

EXECUTIVE SUMMARY

The Recommended Capital Plan

The Town Charter requires that the Town Manager, after consultation with the Select Board, submit in writing to the Board a careful, detailed estimate of recommended capital expenditures showing specific amounts necessary for each office, department, and activity, as well as a statement of the amount required to meet the debt service requirements and other indebtedness of the Town. This plan includes the proposed FY2024 Capital Budget, which will be recommended to the Finance Committee and ultimately to Town Meeting for consideration. The projects presented for FY2025-2028 reflect an assessment by municipal departments and the School Committee of future capital needs and are primarily shown for planning purposes. While many of the out-year projects may be recommended for funding in future capital budgets, the plan is fluid and projects may be added or removed as circumstances change. Proposed financing for the recommended FY2024 Capital Budget is shown in Table 1.

Table 1
Proposed Financing Plan

Fund	Cash	Debt	Other	Total
General Fund Tier 1	\$6,707,428	\$13,650,000	\$2,425,000	\$22,782,428
General Fund Tier 2	\$1,649,679			\$1,649,679
General Fund Total	\$8,357,107	\$13,650,000	\$2,425,000	\$24,432,107
Community Preservation Fund	\$1,035,000			\$1,035,000
Sewer Enterprise	\$532,582			\$532,582
Sewer Enterprise Tier 2	\$52,059			\$52,059
Water Enterprise	\$771,633	\$6,500,000		\$7,271,633
Total (all funds)	\$10,748,381	\$20,150,000	\$2,425,000	\$33,323,381

Eight Facility Plan

In October 2016, the Select Board convened a Capital Facility Summit and committed to planning for the renovation, reconstruction, or construction of eight facilities: Rosemary Pool, the Public Safety Building, Fire Station #2, the Memorial Park Fieldhouse, the DPW Complex, the Hillside School (now Sunita L. Williams), Needham High School, and Emery Grover. Over the last six years, the Town has made significant progress on this plan.

Fiscal Year 2024 Proposed Budget

Project	Status
Rosemary Pool	The Rosemary Recreation Complex includes two pools, parking, and office and programming space for the Park & Recreation and Health Departments. The facility opened in 2018, with the first full pool season operating in 2019.
Public Safety Building & Fire Station #2	Construction of the new Fire Station #1 was completed in 2020, and the Fire Station #2 reconstruction was complete in November 2021. Occupancy of the new Police Station occurred in the winter of 2022. The public safety communications network, including towers in four locations, is also complete.
Memorial Park Fieldhouse	The Town dedicated the newly constructed fieldhouse in September 2019.
DPW Complex	This project is progressing in phases. A new fuel station was installed in 2017, and construction of the Jack Cogswell Building storage facility was completed in the fall of 2019. Continued planning for the phased reconstruction of the DPW operations building at 470 Dedham Avenue is a priority of the Select Board. Funding for a refreshed feasibility study was approved at the 2022 Annual Town Meeting.
Sunita Williams Elementary School	The new school at 585 Central Avenue replaced the Hillside School on Glen Gary Road, and opened in September 2019.
Needham High School	The cafeteria was expanded in 2017, and the construction of eight new classrooms and "A" gym renovations were completed in 2018.
Emery Grover Building	The October 24, 2022 Special Town Meeting approved supplemental funding for the renovation of the Emery Grover School Administration Building. Construction is expected to begin in early 2023, and School Administration staff will be relocated to the Hillside School.

Other Highlights

In addition to the above projects, the School Committee is continuing its School Master Planning process to evaluate and plan for the future use of school facilities. An evaluation of funding options and alternatives is underway. The Public Works Facilities Feasibility Refresh Study will begin in early 2023 and will inform planning for the final project in the eight-building plan.

In the coming years, the Town will be required to make significant investments to improve stormwater quality. This effort will likely require funding in the operating budget (for maintenance) and capital budget (for construction items). The Select Board will consider options for funding the new investments, to include the option of instituting a stormwater fee and creation of a stormwater fund, and has allocated American Rescue Plan Act (ARPA) funds for this purpose.

Capital Planning 101

Capital Improvement Plan

A capital expenditure is defined by Needham General By-laws as the acquisition, construction, renovation, betterment, or improvement involving land, public buildings and facilities; water and sewer system laterals, mains and appurtenances; and equipment or vehicles; provided that the cost is \$25,000 or more and the improvement will have a useful life of five years or more; or any planning, feasibility, engineering or design study in preparation for such capital expense.

The Capital Improvement Plan (CIP) is a multi-year tool used to coordinate the financing and timing of major public improvements for the Town of Needham. It contains a list of capital projects proposed for the Town within the next five years and reflects the recommendations of citizens, boards, commissions, and staff from each of the Town departments. The CIP identifies each proposed project and presents a summary description, estimate of cost,

method of financing, and a schedule of implementation. Capital planning helps ensure that the community is positioned to:

- preserve and improve its basic infrastructure through construction, rehabilitation and maintenance;
- maximize the useful life of capital investments by scheduling major renovation, rehabilitation, or replacement at the appropriate time in the life cycle of the facility or equipment;
- identify and examine current and future infrastructure needs and establish priorities among projects so that available resources are used to the community's best advantage; and
- improve financial planning by balancing needs and resources and identifying potential fiscal implications.

Operating Budget and Capital Budget

The Town's capital budget and operating budget are developed separately but are closely linked. The annual operating budget provides for general municipal service delivery, to include personnel, supplies, and other contractual services, as well as certain capital equipment. Most appropriations in the annual operating budget are for a single fiscal year. In contrast, the capital budget is a multi-year plan designed to expend monies which add to the physical assets of the Town. Capital projects typically require expenditures that take place beyond a single fiscal year, funding with debt because of significant costs shared by current and future beneficiaries, the systematic acquisition of equipment over an extended period in order to implement major operating systems or programs, and scheduled replacement or maintenance of specific elements of physical assets.

The operating and capital budgets are closely interwoven because operating costs related to capital projects are estimated and incorporated into the operating budget. Many capital projects have an impact on operating costs once constructed or acquired. Town practice is to project the net effect of a capital project on the operating budget. While maintenance and repair costs may be lower in a new facility, larger and more modern facilities are often more costly to operate. In addition, since many capital projects are financed through municipal debt, repayment of that debt becomes part of the operating budget and is incorporated into the Town's forecasting models. The necessity to incur some degree of debt in order to finance the CIP carries with it the burden to effectively manage that debt within the Town's financial resources.

