

City of Chelsea
Capital Improvement Program
FY 2011

“Steadfast”



Jay Ash
City Manager
Presented to the Chelsea City Council

Leo Robinson, President / Paula Barton, Vice President
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Brian Hatleberg / Richard Maronski / Mike McKonnen
Anthony Pellegrino / Marilyn Vega-Torres

February 2010

“Steadfast” can describe the approach that all the city’s stakeholders take in working towards community-wide improvements. Pictured on the front cover are City officials, including District 6 City Councilor Marilyn Vega, and community volunteers as they plant a tree outside of Quigley Park during the City’s annual Earth Day/Keep Chelsea Beautiful observation. The strong collaboration among various stakeholders is one of Chelsea’s greatest assets.

CITY OF CHELSEA
CAPITAL IMPROVEMENT PROGRAM
FY 2011 – 2015
“STEADFAST”



JAY ASH
CITY MANAGER

FEBRUARY 2010



Jay Ash
City Manager

CITY OF CHELSEA

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February 1, 2010

Dear Honorable City Council:

In “good” times, when more robust revenues may be available to support desired expenditures, it is arguably “easier” to fund capital improvements. Put another way, a real test of a community’s commitment to maintaining its capital inventory comes in “bad” times, when competing spending priorities require a more thoughtful consideration of expenditures. If judged by the latter, I am even more pleased than usual to provide you with the enclosed Capital Improvement Program for FY’11-’15 because, in these times of dramatic pressures on the City’s revenues, we remain “steadfast” in our commitments towards our capital and, for that matter, our community.

In fact, this CIP, aptly entitled “Steadfast,” provides factual evidence that the City is capable of promoting its core municipal responsibilities in a manner that adequately addresses minimum responsibilities or more, even in times of great strife. Of course, the great strife upon us is the state of municipal finance and its devotion to state, national and international economic issues. While revenues are down, the City has again been able to commit millions of dollars in improvements and acquisitions, just as it has over the course of the last 15 years. As we all know, the regular investment in capital helps maintain the reliability of the entire system, avoid sometimes unaffordable “spikes” in expenditures and, most importantly, prevent emergencies from causing public inconvenience, or worse.

That stated, it would not be financially prudent to ignore the realities of today’s fiscal situation and that which appears to cloud the future. Non-school local aid has dropped to levels not seen since the mid-1980’s, including a 31% drop in the last decade. While non-school spending has only increased by a modest 1.7% a year during that decade, continuing reduced revenues projected for the next several years will have a further negative impact on the City’s spending ability this upcoming year and perhaps several more. Compounding the revenue issue is the current, slow growth in revenues related to new development, including building fees and real estate property taxes. It could be said that the economy is serving up a “one-two punch” on revenues that combined is forcing constrained growth or actual revenue reductions. Both are problematic in that new revenues are needed to support even modest increases in expenditures driven largely by ever-increasing employee overhead costs and more manageable increases in other accounts.

Thus, in the above context, the City’s FY’11 CIP expenditure plan is \$3.0 million, a 32% reduction over the preceding capital plan. This CIP is certainly ample enough to add to the fourteen years of systematic and extensive investment the City has made to every facet of local infrastructure. However, the reduced spending recognizes the reduced revenues upon which the City is continuing to operate. The City believes that the combination of a steadfast commitment to vital

infrastructure improvements and an even more steadfast commitment to maintaining the City's overall fiscal health is indeed the best way to responsible, both today and tomorrow.

A steadfast consideration in the drafting of this annual CIP, therefore, is that projects must remain affordable, both in terms of value of the overall project cost and the impact on the City's short- and long-term finances. Thus, in some cases, the City is proceeding cautiously on projects with higher costs, looking for other sources of funding to at least partially support projects whose overall costs could otherwise consume the entire amount of CIP funding available, and then some. An example of this from the FY'10 CIP is the successful effort the City waged to secure federal stimulus money for \$1.3 million of the \$1.8 million in rehabilitation costs that are associated with the Engine 3 Firehouse. Additionally, the City has intentionally delayed the \$7 million-plus Washington Avenue Reconstruction Project to design the project in such a way that it might qualify for State funding in FY'11. (Absent State funding, the City remains committed to undertaking the project.)

There are additional approaches to infrastructure that are reflected in the following pages. For example, the City has reducing the scope of several projects from "desirable" to "necessary." In some cases, like the acquisition of rolling stock, including police cars, fire vehicles and DPW equipment, the City has determined that a year of acquisitions can be postponed. Still other projects reflect the City's best thinking about the reliability of the current infrastructure, the impact that current infrastructure may be having on others and the need to fund design work today to be more competitive for future funding opportunities. Regarding the latter, for example, the City's infrastructure needs were not considered to be far enough along in the design process to be considered "shovel-ready" projects to qualify for federal funding. Funding in FY'11 will support additional design work and help the City be better able to qualify for several potential funding sources in the future.

So, the above approaches and numerous others combine to direct a CIP that is as efficient as it is effective in addressing municipal infrastructure needs in the context of an overall budget established to not overly impact present and future budget considerations.

The attached CIP for FY'11 provides spending in six of seven program areas, with no funding being appropriate for Contingency & Administration. That seventh program area will continue to be managed in-house. In examining those projects included in the FY'11 CIP, it is important to keep in mind that each project has merited funding at the expense of other desired, but less critical, projects. In this and other CIPs, the total amount of funding available typically shapes the number of projects approved for commitment, not the reverse.

The Utility Enhancement (UT) category is typically the category of most substantial spending. That reflects the enormous cost of replacing aging water, sewer and drain lines and the equally enormous commitment the City makes in undertaking such critical projects, despite the costs. UT projects are most typically financed through water and sewer charges, and to a lesser degree grants and operating budget commitments. For FY'11, this category will command \$1,135,000 (38% of the FY'11 plan). The City anticipates addressing sewer deficiencies causing backups on John Street and sewer leakage from deficient pipes on Webster Avenue. In terms of planning for the future, design work will commence to relieve flooding problems on Lash Street and prepare the

Washington Avenue reconstruction plans to State application standards. Additionally, a water main will be abandoned on Reynolds to improve the overall efficiency of water delivery there and funding to support the updating of the City's stormwater management plan will be provided.

The Surface Enhancement (SF) category for FY'11 is exclusively funded through State grants, most notably Chapter 90 grants which are regularly granted to the City. Available funding of \$890,000 (30% of the FY'11 CIP) will allow the City to complete the emergency repair project undertaken on the County Road project, eliminate unsatisfactory conditions on the upper end of Marlboro Street, support the new development of housing on Spencer Avenue at Spencer Row and provide the last phase of funding for the complete reconstruction of Chester Avenue. Also included in the identified funding is a traffic calming project on Grove Street that was conceived through a community planning process involving Chelsea Neighborhood Developers (CND) and residents of the North Bellingham Hill neighborhood.

Parks & Open Space (OS) is budgeted to receive a commitment of \$488,000 (16% of the FY'11 CIP) relating to another CND project bordering the Box District and North Bellingham Hill. The contemplated support may change in terms of both dollar figures and sources as the project gets further designed and additional funding sources are identified to support another new park. That park, currently known as "Highland Terrace," would be the sixth in the city to be developed in as many years.

Public Buildings & Facilities (PB) is designated to receive \$433,200 (14% of the FY'11 CIP), all in General Operating (GO) borrowing. PB expenditures are rarely supported by anything other than GO bonds, which are paid for exclusively through City revenues (which could include local aid). The City continues to perform the necessary updates on aging buildings, including City Hall, which turns 100 this year. At City Hall, leaky skylights will be replaced and a snow guard will be installed to help prevent accumulating snow from dangerously dropping from the roof. An additional project will be the replacement of a leaky rotunda in the Library, which will also allow for a previously approved re-carpeting of the Library to take place.

Planned expenditures for Equipment Acquisition (EA) and Public Safety (PS) are much more modest than usual (2%, combined, of the FY'11 CIP). A single, \$40,000 expenditure is planned in EA to replace aging computer servers. Similarly, a single, \$10,000 expenditure is planned in PS to replace the finger print scanner at the Police Station. All other expenditures are being deferred, including what is typically the acquisition of several pieces of rolling stock. The deferment is being made to be conscious of budget impacts, in recognition of the generally good health of the Police, Fire and DPW fleets, and because of the substantial financial commitment the City made this past year to acquire two pieces of apparatus for the Fire Department, at a cost of \$1.5 million. EA and PS expenditures are typically made as "pay-as-you-go" (a term describing payments out of the annual operating budget instead of borrowed funds) or GO borrowing projects, although, as of late, more grant funding has been available for PS acquisitions. In fact, the City is still competing for federal funding to support the aforementioned apparatus purchases.

In addition to the activity envisioned by the FY'11 CIP, several of the FY'10 projects are still ongoing, including the reconstruction of Jefferson Avenue and the rehabilitation of Highland Park, that latter with an artificial playing surface, the second in the City's inventory of parks. Both of

those projects will take many more months to complete, while the construction of the new park at Island End River should be completed by the end of this current fiscal year.

There are certainly many projects underway or contemplated and that is arguably a responsibility for any functioning municipality to promote. Fortunately, City Council, your steadfast oversight of the Administration's planning and operations is assuring that we are not ignoring those projects that are most critical, and finding ways to undertake others that may be less critical but nonetheless desirable. I would argue that well led and administered communities are managing to do both, while maintaining a watchful eye on that ever important bottom line. I am certainly pleased that through your leadership such is possible here in Chelsea.

A point for repeated emphasis is that the City is not overspending today without a care about the fiscal impacts tomorrow. In fact, debt service remains at moderate levels. It is equally as important to repeat that the City is not ignoring the needs of less visible infrastructure, like underground pipes, in favor of more visible yet less critical infrastructure projects. Yes, we have come a long way from the days when virtually no coordinated investment was made in infrastructure. Unfortunately, we are still catching up and paying for those "sins" today and tomorrow; a reality that will take another generation to overcome.

Among the most steadfast aspects of Chelsea City government is the approach you foster in promoting the efficient, responsible and transparent coordination of our work together. Like much that takes place here, the professionalism in planning and implementing that you have called for and fostered in your leadership and support of the Administration is ensuring that this CIP is consistent with our overall approach to meeting the needs of our community. We can all take great pride in that which is accomplished through our CIP process, and the manner in which we further promote the delivery of programs and services to our residents and businesses. I look forward to meeting with you to discuss FY'11, in particular, and beyond, in general.

Very truly yours,

A handwritten signature in cursive script that reads "Jay Ash". The signature is written in black ink and is positioned to the left of the typed name.

Jay Ash
City Manager



City of Chelsea
500 Broadway
Chelsea, MA 02150

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EXECUTIVE SUMMARY

Chelsea's five-year Capital Improvement Program (CIP) is the City's fifteenth consecutive capital planning document. Keeping with the City Charter, this FY 2011-2015 CIP adheres to the same planning framework as was employed in past documents. While the basic planning framework remains consistent, the spirit of CIP planning will typically involve refinements from year to year in response to the local budget and the status of a vast array of local capital needs. Management's increased attention to balancing project planning with fiscal planning will render deliverables of a higher quality within a fiscal plan to support future CIP fiscal planning initiatives. The CIP is not a static process. The creation of this CIP is based on the best available information at the time of development. However, circumstances during the budget year and out years do change, which may then require a change in the plan.

This year's CIP continues the focus on basic infrastructure activities, where the City's needs, while addressed through fourteen years of focused investment, are still significant. Where possible, it prioritizes investments that combine City initiatives to improve quality of life and economic development. It also seeks to maximize efficiencies gained through the acquisition and deployment of technology.

The CIP is a multi-year, fiscal planning document that identifies long-term improvements to the City's infrastructure and facilities, and provides a program for prioritizing, scheduling and funding. It is comprised of three main parts: a capital budget, which is the upcoming fiscal year's plan; a capital program, which is an outline for capital expenditures for the four years beyond the capital budget; and a review of the status of prior year projects. The CIP is prepared in conformance with the City's Charter and Administrative Code, under the City Manager/City Council form of government. It is divided into seven "Program Areas".

Equipment Acquisition will total approximately \$40,000 for FY' 11, a significant reduction from prior year expenditures reflecting General Fund budget pressures. Equipment purchases are primarily Pay-As-You-Go expenditures in the General Fund and so are subject to annual budgetary restrictions. The single planned project maintains our annual critical investment in City Information Technology infrastructure including servers and backup systems.

Parks and Open Space will receive new investment of \$488,000 for FY' 11, and provides another opportunity to expand the City's open space resources. A major multi-year planning initiative in the North Bellingham Hill / Box District has generated an opportunity for a new park area; Phase I will secure the property and provide construction funds for the playground and /or a matching funds for the larger park. Meanwhile, the regular performance of major park improvements will include work on Highland Park in FY' 11.

Public Buildings and Facilities will total approximately \$403,000 for FY' 11. The City's modest but critical expenditure focus is on the building envelope – skylight replacement and a snow roof guard system in City Hall, and replacement of the deteriorated skylight rotunda in the Library.

Public Safety will total approximately \$10,000 for FY' 11. It has been possible to defer typical vehicle replacement and equipment expenditures in FY' 11 because of the consistent investment provided over a number of years. Additionally, the City's major investment in fire buildings and fire apparatus vehicles in FY' 10 covers the most critical needs in this program area. In the current year, the Police Departments requires replacement of its Fingerprint Scanner in order to maintain technology compatibility with state and federal agencies.

EXECUTIVE SUMMARY

Surface Enhancement projects will total approximately \$890,000 for FY'11. Surface Enhancements represent a range of initiatives, including pavement replacement following water utility completed in FY'10 or planned in FY'11 on County Road and adjacent streets, and replacement of a badly deteriorated section of Marlboro Street; new sidewalks, pavement and street trees associated with current year planned utility improvements on Chester Avenue, and a new residential project on Spencer Avenue; and finally, the installation of a pilot traffic calming project on Grove Street. (Major surface improvements typically are found and follow work in listed in the Utility Enhancement program area.)

Utility Enhancement projects will total approximately \$1,135,000 in FY'11. Utility Enhancements planned for the fiscal year include the construction of new utilities on John Street (sewer), Reynolds Ave (water), and Webster Ave (sewer). Engineering plans for new infrastructure on Washington Avenue will enter a Phase II effort, and a new single year effort for engineering plans for Lash Street will be undertaken. In most cases, utility enhancements include repairs and/or replacement of underground utilities, followed by the resurfacing of the roadways and sidewalks impacted by the underground work. Also, funds are included for the 2nd year of a 5- year Stormwater Management plan.

Administration and Contingency funding was not necessary again this year. CIP management has been assumed in-house, so no funding to support vendor work is required. Also, the City has been successful in utilizing savings associated with capital projects to provide contingency funding for cost overruns on other capital projects. No contingency funding is therefore included in the FY'11 CIP.

INTRODUCTION

In a similar process as has been undertaken for the last fourteen years and as required by the City Charter and Administrative Code, the City of Chelsea will compile a five-year Capital Improvement Program, the FY 2011-2015 (July 1, 2010 - June 30, 2015) CIP which includes the FY'11 Capital Budget (July 1, 2010 - June 30, 2011). A CIP is a fiscal planning tool that documents the City's capital asset needs, ranks the needs in order of project priority, and schedules projects for funding and implementation. The CIP is a dynamic process that provides the opportunity for the City to plan for major expenditures in the future and to evaluate new proposals based on more current data.

