



**CAPITAL IMPROVEMENTS
PROGRAM
FY 2006-2013 PLAN
WINDHAM,
NEW HAMPSHIRE**

**Presented to the Windham Planning Board
December 14, 2005**

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I. Introduction

New Hampshire Revised Statutes delegate to the Planning Board the responsibility for preparing a Master Plan to guide the development of the municipality. The Windham Planning Board adopted a Master Plan in 1985 and, has since, updated the plan every five years. The update for the 2005 Master Plan was completed during the first half of calendar year 2005. A Capital Improvement Program (CIP) is the financial counterpart to a Master Plan. The CIP is a financial master plan for charting a municipality's capital needs over a specified time frame. The programming of capital expenditures into a rational planning and budgeting process is an important management tool for the allocation of tax revenue.

Growth can have a substantial impact on the municipal services and facilities. CIP's have become associated with efforts to manage growth and tax impact. Revised Statutes Annotated 674:22 requires municipalities, which regulate development through a growth management ordinance, to prepare and adopt a Master Plan and a CIP. Although it is a prerequisite of a growth ordinance, a CIP can stand alone on its own merits as a planning tool.

At the 1986 Town meeting, the voters of Windham authorized the Planning Board to prepare a CIP. A Planning Board CIP Sub-Committee was formed to undertake this task. While NH RSA 674:5-8 states that it is the Planning Board which prepares the plan, it is important to involve the Board of Selectmen, School Board, Town department heads, and other Town boards and commissions. Since it is the Selectmen and School Board who prepare the budget in Windham, they are a vital part of the CIP process.

According to the Windham Planning and Zoning Board bylaws, the CIP Sub-Committee's membership is as follows:

- One Selectmen appointed by the chairman of the Board of Selectmen whose term shall be one year.
- One School board member appointed by the chairman of the School Board whose term shall be one year.
- Two members of the Planning Board appointed by the chairman of the Planning Board whose term shall be one year.
- Three members of the general public appointed by the chairman of the Planning Board whose terms shall be three years, limited to a six-year tenure.

Throughout this document, "department" will be used to encompass all town boards, commissions, committees, trustees, and departments.

The CIP Sub-Committee has the following tentative meeting schedule:

JUNE	Appoint new members and organize for the coming year.
JULY/AUGUST	Request written capital project proposals from town departments and School Board.
SEPTEMBER	Meet with all departments and committees to discuss their capital needs.
SEPT/OCT	Meet to review submitted capital projects and develop the plan.
NOV/DEC	Conduct a workshop with the Planning Board followed by final presentation to the Planning Board and public hearing

A. The Capital Improvements Program: Purpose and Description

A Capital Improvements Program is a budgetary document that forecasts major Town expenditures for a legally mandated six-year period. Windham has traditionally created a CIP for a longer eight-year period. A fiscal analysis of each project is included in the CIP. The program, when adopted and fully utilized, serves to ensure that the necessary services and facilities to meet the community's needs are provided in accordance with the financial capabilities of Windham.

I. Introduction - continued

For the purpose of this document, a capital improvement is defined as a major expenditure (usually non-recurring) for public facilities costing more than \$50,000. CIP expenditures are considered beyond the scope of normal annual operating or maintenance expenses. Included are:

- Land acquisition for public purpose
- New buildings or additions
- Vehicles and other machinery with a useful life of greater than five years
- Major building or facility renovations with a useful life of greater than ten years
- Road renovations resulting in long-term improvement in road capacity or conditions
- Special studies such as assessments or a Master Plan
- Studies or architectural plans costing more than \$50,000 for the above capital improvements

The CIP Sub-Committee will request detailed capital plans for evaluation during the planning year. Project requests are compiled into a spreadsheet to analyze the overall impact on the Town's tax rate. The CIP Sub-Committee will make recommendations as to which projects should be included in the Plan.

B. Advantages of a CIP

A Capital Improvements Program offers many advantages:

- Stabilizes year-to-year variations in capital outlays
- Makes pre-emptive acquisitions more feasible and defensible (e.g., land for water supply, waste disposal, recreation)
- If used in conjunction with a pooled investment reserve fund, can offset a fraction of capital expenditures by reducing interest payments
- Enables the town to establish growth control measures (in conjunction with a master plan).
- Facilitates implementation of the master plan by scheduling proposed projects over a period of time. The program can eliminate duplication and a random approach to expenditures.
- Furnishes a total picture of the municipality's major needs, discourages piecemeal expenditures, and serves to coordinate the activities of various departments.
- Establishes priorities for projects on the basis of needs and cost, and permits anticipation of income and expenditures.
- Serves as a public information tool, explaining to the public the Town's plans for major expenditures.

The Planning Board and the CIP Sub-Committee together review the CIP and make desired revisions. After a public hearing is held, the Planning Board adopts the CIP. The Board of the Selectmen, the School Board, and the electorate, should adopt the first year of the CIP program as the capital budget. The capital budget, the school department's operating budget, and the town's operating budget together make up the total municipal budget for the year.

Once the CIP has been adopted, it is reviewed and updated annually by the Planning Board. This is especially important in years when voters at Town Meeting do not fund all proposed capital projects. The CIP recommendations for the upcoming year's budget are presented to the Selectmen and School Board for their consideration. Each annual update adds an additional year to the schedule, as the past year is dropped off, so that a six-year minimum program period is maintained.

When all capital projects are outlined for the upcoming six to eight year period, each department and board should monitor the effect of growth on their scheduled projects. In order to keep the department heads and boards informed, the Planning Board should ask them to review all development proposals to determine possible impacts on the CIP schedule. This process assists the Planning Board in determining the timeliness of the proposal and its impact.