Best Practices

The following best practices have been used in the development of the FY2024 Operating and Capital Budgets:

1. Current revenues must be sufficient to support current expenditures.
2. The operating and capital budgets will be developed in conformance with the Town's comprehensive financial policies and must not be reliant on one-time revenue or unsustainable practices.
3. The five-year Pro Forma budget is a preliminary planning tool and should be updated to ensure that underlying assumptions reflect changing conditions and data.
4. Debt must not be used to fund ongoing operating expenses and will only be issued for capital improvements greater than \$250,000 with a useful life of five years or more.
5. The use of Free Cash to fund operations will be minimized by limiting such use to no more than 2% of the prior year's appropriated operating budget, or the actual turn back, whichever is lower.
6. Adequate contingency funds will be maintained.

7. Appropriate maintenance and replacement funds will be allocated to ensure that capital facilities and equipment are properly maintained.
8. The operating and capital budgets must be resilient, allowing the Town to maintain existing service levels, withstand typical local and regional economic disruptions, and meet the demands of natural growth, decline, and change.
9. The operating and capital budgets must be sustainable, meeting the needs of the present without compromising the ability of future generations to meet their own needs.

Budget Priorities

The Select Board has adopted the following core budget priorities for general government operations. These priorities serve as a key guideline in the evaluation of departmental spending requests.

- Support for investment in safe, well-maintained and attractive buildings and infrastructure and accommodate a diverse set of community needs. (SB Goal #1).
 - Prioritize the installation of a new, modernized phone system for the Needham Free Public Library and other Town Buildings.
 - Identify funding for School Master Plan projects.
- Ensure that Needham has the economic opportunities and resources for residents and businesses to thrive in our community. (SB Goal #2)
- Creating or strengthening a multi-modal transportation system that gets people where they want to go, when they want to get there, safely and cost-effectively. (SB Goal #3).
 - Seek funding for noise reduction/Quiet Zone feasibility, design, and construction.
- Support initiatives to ensure that Needham residents enjoy high levels of physical and mental well-being and abundant recreational, cultural and educational opportunities in an environment where human rights are respected, diversity is celebrated, and neighbors feel connected. (SB Goal #4).
 - Support funding for expanded services for mental and behavioral health needs.
- Support for initiatives that ensure that Needham is a welcoming and inclusive community that fosters personal and community safety and ensures that all residents are secure and cared for during emergencies and natural disasters. (SB Goal #5)
- Support for an excellent customer experience, responsible management of the Town's assets, data-driven decision-making, and community engagement. (SB Goal #6)
 - Support for employee recruitment and retention initiatives.
 - Support the continuation of the communications role (PIO) through the operating budget.
 - Support for the maintenance of a debt service plan that balances capital needs with the Town's ability to pay, identification of alternative funding sources for capital needs, evaluation of financing alternatives, and alignment of capital and maintenance needs with appropriate funding sources.
 - Maximizes resources within the limits of Proposition 2 ½ to avoid operating overrides.
- Ensuring that Needham is a sustainable, thriving and equitable community that benefits from and supports clean energy; preserves and responsibly uses the earth's resources; and cares for ecosystems. (SB Goal #7)

- Achieving greater coordination and efficiency among Town departments and providing adequate resources to address identified service delivery and general administrative needs of the Town in a cost-effective manner.

Financial Benefits of Capital Planning

Needham's capital planning initiatives have contributed to the successful maintenance of a AAA bond rating from Standard and Poor's. This bond rating places Needham in the top tier of Massachusetts municipalities and allows the Town to borrow at a lower interest rate. Investors and bond rating agencies stress the value of a CIP for a municipality seeking to borrow funds. The absence of a rational, long-term planning instrument would weigh against the bond rating assigned to Needham by rating agencies and result in higher interest rates on bond issues and the diversion of tax dollars towards interest. Another financial benefit of the capital planning process is the avoidance of poorly timed projects. Good planning can ensure that capital improvement efforts are coordinated. In addition, significant savings can accrue to taxpayers when major capital financing is coordinated so that bonds are issued infrequently, and at times when the Town can take advantage of low interest rates.

Development of the CIP

The process for preparing the FY2024-2028 CIP and associated FY2024 Capital Budget involved active participation by the Town Manager, Assistant Town Managers, and requesting departments, boards, committees, and commissions. The Capital Budget is prepared in the context of a five-year determination of need by departments and the School Committee, in conjunction with the Town's overall financial capacity to affordably accommodate the required debt service payments. Projected debt service payments and budgetary impacts are forecast annually to help ensure affordability and sustainability of the CIP. The Town's capital improvement policies provide guidance for assessing capital needs. These policies, included in Section 5, define capital projects as those items requiring the expenditure of at least \$25,000 and having a useful life of more than five years. Recommended capital project requests are prioritized using the following criteria:

- the project is required to comply with State and/or Federal accessibility standards;
- the project is necessary to protect the health and safety of people; or
- the project is necessary to maintain an existing capital facility, or operation of equipment used in providing Town services.

In addition to the criteria listed above, the Town has a long practice of funding the systematic replacement of obsolete or worn-out equipment, and items requested for the improvement of operating efficiency and the equitable provision of services.

The development of the CIP occurs over the following approximate timeframe:

Late Summer — Following Town Meeting, departments are provided with their previously submitted five-year requests for review, update and the addition of the next fifth year. While requests for each year should remain the same as in the initial request, there are occasionally changed circumstances which necessitate alterations to the requests. This information is returned to the Town Manager and staff for review. The Assistant Town Manager/Finance Director periodically reviews a five-year pro forma forecast, which is one of the tools used to forecast capital funding availability.

Autumn — The Town Manager and staff meet with each department to gain a better understanding of each request.

Late Autumn/Early Winter — The Assistant Town Manager/Finance updates the preliminary debt schedules and financial forecasts in order to provide context to the capital budget as well as the five-year CIP, and the Town Manager presents the Select Board with a proposed five-year plan.

January – The Town Manager transmits the CIP, along with any recommendations made by the Select Board, to the Finance Committee by the Tuesday after the first Monday in January.

