

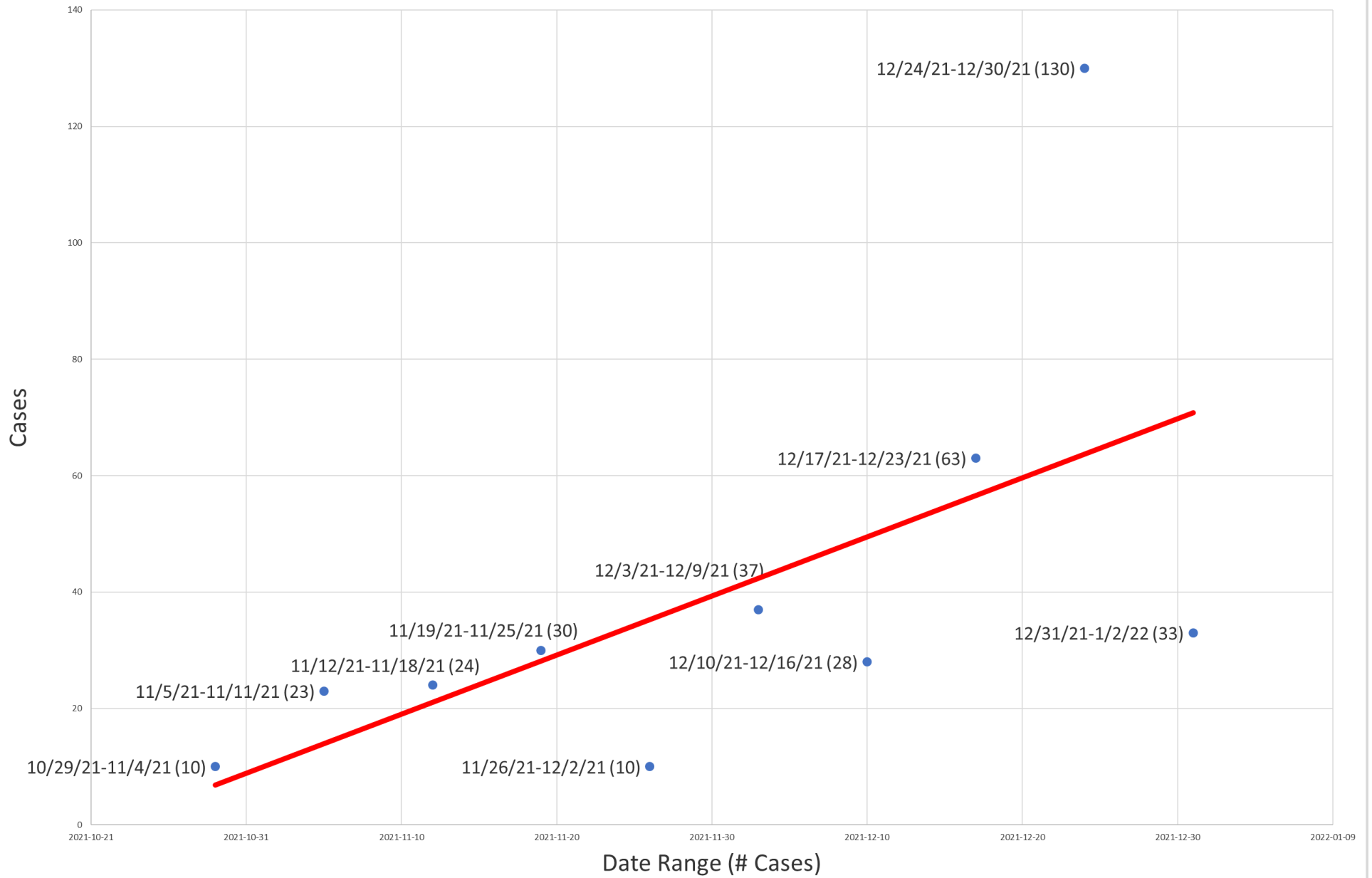
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