

**CAPITAL IMPROVEMENTS PROGRAM
SUBCOMMITTEE**

**MONDAY, JULY 26, 2010
DRAFT MINUTES**

Present: Mark Kaplan (Selectman), John Wilson, Bill Helm & Jim Wheeler (Budget Committee), Jeff Hollinger & Emma Crane (Planning Board), Jessie Levine (Town Administrator), Dave Seastrand (Police Chief), Carol Fraley (Finance Officer), Steve Ensign & John Ryan (Board of Firewards), Sandra Licks (Library Director), Bob Bowers (Library Trustee), Jay Lyon (Fire Chief), Bob Crane

Police Department CIP – David Seastrand: Ms. Levine passed around a spreadsheet provided by Chief Seastrand that outlined cruiser maintenance expenses through July 31, 2010. The spreadsheet is attached with these minutes. Chief Seastrand was given the floor to explain his CIP, reflected in Tables 12-14.

Chief Seastrand said that the 2010 cruiser (replacing the 2006 cruiser) had been purchased a year later than originally planned in an effort to save money. He also said that the Police Department has no car purchases planned for 2012. In their figures, Chief Seastrand said that they have been able to slightly reduce some of the money they thought they would need, as they had used a “guess-timate” for car prices. Ms. Levine said that at one point the CIP committee built in an aggressive inflation rate but the prices haven’t gone up as much as anticipated.

Chief Seastrand said that next year would be the last year the Crown Victoria model would be available. He thought the next cruiser may be a Ford Taurus. Mr. Wilson said it would probably be a Police Interceptor on a Taurus body. He said that Chevy also has a model available. Mr. Wheeler asked what the life expectancy was for the vehicles. He wondered if they could make the four years between cruiser replacements permanent. Chief Seastrand said that he was concerned with the maintenance costs for the older vehicles. They were getting a 100,000 mile warranty for the cruisers now and he’d like to stay in that area for mileage. He explained that one of the older vehicles overheated recently and they had to have it towed away. He felt that four years was a lot to ask of their vehicles. They inspect the cars before and after shifts to keep track of condition and mileage. He said they juggle the cars and the mileage to try to preserve the older cars as long as possible. He would recommend staying on the pattern they had as a three-year rotation. Ms. Levine said that the maintenance schedule showed that by keeping the 2006 sedan into 2010, they had to pay \$3,200 in 2009 and over \$900 in 2010. Had they traded it in a year sooner, those costs would have been avoided. On the 2007 sedan they have spent \$1,700 to keep it going. Chief Seastrand said that twice, the air handling units and control heads needed repairs. Parts were not expensive but labor was, as they had to remove parts of the dash board.

Mr. Wheeler asked how many miles were on the 2007 cruiser. Chief Seastrand said that it has 79,000 miles. The new cruiser has 20,000 miles on it already because that is being used more heavily to preserve the older vehicle. Mr. Wilson asked, between the two cars, what is the typical mileage. Chief Seastrand said they try to keep them around 20,000-26,000 miles per year. In the winter the cruisers are not used as much, as they use the 4WD vehicle. He said that they are trying to get more miles out of each car. He thought they would have well over 100,000 miles on the new vehicles when they come due for rotation, and are sure to require more work to keep them going. He added that the vehicles are serviced regularly but are exposed to many different driving patterns. He is trying to determine if some drivers are more aggressive on the vehicles than others.

Mr. Wheeler said that if they are planning to trade in or sell cruisers every three years, he wondered if they could get more for them, as he had checked eBay and saw similar vehicles being sold for twice as much as New London got for theirs. Chief Seastrand said that there were several other ways they could get rid of the vehicles, including auction or trade-in. Ms. Fraley said that they tried to sell the Explorer on eBay, but had no luck. Ms. Levine said they usually get about \$4,000 on the used cars but this year they only got \$2,100. She felt that they could look into getting better resale prices.

