

**TOWN OF PETERBOROUGH
CAPITAL IMPROVEMENTS COMMITTEE**

**5:30 P.M. Tuesday
October 28, 2014**

MINUTES

Present: Chairman Leslie Lewis, Leandra MacDonald , Susan Stanbury, Roland Patten, James Kelly, Bob Hanson, Donna Hanley and Alan Zeller.

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

The meeting was called to order at 5:30 p.m.

Opening Comments & Introductions:

Chair Lewis welcomed the members and began with distributing a handout of the Town's history of general long-term debt. It listed the total indebtedness, outstanding principal, principal payments, interest payment and total payment from 2005 to 2015. As she handed the information out she said "even at a distance you can see the see the big purple bar." The members reviewed the data with Finance Department Head Nancie Vaihinger explaining additional revenues from the West Peterborough and Monadnock Community Hospital Health Care District's TIF funds. Mr. Throop briefly reviewed the debt service with Chair Lewis noting "I think it is an interesting way to express it and will do it again at the Budget Committee meeting."

Chair Lewis told the members "we have been asked to stay within the 1.0 to 1.2 million dollar range but this year \$400,000.00 is going to debt service so how do we hold the line on that?" She then asked "should we say this is not possible and try to pull debt services out and claim it is not our problem anymore?"

Ms. MacDonald suggested "we need to meet and look at the debt service" with Chair Lewis adding "holding the 1.0 to 1.2 million is a real challenge the CIP" adding "I just keep thinking about it." Ms. Stanbury replied "you are raising a good point."

Minutes:

A motion was made/seconded (Zeller/MacDonald) to approve the Minutes of October 14, 2014 and October 21, 2014 with all in favor.

A motion was made/seconded (Stanbury/Patten) to approve the Minutes of October 28, 2014 with all in favor.

Finance:

Char Lewis welcomed Ms. Vaihinger who introduced herself to the members. She went on to say “this is the fourth year we are here to transfer funds over a five-year period into the Capital Reserve Fund for the upgrade and conversion of the Town’s financial management packages as well as the purchase of a new server and printer and staff trainings” adding “and so far we have transferred \$117,500.00, with part of that total coming from quarterly utility bills.”

Ms. Vaihinger briefly reviewed the upgrade from their Unix operating system to a Windows-based product. She noted the project cost was \$203,726.00 and that the difference of \$86,226.00 would be divided into FY 16 and FY 17 with a capital contribution of \$43,113.00 and anticipated revenues of \$18,152.00 “for a total of \$24,961.00 that is the number to look at.” She concluded by noting “I can answer any questions you may have but we have been over this several times.”

Ms. MacDonald noted “so two years to go” with Ms. Vaihinger replying “yes.” Ms. Stanbury asked about the status of the project with Ms. Vaihinger reporting they had talked to the software people and were hoping to start the upgrade at the beginning of next year. “We will start with the tax package” she said adding “and then move the other programs to it, we will be working off a virtual sever and up to speed by the first quarter of 2015.” Ms. Stanbury interjected “I thought you would have started by now.” Ms. Vaihinger noted a lot of back and forth with the software company as well as a problem with the SQL 2008 Server that may not be supported by Microsoft in the future. Ms. Hanley asked about the server provider with IT Director Fash Farashahi replying “Sungard.” “What if there is a problem? What about disaster recovery?” ” asked Ms. Hanley. Mr. Farashahi noted a redundant server and daily tape backups. “That is from my generation” replied Ms. Hanley with Mr. Farashahi noting “we have learned.”

Ms. MacDonald noted previous discussion about collaboration in the upgrade endeavor and asked if the town had ever joined forces with the City of Keene. Ms. Vaihinger reported their time tables were not in synch “so we will not count on them” she said. There were no further questions and as Chair Lewis was thanking

Ms. Vaihinger for coming in Ms. MacDonald noted “we better keep our fingers crossed that the bailing wire holds!”

Information Technology:

Fash Farashahi (Fash) introduced himself as the GIS/IT Director for the Town. He told the members that his department was responsible for the replacement program for all town computers, notebooks, network and security appliances and all other related network infrastructure amongst the town’s 8 buildings. He noted a policy of replacing and upgrading printers, workstations and servers on a four to six year cycle.

