

Milford Capital Improvements Plan (CIP) Report for 2008 – 2013

Prepared for the Milford Planning Board by the
Capital Improvements Plan Citizen's Advisory Committee
in conjunction with the Departments of Community Development
and Finance

Adopted by the Milford Planning Board


Chairman

3/17/08
Date

Milford Capital Improvements Plan

2008 – 2013

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CIP CHAIRMAN'S OPENING COMMENTS

Dawn Condra
August 2007

I would like to thank the members of the Capital Improvements Plan (CIP) Citizen's Advisory Committee for their time and effort in reviewing the 22 projects that were submitted this year. The department heads and commission chairpersons who submitted projects are to be commended for the thought and analysis that was done by them in preparation of their submissions.

The CIP Committee was fortunate to have the return of a diverse group of members, those of which had a great deal of experience and knowledge within the Milford community. All are current or past members of other boards or committees within Milford. Members included Paul Johnson, Paul Blanchette (Planning Board representative), Peter Bragdon (School Board representative), Donna Barr (Facilities representative) and Dawn Condra. Also attending the CIP meetings were, Christopher Beer and Janet Langdell from the Planning Board and Community Development Director William Parker.

It is recommended that future CIP advisory committees continue with the following composition: the Chairperson, a Planning Board member, a Budget Advisory Committee member, a School Board member, a Facilities Committee member and either two or three "non-aligned" citizens, depending on the commitment of a Facilities Committee member to the CIP Committee. This expanded committee would provide for broader community input.

The CIP process moved quickly this year, and the Committee completed its work in August. Taking into consideration our present fiscal year system, the process of appointing the CIP committee by the Planning Board should continue to be accomplished by late April to early May of each year. A chairperson must begin to organize the committee and schedule meetings in early May to complete the process and brief the Planning Board and the Board of Selectmen in July, before the crush of the annual budgeting process. Additionally, beginning the CIP process earlier provides a scheduling advantage. If the CIP process flows too far into the summer season, finding volunteers becomes more difficult. Therefore, I would encourage the CIP Committee to meet with the Budget Advisory Committee as early in the budget process as possible.

CIP CHAIRMAN'S SUMMARY

Dawn Condra

The CIP Citizen's Advisory Committee would like to point out to both the Planning Board and the Selectmen the number of facility requests that were presented to the committee by the following three departments - Library, Fire, and Public Works. We had six requests roughly totaling \$11.3 million. The Committee was able to defer \$4.1 million until 2013 pending the results of the Fire Department's architectural and engineering study. Unfortunately, this deferment is a short-term fix, which goes against the CIP's long range planning goal. If discussions do not take place soon, next year's CIP will be presented with large project costs that are far too costly for the tax base to absorb while leaving no room for future capital improvement requisitions. It is our recommendation that the Board of Selectman along with Facilities and the CIP committee come up with a plan that address these concerns.

The CIP Committee was presented with three project requests that related to the expansion/renovations of the **School Street Fire Station**. We met with Frank Fraitzl, Milford's new Fire Chief, on June 13th to discuss the future of the existing Fire Station and the challenges that the building faces as it relates to security and safety. Chief Fraitzl is requesting \$425,000 for land acquisition and \$3.5 million for construction and furnishings in 2010 along with \$150,000 in 2009 for an architectural and engineering study. The CIP committee unanimously agreed to move the A & E study to 2008 to allow for a clear and concise plan of what could and could not be done with the existing building/property. As a result of moving the study to 2008, the committee moved the two larger requests, along with the Training Facility, to 2013 pending the study results. Chief Fraitzl also reviewed the need for a **West End Emergency Services Substation** which had been included in the CIP in previous years. Chief Fraitzl noted for the Committee that he did not see a need for the West End Substation within the next six years based on the slowdown in west Milford growth and development, and that he saw downtown expansion and renovation as a higher priority.

The **Wadleigh Memorial Library** presented to the CIP committee a \$5.9 million building addition and renovation request. The Library took the CIP recommendations from previous years and used impact fees that had been collected to hire an independent library building project consultant along with an architectural firm, Adams & Smith LLC, to help produce preliminary drawings and cost estimates to support the library's renovation request. First, the Committee would like to thank Library Director Michelle Sampson and the trustees for the thorough presentation. Michelle did a great job providing the Committee with a detailed plan that was easy to follow and one that supported many of the deficiencies that the library is currently facing. Public awareness and competing facility needs within the town are going to be challenges the library will face, especially with the cost associated with the current plan.

