



OLD VALUES - NEW HORIZONS
PLANNING AND DEVELOPMENT

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Planning Board Minutes
7/28/10

Roll Call:

Phil LoChiatto, Chairman – Present	Rick Okerman, Member– Excused
Nancy Prendergast– Vice Chair, Present	Pam Skinner, Member – Present
Ruth-Ellen Post, Member– Present	Sy Wrenn, Alternate – Excused
Kristi St. Laurent– Present	Louis Hersch, Alternate – Excused
Bruce Breton, Selectman Member – Present	Ross McLeod, Selectmen Alternate – Excused
Lee Maloney, Alternate – Excused	Bruce Richardson, Alternate – Present

Staff:

Laura Scott, Community Development Director – Present
Elizabeth Wood, Community Planner – Present
Tracey Mulder, Planning Assistant - Excused

Call to Order/Attendance/Pledge of Allegiance

The meeting was called to order by Chair LoChiatto at 7:09pm, followed by the Pledge of Allegiance.

Mr. Richardson was seated for Rick Okerman

**Capital Improvements Program (CIP) Presentation & Workshop
Glen Greenwood, Rockingham Planning Commission Assistant Director**

Mr. Greenwood, Assistant Director of the Rockingham Planning Commission (RPC) was the presenter for this workshop. He said that it is important to keep up with the updates for the CIP on an annual basis.

- **What is the CIP?**

Mr. Greenwood said that the CIP is an advisory document prepared by the Planning Board. Department Heads must be very involved in CIP planning process. It is important requests that are made by Department Head are realistic. Mr. Greenwood had found it absolutely essential to have a CIP Committee. The Committee should include some representation from

the general public. The more forceful that the CIP Committee is in emphasizing to Department heads that this is an annual event, the more chance the CIP has for success. The plan must be for a minimum of 6 years.

The program levels out costs over a scheduled time frame. Looking over a 6-year horizon makes it easier to stabilize tax revenue.

It is recommended that the CIP be completed by September. If the CIP isn't completed till later in the year, there were be conflicts with the Select Board's schedule due to Town Meeting preparations that occur in the fall.

The CIP is a very good PR for a project. Due to the-6 year time frame, the public will be well aware of an expense in advance if it is included in the CIP. Copies of the CIP should be available to the public—at the library, where people register their vehicles, etc.

- **What is the role of CIP in the municipal @ school budgeting process?**

Mr. Greenwood said that the State has a provision that allows for Schools to be involved with this, but he has always had a hard time getting schools to participate in the CIP process.

Chair LoChiatto says that when the new High School was built, it was purposely kept out of the CIP because it would have skewed the process so much due to the high cost of the project.

- **What capital expenditures should be included in the CIP?**

Mr. Greenwood said that it is important to solicit needs from Department Heads. Department Heads should mention projects that need to be funded. When the CIP solicits Department Heads, it is also important to ask them how they think their request might be funded. Will they be funded by grants? By Independent fundraising? By the general fund?

There will be a tax impact on virtually every project in the CIP. Some communities establish capital reserve funds. If this is done, it needs to be reflected in the CIP.

Chair LoChiatto says that this is being done now, the Town saved for 4 years to develop the Salt Shed.

Mr. Greenwood said that the CIP is bringing to light, all in one place, what all the Capital needs of the Town are. After this is done, the Town can study what the tax impact of making those improvements is. It's never easy to convince people to spend money, so you better take every avenue to show them that you have thought long and hard about any expenditures.

Chair LoChiatto asked the Board if they had Questions.

Mr. Richardson said that Mr. Greenwood's presentation was very nice. We have had a CIP Committee for 20 years or so. It is a great idea to have the CIP document available at the Library and at other places for the public. What is the amount of funds that are dedicated to CIP as compared to the total tax base?

Chair LoChiatto said it is not so much percentage; it's about the bottom line. What is the final dollar amount that is allotted to CIP projects?

Mr. Greenwood said he gets this question a lot. There is no real answer to this. In many communities the capital budget (not including school) runs around 8%. But this truly varies.

Mr. Richardson, brought up the idea of a slush fund. He says that in any family there are always more projects than need to be funded. All of the projects are not going to be funded. The goal is to keep the tax rate stable, so if you allow yourself to cheat a little bit and splurge what happens?

Mr. Greenwood said that there are political costs to this. Underlying goal is to keep the budget stable and prevent big surprises. Sometimes there are emergency situations. These will have a real impact on CIP, but these are easier to argue for. If you take it upon yourself to create the spikes, than that works against the process.

Mr. Richardson says his biggest issue with the CIP is that the schools consume three-quarters of the tax dollars. When the HS was built, it did not fit within the CIP. Because it was not included, this promotes the schools to think of the CIP as not being a necessity or take away from the CIP's credibility. Mr. Richardson said that it may be a good idea to have a separate CIP for the school.

Mr. Breton said that if you have a Master Plan to show what the school is doing, you know well in advance that the need is coming.

Mr. Greenwood said that including the school is a good thing but it is not always easy because you are dealing with two governmental bodies.

Ms. Post said that it is to the tax payer's advantage to have as full and as a complete picture of the expenditures as possible. She is nervous hearing the word slush fund. A slush fund does not exist in Windham. Question, define capital improvement? What items should be included in the CIP?

Mr. Greenwood said that this varies from town to town.

Ms. Post asked about the threshold dollar amount that is allotted for items to be included on the CIP list. Determining what the threshold should be is something that Windham really wrestled with. What Town body is the best Town body to define capital improvement? Planning Board? BOS?