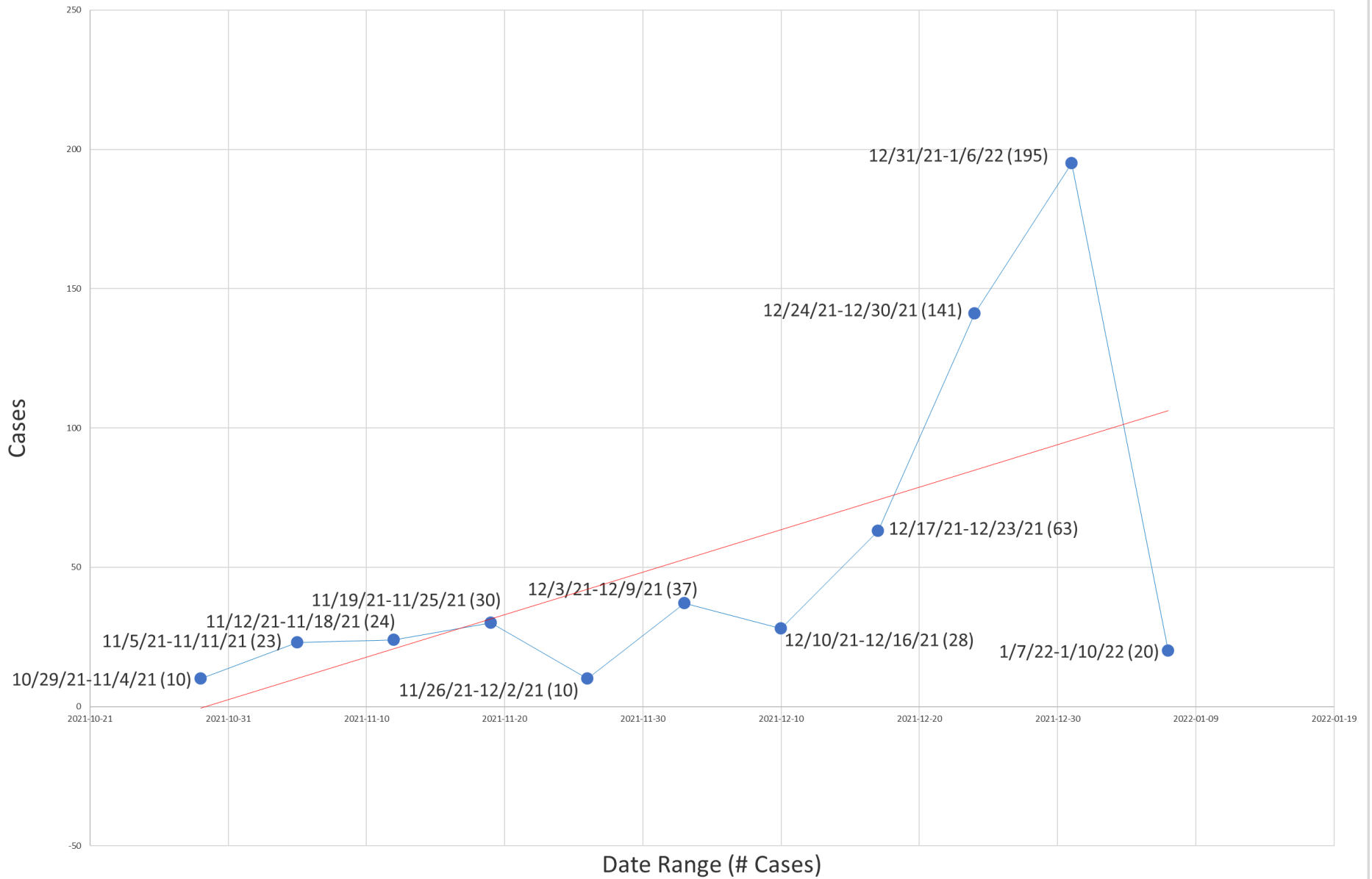
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2022