The CIP lists each proposed project to be undertaken in the next fiscal year, the project description, justification, impact, the amount expected to be expended and the proposed method of financing. In addition, the CIP provides a tentative project listing by category and financing source for years two through five as a strategic planning and budgeting tool. Based on this information, summaries of planned capital activity, and their funding requirements, for each of the five years are prepared and presented. The CIP is a composite of the City's infrastructure needs, tempered by current and future financial planning and capacity.

A recent addition to the CIP is a summary report of actions taken in past CIPs. In order for the CIP to serve as a reporting document, the City believes the inclusion of information on the status of previous CIPs will provide even more information to and secure greater confidence in the process from the public and other observers of the City's planning, financing and operating processes. Thus, the Capital Projects Status Report carries information about the open status of past CIPs following their adoption. Once a project is completed, it will no longer be listed in the status section of the report. The information for open projects will continue to be updated and carried until the CIP for a given year has been completely closed.

What is a capital improvement?

A capital improvement is general considered a major, non-routine expenditure for new construction, major equipment purchase or improvement to existing buildings, facilities, land or infrastructure, with an estimated useful life of eight (8) years or more and in most cases a cost of \$10,000 or more. At times, a CIP may contain other items to be purchased or repaired that vary from that description. For example, it is the City's policy to list routine acquisitions of police vehicles, which do not have a useful life of eight years. This is done to provide a more complete picture of the City's capital acquisitions during a given fiscal year.

Among the items properly classified as capital improvements are:

- ◆ New public buildings, or additions to existing buildings, including land acquisition costs and equipment needed to furnish the new building or addition for the first time;
- ◆ Major alterations, renovations or improvements to existing buildings which extend the useful life of the existing buildings by ten (10) years;
- ◆ Land acquisition and/or improvement, unrelated to a public building, but necessary for conservation or parks and recreation purposes;
- ◆ Major equipment acquisition, replacement or refurbishment, with a cost of at least \$10,000 and a useful life of at least thirteen (13) years, including data processing equipment;

INTRODUCTION

- ◆ New construction or major improvements to the City's physical infrastructure, including streets, sidewalks, storm water drains, the water distribution system and the sanitary sewer system, which extend the useful life of the infrastructure by at least ten (10) years, and
- ◆ A feasibility study or engineering design services which are related to a future capital improvement.

What are the benefits of a capital improvement program?

Adherence to capital improvement programming allows the City to:

- ◆ Facilitate coordination between capital needs and the operating budgets;
- ◆ Enhance the community's credit rating through improved fiscal planning and avoidance of sudden changes in debt service requirements;
- ◆ Identify the most economical means of financing capital projects;
- ◆ Increase opportunities for obtaining federal and state aid;
- ◆ Relate public facilities to the City's strategic plan or public and private development and redevelopment policies and plans;
- ◆ Focus attention on community objectives and fiscal capacity;
- ◆ Keep the public informed about future needs and projects, and
- ◆ Coordinate the activities of neighboring and overlapping units of local government to reduce duplication, and encourages careful project planning and design to avoid costly mistakes and to reach desired goals.

CREATING THE CAPITAL IMPROVEMENT PROGRAM

The City developed an administrative process that established policies and procedures for submitting and evaluating projects. This includes:

- ◆ Instructions and a meeting for submitting projects;
- ◆ A schedule for the submission of projects, and
- ◆ A method of evaluating and ranking projects.

Process Overview

The following process guides the capital plan process:

- ◆ The capital program Steering Committee is appointed by the City Manager and adopts formal policies for preparation and prioritization. The CIP Steering Committee is comprised of:

Jay Ash, City Manager
Ned Keefe, Deputy City Manager
Joseph Foti, Public Works Director
Robert Boulrice, Treasurer/Collector
Edward Dunn, Auditor

- ◆ A schedule is adopted for completing the CIP;
- ◆ City project staff conducts an assessment by program category. City project staff assembles as the CIP Working Group to conduct the assessment, including an inventory of existing facilities and assets. This assessment documents the need for renewal, replacement, expansion or retirement by reviewing what year the facility was built or asset was acquired, date of last improvement, condition, extent of use and the scheduled date of rebuilding or expansion;
- ◆ The status of previously approved projects is determined;
- ◆ The City's ability to afford major expenditures is determined, including review of recent and anticipated trends in revenue, expenditures, debt and unfunded liabilities;
- ◆ Project requests are solicited, compiled and evaluated;
- ◆ Members of the Steering Committee meet with department representatives to individually discuss each request;
- ◆ A recommended method of financing is proposed for each project;
- ◆ The CIP Steering Committee evaluates the submitted projects and ranks them in priority order as objectively as possible and with reference to other projects;
- ◆ The Steering Committee informs departments as to the approved priority of projects;
- ◆ The City Manager submits the proposed CIP to the City Council and Planning Board;
- ◆ The City Council may hold a sub-committee meeting to review the recommendations and does conduct a public hearing on the CIP;
- ◆ The City Council adopts the CIP by resolution;
- ◆ City staff initiates CIP projects and manages those projects through to completion, and
- ◆ The Steering Committee meets at least quarterly to review the status of projects and act on any recommended changes, including deletion, expansion or substitution of projects.

CREATING THE CAPITAL IMPROVEMENT PROGRAM

Capital Program Categories

The capital budget and program are prepared according to the following seven program areas:

1. **EQUIPMENT ACQUISITION** includes vehicles and equipment acquired to maintain the operations of various municipal departments, most frequently the Public Works and MIS Departments;
2. **PARKS AND OPEN SPACE** includes improvements to parks and open space generally in accordance with the Parks and Open Space Plan;
3. **PUBLIC BUILDINGS AND FACILITIES** includes repair, replacement and improvement of all of the physical structures, and their contents, owned by the City including municipal, service, public safety and maintenance facilities;
4. **PUBLIC SAFETY** includes the repair, replacement or new acquisition of vehicles and equipment supporting the City's public safety departments;
5. **SURFACE ENHANCEMENTS** includes improvements to local streets, sidewalks, curb cuts, crosswalks and Americans with Disabilities Act (ADA) improvements, other than those included in Utility Enhancements;
6. **UTILITY ENHANCEMENTS** includes repair, replacement and installation of water, sewer and drainage lines; roadways, sidewalks and street furniture; hydrants, manholes and other related equipment, and
7. **CAPITAL PLAN ADMINISTRATION AND PROJECT CONTINGENCY** includes administrative support for the plan and a contingency for all capital projects listed in the plan.

Capital Program Priorities

The City gives priority to capital investments that meet at least one of the following criteria:

- ◆ Addresses an urgent health or safety concern, legal mandate or code compliance;
- ◆ Supports neighborhood revitalization;
- ◆ Improves access to and the quality of municipal services for all citizens;
- ◆ Advances existing economic development and the attraction of new economic activity to the city;
- ◆ Complements other projects, public or private, to gain economies of scale, and
- ◆ Enhances the continuing economic health of the downtown area.

CAPITAL PROGRAM IMPACTS

One of the most difficult challenges facing the City today is to continue the investment in its capital assets, which began in earnest with the FY'97 CIP, while successfully managing the financial impact on both the General and Enterprise Fund budgets. In light of the importance of continuing this planned program of infrastructure repair and replacement, the City is committed to maintaining an annual Capital Budget, which continues to reverse the effects of years of deferred maintenance.

Based on the inventory of capital assets, which is updated annually, the City has included projects in this CIP that are necessary and consistent with the priorities and goals set forth by the City. Through prudent fiscal management and conservative financial forecasting, the City has determined the appropriate levels of capital expenditures that can be incorporated into the General and Enterprise Fund budgets.

While these levels are subject to change given the nature of the CIP process, the FY 2011-2015 CIP includes General Obligation borrowings supported by the General Fund totals \$713,200 in FY'11 and \$7,113,200 over the five years of the plan. General Obligation borrowing supported by the Enterprise Funds totals approximately \$655,000 in FY'11 and \$8,255,000 over five years. The financial impact of the CIP on the General and Enterprise Funds is discussed below.

Debt Service Impact on the General Fund

Presently, the City has a moderate level of direct debt outstanding. The table below outlines the total approximate principal and interest costs that will be incurred over a five-year period, including Urban Renewal Project costs and the cost of School Projects, net of State reimbursement. Assumptions on General Fund total expenditures are based upon the previous fiscal year's Five-Year Financial Forecast. The "Debt Service as a % of General Fund" relies upon projections for two important variables, debt service and General Fund budgets. Thus, the resulting percentages will change as numbers are updated annually.

PROJECTED DEBT SERVICE – GENERAL FUND BUDGET				
Fiscal Year	Projected Debt Service (000)	Additional CIP Debt Service (000)	Projected Total Debt Service (000)	Debt Service as a % of General Fund
2011	\$ 4,981	\$ 0	\$ 4,981	4.08%
2012	\$ 4,091	\$100	\$ 4,191	3.39%
2013	\$ 852	\$224	\$ 1,076	0.87%
2014	\$ 4,662	\$224	\$ 4,886	3.92%
2015	\$ 5,710	\$224	\$ 5,934	4.63%

CAPITAL PROGRAM IMPACTS

It is the City's desire to effectively manage the financial impact that the debt financing of capital projects has on the General Fund. To that end, the City has committed to an aggressive debt retirement strategy to effectively manage the level of outstanding debt. The dollar value of Capital Improvement Program projects has been reduced to allow the City to more efficiently manage the program.

Debt Service Impact on the Enterprise Funds

A significant portion of the projects identified in the FY 2011-2015 CIP is Utility Enhancement (Water, Sewer, and Drainage) Program area improvements. The table below outlines the projected costs of Enterprise Fund Debt Service resulting from this CIP.

PROJECTED DEBT SERVICE – ENTERPRISE FUND				
Fiscal Year	Projected Debt Service (000)	Additional CIP Debt Service (000)	Projected Total Debt Service (000)	Debt Service as a % of Enterprise Fund
2011	\$2,138	\$ 0	\$2,138	13.72%
2012	\$1,994	\$ 92	\$2,086	12.72%
2013	\$2,021	\$266	\$2,287	13.25%
2014	\$2,102	\$266	\$2,368	13.04%
2015	\$2,251	\$266	\$2,517	13.17%

Based on the Enterprise Fund accounting methodology, all costs associated with the operation and maintenance of the water distribution and sewer collection systems, including debt service, must be supported by user charges. The Enterprise Fund budgets must also support projected future increases in wholesale water and sewer costs imposed by the MWRA. Responding to this imperative, the City is committed to controlling and/or reducing whenever possible Enterprise Fund expense levels so as to mitigate the increases that must be passed onto ratepayers. Keeping the debt-side of the rate formula process in check, therefore, helps to keep water and sewer bills lower.

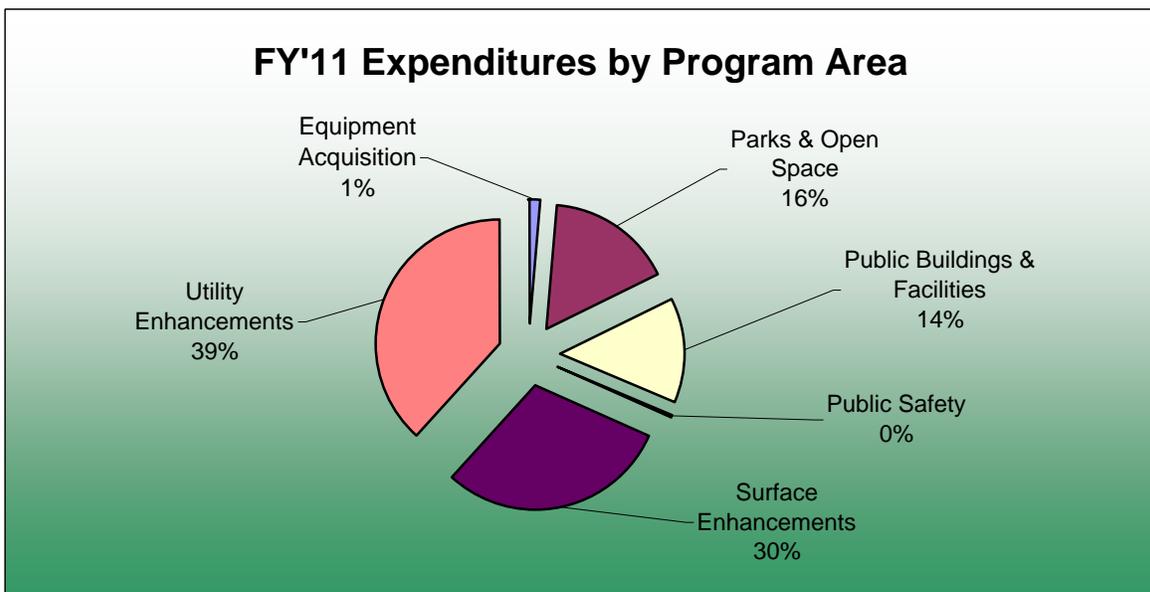
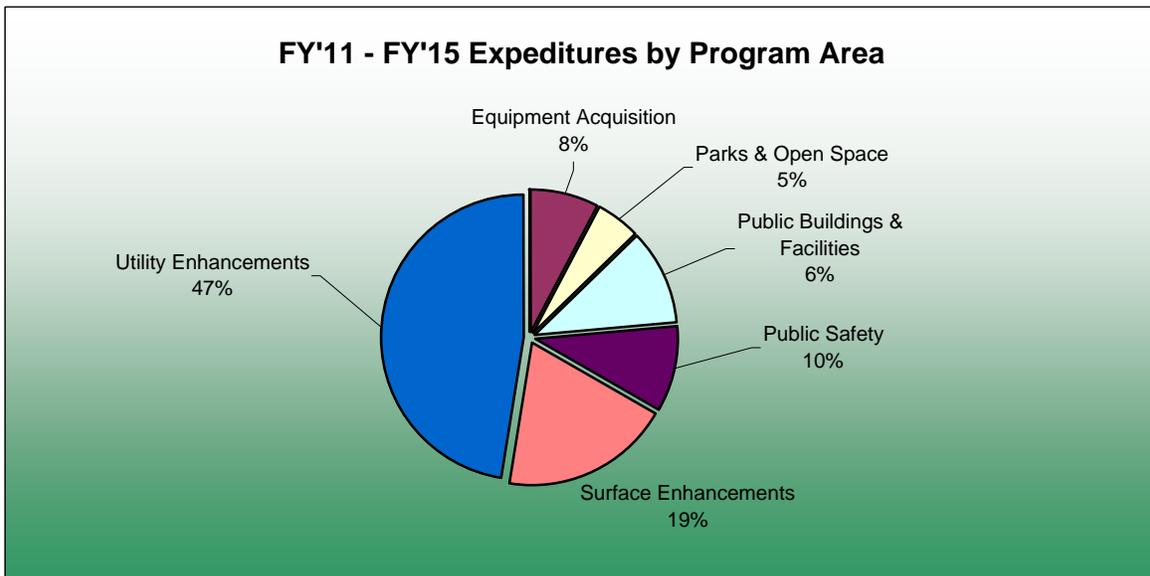
CAPITAL PROGRAM IMPACTS

The effectiveness of this strategy was realized during the years between FY'99-FY'02 when the combined water/sewer rate remained level even in the face of wholesale rate increases by the MWRA, and increased debt service obligations. In order to continue to control debt-related impacts on water and sewer rates, the City began in FY'01 to limit cumulative projected debt service. It is important to note that the cumulative impact of the multi-years of updates also positions the City to reduce the overall commitment needed to upgrade and maintain a satisfactory and functional water and sewer system.

