

Appendices

Section 6

- A. Capital Improvement Policies
- B. Debt Management Policies
- C. Retained Earnings Policy for Water & Sewer Enterprise Funds
- D. Retained Earnings Policy for Solid Waste Enterprise Funds
- E. Capital Request Guidelines

CAPITAL IMPROVEMENT POLICIES

A. General Provisions

1. Capital items for the purpose of this Capital Improvement Plan shall be defined as follows:
 - Items requiring an expenditure of at least \$25,000 and having a useful life of more than five years.
 - Projects consisting of real property acquisitions, construction, capital asset improvements, long-life capital equipment, or major maintenance/repair of and existing capital item, as distinguished from a normal operating expenditure.
 - Items obtained under a long-term lease.
2. Town departments will submit spending requests that provide sufficient funding for adequate maintenance and orderly replacement of capital plant and equipment.
3. All assets will be maintained at a level that protects capital investment and minimizes maintenance and replacement costs.
4. All equipment replacement needs for the coming five years will be projected and the projection will be updated each year.
5. Future operating and maintenance costs for all new capital facilities will be fully costed out.

B. Capital Improvement Fund (CIF)

1. In accordance with the provisions of M.G.L. c. 40 Section 5B, as amended by Section 14 of Chapter 46 of the Acts of 2003 and Section 19 of Chapter 140 of the Acts of 2003, the Town of Needham has established a General Fund Cash Capital Equipment and Facility Improvement Fund hereinafter referred to as the Capital Improvement Fund or CIF (Article 58/2004 ATM). The purpose of the CIF is to allow the Town to reserve funds to use for general fund cash capital.
2. Appropriations from the CIF are restricted to the following items for which the Town may borrow for a period of five years or more: the acquisition of new equipment; the replacement of existing equipment; and building and facility improvements which cost less than \$250,000.
3. Only General Fund capital items that have been identified in the CIP for a period of three (3) years or more, and that have been recommended in the Capital Improvement Plan for the current year, are eligible for funding from the CIF.
4. The CIF may be used to pay for recurring equipment replacement needs that have been identified in the CIP and funded in at least three (3) of the five (5) immediately preceding fiscal years.
5. Appropriations into the CIF and interest earnings on the Fund become part of the Fund.

C. Capital Facility Fund (CFF)

1. In accordance with the provisions of M.G.L. c. 40 Section 5B, as amended by Section 14 of Chapter 46 of the Acts of 2003, and as further amended by Section 19 of Chapter 140 of the Acts of 2003, the Town of Needham has established a Capital Facility Fund (Article 10/2007 ATM). The purpose of this Fund is to allow the Town, from time to time, by appropriation, to reserve funds for the design, maintenance, renovation, or reconstruction relating to the structural integrity, building envelope, or MEP (mechanical, electrical, plumbing) systems of then existing capital facilities.
2. For the purpose of the Fund, the term "capital facility" shall refer to any building or structure which is located on Town property and is under the jurisdiction of the Town Manager.
3. The term "building or structure " shall include, but not be limited to, any Town-owned building, structure, room, or space within a building, facility, park or plaza, open space, driveway, landscaped area, or other physical improvements under the administrative control of the Town
4. Appropriations into the CFF and interest earnings on the Fund become part of the Fund.

D. Athletic Facility Improvement Fund (AFIF)

1. In accordance with the provisions of M.G.L. c. 40 Section 5B, as amended by Section 14 of Chapter 46 of the Acts of 2003, and as further amended by Section 19 of Chapter 140 of the Acts of 2003, the Town of Needham has established an Athletic Facility Improvement Fund under Article 39 of the 2012 Annual Town Meeting. The purpose of this fund is to allow the Town, from time to time, by appropriation, to reserve funds for the design, maintenance, renovation, reconstruction, or construction of athletic facilities.
2. For the purpose of the fund, the term "athletic facility" shall refer to any Town-owned building, structure, pool, synthetic and natural grass turf playing field or ball diamond, and associated grounds and parking areas whose primary purpose is for organized athletic events for Needham children, adults and public school teams.

E. Debt Service Stabilization Fund

1. In accordance with the provisions of M.G.L. c. 40 Section 5B, as amended by Section 14 of Chapter 46 of the Acts of 2003, and as further amended by Section 19 of Chapter 140 of the Acts of 2003, the Town of Needham has established a Debt Service Stabilization Fund to allow the Town, from time to time, by appropriation, to reserve funds to pay the debt service for engineering and design, renovation, reconstruction or construction of Town facilities.

Approved May 1991; Revised December 20, 2005; Revised May 11, 2010; Revised October 8, 2013; Revised December 20, 2016.

DEBT MANAGEMENT POLICIES

1. Proceeds from long-term debt will not be used for current, ongoing operations.
2. The Town will strive to limit total debt service, including debt exclusions and self-supporting debt, to ten percent (10%) of gross revenues.
3. The Town will allocate or reserve three percent (3%) of projected General Fund revenue (e.g. property taxes less debt exclusions, state aid, and local receipts) for debt service.
4. The Town will limit annual increases in debt service to a level that will not materially jeopardize the Town's credit rating.
5. For those previously authorized bonded projects with residual balances, the Town Manager shall propose the reallocation of these balances for other capital projects in conformance with MGL Chapter 44, Section 20.
6. For those previously authorized projects funded with available revenue (tax levy or reserves), that have residual balances in excess of \$5,000, the Town Manager shall propose the reallocation of these balances for other future capital projects in conformance with MGL Chapter 44, Section 33B. This practice will avoid abnormally inflating general fund surplus with one-time receipts.
7. For those previously authorized projects funded with available revenue (tax levy or reserves), with residual balances of less than \$5,000, the Assistant Town Manager/Finance Director may authorize the Town Accountant to close these balances to the appropriate fund surplus.
8. The Town will attempt to limit bond sales in any calendar year to \$10,000,000 in order to maintain bank qualifications and thereby receive lower interest rates on bonded debt.
9. Long-term borrowing will be confined to capital improvements too expensive to be financed from current revenues. In general, the Town will attempt to finance purchases costing less than \$100,000 with operating revenues.
10. Bonds will be paid back within a period not to exceed the expected useful life of the capital project.
11. To the extent practicable, user fees will be set to cover the capital costs of enterprise type services or activities - whether purchased on a pay-as-you-go basis or through debt financing - to avoid imposing a burden on the property tax levy.
12. Ongoing communications with bond rating agencies will be maintained, and a policy of full disclosure on every financial report and bond prospectus will be followed.

Approved May 1991; Revised December 1998, April 7, 2009

RETAINED EARNINGS POLICY FOR WATER AND SEWER ENTERPRISE FUNDS

It shall be the policy of the Board of Selectmen to maintain a level of unreserved retained earnings sufficient to address the financing of: working capital; revenue shortfalls; unanticipated increases in MWRA wastewater assessments; and unanticipated and emergency expenditures.

Unreserved retained earnings are cumulative surplus funds, as certified by the Massachusetts Department of Revenue, that are available for appropriation by Town Meeting to support any capital expense of the enterprise or to reduce user charges.

