



Town of North Kingstown, Rhode Island

Department of Public Works
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AGENDA ASSET MANAGEMENT COMMISSION

January 17, 2019
5:30 PM

David R Burnham Public Works Facility
2050 Davisville Road

- I. Call to Order
- II. Pursuant to RIGL 42-46-6(c), notice of this meeting has been posted on the Secretary of State's Website
- III. Approval of January 3, 2019 Meeting Minutes
- IV. CIP Project Proposals, Project Priority Rankings, Content & Cover Memo
- V. Report on Sale of Public Properties
- VI. Public Comment
- VII. Correspondence
- VIII. Adjournment

THE TOWN OF NORTH KINGSTOWN WILL PROVIDE INTERPRETERS FOR THE HEARING IMPAIRED AT ANY MEETING PROVIDED A REQUEST IS RECEIVED THREE (3) DAYS PRIOR TO SAID MEETING BY CALLING 294-3331, EXT. 122.

MINUTES
ASSET MANAGEMENT COMMISSION
January 3, 2019

Present: Dave Caldwell; Ed Cooney; Dianne Izzo; Jim McGwin; John Pyne; Agu Suvvari; Ted Walls*; Phil Bergeron,
Public Works Director

Absent: James Grundy

- I. Call to Order: Meeting called to order at 5:38 p.m.
- II. Pursuant to RIGL 42-46-6(c), notice of this meeting posted on the Secretary of State's Website.
- III. Approval of Meeting Minutes: Motion to approve meeting minutes from November 29, 2018 and December 6, 2018 unanimously approved.
- IV. CIP Project Proposals Review: Review of projects began with the Chair saying he would reach out to Mr. Grundy to request the past 10-year School Department budget information pertaining to Capital Improvement projects.

Mr. Cooney circulated a past CIP document (2014-2019 CIP submission) with his recommendation that the Commission adopt a similar approach for this year's document. Commission also discussed the process it will use to rate and prioritize both Town and School projects.

Mr. Cooney will provide Commission members with electronic copies of the documents submitted by the School Department at the December 6, 2018 meeting.
- V. CIP Project Priority Rankings, Content & Cover Memo: Mr. McGwin spoke on Town/School capital projects and the need to properly fund these projects and not rely on bond funding. Reference made to the \$650,000 currently being requested by the School Department for FY20. Commission members believe this amount could be inadequate and should be addressed in CIP Cover Memo. Mr. Cooney asked that the Priority Rating Sheet be revised to include the School projects listed in their \$650,000 Capital Projects submission and redistributed; members are asked to return completed sheets to DPW by next Wednesday (1/9).
- VI. Meeting Schedule: The next two meetings will be January 17 and 24, 2019 in anticipation of submitting final CIP to Town Council on January 28, 2019.
- VII. Report on Sale of Public Properties: Mr. Walls joined meeting via telephone at 6:02 p.m.* to allow him the opportunity to explain the document he prepared for the Commission on "Property Transfer Process", which was forwarded to the Commission earlier today. The report was developed with input from Town Planning staff and the Finance Director. Recommendations are included on procedural process for selling [Town] properties. The next step could be to submit Report to the Town Solicitor and Town Council for review and possible action. Motion by Mr. McGwin to include the report in "Draft Recommendation" format as an attachment to this year's CIP. Discussion followed. Ms. Izzo feels the report needs more work to be complete and offered to assist. Motion was approved by vote of 5 -2; Ms. Izzo and Mr. Caldwell voted in the negative. Mr. Walls suggested that the Commission decide if the recommendation report should be used as official policy or just "best practice" guideline when presented.
- VIII. Public Comment: No public comment.
- IX. Correspondence: No correspondence.
- X. Adjournment: Motion to adjourn was unanimously approved at 6:45 p.m.

Respectfully submitted,
Phil Bergeron



Town of North Kingstown, Rhode Island

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TO: Honorable Members of the North Kingstown Town Council

FROM: Members of the Asset Management Commission

RE: FY 2020 through FY 2024 Capital Improvement Plan

DATE: January 28, 2019

Pursuant to Section 820 of the Revised Ordinances of the Town of North Kingstown, the Asset Management Commission submits this cover letter and report to serve as the Capital Improvement Plan and Asset Protection Plan for the five year period of FY 2020 through FY 2024.

Contained in this report is an overview of the process the Asset Management Commission took to create this plan, in addition to, a ranking of the specific Capital Improvement Plan projects and any comments submitted by the members of the Asset Management Committee.

Process and the Impact of \$27.0 million of GO Bonds

The Asset Management Commission met with Department heads, or their designees, on November 1st, 15th, 29th and December 6th to discuss the items contained within each Department's Capital Improvement Plan.

The development of the Capital Improvement Plan and the resources available to provide an Asset Protection Plan became significantly easier when the voters of the Town of North Kingstown approved the passage of ballot question number 4 on Tuesday, November 4, 2018. The passage of this question authorizes the Town of North Kingstown to borrow \$27.0 million of general obligation bonds for both municipal and school projects. Both the Town and School Department received authorization to borrow \$13.5 million to complete a variety of projects. All of these projects will begin in the five year period this Capital Improvement Plan covers, the majority of which will be completed in the first two fiscal years.

The Town was forced to ask its voters to approve the \$27.0 million of general obligation bonds due to a long period of deferred maintenance to the Town and School's assets. Fortunately, this coincided with the town experiencing a "debt cliff", where the Town could complete these projects and not experience any additional impact on its operating budget or the tax rates. The Town North

Kingstown is very fortunate to have been given this opportunity and it is now of critical importance to be certain an effective Asset Protection Plan is implemented to prevent future prolonged deferred maintenance.

