

Section XI: Capital Investment

FY2023 Capital Improvement Budget & Financing Plan

INTRODUCTION

A crucial aspect of the Town's operations, from providing services to its residents and businesses to equipping employees to effectively perform their jobs, requires the existence of certain basic physical assets. These assets include streets, water mains, parks, buildings, large equipment and technology. They must be purchased, maintained and replaced on a timely basis or their usefulness in providing public services will diminish. The Town's five-year Capital Improvements Program and annual Capital Budget are developed to ensure adequate capital investment in the Town's assets.

Definition of Capital Projects

A capital project is defined as a major, non-recurring expenditure that generally meets the following criteria:

- Massachusetts General Law permits the Town to issue bonds to finance the expenditure;
- The expenditure is \$25,000 or more;
- The expenditure will have a useful life of 10 years or more for buildings or building components and 5 years for vehicles and equipment; and
- Planning, engineering, or design services may be considered capital when such services are integral to a construction, renewal or replacement project that meets the criteria for a capital expenditure.

CAPITAL POLICY FRAMEWORK

The FY2023 Capital Budget was developed within the capital policy framework initially adopted by the Select Board in 1991, and subsequently amended in 2006 and 2009 to ensure adequate planning and funding for capital investment, particularly cash capital projects within the General Fund. This capital investment strategy includes the following major elements:

- Multi-year planning for capital investment;
- Debt exclusions for major capital projects; and
- Ensuring sufficient operating budget resources for maintaining capital assets.

FIVE-YEAR CAPITAL PROGRAM

Five-year capital improvement planning has been part of Lexington's budget development process for many years. Multi-year planning allows proper staging and sequencing of capital projects to smooth financing plans and to make funding needs more predictable. Capital investment requirements can vary, involving unique large projects such as a fire vehicle or a school building. Other capital investment needs are recurring such as the annual program to resurface roadways.

The five-year Capital Improvement Program includes all anticipated capital projects identified by school and municipal departments over the next five years. In 2021, the Department of Public Facilities completed a full review of the Town's buildings and systems and developed a 20-year plan for replacing and maintaining building assets. The new 20-year plan did not inform the capital plan for this FY2023 budget, but will be utilized in future budget cycles to prioritize Public Facilities capital projects.

The following are potential funding sources for financing the Town's capital investments:

- **Cash Financing** - The Town regularly appropriates available funds (i.e., cash financing) from the general and enterprise funds to finance certain capital investment projects. Examples of available funds are unreserved fund balance (free cash), tax levy, enterprise fund retained earnings, specialized stabilization funds, premiums received when issuing bond anticipation notes, and, when available, unexpended balances of prior years' capital articles.
- **Debt** - The Town has traditionally financed large dollar value capital projects with debt. Depending upon the project, the debt service resulting from debt-funded capital projects can be financed from a variety of sources including the General Fund (either within the Levy Limit or from a voter approved Proposition 2½ debt exclusion), Enterprise and Revolving Funds or the Community Preservation Fund (see discussion of the CPA below).

In 2019, the Town's management, Select Board and finance committees reviewed the Town's finance policies and will be implementing new strategies for funding the Town's capital plan. This includes increasing cash financing of projects, particularly the items that are part of a continuing capital program, and reducing the Town's overall reliance on debt financing.

- **Other Sources** - The Town uses dedicated state aid and grant funding to finance capital investment when these funds are available.
- **Community Preservation Act (CPA) Funds** - Beginning in FY2007, following voter approval, the Town began to assess a Community Preservation Surcharge of 3% of the property tax levied against all taxable real property. For owners of residential property, the assessed value used to calculate the surcharge is net of a \$100,000 residential exemption. Community Preservation funds can be used for those purposes defined by the Community Preservation Act, MGL Ch. 44B. Such purposes include the acquisition and preservation of open space, the creation and support of community (affordable) housing, the acquisition and preservation of historic resources, and the creation and support of recreational facilities.

Beginning in FY2008, the Town began to receive State matching funds to supplement the local surcharge. Over time, as additional communities in the Commonwealth adopted the CPA surcharge, the annual percentage of state matching funds gradually decreased. In 2019, the state enacted new legislation to increase funding to the Community Preservation budget, and Lexington's annual match is expected to increase significantly. This new legislation became effective beginning in January 2020, and in November 2020, Lexington received a State match of \$1.5 million, or 29.7% of its surcharge revenue. In FY2022 the State match further increased to at total of 40.9%, or \$2.2 million. Receipts for FY2023 from the surcharge and state matching funds are preliminarily estimated at \$8.1 million, reflecting an estimated match of \$2.2 million, or 38%.

FY2023 CAPITAL FINANCING STRATEGY

The proposed financing plan for the recommended FY2023 capital budget is shown in the table below.

Capital Requests Summary					
	Free Cash/ Tax Levy	Other Funding Sources	Debt	Total	Other**
General Fund	\$ 12,942,290	\$ —	\$ 5,940,000	\$ 18,882,290	\$ —
Excluded Debt Projects	\$ —	\$ —	\$ 32,800,000	\$ 32,800,000	\$ —
Other Funding & Chapter 90	\$ —	\$ 548,747	\$ —	\$ 548,747	\$ 982,231
Water Enterprise	\$ —	\$ 2,420,000	\$ —	\$ 2,420,000	\$ —
Sewer Enterprise	\$ —	\$ 1,665,000	\$ 1,500,000	\$ 3,165,000	\$ —
Recreation Enterprise	\$ —	\$ 95,000	\$ —	\$ 95,000	\$ —
Community Preservation Act*	\$ —	\$ 11,322,556	\$ —	\$ 11,322,556	\$ —
Total (all Funds)	\$ 12,942,290	\$ 16,051,303	\$ 40,240,000	\$ 69,233,593	\$ 982,231

*Includes both Town and non-Town CPA funded projects.

**Other represents Chapter 90 Aid for street improvements. This item does not require a Town Meeting appropriation.

The following table, FY2023 Recommended Capital Budget, lists all FY2023 projects recommended by the Select Board for consideration and their estimated costs by program area and funding source. The Capital Expenditures Committee and Appropriation Committee have also been evaluating these requests and will issue reports and recommendations to Town Meeting.

FY2023 Recommended Capital Budget

Department	Project Description	Recommendation	Requested Funding Source(s)	ATM Article
Conservation	West Farm Meadow Preservation	\$ 28,175	CPA	10
Conservation	Wright Farm Barn Stabilization and Preservation	\$ 155,000	CPA	10
Economic Development	Hartwell District Signage	\$ 65,000	TMOD Stabilization Fund	12
Land Use	Townwide Pedestrian & Bicycle Plan	\$ 65,000	Traffic Stabilization Fund	12
Planning	South Lexington and Forbes-Marrett Traffic Mitigation Plans	\$ 175,000	Traffic Stabilization Fund	12
Planning/Engineering	Transportation Mitigation	\$ 6,824	TNC Spec. Revenue Fund	12
Total Land Use, Health and Development		\$ 494,999		
Fire	Replace Pumper Truck	\$ 650,000	Free Cash	12
Total Public Safety		\$ 650,000		
Recreation & Comm. Pgms.	Pine Meadows Improvements	\$ 95,000	Recreation RE	11
Recreation & Comm. Pgms.	Park and Playground Improvements	\$ 200,000	CPA	10
Recreation & Comm. Pgms.	Park Improvements - Athletic Fields	\$ 250,000	CPA	10
Recreation & Comm. Pgms.	Park Improvements - Hard Court Surfaces	\$ 2,500,000	CPA	10
Recreation & Comm. Pgms.	Community Park Master Plan - Lincoln Park	\$ 100,000	CPA	10
Total Culture and Recreation		\$ 3,145,000		
Public Facilities	Public Facilities Bid Documents	\$ 100,000	Free Cash	16
Public Facilities	Building Flooring	\$ 150,000	Free Cash	16
Public Facilities	School Paving and Sidewalks	\$ 145,000	Free Cash	16
Public Facilities	Mechanical/Electrical Systems Replacements	\$ 787,000	Free Cash	16
Public Facilities	Municipal Building Envelopes and Associated Systems	\$ 219,540	Tax Levy	16
Public Facilities	Townwide Roofing	\$ 428,000	Free Cash	16
Public Facilities	School Building Envelopes and Associated Systems	\$ 251,400	Free Cash	16
Public Facilities	Playground Enhancements - Pour-in-Place Surfaces	\$ 1,459,591	CPA	10
Public Facilities	Center Recreation Complex Bathrooms & Maintenance Building Renovation	\$ 915,000	CPA	10
Public Facilities	Lexington Police Station Construction	\$ 32,800,000	Exempt Debt	STM
Public Facilities	LHS Feasibility Study	\$ 1,825,000	GF Debt	STM
Public Facilities	High School Equipment Emergency Funds	\$ 500,000	GF Debt	16
Public Facilities	Town Pool Water Heater Replacement	\$ 31,000	Free Cash	16
Total Public Facilities Department		\$ 39,611,531		
Public Works	Townwide Culvert Replacement	\$ 390,000	Free Cash	12
Public Works	Equipment Replacement	\$ 1,536,000	Water-Sewer RE/Free Cash	12
Public Works	Sidewalk Improvements	\$ 800,000	Free Cash/Prior Bond Auth.	12
Public Works	Townwide Signalization Improvements	\$ 125,000	Free Cash	12
Public Works	Storm Drainage Improvements and NPDES Compliance	\$ 570,000	Free Cash	12
Public Works	Comprehensive Watershed Stormwater Management	\$ 390,000	Free Cash	12
Public Works	Street Improvements	\$ 2,669,767	Tax Levy	12
Public Works	Pump Station Upgrades	\$ 2,000,000	Wastewater RE/Debt	14
Public Works	Sanitary Sewer System Investigation and Improvements	\$ 1,020,000	Wastewater RE/User Charges	14
Public Works	Water Distribution System Improvements	\$ 2,200,000	Water RE/User Charges	13
Public Works	Hydrant Replacement Program	\$ 150,000	Water RE/Free Cash	12
Public Works	Battle Green Streetscape Improvements	\$ 4,975,000	Free Cash/GF Debt	12
Public Works	Municipal Parking Lot Improvements	\$ 60,000	Free Cash	12
Public Works	Public Parking Lot Improvement Program	\$ 100,000	Free Cash	12
Public Works	New Sidewalk Installations	\$ 75,000	Free Cash	12
Total Public Works Department		\$ 17,060,767		
Lexington Public Schools	LPS Technology Program	\$ 1,343,006	Free Cash	15
Total Lexington Public Schools		\$ 1,343,006		
Innovation & Technology	Application Implementation	\$ 158,500	Free Cash	12
Innovation & Technology	Network Redundancy & Improvement Plan	\$ 945,000	Free Cash	12
Innovation & Technology	Scanning - Electronic Document Management	\$ 110,000	Free Cash	12
Town Clerk	Archives & Records Management	\$ 20,000	CPA	10
Total General Government		\$ 1,233,500		