Mr. Wilson said the State Police is getting between three and ten years of use out of their Crown Victoria cruisers, and logging between 150,000-170,000 miles. Chief Seastrand responded that those vehicles generally are not doing a lot of heavy-duty driving. Mr. Hollinger felt that the State Police cruisers were mostly logging much easier highway miles. Chief Seastrand added that the State also has a maintenance department on site to take care of the vehicles. Ms. Levine said that looking at the maintenance budget is part of the picture. Mr. Hollinger asked how many miles they get with an SUV. Chief Seastrand responded that the Explorer had about 92,000 miles on it when they got rid of it, most of which were hard miles.

Ms. Levine said she and Chief Seastrand have thought about adding a motorcycle for the summer months to take miles off the vehicles in the summer months. Chief Seastrand said they can get a grant for half the price for a motorcycle. Over time if they kept the program, the bike would cost about \$8,000. The town of Hopkinton has about two of the motorcycles and can get about eight months of use out of them per year. Chief Seastrand said that with a bike it adds mobility to be able to catch speeders in some areas. The gas would be cheaper and it would be a way to keep the costs down. Mr. Wheeler asked if once they qualify and get approval for the first bike, would the grant continue. Chief Seastrand said that Hopkinton has been in the program for six to seven years.

Ms. Levine said that what would be needed to stay on track with the existing CIP is an increase from \$20,000 to \$25,000 in 2011 and, in an effort keep deposits at a level amount it should stay at \$31,000 throughout the 10-year period. The effort is to keep it steady on the tax rate.

Chief Seastrand said with respect to Tables 14 and 15, that there were no requests for police dispatch equipment at this time. The fund has \$44,000 in it and they don't anticipate any expenditure for a few years. It was believed that that balance would last them quite a while. Ms. Levine noted that they had combined three accounts into one previously, which resulted in this higher balance.

Mr. Helm asked why they set up accounts for such small purchases. Ms. Levine said that four years ago they changed the CIP so that it only included items worth at least \$10,000 with a life expectancy of at least three years. She said there are some items that were in the CIP beforehand (like office equipment) and they had been removed. Mr. Helm asked if those small funds could be closed and the balance returned to the general fund as some were done last year. Ms. Levine said that the \$44,000 could be returned to the general fund. Mr. Helm said that some of these small accounts may be some places where they could help cushion other areas of the budget for the next 18 months. Mr. Wheeler agreed and said it would streamline the CIP and put the focus on the large items. Mr. Helm said he would keep raising this question when small accounts are brought up.

Fire Department CIP – Jay Lyon: Chief Jay Lyon noted that Steve Ensign, Chair of the Board of Fireward, and John Ryan, new Fireward, were at the meeting. Ms. Levine noted the handout that Mr. Wheeler had requested of Chief Lyon that compared New London's Fire Department to other towns in the categories of vehicle replacement schedule, maintenance, and how many vehicles they had. The spreadsheet is attached to these minutes.

Chief Lyon said the issues arise when their apparatus goes down and they are left with only one engine and the tanker to cover the town. They rely heavily on mutual aid and they have great response and assistance from those other towns.

It was asked what the column labeled “miles” represented. Chief Lyon said that the listing for each town in that category says “no” because they don’t use or count miles with regards to a vehicle’s age. He noted that one cause of aging of the vehicles is the salt that is put on area roads and highways. Chief Lyon said that most major repairs go through a manufacturer like Valley Fire Equipment or another private servicing company.

Ms. Levine said that table 16 was the table that explained the equipment to be replaced. In 2011, the Fire Department plans to replace the 1997 pickup truck they got from the Department of Public Works. Chief Lyon said that he still has to go through and decide what vehicle they would like to purchase. They will look at putting a plow on a command vehicle. The issue with the vehicle they have is that they have put \$1,300 into it this year to help it pass inspection (it had a hole in the floor). S&P Auto was gracious in helping them make the repairs.

