

Town of Harwich, Massachusetts

Capital Outlay Committee

Annual Report and Recommendations to

The Harwich Board of Selectmen

Seven-Year Capital Plan 2014 – 2020

December 2012

OVERVIEW

This Seven-Year Capital Plan is the first plan submitted to the Board of Selectmen under the new format of presenting the next fiscal budget year as its first year and the next six years thereafter (2014 – 2020). Its ease and simplicity makes for better viewing, planning and understanding. The Capital Outlay Committee has the task of reviewing not only departmental requests but also overall town requests for funding of capital amounts greater than \$50,000. The Committee has the responsibility to review the funding amounts and the actual time required for funding. It also must vote and recommend funding amounts for the next fiscal year in this report (2014). Both short-term and long-term requests are reviewed and hopefully placed in the plan in a timely way to show the impact on the Town's budget. Thus, we keep the funding demand curve as smooth as possible and avoid major highs and lows.

Report:

Capital Outlay Committee Members –

Richard Larios (Fin Com) - Chairman
Bob George (TA)
Christopher Harlow (BOS)
Joseph McParland (PB)
Bruce Nightingale (BOS)
Albert Patterson (Fin Com)
Peter Wall (TA)

This year saw a major change in membership. Our long-time member and Chairman, Pete Watson, resigned from the Committee. Under his leadership the Town of Harwich and its taxpayers have been able to benefit from his meticulous scrutiny of financial issues that may have impacted us all. We want to thank Pete for his contributions and wish him only the best.

The Committee would like to welcome Albert "Skip" Patterson as Pete's successor from the Finance Committee. The Committee also elected Rich Larios to sit as its new Chairman.

Many thanks also are extended to James Merriam, David Ryan and Linda Cebula for their continued support and knowledgeable advice during these perhaps troubling financial times.

FINANCIAL REVIEW

(NOTE: Please refer to Capital Plan to see exact funding amounts and funding year.)

Short Term (2014):

The Capital Outlay Committee has reviewed and recommended capital funding of \$5,066,700 for 2014 through methods of Free Cash, Capital Exclusion, Debt Exclusion and the Waterways Fund. Each funding methodology has been analyzed and will be implemented by the Town Administrator and Town Accountant with the support of the Committee and Board of Selectmen.

The 2014 Capital funding recommendations are as follows:

\$ 390,000	Fire Department
805,000	Public Works
1,125,000	Waterways/Harbors
144,200	Recreation
310,000	Community Center
392,500	Waste Water Management
<u>1,900,000</u>	Water Department
\$5,066,700	TOTAL

Long Term (2015 – 2020+):

In the framework of this Seven-Year Capital Plan, it is literally impossible to show any financial impact of requirements beyond 2020. However, the Capital Outlay Committee is extremely aware of and concerned about the capital requirements and financial responsibilities of the Town in obligations that may extend out some 40 years. Please review the attachments to understand potential future capital requirements generated by major capital projects.

Below are Capital projects that are long term and have major impact on Harwich:

1. Waste Water Management is projected at a cost of \$180 - \$230M over the next 30 – 40 years.
2. Monomoy Regional High School is a projected cost of \$20 - \$25M over the next 20 years.
3. Dredging the Town's harbors and waterways (cost/time TBD).
4. Community Center redesign and construction (cost/time TBD).
5. Water Department's funding for its water main project and new treatment plant (Northgate).

CAPITAL ISSUES

Beyond these "defined" long-term Capital projects requiring significant dollars over the years, the Capital Outlay Committee is concerned about the impact on continued capital needs of public safety and the ability to meet them. Also of concern are rising costs of maintenance on current capital assets of the Town. With the current financial and economic situation, the Committee continues to support the need for better maintenance to extend current lives of our assets. Before the Town invests in vital new construction, it must clearly demonstrate an ability to better maintain and manage its current infrastructure. This Committee recommends a continued review of Town's capital assets. Potential asset reuse or disposal may have a positive impact on the financial health of Harwich.

The Capital Outlay Committee continues to work with all funding requestors throughout the year. It plans to meet monthly, conduct financial discussions and visit any Town location that may seek capital financial funding. The Committee wants to ensure that all interests of capital funding that may impact Harwich are understood and evaluated to the highest level.