The rationale for, and the calculation of, unreserved retained earnings to be maintained by the Town are described below and are referred to as the "Liquidity Method" and the "Credit Quality Method." Retained earnings targets shall be calculated using both methods, and shall be set using the method which represents the higher number in any given year. Under the Liquidity Method, the total amount of retained earnings to be maintained shall be equal to 80 percent of the sum of the following individual calculations. The factor of 80 percent is based on the assumption that the likelihood of all factors occurring in one fiscal year is small; therefore there is no need to maintain one hundred percent of the calculated level of retained earnings. Under the Credit Quality Method, the total amount of retained earnings should not be less than fifteen percent of the operating revenue of the most recent audited fiscal year.

Liquidity Method

Working Capital: For those periods where monthly expenses exceed available cash, the water and sewer enterprises must have access to working capital to finance operations. In the absence of retained earnings, operations would require the use of General Fund cash which would reduce General Fund cash available for investment, and consequently reduce General Fund Revenue. To avoid the use of General Fund cash as working capital for the water or sewer operations, retained earnings shall be maintained at a level to provide sufficient working capital to finance the operations of these enterprise funds. The amount retained for this purpose shall be equal to the average of the largest monthly operating deficit of the prior three years.

Consumption Contingency: Annual water and sewer revenue is a function of the amount of water purchased by customers. If, in any year, purchases are less than projected, a revenue shortfall will occur. Retained earnings shall be maintained at a level sufficient to offset any loss in revenue due to unanticipated decreases in purchases. That level shall be equal to the difference of the consumption used for rate making purposes versus the lowest level of consumption for the prior six fiscal years, multiplied by the current sewer rates and water rates shown as Step 3 of the Town's step rate structure. Step 3 is selected as it generally represents the point at which discretionary purchases of water begin. The scenario envisioned here is a wet year in which customers will not need to make discretionary purchases of water.

MWRA Assessment Mitigation: The Town's MWRA wastewater assessment is levied on a fiscal year basis, yet it is a function of the volume of effluent discharged into the MWRA system in the prior calendar year. The Town's wastewater system is subject to high levels of infiltration and inflow (I/I) given its age. Infiltration and inflow can substantially increase the volume of effluent

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discharged into the MWRA system. Following a year in which high levels of I/I occur, the Town's MWRA assessment will increase at a rate that substantially exceeds the average increase for all MWRA members. An increase of this magnitude can adversely affect rates charged to Town customers. Consequently, retained earnings shall be maintained at a level sufficient to mitigate rate increases needed to fund large increases in the Town's assessment. That level shall be equal to the largest annual amount - for the prior six year period - by which the average rate of increase in assessments for all MWRA members exceeds the rate of increase in the Town's assessment, multiplied by the most current MWRA assessment.

Unanticipated Budgetary Fluctuation: Retained earnings shall be maintained at a level sufficient to fund unanticipated or emergency capital or operating expenditures. It shall be a goal to maintain an amount equal to 6% of the annual sewer operating budget and 10% of the annual water-operating budget.

Restoration of Depleted Retained Earnings: If, in any year, retained earnings fall below the targets established by this policy, it shall be the policy of the Board of Selectmen to set future rates to restore retained earnings to the target level over the following three year period.

Adopted by the Needham Board of Selectmen on April 20, 1999; revised June 6, 2003, revised January 12, 2010

RETAINED EARNINGS POLICY FOR THE SOLID WASTE ENTERPRISE FUND

It shall be the policy of the Board of Selectmen to maintain a level of unreserved retained earnings sufficient to address the financing of: working capital; unanticipated and emergency expenditures; revenue shortfalls; depreciation expense; pollution control surcharges; and unanticipated increases in the recycling costs.

Unreserved retained earnings are cumulative surplus funds, as certified by the Massachusetts Department of Revenue. In proposing the annual Solid Waste Disposal/Recycling operating budget, the Board of Selectmen shall recommend to Town Meeting the use of retained earnings that are available for appropriation by Town Meeting to support any capital expense of the enterprise or to reduce user charges, or both, as provided by State Law.

The rationale for, and the calculation of, unreserved retained earnings to be maintained by the Town are described below and are referred to as the "Liquidity Method" and the "Credit Quality Method." Retained earnings targets shall be calculated using both methods, and shall be determined using the method which represents the higher number in any given year. Under the Liquidity Method, the total amount of retained earnings to be maintained shall be equal to 80 percent of the sum of the individual calculations for working capital, unanticipated and emergency expenditures, revenue shortfalls, pollution control surcharges, and, unanticipated increases in the recycling costs and 100 percent of cumulative depreciation expense net any amounts appropriated for equipment replacement. The factor of 80 percent is based on the assumption that the likelihood of all factors occurring in one fiscal year is small; therefore there is no need to maintain one hundred percent of the calculated level of retained earnings. The use of a factor of 100 percent for depreciation expense is based on the assumption that all of these funds will be needed for equipment replacement. Under the Credit Quality Method, the total amount of retained earnings should not be less than fifteen percent of the operating revenue of the most recent audited fiscal year.

Liquidity Method

Working Capital: For those periods where monthly expenses exceed available cash, the RTS enterprise must have access to working capital to finance operations. In the absence of retained earnings, operations may require the use of General Fund cash which would reduce General Fund cash available for investment, and consequently reduce General Fund Revenue. To avoid the use of General Fund cash as working capital for the RTS operation, retained earnings shall be maintained at a level to provide sufficient working capital to finance the operations of this enterprise fund. The amount retained for this purpose shall be equal to the average of the largest cumulative monthly operating deficit of the prior three years.

Further, any general fund support of the RTS enterprise fund shall be made on a 1/12 basis throughout the fiscal year to preclude the RTS fund's use of general fund cash before the need truly exists.

Reserve for Unanticipated and Emergency Expenditures: Retained earnings shall be maintained at a level sufficient to fund unanticipated or emergency capital or operating expenditures as recommended to the Board of Selectmen annually by the Director of

the Department of Public Works and the Director of Finance.

Reserve for Revenue Shortfall: Annual RTS revenue is, in part, a function of the amount of solid waste disposed of by Town residents. If, in any year, the amount disposed is less than projected, a revenue shortfall may occur. Retained earnings shall be maintained at a level sufficient to offset any loss in revenue due to unanticipated decreases in disposal.

Reserve for Depreciation Expense: Annually, the Director of Finance shall procure from the Director of Public Works, an inventory of all capital equipment used to support the operation of the RTS. This list shall be comprised of those pieces of equipment that cost \$50,000 or less and will include the purchase price and estimated useful life of each piece. Based on this information, the annual depreciation expense for each piece shall be calculated and revenues shall be raised to finance this expense. At the end of each fiscal year, the amount of revenue raised to offset depreciation expense shall constitute a reservation of retained earnings for the future replacement of capital equipment and shall be added to existing reservations attributable to prior years' depreciation. The purpose of this policy is to limit annual increases or decreases in RTS fees to fund small capital replacement.

