



Capital Improvement Program Committee

Meeting Minutes

August 24, 2021

Lincoln Town Conference Room

148 Main Street

Committee Members Present:

1. Jack Daly, Selectmen's Representative
2. Paul Beaudin II, Planning Board Representative
3. James Spanos, Budget Committee Representative (arrived at 9:05 am)
4. Alfred (Butch) Burbank, Town Manager (arrived at 9:20 am)

Committee Members Excused: None

Staff Present:

1. Johnna Hart, Finance Director
2. Carole Bont, Planner

Department Heads or Committee Member Representative(s) Present:

1. Fire Chief Ron Beard
2. Planner Carole Bont

Audience: None.

AGENDA: ORGANIZATIONAL MEETING 9:00 AM.

A. CALL MEETING TO ORDER.

Chair Beaudin called the meeting to order at 9:15 AM.

B. APPOINTMENT OF CHAIR:

After reading the by-laws for the CIP Committee, as the Planning Board's representative on the CIP Committee, Paul Beaudin became Chair of the CIP Committee.

C. DISCUSSION RE: SCHEDULE: Why Tuesday? Jack Daly would prefer a different day, but for the Town staff Monday and Wednesdays are extremely busy as well as being typical meeting days. Keep as Tuesday. Schedule Revised #2 is the current schedule.

FIRE CHIEF PRESENTATION

Chair Beaudin started with the equipment lines first. Chair Beaudin started asking Fire Chief Beard about the vehicles. He started with the Tower Truck, Project Number 45. He started a narrative about the Tower Truck and the amounts. Did he need any more money in 2027?

Town Manager Burbank tried to explain that the year FY 2027 would be filled in this year as the cost was projected out over time. For both Project Number 9 and Project Number 45 they should put \$25,000 in FY 2027.

1. Page 24, V. 1310-304 Fire Department

Discussion about what the column headings and numbers on the CIP spreadsheet mean for the new members of the CIP Committee, James Spanos and Jack Daly.

For example:

Project Number 9 (2013) E1 International Pumper.

- **Date in parenthesis:** The date in parenthesis following the name of the equipment is the year of the equipment. For example, the E1 International Pumper is a 2013 model.
- **“Comp’d Last”:** Under the column “Comp’d Last” means “completed last” and it was purchased by the Town in 2013.
- **“Next”:** The life expectancy of that piece of equipment is 25 years so the “Next” time to purchase a replacement for that equipment should be in 2038.
- **“Prompt”:** We put a prompt 6 years prior to the purchase so we can get firmer and more accurate estimate of the cost of replacement and to make sure we are on track to save enough money for the purchase and during those 6 years prior to purchase we can make adjustments so the amount of money set aside so that enough money will be there when needed. When we bought the last truck, it was approximately \$343,000 in 2013. So, he is estimating that 25 years out. When we hit the “prompt” that is when we look closely at the market and get a more accurate estimate.
- **“Total Est’d Cost”:** The total estimated cost of replacement is just a rough estimate until closer in time to the expected purchase. Then a firmer and more accurate estimate of the cost of replacement is obtained.
- **“CRF Balance”:** Means the Capital Reserve Fund Balance in the fund as of 12/31/2021. For example, \$0 is left in Project Number 9 E1 International Pumper account, however, there is \$245 left in Project Number 45 Tower Truck fund.

Discussion:

Chair Beaudin added that sometimes something catastrophic happens and we need a new vehicle sooner than we expected and have to take money from one year and use it to address the catastrophe at hand.

Member Daly asked if the estimate took into consideration the trade in value of the 2013 vehicle. Fire Chief Beard said that usually by the time we are ready for a new vehicle, there is not much value left in the old vehicle because we hang onto the vehicles for 25 years.

Fire Chief Beard pointed out that the Town will be looking to make three large purchases in a tight time line (Rescue Vehicle in 2034), (Tower Truck in 2037) and (Engine 1 in 2038) – costly purchases which are pretty close together. If we bought the Tower Truck new the cost today would be \$1,300,000. The Town has been buying used vehicles, however, the only vehicle the Town cannot buy used is its “primary attack vehicle” (i.e., Engine 2 Pumper); that vehicle needs to be new based on NFPA Guidelines. Your first primary attack vehicle must be within a certain

age range; it cannot be over.

