

**TOWN OF MEREDITH, NEW HAMPSHIRE
CAPITAL IMPROVEMENTS PROGRAM (CIP)
2022-2027**



Recommended by the Capital Improvements Program (CIP)

Advisory Committee: September 29, 2021

Public Hearing by the Meredith Planning Board: October 26, 2021

Acknowledgements

Capital Improvements Program (CIP) Advisory Committee

Mark Billings, Chairman, Inter-Lakes School Board Representative

Richard Gerken, Vice Chairman, Planning Board Representative

Ed Touhey, Planning Board Representative

Jeanie Forrester, Select Board Representative

Lynn Leighton, Select Board Representative (Alternate)

Bill Bayard

Dave Thorpe

Ray Moritz

Planning Board

John Kreitler, Chairman

Ed Touhey, Vice Chairman

Richard Gerken, Secretary

Jonathan James, Ex Officio, Select Board Rep.

Steve Nedeau

Ann Butler

Jeremy Martin

SUMMARY

Annually, the Capital Improvement Program (CIP) Advisory Committee reviews, updates and recommends a stable program of capital improvements for the community. The CIP is a non-binding planning tool intended to aid the Select Board in their consideration of their annual budget in the context of a six-year forward view of future capital needs. The CIP is further explained in Appendix D: Frequently Asked Questions. As a preface to the specific recommendations that follow, it is important to note:

- The Capital Improvement Program continues to make significant use of Expendable Trust Funds (ETF's) as a means to funds identified capital needs. Expendable Trust Funds are under the custodial care of the Trustees of Trust Funds while the Select Board is designated as the "Agents-to-Expend". All ETF's are created by a vote of Town Meeting as are all appropriations to these trust funds. The use of ETF's (A) lessens the need for long term borrowing thereby avoiding borrowing costs; (B) allows the town to negotiate favorable pricing; and (C) contributes to overall program visibility and stability.
- The recommended Capital Improvements Program for program year 2022 is \$1,765,675. This represents an increase of \$70,545, or 4 % over 2021 funding levels.
- Seventy-four per cent (76%) of the program year 2022 recommendation is attributable to existing debt service (\$1,345,675).
- In 2021 debt -year service and ETF allocations represented 11.6 % of total municipal appropriations. The twelve average is approximately 11 %.
- Trend data is provided in Appendix A: Debt Service and ETF Funding, 2010-2021; Appendix B: CIP Funding as a Portion of Municipal Appropriations, 2010-2021; and Appendix C: Tax Rates and Net Valuation Information, 2010-2020.
- There are three on-going efforts that may generate capital projects for future Committee and Town Meeting consideration. These include further review and prioritization of waterfront infrastructure needs, potential improvements to the Main Street and potential improvements to Prescott park and Swasey Park.
- The recommendations that follow are also contained in a companion document; "CIP Development Workbook" dated 09-29-21.

RECOMMENDATIONS

Administration

Main Street:

Recommendation: Allocate \$20,000 for 2022 and \$50,000 per year for years 2023 through 2026 to the Main Street Rehabilitation Expendable Trust Fund.

Rationale: These allocations are intended to build up this fund in concert with the work of the Greater Meredith Program's Economic Development Committee and the NHDOT Main Street Safety Audit. In April, 2021 the Select Board unanimously supported GMP's efforts to develop a plan for Main Street that may address public safety, lighting, utilities, handicap accessibility, streetscape, and funding sources. In August 2021 the Select Board authorized the use of \$48,000 for feasibility and engineering design services. In September 2021 the Select Board was briefed by NHDOT on the findings of the Main Street Safety Audit.

The Main Street Rehabilitation Expendable Trust Fund balance as of 3/31/21 is \$138,913.

Waterfront Infrastructure:

Recommendation: Allocate \$125,000 per year for 2022 through 2026.

