

SPECIAL MEETING AGENDA

TOLLAND TOWN COUNCIL

ZOOM REMOTE MEETING

FEBRUARY 10, 2022 – 7:00 P.M.

1. Call to Order
2. Public Hearing Item
 - 2.1 Consideration of the Proposed 5-Year Capital Improvement Plan
3. Adjournment

To Join the Zoom Meeting, either click:

<https://us02web.zoom.us/j/86892750532?pwd=eHJlOFR2MkZTdMlZ3Z0RlMzFZb3N3QT09>

Or call: 1-646-876-9923 and input:

Meeting ID: 868 9275 0532

Password: 02102022

The Town of Tolland is an Equal Opportunity/Affirmative Action Employer

TOWN OF TOLLAND

LEGAL NOTICE

PUBLIC HEARING

Notice is hereby given that the Tolland Town Council will hold a public hearing on the Capital Budget for the 2022-2023 fiscal year. This Public Hearing will be held remotely, via video conference, at 7:00 p.m. on February 10, 2022.

Lisa A. Hancock
Interim Town Manager

This notice is to be run in the Journal Inquirer, one time, on February 3, 2022.

TOWN OF TOLLAND



FY 2022 - 2023 through 2026 - 2027 Town Manager's Five Year Capital Plan February 10, 2022



CAPITAL BUDGET

Everything the Town does, from providing services to its residents and citizens, to equipping employees to effectively perform their jobs, requires the existence of certain basic physical assets.

Assets include:

- **Streets**
- **School Facilities**
- **Parks**
- **Large Equipment**
- **Buildings**
- **Technology**

Assets must be purchased, maintained and replaced on a timely basis or their usefulness in providing public services will diminish.

The Town's Five Year Capital Improvement Program is developed to ensure adequate capital investment in the Town's assets and to provide an orderly method for funding these assets.



WHAT IS A CAPITAL ITEM?

Definition of Capital Projects: Any project, to be included in the Town's Capital Improvement Program, should fall into one of the following three program categories:

- 1. Any new or expanded physical facility, including preliminary design and related professional services.**
- 2. Land or property acquisition.**
- 3. Items of a non-recurring nature where the benefits are realized over a long period of time.**

A project should also exhibit the following characteristics to be included in the Capital Improvement Program:

- 1. *Life Expectancy:*** The project's outcome, non-recurring in nature, should have a useful life of greater than eight years.
- 2. *Cost:*** Cost should be a relatively high, non-operative expenditure for the Town; generally in excess of \$10,000 for equipment or plant facility improvements.



CAPITAL BUDGET PLANNING PROCESS

Activity	Dates
Capital budget requests submitted to Town Manager.	October 7, 2021
Preliminary Capital Budget Committee Review and Department Head meetings. Board of Education Superintendent included in meetings.	Month of October, 2021
Manager submits Capital Program to Council.	Week of Dec. 6, 2021
Capital Budget Public Hearing held.	February 10, 2022
Manager submits Capital Program to Council with recommended General Fund Budget.	March 9, 2022
Town Council approves recommended Capital Program as part of Council's Proposed Budget.	March 29, 2022
Capital Program as amended is part of Budget Referendum process.	May 3, 2022



TYPES OF FUNDING METHODS

- **General Fund Contributions**
- **Capital Non-Recurring Fund**
- **Non-Referendum Notes**
- **Local Capital Improvement Plan Grant (State)**
- **Town Aid to Road Grant (State)**
- **State School Construction Grants and other State Grants**
- **Ambulance Fees**
- **Cemetery Funds**
- **Referendum Borrowing**
- **Unallocated Capital**
- **Recreation Special Revenue Fund**
- **Utility Reserve Fund**

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**FY22-23: Town of Vernon Water Pollution Control
Plant Upgrade**
Total Amount: \$164,906

Tolland's Funding of the upgrade:

Tolland's total 20 year share of the net project cost is estimated at \$3,298,110 (Subject to Change.) As discussed in previous years we are phasing in the required debt payments to Vernon. This is the third year of the debt payments. The annual payments for the following 17 years will be \$164,906 each year unless the debt payment requirements change.

- Tolland's share based on the Inter-municipal agreement is 5.63% of the project cost and loan interest after grant proceeds.
- FY 22-23 General fund funding is \$79,946 and \$84,960 from CNRE.
- We are continuing to phase in the burden on the general fund by using a portion of a lawsuit settlement that was deposited into the CNRE last fiscal year. This process had been discussed with the Town Council during the last Capital Budget plan.



FY22-23: SIGNIFICANT CAPITAL PROJECTS
FUNDED BY THE GENERAL FUND
Total Amount: \$255,880

Other Town Administration Projects:

- General Fund portion of WPCA \$79,946

Board of Education Projects:

- Replace THS Rear Loading Dock EDO System \$10,000

Capital Equipment Projects:

- Replace Truck #10 – Highway \$50,443

Public Facilities Projects:

- Shingled Roof Highway Garage \$44,000

(\$16,437 from General Fund & \$27,563 from LoCIP grant)

2007 Truck #10





FY22-23: SIGNIFICANT CAPITAL PROJECTS
FUNDED BY THE GENERAL FUND
Total Amount: \$255,880

- Depreciation amount for replacement of light duty vehicles funded by the General Fund:

Town	\$73,482
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BOE	\$25,572
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Note that the Town portion has increased due to the Fire Association no longer able to fund the purchase the Fire Chief's Vehicle. The funds are now being set aside in order to replace that vehicle in FY 23-24.



FY22-23: SIGNIFICANT CAPITAL PROJECTS **FUNDED BY OTHER SOURCES**

BOE Projects

- Capital & Non-recurring (CNRE) \$128,000 from settlement funds
 - District Wide Articulating Lift \$80,000
 - New Tractor for Birch Grove School Needs \$24,000
 - 2 – Tennant 5400 Floor Machines \$24,000

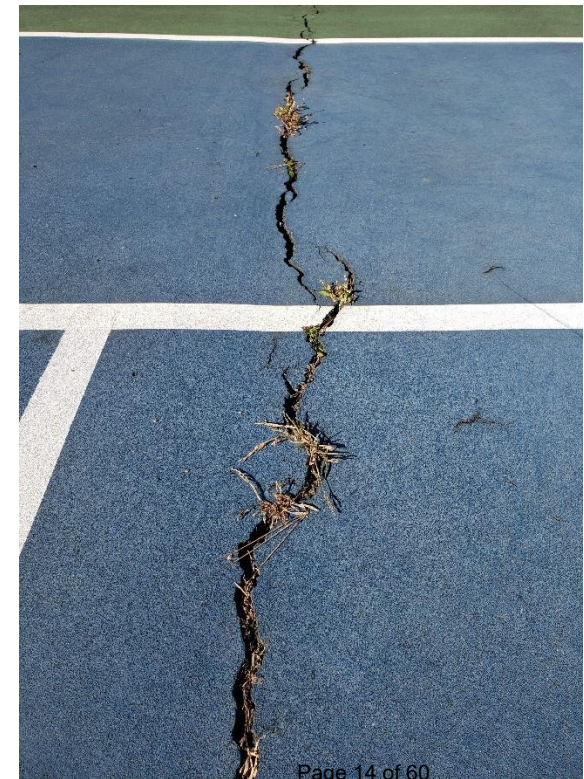
- Non-Referendum Bonds - \$229,378
 - TIS Hobart High Temp Conveyor Dishwasher & Sink Station \$ 44,539
 - THS Oven/Steamer Combo \$ 44,839
 - TMS Track Resurface \$140,000



FY22-23: SIGNIFICANT CAPITAL PROJECTS **FUNDED BY OTHER SOURCES**

Parks and Recreation:

- Crack Repair/Resurface Tennis Courts on Old Cathole Road (\$40,000 from CNRE and \$42,000 from Recreation Fund)





FY22-23: SIGNIFICANT CAPITAL PROJECTS **FUNDED BY OTHER SOURCES**

Public Facilities:

- Pole Sheds for Highway Garage
 - LOCIP Grant \$88,000
- Cross Farms ADA Walkway
 - Non-Referendum Debt - \$187,500



FY22-23: SIGNIFICANT CAPITAL PROJECTS **FUNDED BY OTHER SOURCES**

Capital Equipment:

- Replacement of Truck #38 – Snow Removal Operations - \$95,300 (CNRE)

Funded by Cemetery Fund

- Replacement of Truck #37 – Snow Removal/Cemetery work - \$95,300
- Depreciation Expense for Public Works vehicles - \$14,862

