

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

Meeting Minutes
September 28, 2008

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

Staff Present: Carol Granfield, Town Manager
Brenda Vittner, Director of Administrative Services
John Edgar, Town Planner
Chuck Palm, Fire Chief

Others Present: Bob Flanders, Selectman

Chairman Brothers called the meeting to order at 7:02 PM. The minutes of September 21, 2005 were reviewed. It was noted that page 1, paragraph 1, sentence 1 should read: "Chairman Brothers" not "Chairman Flanders". Jack Carty made a motion to approve the minutes with the noted correction. Mark Flanders seconded the motion. All voted in favor of the motion.

The Committee reviewed an updated worksheet dated 9/21/05. Brenda and John noted that the worksheet had been updated to reflect the listing of all borrowing requests under "Proposed Municipal Debt" and a summary identifying proposed debt, existing debt, total debt, total debt as a % of total CIP costs and total debt as a % of program capacity. Other changes included the placement of the Wicwas Dam Construction project under "General Government" and clarification of the 40% revenue offset applied to water and sewer projects.

Peter Brothers shared his concern that the years 2007 and 2008 have problems and that a 10-year plan will allow the Committee to look ahead beyond the conventional 6-year minimum program period. Peter further cautioned that the more we borrow, the less there will be available to fund other projects in the future. Mark Flanders suggested that the Committee needs to resolve the program capacity question first. Mark recommended that although the capacity ought to be close to \$2,000,000 per year, because of a tight budget year anticipated for 2006, the capacity should be held at the \$1,870,000 level for 2006 and increased in future years. Peter suggested that the Committee not leave substantial reserves in the first year or two and that we should make the necessary allocations to meet the needs.

Tony Candage observed that we cannot predict the future and that we need to be careful not to fill the plan up to its maximum capacity. Frank noted that it was incumbent on the CIP Advisory Committee to address the capital needs of the community and to not factor in whether or not it will be a tight budget year. All budget years are tight. Frank also noted that the immediate benefit of the program is for the first few years and that the ensuing years are really for illustration. Every year the program will be amended. Frank suggested that not only should we project debt in relation to expenditures but that we also track our historical debt in relation to expenditures concluding that we need to be very mindful of how much debt we might incur. Frank reiterated his nervousness about not spreading capital costs allocated over time, preferring instead to fund smaller increments along the way where possible. Jack Carty noted that the Committee should look at specific projects, add up the costs then make judgments about how much revenue is needed for the projects. We need to get the discussion beyond accounting and focus on projects. Miller reiterated his previous opinion that capital needs have historically been under funded and that we are now in a catch up mode. The program needs to reflect the reality of our capital needs over time. It is the responsibility of this Committee to argue for those needs to the Selectmen and the taxpayers. Miller is not sure that what the Committee is looking at is an accurate reflection of the community's capital needs. Bill Bayard suggested that it is a reasonable reflection of our needs. He is concerned about how those needs will be handled and suggested that some projects can be designed to anticipate future expansion allowing future taxpayers to pay for some of the costs. The capacity level may need to go up but so too will project costs. Bob Flanders pointed out that the school had a large bond issue in 1989 and that town projects waited for that debt to come off line. Lou Kahn expressed sentiments similar to Jack Carty noting that we can talk about voter acceptance and evaluate allocation amounts in the context of the capacity yardstick however the Committee needs to look at the requested items and recommend whether or not to schedule them. The Committee proceeded to discuss specific requests. John suggested that as the Committee votes on specific requests, that it view the votes as preliminary recommendations allowing for the flexibility to revisit any vote as the process unfolds.

Open Space/ Conservation. Bill Bayard suggested that an additional \$25,000 for the Open Space Expendable Trust Fund might be appropriate as opposed to the additional \$50,000 requested by the Conservation Commission. It was noted that the Land Use Change Tax will yield \$50,000 in 2005 for use by the Commission based on the decision at Town Meeting to increase the cap. Lou pointed out that even at the full \$75,000 level of ETF funding, we are not talking about land purchase with that amount of money. These funds would serve as grant match or could cover appraisal and legal costs associated with donated easements etc. Mark felt that there is a lot to consider. Additional conservation would be nice, but is not our highest need. We should still fund it, but not at the requested level.

Miller noted that they do not make land anymore and that now is the time to be acting to conserve land. Within the next ten years it will be critical. Fifty thousand dollars is not much compared to other projects and it has a big payoff. Frank commented that he uses the 2002 Community Plan as a guide and the open spaces are one of the reasons why we are all here. We would be remiss if we do not fund the expendable trust fund on a consistent basis. Tony agreed with Frank noting that we cannot predict the future and we need to build up this fund. Miller Lovett made a motion to allocate an additional \$50,000 per year for ten years in addition to the \$25,000 already scheduled. Frank Michel seconded the motion. This would bring the recommended annual allocation to the Open Space Expendable Trust Fund to \$75,000 per year and is in addition to any Land Use Change Tax revenues that may accrue to the Commission. Voting in favor of the motion: Candage, Michel, Lovett and Brothers. Voting against the motion: Flanders, Bayard and Carty. Alternate Kahn did not vote. The motion carried 4-3.

Fire Department. Mark Flanders made a motion to increase the allocation for the Equipment Replacement Expendable Trust Fund to a total of \$250,000 in 2006 and \$75,000 in 2007, and add an additional \$75,000 to the Fire Station Construction Expendable Trust Fund in 2006. Bill Bayard seconded the motion. Voting in favor of the motion: Flanders, Bayard, Lovett and Brothers. Voting against the motion: Candage and Michel. Alternate Kahn did not vote. The motion carried 5-2. Frank explained his vote against the motion on the basis that the station would not be available until 2009 and all of the money for the aerial ladder is allocated in 2006.