Wayland Cases 10/29/21-1/2/22



Wayland Cases 10/29/21-1/10/22





TOWN OF WAYLAND
SPONSORING BOARD ARTICLE REQUEST FOR TOWN MEETING
Attach extra pages if necessary

Article Title: Establishment of a Capital Improvement Planning Committee **Estimated Cost:** \$0

Article Description (final language to be provided by Town Counsel based on description provided):

To see if the Town will vote to adopt a General Bylaw to establish the Capital Planning Committee for the purpose of overseeing the Towns capital planning process or take any other action relative thereto.

Contact Information for Publication in Warrant

Contact Person Name: Dave Watkins **Contact Person Phone:** Dave Watkins

Contact Person Town Email: dwatkins@wayland.ma.us

Proposing Board Information

Board Name: Board of Selectmen

Board Vote (Quantum) to Submit

Article: _____

Date of Board Vote: _____

Signature of Board Chairperson: _____

Date: _____



Town of Wayland

To: Board of Selectmen

From: Dave Watkins, Selectman

Date: January 10, 2022

Subject: Capital Improvement Planning Committee (CIPC)

Purpose and Objective

In order to effectively plan for and finance future needs, the Town of Wayland should establish a Capital Improvement Planning Committee (CIPC) to be charged with the responsibility of overseeing a coordinated, town-wide comprehensive planning process. By improving Wayland's long-term planning process, the Town will be better positioned to make more informed decisions and better maintain its Aaa rating.

Section 106B of Chapter 41 of the Massachusetts General Laws authorizes a town to establish a capital planning committee at annual town meeting, and numerous other towns have done so. Indeed, by creating a CIPC, Wayland would be changing its undisciplined current practices and adopting a capital planning bylaw consistent with the vast majority of our peer towns¹.

The objectives of the committee are to:

- Establish, maintain, and monitor a coordinated, town-wide comprehensive facilities planning and site selection process.
- Identify and apply consistent criteria that considers a project proposal's viability, need, timing, and cost.
- Maintain a program for the construction of major new or renovated capital projects, looking forward over a 20-year period.

¹ 71% of Wayland's peer Towns have a capital planning committee

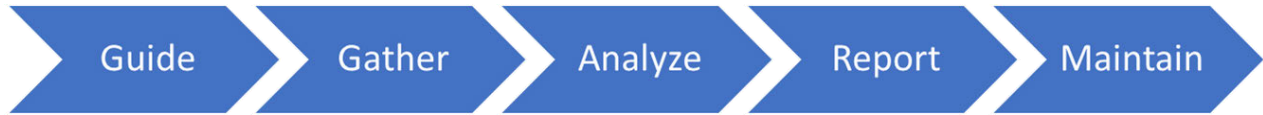
80% of Wayland's bordering towns have a capital planning committee

61% of all the Aaa Town's in Massachusetts with Town Manager forms of government have a capital planning committee



Town of Wayland

Proposed Process of Capital Improvement Planning Committee



The CIPC will participate in following process. This process supports the Town Manager Act that is currently moving through the legislature:

- 1) Guide: The Town Manager and Finance Director provide the CIPC (and Finance Committee) with:
 - a. Financial strategies regarding debt management, debt service, debt levy, fund balance, fund balance, predictable tax rate and revenue
 - b. Budget guidelines and recommendations, prioritization recommendations, funding sources and status of previously approved projects
 - c. Availability of staff resources to oversee capital expenditures and manage projects.
- 2) Gather: Each year, the CIPC will compile lists of projects and their suggested timing submitted by Boards, Committees, Departments, the Town Manager, and residents proposed for implementation:
 - a. In the next Fiscal Year
 - b. During the next four years
 - c. With a six-to-ten-year outlook
 - d. With an eleven-to-twenty-year outlook
- 3) Analyze: The Finance Director will:
 - a. Provide the CIPC with assistance and support on matters related to funding and financing projects
 - b. Collaborate with the CIPC and staff to decide which projects to include in their operating budgets, and which would come before Town Meeting in the capital budget or as a stand-alone Article
- 4) Analyze: The CIPC will:
 - a. Vet each project by:
 - i. Evaluating project readiness for moving forward
 - ii. Assessing the availability of Town resources to start and complete the project deliverables over a time horizon (e.g., feasibility studies, design, construction) including procurement and implementation
 - iii. Laying out, in a logical sequence, realistic timeframes to accomplish each deliverable and requisite Town Meeting approvals
 - b. Apply the guidance from the Town Manager and Finance Director over a twenty-year period, prioritizing the project requests and proposing the project schedules
 - c. Create a plan that accommodates the Town's needs, Town Meeting approval, deliverable timing, cost, and steps to implement the projects and give the Town an in-depth sense of what can be accomplished within the Town's financial and administrative capacity
- 5) Report: The CIPC will:



Town of Wayland

- a. Present a prioritized order of projects with an approximate cost and timeline for feasibility, design, and construction and forward to the Finance Committee for information and future discussions
 - b. Annually, provide a draft five-year plan to the Town Manager and Finance Director with one year CIP and four-year outlook
- 6) Maintain: The CIPC will:
- a. Update the project list quarterly with pertinent information related to the projects

Members

The committee would be composed of five registered voters, each of whom would:

- Be appointed by the Board of Selectmen for a term of at least three years.
- Have a background or knowledge of capital planning, financial modelling, financing, project management, construction, accounting, or general legal knowledge.
- Not serve on any other board, commission, or committee, nor otherwise serve as a town official, whether elected or appointed, that could propose major capital projects or on one that controls parcels of town-owned land.