<i>Lexington Housing Authority</i>	Vynebrooke Village ModPHASE Modernization Project	\$ 160,790	CPA	10
<i>Lexhab</i>	116 Vine Street Affordable Housing Construction	\$ 5,300,000	CPA	10
<i>Lexhab</i>	Affordable Housing Unit Renewal	\$ 234,000	CPA	10
Total Non-Governmental Projects		\$ 5,694,790		
Total FY2023 Recommendations - All Funds		\$ 69,233,593		

CAPITAL PLAN BY FINANCING SOURCE

The following pages include tables that show the recommended FY2023 capital projects by financing source: General Fund debt; Water Fund debt; Wastewater Fund debt; Recreation and Community Programs Fund debt; Proposition 2½ excluded debt; Community Preservation Fund debt; Compost Revolving Fund debt; and cash capital (i.e., current revenue).

Each debt-related table includes the projected debt service impact of recommended projects, actual debt service on debt authorized and issued, and projected debt service on debt authorized and unissued. Finally, each table is accompanied by a written description of each recommended project.

FY2023 RECOMMENDED PROJECTS - GENERAL FUND DEBT (Table I)

TABLE I: FY2023 RECOMMENDED PROJECTS - GENERAL FUND DEBT										
		Amount Financed	Term	Interest Rate	PROJECTED DEBT SERVICE					
					FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
MUNICIPAL PROJECTS										
1	Battle Green Streetscape Improvements (\$4,975,000)	\$ 3,615,000	15	4%		\$ 96,400	\$ 385,600	\$ 375,960	\$ 366,320	\$ 356,680
Subtotal		\$ 3,615,000				\$ 96,400	\$ 385,600	\$ 375,960	\$ 366,320	\$ 356,680
FACILITIES PROJECTS										
Within-Levy Projects										
1	High School Equipment Emergency Funds	\$ 500,000	5	4%		\$ —	\$ 120,000	\$ 116,000	\$ 112,000	\$ 108,000
Subtotal		\$ 500,000				\$ —	\$ 120,000	\$ 116,000	\$ 112,000	\$ 108,000
Project that is a potential candidate for debt exclusion										
1	LHS Feasibility Study	\$ 1,825,000	5	4%		\$ —	\$ 73,000	\$ 438,000	\$ 423,400	\$ 408,800
Subtotal		\$ 1,825,000				\$ —	\$ 73,000	\$ 438,000	\$ 423,400	\$ 408,800
TOTAL PROJECT COSTS		\$5,940,000				\$ 96,400	\$ 578,600	\$ 929,960	\$ 901,720	\$ 873,480
AUTHORIZED LEVY SUPPORTED DEBT SERVICE					FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
A	Approved and Issued					\$ 6,491,534	\$ 5,472,708	\$ 4,142,558	\$ 2,972,282	2,432,262
B	Projected Approved and Unissued					\$ 953,646	\$ 2,326,180	\$ 2,260,016	\$ 2,193,852	\$ 2,127,688
C	Total Debt Service on Authorized Debt					\$ 7,445,180	\$ 7,798,888	\$ 6,402,574	\$ 5,166,134	\$ 4,559,950
D	Projected New Levy Supported Debt Service (above)					\$ 96,400	\$ 578,600	\$ 929,960	\$ 901,720	\$ 873,480
E	TOTAL - PROJECTED LEVY SUPPORTED DEBT SERVICE					\$10,397,112	\$ 7,541,580	\$ 8,377,488	\$ 6,067,854	\$ 5,433,430
F	Plus: Projected Debt Service on Future Capital Projects						\$ 155,133	\$ 1,442,735	\$ 2,755,935	\$ 4,096,011
G	Less: Debt Service Funded from Special Revenue Accounts					\$ (51,933)	\$ (16,125)	\$ (132,023)	\$ (124,148)	\$ (124,148)
H	Less: Revenue Set Aside for Paydown of Land Purchases					\$ (2,320,274)	\$ —	\$ —	\$ —	\$ —
I	Less: Proposed Use of Stabilization Fund					\$ —	\$ —	\$ —	\$ —	\$ —
J	Total Offsets to Projected Levy Supported Debt Service (G+H+I)					\$ (2,372,207)	\$ (16,125)	\$ (132,023)	\$ (124,148)	\$ (124,148)
K	PROJECTED NET LEVY SUPPORTED DEBT SERVICE (E+F+J)					\$ 8,024,905	\$ 7,525,455	\$ 8,400,598	\$ 8,651,121	\$ 8,699,641

Municipal Projects

- 1. Battle Green Streetscape Improvements - \$4,975,000 (\$3,615,000 General Fund Debt; \$1,360,000 Free Cash):** This request will fund the remaining design, construction and project management for the roadways around the Lexington Battle Green, which currently includes a preferred roundabout alternative for the intersection with Hancock Street and Massachusetts Avenue. Prior authorizations from FY2013 and FY2016 funded a review of the pedestrian and vehicular safety and flow in and around the Battle Green, ways to enhance the access and visibility of the historical sites and how it relates to the overall Center Streetscape Project. A conceptual plan has been developed and will be further refined through the remaining design phase and public outreach process. The funding for both final design and construction is being requested for this Town Meeting to allow for the work to be completed in advance of the 250th anniversary of the Battle of Lexington.

Facilities Projects

In 2020, the Department of Public Facilities conducted an evaluation of all the Town's building-related capital assets. This study produced a detailed report on the current condition of DPF assets, including a 20-year Master Plan for renovations and replacements of all town buildings and systems. Due to timing of receipt of the report, and DPF's focus on ensuring ongoing operations and town and school buildings during the pandemic, recommendations from the report have not been incorporated into this budget. Initial conversations with policy makers on insights gleaned from the report data will begin in early 2022, and we expect that staff will further update and prioritize the long-term capital plan in a way that is financially feasible and and best protects the Town's capital assets.

- 1. High School Equipment Emergency Funds - \$500,000 (General Fund Debt):** The Lexington High School is a building with many needs, both in terms of the ability to house a high performing educational program and the physical facility itself. The facility continues to age and some systems have exceeded their useful life. The Facilities department continues to perform regular preventative maintenance, however some systems are still in danger of failing. The Town has begun planning for a significant construction project in the coming years, and the Lexington School Committee has submitted a Statement of Interest to the MSBA for consideration of a new or refurbished high school. While waiting on that invitation, and the construction that will follow, this request would provide a funding authorization to repair or replace a major mechanical system in an emergency situation only. This debt authorization will remain open and available for expenditure until a new or refurbished facility is operational, and at that time any unused portion would be rescinded.

Potential Candidate for Debt Exclusion

- 1. LHS Feasibility Study - \$1,825,000 (General Fund Debt):** Lexington High School (LHS) was renovated in 2000 to a capacity of 1,842 students. In 2014 and 2015, prefabricated buildings were added to the campus, increasing the number of classrooms. The January 28, 2015, Symmes Maini & McKee Associates (SMMA) Lexington Public Schools Master Plan Report identified the "classroom" capacity of LHS to be 2,270 students, though also identifying that core areas would still be overcrowded. This existing capacity was projected to provide sufficient classroom space for the next five years. From the SMMA Master Plan, a School Building Project Consensus Plan was developed that identified adding capacity to the middle schools, elementary schools, and pre-Kindergarten, as the priorities over the next five years. School Committee submitted a Statement of Interest (SOI) to the Massachusetts School Building Authority (MSBA) to evaluate LHS for insufficient educational capacity and system upgrades. Should the MSBA select the Lexington SOI, funding would be required for the Feasibility Study. The SOIs submitted to the MSBA in 2019 and 2020 were not selected to move forward. In February 2021, the School Committee again submitted an SOI to the MSBA and expect to hear if the LHS project is selected in March of 2022. If the Town is invited into the MSBA program, funding for the LHS Feasibility Study will be requested at a 2022 Special Town Meeting.