CIP Ranking & Comments

The projects presented to the AMC this year were split into four categories: Authorized Bonds; Enterprise Funds, Non Enterprise Funds; and School Department projects. The top three projects from each of these categories are identified below for comment (note that in cases where more than three projects are listed those projects had a “tie score” with the third project in the category). The Asset Management Commission has chosen to not discuss the rankings of the projects funded by authorized general obligation bonds, as those projects are already funded. The other three fund sources: enterprise funds, non-enterprise funds and school projects are ranked below. The numbers in parenthesis represent the projects score in the ranking given by the six members of the Commission who assigned rankings. Details of the scores breakdown can be seen in the report.

Enterprise Funds

1. (tie) Rehabilitation/Replacement of Well #10 (29/30)
1. (tie) Water System Asset Management Plan/Clean Water Infrastructure Replacement Plan (29/30)
3. (tie) Disinfection of High Service Area (27/30)
3. (tie) Water Main Condition Assessment (27/30)

Non Enterprise Funds

1. Road Maintenance Projects (28/30)
2. Technology Systems and Hardware Lifecycle Program (23/30)
3. Ryan Park Field Improvements (22/30)

School Department

1. (tie) Bus Fleet Upgrades (28/30)
1. (tie) Security Upgrades (28/30)
3. (tie) Playground Upgrades (24/30)
3. (tie) Technology Upgrades/Refresh (24/30)

The Commission strongly feels that the road maintenance budget needs to be infused with monies to bring it up to \$750,000 annually. This, along with the voter approved general obligation bonds, would provide adequate funds for ensuring proper maintenance of our roads. The commission feels that adequate funds, generated through the water department enterprise fund, are in place to support the replacement of well #10 and to implement the water system asset management plan.

Concern continues to exist amongst the members of the Asset Management Commission, surrounding the funding of the School Department’s Capital Improvement Plan. During the ten year period of FY 2009 through FY 2018, the School Department averaged capital improvement expenditures of \$0.9 million annually. In the first six months of FY 2019, the School Department has spent \$1.6 million on capital improvements. It is the recommendation of the Asset Management Commission that a greater emphasis is placed on the out-years when authorizing

funding for the School Department's Capital Improvement Plan. The Asset Management Commission strongly recommends the Capital Improvement Plan funding schedule detailed in the supporting documents.

Property Transfer

After the voter approved sale of the Town Hall Annex, two members of the Asset Management Commission spent a significant amount of time this past year researching how other municipalities convey or sell assets. It is the recommendation of the Asset Management Commission that the Town of North Kingstown adopt a policy and procedure that clearly defines how the sale or conveyance of assets will occur in the future. In their research, the two members found the Town of North Kingstown currently does not have a policy or procedure in place and their findings are included as part of this report as Addendum X.

Respectfully submitted,

David A. Caldwell
Edward J. Cooney, Jr., Chairperson
James Grundy
Dianne Izzo
Jim McGwin
Jack Pyne
Agu Suvari

DRAFT

Department	ProjectTitle	1	2	3	4	5	6			New Priority for FY2020
Enterprise Funds										
Water	Rehabilitation/Replacement of Well #10	5	5	5	5	4	5			29
Water	Water System Asset Management Plan/Clean Water Infrastructure Replacement Plan ICWIRP)	5	5	5	5	4	5			29
Water	Disinfection of High Service Area	3	5	5	5	4	5			27
Water	Water Main Condition Assessment	3	5	5	5	4	5			27
Water	Water Supply Redundancy/Source Augmentation	2	5	5	4	4	5			25
NonEnterprise Funded Projects										
(General Fund/Grants/Other)										
IT	Technology Systems and Hardware Lifecycle Program	3	5	3	3	5	4			23
Public Works	Road Maintenance Projects	4	4	5	5	5	5			28
Public Works	Old Town House (WES Property)	2	3	5	3	3	4			20
Recreation	Signal Rock	1	3	2	1	1	0			8
Recreation	Indoor Recreation Facility	5	1	3	0	4	1			14
Recreation	Town Beach Campus	4	3	3	3	4	3			20
Recreation	Ryan Park Field Improvements	4	3	4	3	4	4			22
Recreation	Yorktown Park Improvements	2	3	4	3	4	4			20
Bonds										
Authorized										
Public Works	Landfill Closure-Hamilton Allenton and Oak Hill	5	3	5	2	3	5			23
Public Works	Facilities Improvements	5	4	5	5	3	5			27
Public Works	Sewers	4	5	5	5	3	5			27
Fire	Fire Station Maintenance Facility Repairs	4	5	4	5	3	5			26
Fire	Police/Fire Station #1 Repairs	4	5	4	5	3	5			26
Fire	Fire Station #2 Repairs	4	5	4	5	3	5			26
Fire	Fire Station #3 Repairs	4	5	4	5	3	5			26
Recreation	Wilson Park/Level Soccer Fields & Upgrade Lights for Courts (partial funding Unauthorized Bonds)	4	4	4	3	4	5			24
Unauthorized										
Recreation	McGinn Park/Sports Turf	2	4	4	2	2		3		14
School Capital Reserve										
School	Athletic Capital Reserve	5	4	5	4	5				23
School	Bus Fleet Upgrades	5	5	5	4	5	4			28
School	Security Upgrades	4	5	5	5	5	4			28
School	Playground Upgrades	3	4	5	3	5	4			24
School	Technology Upgrades/Refresh	3	4	5	4	5	3			24