

MINUTES

TOLLAND TOWN COUNCIL

SPECIAL

HYBRID MEETING

February 8, 2024 – 7:00 P.M.

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Katherine Stargardter

Present: Katherine Stargardter, Chair; Jacob Marie, Vice Chair; Jennifer Buckler, Chris Moran, Joseph Sce, Colleen Yudichak

Members Absent: Alexander Noonan

Also Present: Lisa Hancock, Director, Finance & Records; Mike Wilkinson (Zoom), Director, Administrative Services; Brian Foley, Town Manager, Scott Lappen, Director, Public Works; Carl Dojan, Assistant Fire Chief, Tolland Fire Department; John Littell, Fire Chief/Director of Public Safety; Walter Willett, Superintendent, Tolland Public Schools (Zoom)

Barry Bernabe

1. **Call to Order:** Ms. Stargardter called the meeting to order at 7:04PM.

2. **Public Hearing Item**

2.1 Consideration of the Proposed 5-Year Capital Improvement Plan

Mr. Foley reviewed the presentation.

Town of Tolland

FY 2024-2025 through 2028-2029 Town Manager's Five-Year Capital Plan, February 8, 2024

- Capital Budget
- What Is a Capital Item?
- Capital Budget Planning Process
- Types of Funding Methods
- Year 1 Capital Budget Summary FY 24/25
- FY24-25: Town of Vernon Water Pollution Control Plant Upgrade; Total Amount \$164,906
- FY24-25: Significant Capital Projects Funded by the General Fund; Total Amount \$397,395
- FY24-25: Significant Capital Projects Funded by Non-Referendum Bonds/School Construction Grants
- FY24-25: Significant Capital Projects Funded by Other Sources
- Significant Projects in Years 2-5 by All Sources; Year 2
- Significant Projects in Years 2-5 by All Sources; Year 3
- Significant Projects in Years 2-5 by All Sources; Year 4
- Significant Projects in Years 2-5 by All Sources; Year 5
- Past 5 Year General Fund Capital Contributions
- FY24-25 Capital Plan by Program Area
- FY24-25 Capital Plan by Funding Source
- Tolland Debt Management Plan Schedule 2024-25 Through 2028-2029
- Budget Schedule: Important Upcoming Dates

Questions Regarding Year 1

Mr. Marie asked about the \$790K vs \$4M (Streets and Roads, Road Improvements \$790K). Ms. Hancock explained that the last referendum item for this was in 2018. They were trying to do at least \$1M in road improvements each year by using bond funds, LOCIP, or other funds to reach \$1M/year or \$5M in total. Given the allocation, it was able to be pushed out 5-6 years. This is the final year of the \$5M. As of the end of 2023/24, \$4.2M has been spent. Next year, they will request that the Council go out to referendum for additional road funding. Ms. Hancock noted that the cost has substantially increased. Mr. Foley noted that there are 123 miles of roads, and they can do 3 miles for \$1M. While costs have increased, the town's spending has been level. Mr. Marie asked if the pavement software provides information about the age of the road. Mr. Lappen explained that the software assigns a pavement condition index (PCI). The goal is to get all roads up to 70 and new roads (100) have a life expectancy of 18-20 years, but it varies depending on the location. Ms. Stargardter asked if the year the road was improved is part of the equation. Mr. Lappen explained that that information was not available when the engineering firm initially came to do the analysis. They look at longitudinal and latitudinal cracks, alligator cracking, etc. and do core tests to learn how much pavement remains. Mr. Foley noted that cracks in roads lead to increased salt in the immediate area, so they try to do a lot of repairs as well. Mr. Marie noted that at the next Council meeting there is an item for the Road Salt Task Force and the consultant. He asked if it makes sense to put a higher number in the capital budget based on what they are seeing from the consultants. Ms. Hancock responded that it depends on how much further the Task Force will move and what will be encountered for expenditures. They would need to return to the Council if the \$50K is insufficient, similar to what will happen next week.

Ms. Yudichak commented that it is a shame that the ADA walkway ended up in the capital plan because now it will cost taxpayers more vs. if it had been addressed with ARPA funds. It was important to the group, and it is sad what happened and how it happened.

Ms. Yudichak asked why the Parks Facility Improvement Project is still in the capital plan. Ms. Hancock explained that they tried to pull out items that were approved by ARPA. This item was recently approved and not pulled out in time, but an appropriation is in place. The project can be taken out toward the end or left and July 1st it will go forward.

Ms. Yudichak asked how much the ADA walkway will cost now that it is in the plan. Ms. Hancock responded that she does not have the interest expense impact, but it is in the new debt management plan. The \$1.2M approved for the Parks Facility Improvement Project is out now and so there will be at least \$504K in savings from this but some will be eaten by the \$400K (ADA walkway) that needs to go back in. There are still significant savings.

