



Town of North Kingstown, Rhode Island

Department of Public Works
2050 Davisville Road
North Kingstown, RI 02852-1799
Phone: (401) 268-1500
Fax: (401) 267-9036
Web: www.northkingstown.org

AGENDA ASSET MANAGEMENT COMMISSION

January 24, 2019
5:30 PM

David R Burnham Public Works Facility
2050 Davisville Road

- I. Call to Order
- II. Pursuant to RIGL 42-46-6(c), notice of this meeting has been posted on the Secretary of State's Website
- III. Approval of January 17, 2019 Meeting Minutes
- IV. CIP Content & Cover Memo
- V. Report on Sale of Public Properties
- VI. Meeting Schedule
- VII. Public Comment
- VIII. Correspondence
- IX. Adjournment

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

MINUTES

ASSET MANAGEMENT COMMISSION

January 17, 2019

Present: Ed Cooney, Chairperson; Jim McGwin; John Pyne; Agu Suvari; Dave Caldwell

Absent: James Grundy; Dianne Izzo; Theodore Walls (Mr. Walls has resigned from the Commission)

I. Call to Order: Meeting called to order at 5:32 p.m.

II. Pursuant to RIGL 42-46-6(c), notice of this meeting was posted on the Secretary of State's website.

III. Approval of Meeting minutes: Motion to approve the minutes from January 3, 2019 was unanimous.

IV. CIP Project Proposals, Project priority rankings, and review of Draft of Cover Letter:

Discussion regarding the content, wording, and "typos" followed and was noted by the Chairperson, Mr. Cooney, who will incorporate the suggestions and present a revised version for review and approval at the next meeting of the Commission. Mr. McGwin suggested that an "observational comment" be made in the cover letter, noting the persistent discrepancy in the Town budgetary line items allocated to School Department CIP projects and actual expenditures, as reported to RIDE.

V. Report on Sale of Public Properties: As Ms. Izzo, who had undertaken a review of the material earlier provided by Mr. Walls, was absent from the meeting, discussion on this item was tabled and will be readdressed at the January 24th meeting of the Commission.

VI. Public Comment: None.

VII. Correspondence: Chairperson Cooney reported on a communication by Mr. Mudge, a member of the public, regarding AMC function in the Town Council's budgetary funding decisions and the School Department's reporting to RIDE on actual expenditures. Mr. McGwin stated that this communication should be considered for appending to the Commission's CIP report.

VIII: Adjournment: Motion to adjourn was unanimously approved and the meeting concluded at 6:40 P.M.

Respectfully submitted,

Agu Suvari.



Town of North Kingstown, Rhode Island

**100 Fairway Drive
North Kingstown, RI 02852-6202
Phone: (401) 294-3331
Fax: (401) 583-4140
Web: www.northkingstown.org**

TO: Honorable Members of the North Kingstown Town Council

FROM: Members of the Asset Management Commission

RE: FY 2020 through FY 2024 Capital Improvement Plan

DATE: January 28, 2019

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

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

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

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

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

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

tax rates. The Town of North Kingstown is very fortunate to have this opportunity and it is now of critical importance to be certain an effective Asset Protection Plan is implemented to prevent future prolonged deferred maintenance issues.

CIP Ranking & Comments

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

Enterprise Funds

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

Non Enterprise Funds

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

School Department

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

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

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

Management Commission that a greater emphasis is placed on the out-years when authorizing funding for the School Department's Capital Improvement Plan. The Asset Management Commission strongly recommends the Capital Improvement Plan funding schedule detailed in the supporting documents.

Property Transfer

The two members of the Asset Management Committee found the Town of North Kingstown currently does not have a policy or procedure in place to sell assets and we have included a draft version of their findings as part of this report as Addendum X. It is the recommendation of the Asset Management Commission that the Town of North Kingstown adopt a policy and procedure that clearly defines how the sale or conveyance of assets will occur in the future.

Respectfully submitted,

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

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