

COMPREHENSIVE FINANCIAL ADVISORY COMMITTEE CAPITAL IMPROVEMENT PLAN SUBCOMMITTEE

January 20, 2026

Meeting summary

The Meeting was called to order at 4PM by Jim Sproul.

Attendance:

Jim Sproul, committee member, Jeremy Shea, committee member, Rimas Puskorius, committee member, Chris Lauzon, CFAC committee chair, Betty Ludtke, council liaison, Mark Milne, Finance Director

Quick recap

The CIP Subcommittee met to discuss their upcoming report on capital infrastructure projects, with Rimas joining as a new member. The group debated whether to focus on micro-level project reviews or macro-level funding strategies, ultimately deciding to split the work evenly between department reviews (DPW, Schools, CWMP) and enterprise funds analysis. Mark provided context on available funding capacity, noting they can authorize \$15M in new borrowing and \$3.5M in cash for general fund projects. The committee discussed concerns about physical plant maintenance and infrastructure needs, with Betty emphasizing the need for objective criteria to assess maintenance requirements. The group also explored potential revenue sources and alternative funding models, though James noted time constraints for the current report. The conversation ended with agreement to use previous reports as a guide while incorporating new perspectives and topics for discussion.

Next steps

- James: Review DPW projects and prepare approach for next meeting
- Jeremy: Review school projects and prepare approach for next meeting
- James: Review debt service section and support Rimas as needed
- All Subcommittee members: Familiarize themselves with their assigned project areas and present initial approach at next meeting
- Mark: Send committee members a previous report containing various revenue-raising suggestions
- All Subcommittee members: Develop draft approach for the report to present at next Monday's full committee meeting

- Mark: Send agenda for next Tuesday afternoon's Subcommittee meeting
- All Subcommittee members: Consider and prepare to discuss potential new funding sources and approaches in the report, including but not limited to privatization and other revenue tools
- All Subcommittee members: Be prepared to discuss report structure and division of work at next meeting

Summary

CIP Subcommittee Leadership and Roles

The CIP Subcommittee meeting began with the election of Jim Sproul as chair, recommended by Jeremy and seconded by Rimas. The group discussed the public nature of subcommittee meetings, confirming they would be open to the public with a quorum of two members required. James reviewed last year's assignments, proposing that Rimas take over Chuck's responsibilities for Public Works, while maintaining the same two-section assignments for each member. The subcommittee's role was clarified as reviewing and analyzing infrastructure projects from enterprise funds and DPW, including evaluating project priorities and rankings.

Town Capital Projects Review Approach

The group discussed the approach for reviewing the town's capital improvement projects, with James suggesting they start by reviewing last year's report which was heavy on documentation but effective. Rimas expressed confusion about the criteria for judgment and the overall end goal, leading to a clarification from Jeremy that their role is to provide independent advice to the Town Council, raising any concerns about project funding and broader budget considerations. Mark explained that CFAX's role is to advise on long-term financial planning and review the annual capital improvement plan from a macro perspective, rather than making specific funding recommendations for individual projects.

Project Funding and Responsibility Review

The subcommittee discussed project responsibilities, with Rimas expressing that taking on both DPW and enterprise funds would be too much given his newness to the role. James and Jeremy suggested a collaborative approach, with Rimas potentially working alongside others to gain necessary background information. Mark provided an update on funding capacity, noting \$15 million for new borrowing authorizations and \$3.5 million in cash funding for general fund projects, with enterprise funds managing their own costs except for HYCC. The committee agreed to review the CWMP funding situation, as dedicated sources are approaching capacity, and Rimas mentioned he would need to review the information and provide recommendations.

Long-term Capital Funding Strategy

The team discussed the need for sustainable funding of capital projects beyond 2027, with Jeremy emphasizing the importance of addressing this broader financial sustainability question rather than

focusing solely on individual CWMP projects. Rimas and James agreed that the upcoming report due in July should address this long-term funding strategy, with James noting they have 6 weeks to complete the report and will have three meetings to develop and review drafts. The team acknowledged that while schools have a high priority with \$10 million in projects, the best use of their time might be to focus on the larger funding picture rather than specific departmental needs.

Infrastructure Prioritization and Strategic Planning

Betty expressed concerns about the town's massive capital investment requirements, particularly for the CWMP, and requested objective criteria to assess infrastructure maintenance needs and priorities across various town departments. She noted that the town's strategic plan, which Mark Ells uses to guide operations, is currently being updated to provide a clearer direction. Jeremy suggested exploring how other communities have addressed similar infrastructure challenges, as many Massachusetts towns face outdated facilities built in the 1950s and 1960s.

Water Infrastructure Funding Discussion

Betty expressed concern about the town's physical plant falling behind due to long-term funding issues, particularly regarding water infrastructure. The group discussed the challenges of funding CWMP over 30 years and the potential benefits of exploring a Water Infrastructure Fund (WIF) to address various water-related needs. James suggested that the committee could consider presenting an opinion on the WIF as part of its recommendations to the Town Council. The conversation also touched on the potential for collaboration between the schools and DPW on facility projects, though Betty noted that the schools might be hesitant to participate. Mark emphasized the need to identify additional funding sources for capital projects, as current resources are insufficient to cover the 5-year project requests.

Physical Plant Investment Funding Strategies

The group discussed funding sources for physical plant investments, with Betty suggesting the need for independent criteria to determine investment timing. James agreed with Betty's point about requiring funding, and suggested forming a subcommittee to determine potential funding sources. The discussion then shifted to exploring alternative ways to generate new growth dollars, with Betty and Jeremy suggesting ideas such as developing tourist accommodations and managing town lands more effectively. The conversation concluded with Jeremy highlighting the potential value of the town's natural resources and suggesting ways to better utilize and manage them for economic benefit.

Enterprise Funds Privatization Discussion

The committee discussed the value and potential privatization of enterprise funds, with Mark explaining that these funds currently contribute about \$3.5 million to the general fund through charges and cover their own employee costs. Rimas suggested exploring private sector participation as a funding option, though James and Jeremy noted that such a comprehensive analysis would require significant work beyond their current scope. The group agreed to focus on reviewing specific projects across different departments (DPW, schools, CWMP, enterprise funds, and debt service) for their upcoming report, with

James and Jeremy dividing up the work based on their previous experience. Mark offered to share a report on revenue-raising options from several years ago, emphasizing that tens of millions of dollars in funding would be needed for the capital program.

Meeting adjourned at 5PM.