Ms. Stanbury noted Mr. Farashahi’s request for technology each year and asked “why is this considered a capital request?” A brief discussion about the capital versus the operational budget followed with Mr. Throop citing the totality of the cost may be important enough that the Committee see it and review it. He told the members if devices were managed separately it may be appropriate that these technology needs be placed in the operations budget. He added that there was a higher level of control with Technology being managed by IT and the fact that the software packages (McAfee and AVG) used to mitigate viruses and malware programs (also centrally located and managed) “makes it a big ticket item.” Ms. Hanley agreed noting “I think there are things in there that fall into the capital budget.”

Ms. Stanbury asked about ongoing equipment placement. Mr. Throop asked what percentage of laptops and desktops computers were replaced each year, Fash replied “about a third each year, but it may go down and then back up, it depends.” Ms. MacDonald interjected “it is sort of like Chief Guinard’s fleet reserve. It is the same each year and we know what he is going to buy but we have absolutely no input.” Ms. Stanbury agreed noting “and that is why I would put the cruiser in the same category, cruisers don’t last more than 5 years.” She went on to suggest that maybe they create a way to shift things around. Mr. Throop explained that they could argue whether or not certain things fall under their purview “but you do get to see it” adding “whether certain things in CIP should be in an operating budget is a conversation for Pam.” Ms. MacDonald added “and if that were to happen we would be expected to lower our budget number accordingly.” “What is our number?” asked Ms. Hanley. Chair Lewis replied “we don’t have one but we have a goal of 1.0 to 1.2 million” adding “but since 2010 it has been increasingly difficult to meet that number and right now we are at 1.7 million.”

Recreation:

Jeff King introduced himself and began with the first item on his project proposal list. "This year we purchased a 12-passenger van" he said adding "and we had an offset of \$10,000.00 (\$5,000.00 for the revolving fund and \$5,000.00 from the Noone Fund.") He went on to note the impact the vehicle has provided with the summer programs benefiting. He noted that while the vans give good seating capacity to the able-bodied "we need a mini-bus for accessibility. Our intension is to provide two seat stations for wheelchairs." Mr. King went on to note that while this would meet their need to accommodate ADA requirements "it allows us to move into and deliver more senior citizen programs." Mr. King noted the amount requested is \$10,000.00 "with the difference funded by the revolving fund, the Noone Fund and possibly the Isabelle Miller Fund.

Mr. King told the members "we just replaced the dump truck body on Rec 1" adding "we just got it back yesterday and it is working great."

The next item was the replacement of the John Deere tractor. "It will be 25 years old in 2016. It has been good tractor, it the only one of its size and served its purpose well." Mr. King noted that with all of its accessories the tractor was routinely used by other departments as a backhoe, post hole digger, aerator and spreader. "It has lots of uses" he said adding "it still works and is functional but it leaks like a sieve, and it is showing its age." In conclusion Mr. King noted "to give you an idea of how important this piece of equipment is for our operations - losing it would be like Fash losing a server."

Mr. Hanson asked if the accessories would fit on a new tractor with Mr. King noting "the post hole digger, spreader and aerator are all aftermarket so they should fit" adding "the backhoe may not but we could sell it as offsetting revenue." Mr. Hanson asked "what would that be worth?" Mr. King replied "well evidently after a certain number of years these things stop depreciating." He went on to note the engine had been replaced in 2005 "and it *is* a diesel so we will put it on Municibid (a web-based government auction and surplus sales venue) for \$5000.00 and see what happens."

Ms. MacDonald noted a minivan in FY 2012 and asked if the one purchased in 2014 was new. "It was used" replied Mr. King. "So you expect 7 years of use?" asked Ms. MacDonald with Mr. Throop noting the line item she was referring to was for a dump truck. Mr. Kelly interjected "with all the busses sitting around have you thought of renting?" Mr. King replied "that is extremely expensive." Mr. Kelly asked "even school vehicles?" with Mr. King replying "yes" explaining the two-fold

dilemma of drivers needing a CDL with passenger (and sometimes air-brake) endorsement which his drivers do not have “so we have to pay for the vehicle and a driver.” He noted a trip to Fenway Park this summer that cost about \$600.00 just for the transportation. “That is huge” he said.

Ms. MacDonald noted “a population of people are being underserved, they may want to participate but cannot and it may not just be a wheelchair issue, it may be a mobility issue” adding “and Recreation wants to serve them but cannot.” She looked to Mr. King and asked “right?” Mr. King replied “yes” adding “and that population is growing. It is for a variety of reasons but I think it is a shame that they remain underserved.”