Mr. Sce asked if there is any documentation that shows how much money they receive from each of the Alternative Sources of Funding annually. Ms. Hancock referenced the Year 1 Capital Budget Funding Categories table. Mr. Sce asked about the pavement funds and Ms. Hancock confirmed that this is what was received for the year. Ms. Hancock reviewed the table. It shows the initial balances, the projects, and what is expected to remain at the end of the fiscal year. She noted that the starting number of the following fiscal year may not match the ending number because items such as interest earnings will be added. Ms. Stargardter explained that every year the Annual Comprehensive Financial Report has a complete audit of each fund with information on what was spent during the fiscal year and the ending balance. Mr. Sce asked if there is a reconciliation between the projections and actuals. Ms. Hancock responded that when they build the capital plan, they ensure the starting numbers are correct and estimate future years. Each year, this is reconciled. Mr. Sce commented that he would like to review this for large variances. She noted that in terms of projects, they would never spend more than what is

appropriated. Anything left over is turned back. Ms. Hancock explained that if funds are allocated but the full amount is not spent, depending on what fund provided the funds, the remaining money will go back to that fund except for remaining funds from a project funded by the general fund. These go to the CNRE given the ordinance in place. For example, \$700K may be in a fund separate from the capital plan. If \$300K is allocated toward projects, then \$400K should remain in the fund. This is where the audit comes into play and it is reconciled at year end so when they start the next capital plan, the beginning number is the actual number including interest or other funds that went in after the capital plan was adopted. Ms. Stargardt explained that if an item goes over, it is presented to the Council. Ms. Hancock noted that they cannot spend more than is approved in the budget.

Mr. Sce requested a listing of the town's vehicles other than highway trucks etc. Mr. Foley noted that he has a detailed sheet with this information that can be shared. Ms. Hancock noted that not all of the vehicles are replaced with new ones. Used vehicles are passed down through the system/town. A brief discussion took place regarding the Fire Chief's vehicle which is now being provided by the town. Formerly, it was supplied and replaced by the Tolland Fire Corporation and passed down. Technically, it was owned by the Corporation but used for town business.

Mr. Sce asked if the engineering report regarding the road conditions looks at the cause of wear on the roads i.e. water flow. He asked if anything is in the budget to reengineer a road if needed to increase its longevity. Mr. Lappen responded that the same pavement budget is used, and issues are addressed.

Mr. Moran noted that there are a few items in year 1 for the BOE that sum to over \$500K that were not previously included and asked why they are in year 1 now. Dr. Willett reviewed the items. When they did the capital plan, they were also applying for round 6 of the School Security Grant and the Board felt that some items were very high priority (\$226,561). The \$296,979 is to for the remaining paving at TMS. The other portions were completed over the past 18 months, and it is best if all of the paving is around the same age. The \$62,521 for the THS dishwasher is necessary due to its age and lack of availability of parts. If it were to break down and parts are not available the cafeteria would need to be shut down due to health standards. Mr. Moran asked if the safety items will be funded by the grant. Dr. Willett explained that they are applying for the next round. If awarded this could be funded. Ms. Hancock clarified that if the grant is awarded, the debt would not be issued. She explained that there may be a slight variance in the numbers due to the requirements when bonding. Ms. Stargardt asked about the grant, and if it is feasible that if awarded that this could be taken off the spend for next fiscal year. Dr. Willett responded that he is unsure about the timeline. Ms. Stargardt asked about the reuse of the capital plan funds due to the cancelled BOE oven and steamer. Ms. Hancock explained that the \$40K for the 2 items was approved and part of the capital plan. It was not a bond issue. The Board cancelled these 2 items and Ms. Hancock recommended reusing the money. Dr. Willett explained that this project was cancelled because after further research they learned that installation would not be cost positive for what would be achieved. If possible, they would like to pivot the funds toward what the Board feels is most important. Ms. Stargardt confirmed that the funds were allocated and now will be reallocated. Ms. Hancock noted that the money is sitting in the capital projects fund and would be transferred once approved.

Ms. Stargardt commented that for year 1, the contribution to the capital plan from the general fund is almost \$400K. Previously, less was contributed. Ms. Hancock noted that for the next 5 years the number is stable in order to start building in more pay-as-you-go. Additionally, many of the items cannot be funded elsewhere. She is proposing using \$78K from the Municipal Tax Stabilization fund for the next 3-5 years. It would go into the general fund, and this would offset the mill rate. In this way, the reserves would be used to help save taxpayers money and would be part of the operating budget. Thus, there

would be a stabilized impact where the amount of the general fund contribution would be close to \$400K. The biggest piece of this would be for the water pollution control payment.

Ms. Stargardter noted that she submitted additional questions.

[Those questions with the responses are Attachment 2.1.]

Ms. Stargardter asked about the turf field. It was in the capital plan for 2026/27 and is not in the 5-year plan. He went with Dr. Willett, Mr. Sztaba, and Mr. McCluskey to examine the field last year and it is in good shape. Provided that maintenance and upkeep are done, it can be put 6 years out. Mr. Lappen explained that when it was first put in the plan it was done based on the manufacturer's end-of-life expectation of 10 years. Some areas could use some patching but overall, it is not in bad shape. Ms. Stargardter thanked the town for the efforts to maintain it. It is a great example of how investing in maintenance can save the town money in the long run. They are now able to get extra years out of the field.

Ms. Stargardter asked if it would be a problem if they commit to bonding in year 1 for the sidewalk if the project cannot be moved forward before the end of FY25 since they do not yet have information on a timeline. Ms. Hancock explained that it depends on how long the project is delayed. Usually, one has 3 years to start a project and depending on the level, there are different timeframes for completion and spend down requirements.

Ms. Stargardter requested that they discuss bonding next.