The tower truck is a second-hand vehicle. The pumper tanker truck we bought new only because that is what they did back then.

Chair Beaudin pointed out that when the 6 year “prompt” comes up and we learn that the cost of the vehicle has increased we then have 6 years to come up with the additional monies.

Town Manager Burbank pointed out that the beauty of the CIP program is that even with this tight window, we can save for these purchases in advance. The theory is to take the heavy spikes and dips out of the tax rate. You estimate as close as you can. Then again, “life happens”. You might have to use that \$50,000 you have been saving for a specific purpose someplace else. The CIP is a planning tool.

Fire Chief Beard said that there are also grants sometimes available. When he is getting close to the time of the replacement schedule, then he can check on grants. If he can get a grant and save taxpayers money he will. If the Town has money in the CIP for a specific purpose the Town can use those monies in the Capital Reserve Fund to go for grants which usually require matching funds.

Finance Director Johnna Hart asked if the CIP Committee would vote to allow her to use money in the Un-Allocated CRF Balance of \$5,673 to zero out the amount we over expended for Project Number 102 FD Command Vehicle (2020) in the amount of \$1,344. She has \$1,517 in unallocated. Can she move that to coverage that overage so the balance in CRF balance 12/31/2021 is \$0?

Motion: Take money out of unallocated CRF Balance to cover the overage in Project Number 102 FD Command Vehicle (2020) to make the balance \$0. Under the Subtotal Un-Allocated CRF Balance – Miscellaneous will be \$173.83.

Motion: Beaudin. Second: Spanos. All in favor.

Changes:

a. Project Number 9 (2013) E1 International Pumper.

- i. Put \$25,0000 in CIPC Recommendation FY 2027.

b. Project Number 45 (2001) Tower Truck (PB).

- i. Put \$25,0000 in CIPC Recommendation FY 2027.

c. Project Number 46 (2001) E2 International 4900 Pumper

- i. *The last Pumper was a 2001 Pumper purchased in 2001. The next one will be purchased in 2025. The estimated cost is \$400,000. We currently have \$154,287 saved in the CRF Balance 12/31/2021. We are putting \$60,000 in each year until FY 2025 at which time we will be just \$5,713 short of the full purchase price of \$400,000. In 2025 we can “pump it up” another \$5,713 if we need it.*
- ii. *Note: In 2019 Fire Chief got an estimate of \$400,000 at the 6-year prompt. He is looking to replace “Engine 2” in 2025 at a cost of \$400,000 with a current Capital Reserve Fund balance as of 12/31/2021 of \$154,287. The pumper has to be a new truck; the first*

line of defense pumper vehicle is required to be a new vehicle – it cannot be second hand. Because of the long turn around time for ordering a new vehicle, he has to “spec” the truck in 2023. He will talk to all of the major manufacturers. He will also look for grants to help offset the cost. He has to make a firm commitment and have a deposit of around \$100,000 in 2024 when he orders the truck and then it takes a year for the manufacturer to build the truck for delivery in 2025. Discussion re: toll salt takes on vehicles here in the northeast.

Discussion:

Member Daly asked if we ever put in a contingency in case the cost is greater than estimated. What if it runs \$450,000 and we only have \$410,000? Chair Beaudin said when you get to the prompt you hone in on a firm price and the last year you can make that adjustment.

Town Manager Burbank explained that the way we do that is typically the CIP Committee uses a 3% cost of living adjustment or “expander”. We have been running about \$1,300,000 for the CIP Plan. We have been using a 3% cost of living expander. He just pulled up the Consumer Price Index, Northeast Region – July 2021 which says regional prices are up 4.3% over the year. He usually pulls the numbers for October. His Town Manager replacement might do something different. Statewide, Town Managers seem to shoot for the index in October as a guide or indication as to how the year has gone. If it goes down to 4% or even the 3% range like last year then that is a good indicator of what inflation has been. If you hover around 1.3% that works well. Paul Beaudin always argues the number should be lower. The problem is when you reduce it by that much then you are moving more money around to cover these projects and eventually you are going to have to pay for them. That 3% should be your contingency throughout your whole CIP Plan.