The **School Department** did not have any project submittals at the time of this year's CIP process as the School Board was in the midst of determining the best solution for the provision of kindergarten and had not yet come to a consensus. Significant new projects submitted for this year's program include \$1,000,000 for modifications to the **Transfer Station**, pending further study; \$155,000/year for four years as Town matching funds for federal/state transportation grant matching funds; and \$250,000 for a **Fire Training Facility**. Capital projects dropped from the 2008-2013 CIP include **Osgood Pond** (due to lack of a commitment of federal funding); **water utilities projects** as the Water and Sewer Commissioners have jurisdiction over Water Utilities projects; and **Kaley Park** as site improvements will be done incrementally and will not require amounts greater than \$75,000 at this time due to a reevaluation of Recreation Department and Recreation Commission thinking on planned recreational uses at that location.

CAPITAL IMPROVEMENT PLAN: Introduction, Definition, Purpose, and Process

Introduction

The Milford Capital Improvements Plan, or CIP, is a critical component of the Town's short-term and long-range community planning process. As authorized in NH RSA 674:5, in a municipality that has an adopted master plan, the local legislative body may authorize the Planning Board to prepare and amend a recommended program of municipal capital improvement projects over a period of at least six years. The CIP may encompass major projects currently underway, and/or future projects to be undertaken with public funds. Tailoring the CIP to the needs of the community allows projects to be classified according to urgency and the need to see them realized to support Town services. Included in the CIP are estimated costs for each project, probable operating costs when known, eligibility for impact fee assessment, and anticipated funding sources.

Definition

The Capital Improvements Plan (CIP) contains the capital improvement projects recommended by the CIP Committee, as approved by the Planning Board and the Board of Selectmen. CIP projects were requested from all Town Departments and Commissions and the Milford School. Project requests/plans were submitted by the following:

Town Administrator

Town Department Heads (Ambulance, Department of Public Works (Highway, Water, WWTF), Fire, Library, Parks and Recreation, Planning,)

Milford School Board

A project is eligible for consideration if the total cost is over \$75,000 and the project is reasonably expected to have a useful life of at least five (5) years. Replacement vehicles, although often acquired in groups, are not eligible unless the single unit value is equal to or greater than \$75,000.

Purpose

The Milford CIP attempts to link, within a rational framework, the provision of needed facilities, products, or services with the spending necessary to attain such items. The CIP must address the goals and intent of the master plan with fiscal realities. A well-supported and thoughtfully prepared Plan should provide the following benefits to the community:

- *Provides a plan which anticipates the investments necessary to address the demands of growth or non-growth situations;*
- *Establishes a format for improved communication and coordination between the Planning Board, Town departments, Administrator, the Selectmen, the School Board, and various other boards, committees, and commissions;*
- *Projects the distribution of the tax burden across the Plan years;*
- *Develops a fair distribution of capital costs through the use of capital reserves, bonding, user fees, and other funding mechanisms;*

- *Establishes a foundation for impact fees and growth management techniques;*
- *Supports economic development by indicating where and how the Town plans to invest in its infrastructure.*

Process

The Planning Board is charged with directing the capital improvement planning process, based upon the Town's adopted master plan goals and recommendations. The Planning Board established a CIP Committee consisting of volunteers representing several elements of town operation. The following individuals served on the CIP Committee for 2007 – 2012 Plan:

Chairperson	Dawn Condra
Facilities Comm	Donna Barr
Member at Large	Paul Johnson
Planning Board	Paul Blanchette

Budget Committee	None
School Board	Peter Bragdon
Observer	Christopher Beer

The committee follows a five-step process in accumulating, analyzing, evaluating, ranking, and allocating to Plan years the projects submitted for review.

Step 1 Request update of previously submitted projects and submission of new projects using the Town CIP form. For future years, projects are to be submitted with a reference to their Project # (listed in each of the Tables in this Report) to facilitate easier identification and review of projects. Each project is also to have a Statement of Need in addition to the Description. The Statement of Need should enable the committee to understand why the project is required for continuation or increase of Town services and the impact of delaying or not accomplishing the project.