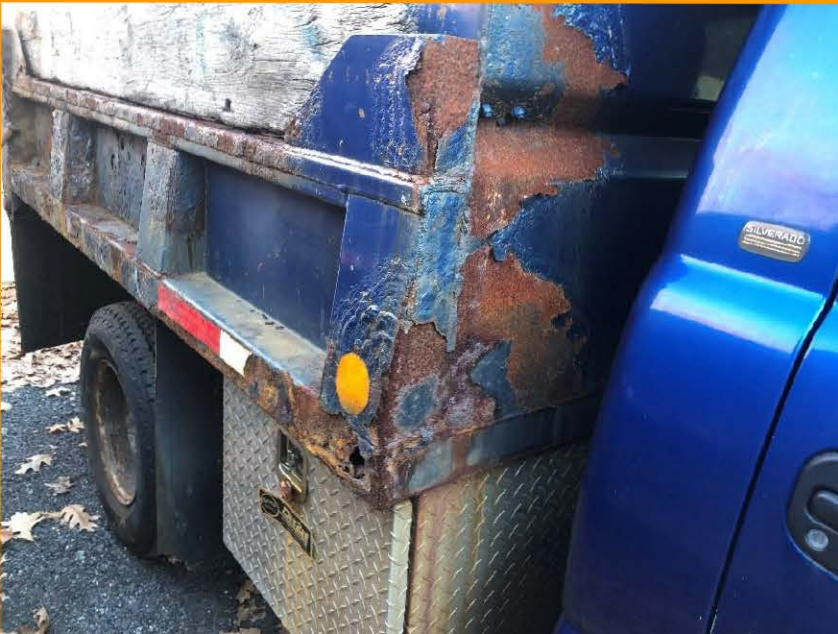
Funded by non-referendum debt

- Replacement of VacAll – MS4 Program State Mandate - \$495,000
- Toro 16' Mower for Town & BOE Fields - \$115,488

2004 Truck #38



2003 Truck #37



2000 VacAll Truck





FY22-23: SIGNIFICANT CAPITAL PROJECTS **FUNDED BY OTHER SOURCES**

Public Safety:

(Ambulance Reserve)

- Replacement of Ambulance 540 - \$370,000
- Refurbishment of the 2006 ET-240 - \$180,000

(Non-Referendum Debt)

- Replacement of the 1987 ET-540 - \$750,000

2006 ET 240



1987 ET 540





FY22-23: SIGNIFICANT CAPITAL PROJECTS **FUNDED BY OTHER SOURCES**

Public Works:

- Tree Trimming - \$70,000 TAR Grant

Streets & Roads:

- Drainage construction and design - \$63,776 (Town Aid Road Grant)
- Pavement Management - \$205,000 (Town Aid Road Grant)
- Road Improvements \$795,000 (Part of \$5 million bond funding approval from November, 2018)



Significant Projects in Years 2-5 By All Sources

Year 2

Town Administration:

- Contribution to Town of Vernon Water Pollution Control Plant Facility Plan as defined by Inter-Municipal agreement with Vernon (\$164,906) - \$100,000 from General Fund and \$64,906 from CNRE.
- Light Duty Replacement Vehicle Depreciation - General Fund
 - Town Vehicles \$57,534 Public Works Vehicles \$14,862
 - BOE Vehicles \$14,120

Board of Education (General Fund):

- TMS Library & Main Office Carpet \$26,950
- TIS Modular Roof Replacement \$45,000



Significant Projects in Years 2-5 By All Sources

Year 2, continued

Capital Equipment:

- Replacement of Truck #56 - \$42,350 (General Fund)
- Replacement of Front-line Truck #35 - \$198,000 (non-refer. debt)
- Replacement of Street Sweeper - \$275,000 (non-referendum debt)

Fire & Ambulance:

- Replacement of Personal Protective Gear \$17,500 (Amb. Fund)
- Refurbishment of Tank 140 funded by the Ambulance Fund - \$150,000
- Replacement of ET-440 funded by non-referendum debt - \$750,000



Significant Projects in Years 2-5 By All Sources

Year 2, continued

Parks and Recreation (Recreation Fund):

- THS Artificial Turf Replacement - \$776,634 (\$275,000 CNRE & 501,634 Debt)

Tree Trimming:

- Elimination of hazardous trees due to damage done by insect infestation - \$70,000 funded by TAR grant

Public Facilities (LOCIP grant):

- Emergency Generator for the Highway Garage - \$49,500
- Retrofit Emergency Generator for Parks and Facilities Garage - \$16,500
- Arts Building Roof - \$44,000

Drainage Construction and Design - \$50,000 from TAR Grant

Pavement Management - \$1,044,339 (TAR, LOCIP, Debt)



Significant Projects in Years 2-5 By All Sources

Year 3

Town Administration:

Contribution to Town of Vernon Water Pollution Control Plant Facility Plan as defined by Inter-Municipal agreement with Vernon - \$164,906 (General Fund \$100,000 & \$64,906 CNRE)

Capital Equipment:

- Pick Up Truck #64 - \$46,000 (General Fund)
- Replacement of Truck #21- \$225,000 (Non-referendum debt)
- Kubota Tractor - \$40,000 (Cemetery Fund)
- Infield Scarifier - \$22,300 (General Fund)
- Ventrac Tractor - \$41,800 (General Fund)

Public Safety:

- Refurbish 2003 Tank 440 - \$150,000 (Ambulance Reserve Fund)
- Replace Engine Tank 340 - \$760,000 (Non-referendum debt)



Significant Projects in Years 2-5 By All Sources

Year 3, continued

Parks and Recreation:

- New Tennis Courts at Crandall Park - \$300,563 (Debt & LoCIP grant)

Public Works:

- Tree Trimming - \$70,000 (TAR Grant)

Streets and Roads:

- Various road improvements - \$700,000 (November 2018 Referendum bonds)
- Various drainage construction - \$50,000 (TAR Grant)
- Pavement Management - \$218,776 (TAR Grant)

Public Facilities:

- Parks & Facilities Garage Update - \$825,000 (Non-Referendum Debt)



Significant Projects in Years 2-5 By All Sources

Year 4

Town Administration:

- Contribution to Town of Vernon Water Pollution Control Plant Upgrade Facility Plan - \$164,906 (\$134,906 General Fund & \$30,000 CNRE)

Capital Equipment:

- Used Road Grader (\$90,000), Roadside Mower (\$185,000), Chipper (\$60,000) - \$335,000 (Non-referendum debt)
- Replacement of Highway Truck #11 - \$51,612 (General Fund)

Public Safety:

- Replace Personal Protection Equipment - \$70,000 (Ambulance Reserve Fund)
- Replacement of 1991 Truck 240 - \$1,350,000 (Non-referendum debt)



Significant Projects in Years 2-5 By All Sources

Year 4, continued

Public Works:

- Tree Trimming - \$70,000 (TAR Grant)

Streets and Roads:

- Pavement Management - \$384,339 (TAR & LoCIP Grants)
- Road Improvements – 1,000,000 (November, 2024 Referendum Bond)
- Various drainage construction - \$50,000 (General Fund)



Significant Projects in Years 2-5 By All Sources

Year 4, continued

Education: Requesting a Bond Referendum in November, 2024 for Several BOE Capital Needs & Potential School Construction Grant Funds- \$6,570,669

TIS Nurse's Area Addition/Renovation	\$ 41,000
TMS Café Tables	\$ 48,000
THS Track	\$ 350,000
THS Roof Replacement	\$5,500,000
Replace THS Stage Floor	\$ 38,000
TMS & TIS Locker Replacement	\$ 160,000
THS, TIS & TMS Classroom Tech. Upgrades	\$ 326,712
THS Business Lab Upgrades	\$ 16,125
THS & TIS Science Laboratory Tech Upgrades	\$ 90,832



Significant Projects in Years 2-5 By All Sources

Year 5

Town Administration:

- Contribution to Town of Vernon Water Pollution Control Plant Upgrade Facility Plan - \$164,906 (General Fund)

Capital Equipment (Non-referendum Debt):

- Replacement of 2008 Dump Truck #14 - \$220,000
- Replacement of 2008 Dump Truck #27 - \$220,000



Significant Projects in Years 2-5 By All Sources

Year 5, continued

Public Safety: (Ambulance Reserve)

- Replacement of Ambulance 640 - \$340,000
- Replacement of Two Rescue Trailers - \$70,000

Parks & Recreational Facilities:

- New Pickleball Courts at Heron Cove - \$191,067 (LoCIP grant & Referendum Debt)

Streets & Roads:

- Pavement Management - \$268,776 (TAR Grant)
- Bond Referendum for \$5 Million in November, 2024 for road improvements - \$1,000,000

Equipment Aging Schedule for Units Assigned to Highway Division

		2022/2023 proposed 5 year CIP					updated as of		
Vehicle/Eqp #	Description	Year	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29
Trucks:									
12 TOL	International 4700 (Tree Truck)	2000	22	23	24	25	26	27	28
64 TOL	Ford F250	2002	20	21	new	1	2	3	4
35 TOL	Western Star Dump	2002	1	2	3	4	5	6	7
8 TOL	Ford Utility (new body in 2018)	2003/2018	1	2	3	4	5	6	7
9 TOL	Ford F150	2003							
23 TOL	Mack 10 Wheel (refurbished 2015)	2004	18	19	20	21	22	23	24
33 TOL	Mack Dump	2005							
10 TOL	Ford F250 P/U	2007	new	1	2	3	4	5	6
25 TOL	Ford D-550 Dump	2007							
14 TOL	GMC 7500	2008	14	15	15	16	17	18	19
21 TOL	Mack Dump	2008	14	15	15	new	1	2	3
27 TOL	International 7400	2008	14	new	1	2	3	4	5
31 TOL	International 7400	2009	13	14	15	16	17	18	19
26 TOL	International 7400	2012	11	12	13	14	15	16	17
32 TOL	International 7400	2012	11	12	13	14	15	16	17
51 TOL	International 7400	2013	10	11	12	13	14	15	16
28 TOL	International 7400	2014	9	10	11	12	13	14	15
11 TOL	Ford F350	2015	8	9	10	11	12	13	14
13 TOL	Ford F350 Rack Body	2015	8	9	10	11	12	13	14
2 TOL	Ford F350	2015	8	9	10	11	12	13	14
24 TOL	International 7400	2016	7	8	9	10	11	12	13
6 TOL	International Low Pro 4300	2016	7	8	9	10	11	12	13
4 TOL	Ford F250	2018	4	5	6	7	8	9	10
29 TOL	International 7400	2018	4	5	6	7	8	9	10
30 TOL	International 7400	2018	4	5	6	7	8	9	10
Scheduled Replacements:									
9 TOL	Ford F250	2020	2	3	4	5	6	7	8
33 TOL	Mack Dump- Refurbishing	2020	2	3	4	5	6	7	8
25 TOL	Ford D-550 Dump	2020	2	3	4	5	6	7	8
35 TOL	International 7400	2021	1	2	3	4	5	6	7
8 TOL	Ford Utility	2021	1	2	3	4	5	6	7
64 TOL	Ford F250	2023			new	1	2	3	4
10 TOL	Ford F250 P/U	2023	new	1	2	3	4	5	6
Heavy Equipment:									
	Cat Grader	1972	50	51	52	new	1	2	3
7 TOL	Vac-All	2000	new	1	2	3	4	5	6
20 TOL	Cat 938 Loader	2002	1	2	3	4	5	6	7
19 TOL	Elgin Sweeper	2003	19	new	1	2	3	4	5
	Paver (used)	2007	15	16	17	18	19	20	21
	Roadside Mower	2010	12	13	14	new	1	2	
	Hyundai Excavator 4500	2011	12	13	14	15	16	17	18
17 TOL	Cat Loader 924	2014	9	10	11	12	13	14	15
22 TOL	Cat Backhoe	2014	9	10	11	12	13	14	15
	Wacker Pro-Line Roller	2017	5	6	7	8	9	10	11
Scheduled Replacements:									
20 TOL	Front End Loader	2022	1	2					
	Big Truck					3 years past recommended end of service			
	Low Profile Dump					4 years or more past recommended end of service			
	Small Dump					scheduled for replacement			
	Pick Up w/Utility Body								
	Pick Up								

Equipment Aging Schedule for Units Assigned to Parks & Facilities Division

		2022/2023 proposed 5 year CIP					updated as of		
Vehicle/Eqp #	Description	Year	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29
Trucks:									
37 TOL	Chevrolet 3500	2003	new	1	2	3	4	5	6
38 TOL	Ford F550	2004	18	new	1	2	3	4	5
56 TOL	Ford F250	2006	13	new	1	2	3	4	5
53 TOL	Ford F450	2007	1	2	3	4	5	6	7
81 TOL	Ford F250	2007							
68 TOL	Ford F550	2007	new	1	2	3	4	5	6
75 TOL	3/4 Ton Van	2008	1	2	3	4	5	6	7
55 TOL	Ford F450	2011	12	13	14	15	16	17	18
63 TOL	Ford F250 (mechanics truck)	2019	2	3	4	5	6	7	8
50 TOL	Ford F550	2015	8	9	10	11	12	13	14
80 TOL	Ford F550	2016	6	7	8	9	10	11	12
39 TOL	International 4300 Durastar	2017	5	6	7	8	9	10	11
3 TOL	Ford F250	2018	4	5	6	7	8	9	10
Scheduled Replacements:									
81 TOL	Ford F250	2019	3	4	5	6	7	8	9
75 TOL	3/4 Ton Van	2021	1	2	3	4	5	6	7
53 TOL	Ford F450	2021	1	2	3	4	5	6	7
37 TOL	Chevrolet 3500	2022	new	1	2	3	4	5	6
68 TOL	Ford F550	2022	new	1	2	3	4	5	6
56 TOL	Ford F250	2023		new	1	2	3	4	5
Equipment:									
	Ford Tractor	1970	42	43	44	45	46	47	47
	Sweepstar	1991	31	32	33	34	25	26	26
	Easy Rake	1998	24	25	26	27	28	29	29
	Gravely Snow Blower	1999	23	24	25	26	27	28	28
	Gravely Snow Blower	1999	23	24	25	26	27	28	28
	John Deere Tractor	2001	21	22	23	24	25	26	26
	Easy Rake	2001	21	22	23	24	25	26	26
	Skidsteer New Holland 180	2001							
	Easy Rake	2005	18	19	20	21	22	23	23
	Lazer Lawnmower	2005	18	19	20	21	22	23	23
	Gravely Snow Blower	2005	18	19	20	21	22	23	23
	Cat Loader	2006	17	18	19	20	21	22	22
	Gravely Snow Blower	2007	16	17	18	19	20	20	20
	Lazer Lawnmower	2007	16	17	18	19	20	20	20
	Kubota tractor	2007							
	4000 Lawnmower	2007	16	17	18	19	20	20	20
	Line Painter	2008	17	18	19	20	21	22	23
	Skidsteer New Holland 170	2011	12	13	14	15	16	17	18
	Toro 5910 Mower	2022	new	1	2	3	4	5	6
	Ventrix mower/thrower	2013	11	12	13	14	15	16	16
	ExMark Lazer Lawnmower	2022	1	2	3	4	5	6	7
	ExMark Lazer Lawnmower	2022	1	2	3	4	5	6	7
	ExMark Lazer Lawnmower	2022	1	2	3	4	5	6	7
	ExMark Lazer Lawnmower	2022	1	2	3	4	5	6	7
	Easy Rake/Smithco Groomer	2015	7	8	9	10	11	12	12
	Line Painter	2017	5	6	7	8	9	10	10
	Toro Mower	2018	4	5	6	7	8	9	10
	60" Exmark Mower	2018	4	5	6	7	8	9	10
	Remote Control Mower	2022	1	2	3	4	5	6	7
Scheduled Replacements:									
	Mini Excavator	2019	3	4	5	6	7	8	9
	Skidsteer New Holland 180	2020	2	3	4	5	6	7	8
	ExMark Lazer Lawnmower	2021	1	2	3	4	5	6	7
	ExMark Lazer Lawnmower	2021	1	2	3	4	5	6	7
	ExMark Lazer Lawnmower	2021	1	2	3	4	5	6	7
	ExMark Lazer Lawnmower	2021	1	2	3	4	5	6	7
	Toro 5910 Mower	2022	new	1	2	3	4	5	6
	Small Dump						3 years past recommended end of service		
	Low Profile Dump						4+ years recommended end of service		
	Pick Up						scheduled for replacement		
	Van								