Police Station. Bill asked for a straw poll on member's feelings about the proposed police station. He stated his desires to see the project held off for a year, to take a harder look at the size and cost of the building and to see some plans in front of the Committee so we know what it is that we are being asked to recommend. Mark suggested that we need all of the information, a complete proposal to make a recommendation. Miller noted that the annual Town Meeting would have the update. Frank reminded the Committee that the CIP is neither a Design Review Committee nor a Budget Committee. Mark expressed his concern that if the police station costs come in too high, it will still be presented at Town Meeting. That may require other adjustments to recommended CIP items. Bob Flanders noted that the Police Station Committee is working diligently on all of the details including size and cost. Bill restated his concern that the size is too big and that it may get voted down at Town Meeting. He wants to see some details in front of the CIP Committee. Tony observed that the requested amount is \$2,000,000 and that if it came in at \$2,500,000 something is wrong. If it did come in over \$2,000,000 he hopes our elected officials would take care of it. Miller noted that building size and construction costs are under review and that the project costs are not settled. Lou questioned whether or not a \$2,000,000 bond issue belongs on the warrant in view of the lack of information presented to the Committee.

Peter stated his concern with the timing of the proposal suggesting that there needs more sorting and validation. Peter offered some history on the Community Center. The Community Center project was in flux when the CIP Committee needed to make a recommendation. Because there was no specific proposal in front of the Committee, but recognizing the public support that had been expressed for a Community Center at previous town meetings, the Committee decided to not make a recommendation one way or the other. Additional unallocated reserves were maintained in order to absorb the debt service if the voters approved the bond issue. This approach should be a one-time scenario given the particular history of the Community Center. The police station project should not follow the same course. Peter continued noting that we are looking at big numbers. We have had a lot come thru in the past and we have major projects for the future. We need to know the square foot size and related costs and we need time to absorb the effects of these projects. Delaying the project a year would allow the Committee to get the facts, recognizing that a delay may increase the cost of the project. Mark Flanders made a motion regarding the fire and police station projects that each project move one year out. Bill Bayard seconded the motion. Lou asked if there were sufficient funds for the planning to continue for each project. Chuck and Carol answered in the affirmative. Jack pointed out that the year was not stated in the motion. There was discussion regarding treating each project with separate votes. The motion was withdrawn with Mark's and Bill's concurrence. Mark Flanders made a motion to schedule the police station project bond authorization/construction in 2007, with debt payments scheduled to begin in 2008 utilizing the \$2,000,000 estimate. Bill Bayard seconded the motion. Bill suggested that this would allow the Police Station Committee to continue its work and present an update in the next CIP cycle. Carol pointed out that the Committee may want to set aside funding in the expendable trust fund to reduce the amount of borrowing for both the police station and the fire station if there is program capacity to work with. Bill stated that he wants to show support for both projects. Voting in favor of the motion: Flanders, Carty, Bayard and Brothers. Voting against the motion: Candage and Lovett. Michel abstained. Alternate Kahn did not vote. The motion carried 4-2-1. Frank explained why he abstained indicating that he will have to act on this as a Selectman and that his mind is not yet made up whether or not it should go before the Town Meeting in 2006. Bill suggested that the Committee hold off on allocating more money to the building project expendable trust funds until we see where we are at, although the concept is a good one.

Fire Station. Mark Flanders made a motion to schedule the Fire Station project bond authorization/construction in 2008 with debt payments scheduled to begin in 2009 utilizing the \$1,525,000 estimate. Jack Carty seconded the motion. It was noted that the Committee would receive updates in the future as project planning progresses. Voting in favor of the motion: Candage, Flanders, Carty, Bayard and Brothers.

Voting against the motion: Lovett. Michel abstained. Alternate Kahn did not vote. The motion carried 5-1-1.

Miller Lovett made a motion to schedule an additional \$50,000 in the Fire Station Building Expendable Trust Fund for 2007 and 2008 (in addition to the \$75,000 that was previously voted on). Bill Bayard seconded the motion. Mark indicated that he agrees in principle but he is concerned about the bond issue for the DPW/Water and Sewer combination projects that have not yet been discussed. Those voting in favor of the motion: Bayard, Lovett, Brothers. Voting against the motion: Flanders, Candage and Carty. Michel abstained. Alternate Kahn did not vote. The motion did not carry, 3-3-1. Michel reiterated that he does not want to vote prematurely on anything that may prejudice his position on the police station project.

Carol asked if the Committee felt a need to have department heads at the meetings. The consensus was that it was not necessary and the in-depth interaction with department heads should take place in the Spring and with requested updates as opposed to during the deliberative process.

Peter Brothers summarized the meeting by stating his appreciation for the Committee's efforts to deal with difficult decisions and maintaining civility during the process. Many good points were made during the meeting and it is hoped that we will continue in the same vein next week. We expect to bring closure to our recommended CIP next week. Frank suggested that we begin next weeks' meeting at 6:00 PM. **It was the consensus of the Committee to meet next week (Wednesday, October 5, 2005) at 6:00 PM.** Brenda will e-mail the updated worksheet reflecting the preliminary recommendations made to date. The normal mail out will include hard copy of the worksheet.

With no further business to come before the Committee, the meeting was adjourned at 9:15 PM.

Respectfully submitted,

John C. Edgar, AICP
Town Planner
September 30, 2005

Approved: October 5, 2005