Step 2 Listen to the presentations and discuss each project with the submitting Department Head or Commission Chairperson

Step 3 The committee members study the projects individually and through group discussions. Evaluation includes review of the level of preparation applied to the requested project. The Committee determined that a policy shall be established that a minimum of a conceptual drawing or architect's rendering is required for any facility, which is expected to be placed in the next three (3) years of the CIP "window". The majority of projects submitted in 2007 are being recommended for inclusion in the Report. Such result may not always be the case if the Committee determines that a project has not established sufficient need or is not likely to achieve support during the plan years. The Planning Board can bring a project back onto the CIP during their review.

Step 4 The committee ranks all projects on a 1 – 5 numerical scale based on perceptions of Need (is the project vital to Town operation); Urgency (what will be the consequences if the project is postponed or never accomplished); and Completeness of Request (concept, rationale, pictures, drawings, demand level by citizens).

Step 5 Using the requestor's recommendation as a starting point, the committee discusses and develops a consensus on the recommendation for the year in which the Project should be placed on the Town Warrant. For projects requiring bonding the tax impact will be felt the year after the Warrant Article passes. The committee adjusts recommended Warrant Article and funding years to smooth the fiscal impact and maintain an affordable debt level each year. The committee considers the overall debt load from all bonded or lease purchase acquisitions by the Town and the School.

Upon completion of the five-step process, the committee:

Prepares the final report;

Prepares a summary and briefing of their results for the Planning Board

Provides electronic copies of the report to the Planning Board and Planning Director for report publication and distribution.

Presents the CIP Plan recommendations to the Board of Selectmen and the Planning Board.

Table 1. CIP Committee Recommendations - Projects Listed by Plan Year

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Oval Area Traffic Improvements I (C01-08) \$155,000	Ambulance Replacement - 1999 (AMBS01-01) \$90,500	Oval Area Traffic Improvements III (CD03-08) \$155,000	Oval Area Traffic Improvements IV (CD04-08) \$155,000	Ambulance Replacement - 2003 (AMBS02-06) \$92,300	Fire Station (FIRE03-02) \$3,925,000
Riverside Cemetery Building (DPWC01-05) \$225,000	Oval Area Traffic Improvements II (CD02-08) \$155,000	Sidewalk Tractor/Plow/Mower (DPWH05-06) \$75,000	Town-Wide Drainage Replacement III (DPWH07-05) \$75,000	Town-Wide Drainage Replacement IV (DPWH07-05) \$75,000	Training Facility (Fire) (FIRE01-08) \$250,000
Fire Station Planning (FIRE03-02) \$150,000	Nashua Street Corridor Plan (CD05-08) \$100,000	Town-Wide Drainage Replacement II (DPWH07-05) \$75,000	Street Sweeper (DPWH02-02) \$150,000		
Dump Truck, plow, sander (DPWH04-01) \$136,000	Town-Wide Drainage Replacement I (DPWH07-05) \$75,000	Rubber-Tired Excavator (DPWH08-05) \$175,000	Addition/Renovation (Library) (LIBR01-01) \$5,923,662		
	Transfer Station (ADMIN01-08) \$1,000,000	South Street RR Crossing (DPWH01-08) \$200,000			
		Union Street RR Crossing (DPWH09-05) \$125,000			
		Rescue I Replacement (FIRJ04-08) \$450,000			

