

TON Capital Budget Analysis Proposed Work Plan
April 20, 2021
Mary Layton

There are six regular SB Meeting dates between the first of May to the end of July. I propose that we apportion the work to be completed regarding analysis and preliminary approval of a Capital Budget among these meetings. SB members should submit memoranda that reflect work to date in time for meeting packets so that we can efficiently decide what is complete and what needs further research. If needed we should add meetings.

May 12: Each SB member submits a concise memo for the May 12th packet with answers to question #s 1-6 listed below. At the meeting decide on principles, what infrastructure to include, and what information and analysis is needed.

May 26: Decide on a method to balance priorities based on question #4. Submit ideas via packet memos.

June 9: SB members use priorities method to evaluate the capital plan for DPW, General Administration, and Recreation.

June 23: SB members evaluate capital plan for Fire and Police Departments, using priorities method.

July 14: SB members suggest amendments or restructuring of the existing capital budget draft prepared by TM.

July 28: Review TM revised capital budget , decide whether to recommend or endorse it.

Questions:

1. What principles guide our decisions?
2. What to include as infrastructure?
3. What specific information and analysis should department heads and the TM provide?
4. Can we develop a point system or rubric to balance condition, fiscal year, total assets, other?
5. How to define and plan for climate mitigation needs over a five year span?
6. Should we develop a SB memo to reflect our recommendations?

TON Capital Budget Work Plan Questions

Mary Layton

April 20, 2021

Below are questions that I believe are important to be answered as a Selectboard before we adopt a Capital Budget. I have included them as a component of a proposed work plan for spring 2021 and am presenting my answers here to help the process whether my work plan is adopted or not.

1) What principles guide our decisions?

Maintaining good condition, using designated funds to save for future expenditures, smoothing tax increases, adding to or restructuring the capital budget for efficiency across departments or to incorporate new technology, envisioning necessary changes to technology over a five year time frame. This assumes that the scale of capital needs does not increase dramatically.

2. What to include as infrastructure?

Include roads, bridges, culverts, buildings, parks, recreation fields, internet technology, vehicles, equipment, historic record restoration, solar installations.

3. What specific information and analysis should department heads and the TM provide?

An analysis of condition, replacement schedules, designated funds proposed and actual over the previous five years, need for funding to cross over departments as in remote monitoring of HVAC systems or DPW maintenance of recreation fields. I believe the recent Fire Department report submitted to inform us of proposed replacement of a fire truck is in this format. A more comprehensive presentation would be necessary to show all needed investment over five years.

4. Can we develop a point system or rubric to balance condition, fiscal year, total assets, other?

Points awarded based on condition and usage timeline of assets, spreading out expenditures to avoid large tax hikes, green infrastructure upgrades, state and federal grants available. It may be workable to devise a rubric to organize the

point system. Rubrics are used as an evaluation tool in education but we could apply it to capital planning. An educational rubric is described in a University of Texas document “as a scoring guide to evaluate performance, a product, or a project. It has three parts: 1) performance criteria, 2) rating scale, and 3) indicators.”

<https://facultyinnovate.utexas.edu/sites/default/files/build-rubric.pdf>

5. How to define and plan for climate mitigation needs over a five year span?

Use Energy Task Force data to define and inform our response. This may end up being more feasible in next year’s capital budget but will give us some direction. The Energy Committee has a list of carbon reduction actions for consumers with the proportion of carbon reduced. We could have a municipal list for carbon reduction capital planning. We could ask that Buildings and Grounds equipment replacement should be with electric versions. Thetford is proposing to develop more solar capacity with a school/town collaboration with school owned land, a solar developer and a private investor with no upfront investment from the town. We might do likewise. We must be prepared in the future to be flexible and decisive in order to either wait for opportunities or act on them based on cost/benefit considerations.

6. Should we develop a SB memo to reflect our recommendations?

Yes. It should be clear, concise, and reflect our process.

MEMO

Friday, April 23, 2021

From: Roger Arnold

To: Selectboard Members

Re: Current understanding of shared goals and capital planning direction

Below is my current understanding of our shared goals based on a review of board member meeting comments and submitted packet material to date. I have itemized possible outputs relating to these goals.

Town Committee Work

Relationship building and support of Board-appointed committees

- Allow space in agenda setting for Board to discuss committee agendas, minutes, and packets for possible Board engagement or direction
- Convene members, attend meetings, or establish Board liaison roles
- Help determine expected inter-committee collaboration, particularly related to town plan action items

Address successful governance

- Understanding of social media policy (with possible amendments), including use of Town's website and other designated websites
- Code of Ethics
- Yearly training in conflict of interest and OML policies
- Rules of procedure and conduct for committee meetings
- Training in agenda setting
- Understanding procedures or expectations for soliciting grants, proposing budget recommendations and projects
- Expectations for posting of agendas/minutes, scheduling remote and in-person meetings, and procedures for interacting with the Town Manager's office

Monitor the work of ad-hoc committees

- Reports from Childcare committee and Article 36 Task Force forthcoming

Board Policy Work

- Amend master financial policies, as applicable and warranted
- Complete rewrite of personnel Policies
- Animal Control Ordinance

Capital Planning

During our April 28 meeting, I will present a Trello Board of all capital budget items pulled from the Town Manager's Draft Capital Budget. We will be able to sort by Department, Fiscal Year, and estimated completion date as proposed by Department Heads. It will list possible directives or action items, gather all documents, and will list relevant dependencies (e.g, a forthcoming policy or forthcoming supporting information)

R. Arnold Analysis of Board Member Feedback

I believe there is value in shared understanding. Please offer corrections as necessary!