Reserve for Pollution Control Surcharge - The Town's contract with Wheelabrator/Millbury for the tipping of solid waste contains a provision that allows Wheelabrator/Millbury to impose a pollution control surcharge on the Town to recoup the costs of installing pollution control equipment required by state and federal regulatory agencies. Retained earnings shall be maintained at a level needed to finance one year of pollution control surcharges imposed on the Town. Based on a surcharge imposed in FY92, that level shall be calculated annually at an amount equal to 3% of the current tipping fee multiplied by the tonnage tipped at the Wheelabrator Facility in the prior fiscal year.

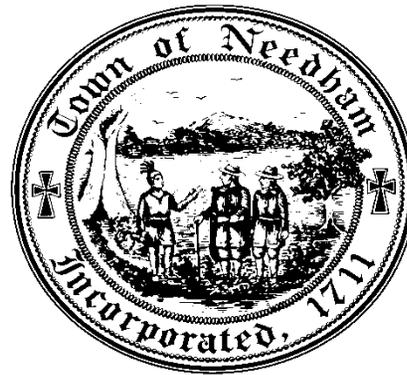
Reserve for Unanticipated Increases in the Recycling Market - Notwithstanding any contract the Town may have for the collection and disposal of recyclable material collected at the RTS, the volatile nature of the recycling market poses the possibility that any contractor with whom the Town has an agreement could go out of business on short notice, leaving no alternative but to pay current market prices for disposal of recyclables. This exposure shall be calculated annually by the Directors of Public Works and Finance and shall be based on a comparison of costs reflected in any of the Town's active recycling contracts and the spot market for tipping and hauling at the time of this annual assessment. The amount of the exposure shall be recommended to the Board of Selectmen as a reservation of retained earnings.

Restoration of depleted Retained Earnings: If, in any year, retained earnings fall below the targets established by this policy, it shall be the policy of the Board of Selectmen to set future rates to restore retained earnings to the target level over the following three year period.

Approved by the Needham Board of Selectmen November, 1999; revised January 12, 2010

TOWN OF NEEDHAM

**Fiscal Year 2019 - 2023
Capital Request Guidelines**



Released August 1, 2017

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FY2019 - FY2023 CIP SUBMISSION CHECKLIST

- ___ 1. Read the Guidelines.
- ___ 2. Attend the Overview Session (9:00 A.M. Thursday, August 3, 2017 at the Town Hall).
- ___ 3. Complete the required forms. If any amount in the capital plan from last year (FY2018-FY2022) has changed, you need to make the change and explain why the amount has changed. Any capital submission that was not recommended for funding in the FY2018-FY2022 plan would need to be resubmitted (on a new form) if you want it to be considered for inclusion in the FY2019-FY2023 capital plan; projects that were not recommended will not automatically roll over to the new CIP. All forms can be found on the Common Drive in the FY2019 Budget Files folder. If you cannot access the file, please contact the Assistant Town Manager/Director of Finance to make other arrangements.
- ___ 4. Vehicle Request (CIP-VR) forms are due back to the Finance Department by Friday, August 11, 2017. Any vehicle that was scheduled to be replaced for FY2019 but the forms are not properly submitted will NOT be considered for funding.
- ___ 5. Review all your narratives, to ensure they are written for the layperson.
- ___ 6. Re-check all figures - all costs should be rounded UP to the next whole dollar. The cost should be based on current information. Re-check all totals to make certain they total correctly.
- ___ 7. Submit all final capital request forms electronically by posting under the designated capital submission folder. Completed requests are due by **12 Noon Friday, September 8, 2017.**
- ___ 8. Send an email to ddavison@needhamma.gov indicating that you have submitted your Department's capital requests and the total number of capital project requests forms you have submitted.
- ___ 9. Prepare for your appointment to discuss your Department's requests. The schedule will be distributed at the overview sessions.

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KEY DATES FOR THE FY2019 BUDGET PROCESS

| Date | | | Activity |
|-----------|----|------|--|
| August | 1 | 2017 | Capital improvement plan guidelines are released. |
| August | 3 | 2017 | Capital submission overview session held at 9:00 A.M. Thursday, August 3, 2017 at Town Hall in the Powers Hall. |
| August | 11 | 2017 | Deadline to notify another department of a capital request which requires assistance or input to properly submit a request. |
| August | 11 | 2017 | Vehicle Request Forms due back to Finance Department by 12 Noon. |
| August | 15 | 2017 | Town Manager's budget consultation with the Board of Selectmen |
| September | 12 | 2017 | Town Manager's budget consultation with the Board of Selectmen |
| September | 8 | 2017 | Capital Requests Due |
| September | 6 | 2017 | Town Manager's budget consultation with the Finance Committee |
| September | 25 | 2017 | Budget guidelines released |
| September | 28 | 2017 | Budget submission review sessions at Town Hall in the Great Plain room – four sessions. |
| October | 2 | 2017 | Special Town Meeting |
| October | 6 | 2017 | Deadline for a department to submit budget request to another department, e.g., building maintenance needs, technology needs, etc. |
| October | 10 | 2017 | Town Manager's budget consultation with Board of Selectmen. |
| October | 27 | 2017 | FY2019 department spending requests are due. |
| November | 14 | 2017 | Town Manager's budget consultation with the Board of Selectmen |
| December | 13 | 2017 | Department spending requests are due to Finance Committee from the Town Manager and School Superintendent. |
| December | 19 | 2017 | Board of Selectmen votes CIP recommendation. |
| January | 2 | 2018 | FY2019 – FY2023 Capital Improvement Plan is released. |
| January | 2 | 2018 | Town Manager's budget consultation with the School Committee. |
| January | 31 | 2018 | Town Manager's Balanced Budget Due to Finance Committee |
| February | 5 | 2018 | Warrant articles for 2018 Annual Town Meeting are due to the Board of Selectmen. |
| February | 22 | 2018 | Finance Committee's FY2019 draft budget is due to the Town Manager. |
| March | 15 | 2018 | Finance Committee's budget recommendations are due for inclusion in the ATM Warrant. |
| April | 10 | 2018 | Annual Town Election |
| May | 7 | 2018 | Annual Town Meeting |
| July | 1 | 2018 | START OF FY2019 |

CAPITAL IMPROVEMENT PLAN INTRODUCTION

Under section 2.2.2 of the Town's General By-laws the Town Manager is required to prepare and present an updated Capital Improvement Plan. The text of the relevant By-law is as follows:

2.2.2.1 All boards, departments, committees, commissions and officers of the town shall annually, at the request of the Town Manager, submit to him or her in writing a detailed estimate of the capital expenditures required for the efficient and proper conduct of their respective departments and offices for the ensuing fiscal year and the four year period following thereafter. The Town Manager, after consultation with the Board of Selectmen, shall submit in writing to the Board of Selectmen a careful, detailed estimate of the recommended capital expenditures for the aforesaid periods, showing specifically the amount necessary to be provided for each office, department and activity and a statement of the amounts required to meet the debt service requirements or other indebtedness of the town. The Selectmen shall transmit a copy of the capital budget to the Finance Committee along with the Board of Selectmen's recommendations relative thereto. The Selectmen shall transmit the capital budget to the Finance Committee no later than the first Tuesday after the first Monday in January.

2.2.2.2 A capital expenditure is defined as the acquisition, construction, renovation, betterment or improvement involving land, public buildings and facilities; water and sewer system laterals, mains, and appurtenances; and equipment or vehicles; provided the cost is \$25,000 or more and the improvement will have a useful life of five years or more; or any planning, feasibility, engineering or design study in preparation for such capital expenditures.

