

CIP Committee
Minutes (Approved 2/2/13)
Wed., January 16, 2013
7:00 pm

Meeting commenced at 7:04 pm at the Town Hall Conference Room

Present: Anne Abear, Steve Felton, Susan MacLeod, Jeanette Stewart, David Toth

1. Minutes of December 19, 2012: Corrections: Ann to Anne; McLoud to MacLeod; meeting held at Fire Station; typo in second line under discussion, "o" to "to"; page 2, add mention in second paragraph that several departments have not responded in providing requested information; Change "Recommendation..." to "Committee voted to recommend...", and add "Jeanette to bring decision to add these recommendations to BOS".

Anne motioned to approve as amended; Jeanette seconded; 5 to 0 in favor.

2. Depreciation Tables: Last meeting Steve said he would send copies to committee, but found the most recent ones available are from 2010. 2012 tables should be available within a few weeks for both Town and utilities. Anne asked whether the selectmen ever voted to adopt these tables. Answer, no, they may be within audits. It was suggested that the Selectmen review and vote to include these in budgets from now on. Copies of 2010 tables distributed.

3. Change in dollar amount for CI project: It was discussed at prior meeting, but not voted on to change the amount from suggested \$25,000 to \$10,000. So moved by Steve, seconded by David. 5 to 0 in favor. Steve asked if it should remain \$25,000 for utilities. Answer, no. The "useful life" piece of the criteria from handbook remains 3 years with costs reoccurring and no maintenance included.

4. Review Project Forms: Discussion on how to get the needed information -- do a sample to follow, work with Town Administrator, follow handbook for guidance in process, and assign each committee member particular departments to work with. Anne mentioned all bonds need to be included in the CIP as fixed payments. There should be a follow up with Water & Sewer to try to get them to contribute to payments. For these forms, we are looking at a 6 to 10-year projection; with smaller towns, a longer timeline is usually needed to reach goals. Depreciation tables should be included, and the closer to the project time, the more detail on that project should be provided. Each project gets its own form.

The Form: "Service Area": delete Region, Central Business District, District, and Neighborhood. Add Utilities. "Project Description", change to "Describe Project to be Completed". Under "Rationale", add "Other _____". In "Narrative Justification", see above will be acceptable if adequately described above and rationale is comprehensive. This helps to prioritize the projects and decreases revisiting form. Add "Attach any supporting documentation". Mention with equipment whether it is on the depreciation table or inventoried. "Cost Estimate": add "Attach any supporting documentation" i.e. estimates from contractors, suppliers, etc. May also include a cost benefit analysis, i.e. leasing vs. purchasing. "Capital Costs" and "Impact on Operating & Maintenance" need to be filled out. Existing capital reserves need to be included. Currently with the utilities, there doesn't appear to be a thought-out business plan for the reserves. This will be needed to approve projects.

The spreadsheet created reflects a 10-year operating budget and allows reserves for capital spending. Need to review past 3-10 years to see what and who has spent on capital needs.

"Sources of Funding": add "Supply supporting documentation", particularly for grants as they apply to the percentage of total cost.

Steve will update form and distribute in 4-5 days.

The approach with department heads will be supportive and acknowledge what has been accomplished so far. Work to inform them of the process, share the whole picture and emphasize it is for their benefit to do this planning. This should make it easier to prioritize and then do future updates.

Assignments: Steve: Water & Sewer; Anne: Electric; David: School and Fire dept; Susan: Police and Parks & Recreation; **Jeanette: Town Administrator, DPW and Library.**

There have been initial talks with utilities and Town Administrator, but no contact with School so far. Decided to request that principal, superintendent, and/or assistant superintendent come to either the Feb. 20th or March 20th meeting. The Town Administrator will be asked for either Feb. or March, depending on School personnel's choice.

5. Timeline: CIP must have a prepared spreadsheet to present to BOS and/or public hearing by September for 2014 budget. Anne will work on timeline and distribute.

6. Other: Anne questioned why Budget Committee (including Steve and David) cut the CIP recommended \$40,000 for doing energy audit updates to Town facilities. Steve felt that after discussions, there was not enough detailed information on which of the updates would be done at what cost, and what grants would materialize. There are some funds in the proposed budget for repairs to facilities. The \$40,000 was too much to offset elsewhere to keep the budget level-funded. He felt it would be better if set up as a capital reserve in next budget cycles.

7. Meetings: After "budget season" will we meet more often. Feb. 20, March 20, April 17, May 15, May 29, June 12, June 19, July 17. As summer progresses, more dates will be determined.

8:42 pm: Motion to adjourn by David; seconded by Anne; 5 to 0 in favor.

Notes by Susan MacLeod