

CIP Committee
Draft Minutes
Wednesday, August 12, 2015
6:30 pm

Meeting called to order at 6:30 pm in the Fire Station Meeting Room

Present: Steve Felton, Ingrid Heidenreich, Susan MacLeod, David Toth

Spreadsheet update: Police Department: Chief Randall plans to substitute a pick-up truck for the next SUV, estimated at \$2,000 less, predicting that most of the equipment can be retrofitted. Interceptor shifted to 2016. That sets up 2016, 2020 and 2026 for a purchase per year for 3 years in a row with 2 years in between to save for the next round of purchases. The base costs of the vehicles have been adjusted for inflation and re-outfitting is every 5 years. Should the outfitting cost not be needed, the capital reserve amount per year can be readjusted. The goal is to fund completely with capital reserves instead of warrant articles for purchase or lease. This year, some of the reserves have been used for repairs of the vehicle due to be replaced. The reserve schedule proposed is \$37,000 for 3 years, then \$32,000 until 2024. Committee agreed to propose this to the Selectmen, or to advise that the unassigned fund balance be used to purchase a police vehicle or put into the capital reserves for it. Next step is to run the numbers to show how much in interest would be saved when not going with lease/purchases. Fire Department: Engine 2 pushed to 2016 and all others remain the same. Show that cost has now risen by \$40,000 due to inflation and new regulation requirements. Option is to purchase with a five-year lease and use capital reserves to reduce payments. Strategy for ambulance and ladder truck purchases is to use capital reserves or combination of loans and reserves. Engine 1 replacement has increased by \$28,000. The total impact of not opting to purchase both engines in 2015 overall is \$125,000. If town doesn't approve capital reserves for Engine 1, it will cost \$100,000 to defer replacement. DPW: All roads are on separate sheet for cost of roadwork including inflation. There will be better estimates when the engineering study for Thompson Street is done. If the work is bonded, there will be a drop in amount needed in 2020-2021. The equipment sheet is harder to schedule capital reserves with the 4-5 year lease payments projected, and no lifespan estimates for replacements (still need that information from Tim Paquette). Town will be paying over \$100,000 until 2024 for leases. An option to explore is to include equipment cost of \$50,000 in the road bond. Sidewalks have not been included in numbers for roads. Again, an engineering study will help with the estimated costs and timelines. Park & Recreation and Town Administration: Information still needs to be firmed up. The beach sand project is recommended for the spring. The AARA is working on the Booster Club and will provide an assessment of the building's needs. Library: 2016 request for another \$25,000 in capital reserves. Even if they get this amount yearly for the next 10 years, it will only be a quarter of what they would need for a new facility. A proposal to consider a 10-year bond to purchase the old school for \$750,000 (\$86,000/year=\$856,000 total) is an investment worth considering. The building also would serve as a community meeting space. The Town should meet with the Trustees about directly negotiating with Tri-Cap's mortgage holder to get a good 10- to 15-year loan deal prior to a warrant article request. The Library Trustees should be responsible for raising the funds to outfit the library.

The new format of the spreadsheets that Dave has created is simplified and will be easier for the voters to understand. When the operating costs and capital needs are put together, it highlights the total costs to run the Town. The more data we can get from studies, the more precise the information will be. This process has also gotten the department heads to start thinking long-term and a goal is to have them get a more integrated view of how individual department needs fit in with the total picture. It can also encourage departments to work together on grants that address overlapping needs.

Next Meeting: Thursday, August 27, 2015, 6:30 pm at the Fire Station. 6:30 pm: **Steve will find out current capital reserve balances; Dave will update sheets.**

7:43 pm: Motion to adjourn, all in favor.