Note: For estimated tax impact see Table 2

CIP Estimated Tax Impact

Dept.	Project Name	Bond, Cash, or Lease	Payment Terms (in years)	Reques- ted Vote Year	Recom- mended Vote Year	Gross Amount	Net Cost to Taxpayers	2008	2009	2010	2011	2012	2013
Ambulance	Ambulance Repl. - 1999	Lease	3	2009	2009	90,500	90,500	-	33,232	33,232	33,232	-	-
Ambulance	Ambulance Repl. - 2003	Lease	3	2012	2012	92,300	92,300	-	-	-	-	33,893	33,893
Comm. Dev.	Oval Area Traffic Improv. I	Cash	1	2008	2008	675,000	155,000	155,000	-	-	-	-	-
Comm. Dev.	Oval Area Traffic Improv. II	Cash	1	2009	2009	675,000	155,000	-	155,000	-	-	-	-
Comm. Dev.	Oval Area Traffic Improv. III	Cash	1	2010	2010	675,000	155,000	-	-	155,000	-	-	-
Comm. Dev.	Oval Area Traffic Improv. IV	Cash	1	2011	2011	675,000	155,000	-	-	-	155,000	-	-
Comm. Dev.	Nashua Street Corridor Plan	Cash	1	2008	2009	100,000	100,000	-	100,000	-	-	-	-
DPW-Cem	Riverside Cemetery Building	Bond	20	2008	2008	200,000	200,000	-	16,049	16,049	16,049	16,049	16,049
DPW-Hwy	Sidewalk Tractor Plow/Mower	Lease	3	2008	2010	75,000	75,000	-	-	27,541	27,541	27,541	-
DPW-Hwy	Town-Wide Drainage Repl. I	Cash	1	2009	2009	75,000	75,000	-	75,000	-	-	-	-
DPW-Hwy	Town-Wide Drainage Repl. II	Cash	1	2010	2010	75,000	75,000	-	-	75,000	-	-	-
DPW-Hwy	Town-Wide Drainage Repl. III	Cash	1	2011	2011	75,000	75,000	-	-	-	75,000	-	-
DPW-Hwy	Town-Wide Drainage Repl. IV	Cash	1	2012	2012	75,000	75,000	-	-	-	-	75,000	-
DPW-Hwy	Rubber-Tired Excavator	Lease	3	2010	2010	175,000	175,000	-	-	64,261	64,261	64,261	-
DPW-Hwy	South Street RR Crossing	Bond	10	2010	2010	200,000	200,000	-	-	-	25,901	25,901	25,901
DPW-Hwy	Union Street RR Crossing	Bond	10	2010	2010	125,000	125,000	-	-	-	16,188	16,188	16,188
DPW-Hwy	Street Sweeper	Lease	3	2011	2011	150,000	150,000	-	-	-	55,081	55,081	55,081
DPW-Hwy	Dump Truck, plow, sander	Lease	5	2008	2008	136,000	136,000	31,413	31,413	31,413	31,413	31,413	-
DPW-Recyc	Transfer Station	Bond	20	2009	2009	1,000,000	1,000,000	-	-	80,243	80,243	80,243	80,243
Fire	Rescue I Replacement	Lease	5	2010	2010	450,000	450,000	-	-	103,939	103,939	103,939	103,939
Fire	Fire Station Planning	Cash	1	2009	2008	150,000	150,000	150,000	-	-	-	-	-
Fire	Fire Station	Bond	20	2010	2013	3,925,000	3,925,000	-	-	-	-	-	-
Fire	Training Facility	Bond	20	2009	2013	250,000	150,000	-	-	-	-	-	-
Library	Addition /Renovation Project	Bond	20	2010	2011	5,923,662	5,923,662	-	-	-	-	475,330	475,330
New Projects (Town)								336,413	410,693	586,677	683,847	1,004,838	806,623
Existing Projects (Town)								944,716	875,650	662,901	583,080	566,445	549,793
Sub-Total (Town)								1,281,129	1,286,343	1,249,578	1,266,927	1,571,283	1,356,416
Existing Projects (School - ?)								1,425,570	1,400,984	1,349,462	1,297,897	1,246,247	1,314,895
Total Existing Debt Service								2,370,286	2,276,634	2,012,363	1,880,977	1,812,692	1,864,688
Total Debt Service								2,706,699	2,687,327	2,599,040	2,564,824	2,817,530	2,671,311

Notes/Rules

Do not change info in the grey cells, they are calculated automatically.

Bond and lease payments are estimates only and have not been reviewed by the Finance Department

Any project that combines a number of different funding methods must be broken into separate projects

Any project that relies on a series of annual cash appropriations must be broken into separate projects

Leases - Treated as a normal loan based on Excel calculations using the Rate, below. Payments start the year of the vote.

Bond - Treated as a normal loan based on Excel calculations using the Rate, below. Payments start the year following the vote.

Rate 5.00%