

Capital Improvement Planning Committee
Town Hall
December 5, 2012
Minutes

Members Present: Kermit Eaton, Rudy Heller, Mary Lou Knight, Heather Lemieux, Barbara Wilson, Don Taft, and Peter O'Connell

Members Absent: Jerry Johnson, Sheila Frangiamore, and Sharon Mahoney

Others Present: David Holdcraft

The meeting was called to order at 7:04 PM. Kermit Eaton noted that Sharon Mahoney had submitted her letter of resignation from the CIPC because of other town committee commitments and because the Committee had added a new at-large member to replace her. The Chair welcomed new member Don Taft, who had been appointed by the Selectmen at their last meeting to serve a three-year term. Mr. Heller noted that the Board had not voted to name Mr. Thomo as the representative of the Board of Selectmen to replace him, but that he would be sure to put that item on the Board's agenda for the next meeting. Mr. Eaton said he was surprised that Mr. Thomo was not in attendance since he had indicated to the Chair that he planned to attend.

1. **Minutes:** Mary Lou Knight moved and Barbara Wilson seconded the motion to approve the minutes of December 5, 2012; so voted.
2. **Highway Superintendent's request to purchase a new Ford 450 one-ton truck with hoist and plow:** Mr. Chaffee was present at the request of the Chairman to explain his request for the purchase of a new one-ton truck to replace the fifteen-year old Ford 350. Mr. Eaton noted that as the CIPC liaison to the Highway Department, he supported this request because:
 - a. The truck to be replaced is 15 years old and has had a number of transmission replacements;
 - b. The cab had only recently been re-welded and repaired by the Highway and Water Department staff to squeak through inspection, but that the truck will be very vulnerable to further breakdowns this winter because of age and because it is used for plowing of private ways and smaller roads in housing developments. The CIPC had previously voted in favor of replacing the truck rather than spending the time and expense of repairing this truck, but now hopes the truck can get through the winter until the new truck is available in 12 weeks from the time it is approved.
 - c. The department needs two one-ton trucks for plowing and sanding and for smaller road jobs that save the Department the expense of taking out a more expensive piece of equipment. The other truck is a 2007 Ford 450 with approximately 50,000 miles on it. Having only one one-ton truck makes the department less efficient if the other truck goes down (it has had one transmission replaced already).
 - d. The Department attempts to keep a truck for 12-15 years, which it has done with the 1997 Ford.
 - e. The Highway Department proposes to purchase the truck under the state bid for \$40,354, which is \$5,000 cheaper than the price from a local dealer, but to purchase the hoist and plow from local suppliers for a total of \$11,346 since the price from local dealers for the items is cheaper than the state bid. The total cost for the new truck is \$51,700, and because
 - f. The truck is already in the draft Capital Plan for FY13.

Mr. Chaffee noted that by having two Ford 450s as opposed to one Ford 350 and one Ford 450, he can purchase the same size tires and get better prices. Ford 450s have a heavier duty transmission and should require less transmission work than did the Ford 350.

After some further discussion, Mr. O'Connell moved and Mr. Eaton seconded the motion to support the purchase of the Ford 450 with chassis, hoist and plow for a total of \$51,700 with funds to come from the Highway Equipment Purchase Account. The vote was unanimous. Mr. Eaton asked that Mr. O'Connell so inform the Board of Selectmen and indicate that the Chair would be happy to attend their meeting if requested to indicate this support.

The Board discussed briefly the disposition of the 1997 one-ton truck and concluded that in the Committee's opinion, the cost of keeping the truck in service would outweigh any possible benefit, but

that such an issue was more properly a decision of the Board of Selectmen and Highway Superintendent since the truck fell below the \$5,000 definition of a capital item.

3. **Board of Health (BOH) Capital Requests:** Chairman of the Board of Health Dan Leahy presented a five-year capital plan that has very recently been presented to the Board of Health, which was in favor of the plan, but wanted to discuss the implementation schedule and the possibility of using volunteer labor to reduce the costs. The proposed plan would replace with permanent structures the generally temporary structures that have been put in place over time that do not meet code and are not handicapped accessible, add a third entry lane, and provide an office and greeting gate for all incoming traffic from which the supervisor could have a clear view of the whole facility.

Mr. Leahy indicated that the Transfer Station fees collected now cover the Transfer Station operating expenses, but that capital improvements could not be covered from revenues generated. However the revenue to be generated and the expenses to be saved by the Town on its electric bills from the proposed solar facility at the Transfer Station might be seen as a new revenue source to help pay for some of the capital improvements. Mr. Leahy will review the expenses and revenues of the transfer station to see if there would be some revenue that could be applied to capital improvements in the future.

Mr. Leahy and Mr. Heller suggested that a log building from the Lakeside Campground, which the Town now owns through foreclosure, might be moved to the Transfer Station instead of constructing a new building, which would save as much as \$18,000 from the proposed plan and that other Campground structures might also be used at the Transfer Station or sold to generate revenue. The addition of such a structure, including a bathroom would eliminate the \$1,080 annual rental cost of the Transfer Station PortaSan. Mr. Heller and Mr. Leahy will discuss the possibility of moving Lakeside Campground structures

Mrs. Lemieux asked if cost estimates included labor and if the costs could come down if work were to be performed by town employees and/or volunteers. Mr. Leahy said that the cost estimates did include labor and that he expected that they could be reduced if volunteers and town staff were to provide some of that labor.