Mr. Greenwood said that if you have an established CIP committee, that it should come from the CIP Committee. The Planning Board is responsible for adopting the document, and may not look forward to adopting a document that they have given too much authority to others to formulate.

Ms. Prendergast read Windham's definition of a Capital Improvement.

Mr. Breton said that it should really be a large capital improvement to be included in the CIP, perhaps a budget amount of \$100,000.

Mr. LoChiatto asked about tying the CIP to Master Plan. Windham has a master plan but it is a very broad plan. There should be a strategic plan that is more targeted that is separate from the Master Plan.

Mr. Greenwood said that the reason that the legislature thought the Planning Board should be responsible for this—in Master Plan there are a few chapters in the Master Plan, such as Community Facility, Transportation, and Natural Resources, which tie in with the goals of the CIP. Mr. Greenwood said that he does think that Master Plan should be tied to CIP; however definitely, if there are other strategic plan efforts, they should be tied in with CIP.

Mr. Greenwood asked if other projects in Town, such as the library were cash or bonded?

Selectman Roger Hohenberger from the audience said they were bonded.

- **Q & A from the public**

Mr. LoChiatto opened the meeting to public questions at 8:10 pm

Selectman Hohenberger said that we have a process in Town that utilizes the Department Heads. They all get together and come up with the global budgeting process. Before the CIP planning starts they decide which of their projects should be done in a given year. This makes the CIP process easier. He asked Mr. Greenwood if sees any negatives in this?

Mr. Greenwood said one of the most challenging things in CIP is prioritizing projects. He said that he would appreciate knowing that departments got together so that everyone knew what other's projects were. He finds it rare that Department heads would come to an agreement.

Selectman Hohenberger asked if the Department Head's discussions would take away the need for a CIP process. Chair LoChiatto said that it removes the autonomy issue. Members of the public and committee need to add input into the prioritization to the CIP.

Mr. Richardson brought up a scenario where there was a citizen member on the CIP. The citizen member was able to get involved without worrying about internal politics.

Mr. Greenwood said that Departments may not be able to look out for 6 years like the CIP Committee can.

Selectman Hohenberger said that there was a foreseen need that a Middle school was needed, but it got defeated at the polls. It may be a good idea to look what was voted in at the polls to get an idea of the public's response.

Bob Young, 115 Haverhill Rd, asked if impact fees should be included in CIP.

Mr. Greenwood said that collected impact fees should be included.

Mr. Young said that any government that has a capital expenditure plan should have a CIP. He would like to see school buildings included in the CIP to level taxes off after 6-8 years.

Chair LoChiatto said that the 55 million dollars for the HS would take the entire amount of the Capital Expenditures budget.

Mr. Young said that if we are going to do a 33 million dollar middle school, it ought to be part of the CIP.

Mr. Richardson said that Mr. Young is right, something like the construction of a middle school ought to be part of the CIP, but the reality is, that is not how it always plays out.

Dana Call, Finance Director, followed up on Selectman Hohenberger's previous comment about Department head discussion. The bulk of the discussion is generally on the \$50,000 and under amount. There generally is not discussion on items larger than that.

Chair LoChiatto said that they did not see anything less than \$100,000 presented by Department heads in the last CIP.

Ms. Scott said that the Select Board said that the Department heads would presented items that would be \$50,000 this year, rather than \$100,000.

Ed Gallagher, Windham School Board, said the High School was not included in the CIP. However, a number of other school projects have been involved in the CIP. Renovations to the Middle School and to the Center School were included.

Ms. St. Laurent said she knows it is not a slush fund for Capital Improvements. It sometimes sounds like we are squirreling money away for a big project. If we are putting money away for a bigger project does it show up on the CIP?

Chair LoChiatto said "Yes."

Ms. Prendergast asked Mr. Greenwood if he would be willing to look at our CIP and give feedback.

Mr. Greenwood said "Yes."

There were no further questions from the Board or the Public.
The Board took a 5 minute recess.

CIP Appointments

- **2 Planning Board Members (1-year term)**

Ms. Skinner made a motion to appoint Mr. Richardson. Mr. Richardson declined the nomination. Ms. Skinner withdrew her nomination.

Mr. Richardson made a motion to appoint Chair LoChiatto. Ms. Post seconded.

Mr. LoChiatto said he would respectfully prefer not to.

Mr. Richardson withdrew the nomination.

Ms. Prendergast said that she has no problem serving on the CIP.

Mr. Breton nominated Ms. Prendergast to the CIP. Ms. Skinner seconded. Motion approved 7-0.

Ms. Scott said that she spoke previously with Ms. Maloney. Ms. Maloney said that she has served before and that she would like to serve again. Because Ms. Scott did not confirm for sure if Ms. Maloney would accept a nomination, Ms. Scott recommended that Board could make a tentative nomination and she would follow-up tomorrow to confirm with Ms. Maloney.

Mr. Breton motioned to appoint Ms. Maloney conditional upon her acceptance. Ms. Skinner seconded. Motion passed 6-1-0

- **Citizen Member (3-year term)**

Mr. Breton motioned to nominate Rob Gustafson. Mr. Richardson seconded. Motioned approved 7-0.

Adjournment

Mr. Sinner Made a motion to adjourn the meeting. Ms. Post seconded. Approved 7-0. The meeting was adjourned at 8:47pm.

These minutes are submitted respectfully by Elizabeth Wood