

The Capital Subcommittee of the Advisory Committee held 10 meetings to review operating budgets for the Building, DPW, Water & Sewer and Recreation Departments, as previously presented to the AC, and to review the CIP requests from those departments as well as the remaining Town departments and the Public Schools of Brookline. Two additional meetings were held to discuss general CIP policies and guidelines. Links to each meeting are found at the end of this report. A site visit was made to the Baldwin School by 3 committee members accompanied by School and Building Department Staff.

Votes on the CIP Appropriations, Warrant Article 10 (b) subsections 1 -12 and 15 -41, were taken at the April 12, 2024 meeting of the Capital Sub-committee.

Committee Members in Attendance on April 12, 2024: Carol Levin (chair), Harry Friedman, Carlos Ridruejo, John Dogget, Pamela Lodish.

Votes for Warrant Article 10(b) subsections 13 – 14 were taken at the April 18, 2024 meeting. Committee Members In Attendance on April 18: Carol Levin (chair), Harry Friedman, Carlos Ridruejo, Michael Berger, Pamela Lodish, Alok Somani, and John Dogget.

All meetings were attended by members of the public and the appropriate Town and/or School staff including but not limited to: Melissa Goff, Charles Young, Charles Carey, Dan Bennet, Charlie Simmons, Erin Chute, Susan Givens, Karen King, and Sara Gooding. School Committee members Helen Charlupski and Mariah Norbrega were also in attendance.

VOTES on April 12:

ARTICLE 10 (B) 1	Town Garage Floors:	5-0-0	\$ 225,000
ARTICLE 10 (B) 2	Rehabilitation of Town Buildings	5-0-0	\$ 500,000
ARTICLE 10 (B) 3	Technology Infrastructure	5-0-0	\$ 125,000
ARTICLE 10 (B) 4	Comprehensive Plan	5-0-0	\$ 400,000
ARTICLE 10 (B) 5	Fire Department Engine #3 Rehab	5-0-0	\$ 325,000
ARTICLE 10 (B) 6	Body Camera & In-Car Camera	5-0-0	\$ 250,000
ARTICLE 10 (B) 7	Public Safety Lobby Study	5-0-0	\$ 100,000
ARTICLE 10 (B) 8	Traffic Calming	5-0-0	\$ 350,000
ARTICLE 10 (B) 9	Bike Access Improvements	5-0-0	\$ 350,000
ARTICLE 10 (B) 10	Parking Meter Replacement	5-0-0	\$ 400,000
ARTICLE 10 (B) 11	Woodland Road	5-0-0	\$1,950,000
ARTICLE 10 (B) 12	Accessible Pedestrian Signals	5-0-0	\$ 150,800
ARTICLE 10 (B) 15	Washington Street Rehabilitation	5-0-0	\$ 800,000
ARTICLE 10 (B) 16	Wastewater System Improvements	5-0-0	\$3,000,000
ARTICLE 10 (B) 17	Amory Tennis Courts, Parking, Halls Pond	5-0-0	\$2,780,000
ARTICLE 10 (B) 18:	Big Belly Compacting Stations	5-0-0	\$ 95,000
ARTICLE 10 (B) 19:	Griggs Park Renovation	0-5-0	\$ 400,000

ARTICLE 10 (B) 20:	Larz Anderson Improvements	5-0-0	\$3,300,000
ARTICLE 10 (B) 21:	Monmouth Park Improvements	0-5-0	\$ 500,000
ARTICLE 10 (B) 22	Playgrounds, Fields & Fencing	5-0-0	\$ 300,000
ARTICLE 10 (B) 23	Rehabilitation of Town & School Grounds	5-0-0	\$ 185,000
ARTICLE 10 (B) 25	Tree Work at Putterham Woods	5-0-0	\$ 200,000
ARTICLE 10 (B) 26	Golf Course Improvements	5-0-0	\$ 600,000
ARTICLE 10 (B) 27	Pool Dehumidification and Filter	5-0-0	\$ 1,115,000
ARTICLE 10 (B) 28	School Furniture	5-0-0	\$ 200,000
ARTICLE 10 (B) 29	Town/School HVAC Equipment	5-0-0	\$ 170,000
ARTICLE 10 (B) 30	Town/School Underground Tank Removal	5-0-0	\$ 200,000
ARTICLE 10 (B) 31	Town/School ADA Renovations	5-0-0	\$ 100,000
ARTICLE 10 (B) 32	Town/School Elevator Renovations	5-0-0	\$ 650,000
ARTICLE 10 (B) 33	Town/School Energy Conservation	5-0-0	\$ 410,000
ARTICLE 10 (B) 34	Town/School Energy Management	5 0-0	\$ 300,000
ARTICLE 10 (B) 35	Town/School Building Envelope	5-0-0	\$ 500,000
ARTICLE 10 (B) 36	Town/School Fire Alarm Upgrades	5-0-0	\$ 225,000
ARTICLE 10 (B) 37	Town/School Life Safety & Security	5-0-0	\$ 180,000
ARTICLE 10 (B) 38			
A	Baker School	5-0-0	\$ 1,128,000
B	Lincoln School	5-0-0	\$ 1,430,000
C	Hayes School	5-0-0	\$ 250,000
D	BHS Main Building	5-0-0	\$ 15,000
E	Lawrence School	5-0-0	\$ 100,000
F	Runkle School	5-0-0	\$ 785,000
G	Baldwin School	3-2-0	\$ 180,000
ARTICLE 10 (B) 39	IEP Accommodations	0-3-2	\$ 200,000
ARTICLE 10 (B) 40	Long-Term Capital Plan, Schools	0-5-0	\$ 250,000
ARTICLE 10 (B) 41	BEEP Leases	3-2-0	\$ 717,332

