

**TOWN OF PETERBOROUGH  
CAPITAL IMPROVEMENTS COMMITTEE**

**5:00 P.M. Thursday  
October 5, 2017**

**MINUTES**

**Present:** Roland Patten, Alan Zeller, Kim Rode, James Kelly, Bob Hanson, Johnathan Ericson and Carl Mabbs-Zeno

**Also Present:** Peter Throop, Director, and Laura Norton, Administrative Assistant, Office of Community Development.

Chair Patten (Mr. Patten) called the meeting to order at 1:00 p.m.

**Election of Officers:**

Mr. Patten noted he had been the Chairman of the Committee last year but as a member of the Budget Committee as well he was looking for some relief and nominated Mr. Hanson to be the Chairman. With no other nominations from the floor a motion was made/seconded (Patten/Zeller) to appoint Bob Hanson Chairman with all in favor.

When Mr. Throop noted a nomination for Vice Chairman. Mr. Hanson, acknowledging Mr. Patten's experience nominated him as Vice Chairman. Mr. Patten replied "if you want me I will be Vice Chair." With no other nominations from the floor a motion was made/seconded (Hanson/Rode) to appoint Roland Patten as Vice Chairman with all in favor.

Mr. Throop took a moment to update the members of two other members, Susan Stanbury and Leandra MacDonald. Mr. Throop noted Ms. Stanbury would be on travel throughout much of the meeting process this fall but had also suffered the loss of a close friend and felt it best not to participate this year. She did note her interest in coming back next year. Mr. Throop went on to note Ms. MacDonald was very interested in serving but was unable to make Thursdays. After a brief discussion the members agreed to meet Tuesdays at 3:00 p.m. with all in favor.

**Introductions:**

Mr. Patten began by introducing himself with a short biography followed by each member. The Town of Peterborough would like to warmly welcome new members Jonathan Ericson and Carl Mabbs-Zeno.

**Review of CIP Committee FY 2018 Recommendations:**

Mr. Throop began with a PowerPoint presentation that laid out the challenges facing the members this year and included a graph of total *(Town) Department requests and Debt Services*. “We are looking at larger and larger capital projects needing bonding” said Mr. Throop; *Key issues affecting CIP* (new items for FY 2018, an 11% decrease approval in FY 2017 and how it influences an increase in 2018 by cutting out a DPW truck). Mr. Patten interjected “fast forward one year and the truck is still there, still needing to be replaced” and *Continual increase to Debt Services* (citing limited capital reserve contribution from the Fire Department and Department of Public Works in 2020 and the Fire Department in 2023).

Mr. Ericson asked for clarification on the 11% decrease in 2018 and a 10% increase in taxes with Mr. Throop explaining the fiscal year running from July 1st through June 30th. “OK, it is not a calendar year, thank you” replied Mr. Ericson.

Mr. Throop continued by telling the members “the goal is to get to level funding *not* a lot of up and down.” Mr. Patten added “we refer to this as kicking the can down the road and how it will come back to bite you.” He also gave the example of the Main Street Bridge and “when a project stalls it costs a lot more. We have been working on the Main Street Bridge for about eight years now.” Mr. Zeller agreed noting the Union Street Bridge ended up costing about an extra million dollars due to delays.

Mr. Throop continued his PowerPoint with *Net CIP Plan by (Town) Department* “the lion’s share of this is Public Works (fleet, highway budget, buildings and grounds) followed by the Fire Department (refurbishment of the Ladder truck in 2019 followed by replacement in 2025) *Existing Debt Service and Lease Purchases* (“the Main Street Bridge is the big contender here”) and *Possible Future Debts with placeholders* (Library of the Future, Town House refurbishment, DPW facility and new Fire Station and the potential to build Broadband capabilities). Looking at the members Mr. Throop said “we are trying to get the most realistic schedule we can.” He went on to note “the 6 year planning timeframe is not a long enough time horizon to understand the effect of 20 year bonds, so I we have developed a 30-year schedule of forecasts to help us understand the long-term impact of the decisions we will be making.”

