

**TOWN OF PETERBOROUGH  
CAPITAL IMPROVEMENTS COMMITTEE**

**5:00 P.M. Thursday  
November 3, 2016**

**MINUTES**

**Present:** Susan Stanbury, Roland Patten, Alan Zeller, Kim Rode, James Kelly, Leandra MacDonald, Ed Juengst and Bob Hanson.

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

Chair Patten (Mr. Patten) called the meeting to order at 5:00 p.m.

**Minutes:**

A motion was made/seconded (Zeller/Stanbury) to approve the Minutes of October 27, 2016 as written with all in favor.

Looking around the room Mr. Patten told the members “tonight we are going to take a hard look at what’s been presented and see where we want to go from here.” Mr. Throop followed with a brief recap of their activity. He distributed two updated spreadsheets (one with several changes (“moving things around”) to balance CIP growth over future years) and the other one containing a list of all existing bonds as well as the amounts and terms of the bonds. He reminded the members some of the bond payments are offset by the TIF Districts.

Mr. Throop briefly reviewed some of the larger projects including the Main Street Bridge (an 80/20 project), the Town House renovation (a possible 50% offset if a grant is awarded) and bond detail notes. When Mr. Hanson asked why the Broadband line item was empty Mr. Throop replied “the town has no authority to bond for Broadband yet.” A brief discussion about the status of the legislation being worked on at the House and Senate levels followed. “It is process” said Mr. Throop adding “it may or may not see the light of day, we just don’t know.”

Mr. Throop told the members he was prepared to execute some “what if” modeling so they could look at the impact of possible changes to the bottom line. He noted the goal was a 3% or less increase in the overall tax rate. The members briefly discussed the school budget and the recent renovations and upgrades done at the

high school. All agreed when it was noted that the school budget are going up at an alarming rate. Mr. Throop noted “the town portion of the tax bill is significantly smaller than the portion that comes from the school district. Committee members talk about the value of inviting the school to present its capital requirements to the committee sometime after the holidays.

Turning to the CIP Spreadsheet, Mr. Throop began with the Fire Department suggesting the potential to bond the new Ladder Truck versus making it a Capital Reserve item. “Choosing to do this may be another way of kicking the “cash -flow can” down the road as it will reduce the need for contributing to the capital reserve, at the cost of paying interest.”

Mr. Throop reiterated that the Fire Department did not received the SCBA grant. When a member asked “how critical is that?” Mr. Throop replied “it is pretty significant for the bottom line.” He noted the cylinders have an expiration date and need to be replaced in FY 2018. He said “the questions is what other avenues exist for financing the purchase?” Mr. Kelly replied “raise the debt, that would spread it out” adding “debt with low interest rates make sense.” Mr. Kelly then told the members he’d heard the tax rate itself was a big problem getting people to move to town. “We are very expensive” he said.

A brief discussion about Peterborough’s tax rate compared to surrounding towns followed. Mr. Throop interjected Peterborough averaging around \$30.00/thousand with other towns as low as \$18.00/thousand. “Keene is \$34.00/thousand if that makes you feel any better” concluded Mr. Throop.

The members moved on to and discussed the Fire Command vehicle (\$65,000), Utility I (Fire Alarm Truck) (\$150,000), the new Station Generator (\$50,000) and the SCBA and Cylinders (\$270,000). “They all are important but the bottom line is that they are up \$75,000 from last year” said Mr. Patten.

The members discussed several scenarios on how to finance the equipment with Mr. Throop adjusting the spreadsheet so they could see the impact to the budget. Mr. Juengst interjected “this is going more to what James is talking about” with Mr. Kelly adding “we should do more of this sort of thing, it is done by spreading the debt.”

Mr. Throop moved on to the Town House renovation. It was noted the first architectural study did not turn out to be helpful. A new Architect has been hired and we are anticipating having better numbers over the winter. Ms. MacDonald

asked if they were being premature. “There is no actual number” she said. Mr. Throop replied “The number provided is a place holder and it is our hope that the amount will be refined soon and hopefully offset to some extent with grant funding.”

Discussion turned to the Library with Mr. Throop noting his belief was that no construction would take place until after the Main Street Bridge was largely completed. A brief discussion about whether and when to bond that project followed. Mr. Throop noted the Library lot would be used to stage the construction equipment material associated with the bridge replacement.