As the City moves forward with this CIP, it is committed to a strategy that will continue to invest in infrastructure improvements that enhance the delivery of service and increase the marketability of Chelsea as it relates to economic development and neighborhood revitalization. In addition, through proper financial planning and debt management, the goal of the City is to balance capital needs while effectively managing the financial impact resulting from the increased borrowing required to implement the projects outlined in this CIP.

Capital Plan Expenditures by Program Area FY'11 - FY'15

	FY'11	FY'12	FY'13	FY'14	FY'15	Total
Administration	\$0	\$2,000	\$2,000	\$2,000	\$2,000	\$8,000
Equipment Acquisition	\$40,000	\$350,000	\$350,000	\$350,000	\$350,000	\$1,440,000
Parks & Open Space	\$488,000	\$100,000	\$100,000	\$100,000	\$100,000	\$888,000
Public Buildings & Facilities	\$403,200	\$400,000	\$400,000	\$400,000	\$400,000	\$2,003,200
Public Safety	\$10,000	\$450,000	\$450,000	\$450,000	\$450,000	\$1,810,000
Surface Enhancements	\$890,000	\$650,000	\$650,000	\$650,000	\$650,000	\$3,490,000
Utility Enhancements	\$1,135,000	\$1,900,000	\$1,900,000	\$1,900,000	\$1,900,000	\$8,735,000
Total	\$2,966,200	\$3,852,000	\$3,852,000	\$3,852,000	\$3,852,000	\$18,374,200



CAPITAL PROGRAM SOURCES

Capital investment for the FY 2011-2014 CIP is derived from several sources: Water and Sewer Enterprise Funds, General Obligation Bonds, General Funds, and various state and federal grant programs. This section will describe the various sources listed above.

General Obligation Bonds

General Obligation (GO) bonds are general obligations of the City. The source of repayment is not limited to any particular fund or revenue stream. GO bond proceeds may be used for a wide range of capital activities, however, the term of the bond must be tied to the life of improvement. For example, a roadway may be financed with a twenty-year bond, and most vehicle purchases are financed with a five- to ten-year bond.

In recent years, the City has not issued large amounts of GO bonds. Prior to FY'97, the City had only \$2.2 million in GO bonds outstanding with an annual debt service payment equal to \$350,000. The City has conservatively estimated its General Fund supported bonding capacity at 2.75% in new debt per year, to finance projects included in the CIP. The actual amount of debt issued will depend on the ability of the operating budget to sustain annual principal and interest payments.

Water and Sewer Enterprise Bonds

The Water and Sewer Enterprise Fund is dedicated to tracking and reporting all activities associated with the operation and maintenance of the water and sewer systems. The principle of enterprise fund accounting is that all costs of providing services to the public, including depreciation, be financed or recovered through user charges. The City's cost recovery and financing system for the operations and maintenance of the water and sewer systems is based upon this principle. Water and sewer revenue may only pay for water and sewer expenses. Like the overall General Fund budget of the City, the Water and Sewer Enterprise Fund may finance planned capital improvements from current "rate revenue" or from long-term bonds, which must be repaid over time using future rate revenue.

This CIP describes Water and Sewer Enterprise Fund expenses of \$655,000 or 22% of the total capital expenses for FY'11 and \$8,255,000 or 35% of the total over the five years of the CIP. The great majority of these expenses will be paid by proceeds from new bonds issued under the rules of the Enterprise Fund. The actual amount of debt issued will depend on the ability of the rate system to sustain annual principal and interest payments related to the bond debt as well as ongoing wholesale costs. The single largest expense of the Water and Sewer Enterprise Fund is the wholesale costs of water and sewer services provided by the MWRA. The ability of the City to issue Water and Sewer bonds to finance capital improvements is directly tied to the projected rate increases from the MWRA and the corresponding budget impact.

General Funds/Operating Budget/Free Cash

In an attempt to minimize the amount of GO bonds that need to be issued on an annual basis, the City has made a policy decision to use a "Pay-As-You-Go" funding concept. In positive economic times and when funds are available, the City can implement the pay-as-you-go funding policy through several financing techniques, including utilizing the operating budget, Free Cash and reserves. Of the three, the most desirable is funding through the operating budget. The City is making a conscious effort to control debt service and the associated costs of issuing debt by paying for capital improvements with operating funds. The City's

CAPITAL PROGRAM SOURCES

rationale is that a regular amount of operating budget funds will either pay debt service or pay for the capital improvements outright. Thus, maintaining a regular amount of capital funding in the operating budget allows the City to utilize the savings to undertake more capital improvements or fund other areas within the budget. At times, the use of undesignated fund balance, "Free Cash," or reserves, including the Capital Reserve fund, are also permissible ways to fund pay-as-you-go projects. The City believes the use of such funds for capital improvements should not be an annual practice or policy. However, the use of such funds, which are usually generated from one-time revenues, do positively impact out-year budgets by reducing borrowing and associated costs. From that perspective, the City may wish to utilize Free Cash or reserves, instead of incurring additional debt for needed projects.

To insure that the City's commitment to capital continues during difficult economic times, the City Manager recommended and the City Council approved a Capital Contingency Reserve Fund. With the appropriation of \$200,000 made by the City Council in October 1999, the goal of \$600,000 was achieved in this account. This fund, which was the first of its kind in the state, is available by Council appropriation for emergencies or for use during those difficult economic times.

Regarding capital paid for through the operating budget, several City departments will carry a "capital" line item which is regularly funded at consistent levels. Projects funded through those line items are generally for recurring acquisitions, like police cars, which are on a schedule for replacement, or for acquisitions of a shorter useful life or lower cost than those that would qualify as capital items by the policies of the CIP.

State and Federal Sources

The State and Federal governments continue to play a major role in funding infrastructure improvements, open space, and economic development, although this role has diminished considerably in the last two decades. Generally, the State or Federal government raises through taxation or borrows money and then makes it available through application to municipalities.

Federal Highway Administration (FHWA) funds and Massachusetts Roadway funds, coordinated by the Boston Metropolitan Planning Organization (MPO), are critical for major roadway construction projects and related transportation projects in Chelsea. In 2006, the City benefited from a federal transportation bond award to the State of \$2.0M for roadway and sidewalk improvements to the Beacham Street/Williams Street corridor. The City is positioning itself to access additional funds in order to undertake the extensive improvements required for this important transportation corridor. The City's conservative approach defers inclusion of a grant-based project until the confirmation of funding award. Due to increased competition in Massachusetts for Federal roadway funds and new policies adopted with regard to the allocation of State funds, the City is constantly reevaluating its strategy with respect to securing funds from these programs in order to improve its competitive advantage.

The City is eligible to receive funds each year from the Massachusetts Community Development Block Grant Program (MCDBG Program), formerly the Massachusetts Small Cities Program (MSCP), a program administered by the Division of Housing and Community Development. MCDBG derives its funding from the Federal Community Development Block Grant Program (CDBG) to support non-CDBG communities, like Chelsea, on a wide range of community development activities that include infrastructure, park improvements and housing and human service activities, although not all projects within these categories may be eligible for funding through the process which stresses a benefit for low and moderate

CAPITAL PROGRAM SOURCES

income residents. Chelsea is one of several “mini-entitlement communities” and is eligible for up to \$750,000 in MCDBG funds. A new grant application is being prepared that will focus on infrastructure improvements and social service programs, including the installation of storm water drain lines and reduce flooding on Chester Avenue, and funding to support English as a Second Language (ESL) for classes at the Chelsea Community School Program and Citizenship Training Classes through Centro Latino de Chelsea.

Through a variety of programs, the City will compete for State funds to support parks and open space development. During 2008, the City received approximately \$500,000 in parks and open space funds administered by the Massachusetts Executive Office of Energy and Environmental Affairs (EOEEA) for the construction of a new one-acre park at Chelsea Commons (the former Parkway Plaza) – these funds will supplement privately donated funds of approximately \$1M to create a unique urban park space with a design focus on intergenerational and environmental themes. EOEEA has recently provided \$400,000 for the construction of a park on Island End River. During 2009, the City anticipates competing for additional park funds to support projects identified in the 5-Year Open Space Plan, which is currently being updated. Should a project be approved, the City may seek an additional capital appropriation from the City Council to fund a matching requirement.

The City receives funding assistance for roadway improvements through several State funds administered by the Massachusetts Highway Department (MHD). This includes funding from the Chapter 90 Program that is distributed annually on a formula basis to all the cities and towns in Massachusetts. These funds have been used generally by the City to pave local streets, although they may also be used to pay for major roadway projects and for roadway maintenance equipment.

The State also administers roadway funds related to economic development projects that create new jobs in communities. The Community Development Action Grant (CDAG) Program and the Public Works Economic Development (PWED) Program provide state funds to local communities for infrastructure improvements to support new private development. A current CDAG grant application is under review to fund sewer, drain and water improvements on Chester Avenue. The most recent example of a CDAG funded project in Chelsea is the roadway and drainage improvements to Spruce Street (between Sixth Street and the railroad). The City will remain active in competing for this and other state program funds to support various major roadway projects including Spruce Street Improvements Phase II.

Sewer and Drainage improvement funds are available from the Massachusetts Water Resources Authority (MWRA) on a 45% grant, 55% interest-free loan basis for eligible project activities. The Local Pipeline Assistance Program and the Inflow and Infiltration Program provide supplemental capital funds to the City’s improvement program on a project-by-project basis. The City will continue to pursue MWRA Grants and others like it as funding supplements to future Utility Enhancement projects.

Water pipeline rehabilitation funds are available from the MWRA on a ten-year repayment, interest free loan basis. The Local Pipeline Assistance Program will make available to the City with more than \$500,000 annually for the next four years for pipeline relining and replacement projects. This amount will significantly reduce the need for Water and Sewer bonds in future CIP’s.

Over the past few years, the School Building Assistance Program has been the most significant external source for funding City debt. This program supports funding for school construction and renovation and is funding 95% of the principal and interest costs of the new school facilities opened in 1996 and 1997 for Chelsea school children, including a new high school campus, new middle and elementary school campuses,

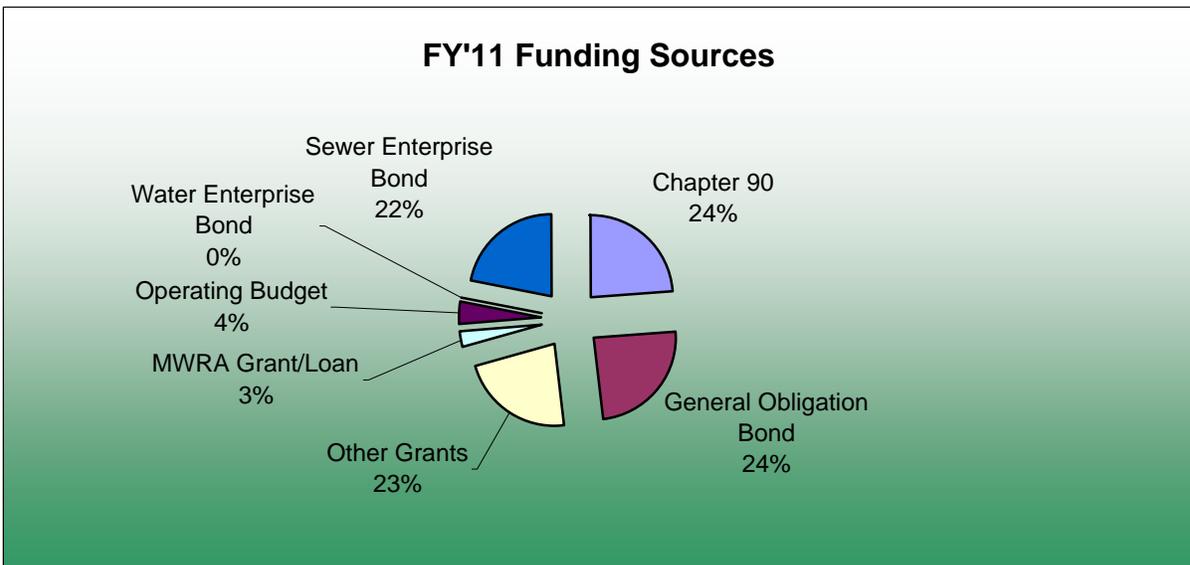
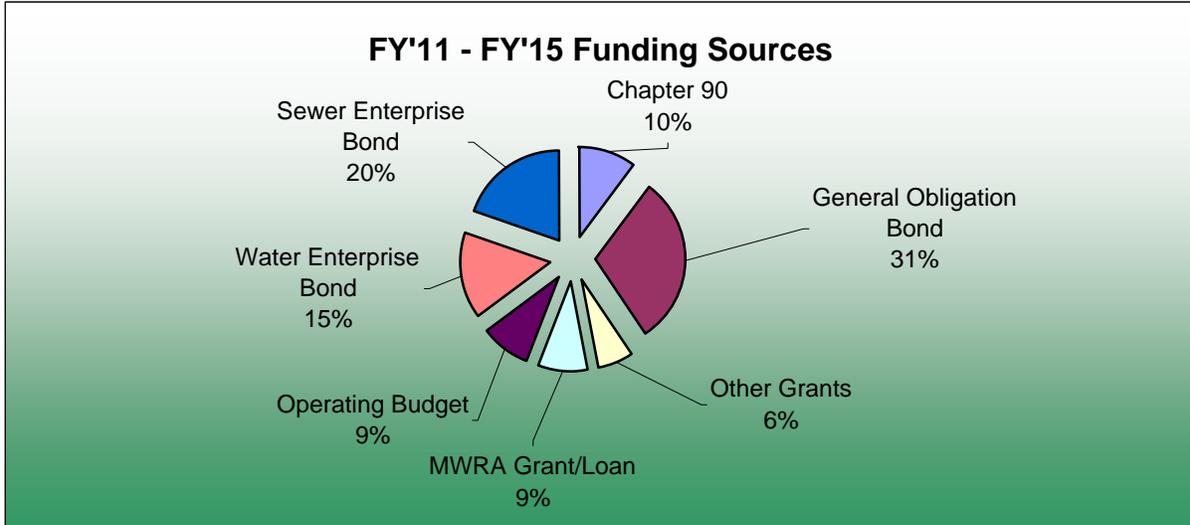
CAPITAL PROGRAM SOURCES

and the renovated Early Learning Center, the former Shurtleff School for pre-kindergarten, kindergarten and first grade. The City received a 90% reimbursement for the recently completed High School addition. Improvements to the Clark Avenue School, including recent emergency repairs in the aging building, have been funded from City resources. The City has an application into the State for both a reimbursement for a portion of those repairs and for a new project approval. That project could be the complete renovation of the school or a replacement on site or elsewhere in the community.