Town-Owned Front-Line Apparatus											
(Blue denotes year it should have been replaced - Green denotes new date assigned)											
Vehicle Year	Current Age of Vehicle	Historical Replacement Year	Current Replacement Year	Year Rehab Completed or Recommended	Vehicle	Make	Model	Original Cost to Department	Cost of Rehab	Cost of Replacement	Comments
1987	35	2018 / 2024	2022	2007	ET 540	GMC	Fire Pumper	\$146,000	\$68,000	\$750,000	
1991	31	2025	2025	2015	T 240	Pierce Lance	Aerial	\$62,500	\$132,000	1.350 million	Town purchased in 2013 USED from Berlin, CT FD
1993	29	2023 / 2025	2023	2012	ET 440	Pierce	Fire Pumper	\$245,000	\$85,000	\$750,000	
1994	28	2024 / 2026	2024	2016	ET 340	Pierce	Fire Pumper	\$316,000	\$90,000	\$760,000	
2000	22	2027	2030	2020	ET 140	Pierce	Fire Pumper	\$335,410	\$154,000		
2002	20	2016	2021	NR	R 240	KME	Rescue Truck	\$466,000		\$750,000.00	Ordered April, 2021
2003	19	2033	2033	2023	T 140	Kenworth	Tanker	\$225,000	\$150,000	\$350,000	
2003	19	2032	2034	2024	T 440	Kenworth	T800 - Tanker	\$225,000	\$150,000	\$350,000	
2006	16	2028	2032	2022	ET 240	Pierce	Fire Pumper	\$440,000	\$180,000		
2015	7	2021	2021	NR	A 640 **	Ford	Ambulance 640 F550 Reg. Cab	\$270,000		\$312,000	Ordered October, 2021 - **Replace every 5 years
2017	5	2022	2022	NR	A 540 **	Ford	Ambulance F-550	\$220,000		\$370,000	**Replace every 5 years

Town-Owned Service Vehicles											
Vehicle Year	Current Age of Vehicle	Historical Replacement Year	Replacement Year	Year Rehab Completed or Recommended	Vehicle	Make	Model	Original Cost to Department	Cost of Rehab	Cost of Replacement	Comments
2003	19	2023	2023	2015	S 340	Ford	F 350 Pick Up	\$35,000	\$25,000	\$90,000	Renamed to S340 in 2016
2020	2	NR	NR	NR	S 240	Ford	S-DTY	\$85,000		\$90,000	
2015	7	2030	2030	2026	S 140	Ford	F550 Crew Cab Chassis	\$120,000	\$80,000	\$155,000	Chassis
2006	16	n/a	n/a	NR	S 540	Jeep	Grand Cherokee	\$4,500		\$50,000	Reassigned from Town Pool in 2011, Fire Marshal 2015, then to Fire Dept.
2021	1		NR	NR	FM 140	Chevrolet	Tahoe	\$70,000		\$90,000	Replaced 2011 Ford Expedition Was outfitted w/ Refurb. Equipment
2007	15		NR	2020	S 440	Ford	F350 S-DTY	\$85,000		\$90,000	Former S240. Reassigned to Fire Police in 2020
2016	6	2021	2023	NR	Fire Chief (Director of Public Safety)	Chevrolet	Tahoe	\$90,000		\$90,000	Capital Project (\$70,000 designated under Town Administration for FY 2022-2023) TFD Corp purchased in 2016 . Moved to Town Capital List

Dept. Head Request for Capital Project Replacement											
2004	18		2026	NR	Dive-Rescue Trailer	Car Mate	Enclosed Trailer	\$8,500	Replacement of both trailers \$70,000	Donation in 2004. Nov. 2021 Dept. Head Added to Capital Projects Private Donation in 2014 Nov. 2021 Dept. Head Added to Capital	
2013	9		2026	NR	Multi-Purpose Trailer	United Trailer	Enclosed UXT8524TA52	\$12,000			

Vehicles Owned by Tolland Fire Department, Inc.

These vehicles are used by Career and Volunteer staff to conduct Town and Fire Department business.											
Vehicle Year	Current Age of Vehicle	Historical Replacement Year	Replacement Year	Year Rehab Completed or Recommended	Vehicle	Make	Model	Cost to Town	Cost paid by TFD Corp.	Cost of Replacement	Comments
2006	16	2021	2021	NR	Deputy Chief	Chevrolet	Tahoe	\$0.00	\$20,000	\$90,000	TFD Corp purchased USED in 2014
2008	14	2021	2021	NR	UTV-240	Polaris	Ranger 6x6 UTV	\$0.00	\$28,000	\$35,000	TFD Corp purchased in 2008
2008	14	2024	2024	NR	ATV-240	Polaris	500 Sport 2-Up	\$0.00	\$7,500	\$15,000	TFD Corp purchased USED with Private Donation in 2014
2008	14	2028	2028	NR	UTV-TRAILER	BIG TEX	Trailer	\$0.00	\$4,500	\$7,500	TFD Corp purchased in 2008
2011	11	2021	2021	NR	S640	Chevrolet	Tahoe	\$0.00	\$90,000	\$90,000	TFD Corp purchased in 2011 Old S440
1987	35		NR	NR	ACO Horse Trailer	Texas	276 Horse Trailer	\$0.00			TFD Corp purchased USED with Private Donation in 2016
2012	10		NR	NR	Landscape Trailer	Carry-on	Utility Trailer	\$0.00			TFD Corp purchased USED with Private Donation in 2019



PAST 5 YEAR GENERAL FUND CAPITAL CONTRIBUTIONS

FY18 - \$ 54,578 or .10% of Townwide Operating Budget

FY19 - \$ 61,906 or .11% of Townwide Operating Budget

FY20 - \$121,048 or .21 % of Townwide Operating Budget

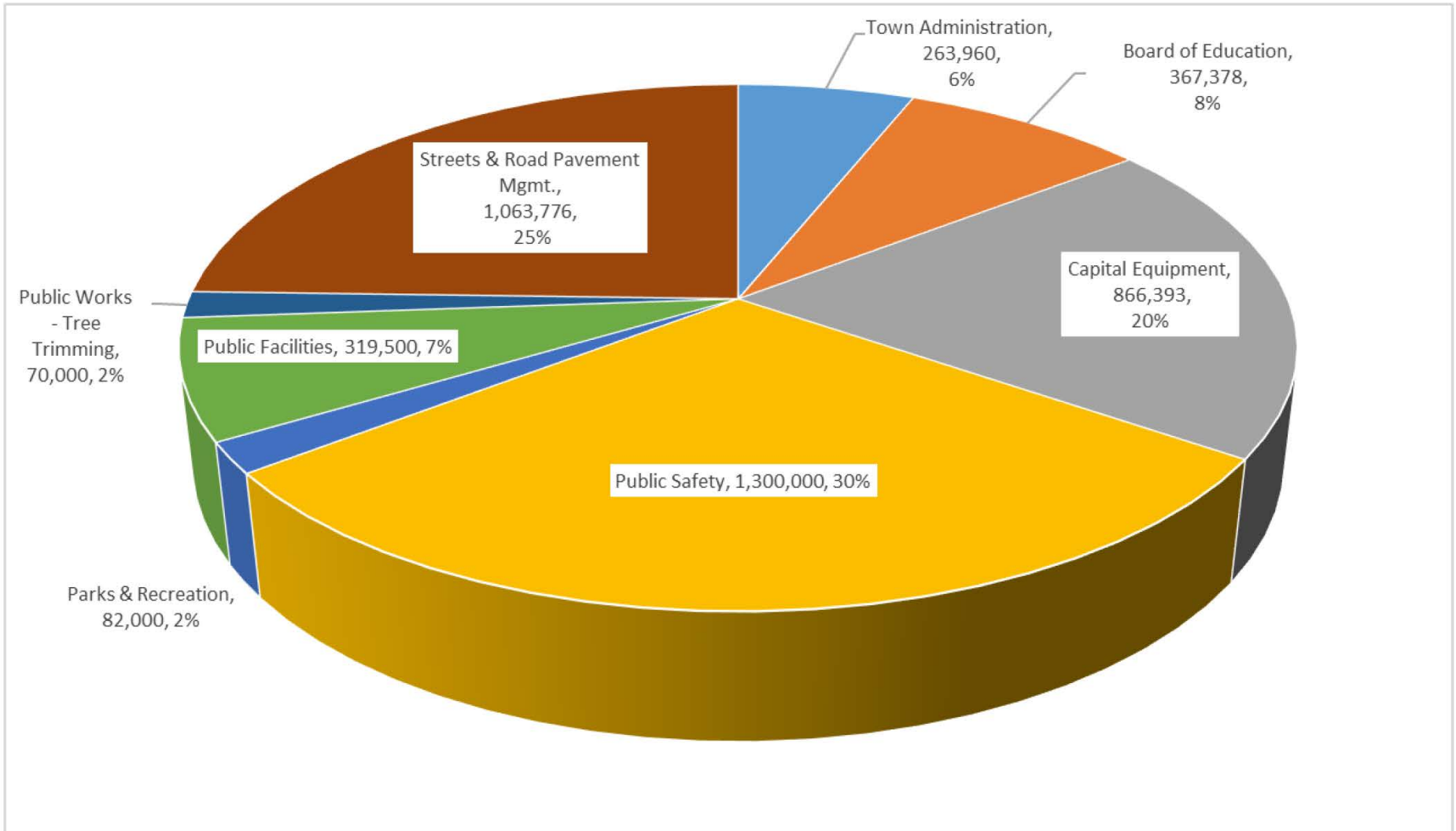
FY21 - \$192,567 or .34 % of Townwide Operating Budget

