngsborough defines a capital project as one that can be debt-financed, is greater than \$25,000, and has a useful life of at least five years for vehicles and equipment, and ten years for buildings and components. The Committee amended its bylaw with Town Meeting approval two years ago to add discretion in considering requests that are less than \$25,000 but cannot be supported by the operating budget.

The Capital Asset Management Committee assesses capital needs brought forward by each department (municipal and school) through the annual budget process. In addition, the committee works with those departments and Administration to identify likely capital needs for the next five years. Through this report and presentations, the committee advises Town Meeting about necessary and prudent investments to maintain, improve, and create facilities required to serve Tyngsborough citizens safely, effectively and efficiently.



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A. FY2025 CAMC Meeting Dates

Wednesday, October 4, 2023	Preliminary CAMC Meeting
Monday, November 20, 2023	CAMC Meeting #1 to Discuss Funding Options
Wednesday, December 13, 2023	CAMC Meeting #2 to Review Recommended Plan
Wednesday, January 17, 2024	CAMC Meeting #3 Review Updated Plan
Wednesday, February 14, 2024	CAMC Meeting #4 Review & Approve Capital Plan

Meeting minutes and meeting materials for all of the above meeting dates can be found by visiting the Capital Asset Management Committee’s page on the Town website. Visit www.tyngsboroughma.gov and select the Capital Asset Management Committee under “Boards & Committees”. Additionally, all CAMC meetings are recorded and can be viewed under the Media on Demand portion of the Town website.

B. Key Dates

- October 30, 2023: Departments Notified of the FY25 Process and Timeline. Specifics about Submitting Requests were Provided at This Time
- November 30, 2023: Deadline for Departments to Submit Requests
- November 30, 2023– December 7, 2023: Town Administration Reviews Initial Requests & Meets with Department Heads, as need; Administration meets with Finance to Review Funding Sources
- December 5, 2023: Town Administration presents to Finance Committee possible funding options
- December 13, 2023: Town Administration Presents the Recommended FY25 Capital Plan to CAMC and Requests Feedback
- February 14, 2024: CAMC Reviews Final Recommended FY25 Capital Plan
- March 5, 2024: CAMC Presents FY25 Capital Plan to Finance Committee for Approval



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March 25, 2024: CAMC & Town Administration present the Final Plan to Select Board for approval and to authorize the use of ARPA funds

C. Funding Sources

Capital Projects require careful analysis, budgeting and broad support. The Capital Asset Management Committee typically funds their projects using either ***Free Cash*** or ***borrowing***. Free Cash is a revenue source that results from a community's unrestricted fund balance from its operations of the previous fiscal year based on the balance sheet as of June 30. Generally, recommended large capital projects are funded through borrowing, consistent with their expected life and annual budgeting for operating needs. Short-term borrowing or Short-term debt is issued through the use of notes in anticipation of either paying them off or permanently financing the debt. This allows a community to make interest-only payments and usually has a maturity date of no more than two years.

The Town operates three **Enterprise Funds** for revenue-producing activities funded outside the tax levy by user fees: PEG, sewer and ambulance services. Unlike property-tax revenues, enterprise fund fees are not subject to a limit under Proposition 2 ½. Department Heads will submit their capital requests but do not need approval from CAMC, unless only partially funded from their respective enterprise fund.

In deciding which funding sources to use, the Committee consults with the Finance Department to assess our financial situation such as available free-cash, current borrowing rates, the Town's current level of debt, and other factors such as any other large projects for which the Town intends to borrow.

In FY25, the committee consulted with the Select Board, Finance Department, and Finance Committee early on to determine that the FY25 Capital Plan would rely solely on Free Cash and American Rescue Plan Act funding (ARPA) as opposed to borrowing after review of the Town's Debt Schedule. For Fiscal Year 2025, the Capital Asset Management Committee utilized the remaining ARPA funding, which is a federal relief bill that provided one-time funding to cities and towns to help address the economic impacts of the COVID-19 pandemic. Tyngsborough received roughly \$3.8 million in ARPA funds and the Town expects to spend roughly \$330,000 of the remaining funds on the FY25 Capital plan.



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Estimated Funds Available by Source:

Free Cash \$350,000.00

ARPA \$330,000.00

D. Initial Requests

The Capital Asset Management Committee received a total of \$1,792,132.00 in requests for the Fiscal Year 2025 program from all town departments. These requests are outlined below:

Department	Project Name	Estimated Cost
Commission on Disability	Littlefield Library Accessibility Upgrades	\$42,000.00
Engineering	Norris Road Sidewalk Extension Project	\$325,000.00
Fire	Engine/Pumper Replacement	\$550,000.00
Highway	Highway Admin Pickup Truck	\$84,800.00
Highway	2024 International 6 Wheel Dump Truck with Plow/Sander	\$259,732.00
Police	Air Conditioning	\$60,000.00
Police	Bathroom Updates / Repairs	\$39,000.00
Police	Flooring	\$100,000.00
Police	Interior Painting	\$20,000.00
Police	Window Replacement	\$31,000.00
School	Multi-Function School Activity Bus (MFSAB)	\$102,600.00
School	TES Elevator Repair	\$117,000.00
School	TES Chiller Repair	\$61,000.00
	Total	\$1,792,132.00