Bonding

Mr. Foley noted that the town contracts out for financial advising, specifically debt, and they are pleased with their consultant Barry Bernabe and the management of debt. [Mr. Bernabe was in attendance via Zoom].

Ms. Hancock reviewed the Tolland Debt Management Plan Schedule 2024-25 through 2028-2029 and how the debt and general fund budget may look over the next 5 years. Several years ago, they set up a separate debt service fund that includes proceeds from premiums on bond sales. In FY 24/25, the debt cost would be \$5,092,491 and \$4,700,000 is budgeted leaving a shortfall of \$329,491. The funds set aside in the debt service fund will be used to offset the differential so they will not need to increase the general fund budget and impact taxpayers. Ms. Hancock reviewed FY 25/26 through FY28/29. During this span, they will have more money in the budget budgeted vs. the actual debt. When this process started the goal was to stabilize the impact on the mill rate and general fund budget as well as get to the point when debt starts falling off the books to reallocate some of the savings (decreases in debt) to pay-as-you-go. Ms. Hancock reviewed the scenarios.

Mr. Bernabe reviewed the following presentation.

Proposed Debt Management Plan, Fiscal Years 2025 to 2029; February 8, 2024; (Presented by Barry Bernabe)

- Executive Summary
- Long-term Interest Rates – Past 55 Years
- Short-term Interest Rates
- Town Bond Ratings
 - Major Rating Assessment Categories
- Existing Debt Service

- The Proposed Debt Issuance Plan – Assumptions
- Projected Impact of the Proposed Capital Plan on the Debt Service Budget
- Summary Points

Mr. Bernabe noted that the town is well-positioned financially from a bond rating standpoint and the new debt is not projected to have any material impact on the town's current debt budget.

Ms. Buckler asked if there is a list of projects covered by the debt. Ms. Hancock explained that it is in the debt management plan year by year. The budget book contains year 1. As part of the capital plan, they will see how it is funded by debt but in the debt management plan it is presented a little differently because debt is issued based on when the cash flow is needed. Ms. Buckler commented that in the BOE budget, there is about \$650K in debt payments for energy costs. Ms. Hancock explained that this expenditure is not part of this plan. It was an ESCO project many years ago. About \$10M was issued in debt to create efficiency and make improvements for the BOE and the town. The savings generated pay for the debt. This is why it is in a different fund. Ms. Buckler asked if it could be moved to the capital plan. Ms. Hancock responded that it cannot be. The Council could discuss the debt payments in the future, but the plan was to always have it as part of the utility account. Ms. Stargardt confirmed that the savings are not covering the costs. Ms. Hancock explained that the savings ran a little short and it was going to cost the town more money for a measurement evaluation process than it would have received. There was a settlement with Honeywell. In addition, they refinanced and restructured the equipment lease payment process which resulted in savings. This also stabilized the amount that needs to be budgeted every year. Both the town and the BOE deposit the money into the utility fund and are still saving money. She noted that 96% of the project was under the BOE with the other 4% belonging to the town. Both the town and the BOE pay their share from their operating budgets, and it goes into the utility fund at the beginning of the fiscal year and is utility cost. Ms. Hancock confirmed that this is the only debt the BOE pays out of its operating budget. Ms. Buckler asked if the town could take on paying the BOE share. Ms. Hancock noted that anything is possible. It depends on what the town and the BOE agree upon. If the town were to start paying for it, it would be the Council's budget and would have a significant impact. A lot would need to be discussed to take on such an annual payment and something that would have to give elsewhere such as a reduction to the BOE side where they would no longer budget for it. When making such decisions, other items on the state level would come into play such as the MBR as well.

Mr. Moran confirmed that there is a \$25K shortfall that is not being recouped. Ms. Hancock explained that this is why they received a settlement. Mr. Moran asked if the BOE pays the \$696K. Ms. Hancock explained that it pays a portion of it. The details are included in the Board's budget book.

Mr. Marie asked if any ordinances govern the debt management plan schedule. Ms. Hancock noted that it is a Council decision and depends on its goals. One of the Council's goals is pay-as-you-go and this would be one way to reach it.

Mr. Sce asked if pay-as-you-go would go into the reserve fund. Ms. Hancock explained that the recommendation is that it go to the CNRE and there is an ordinance that guides the use of the fund. Ms. Hancock noted that state statutes allow them to invest the funds in certain, secure products and the town does so. Mr. Sce commented that the CNRE is earning interest and asked why they are not paying off debt if the interest that is earned is less than what is being paid on debt. Ms. Hancock explained that there is not enough money to cover the debt. It has been used as an emergency fund and where possible,

may be used for pay-as-you-go projects. The fund's balance has ranged from \$200K-\$700K. Ms. Hancock noted that in terms of paying down debt, it is not like a home mortgage where you can pay toward the debt. When bonds are issued, investors buy the bonds and there are legal limitations and IRS regulations that come into play. Mr. Sce noted that they could use money from the fund so less would need to be borrowed. Ms. Hancock noted that this is what she is proposing for when debt starts falling off. The funding sources in future years' capital plans may change based on this. Mr. Bernabe noted that it rarely works as well as it does in Tolland where a town can borrow over \$26M and essentially not increase the debt service budget. He congratulated the town on issuing debt the right way, having a high bond rating, and planning debt into the future.