Town Manager Burbank said that after you hear from all Department Heads then you can say, “All right, Nate, can you get another year out of that truck?” Actually, Fire Chief Beard did that. He said, “I can push that Rescue Truck out a couple of years.” Then you can take that \$25,000 and move it to meet your more immediate need. That is how you build in the contingency. That is fiscal planning. The CIP Plan is just a tool. You end up moving stuff around every year to meet your most urgent needs.

Town Manager Burbank said this year you are going to hear from DPW Hadaway that he lost a couple of expensive pumps this year whose replacement was totally unplanned (i.e., \$15,000 - \$20,000 each). Those things happen, but there is enough flexibility in the CIP Plan to deal with those unexpected problems.

Town Manager Burbank said the whole idea of the Capital Improvement Plan is with the payments for large expensive purchases spread out over time taxpayers do not experience that dramatic spike in their tax rates.

Chair Beaudin said the only thing that matters in the end is that even though all of these capital expenditures are detailed out in the CIP spreadsheet, is what is in reserve and what the bottom-line request is because this bottom-line number for the balance can be used for any of these expenditures listed in the [V. 1310-304] Fire Department. (The monies cannot be moved from department to department.) That is essentially “the buffer”.

- d. **Project Number 47 [2009] R4 Rescue Vehicle.**
 - i. Make no changes. That is a good schedule. We got a decent buy. The vehicle is totally rust free. No purchase is anticipated until 2034 with a prompt in 2028. The year of the vehicle is 2009. We bought the vehicle in 2019. It was a 10-year-old vehicle when we bought it.
 - ii. Fire Chief Beard explained that mileage does not really play a factor in our Fire Department vehicles. The 2013 International Pumper has not turned 7,000 miles yet because it stays in Lincoln except for occasional mutual aid calls. ***"We don't wear them out, we rust them out."*** In winter we take them out in the worst weather possible with treated roads. Then even though we wash the vehicles, we put them into the heated garage. That is the worst-case scenario for a vehicle. They are using more calcium chloride than ever before with hard pack and salt reduction. You cannot properly wash the undercarriage every time you take it outside.
- e. **Project Number 102 (2020) FD Command Vehicle (A 2020 vehicle purchased in 2020).**
 - i. **Change "Project Number 102 2008 Command Vehicle" to "Project Number 102 2020 Command Vehicle"**
 - ii. **Change "Comp'd Last":** from 2017 to 2020.
 - iii. **Change "Next":** from 2024 to 2026.

Discussion:

Town Manager Burbank said that Fire Chief Beard is pretty good at milking additional life out of vehicles. The six (6) years is probably a good estimate of life expectancy for that vehicle, however, every year you could ask Fire Chief Beard about how the vehicle is holding up and maybe he can get an extra year or two out of it. However, meanwhile you should plan for a six-year life expectancy and start putting money away because the 6-year prompt was 2020.

- iv. **Change "Prompt":** from 2015 to 2020.
- v. **Change CRF Balance 12/31/2021:** from -\$1,344 to \$0 using the sum of \$1,344 from the Subtotal Un-Allocated CRF Balance of \$5,673 to cover the shortfall in Project number 102 for the FD Command Vehicle (2020) leaving \$4,329 in the Subtotal Un-Allocated CRF Balance.
- vi. Put \$5,000 in CIPC Recommendation FY 2022.
- vii. Put \$10,000 in CIPC Recommendation FY 2023.
- viii. Put \$10,000 in CIPC Recommendation FY 2024.
- ix. Put \$10,000 in CIPC Recommendation FY 2025.
- x. Put \$10,000 in CIPC Recommendation FY 2026.
- xi. Fire Truck & Equipment Totals will be as follows:
 - 1. CIPC Recommendation FY 2022 total is \$65,000.
 - 2. CIPC Recommendation FY 2023 total is \$120,000.

3. CIPC Recommendation FY 2024 total is \$120,000.
4. CIPC Recommendation FY 2025 total is \$120,000.
5. CIPC Recommendation FY 2026 total is \$60,000.
6. CIPC Recommendation FY 2026 total is \$50,000.

2. Page 23, II. 1310-323 Property & Building Maintenance:

a. Project Number 23 New Town Services Building.

