

CAPITAL IMPROVEMENTS PROGRAM (CIP) REPORT

The main function of the CIP is to be an aid to the Selectmen and Finance Committee in their consideration of the annual budget. However, the CIP is also a valuable part of the community's planning process.

The CIP links local infrastructure investments with Master Plan goals, land use ordinances and economic development. In other words, the CIP bridges the gap between planning and spending, between the visions of the Master Plan and the fiscal realities of maintaining, improving and expanding community facilities.

Those projects on the CIP schedule, which extends out for six years, are items of \$20,000 or more. Those slated for 2012 are expected to appear on the ballot for the upcoming March vote as separate warrant articles.

Working in close coordination with both the Selectmen and Finance Committee over the years, the CIP Committee has been able to successfully fulfill town and school needs, while holding a slowly increasing bottom line.

By supporting Capital Reserve Funds (CRF) for big ticket projects and ongoing vehicle and equipment replacements, voters have been able to prevent spikes in the tax rate when these expensive items are needed. CRFs collect smaller amounts of money each year that have been calculated to match the rotation schedules of expensive fire department vehicles as well as highway trucks and heavy equipment.

The CIP Committee began its work on September 28th. During its first three meetings, the Committee met with each town department and officials from the school to review their project requests, discuss any options for scheduling and finalize costs. At the final meeting on October 19th, the schedule for 2012 and the next five years was set to best meet a financially feasible bottom line.

With the depressed economy continuing, CIP members looked for every opportunity to reduce project costs. There is, however, a fine line between continuing to defer and not meeting the still growing needs of the Town.

The CIP Committee believes departments have been very judicious in bringing forth only what is truly needed, not "wish list" items. Additionally, the Committee feels the costs reflected represent sound estimates.

Fire Department Vehicles CRF

This yearly CRF has been at \$90,000 for many years. But when the replacement cost for a pumper, due for replacement in 2016, jumped from \$492,000 to \$630,000, the Committee worked with Fire Chief Dan MacDonald to closely review this schedule.

The first piece of good news is that the Fire Wards feel the ambulance replacement, at approximately \$220,000, can be covered through the Ambulance Service Revolving Fund authorized by voters in 2010. After a year of experience with revenues received from both insurance companies as well as payments for service from the U.S. Air Force Tracking Station, it is felt that this revolving fund can easily cover the cost for replacing the ambulance.

However, with the rising cost of steel and other products pushing the cost of these vehicles upward, it was still apparent that \$90,000 per year would not continue to cover the remaining vehicles carried in the CRF. But, the Fire Department has submitted for a FEMA grant to purchase the pumper due in 2016. They will know the status of their request by the spring of 2012.

The Committee agreed to hold off increasing the CRF amount at this time. If the grant is obtained, the schedule is covered for many years to come. But, if we don't receive the grant, the yearly amount of the CRF will have to go up starting in 2013.

Highway Dump Truck CRF

This yearly CRF is currently \$60,000 and covers three six-wheel, one 10-wheel and one small dump truck. In 2012, the 1997 six-wheel truck is scheduled to be replaced with another 10-wheeler. Road Agent Dick Perusse explained that having the two 10-wheel trucks would allow the drivers with the longer plowing and sanding routes to complete their loop without having to return to the shed mid-way. He did not see a need for more than two of the larger vehicles.

However, like the fire vehicles, the rising cost of steel affects these trucks as well. The Committee agreed to leave the \$60,000 in place for 2012, but will need to increase the yearly amount to \$70,000 starting in 2013.

Highway Heavy Equipment CRF

This \$50,000 yearly CRF covers the replacement of the department's grader, loader and backhoe. In a later discussion with the Road Agent, he indicated a desire to look into mid-life refurbishments of this equipment which would push out the date of replacement.

He is expected to have more information on this approach next year. If feasible, the yearly amount may decrease in future years.

Highway Salt Shed

Using the standard for the salt sheds built by the state has continued to bring down the estimated cost of this project—and provide a four-bay building. The current salt shed has been repaired almost beyond its useful life to house this material.

Road Agent Dick Perusse noted that having the ability to house more salt would not bring down its price, but would guarantee that the town would have enough material on hand to get us through back-to-back storms (a recent pattern of late). The current shed houses about enough material for one storm before another load from the supplier is needed.