In her memo dated April 8 that was part of the April 14 packet, Brochu indicated that, in the absence of a strategic plan, her goals were "specific, measurable and achievable" and spanned a 6-12 month duration. Brochu assesses current proposed capital expenditures as having "little supporting documentation" outside of Department Head recommendations. A ranking of prioritization within an expenditure's proposed fiscal year has not occurred. Brochu is particularly interested in understanding and possibly qualifying how life-cycle costs are determined: "At what point do repair costs suggest the acquisition of new equipment would offset the ongoing costs of repairs?" This question is possibly not consistently answered in current materials.

A concern to this reader is Brochu's suggestion that capital planning should be "short-term" and "limited" in the absence of a strategic plan. Typically, capital planning calls for at least a five year outlook, though yearly adjustments and affirmations are expected and also expressed in current policy. Are we placing disproportionate burdens on future fiscal years if we delay our planning?

In her cumulative memo dated April 12 and 22 and part of the April 28 meeting packet, Calloway advises that priorities are to be determined based on safety issues (e.g "climate threats," "general safety") and further suggests that board members consider 1) "expenditures for which funds have been budgeted" and which exist 2) expenditures which no funds have been budgeted and which pose a hazard now"

Calloway proposes several avenues (referred to as "operational planning") for assessing the capital budget. This reader sees value in this list as possible throughlines within capital planning rather than criteria. For example, "Workplace safety" is a way of thinking that takes on different considerations from one department to the next and does not have to be limited to ventilation in town-owned buildings. "Improved ventilation" in town-owned buildings might be the "workplace safety" charge to the Department of Public Works or the Town Manager, but would be expressed differently for, say, the Fire Department.

In public meetings, Layton has expressed concern over potential risk and liabilities around infrastructure, roads and bridges. She would like to look more closely at the content of each department's proposals.

Some proposed next steps

At least three Board members have expressed the need to think strategically about capital needs and I believe there is a value in directing our Town Manager to determine a possible scope of work for this endeavor for a future date when funds allow.

There is consensus that we would like to look more closely at public safety and our vision for the police department, but should we perhaps consider the efficacy of taking similar approaches across all department? What are the learning opportunities we can propose to our Town Manager?

Based on board member work submitted to date, I believe these are agenda-item outcomes worth considering:

- Develop a shared understanding of the Town of Norwich's accounts, the Town's historical use of designated / reserve fund financing and spending, and current statute allowances
- Develop "throughline considerations" that can be applied to all departments with equity
- Develop a stakeholder-style set of interview questions for all Department Heads for the specific intention of understanding "growth opportunities" and "pain-points "
- Common agreement on what defines a capital asset and to what fidelity this definition can be applied across departments. Common agreement and discussion of how "life-cycle" should be determined. Consult or amend policy as discussion progresses.
- A Master Capital Asset Inventory for the Town of Norwich across all departments is being put together. Some departments have this work completed.
- Affirm vehicle replacement schedules for all department vehicles

What has been missed?