FY2023 RECOMMENDED PROJECTS - WATER FUND DEBT (Table II)

TABLE II: FY2023 RECOMMENDED PROJECTS - WATER DEBT									
Project	Amount Financed	Term	Interest Rate	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
1 None proposed.	\$ —	---	---		\$ —	\$ —	\$ —	\$ —	\$ —
TOTAL PROJECT COSTS	\$ —				\$ —	\$ —	\$ —	\$ —	\$ —
AUTHORIZED WATER DEBT SERVICE				FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
A Subtotal: Authorized and Issued					\$ 1,006,679	\$ 849,135	\$ 692,868	\$ 666,206	\$ 635,015
B Subtotal: Approved and Unissued (short and long-term)					\$ 218,067	\$ 626,400	\$ 615,560	\$ 604,720	\$ 593,880
C Total: Debt Service on Authorized Debt					\$1,224,746	\$1,475,535	\$1,308,428	\$1,270,926	\$1,228,895
D Subtotal: Projected Debt Service on Proposed Capital Projects					\$ —	\$ —	\$ —	\$ —	\$ —
E TOTAL PROJECTED WATER DEBT SERVICE					\$1,179,794	\$1,224,746	\$1,475,535	\$1,308,428	\$1,228,895

No recommendations for debt financing.

FY2023 RECOMMENDED PROJECTS - WASTEWATER FUND DEBT (Table III)

TABLE III: FY2023 RECOMMENDED PROJECTS - WASTEWATER DEBT									
Project	Amount Financed	Term	Interest Rate	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
1 Pump Station Upgrades (\$2,000,000)	\$1,500,000	10	4%		\$ 40,000	\$ 210,000	\$ 204,000	\$ 198,000	\$ 192,000
TOTAL PROJECT COSTS	\$1,500,000				\$ 40,000	\$ 210,000	\$ 204,000	\$ 198,000	\$ 192,000
AUTHORIZED SEWER DEBT SERVICE				FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
A Subtotal: Authorized and Issued Debt					\$ 1,355,417	\$ 1,099,820	\$ 1,019,324	\$ 928,187	\$ 845,285
B Subtotal: Approved and Unissued Debt (short and long-term)					\$ 200,000	\$ 557,800	\$ 548,920	\$ 540,040	\$ 531,160
C Total: Debt Service on Authorized Debt					\$1,555,417	\$1,657,620	\$1,568,244	\$1,468,227	\$1,376,445
D Subtotal: Projected Debt Service on Proposed Capital Projects					\$ 40,000	\$ 210,000	\$ 204,000	\$ 198,000	\$ 192,000
E TOTAL PROJECTED SEWER DEBT SERVICE					\$1,464,513	\$1,595,417	\$1,867,620	\$1,772,244	\$1,568,445

- 1. Pump Station Upgrades - \$2,000,000 (\$1,500,000 Wastewater Debt, \$500,000 Wastewater Retained Earnings):** This is an ongoing program to upgrade Lexington's ten sewer pumping stations. In 2013, an evaluation and capital plan was developed for the Town with the assistance of Wright-Pierce, including a detailed engineering survey of the pump stations. The survey helped determine current and future needs, timetable and probable costs for the proposed work. Construction has been completed on the pump stations at Worthen Road, Marshall Road and Constitution Road. Design has been finalized for construction at the Hayden Avenue pump station and the recent bid process resulted in significant cost increases over original projections. Design is underway and near completion for the North Street pump station, and given the recent bid results the construction cost for the North Street pump station has increased significantly to reflect current market prices. The goal of this program is to upgrade all of the pumps and support systems to enable better energy efficiency and avoid emergency expenditures.

FY2023 RECOMMENDED PROJECTS - RECREATION FUND DEBT (Table IV)

TABLE IV: FY2023 RECOMMENDED PROJECTS - RECREATION and COMMUNITY PROGRAMS DEBT										
	Project	Amount Financed	Term	Interest Rate	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
1	None Proposed	\$ —	---	---		\$ —	\$ —	\$ —	\$ —	\$ —
TOTAL PROJECT COSTS		\$ —				\$ —	\$ —	\$ —	\$ —	\$ —
AUTHORIZED RECREATION REVENUE DEBT SERVICE					FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
A	Subtotal: Approved and Issued Debt Service					\$ —	\$ —	\$ —	\$ —	\$ —
B	Subtotal: Approved and Unissued Debt Service					\$ —	\$ —	\$ —	\$ —	\$ —
C	Total: Approved Debt Service					\$ —	\$ —	\$ —	\$ —	\$ —
D	Subtotal: Projected Debt Service on Proposed Capital Projects					\$ —	\$ —	\$ —	\$ —	\$ —
E	TOTAL PROJECTED DEBT SERVICE					\$ —	\$ —	\$ —	\$ —	\$ —

No recommendations for debt financing.

FY2023 RECOMMENDED PROJECTS - FUNDING THROUGH PROPOSITION 2½ DEBT EXCLUSION (Table V)

TABLE V: FY2023 RECOMMENDED PROJECTS - FUNDING THROUGH PROPOSITION 2½ DEBT EXCLUSION										
	Project	Amount Financed	Term	Interest Rate	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
	Lexington Police Station Construction	\$ 32,800,000	30	—		\$ —	\$ 2,405,333	\$ 2,361,600	\$ 2,317,867	\$ 2,274,133
Total Project Cost		\$ 32,800,000				\$ —	\$ 2,405,333	\$ 2,361,600	\$ 2,317,867	\$ 2,274,133
APPROVED AND PROPOSED EXCLUDED DEBT SERVICE					FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
	Subtotal: Approved and Issued Debt					\$ 15,945,696	\$ 14,023,382	\$ 13,629,861	\$ 13,229,441	\$ 12,681,295
	Subtotal: Approved and Unissued Debt					\$ 34,606	\$ 1,018,557	\$ 989,311	\$ 960,066	\$ 930,820
	Total: Approved Excluded Debt Service					\$ 15,980,302	\$ 15,041,939	\$ 14,619,172	\$ 14,189,507	\$ 13,612,115
	Subtotal: Subtotal - Projected Exempt Debt Service (above)					\$ —	\$ 2,405,333	\$ 2,361,600	\$ 2,317,867	\$ 2,274,133
	Total Approved and Proposed Excluded Debt Service					\$16,747,991	\$15,980,302	\$17,447,272	\$16,980,772	\$16,507,374
	Less: use of Capital Stabilization Fund to Mitigate Debt Service Impacts on Property Tax Bills					\$ (2,800,000)	\$ (800,000)	\$ (700,000)	\$ —	\$ —
	Net Excluded Debt Service					\$13,947,991	\$15,180,302	\$16,747,272	\$16,980,772	\$16,507,374

- 1. Lexington Police Station Construction - \$32,800,000 (Exempt Debt):** The existing police station opened in 1956 and lacks many basic amenities of a modern police facility. The building does not have an elevator or a sally port for prisoner access to the cell block. It also lacks a fire sprinkler system. The indoor firing range, locker rooms, garage and office spaces are inadequate. Bathrooms on the basement and second floor levels are not ADA compliant. The heating and cooling systems are inefficient and the building is served by two separate electrical systems which cause problems during outages.

In FY2017, the Town appropriated \$65,000 for a feasibility study to consider locations for constructing a new Police Station. In FY2019, the Town funded the design and engineering of a new Police Station at its current location, 1575 Massachusetts Avenue. The funding request for the demolition and reconstruction of the Police Station, and temporary relocation space, was originally planned for the 2021 Annual Town Meeting, but was postponed to allow the community to engage in conversations regarding race, social justice and the future of policing. After public engagement and reaffirming the conceptual design, final design funds were appropriated at the Fall 2021 Special Town Meeting. The request for construction funding, currently estimated at \$32,800,000, will come to the 2022 Annual Town Meeting, with a debt exclusion vote to follow in June 2022.

FY2023 RECOMMENDED PROJECTS - Community Preservation Act Debt (Table VI)

TABLE VI: FY2023 RECOMMENDED PROJECTS - COMMUNITY PRESERVATION ACT DEBT										
	Project	Amount Financed	Term	Interest Rate	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
1	None Proposed	\$ —	---	---		\$ —	\$ —	\$ —	\$ —	\$ —
TOTAL PROJECT COSTS		\$ —				\$ —	\$ —	\$ —	\$ —	\$ —
AUTHORIZED CPA REVENUE DEBT SERVICE					FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
A	Subtotal: Approved and Issued Debt					\$ 1,866,600	\$ 1,788,900	\$ 681,200	\$ —	\$ —
B	Subtotal: Approved and Unissued Debt					\$ 69,035	\$ —	\$ —	\$ —	\$ —
C	Total: Approved Debt Service					\$ 1,935,635	\$ 1,788,900	\$ 681,200	\$ —	\$ —
D	Subtotal: Projected Debt Service on Proposed Capital Projects					\$ —	\$ —	\$ —	\$ —	\$ —
E	TOTAL PROJECTED DEBT SERVICE					\$ 2,989,550	\$ 1,935,635	\$ 1,788,900	\$ 681,200	\$ —

No recommendations for debt financing.