Mr. Sce asked if the referendum funding presented has gone through. Ms. Hancock responded that it depends on the project. In terms of non-referendum debt, at the end of June a bonding resolution to fund the projects in year 1 will be presented to the Council and at the first meeting in July it will be voted upon. Once approved, the bonding authorization is then in place. Future years work the same. Currently, the only authorized bonding in the plan is for the roads. This was approved in 2018. Mr. Sce asked about the difference between referendum bonding and non-referendum bonding in year 2 and beyond. Ms. Hancock explained that non-referendum bonding, up to 5% of the current tax levy, may be authorized by the Council. Anything more would have to go to referendum. She noted that timing is imperative.

Questions regarding Year 2.

Mr. Marie asked how often the UTV is used. Chief Littell reviewed some examples of its use including searches and brush fires. Its life expectancy is 10-14 years.

Mr. Sce asked about the THS roof and its estimated life and repairs. Dr. Willett explained that the warranty will expire in 2026 and regular maintenance is performed. If they do not replace the roof there could be an impact from leaks on items such as indoor air quality, possible insurance claim, and building safety. Dr. Willett noted that he spoke with Mr. Sztaba who has some concerns and wants to be proactive rather than reactive. Mr. Sce asked about what the warranty covers. Dr. Willett believes it only covers the roof and materials.

Ms. Stargardter commented that in year 2 they are moving from approximately \$1M annually for road improvements to \$1.4M. She asked if they would have 40% more roads covered. Mr. Foley explained that initially, \$1M covered 5 miles of roads. Now, \$1M only covers 3 miles. Mr. Lappen requested \$1.7M/year to keep up with the road improvement schedule. Mr. Foley noted that he brought it to \$1.4M. Ms. Stargardter explained that that the note is to bond for \$5M. Ms. Hancock explained that it should be \$7M (\$1.4M over 5 years). Ms. Stargardter asked if the decision as to how much they commit to or bring to referendum has to be made in the current budget cycle. The Council should discuss if it wants to stay at \$1.4M or go to \$1.7M. Ms. Hancock explained that this would be the time to have the discussion before it goes into the public document. She expressed concern that otherwise it would be misleading if \$1.4M is proposed during the budget process and \$1.7M is brought to referendum in November; however, legally it can be done. The number would need to be firm by August. Mr. Lappen noted that it is unlikely that 40% more roads will be done due to the escalation in cost of doing the jobs.

Ms. Stargardter asked Mr. Lappen if the plan presented to address roads with the funds is a reasonable and adequate approach to addressing the roads and if Mr. Lappen is comfortable with the pace of working toward the goal of 70%.

Mr. Lappen responded that he is.

Questions Regarding Year 3

Mr. Marie commented that almost \$1M seems high for the building at Crandall's. Mr. Foley explained that it is a rough estimate. They will be looking at a prefabricated building and there may be plumbing and other items that will need to be addressed.

Mr. Marie asked if the ability to wash the undercarriages of vehicles has been taken into consideration in the vehicle list in terms of life expectancy. Mr. Foley explained that it will take a while, but they hope to see the benefit. Mr. Lappen noted that the vehicles are being cleaned after every use.

Mr. Moran asked how the town plans for the dollar amounts in years 3+. Mr. Foley explained that they get rough estimates but typically do not get an engineering estimate. Ms. Hancock explained that it depends on the project. They sometimes use the eziQC process for a cost estimate. Mr. Foley explained that with the new engineer they want to have projects in their pockets for the plan and in case grants avail themselves.

Questions Regarding Year 4.

Mr. Sce asked about the \$210K for LED lighting for Crandall's. Mr. Foley noted that a local company provided the estimate. Significant structures and software are involved. They cannot just change out the bulbs. Mr. Sce asked if the same company that promised energy savings is the one telling them to do the project. Mr. Foley noted that they only requested an estimate, and the town approached the company.

Ms. Stargardter asked if an ambulance lasts 5 years, and the plan is to replace one of the new ambulances that is on order, then why is there one in year 4. She noted that she has the same question regarding the one in year 5. Chief Littell explained that they did not have a VIN number when the plan was drafted and will revisit the timeline when more information is available. Mr. Foley explained that it is a placeholder given the volatile situation. Ms. Stargardter noted that she is in favor of having the appropriate ambulance equipment needed in town and appreciates the proactive thought. It is clear that they will be on top of scheduling ambulances appropriately and ensuring that they hopefully get replacement ambulances in the correct schedule. Mr. Foley explained that as part of the capital process, Mr. Lappen and Chief Littell have to come up with an apparatus review where they go over everything they have, decide if it is needed, and when it will be replaced etc. Ms. Stargardter commented that she was reassured that there is a process in place to consider the appropriate timeline to order new ambulances.

Questions Regarding Year 5.

Mr. Marie asked about the escalation factor for inflation going out to 5 years. Mr. Foley explained that it depends on the project. Mr. Lappen explained that they estimate 7% for smaller trucks and 10%-15% for larger trucks per year and the lead time to receive trucks is now about 18 months.

Ms. Stargardter noted that on weekends the tennis courts are full and asked if they can get a general sense over the next 4-5 years on their use. Mr. Foley noted that he will monitor it.

Ms. Yudichak asked Ms. Hancock if there is a policy on the different funds. Mr. Sce added information on the funds' sourcing etc. would be useful as well. Ms. Hancock noted that information is available in the budget book, and they can create a list and see what needs to be updated. Ms. Stargardter noted that this is something they can discuss after the budget.

