

MOULTONBOROUGH, NEW HAMPSHIRE
CAPITAL IMPROVEMENTS PROGRAM COMMITTEE
Minutes of March 22nd, 2012, Meeting

Members Present: Richard Brown (Chair); Josh Bartlett (Alternate); Peter Jensen (Planning Board); Bruce Woodruff (Town Planner)

Absent: Barbara Rando; Alan Ballard (ABC); Heidi Davis (Town Finance Director); Joel Mudget (Selectman)

Richard called the meeting to order at 1:05 PM.

Josh was seated in place of Barbara.

After taking a moment for members to read the minutes, Josh made a motion to approve minutes of the CIPC meeting on March 15th, 2012 with corrections. Peter seconded and the minutes were approved unanimously.

Josh expressed concerns that the frame cracks in Rescue-1 and possibly Engine-3 are a result of the design of the frame. He thinks the town should pursue a possible remedy from the manufacturer.

Richard noted that the Chief had committed to following up with the manufacturer.

Richard raised an issue with the soccer field that several people had asked of him. They want to know how the town could do a better job of spending appropriations on time so we don't have to come back later and ask for more than would have been needed were the monies spent on a more timely schedule. Peter noted that the additional monies needed to complete the project were estimated at \$80,000 as late as Oct. 2011 but by the time we got to the March 2012 Town Meeting, just six months later, the estimate had risen to \$199,500. Bruce (planner) commented that the \$80K estimate represented a plan that was at about 30% completion. As the plan work progressed, added work outside the field was also added after the \$80K estimate to address concerns the State had about the wetlands. Members commented that the Playground Drive road work was added to the cost after the \$80K estimate. Members also noted the cost of raising the field higher, to ensure the water problems would not likely recur, was also added after the \$80K estimate. Bruce said that usually when a project request is submitted to the CIPC there is no design yet. Richard agreed but said usually the estimates are not that far off. Richard said he knew we had a town engineer to help prepare estimates but wondered if we didn't also have a competitive bid process that would include design and might result in more accurate estimates at an earlier stage. Peter noted that since he has been in town he has seen one town meeting approve \$300,000 for a soccer field and that we just approved an additional \$199,500 for the same soccer field and now we are up at spending a half million dollars for a soccer field and all that has been done is drafting plans. Peter suggested a half million dollars to repair a soccer field was a lot of money.

Peter said he has a concern with a process that let spending for a soccer field climb to a half million dollars. Josh noted that we need estimates to be much more accurate. Josh said as an example that if we were told we could buy a fire truck for \$60,000 and by the time Town Meeting arrived the estimate was up to \$450,000 it would be clear we were not given the right information. Josh explained that getting back to the question that started the discussion, as far as what the CIPC is concerned, all we can do is make a recommendation as we are an advisory board not a decision-making board.

Committee members suggested they should be careful that going forward they carefully consider likely accuracy of estimates in view of how much the estimates sometimes vary. Bruce commented that the committee should expect annual refinements or confirmations to out-year estimates every year up to the capital year in which the projects are recommended for implantation.

Richard said he was not suggesting anyone in the past made mistakes but rather that we need to be vigilant in our expectation of improving overall quality and accuracy of projects and their estimates. He said we should have the goal of doing our best to influence the expenditure of monies within the year Town Meeting appropriates the money. Richard said we should work to be sure the estimating process is as standardized as possible across all the project requests we receive.

Josh said he has heard some residents express concerns that monies are put into funds and when the fund purpose is accomplished or ended the funds are not always returned to the general fund. Richard agreed the CIPC should keep a very careful eye on all capital funds so they are used and disposed responsibly for the taxpayer.

Peter asked if the committee thought perhaps we should have added a higher contingency percent at earlier stages and reduce it as the plans become more accurate. Bruce said he expects to write some ground rules for estimates to make the process more standardized and more accurate. He proposes a process that adds an annual inflation factor to estimates be frontloaded to help minimize discrepancies as we move forward with the process through the years. Richard said we could expect out-year proposals to be estimated with industry trend inflation numbers built in to the estimate similar to how the road work is estimated. Peter suggested the committee could add the inflation factors. Josh suggested we could find it a difficult thing to do because of how frequently and how much things like material costs can fluctuate.

Richard suggested we should be sure that plans approved by the Town Meeting are executed in a timely manner so the dollars needed to complete the projects do not inflated much simply with passage of time.

Josh thought we might want to re-evaluate approved projects when vendor estimates come in much higher than the engineer estimates used to justify project approval. The committee will discuss this further to determine if they can help reduce future problems of unplanned cost escalations.

Josh brought up the issue of needing to understand which funds were capital funds, what constraints limit how the funds could be used, and how much would be available, so that as the CIPC develops funding recommendations we understand where monies might come from. Bruce will consolidate the information. Peter brought up the issue of having to have information about the leasing program the town decided to use for capital funding.

Richard noted in current and future years we should plan on completing CIPC recommendations one month earlier. Bruce asked if he should begin the process of gathering requests from department heads immediately and the committee consensus was that he should.

Nancy Write asked if anyone was looking at a program to reduce phosphorus. Peter spoke about what the Conservation Commission is currently doing along those lines. Richard asked that the conversation be taken offline as the issues of water quality in the lakes are not being addressed by the CIPC. Bruce said that most CIPC committees in the State do review requests for studies that meet or exceed their capital minimum level trigger. Richard suggested the committee could address the question at our next meeting.

The next meeting is scheduled for Thursday, April 19th, 2012 at 1:00 PM.

Josh made a motion to adjourn the meeting. Peter seconded and the motion was unanimously approved. The meeting was adjourned at 2:26 PM.

Respectfully Submitted,

Peter Jensen,
Capital Improvements Program Committee