January/February/March — The Finance Committee reviews each project in the capital budget and makes recommendations on items included in the Town Meeting Warrant.

May — The Capital Budget is presented to Town Meeting for consideration.

Financing of Capital Projects

The number of capital projects to be funded must be considered in the context of the total Operating Budget, Capital Budget needs, and revenue growth. Capital improvement projects are funded through current receipts, reserves, and/or other funds such as grants.

Current Receipts – Current receipts include property tax revenue, local receipts (such as fees and charges), and state aid. This plan includes no projects to be funded from current receipts.

Free Cash – Free Cash is a function of actual revenue collections in excess of estimates and expenditures less than appropriations. Because Free Cash should not be relied upon as a recurring revenue source, the Town's practice is not to rely upon it as an operating revenue source. In this plan, we have continued the effort to minimize the Town's reliance on Free Cash to support on-going operations by limiting such use to no more than 2% of the prior year's appropriated operating budget, or the actual turn back, whichever is lower. The recommended plan includes \$6,707,428 in Tier 1 projects to be funded from Free Cash.

Capital Improvement Fund – In 2004, the Town created a General Fund Cash Capital Equipment and Facility Improvement Fund (CIF). The purpose of the CIF is to allow the Town to reserve funds to use for general fund cash capital. The CIF may be used in future years to fund the acquisition of new equipment, and/or the replacement of existing equipment for which the Town may borrow for a period of five years or more. Projects must be included in the CIP in order to be eligible for funding through the CIF. This plan includes no projects to be funded from the Capital Improvement Fund.

Capital Facility Stabilization Fund – In 2007, the Town created a Capital Facility Stabilization Fund to allow the Town to reserve funds for design, maintenance, renovation, or reconstruction relating to the structural integrity, building envelope, or MEP (mechanical, electrical, plumbing) systems of then existing capital facilities. For this purpose, capital facility refers to any building or structure located on Town property and under the jurisdiction of the Town Manager, to include any Town-owned building, structure, room, or space within a building, facility, park or plaza, open space, driveway, landscaped area, or other physical improvements under the administrative control of the Town. This plan includes no projects to be funded from the Capital Facility Stabilization Fund.

Athletic Facility Improvement Fund – In 2012, the Town created an Athletic Facility Improvement Fund to reserve funds for the design, maintenance, renovation, reconstruction, or construction of athletic facilities. For the purpose of the fund, athletic facilities include any Town-owned building, structure, pool, synthetic turf and natural grass turf playing field or ball diamond, and associated grounds and parking areas whose primary purpose is for organized

athletic events for Needham children, adults, and school teams. This plan includes no projects to be funded from the Athletic Facility Improvement Fund.

Debt Service Stabilization Fund – The November 2, 2015 Special Town Meeting approved the establishment of a Debt Service Stabilization Fund to set aside funds to be available as necessary to pay certain debt obligations. This fund is intended to be part of the Town's overall planning strategy for addressing capital facility needs. The fund would provide added flexibility to maintain the Town's capital investment strategy by smoothing out the impact of debt payments in years when the debt level is higher than is typically recommended. The fund would also be beneficial at times when interest rates are higher than expected. The plan for the fund is designed to ensure that the monies are not depleted in a single year, and that the amount available for appropriation is known before the budget year begins. All appropriations to and from the fund require Town Meeting action. This plan includes no projects to be financed through use of the Debt Service Stabilization Fund for FY2024.

Retained Earnings – Two of the Town's operations – water and sewer – are accounted for as enterprise funds. The revenues and expenditures of these operations are not commingled with those generated by General Fund operations. Generally, each enterprise will generate surplus funds on an annual basis. The Select Board's retained earnings policies are included in Section 5. The policies contain reserve targets to ensure liquidity and stability of operations. Surplus funds above the target are considered available for appropriation. This plan includes \$532,582 in Tier 1 funding from Sewer Enterprise Fund retained earnings and \$771,633 from Water Enterprise Fund retained earnings for FY2024.

Debt – The Select Board's debt management policies (Section 5) provide guidance in translating capital expenditures into annual debt service. Section 2 of this plan contains a graphic presentation of the Town's current debt service and a calculation of the Town's debt burden (annual debt service as a percent of total Town revenues). The figures used in calculating the debt burden are derived from the Town's long-term debt service schedule that is also included in Section 2. This plan includes \$13,650,000 in projects to be funded through General Fund debt and \$6,500,000 funded through Enterprise Fund debt.

Community Preservation Fund – The Community Preservation Act (CPA) allows cities and towns to raise monies through a surcharge on the tax levy. These funds may then be used to acquire, create and preserve open space, acquire and preserve historic resources, create, preserve and support community housing, and acquire, create and preserve land for recreational use. The CPA also provides for matching funds from the Commonwealth. The CPA requires that each fiscal year Needham must spend, or set aside for later spending, at least 10% of the annual revenues in the Community Preservation Fund for each of three CPA target areas: open space (but not including land for recreational use), historic resources, and community housing. The remaining 70% may be appropriated at the Town's discretion as long as it is used for the three target areas or recreation. The statute also permits the Town to appropriate up to 5% of the annual revenue estimate for the administrative expenses of the Community Preservation Committee (CPC). Projects submitted for inclusion in the CIP that qualify for CPA funding are forwarded to the CPC for its consideration. This plan includes a recommendation for \$1,035,000 in projects contingent upon Community Preservation Funding for FY2024. The Community Preservation Committee has not yet made recommendations for FY2024 funding.

Other Available Funds – An Available Fund is actual monies which have become available and may be used to fund expenditures. Monies may become available after a project is completed and the cost was less than appropriated, monies that were previously set aside for future expenditure (e.g., stabilization fund), or monies that are received by the Town but must be

specifically identified as a funding source in the Town Meeting motion. An available fund may be restricted to certain purposes (e.g., surplus bond proceeds, special stabilization funds, sale of surplus real estate, grants), or may be non-restricted and hence can be appropriated for any legal purpose. Some Available Funds carry over from year to year and others expire at the end of the fiscal year and close out to fund balance. This plan includes \$2,425,000 contingent on other available funds (American Rescue Plan Act or other State/Federal Funding) for FY2024.