Mr. Marie commented on the capital plan presentations and noted that it would be helpful to include the previous year's capital budget in the packet. Ms. Hancock noted that they are available online.

Mr. Marie motioned to open the public hearing on the 5-Year Capital Plan.

Ms. Buckler seconded the motion.

Discussion: none

All in favor. Motion passed unanimously.

George Ulrich, Fish and Game Road, asked how a 2007 loader that is going to be replaced in 2027 has a 10-year replacement need. This is 20 years. *Mr. Foley responded that they extend the life of equipment but need to plan for it in case it needs to be replaced.* Mr. Ulrich commented that they should order the next ambulance and noted that the one on order has not yet arrived and they should not wait until 2027/28. He asked why companies are not improving their lines to make equipment more quickly. *Ms. Stargardter explained that 2 ambulances are on order. One was ordered several years ago and the other a year later. The goal is to have 2. Things have sped up but with the multiple year national ambulance shortage, it will take multiple years to catch up. It is a nationwide issue that started with COVID-related shortages. The town is very frustrated with the situation and this is why a backup ambulance is in operation - to ensure public safety has the needed apparatus. She does not believe ordering an ambulance now is the proper way to schedule the 5-year life span expectancy of ambulances. They need to wait for the next one to arrive before thinking about ordering another one.* Mr. Ulrich commented that he believes it is a scheme to raise prices and believes that at this rate the ambulance will not arrive for 7-8 years. *Ms. Stargardter commented that they are monitoring this closely.* Mr. Ulrich spoke regarding the schools and the budget and commented that no one has mentioned anything about improvements for TIS. *Mr. Foley noted that they did some last year.* Mr. Ulrich commented that he was told a few years ago that TIS would be closing between 2025 and 2027 and asked for an update. *Ms. Stargardter responded that based on the current and projected population of the schools this is not part of the current discussion.* Mr. Ulrich commented that they have gone from 3,000 students to 2,100 students. *Ms. Stargardter commented that there are more than 2,100 students now.* Mr. Ulrich commented that the town's population has decreased so it will not go far. *Ms. Stargardter commented that the projection is that the school population will have slight increases in the next 5-10 years.* Mr. Ulrich asked when the sidewalk project would be starting and if there are bids. *Mr. Foley responded that he wishes he had an answer, but it is tied up in litigation.* Mr. Ulrich commented that they should try to shorten the time to do the roads. Every year it will cost more. *Ms. Stargardter noted that roads are an ongoing maintenance item, and the cost will never go away.* Mr. Ulrich asked if anyone has found out why the town cannot add sand to road salt. *Ms. Stargardter explained that sand adds other environmental contaminates. It was discussed at a meeting with DEEP. Sand has a different and substantial impact compared to salt.* Mr. Ulrich commented that it seems hard to imagine that dirt is worse for the environment than chemicals. When it gets cold, salt does not work anyway so they might as well put some sand on it to get some traction. It took 8 days for his road not to have ice on it. Only one side of the road was cleared. Mr. Ulrich commented on moving funds from the school to the town and that either way, either he pays, or he pays. He does not care what fund it comes from.

Mr. Moran motioned to close the public hearing.

Mr. Sce seconded the motion.

Discussion: none

All in favor. Motion passed unanimously.

3. **ADJOURNMENT**

Mr. Marie motioned to adjourn the meeting at 10:16PM

Mr. Moran seconded the motion.

Meeting was adjourned without objection.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lisa A. Pascuzzi".

Lisa Pascuzzi
Town Council Clerk

Town Council Chair

From: Brian Foley
Sent: Wednesday, February 7, 2024 12:53 PM
To: Katie Stargardter; Jacob Marie
Cc: SaraBeth Nivison; Ann Furey
Subject: q n a

Follow Up Flag: Follow up
Flag Status: Flagged

- Where is the turf field replacement? For the FY24 capital plan, it was in year 4 (26-27). It's not on this 5-year plan.

The Town Manager pushed the project out to future years beyond the original replacement plan as he felt that it did not need replacement within these five years. DPW and school staff will continue to monitor and make repairs as needed. Likely, we will look to have it in year 6.

- What is the impact to the capitol plan if we want to add \$400k for sidewalks on the Green in FY26?

There is available non-referendum bond funding in year 2. If moved to year two it would not change our current debt management plan funding level in year one. It might slightly push out the debt payments in future years. The only issue, is that the project would not be able to be started in year 1 if it were allowed to proceed.

- Why are we replacing Old Cathole Rd tennis courts when we just refurbished them in 2022?

The courts at Old Cathole Road were patched. Sticky tape was placed over the worst cracks and the top was sealed. This was a band-aid method of repair to hopefully extend the life of the courts, until they could be properly replaced. Cracks that were not patched have since expanded and new cracks have formed. These courts are past useful life and simply need to be replaced. These repairs were made as a part of the overall STEAP funded projects to repair/replace both Crandall's and Old Cathole Rd. courts.(Projects initiated prior to my arrival)

- Lots of BOE items on Y1 of this proposal that were NOT on the previous capital plan totaling ~\$600k

These projects are decided upon by the Board of Education Capital Committee. The Superintendent of Schools would need to comment as to why they added them now. I have sent him and Peter an email to see if they can respond with the reasons for the additions. Looks like a lot of security is being addressed. (See below)

\$226,561 are safety and security items that when we did the capital plan we were also applying for round #6 of the School Security Grant. These are items that the Board felt were a high priority therefore they were placed in the ASAP category.

