

**CAPITAL IMPROVEMENT PLAN COMMITTEE
REGULAR MEETING
June 21, 2007**

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3 The Capital Planning Committee meeting of June 21, 2007 was called to order at 5:30 P. M. in
4 the Elwood Conference Room, Town Hall, 268B Mammoth Road, Londonderry, NH 03053.

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6 **PRESENT:** Town Planner, Tim Thompson, AICP; Dir. of Planning & Economic Development,
7 Andre Garron, AICP; Planning Board Reps., Rick Brideau and, John Farrell; School Board
8 Member, Ron Campo (5:37 PM); Budget Committee Member, Michael Toth Assist. Town
9 Manager/Dir. Of Finance, Sue Hickey (5:40); and Executive Assistant, Margo Lapietro. Absent:
10 School Business Manager Peter Curro, Town Councilor Mark Oswald.

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12 **MEETING MINUTES:** R. Brideau made a motion to accept the meeting minutes of
13 5/24/07. Second by M. Toth. Vote 3-0-0.

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15 **REVIEW OF OPEN SPACE:** T. Thompson stated at the last meeting it was requested that we
16 use Moose Hill Orchards as a mock development of single family homes. He said that an
17 appraisal was done on the area in 1998 and at that time it was determined that the area could
18 have 123 buildable lots, including 8 that could be built where the existing Moose Hill School is
19 now located. John Vogl, GIS Manager used that information and the lot layout that was done by
20 Eric Mitchell in 1996 that determined there could be 114 single family homes built on the land.
21 T. Thompson determined there could be 68-4/5 bedroom homes, and 46-3 bedroom homes using
22 assessing date and using the school impact fee methodology it would result in 100.072 school
23 age children. Fire calls would be basically 1.3 calls per year, based on the fire impact fee
24 methodology. A. Garron stated that the methodology used was based on school age students
25 addresses, and based on that the area would support .967 school age students. He explained he
26 used the methods of Bruce Mayberry for the years 1995 – 2000, it was updated again in 2002
27 and 2006. This was at the high end for the calculations. R. Campo stated development was for
28 kids, not an accurate, true number. In a new development the student to household ratio is higher
29 then the town-wide average. A. Garron explained it was based on actual school age students – as
30 accurate as you can get. T. Thompson said that Londonderry has a higher multiplier for school
31 age children that many other towns in the state. J. Farrell suggested having a range of children
32 because we are building a model with a high and low range. Discussion ensued about the school
33 age population in Town. R. Campo said as land is taken out of circulation, school age children
34 are reduced. A. Garron pointed out that he assumed the intent of this review was to see if it
35 would save the Town money by purchasing open space and at what point in time would it reduce
36 Town services in school costs. R. Campo said population in middle school has gone up, housing
37 does affect schools. J. Farrell said real question being asked is, at some point is Open Space not
38 a good idea? S. Hickey said Open Space Bonds have changed from 10 years to 20 which is
39 twice as much interest. R. Campo questioned what happens when we put in a development.
40 After much discussion it was decided to settle on a model and to expand the model and settle on
41 the right numbers. J. Farrell questioned the effect on impact fees, T. Thompson responded that
42 J.Vogl worked on impact fee information for fire department. They received 70% residential
43 calls and 30% commercial/industrial calls. J. Farrell said we need to determine a high and low;

44 here is what is applied when we bought in the past. Going forward if you have a development
45 like this, this is what can be expected based on what we know. Discussion revolved around
46 Conservation Commission, and the land they have bought and why the land was not used for
47 recreational purposes. T. Thompson said that the most recent purchases they made were less
48 than 20% wetlands. J. Farrell said the first debate on Open Space will be 8/30 and the
49 committee should be ready for a lot of questions. He requested more information including a
50 police number, road number, and a Town number, need a factor. R. Brideau suggested picking a
51 neighborhood with newly built 4 bedrooms homes and verifying what impact they have had on
52 the Town with schools, police, fire and recreation using the national average. T. Thompson said
53 he would coordinate with S. Hickey, use the Budget Committee white paper, talk to Mike Speltz
54 and work on the figures. Discussion ensued about the decline in single family housing in Town,
55 and growth management ordinance.