The CIP Is a Flexible Planning Tool

While much of the Town's budget and financial planning efforts are by necessity focused on one or at most two-year intervals, capital planning helps to focus attention on the Town's long-term objectives and financial capacity, and the balance between operating and capital needs. The Town is often faced with the option of reducing its capital plan in order to balance the operating budget. Having a formal and accepted plan helps to maintain a consistent level of spending for capital needs, barring extraordinary circumstances. Individual projects are evaluated against long-term objectives and in relationship to each other. By strategically programming capital projects, the Town can maintain a tolerable level of debt service and prevent unexpected changes in debt service payments.

Investment in Real Property, Facilities, and Infrastructure & Equipment, Technology and Fleet

While significant investments in many capital facilities are still required, the Town has made an extraordinary investment in public infrastructure over the past decade. The Town's success in this area is a direct result of continued and sustained focus on asset evaluation, needs assessment, careful planning, and prioritization. As noted previously, the Town has seen significant progress in several major building projects over the last few years. The Town has also continued its investment in athletic facilities, parks, and recreational amenities, such as Walker Gordon Field, Greene's Field and playground, Newman Fields, Eastman Trail, Rail Trail, Amity Path, the replacement of the synthetic turf fields at Memorial Park and DeFazio Complex, the renovation of Cricket Field, and the Rosemary Lake sediment removal project. Investment in equipment, technology and fleet is primarily in Public Safety, Public Schools and Public Works. Table 2 shows the Town's investment in facilities and infrastructure the five-year period FY2019 through FY2023, and Table 3 (next page) shows the Town's investment in equipment, technology, and fleet for the same period.

**Table 2
Facility and Infrastructure Investment FY2019 to FY2023**

Description	2019	2020	2021	2022	2023	Total	Average
Municipal Facilities	\$74,641,000	\$794,000	\$0	\$1,896,000	\$442,500	\$77,773,500	\$15,554,700
Townwide Facilities and Community Services	\$8,826,000	\$3,662,000	\$561,500	\$2,568,091	\$2,602,000	\$18,219,591	\$3,643,918
Public Works Infrastructure Program	\$2,508,500	\$2,219,550	\$820,500	\$2,639,000	\$4,001,000	\$14,199,550	\$2,039,710
School Facilities	\$2,796,000	\$1,471,200	\$1,016,000	\$1,848,100	\$24,061,250	\$46,360,550	\$4,459,860
Drains, Sewer, and Water Infrastructure	\$2,395,000	\$7,021,500	\$270,000	\$2,073,000	\$610,000	\$15,269,500	\$2,931,900
Total Appropriations	\$91,166,500	\$15,168,250	\$2,668,000	\$11,024,191	\$31,716,750	\$171,822,691	\$28,630,088

Fiscal Year 2024 Proposed Budget

Table 3
Equipment, Technology, and Fleet Capital FY2019 to FY2023

Description	2019	2020	2021	2022	2023	Total	Average
All Other Functions	\$68,970	\$137,960		\$56,000	\$160,000	\$422,930	\$84,586
Public Facilities & Works	\$176,500	\$68,000	\$192,000	\$38,000		\$474,500	\$118,625
Public Safety	\$43,424	\$43,424	\$109,309	\$266,055	\$53,174	\$515,386	\$103,077
Public School	\$60,500	\$35,000	\$35,000	\$25,000	\$25,000	\$180,500	\$36,100
Equipment	\$349,394	\$284,384	\$336,309	\$385,055	\$238,174	\$1,593,316	\$342,388
All Other Functions	\$215,000	\$85,600	\$65,600	\$48,500	\$146,280	\$560,980	\$112,196
Public Facilities & Works					\$50,000	\$50,000	\$10,000
Public Safety	\$112,000	\$852,550		\$50,000	\$50,000	\$1,064,550	\$212,910
Public School	\$706,790	\$684,820	\$648,995	\$540,914	\$490,275	\$3,071,794	\$614,359
Technology	\$1,033,790	\$1,622,970	\$714,595	\$639,414	\$736,555	\$4,747,324	\$949,465
All Other Functions		\$33,085				\$33,085	\$8,271
Public Facilities & Works	\$1,616,409	\$1,245,083	\$1,132,090	\$1,255,028	\$1,222,645	\$6,471,255	\$1,294,251
Public Safety	\$840,163	\$35,249	\$392,981	\$416,383	\$84,845	\$1,769,621	\$353,924
Public School	\$97,552	\$158,718	\$104,748	\$102,838	\$108,100	\$571,956	\$114,391
Fleet	\$2,554,124	\$1,472,135	\$1,629,819	\$1,774,249	\$1,415,590	\$8,845,917	\$1,770,838
Total Appropriations	\$3,937,308	\$3,379,489	\$2,680,723	\$2,798,718	\$2,390,319	\$15,186,557	\$3,062,691

Project Summaries – Recommended Projects for Fiscal Year 2024

GENERAL GOVERNMENT

TELEPHONE SYSTEM REPLACEMENT

This funding request is to study the requirements for replacing legacy telephone systems in Town facilities. Most Town facilities currently use legacy telephone ("landline") technology that is increasingly prone to degradation and failure. Due to the shift in the market from landlines to cellular data and voice over internet protocol (VOIP), replacement infrastructure, parts, and equipment required for the Town's systems are no longer able to be efficiently procured. Similarly, utilities that manage landline infrastructure have drawn down investment in said infrastructure, in line with market trends. This has led to an increasingly unreliable system prone to unscheduled outages and degraded performance over a system that provides a vital and equitable link between residents and Town government. In FY2024, the Town will conduct an analysis of existing infrastructure and systems as a necessary first step. The intent

of the study would be to provide options for the Town to consider regarding future telephone infrastructure and systems. (Submitted by Information Technology Center)

The Town Manager's recommendation for Telephone System Replacement is \$50,000 to be funded by Free Cash.

TOWN BUILDING SWITCHES

This funding request is to replace communication switches in Town Facilities. Switching is an important aspect of the communications between the multiple buildings supported by the Information Technology Center (ITC). This request is to upgrade and replace switches in Town Hall, the Center at The Heights, and the Rosemary Recreation Complex – a total of seven switches. The most significant of these is the core switch managed in Town Hall. Because of the increased data transfer speeds between the buildings, it is important to maintain a current level of switching. Many of the current switches within the buildings today are five to six years old and will require replacement in the near future. This project will replace switches at one time to ensure that they are all at the same level of make and model and going forward having a regular routine for replacement for these buildings. (Submitted by Information Technology Center)

The Town Manager's recommendation for Town Building Switches is \$130,000 to be funded by Free Cash.