Attachments

CAPITAL PLAN FY 2014-2020	FY 14	COC	TA							
	Submittal	Recom.	FUND	FY2014	FY 2015	FY2016	FY2017	FY2018	FY2019	FY 2020
FIRE DEPARTMENT										
Urban All-wheel fire truc	325,000	NO								
Ambulance					240,000		240,000		240,000	
Fire Engine #68	390,000	YES	CE	390,000						
Main Station Roof Replacement								200,000		
Total Fire Department	715,000			390,000	240,000	-	240,000	200,000	240,000	
PUBLIC WORKS										
Highway Paving & Sidewalks (FY2013-FY2018 includes \$50,000 Sidewalks)	750,000	YES	DE	500,000	750,000	750,000	750,000	750,000	750,000	750,000
Route #124 upgrade/paving to Brewster	400,000	NO	Ch 90							
Vehicle Maintenance garage							600,000			
Vehicle replacements	305,000	YES	FC	305,000	238,000	281,000	395,000	285,000	245,000	225,000
Total Public Works	1,455,000			805,000	988,000	1,031,000	1,745,000	1,035,000	995,000	225,000
RECREATION										
Beach Parking Lots Paving	452,100	YES	FC	19,200	224,400	97,100	111,400			
Restrooms (Lond Pond, Sand Pond, Bank St)	400,000	YES	FC	125,000	150,000	125,000				
Total Recreation	852,100			144,200	374,400	222,100	111,400	-		
WATERWAYS/ HARBORS										
Multi-mission Patrol Boat	175,000	YES	FC	175,000						
Renovate/rebuild Harbormaster Office					250,000					
Saquatucket Commercial Loading Dock, Paving										550,000
Allen Harbor Bulkhead Replacement/drains	250,000	YES	CE	250,000						
Allen Harbor dredging Phase 2	600,000	YES	DE	600,000						
Allen Harbor Jetty Reconstruction							50,000			2,000,000
Allen Harbor Float Reconstruction										
Allen Harbor Parking lot paving							50,000			
Upgrade Allen and Wychmere Bathrooms							100,000			
Round Cove Inlet Dredging										
Round Cove Ramp Replacement								100,000		
Channel Dredging	100,000	YES	WF	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Saquatucket Basin Dredging					1,500,000					
Saquatucket Bulkhead Replacement/Maintenance									2,000,000	
Saquatucket Dock replacement					2,100,000					
Wychemere Town Dock Repair						100,000				
Wychmere new bulkhead at parking lot						150,000				
Wychmere outer Harbor Dredge									500,000	
Outer Herring River Dredging										
HerringRiver Ramp Replacement									100,000	
Total Waterways/ Harbors	1,125,000			1,125,000	3,950,000	350,000	300,000	200,000	2,700,000	2,650,000
CRANBERRY VALLEY GOLF										
Maint/cart storage demolition/replace					850,000					
HVAC/kitchen renovations					-			100,000	50,000	
Total Cranberry Valley Golf Course					850,000	-	-	100,000	50,000	-
WASTE WATER MANAGEMENT										
CWMP complete	210,000	YES	FC	210,000						
Phase 1: Muddy Creek Construction	182,500	YES	FC	182,500	1,750,000					
Hinckley's Pond Restoration	500,000	NO	N/A	-	500,000					
Cold Brook Natural Attenuation Study					100,000					
PB-3 Recharge facility land purchase					250,000					
Phase 2: Pleasant Bay (south) sewer Design		NO	N/A	-			3,500,000			
Waste Water Program Construction								18,800,000		

