

MOULTONBOROUGH, NEW HAMPSHIRE
CAPITAL IMPROVEMENTS PROGRAM COMMITTEE
Minutes of May 24th, 2012, Meeting

Members Present: Richard Brown (Chair); Peter Jensen (Planning Board); Barbara Rando; Alan Ballard (ABC); Bruce Woodruff (Town Planner); Jon Tolman (Selectman); Josh Bartlett (Alternate)

Others Present: Scott Kinmond (DPW Director); Kay Peranelli (School Business Manager)

Absent: Heidi Davis (Town Finance Director)

Meeting Location: Town Hall

Richard called the meeting to order at 9:05 AM.

Draft minutes of the May 12th, 2012 meeting were discussed. Two changes were made:

1st amendment – page 4 – 1st paragraph under *Other Business* – 2nd sentence;
To remove Josh as the person requesting the amendment to the May 10th, 2012 minutes, and

2nd amendment – last paragraph on page 2;
To add that Barbara had been asked to follow up again this year with a review of the Police Dept. vehicle records.

On a motion by Alan and second by Peter, the amended minutes of May 17th, 2012 were approved unanimously.

Follow-up from Prior Meeting:

Agenda Items:

Review of Project Requests

1. DPW (Director Scott Kinmond)

Floor and Wall repairs/maintenance

Scott said he was reducing his requested cost of the 2013 floor and wall repairs/maintenance from \$35k to \$25k based on his actual expenditures in 2012. He also expressed potential need to add monies in later out-years for more repair/maintenance needs. There were questions regarding if the repair/maintenance activities were being tracked in a way they could be used for future planning. The committee questioned if some of the maintenance/repair activities would make more sense included in the operating budget rather than being identified as capital expenditures.

(Continued; Agenda Items > Review of Project Requests > DPW)

Wood Burning Heat System for Highway Garage area

Scott explained his request for a Wood Burning Heat system derived from several circumstances:

- It is expected that the current Waste-Oil Heat system will need replacement within the next few years. Scott is recommending not replacing the system with another Waste-Oil Heat system and instead replacing the system with a Wood Burning system.
- The Waste-Oil Heat system was purchased in 1991 had to be replaced following about 12 years of use (2003). If the current system lasts as long as the first one did, it will need replacement in 2015.
- The useful life of the investment in the older Waste Oil system can be extended by moving it to a backup service mode in which it would only operate if the Wood Burning system ran out of fuel or was out of operation for some other reason.
- The availability of Waste Oil at levels needed to make it a primary fuel source requires maintaining certain hazardous waste permits, and the collection of fuel involves resource usage to pick it up at its various sources.
- The Highway department has an abundant supply of wood for fuel collected during the department's normal operations regardless of heating system used.
- The footprint needed to store sufficient Waste Oil uses valuable space. The wood storage needed to support the department's normal operations also uses valuable space. Using a Wood Burning system would reduce the storage space needed for wood refuse collected during normal operations, would reduce the storage space needed for waste oil, and would reduce the need to expend staff and equipment resources to collect waste oil.

The committee expressed agreement that a heat system replacement should be in the capital plan but asked why the replacement should occur before the end of the useful life of the current system. Scott explained that the Waste Oil system would kick in on weekends if the wood burner ran out of fuel and would alleviate the need for staff resource needed to come in on the weekend to add fuel to the wood burning system. The committee discussed the need to heat the garage on the weekends and Scott said the need is to prevent building water lines from freezing and to keep the equipment at sufficient warmth. The committee asked if there would be added staff and possible equipment resource needed to cut wood to a size that would fit the wood furnace. Scott estimated that there would be sufficient wood collected of acceptable size that added resources to cut wood to fit and load it into the furnace would not be a significant impact.

(Continued; Agenda Items > Review of Project Requests > DPW)

Slab Repair at Public Safety Building

This item is slated for 2013. The committee discussed the activities surrounding and supporting the request. The committee agreed with Scott that some request needs to be in the capital plan to address the slab problem. Neither the committee nor Scott are satisfied that the request is right-sized nor that it is necessarily in the right year(s). Scott said it was likely that the engineering analysis currently underway should produce more helpful planning information within the next 60 days – in time for the committee to consider the information later this year prior to the committee’s annual recommendation report. The committee discussed the reasonableness of moving the planned year out an additional year (to 2014). The committee discussed the feasibility of separating the request into a multi-year project to accommodate the need for perhaps pulling part of the slab in one year and the rest in the next year. The issue of original contractor responsibility was discussed.

Equipment Replacements

Excluding the 2018 requests, the other equipment requests were reviewed in the prior year and neither the needs nor the requests have changed. The committee discussed the Asset Management recommendation for new asset procurements. Scott asked for a copy of the recommendation.

Roads Program

Scott distributed copies of slides in his Roads Program Presentation used to support the Roads Program. Scott explained he was trying to move the town to a program score of 82 and that we are currently at about a 79 (score is the CPI Index). Scott confirmed that there is a cost involved in improving the score and said that though that cost would go away once a desired level was attained it would still cost more to maintain the program score at the higher level than it cost at the lower level. He said that at some point a lower score would cost more to maintain as it would mean roads had deteriorated to the point where they needed complete reconstruction rather than periodic maintenance. Scott believes that a low 80s index score is the best compromise between quality roads and low cost maintenance program.

2. School (Business Manager Kay Peranelli)

Richard asked Kay if the requests for this year are changed from the request of last year. Kay said the only changes were to the schedule – not to the requests:

- 2015 \$60k Reconstruct MA Entrance Drive Drainage
- 2016 \$30k Replace School Truck and Plow
- 2018 \$75k Replace Lobby Storefront at MA.

Kay said the MA Entrance Drive was deteriorating quicker than the school had anticipated so that project had been moved forward. Richard asked for an update to the estimate amount as well.

The committee discussed the reasoning for not including technology expenses in the capital budget plan. It was agreed that the items included in the current technology plan would not rise to the level of a capital expenditure.

The committee asked why the energy savings by replacing the Lobby Storefront at MA didn't warrant keeping the project in its original planned year. Kay said the payback of other energy initiatives was shorter, causing the school to schedule the quicker payback projects earlier (not capital projects).

Richard noted the absence of things like school roof repair and said the committee would get direction on scope of things with the school that should be reviewed by the committee.

Other Business:

Bruce responded to a question about the wetlands issue at Playground drive that he was able to get pictures of the area at earlier dates (1954, 1970, and 1982), he had turned the pictures over to the town engineer. Bruce said his view of the pictures support a conclusion that prior to building the Playground drive field area the area was not a wetland, consequently no after-the-fact wetland permit may be needed to build and consequently there should be no need for the town to retroactively apply for a wetlands permit.

Barbara noted that the town's floor and walls maintenance/repair dollars are categorized a capital expense but that the school categorizes their floor and walls maintenance/repair dollars as operational expense dollars. She asked that we get clarification from the BOS regarding whether or not the CIPC should treat these expenses the same for both boards and if treated the same which type will they be (capital or operational).

The next meeting is scheduled for Thursday, May 31st, 2012 at 9:00 AM at Town Hall. We will be reviewing the Town Administration and Recreation Department.

Jon made a motion to adjourn the meeting. Alan seconded and the motion was unanimously approved. The meeting was adjourned at 11:14 AM.

Respectfully Submitted,

Peter Jensen,
Capital Improvements Program Committee