PUBLIC FACILITY REPLACEMENT FURNITURE

This funding request is for the replacement of furniture in Town Hall and the Public Services Administration Building. These facilities were equipped with new furniture when they reopened and opened in 2011 and 2010 respectively. In FY2024, the furniture will be well over 10 years old, and many items require replacement due to heavy wear and tear. Inventory and requests for input on the status of furniture is conducted periodically, most recently in August 2022. In FY2023, furniture and equipment most in need of repair will be replaced using funding appropriated for this purpose at the 2022 Annual Town Meeting. The August 2022 review also yielded a large amount of furniture and equipment in need of replacement as soon as possible, for which remaining funding was not available in FY2023. (Submitted by Office of the Town Manager)

The Town Manager's recommendation for Public Facility Replacement Furniture is \$40,000 to be funded by Free Cash.

VIDEO PROJECTION EQUIPMENT

This funding request is for the replacement of video projection equipment in the Rosemary Recreation Complex (RRC). RRC Smart TVs and display monitors were included in the base construction of the building. Normally, the Information Technology Center works on a five-year replacement cycle for this hardware – FY2024 will represent year six for this equipment. The ITC will coordinate with the Health and Human Services and Park and Recreation Departments to find replacement equipment that represents the needs of both departments. This request includes

purchase and estimated costs for installation and training. (Submitted by Information Technology Center)

The Town Manager's recommendation for Video Projection Equipment is \$55,000 to be funded by Free Cash.

WIRELESS HARDWARE INFRASTRUCTURE

This funding request is for the replacement and upgrade of the wireless access points (WAPs) installed across multiple buildings as well as switches, the controller, and controller software. The controller is designed to manage the WAPs. Currently the Town has wireless access available in multiple buildings throughout Town. These buildings include Town Hall, Public Services Administration Building, The Center at The Heights, the Rosemary Recreation Complex, and Memorial Park Field House. The inclusion of the wireless infrastructure and hardware was part of the original construction for all the listed facilities and there was no previous capital request for any replacement or upgrade. There are currently several buildings that are struggling with access to the wireless network as currently installed. This project would help making the wireless access at larger events in Town buildings, such as Town Meeting and Rosemary Pool visitor access during the summer months. Moving forward, older WAPs will not be compatible with updated controller software. This project will look to replace these WAPs at one time to ensure that they are all at the same level of make and model and going forward having a regular routine for replacement for these buildings. (Submitted by Information Technology Center)

The Town Manager's recommendation for Wireless Hardware Infrastructure is \$175,000 to be funded by ARPA.

PUBLIC SAFETY

PERSONAL PROTECTIVE EQUIPMENT

This funding request will replace Personal Protective Equipment (PPE) – known as "bunker gear" – for 20% of all firefighting personnel on an annual basis. This is to ensure the life span of the equipment does not exceed the 10-year guideline. All line personnel now have two sets of PPE available. By having a second set of PPE, fire personnel are able to clean one set after an incident while remaining in service for other emergencies. Properly maintaining PPE helps ensure its expected longevity and can significantly reduce long term health risks faced by personnel. (Submitted by Fire Department)

The Town Manager's recommendation for Personal Protective Personal Protective Equipment is \$51,030 to be funded by Free Cash.

LIFEPAK 15 V4 MONITOR/DEFIBRILLATOR

This funding request will replace lifesaving hardware for public safety personnel. The Physio Lifepak 15 (LP15) is the cardiac monitor/defibrillator that the Department uses on frontline rescues. The Department has two frontline rescues with two backup units. The average lifespan for this lifesaving equipment is five years. At the time of

this request, the Town currently has only one operating LP15. The Town was notified that Stryker no longer has parts or services for older generation models. As a result, the Town is currently using a "loaner" LP15 from the manufacturer. Having an additional LP15 would enable the Town to act swiftly if one of the main LP15 devices were to have a service issue. (Submitted by Fire Department)

The Town Manager's recommendation for Lifepak 15 Equipment is \$30,185 to be funded by Free Cash.

PUBLIC SCHOOLS

SCHOOL COPIER REPLACEMENT

This funding request is to replace eight copiers in the following locations: Eliot School (2), High School (1), Mitchell School (1), Newman School (2), and Sunita Williams School (2). School photocopiers in all school buildings are used both by administrative and teaching staff. Copiers which are heavily used are replaced more frequently than copiers that are lightly used. The average life cycle is calculated at seven years, although planned replacement ages range from five to nine years, depending on use. It is important to replace machines regularly, even if they have not yet reached maximum copy allowances, given the additional operating expense associated with servicing and maintaining older equipment, as well as the difficulty in obtaining replacement parts. This analysis also assumes that copiers are re-deployed around the District as needed, to better match projected usage with equipment capacity. (Submitted by Needham Public Schools)

The Town Manager's recommendation for School Copier Replacement is \$69,379 to be funded by Free Cash.
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SCHOOL FURNITURE

This funding request is a recurring capital item to replace furniture in poor and fair condition and to provide new classroom furniture as needed for new enrollment or replacement purposes. (Submitted by Needham Public Schools)

The Town Manager's recommendation for School Furniture is \$25,000 to be funded by Free Cash.

SCHOOL TECHNOLOGY

This funding request is a recurring capital item to fund the School Department technology replacement program. This program funds replacement of desktop computers, printers, classroom audio visual devices, specialized instructional labs, projectors, video displays, security cameras and electronic door access controllers. The request also incorporates funding for school technology infrastructure, which consists of servers, network hardware, wireless infrastructure, data cabling and access points. The FY2024 School Technology request includes \$347,750 for hardware and \$113,000 for infrastructure replacement. (Submitted by Needham Public Schools)

The Town Manager's recommendation for School Technology is \$460,750 to be funded by Free Cash.