CAPITAL PLAN FY 2014-2020										
	FY 14	COC	TA							
	Submittal	Recom.	FUND	FY2014	FY 2015	FY2016	FY2017	FY2018	FY2019	FY 2020
Cold Brook Natural Attent. construction									2,000,000	
Total Waste Water Management	892,500			392,500	2,600,000	-	3,500,000	18,800,000	2,000,000	-
HARWICH HOUSING										
Multi-year land acquisitions										
Middle School Rehab. Predevelopment design										
Total Housing										
LIBRARY										
Library Roof							135,000			
Total Library							135,000			
Community Center										
Basement Phase 2 design	310,000	YES	CE	310,000						
Phase 2 Construction					3,300,000					
Phase 3 Pool Design						350,000				
Phase 3 Pool Construction							3,500,000			
Total Community Center	310,000			310,000	3,300,000	350,000	3,500,000			
Total Plan w/o Water Department	5,349,600			3,166,700	12,302,400	1,953,100	9,396,400	20,335,000	5,985,000	2,875,000
Water Department										
	Submittal	Recommend		FY2014	FY 2015	FY2016	FY2017	FY2018	FY2019	FY2020
Water Main Project	300,000	YES	WE	300,000	300,000	300,000	300,000	300,000	300,000	300,000
New Water Treatment Plant- Northgate	1,600,000	YES	WE	1,600,000						
Repaint Lothrop Water Tank							1,600,000			
Total Water Department	1,900,000			1,900,000	300,000	300,000	1,900,000	300,000	300,000	300,000
Total Plan with Water	7,249,600			5,066,700	12,602,400	2,253,100	11,296,400	20,635,000	6,285,000	3,175,000
MISC ITEMS < \$50,000										
	Submittal	Recom.		FY2014	FY 2015	FY2016	FY2017	FY2018	FY2019	FY 2020
Computers	29,200		OB	29,200	***					
Kitchen Equipment - Golf Club	15,000		OB	15,000	***					
Red River Revetment	30,000		FC	30,000	***					
Cape Tech Capital Facilities upgrade					????					
Funding:										
Free Cash (FC)				1,046,700						
Capital Exclusion (CE)				950,000						
Debt Exclusion (DE)				1,100,000						
Water Enterprise (WE)				1,900,000						
Waterways Fund (WF)				100,000						
TA funding not recommended (N/A)				-						
Operating Budget (OB)				44,200						
TOTAL				\$ 5,140,900						
				*** Included in Grand Total	\$ 74,200					

TOTAL EXCLUDED DEBT
(net of all reimbursements)

<u>Current Debt</u>	<u>Capital Plan</u> 2007-2037	<u>Combined Plan</u> and Debt Schedule	<u>Monomoy Debt</u>	<u>Total</u> <u>Impact</u>	
PRINCIPAL & INTEREST	PRINCIPAL & INTEREST	PRINCIPAL & INTEREST	PRINCIPAL & INTEREST		
\$ 3,444,794		\$ 3,444,794		\$ 3,444,794	2007
\$ 4,704,780		\$ 4,704,780		\$ 4,704,780	2008
\$ 2,553,272		\$ 2,553,272		\$ 2,553,272	2009
\$ 3,162,993	\$ -	\$ 3,162,993		\$ 3,162,993	2010
\$ 2,886,638	\$ -	\$ 2,886,638		\$ 2,886,638	2011
\$ 2,715,949	\$ -	\$ 2,715,949		\$ 2,715,949	2012
\$ 2,267,205	\$ 730,000	\$ 2,997,205		\$ 2,997,205	2013
\$ 1,745,469	\$ 2,439,860	\$ 4,185,329	\$ 405,483	\$ 4,590,812	2014
\$ 1,333,576	\$ 2,377,480	\$ 3,711,056	\$ 2,043,410	\$ 5,754,466	2015
\$ 1,265,402	\$ 2,439,860	\$ 3,705,262	\$ 1,999,938	\$ 5,705,200	2016
\$ 1,186,737	\$ 2,545,765	\$ 3,732,502	\$ 1,959,313	\$ 5,691,815	2017
\$ 1,140,491	\$ 2,974,720	\$ 4,115,211	\$ 1,918,688	\$ 6,033,899	2018
\$ 1,098,033	\$ 4,278,875	\$ 5,376,908	\$ 1,878,063	\$ 7,254,971	2019
\$ 986,266	\$ 5,131,150	\$ 6,117,416	\$ 1,837,438	\$ 7,954,854	2020
\$ 907,188	\$ 5,109,185	\$ 6,016,373	\$ 1,796,813	\$ 7,813,186	2021
\$ 712,131	\$ 4,711,340	\$ 5,423,471	\$ 1,756,188	\$ 7,179,659	2022
\$ 562,820	\$ 4,444,495	\$ 5,007,315	\$ 1,715,563	\$ 6,722,878	2023
\$ 541,213	\$ 4,009,650	\$ 4,550,863	\$ 1,674,938	\$ 6,225,801	2024
\$ 523,613	\$ 3,760,025	\$ 4,283,638	\$ 1,629,394	\$ 5,913,032	2025
\$ 506,013	\$ 3,341,400	\$ 3,847,413	\$ 1,588,931	\$ 5,436,344	2026
\$ 488,413	\$ 3,239,175	\$ 3,727,588	\$ 1,548,469	\$ 5,276,057	2027
\$ 470,813	\$ 3,159,350	\$ 3,630,163	\$ 1,508,066	\$ 5,138,229	2028
\$ 297,113	\$ 3,079,525	\$ 3,376,638	\$ 1,467,544	\$ 4,844,182	2029
	\$ 2,949,700	\$ 2,949,700	\$ 1,427,081	\$ 4,376,781	2030
	\$ 2,871,875	\$ 2,871,875	\$ 1,386,619	\$ 4,258,494	2031
	\$ 2,794,050	\$ 2,794,050	\$ 1,346,156	\$ 4,140,206	2032
	\$ 2,716,225	\$ 2,716,225	\$ 1,305,694	\$ 4,021,919	2033
	\$ 2,638,400	\$ 2,638,400	\$ 1,265,231	\$ 3,903,631	2034
	\$ 2,560,575	\$ 2,560,575	\$ -		2035
	\$ 2,100,250	\$ 2,100,250			2036
	\$ 1,861,600	\$ 1,861,600			2037
	\$ 1,598,200	\$ 1,598,200			2038
	\$ 608,000				2039
					2040