After some further discussion, Mr. O'Connell moved and Mr. Heller seconded the motion to ask the Board of Health to review the plan and to submit the revised plan and cost estimates to the CIPC before its next meeting on January 17, which would be after the Board of Health's next meeting. This would allow the CIPC to include the BOH capital requests in the CIPC approved capital plan by its Feb.1 deadline. So voted. Mr. Eaton thanked Mr. Leahy for the forward thinking of the proposal.

4. **Inventory of Assets:** Heather Lemieux presented the most recent draft of the Inventory of Assets. The Committee reviewed areas needing further information and assigned the following tasks to the following members:

Kermit Eaton: **Water Department:** Ask Sheila Frangiamore as liaison to the Department to get information from Water Department on acquisition date for water meters, the estimated replacement time and cost of the meters, the latest major improvements in numbered wells and condition of the wells.
Fire Department: Forestry #2, Tanker 1, and Fire/EMS stations replacement dates, the addition of the boat to the inventory, the replacement cost for the boat and trailer, and the replacement cost for the 2007 Spartan Truck/Pumper. Confirm the projected EMS Ambulance replacement year at 2023 (15 years).

Rudy Heller: **Police Department:** Add the communication antenna to the inventory with estimated replacement year and cost; research needed information with Donna Neylon on Lakeside Campground, Lewis Field, Mill Street Park and the Cooley Hill Reservoir.

Heather Lemieux: Change Headings to reflect the focus on a particular department on a given page
Check with Highway Department on replacement years for equipment

Don Taft: **Cemetery Commissioners:** Replacement year for the 2007 John Deere tractor, its condition and level of use; the anticipated year of replacement for the Tool House, year built, condition, level of use and cost of replacement, etc.

This information is to be forwarded to Heather Lemieux to add to the document and then to forward to members prior to the next meeting.

The Committee discussed whether land owned by the Town should be added to the Capital Inventory and decided that it should be, but that task would be deferred until the Committee completes the Capital Plan and Capital policies.

5. **Preliminary Capital Plan:** Peter O'Connell distributed the most recent Preliminary Capital Plan for review. The committee was in agreement:
 - a. to show only net Highway Department Capital requests after Chapter 90 funding or other Highway capital revenue sources have been subtracted and to eliminate the \$10,000 for replacement of snow plows in FY13;
 - b. To show only net Elementary School capital requests after School Choice funding or other School capital revenue sources have been subtracted;
 - c. To include a 2.5% inflation factor for all capital items beginning with FY14;
 - d. Pending advice from Town Financial Advisory Clark Rowell, to finance the \$232,000 estimated cost for Mill Pond Dam reconstruction by borrowing the funds over four years (should there be no state funds to defray the cost);
 - e. To apply \$10,000 in Saw Mill Pond dam maintenance to FY14 and \$15,581 in capital funds left over from the Elementary School and Town Hall Roof projects to FY14 capital expenses; and
 - f. To add Board of Health Capital project estimates to the plan.

Mr. O'Connell volunteered to meet with Water Superintendent Bruce Clarke to get a better understanding of the Water Department's water surplus, to gather information on how the Department provides for emergency capital needs, and to explore future capital needs.

The Committee agreed to defer discussion about revenue sources to fund anticipated the capital needs in FY 14-FY17 until after a subcommittee meets with Clark Rowell to review revenue and expense projections, debt financing for the Town Hall renovation and Police Department projects, and financial reserve levels. Kermit Eaton will ask Sheila Frangiamore to set up a meeting with Clark Rowell as soon as possible.

6. **Trend Analysis:** Mary Lou Knight reported that she needed to meet further with Jerry Johnson to confirm numbers in the trend analysis.
7. **Change in Definition of a Capital Item:** The current definition is a purchase or project that costs \$5,000 or more and has an expected life of three years or more. After discussion, the consensus was to not change the definition.
8. **Meeting dates:** The next meetings of the CIPC are Thursday, January 17 and Tuesday January 29.

Agenda for the January 17 meeting:

Final Inventory of Assets – Heather Lemieux
Report of meeting with Financial Advisor Clark Rowell and action on Capital Planning Policies and Procedures, Projections of Revenue and Expenditures, and the financing of possible Town Hall renovation and Police Department building – Kermit Eaton and Sheila Frangiamore
Review of Board of Health capital requests – Dan Leahy and Kermit Eaton
Report on Water Department reserves and capital projects – Peter O'Connell
Capital Plan Expenses and Revenues – Peter O'Connell
Trend Analyses – Mary Lou Knight and Jerry Johnson

Tasks to accomplish prior to the January 17 meeting:

- **Data for Inventory – Heather, Kermit, Rudy, and Don**
- **Final Inventory of Assets – Heather Lemieux**
- **Board of Health capital requests – Dan Leahy and Kermit Eaton**
- **Water Department capital requests – Bruce Clarke and Peter O'Connell**
- **Financial Policies draft proposal – Sheila Frangiamore and Clark Rowell**
- **Town Hall and Police Station financing options – Sheila Frangiamore and Clark Rowell**
- **Updated Capital Plan – Peter O'Connell**
- **Trend Analyses – Mary Lou Knight and Jerry Johnson**

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- 9. **Adjournment:** Rudy Heller moved and Heather Lemieux seconded the motion to adjourn the meeting. So voted at 9:20 PM.

Respectfully submitted,

Peter S. O'Connell, Clerk