**First Draft of FY2019 Spreadsheet:**

Mr. Throop reviewed the process used in the past (each Department Head coming in with a justification sheet for each item on their spreadsheet). Noting many items were on the spreadsheet year after year (a schedule of replacement if you will) and

said “we hope to simplify the process for the members of the CIP committee and the department heads and to focus your efforts on the big ticket items that *have* to be addressed.” He went on to note the importance of maintaining the assets the Town owns and that regular maintenance versus catch-up repairs extend the life of the assets dramatically. He pointed out a placeholder of a half million dollars a year starting in FY2020 “to try to maintain the largest piece of infrastructure we have (roads). In addition to larger projects the committee will need to focus anything on a warrant article or requiring a bond or lease-purchase, adding “and we need to look at any changes to the level of services that are being proposed.”

Mr. Ericson asked about the difference between capital and operating expenses and a brief discussion about the Town’s policy of anything over \$10,000 being considered a capital expense. The members also briefly discussed their role in relationship to the Budget Committee.

Mr. Throop briefly reviewed the Finance Department (a new financial software package) GIS (ongoing needs), Police Department and Recreation. “I will ask the Department Heads to be prepared to answer any questions you may have” he said. Mr. Kelly interjected “there are a couple of big number items from the Library and the Fire Department.” Mr. Throop replied “yes, the Library of the Future and a new Fire Station and Ladder Truck for the Fire Department.”

It was noted the Library had recently hired a Construction Manager but it was unclear if they’d had proper interaction with the architects and a discussion about when to schedule the Library session followed. Mr. Throop noted he would follow up with the Library’s Director. Mr. Kelly asked about the public/private fundraising efforts. “Do they get the 3 million (public) if they don’t raise the 5.5 million (private)?” he asked. A brief discussion regarding public/private partnerships followed. Mr. Throop reminded the members this was the “first round” of meetings and often the committee will bring Department Heads back for additional information and input. With a smile he cautioned “the spreadsheets change almost every week. We refine as we go along.”

Mr. Kelly asked again about clarification on the public/private partnership and the feasibility of the Library raising 5.5 million dollars to get the public’s 3 million dollars. Mr. Throop acknowledged “it is a bit of the chicken and the egg thing.” Mr. Patten noted the funds for the Main Street Bridge were appropriated two years ago and won’t be taken for another year. “Funds are appropriated but if the project is not pursued, you do not spend the money” he said.

Mr. Kelly noted “there is big money for Fire next year” with Mr. Throop interjecting “yes, \$500,000 in FY 2019 to offset expenditure.” A brief discussion about the scale and scope of a program analysis for a new fire station and the “ripple effects” it creates (fire potentially going into a building filled with stored DPW equipment, options for storage of that equipment somewhere else). “The timing is critical” said Mr. Throop adding “we have interesting challenges and interesting exercises.”

Mr. Rode asked about the process once the CIP has made recommendations to the Budget Committee. Mr. Patten gave a brief explanation noting “typically the Board of Selectmen give them a number (X %) and they work to achieve that (but) that leads to increases in the future.” He added he had been serving for many years and “nobody asks for something they really do not need, I recognize that.” Mr. Throop added “the first five years of the recession nothing got funded, it is part of kicking the can down the road” adding “we try to make it a reasonable ramp but every year the ramp gets steeper. Much of our capital infrastructure is coming to the end of useful life, failure to address the need increases the price tag. Letting things deteriorate further results in much higher prices when you finally reinvest in the infrastructure you have.” Mr. Patten told the members about a 10-wheel dump truck that was in service when he was a Selectman (15 years ago). “It need repairs of \$30,000.00 plus” he said and asked “\$30,000 plus dollars on a 20-year old truck, does that make sense?”

Mr. Throop told the members site visits were encouraged and he would be happy to accompany them on any visits they thought appropriate. Mr. Kelly noted site visits give the members another view while giving the department head the opportunity to demonstrate why they need what they are asking for. Mr. Ericson interjected he would like to visit each department. “I am new to town and it would be helpful to see it versus looking at a number” he said.

**Other Business:**

None

**Next Meeting:**

Tuesday, October 10, 2017 at 3:00 P.M.

The meeting adjourned at 2:10 p.m.

Respectfully submitted,

Laura Norton, Administrative Assistant