Town of Norwich, VT									
Capital Budget & Program - FYE 2022 - 2027 (July 1 through June 30)									
Department:	Source(s) of Funding:	Brochure	New Impact on Operational Expenditures (\$):	Capital Budget 2022	Fiscal Year, Ending June 30				
					* FOR PLANNING PURPOSES ONLY *				
					Capital Program #1 2023	Capital Program #2 2024	Capital Program #3 2025	Capital Program #4 2026	Capital Program #5 2027
DPW:									
Highways - Equipment:									
2010 Freightliner Dump Truck w/2006 Body (Truck 4), Replace	Lease Option	4	\$33.5K/yr for 5 yrs	\$ 167,461	\$ -	\$ -	\$ -	\$ -	\$ -
1981 Tank Truck (Truck 3), Replace w/Used	Highway Equipment Fund		\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -
2004 Caterpillar 143H Grader (Grader #1), Replace	Borrowing		\$31.5K/yr for 10 yrs	\$ -	\$ 315,000	\$ -	\$ -	\$ -	\$ -
2007 Holder Sidewalk Tractor, Replace	Lease Option		\$24K/yr for 5 yrs	\$ -	\$ -	\$ 120,420	\$ -	\$ -	\$ -
1989 2WD Pickup (Truck 13), Replace	Highway Equipment Fund		\$ -	\$ -	\$ -	\$ 26,000	\$ -	\$ -	\$ -
2012 Freightliner Dump Truck (Truck 8), Replace	Lease Option		\$33.6K/yr for 5 yrs	\$ -	\$ -	\$ -	\$ 168,016	\$ -	\$ -
1995 Brush Bandit 90 Woodchipper, Replace	Highway Equipment Fund		\$ -	\$ -	\$ -	\$ -	\$ 47,000	\$ -	\$ -
2015 Freightliner Dump Truck (Truck #5), Replace	Highway Equipment Fund		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 168,016	\$ -
Buildings & Grounds - Equipment:									
Riding Mower w/Bagger & Cart	Bldgs & Grounds Equipment Fund		\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer Station - Equipment:									
Compactor replacement	TS Equip. Fund / Budget		\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ -	\$ -
Highways - Projects:									
Rte 132 - Reclaim & Pave 1 Mile (Twin State S&G Estimate)	Paving Fund (Vtrans Paving Grant)		\$ -	\$ 243,000	\$ -	\$ -	\$ -	\$ -	\$ -
Beaver Meadow Rd - Reclaim & Pave, inc sidewalk, curb, drainage (Main St to Brigham Hill Rd) - Engineering Phase	Vtrans Bicycle & Ped. Grant Program (80% grant / 20% local) (Est. subject to Scop.)		\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Beaver Meadow Rd - Reclaim & Pave, inc sidewalk, curb, drainage (Main St to Brigham Hill Rd) - Construction Phase (Twin State S&G Estimate)	Vtrans Bicycle & Ped. Grant Program (80% grant / 20% local) (Est. subject to Scop.)		\$ -	\$ -	\$ -	\$ 710,000	\$ -	\$ -	\$ -
Beaver Meadow Rd - Shim/Overlay (from Brigham Hill Rd out 2.5 miles)	Paving Fund (Vtrans Paving Grant)		\$ -	\$ -	\$ -	\$ -	\$ 317,000	\$ -	\$ -
Beaver Meadow Rd - Shim/Overlay (from previous end to Sharon border)	Paving Fund (Vtrans Paving Grant)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 248,000	\$ -
Pave Steep Hills Currently Gravel (Tucker Hill Rd, Tilden Hill Rd, Blood Hill Rd east, and Bragg Hill Rd - beginning Dutton east, Bowen Rd)	Paving Fund (Vtrans Paving Grant)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Bridges - Projects:									
Bridge Inventory - Bridges/Culverts >5' (RFQ Engineer. Cost -Stantec Est.)	Appropriation (but to be offset by extra year's state aid re: Structures Grant \$)		\$ -	\$ 57,000	\$ -	\$ -	\$ -	\$ -	\$ -
Tigertown Rd Box Culverts (2) - Construction and Construct. Admin./Inspect.	Vtrans Trans. Alterns. Grant (80% grant / 20% local) - Refer, also, to Operat. Budget	2	\$ -	\$ 487,643					
Rte 132 Bridge Construction (Stantec Est.)	Vtrans Structs. Grant / Budget (80% grant / 20% local). If avail. May have to shift out.	1	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -
Chapel Hill Rd South Bridge - Abutment Repair	Vtrans Structs. Grant / Budget (80% grant / 20% local)		\$ -	\$ -	\$ 36,000	\$ -	\$ -	\$ -	\$ -
Elm St Bridge - Design	Highway Bridges Fund		\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -
Elm St Bridge - Construction	Bond (assumes no Vtrans Struc. Grant)		\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ -	\$ -
Beaver Meadow Rd Bridge No. 39 - Design	Vtrans Structs. Grant / Bridge Fund (80% grant / 20% local)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -
Beaver Meadow Rd Bridge No. 39 - Construction	Vtrans Structs. Grant / Bridge Fund (80% grant / 20% local)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 700,000
Buildings & Grounds - Projects:									
Energy / Fossil Fuel Reduction:									
Tracy Hall	Borrowing	Overall analysis	\$ -	\$ -	\$ 2,055,000	\$ -	\$ -	\$ -	\$ -
NFD Apparatus Building									
Highway Garage									
Tracy Hall - Generator Replacement (Cost subject to Energy and related sizing)	Generator Fund		\$ -	\$ 49,095	\$ -	\$ -	\$ -	\$ -	\$ -
DPW (Highway Garage) - Generator Replacement, Using Former DPS Unit	Generator Fund (May occur in FYE 2021)		\$ -	\$ 7,671	\$ -	\$ -	\$ -	\$ -	\$ -
Tracy Hall - Replace Underground Fuel Storage Tank (Subject to Energy)	Appropriation (i.e., operational budget)		\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -
Tracy Hall - Boiler Replacement (Subject to Energy)	Appropriation (i.e., operational budget)		\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -

DPW (Highway Garage) - Create Aggregate Storage Bins	Appropriation (i.e., operational budget)		\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -
DPW (Highway Garage) - Break Room Appurtenances	Highway Garage Fund		\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer Station - Projects:									
Transfer Station Building	Appropriation (i.e., operational budget)		\$ -	\$ 13,000	\$ -	\$ -	\$ -	\$ -	\$ -
Recreation:									
Pedestrian Bridge Across Blood Brook to Huntley-Meadow Rec. Fields	100% Fundraising / Grants / Donat. Time		\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -
Huntley-Meacow Tennis Courts - Complete Renovation	Borrowing (Grant(s) / Tennis Court Fund)		\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -
"Side-by-Side", Used (Uses: Trails; X-C Skiing; First Responder)	100% Fundr. / Donation (Maybe FYE '21)		\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -
Police Department:									
Vehicles (assumes 5/6yr rotation):									
EQ1	Police Cruiser Fund (Lease Option)		\$13K/yr into Cruiser Fund	\$ 65,000	\$ -	\$ -	\$ -	\$ -	\$ 68,316
EQ2 (phasing out; run for balance of useful life)	Police Cruiser Fund		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EQ3 (Note this is the vehicle authorized in FYE 2020)	Police Cruiser Fund		\$13K/yr into Cruiser Fund	\$ -	\$ -	\$ -	\$ 66,964	\$ -	\$ -
EQ4	Police Cruiser Fund (Lease Option)		\$13K/yr into Cruiser Fund	\$ -	\$ -	\$ -	\$ -	\$ 67,640	\$ -
Equipment:									
Special Equipment:									
Ballistic Vests	USDOJ Grant (\$3,000)/Equip. Fund (\$3,000)		\$520/yr into Equip. Fund	\$ -	\$ -	\$ 6,000	\$ -	\$ -	\$ -
Camera / Audio System - Car/Body Units (4)	Appropriation (i.e., operational budget)		\$ -	\$ 40,000					
Firearms (Handguns & Long Guns)	Special Equipment Fund		\$500/yr into Equip. Fund	\$ -	\$ -	\$ -	\$ 6,000	\$ -	\$ -
Radios (Portable & Desktop)	Special Equipment Fund		\$1,700/yr into Equip. Fund	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -
Tactical Gear (e.g., Shield & Semi-Universal Helmet), 1 set/cruiser - TBD	PACIF Equip. Grant (50%) / Match (50%)		\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -
IT Equipment									
Computers (MDT's & Peripherals)	Special Equip. (MDT's)/Gen'l Adm. (Office)		\$4K/yr into Equip Fund	\$ -	\$ -	\$ -	\$ 6,000	\$ -	\$ -
Behavioral Safety:									
Preliminary Breath Test (PBT) Meters	Behavioral Safety Unit Grant/Equip Fund		\$500/yr into Equip Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RADAR/LIDAR (Handheld)	Behavioral Safety Unit Grant/Equip Fund		\$1,200/yr into Equip Fund	\$ -	\$ 2,400	\$ -	\$ -	\$ -	\$ -
Speed Signs (Driver Feedback Units)	Behavioral Safety Unit Grant/Equip Fund	5-1c add	\$400/yr into Equip Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Department:									
Vehicles:									
Engine #2	Fire Apparatus Fund		New Approps for App Fund	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ -
Ladder #1	Fire Apparatus Fund		New Approps for App Fund	\$ -	\$ -	\$ -	\$ -	\$ 441,632	\$ -
Car #1	Fire Apparatus Fund		New Approps for App Fund	\$ -	\$ -	\$ 37,142	\$ -	\$ -	\$ -
Equipment:									
SCBA Package	Fire Equipment Fund		New Approps for Eq Fund	\$ -	\$ 137,915	\$ -	\$ -	\$ -	\$ -
SCBA Cylinders	Fire Equipment Fund		New Approps for Eq Fund	\$ 5,355	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Personal Protective Equipment (PPE)	Fire Equipment Fund		New Approps for Eq Fund	\$ 9,364	\$ 6,551	\$ 9,742	\$ 9,937	\$ 10,135	\$ 10,338
Auto Extraction Tool	Fire Equipment Fund		New Approps for Eq Fund	\$ 16,646	\$ 6,377	\$ -	\$ -	\$ -	\$ -
Total, Capital Project Expense				\$2,296,235	\$2,794,243	\$1,009,304	\$1,073,917	\$ 964,407	\$1,196,670
Anticipated New Debt Serve (Borrowing & Lease Option Payment Resulting from Capital Projects)				\$ -	\$ 48,500	\$ 222,000	\$ 246,000	\$ 313,600	\$ 313,600
Sources of Revenue:									
Grants:									
US Tennis Association				\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -
Vtrans - Bicycle & Pedestrian Grant Program				\$ -	\$ 80,000	\$ 568,000	\$ -	\$ -	\$ -
Vtrans - Structures (80% grant/20% local)				\$ 240,000	\$ 24,800	\$ -	\$ -	\$ 120,000	\$ 560,000
Vtrans - Paving (80% grant/20% local)				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vtrans - Transportation Alternatives Program (TAP) (80% grant / 20% local)				\$ 390,114	\$ -	\$ -	\$ -	\$ -	\$ -
Vtrans - Grants In Aid				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vtrans - Better Roads				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
VLCT-PACIF Equipment Grants (50% grant/50% local)				\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -
Womens' Club Grant				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
US DOJ (Ballistic Vest Grant = 50% grant / 50% local)				\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -
Behavioral Safety Unit Grant (50% grant / 50% local)				\$ -	\$ 1,200	\$ -	\$ -	\$ -	\$ -