- i. The CIP Committee skipped this project number; however, Town Manager Burbank discussed the fact that the Town had a Safety Services Building Committee looking at the possible development of a new Safety Services Building at the old Airport property. At this time the final outcome of that process is uncertain. If the Town is looking to build a new safety services building, the Town does not want to invest too much money in the current fire station building. Consequently, there is some question about how much money to put into the current Fire Station facility to keep the facility in good repair as the facility will probably be repurposed. Last Fire Chief Beard knew, the library was looking to build an expansion onto the library. [The library directly abuts the fire station and is located partially on the Fire Department lot.] Perhaps the library would be looking to expand into the Fire Station space.

b. Project Number 85 Fire Department Building & Infrastructure.

Fire Chief Beard said they need to replace the vinyl siding on the fire station as it is very brittle and needs to be replaced. Town Manager Burbank agreed; the vinyl siding is coming away from the building.

(Note: Last year the CIP Committee deleted Project Number 80 Repair/Replace Vinyl Siding on Fire Station and combined vinyl siding in with Project Number 85 where "Fire Department Building Infrastructure" could be called "Fire Department Building and Infrastructure" instead of separating out the vinyl siding.) In the past we put \$5,000 per year in the infrastructure account for infrastructure upkeep. Plus, we were saving up money in a separate account to replace the siding. Now the two accounts are combined.)

Before the two projects were combined, Fire Chief Beard said that the Town was putting in \$5,000 per year. Last year with that money he upgraded the bathrooms for about \$4,000. He also removed the carpeting in the training room and replaced it with more durable laminate flooring.

The Committee agreed that the building needs to be adequately maintained. At this time there is \$35,000 in the CRF Balance 12/31/2021 for the combined account. Fire Chief Beard hopes he will be able to replace the siding with that money.

Fire Chief Beard will get an estimate for siding from Lowe's or Home Depot – just for the materials and submit it to the CIP Committee. Although he should be able to get an estimate for materials, he doubts that he will be able to find anyone to actually do the work as most contractors are booked up and backed up.

- i. No changes for now, however, **Fire Chief Beard will get an estimate** for the materials for residing and if it appears to be greater than \$35,000 then we will make the appropriate adjustments.
- c. **Project Number 86 Pave Fire Department Parking Lot.**
Fire Chief Beard will get an estimate to repave the portion of the apron at the spot where the apron meets Church Street; there is some cracking at that spot. Town Manager Burbank suggested Chief Beard have DPW Hadaway get an estimate for the fire station driveway apron when Hadaway is getting pavement estimates for other paving projects when Hadaway gets a pavement estimate.

PRESENTATION BY PLANNER FOR PLANNING AND ZONING DEPARTMENT

PLANNING AND ZONING DEPARTMENT

Page 24, **III. 1310-318 Planning & Engineering:**

1. Project Number 2 “Engineering”:

Discussion:

Under “Total Estimated Cost” for engineering it says “ongoing” so there is no prompt date. There is \$78,220 in the CRF Balance 12/31/2021. For 2021 it was \$2,000 and the CIP Committee reduced it to \$0. We changed the engineering and put some of the engineering into the administrative budget to reflect more accurately where the money was being used. Planner Bont does not know how much money she used for engineering because the way we use the engineer has been evolving over time. The Board of Selectmen uses these funds for certain projects, like planning for a water storage tank or a sewer line. The Planning Board uses some of it, but a lot of the money for engineering is reimbursed by the applicants.

Finance Director Johnna Hart did not see that we used any monies out of that fund this year for Planning as of June 2021. Planner Bont said that the Town would probably pay its expenses associated with the Denise Heredeen matter out of this fund. There will be engineering costs, legal costs and survey costs as a result of when the legal ball was dropped back in 2012 when the Town created a hammerhead turnaround at the end of the Pleasant Street on land owned by the School District.