In 2010, the City is actively pursuing Federal stimulus funds passed down to the State for potential local projects. Numerous projects that are critical to the City for a variety of reasons may be eligible for funding. Most notably, a \$6.7 million reconstruction of a large portion of Washington Avenue is being sought through stimulus funding. In order to be eligible for stimulus funding, a project must be “shovel-ready” within 180 days of the award. Washington Avenue meets that criterion.

Capital Plan Revenue Source Detail By Year FY'11 - FY'15

	FY'11	FY'12	FY'13	FY'14	FY'15	Total
Chapter 90	\$710,000	\$430,000	\$430,000	\$430,000	\$430,000	\$2,430,000
General Obligation Bond	\$713,200	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$7,113,200
Other Grants	\$668,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,468,000
MWRA Grant/Loan	\$95,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,095,000
Operating Budget	\$125,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,125,000
Water Enterprise Bond	\$0	\$900,000	\$900,000	\$900,000	\$900,000	\$3,600,000
Sewer Enterprise Bond	\$655,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$4,655,000
Total	\$2,966,200	\$5,130,000	\$5,130,000	\$5,130,000	\$5,130,000	\$23,486,200



(Note: Available revenues listed above are in excess of planned expenditures in the Capital Plan Expenditure chart provided on a previous page. This chart is meant to identify potential funding availability, helping to guide project approvals and plan for balanced budgets into the future.)

EQUIPMENT ACQUISITION

Overview FY 2011-2015

Equipment Acquisition involves the purchase of items necessary to properly outfit staff and allow for desired municipal functions to be performed. Equipment can range in size from a small computerized device to a large piece of rolling stock. Through this program area, the City seeks to ensure that equipment is updated or newly acquired to meet the current and projected future demands of various departments and those they serve. This program area typically facilitates purchases to support the Public Works and Information Technology Departments, although the requirements of all non-public safety departments (public safety has its own program area) are also addressed when the need arises.

The Public Works Department has in its inventory of rolling stock and equipment twenty-seven in-service pieces consisting primarily of light and medium duty trucks that have an average age of eight years. The current value of this inventory is over \$500,000, with about 45% of that value reflecting purchases over the last five years. The new replacement value of the vehicles and over-the-road equipment is more than \$1,400,000. The decline in aging equipment reflects the improving value of that same equipment. In 1998, about 75% of the fleet was over 10 years in age, with many in poor operational condition and causing a negative effect on the operating budget. Now over 30% of the DPW fleet is five years old or newer. The status of the DPW fleet, however, has slipped from the immediate past years, as poor financial conditions have resulted in less equipment purchases. In the coming years, the City anticipates making a greater commitment to the fleet to better assure its reliability and cost efficiency.

The Information Technology Department has in its inventory a collection of devices including over 526 desktops, 88 network printers, 19 physical servers and 12 virtual servers. The replacement value of this inventory is over \$1.8 million. Since 2003, the City has continued to replace legacy systems with more energy efficient units and more recently since 2007 the City has replaced 12 6yr old physical servers with virtual servers to reduce electrical power consumption and cooling demands – saving 900watts per server. We continue to push the green initiative to save energy while delivering a stable reliable environment of technology systems for all City departments.

Past CIPs have also provided funding through this area for the purchase of hybrid vehicles for parking enforcement operations, tablet computers for use by inspectors while out in the field and public computers for library patrons.

Challenges FY 2011-2015

The continuing challenge is to keep the existing rolling stock and equipment in good running condition without extraordinary repair of major components prior to vehicle or equipment replacement. That must be accomplished, though, in the context of affordability and with various budgetary pressures in mind. Annually, a review of the fleet is undertaken to predict which vehicles or equipment might require replacement in the immediately following fiscal year or budget cycle.

Age and mileage are used as rating factors and also as the initial trigger points for additional inspection. However, a vehicle reaching a prescribed age does not necessarily mean the unit will be replaced the following year. Other factors include condition of the vehicle or equipment.

Both the physical condition and the appearance are examined as well as the operating condition. If it is a borderline vehicle, a cost/benefit analysis is performed to determine what it would take in terms of time and dollars to bring the vehicle to an acceptable operational condition. Safety and serviceability, along with the economics of maintaining the same, are key factors in replacement considerations.

To maintain a safe and serviceable inventory of equipment, there must be a continuing effort to fund an acceptable level of programmed vehicle replacement and technology upgrades on an annual basis.

Goals FY 2011-2015

The goal of the Equipment Acquisition Program is to:

- ◆ Maintain a regular, scheduled program of equipment replacement to minimize “surprises” and costly emergency repairs to older, failing equipment;
- ◆ Provide a consistently high level of equipment reliability;
- ◆ Ensure that equipment used by City employees incorporate the highest standards of safety available on the market;
- ◆ Keep low the current average age of the City's fleet, and
- ◆ Promote the use of technology in order to improve workforce efficiencies.

Programs FY 2011-2015

Several major recent program initiatives have been implemented to manage the City’s equipment and rolling stock, including:

- ◆ The operational improvement program manages fuel distribution and maintenance expense tracking. This has been achieved, in part, through outsourcing of fuel purchases and updating of vendor supplies and repair billing software;
- ◆ The Department’s vehicle assessment program determines total cost of ownership, which is a big factor in projecting replacement cycles. It includes purchase or replacement cost, maintenance costs life-to-date, current and depreciated value or residual value at the time of replacement. Obviously, older models cost more to maintain than newer vehicles. Records are maintained to show the unit cost, depreciation, miles driven and maintenance cost life-to-date. This snapshot of total cost of ownership and vehicle condition helps in determine if the vehicle is a good candidate for replacement, and
- ◆ To upgrade IT Services and associated equipment including replacement of a number of servers, office desktops and printers.

Projects FY 2011-2015

Projects over the next five-year period will focus on:

- ◆ Continuing the DPW vehicle replacement program, with selective vehicle replacements in other departments;
- ◆ Updating technology, including equipment and software, with attention to City staff needs and ease of usage by City customers, and
- ◆ Imaging records on a department by department basis.

FY’11 Projects

The only FY’11 project to be undertaken will be the replacement of a computer server. Budgetary constraints have prevented the desired replacement of a vehicle in the Public Works fleet. That decision was made possible because of the adequacy of the existing fleet. Tentative future acquisition projects will most definitely include that vehicle. Regarding the server, though, that acquisition could not be postponed as the useful life of the current server is well beyond its expected lifespan. Given the reliance on technology in today’s society, maintaining servers and the access to the information stored and accessed upon them makes that expenditure a top priority.

SERVER REPLACEMENT

John Hyland, Director of IT
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 Chelsea, MA 02150
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JHyland@chelseama.gov

Description

4-5 Year Rotation of Servers

Impact

All network users.

Justification

Strategic replacement of critical system servers is a vital part of every large network phase out every 4-5 years. This phase of server replacements will replace five servers that are approaching seven years of running 24/7/365 – two years beyond their suggested lifespan. These servers offer a variety of services including ISD databases, Internet Filtering, Assessing Vision databases and archival of information. Failure of any one of these servers will impact multiple departments.



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General Fund		Enterprise Funds	
Operating Budget	40,000.00	Water Fund	
Free Cash Appropriation	0.00	MWRA Grants	0.00
General Obligation Bonds	0.00	MWRA Loans	0.00
Grants		Water Bonds	0.00
Chapter 90	0.00	Sewer Fund	
Other Grants	0.00	MWRA Loan	0.00
		Sewer Bonds	0.00
		Total Project Funding	40,000.00



PARKS AND OPEN SPACE

Overview FY 2011-2015

The City continues its partnership with the State, community based non-profits, open space advocates and private recreation leagues to serve local residents by expanding and enhancing recreation and education opportunities. The on-going program of restoration and expansion of its parks and open spaces continues to provide local residents with improved and modern facilities designed to accommodate a mix of age groups, uses and levels of ability.

The City has five citywide parks with recreational facilities that can host athletic play. Sixteen neighborhood parks, playgrounds, and play lots of various sizes, and six such spaces under the control of the Chelsea Housing Authority, provide active and passive recreation outlets as well. The City also maintains a historic cemetery and several historic public squares. Added to that inventory are five State open spaces and recreational facilities, including a swimming pool and skating rink, the latter on the border with Revere. An envisioned Chelsea waterfront open space system, parts of which already exist, is planned for on-going implementation through incremental design and development. Currently, three waterfront walkways exist. More open space is in the planning and is coordinated through the Chelsea Open Space Plan.

Historically, park funding has been derived from grants, which often require a match that is typically City funding. The primary vehicle for renovations and new construction has been through the State's Parkland Acquisition and Renovation for Communities (formerly the Urban Self-Help Program). That program, which does require a match, has provided a funding base that has greatly accelerated improvements to the overall park system. Initiatives by the Massachusetts Historic Commission and the Department of Environmental Management for the preservation of historic landscapes have also offered opportunities to accomplish improvements to local historic spaces. Most recently, private donations have also enabled the City to address its desire to expand open space resources. Those projects include the establishment of the Chelsea Commons Park and addition of a Mill Creek walkway.

Despite longstanding and successful efforts, the City may still be underserved by open space. In recognizing the constraints of finding new open space options in a community which was fully built out generations ago, the City has looked at other ways of maximizing open space availability. Initiatives have resulted in the construction of an artificial turf field at the Chelsea Memorial Stadium, the construction of a new tot lot on a former brownfield and a new park on a former State-owned site, the renovation of two Chelsea Housing Authority tot lots, and the prioritization of a Community Schools Program within the Williams School. Regarding the artificial field, the stadium's use has expanded by 17-times, from an estimated 250 hours per year to 4,400 hours per year. The Community Schools Program coordinates nearly 200 classes and activities that are utilized by more than 1,800 program participants.

To support additional planning and programming support, the City has updated its five-year Open Space Plan. The new plan identifies and prioritizes action items for implementation, and makes the City eligible to apply for grants through 2013. Among the priorities included in the Open Space Plan or otherwise on the City's agenda are the construction of a second artificial turf field, that one at Highland Park; the creation of a new neighborhood park to support the Box District, and the development of recreational opportunities on the CSX rail right-of-way. The City also hopes that the eventual development of Forbes Park will extend waterfront recreational opportunities there, as well as the potential creation of a community "flex-space" on the Chelsea River, where asphalt holding tanks currently stand.

In addition to promoting parks and other open spaces, pleasant streetscapes enhance the livability and appearance of local neighborhoods. The City's look and feel can be enlivened dramatically by attention to streetscapes and street trees. As is indicated in the City's Open Space Plan update, providing sidewalk and street tree amenities to roadway projects will continue to be a priority, as will a stand-alone program for street trees.

Challenges FY 2011-2015

Any discussion of investment challenges must include a concern about the future availability of funding. If not for the State's PARC program and its predecessors, the City's ability to carry out the substantial improvements on its own would be greatly curtailed. Given the budgetary issues plaguing the State, as well as the greater needs of other communities to similarly pursue this same grant source, it could be possible that the City's future needs may not be met by the current funding practice. Thus, some consideration of alternatives must be recognized, although the City's own budgetary issues may preclude greater future contributions as well.

Financing aside, the constraints on the City's open space and recreational resources and the limitations that the City faces in developing new parkland mean that the City must continue to make every effort to maintain and rehabilitate existing facilities in order to optimize their use. Additionally, the City must continue to seek traditional and non-traditional ways of expanding that resource, from tapping new development to create new parks to looking at shared uses of existing space to maximize recreational opportunity. Regarding the latter, for example, the City is currently reviewing the potential to utilize existing parking lots for off-hour conversions to active recreation areas and examining underutilized land under bridges for other potential open space uses. The placement of artificial fields where natural turf is tough to maintain and therefore provided a poor playing surface is another example of the City consciously trying to better manage what resources that currently exist.

Competing uses for limited redevelopment opportunities also present challenges. New development has been prioritized in the City because of its ability to expand the local tax base and to provide the financial resources to undertake so much more, including an open space plan. While open space has a beneficially impact on development, limited land and the high cost of development often render meaningful open space enhancements as a secondary concern. However, the successful Chelsea Commons project may provide a pathway to future balancing of development versus open space.

Advocacy for open space is at an all-time high in the city. That success can be attributed to local stakeholders, both individuals and organizations, prioritizing the cause of open space. It, too, has at its root the City's willingness and eagerness to be engaged in the advocacy. The City's efforts at building lines of communication to anticipate the recreational needs of local residents through more interactive planning processes that incorporate underrepresented groups has resulted in the establishment of constituencies to care for local parks and has improved the City's ability to compete for grants. The City must continue to foster this communication and to build upon it in order to involve more residents and businesses in the process. Building bridges between recreational programs in the public park system, and those offered through local non-profits and the after-school program will continue to bring age appropriate activities to everyone in the community.

In the end, open space achievement can be an essential part of a vibrant and healthy community. The City will continue to refine open space priorities, and set new goals to realize that vision for a quality open space system to serve all the city's residents.

Goals FY 2011-2015

The City's park and open space planning must:

- ◆ Identify existing needs, both in terms of the condition and potential renovation of existing facilities and determining how underserved neighborhoods or activities could be accommodated through the construction of improved or new spaces;
- ◆ Provide for maximizing use of existing facilities, and
- ◆ Include underrepresented groups in the process.

Parks and open space must be maximized to:

- ◆ Provide active and passive recreational opportunities suited to the city's urban population;
- ◆ Resolve conflicts among those competing to use open space that is available;

- ◆ Take advantage of local environmental, historic and scenic resources, and
- ◆ Integrate the open space system into the city fabric to help link neighborhoods, provide buffers against incompatible uses and add value to surrounding properties.

The City’s recreation facilities need to be assessed and updated:

- To monitor the condition of existing facilities;
- To meet code requirements, and
- To address changes in recreation demand.

Programs FY 2011-2015

The programs included in the Open Space Program area allow the City to better maintain its existing open space while also providing the resources to increase recreational opportunities on other parcels in the city. The programs also provide for the enhancement of the city’s streetscape features through landscaping and other methods. It is anticipated that specific programs will include:

- ◆ Continuing to implement a Five Year Action Plan to guide development of the park system;
- ◆ Continuing to implement a Comprehensive Maintenance Program for all City open space and recreation facilities, coordinated with the school playground and playfield facilities;
- ◆ Renovating community parks and open space to improve recreation opportunities and enhance the quality of life for the city’s residents, and
- ◆ Install street trees and other features to enhance the city’s streetscape and to provide amenities for pedestrians.

Projects FY 2011-2015

Now that the Open Space and Recreational Plan has been developed, the City will endeavor to utilize the Open Space Program area within the CIP and other opportunities to focus on making the following types of enhancements over the next five years:

- ◆ Complete the development of a waterfront park on City-owned land on Island End River;
- ◆ Install an artificial turf field and make other improvements at Highland Park;
- ◆ Purchase and install street trees to improve neighborhood streets and City parks;
- ◆ Finalize improvements to the Little League fields to include a concession stand with bathroom;
- ◆ Create the community “flex” space on Marginal Street along the Chelsea River;
- ◆ Plan, apply for funding and construct a new park in the Box District;
- ◆ Extend efforts to secure the existing CRX right-of-way to expand public access;
- ◆ Study the potential of creating a dog park in the city and implement a plan to do so if viable;
- ◆ Consider improvements to “hardscaped” public areas, like Bellingham and Chelsea Squares;
- ◆ Envision new waterfront open space, including expanded walkways, following the completion of the Chelsea Street Bridge Project;
- ◆ Undertake maintenance activities in existing parks;
- ◆ Review options and determine an approach for creating a skate board park in the city, and
- ◆ Search for additional opportunities to expand open space when uses on existing parcels change.