**Table 13-13
Details of Phasing Plan Costs by Phases 1-8**

Capital Outlay Committee - Requirements for CWMP		
2013 Funding Request	Phase 1	Total = \$2,550,000
1	\$250,000	For PB-3 Recharge Facility Land Purchase
2	\$500,000	For Hinckleys Pond Restoration
3	\$100,000	For Cold Brook Attenuation Study
4	\$1,700,000	For Muddy Creek Attenuation Bridge Project
2016 Funding Request	Phase 2	Total = \$24,300,000
1	\$22,300,000	For Design and Construction of Pleasant Bay Collection System (South)
2	\$2,000,000	For Cold Brook Attenuation Construction Project
2021 Funding Request	Phase 3	Total = \$21,010,000
1	\$12,600,000	For Construction of Pleasant Bay Collection System (North)
2	\$8,110,000	For Design and Construction of Chatham WPCF Upgrade
3	\$300,000	For Seymour Pond Restoration
2026 Funding Request	Phase 4A	Total = \$34,400,000
1	\$34,400,000	For Design and Construction of Harwich Treatment Facility HR-12
2029 Funding Request	Phase 4B	Total = \$22,300,000
1	\$22,300,000	Design and Construction of Herring River Collection System (Northeast)
2033 Funding Request	Phase 5	Total = \$23,200,000
1	\$23,200,000	For Design and Construction of Herring River Collection System (Northwest)
2038 Funding Request	Phase 6	Total = \$21,200,000
1	\$20,700,000	For Design and Construction of AWS and Herring River (SE) Collection Systems
2	\$250,000	For Bucks Pond Restoration
3	\$250,000	For John Joseph Pond Restoration
2043 Funding Request	Phase 7	Total = \$47,200,000
1	\$26,500,000	For Design of Harwich WWTF Upgrade and Design and Construction of Herring River Collection System (Southwest)
2	\$20,700,000	For Construction of Harwich Treatment Facility Upgrade
2048 Funding Request	Phase 8	Total = \$33,900,000
1	\$33,900,000	For Design and Construction of Campground Area, GSL and Final PB Area to Meet TMDL
Total Funding Request	Phases 1-8	Total (rounded) = \$230,000,000

Table 13-14
Timeline for Phasing Plan Costs by Phases 1-8

Phase	Fiscal Year	Duration (years)	Amount
1	2013 to 2015	3	\$2,550,000
2	2016 to 2020	5	\$24,300,000
3	2021 to 2025	5	\$21,010,000
4A	2026 to 2028	3	\$34,400,000
4B	2029 to 2032	4	\$22,300,000
5	2033 to 2037	5	\$23,200,000
6	2038 to 2042	5	\$21,200,000
7	2043 to 2047	5	\$47,200,000
8	2048 to 2052	5	\$33,900,000
Total Program	2013 to 2052	40	\$180 Million to \$230 Million