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57 **REVIEW OF FINANCE – DEBT SCHEDULES, NEW GOVERNMENT RESTRICTIONS**
58 **ON LENGTH OF SPENDING BONDS**

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60 Finance Director S. Hickey explained that our bonding conditions have changed. Citizens Bank
61 used to provide us with bonding and financial advice. The only people we would pay when we
62 sold a bond were Moody's and our counsel. Citizen's and all the other banks are no longer going
63 to provide financial advisory services. Only two institutions we can use; South West and
64 Eastern Bank. Fees they charge are very high, minimum fee for a bond is \$7K and they charge
65 \$100 an hour for financial advice. Their fees do not include legal and Moody's charges are
66 extra. They base their fees on price increments, so would it be better if we went higher on our
67 bonding. We might pay \$10K for \$1M or \$10K for \$5M. Discussion ensued about the school
68 and town bonding together. R. Campo said we can't bond something together, has been
69 reviewed in the past. School does not bond small dollar amounts (less than 1.5M.). S. Hickey
70 said it takes 6-8 weeks to sell a bond – services used to be free. New guidelines if you borrow
71 \$1M for Open Space you must spend a certain percentage of it within the life of the bond.
72 Within the first 6 months of the bond you must spend at least 5% of that \$1M. Within the first 9
73 months you must spend at least 30%. Within the first 3 years you have to meet another
74 increment. They are trying to prevent Towns from putting that money in a bank account earning
75 interest and live off the interest. Interest is moving up, we made almost \$900K this year. IRS is
76 cracking down. They look at the Open Space Bond, see that we have \$2 1/2M, and want to
77 know what parcels are being bought. R. Campo stated we have two issues; how much to bond
78 and how much to keep in the bank. Discussion ensued about getting permission to sell the
79 bonds. Once the money is in the Conservation Commission's fund they can spend it. R. Campo
80 asked if there is any protocol or restrictions in place when the Finance Dept. is told to sell a bond
81 for Open Space. S. Hickey responded at this time nothing in place. R. Campo suggested a policy
82 is needed and they should have a purchase and sales agreement before we sell the bond. The
83 Town should know what they are going to buy. J. Farrell stated that when Conservation
84 Commission comes to the CIP Committee for bonding this year we should have the names of the
85 top 5 parcels, what the plan is, who they talked to, how many conversations have they had and
86 how much is each property. S. Hickey does quarterly financials; they like to see the money in
87 their account. T. Thompson said the top priority on their list has asked for \$5M. S. Hickey said
88 we have some flexibility in the General Fund to draw from that until the bond is sold. S.
89 Hickey said legal counsel could in future demand to see what properties they want to buy and
90 what the price is. R. Campo asked about lease/purchase land, S. Hickey said she will check. S.
91 Hickey stressed that bonding money is going to cost a lot more.

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93 S. Hickey is concerned about the roadway bond passed in March being used for Bartley Hill
94 Road. State doing bottom part of the road and Janusz Czyzowski, Public Works Dir. will do the
95 top portion when the State does their portion. State is not doing it until next spring. It was
96 decided that he should use the money for other roads and apply again for money for that road. J.
97 Farrell suggested that when J. Czyzowski comes in for \$1M for roads, give names of roads that
98 will be completed by 11/15/07.
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100 **NEXT MEETING:** August 30, meeting will be held in the Moose Hill Conference Room at
101 5:30 PM.
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103 **OTHER BUSINESS.**
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105 **ADJOURNMENT:** R. Campo made a motion to adjourn at 6:55 P.M. Second by R.
106 Brideau. Vote 4-0-0.
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109 Notes and Tapes by: Margo Lapietro Date: 06/21/07
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111 Minutes Typed by: Margo Lapietro Date: 06/25/07
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113 Approved: CIP Committee Date: 08/30/07
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