2.2.2.3 The Capital Improvement Plan shall include: (a) a list of all capital improvements proposed to be undertaken during the next five years, together with supporting data; (b) cost estimates, methods of financing, and recommended time schedule; and (c) the estimated annual cost of operating and maintaining any facility to be constructed or acquired. The first year of the Capital Improvements Program shall constitute the proposed capital improvements budget for the coming fiscal year and the ensuing four years of the plan are included for planning purposes.

All questions regarding the instructions, Capital Improvement Plan request forms, or project financing should be directed to the Assistant Town Manager/Director of Finance.

AN OVERVIEW TO THE CAPITAL REQUEST FORMS

Please do not change any **margin settings** or the **font styles or sizes** [the primary font is CALIBRI 9]. They have been predetermined so that the Capital Improvement Plan will have a uniform look throughout, and can be more easily bound so that text will not be hidden. If you need or want to bring attention to a particular word, phrase, or sentence you may **bold** or underline as appropriate. You may also use **highlighting** or *italics*, but please be aware that they don't photocopy as well. The two text boxes (in the CIP-CPR form) will expand as you type, you are not limited to default box size. Remember to use whole dollar amounts and to have "\$" precede any dollar figure so it is not confused with a numerical entry.

Capital Request Forms

The capital request forms are to be used at the department level. Departments may, but are not required to, prepare forms on a divisional level as well.

CIP-CPR: Capital Project Request – this form is to be used for all capital requests **except for vehicles**. The form is to put forward all requests for purchase of equipment (excluding rolling stock), furniture, machinery, technology, or other items that satisfies the capital expenditure definition. MGL. Chapter 30B procurement law usually, but not always, governs these purchases.

The CIP-CPR form is to be used to request improvements to buildings and other public facilities, or projects that are upgrading a specific feature or operational system of a building (e.g., roof replacement, bathroom upgrade, boiler replacement, floor replacement, window or door replacements, etc.). These type projects will fall under the public building construction (Chapter 149) and likely the designer selection (Chapter 7) procurement statutes. Any individual project request that repairs, replaces in-kind, or upgrades obsolete elements to current standards involving multiple aspects to allow a fixed asset to continue to be used for its intended purposes and has a total cost of less than \$500,000 should use this form.

The CIP-CPR form is also to be used to submit a capital request that is extraordinary in scope, size, and/or cost greater than \$500,000. Primarily involves the purchase, design, and/or construction of a new public building, facility, or expansion of infrastructure, or a substantial change to an existing building or facility. Any major repair project that could be viewed as facility renovation that modifies multiple elements of a fixed asset to accommodate new, expanded, or relocated occupancies as required to support goals of the Town should be requested using this form.

The form will also be used for regular ongoing infrastructure improvement programs for existing systems and networks (e.g., roads, sidewalks, bridges and culverts, water and sewer lines, system operation refreshing such as filter in treatment plants). These projects usually will be governed by public works (Chapter 30) procurement laws.

This form may be used to request a study or long-range plan to look into an identified problem that may require a capital outlay, the feasibility of doing a project, or updating an existing or developing a new long-range plan for major systems or facility improvements. Such a request may seek funding in order to secure an independent study of a capital need and review alternatives, or develop cost estimates and scenarios that then could be used as a resource to submit a capital request in the future. This approach should provide more solid data and reference materials in order to allow stakeholders to have meaningful dialogue on a proposal.

Important: do not submit non-dependent dissimilar capital together in the same request. Equipment, building, and infrastructure investments are considered separate and unique capital requests. You should include them in a single request when they are directly related, e.g., furnishings for a building construction project, or combined improvements to a sewer pump and the building that it is housed.

Any capital equipment replacement request should be accompanied with a completed **Designation of Surplus** form for each capital equipment item that the department is seeking funding for FY2019. The forms and instructions can be found on the common drive in the **Finance Policies and Procedures** folder. Any questions about how to complete the form may be directed to the Assistant Town Manager/Director of Finance.

Finally this form would be used to identify other projects that the requester does not want to submit for an official review for funding or is unable to provide the required information in order to submit a formal capital request. Projects will be considered as submitted but will not be reflected in any of the five-year funding request recommendation schedules. However, only projects that would involve the construction or reconstruction of a public building or infrastructure purchase of land or buildings, or participation in a regional capital outlay would be considered a future project request.

CIP-VR: Vehicle Request -This form is to be completed and submitted to the Finance Department for any

vehicle that the Department seeks to have replaced in FY2019. You must identify any change to the current preliminary replacement schedule for vehicles between FY2020 and FY2024. The Town submits the vehicle rolling stock capital as a single request. The Finance Department and subsequently the Town Manager will rely upon the Department to provide detailed information regarding the current use and condition of the vehicle to be replaced, and what purpose and function does the vehicle play in the running of the Department's operations. The form contains specific information about the vehicle that is under the control of the department. Some information should not change (e.g., vehicle identification number), other information will change (e.g., mileage/hours of operations), and other information may have changed (e.g., unit number). This form is used to update the master list which is maintained to track where equipment is stored and the insurance coverage. The form is **due back to the Finance Department August 11, 2017.**

**Capital Project Request
CIP-CPR Form
This is an Excel Form
Instructions**

Purpose of this form is to provide the required information for the CIP Review Team to determine the purpose, need, and costs associated with the capital purchase or improvement and to address the merit, scope, cost, and ongoing operational expenses that may be connected project.

General Information

1. **Project Title:** Provide a short descriptive title indicating the nature of the request, e.g., Mitchell School Classroom Furniture, Claxton Bath House Roof Replacement, Pollard School Door Replacement, Water Tank Restoration, or Central Avenue Sewer Lateral Replacement.
2. **Fiscal Year:** Indicate the fiscal year for which funding is being requested from the drop down menu. For a multiyear funding request, indicate the first year that funding is requested.
3. **Purpose:** Indicate the primary purpose of this request from the drop down menu.
 - Acquisition:** Select this option if the primary use of funds is to purchase an asset, i.e., land, building, equipment, technology, etc.
 - Construction:** Select this option if the primary use of funds will be for construction or reconstruction of buildings, additions to such buildings, remodeling, reconstructing or making extraordinary repairs to public buildings, for landscaping, paving and other site improvements of public property; for the construction or reconstruction of bridges, drainage systems, roads, sidewalks, and other public ways; for the construction or extraordinary repairs of sewers, sewerage systems and sewage treatment and disposal facilities; for the construction or reconstruction of filter beds, standpipes, pumping stations, water mains and tanks.
 - Design/Engineering:** Select this option if the primary use of funds will be for the cost of architectural services for plans and specifications for any proposed building, additions to buildings, or extraordinary repairs to existing public buildings; for engineering services for any public infrastructure improvement, expansion or redevelopment.
 - Feasibility Study:** Select this option if the primary use of funds will be for a feasibility study of a specific future project, e.g., conducting groundwater inventory and analysis of the Town's water supply, including pump tests and quality tests relating to the development of using groundwater as an additional source or a new source of water supply.