As Mr. Kelly suggested alternative ways to finance the Library. Ms. MacDonald interjected “they are raising four million dollars.” Mr. Throop reiterated the notion of a private/public partnership in the endeavor and the fact that significant donors may be awaiting a contribution from the town before committing to the project. Mr. Kelly confessed to being fairly new to town. “I don’t know the dynamics” he said but went on to suggest an alternate location for the Library. “The empty space in town is appalling” he said. “Where?” asked Ms. MacDonald. Mr. Kelly noted several locations were possible not specifically naming one.

Ms. MacDonald reviewed the importance of having the Library in the downtown “where it is accessible (bike able, walkable) to the population.” Mr. Zeller agreed “it has a lot of sentimentality.” Mr. Patten concluded “it is the first free Library supported by taxation in the country.” With a smile Ms. MacDonald added “I am a big Library supporter, you can see that.”

Mr. Kelly asked “is the Library used?” Ms. MacDonald replied “yes” adding “and it is free to residents and open to ConVal students. Residents of Sharon pay for a Library card to use their services.” Mr. Patten suggested “go down there and just sit and watch the activity.”

Mr. Juengst noted he was not opposed to the Library entering private/public partnership but wondered if they should increase the amount of money to be raised, thereby decreasing the town’s contribution. He noted the “void” space behind the High School and the fund raising efforts to construct an arts auditorium there. “It bothers me because eventually they will come looking for public money as well” he said.

“Speaking of the High School” Ms. MacDonald asked “why have the not been here?” After a brief discussion the members agreed to summon the School

Administration in to review their CIP. Citing a new track, gym and building renovations Mr. Juengst noted “I think it is good thing to get them in here.” Mr. Patten noted “we have seen their cart and pony show but it was being pulled by a dog.” Mr. Hanson noted their meeting would not have any impact on their current business. Mr. Patten agreed and suggested they come in after the Holidays (January). Mr. Throop told the members he would contact the District. For the record a motion was made/seconded (MacDonald/Hanson) to request the School District come in to report to the CIP Committee in January of 2017 with all in favor.

Ms. MacDonald took a moment to note “our job is to spread the wealth. We can talk about rearranging the deck chairs out a year, but our function is to determine how many dollars are we going to spend, what can we afford to do.” Mr. Throop added “you are the only Committee looking out more than a few years due to the nature of capital expenses and that is a very important role.”

Ms. Stanbury noted recurring amounts of money for projects in the DPW (sidewalk, \$40,000 and Road repair \$450,000) and asked “how critical are they?” The members briefly discussed preventative maintenance measures to avoid problems in the future (storm water and drainage as examples) as well as the use of the TIF funds. Noting the enormity of the road problems in town, Mr. Hanson asked if \$450,000 was enough. Mr. Rode noted the town of New Ipswich allots \$600,000 for its roads.

He then asked to go back to the Fire Department, asking for clarification on the Command vehicle. Mr. Hanson also reminded the members the Fire Chief had said “he could go another year with the Fire Alarm Truck.” The members discussed the fleet management and Mr. Throop noted 50% of the new generator and the Command vehicle would be offset from the ambulance fund as they are used by both. Mr. Patten asked “should we call him back to talk about financing at least the SCBA differently?” Mr. Kelly interjected “Fire is up by \$200,000” Mr. Throop noted he would contact Chief Walker and ask him to research the issue of financing for next week. As an exercise Mr. Throop moved the alarm truck out one year and removed the total cost of the SCBA from the spreadsheet, replacing it with financing over 5 years, which resulted in bringing the increase in FY18 budget to 22%. He noted that the committee could use the flexibility in making contributions to the Capital Reserve to create a smooth ramp moving from year to year if they felt that was important.

Mr. Juengst noted “other than Fire there is not a lot of room” (to decrease the budget). Mr. Rode added he looked at all the requests and sees that all are necessary but none are urgent. Mr. Hanson suggested they address the roads now or it will become a huge expense in the future. “Let’s see what we can take out of Capital Reserve and put into bond scenarios” he said. Mr. Throop noted they would have a much better idea of what they were dealing with (roads wise) once the software Mr. MacLean had described had been implemented.

The members also agreed the management of the Fleet Management assets must be maximized for trade-in values on future purchases. “Anyone who buys a car does the same thing and we need to do it here.” Mr. Hanson interjected “they probably do, it is just not shown on the spreadsheet.”

**Other Business:**

None

**Next Meeting:**

November 3, 2016 at 5:00 p.m. at the Town House

The meeting adjourned at 7:00 p.m.

Respectfully submitted,

Laura Norton  
Administrative Assistant