FY2023 RECOMMENDED PROJECTS - Compost Revolving Fund (Table VII)

TABLE VII: FY2023 RECOMMENDED PROJECTS - Compost Revolving Fund										
	Project	Amount Financed	Term	Interest Rate	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
1	None Proposed	\$ —	---	---		\$ —	\$ —	\$ —	\$ —	\$ —
TOTAL PROJECT COSTS		\$ —				\$ —	\$ —	\$ —	\$ —	\$ —
AUTHORIZED REVENUE SUPPORTED DEBT SERVICE					FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
A	Subtotal: Approved and Issued Debt					\$ 227,475	\$ 189,436	\$ 181,966	\$ 174,496	\$ 102,200
B	Subtotal: Approved and Unissued Debt					\$ —	\$ —	\$ —	\$ —	\$ —
C	Total: Approved Revenue Supported Debt Service					\$ 227,475	\$ 189,436	\$ 181,966	\$ 174,496	\$ 102,200
D	Subtotal: Projected Debt Service on Proposed Capital Projects					\$ —	\$ —	\$ —	\$ —	\$ —
E	TOTAL PROJECTED DEBT SERVICE					\$ 163,001	\$ 227,475	\$ 189,436	\$ 181,966	\$ 174,496

No recommendations for debt financing.

FY2023 RECOMMENDED PROJECTS - CASH CAPITAL (Table VIII)

TABLE VIII: FY2023 RECOMMENDED FUNDING FROM REVENUES (Cash by Source)									
Project	Free Cash	Tax Levy	Water/ Sewer Retained Earnings	Recr. Retained Earnings	Enterprise Operating Funds	CPA*	Other Funds**	Total Cost	Other ***
SCHOOL PROJECTS									
1 LPS Technology Program	\$ 1,343,006						\$ —	\$ 1,343,006	\$ —
SUBTOTAL	\$ 1,343,006	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,343,006	\$ —
FACILITIES									
2 Public Facilities Bid Documents	\$ 100,000						\$ —	\$ 100,000	
3 Building Flooring	\$ 150,000						\$ —	\$ 150,000	
4 School Paving and Sidewalks	\$ 145,000						\$ —	\$ 145,000	
5 Mechanical/Electrical Systems Replacements	\$ 787,000						\$ —	\$ 787,000	
6 Municipal Building Envelopes and Associated Systems		\$ 219,540					\$ —	\$ 219,540	
7 Townwide Roofing	\$ 428,000						\$ —	\$ 428,000	
8 School Building Envelopes and Associated Systems	\$ 251,400						\$ —	\$ 251,400	
9 Playground Enhancements - Pour-in-Place Surfaces						\$ 1,459,591	\$ —	\$ 1,459,591	
10 Center Recreation Complex Bathrooms & Maintenance Building Renovation						\$ 915,000	\$ —	\$ 915,000	
11 Town Pool Water Heater Replacement	\$ 31,000						\$ —	\$ 31,000	
SUBTOTAL	\$ 1,892,400	\$ 219,540	\$ —	\$ —	\$ —	\$ 2,374,591	\$ —	\$ 4,486,531	\$ —
MUNICIPAL PROJECTS									
12 West Farm Meadow Preservation						\$ 28,175	\$ —	\$ 28,175	
13 Wright Farm Barn Stabilization and Preservation						\$ 155,000	\$ —	\$ 155,000	
14 Hartwell District Signage							\$ 65,000	\$ 65,000	
15 Townwide Pedestrian & Bicycle Plan							\$ 65,000	\$ 65,000	
16 South Lexington and Forbes-Marrett Traffic Mitigation Plans							\$175,000	\$ 175,000	
17 Transportation Mitigation							\$ 6,824	\$ 6,824	
18 Replace Pumper Truck	\$ 650,000						\$ —	\$ 650,000	
19 Pine Meadows Improvements				\$ 95,000			\$ —	\$ 95,000	
20 Park and Playground Improvements						\$ 200,000	\$ —	\$ 200,000	
21 Park Improvements - Athletic Fields						\$ 250,000	\$ —	\$ 250,000	
22 Park Improvements - Hard Court Surfaces						\$ 2,500,000	\$ —	\$ 2,500,000	
23 Community Park Master Plan - Lincoln Park						\$ 100,000	\$ —	\$ 100,000	
24 Townwide Culvert Replacement	\$ 390,000						\$ —	\$ 390,000	
25 Equipment Replacement	\$ 1,246,000		\$ 290,000				\$ —	\$ 1,536,000	
26 Sidewalk Improvements	\$ 563,077						\$236,923	\$ 800,000	
27 Townwide Signalization Improvements	\$ 125,000						\$ —	\$ 125,000	
28 Storm Drainage Improvements and NPDES Compliance	\$ 570,000						\$ —	\$ 570,000	
29 Comprehensive Watershed Stormwater Management	\$ 390,000						\$ —	\$ 390,000	
30 Street Improvements****		\$2,669,767					\$ —	\$ 2,669,767	\$982,231
31 Pump Station Upgrades			\$ 500,000				\$ —	\$ 500,000	
32 Sanitary Sewer System Investigation and Improvements			\$ 720,000		\$ 300,000		\$ —	\$ 1,020,000	
33 Water Distribution System Improvements			\$1,600,000		\$ 600,000		\$ —	\$ 2,200,000	
34 Hydrant Replacement Program	\$ 75,000		\$ 75,000				\$ —	\$ 150,000	
35 Battle Green Streetscape Improvements	\$ 1,360,000						\$ —	\$ 1,360,000	
36 Municipal Parking Lot Improvements	\$ 60,000						\$ —	\$ 60,000	
37 Public Parking Lot Improvement Program	\$ 100,000						\$ —	\$ 100,000	
38 New Sidewalk Installations	\$ 75,000						\$ —	\$ 75,000	
39 Application Implementation	\$ 158,500						\$ —	\$ 158,500	
40 Network Redundancy & Improvement Plan	\$ 945,000						\$ —	\$ 945,000	
41 Scanning - Electronic Document Management	\$ 110,000						\$ —	\$ 110,000	
42 Archives & Records Management						\$ 20,000	\$ —	\$ 20,000	
SUBTOTAL	\$ 6,817,577	\$2,669,767	\$3,185,000	\$ 95,000	\$ 900,000	\$ 3,253,175	\$548,747	\$17,469,266	\$982,231

OTHER CPA FUNDED PROJECTS

43	Vynebrooke Village ModPHASE Modernization Project						\$ 160,790		\$ 160,790	
44	116 Vine Street Affordable Housing Construction						\$ 5,300,000		\$ 5,300,000	
45	Affordable Housing Unit Renewal						\$ 234,000		\$ 234,000	
SUBTOTAL		\$ —	\$ —	\$ —	\$ —	\$ —	\$ 5,694,790	\$ —	\$ 5,694,790	\$ —
TOTAL		\$10,052,983	\$2,889,307	\$3,185,000	\$ 95,000	\$ 900,000	\$11,322,556	\$548,747	\$28,993,593	\$982,231

* CPA totals do not include proposed FY2023 administrative budget of \$150,000 and \$1,935,635 for debt service.
 **Other Funds include the Parking Fund, TDM Stabilization Fund, Transportation Network Company (TNC) Special Revenue Fund, and Prior Bond Authorizations.
 *** Other includes \$982,231 in Chapter 90 Aid for street improvements.
 **** Proposed funding for the annual street resurfacing program is comprised of \$2,669,767 of tax levy dollars and an anticipated distribution of \$982,231 of Chapter 90 funds. This level of funding is intended to maintain the Town's roadway surface rating (RSR) in the mid-80s.

School Department Projects

- LPS Technology Program - \$1,343,006 (Free Cash):** This request addresses the District’s strategic goal for enhancing the capacity to utilize technology as an instructional and administrative tool. The request will continue to support student access to devices to allow for innovative learning methods that integrate supportive technologies, problem-based approaches and higher order thinking skills. It also maintains and improves, when needed, current infrastructure such as networks, access points and servers.

