

Minutes of the of the C.I.P. Meeting

June 16, 2015

Committee Members Present: Bob Montagno, Brian Williams, Bernie Costa, Dick Reinhold, Carl Schafer, Karen Foss, Trevor Presby.

Reading of the minutes of December 18, 2014 will be waived. Bob made the motion to accept the minutes as written and Carl seconded with all in favor.

The Meeting was called to order at 3:00 p.m.

Bob wanted to bring the new people up to speed. Carl has updated the spreadsheets and equipment evaluation forms.

Mons Jessen was the guru of spreadsheets and Carl is taking his place. He did a remarkable job for what he had to work with. He had a program that was difficult. Karen has a copy of the old spreadsheet. In this case he tried to put all departments onto two sheets of paper and it became difficult to manage. Carl's approach is we should expand the format. The sheet is the new format. We will place one department on each sheet or maybe two on a sheet. We could end up with maybe five or six pages. It will give us better visibility of what the ending balances are. At the end, the last sheet will be a summary table.

Buildings and grounds has three pots of money. 1) Equipment only and under that category is a tractor and two mowers. 2) Is for vehicles and only one vehicle, 3) For the town building maintenance. Pieces of equipment listed/basic categories are useful life/when or trade in value. That pot of money is \$9840 in 2015 add that money to three piece of equipment and we will have at the end the year \$16480.

We bought one for \$39,900. Next time we buy will be in 2020 which will be the sum of escalated values. We are predicting \$41,500.

Brian wanted to know how we reconcile what Sally gives him. Sally gives us the beginning balance. Takes into consideration any expenses and making any money on the interest. Those numbers should include what reserve balances are. Bob's says it's about 3%. We have a money manager. There is some dollar's there. Carl said interest will be included.

Trevor recommends including the sander and a plow and also trade that in, in five years also.

When department heads come to us we need to justify with a ready to use truck and everything goes with it. Is it worth trading or not. Jeff had a sander we may want to rotate for another five years. It should be evaluated.

Bob wanted Trevor on the committee because of issues like this. He has experience with this. Do we buy new, repair, or buy used.

Buildings and Grounds has a plow and a sander. Jeff does all the streets in the town. Big trucks do the hills and whatnot.

There is one thing Carl is mentioning that he is working the program a MAC Numbers program does not play well with Windows. He will send as a PDF. This form is a work in progress.

We will do what Mons did and adjust it every year. This is easier to do. He thinks he can adapt to whatever recommendations by Planning and Select people and the town. Bob says there is a lot more detail to the spreadsheet and knowing what the process is. The department heads will come in and tell us what their needs are.

Bob said in the past that is what we would do when they bought a new truck. There was no analysis of the actual condition of the truck. Sometimes they would have to buy sooner or later. This will give us a tool to analyze and it will give us a guideline.

Carl said if we will have to replace a squad car every five years does not justify that approach. If we replace, its 5 years old with 125K miles or it burns a quart of oil every day. We performed a study to see what other towns and other agencies used in a way of guidelines of other CIP, MP, and other municipalities of large and small towns, public works associations. The FED gave us replacement guidelines but nothing to justify. Most info from other CIP and MP from other towns compare towns. Want to compare similar towns with the same characteristics as ours like the primary vehicles and harsh use of our equipment. There are 12 different factors like age, years of service, mileage or hours of use, maintenance costs extended to keep equipment operating and general assessment. We don't want to burden department heads with an evaluation sheet. We will try to assign a point value to each of those items. Our purpose of the total points we can make a somewhat educated guess as to whether it can be replaced. Karen wanted to know if the town does its own maintenance. Some general maintenance our guys will do. Cruisers go over to FAST Garage here in town. Some things they cannot do. We need to check into what they do.

Carl shows two examples to review at our leisure. Last year was our first year. The department heads are helping with this. Bob has another sheet they turn in. Every sheet will be turned in for each piece of equipment for year to year data gathering. Trevor wanted to know if they giving us maintenance record. We may want to review records of maintenance for equipment.

They keep a detailed record of what they spend. Scott keeps it. Bob thinks as we go forward we have to do more analysis. We bought a truck last year. We need to look at vehicles. We have a lot of

vehicle repair costs. There are issues with equipment not being available to be used. We need to know actual number of days vehicles are out of service. We have six trucks and four operators. If a truck is down for repair we will have a spare. The truck is down you don't want the man down too.

Brian asked if all vehicles have dual usage. Six trucks should be capable for being used for everything. We want them to report what they are losing for days of service.

There is one more factor to evaluate per Bob. We may be able to run a truck longer or more maintenance or trade earlier because the trade value is better. As soon as you run it over 100K will have to consider buying and selling worry about the net in the end. What am I selling it for and what will the worth in five years? All factors are looked at. Looking at all equipment to be oil coated underneath the trucks.

When we sit down everyone wants a new vehicle. If you have that information we can either call it good or a bluff. If you don't have the information you cannot make a decision. Here is the maintenance for each truck. Highly recommend preventative maintenance to save the big bucks. Bob's sense is he doesn't hear large maintenance expenses. The cycle that we are buying should be a longer length but it will eventually rust out. Five years the trucks are set up for what we are doing not for resale. Set up for a municipality. Costs less but not a good quality.