\$296,979 is to complete all the remaining paving at Tolland Middle School. The other portions of the school were completed over the last 18 months therefore it would make sense to have a "similar" age to the paving on the campus which would make it easier to tie into the recently completed, make it easier to plan for replacement in the future (as everything would basically be the same age) and old paving will actually start to tear apart the transitions between new and old the longer we wait to replace the old. Lastly, \$62,521 is for replacement of the Tolland High School dishwasher as recent reports from the Food Services Department are that parts are becoming obsolete for that specific unit and repairs are becoming more and more prevalent. At some point we will come across a part we may not be able to replace rendering replacement necessary.

- **Capital equipment truck #21 now \$264,000 in FY26, was \$75k for FY25 or 252% increase**
Truck #21 – This piece of equipment was originally planned to be refurbished which is a process where the cab and chassis are stripped of all of the corrosion, sealed and repainted along with any failing parts being replaced. Then a brand new body is put on the chassis. Further evaluation as the truck moved closer to being repaired showed that the two part frame had begun to split apart due to corrosion. We are left with no choice but to replace the vehicle in its entirety. ** The report from MRI strongly recommended not refurbishing this vehicle as well. The life expectancy according to the report for this type of vehicle is 10 years, when we replace this it will be approaching 17 years old. (I crawled under truck and saw the splitting frame, consistent with corrosion. This is an old truck, with much of its life coming before we had undercarriage washing)

Other questions/observations:

1. **Town Admin: Light duty vehicle replacement: reductions for town, increases for BOE. What's going on here?**

Each year we try to make allowances for replacement costs and also to make up for use of funds if the replacement vehicles have had higher costs. These could possibly change from year to year based on the financial needs for replacement. These are estimates. We review and recalculate each year. The BOE had extended the replacement of their utility vehicle and the cost to replace in the future will be higher because the cost of the new vehicle was higher.

2. **Town Admin: Servers at town hall went up \$20k or 40%. Why?**

Inflation. We actually received quotes for \$45,000 each but were able to get lower quotes from other vendors. This is the estimated replacement cost at this time. The cost in last year's budget was what had been originally provided by IT staff and was underestimated.

3. **Town Admin: Switch replacements are new to this plan over \$200k in years 3-5. Why are these being added to the capital plan?**

I had many questions on this as well. I had already asked SW IT to answer. Their response is below. This response covers all the IT requests including the needs for switches. This equipment is reaching the end of their useful life.

Year 1 – FY 24-25:

2 servers: this is the hardware that runs all of the town's virtualized servers. Email, file, print, user drives, etc. The PRIMARY lifespan of one of these servers is 5 years. After the 5 year period, we replace the servers and repurpose the older servers to secondary use, such as backup servers, offline file storage, and test units. This way we still get a good 10 years use out of the equipment while still making sure our front line servers are all running on modern hardware.

Year 2 – FY 25-26:

No IT needs budgeted

Year 3 – FY 26-27:

Aruba 6300M (JL658A) – Three Core Switch Replacements: These are the main switches that handle all intersite (between building) network traffic in town. One lives in the Town Hall, one in the FTC, and one in the HS. They are on a fiber ring that provides redundancy to our buildings, if the fiber path from the HS to the TH is interrupted by, for example a tree falling on the fiber, the system uses modern routing protocols to change the direction of traffic to go around the other side of the ring. The existing network switches providing this service are already close to 10 years old and finding replacement parts for them is exceedingly difficult now. This expenditure is split between Years 3 and 4

Aruba 6300M (JL662A) – Nine 48 port distribution switches: These provide connectivity from the core switch ring to the end devices (desktops, printers, Wireless Access Points, etc). Again, the switches currently in place are close to 10 years and need to be replaced.

Laserfiche – Document management system. Scott can speak to the utility of this more than I can, as I don't work with it normally.

Year 4 – FY 27-28

Aruba 6300M (JL662A) – Continued from year 3.

Aruba 6300M (JL662A) – Seven 24 port distribution switches: These, like the 48 port switches in years 3 and 4, connect end devices to the core network. They are a smaller unit, 24 port vs 48 port, and are for networking closets that don't need the full 48 ports, such as some of the fire houses that don't have as many end devices.

Year 5 – FY 28-29

Aruba 2930F (JL258A) – 8 port switches for outlying network locations that only need one or two devices. Phones and alarm/hvac connectivity in Cell Towers, Dog Pound, etc.

Summary: The core networking and distribution switches all were installed before I started here in 2016. They are currently operational but when they start to break down finding parts for them is nearly impossible. In another town had the same model of core switches as we use in Tolland and when lightning struck and fried a line card in the core switch it took MONTHS to procure a good replacement, and had to rely on donated equipment from the board of ed to get the system back up and running properly. The servers are a required update as hardware needs increase with every new operating system release, and we can't NOT update the windows systems as Microsoft stops releasing patches for deprecated systems. Windows Server 2016 will be end of support around the time we are replacing the server hardware and unsupported operating systems are a major security risk.

