

**Town of Grantham
Capital Improvements Projects Committee Meeting
Regular Meeting Minutes
July 31, 2014**

The regular meeting of the Capital Improvements Projects (CIP) Committee was called to order at 1:14 p.m. on July 31, 2014 by Chair Peter Guillette. The meeting was held in the Grantham Town Building, Jerry Whitney Memorial Conference Room at 300 Route 10 South.

Members Present: Paula Bresnick; Peter Guillette; Bob MacNeil; Pat MacNeil

Others: Town Administrator Melissa White

Approval of Minutes: A motion was made by B. MacNeil, seconded by P. MacNeil to approve the July 10, 2014 minutes as written. **Unanimously approved.**

Old Business

- **Review worksheets submitted by Department Heads:**

Chair Guillette asked if the format of the summary spreadsheet was useful and if anything needed to be added to it. B. MacNeil felt it was a good start but more information was needed. B. MacNeil asked Administrator White if she was able to get the list of what was purchased last year. White said the information was included on the spreadsheet for each department; that it shows the date equipment was purchased and acquired.

B. MacNeil requested department heads provide additional detail on each piece of equipment such as hours, miles, and industry standards (from the manufacturer).

P. MacNeil asked that the cost per year for upkeep of each piece of equipment also be provided to the committee. White said she would obtain that information. B. MacNeil felt having this information would allow the committee to measure the cost, for example if a transmission has to be replaced, that would be measured against the cost of a new vehicle. B. MacNeil said that if the repairs that are done are more cost effective to keep an older vehicle on the road that is a business decision. Guillette felt the CIP Committee could not anticipate those kinds of things. B. MacNeil further explained that in prior years he had conversations with Fire Chief Fountain about replacing the fire apparatus and Chief Fountain had always the estimated costs of repairs as well as the cost of replacing the piece of apparatus; and that was the kind of information he would like from the other departments.

Guillette informed that the Grantham Village School will provide their information after the School Board meeting on August 5, 2014.

Bresnick asked for Department Heads to provide their opinion on purchase versus leasing. White said the Board of Selectmen opted to do that for the purchase of the plow truck this year. B. MacNeil asked how it worked for the town. White said she contacted other communities to find out what banks they financed with and found that Kansas State Bank was the cheapest and the administrative end of it was very easy.

APPROVED

Guillette explained that the lease/purchase option is a zero buyout and the town owns the vehicle when the last payment is made; that maintenance and repairs are not included in the lease payments. White further explained that the language "lease/purchase" is not the same as leasing is for individual; that it's basically a bank loan. White continued that in the case of the new plow truck, the lease/purchase agreement contains an escape clause which means that if voters do not appropriate funds for the payment each year, the vehicle is returned to the leasing company and nothing more is due from the Town.

B. MacNeil said that the committee last year discussed the leasing option for Police cruisers; that some local companies have some very aggressive programs for them that includes maintenance.

White said that in the case of the Highway Department, Road Agent Hastings performs about ninety percent of the maintenance on his vehicles which saves the town a significant amount of money. B. MacNeil commended Road Agent Hastings for his work and said that if preventative maintenance takes a back seat when bigger repairs are needed then some consideration should be given to outsourcing the bigger work.

B. MacNeil asked what the town's bonding limit was. White wasn't sure but will look into it.

The committee continued the review of each department's request and White will obtain the additional information from them for the committee's next meeting. The committee felt reviewing the bridges and road paving schedule was a policy decision of the Board of Selectmen.

Guillette felt that it was important to have what the current financial obligation is on the spreadsheet such as a lease payment.

Fire Department:

The request for the exhaust system for the station was reviewed and the committee felt having the Chief provide them with the state regulations for compliance of health and safety standards was important.

Other project requests included building upgrades and expansion. B. MacNeil stated that last year Chief Fountain talked about finding another location for the station because of it being in the flood plain and questioned whether it should be done now. The committee requested more information on the building upgrades, storage etc.

B. MacNeil requested White provide the committee with a list of what was purchased in the last budget year.

Dunbar Free Library:

The Dunbar Free Library project request was reviewed and B. MacNeil asked if the Library Trustees have decided to ask for the expansion project to be paid for by taxation. White said she did not know but would ask the Library Director. B. MacNeil felt a discussion with the Trustees was needed.

Transfer Station:

The Transfer Station projects were reviewed. White informed that the Reclamation Fund can be used for the purchase of containers. B. MacNeil asked if that fund was supposed to pay for the disposal of tires. White said yes, that containers can also be purchased from that fund.

P. Bresnick said there were only one or two projects for the Transfer Station that fall within the six-year period. The committee requested that additional information about the equipment be obtained such as industry standards, mileage, hours, repair history, frequency of use etc.

APPROVED

B. MacNeil said that last year when the committee was discussing container replacement and what would be needed for the capital reserve fund; that nothing was mentioned about the Reclamation Fund. P. Bresnick said that the capital reserve fund balances are provided so whether or not purchases are paid for by lease payments or other funds the committee can see that the capital reserve fund has not been touched. B. MacNeil agreed.

B. MacNeil felt that since some of the containers were purchased from the Reclamation Fund there was a hole in evaluating capital purchases to keep the Transfer Station running. P. Bresnick felt that the hole B. MacNeil was referring to only meant the capital reserve fund wouldn't be used. B. MacNeil asked if another container was purchased would the committee see it. White said yes. P. Bresnick referred to the lease/purchase of the plow truck this year and said although it was leased the committee still sees it on their capital spreadsheet. White stated that the lease payments cannot be taken from capital reserve fund monies until the last payment is made when the town actually takes ownership of the vehicle.

B. MacNeil asked if the backhoe purchase for the Transfer Station came from the Capital Reserve Fund. White said yes.

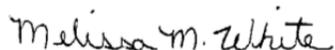
Referring to the projected replacement of the roll-off truck in 2017/18 and seeing the requested amount each year doesn't sufficiently fund it, P. MacNeil asked if more should be put into that fund. B. MacNeil said yes, that it means there isn't enough money to fund the purchase and the fund should never be in the negative.

Adjournment

There being no further business, P. Bresnick moved to adjourn, seconded by P. Guillette. ***The Committee voted unanimously to adjourn at 2:45 p.m.***

The next CIP Committee meeting will be held on August 28, 2014 at 1pm in the Jerry Whitney Memorial Conference Room, 300 Route 10 South, Grantham, NH.

Respectfully submitted,



*Melissa White
Town Administrator*