VT Dept Public Safety			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borrowing/Leasing:								
Borrowing			\$ 150,000	\$ 2,370,000	\$ -	\$ 500,000	\$ -	\$ -
Leasing			\$ 167,461	\$ -	\$ 120,420	\$ 168,016	\$ -	\$ -
Designated Funds:								
Highway Equipment Fund			\$ 25,000	\$ -	\$ 26,000	\$ -	\$ 47,000	\$ 168,016
Buildings & Grounds Equipment Fund			\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer Station Equipment Fund			\$ -	\$ 45,000	\$ -	\$ -	\$ -	\$ -
Highway Paving Fund			\$ 243,000	\$ -	\$ -	\$ 317,000	\$ 248,000	\$ 250,000
Highway Bridges Fund			\$ -	\$ -	\$ 100,000	\$ -	\$ 30,000	\$ 140,000
Highway Garage Fund			\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -
Generators Fund			\$ 56,766	\$ -	\$ -	\$ -	\$ -	\$ -
Police Cruiser Fund			\$ 65,000	\$ -	\$ -	\$ 66,964	\$ 67,640	\$ 68,316
Police Special Equipment Fund			\$ -	\$ 15,000	\$ -	\$ 12,000	\$ -	\$ -
General Administration Fund			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Apparatus Fund			\$ 550,000	\$ -	\$ 37,142	\$ -	\$ 441,632	\$ -
Fire Equipment Fund			\$ 26,010	\$ 12,928	\$ 9,742	\$ 9,937	\$ 10,135	\$ 10,338
Fees (Registration, User Fees, Etc.)								
Recreation Registration Fees			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations/Fund-Raising			\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total, Off-Setting "Revenue"			\$2,090,851	\$2,552,928	\$ 864,304	\$1,073,917	\$ 964,407	\$1,196,670
Total, Budget Amount Required			\$ 205,384	\$ 289,815	\$ 367,000	\$ 246,000	\$ 313,600	\$ 313,600

If Tracy Hall Energy Project, then delete \$75,000 for boiler/underground tank
Total

\$ (75,000)
\$ 214,815

Memo

To: Selectboard, Town Manager

From: Roger Arnold

April 9, 2021

Re: High-level goals for Selectboard planning, a working draft

Short-Term Goals (2021)

Ensure that the Town is a position to understand and receive COVID stimulus funding opportunities from State and Federal governments. Learn from non-profit groups what gaps in services existed in the face of the Coronavirus, and how the Town can collectively work to address those gaps, if needed.

Identity and support opportunities where Department growth is needed and desired, particularly within the Town's Recreation department.

Support the Town Manager's Office in creating an Organizational / Personnel Plan or any other kind of operational planning that might best plan or audit the town's current and future human resource functions and needs. Any plan would be strictly for planning purposes and will not be considered a regulatory document.

Write an RFP for strategic planning that sets a clear path for long-term community and economic development. Any RFP should determine and place Norwich's unique and particular opportunities within the context of wider regional problems and take its direction from the Adopted Town Plan.

Create a master list of key documents in support of an asset inventory and ensure they reflect the latest asset information. Determine any additional informational documents that will be required to **adopt a capital improvement plan**

Continue to hear reports and **affirm (or not) the work plans of the Town's ad-hoc committees:** Childcare Committee and Article 36 Task Force. Be prepared to possibly adopt their recommendations.

Revise Town of Norwich Personnel Policies with incorporation of changes from Town Manager as needed, in consultation with Town Attorney.

Rewrite the Town of Norwich Animal Control Ordinance in collaboration with key stakeholders and with a defined mode for public participation

Identify a scope of work for addressing accessibility, poverty, equity, accountability, and inclusion in Town of Norwich operations. Find ways to celebrate difference.

Ensure that the Town Plan Action items are completed, as appropriate.