ROOF TOP UNIT REPLACEMENT (BROADMEADOW AND ELIOT SCHOOLS)

This funding request is for the replacement of roof top units (RTUs) at the Broadmeadow and Eliot Schools. RTUs distribute outside air to all spaces in a building, both heating and cooling the air as required. They are critical in maintaining safe and comfortable temperatures inside. RTUs age along with the buildings they support, and their maintenance needs also increase over time. When RTUs pass the end of their useful life, they function less efficiently and experience reoccurring problems with their condensers, controls, motors, and fans. The RTUs at the Broadmeadow and Eliot Schools are past the end of their useful life and are becoming increasingly inefficient, ineffective at dehumidifying, and costly to maintain. This project will also include the installation of a small boiler at each school dedicated to reheating overcooled dehumidified air during the summer and shoulder months. The current boilers struggle to run solely for reheat purposes because of their larger size, wasting energy. In the interest of sustainability and reducing greenhouse gas emissions, the funding requested would allow the Town to explore alternate energy options for the natural gas used by the RTUs. (Submitted by Needham Public Schools)

The Town Manager's recommendation for Roof Top Unit Replacement (Broadmeadow and Eliot Schools) is \$9,000,000 to be funded by General Fund debt.

PUBLIC WORKS

RTS PROPERTY IMPROVEMENTS

This funding request is to address some critical health and safety issues. A large amount of dust and particulate matter is kicked up into the air when trash is processed and loaded into trailers and recycling containers. Apart from making the environment difficult to work in, this presents a safety concern for the staff breathing the air in the buildings. The project is to repair or replace eight air vents in both the tipping floor and loading pit floor areas. The purpose of the vents is to pull dust and particulate matter in the work area and vent out through the roofs, but the existing vents are not operational. Functional vents would improve the air quality and visibility in those areas. (Submitted by Department of Public Works – Recycling and Solid Waste)

The Town Manager's recommendation for RTS Property Improvements is \$135,000 to be funded by Free Cash.

ENERGY EFFICIENCY UPGRADES

This funding request is to fund energy efficient upgrades in Town and School facilities. Each year, the Building Maintenance Division submits a funding request for various projects that have been identified as opportunities to increase energy efficiency throughout the Town. These upgrades produce environmental benefits and cost savings. The Town will conduct a study of potential energy efficiency upgrades throughout various buildings. The results of that study, in conjunction with

recommendations from the Climate Action Plan Committee, will be used to determine future energy efficiency upgrade requests. (Submitted by Department of Public Works – Building Maintenance)

The Town Manager’s recommendation for Energy Efficiency Upgrades is \$250,000 to be funded by Free Cash.

NPDES SUPPORT PROJECTS (NOT IN RECOMMENDED TIER 1)

This funding request is to support identification of opportunities for stormwater-related improvements. Such opportunities are vital towards the Town’s full compliance with new federal stormwater standards. FY2024 funding is planned for the replacement of the Rosemary Dam sluice gate, which is in need of repair due to some leaking. The sluice gate is a mechanism that helps control the flow through the Rosemary Dam. It is vital to maintaining the water level of the pond and in helping to prevent excess runoff during rains. This request is for the funding to replace the existing sluice gate and retrofit the spillway within the existing structure. (Submitted by Public Works – Engineering)

The Town Manager’s recommendation for NPDES Support Projects is \$600,000 to be funded by ARPA and \$260,000 in the Tier 2 category.

COMMUNITY SERVICES

CENTER AT THE HEIGHTS GENERATOR

This funding request is to install a permanent generator at the Center at the Heights (CATH). The Town has identified The CATH as an ideal location to serve as an emergency shelter, as it could provide a shelter and warming space as well as a restaurant-grade kitchen in case of emergency. However, the CATH was not designed or built with an emergency generator. The existing portable generator is insufficient as it does not support the electric load of the entire CATH building. (Submitted by DPW- Building Maintenance Division)

The Town Manager’s recommendation for Center at the Heights Generator is \$250,000 to be funded by Free Cash.

LIBRARY CHILLER REPLACEMENT

This funding request is for a replacement chiller at the Library. The chiller is a component of the building’s HVAC system. The current chiller is past the end of its useful life, functions poorly, and has obsolete parts which require constant repair. Additionally, it utilizes R22, a refrigerant which the Environmental Protection Agency (EPA) has banned the production and import of as of January 1, 2020. The new chiller would also have an energy recovery system to reduce energy consumption, which the existing chiller does not have. (Submitted by DPW – Building Maintenance Division)

The Town Manager’s recommendation for Library Chiller Replacement is \$369,000 to be funded by Free Cash.

ACTION SPORTS PARK FEASIBILITY STUDY

This funding request is for a feasibility study relative to a potential Action Sports Park. Over the past two years, the Park & Recreation Commission and Park & Recreation Department have received numerous requests from residents for various amenities to be added to the Town. The Park & Recreation Commission along with the Needham Select Board have created a Working Group to take a wholistic look at all locations, current amenities, and ongoing requests from the residents. The Active Recreation Assets Working Group will serve in an advisory capacity to guide the Town in space planning for the future of active recreational opportunities in Needham. The feasibility study will look at both action sports complex and pickleball court options. (Submitted by Park and Recreation Department)

The Town Manager's recommendation for Action Sports Complex Feasibility Study is \$35,000 in the Tier 2 category.

ATHLETIC FACILITY IMPROVEMENTS – MCLEOD FIELD

This funding request is for the construction phase of the McLeod Field Renovation. Over the course of several public meetings with residents and Town staff, the Park and Recreation Commission determined that conversion of the field from a baseball field to a softball field would better serve the needs of the community. The project will address existing drainpipe issues and the eroding subsurface of the field, while also incorporating improvements identified during the design phase as needed to ensure a quality softball field for all users. The construction phase of the project will include a repair of the drainpipe, resurfacing, a skin conversion for softball use, upgraded lighting and spectator seating, and the installation of an irrigation system, a scoreboard, and covered dugouts and warm up areas along with storage for equipment and upgraded electrical outlets. A lacrosse wall will be formalized for added field utility. (Submitted by Park & Recreation Department)

The Town Manager's recommendation for Athletic Facility Improvements – McLeod Field is \$1,310,000 to be funded by General Fund debt.

DEFAZIO PLAYGROUND RENOVATION DESIGN

This funding request is for the design phase of the DeFazio Playground ("Tot Lot") renovation. The design will study, among other things, location, equipment, target age-groups, fences, pathways, shade, and other amenities. (Submitted by Park & Recreation Department)

The Town Manager's recommendation for DeFazio Playground Renovation Design is \$35,000 contingent on CPA funding.