4. Capital equipment truck #81 \$22k more than previous plan or 47% increase. Why?

Truck #81- We had budgeted \$48,000.00 for this vehicle when it first came onto our five year plan. With increases in steel, etc., the State Bid has increased to \$66,000.00 at this point. With a contingency of 7.5%, we are estimating the new pricing will come in around \$70,600.00, if the projections that we have been given by the Truck Dealer holds consistent. ** The life expectancy according to the MRI report for this type of vehicle is 6 years, when we replace this it will be approaching 18 years old.

5. Capital equipment: Roadside mower went up \$90k or 30% (FY26)? Why?

Roadside Mower – This piece of equipment is actually two separate units, the main portion is a four wheel drive tractor with the capability of handling the boom type (over the guardrail) mower which is extremely heavy. This piece of equipment was put on the replacement plan in FY '22-'23 at a price of \$200,000.00. Again with all of the increases in pricing, the most recent estimate from the Dealer is between \$275,000.00 and \$300,000.00. ** The life expectancy according to the MRI report for this type of vehicle is 10 years, when we replace this it will be approaching 15 years old.

6. Capital equipment: Why did truck #11 go down (from \$92k to \$77k) (FY26)? Why?

Truck #11 – When this pickup truck was first being looked at for replacement in FY '22-'23, the pricing was estimated at \$88,000.00 for replacement. Based on a recent purchase of a similar pickup truck, the State Bid is approximately \$77,000.00 for a comparable vehicle with a snowplow and the necessary snow plow package for the vehicle. ** The life expectancy according to the MRI report for this type of vehicle is 6 years, when we replace this it will be approaching 13 years old.

7. Capital equipment: Backhoe #22 was in previous capital plan, now we have “Caterpillar backhoe”. Are these the same piece of equipment?

Backhoe #22 – The “Backhoe” and the Caterpillar Backhoe are the same piece of equipment. The description was changed to reflect more accurately the make of the backhoe. ** The life expectancy according to the MRI report for this type of vehicle is 10 years, when we replace this it will be approaching 15 years old.

8. Fire & Ambulance: Why was replacing engine tank 340 removed from the capital plan?

In an effort to be fiscally responsible the decision was made to remove ET 340 due to overwhelming prices increases. Prices have nearly doubled and with two newer Engine Tanks we feel comfortable these apparatus can hold us over until such time as a budget allows.

9. Fire & Ambulance: Moved UTV from FY27 to FY26, price went up 16% - why do we need such an expensive UTV?

Considering some of the ATV issues that have arisen in the past week, I will likely be reexamining this purchase, and consider any flexibility. Chief Littell’s response to this is below:

The decision was made to move up this apparatus within the Capital Budget to combat increasing pricing. We envision the prices on this type of unit will continue to rise. This Utility Terrain Vehicle or UTV is a specialized vehicle that is capable of navigating all types of terrain. It is used when a patient must be extracted from places such as woods, trails, open spaces, bike paths, etc. It can also be used when combatting brush fires due to its capabilities to haul equipment and firefighters deep into the woods. This apparatus saves the physical exertion of those responding to emergencies in hard-to-reach places. It is also used at Community Events which are spread over large areas.

10. Fire & Ambulance: Moved ambulance 640 from FY28, price went up almost \$100k. Don’t these need to be replaced every 5 years? We don’t yet have the new one, so why is this on the capital plan for year 3?

We are not comfortable removing these units from the Capital Budget at this time due to the continued industry-wide backlog. These were left in as placeholders as it seems we may need to order years in advance of actually receiving them. Initially prices were in the \$260’s, they then moved to the \$350’s and are currently in the \$450’s. This may be impacted by pending Consultant study.

11. Fire & Ambulance: Added ambulance 540. We don’t have the ambulance this would replace, so why is it on the capital plan for year 4?

We are not comfortable removing these units from the Capital Budget at this time due to the continued industry-wide backlog. These were left in as placeholders as it seems we may need to order years in advance of actually receiving them. Initially prices were in the \$260’s, they then moved to the \$350’s and are currently in the \$450’s. This may be impacted by pending Consultant study.

12. Fire & Ambulance: nothing for year 5?

Year 5 was intentionally left blank to reexamine placing Engine Tank 340 back in at this time and or any other Capital items that may arise. We are moving to a fleet consistent with the 2010 Consultant report.

13. Parks & Rec: removed multi- purpose athletic fields FY28 \$300k. Why?

The multipurpose field was removed due to the overall reduction in participation in some of the youth sports and the addition of the Birch Grove multi use field back on line. The combination of both stated factors, plus other facility needs played a role in the removal of the multipurpose field. There is some town land near Cider Mill Cemetery. There was an antiquated recommendation to create an athletic field complex there. We don’t see any need for new fields. But we do see a need for an improved structure at Crandall’s.

14. Parks & Rec: Added replace basketball courts at Heron Cove FY26 \$530k. Why?

The original plan was to replace just the Crandall's court with concrete for \$500K. However, we believe we can do 2 courts much cheaper in asphalt. The basketball courts at Heron Cove are in need of replacement. The court has several cracks ranging in various widths. At one point, our Public Works Department had tried to fill these cracks to further the life of the courts. The basketball courts has reached the end of its lifespan (over 20 years old) and needs to be replaced.