The \$92,000 proposed shed would have three bays for salt and one for sand/salt mix. The old building would be used to keep the rest of the town's truck fleet under cover.

It is proposed to request the needed funds over two years, \$46,000 in 2012 and 2013.

Road Improvements

The Committee strongly recommends a continuation of \$85,000 yearly to supplement road improvement projects. Mr. Perusse plans to apply the 2012 funds to additional work on Old Coach Road, from the Highway Shed half-way down to Route 13.

Bridge CRFs

For the past several years, the Committee has worked with Road Committee Chairman Tom Miller, former DOT bridge expert, to better understand how to handle the town's many bridges. Mr. Miller, with concurrence at the state level, has brought forth several repair options to specific bridges that have pushed out the million-dollar-plus full replacement cost by 10 years or more.

The once cumbersome and costly issue of dealing with New Boston's many bridges and large culverts has finally been sorted out. Last year, it was learned that several of our bridges could be repaired at a much lower cost. Voters agreed to create an "umbrella" CRF to handle both repairs and replacements, voting in \$70,000 to get the CRF started.

After reviewing the upcoming repairs recommended for Hilledale Lane in 2013 as well as replacement of the large culverts on Bedford Road at Foxberry in 2016 and Tucker Mill Road at Middle Branch in 2023, the Committee realized they could reduce the yearly amount to \$40,000 from 2012 through 2015, increasing to \$60,000 in 2016.

Because of its immediate need, the only bridge replacement carried as its own CRF is for the large culverts on Riverdale Road, scheduled for replacement in 2014. On the 2011 ballot, \$113,000 previously collected to replace the Gregg Mill Road Bridge (no longer needed) was "repurposed" for the work on Riverdale Road. In order to meet the town's 20% share of the

state bridge aid program, an additional \$56,000 needs to be collected each year in 2012, 2013 and 2014.

Transfer Station Trailer

A replacement for the Transfer Station's 2002 Stecco Trailer is needed in 2013. Transfer Station Manager Gerry Cornett recommends purchasing another J&J Trailer as we did in 2007. He noted that, while more expensive initially, the J&Js are far superior and have a much longer lifespan.

CIP member Matt Beaulieu went to look at both trailers and reported serious rusting and other problems with the Stecco trailer, feeling more repairs would not be cost effective. The Committee recommends spreading the trailer's \$78,000 cost over two years, \$40,000 in 2012 and \$38,000 in 2013.

Town Property Reval

The more costly full town revaluation of property was completed in 2011. The state requires a less costly update to be done in 2016, followed again by a full reval in 2021. To meet the \$80,000 cost of the update, \$20,000 is proposed yearly from 2012 through 2015.

Town Hall Renovation CRF

Last year \$175,000 was removed from this CRF to accomplish the major renovations completed this year to the Town Hall offices. A total of \$6,000 remains in the CRF.

There is a lengthy list of smaller projects that can be accomplished as budget maintenance items, however one large project should be considered in the next few years. General contractor Lee Brown and architect Dave Ely met with the Selectmen to review the work needed in the basement of the Town Hall, which carries water for nine months of the year among other serious issues.

Mr. Brown detailed this project to the CIP Committee and it was agreed to fund the approximately \$69,000 project over two years, in 2014 and 2015. Better estimates will be provided closer to time and the \$6,000 already in the fund will be carried as a contingency.

New Boston Central School

NBCS Principal Jude Chauvette and SAU Business Manager Ray Labore met with CIP and requested the bond for the final, four-classroom addition remain in 2013. However, CIP members again discussed that the history of other additions showed them only passing once a clear need was realized—classes in the white buildings or trailers.

The project was pushed out to 2014, which still may be earlier than needed as enrollment numbers remain fairly steady to date.

CIP Committee

Brandy Mitroff, Chairman, Finance Committee Representative

Lou Lanzillotti, Finance Committee Representative

Don Duhaime, Planning Board Representative

Dwight Lovejoy, Selectman Ex-Officio

Matt Beaulieu, At-Large

Fred Hayes, At-Large

Kevin Lefebvre, At-Large