4. **Classification:** Indicate the asset classification which project primarily falls under from the drop down menu.
- Building:** Building is defined as a permanent enclosed structure occupied by a Town or School department, or planned to be used by a Town or School department, e.g., Elementary School, Middle School, Public Safety Building, Senior Center, or Administrative Offices. This classification also includes something designed, built, installed, etc., to serve a specific function affording a convenience or service: seasonal buildings (e.g., park bathrooms, concession stand).
- Equipment:** Equipment is defined as a single item or single purchase with a total cost of \$25,000 or more, is freestanding and has a use life of five (5) or more years. This is tangible property (other than buildings, facilities, infrastructure, and land) which is used in the operation of town/school activities. Examples of equipment include devices, machines, and tools. It also includes furniture, fixtures, or other equipment that are not permanently connected to the structure of a building, facility, or the utilities (desks, chairs, equipment, tables, bookcases, and movable partitions). Also equipment for streets and other public areas, such as signs, benches, or litter bins. This category also encompasses large pieces of equipment designed for construction and earthwork, for aggregation and recycling, asphalt and concrete, for forestry and wood processing, or for snow and infrastructure maintenance. However, we separately classify Technology; refer below for the definition.
- Infrastructure:** Road, bridge, and sidewalks, drainage systems, sewer laterals or systems, or water supply distribution systems.
- Land:** Purchase or improvements to land, e.g., baseball field, football field, playgrounds, and walking trails.
- Technology:** Hardware, networking systems, communication systems, (including wireless systems and software).
5. **Status:** Indicate the status for this request from the drop down menu.
- New Request:** Select this option for a capital request that **did not** appear in the prior CIP. In most instances, this would be a capital request for the fifth year of the CIP (2023) as requests for the first four years (2019 – 2022) should have been previously disclosed in the prior CIP.
- Amended Request from the Prior CIP:** Select this option for projects that were included in the prior CIP, but the information, timing, details, costs, etc. have been changed from that which appeared in the prior CIP.
- Partially Funded Request:** Select this option for a project that has been funded in part from a prior request. This is usually the case for building projects where the design/engineering was funded in a prior year and now the construction funding is being sought.
- Same Request from the Prior CIP (no Changes):** Select this option for a project that appeared in the prior CIP and the information has NOT changed.
- Informational Only Request Details Incomplete:** Select this option to identify a project that the requester does not want to submit for an official review for funding or is unable to provide the required information in order to submit a complete capital request. The project request will be considered as submitted but will not be reflected in any of the five-year funding request recommendation schedules. Only projects that involve the construction or reconstruction of a public building or infrastructure, the purchase of land or buildings, or

participation in a regional capital outlay would be considered as a future project request. **You must indicate the Fiscal Year (see item #2) that the Department will formally present the capital request.**

6. **Department:** Indicate the name of the department making the request from the drop down menu. If the request comes from more than two departments and/or boards or committees, select the department that will be the lead.

7. **Supports:** Indicate the primary governmental function that the capital asset(s) will support from the drop down menu.

Community Services: Functions that provide direct services to residents, visitors, or businesses in the Town. Community services include public health, senior services, youth services, and veterans' services.

Culture and Leisure: Functions that provide cultural and leisure opportunities for Needham residents and visitors. This would include athletics, historic preservation, libraries, parks and trails.

General Government: General Government serves as the support function, assisting all Town Departments in the conduct of their daily operations and serves as the business and residential development, land use planning, conservation, and economic development for the Town. General Government functions include the Board of Selectmen, the Town Manager's Office, Human Resources, Town Clerk and Elections, Town Counsel, Accounting, Budgeting and Finance, Treasury and Collections, Planning and Land Use, Information Technology Center, and non-departmental.

Public Education: Public education serves the public educational needs of Needham's children and adults. Public Education is comprised of the Needham Public School and Minuteman Regional Vocational High School.

Public Safety: Public Safety serves as the safety and security function, providing assistance to all Town residents, visitors, and business with life and property protection. Public Safety is comprised of Animal Control, Police, Parking Enforcement, Traffic Supervisors, Fire, Fire Prevention, Fire Training, and Emergency Management, Emergency Medical Services, and Building Code Enforcement and Weights and Measures.

Transportation Network: Functions that provide for the management, travel, support of private and public transportation. This includes roads, bridges, sidewalks, parking lots, road and pedestrian intersections, bicycle paths, movement, and buses.

Utilities: Functions that provide for the supply, treatment, and distribution of clean water, sanitary sewers, stormwater management, the collection, processing, and removal of trash, recyclables, and hazardous waste.

Other: Functions not otherwise falling into one of the above categories. Please explain under the **Project Description and Considerations** section of the capital form.

8. **Partners:** Disclose any other departments, boards, and/or committees that have a material role in making the request or carrying it out should it be approved. Also disclosed any third party partners that will financially participate in the funding of project. Explain how this relationship is to work under the **Project Description and Considerations** section of the capital form.

9. **Useful Life:** Indicate the estimated useful life of the asset from the drop down menu.
Less than five (5) years – DOES NOT QUALIFY AS CAPITAL.
More than five (5) years but less than eight (8) years
Between eight (8) and twelve (12) years
Between twelve (12) and eighteen (18) years
Between eighteen (18) and twenty-five (25) years
More than twenty-five (25) years
10. **Parameters:** Review and answer the questions regarding the capital request by marking selecting the drop down menu to the right of the question under the Response column. Please provide responses to the following questions (any **YES** response **must** be explained under **Project Description and Considerations** section of the form):
1. *Are there any costs to bid, design, construct, purchase, install, implement, or otherwise complete the project which are **NOT** included in this request?*
 2. *Are there recommendations or costs identified by other departments which are **NOT** factored into the request? **You are required to consult with the managers of the other Town and/or School departments before answering this question.***
 3. *Does this project require any permitting by any Town or State agency? **Please indicate any Town boards and committees and or state agencies that permits or approvals must be obtained in order to commence with the project.***
 4. *If this request is for Technology, has the Department communicated with ITC, and does ITC support the request? **All technology requests require the review and recommendation of the Information Technology Center (ITC). In most instances, the ITC will be tasked with the implementation of a capital technology project.***
 5. *If this request is for Building Improvements, has the Department communicated with the Building Maintenance (BM) division, and does BM support the request? **All improvements must be supported and recommended by the Town's building maintenance division of Public Works. Projects with an estimated cost of \$500,000 or more are likely to be overseen and managed by the Public Facilities Construction Department.***
 6. *If funded, will additional permanent staff be required? **Full time and/or part time. You must also state the number of FTE's (refer to #11).***
 7. *If funded, will the operating budget need to be increased to cover operating expenses? **If operating expenses are paid from an external funding source (such as a revolving fund) the response should still view the funding source as an operating budget.***
 8. *If funded, will this project lower the requesting Department's operating costs?*
 9. *If funded, will this project require ongoing assistance from vendors at an additional expense to the Town which is **NOT** already budgeted? **Examples include maintenance agreements, supplies, licensing rights, etc.***
 10. *If the project is **NOT** funded, will current Town revenue be reduced?*