April 18, 2024

Votes:

Article 10 (B) 24)	Removal & Replacement of Trees:	6-0-0	\$ 550,000
Article 10 (B) 13	Street Rehabilitation:	6-0-0	\$ 6,947,688
Article 10 (B) 14	Sidewalk Rehabilitation	6-0-0	\$ 632,521

Missing a vote for TNC MITIGATION PROJECTS **\$ 100,000**

GENERAL CIP CONCERNS

1) FUNDING NEEDS VS FUNDING SOURCES

“The Top 10 Management Characteristics Of Highly Rated State And Local Borrowers “ Standard & Poors

Number 9. A capital planning process

A government with a comprehensive assessment of capital and infrastructure requirements, including deferred maintenance, will be better positioned to manage these requirements over time in the most cost effective way. Neglecting critical capital needs may contribute to higher future costs and also impede economic growth and endanger future revenue generation. ***A capital improvement plan indicating both funding needs and anticipated funding sources is a useful planning tool for determining future borrowing needs.***

A FUNDING SOURCES PLAN

Brookline’s CIP is a funding sources plan, rather than a plan of funding needs. It shows how dollars from multiple funding sources (Property Tax, Free Cash, General Fund Bond, State/Federal aid, and others) are distributed or designated among different projects in a given fiscal year over a 5-year horizon, and many of the out-year numbers are placeholder funding amounts rather than a statement of fund needs.

The current CIP does not provide information on the timing of multi-year expenditures which are appropriated in their entirety in a single year. A bond, whether inside or outside the levy, can be authorized for a specific purpose with the funds appropriated in a specific year, yet those funds are expended over multiple years and those out-year expenditures not shown in the CIP.

As of March 12, 2024, there were \$260.5 million in available bond financed, capital funds. All but about \$10 million of these funds are for the Pierce and the Fire Station projects, yet the Fire Station project isn’t even listed in the CIP because it was funded in FY23, and the Pierce project will not be listed in the FY26 CIP because it was funded in FY24. A similar “pre-funding” of capital improvement projects funded from general revenues or free cash also occurs for out-year scheduled projects. As a result, it is not clear the magnitude of the capital investment occurring in a single year or in a single category.

A FUNDING NEEDS PLAN

There are many line items within the current CIP for which detailed multi-year funding needs plans do exist, such as the Town/School Building Envelope and the Town/School Building Roof Repair Replacement programs. DPW also has multi-year plans for streets, sidewalks, and parks. The Fire Department has plans for vehicle replacements and rehabilitation. There are other components of the Town’s infrastructure for which multi-year replacement plans are also being developed, such as parking meters. What does not exist, however, is a consolidated roll-up of all these plans. There is nothing which lays out the magnitude of funding needs in their totality over a planning horizon.

THERE EXISTS A GENERAL CONCERN ABOUT VARIABILITY IN THE DEGREE OF FORWARD PLANNING AMONG TOWN DEPARTMENTS & THE PSB, THE LEVEL OF CONSISTENCY IN THE APPLICATION OF CIP FUNDING CRITERIA, AND THE OPAQUENESS OF FUNDING ALLOCATION DECISIONS.