SWOT Analysis

Mary Layton

April 20, 2021

Strengths:

Informed, involved, and educated citizens
Solid tax base
Smooth Cash flow due to bi-yearly tax bills
Designated funds save for future capital expenditure
Policy work is ongoing
Competent Town Administration and Departments

Weaknesses:

Finance Department needs to be fully staffed
Police Chief hire is controversial
Website, Internet technology need updates
Capital Plan not in place
Sidewalk Inventory not in place
Septic vs. Sewer Hookup not resolved
Community and Economic Development not valued
Town Manager nearing end of his current contract

Opportunities:

Green Fleet
Energy Efficient Municipal Structures
Affordable Housing
Improved access to childcare
Broadband internet available for all citizens
Federal funding for projects
Green Neighborhoods, walkable, near resources, remote work and learning
Increase citizen involvement in carbon reduction measures.
Increase enrollment at Marion Cross School

Threats:

A Joint Fiscal Office simulation of proposed changes to education funding based on taxing income rather than property that could raise the education tax rate from 1.77 to 2.30.
Increasing frequency of storms result in expensive damage to roads and bridges
Market value of real estate is high, prevents diversity of income, age, race, class
Potential Sewer extension challenges assumptions about the character of the town
Lack of Affordable Housing prevents diversity, impacts the school, seniors, families

To: Selectboard
 From: Marcia Calloway
 Date: 4/12/2021 and 4/22/2021

From my first meeting as a member of the board, my concern has been that the board articulate clear goals for the town, an *Operational Plan* as it were, for the coming year; and, then develop the 'capital budget' plan to accommodate those goals. To be clear, an Operational Plan is NOT a Town Plan. As the TRORC states "Town Plans are visionary documents for all aspects of what a town would like to see happen to it over the next eight years."¹ More is required to move from any vision to any form of reality.

Based on the above, when asked to consider our priorities for the capital budget, I looked beyond the spreadsheets of needed and wanted items. The question to me is twofold:

- (1) what monies are needed to provided what MUST be provided for the town to continue to be safe and functioning; and
- (2) what are the additional goals our town wants to reach and how much money do we need to accomplish those goals.

In answering those two questions it has become clear to me that the current structure of the town accounts makes our planning difficult if not inefficient and possibly not in compliance with statute. The co-mingling of monies is not recommended by statute and "undesignated funds" do not exist in statute.²

To comply with statute, to be transparent to voters, and in the best interests of Norwich, I recommend the following plan in the context of Operational Planning and Capital Budget Priorities for 2021.

I. Restructure the town accounts

General Fund	Highway Fund	Reserve Fund	Sinking Funds	Trust Funds
Daily/routine Expenses Such as Electricity, Salaries, Office Supplies, etc.	All 'highway' expense including office & other Supplies, etc.	One account for each voted item, recorded separately to easily see what is needed/available. ³	Optional if monies are voted to retire a specific bond or debt	For gifts and the like

¹ <https://www.trorc.org/member-towns/town-plan-approvals/>

² Town General Fund 17 VSA 2664 – voted at town meeting to be used in the same year or returned to voters, does not carry over. Town Highway Fund 17 VSA 2664 & 19 VSA 312 – voted at town meeting to be used ONLY for highways not for the General Fund deficit and may carry over. Reserve Funds 24 VSA 2804 – voted at town or special meeting for the specific purpose voted and to be kept in a separate account, it may carry over. Sinking Funds 24 VSA 1777 – voted at town or special meeting to retire a debt or bond, not for future or current expenses. Trust Funds 24 VSA 2431 – managed by Trustee of Public Funds for the purpose intended by the trustor, requires a separate account.

³ The Reserve Fund can include a Reserve for meeting unanticipated General Fund Expenses, as well as monies voted for special/expensive purchases.

II. Capital Budget Priorities for 2021

1. Keep the lights on – the town has on-going expenses for operation and safety and they must be paid.
2. Address all safety issues
 - a. Divide the items into two categories
 - i. Items for which funds have been budgeted and which exist now – these should move forward.
 1. Example – the fire truck which is over 16 years old. Per National recommendations explained by the Fire Chief et al this unit poses a safety hazard for staff and the public which need fire safety services.
 - ii. Items for which no funds have been budgeted and which pose a hazard now – identify the cost and emergency funding if necessary.
 1. Examples – for climate threats
 - a. Repair culverts which are critical to moving storm water
 - b. Repair bridges which are in danger of collapse.
 - c. Repair roads which would pose a danger under severe moving water
 2. Examples – for general safety
 - a. Invest in speed control technology to reduce the need for policing and to reduce speeding at all hours on the roads routinely identified as speed ways.
 - b. Examine and amend ventilation in town-owned buildings to protect against current and future airborne diseases.