FY’11 Projects

In recent years, the CIP has supported an extensive system of improvements to the City’s open space system, and resulted in the complete overhaul and modest additions to the system, including the:

- ◆ Renovation of Quigley Park, Polonia Park, Highland Park, Bossom Park, Voke Park, Dever Park, and Cipiella Park;

- ◆ Expansion of the park system with new parks at Bellingham Hill Park, Eden Park, Kayem Park, and the Mace Tot Lot;
- ◆ Installation of a pedestrian walkway at the Highland Street slope;
- ◆ Reconstruction of the tot lots at the Chelsea Housing Authority's Innes and Fitzpatrick Developments;
- ◆ Construction of an artificial turf field at Chelsea Stadium, in cooperation with and through funding support of Metro Lacrosse and the National Football League;
- ◆ Completion of an historic building and site inventory, which includes residential and industrial/commercial structures;
- ◆ Renovation of Winnisimmet Square and the historic fountain;
- ◆ Completion of the first phase of the Garden Cemetery Preservation Plan detailing the placement and names of the burial markers;
- ◆ Planting of new street trees and installation of other streetscape improvements, and
- ◆ Implementation of the Open Space Plan 2003-2008 Update.

Open Space highlights of 2009-10 include:

- ◆ The addition of two new open spaces resulting from the redevelopment of the former Parkway Plaza site and the permitting of a new development at the former American Finish and Chemical Company facility at 1012 Broadway. The Creek Walk follows the contours of the Mill Creek with connections to several residential streets. A planned connection of the Creek Walk to Broadway will occur when the stalled development of 1012 Broadway gets underway. This past year, Chelsea Commons Park, a one-acre public park adjoining the Creek Walk, was completed through the collaboration of Corcoran Development, the City, the State, the Chelsea Greenspace and Recreation Committee and numerous funders, including the Smith Family Foundation. Together, these new open spaces provide another connection to the city's once access-restricted waterfront;
- ◆ The developer of a market-rate condominium project on Admiral's Hill constructed a boardwalk along the banks of the Island End River, extending the walkway along that river by approximately a quarter-mile and connecting the walkway to a City-owned parcel which will feature the Island End Park, once construction being funded through State and City funds concludes in the spring of 2010;
- ◆ Planning was advanced for numerous parks projects, including the rehabilitation of Highland Park, the establishment of the community "flex" space on the Chelsea River, a new park in the Box District and public access to the CSX railroad right-of-way, and
- ◆ The Open Space Plan was updated and adopted for use from 2010 through 2014.

In FY'11 the City will strive to:

- ◆ Implement the five-year Open Space and Recreation Plan;
- ◆ Complete the development of a waterfront park on City-owned land on Island End River;
- ◆ Install an artificial turf field and make other improvements at Highland Park;
- ◆ Purchase and install street trees to improve neighborhood streets and City parks;
- ◆ Finalize improvements to the Little League fields to include a concession stand with bathroom;
- ◆ Approve the design of the community "flex" space on Marginal Street along the Chelsea River;
- ◆ Plan and apply for funding to construct a new park in the Box District;
- ◆ Extend efforts to secure the existing CRX right-of-way to expand public access;
- ◆ Study the potential of creating a dog park in the city and implement a plan to do so if viable;
- ◆ Consider improvements to "hardscaped" public areas, like Bellingham and Chelsea Squares;
- ◆ Undertake maintenance activities in existing parks;
- ◆ Review options and determine an approach for creating a skate board park in the city, and
- ◆ Search for additional opportunities to expand open space when uses on existing parcels change.

NORTH BELLINGHAM HILL NEIGHBORHOOD PLAYGROUND- PHASE 1

John DePriest, Director
Planning
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JDePriest@chelseama.gov

Description

Acquisition of site and partial build-out of a playground area.

Justification

High incidence of need for play area for children in this densely developed residential area.

Impact

Create accessible and safe, off-street play area in this expanding and active residential neighborhood.



General Fund

Operating Budget	0.00
Free Cash Appropriation	0.00
General Obligation Bonds	0.00

Grants

Chapter 90	0.00
Other Grants	488,000.00

Enterprise Funds

Water Fund

MWRA Grants	0.00
MWRA Loans	0.00
Water Bonds	0.00

Sewer Fund

MWRA Loan	0.00
Sewer Bonds	0.00

Total Project Funding 488,000.00



PUBLIC BUILDINGS AND FACILITIES

Overview FY 2011-2015

The City's public buildings and facilities play an essential role in the delivery of municipal services and act as physical symbols of the community at large. After years of neglect, the City has performed many critical improvements over the past several years. Those improvements enhance the City's service delivery capability, and aid in avoiding costly and, perhaps, emergency work on buildings in the future. The City's intention has been to be thoughtful and effective in promoting a program which considers life-cycle maintenance and repair of City buildings, much the way life-cycle maintenance and replacement of vehicles currently takes place.

The CIP process has begun to address deferred maintenance on many of the oldest municipal buildings. In fact, the City's municipal service buildings, public safety buildings and maintenance facilities are in a state of transition, with continued capital improvements to improve and facilitate future service delivery and, maybe as important, bring a new sense of pride to the city. A substantial investment was made to improve the physical plant of the entire school system more than a decade ago. Adequately funding ongoing maintenance projects in the schools will protect that investment for future generations.

A significant project that was identified in previous CIPs and has been funded through a variety of local sources is also the recipient of Federal stimulus money. Thus, the complete rehabilitation of Engine 3 (the Mill Hill Fire Station on Broadway) will begin in 2010 and be completed in 2011. That project continues to methodical update of all the City's public safety buildings, leaving only Engine 1 (the Public Safety Building in Prattville) as the only facility that has not seen a complete renovation over the past fifteen years.

Challenges FY 2011-2015

Establishing a planned schedule of maintenance and repair is critical so that the existing and new and/or renovated buildings coming on-line receive the required investments. In those buildings that will not be replaced, critical renovations and regular updating must take place without disrupting the services being provided in the facilities. Whether new or renovated, the City's buildings must add to the functionality of the areas in which they are located, and must be equipped to provide the most advanced services and access.

Repairing aging buildings is expensive. In some cases, deferred maintenance makes those repairs even more costly, not to mention the jeopardy that workers and the public can face in the worst of cases. If a building must be maintained, deferred maintenance cannot be the standard by which a properly functioning municipality operates. However, repair costs to public buildings are not always as valued by the public as are other, competing projects, like sidewalk improvements. The City must balance expectations with prudence.

Over the next five years, several important questions will need to be answered relative to aging buildings, like: should the City Yard and the Clark Avenue School each be repaired or replaced? Deferred maintenance on each of those facilities could cost millions in future capital spending. Again, balancing the debt service on those projects so as to not require the suspension of roadway improvements or the failure of the budget, for instance, will be critically important.

Goals FY 2011-2015

The goal of the Public Buildings and Facilities program area is to restore and preserve the value and reliability of City buildings while enhancing each facility's contribution to municipal service delivery by:

- ◆ Investing in capital improvements;

- ◆ Promoting efficiencies in operation;
- ◆ Increasing building longevity;
- ◆ Eliminating building barriers;
- ◆ Updating facilities with new technology;
- ◆ Improving the quality of service areas, and
- ◆ Creating safe working environments.

Programs FY 2011-2015

The following points will guide the capital initiatives in the Public Buildings and Facilities program areas over the next five years:

- ◆ Assessing municipal service demand to prioritize restoration of existing facilities and expansion to new facilities, where necessary and fiscally prudent in order to meet the needs of users and the general public;
- ◆ Conducting ongoing investigations into the City's computer, telecommunication and building management support systems to enhance operations and interactivity;
- ◆ Managing a program of major improvements to promote energy conservation, and
- ◆ Completing removals of access barriers from municipal buildings.

As such, the five year plan envisions:

- ◆ Updating existing municipal service and administrative buildings based on the facility improvement plan;
- ◆ Repairing and renovating public safety buildings;
- ◆ Improving maintenance facilities, and
- ◆ Continuing ADA renovations to ensure compliance and access to public buildings.

Projects FY 2011-2015

The five-year investment plan calls for a master plan for renovation for each of the public buildings and facilities. Specific buildings and facilities are in need of the following work (although not all of the work will be accomplished over the next five years because of funding limitations):

- ◆ City Hall – renovation of the cafeteria/causal conference room, installation of acoustical ceilings in the lower level, installation of a master key system, replacement of all exterior doors, repairing skylights and the replacement of carpets in four rooms per year. The most expensive project in this category is the replacement of windows to more energy efficient windows. Roof guards to prevent snow from falling off of the roofs has been prioritized as falling snow has damaged vehicles and creates a potential hazard to those entering or leaving the building.
- ◆ Emergency Operations Center – replacing the HVAC system, improving the fire protection system and replacing windows.
- ◆ Senior Center – replacing carpets, painting the interior and replacing the condensers on the roof top utilized for building cooling.
- ◆ Library – painting the interior, replacing the rotunda and installing an air conditioning system. Like City Hall, the Library is in need of energy efficient windows, which represents a major expense for that building.
- ◆ Engine 1 (Public Safety Building in Prattville) – replacing the boiler and overhead door, installing a fire protection system and upgrading the emergency generator.
- ◆ Engine 2 (Central Fire Station) – replacing overhead doors.
- ◆ Engine 3 (Mill Hill Fire Station on Broadway) – complete renovation.
- ◆ Police Station – replace carpeting.

FY'11 Projects

Public Buildings and Facilities improvements will continue during FY'11. The City's experience over the past eight years has contributed to a reevaluation of the planning approach for building improvements, particularly in light of complex and expensive repairs required for City Hall, the Library, Fire Buildings and the Police Station. These repairs and renovations encompass the full spectrum of design and technology, from historic preservation to sophisticated building systems. Especially noteworthy are terra cotta renovations completed on the exterior of City Hall during 2009, in advance of the 100 year anniversary of the building, to be observed during 2010.

A comprehensive feasibility study was commissioned by the City in 1999 regarding the existing fire station facilities. Following completion of the feasibility study, local officials reviewed the findings and recommendations contained within the study and determined there was a need to renovate the existing fire stations. Based on the information contained in the study, the City determined Central Fire Station (Engine 2) would be the first facility to undergo renovation followed by the Engine 3 Fire Station.

Central has been completed and design work is underway to perform a complete renovation of Engine 3. The cost of that work will be approximately \$1.8m, \$1.5m of which has been secured through a Federal stimulus grant. The station was constructed in 1887. Over the years upgrades and repairs have been completed and the apparatus bay floors have been stabilized as the weight of apparatus has increased. No major restoration has been completed at Engine #3 in over thirty years.

There are a number of challenges renovating a building of that size on such a restricted site. Those challenges include addressing code issues related to life and safety, egress and quality of life while trying to accommodate the basic needs of the department as it must operate today.

Elsewhere, FY'11 projects include:

- ◆ Replacing skylights in City Hall, thereby better sealing the building from the elements, especially water;
- ◆ Replacing the rotunda at the Library, also creating a better seal for that building, and
- ◆ Installing a roof guard system on the City Hall roof to prevent snow from falling on vehicles and people under it.

Regarding the latter project, several vehicles have incurred damage, one substantial, from an avalanche-like drop of accumulated snow from the roof above. While protecting the property of City Hall users is important, protecting the health and safety of those who enter and exit the building is even more important. Fortunately, no incident has occurred yet, so the upcoming summer provides an excellent opportunity to fix the situation before the next snow fall.

CITY HALL SKYLIGHT REPLACEMENT

Joan Lanzillo, Supt. Of
Buildings & Facilities
500 Broadway
Chelsea, MA 02150
(617) 466-4204
JLanzillo@chelseama.gov

Description

Replace six skylights in the wings in City Hall with pre-engineered, insulated skylight systems.



Justification

The skylights are original to the building. Many of the lites of glass are cracked. The composition is no longer code compliant. The caulking is old, dry and brittle and is falling out, allowing water to leak into the offices where they are located.

Impact

Replacement is essential to prevent water damage to interior finishes. Replacement will improve insulation properties and minimize significant energy loss.

General Fund

Operating Budget	0.00
Free Cash Appropriation	0.00
General Obligation Bonds	133,200.00

Grants

Chapter 90	0.00
Other Grants	0.00

Enterprise Funds

Water Fund

MWRA Grants	0.00
MWRA Loans	0.00
Water Bonds	0.00

Sewer Fund

MWRA Loan	0.00
Sewer Bonds	0.00

Total Project Funding 133,200.00



PUBLIC LIBRARY ROTUNDA REPLACEMENT

Joan Lanzillo, Supt. Of
Buildings & Facilities
500 Broadway
Chelsea, MA 02150
(617) 466-4204
JLanzillo@chelseama.gov

Description

Replacement of rotunda with pre-engineered, insulated system.

Justification

The rotunda is original to the building. Many of the lites of glass are cracked. The composition is no longer code compliant. They are single glazed and allow considerable heat loss.



Impact

Replacement will prevent moisture infiltrating the building and damaging the interior. Insulation will minimize tremendous heat loss costing significant dollars each year in energy costs.

General Fund

Operating Budget	0.00
Free Cash Appropriation	0.00
General Obligation Bonds	220,000.00

Grants

Chapter 90	0.00
Other Grants	0.00

Enterprise Funds

Water Fund

MWRA Grants	0.00
MWRA Loans	0.00
Water Bonds	0.00

Sewer Fund

MWRA Loan	0.00
Sewer Bonds	0.00

Total Project Funding 220,000.00



CITY HALL ROOF SNOW GUARD INSTALLATION

Joan Lanzillo, Supt. Of
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500 Broadway
Chelsea, MA 02150
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Description

Installation of snow guard devices on the roof of city hall along the parking areas and entrances.

Justification

Several vehicles have been damaged by falling ice. Potential threat to passersby.

Impact

Decrease in liability claims.



General Fund

Operating Budget	0.00
Free Cash Appropriation	0.00
General Obligation Bonds	50,000.00

Grants

Chapter 90	0.00
Other Grants	0.00

Enterprise Funds

Water Fund

MWRA Grants	0.00
MWRA Loans	0.00
Water Bonds	0.00

Sewer Fund

MWRA Loan	0.00
Sewer Bonds	0.00

Total Project Funding 50,000.00



PUBLIC SAFETY

Overview FY 2011-2015

Perceptions about safety are as important as actual crime statistics. Local residents and visitors often judge their sense of personal safety by factors that have little to do with victimization rates or arrest statistics. The City must confront the challenges of perceptions and realities of public safety and deal with the myriad of factors that can affect personal safety and quality of life.

Over the past few years, infrastructure supporting the Police and Fire Departments has led to an enhancement of the already responsive public safety services. The addition of new officers, commitment to neighborhood-based problem-solving partnerships, the rehabilitation of the Police Station and the acquisition of new technologies have dramatically changed the manner in which the Chelsea Police Department operates. The Fire Department has seen a substantial upgrade of its infrastructure, both buildings and equipment. The introduction of a full-time Emergency Management Director and the establishment of an Emergency Operations Center and Mobile Command Unit have similarly led to substantial gains in emergency communications.