Chief Lyon said that in 2012 they anticipate the replacement of the ladder truck. The biggest issue with this new purchase is that the fire station was built in 1972 and apparatus was a lot lower then. These days, the federal emission standards are requiring that the engine be in the front, which raises the chassis. Most of the trucks are between 11’ 4” and 11’ 8”. The doors of the station are 11’ tall. This limits the number of manufacturers they can choose from. Chief Lyon said that he did a cost analysis for replacing this truck in 2012 and in 2017. It was found that the manufacturers double the price for these vehicles every ten years. By purchasing in 2012 it will save the town \$500,000. The issue with the ladder truck is that it has been out of service for three months out of the last 5 years. It was purchased in 1992 so will be 20 years old in 2012. NFPA mandates what is put onto trucks so they have had their trucks retrofitted to comply. Their recommendation is that every ten years trucks should have a refurbishment, and every 20 years they should be replaced. Mr. Wheeler asked if they are obligated to go with the recommendations. Chief Lyon said that they were not, but that based on the year of the equipment, their insurance premiums are increased because the vehicles are not as reliable as newer models. He added that the ladder truck is the first piece of equipment that arrives on the site of an emergency.

Chief Lyon noted that the 100’ aerial apparatus would not be able to fit in their station, so the cost projected last year went down because that truck would not be purchased. Chief Lyon said that he would also like to start a separate fund for apparatus refurbishment, so he has reduced the amount in the replacement fund and placed the balance in the refurbishment fund. For 2010, they had asked for \$120,000 for replacement and refurbishment. For 2011 he is asking for \$112,000 -- \$100,000 in the replacement fund and \$12,000 in the refurbishment fund.

Mr. Wheeler asked if they had been refurbishing their trucks all along. Chief Lyon said that they were not because they had not been planning this far ahead. Mr. Ensign said that they have been repairing instead of refurbishing. In order to prevent overspending the budget, they need to plan for these refurbishments. Chief Lyon said that they are trying to be proactive and look ahead to see what will need to be replaced. Mr. Wheeler asked for a review of what had happened in the department with regards to trucks in the past 40 years. Chief Lyon said that in 1988 the Pierce engine was refurbished and they spent to purchase it \$48,000 in 1976. The refurbishment cost \$54,000. Ms. Levine said that they did research and the Fire Department has had enough unplanned expenses that have made it necessary to create a separate fund. The other departments have some money in their budgets to take care of unplanned

repairs. Mr. Wheeler asked for the difference between repair and refurbish. Chief Lyon said that refurbishment extends the life of the truck. Mr. Hollinger suggested that refurbishment could be considered preventative maintenance. Mr. Wheeler agreed. Ms. Levine suggested re-naming the fund “Fire Equipment Maintenance Fund.”

Mr. Wilson asked if the ladder truck began having problems when it was 13 years old. Chief Lyon answered in the affirmative. Mr. Wilson then asked if they had ever considered washing the undercarriage of the trucks to get rid of corrosion-causing salt from the roadways. Chief Lyon said that they wash the trucks every time their wheels turn and they do spray underneath the trucks.

Mr. Helm noticed that the Fire Department planned to purchase a new engine/tanker in 2018. Chief Lyon agreed. He said that they have a smaller tanker that doesn't get used as much and would like to use it as an engine tanker that would be used as a mutual aid piece, rather than sending the engine which has all of their extraction and other equipment on it. He said that if the Board of Firewards agreed, he would like to keep the smaller tanker and purchase a new one for the Town. Mr. Helm said he didn't think they should start saving for this purchase until the decision was made to go ahead with it. Ms. Levine said that because they have consolidated all the equipment onto one engine, when it goes out of town for mutual aid, the town is without. Chief Lyon said that when the smaller tanker is 20 years old, which is when it would be replaced anyway, he would like to keep it as a spare piece of equipment. He said it is easier to maneuver in smaller spots. If the Town decides to trade or sell the tanker, it would make sense to keep it as a spare piece or a piece of apparatus to be used for specific circumstances. Chief Lyon said that they could put purchase/replace instead of just “purchase” in the table.

Mr. Wheeler asked if in the previous year's CIP they were putting in \$120,000 per year. Chief Lyon said they were. He said that the 2004 expansion was great but that they are seeing that at some point, they won't be able to fit the new apparatus into it. If they had known that the vehicles would be changed so much, they would have addressed this during the expansion. Mr. Wheeler asked what it would cost to redo the ladder truck and keep it another 20 years. Chief Lyon said that he thought it would be about \$500,000. He thought they could change the roof angles and put another bay in that would be visually appealing. The station was designed so the addition is not seen and has retained a small-town look. Mr. Wheeler asked if he thought it would take \$50,000 to \$100,000 to upgrade the current station to be able to fit a modern-aged truck in it. Chief Lyon said that right now, Ferrara makes a 77' aerial that is pre-plumbed, at 10' 7" and E-1 makes one at 10' 9". They have to analyze all these options to see what would be the best way to go. He was hoping that their ladder truck would be worth something at trade-in, but after 25 years, there are not many companies interested.

