

## Minutes of the East Montpelier Capital Improvement Committee

December 9, 2015

**Members Present:** Gene Troia (chair), Casey Northrup, Julie Potter, Don Welch (arr. 7:15)

**Call to Order:** 7:07 pm

**Changes to Agenda:** None

**Public Comment:** None

**Review Minutes of October 7, 2015:**

**Motion:** I move to approve the October 7, 2015 minutes as amended. Made: Julie Potter. Second: Casey Northrup. **Vote on motion:** passed.

**Review of proposed FY 2017 Capital Reserve Budget:**

The committee reviewed the draft FY 2017 capital reserve budget spreadsheets previously distributed by Don. The first set of spreadsheets assumed that the Winston/Silberberg property acquisition cost was repaid with a five-year tax increase of \$0.016. The second set assumed that truck replacements would cost \$175,000 over a 5-year lease. The committee agreed that the assumption of \$175,000 was reasonable if trade-in was taken into account.

Gene and Casey noted that the first draft of the full town budget shows a substantial increase over FY 2016, and that a substantial increase in contributions to the capital reserve is unlikely. The committee agreed that a yearly planning budget contribution of \$414,817, shown in the “truck-lease” scenario is politically more realistic than the \$462,817 contribution shown in the “5-year tax increase” scenario.

The committee noted that the “truck-lease” scenario does not include increased payments to the capital reserve fund to pay back the Winston/Silberberg property. Consequently, the Capital Plan Balance shows a deficit from FY 2020 to 2023. Other than raising taxes, possible ways to address this shortfall include:

- Adjusting the assumptions and timing of the paving schedule. (Do all roads need an 8-year paving schedule? Could paving of some segments be pushed out a year to smooth the paving costs?)
- Sell off a portion of the Winston/Silberberg property to recoup some of the acquisition costs.

The committee agreed that the “truck-lease” scenario (to be presented with a 12/9/15 date) is the best choice, acknowledging that the FY 2020 shortfall will need to be addressed. The Selectboard needs to be consulted about addressing the shortfall.

**Motion:** I move that the committee recommend the capital plan and budget dated 12/9/15, and forward it to the Selectboard with a copy of the draft minutes documenting options to address the future shortfall. Made: Julie Potter. Second: Casey Northrup. **Vote on motion:** Passed.

**Discussion of Winston/Silberberg Purchase:** Included in the above discussion.

**Next Steps:**

Forward the recommended Capital Planning Budget with these minutes to the Selectboard.

**Task List:**

- Don will update the recommended FY17 Capital Planning Budget, dated 12/9/15 on all sheets, and will distribute to the committee for a final check.
- Gene or Don will submit the recommended FY Capital Planning Budget with these minutes to the Selectboard.

**Next Meeting:** *The next meeting will be on Wednesday, January 6,*

- Review and approve minutes from December 9, 2015
- Discussion of feedback from the Selectboard on the recommended Capital Planning Budget
- Next steps

**Motion to adjourn:** Made: Don Welch. Second: Casey Northrup. **Vote on motion:** passed. The meeting adjourned at 8:08 pm.

**Submitted:** Julie Potter

**Approved:** April 6, 2016