

Town of Lyndeborough

Capital Improvement Plan Committee

Citizens Hall, Minutes of December 20,2016

Members Present: Rick McQuade, Walter Holt, Bob Rogers, Mary-Alice Fullerton, Lee Mayhew, Burton Reynolds, Karen Grybko

Others Present: Russ Boland, Town Administrator

Meeting was called to order by Burton Reynolds at 7PM. Purpose of the meeting was to review the 2017-2022 capital plan a copy of which is attached to these minutes. Typically the committee meets with the Department Heads to review their requests. This year there were no new requests but rather a number of adjustments that were developed over the summer and fall as the Department Heads, Town Administrator, and the Selectmen discussed the Town capital needs. These changes fall into three major categories: increases or decreases in the amounts needed to fund, some project due dates were extended, and it was decided Highway Department heavy equipment should be bought used instead of new.

Town Administrator Russ Boland explained this more comprehensive CIP review was triggered by the pledge by the Selectmen to cover the cost of the bond for the Mountain Road rehab project passed last Town Meeting, about \$200,000 per year over 10 years, without raising the Town portion of the tax rate. It was felt with some changes to the capital plan and \$50,000 from the Highway Block Grant from the State, the bond costs could be covered. The CIP plan as approved by voters in March totaled \$305,000 with the total for future years being in the \$325,000 range. The new plan has a bottom line of just \$122,500 for 2017 providing sufficient savings along with the Block Grant money to cover the bond payment which is at it's maximum in 2017 of \$215,000. Each year the bond amount will decrease and each year the CIP will increase some but hopefully close enough in sync so at the end of the 10 years most all costs will have been covered by the reduction in the capital plan (view the plan attached to see in detail how this will work).

The substantial reduction in the 2017 plan comes primarily from revisions to the Highway Department portion. The Selectmen decided to refurbish the '02 Mack extending it's life, with a new maintenance plan in place it was felt truck life could be extended some, and new research on pricing found we were more funded for some replacements than we thought and for others we had more time to fund which lowered the amount needed per year. On the equipment side, the decision to buy used saved a lot of money, enough in fact, that we already have enough funds to replace the large backhoe and the grader when they come due.

The purpose of the CIP is to provide sufficient funding to replace most equipment and attend to other capital needs by placing funds away in a capital reserve fund each year. It is a plan not a promise to replace a given piece of equipment or do any project at any certain time. Those decisions are made

based on need at the time with the CIP being adjusted accordingly. Members of the committee approved of the new plan and the meeting was adjourned at 8:40PM.

Respectfully Submitted,

Burton Reynolds