Ms. MacDonald asked about insurance rates going up with Mr. King noting the umbrella policy held by the town. “If it goes up it would be minimal” he said. “Does it increase liability?” asked Ms. MacDonald. Mr. King replied he was not aware of any increase “but we have learned that we must train staff on issues that may come up.” He noted an incident where an elderly woman slipped and fell injuring her hip. “So just like the children we need to have emergency information on all program participants.”

When asked if the purchase would be new or used Mr. King replied “used” adding “we will probably go with another bus out of Hudson, a new bus would cost between \$60,000.00 and \$65,000.00. Chair Lewis interjected “well thank you for finding other means for funding the vans.”

Mr. King concluded by telling the members that Terri Reeves had been hired as a Senior Program Specialist so that they would be seeing an increase in senior activities and trips as well as an update of the commercial kitchen located at the Community Center. Chair Lewis thanked Mr. King for coming in.

Chair Lewis then reviewed the remainder of the CIP schedule and asked “who would we like to have come back?” She went on to say “Usually I would say Rodney (Bartlett, DPW) but we blew right through it with him.”

Mr. Throop noted several adjustments he had worked on that he felt the program spreadsheet could accommodate. Chair Lewis looked around and said “I think we agree most of the overage is from the Fire Department.” Mr. Throop reviewed several scenarios where the budget could be knocked down “providing of course nothing else goes wrong.”

The members briefly discussed the rationale of the 1.2 million dollars ceiling and the requests from the Fire Department. When they reviewed the request for a new building they also reviewed the three potential locations for that building (which did *not* include the current Police Station campus). Chair Lewis said “I have to shake my head and say let’s look at the actual infrastructure we have to pay out so we can determine the real need and be rock solid sure.” A brief discussion of whether or not the Fire Department needed so much for a town of 6000 or the budget was not appropriate to the needs of the Fire Department followed. Chair Lewis noted she was not disputing the needs “but we have to be able to afford it when we have other large obligations in the years to come.”

The members briefly discussed several life safety issues of the Fire Station that included proper sleeping/showering arrangements and an exhaust capture system. They acknowledged the issues Chief Walker had identified and briefly discussed the evolution of a Regional Fire/Rescue Response System.

Mr. Throop interjected with a few plausible adjustments the Fire Department allocations for fiscal years in the future and that he would meet with Chief Walker to review them. Mr. Kelly replied “I’ll buy that.” Ms. Hanley also agreed noting “work with him and come back with options (including) the impacts of the options.” Mr. Hanson noted the regional approach seemed like a plausible idea “but it will take time.” Chair Lewis interjected “well how long did it take to create ConVal?” “Don’t ask” replied Ms. MacDonald.

The members then discussed the grant the Fire Department would be applying for and their eligibility. “I think we need to see what it looks like if we do not get the grant” said Chair Lewis adding “and keep in mind the importance of the critical items (sleeping quarters, showers, exhaust capture) we need to bring up to standard.”

Mr. Throop noted that with all his adjustments he had been able to bring the overall budget down to 1.6 million. Chair Lewis immediately replied “I am not shy about asking for more if I can stand behind it but right now I cannot.”

Ms. Hanley reminded the members that the Police Chief had told them he could wait on his paving project. The members briefly discussed that option as well as splitting the capital amount over two fiscal years. “So take it out but give it a plan?” asked Chair Lewis. The members agree that would be an option as the Police Chief got updated quotes/bids.

Mr. Throop noted he would bring their questions and concerns to the Fire Chief. Doubting he would be ready to address everything in its entirety the members agreed to have Chief Walker return on November 13th.

In closing Mr. Kelly asked for clarification on the bonds. “Are we really sure that those numbers are real? He asked. Chair Lewis interjected “those are worst case scenarios” with Mr. Throop reviewing it for him. Mr. Kelly asked if the numbers included the Main Street Bridge. Mr. Throop replied “the Main Street, the sidewalk project and the two dams.” A brief discussion about how much of the projects were driven by the state followed. “Not a lot of wiggle room” said Chair Lewis.

Mr. Zeller interjected “I have a question” adding “who decides the fate of the Transcript Bridge?” After a brief discussion about the participation of the Board of Selectmen, the Budget Committee and a Town Meeting vote Chair Lewis concluded “whatever happens there will be public hearings.”

Mr. Throop noted he would contact the Fire Chief and they would determine if he was prepared to come back Thursday or wait until November 13th (Tuesday, November 11th is Veterans Day and the Town House is closed).

The meeting adjourned at 7:07 p.m.

Respectfully submitted,

Laura Norton
Administrative Assistant