

**Town of New Durham
Capital Improvement Program Advisory Committee
Minutes of the October 15, 2015 Meeting**

1. Call to Order: By Chair Jarvis at 7:00 PM.

Present: Theresa Jarvis, Chair and Member At Large
Theresa Chabot, Vice Chair and Planning Board Representative
David Bickford, Board of Selectmen Representative
Anthony Bonanno, Budget Committee Representative
Denis Martin, Member at Large, by telephone

Also Present: Road Agent Clarke, Residents David Swenson, Greg Anthes and Joan Martin.

2. Approval of the 9/30/15 Minutes:
 - Edits were made to the Police Department discussion regarding equipping a cruiser and to the discussion regarding a Fire Department facility in the King's Highway section of town.
 - **MOTION:** *To approve the October 7, 2015 CIP minutes as amended.* (Bickford/Martin) Vote: 5-0-0.
3. Gravel CRF: Road Agent Clarke. Currently the fund has \$ 25,063. Mining of the gravel pit has been completed. The pit has been reclaimed and is not minable. The Attorney General's Office of Charitable Trusts is overseeing the closure of the pit. It must be completely closed by the end of 2015. In 2016 4,000 to 5,000 trees will be planted. The Town has 20,000 +/- cubic yards of processed gravel on hand. Some will be used in 2016 and 2017 for 5 to 6 miles of road work. If the Town was purchasing gravel it costs \$ 12 - \$14/cubic yard. 5,000 cubic yards would cost between \$ 60,000 and \$ 70,000. Road Agent Clarke does not feel that any money needs to be added to the Gravel CRF at this time.
4. Highway Department: Road Agent Mike Clarke

Road Surface Management CRF: Currently this fund has \$ 258,056. **However the costs of the 2015 RSMS work has not been deducted at this time.** The Road Agent is requesting that \$ 227,087.60 be added to the RSMS. Tony suggested that since the price of crude oil is down the Town should pave all of the dirt roads. Mike explained that the decrease in crude oil prices has not been reflected in significantly lower costs for paving materials. Pike charged \$ 77/ton in 2015 and is charging \$ 75/ton for paving material in 2016. In addition the Town needs to have an engineering study completed for all the dirt roads in order to know exactly what work is needed. CMA, an engineering company, estimated that the study would cost \$ 6,000+/- . As an example of cost Mike explained that to prepare and pave 7/10's of a mile of Ten Rod Road Extension will cost \$ 502,000+/- which may be a worse case scenario. After a lengthy discussion regarding paved vs dirt roads, costs associated with additional paving etc. the Committee agreed to increase the recommended funding for the RSMS CRF above the Road Agent's request.

- **MOTION:** *To add an additional \$ 82,000 to the RSMS CRF so as to put a 2" binder on 1 mile of gravel road.* (Bonnano/Bickford). After further discussion the motion and the second were withdrawn.
- The Committee suggested that the Road Agent get the engineering study completed in 2016 (or earlier, if possible) and then move forward with paving the dirt roads.
- **MOTION:** *To recommend that \$ 328,000 be placed in the RSMS CRF for FY16.* (Jarvis/Chabot) Vote: 5-0-0

Highway Equipment CRF: Currently this fund has \$ 119,808. **However the costs of any 2015 purchases has not been deducted at this time.**

- **Grader:** Tony suggested that no money be added for the 2026 replacement of the 2011 Volvo Grader. (See attached handout.) He recommended that all grader work be contracted out. The Road Agent disagreed with Tony’s cost savings saying that the dirt roads are usually graded four time/year not three and that the grader is also used to ditch the shoulders of paved roads. A prolonged discussion occurred, including a discussion on contracting work out, the fact that no bids were received for the recent snow plow RFP, suggestions for continued funding of a replacement grader to no further funding.
 - **MOTION:** *To stop funding for a new replacement grader starting with this year.*
(Bonnarno/Bickford) Vote: 3 (Bonnarno, Bickford, Martin) – 2 (Chabot, Jarvis)
 - **Freightliner Water/Plow Truck:** Tony suggested that a water truck is not needed if grading is contracted out. (See handout) He also proposes contracting for a plow truck to cover the route that the Freightliner truck plows. The Committee decided to continue to fund the water/plow truck.
 - **Loader:** Tony proposed that the loader be removed from the CIP as he believes it is only used in the winters to load spreaders and for gravel, work that he feels can be done by the backhoe which is shared with the Transfer Station. The Road Agent explained that the loader, which holds 3 yards of material is also used for ditching, sand and salt work. If he used the backhoe the work would take twice as long as it only holds 1 to 1 ¼ yards. The Committee decided to continue to fund for a loader replacement.
4. Capitol Reserve Funds and Expendable Trust Funds: The Committee reviewed/determined the amount of money that would be recommended for the CRFs and ETFs. Some ETFs are not reviewed by the CIP Committee and are designated by “BOS”.