III. Operational Plan for the future Capital Budget Priorities

1. Keep the lights on – ensure we have budgeted the funds for General Fund expenses and keep within that budget except for completely unforeseen expenses – try to mitigate those expenses or if necessary find emergency funding.
2. Follow the structure of town bank accounts to comport with statutorily described funds i.e. General Fund, Highway Fund, Reserve Fund
 - a. Use the Reserve Fund to keep track of
 - i. Monies voters approve for SPECIFIC PROJECTS
 - ii. Monies voters approve for UNANTICIPATED General Fund and UNANTICIPATED Highway Fund expenses
3. Reduction of debt and elimination of borrowing/loans – focus on the retirement of debt and better planning to avoid future accrual of debt.
4. Review Norwich Police protection needs – start with a review police use (logs as well as 911) and determine staffing and equipment needs (vehicles and body cameras etc.) for the protection of staff and residents and public visitors; proceed with a study of the issues using a representative group of Norwich residents and the Selectboard.
5. Climate and Environmental Defense – prepare for severe storm issues e.g. culverts should be in good repair, any new building proposals should maintain natural land resiliency for the movement of storm water and general protection of green space and forest cover and animal habitat and connectors.
6. General disaster preparation – ensure all land records and other critical legal documents are online to allow for the continuation of legal and other work when shutdowns occur
7. Highway/road safety – paving/road repairs and speed control (new technology) and town-wide analysis of perceived road safety issues.

8. Workplace safety – ensure indoor town-owned spaces are appropriately ventilated for future airborne disease resistance
9. Coordinate Selectboard agenda with committee work – in conjunction with Selectboard work, committee agendas and work will be delegated by the Selectboard to ensure a consistent, cohesive plan of work without waste of time or money. Committee minutes should be provided to the Selectboard in their packet and reviewed at least once a month to ensure compliance with the Operational Plan.
10. Institute a process to review all committee expenditures before they are incurred – no committee, group or office should commit monies without Selectboard prior specific approval in conjunction with the Operational Plan identified by the Selectboard.

S.W.O.T. MATRIX -- Calloway

		HELPFUL (for your objective)	HARMFUL (for your objective)
INTERNAL (within organization)	<p>STRENGTHS:</p> <ul style="list-style-type: none"> Physical appearance of a small Vermont town Protected valuable open spaces for community use e.g. Huntley & the green Good library Successful recycling/waste system Successful recreation program Working Police and Fire Protection Sufficient number of residents to provide a strong tax base * * * <p style="text-align: center; font-size: 4em; opacity: 0.5;">S</p>	<p>WEAKNESSES:</p> <ul style="list-style-type: none"> Lack of obvious processes to identify problems and projects Lack of articulated methodology to solve problems Lack of multi-faceted approaches to problems Lack of SB oversight comms. to ensure coordinated effort for identified go Insufficient change of comms & SB to ensure diversity of thought/talent Lack of targeted elementary school septic solution Increasing taxes which push out existing residents * * * * <p style="text-align: center; font-size: 4em; opacity: 0.5;">W</p>	
EXTERNAL (outside organization)	<p>OPPORTUNITIES:</p> <ul style="list-style-type: none"> Proximity to good secondary education Proximity to good health care Distinct community different from those around us which are more urban Surrounded by rural views which attract active, health-conscious people Consistent Vermont image and ethic Proximity to the river corridor Dan & Whit's as a pillar and example of the community * * * <p style="text-align: center; font-size: 4em; opacity: 0.5;">O</p>	<p>THREATS:</p> <ul style="list-style-type: none"> Development which could worsen pre-existing flood propensity Efforts to erase the rural distinction between Norwich & adjacent towns Lack of affordable housing for all age groups Development of 'block' housing inconsistent with rural aesthetic Duplication of apartment housing being built in neighboring * * * * <p style="text-align: center; font-size: 4em; opacity: 0.5;">T</p>	

To: Selectboard members, Town Manager

From: Claudette Brochu

Date: April 7, 2021

Subject: Goals for FY 2021/22 and CBP priorities for FY2022

One struggle in determining goals for any year is the lack of a Strategic Plan upon which those goals are developed. Similarly, rank ordering a Capital Budget and Plan is also problematic. There is the risk that any short-term goals identified may not support a yet to be developed Strategic Plan. Given that risk, I am looking at specific, measurable and achievable goals for the next 6-12 months. Because we will be receiving formal reports on the status of culverts, bridges, sidewalks, and roadways none of my goals will address these topics.

Goal #1: Hire a full time Finance Officer. Begin advertisements by May 1, 2021 with the goal to have a Finance Officer in place by August 2021, if not sooner.

Goal #2: Upgrade IT moving as much into the Cloud as possible. The danger here is that work done on IT upgrades may conflict with Goal #3, especially if wiring/cabling is required. However, the need to upgrade as soon as possible necessitates the risk.

Goal #3: Perform audit on Tracy Hall to determine status of the building including HVAC and use of space. Include proposals for “fixes” with costs and potential energy and GHG savings. Consider the feasibility of having an article on the next Town Meeting warrant to have the Town vote on any proposal.

Goal #4: Complete Master Financial Policies, Personnel Policy revisions. Review other policies for scheduled revisions.

Goal #5: Develop a 5 year Strategic Plan. Include all stakeholders including residents, employees, the school district, etc. The goal would be to have this completed by the end of summer so that an Operational Plan could be developed in time for budget considerations including CBP.

Goal #6: Assign board members as liaisons to town committees and commissions and have a report from liaison each month.

