

CIP Committee  
Draft Minutes  
Thursday, October 2, 2014  
6:30 pm

Meeting called to order at 6:31 pm in the Fire Station Meeting Room

Present: Steve Felton, Ingrid Heidenreich, Susan MacLeod, David Toth; Absent: Kendall Hughes

**1. Review:** Dave wrote an *Executive Summary* showing the options, the rationale for the most cost effective option, and recommendations for the departments on the spreadsheet based on all information received. Electric, Water & Sewer and the SAU are not included. He also did a Powerpoint highlighting the information in the *Executive Summary* to present at the Board of Selectmen meeting, Monday, October 6. The CIP goal is to find the most cost effective way to plan for all anticipated capital needs while stabilizing the tax rate over time, and making recommendations to the BOS and Budget Committee to consider over-all costs of the Town. Numbers indicate a need for \$5.25 million in reserves over the next 10 years. Currently there is \$350,000, with \$663,000 calculated for 2015 (tax impact= 1.9 mil.). Committee reviewed the Powerpoint. Each department is set up with an Overview, Analysis, and Recommendation. Police Department: 3 vehicles in rotation for replacement every 5 years. For estimating, a 5-year replacement does not include cost of total re-outfitting. The longer the time between replacement, the more likely complete re-outfitting is necessary. Numbers in future have inflation factored in. Currently no capital reserves for PD. Analysis of cost of leasing vs. outright purchasing. To always lease is more costly, and Town may reach borrowing limit at some point. A combination of 4-year leasing and saving reserves for next purchase keeps the total stable and most cost effective. Drawback is need to get reserves approved every year to keep on track. Fire Department: Purchasing the Engines 1 and 2 at the same time is cheaper in the long run, both for initial cost and interest charges, and to save on maintenance costs for Engine 1. The annual amount for this option would be somewhat higher than the payments recently completed on the ladder truck, so effective tax impact would only be \$.05/\$1,000. Grant opportunity for 20% of cost of equipment could reduce total cost of a 5-year lease by \$80,834. DPW: Did not receive a complete road plan or equipment replacement plan, so amounts estimated for roadwork based on costs of work on West Street in 2014. Roads overview: most cost effective is resurfacing every 10-12 years before they degrade too much. 14 roads will need repair in 2015-2020 estimated at \$1,804,843. 2021-2024 would be \$440,660 for a 10-year total of \$2,245,503, based on past history and not an engineering evaluation. An engineering study would afford more grant opportunities, especially Federal EDA money. Lakes Regional Planning Commission is a resource for help. Analysis: Right now it is cheaper to do a capital reserve of \$300,000 over the 10 years than it would be to get a 5- or 10-year bond. Effective tax impact of \$0.43 mil. Recommendations: 1. \$185,000 in capital reserves for 2015 includes \$60,000 in matching funds (20%) for TAP grant for \$300,000 sidewalk project. Discussion that reserves should now be for "complete streets" rather than road maintenance and repair. 2. An engineering evaluation for Thompson St. and Smith Hill Road to aid in formulation of funding options in 2016; 3. Develop plan for remaining roads. CIP will constantly be updated to reflect all new information. Equipment overview— two types, large with long lifecycles, and pick up trucks and plows with shorter replacement cycles -- have no replacement years for calculation of reserves. 9 pieces in 6 years = \$931,829, interest not included. Currently no capital reserves, so the option to start with leasing replacements for the 1985 pick up and the 2005 dump truck while building short-term reserves. Town Office: Total of \$91,887 for window replacement and improvements, but no other capital needs provided for the next 10 years; Park & Recreation Dept. did not provide estimates for beach dredging.

**2. Recommendations:** Town Office: \$31,186 in operating budget for improvements, which is a combination of projects each under \$10,000, and the \$60,701 for windows is too small for a bond, and may qualify for grant funding. The BOS should make the decision on how to handle the funding, and therefore, the CIP does not make a recommendation for this department.

Police Department: MOTION by Susan, seconded by Steve to recommend the option of 4-year leases and capital reserve of \$30,900, with the advice to the BOS that if it is necessary to cut the amount, to keep the capital reserve and push the lease to 2016. All in favor.

Fire Department: MOTION by Ingrid, seconded by Dave to recommend the most cost effective option of acquiring Engine 1 and 2 to be ordered in 2015 and delivered in 2016. All in favor. Discussion on need for two warrant articles to have a back up for purchase of one should an article for two fail.

DPW: Discussion on equipment was to have leases for replacements of 1985 PU truck, 2005 dump truck, and the forklift/skid steer and if \$95,000 capital reserve is too high. Option to move dump truck to 2016 or lower the reserve, although CIP did not feel there was enough information to judge needs on equipment, and without a plan, cannot project amount needed in reserves. Question regarding using revenue from recyclables to offset cost of transfer station equipment should be addressed by BOS. MOTION by Susan, seconded by Dave to recommend leasing 3 pieces of equipment in 2015 and a capital reserve of \$40,000 over next 4 years. All in favor.

Discussion on roads was whether to continue the capital reserve of \$125,000 for roads and a separate warrant for grant-matching \$60,000 or combine.

MOTION by Ingrid and seconded by Dave to recommend \$185,000 as a warrant article for complete streets. All in favor.

MOTION by Steve and seconded by Dave to recommend an engineering evaluation be done in 2015. All in favor.

Park & Recreation Dept.: MOTION by Ingrid and seconded by Steve to recommend that the \$22,375 submitted for various paving projects should be evaluated by the BOS as to how to combine with other Town projects. All in favor.

MOTION by Ingrid and seconded by Steve to recommend that the Parks & Recreation Dept. get a professional estimate on the costs and timeline (anticipated year) of dredging the beach. All in favor.

Library: MOTION by Steve and seconded by Dave to recommend that the Library Trustees [governing body] submit a warrant article to request setting up a capital reserves fund with an amount they decide upon based their analysis of need. All in favor.

Water & Sewer: The Commissioners are working on a plan, but at this time there is not enough for an informed decision. MOTION by Ingrid and seconded by Susan that the CIP Committee to make no recommendation at this time.

Electric Department and the SAU have covered all their stated needs at this time, although Trish Temperino (SAU) has not confirmed with Dave as yet.

Dave will update the Powerpoint and make minor changes to the *Executive Summary* as discussed. Thank you Dave for all your work on this excellent baseline that will make this process easier and more accurate over time.

**Next Meeting:** Meet with the BOS, Monday, October 6, 2014 at 7:00 pm., Elementary School cafeteria  
Next CIP meeting Thursday, October 23, 2014, 6:30 pm at the Fire Station.

8:49 pm: Motion to Adjourn by Ingrid; All in favor.

Notes by Susan MacLeod