

**Meredith Capital Improvements Program (CIP)
Advisory Committee**

Meeting Minutes
September 21, 2005

Members Present: Peter Brothers, Chairman
Frank Michel, Board of Selectmen Representative
Bill Bayard, Planning Board Representative
Lou Kahn, Alternate Planning Board representative
Jack Carty, School Board Representative
Scott Nolan
Mark Flanders
Miller Lovett

Staff Present: Carol Granfield, Town Manager
John Edgar, Town Planner
Chuck Palm, Fire Chief
Bob Hill, Superintendent, Water and Sewer Department

Others Present: Pat Mack
Chuck Lowth
Bob Flanders, Selectman

Chairman Brothers called the meeting to order at 7:02 PM. Introductions were made. The minutes of June 14, 2005 were reviewed. Jack Carty made a motion to approve the minutes as written. Frank Michel seconded the motion. Carol Granfield indicated that she had not received the minutes. It was noted that on page one of the draft minutes, following three Board members names (Kahn, Nolan and Candage), it should read "CIP Board Member" for purposes of being consistent. With no further discussion, the Committee voted unanimously to approve the minutes as corrected. Alternate member Kahn did not vote.

John Edgar reviewed with the Committee an analysis dated October 8, 2003. Increases in combined operating budgets (Town and School) for the period 1998-2003 averaged 5.6 % per year. Historical CIP costs as a percent of combined operating budgets averaged 12.12 % per year. With these variables in mind, 2004 combined operating budgets were projected to increase by 5% to \$15,583,725. Twelve % of this figure is \$1,870,047. It was this figure that the CIP Advisory Committee has used since 2003 as the program capacity benchmark. An updated analysis dated September 21, 2005 was reviewed. The same methodology was followed using updated figures for 2003-2005. An eight-year annual average of increases in combined operating budgets increased to 7.0 % per year. Historical CIP costs as a percent of combined operating budgets decreased to a 10.96 % per year average. Combined operating costs for 2006 were then projected to increase by 7% to \$19,096,943. Eleven per cent (11%) of the projected combined operating budget equaled \$2,100,664. If this figure were used for purposes of program capacity, the

benchmark would increase by \$230,617. Mark Flanders expressed his concern that by using a 7% increase for projected operating budgets, it might be construed as being a recommendation or endorsement by the CIP Advisory Committee. There was discussion as to whether or not the 7% figure was reasonable or not for purposes of the analysis.

Carol Granfield, Town Manager met with the Committee to discuss her recommendations following the last CIP Advisory Committee meeting and her subsequent meetings with department heads. The Committee reviewed a memorandum from Carol Granfield, Town Manager dated September 21, 2005 which provided a synopsis by department of the recommended changes. The committee also reviewed a memorandum from Chuck Palm to Carol Granfield dated September 25, 2005 providing an update to the status of the downtown fire station construction effort. The Committee also reviewed a Project Identification Form dated September 2005 for the replacement of a pumper truck. This form is intended to replace a Project Identification Form submitted in June 2001.

An updated worksheet dated 9/21/05 was reviewed by the Committee. The updates included the most recent recommendations of the Town Manager and were reviewed line by line. Frank Michel expressed his frustration with the recommendation to delay the acquisition of the aerial ladder truck in favor of replacing a pumper truck that was not scheduled in the CIP. Frank suggested that if delay were to occur and if we were to need additional appropriations to complete the ladder truck acquisition, then we ought to show the additional costs in the CIP. It was clarified that if an additional \$75,000 dollars were added to the Fire Station ETF in 2006 then there would be approximately \$200,000 available for design services, which is generally consistent with similar costs associated with the Community Center and the Police Station project. Bill Bayard asked when updated police station costs would be available and if the \$2,000,000 figure was still appropriate given the discussions of the Police Station Committee. Carol indicated that the committee is still working on it, that the costs could exceed \$2,000,000, and that the direction she has is to keep it at \$2,000,000. Bob Hill requested that the Wicwas Dam project not be shown as a Water Department project as it has no direct relationship to the water utility. John indicated that we could show it as a "general government" item. Miller Lovett observed that in his opinion that the recent studies suggest that we have not been putting enough money aside to meet our capital needs and that the items that have dropped off the worksheet should still be included. There was considerable discussion regarding the proposed "bundling" of two DPW/Water and Sewer projects in the context of the staff-recommended \$1,000,000 bond issue. Mark Flanders expressed concerns about projects listed in 2008 and that we may be borrowing too much where it is not essential that we do so. Frank Michel expressed frustration that DPW has identified a need for capital equipment in 2006 for over \$300,000 and that we are showing only \$160,000 and that we need to keep our eyes on the ball regarding needed replacements. Bill Bayard requested that we amend the worksheet to show proposed new debt, existing debt and total recommended debt. John will pursue this with Brenda. Mark Flanders suggested that we look at what makes most sense to spend money on now and not defer items that would in the longer run come around to bite us and that perhaps we should look at pushing both the police station project and the fire station out a year or so. Peter Brothers reiterated that we should avoid borrowing where and if we can. A blank

worksheet was distributed for members to work with in anticipation of the next meeting scheduled for Wednesday, September 28, 2005. Mark asked that we send out the excel spreadsheet in electronic form. John will pursue this with Brenda.

Peter Brothers summarized where the committee is at this point in the process and indicated that he expects the committee to begin making specific recommendations at the next meeting.

With no further business to come before the Committee, Mark Flanders made a motion to adjourn. Bill Bayard seconded the motion. All voted in favor, the meeting was adjourned at 9:05 PM.

Respectfully Submitted,

John C. Edgar
Town Planner
September 23, 2005

Approved: September 28, 2005