FY12 - \$137,946 or .24% of Townwide Operating Budget

Town Manager Proposed FY23 = \$255,880



FY22-23 CAPITAL PLAN BY PROGRAM AREA





TOLLAND DEBT MANAGEMENT PLAN SCHEDULE **2022-23 THROUGH 2026-27**

In FY 22/23 the General Fund budget will increase by \$50,000 to \$4,700,000 and will continue to increase through FY 23/24. The negative amount listed below under “Amount to be Paid from Debt Service Fund” is the amount to be contributed to cover the total debt payments. Much of this impact is due to debt for the Birch Grove School and potential renovations to the Firehouses. The plan will allow the budget to begin being reduced in FY 2026-27 to eventually get back to \$4,600,000. Once the budget returns to this level, the plan is to begin building capital reserves to fund future projects on a pay as you go basis as debt falls off the books.

	Debt Management Plan	General Fund Budget	Amount to be Paid from Debt Service Fund
FY 22/23	\$4,978,089	\$4,700,000	(\$ 278,089)
FY 23/24	\$5,420,029	\$4,750,000	(\$ 670,029)
FY 24/25	\$5,206,112	\$4,750,000	(\$ 456,112)
FY 25/26	\$5,211,720	\$4,750,000	(\$ 461,720)
FY 26/27	\$4,568,725	\$4,750,000	\$ 181,275

Town of Tolland, Connecticut

Proposed Debt Management Plan
Fiscal Years 2023 to 2027



February 10, 2022

Barry Bernabe
Managing Director



Executive Summary

Existing and Authorized-But-Unissued Debt

As of February 2022, the Town has outstanding tax-supported long-term debt outstanding of approximately \$34 million, and \$10,615,000 of short-term Notes that mature on September 15, 2022. Authorized-but-unissued debt totals \$10,441,827.

Proposed Debt Issuance Plan

Actual and proposed capital projects for fiscal years ending 2023 through 2027 total \$24,510,000.

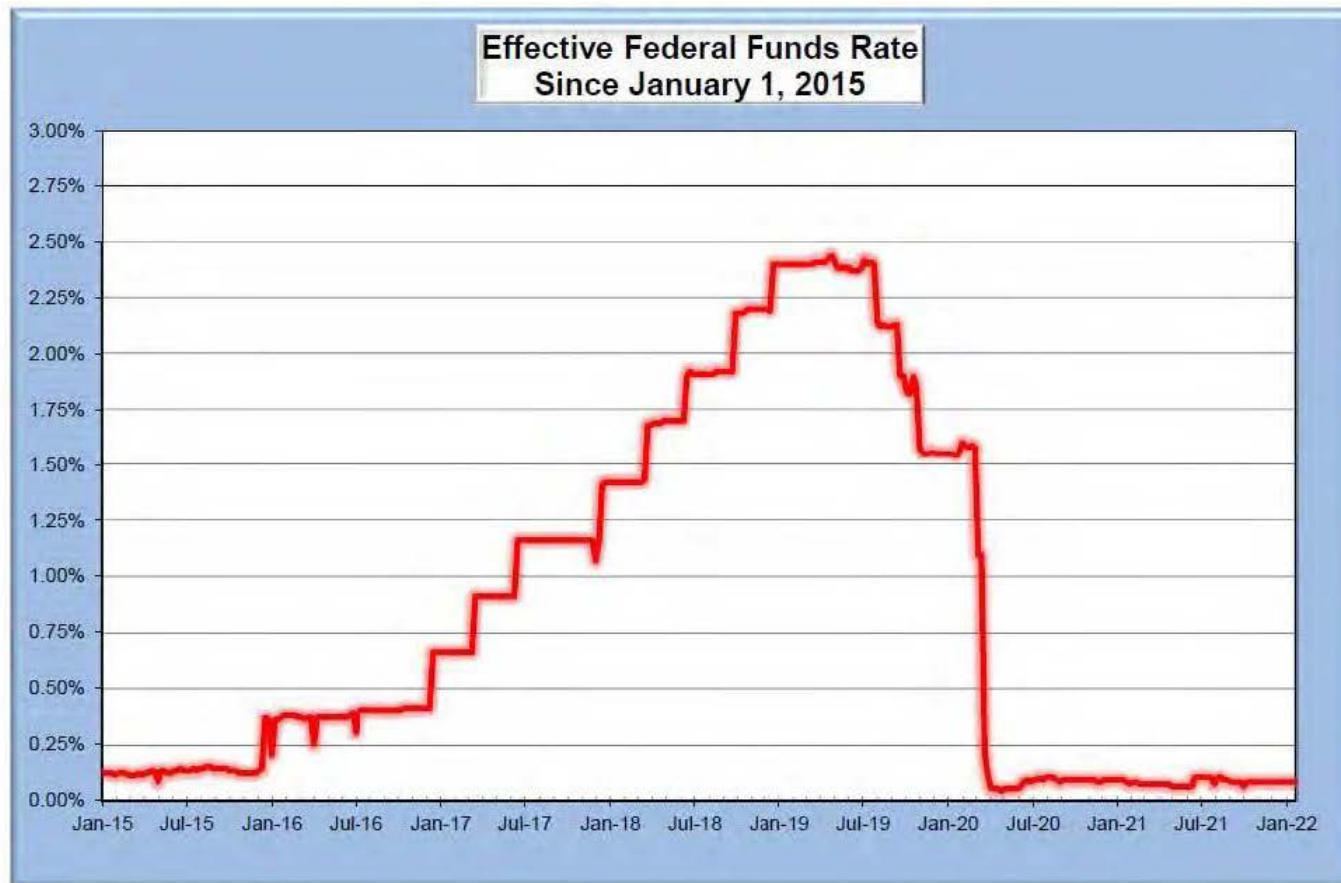
	Remaining Authorized But Not Issued	Capital Needs From CIP FY 21-22 Plan	Total Cash Needs
Year 1 - FY 2022-23	\$ 8,628,000	1,777,000	\$ 10,405,000
Year 2 - FY 2023-24	820,000	1,725,000	2,545,000
Year 3 - FY 2024-25	790,000	1,995,000	2,785,000
Year 4 - FY 2025-26	0	6,555,669	6,555,669
Year 5 - FY 2026-27	203,827	2,015,504	2,219,331
			-
	\$ 10,441,827	\$ 14,068,173	\$ 24,510,000
	Amount Issued		
YEAR 1	10,405,000	Issue Bonds - Sept 2022	
YEAR 2	2,545,000	Issue BANS - Sept 2023	
YEAR 3	5,330,000	Issue Bonds - Sep 2024	
YEAR 4	6,555,000	Issue BANS - Sept 2025	
YEAR 5	8,775,000	Issue Bonds - Sep 2026	
	\$ 24,510,000	Total amount Bonded	

Long-term Interest Rates – Past 54 Years

Ten Year U.S. Treasury Yield - January 1968 to February 2022 (54 Years)




Short-term Interest Rates



Town Bond Ratings

Standard & Poor's & Fitch Rating Scales



Highest	<u>AAA</u>	AAA
	<u>AA+</u>	AA+
	<u>AA</u>	AA
	<u>AA-</u>	AA-
	<u>A+</u>	A+
	<u>A</u>	A
	<u>A-</u>	A-
	<u>BBB+</u>	BBB+
	<u>BBB</u>	BBB
Lowest	<u>BBB-</u>	BBB-