Mr. Wilson noticed that in 2011 the Fire Department plans to replace the pickup command truck with a regular command truck. Chief Lyon said that this is potentially the case. Mr. Wilson asked if they would have three pickups. Chief Lyon said they would not. They will be getting rid of the 1997 pickup.

Ms. Levine noted the Self Contained Breathing Apparatus, or SCBA replacement on the list, which has a balance of \$22,000. Chief Lyon said the air packs are \$6,200 each. They are looking to purchase 25 air packs and have them be fully NFPA compliant. Most often, the fires they have to go into have burning synthetic materials, polymers, and elastomers, which give off toxic smoke. He noted that heart attacks are the number one cause of deaths of firefighters, partly due to the toxic gases they are forced to inhale. Chief Lyon said they have been very fortunate with grants, and are aggressively at looking into new grants and getting donations from the Firefighters Association. Chief Lyon noted that in 2004 they won a \$49,000 grant for their air filling station, and in 2006 the Department won a grant for personal protective equipment. Mr. Helm asked if they were likely to lose their chances with a grant if they show that there

is a large amount of money in their CIP. Ms. Levine answered that it was just the opposite. Oftentimes, grant programs want to make sure that a town has the matching funds necessary before awarding a grant.

Tracy Library CIP – Sandra Licks: Ms. Licks said that they were pleased with the exterior project that had been done at the Tracy Library. She reviewed that they have upgraded the exterior of the oldest part of the building, which is from the 1820s. They worked with Bruss Construction, who preserved the historic quality of the building while using some high-tech materials that will help it to last longer. Ms. Licks said that for the past three and a half years, the trustees have been working hard to get a grasp on getting the old building “up to snuff.” They have been catching up on some deferred issues. Next year they are carrying a very tiny balance and are focusing on the stacks room which is currently leaking. Their immediate objective is to stop the leak by replacing the windows and sky light. While they were at it, thought it appropriate to renovate the exterior of the stack room. They would like to take off the siding and re-insulate. Ms. Licks said that a lot of energy and heat is being lost in that room.

Ms. Licks said that next year they plan to refurbish the old windows that they couldn’t refurbish this year. In total, there are 59 old windows. Mr. Wilson asked how the refurbishment would go. Ms. Licks said that they would re-glaze, or replace old sandwich glass. They would also be replacing the sash. To do this work, they have an estimate of about \$30,000. She added that they would also like to make sure the windows are functioning as they should. Ms Licks said that the room is leaking every time it rains and they worry about mold taking off as it did in the children’s area. Mr. Hollinger asked what was leaking in the room. Ms. Licks said that it leaks where the slate meets the skylights. They think it would be better to rip the skylight out. Mr. Bowers said that they try to fix one piece of the library and then, in doing so, find more and more that needs to be done. Replacing the sky light is more expensive than just taking it out, rebuilding and replacing the windows. For 2011 they’d like to continue air-conditioning those rooms that are not air conditioned. For this, they’d like to focus on the large reference computer/AV room as there are lots of people and heat in that area.

Mr. Helm asked why they were doing it this way instead of borrowing money and spreading it out over 15-20 years. Ms. Levine said that it is mostly because they don’t find these things that need to be done until they are working on something else. Mr. Helm said that rates are cheap now and it might be a good route to take. Mr. Bowers said that they started three years ago with the furnace issue and the flat roof problem. The furnace didn’t get done quite right and now they have to find where the leaks are. He wasn’t sure that they can bond \$400,000-\$500,000 and be able to fix everything because to this point, they keep finding problems while they are fixing others. Ms. Levine said that the question is whether or not the voters will approve a bond that is so flexible. Mr. Helm said that that would generate a fair amount of dialogue. Mr. Bowers said they find themselves spending as much as they put in so doesn’t look like a capital budget. Mr. Helm said the building looks much better and they have a pretty good list of projects to work on. If they could sell the bond and push it out over 15 years these projects could get done. Mr. Bowers said he wouldn’t have any problem working on that idea with the Budget Committee.