- a. Change CIPC Recommendation FY 2022 from \$10,000 to \$0.
 - b. Leave CIPC Recommendation FY 2023, FY 2024 and FY 2025 with \$10,000.
 - c. Leave CIPC Recommendation FY 2026, and FY 2027 blank until we see where we are at.
- #### **2. Project Number 25 “Update Master Plan”:**
- a. Jim Spanos said that last time the cost of the Master Plan was \$25,000 in 2015.
 - b. No changes. Leave CIPC Recommendation FY 2022 at \$5,000.
 - c. Do not add \$10,000 to CIPC Recommendation FY 2026 or FY 2027.
 - d. **Planner Bont will get an estimate** of the cost of updating the Master Plan.

3. Project Number 31 “1310-324 Village Center & River Front Park”:

- a. Change CIPC Recommendation FY 2027 from \$0 to \$10,000.

Discussion about the River Front Park. Town Manager Burbank said the cost to do everything from scratch was \$2,300,000. That includes the estimated cost of mitigating the brownfields, building the amphitheater, parking, and everything else planned for there.

Town Manager Burbank said right now the Town of Lincoln’s River Front Park is on the brownfields program list for remediation. Our project did not make the cut in the spring round. Two big projects [Boscowen, NH & Jaffrey, NH] beat us out. However, we are now higher up on the list of the EPA’s Northeast Sites slated for the Brownfields Program cleanup.

Town Manager Burbank said the EPA was excited to clean this mill site up. When they clean the site, they will cut the trees and reloam it. It will be like site prep. It will be a 100% grant which will be most of the cost of the park. The cost of \$2,300,000 is what the cost would be if the Town were doing the whole project ourselves from scratch. That number will change as soon as the Town knows what is going to happen with the EPA.

Member Daly asked if that amount reflected the full cost of cleaning up the brownfields. Town Manager Burbank said only to the extent that we knew what toxins are there and how much was there at the time. The cost will depend on what they actually find there. That amount should drop depending on what they find and what they have to do to remediate it.

Town Manager Burbank said the skate board park portion of the park is separately funded with grants and donations. There also is a group that wants to contribute to the dog walk portion of the park.

Town Manager Burbank recommended that the CIP Committee leave the \$10,000 for FY 2022 because that will help cover the costs of the engineering for this year.

Chair Beaudin asked if the Town could get reimbursed for any of the prior engineering that the Town has paid for because of Burndy, etc. Town Manager said although it might be worth pursuing, he guesses that the federal government will not be looking to pay for any prior expenditures. However, someone should ask the question.

Chair Beaudin asked who was in charge of the application now? Town Manager Burbank said the Town hired the engineering firm out of Vermont that did the environmental assessment (coordinated by Town Engineer Ray Korber). The engineering firm did the EPA filing for the Town. The application was accepted by the EPA and the Town is on the EPA Brownfields cleanup list.

Chair Beaudin asked when will they start the park? Town Manager Burbank said once they have accepted it, it then it becomes “active” and you get the green light to go out to bid.

Member Daly pointed out that the EPA clean up might deliver the site in the way we would like, however, it may not. Town Manager Burbank said the EPA will require the [contractors] to take it to the extent of the contamination – until the contamination stops. Then they will return it to its natural state and then the Town can use it. Then the Town can design the park and put in trees and grass and arborvitaes.

Chair Beaudin asked if the brownfields people run the whole process? Town Manager Burbank said he was not sure. He does not think brownfields people “run” it, but they certainly oversee it.

Chair Beaudin asked if the Town could hire the same contractors that are working on the brownfield in order to save money. Town Manager Burbank said anything over and above what the government requires the Town would have to pay for and would depend on whether the contractor wants to do the work.

Other Matters:

Chair Beaudin asked Planner Bont about anything else. Planner Bont said that she would like to have a map layer created to reflect the Shoreland Protection Act, however, the initial cost is less than \$15,000 so did not qualify to go on the CIP.

Planner Bont said that prior to this year there were no real efforts to build in the areas protected by the Shoreland Protection Act, however, this year lots of people are looking to build in those protected areas. Those protected areas really need to be reflected on the zoning maps. There is an initial cost for creating those maps and then an annual fee for maintaining them. **Planner Bont will get an estimate** for that cost and perhaps take the money for that expenditure out of the CIP for engineering.

Member Daly asked about the \$15,000 threshold requirement. Chair Beaudin explained that some projects can be consolidated. He gave the example of painting town buildings. It might cost less than \$15,000 to paint the fire station, but then if you combine painting the fire station with painting the solid waste facility you get over the \$15,000 threshold requirement. The same could be said for engineering. The line is not for one engineering project. It is for several engineering projects. It gives you an opportunity to use the capital funds instead of taking it out of the budget.