11. *Is specialized training or annual licensing required that the Town will need to pay in order to use the asset?*
12. *Is this a project for which an Initial Eligibility Project Application can be filed with the Community Preservation Committee (CPC)?*
13. *Is this a request in response to a Court, Federal, or State order?*
14. *Is this a request in response to a documented public health or safety condition?*
15. *Is this a request to improve or make repairs to extend the useful life of a building?*
16. *Is this a request to purchase apparatus/equipment that is intended to be permanently installed at the location of its use? Please consult with the Public Facilities Department before submitting a request to ensure that the request does not conflict with other requests.*
17. *Is this a request to repair or otherwise improve public property which is **NOT** a building or infrastructure? Examples include a playing field renovation, walking trail upgrade, a municipal parking lot, etc.*
18. *Will any other department be required to provide assistance in order to complete the project? This would be for services, financial assistance, or staff that would not usually be required of the department in carrying out its primary responsibilities. This would be beyond standard administrative or regulatory requirements of a department, i.e., bid preparation, contract execution, issuance of a building permit, etc.*
19. *If funded, will this project increase the operating expense for any other department?*

11. **Total New FTE's:** Indicate the full time equivalent (FTE) number of employees that would be added if the requested project is funded. If no additional FTE's will result, enter "0". This relates to question six.
12. **Project Cost:** Enter the total amount requested for this project. This amount must equal the total from the Project Budget column from the Project Budget Elements table (see item 15) for details.
13. **How was the Project Cost Determined:** Indicate the primary factor used to determine the estimated project cost from the drop down menu. Was the estimated cost determined by use of a paid consultant or engineer, in-house (staff), industry references, or from another source? Other sources may include a fixed price per unit multiplied by the number of units, or based on prior bids (contracts), construction industry reference guides, formula driven by project size (square footage multiplied by price per square foot), consultant or design specification documents, etc. Disclose the methods under the Project Description and Considerations section.
 - Current Contract
 - Hired Consultant
 - Industry References
 - In-House Estimate
 - No Estimate Has Been Determined
14. **Budget Impact:** Indicate the estimated annual impact on the operating budget from the drop down menu.
 - The project will generate revenue in excess of cost
 - The project should reduce the operating expenses

Negligible impact on the annual operating expenses - less than \$5,000
May increase annual operating expenses - between \$5,001 and \$25,000
May increase annual operating expenses - between \$25,001 and \$50,000
May increase annual operating expenses - between \$50,001 and \$100,000
May increase annual operating expenses - by more than \$100,000

15. **Project Budget Elements:** Enter the dollar amount requested for each of the five fiscal years; for a project that may be requested for funding in the later years of the five-year CIP window, which may have a follow up appropriation beyond the fifth year, you should show those costs in year six or seven, as applicable. This would likely be a project design funding request which falls within the five year CIP window, but may have a construction appropriation request that is outside the five year period. However, in most instances, the funding request will be for a single fiscal year. However, equipment and facility improvements on a regular replacement schedule will probably require funding in more than one fiscal year and therefore should be explained under the **Project Description and Considerations** section. The requested amount is to include cost of the equipment, components and/or accessories, and incidental expenses. Incidental expenses may include items such as training, maintenance contract, start-up supplies, etc. The amount should also include acquisition, delivery, set up, and any other related costs required to procure and receive the equipment. Request for building, facility, or infrastructure improvements are to include the costs to complete the requested project. If the request is for a study, then only the cost to perform the study is necessary; however if the request is to replace a roof, both the engineering and construction costs are to be included in the request. Any extraordinary expense included in a request must be disclosed under the **Project Description and Considerations** section at the end of the form. Provide a dollar breakdown of the estimated cost for the request by the identified components.

Planning/Feasibility – are costs for consultants, professional services, materials and other resources required to develop a long range plan related to capital investment or a specific project.

Design & Engineering – this would be for professional services in the development of architectural and engineering documents, consulting services, design services, permitting assistance, contract management, inspectional services, and other associated services. The cost for a feasibility study should be reported under this line.

Land/ROW Acquisition – are costs for the purchase of real estate or the rights to use property (easements).

Site Preparation – are costs for land improvements.

Construction Expenses – are the costs for the construction, including but not limited to, construction, restoration, labor and materials, indirect costs, but not so-called “soft costs”.

Construction Management – are cost for construction management services.

Equipment – are costs for items such as office and school furniture, specialty items, construction and maintenance equipment, and vehicles. This would be for purchases which are usually stand-alone requests.

Furniture, Fixtures, and Equipment – are costs for such items acquired as part of a building or infrastructure improvement project but are not part of the construction costs. The supplies and materials that are used as part of the site work or construction are to be reported on those lines respectively.

Technology Software/Hardware - are the costs for capital investment in stand-alone technology systems and/or software which are not part of a building or infrastructure construction project that would routinely be provided by the construction contractor and reported under construction costs.

Other Expenses – this would be used to report other expenses that do not fall under one of the other expense lines or an expense. Example, if a project is proposed to be financed by debt, the total project budget should be multiplied by .05 and the calculated result (rounded to the nearest thousand, but not less than \$5,000) should be included in other expenses.

16. **Project Description and Considerations:** Provide a short descriptive narrative about the project. What is it, how did the request come about, and why it is needed. Describe the project you are proposing, its location, what type of work will be done; or if the request is for equipment explain the purpose and use of the item(s). Routine acquisitions may be briefer than a request to increase or introduce new equipment or a project that is new, unexpected, or extraordinary. Indicate whether the purpose of the project is to maintain, replace, enhance, or expand Town facilities or infrastructure. Clearly state whether the project is an acquisition, new construction, or renovation to an existing asset. Provide statistical data and reference any reports and/or studies that provide additional information as to the need, condition or cost. Provide the size and scope of the project, such as the square footage to be renovated in a building or the length of the roadway to be reconstructed. Multi-year and high dollar requests will require more information and specifics. Explain what alternative solutions have been examined, if any. If there is special funding available for the project (i.e., grant, state funding, donation,) please explain how the funds will be obtained and who will secure the funds. Your explanations for affirmative responses to the parameter questions are to be detailed in this section. Explain what may be the impact of not doing the project.

This information is expected to provide the narrative that is provided to Town Meeting in the warrant. Write for the layperson who may not be familiar with the history, purpose, or terminology. Do not use uncommon abbreviations or acronyms in your narrative without an explanation of its meaning.

17. **Supplemental Information:** This is an additional text box to provide information if the Project Description Considerations box space was insufficient to provide all the information. Project requests of an extraordinary nature will very likely require additional information than just a basic project description and the clarifications to your yes responses under the parameter section. You will probably need to use this section if the request is to acquire land or buildings or to newly construct or add to an existing building or facility, or will increase the annual operating costs by \$50,001 or more. Please contact the Assistant Town Manager/Director of Finance to

assist you in the preparation of items. Projects with an estimated annual budgetary impact of \$50,000 or more will require a detailed explanation of those costs. This would be supplied under the supplemental information box. These would be costs not currently in place or required. Provide the estimated additional full time equivalent (FTE) staff to operate and/or support the facility requested and the costs for any temporary personnel. For indirect costs contact the Finance Department for the appropriate factor. Provide an estimated cost for contracted services, supplies, and materials, and ongoing equipment needs for the project. Include an estimated impact on energy costs. Provide an estimate of any revenue that may be generated to offset operating and maintenance expenses (not the capital costs) that would be incurred if the project is approved. The revenue must be new or additional, which otherwise would not be generated if the project was not undertaken. Identify the revenue types and the amount expected from year by year. Please explain the analysis involved in preparing the revenue estimates. List any restrictions on the usage of the funds.