ATHLETIC FACILITY IMPROVEMENTS - CLAXTON FIELD LIGHTING INSTALLATION AND SOFTBALL FIELD SKIN REPLACEMENT

This funding request is for the construction phase of the Claxton Field lighting installation and softball field skin replacement. The lighting component of the project will address issues relative to converting from halide to LED lighting. The softball skin replacement component includes regrading, drainage improvements, and construction of covered dugouts, spectator seating, fencing, warm-up areas, and replacement equipment. (Submitted by Park & Recreation Department)

The Town Manager's recommendation for Athletic Facility Improvements – Claxton Field Lighting Installation and Softball Field Skin Replacement is \$1,780,000 to be funded by \$780,000 in Free Cash and \$1,000,000 contingent on CPA funding.

GENERAL FUND FLEET REPLACEMENT PROGRAM

This funding request supports the Town's fleet replacement program, established in FY2015. The program includes a budget and schedule for the Town's rolling stock fleet of appropriately 220 vehicles, trailers, and large specialized attachments and the School Department fleet of 14 vans and buses. General purpose vehicles include pickup trucks, a variety of sedans, SUVs, vans, and police vehicles (87). They comprise approximately 39 percent of the entire fleet. General purpose vehicles are utilized in every department and are relatively inter-changeable. The replacement of these vehicles can proceed on a regular schedule and should be part of the of the Town's recurring costs. The Town relies on a number of trailers for the purpose of moving tools and equipment, hauling trash and debris, and transporting special equipment. The Town has 47 trailers which represents approximately 23 percent of the fleet. Specialized, high value vehicles and snow and ice equipment comprise the other 38 percent of the fleet. These vehicles and equipment are just as integral to Town operations as the general-purpose vehicles but serve the unique purposes of specific departments or divisions. Included in this group are the high value vehicles such as ambulances, large dump trucks, fire engines, street sweepers, and others for which appropriations need to be planned. Unless circumstances require otherwise, the proposed FY2024 fleet replacement schedule is as follows. (Submitted by Multiple Departments)

GENERAL FUND CORE FLEET REPLACEMENT

UNIT	EXISTING	DIVISION	YEAR	REPLACEMENT	AMOUNT
82	Ford F-150	Community Development	2011	Pick-Up	53,706
453	Ford Focus	Building Inspector	2016	SUV Hybrid	49,432
454	Ford Fusion	Building Inspector	2014	SUV Hybrid	49,432
455	Ford Focus	Building Inspector	2016	SUV Hybrid	49,432

Fiscal Year 2024 Proposed Budget

UNIT	EXISTING	DIVISION	YEAR	REPLACEMENT	AMOUNT
456	Ford Fusion	Building Inspector	2014	SUV Hybrid	49,432
458	Ford Fusion	Building Inspector	2014	SUV Hybrid	49,432
701	Ford E-250 Pick-Up	DPW Building Maintenance	2014	Work Truck Class 3	92,216
CO1	Chevrolet Tahoe	Fire	2020	Public Safety Response Vehicle	70,114
Van 09	Toyota Sienna	School	2014	Passenger Van	71,698
Van 10	Toyota Sienna	School	2015	Passenger Van	71,698

GENERAL FUND FLEET REPLACEMENT – SPECIALIZED EQUIPMENT

UNIT	EXISTING	DIVISION	YEAR	REPLACEMENT	AMOUNT
9	International 7400 Series	DPW Highway	2012	Heavy Duty Truck Class 8 Large Dump	347,431
41	Ford F-250	DPW Parks	2016	Work Truck Class 3	92,216
53	International S600 Roll Off	DPW RTS	2013	Work Truck Class 6	337,155
66	Ford F-550	DPW Highway	2015	Work Truck Class 5	142,050
68	Addition to Fleet	DPW Engineering	N/A	Pick-Up	99,410
73	Ford F-550	DPW Parks	2016	Work Truck Class 5	142,050
75	Ford F-550 Dump Truck	DPW Parks	2016	Work Truck Class 5	142,050
90	Specter Refuse Trailer	DPW RTS	2016	Specialty Trailer	120,797
259	Hudson Trailer	DPW Highway	2010	Trailer	OB
323	Pace Utility Trailer	DPW Highway	2010	Trailer	OB
L01	Sutphen Quint Ladder Truck	Fire	2004	Fire Ladder Truck	2,000,000
R03	Ford E450 Ambulance	Fire	2016	Ambulance (Renumber as R01)	498,951
112	Prinoth	DPW Highway	2011	Sidewalk Plow	206,561

The Town Manager's recommendation for General Fund Fleet Replacement is \$4,735,263 with \$1,962,084 funded by Free Cash, \$2,000,000 funded by General Fund debt, and \$773,177 in the Tier 2 category.

TRANSPORTATION NETWORK

TRAFFIC IMPROVEMENTS

This funding request supports projects recommended by the Traffic Management Advisory Committee (TMAC). The annual request will support one or two TMAC construction-related projects per year, such as 500 feet of roadway granite curb installation, two school zone installations, two average traffic calming installations, several radar sign installations, sign and/or pavement markings, or pedestrian improvements. The goal of the TMAC is to ensure the safety of pedestrians, motorists, and bicyclists. TMAC construction-related projects are not presently funded through the Department of Public Works operating budget. (Submitted Department of Public Works – Engineering)

The Town Manager's recommendation for Traffic Improvements is \$50,000 to be funded by Free Cash.

QUIET ZONE SAFETY UPGRADES

This funding request supports the design phase of an upgrade plan at each grade crossing in Needham with the goal of achieving a Quiet Zone designation from the MBTA. Design of the Great Plain Avenue crossing is underway, and the proposed funding would support design for the crossings at West Street, Rosemary Street, May Street, Oak Street, and at the Needham Golf Club. (Submitted by Public Works – Engineering).

The Town Manager's recommendation for Quiet Zone Safety Upgrades is \$1,340,000 to be funded by General Fund debt.

PUBLIC WORKS INFRASTRUCTURE PROGRAM

This funding request supports the Public Works Infrastructure Program which allows the Department of Public Works to make improvements and repairs to Town infrastructure, including but not limited to roads, bridges, sidewalks, intersections, drains, brooks, and culverts.