15. Parks & Rec: Added Crandall park building improvements FY27 almost \$1M. What's going on here?

The existing building used to be the old parks garage (from what I can gather, from the 1960s). The building is old, outdated and depressing. This building is used during the spring/summer/fall seasons for facility rentals, summer camp, open swim, special events, and more. The building needs to be updated and more welcoming/function able. The amount requested is for removal of the current structure and the addition on a new structure.

16. Public Works: How long has the tree trimming budget been \$70k. Is this sufficient for the goals/needs?

Tree Trimming – This line item in our Capital Budget was started in FY '19-'20 with funding of \$70,000.00. This was designated for the removal of diseased or dying trees that have been infected by wood boring insects such as the Emerald Ash Borer. We use this funding to compensate our tree Contractor for the removal of these diseased trees. We also have \$30,000.00 in our Operating Budget which is typically used for Resident concerns about hazardous trees within the Town Right of Way that present a possible safety concern. At this point, we feel that between the two accounts that we have adequate funding for our current needs.

17. Streets & Roads: decrease funding for FY28 is a concern due to recent issues with flooding.

Streets & Roads – I spoke with Lisa Hancock about this, the following was her explanation – Each year we use Bond funding and whatever balance is estimated to be available from Town Aid for Roads (TAR). In FY'26-'27 we anticipate having TAR funds available for \$268,776.00 because we had \$49,000.00 for drainage paid for by LoCIP. In FY '27-'28 we didn't have LoCIP funds available for drainage, so we reduced the TAR allotment by \$49,000.00 to be used for drainage. We also increased our annual funding from 1 million per year in bonding to 1.4 million for our Road Resurfacing Program.

18. Road Improvements: going from \$1M to \$1.4M starting FY26. Why?

Road Improvements – When we first started the 5 year, 5 million dollar program, we were able to resurface approximately six miles of road surfaces. With the increases in the paving industries, with the same 1 million dollars, we are able to resurface approximately 3.5 miles of road surfaces. A typical road in a neighborhood will last about 20 years, our primary roads have a considerably less life span. With approximately 123 miles of paved roadways at a rate of 3.5 miles per year being treated, it will take us roughly 35 years to do the entire Town once. This will leave us with deteriorating road surfaces where a less costly overlay will not be an option. Increasing the Bond package by \$400,000.00 per year we should be able to address approximately 1.5 miles of additional roads, provided that the current pricing doesn't continue to increase rapidly.

19. Public Facilities: We did not end up spending \$100k on Jail Museum renovation FY24 - how was that going to be funded and what happens to the money?

After engaging a historical architect, the estimated cost to complete repairs is \$509,320. Initially, there was a plan to use \$100,000 of ARPA funds to complete the repairs, but the project value was assumed prior to having an actual cost estimate in hand. While waiting for the condition assessment, design plans and cost estimates, the \$100,000 in ARPA was allocated to other projects.

There is the option for applying grant funding, like Historic Restoration Fund Grants. These grants provide up to \$200,000 in funding with a 50% Town match, for rehabilitation projects directly attributed to the long-term preservation of historic building fabric and character defining features.

20. Could we please add reference to the fire apparatus and DPW vehicle study to justify the purchase of each of these items?

See above.

Brian J. Foley
Town Manager
Town of Tolland

SaraBeth Nivison

From: Lisa Hancock
Sent: Monday, February 12, 2024 9:29 AM
To: SaraBeth Nivison; Ann Furey; Brian Foley
Subject: FW: [EXTERNAL]Re: Answers to some questions posed

Forwarding Walt's response to Council questions. Should this go to Lisa P. to be included as part of the minutes?

Lisa A. Hancock, MPA, CPFO, CCMO, CCGA
Director of Finance & Records
Town of Tolland
21 Tolland Green
Tolland, CT 06084
860-871-3658



From: Willett, Walter <wwillett@tolland.k12.ct.us>
Sent: Thursday, February 8, 2024 9:40 PM
To: Brian Foley <bfoley@Tollandct.gov>; Lisa Hancock <lhancock@Tollandct.gov>; Katie Stargardter <kmurray@Tollandct.gov>
Subject: [EXTERNAL]Re: Answers to some questions posed

More "THS Roof" information:

Warranties on rubber roofs are more important than other types of roofs such as shingles or modified bitumen as there is no aggregate top layer preventing breakdown from sunlight. Therefore as the warranty period extends beyond its useful life that roof degrades faster than other roofs as it loses its pliability and begins to shrink.

Does that mean that if you have an EPDM roof with a 20 year roof do you have to replace it at year 20 or 21, the answer is no. However, do you have to "plan" or be prepared to consider it's replacement, the answer is yes. Will you get 30 years out of that roof, highly unlikely, and not with exorbitant costs to continuously repair.

On Thu, Feb 8, 2024 at 9:36 PM Willett, Walter <wwillett@tolland.k12.ct.us> wrote:

I put these in chat, but you probably cannot see them:

Regarding this round of the security grant, it is due in March, unlikely awards will be made by referendum in May, maybe by Summer.

Regarding THS roof:

Warranty covers degradation to the roof primarily related to UV Light Breakdown, normal weather.

In the past week we have had 27 penetrations repaired up there related to old prior repairs, flashing areas that start to break apart, etc. We probably conduct about 1/2 the repairs ourselves via our own maintenance and we replace 100% of our own ceiling tiles.

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Walter Willett, Ph.D.
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