Mr. Kaplan said that up until this time they didn’t know what “tomorrow” was going to bring. Their plans are much more specific now, and under those circumstances they can go to the voters and give details of the amount and what will be spent how. It makes sense and does take off of the amount of money they will need every year. Mr. Kaplan said the only drawback is that that the Town has always liked having capital expenditures and then pay out of the capital expenditures as they go. The bond has always been an issue because of the interest. Mr. Helm said that the rates are low now. Ms. Levine said it makes a lot of sense to think about going that route. She said the Library Trustees should create a list of the more immediate items and put it into the budget that way. They should also continue adding to the

maintenance fund, so they will have some left over for ongoing maintenance after they spend the bond money.

Mr. Wilson said there were a lot of different things in the tables between last year and this year. Mr. Helm asked Ms. Levine to run the numbers of debt service on \$400,000-\$500,000. He noted that this idea passes the expense onto future users of the library. Mr. Bowers said that if they were to identify the major construction kinds of elements of what the library needs and that if it would be bonded, they'd be able to get more specific numbers from contractors. Generally, they have to wait after a contractor gives an estimate because they don't know if they will have the money to spend or not. By doing it with a bond they know they have the money so they don't have to wait on the contractor for each project.

Mr. Bowers said when they thought of fixing the windows they thought it would be about \$20,000-\$30,000. The estimate came back between \$60,000 and \$70,000. He added that the front entrance project was not constructed properly. Where it ties into the old building, it was not supported, but was floating. They had to spend \$20,000 that wasn't in the CIP and then had to lower their other planned expenditures. They just found out that the radiant heat in the Tomie DePaola room is not working. They were told that the pipes are full of sand and they are not having any luck blowing the sand out. The contractors told them they thought the sand was coming from the town water supply.

Ms. Licks said that if they had CIP money for maintenance and then separate money for their projects, it would be ideal. Mr. Wheeler asked what the source was of the estimates for the repairs. Ms. Licks said that for 2011 the estimate is firm and they have a written proposal from Bruss Construction for work in the stack room. For the windows they have an estimate for twice as much as they are planning to spend. They may just do half of them at a time. Mr. Wheeler asked if it was the best solution to the skylight and the window in the stack room. Mr. Bowers said he was pretty sure it was. They cannot replace the skylight and take a chance that it may leak again. He felt that it made enough sense to take the skylights out as long as they can get enough light in the room to make it a good reading environment. Mr. Wheeler asked if ripping off the exterior of the stack room was worthy and necessary. Ms. Licks said that the trim has started to rot and there is cost savings to doing the job, energy-wise. She said it was not as crucial as what they did to the older part of the building. They were also told recently that their furnaces are now obsolete.

Attention was turned to Schedule 18 – Computer Replacements. Mr. Helm referred to his earlier statement that the Town should not be setting up capital reserve funds for such small purchases. Ms. Levine said that this was done because it was more consistent for annual replacement. Because there was some replacement every year, having a program like this leveled out the cost. Mr. Helm thought it should be part of their regular spending budget. Ms. Licks said that this would give her a lot more flexibility when going to use money, as long as she could be sure that her operating budget would not be cut by the Budget Committee.

Mr. Wheeler asked what a client computer was. Ms. Licks explained that it is an online catalog or check-in computer. It is not for staff or public use, but is what they use to service customers.

Discussion: Mr. Wheeler said he emailed Tom Cottrill, Chairman of the Planning Board, about the Master Plan. Mr. Cottrill didn't think that the Master Plan impacted the CIP in any way and that it was a guidance document only. They are not obligated to follow it by any laws. Ms. Levine said that it is written in a way that gives a broad recommendation.

Review schedule for August 16 meeting: Ms. Levine handed out a proposed agenda for the next CIP meeting on Monday, August 16. Departments to be reviewed were the Conservation Commission, the Recreation Department, the Public Works Department, and Administration.

With no other business, the meeting adjourned at 8:43 PM.

Respectfully Submitted,

Kristy Heath, Recording Secretary
Town of New London