Town of Needham
Capital Improvement Plan
January 2018

| Capital Project Request | | | | | | | | | |
|--|----------------|--------------------------------------|-----------------|----------------|-----------------------------------|------------------|----------------|----------------|----------------|
| Project Title: (Refer to Instruction #1) | | | | | Fiscal Year: (Refer to #2) | | | | |
| Purpose: | (Refer to #3) | | Classification: | (Refer to #4) | | Status: | (Refer to #5) | | |
| Department: | (Refer to #6) | | | | Supports: | (Refer to #7) | | | |
| Partners: | (Refer to #8) | | | | Useful Life: | (Refer to #9) | | | |
| Parameters | | | | | | | Response | | |
| 1. Are there any costs to bid, design, construct, purchase, install, implement, or otherwise complete the project which are NOT included in this request? | | | | | | | (Refer to #10) | | |
| 2. Are there recommendations or costs identified by other departments which are NOT factored into the request? | | | | | | | (Refer to #10) | | |
| 3. Does this project require any permitting by any Town or State agency? | | | | | | | (Refer to #10) | | |
| 4. If this request is for Technology, has the Department communicated with ITC, and does ITC support the request? | | | | | | | (Refer to #10) | | |
| 5. If this request is for Building Improvements, has the Department communicated with the Building Maintenance (BM) division, and does BM support the request? | | | | | | | (Refer to #10) | | |
| 6. If funded, will additional permanent staff be required? | | | | | | Total New FTE's: | (Refer to #11) | | (Refer to #10) |
| 7. If funded, will the operating budget need to be increased to cover operating expenses? | | | | | | | (Refer to #10) | | |
| 8. If funded, will this project lower the requesting Department's operating costs? | | | | | | | (Refer to #10) | | |
| 9. If funded, will this project require ongoing assistance from vendors at an additional expense to the Town which is NOT already budgeted? | | | | | | | (Refer to #10) | | |
| 10. If the project is NOT funded, will current Town revenue be reduced? | | | | | | | (Refer to #10) | | |
| 11. Is specialized training or annual licensing required that the Town will need to pay in order to use the asset? | | | | | | | (Refer to #10) | | |
| 12. Is this a project for which an Initial Eligibility Project Application can be filed with the Community Preservation Committee (CPC)? | | | | | | | (Refer to #10) | | |
| 13. Is this a request in response to a Court, Federal, or State order? | | | | | | | (Refer to #10) | | |
| 14. Is this a request in response to a documented public health or safety condition? | | | | | | | (Refer to #10) | | |
| 15. Is this a request to improve or make repairs to extend the useful life of a building? | | | | | | | (Refer to #10) | | |
| 16. Is this a request to purchase apparatus/equipment that is intended to be permanently installed at the location of its use? | | | | | | | (Refer to #10) | | |
| 17. Is this a request to repair or otherwise improve public property which is NOT a building or infrastructure? | | | | | | | (Refer to #10) | | |
| 18. Will any other department be required to provide assistance in order to complete the project? | | | | | | | (Refer to #10) | | |
| 19. If funded, will this project increase the operating expense for any other department? | | | | | | | (Refer to #10) | | |
| Project Cost: | (Refer to #12) | How was the Project Cost Determined: | | | (Refer to #13) | | | | |
| Budget Impact: | (Refer to #14) | | | | | | | | |
| Project Budget Elements | Project Budget | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | |
| Planning/Feasibility | \$0 | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | |
| Design/Engineering | \$0 | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | |
| Land/ROW Acquisition | \$0 | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | |
| Site Preparation | \$0 | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | |
| Construction | \$0 | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | |
| Construction Management | \$0 | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | |
| Equipment | \$0 | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | |
| Furniture, Fixtures, and Equipment | \$0 | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | |
| Technology Hardware/Software | \$0 | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | |
| Other Expenses | \$0 | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | (Refer to #15) | |
| TOTAL | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |

Project Description and Considerations

(Refer to #17)

Supplemental Information

(Refer to #18)

**Vehicle Request
CIP-VR Form
This is an Excel Form
Instructions**

1. **Assigned:** Indicate Department/Division which the vehicle is assigned from the drop down menu.
2. **Unit #:** Type in the Town assigned unit number of the current vehicle.
3. **Year:** Type in the model year of the current vehicle.
4. **Make:** Type in the make of the current vehicle.
5. **Model:** Type in the model of the current vehicle.
6. **Fuel Type:** Indicate the type of fuel used by the current vehicle from the drop down menu: Diesel, Electric, Gasoline, Hybrid, Not Applicable, or Solar. If the vehicle has no fuel source, e.g., a trailer you would select "Not Applicable".
7. **Plate #:** Type in the vehicle registration number (license plate) of the current vehicle.
8. **VIN:** Type in the vehicle identification number (VIN) of the current vehicle.
9. **License:** Indicate the type of license required to operate the current vehicle from the drop down menu.
 - Class A:** Any combination of vehicles with a Gross Combination Vehicle Weight Rating (GCWR) of 26,001 lbs. or more provided the Gross Vehicle Weight Rating (GVWR) of the vehicle(s) being towed is in excess of 10,000 lbs., except a school bus. With a Class A license and the appropriate endorsements, a driver may operate any vehicle covered within Classes B and C.
 - Class B:** Any single vehicle with a GVWR of 26,001 lbs. or more, or any such vehicle towing another vehicle not in excess of 10,000 lbs. GVWR, except a school bus. With a Class B license and appropriate endorsements, a driver may operate any vehicle covered within Class C.
 - Class C:** Any vehicle that is either less than 26,001 lbs. GVWR or any such vehicle towing a vehicle not in excess of 10,000 lbs. GVWR or a vehicle placarded for hazardous materials or designed to transport 16 or more persons, including the operator, except a school bus.
 - Class D:** Any single vehicle or combination except a semitrailer unit, truck trailer combination, tractor, or truck having a registered gross weight in excess of 26,000 lbs., a bus, or a school bus.

Class M: Motorcycle. If operator has a Class D license, he or she may opt for a Class M endorsement on their driver's license.

License Not Required: A driver's license is not required to operate the identified vehicle.

10.Mileage: Enter the present mileage of the vehicle, if unknown type "NA".

11.Hours: Enter the present number of hours that the vehicle has been in operation (engine hours), if unknown type "NA".

12.Reading Date: Enter the date that the mileage/hours were read. The date MUST be provided.

13.Expiration: Enter the month and year that the current vehicle inspection sticker expires. This is the state mandated inspection.

14.Disposal Intentions: Indicate what the department's intentions are for the current vehicle from the drop down menu:

Auction/Trade = the request is to sell the vehicle at auction or use it as trade when acquiring the replacement vehicle. The final decision is made by the Finance Department so the Department should not assume any credit or reduction in price resulting from a trade. The estimated price should be based on no trade.

