

## Minutes of the East Montpelier Capital Improvement Committee

October 8, 2014

**Members Present:** Gene Troia (chair), Dave Burley, Casey Northrup, Julie Potter, Don Welch

**Others Present:** None

**Call to order:** 7:00 pm

**Changes to Agenda:** None

**Public Comment:** None

### **Review of minutes September 3, 2014:**

**Motion: I move to approve the September 3, 2014 minutes as presented.** Made: Dave Burley  
Second: Don Welch. **Vote on motion:** passed.

### **Progress on Workbook for Capital Budget:**

The Committee reviewed Draft 1 (dated 9/9/2014) of the Capital Budget Excel workbook. This draft does not include recommendations from the Selectboard from their 10/6 meeting.

Don reviewed the Summary sheet. The critical line for each major category is the yearly planning budget. Paving is the biggest capital expense category, followed by vehicles. Buildings are a relatively small contributor. Don explained that the “used cost” is the annual cost x the current age of the item. The Committee discussed the need for an additional Executive Summary sheet with the yearly planning budget/category shown for just 10 years. This Executive Summary sheet would be helpful for the public outreach and should be the first tab in the workbook. A pdf of the Executive Summary could be used as a handout and posted on the town website.

The spreadsheets are set up to allow for an inflation factor, however, the inflation factor is currently set at 0. This makes it easier to check the spreadsheets calculations, but also reflects the current low inflation level.

The Committee discussed why vehicles have replacement costs but buildings do not. The town expects to fully replace vehicles, but does not expect to replace buildings in their entirety (just building components over time). Gene provided updated replacement cost estimates for components of the Municipal Building; these estimates will be included in the next draft. The Committee discussed the line for air conditioners. Individual AC units are less than the capital improvement threshold. The detail is provided to enable an informed decision down the road as to potentially replacing window AC units with a longer-lived central air system.

Gene still has to check the replacement estimates for the Town Garage.

Don reported that he reviewed the budget sheet for the Emergency Services Facility with Toby Talbot. Toby will confirm the cost for the gas boiler. The Committee noted that the replacement cost for the pellet boiler is high and wondered whether this is a system cost that also includes the heat distribution lines. The Committee thought that the flooring estimate appeared high, and the interior painting estimate appeared low. These numbers may have come from the architect when the building was constructed. Don noted that East Montpelier is only responsible for 2/3 of the costs; Calais is responsible for 1/3 and the capital budget for this building needs to be reviewed with them. Don is having discussion with EMFD about having them also make a contribution for capital expenses.

At their 10/6 meeting, the Selectboard decided that all trucks should have a 10-year replacement cycle. The lifespan and replacement years need to be updated on the sheet. With a 10 year replacement cycle, the replacement costs need to be adjusted because there will be no trade-in value.

The Selectboard also decided that the grader should remain on a 12-year replacement cycle, but other heavy equipment should be replaced on a 15-year cycle. The excavator was purchased in 2011; the remaining life and replacement year needs to be adjusted.

The Committee discussed the Selectboard's recommendation on having paving done on a 6-year cycle. Various paved roads have different bases and pavement thicknesses, as well as different traffic volumes, which affects how the road wears over time. The Committee agreed that the different paving cycles for each road better reflects actual paving needs. Casey indicated that the Selectboard might want to reconsider based on the Committee's recommendation. The Committee wondered whether the paving life expectancies are too short. Dave will get state data on life expectancies for secondary roads. Class 2 roads include: Town Hill, County, Gallison, Muddy Brook and Center. Class 3 roads are Vincent Flats and Quaker. The per mile estimate for shim and overlay should be adjusted up 25% to allow for some "BoMag."

The Committee agreed that all years should be presented as fiscal years, as this is how the budgets are done. Updating the sheets to reflect this will require that some calculations, ages and initial replacement years also be updated. Don will update the spreadsheets as discussed.

#### **Review Draft Capital Improvement Process:**

The Committee reviewed the third draft Capital Improvement Process document. A typographical error identified by Don will be corrected. The document retention period will be edited to reflect the town's document retention policy. The Committee agreed to make this draft document available for public review.

#### **Prepare for 12/3 Public Meeting:**

The public meeting to present and get input on the draft capital improvement plan and budget will be held December 3<sup>rd</sup> at 7:00 pm. The Committee discussed the location for the public meeting. Gene will look into whether we can use the Emergency Services Facility meeting room for the public meeting. The meeting will need to be warned, and should be included as a notice on the town website homepage as well as the CIC page. The town website should also include the draft documents: a text discussion about the capital plan and budget, the Executive Summary spreadsheet, the draft procedures document, and a locked version of the draft workbook. The Executive Summary would also be a hard copy handout for the public meeting.

Two announcements should be done on Front Porch Forum, one in mid-November (after the documents are posted on the website) and one late November. The Committee will review the various documents at the November meeting to approve for posting.

At the November meeting, the Committee should also discuss anticipated questions and prepare appropriate answers. (Examples: What happens next? What is the impact on the tax rate? Where are new projects?)

Julie reminded the Committee that she will not be at the November meeting and someone else will have to take meeting minutes and finalize the October minutes.

#### **Task List:**

- Dave will identify state data on expected secondary road life spans (ASAP).
- Gene will revisit the estimated replacement costs for the Town Garage.
- Don will follow up with Toby Talbot about costs for the gas furnace, pellet boiler (without distribution), flooring and interior painting.

- Don will update the Workbook as discussed, including additional information from Dave, Toby and Gene.
- Julie will prepare a 4<sup>th</sup> draft of the Capital Improvement Process document.
- Julie will draft information about the Committee and the public meeting to be used on the website.
- Don will draft a notice for Front Porch Forum.
- Gene will reserve the Emergency Services Facility meeting room for the 12/3 public meeting.
- Someone will need to take minutes at the November meeting and finalize the October meeting minutes. Draft and approved minutes need to be provided to the Town Administrator for posting within the Open Meeting Law timeframes.

**Next Meeting:** *The next meeting will be on Wednesday, November 5, 2014.*

- Appoint Acting Minute Keeper.
- Review of Minutes October 8, 2014.
- Review and Finalize Draft Budget Workbook
- Review Draft Capital Improvement Procedures Document.
- Review and Finalize Public Meeting Announcement and Handout Documents.
- Brainstorm Public Meeting Questions and Answers
- Review and Finalize Public Meeting Agenda and Logistics.

**Motion to adjourn:** Made: Dave Burley. Second: Don Welch. **Vote on motion:** passed. The meeting adjourned at 9:12 pm.

**Submitted:** Julie Potter

**Approved:** November 5, 2014