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E. Process

In the past, the Capital Asset Management Committee employed a numeric ranking system when evaluating requests brought before them. However, the capital budget process was modified this year to authorize the Town Manager to vet, review and meet with department heads to discuss their initial requests using the approved criteria from previous fiscal years as guidelines. After meeting with Finance to discuss funding options, the Town Manager presented his recommended budget to the committee for approval. The committee, across several meetings, has the opportunity to ask questions or modify the plan as presented before approving and recommending approval by the Finance Committee, and ultimately the Select Board.

F. Final Recommendations – Projects to Fund

After several meetings with Department Heads and a series of meetings and robust discussions, the Capital Asset Management Committee recommended the following capital projects to be placed on the 2024 Annual Town Meeting Warrant:

Department	Project	Recommended Budget
Highway	Highway Admin Vehicle*	\$ 45,000.00
Engineering	Norris Road Sidewalk Extension Project	\$ 300,000.00
School	TES Chiller Repair	\$ 61,000.00
Police	Flooring	\$ 30,000.00
Fire Department	Fire Alarm Receiver	\$ 42,000.00
Fire Department	Fire Pickup Truck*	\$ 65,000.00
Commission on Disability	Littlefield Library Accessibility Upgrades	\$ 25,000.00
	<i>Total</i>	<i>\$568,000.00</i>

*As a proud Green Community, the Town of Tyngsborough considers electric and efficient vehicles whenever making a new vehicle purchase. These decisions revolve around the feasibility of the use and availability of vehicles. Although the Capital Asset Management Committee cannot direct the Town to purchase specific makes or models, its recommendation that the Town pursue electric and hybrid electric vehicles whenever possible is taken very seriously by the Town Manager's Office and all departments.



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After several meetings with Department Heads to understand their priorities within the fiscal constraints of the upcoming budget year, many of the initial FY25 requests were refined, pushed out to the next fiscal year, or swapped with a future capital request to fit within the available funding.

The Police Department submitted several requests for interior facility renovations and upgrades. In light of the multiple requests, the Town felt it would be appropriate to hire a firm to complete a comprehensive assessment of both the Fire Headquarters and Police Station, knowing that the reality of a new public safety facility is unrealistic at this time. This will provide the Town and the committee with a roadmap for current and future capital and maintenance expenditures as we wait until it is financially viable to build new public safety facilities.

After discussions with the Highway Foreman, the original request (\$84,800) was reduced to \$45,000, which still permits the department to purchase an electric or hybrid vehicle that still meets the department's needs. The Town will continue to prioritize the purchasing of electric and fuel-efficient where feasible and available.

Meeting with the School Department, the priority identified was the Elementary School Chiller (\$61,000), recognizing that the other FY25 requests were not financially feasible. Working with Project Manager on the new Middle School project, Leftfield, the repairs made to the existing chiller will extend its useful life for another ten years before a full replacement is needed.

The Norris Road Sidewalk Extension Project's scope was not modified by the reduction in capital funding shown in the recommended capital plan. In addition to Free Cash, the project was originally slated to use \$31,000 in Chapter 90 funding; however, the Town will now be receiving additional Chapter 90 funding under the new Fair Share Amendment to cover the difference. This allowed the Committee to reduce its Free Cash contribution.

The Commission on Disability's original request (\$42,000) was also reduced as the result of funding availability. The recommended budget includes \$25,000, which will still allow the Town to address accessibility issues as noted in the 2021 Transition Plan that is available on the Town's website.

G. Final Recommendations – Funding Sources

As previously mentioned, the Capital Asset Management Committee typically funds their projects through a mix of Free-Cash and borrowing. Beginning in FY2023, ARPA funding has been available to fund capital and other one-time purchases, which was discussed earlier in this report. Since the Town has embarked on a substantial borrowing tied to the new middle school,



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the Committee chose to stay away from adding any new borrowing to the Town’s debt schedule. As such, they chose to focus the FY2025 plan on a mix of free-cash and the remaining ARPA funding as shown below:

ARPA

Department	Project	Amount
Highway	Highway Admin Vehicle	\$ 45,000.00
School	TES Chiller Repair	\$ 61,000.00
Police	Flooring	\$ 30,000.00
Fire Dept.	Fire Alarm Receiver	\$ 42,000.00
Fire Dept.	Fire Pickup Truck	\$ 65,000.00
	Total	\$243,000.00

Free Cash

Department	Project	Amount
Engineering	Norris Road Sidewalk Extension Project	\$ 300,000.00
Commission on Disability	Littlefield Library Accessibility Upgrades	\$ 25,000.00
	Total	\$325,000.00

The grand total of the FY2025 Capital Plan is \$568,000.00. That is funded using \$325,000 in FY 2024 Free-Cash and \$243,000.00 in ARPA funding.