The Finance Director, Town Manager, School Superintendent, Planning Director, PMBC and Facilities Director would serve as ex officio members.

Current Opportunities for Improvement

Theme	Opportunity
Transparent Project Pipeline	The Finance Committee (FinCom) has limited visibility into the longer-term needs of departments, committees, and boards. Currently, FinCom receives an annual glimpse during the request cycle, and it is hard to understand, prioritize and guide in a short time frame. For example, the 2021 ATM Warrant does not contain any capital investments beyond 2026 in the Report of the Finance Committee.
Consistent Capital Planning	The five-year capital plan is inconsistent from year to year. A five year look forward is not significant for mega projects that maybe required. Such mega projects should be considered when looking at current capital decisions. For example, based on the Report of the Finance Committee in the Town Warrant for the years 2019, 2020 and 2021, the aggregate budget varied by as much as \$16 million.
Cross Functional Departments Are Informed	The Town Code assigns the Finance Committee with the responsibility for recommending a capital plan. Cross functional departments such as Information Technology (IT) are not always aware of potential capital requests that will affect IT operations. For example, the new dispatching system for Fire and Police was budgeted by those respective departments but require the support of the information technology department.



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Theme	Opportunity
Correlation Between Project Pipeline and Funding Capacity	<p>Currently, borrowing decisions can be made without consideration of future potential major capital projects. Prioritization can be inconsistent because the methodology for selection can be driven by political pressure.</p> <p>Approvals for design and build typically occur over several Town Meetings but, without the rigor of a defined schedule with assigned tasks, projects may not be performed in a timely manner or within budget. When a project goes through the CIPC process, a timeline would be established for when each piece of the project development timeline would be proposed to Town Meeting for funding so that it does not drag on and exceed the originally projected overall project cost.</p>
Town Meeting Decisions Are Informed by A Long-Term Plan	<p>With a long-term plan, residents would better understand that there is a workable process in place that can accommodate the wishes of residents over a defined time horizon. And, further, that the scheduled deliverables fit within an established short- and long-term financial plan. That is the only way to effectively manage our ever-increasing tax burden.</p>
Incomplete Capital Requests and Additional Costs	<p>Current practices can result in a project approved by Town Meeting that have insufficient planning to carry out the proposed work. In 2018, a project request to improve Fire-station 2 that fixed safety issue with fire suppression safeguards and provided gender-specific habitation facilities. In 2022 the project had not been started and the scope has been expanded.</p> <p>Additionally, current practices can result in insufficient rigor in the planning for the project request and its component parts and consequences. For example, the Town approved a capital expenditure for the design of a Council on Aging / Community Center in 2018 on parcels of land that had not yet been acquired. By the start of 2022, the project had not been started and the land had yet to be acquired.</p>



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Town of Wayland

Appendices:

Appendix A -- Town Manager Act

Appendix B – Town by Town Analysis



Town of Wayland

Appendix A

Town Manager Act

In 2020, Town Meeting approved the Town Manager Act. The Act improves the coordination of work that supports the development of the five-year plan capital plan and will provide a foundation for CIPC to develop the long term 20-year CIP. The CIP development is a time-consuming process that if it were to run continuously throughout the year by staff will require significant attention. Additionally, the scope of the CIPC is up to 20 years where the Town Manager Act contemplates draft development of a five (5) year CIP. Lastly, the CIPC informs Town meeting that all capital projects are supported by a long-term plan prior to being presented to Town meeting.