Continued public safety improvements are an essential element of the local revitalization strategy. In order to retain current and attract new residential and commercial investment, the City must continue to enhance Police, Fire and Emergency Management services.

Challenges FY 2011-2015

Public safety serves the city twenty-four hours a day, seven days a week. Police, Fire and Emergency Management personnel provide the most essential services of the City; protecting the lives and property of the city's residents and businesses.

While protection is the primary goal, public safety agencies are also being asked to act as agents of change to improve the quality of life in each of the city's neighborhoods. As such, public safety officials must have the resources to develop and implement new procedures while maintaining their traditional roles. To accomplish all that is asked, the City must provide public safety officials with access and training to the newest of technologies in the most up-to-date facilities in order to maximize their resources, strengthen their capabilities and enhance their effectiveness.

While rolling stock is "affordable" for the Police Department, fire engines and tower trucks are quite expensive, by comparison. A tower truck, for example, costs about \$1,000,000. The City knows that because a tower truck, and a new pumper, have been provided for outside of the CIP process by a City Council vote in 2009. That \$1.4 million commitment represents both the extent to which the City is committed to maintaining and enhancing its infrastructure and the most substantial challenge to doing so; that being the costs involved. Given the limited amount of funding available to support the wide range of capital needs that exist, such a large expenditure makes the process of updating infrastructure quite difficult. Yet, the alternative, allowing infrastructure to fail, is not the answer, especially at a time of emergency.

In the current municipal finance climate, all expenditures, small and large, must be measured against such factors as affordability and impact on other necessary expenditures. After several years of expanded CIPs that substantially benefitted public safety, and with major financial commitments to the rehabilitation of the Mill Hill Fire Station and the acquisition of two new pieces of apparatus, the FY'11 appropriation in this program area is being substantially reduced to help balance the City's more urgent need; that being the achievement of budget stability.

Goals FY 2011-2015

The maintenance of a safe and secure climate within the city is a core responsibility of City government and vital to the local revitalization effort. Capital improvements will help to ensure the safety and well being of the city's residents, visitors and workers through efforts designed to reduce fear, increase safety levels and respond to any public safety emergency. In addition to addressing staffing levels during difficult budgeting times, the City must find the resources to:

- ◆ Invest in the acquisition of technological improvements that increase the City's ability to provide reliable and capable police and fire services;
- ◆ Enhance public safety communication facilities to assure accurate and dependable information transmission;
- ◆ Upgrade the physical plants of all public safety agencies, and
- ◆ Provide thorough training so that personnel are equipped to meet ever-increasing challenges.

Programs FY 2011-2015

The City seeks to provide local public safety officials with the necessary resources to successfully carry out their duties. Those resources include reliable vehicles, enhanced technology and functioning buildings. Future projects are guided by the ability of the leadership of the various departments to identify needs, plan for their acquisition and then get the most out of their use. The City is confident in the ability of its respective parties to be able to accomplish each of those steps, but also believes in utilizing consultants or other agents of technical assistance to augment the City's work. It can be expected during the program period that the maintenance plans for the various fleets and facilities will be updated and acted upon, and that technological options will continued to be explored for the effective use of that technology in local public safety efforts. That technology will include the continue review and expansion of the City's network of surveillance cameras.

Projects FY 2011-2015

Investment in the Public Safety Program area will focus on the following areas over the next five- year period:

- ◆ Upgrade the Fire Stations and Public Safety building systems to modernize the facilities and improve operations;
- ◆ Undertake technological improvements to link the City's public safety and administrative functions, and
- ◆ Acquire apparatus and equipment to replace aging vehicles and other equipment, while providing sufficient back-up capacity should the need arise.

FY'11 Projects

The Public Safety Program area is designed to expand the responsiveness and effectiveness of the City's public safety departments. Fortunately, equipment servicing public safety officers is in relatively good shape or getting better with planned acquisitions. Considering that and the City's desire to reduce overall spending in FY'11, the City will commit to only one additional project in FY'11, understanding that more than \$3m is being spent during FY'11 on improving Fire facilities and acquiring apparatus.

In FY'11, Public Safety will:

- ◆ Acquire a new fingerprint scanner.

FINGERPRINT SCANNER

Chief Brian Kyes
19 Park St.
Chelsea, MA 02150
(617) 466-4810
BKyes@chelseama.gov

Description

Identix TP-3100-ED-500ppi
Fingerprint scanner.

Justification

To be used to replace existing obsolete scanner. Current system is over 11 years old. It is no longer supported by the manufacturer. No parts exist for repair or replacement



Impact

Replacement will assure compliance with state and federal regulations.

General Fund		Enterprise Funds	
Operating Budget	10,000.00	Water Fund	
Free Cash Appropriation	0.00	MWRA Grants	0.00
General Obligation Bonds	0.00	MWRA Loans	0.00
Grants		Water Bonds	0.00
Chapter 90	0.00	Sewer Fund	
Other Grants	0.00	MWRA Loan	0.00
		Sewer Bonds	0.00
		Total Project Funding	10,000.00



SURFACE ENHANCEMENTS

Overview FY 2011-2015

Local roadways are subject to high levels of vehicular traffic due to the city's close proximity to the city of Boston and regional transportation facilities for the movement of people and materials. A significant portion of local vehicular traffic is due to traffic originating outside of the city. The City regularly receives a modest amount of funding through a State program for roadway improvements and a second program to support general infrastructure improvements in the city. Unfortunately, the needs of infrastructure in this program area are far in excess of that which is typically derived from those programs, often leaving a large percentage of the funding burden on the City.

Adding to the maintenance burden is the area's climate. Multiple freeze-thaw cycles in the winter adversely impact the longevity of paved surfaces in the city. The measure of the need for citywide roadway resurfacing and reconstruction is the poor ride quality of the deteriorated roadway pavements on several streets. While much has been accomplished in the last few years, much more needs to be done.

Challenges FY 2011-2015

It is desirable to rebuild all the streets in the city through full depth reconstruction. However, funds of the magnitude that would be needed to accomplish this in the short-term clearly are not available. In the face of deteriorated conditions and high costs, two kinds of roadway improvements must be relied upon. The first is to continue commonly accepted methods of roadway rehabilitation to as many roadways as possible with priorities based upon the ranking of individual street conditions as measured by field surveys conducted by the staff of DPW. The second is to undertake full-depth reconstruction in conjunction with water, sewer, drainage and other public projects.

Among the most difficult aspects of roadway improvements is scheduling and prioritizing work. In determining targets for work, the City considers existing roadway conditions as well as plans for other infrastructure projects. The intent is to target surface improvements for roadways that have ride quality ratings of "deficient" or "intolerable" (provided no infrastructure work is planned over the next five years), and to minimize disturbance of the pavement after resurfacing by coordinating with water, sewer, drain and other public works improvements.

The City has implemented a pavement management system. The pavement management system combines condition assessments, asset valuation, analysis of maintenance strategies, multi-year budgeting, queries and reporting in one application.

Additionally, the City must expeditiously meet full compliance with Americans with Disabilities Act (ADA).

A final challenge worth noting is the competition that exists for State and Federal funding, especially stimulus money. The City had submitted several potential roadway projects but was unable to secure funding for those projects in large part because design work was not in an advanced stage. Unfortunately, the combination of bad timing and the City's priority in the past to only design work that was immediately prepared to be bid may have worked against the City in qualifying for stimulus money for roadway projects (the City did qualify for stimulus money for fire station rehabilitations and energy programming). The City is considering whether additional stimulus funding or funding from other sources may exist in the future and, if so, what should the City do to be more competitive for that funding.

Goals FY 2011-2015

The City seeks to continue the reversal of decades of neglect of the City's roadway and sidewalk network by:

- ◆ Resurfacing or reconstructing all streets with pavement ride quality conditions of "deficient" or "intolerable" as soon as practically possible;
- ◆ Improving the image of the city by providing roadway surfaces without potholes, dips, ripples or other defects;
- ◆ Reducing costs associated with roadway maintenance in the operating budget, thereby providing more funding to address other service needs;
- ◆ Replacing, repairing or installing sidewalks where needed;
- ◆ Significantly reducing the financial impact of property damage losses from claims against the City resulting from deficient roads and sidewalks;
- ◆ Increasing property values and the desirability of the city's neighborhoods and business districts, and
- ◆ Fulfilling compliance with ADA.

Programs FY 2011-2015

Identifying and coordinating work with the water, sewer, and drainage categories as well as with other City and public agencies will allow for the:

- ◆ Combining of individual infrastructure projects in whole street and area bundles, so that water, sewer, drain and roadway improvements can be performed as one project in combination with work on adjacent streets, and
- ◆ Continued push towards ADA compliance.

In addition, the City is considering an accelerated design of some roadway projects to improve the likelihood that those projects might qualify for State or Federal grant funding.

Projects FY 2011-2015

In various locations, targeted work will include:

- ◆ Hot-in-place recycling and micropaving of roadway wearing surface;
- ◆ Surface milling and overlaying paving of roadway wearing surface;
- ◆ Pulverization of existing roadway bituminous pavement cross-section into base material and laying of new binder and wearing courses;
- ◆ Full depth reconstruction and repaving of roadway and sidewalk pavements, and
- ◆ Installation of sidewalk handicapped access ramps.

FY'11 Projects

Capital improvements to the City's roadway, sidewalk and streetscape system are primarily related to an integrated approach to all surface and subsurface infrastructure improvements. Roadway improvements programmed into this CIP are, in part, tied to the underlying water and sewer construction improvements. Similarly, street and sidewalk improvements are tied, in part, to support related development and to undertake general neighborhood improvements.

FY' 11 funding will focus on:

- ◆ Replacing the pavement on County Road and adjacent streets, this following the City's decision to make emergency repairs to faulty water lines in the area in 2009;
- ◆ Replacing a badly deteriorated driving surface at the end of Marlboro Street, which is also supportive of City efforts with Chelsea Neighborhood Developers to promote the quality of that neighborhood through housing and infrastructure investment;
- ◆ Repave Chester Avenue following utility work there;

- ◆ Repave a portion of Spencer Avenue, again to support a project the City is undertaking there with CND, and
- ◆ Install traffic calming infrastructure on Grove Street, a pilot program envisioned with CND to support that neighborhood.

CHESTER AVENUE

Joseph Foti, Director DPW
 500 Broadway
 Chelsea, MA 02150
 (617) 466-4200
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Description

This reconstruction phase 2 project will replace the roadway and sidewalk from Shawmut Street to Highland Street.



Justification

This work is done in conjunction with the replacement of water and sewer mains. The roadway and sidewalk in this area is in very poor condition.

Impact

This project will decrease maintenance costs.

General Fund		Enterprise Funds	
Operating Budget	0.00	Water Fund	
Free Cash Appropriation	0.00	MWRA Grants	0.00
General Obligation Bonds	0.00	MWRA Loans	0.00
Grants		Water Bonds	0.00
Chapter 90	250,000.00	Sewer Fund	
Other Grants	0.00	MWRA Loan	0.00
		Sewer Bonds	0.00
		Total Project Funding	250,000.00



COUNTY ROAD, REYNOLDS AVENUE AND BASSET STREET.

Joseph Foti, Director DPW
 500 Broadway
 Chelsea, MA 02150
 (617) 466-4200
JFoti@chelseama.gov

Description

Modify wheel chair ramps and replace roadway surface.

Justification

This work is an essential follow-up to emergency water main replacement.



Impact

These projects will reduce the city's liability and maintenance costs.

General Fund		Enterprise Funds	
Operating Budget	0.00	Water Fund	
Free Cash Appropriation	0.00	MWRA Grants	0.00
General Obligation Bonds	0.00	MWRA Loans	0.00
Grants		Water Bonds	0.00
Chapter 90	100,000.00	Sewer Fund	
Other Grants	0.00	MWRA Loan	0.00
		Sewer Bonds	0.00
		Total Project Funding	100,000.00



GROVE STREET TRAFFIC CALMING PILOT PROJECT

John DePriest, Director
 Planning
 500 Broadway
 Chelsea, MA 02150
 (617) 466-4180
JDePriest@chelseama.gov

Description

Physical and visual modifications to the roadway in order to reduce vehicle speed and generally control traffic.

Justification

Significant number of complaints warrants a city-wide examination of best-practices in traffic management and pilot project in congested family neighborhood..

Impact

Menu of traffic calming items to control and address neighborhood traffic issues.



General Fund

Operating Budget	0.00
Free Cash Appropriation	0.00
General Obligation Bonds	0.00

Grants

Chapter 90	0.00
Other Grants	180,000.00

Enterprise Funds

Water Fund

MWRA Grants	0.00
MWRA Loans	0.00
Water Bonds	0.00

Sewer Fund

MWRA Loan	0.00
Sewer Bonds	0.00

Total Project Funding 180,000.00



MARLBOROUGH STREET

Joseph Foti, Director DPW
 500 Broadway
 Chelsea, MA 02150
 (617) 466-4200
JFoti@chelseama.gov

Description

Replace sidewalk and roadway from Highland Avenue to Grove Street.

Justification

Both sidewalk and roadway are well beyond their useful life span.

Impact

This project will decrease the city's liability and maintenance costs.



General Fund

Operating Budget	0.00
Free Cash Appropriation	0.00
General Obligation Bonds	0.00

Grants

Chapter 90	200,000.00
Other Grants	0.00

Enterprise Funds

Water Fund

MWRA Grants	0.00
MWRA Loans	0.00
Water Bonds	0.00

Sewer Fund

MWRA Loan	0.00
Sewer Bonds	0.00

Total Project Funding 200,000.00



SPENCER AVENUE

Joseph Foti, Director DPW
 500 Broadway
 Chelsea, MA 02150
 (617) 466-4200
JFoti@chelseama.gov

Description

Replace roadway surface from Webster Avenue.. to Stockton Street.

Justification

This project will improve pedestrian access and roadway ride quality.

Impact

This project will decrease the city's liability and maintenance costs.



General Fund

Operating Budget	0.00
Free Cash Appropriation	0.00
General Obligation Bonds	0.00

Grants

Chapter 90	160,000.00
Other Grants	0.00

Enterprise Funds

Water Fund

MWRA Grants	0.00
MWRA Loans	0.00
Water Bonds	0.00

Sewer Fund

MWRA Loan	0.00
Sewer Bonds	0.00

Total Project Funding 160,000.00



JOHN STREET

Joseph Foti, Director DPW
500 Broadway
Chelsea, MA 02150
(617) 466-4200
JFoti@chelseama.gov

Description

Replacement of 300 feet of sewer main.

Justification

The current brick sewer main is 130 years old and is collapsing.

Impact

This project will provide uninterrupted sewer service to residents.