Major Rating Assessment Categories

- 1) Management Practices – 25%
 - Fiscal Discipline and Ability to Plan, Monitor and Manage Government Finances
- 2) Economy & Demographics – 30%
 - Unemployment Rate, Housing Values
- 3) Financial Performance – 25%
 - Fund Balance Levels & Budgetary Discipline
- 4) Debt Management – 10%
 - Debt % of Budget, Debt % of Grand List
- 5) Long-term Liabilities – 10%
 - Pension & OPEB (Retirement Health Care)



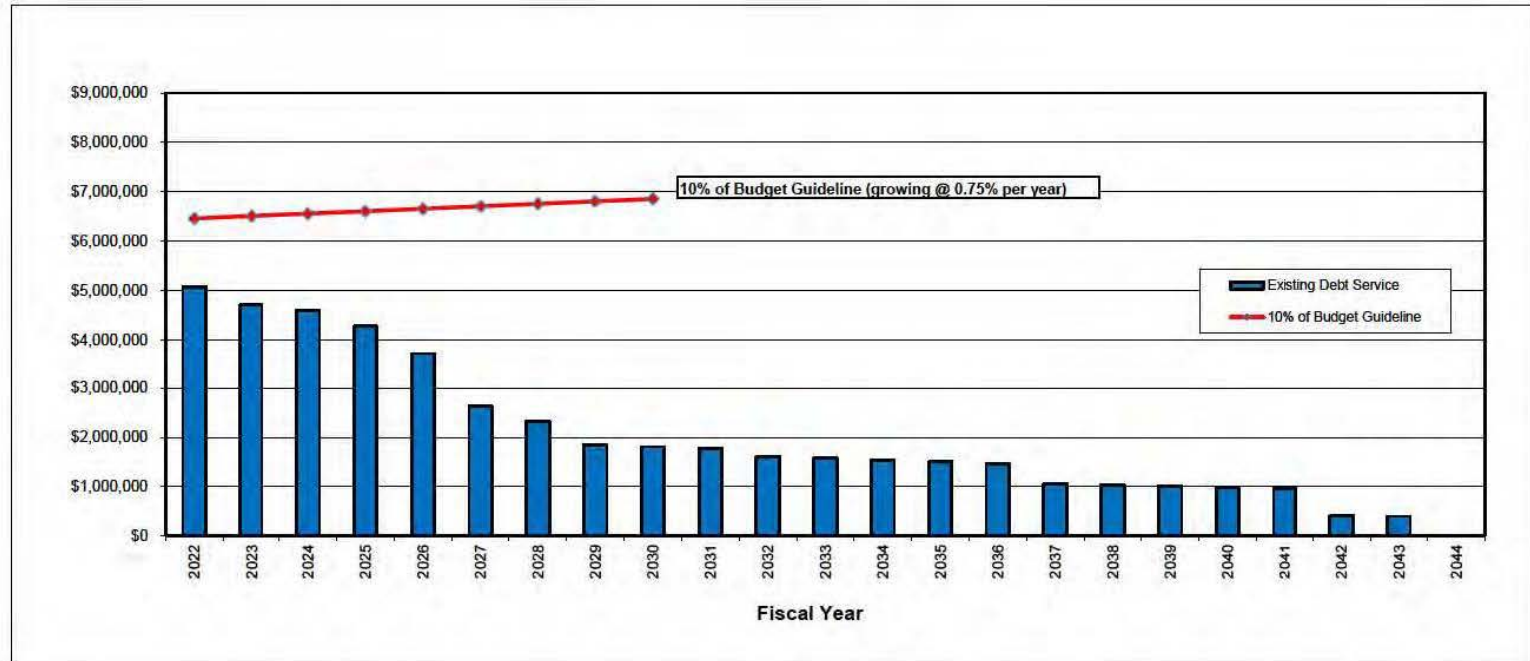
Importance of Fund Balance

- The Town's demographic profile is healthy but below average compared to other "AAA" rated municipalities in Connecticut and across the country
- The Town is over-achieving with its AAA bond rating due to strong management practices and current fund balance levels
- What is the debt service cost if the town gets downgraded from AAA to AA+

DATE	Debt Service with AAA @ 2.25%	Debt Service with AA+ @ 2.40%	Savings
06/30/2023	275,737.50	300,247.50	24,510.00
06/30/2024	1,767,637.50	1,815,427.50	47,790.00
06/30/2025	1,739,962.50	1,785,292.50	45,330.00
06/30/2026	1,707,343.75	1,750,218.75	42,875.00
06/30/2027	1,679,781.25	1,720,206.25	40,425.00
06/30/2028	1,652,218.75	1,690,193.75	37,975.00
06/30/2029	1,624,656.25	1,660,181.25	35,525.00
06/30/2030	1,597,093.75	1,630,168.75	33,075.00
06/30/2031	1,569,531.25	1,600,156.25	30,625.00
06/30/2032	1,541,968.75	1,570,143.75	28,175.00
06/30/2033	1,514,406.25	1,540,131.25	25,725.00
06/30/2034	1,486,843.75	1,510,118.75	23,275.00
06/30/2035	1,459,281.25	1,480,106.25	20,825.00
06/30/2036	1,431,718.75	1,450,093.75	18,375.00
06/30/2037	1,404,156.25	1,420,081.25	15,925.00
06/30/2038	1,376,593.75	1,390,068.75	13,475.00
06/30/2039	1,349,031.25	1,360,056.25	11,025.00
06/30/2040	1,321,468.75	1,330,043.75	8,575.00
06/30/2041	1,293,906.25	1,300,031.25	6,125.00
06/30/2042	1,266,343.75	1,270,018.75	3,675.00
06/30/2043	1,238,781.25	1,240,006.25	1,225.00
Total	\$30,298,462.50	\$30,812,992.50	\$514,530.00

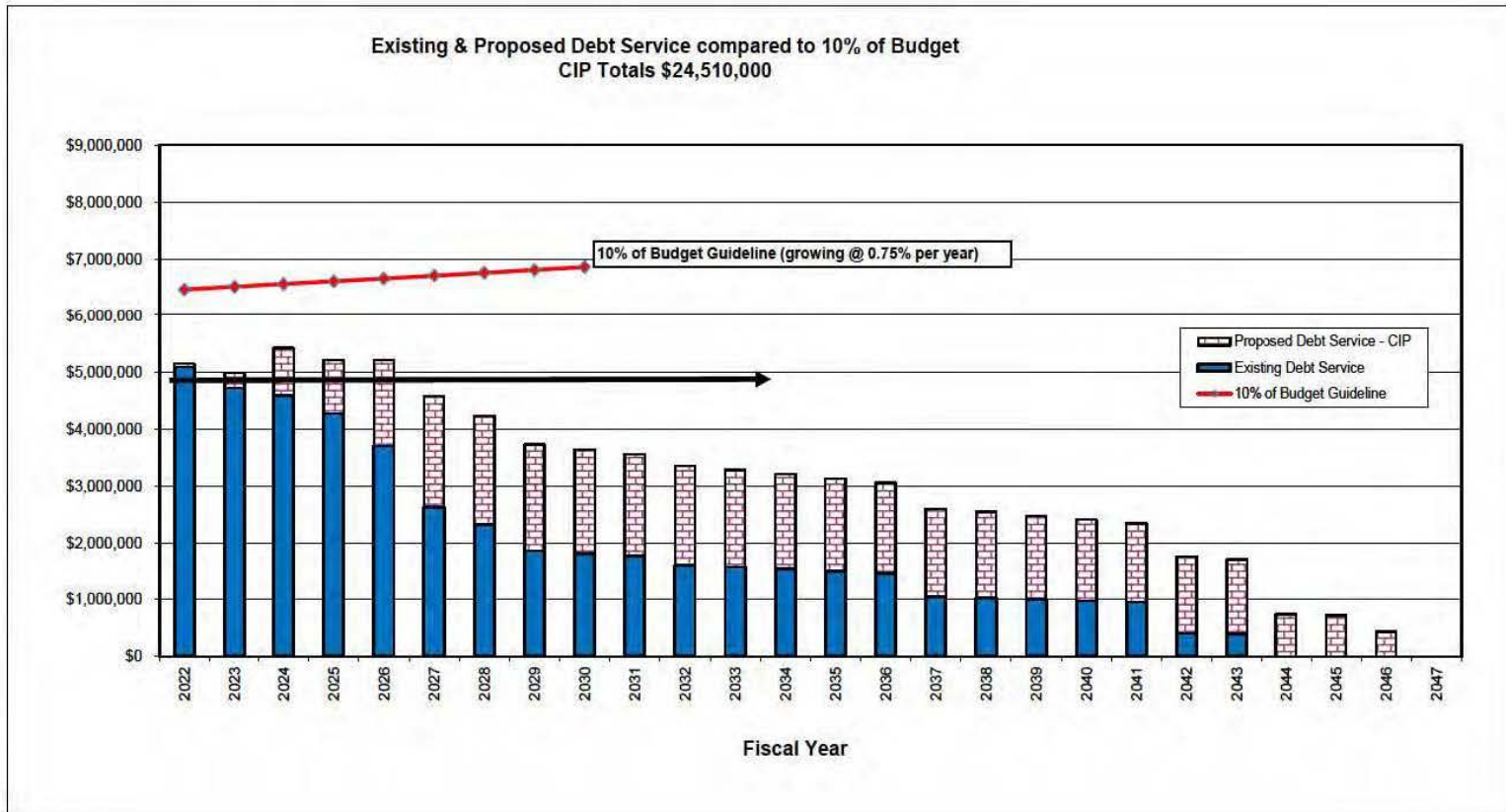
Existing Debt Service

The Town's existing debt service amortizes fairly aggressively. That decrease will help to mitigate the impact of the new debt that will be issued for the Capital Improvement Program.