Goal #7: Obtain a new, formal ISO report to help guide Fire Department appropriations and expenditures.

While we await the reports on the status of roads, bridges, sidewalks, etc., I believe we need to continue to invest in maintaining what we have while considering what makes sense to replace. Absent a Strategic Plan and Operational Plan, this is a difficult task. What vehicles and/or equipment are critical in maintaining service to residents? What services are critical? I also believe that until we receive these reports, short term capital spending should be limited (even if approved in the FY22 budget) to mission critical expenditures. In examining the FY22 CBP, there is little in supporting documentation other than the recommendation of various department heads. At what point do repair costs suggest the acquisition of new equipment would offset the ongoing costs of repairs? There is little analysis. The current CBP asks that the criteria used to determine the CBP:

- Meets a policy goal or fulfills a strategic objective of the Town and its adopted Town Plan.
- Is required under a state or federal mandate, law, or regulation.
- Will mitigate or eliminate a known safety hazard.
- Will maintain and improve the delivery of public services to the majority of the population.
- Will improve the quality of existing infrastructure.
- Non-tax based revenue and/or State or federal grant funds are available to assist in funding the project.

Absent an overall Strategic Plan, my priorities for the next 6-12 months are focused on repair of the Rt 132 culvert replacement, the Tigertown Rd culvert replacement, Tracy Hall overall assessment, and possible Freightliner 2010 truck

replacement. My concern with equipment replacement is the lack of data on costs of repairs versus benefit of replacement versus retirement of the equipment. The lack of a Strategic Plan makes further prioritization impossible.

I await other board members assessments.

by: Claudette Brochu

Agenda Item #4

The following is my SWOT analysis. This was developed in response to Roger's request that we think about what the board/Town does well and what can be improved.

Strengths:

Strong sense of community

Strong community involvement

Influx of state/federal funds

Weaknesses:

"Us vs them" sentiment

Too much time spent on reacting versus being proactive

Outdated processes and policies

No overall vision

Opportunities:

Develop 5 year plan

Improve overall infrastructure

Decrease GHG emissions

Determine a policing plan for the town

Threats:

No Finance Officer

Increase in income disparity

Poor IT infrastructure

Mismatch between TM and other officials' vision and citizen vision

Emerald Ash borer

cb/3-31-21

MEMORANDUM OF UNDERSTANDING
Norwich Selectboard and Norwich School Board
Regarding the Norwich and Dresden Finance Committees

This Memorandum of Understanding (the “MOU”) is entered into between the Selectboard of the Town of Norwich, Vermont (the “Selectboard”) and the Norwich, Vermont School Board (the “School Board” and together with the Selectboard, the “Boards”) as of the Effective Date hereof;

WHEREAS, a prior version of this MOU was terminated by the Selectboard in 2018;

WHEREAS, the Selectboard and the School Board concur in the reconstitution of the Dresden Finance Committee as established by those certain **Articles of Agreement between Hanover and Norwich** in Accordance with New Hampshire-Vermont Interstate School Compact (New Hampshire Revised Statutes Annotated, Chapter 200-B), dated [DATE], 2002 (the “DFC”); and

WHEREAS, the Selectboard and the School Board desire to memorialize the terms of this arrangement, by which Norwich members of the Norwich Finance Committee (NFC) are to be appointed.

NOW THEREFORE BE IT AGREED by the Selectboard and the School Board as follows:

1. The Norwich Finance Committee shall have a charge, which is attached and identified as Exhibit A, by which Norwich is permitted to appoint up to five members, who would then be joined with the Town of Hanover’s Finance Committee to form the Dresden Finance Committee, with staggered terms so as to ensure continuity.
2. Members on the committee shall include terms of three years for three members and two years for two members.
3. The Boards will jointly appoint Norwich’s members to the NFC by the following process:
 - a. The Norwich Town Manager’s Office will advertise vacancies.
 - b. The two Boards, meeting separately or in joint session will interview candidates in a public, duly-warned meeting. Each Board, voting separately and by majority, shall nominate candidates for consideration by the other Board.
 - c. A majority vote of the concurring Board shall ratify a nomination from the other Board.
4. Persons nominated to the NFC hereunder shall be subject to all Town of Norwich policies applicable to “Town Officials” as well as to School Board policies applicable to members of committees thereof.
5. The Selectboard and the School Board shall each appoint one of their members as liaisons to the committee each year.
6. The Effective Date of this MOU shall be the date on which it is ratified by both Boards.

NORWICH FINANCE COMMITTEE

Adopted by the **Norwich Selectboard** on this ____th day of October, 2020:

Claudette Brochu, Chair

Roger Arnold, Vice Chair

Robert Gere

Mary Layton

John Langhus

Adopted by the **Norwich School Board** on this ____ day of October, 2020:

Tom Candon, Chair

Kelley Hersey, Vice Chair

Lisa Christie, Secretary

Garrett Palm

Neil Odell