General Fund

Operating Budget	0.00
Free Cash Appropriation	0.00
General Obligation Bonds	0.00

Grants

Chapter 90	0.00
Other Grants	0.00

Enterprise Funds

Water Fund

MWRA Grants	0.00
MWRA Loans	40,000.00
Water Bonds	0.00

Sewer Fund

MWRA Loan	0.00
Sewer Bonds	120,000.00

Total Project Funding 160,000.00



UTILITY ENHANCEMENTS

Overview FY 2011-2015

Fourteen years of investing in the City's water, sewer and drain infrastructure through these CIPs has resolved many longstanding system deficiencies. However, much more remains to be done. Like most, if not all older cities, the City faces continuing challenges because of its aging and previously poorly maintained infrastructure. The cost of repair for water, sewer and drain facilities is substantial and the results unseen. Improvements to the City's water distribution and sewer collection system continue to be made every year through the capital plan. In recent years, the City has made substantial progress in addressing a long list of capital improvement needs and priorities. Much of that work is paid for through ratepayer charges on water and sewer bills. Thus, although non-ratepayer funds may be limited, the City has been able to address its needs strategically and has been able to quickly move forward with projects as funding becomes available.

Water distribution system and sewer collection system improvements are driven primarily by extraordinary maintenance and repair costs for a given section, new State and Federal environmental rules, and accommodating growth in the city. Water system improvements are further driven by the mandate to provide the highest quality drinking water for the citizenry and the need to increase fire flows to certain areas. Sewer system improvements are also needed to enhance system flow performance.

The privatization of the operations of the water distribution and sewer collection system, and the programmed cleaning performed under that contract, have significantly improved the system by decreasing the frequency of sewer blockages.

Several sewer mains known to be in poor condition and in danger of completely collapsing have been reconstructed. A continuing program of access point installation, pipe cleaning and internal inspection in the sanitary combined and drain sewer systems improves current performance. It also alerts City personnel to potential trouble areas prior to a pipe collapse and provides a database for cost effective system improvements.

The City continues to reduce the number of storm sewers that are directly connected to the sanitary sewer system. These "clean water" flows contribute to the MWRA wholesale charges and add to sewer back-up problems. Separating storm water from sanitary flows is good for the environment and saves ratepayers money in the long run.

Challenges FY 2011-2015

The primary obstacle to upgrading sewer and water infrastructure is funding. The level of direct, dedicated sewer funding support previously available from Federal coffers through the Clean Water Act has been reduced to a trickle. Unfunded mandates from Federal and State programs have added to the burden. Some success has been achieved in getting the State and the MWRA to provide infrastructure improvement program funding. New programs have been created to support drinking water quality improvements. However, a large share of funding for this program area comes from ratepayer charges.

Within these realities, the City must strategically plan improvements in conjunction with other roadway and drainage infrastructure improvements; use varied sources of funds, including grants; actively lobby for legislation funding Federal and State mandates, and structure water and sewer rates to reflect both usage and capital charges.

Another means to support continued system-wide improvements that has recently been established is the levying of an impact fee upon new, major development. The City has consulted with State officials and has developed a program to assess such a fee to fund future water, sewer and drainage work that supports new developments and

existing system needs. New development, though, has slowed, and questions exist about whether the “new marketplace” will prevent such add-ons from causing otherwise viable projects to become unaffordable.

Goals FY 2011-2015

The utility system must prove to be reliable and capable of handling additional demands. Furthermore, water and sewer infrastructure work must be designed to reduce the amount of non-sanitary flows entering the wastewater collection system.

Specific goals for water and sewer projects include:

- ◆ Increasing hydrant flows to improve fire protection;
- ◆ Separating, where possible, combined sewers and decreasing stormwater flows to sanitary interceptors, thereby reducing the overall level of flow transported for treatment, and, thus, reducing costs to the City for disposal;
- ◆ Maintaining quality drinking water;
- ◆ Achieving compliance with USEPA lead maximum contaminant levels, and
- ◆ Reducing the amount of water leaks, which is harmful to the environment and costs all ratepayers, and cutting infiltration and inflow into the sanitary system, thereby decreasing the long-term cost of the entire systems.

Programs FY 2011-2015

Guiding the programs for implementation in the area of water and sewer are plans to:

- ◆ Systematically address the long overdue rehabilitation and repair of the water distribution and sewer collection systems;
- ◆ Combine individual infrastructure projects in bundles, performing water, sewer, drain and roadway improvements as integrated projects;
- ◆ Plan infrastructure improvements to enhance projects undertaken by Massachusetts Highway Department and MWRA;
- ◆ Complement MWRA Chelsea Trunk Relief Sewer and Chelsea Branch Sewer Projects, and
- ◆ Utilize as much grant funding as possible to reduce the cost burden on ratepayers.

Projects FY 2011-2015

The five-year investment plan in this program area will target the following areas:

- ◆ Water main replacements, cleaning and cement linings, as well as abandonment and transfer of water service at various locations throughout the city;
- ◆ Sewer line inspections, reconstruction and replacements, and repair and installation of manholes and catch basins at various locations throughout the city, and
- ◆ Drainage studies of the combined sewer tributary area to the combined sewer outfalls to reduce the frequency of flooding.

FY'11 Projects

The Public Works Department and the City’s engineering consultants collect information about the underground infrastructure from multiple sources including:

- ◆ CIP programmed sewer and water studies;
- ◆ Sewer and water main replacement contracts, and
- ◆ Reports and maps generated by the water and sewer operations management personnel employed by the private contractor providing water and sewer maintenance and operation.

This information is constantly being analyzed for a better understanding of how these systems function and what improvements are necessary to provide reliable, uninterrupted service, water fire flows and collection of waste and stormwaters. With each successive piece of new information, managers and technical personnel responsible for planning and implementing improvements are able to build their institutional knowledge. The ongoing review of this information establishes the projects submitted for the capital planning process.

Many critical needs have been addressed by projects completed, under construction or in design. Stand-alone water main and sewer main projects have corrected most of the worst known deficiencies. Several projects originally thought to be limited in scope have been expanded. This is due to new information about how subsystems of the water distribution and sewer collection systems work; alone and in conjunction with each other. The originally scheduled projects become more cost effective to implement when they are chronologically planned within the scheme of larger subsystem-wide improvement projects.

This approach when utilized for sewer and drain projects not only enables the City to correct ongoing problems, such as flooding, but also provides the added benefit of sanitary and storms sewer separation. Additional economies of scale are also realized when water main replacements occur simultaneously with the sewer and drain projects. The below-ground infrastructure projects are then followed by full roadway and sidewalk replacement.

FY' 11 projects are based upon several sources of information. The 1996 Water Distribution Evaluation Study is the most comprehensive. It set out a two-phased program of water improvements, with the goal that the deficiencies in the system should be addressed within 20 years in order to provide the desired quantity and quality of water service. Phase A identified projects to eliminate or reduce deficiencies including: fire flow, transmission mains, unlined parallel mains, water quality fluctuations and dead-end mains. Phase B recommendations call for the replacement of all remaining unlined cast-iron pipe with cement lined ductile iron water mains primarily in the neighborhoods.

In FY' 11, the City will continue with its multi-year program to replace existing lead water services with copper. This work is performed in conjunction with water, sewer, drain and roadway work.

The City's information collection on the sewer system will proceed in a multi-year phased program of investigation, funded in part by the MWRA's Inflow and Infiltration 45% grant, 55% loan program. This program focuses on the portion of the sewer system that is wholly or partially separated from the stormwater drainage system and seeks to minimize non-sanitary flows into the dedicated sanitary sewer lines (Sewer Inflow and Infiltration Project).

The City has made a multi-year commitment to removing the sources of inflow and infiltration into the City sanitary collection system in the tributary area of Chelsea Combined Sewer Overflow CHE-008 on Chelsea Creek. The City's goal is to minimize storm water flows through the sanitary sewer to reduce overflows into the Creek and Harbor and sewerage costs to residents.

The City has compiled preliminary data on the construction of the stormwater and sanitary sewer system (separated and combined). This assessment has formed the City's actions in correcting known failures in the sewer pipe system and predicting where new failures are more likely to occur. Failures most commonly occur in the parts of the sewer system line constructed from brick or un-reinforced cement concrete.

Improvements to the drainage system will result in two distinct benefits. First, the separation of stormwater drainage from the sanitary sewer system will reduce flows in the sanitation sewer system, and also reduce or eliminate associated backflow and flooding during high water run-off periods. Second, the improvements to the drainage system will reduce the frequency and depth of flooding in low-lying areas.

As a result of the above, FY' 11 Utility Enhancements will include:

- ◆ Replacement of a sewer line on John Street, thereby eliminating back-up potential into basements in the area;
- ◆ Completion of the County Road emergency water project with the completion of the Reynolds Avenue portion of the infrastructure, thereby completing the work necessary to assure the quality of the drinking supply to that neighborhood;
- ◆ Replacement of a leaching sewer line on Webster Avenue, thereby bringing the system into further conformance with DEP and EPA standards;
- ◆ Completing engineering plans for Washington Avenue utility replacement; which should make the project ready for submission for State funding assistance;
- ◆ Developing engineering plans for drainage on Lash Street to address localized flooding, and
- ◆ Implementing Year 2 of the Storm Water Management Plan.

LASH STREET

Joseph Foti, Director DPW
 500 Broadway
 Chelsea, MA 02150
 (617) 466-4200
JFoti@chelseama.gov

Description

Design of infrastructure improvements including investigation of drainage deficiencies; replacement of cast iron water main; reconstruction of roadway and sidewalk.



Justification

Lash Street has been subject to sewer and drain overflows consistently during the last fifteen years.

Impact

This work will curtail sanitary sewer overflow issues and eliminate need for emergency repair.

General Fund		Enterprise Funds	
Operating Budget	0.00	Water Fund	
Free Cash Appropriation	0.00	MWRA Grants	0.00
General Obligation Bonds	0.00	MWRA Loans	5,000.00
Grants		Water Bonds	0.00
Chapter 90	0.00	Sewer Fund	
Other Grants	0.00	MWRA Loan	0.00
		Sewer Bonds	85,000.00
		Total Project Funding	90,000.00



REYNOLDS AVENUE WATER MAIN ABANDONMENT

Joseph Foti, Director DPW
 500 Broadway
 Chelsea, MA 02150
 (617) 466-4200
JFoti@chelseama.gov

Description

Disconnection of 15 water services from 6" unlined cast iron water main and connection to existing 8" ductile iron water main.



Justification

Completion of water main work in this area addresses water quality issues. Six of the services are currently lead services.

Impact

Reduce water quality complaints and improve compliance with lead reduction regulations.

General Fund		Enterprise Funds	
Operating Budget	0.00	Water Fund	
Free Cash Appropriation	0.00	MWRA Grants	0.00
General Obligation Bonds	0.00	MWRA Loans	50,000.00
Grants		Water Bonds	0.00
Chapter 90	0.00	Sewer Fund	
Other Grants	0.00	MWRA Loan	0.00
		Sewer Bonds	0.00
		Total Project Funding	50,000.00



STORMWATER MANAGEMENT PLAN 5 YEAR FUNDING

Joseph Foti, Director DPW
500 Broadway
Chelsea, MA 02150
(617) 466-4200
JFoti@chelseama.gov

Description

Continued implementation of NPDES Stormwater Permit Compliance Activities

Justification

The City of Chelsea is subject to EPA's MS4 stormwater permitting requirements. The permit renews this year and will include additional requirements for monitoring outfalls, illicit connection detection and other activities.



Impact

This multi-year project will ensure compliance with the Clean Water Act and will improve surface water conditions.

General Fund

Operating Budget	75,000.00
Free Cash Appropriation	0.00
General Obligation Bonds	0.00

Grants

Chapter 90	0.00
Other Grants	0.00

Enterprise Funds

Water Fund

MWRA Grants	0.00
MWRA Loans	0.00
Water Bonds	0.00

Sewer Fund

MWRA Loan	0.00
Sewer Bonds	50,000.00

Total Project Funding 125,000.00



WASHINGTON AVENUE INFRASTRUCTURE PROJECT (YEAR 2 OF 5)

Joseph Foti, Director DPW
500 Broadway
Chelsea, MA 02150
(617) 466-4200
JFoti@chelseama.gov

Description

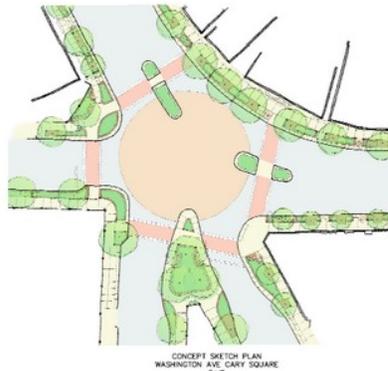
Additional funding for engineering work leading to sewer separation and water improvements.

Justification

Engineering work needed for submission to MHD for TIP funding.

Impact

Much needed improvement to one of the most used city through-streets.



General Fund

Operating Budget	0.00
Free Cash Appropriation	0.00
General Obligation Bonds	310,000.00

Grants

Chapter 90	0.00
Other Grants	0.00

Enterprise Funds

Water Fund

MWRA Grants	0.00
MWRA Loans	0.00
Water Bonds	0.00

Sewer Fund

MWRA Loan	0.00
Sewer Bonds	0.00

Total Project Funding 310,000.00



WEBSTER AVENUE SEWER REPLACEMENT

Joseph Foti, Director DPW
 500 Broadway
 Chelsea, MA 02150
 (617) 466-4200
JFoti@chelseama.gov

Description

Replacement of 650 feet of 15" sanitary sewer from RP Parkway at Garfield Ave. to Webster Ave at Jefferson Ave.

Justification

Internal video inspection shows these sections of sanitary sewer to be severely cracked.



Impact

Avoid emergency repairs and fines due to Clean Water Act violation.