The capital improvement request for FY2023 would provide funding for the following:

Tech Workstations - \$173,400 to replace Unit A (all classroom teachers, counselors, librarians and staff working under the teacher contract; Unit A) workstations and peripheral devices (laptops, desktops, printers and monitors). Staff workstations were primarily replaced from FY2020 funds, thus minimal replacements are budgeted for this cycle. (150 laptops @ \$1,075 each, 5 laptops/workstations @ \$1,000 each, 10 printers @ \$440 each, and 10 monitors @ \$275 each)

PreK-5 Mobile Devices - \$105,300 to replace 260 Grade 1 iPads across all district Grade 1 classes due to current devices having reached their end of life. (260 iPads @ \$405 each)

1:1 Middle School Program - \$212,610 to purchase 570 Chromebooks for 6th graders entering Diamond and Clark Middle Schools. All middle school students have 1:1 devices and the devices follow them through middle school (three-year life span). Generally, by the end of middle school, many devices have reached their end of life due to use. (570 Chromebooks @ \$373 each)

1:1 at Lexington High School - \$180,480 to purchase 640 Chromebooks for 9th graders. All high school students, once provided a device in 9th grade or upon entering the high school, have the device through their senior year (four-year life span). (640 Chromebooks @ \$282 each)

Science/Technology/Engineering/(Art)/Math (STEM/STEAM)/Computer Science - \$80,800 to update district computer labs at either the Middle School/High School level and purchase STEM/STEAM based curricular materials. (two labs @ \$37,400 each, \$6,000 for STEM/STEAM Materials)

Interactive Projectors/Whiteboard Units and Document Cameras - \$240,416 to replace 48 interactive projectors districtwide. This equips buildings with a touch-activated interactive system with a new ceramic whiteboard and soundbar. The replacements will begin with the oldest model per school until all systems are within a 5-year window with all of the same functionality. The request will also replace 28 document cameras at middle schools, with remaining schools planned in future years. As part of new school construction, some schools have newer document cameras and other schools have had document cameras replaced prior to this year. (48 projectors @ \$4,640 each, 28 document cameras @ \$632 each)

District and Building Network Infrastructure - \$330,000 to replace switches at the high school that control internet and internal connections (\$40,000), replace switches districtwide that support internal connections in schools (\$90,000), and replace the electronic devices that support the schools' virtual networks (\$200,000).

Server/Storage Infrastructure - \$20,000 to maintain and upgrade any server-related hardware.

Department of Public Facilities Projects

2. **Public Facilities Bid Documents - \$100,000 (Free Cash):** This is an annual request for funding professional services to produce design development, construction documents and/or bid administration services for smaller projects in anticipation of requests for construction funding at town meeting that have a high probability of approval. This will ensure that both municipal and school projects can be completed in the then-current construction season, which is particularly important for the timely completion of school building projects given the short window between the end of school in June and the end of summer.
3. **Building Flooring - \$150,000 (Free Cash):** Initiated in FY2011, this is an annual request for funds to be used for the replacement of flooring systems in municipal and school buildings. The goal of this annual program is to ensure failing floor surfaces are replaced and are safe for all users. The FY2023 request will begin a systematic replacement of classroom flooring from Vinyl Composite Tile to Linoleum Vinyl Tile at Bowman, Bridge, Clarke, Fiske and Harrington schools. In FY2022, second floor hallway floors at Fiske Elementary School were replaced, as were floors in four classrooms at the high school, the field house basketball court and the Town Office Building.
4. **School Paving and Sidewalks - \$145,000 (Free Cash):** This capital request provides 'as needed' replacement of sidewalks, bus loops and parking areas on school grounds. Extraordinary repairs for school paving areas are necessary to maintain parking and pedestrian surfaces in a condition suitable for public safety and highlights the Safe Routes to School. The FY2023 request will specifically fund sidewalk panel replacements and parking and roadway improvements at Clarke Middle School which are currently in poor condition.
5. **Mechanical/Electrical Systems Replacements - \$787,000 (Free Cash):** This request is part of an annual replacement of HVAC and electrical systems that have exceeded their useful lives and require replacement before excessive failures occur. This appropriation will address items identified in the 20-year Master Plan.
6. **Municipal Building Envelopes and Associated Systems - \$219,540 (Tax Levy):** This ongoing capital request, originally approved for funding in the 2006 Proposition 2½ Override, includes repair and replacement projects for the maintenance and upgrade of municipal buildings and systems. The FY2023 request seeks funding to begin a window replacement project at the Lexington Community Center. Windows in the mansion section of the building are single pane, difficult to open and have significant air leaks, and this funding will replace them with a safer and more energy efficient option.
7. **Townwide Roofing - \$428,000 (Free Cash):** A priority for this FY2023 request is to replace a significant portion of the Central Administration Building's asphalt shingle roof which is necessary to prevent water infiltration.

8. **School Building Envelopes and Associated Systems - \$251,400 (Free Cash):** The purpose of this ongoing capital request is to perform annual prioritized extraordinary repairs and modifications to school buildings and systems. Specifically, the FY2023 request will be used to address water and air infiltration issues at the Central Administration Building by repairing or replacing gaskets, caulking, doors and windows.
9. **Playground Enhancements - Pour-in-Place Surfaces - \$1,459,591 (CPA):** Older playgrounds use bark mulch as their safety surfacing, which is not stable and is regularly washed out or kicked out by students using the play equipment. When this occurs, the 12-inch impact absorbent surfacing requirement is no longer being met, which could result in serious injuries if or when a student falls. Pour In Place (PIP) safety surfacing is a rubber/urethane product being used in all new playground installations. Benefits include better drainage, consistent safety surface, and faster snow melt, enabling use of the playground during colder months. Replacement of the playground surfaces at the Bowman, Bridge and Estabrook elementary schools is proposed during the summer of 2022, as well as a completely new playground at the Fiske elementary school.
10. **Center Recreation Complex Bathrooms & Maintenance Building Renovation - \$915,000 (CPA):** This request is for construction costs associated with renovation of the bathrooms and maintenance building at the Center Recreation Complex. The project will renovate the bathrooms, repair the plumbing system, and install new fixtures. In addition, the storage area currently used by DPW staff to maintain the athletic fields in the area, will be renovated to better support those efforts.
11. **Town Pool Water Heater Replacement - \$31,000 (Free Cash):** This request will fund the design and engineering, including needed electrical upgrades, to replace the oil-fired hot water heater at the town pool complex with an electric model. The water heater provides hot water to the 11 sinks and 18 showers at the complex, located in both locker rooms, the family bathroom/locker room and the outdoor showers on the pool deck. The existing oil-fired hot water heater was installed in 2013 and is approaching end of life.

Municipal Projects

12. **West Farm Meadow Preservation - \$28,175 (CPA):** This request is to preserve approximately 10 acres of meadow at West Farm to improve passive recreation opportunities, enhance wildlife and plant habitat, and create a renewed connection to Lexington's history through the recovery of stone walls and scenic vistas.
13. **Wright Farm Barn Stabilization and Preservation - \$155,000 (CPA):** This is a first phase request to stabilize the shell of the Barn structure at Wright Farm to prevent weather and water damage by fixing or replacing the windows, gutters, down spouts, and roof shingles. In addition, ponding water in the lowest level below grade needs to be addressed.
14. **Hartwell District Signage - \$65,000 (Transportation Management Overlay District (TMOD) Stabilization Fund):** This is a request to add new signage on Hartwell Avenue and the jughandle on Bedford street to address safety issues as well as to support economic vitality by drawing attention to the commercial corridor - Hartwell Innovation Park.

15. **Townwide Pedestrian & Bicycle Plan - \$65,000 (Traffic Mitigation Stabilization Fund):** This request is to develop a Townwide Pedestrian and Bicycle Plan, which will compile existing conditions data, identify and prioritize future improvements to the streets, sidewalks, shared use paths to more safely accommodate pedestrians, rollers and bicyclists and provide meaningful connections to the region's active transportation network. The plan will provide a framework for the Transportation Safety Group (TSG) to address safety requests, prioritize sidewalk requests and inform capital plan budget decisions. The Plan will update the sidewalk prioritization plan and sidewalk request process to address locations with the most need and those that will create the most community benefit.
16. **South Lexington and Forbes-Marrett Traffic Mitigation Plans - \$175,000 (Traffic Mitigation Stabilization Fund):** This request is to develop two Traffic Mitigation Plans: one for the South Lexington Transportation Management Overlay District (TMOD) and the second for Forbes-Marrett TMOD. The South Lexington TMOD encompasses the intersection of Spring Street and Hayden Avenue and most of Hayden Avenue. The Forbes-Marrett TMOD encompasses the Marrett Road and Forbes Street intersection. Traffic Mitigation Plans are a critical part of justifying mitigation payments from private development in the area and are required for proper implementation of the TMODs. In addition, the Plans outline projects and strategies to use mitigation funds to reduce single occupancy vehicle trips, increase safety and reduce traffic congestion.
17. **Transportation Mitigation - \$6,823.50 (Transportation Network Company (TNC) Special Revenue Fund):** This annual capital request is to support the ongoing work of the Transportation Safety Group (TSG). The TSG is staffed by the Planning, Engineering, School and Police Departments. Between FY2008 and FY2011, Town Meeting appropriated funds to collect data, perform analysis, review citizen requests and recommendations for various townwide transportation improvements in support of the Traffic Mitigation Group (dissolved in 2012 and later reconstituted as the TSG). Anticipated projects for the FY2023 funds include study and creation of school zones; on-call engineering services to quickly address safety requests and address road design to reduce speeds where needed; and to apply to MassDOT to reduce certain regulatory speed limits.
18. **Replace Pumper Truck - \$650,000 (Free Cash):** This request will replace the fire department's 2004 pumper truck that is currently being used as a mechanical reserve. In general, fire equipment has an anticipated useful life of 20 years. Lexington typically uses a truck in the frontline for 10 years, followed by 10 years as a mechanical reserve. The 2004 pumper saw extensive frontline use when a previous pump had mechanical issues, which caused additional wear and tear to this piece.
19. **Pine Meadows Improvements - \$95,000 (Recreation Retained Earnings):** This request will fund installation of new fairway bunkers on the 2nd and 7th holes as well as a greenside bunker at the 8th hole, reconstruction of the bunker on the 9th green, expansion of the tee at the 9th hole, reconstruction of the middle tee on the 8th hole, and completion of the design and engineering work associated with the cart path restoration and renovation on the 5th hole.
20. **Park and Playground Improvements - \$200,000 (CPA):** This request will update and replace playground equipment, safety surfacing and various other amenities at Kinneens Park. The existing playground equipment was last replaced in 2004. The proposed improvements will result in the park being in compliance with the Consumer Product Safety Commission (CPSC), the American Society for Testing and Materials (ASTM) and the American with Disabilities Act (ADA).