The FY 25 CIP totals \$34,141,586 as compared to FY 24 total of \$233,715,408. When removing funding for the Pierce School (\$209,915,958) the FY 24 number is \$23,799,450. The largest FY 25 increases proposed by the Town Administrator were in Parks & Playgrounds, \$4.055 million; Engineering/Highways, \$1.223 million, General Government, \$750,000; and School, \$4.0 million (exclusive of the Pierce project.)

DISCUSSION

In general, the Capital Subcommittee concurred with the CIP recommendations submitted by the Town Administrator and were satisfied with each Department's explanation of need. However, the Subcommittee was surprised to learn that due to the FY 25 budget's strong free cash number and approximately \$3.0 million in funds being released from the Overlay account, certain CIP categories were receiving funding for work occurring in future years. There was considerable discussion over which CIP categories were and should be the beneficiaries of this pre-funding, and there was a particular focus on the SCHOOLS subcategory. That category includes work both exclusively for the benefit of the PSB and line items which are for both Town and School facilities.

The proposed FY25 CIP included approximately \$4.7 million for "School Rehab," also referred to as the "mini-CIP" which in recent years has been budgeted at \$1.0. The mini-CIP is historically used for painting, re-flooring, and refurbishment exclusively of the schools. These three items should be occurring on a regular schedule in accordance with a plan, similar to the plans for roofs and building envelopes.

In the FY 25 CIP, the "School Rehab" line proposal was increased to fund what has been characterized as "deferred maintenance" work that is scheduled to be done over the next three fiscal years in School buildings. As recently as FY 23 the PSB was reporting "deferred maintenance" at \$15 million. The PSB, after scrubbing the deferred maintenance list of items which were completed, not well documented, inappropriately classified or funded elsewhere, as well as the removal of the Driscoll (\$1.4 million) and Pierce Schools (\$3.4 million), presented a revised "deferred maintenance list" of approximately \$6.8 million through FY 30. It is not known what portion of this \$6.8 million represents true "deferred maintenance" versus appropriately scheduled future painting, flooring and other periodic maintenance work.

The Capital Subcommittee has reviewed each of the proposed projects and schedules. With the exception of the Baldwin School, it has voted to fund in full the School Building Rehab Requests for FY 25 and FY 26. It did not approve funds for work proposed in FY27. For the Baker, Lincoln and Runkle Schools this will complete the funding of all planned work. For the Lawrence and Hayes Schools this will leave unfunded work scheduled for FY 27 – FY 30 in the amounts of \$250,000 and \$580,000 respectively, and for BHS \$3.255 million.

The Subcommittee is very concerned by PSB plans for the Baldwin School and it is not supportive of the initial CIP request. The PSB intends to move some of the administrative staff vacating 2 Clark Road to this location.

The Subcommittee's concerns include:

- \$300,000 in "surplus" funds from the FY24 CIP which were intended for specific work at the Lincoln School but which came in under budget, are instead being used to prepare the Baldwin School for occupancy. These funds should have been used for additional items at the Lincoln School.
- The "mini-CIP" funds from the FY24 CIP were not intended for improvements for a new space use.
- The Baldwin School is a vacant Town asset. Determination of its next use should have been via a structured process.
- The Baldwin School is a historic structure and is subject to oversight by the Preservation Commission. This was not obtained, and some of the work which has been completed both to the exterior and interior would likely not have been approved.
- The PSB is seeking an additional \$486,000 in new FY25 CIP funds to complete the improvements.
- Most of the work at the Baldwin School required for the PSB occupancy has been completed, though full funding for the project was not yet available.

The subcommittee voted on April 12, 2024, by a vote of 3-2-0, to approve a reduced appropriation for the Baldwin School of \$180,000. This amount, along with the \$300,000 from the FY24 CIP will permit completion of the minimal improvements necessary for occupancy of the first floor of the Baldwin School and an upgrade of the electrical service to the school, which is necessary for the electrification of the property regardless of its occupant.

The appropriation is conditioned upon oversight by the Preservation Commission, a requirement for an MOU between the Town and PSB governing the PSB occupancy, and a term limit of June 30, 2027 for the PSB occupancy, unless extended after a Town planning study to determine the property's best use. Reasons for the "no" votes include:

- A belief the PSB must not be rewarded for circumventing rules.
- The need for consistency of consequences between private and public property owners.
- Fears that absent a negative consequence, this behavior of the PSB will continue.