The Proposed Debt Issuance Plan makes the following assumptions:

- Bonds issues to be issued at a rate of 3.0% and increasing 0.25% for subsequent issues.
- Current Bond rates for Tolland are at 2.25%
- Bond issues are amortized over 20-years
- Growth in the grand list was assumed at 0.75% per year



Projected Impact of the Proposed Capital Plan on the Debt Service Budget

FY 2023 – increase of \$50,000

FY 2024 – increase of \$50,000

FY 2025 – stays flat

FY 2026 – stays flat

FY 2027 – stays flat or decreases

Summary Points

- The Federal Reserve has kept short-term interest rates near zero since the pandemic started in March 2020. However, they are expected to increase rates several times this year.
- Long-term rates hit all-time lows in 2020 and 2021, however long-term rates have started to increase with the current yield on the 10-year U.S. Treasury Bond at close to 2.00%.
- The Town issued \$10,615,000 of short-term BANs at a rate of 0.14% and mature in September of 2022. Plans are to issue bonds in September 2022.
- The Town has above average bond ratings: S&P & Fitch both rate the Town “AAA”. These highest possible ratings will allow the Town to borrow at the lowest possible rate
- Some factors mentioned in the recent S&P and Fitch reports that justify the AAA ratings include: Very Strong Management Practices, Strong Budget Flexibility and Liquidity and Limited Pension and OPEB liabilities.
- The Town has numerous formalized policies that include: Fund Balance, Debt Service and Capital Improvement.
- The Town’s existing debt service amortizes aggressively, which helps to mitigate the impact of the proposed new debt.
- The proposed capital plan totals \$24,510,000 which would put a “moderate” amount of pressure on the Town’s debt service budget. The Town’s use of the debt service fund helps to mitigate the impact of the new debt.
- In order to manage the projected increase in debt service, the Town would need to increase the annual debt service budget for the next 2 years by about \$50,000. *(This could change if rates increase dramatically)*
- The current debt plan is “conservative” meaning, debt is amortized equally over 20-years. We could explore principal deferral or extending the amortization period of the bond issues.



Budget Schedule: Important Upcoming Dates

***Zoom meetings will be dependent upon COVID restrictions. Announcements will be made if public meetings are implemented.**

February 10, 2022 (Thursday)	Capital Budget Public Hearing – ZOOM Only – 7:00 p.m.
February 14, 2022 (Monday)	Board of Education submits Budget to Manager
February 24, 2022 (Thursday)	A. Manager convenes joint meeting between Council and Board of Education (by April 11 per Charter requirement). Recommendations & Suggestions to BOE regarding consolidation of non-education services and cost savings (10 days from date of receiving BOE Budget per State Statutes (Public Act 13-60)) B. Discuss Board of Education budget overall request, pursuant to Charter Section C9-4 or C9-1 – Library Program Room* – 7:00 p.m.
March 9, 2022 (Wednesday)	Manager submits Budget to Council
March 10, 2022 (Thursday)	Advertise Public Hearing
March 16, 2022 (Wednesday)	Mgr. discusses Budget w/Council–Library Program Room* – 7:00 p.m.
March 17, 2022 (Thursday)	Mgr. discusses Budget w/Council–Library Program Room* – 7:00 p.m.
March 21, 2022 (Monday)	Mgr. discusses Budget w/Council–Library Program Room* – 7:00 p.m.
March 24, 2022 (Thursday)	<u>PUBLIC HEARING</u> on Manager’s Recommended Budget: Board of Education, Town Gov’t., Capital Improvement Plan – Library Program Room* – 7:00 p.m.
March 29, 2022 (Tuesday)	Council Discussion – Budget Finalized – Council Chambers* – 6:00 p.m.
April 5, 2022 (Tuesday)	Advertise Budget
April 18, 2022 (Monday)	<u>ANNUAL BUDGET PRESENTATION MEETING</u> – Library Program Room* – 7:00 p.m. – BOE is provided an opportunity to present a revised adopted budget based on funding approved by Town Council and other line item updates
May 3, 2022 (Tuesday)	Annual Budget Referendum
By May 10, 2022 (Tuesday)	Council Establish Mill Rate upon referendum adoption



TOWN OF TOLLAND

INTER-OFFICE MEMO

TO: Town Council

FROM: Lisa A. Hancock, Interim Town Manager

DATE: February 2, 2022

RE: Capital Budget Questions

1. Generally speaking, can the recreation special revenue fund being used in the Capital Budget Plan be used in the future for expanding or establishing new fields if the town has available space? Or is it only for repairs and maintenance (ex: resurfacing Old Cathole Tennis Courts).

The Recreation Special Revenue Fund has been used in the past for some Capital Budget projects, though the Town should not rely on this fund for these types of repairs/maintenance/projects. Since our Recreation Director began in 2014 in Tolland, the Recreation Special Fund has averaged a yearly surplus revenue of approximately \$28,000 (pre pandemic) through 2019. Prior to that, the Recreation Special Fund had an approximate yearly loss of revenue at an average of -\$23,000 per year over a seven year period. The Recreation Special Fund not only pays for the majority of expenditures of its operating budget, it is also responsible for the salary of its only other full time staff member, and other repairs that happen throughout a fiscal year (Ex. Fence repair at Adam's Adventure, New electrical panel at Crandall Park, new bleacher, Security Cameras at Cross Farms Park, etc.). Depleting the Recreation Special Fund for Capital Projects jeopardizes the Recreation Department's future for growth and sustainability. During the Pandemic we have significantly decreased revenue.

2. What is the rationale for Public Safety vehicles requiring a specific make/model?

Despite their appearance, apparatus used in providing Emergency Services are highly-technical specialized vehicles. Most fire apparatus are equipped with various systems including pumps, pump panels, pre-connects, generators and carry varying amounts of water. When possible firefighters perform general maintenance and minor repair work to these systems. Consistency among the fleet is paramount to a successful service life of not just the mechanical truck engine, but the firefighting abilities the unit provides. Performance, dependability, local access to certified repair vendors and replacement parts are also among the reasons for consistency. Depending on the apparatus, there are certain times we request will bid waivers, however the last replacement went out for bid.

There are certain vehicles with the specifications required for emergency response needs. These vehicles must accelerate quickly and have more tolerance for continued operation and wear and tear on the engine/body. In addition, maintenance and repairs are more efficient when the fleet consists of the same type of vehicle. Mechanic knowledge, parts, processes can all be standardized.

3. For public works, the vehicle we are replacing that is no longer in production F-350 (truck #10 I believe), is the F-550 comparable or able to do more than what is being done by the current vehicle? Would our only other option be a downgrade?

The proposed F-550 for Truck #38, not #10, is used during our snow removal operations as well as during the summer months for athletic field maintenance. A vehicle of this size is needed to carry a material spreader and the heavy-duty plow that we outfit these vehicles with today. If a downgrade is considered, the 350 would be a heavy duty pickup truck which will not meet the expectations of what the vehicle is intended for. It

can plow snow, but with a lighter duty plow and it cannot hold a comparable sized material spreader.

- 4 Is there a log on mileage/use of vehicles by town employees? How is gas for these capital vehicles paid? Do they use town-sponsored fuel cards (this may be a general budget question)?