21. **Park Improvements - Athletic Fields - \$250,000 (CPA):** This ongoing multi-year capital program is to address safety and playability concerns as well as provide adequate and safe field conditions. This program funds improvements to athletic fields, including renovations to natural turf, drainage, new irrigation systems, and site amenities including benches and backstops. The FY2023 funds will be used for such improvements to the Fiske School Fields. Based on recommendations from a 2017 ADA Compliance Study, additional walkways will be installed to provide accessibility to the various ball field team areas as well as to the share outfields. If approved, renovations will begin in the Fall of 2022.
22. **Park Improvements - Hard Court Surfaces - \$2,500,000 (CPA):** This request will renovate the Farias Basketball Courts and Gallagher Tennis Courts. The project will include the construction of post tension court surfaces for basketball and tennis/pickleball. In addition to new courts, the project will provide new fencing, athletic equipment, storage shed, shelter, site amenities, tennis practice backboards, and signage. Due to the extensive use that they receive, a complete reconstruction of the courts and installation of new practice boards will be needed.
23. **Community Park Master Plan - Lincoln Park - \$100,000 (CPA):** This request is to complete a master plan for Lincoln Park to provide a strategic road map for implementing improvements, enhancements, and upgrades at Lincoln Park in upcoming years. Significant investments are planned in the coming 5 years, including field replacements and upgrades to the playground and fitness stations. The master plan will incorporate feedback from the Lincoln Park-Sub Committee, Recreation Committee, Conservation Commission, and community stakeholders, and result in a coordinated, holistic approach when implementing planned capital improvement projects at Lincoln Park.
24. **Townwide Culvert Replacement - \$390,000 (Free Cash):** This request is part of an ongoing program to proactively replace culverts prior to catastrophic failure, which will allow for proper design considerations and funding while also minimizing the impact to residents through unexpected road closures and flooding. A comprehensive Culvert Asset Management Plan guides the work to replace culverts in town, which is a companion effort with the ongoing Watershed Management Plan. Final design has been completed for culverts at Constitution Road and the Valleyfield area. Construction is underway for phase 1 of Constitution Road; Valleyfield/Waltham Street will be bid soon.
25. **Equipment Replacement - \$1,536,000 (\$1,246,000 Free Cash, \$145,000 Water Retained Earnings, \$145,000 Sewer Retained Earnings):** This is an annual request to replace equipment that is beyond its useful life and whose mechanical condition no longer meets the requirements of the Department of Public Works (DPW). The DPW has an inventory of 146 pieces of equipment including sedans, hybrid SUVs, construction vehicles and specialized equipment used to mow parks, plow snow, repair streets and complete a variety of other projects. Without regular equipment replacement, the efficiency and cost effectiveness of the DPW's operations would be handicapped due to equipment down time and excessive repair costs.

Each piece of equipment is inventoried with original and current replacement cost, state of condition and replacement time interval. Replacement intervals vary from 5 to 20 years and are based on manufacturer recommendations and use (type and duration).

The selection of vehicles to be replaced begins with the proposed replacement date. Then each vehicle is assessed as to its mechanical condition and work requirements. The systematic replacement program defines what equipment is expected to need replacement during the next five years with the intent of preventing any unexpected emergency purchases. Annual updates are

conducted by the Equipment Maintenance Division, Division Superintendents and reviewed by the Manager of Operations and Director of Public Works.

The FY2023 request, by funding source, is shown in the table below.

Equipment	Free Cash	Sewer RE	Water RE	Total
6 Wheel Dump with Snow Plow	\$ 50,000	\$ 87,500	\$ 87,500	\$ 225,000
Utility Service Truck		\$ 57,500	\$ 57,500	\$ 115,000
Drain Flushing & Vacuum Truck	\$ 500,000			\$ 500,000
Boom Flail Mower	\$ 45,000			\$ 45,000
Autonomous Paint Striping Machine	\$ 52,000			\$ 52,000
Wheeled Excavator	\$ 230,000			\$ 230,000
Loader Mounted Snow Blower	\$ 170,000			\$ 170,000
Sign Machine	\$ 63,000			\$ 63,000
Toro Workman	\$ 40,000			\$ 40,000
Small Front End Loader	\$ 96,000			\$ 96,000
Total	\$ 1,246,000	\$145,000	\$145,000	\$ 1,536,000

26. **Sidewalk Improvements - \$800,000 (\$563,077 Free Cash & \$236,923 Prior Bond Authorizations):** This request seeks funds to rebuild and/or repair existing sidewalks that are in poor condition. DPW (in conjunction with various committees and town departments) generates a list each year of sidewalks most in need of repair/replacement, based on four determining factors:
- 1) Is the sidewalk unsafe for travel due to trip hazards, defects, etc.
 - 2) Is the sidewalk within the Safe Routes to School Program
 - 3) Is the volume of pedestrian traffic heavy, light or average
 - 4) Is the general condition of the sidewalk poor, fair or good which dictates treatments such as full reconstruction, overlay or patching

DPW currently reviews the condition for 30% of town sidewalks annually, which is used to identify the work to be done. Sidewalks considered for FY2023 funding include:

- Lowell St. from Woburn St. to Fulton Rd. (East side)
- Heritage Dr.
- Partridge Rd.
- Gould Rd. from Dewey to Turning Mill Rd.
- South Rindge Ave.
- Bow St.
- Waltham St. from Park Dr. to Worthen Rd. (West side)
- Village Circle
- Sanderson Rd.
- Bryant Rd.
- Orchard Lane
- Demar Rd. from Turning Mill to #26
- Dewey Rd. from Grove St. to Gould Rd.
- Royal Circle
- Reconstruction of Ramps, Townwide

The following table presents the recent history of Sidewalk appropriations:

FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
\$ 600,000	\$ 600,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000

27. **Townwide Signalization Improvements - \$125,000 (Free Cash):** This is an annual request for funds to update traffic and pedestrian signals in Lexington. A signal inventory and compliance study has been completed, which includes ADA compliance, condition assessment, signal timing, delays and prioritization recommendations. Most work has been completed at the intersection of Massachusetts Avenue and Worthen Road; once pole relocations are complete the final course of asphalt will be placed and final pavement markings painted to complete the project. The FY2023 request is anticipated to address the Lowell Street intersections with North Street and East Street.
28. **Storm Drainage Improvements and NPDES Compliance - \$570,000 (Free Cash):** This is an annual request to replace and supplement existing drainage structures, issues typically uncovered during roadway related construction activity. Funds will also be used for continued compliance with the Environmental Protection Agency (EPA) Phase II regulations which help improve the water quality of Lexington's streams and ponds. Approximately \$300,000 of this funding request is for compliance with the construction-related portions of the National Pollutant Discharge and Elimination System (NPDES) minimum control measures as mandated by the EPA in the stormwater general permit. The permit also requires the Town to comply with requirements for illicit discharge detection and elimination (IDDE), best management practices (BMP), installation, and retrofits. The remaining \$270,000 will be used to repair/replace drainage structures encountered during road construction, repair other drainage areas of concern in the Town and improve stormwater issues discovered during NPDES investigation work. Current drainage improvements are being performed throughout the Oakland Street neighborhood. The IDDE program has continued with two summer interns and work is underway on the design of numerous BMPs, as well as drainage improvements in other areas of town. The preemptive repair of existing drainage structures will reduce damage to structures themselves, existing pavement, and private and public property.
29. **Comprehensive Watershed Stormwater Management - \$390,000 (Free Cash):** DPW, Engineering and Conservation collaborate on this annual capital request which addresses drainage/brook management issues. The request funds the continuing design and implementation of watershed plans and the construction of priorities established in those plans. Staff has reviewed three watershed plans already completed (Charles River, Shawsheen River and Mystic River) and developed a prioritization schedule with built-in flexibility pending unforeseen changes. Requested funding will be used to move forward with those prioritized areas. Oxbow/Constitution phase 1 is currently under construction, and the first phase of Valleyfield/Waltham Street will be bid soon. Long-term benefits of the program include prevention of property damage, reduction in liability and overall improvement to the health of Lexington's waterways.
30. **Street Improvements - \$3,651,998 (\$2,669,767 Tax Levy, \$982,231 Chapter 90 funding):** This is an annual request for the street resurfacing and maintenance program. In addition to the \$2,669,767 appropriated from the tax levy, \$982,231 of Chapter 90 funds will be utilized. (Chapter 90 funding is based on Lexington's most recent allocation and on the current state allocation of \$200 million statewide.) Funds will be used for design, inspections, planning, repair, patching, crack sealing and construction of roadways and roadway related infrastructure including repair and installation of sidewalks. A preliminary list of the streets to be repaired under this article is currently being developed. A pavement management system is utilized to assist in analyzing the road network and selecting roadways for repairs. This funding will allow for the proper improvements and repair of Lexington's streets and sidewalks, increasing their quality and safety.