Funding Source	Amount
ARPA Funding	\$ 243,000.000
Free Cash	\$325,000.000
Total	\$568,000.000

H. Future Years – Expected Projects

In addition to solidifying the FY2025 Capital Plan, the Capital Asset Management Committee reviewed projects that it expects to see in the following four fiscal years. While these projects will still be vetted in their respective year, the Committee works closely with Town departments



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to plan for large future expenditures. This helps the CAMC prioritize year over year and helps with long-term financial planning. The projects that the Committee expects to see in the future can be found below.

Please note all cost figures are estimates and quotes and may not reflect the cost in then-year dollars. The degree of accuracy varies per project. They are subject to refinement with additional information, assessments and design. In addition, the scope of future projects is uncertain. Project budgets are subject to significant revision as the scope is defined through the political and budgeting processes.

Project	FY25	FY26	FY27	FY28	FY29
Administration					
Service Counter & Tax Office Redesign	\$---	\$ 65,000.00	\$---	\$---	\$---
Town Hall & Library Tile Replacement	\$---	\$---	\$ 110,000.00	\$---	\$---
<i>Subtotal</i>	<i>\$---</i>	<i>\$65,000.00</i>	<i>\$ 110,000.00</i>	<i>\$---</i>	<i>\$---</i>
Commission on Disability					
Littlefield Library Accessibility Upgrades	\$ 25,000.00	\$---	\$---	\$---	\$---
<i>Subtotal</i>	<i>\$ 25,000.00</i>	<i>\$---</i>	<i>\$---</i>	<i>\$---</i>	<i>\$---</i>
Engineering					
Norris Road Sidewalk Extension Project	\$300,000.00	\$---	\$---	\$---	\$---
<i>Subtotal</i>	<i>\$300,000.00</i>	<i>\$---</i>	<i>\$---</i>	<i>\$---</i>	<i>\$---</i>
Fire Department					
Physical Fitness Equipment	\$---	\$---	\$---	\$---	\$ 30,000.00
Fire Alarm Receiver	\$ 42,000.00	\$---	\$---	\$---	\$---
Engine 2 Replacement	\$---	\$ 550,000.00	\$---	\$---	\$---
Chestnut Road Station Generator	\$---	\$---	\$---	\$ 35,000.00	\$---



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Replacement Airpacks	\$---	\$---	\$ 80,000.00	\$---	\$---
SUV/Utility Truck Replacement	\$ 65,000.00	\$---	\$---	\$---	\$---
<i>Subtotal</i>	\$107,000.00	\$550,000.00	\$80,000.00	\$ 35,000.00	\$ 30,000.00
Highway Department					
6-Wheel Dump Truck w/Plow and Sander (2002)	\$---	\$---	\$ 246,000.00	\$---	\$---
Silverado Replacement (2012)	\$ 45,000.00	\$---	\$---	\$---	\$---
6-Wheel Dump Truck w/Plow and Sander (2001)	\$---	\$ 259,732.00	\$---	\$---	\$---
John Deere Loader Replacement (2007)	\$---	\$ 150,000.00	\$---	\$---	\$---
6-Wheel Dump Truck w/Plow and Sander (2014)	\$---	\$---	\$---	\$255,000.00	\$---
John Deere Backhoe (2007)	\$---	\$ 135,000.00	\$---	\$---	\$---
6-Wheel Dump Truck w/Plow and Sander (2015)	\$---	\$---	\$---	\$---	\$260,000.00
Chevy Silverado Utility Truck (2015)	\$---	\$---	\$ 75,000.00	\$---	\$---
<i>Subtotal</i>	\$45,000.00	\$544,732.00	\$321,000.00	\$255,00.00	\$260,00.00
Police Department					
Air Conditioning	\$---	\$ 60,000.00	\$---	\$---	\$---
Bathroom Updates/Repairs	\$---	\$ 39,000.00	\$---	\$---	\$---
Flooring	\$ 30,000.00	\$---	\$---	\$---	\$---
Interior Painting	\$---	\$ 20,000.00	\$---	\$---	\$---
Window Replacement	\$---	\$ 31,000.00	\$---	\$---	\$---
<i>Subtotal</i>	\$ 30,000.00	\$150,000.00	\$---	\$---	\$---
School Department					
Multi-Function School Activity Bus	\$---	\$ 102,600.00	\$---	\$---	\$---
TES Elevator Repair	\$---	\$ 117,000.00	\$---	\$---	\$---



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TES Chiller Replacement	\$ 61,000.00	\$---	\$---	\$---	\$---
THS Bleachers	\$---	\$---	\$ 180,000.00	\$---	\$---
TPS Technology Upgrades	\$---	\$ 100,000.00	\$ 100,000.00	\$---	\$---
<i>Subtotal</i>	\$ 61,000.00	\$319,000.00	\$280,000.00	\$---	\$---
TOTAL	\$ 568,000.00	\$ 1,629,332.00	\$ 791,000.00	\$ 290,000.00	\$ 290,000.00