Every Town owned vehicle has its own fuel key with each operator having a unique personal code, which authorizes that individual to dispense fuel into the vehicle. Mileage for these vehicles are entered at the time of dispensing fuel. All fuel, both diesel and gasoline, is dispensed from Town owned fuel tanks located at the Highway Garage, unless the fuel pumps are not functioning at which time. We would then make arrangements at a local gas station. This is a very rare occurrence as we have generator back up at this facility.

- 5 How do we verify the rusting shown in the images being at a dangerous level of vehicular failure or causing problems with the vehicle working well, and not just cosmetic rusting due to their level of use in rough conditions?

The pictures that were provided clearly show that the rust/corrosion/rot are not cosmetic as you can see directly through the truck body on numerous photos. Truck #10, the red pickup truck which shows the Public Works Director's finger penetrating the area at the rear of the cab shows that there is severe rot taking place at that location. This is where the rear of the cab mounts to the frame and when it finally corrodes enough, the cab will actually drop off of the mounts and fall onto the frame. Some Council members were fortunate to be able to view these vehicles during the tour that was provided.

Annually, Public Safety apparatus undergo required Federal D.O.T. level inspections by an independent contractor. Issues revealed during annual inspections as well as recommendations from Town mechanics are factored in to any decisions.

6. Why do we have to replace the ambulance every five years? What is the average mileage and level of use compared to our parks & rec or public works vehicle that seem to last longer?

Due to the sheer nature of their 24/7/365 job, ambulances are one of the hardest-working vehicles in our fleet. Age and mileage are not the only factors to consider. Operating in an emergency response mode versus normal driving conditions is an important aspect. Ambulances are driven on highways and city streets to hospitals as far away as Hartford, sometimes several times a day.

7. Could we have the PDF be searchable? Is there a way to re-upload the file for the public to search through the document as well?

This has already been taken care of.

8. Why is the track resurfacing separate from the turf field? Is there a cost savings if we did both at once? Or is this to spread out the cost across several capital budget years.

My limited input on this is that in a previous meeting with the previous Town Manager, the Superintendent of Schools, the Facility Director for the Board of Education, our Operations Manager from DPW, our Parks & Facilities Supervisor, the Director of Recreation and the Public Works Director, it was agreed upon that the school system utilizes the track much more than outside programs whereas the turf field is used by both school and outside groups. The Town Manager agreed to responsibility to budget for the field portion and the Board of Education would assume the cost for the track in their request. This should not preclude the Bid being written for both pieces of the project with the cost for each being spelled out so the appropriate charges can be handled by the proper authority. It would certainly depend on the material requirements and vendor capability to provide for both needs. In addition, since the intention of these items are planned to be funded by debt issuance and at the time that they will be required to be replaced, they have been included in separate financing years within the plan. If it is decided to push the track out to the year that the field will need to be replaced, we will need to determine if the track will

last an additional year and also would need to review the impact on debt service costs.

- 9 How did we get here to have so many vehicles at high-risk for breaking down and needed to be replaced? How are vehicles/equipment replaced and who makes the ultimate decision outside of a vehicle failing and needing an emergency replacement.

In recent years, our Capital Budgets have been cut many times which pushes the requested equipment further down the road and as items that are more expensive are up for replacement; the smaller items get pushed back further. One example is the Toro Mower being requested this year. It has been pushed back at least three times and two years ago, we spent almost \$30,000 to repair the hydraulic system, which runs the mower portion, as well as the drive system. It is the only mower of its type so it is used every day on both municipal and Board of Education grounds. Previous Town Manager's made these decisions in order to reduce the impact on the operational budget, debt and mill rate. We are now at a point where it cannot be pushed out any longer. An ultimate goal for the future when debt falls off the books, is to begin a depreciation program for this larger equipment in order to set aside funds for replacement on a pay as you go basis. But we are not at that point in time yet.

Requests for replacement of apparatus/equipment may get pushed out from year to year due to budget constraints. Higher call volume, and the use of road salt also contribute to the accelerated lifecycle the failure of apparatus. If it is practical, the Fire Department refurbishes apparatus to extend its lifespan in lieu of requesting replacement.

10. What is the benefit of replacing vs. retrofitting or refurbishing certain vehicles like the ambulances, fire trucks, etc.? How do we audit/verify the condition of vehicles and equipment? Is there a 3rd party that does this or do we use a state/regional set of standards for reviewing equipment schedules for replacement?

Depending on the history of repairs, usage, and overall performance, refurbishment is always our first consideration versus replacement. An

independent evaluation is conducted by a commercial company to determine the investment needed to refurbish a truck to comply with industry standards. The costs of refurbishment are weighed against the projected extension of its usable life to determine if the Department would recommend refurbishment versus replacement. Many apparatus in our fleet have already undergone refurbishment including ET 140, ET 340, ET 440, & ET540. Truck 240 was purchased used then underwent rehab before being placed into service, saving the town tens of thousands of dollars.

11. Can we get clarification on the Tolland Fire Dept. corporations fundraising of donated equipment like vehicles, trailers, etc. and why they are no longer able to be replaced? Who authorizes the addition of equipment from the foundation that the town then has to replace? Does the Manager/TC approve those donations knowing they could become a capital expense in the long run?

The Tolland Fire Department Corporation has historically purchased equipment that enhances the capabilities of First Responders. Including Pre-planning and Training software programs and volunteer members' Class A uniforms. ATVs, UTVs and specialty trailers were acquired with Corporation funds as well as donations. The response vehicles provided to the Fire Chief were the most significant contributions. In the best interest of the community and as a matter of convenience the Fire Chief was allowed to use the vehicle in the performance of his duties as Director of Public Safety and Emergency Management Director. Higher prices, lower donations and increase usage for Town business forced the Corporation to acknowledge that it can no longer bear the financial burden. The Director of Public Safety accepts donations and plans the costs of maintenance and replacement into his annual Operating/Capital budget requests. The items the Town absorbs through donations are not frivolous expenditures, but provide real life-saving value to the community. For instance, without the addition of the ATV and UTV, emergency responses for injured people on the more than 27 miles of hiking trails in town could jeopardize the health of the patient.

12. Are we putting sufficient monies into the CNRE every year to account for depreciation?

No. If this were done the annual contribution would be substantial. Although the process has been discussed, it has not been financially feasible to implement depreciation for all equipment. Only the smaller fleet on a limited basis has been managed under the depreciation process. Please also refer to the response to question #9.

13. Vac-All. If this can be replaced with ARPA funds, can this be taken off the capital budget? Is it \$500k less money on the capital budget or would the \$500k be redistributed to other projects? Or, would it be issued just in case, and if ARPA funds are appropriate it would be used offset towards other projects like when we reallocated the paving project savings to the firehouse improvement project?

Since this item is needed to address MS-4 Storm drain cleaning mandates I am fairly sure that it would be a permitted purchase with ARPA funds. The distribution of the funds would all depend on what Town Council would want to do. The advantage of paying for this with ARPA funds is that it removes it from debt financing and reduces the amount of funds that would need to be borrowed. It could remain in the CIP program as being funded with debt issuance and the Town Council could decide to use ARPA funds. I would recommend that if you wanted to use ARPA funds, it should simply be removed from the CIP and authorized now for the purchase. If it stays as a bond authorization, it gets more complicated and costly to restructure the bond authorization. It is best to make the decision now if possible. Once a bond is authorized for a specific project you may not reauthorize it for a different project unless the different project was part of the original authorization. Doing this gets costly, time consuming to do and is not the most recommended way to manage debt issuance.

14. Could we get more details on year 3 for the public works garage expansion? How does the upgrade help public works employees and our capital equipment at that location for space and storage?

The current Parks & Facilities garage is filled to the brim when the equipment and trucks are all housed inside. This does not include the “off season” items such as mowers, painters, etc. which are stored under cover outside. As for the employees, they have a “break area” which is an open “deck” located above the explosion proof storage room where we store paints, diesel fuel and gasoline. It has a railing around it with no walls, which means as any vehicle is running; all of the exhaust fumes are readily inhaled by anyone that is on break or having lunch. There are no resting quarters for these employees other than in a vehicle or possibly utilizing a room at the Rec Center. The Mechanics area is chock full of equipment or vehicles that are being worked on with very little room for record keeping, research for parts or repairs, etc. This garage’s roof collapsed due to the weight of the snow back in 2014 – 2015 and they moved back in during the fall of 2015. It is basically a metal shell of a building with one area cordoned off for office space and another area for the Mechanic. This is one of those items that really needs to be addressed sooner than later.