Alabama rotates every two years and they don't have to pay FAT Tax. They buy several trucks at a time from the same dealer to get a good deal. Let's group them all together. Everyone is hungry. Trevor runs the same plow on all trucks. If we bought the trucks we would only have to stock the same fuel filter, the same parts so we would always have the parts in stock. Dealerships like you better. Trevor is educated in this. Bob knows that Scott has said the trucks we buy the different brands the quality changes from year to year. New Fords have a better front end for carrying plows. Bob has to believe him. The goal is if we will replace a truck does it have to be replaced. You are down to the point of replacing the six-wheeler. A police cruiser and a backhoe are coming up for consideration. Trevor agrees that you hold people on the hook to give you the data. We need a maintenance program for our fleet. Bob says the goal is to replace the truck is because it has to be replaced. In the past we have been replacing in the time frame that we had set. Everyone wants brand new trucks. We want to add value to the town by keeping the trucks longer and maintaining better.

Two obligations control costs and provide service. We are going thru restructuring the sidewalks. Bridge fund, sidewalk fund, road repair fund and general maintenance of buildings will be entailed in the report.

Bob said computer equipment is another can of worms. Our computer system is a hodge-podge. Bob wants to look for what we have and what has to be replaced. It comes out of departmental budget as a line item.

Firm that manages our reserves and trust funds. We are now getting 3% or better so the reason he put this on here. Twice a year trustees of the trust fund report to the select board. He will let you know when we are meeting with them and hear what is going on if you can attend. We should be aware of the interests rates are going up. We may have over a million dollars.

Bob has not personally been keeping the Capital Improvement on line. He wants to put on a calendar what needs to be done. Sally said the only date we have to gear towards is the public meeting of the CIP plan in the beginning of December. When do department heads have to come in? Planning Board and Select board will come in, in January.

Karen wanted to know if we will we get a copy of this for all the other departments. When will the schedule come out Brian wants to know. We have to be ready by the first week of December. We have to get our folks cracking to get the numbers to us. If we give them a month to get their numbers together then have them get the information in to us by the end of July.

CIP is a sounding board and gives advice. We ask what the department heads need and then selectmen implement. We try to get the managers involved with the process. So far we have been successful. Team work works well.

Trevor wanted to know about the \$2K put into the bridge. We will have to go to the general fund. We had money left over from Safety Building. We took a portion to fix town buildings and a bridge.

We are learning every day...we have to look outside our box for that net outcome.

Karen wanted to know if we had more details in regards to the building maintenance. How will that \$15K be spent? We know that the library has a leak on one of the sides but not sure how much that will cost as of yet. We will do the repair. There are a lot of issues that have to be addressed at the library. It could be a rainy day money project. No projects that will costs significant amounts of money. There is more than \$23K in there.

We will have to replace a cruiser next year. What if we don't buy? How does that affect the CIP plan? Do we move it out? Who decides what kind of vehicle the police buy? The police do. Karen how do we decide? Is it the biggest, fastest do we question them? Should we go with 4WD or AWD? What vehicle is appropriate for this area? What should be used? We have an explorer. The Chief does research with other PD's and the vehicle has to be outfitted. They are made with a police up fit. It is a big ticket item. Do we do a resale or sell outright or put up for bid. Place on line internet a great tool. You can make a deal at the dealership.

We have to depend on the people that we have working for us. No one knows what the right truck we need to buy. Need to check out the mileage and longevity. John is responsible for giving that information to us. What is our responsibility? We don't dictate we solicit ideas. We need to get a discussion going. We have suggested things to the department heads. They have shown great responsibility working with them. You can form an opinion on town service and cost to the town.

Things to do are to get the schedule made and get the department forms to department heads. Bob will accumulate information on the vehicles. I suppose an email requesting they submit their forms by the end of July. First of August and then meet and review. We go over the form with department heads a couple at a time. We will begin the first week of August.

Hopefully, we will get final results by the middle of September. We will put plan together and submit by end of September first of October. When do we want to meet? We can schedule Scott & Jeff/ Police/Fire Department/Ambulance.

Scott is working on our buildings and bridges.

We can schedule three meetings for review. Meet sequential weeks and then give them a month to provide this data. Mid November we should have everything finalized.

No major equipment or building issues. The screens were done by the energy commission. They reflect or absorb the heat. Get an update on that report of the energy audit. We are losing money on this building with heat. We have oil heat. Karen is keeping track of it.

Karen thinks this form is wonderful. Discuss what we want to do in regards to cost benefits...maybe another line item in here for energy improvements. My immediate...most things get done if we get a group of interested people to make it happen. We may want to attack this building as a package. What has to be done? The floors are a mess and the building exterior is rough looking. We had an energy audit and it has previously been re-insulated.

Our building is well used. What can we do to improve this building? It is very difficult to find volunteers.

Bridge repairs we have something established to maintain the bridge. Neglected topics are roads, sidewalks, buildings and the service building was put off for a very long time. We put together a committee for that building. Energy commission and department heads were involved. A separate unit will have to tackle it. Where do we get the money to tackle it? We need a plan and get it implemented. We would like a list of buildings. We own a lot of them. We own buildings in Mittersill. Is it excess that doesn't need to be there any longer? The legal role of CIP is to come up with the plan for Capital Improvement. We can make recommendations about a building in Mittersill to the Select board.

Scott is Jeff's boss. Where does Kim fall? She reports to the Select board.

They come to us....to talk to us. All of our properties are on Avitar and are sorted by owner. Look at the town structure. Water commission has half of that building in Mittersill. They store their records and equipment at the building there at Mittersill. They are a separate entity.

Brian made a motion to adjourn the meeting, Bob seconded. All voted unanimously in favor to adjourn meeting. The next meeting has not been scheduled at this time.

Respectfully submitted,

Herbie Bartlett
Executive Secretary