Rationale: The Town of Meredith owns and maintains a significant amount of waterfront infrastructure. The Select Board and Town Manager initiated an analysis of our waterfront infrastructure in 2019. Reference: Waterfront Infrastructure Analysis- Conceptual Design Options Update, September 16, 2019. The Select Board favors current conceptual plans to renovate and expand the town docks at Love Joy Landing. Plans include dock replacement, dock expansion, ramp improvements and improvements to the parking lot. Reference: Improvements to Shep Brown's Landing- Conceptual Design Update, July 19, 2021. NHDES permitting will be required. The current estimate includes \$910,000 for construction and \$130,000 for design and permitting for a project total of \$1.046 mil. Phil Warren, Town Manager has advised that in addition to completing the municipal dock/ramp improvements at Lovejoy Landing (Shep's), he is exploring possible expansion of the docks at Cattle Landing. Priorities beyond these two projects have not been determined.

The Waterfront Infrastructure Expendable Trust Fund balance as of 3/31/21 is \$797,760.

Fire Department

Recommendation: No additional allocations to the Fire Department **EQUIPMENT** Replacement Expendable Trust Fund at this time.

Rationale: SCOTT Air-Paks are scheduled for replacement in 2022 (\$270,000) utilizing existing funds in the Fire Department Equipment Replacement Expendable Trust Fund.

The Fire Department Equipment Replacement Expendable Trust Fund balance as of 3/31/21 is \$302,995.

Recommendation: Allocate \$50,000 for years 2023 through 2026 to the Fire Department **VEHICLE** Replacement Expendable Trust Fund.

Rationale: No apparatus replacements are anticipated in 2022 or 2023. Engine 3 is scheduled for replacement in 2024 (\$750,000). Engine 1 is scheduled for replacement in 2026 (\$800,000). Town Manager Phil Warren has advised that if the town receives a grant for the Air-Paks, then Equipment ETF funds could be shifted towards anticipated vehicle replacement needs and projected shortfalls.

The Fire Department Vehicle Replacement Expendable Trust Fund balance as of 3/31/21 is \$539,921.

Parks and Recreation Department

Recommendation: No additional allocation to the Parks and Recreation Facilities Improvement Expendable Trust Fund is recommended at this time.

Rationale: In 2017 the Parks and Recreation Department completed a master plan that evaluated facilities, programs, operations and resources available to deliver services. Reference: Meredith Parks and Recreation Department 15-year Master Plan, November 1, 2017. Phil Warren advised that he is working with Vint Choiniere, Parks and Recreation Director on Requests for Proposals (RFP's) involving Prescott Park and Swasey Park. Projects may be identified for consideration in the spring or fall of next year.

The Parks and Recreation Facilities Improvements Expendable Trust Fund balance of the as of 3/31/21 \$120,721.

Department of Public Works

Solid Waste Equipment

Recommendation: No additional allocation to the Solid Waste Trailer Replacement Expendable Trust Fund is recommended at this time.

Rationale: The town owns several trailers that are used to transport solid waste from our transfer station to the disposal site. Trailers are scheduled for replacement in 2024 (\$90,000) and 2025 (\$90,000) utilizing existing funds in the Solid Waste Trailer Replacement Expendable Trust Fund.

The Solid Waste Trailer Replacement Expendable Trust Fund balance as of 3/31/21 is \$228,384.

Public Works Equipment:

Recommendation: Allocate \$275,000 in 2022 to the DPW Equipment Replacement Expendable Trust Fund. Additional allocations totaling \$1,050,000 are programmed for years 2023 through 2026.

Rationale: A Kenworth 10-Wheel dump is scheduled for replacement in 2022 (\$310,000). There is a significant amount of capital equipment scheduled for replacement in the coming years as illustrated below.

<u>Replacement Year</u>	<u>Equipment Being Replaced</u>	<u>Replacement Estimate</u>
2023	2006 F550 Dump	\$175,000
2023	2013 F550 Dump	\$175,000
2024	2005 Volvo Excavator	\$250,000
2024	2013 F550 Dump	\$175,000
2025	2004 Volvo Grader	\$350,000
2025	2015 Ford F550	\$175,000
2026	2015 Ford F550	\$175,000
		<u>\$1,475,000</u>

The DPW Equipment Replacement Expendable Trust Fund balance as of 3/31/21 is \$291,099.