The Capital Subcommittee, desiring to prevent the future re-direction of appropriated CIP funds to projects which were not approved (i.e. Baldwin using Lincoln School funds), and in keeping with the project specific nature of most of the CIP appropriations, voted separate CIP appropriations for each school on April 12, 2024, by votes of 5 -0-0 (with the exception of the Baldwin School as noted above), as follows:

School Rehab/Upgrade	
Baker	\$128,000
Lincoln	\$1,430,000
Hayes	\$250,000
BHS	\$15,000
Lawrence	\$100,000
Runkle	\$785,000
Baldwin	\$180,000
	\$2,888,000

The cumulative result of these decisions is a reduction of the School Rehab request from \$4.7 million to \$2.888 million as detailed above.

There should not be concern about this limiting of the ability to move funds among different school projects.

- Project specific appropriations are the norm within the CIP.
- Most school CIP work occurs during the summer break, with occasional work during other vacation periods. Since the appropriations are for 2 years of scheduled projects, if needed funds at a specific school can be accelerated for FY 25 projects occurring in the summer of 2024.
- Because of the beforementioned project scheduling, there will be ample opportunity for a supplemental CIP request for each school for FY 2026 if funds are insufficient.
- The Building Department historical makes conservative estimates (for example the \$300,000 in excess funds for the Lincoln School work which occurred in the summer of 2023).

The Capital Subcommittee also voted on April 12, 2024, against a \$250,000 appropriation for a PSB Capital Planning study by a vote of 0-5-0. The reasons include: 1) the concept is only vaguely conceived; 2) much of the forward looking capital planning for the PSB is related to the upkeep of the current facilities and is done by the Building department; 3) the recent PSB demographic projection studies upon which long range capital plans would be based have a high degree of uncertainty beyond five years; and 4) the PSB does not currently have staff to run a project looking at longer term requirements.

The Capital Subcommittee also voted on April 12, 2024, against a \$200,000 appropriation to fund building modifications made in response to Individualized Education Programs (IEP) by a vote of 0-5-0. This is a new line item in the CIP. Historically all IEP accommodations were made from other operating funds. These modifications to the building are specific to an individual student and may require restoration to the original building conditions when the student leaves the school. In addition, modifications to a handicap bathroom to accommodate a specific student, have, in some instances, rendered the bathroom non-handicap accessible. The subcommittee voted unanimously (0-5-0) to not fund this item.

CIP RE-ALLOCATION

As a result of the reductions in the School Rehab, the School Capital Plan and the IEP Accommodation appropriations, the Capital Subcommittee was able to re-allocate **\$2,232,209** to other existing CIP line items for which there is certainty of future need. The details of the reallocation can be found on the accompanying tables but fall into four categories: other Town/School Building uses, \$845,000; Streets and Sidewalks, \$1,087,209, Tree Removal and Replacement \$200,000; and the Comprehensive Plan, \$100,000, which is a known FY26 obligation. The Subcommittee understands, as should the Advisory Committee, that not all these funds will be expended in FY25. Rather these appropriations will be available for current and future years' projects.

CONDITIONS OF APPROPRIATION

1) Larz Anderson Park (10 (b) 20)

The FY 25 CIP includes \$3.3 million for improvements to the Park. Concerns were raised by a member of the subcommittee about whether the Preservation Commission has been properly consulted regarding work being done at the Park. Language was added to the Larz Appropriation requiring this consultation, and this conditioned appropriation was voted approved by a vote of 5-0-0 on April 12, 2024.

2) Griggs Park (10 (B) 19)) and Monmouth Park (10 (B) 21))

On April 12, the Subcommittee voted against appropriations for these two parks by votes of 0-5-0. For both parks, the subcommittee is concerned by a ban of abutters from the Design Review Boards for each project. The no vote was intended as a lever to push for a reconsideration of this exclusion before Town Meeting. Town Counsel joined the Subcommittee at its April 18 meeting. Town Counsel stated that

3) Baldwin School (10 (B) 38G))

In addition to the reduction in the amount of the appropriation, the appropriation also included a requirement that all funds not expended or encumbered by June 30, 2024 be subject to a review of plans and drawings by the Preservation Commission prior to such encumbrance. The appropriation is further conditioned upon the PSB and Town executing an MOU governing the PSB's occupancy, with an initial termination of June 30, 2027, and a Town study to determine the best municipal use of the property.

4) Classroom Capacity Leases – to be renamed BEEP LEASES

Long characterized as "excess capacity" this line item is now solely funding two leases for BEEP space at Temple Ohabei Shalom and Temple Emeth. The conditions of appropriation are now

specific to these two leases. Two members of the subcommittee voted against the appropriation due to long held belief that the lease payments should be in the operating budget not the CIP. The subcommittee was in agreement that the presence of these leases in the CIP should be phased out over the next few years.