Town Manager Burbank said that he makes every effort to reflect the expenditures in the department that uses it, but sometimes it is just not practical because a project might touch three or four departments. You really need one place to get the money.

Chair Beaudin explained that when the CIP Committee goes through the CIP they make cuts here and there, but then if the DPW comes in and says he has a need for a large expenditure for water or sewer then they need to shift things around to make it happen.

Town Manager Burbank said to make sure you keep your eye on that bottom line. You try to not change that bottom line number too much so the taxpayers will not get a spike in their taxes. If you have a plan and stick to it, it takes the unpleasant surprises out of paying for government expenditures. If you spend what you need at the moment you might get the job done, but the tax rate fluctuates wildly and taxpayers are not happy.

Member Daly asked Finance Director Johnna Hart to highlight in some way on the spreadsheet any changes that the CIP Committee makes so he can find them easily.

Motion to adjourn the meeting at 11:15 AM by Town Manager Butch Burbank. Seconded by Beaudin. All in favor. (4-0).

Date: 8/31/2021

By: Paul Beaudin #
Paul Beaudin II, Chair

Revised October 24, 2009
Revised January 28, 2011
Revised November 26, 2013
Revised August 14, 2019

BY-LAWS
OF THE
CAPITAL IMPROVEMENTS PROGRAM COMMITTEE
OF THE
LINCOLN PLANNING BOARD

ARTICLE I AUTHORITY

Pursuant to RSA 674:5 and Warrant Article No. 25, as adopted at the March 12, 1996 Town Meeting, the Lincoln Planning Board hereby creates a permanent standing committee, to be named the "Capital Improvements Program (CIP) Committee."

ARTICLE II PURPOSE

The purpose of the committee will be to assist the Planning Board in its annual adoption of a Capital Improvements Program by performing any task deemed appropriate to the implementation of RSA 674:6 and RSA 674:7.

ARTICLE III MEMBERSHIP

- A. The committee will be comprised of four (4) voting members, as follows:
- Representative of the Planning Board
 - Representative from the Budget Committee
 - Selectman's Designated Representative
 - Public or Staff Representative
- B. The Planning Board may determine changes to the previous year's committee structure at any time.

ARTICLE IV ORGANIZATION

- A. The Chairman of the committee will be the Board of Selectmen's Designated Representative.
- B. The Administrator to the Board of Selectmen is hereby designated as the financial officer.

- C. The CIPC Chairman is hereby designated as the primary contact.
- D. The office of the Planning Board/CIP Secretary will be responsible for providing staff support for the purposes of taking and preparing committee minutes and other routine staff needs of the committee.

ARTICLE V RESPONSIBILITIES

- A. The CIP process is generally set forth as follows:

Step 1: On or about **June 1st** each year, letters are sent out by the representative of the Planning Board to department heads requesting their detailed CIP project submittal information for the next fiscal year. Each year the department head reassesses all of the prior project requests and adds a new sixth year.

Step 2: By **July 1st**, all project requests are due back to the CIP Committee.

Step 3: Generally speaking, from **July through October**, the CIPC meets to prioritize all requested projects and develop the draft CIP. As part of the process, the CIPC may create a sub-committee; known as the "CIP Advisory Committee," whose sole purpose will be to assist the CIPC in creating a priority ranking of all CIP proposed projects.

Step 4: By **November 15th**, the CIPC, makes its recommendations to the Planning Board.

Step 5: By the end of **November**, the Planning Board will conduct a public hearing and take action or amend the CIP based on input from the public hearing.

Step 6: By **December 15th**, the Planning Board adopts the CIP and distributes it to the Budget Committee, the Board of Selectmen and the general public to be used as a planning tool.

- B. In addition to a proposed Capital Improvements Program, at the end of its annual work as a CIPC, the Committee will address any matter deemed appropriate by the Committee, including a critique of these committee by-laws.

Last revised by the Planning Board during its meeting of August 14, 2019.


Ol Robinson, CIPC Chairman &
Selectmen's Designated Representative