Recommendation: Seek Town Meeting approval to: (A) close the Water System Improvements Expendable Trust Fund; and (B) re-allocate the balance of that fund (\$248,270) to the DPW Equipment Replacement Expendable Trust Fund.

Rationale: As noted above, there is a significant amount of capital equipment scheduled for replacement in the coming years. This recommended re-allocation would address a projected funding shortfall beginning in 2025.

Water and Sewer Department

Recommendation: No additional funding is recommended at this time.

Rationale: Phil Warren, Town Manager, has advised that no town-funded improvements are scheduled as the department has been making incremental improvements to our facilities and has a robust maintenance program.

When the Winnepesaukee River Basin Program goes to a flow-based billing methodology, the town will need to look at alternatives to sending our water treatment backwash into the sewer system however no project has yet been identified.

As of 8/31/21 Water Reserves total \$1,023,189. In addition, the Water System Improvements Expendable Trust Fund balance as of the estimated balance as of 3/31/21 is \$248,270. As of 8/31/21 Sewer Reserves total \$676,406.

Recommendation: Seek Town Meeting approval to: (A) close the Water System Improvements Expendable Trust Fund; and (B) re-allocate the balance of that fund (\$248,270) to the DPW Equipment Replacement Expendable Trust Fund.

Rationale: As noted above, there are significant water reserves available (\$1,023,189) and a projected DPW equipment shortfall.

Phil Warren, Town Manager advised that the town is expecting to receive approximately \$675,00 from the American Rescue Plan Act (ARPA). The Select Board supports using ARPA funds to extend municipal water to the roundabout area on U.S Route 3 South. Pressurized water would open that area up for future commercial uses. It is anticipated that a public hearing will be held this Fall to accept these funds.

Debt Service/ Debt Retirement

Long Term debt payments in 2022 total \$1,345,674 which includes the borrowing for the Library Renovation and Expansion Project and the DPW Facility Project.

Long term debt related to the following projects will be retired as summarized below:

<u>Retirement Year</u>	<u>Amount</u>	<u>Project</u>
2025	\$182,350	Community Center
2027	\$ 88,538	Bundled Project
2035	\$668,755	Library & DPW projects

Inter-Lakes School District

Meredith is one of three communities that comprise the Inter-Lakes School District (Meredith, Center Harbor and Sandwich). Meredith taxpayers are responsible for approximately 75% of the district's costs including capital projects. Reference: Inter-Lakes School District Capital Improvement Plan and Facilities Budget Plan, October 2020. The District's participation with the Meredith CIP process is for informational purposes.

Mark Billings, Inter-Lakes School Board Representative to the CIP Advisory Committee advised

that the furnace at the Sandwich Central School previously scheduled for replacement in 2024 failed earlier this year and was replaced.

The District will receive approximately \$3 mil from the Elementary and Secondary School Emergency Relief Fund. The District utilize much of this funding towards hiring additional staff to 1-year contracts. Replacement of the synthetic athletic field is scheduled for 2022/2023 which will include re-surfacing the track (\$610,000). Substantial ventilation improvements will be completed within the year utilizing COVID related federal funds.

The District's School Facilities Maintenance Expendable Trust Fund balance as of 6/30/21 was \$844,229.

Summary of 2022 Municipal Capital Improvement Recommendations

\$ 20,000	Main Street Rehabilitation ETF
\$ 125,000	Waterfront Infrastructure ETF
\$ <u>275,000</u>	DPW Equipment Replacement ETF
\$ 420,000	Subtotal- Recommended ETF Allocations (24%)
<u>\$1,345,675</u>	Existing Debt Service- Principle & Interest (76%)
\$1,765,675	Total (100%)

Appendix A: Debt Service and ETF Funding, 2010-2021

Appendix B: CIP Funding as a Portion of Municipal Appropriations, 2010-2021

Appendix C: Tax Rate and Net Valuation, Information, 2010-2020

Appendix D: Frequently Asked Questions