Street Improvements - Financing Components

	FY2023
2001 Override Increased by 2.5% per year	\$ 741,812
Maintenance of unallocated revenue from FY2012 Revenue Allocation Model	\$ 281,234
Maintenance of unallocated revenue from FY2013 Revenue Allocation Model	\$ 164,850
FY2014 Health Insurance Savings	\$ 1,100,000
Additional Tax Levy Funding	\$ 381,871
Estimated Chapter 90 Aid	\$ 982,231
	Total \$ 3,651,998
	Without Chapter 90 \$ 2,669,767

31. **Pump Station Upgrades - \$2,000,000 (\$1,500,000 Wastewater Debt, \$500,000 Wastewater Retained Earnings):** See detailed description under Table III: Wastewater Fund Debt.
32. **Sanitary Sewer System Investigation and Improvements - \$1,020,000 (\$720,000 Wastewater Retained Earnings, \$300,000 Wastewater User Charges):** This is an annual program that provides for rehabilitation of sanitary sewer infrastructure. Work will include replacement or repair of deteriorated sewers, force mains and manholes in order to improve flow and reduce inflow and infiltration into the system. Engineering investigation and evaluation will continue on sewers throughout town, including those in remote, hard to access areas. These capital investments improve the operation of the sewer system, reduce backups and potential overflows, prevent system malfunctions and reduce the measured flows through the MWRA meter.

Beginning in FY2021, the funding source for this ongoing capital replacement program has been gradually shifting to Wastewater user charges, with the ultimate goal of transitioning the entire program to cash funding over 10 years.

33. **Water Distribution System Improvements - \$2,200,000 (\$1,600,000 Water Retained Earnings, \$600,000 Water User Charges):** This is an annual program that replaces unlined, inadequate, aged and vulnerable water mains, deteriorated service connections and eliminates dead ends in the water mains. Water mains were recently replaced on Vaille Avenue, significant portions of Hartwell Avenue, Peacock Farm Road, Eldred Street and White Pine Lane. Additionally, a sustaining valve was installed on Grove Street to ensure that proper pressures are maintained. Water main replacements are anticipated in the Parker Road neighborhood, and on Vine Street, Hayden Avenue, Marshall Road, and Lowell Street from Maple Street to and including Summer Street. A booster pump is planned for the low-pressure area along Fairfield Street.

The Town has also completed a hydraulic model for the entire distribution network and an asset management plan for replacing the Town's aging water infrastructure that will ensure a proactive approach for keeping Lexington's water both safe and reliable. The model identifies areas of vulnerability, water main aging, and those areas with low volumes and pressures. The asset management plan recommends the replacing 1% of our water mains on an annual basis.

Beginning in FY2021, the funding source for this ongoing capital replacement program has been gradually shifting to Water user charges, with the ultimate goal of transitioning the entire program to cash funding over 11 years. While rate payers may pay slightly higher water rates in the short-term, significant debt service savings will be realized, resulting in lower overall costs in the long-term.

34. **Hydrant Replacement Program - \$150,000 (\$75,000 Free Cash & \$75,000 Water Retained Earnings):** This is an ongoing replacement program designed to maintain the integrity of the fire protection system throughout town. Faulty hydrants need to be replaced to meet safety requirements. A list of hydrants needing replacement is generated each year during the annual inspection and flushing of hydrants by the Water and Fire Departments. Based on discussions between the two departments, the target goal is to replace approximately 60 hydrants per year at a cost of \$2,500 per hydrant. The Town of Lexington has 1,747 fire hydrants in its fire protection system; a total of 57 hydrants were replaced in FY2021, and 12 were repaired.
35. **Battle Green Streetscape Improvements - \$4,975,000 (\$3,615,000 General Fund Debt; \$1,360,000 Free Cash):** See detailed description under Table I: General Fund Debt.
36. **Municipal Parking Lot Improvements - \$60,000 (Free Cash):** This request is for the survey and design of the parking lot that extends from Fletcher Avenue on the most easterly side to the limits of the Town Office Building parcel on the most westerly side. Funds for construction/reconstruction will be requested in FY2024. The project includes reconstruction of the existing asphalt parking areas as well as new construction and reconfiguration of parking in the area nearest the Hosmer House and Police Station. This will provide for improved flow through the parking area as well as the potential for additional parking spaces pending the impacts of the Police Station design and Hosmer house move. The design and construction of the parking lot will be coordinated with the Police Station reconstruction since that project will significantly impact the existing parking lot.
37. **Public Parking Lot Improvement Program - \$100,000 (Free Cash):** This request is for the redesign of the public parking lots located in downtown Lexington, including the Depot lot, the lot between Edison Way and the Depot (behind CVS pharmacy), and the lot between Waltham Street and Muzzey Street (behind Michelson's Shoes). These lots are currently in fair to poor condition with inefficient circulation and parking layouts. This redesign work will include surveys and a conceptual plan development design, with the anticipated results of improved efficiency, circulation and aesthetics. More detail is needed in order to get solid estimates on the cost of construction.
38. **New Sidewalk Installations - \$75,000 (Free Cash):** This request is to fund the survey and design work for a new sidewalk along Cedar Street. This design work and public outreach will inform a future request for construction funding.
39. **Application Implementation - \$158,500 (Free Cash):** This capital program is for large application migrations and implementations. The FY2023 request covers a number of initiatives - 1) the purchase and installation of a cemetery management system to facilitate cemetery operations; 2) the purchase, installation and configuration of a scheduling and time tracking system(s) for the police and fire departments; and 3) the purchase and installation of permitting and inspections software for the Board of Health.
40. **Network Redundancy & Improvement Plan - \$945,000 (Free Cash):** This request is to build a standalone fiber network for town computing and communications in an effort to achieve redundancy and vendor-independent capability. This will protect communication (both data and voice) between sites that are assessed as critical to the daily function and safety of the Town and support greater use of paperless processes. Design for the network has been completed, and if approved, installation would begin in Summer 2022.

41. **Scanning - Electronic Document Management - \$110,000 (Free Cash):** This request is to scan existing physical documentation into the Town's document management systems (Laserfiche and Tyler Content Manager). This effort will support continued efforts to migrate to paperless workflows. Once workflows have been established and no additional paper records are being created, historical records are scanned to ensure a complete repository and to allow departments to reclaim the physical space previously occupied by their records.
42. **Archives & Records Management - \$20,000 (CPA):** This is an ongoing request to fund the conservation and preservation of historic municipal documents and records and to make them available on the Town's digital archives. This FY2023 request will include the 1927 blueprints for the Cary Memorial Building; Tax Warrants and Acts of Massachusetts, 1778-1823; and Police Department Journals 1874-1909. Significant progress has been made in preserving Lexington's historic documents but there remains a continuing need to preserve records from the early 1900s and make them accessible. It is projected that this will be a yearly request for treatment/digitization/microfilming of records. The preservation and conservation of permanent records for archiving creates the basis for documenting Lexington's history for the future.
43. **Vynebrooke Village ModPHASE Modernization Project - \$160,790 (CPA):** This request is for fire and other safety system upgrades to supplement state funding for a large-scale modernization project at Vynebrooke Village, operated by the Lexington Housing Authority. The overall project cost is currently estimated to be \$4,434,550.
44. **116 Vine Street Affordable Housing Construction - \$5,300,000 (CPA):** This request is to construct affordable housing at 116 Vine Street. LexHAB proposes to build six units of affordable housing that are expected to achieve near net zero energy consumption due to the use of solar panels and extensive energy conservation measures in the design of the buildings. The construction funds are the final phase in a three-phase approach that will enable the creation of six units of affordable housing that will promote economic diversity and provide much needed housing within Lexington.
45. **Affordable Housing Unit Renewal - \$234,000 (CPA):** This request is for preservation, rehabilitation and restoration of 18 LexHAB units. Nine of the units were purchased with CPA funds, and rehabilitation and preservation work is anticipated, including kitchen and bath renovations, new appliances, electrical upgrades, installation of a new doors and exterior painting to prevent failure. For the remaining nine LexHAB-operated units not secured with CPA funds, the projects will include re-roofing or roof replacement as well as exterior painting to prevent damage and failure of the structure.