STREET RESURFACING The Town aims to resurface 17 lane miles (or 120,000 square yards) per year, either through traditional milling and paving, micro surfacing, or rubber chip seal surface treatments, as appropriate. The cost per lane mile for resurfacing in FY2023 is \$97,300 or more per lane mile. A basic overlay at 1.5 inches with asphalt berm curb and casting adjustments is \$92,700 per lane mile. The cost of micro surfacing treatments and rubber chip seal surfacing treatments are approximately \$7.40 per square yard. Target funding for street resurfacing in FY2024 is \$1,285,000.

SIDEWALK PROGRAM FY23 contract pricing to reconstruct one mile of asphalt sidewalk with incidental costs is estimated to be \$437,900 per mile (\$83.00/linear foot). Contract pricing to install a mile of granite curb with minor drainage

improvements and incidental costs is estimated to be \$417,000 per mile (\$79.00/lf). These costs do not include engineering, design, tree removal and replacement, major drainage improvements, or major public or private property adjustments. Target funding for the sidewalk program in FY2024 is \$855,000.

GUARDRAIL Many of the Town's guardrails are noncompliant with safety standards and the department is preparing a plan to upgrade existing guardrails to make them both compliant and aesthetically pleasing. In FY2024, the Town will address the guardrails on Dedham Avenue which do not meet state guidelines. Target funding for guardrail improvements for FY2024 is \$220,000.

BROOKS AND CULVERTS The section of Rosemary Brook to be addressed (from Trout Pond north to Rosemary Lake) has sediment, vegetation, and eroded banks that cause flow capacity and water quality issues. This project would consist of removing sediment and vegetation and repairing and/or replacing failing walls. Target funding for brooks and culvert improvements for FY2024 is \$221,500. (Submitted by Department of Public Works – Highway)

The Town Manager’s recommendation for the Public Works Infrastructure Program is \$2,000,000 funded by free cash in the Tier 1 category and 581,500 in the Tier 2 category.

SEWER ENTERPRISE FUND

SEWER FLEET REPLACEMENT - SPECIALIZED EQUIPMENT

UNIT	EXISTING	DIVISION	YEAR	REPLACEMENT	AMOUNT
11	Ford Explorer	Sewer	2013	SUV Hybrid	52,059
17	Ford F-550	Sewer	2012	Work Truck Class 5	148,477
103	Deere Backhoe	Sewer	2012	Backhoe	200,105

(Submitted by Department of Public Works – Water & Sewer)

The Town Manager’s recommendation for Sewer Fleet Replacement is \$400,641 of which \$348,582 is proposed to be funded by Sewer Enterprise Fund Retained Earnings, and \$52,059 in the Tier 2 category.

COOKS BRIDGE SEWER PUMP STATION FEASIBILITY STUDY

This funding request supports a feasibility study for the potential replacement of the Cooks Bridge Sewer Pump Station. The current pump station is currently located by the playground of the Needham Housing Authority and is becoming unreliable and unsustainable. This feasibility study would look at other potential locations for the

replacement pump station as well as the possibility of switching to a gravity system. (Submitted by Department of Public Works – Water & Sewer)

The Town Manager’s recommendation for Cooks Bridge Sewer Pump Station Feasibility Study is \$54,000 funded by Sewer Enterprise Fund Retained Earnings.

SEWER SYSTEM INFILTRATION/INFLOW

This funding request supports the replacement of the existing sewer flow monitoring system. The current system detects potential inflow and/or infiltration issues in the sewer system. This current system requires unsustainable levels of maintenance. The new system will require fewer sustainment resources and introduce updated software. (Submitted by Department of Public Works – Water & Sewer)

The Town Manager’s recommendation for Sewer System Infiltration/Inflow is \$130,000 funded by Sewer Enterprise Fund Retained Earnings.

WATER ENTERPRISE FUND

CHARLES RIVER WATER TREATMENT PLANT HVAC UPGRADES DESIGN

The Charles River Water Treatment Plant is over 20 years old. The heating, ventilation, and air conditioning (HVAC) controls are at the end of their useful life. Some of the controls are no longer supported by the manufacturer, making repairs and maintenance difficult. Like the HVAC controls, the boilers are also approaching the end of their useful lives. Many of the parts needed to maintain the boilers are no longer manufactured, and they have become more and more inefficient. Adding to this problem, the setup of the boiler room makes it difficult to reach some of the equipment that is most in need of repair. Finally, the facility needs a dehumidification system, as the high levels of humidity in the warmer months can create unsafe working conditions for the staff and a potential for mold growth. This funding would be used to commission an outside engineer to analyze the boiler room and the entire HVAC system to determine the best plan to upgrade the outdated equipment and better utilize the existing space. The design phase will also explore opportunities for increased energy efficiency and additional electrification of the HVAC systems.

The Town Manager’s recommendation for Charles River Water Treatment Plant HVAC Upgrades Design is \$34,000 to be funded by Water Enterprise Fund Retained Earnings.

WATER SYSTEM DISTRIBUTION IMPROVEMENTS (SOUTH STREET)

This funding request supports the construction phase of the water main replacement on South Street from Charles River Street to Chestnut Street. This water main has a frequent breakage history that warrants its replacement to prevent future service disruptions and damage. 9,000 linear feet of the 16-inch water main will be removed and replaced. (Submitted by Department of Public Works – Water & Sewer)

The Town Manager’s recommendation for Water System Distribution Improvements (South Street) is \$6,500,000 funded by Water Enterprise Fund debt.

WATER SUPPLY DEVELOPMENT

This funding request supports the design phase of a proposed redundant well. A redundant well is critical to the long-term strategy for maintaining capacity in the Town's water supply from the Charles River Well Field. (Submitted by Department of Public Works – Water & Sewer)

The Town Manager's recommendation for Water Supply Development is \$595,000 funded by Water Enterprise Fund Retained Earnings.

WATER FLEET REPLACEMENT

UNIT	EXISTING	DIVISION	YEAR	REPLACEMENT	AMOUNT
21	Ford F-250	Water	2016	Work Truck Class 2 Pick-Up	90,074
846/78	Ford Escape Hybrid	Water	2011	Pick-Up	52,059

(Submitted by Department of Public Works – Water & Sewer)

The Town Manager's recommendation for Water Fleet Replacement is \$142,133 funded by Water Enterprise Fund Retained Earnings.