Capital Reserve Funds	2016 Recommendations
CRF 1772 Meeting House Restoration	\$10,000.00
CRF Dry Hydrant Water Systems	\$2,000.00
CRF Fire Department Ancillary Equipment	\$15,000.00
CRF Fire Truck	\$48,700.00
CRF Gravel Fund	\$0.00
CRF Highway Equipment Purchases	\$18,000.00
CRF Highway Truck	\$55,100.00
CRF JC Shirley Site Improvement	\$0.00
CRF Library Facilities Improvements	\$0.00
CRF Library Technology Improvements	\$0.00
CRF Milfoil Treatment	\$10,000.00
CRF Municipal Facility Land Acquisition	\$0.00
CRF Police Cruiser	\$19,117.00
CRF Public Safety Facilities	\$10,000.00
CRF Purchase Equipment for Transfer Station	\$12,000.00
CRF Revaluation	To Operating Budget
CRF Road Construction	\$328,000.00
CRF Shirley Cemetery Improvement	\$0.00
CRF Smith Ball Field Improvements	\$0.00
CRF Solid Waste Facilities Improvement	\$0.00

Approved at the November 5, 2015

CRF Town Master Plan	\$0.00
CRF Vehicle & Equipment Maintenance	\$0.00
Total	\$527,917.00
	2016 CIP
<u>Expendable Trust Funds</u>	Recommendation
Vietnam Memorial Fund	BOS
JC Shirley Cemetery General Fund Trust	BOS
ETF Accrued Benefits Liability Fund	BOS
ETF Computer and Office Equip. Trust	BOS
Record Management	BOS
Town Buildings Improvement	\$0.00
ETF Surplus Vehicle and Equipment Fund	\$0.00
Emergency Mgmt. Expendable Trust Fund	\$0.00
ETF Forest Fire Control Fund	\$2,000.00
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Highlighted CRFs and ETF are either new in 2015 or have not been reviewed by the Advisory CIP Committee in the past.

5. CIP Report: Terry J collected all the edits to last year's CIP report from Committee Members. She will prepare a draft for review at the next meeting. She will also speak to the Town Administrator regarding assistance in completing the various tables.
6. Next Meeting: The next meeting will be November 5, 2015 at 7 PM.
7. Adjournment: **MOTION**: *To adjourn.* Bonanno/Terry C. 4-0-0. (Telephone contact with Denis Martin had been lost.) Meeting adjourned at 10:06 PM

Respectfully Submitted
Terry Jarvis

Submitted by Tony Bonnano

Highway Capital Budget Reductions

Road Grader – The current grader has an estimated 10 years before replacement. Because of high replacement cost and cost to operate, it is recommended that no more capital be allocated based on the following cost analysis

Replacement cost $\$300,000/15\text{yr.} = \$20,000/\text{year}$

Cost to grade 3 times is $120\text{ hours} \times \$35.38 = \$4,246$

Estimated fuel and maintenance cost/ year = $\$2,500$

Contractor cost to do the same work = $\$9,000$

Freightliner Water/Plow Truck

Will not need water truck if grading is contracted. Capital savings $\$11,250/\text{year}$. Its use as a winter plow truck can be contracted for much less than that when you include the cost for the driver, fuel and maintenance.

Loader

The loader is used primarily to load spreaders in the winter and gravel from the town pit. This work can easily be done by the backhoe with only a slight increase in time since its bucket is about a yard smaller. Capital savings $\$10,000/\text{year}$.

The total savings to taxpayers will be in excess of $\$30,000/\text{year}$ if these pieces of equipment are not replaced. With the minimum use this equipment gets, contracting is much more cost effective. That's why Strafford's and Gilmanton's road costs are so much lower than ours. When I did the comparison in December 2013, our cost per mile was $\$16,972/\text{mile}$, Gilmanton's $\$9,661/\text{mile}$ and Strafford $\$7,895/\text{mile}$.