Coordinating Activity (from the TM Act)	Deliverables
The Town Manager “shall initiate, draft and have general oversight of the process of preparing the Town’s annual operating and capital budgets for submission to the Finance Committee.”	<ul style="list-style-type: none"> • Operating Budget • Capital Budget
To assist the Town Manager: “all department heads, boards, commissions, and committees of the Town, including the School Department, shall furnish all relevant information and submit to the Town Manager, in writing and in such form as the Town Manager shall prescribe, a detailed estimate of the appropriations required and available funds.”	<ul style="list-style-type: none"> • Detailed Project Estimates • Required Appropriations • Available Funds
The Town Manager shall “draft and update a five-year capital improvement plan for all Town departments for submission to the Finance Committee.”	<ul style="list-style-type: none"> • Draft 5-year CIP
The Town Manager shall work with the Finance Director and Finance Committee to: <ul style="list-style-type: none"> • Develop long-term financial strategies addressing operational and capital financial needs of the Town; • Establish set budgetary guidelines to be used in the development of annual budgets; • Review all operating and capital budgets of all Town departments and make recommendations to the affected boards, commissions and committees and to the Finance Committee about priorities important to budget development; and • Evaluate actual expenditures and receipts against budgets and coordinate with affected department heads, boards, commissions and committees the development of plans to manage to the budget or obtain Finance Committee approval for Reserve Fund transfers, in advance of spending, when possible. 	<ul style="list-style-type: none"> • Long Term financial strategies • Budgetary guidelines • Operating and capital budget recommendations • Prioritization recommendations • Actual to plan • Reserve fund transfers



Town of Wayland

Appendix B

- 71% of Wayland’s peer Towns have a capital planning committee
- 46% of Wayland’s peer Towns have a Town Manager form of government and a capital planning committee

Town	Capital Committee	Form
Cohasset	Yes	TM
Hingham	Yes	TA
Hopkinton	Yes	TM
Lincoln	Yes	TA
Medfield	Yes	TA
North Andover	No	TM
North Reading	No	TA

Town	Capital Committee	Form
Scituate	Yes	TA
Sharon	Yes	TA
Sudbury	Yes	TM
Wayland	No	NA
Westford	Yes	TM
Westwood	No	TA
Winchester	Yes	TM

- 60% of all the Aaa Town’s in Massachusetts have a capital planning committee
- 61% of all the Aaa Town’s in Massachusetts with Town Manager forms of government have a capital planning committee

Town	Capital Committee	Form
Acton	No	TM
Andover	No	TM
Arlington	Yes	TM
Ashland	Yes	TM
Barnstable	No	TM
Bedford	Yes	TM
Belmont	Yes	TM
Bolton	Yes	TA
Boston	NA	M
Boxborough	No	TA
Boxford	No	TA
Brewster	Yes	TA
Brookline	Yes	TA
Burlington	No	TM
Cambridge	NA	M
Canton	Yes	TA
Chatham	No	TM

Town	Capital Committee	Form
Ipswich	Yes	TM
Lenox	No	TM
Lexington	Yes	TM
Lincoln	Yes	TA
Littleton	No	TA
Manchester By The Sea	Yes	TA
Marblehead	No	TA
Marion	Yes	TA
Marlborough	No	M
Mashpee	Yes	TM
Mattapoissett	Yes	TA
Medway	Yes	TA
Milton	Yes	TM
Natick	Yes	TM
Needham	No	TM
Newbury	Yes	TM
Newburyport	No	TM



Town of Wayland

Town	Capital Committee	Form
Chilmark	No	TA
Cohasset	Yes	TM
Danvers	No	TM
Dartmouth	Yes	TA
Dedham	Yes	TM
Dennis	Yes	TA
Duxbury	Yes	TM
Falmouth	Yes	TM
Foxborough	Yes	TM
Great Barrington	No	TM
Groton	Yes	TM
Hadley	Yes	TM
Hamilton	Yes	TM
Harvard	Yes	TA
Harwich	Yes	TA
Hingham	Yes	TM
Hopkinton	Yes	TM
Westford	Yes	TM
Weston	No	TM
Westwood	Yes	TA

Town	Capital Committee	Form
Newton	No	M
North Andover	No	TM
Northampton	No	M
Norwell	No	TA
Orleans	No	TA
Reading	No	TM
Sherborn	Yes	TA
Shrewsbury	No	TM
Southborough	Yes	TA
Stow	Yes	TA
Sudbury	Yes	TM
Topsfield	No	TA
Wakefield	Yes	TA
Watertown	No	TM
Wellesley	No	Exec Dir
Wellfleet	Yes	TA
Wenham	No	TA
Winchester	Yes	TM
Woburn	No	M

80% of the bordering towns have a capital planning committee:

Town	Capital Committee
Framingham	Yes
Lincoln	Yes
Natick	Yes

Town	Capital Committee
Sudbury	Yes
Weston	No