Table IX: Deferred FY2023 and Proposed FY2024-FY2027 Capital Requests

Ongoing Capital Programs - General Fund							
Dept.	Project Name	Deferred FY2023	FY2024	FY2025	FY2026	FY2027	Total
<i>Innovation & Technology</i>							
	Application Implementation	\$ —	\$ 200,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
	Network Core Equipment Replacement	\$ —	\$ 80,000	\$ 190,000	\$ —	\$ 260,000	\$ 530,000
	Municipal Technology Improvement Program	\$ —	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000
	Network Redundancy & Improvement Plan	\$ —	\$ 450,000	\$ 220,000	\$ 110,000	\$ —	\$ 780,000
	Phone Systems & Unified Communications	\$ —	\$ —	\$ 90,000	\$ 80,000	\$ 60,000	\$ 230,000
		\$ —	\$ 830,000	\$ 700,000	\$ 390,000	\$ 520,000	\$ 2,440,000
<i>Land Use, Health and Development</i>							
	Transportation Mitigation	\$ —	\$ 40,000	\$ 60,000	\$ 100,000	\$ 100,000	\$ 300,000
		\$ —	\$ 40,000	\$ 60,000	\$ 100,000	\$ 100,000	\$ 300,000
<i>Public Facilities</i>							
	Public Facilities Bid Documents	\$ —	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000
	Building Flooring	\$ —	\$ 156,000	\$ 162,000	\$ 169,000	\$ 176,000	\$ 663,000
	School Paving and Sidewalks	\$ —	\$ 218,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 593,000
	Mechanical/Electrical Systems Replacements	\$ —	\$ 850,000	\$ 917,000	\$ 984,000	\$ 1,053,000	\$ 3,804,000
	Municipal Building Envelopes and Associated Systems	\$ —	\$ 225,029	\$ 230,655	\$ 236,421	\$ 242,332	\$ 934,437
	Townwide Roofing	\$ —	\$ 652,000	\$ 1,269,000	\$ 244,000	\$ —	\$ 2,165,000
	School Building Envelopes and Associated Systems	\$ —	\$ 257,684	\$ 264,127	\$ 270,600	\$ 277,365	\$ 1,069,776
		\$ —	\$ 2,458,713	\$ 3,067,782	\$ 2,129,021	\$ 1,973,697	\$ 9,629,213
<i>Public Works</i>							
*	Townwide Culvert Replacement	\$ —	\$ 390,000	\$ 390,000	\$ 390,000	\$ 390,000	\$ 1,560,000
	Equipment Replacement	\$ —	\$ 1,585,000	\$ 1,575,000	\$ 1,465,000	\$ 1,520,000	\$ 6,145,000
	Sidewalk Improvements	\$ —	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 3,200,000
	Townwide Signalization Improvements	\$ —	\$ 50,000	\$ 55,000	\$ —	\$ —	\$ 105,000
*	Storm Drainage Improvements and NPDES Compliance	\$ —	\$ 570,000	\$ 570,000	\$ 570,000	\$ 570,000	\$ 2,280,000
*	Comprehensive Watershed Stormwater Management	\$ —	\$ 390,000	\$ 390,000	\$ 390,000	\$ 390,000	\$ 1,560,000
	Street Improvements	\$ —	\$ 2,688,312	\$ 2,707,321	\$ 2,726,806	\$ 2,746,777	\$ 10,869,216
	Hydrant Replacement Program	\$ —	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000
	<i>*Potential future funding from Stormwater Management Fee</i>	\$ —	\$ 6,548,312	\$ 6,562,321	\$ 6,416,806	\$ 6,491,777	\$ 26,019,216
<i>Schools</i>							
	LPS Technology Program	\$ —	\$ 1,391,303	\$ 1,312,551	\$ 1,411,961	\$ 1,389,538	\$ 5,505,353
		\$ —	\$ 1,391,303	\$ 1,312,551	\$ 1,411,961	\$ 1,389,538	\$ 5,505,353
	Total Capital Programs - General Fund	\$ —	\$ 11,268,328	\$ 11,702,654	\$ 10,447,788	\$ 10,475,012	\$ 43,893,782
Ongoing Capital Programs - Enterprise Funds							
Dept.	Project Name	Deferred FY2023	FY2024	FY2025	FY2026	FY2027	Total
<i>Public Works</i>							
	Pump Station Upgrades	\$ —	\$ 75,000	\$ —	\$ —	\$ —	\$ 75,000
	Sanitary Sewer System Investigation and Improvements	\$ —	\$ 1,040,404	\$ 1,061,210	\$ 1,082,431	\$ 1,104,080	\$ 4,288,125
	Water Distribution System Improvements	\$ —	\$ 2,244,000	\$ 2,288,900	\$ 2,334,670	\$ 2,381,360	\$ 9,248,930
	Hydrant Replacement Program	\$ —	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000
	Water Tower(s) replacement	\$ —	\$ —	\$ 2,156,250	\$ 9,803,750	\$ —	\$ 11,960,000
		\$ —	\$ 3,434,404	\$ 5,581,360	\$ 13,295,851	\$ 3,560,440	\$ 25,872,055
<i>Recreation & Community Programs</i>							
	Pine Meadows Improvements	\$ —	\$ —	\$ 250,000	\$ —	\$ 60,000	\$ 310,000
	Pine Meadows Equipment	\$ —	\$ 95,000	\$ —	\$ 75,000	\$ 30,000	\$ 200,000
		\$ —	\$ 95,000	\$ 250,000	\$ 75,000	\$ 90,000	\$ 510,000
	Total Capital Programs - Enterprise Funds	\$ —	\$ 3,529,404	\$ 5,831,360	\$ 13,370,851	\$ 3,650,440	\$ 26,382,055

Table IX: Deferred FY2023 and Proposed FY2024-FY2027 Capital Requests

Ongoing and One-time Capital Projects - CPA Fund							
Dept.	Project Name	Deferred FY2023	FY2024	FY2025	FY2026	FY2027	Total
Land Use, Health and Development	Willard's Woods Site Improvements	\$ —	\$ 597,114	\$ —	\$ —	\$ —	\$ 597,114
Public Works	Public Grounds Irrigation Improvements	\$ —	\$ 80,000	\$ —	\$ —	\$ —	\$ 80,000
Recreation & Community Programs	Park and Playground Improvements	\$ —	\$ 150,000	\$ 800,000	\$ 835,000	\$ 250,000	\$ 2,035,000
	Park Improvements - Athletic Fields	\$ —	\$ 285,000	\$ 480,000	\$ —	\$ —	\$ 765,000
	Park Improvements - Site Amenities	\$ —	\$ 30,000	\$ —	\$ 30,000	\$ —	\$ 60,000
	Cricket Field Construction	\$ —	\$ —	\$ —	\$ 200,000	\$ —	\$ 200,000
	Lincoln Park Fitness Stations Equipment	\$ —	\$ —	\$ —	\$ —	\$ 50,000	\$ 50,000
	Lincoln Park Field Improvements	\$ —	\$ 25,000	\$ 425,000	\$ 442,000	\$ 460,000	\$ 1,352,000
Town Clerk	Archives & Records Management	\$ —	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 80,000
Total Capital Projects - CPA Funds		\$ —	\$ 1,187,114	\$ 1,725,000	\$ 1,527,000	\$ 780,000	\$ 5,219,114
One-Time Capital Projects - General Fund							
Dept.	Project Name	Deferred FY2023	FY2024	FY2025	FY2026	FY2027	Total
Fire	Replace Pumper Truck	\$ —	\$ —	\$ —	\$ 700,000	\$ —	\$ 700,000
	Ambulance Replacement	\$ —	\$ 335,000	\$ —	\$ —	\$ 375,000	\$ 710,000
Public Facilities	LHS Feasibility Study	\$ —	\$ —	\$ —	TBD	\$ —	\$ —
	LHS Science Classroom Space Mining	\$ —	\$ 200,000	\$ —	\$ —	\$ —	\$ 200,000
	Cary Library Children's Room Renovation Project	\$ —	\$ 5,580,000	\$ —	\$ —	\$ —	\$ 5,580,000
Public Works	Hartwell Ave. Compost Site Improvements	\$ —	\$ —	\$ 200,000	\$ —	\$ —	\$ 200,000
	Municipal Parking Lot Improvements	\$ —	\$ 460,000	\$ —	\$ —	\$ —	\$ 460,000
	Public Parking Lot Improvement Program	\$ —	\$ 663,000	\$ 619,000	\$ —	\$ —	\$ 1,282,000
	New Sidewalk Installations	\$ —	\$ 865,000	\$ 250,000	\$ —	\$ 3,000,000	\$ 4,115,000
	Bedford St. and Hartwell Ave. Long-Range Transportation Improvements	\$ —	\$ 1,580,000	\$ —	\$ —	\$ —	\$ 1,580,000
	Street Acceptance	\$ —	TBD	TBD	TBD	TBD	\$ —
	Public Grounds Irrigation Improvements	\$ —	\$ 120,000	\$ —	\$ —	\$ —	\$ 120,000
	Cemetery Columbarium	\$ —	\$ —	\$ 450,000	\$ —	\$ —	\$ 450,000
Recreation & Community Programs	Pine Meadows Clubhouse Renovation	\$ —	\$ 120,000	\$ —	\$ 1,680,000	\$ —	\$ 1,800,000
	Lincoln Park Field Improvements	\$ —	\$ —	\$ 775,000	\$ 806,000	\$ 838,000	\$ 2,419,000
		\$ —	\$ 9,923,000	\$ 2,294,000	\$ 3,186,000	\$ 4,213,000	\$ 19,616,000

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