Not Applicable = "Not Applicable" should be selected when there is no current vehicle related to this request.

Retain = the request is to retain the current vehicle in its present capacity; meaning that the department will increase the number of vehicles in regular use by the department.

Scrap = the request is that the vehicle should be disposed as scrap; it is unsafe for use or of limited value.

Transfer = the request is to transfer the vehicle to another department for use.

Pool Vehicle = the request is to retain the current vehicle to be used as a pool vehicle by the Town.

15.Primary Functions: Describe the primary functions (daily operations) that the requested vehicle will provide for the department and why the vehicle is needed. What other options did the department factor before making this request? Include information that will be helpful in determining why the request is being made and why you think the vehicle needs to be purchased.

16.Funding Year: Indicate the fiscal year for which funding is being requested from the drop down menu.

17.Funding Amount: Enter the funding amount requested. The form has been designed to calculate an estimate based on current pricing that you should use.

18. Vehicle Type: Indicate the type of vehicle being requested from the drop down menu:

Automobile

Delivery Vehicle

Emergency Response

Flat Bed Truck

Heavy Truck (trucks with a Gross Vehicle Weight (GVW) of 6,000 pounds or more)

Light Truck (trucks with a Gross Vehicle Weight (GVW) under 6,000 pounds)

Motorcycle

Passenger Van

School Bus

Snow and Ice Equipment (this selection is for vehicles that are just meant for snow and ice removal, not vehicles that may be used in snow and ice removal operations)

SUV (Sport Utility Vehicle)

Tractor

Trailer

Van (which is not designed for passenger transport)

19. Make: Type in the anticipated make of the requested vehicle.

20. Model: Type in the anticipated model of the requested vehicle.

21. Current Cost of Vehicle: Type in the cost of the vehicle (not including attachments and special equipment which are required for the intended purpose but are not provided by the vehicle manufacturer). The cost should be current prices (2016). This figure and any amounts for special equipment and/or other costs will be used to calculate the estimated amount to be requested for the funding year. The estimated cost of the equipment has been calculated and is shown by fiscal year in the "Estimated Cost by Fiscal Year" column to the right). Please attach the documentation which shows how the current cost was determined.

22. Special Equipment: Describe any added equipment or special preparation which is required before the vehicle could be operational for the intended use. The additional cost to purchase and install/apply is to be disclosed in this box with the amount entered in the box to the right (refer to #23). Please attach the documentation which shows how the current cost was determined.

23. Special Equipment Cost: Enter the current cost of the special equipment identified to the left (refer to #22).

24. Other Cost: Describe any other expense related to this request which is not included in the vehicle price (refer to

#21) or the special equipment costs (refer to #22 and #23) and enter the cost to the right. Examples include, but not limited to, insurance coverage for the first year, additional paint and decal work, decommissioning costs for the asset being retired.

25.Other Cost Amount: Enter the other cost amount identified to the left (refer to #24).

Town of Needham
Capital Improvement Plan
January 2018

| Vehicle Request | | | | |
|------------------------|-------------------|--------------------------|----------------|-------------------------------|
| CIP-VR | | | | |
| Current Vehicle | | Requested Vehicle | | Estimated Cost by Fiscal Year |
| Assigned | (Refer to #1) | Funding Year | (Refer to #16) | 2018 |
| Unit # | (Refer to #2) | Funding Amount | (Refer to #17) | 2019 |
| Year | (Refer to #3) | Vehicle Type | (Refer to #18) | 2020 |
| Make | (Refer to #4) | Make | (Refer to #19) | 2021 |
| Model | (Refer to #5) | Model | (Refer to #20) | 2022 |
| Fuel Type | (Refer to #6) | Current Cost of Vehicle* | (Refer to #21) | 2023 |
| Plate # | (Refer to #7) | | | 2024 |
| VIN | (Refer to #8) | (Refer to #22) | (Refer to #23) | 2025 |
| License | (Refer to #9) | (Refer to #22) | (Refer to #23) | 2026 |
| Mileage | (Refer to #10) | (Refer to #22) | (Refer to #23) | 2027 |
| Hours | (Refer to #11) | (Refer to #22) | (Refer to #23) | 2028 |
| Reading Date | (Refer to #12) | Subtotal | \$0 | 2029 |
| Expiration | (Refer to #13) | (Refer to #24) | (Refer to #25) | 2030 |
| Disposal Intentions | (Refer to #14) | (Refer to #24) | (Refer to #25) | 2031 |
| | Primary Functions | (Refer to #24) | (Refer to #25) | 2032 |
| | (Refer to #15) | (Refer to #24) | (Refer to #25) | 2033 |
| | | Subtotal | \$0 | 2034 |
| | | Total Current Cost | | 2035 |
| | | * Vehicle cost for --> | | 2016 |

Additional Information to be Included in the Annual Town Meeting Warrant



Town of Needham
Capital Improvement Plan
January 2018

VEHICLE CONDITION CRITERIA TABLE

Please use the criteria below to assess the vehicle's overall condition. As a rule of thumb, if a vehicle meets the criteria of one or more classifications, the lowest category should be attributed.

| | |
|------------------|--|
| EXCELLENT | <p style="text-align: center;">Vehicle is in excellent mechanical condition, has glossy paint and perfect interior</p> <ul style="list-style-type: none"> ✓ Looks new ✓ Excellent mechanical condition ✓ Has not had paint or body work ✓ Shows no rust, no visible wear and tear, stains, no "chips" or "dings" ✓ Engine is clean, has no missing parts and no fluid leaks ✓ Tires exhibit no uneven wear patterns ✓ Has complete and verifiable service records ✓ Has passed annual vehicle and safety emissions inspection |
| GOOD | <p style="text-align: center;">Vehicle is free of major defects and only has minor visual blemishes</p> <ul style="list-style-type: none"> ✓ Has no major defects ✓ No major mechanical problems ✓ Paint is still shiny, body and interior may have minor blemishes, which should be easily repaired ✓ Has little or no signs of rust and very few visible interior or exterior defects ✓ May or will need reconditioning if re-sold ✓ Tires match and have substantial thread wear left ✓ Has passed annual vehicle and safety emissions inspection |
| FAIR | <p style="text-align: center;">Vehicle has some mechanical or cosmetic defects but is in safe running condition</p> <ul style="list-style-type: none"> ✓ Reasonable running condition ✓ Has some mechanical or cosmetic defects that need servicing. All issues must be repairable. ✓ Paint, body and/or interior show visual flaws and need work performed by a professional ✓ May have small rust, minor dents ✓ May have defects in the engine or other mechanical systems ✓ Tires may need replacement ✓ Has passed annual vehicle and safety emissions inspection |
| POOR | <p style="text-align: center;">Vehicle has had severe mechanical and/or cosmetic defects</p> <ul style="list-style-type: none"> ✓ Significant mechanical and/or cosmetic defects ✓ Is in poor running condition ✓ Paint job is faded or missing ✓ Shows excessive rust ✓ May have problems that cannot be readily fixed such as damage frame ✓ Mileage cannot be confirmed ✓ Needs major repair in order to pass annual inspection |