General Fund

Operating Budget	0.00
Free Cash Appropriation	0.00
General Obligation Bonds	0.00

Grants

Chapter 90	0.00
Other Grants	0.00

Enterprise Funds

Water Fund

MWRA Grants	0.00
MWRA Loans	0.00
Water Bonds	0.00

Sewer Fund

MWRA Loan	0.00
Sewer Bonds	400,000.00

Total Project Funding 400,000.00



2011 Projects

Dept#	Project Description	Area	Operating Budget FY2010 Pay-As-You-Go	Free Cash	Grant Funding		General Fund Borrowing		Water Fund Borrowing		Sewer Fund Borrowing		Total
					MWRA Grant &/ 45% of Project	Chapter 90 Approved (April 2009)	Misc. Grant	Gen Bonds	Water Bonds	MWRA LPAP Water Debt	MWRA &/ 55% of Project Sewer Debt	From Stimulus Funds	
155	Information Technology Servers - Life Cycle Replacement	EQ	\$40,000										\$40,000
175	North Bellingham Hill Neighborhood Playground at Library / Highland Ph I	OS			\$488,000			\$133,200					\$488,000
400	City Hall Skylight Replacement	PB					\$220,000						\$220,000
400	Library Rotunda Replacement	PB					\$50,000						\$50,000
400	City Hall Roof Snow Guard Installation	PB	\$10,000										\$10,000
210	Fingerprint Scanner	PS											\$10,000
400	Chester Ave Roadway & Sidewalk Replacement	SF			\$250,000								\$250,000
400	County Road, Reynolds Ave & Bassett St Roadway Surface	SF			\$100,000								\$100,000
175	Grove Street Traffic Calming Pilot Project	SF				\$180,000							\$180,000
400	Marborough St. Roadway and Sidewalk Repair: Highland Ave to Grove St	SF			\$200,000								\$200,000
400	Spencer Ave Roadway Surface: Webster Ave to Stockton St	SF			\$160,000								\$160,000
400	John St Infrastructure & Roadway	UT						\$40,000					\$160,000
400	Lash St Infrastructure Improvements - Design	UT						\$5,000					\$90,000
400	Reynolds Ave Water Main Abandonment	UT			\$75,000								\$50,000
400	Storm Water Management Plan	UT											\$125,000
400	Washington Ave Infrastructure Project, Year 2 of 5 - Additional Design	UT					\$310,000						\$310,000
400	Webster Ave Sewer Replacement - Off-Ramp to Revere Beach Pkwy	UT											\$400,000
	Total		\$125,000	\$0	\$688,000	\$0	\$710,000	\$0	\$95,000	\$0	\$655,000	\$0	\$2,966,200

General Fund Bonds	\$713,200.00
Water Enterprise Bonds	\$0.00
Sewer Enterprise Bonds	\$655,000.00
Total General Obligation Bonds	\$1,368,200.00
Massachusetts Water Resource Authority Local Pipeline Assistance Note paid by the Water Enterprise Fund	\$95,000.00
Massachusetts Water Resource Authority Inflow and Infiltration Note paid by the Sewer Enterprise Fund	\$0.00

Pay-As-You Go as part of FY11 Operating Budget	\$125,000.00
Misc Grants	\$688,000.00
MWRA I&I Grant	\$0.00
Chapter 90 State Roadway Grant	\$710,000.00
Total Capital Improvement Program	\$2,966,200.00

2010 Projects by Program Area

Project Description	Operating Budget FY2010 Pay-As-You-Go		Grant Funding		General Fund Borrowing		Water Fund Borrowing		Sewer Fund Borrowing		Total
	Free Cash	Misc. Grant	MWRA Grant I&I 45% of Project	Chapter 90 Approved April 2009	Gen Bonds	Water Bonds	MWRA LPAP Water Debt	MWRA I&I 55% of Project Sewer Debt	Sewer Bonds		
IT Servers- Life Cycle Replacement	\$40,000.00										\$40,000.00
Total	\$40,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$40,000.00

Project Description	Operating Budget FY2010 Pay-As-You-Go		Grant Funding		General Fund Borrowing		Water Fund Borrowing		Sewer Fund Borrowing		Total
	Free Cash	Misc. Grant	MWRA Grant I&I 45% of Project	Chapter 90 Approved April 2009	Gen Bonds	Water Bonds	MWRA LPAP Water Debt	MWRA I&I 55% of Project Sewer Debt	Sewer Bonds		
North Bellingham Hill Playground		\$488,800.00									\$488,800.00
Total	\$0.00	\$488,800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$488,800.00

Project Description	Operating Budget FY2010 Pay-As-You-Go		Grant Funding		General Fund Borrowing		Water Fund Borrowing		Sewer Fund Borrowing		Total
	Free Cash	Misc. Grant	MWRA Grant I&I 45% of Project	Chapter 90 Approved April 2009	Gen Bonds	Water Bonds	MWRA LPAP Water Debt	MWRA I&I 55% of Project Sewer Debt	Sewer Bonds		
City Hall Skylights					\$133,200.00						\$133,200.00
Library Rotunda Replacement					\$220,000.00						\$220,000.00
City Hall Roof/Snow Guard Installation					\$50,000.00						\$50,000.00
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$403,200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$403,200.00

2010 Projects by Program Area

Project Description	Operating Budget FY2010			Grant Funding		General Fund Borrowing		Water Fund Borrowing		Sewer Fund Borrowing		Total
	Pay-As-You-Go	Free Cash	Misc. Grant	MWRA Grant & I 45% of Project	Chapter 90 Approved April 2009	Gen Bonds	Water Bonds	MWRA LPAP Water Debt	MWRA I&I 55% of Project Sewer Debt	Sewer Bonds		
Fingerprint Scanner												
Total	\$10,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00

Project Description	Operating Budget FY2010			Grant Funding		General Fund Borrowing		Water Fund Borrowing		Sewer Fund Borrowing		Total
	Pay-As-You-Go	Free Cash	Misc. Grant	MWRA Grant & I 45% of Project	Chapter 90 Approved April 2009	Gen Bonds	Water Bonds	MWRA LPAP Water Debt	MWRA I&I 55% of Project Sewer Debt	Sewer Bonds		
Chester Ave Roadway & Sidewalk												
County, Reynolds, Bassett Surface Repair												
Grove St. Traffic Calming												
Marlborough St. Roadway & Sidewalk Repair												
Spencer Ave Roadway Surface												
Total	\$0.00	\$0.00	\$180,000.00	\$0.00	\$710,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$890,000.00

Project Description	Operating Budget FY2010			Grant Funding		General Fund Borrowing		Water Fund Borrowing		Sewer Fund Borrowing		Total
	Pay-As-You-Go	Free Cash	Misc. Grant	MWRA Grant & I 45% of Project	Chapter 90 Approved April 2009	Gen Bonds	Water Bonds	MWRA LPAP Water Debt	MWRA I&I 55% of Project Sewer Debt	Sewer Bonds		
John St. Infrastructure Improvements												
Lash St. Infrastructure Improvements												
Reynolds Ave. Water Main Abandonment												
Storm Water Management Plan												
Washington Ave. Infrastructure Year 2 of 5												
Webster Ave. Sewer Replacement												
Total	\$75,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$310,000.00	\$0.00	\$95,000.00	\$0.00	\$0.00	\$655,000.00	\$1,135,000.00

TENTATIVE FUTURE CAPITAL PROJECTS

The CIP is a multi-year fiscal planning document that identifies long-term improvements and provides a program for the prioritization, scheduling and funding of capital projects. The development of a CIP is a continual process and, accordingly, should result in a plan to be viewed as a “working document.”

In recognition of the dynamic nature of the CIP, the format for the Capital Project Listing for the out-years (FY 2011-2014 and beyond) has been modified to facilitate project analysis and selection. Unlike those projects identified for FY'10 starts, no defined link between funding sources and specific projects has been established for the out-years.

Tentative future capital projects and their associated estimated costs have been divided into the respective Program Areas. Figures 1 and 2 in the CIP Overview provide an estimate of projected CIP funding sources and Program Area expenditures for the current fiscal year, as well as the out-years. The intention of these listings is to provide an overview of the City's proposed needs and funding sources. The flexibility of this format allows for modifications to the CIP in response to changes in projected funding sources and Program Area needs.

The Tentative Future Capital Projects Listing provides a guideline for the next year's CIP planning process and the continued development of future CIPs. However, inclusion on the Tentative Future Capital Projects Listing does not insure that a project will be programmed as a funded project at any point during the five years covered by the particular CIP. Projects may not be further programmed for a variety of reasons, including lower priority as compared to other projects, potential alternative financing availability, changing technology or the abandonment of the service or program the capital appropriation was meant to support. That some of the projects may not be advanced is not a primary concern of tracking the Tentative Future Capital Projects Listing. Instead, the exercise helps to identify needs and facilitates discussions about those needs well ahead of a time when a decision is required to be made about funding the same.

The Tentative Capital Projects Listings are contained on the following pages.

Tentative Future Projects by Program Area

Estimated Cost

Program Area: Equipment Acquisition

Life Cycle Replacement - Computers and Servers	\$80,000
Department Document Scanners	\$20,000
Bill Paying Kiosk	\$10,000
Engineering Document Conversion	\$40,000
DPW Vehicle Replacement	\$100,000
Bellingham Square LED Sign	\$40,000
Update GIS Orthography	\$15,000
Printer/Plotter Replacement	\$10,000
Data Redundancy Center	\$50,000
Storage Area Network Replacement	\$100,000
Fiber Network Redudancy	\$165,000

Total for Program Area \$630,000

Program Area: Open Space

Box District/Gerrish Avenue Neighborhood Park	\$400,000
Annual City Park Renovation	\$120,000
Conversion of Abandoned Railroad Spur (Library St to Eastern Ave)	\$1,500,000
Chelsea Creek Park at Chelsea Street Bridge	\$800,000

Total for Program Area \$2,820,000

Tentative Future Projects by Program Area

Estimated Cost

Program Area:

Public Buildings & Facilities

City Hall	Create 7 year building renovation master plan	\$100,000
	Renovate for cafeteria/casual conference room	\$82,500
	Install acoustical ceilings in lower level	\$65,200
	Install master key system w/ADA compliant hardware	\$32,700
	Replace all exterior doors	\$44,280
	Carpet replacement program (4 rms per year)	\$8,000
	Phase IV building restoration (window replacement)	\$3,202,801
EOC/E911	Create 7 year building renovation master plan	\$25,000
	HVAC replacement	\$91,650
	Fire protection systems	\$65,465
	Window replacement	\$29,400
Senior Center	Create 7 year building renovation master plan	\$50,000
	Carpet replacement throughout center	\$35,540
	Paint interior	\$83,098
	Replace RTU (upper level)	\$14,000
Library	Create 7 year building renovation master plan	\$75,000
	Replace rotunda	\$216,410
	Replace windows	\$984,549
	Install A/C system	\$33,050
	Paint interior	\$100,000
E#1	Create 7 year building renovation master plan	\$25,000
	Replace/upgrade emergency generator	\$74,550
	Replace overhead door	\$12,000
	Replace boiler	\$21,125
	Install fire protection system	\$20,210
E#2	Create 7 year building renovation master plan	\$25,000
	Replace overhead doors	\$20,700
Police Station	Create 7 year building renovation plan	\$75,000
	Carpet replacement program (1 floor per year)	\$20,000
<i>Total for Program Area</i>		\$5,632,228

Tentative Future Projects by Program Area

Estimated Cost

Program Area: Public Safety

Fire Hose Replacement (every other year)	\$11,120
Life Cycle Replacement - Police Cruisers - 2 per year	\$60,000
Fingerprint Scanner	\$10,000
Vehicle - Fire HazMat Unit	\$28,065
Tower Ladder 1	\$1,100,000
Vehicle - Fire Code Enforcement K4 Unit	\$28,065
Fire Engine 2 Replacement	\$550,000
Tower Ladder 2 Replacement	\$1,100,000
Bunker Gear Dryer Stations (2)	\$11,390
Bunker Gear Extractors	\$11,120
Firefighter Personal Escape System	\$22,750

Total for Program Area \$2,851,390

Program Area: Surface Enhancements

Various Locations	\$5,546,000
Washington Ave Roadway and Sidewalk Replacement	\$2,345,491
Broadway Roadway and Sidewalk Replacement	\$2,100,000
Marlborough Street Roadway and Sidewalk Replacement	\$450,000
Spencer Avenue Roadway and Sidewalk Replacement	\$425,000
Marginal Street Roadway	\$450,000
Micropaving (annual effort)	\$175,000

Total for Program Area \$11,491,491

Program Area: Utility Enhancements

Englewood Avenue Infrastructure Upgrade	\$375,000
Stormwater Management Plan (125,000 for 4 years)	\$500,000
Washington Ave Stormwater, Sewer and Drainage Construction	\$4,324,770
Broadway Water, Sewer and Drainage Design	\$329,000
Broadway Water, Sewer and Drainage Construction	\$5,326,655
Webster Avenue Sewer Replacement	\$400,000
Marlborough Street Sewer and Water Replacement	\$600,000
Spencer Avenue Sewer and Water Replacement	\$700,000

Total for Program Area \$12,555,425

CAPITAL PROJECTS STATUS REPORT

The CIP has been the centralized planning tool for capital projects in Chelsea for fourteen years. Over this period, a variety of planning, project management and fund tracking systems have been designed to guide the implementation of the plan, all with the goal of gaining the greatest possible cost efficiencies and highest quality projects outcomes.

The challenge is considerable as projects grow more complex, and success requires cooperation and technical assistance from staff members spread out among several departments. With each year and project, the organization has gained in its understanding of how to manage this process.

This year, the City has begun a new effort to report on the status of adopted capital projects, beginning with the most recent Capital Improvement Plans of FY08 and FY07. Since it is the City's intent to complete any approved CIP project within a reasonable period of time, only those projects with an "open" status – defined as not completed - are reported with the current project balance and a brief project status explanation. Projects that are canceled for various reasons are shown as available for reprogramming.

Now begun, this effort will be expanded to include prior CIP years, with additional project status and fund details to follow during FY11.

Capital Projects Status FY2007 - 2010

	Original Cost	Current Balance	Available to Reprogram	Status
FY07 Capital Projects				
Carter Street Pumping Station	\$20,000		\$20,000	Improvements accomplished - earmark for Crescent Ave sewer
Carter Street Sewer Replacement	\$700,000		\$59,049	Construction complete - earmark for Crescent Ave sewer
Fourth Street Water Main	\$40,000		\$40,000	Improvements accomplished - MWRA funding request withdrawn
NE Produce Center Water Meters	\$150,000		\$144,000	Project on-hold pending roadway recon - earmark for FY'11 water projects
City Hall Skylight Replacement	\$115,000	\$31,866		Project requires additional funds - See CIP FY11 \$133,000
Island End River Park Grant Match	\$70,000	\$70,000		Construction Bid Awarded - Project Start April 2010.
Fire Department Bunker Gear	\$31,000		\$31,000	Grant funds secured to replace GO funds
FY08 Capital Projects				
Tidelflex Valve Installation	\$150,000	\$5,100		Construction ongoing - completion Spring 2010
Highland Street at Margina Drainage Project	\$501,499		\$19,765	Construction complete - earmark for FY'11 sewer projects
Various Water & Sewer Repairs	200,000	\$20,346		Reserved for emergency capital sewer and water projects
Library Street Ph. II - Broadway to Highland	243,496		\$59,803	Construction complete - earmark for FY'11 sewer projects
Chelsea Public Library Carpet Replacement	\$35,000	\$35,000		Project on-hold pending skylight repair - See CIP FY11 - \$220,000
Fire Station Windows	\$70,000	\$52,600		Design Complete: Construction FY11 - 1st Qtr; Additional funds from reprogram source
Imaging of Water & Sewer Records	\$34,000		\$34,000	Project earmark for billing software acquisition - FY'11
Vinyl Sign Cutter	\$40,000	\$29,148		Purchase partially complete with less expensive system; GO
FY09 Capital Projects				
ISD Tablet Computers	\$42,000		\$42,000	Pending tech conversion full implementation - projected for 1st Qtr FY11 -
ISD Scanning Project	\$150,000		\$16,520	Scanning of project files 90% complete
Fire Engine #3 Design	\$100,000		\$4,000	Design ongoing - Federal grant awarded on-hold pending reviews
Public Library Security System	\$26,000		\$24,152	System design complete - bids due April 2010
Senior Center Masonry Project	\$112,222		\$27,088	Construction complete - funds earmarked for Fire Engine 1 Window A/C Project
Senior Center Heating Project	\$116,125		\$93,028	Boiler installation complete; pending assessment of energy temp. control system
Council Chamber Improvements	\$56,100		\$17,128	Improvements on-going for 1st Q. FY'11
Sidewalk Condition Inventory System	\$12,500		\$12,500	Project not needed - GO bonds
Sidewalk Improvement Project	\$110,000		\$19,696	Construction activity ongoing thru Spring 2010
Crescent Avenue Improvements	\$513,913		\$34,621	Construction activity ongoing thru Spring 2010
FY10 Capital Projects				
Projects in Various Stages of Activity	\$3,188,213		\$2,149,629	