

February 27, 2019

To: Town of Millis Finance Committee

From: Town of Millis Capital Planning Committee

Subject: Capital Planning Committee Recommendations for Fiscal Year 2020

The Capital Planning Committee is pleased to present the Board with our first annual capital planning recommendations for Fiscal Year 2020. As background, the Committee was established in August, 2017 with the mandate of creating a long term capital plan for the Town of Millis which would help citizens attain a more complete understanding of expenditures that the Town may need to undertake in coming years. The Committee has worked with the Town Administrator, department heads, and other key constituencies in town to compile and organize estimated capital needs for the Town over the next 10 years. Through this process, the Committee has identified approximately 150 capital items with total estimated costs of nearly \$50 million.

For Fiscal 2020, the committee reviewed 37 capital items that are potentially needed by the Town in the coming fiscal year. The committee asked each department head to categorize these items as either a high, medium or low priority, and to rank order the items within each of those categories. Based on this priority ranking, the committee then grouped the various capital items into 4 categories 1) highest priority 2) second tier of priorities 3) third tier of priorities and 4) deferred to subsequent year(s). A high level breakdown of these requests is shown in the table below:

	# of projects	Total estimated cost
Highest priorities	10	\$3,839,900
Second tier of priorities	8	2,386,120
Third tier of priorities	5	105,250
Deferred to subsequent year(s)	12	2,667,994
Total	35	\$8,999,264

The attached exhibit provides more detail on each of the items. It should be noted that the items within each category should be considered to be of roughly equal importance (i.e. the first item in the "highest priorities" list is not necessarily more important than the second item on the list). Additionally, the Committee has tried to be agnostic with regards to cost or funding source for the various capital needs. That said, we recognize that the ultimate decision around which capital items to fund will be driven by various fiscal constraints, and it is possible that items that are on the "highest priority" list may need to be deferred, while items on lower priority lists may instead be pursued.

The Committee is also working on a report with the full 10-year capital plan that will be shared with the Board as soon as it is available.

As this is the first year that the Committee has compiled this information, we recognize that there will likely be areas to be further developed within the capital planning process, and as such, the Committee expects that the long term capital plan and the annual recommendation process will evolve over time to meet the needs of the Board, other relevant committees, department heads, and most importantly, the

citizens of the Town of Millis. We look forward to working with all interested parties on this important initiative.

The members of the Committee are available to answer any questions regarding these recommendations.

Respectfully submitted,

Jonathan Barry

Chairman of the Town of Millis Capital Planning Committee