II. Background: CIP 2006 Plan

A. Method of Classification and Prioritization of Capital Projects

New Hampshire RSA 674:6 requires that the Capital Improvements Program (CIP) classify projects according to urgency and need and to contain a time sequence for their implementation. In accordance with the Capital Improvements Programming Handbook prepared by the Southern New Hampshire Planning Commission, the Windham CIP Sub-Committee has adopted a classification scheme that used six (6) possible classifications as outlined below. In deliberations leading up to the CIP Sub-Committee's proposed capital allocations, each submitted project was assigned a class. The list of projects requested for this year's plan is included in Appendix B in class order.

After each project was classified, projects falling into the same class were reviewed against town needs as identified by the town master plan and further prioritization was established.

Class	Category	Description
Class I	Urgent	Cannot be delayed, needed immediately for health and safety needs.
Class II	Necessary	Necessary. Needed within 1- 3 years to maintain basic level and quality community services.
Class III	Desirable	Desirable. Needed within 4-6 years to improve quality and level of service.
Class IV	Deferrable	Can be placed on hold until after the 6-year period, but supports community development goals.
Class V	Premature	Premature. Needs more research, planning and coordination.
Class VI	Inconsistent	Inconsistent. Contrary to land use planning or community development goals.

B. Year 2006 Available Capital Improvement Funds

The CIP Sub-Committee used the official tax valuation less utilities figure for 2005 to determine the CIP funding for the subsequent years in its plan. This official tax valuation is determined by the Windham Tax Assessor and approved by the New Hampshire Department of Revenue Administration. For year 2005 the town valuation figure minus exemption monies for veterans and other recognized groups, was set at \$1,470,638,825.

To compute the available CIP funds for year 2006, the sub-committee used the actual 2005 valuation \$1,470,638,825 and applied a conservative 2.5% increase to reach \$1,507,404,796 as an estimated tax valuation figure. Appendix C shows that for the years since 1995, the town's tax valuation has increased on average by substantially more than the 2.5% figure used by the sub-committee. In addition, the Tax Assessor informed the sub-committee that he believed the increase next year would be in line with this year's increase of over 4%. For FY 2006-2013 planning, the sub-committee estimated available CIP funds using a more conservative 1.5% increase each year in the town valuation figures. The 1.5% number is a change from prior CIP plans, which have used 1.0% as the estimated increase in town tax valuation for future years' planning. This year's CIP Sub-Committee looked at the substantially higher historical increases, and felt that a 1.5% figure would create a more realistic future plan, while still being fiscally conservative and cautious.

This year the CIP Sub-Committee recognized the enormity of the projected costs attributable to the new high school land and facilities. Appendix D shows a spreadsheet of the CIP plan needed to cover the bond payments for the high school. A CIP rate as high as \$3.26 per thousand would be necessary in some years in order to support the high school bond payment, fixed obligations, and the requested projects selected by the sub-committee for FY2006-13 (page 28). The sub-committee believed that in order to continue to fund other needed town-wide capital improvement projects, the high school capital projects should be removed from the CIP plan. However, it recognized that a lower CIP rate than the historical \$1.55 per thousand met the non-high school capital needs of Windham within this plan. The CIP Sub-Committee has adopted a new CIP rate of \$1.00 per thousand to fund the non-high school capital projects that the sub-committee believed were important to Windham's future needs for the years 2006-2013. Appendix E shows that under a CIP rate of \$1.00 per thousand, including the high school bond obligations would result in a \$3.4 million average shortfall in the first few years of the CIP plan.

In addition to funds derived directly from CIP, the plan includes school impact fees to be applied to the school renovation bond payments, and other funds contributions.

It is required that the first year of the CIP plan be balanced, with a zero balance (2006 in this plan). It is always the intent of the CIP Sub-Committee to create a plan for future years (FY2007-2013 in this plan) that minimizes any negative variances from the estimated CIP funding available. However, because the specific funding figures in those later years are just estimates, no attempt is made to zero balance the entire program. This year the CIP Sub-Committee has adopted a plan with a large negative variance in a near-term year, FY2007. There are several open issues specific to that year's projects which as a result of the town vote in March 2006 could reduce that variance considerably: (1) Should the voters not support the first year funding of the Lowell Road Bike Paths in the March 2006 vote, then the \$75,000 allocated as a second year payment in 2007 would be removed from the CIP plan, (2) Should the voters in Pelham not support the Castle Hill Bridge project again in March 2006, then there would be no need to fund Windham's half of the project in 2007 as both towns must support it for the state to proceed, and (3) Should the rate of residential development in town continue, the estimate of \$150,000 in school impact fee funding for 2007 would increase to an amount closer to the actual historical range amounts of \$250,000 - \$355,000. Therefore, the CIP Sub-Committee felt comfortable with the variance amount shown in the plan for FY2007.

C. Formula for future CIP available funding adjustments

In November 2005, the tax rate for Windham was set by the State Department of Revenue Administration (DRA) at \$19.46 per thousand-dollar assessment. This was based on a total town valuation of \$1,470,638,825. The DRA has also estimated Windham's equalized valuation at 72% of the real market value. This means the real marketable value of the property in Windham is \$2,042,553,923.

The Capital Improvement committee estimates a 2.5% growth in valuation to \$1,507,404,795. With \$1.00 per thousand allocated for Capital Improvements, the amount available for 2006 is \$1,507,405. The Capital Improvement rate of \$1.00 per thousand allows for a percentage of 5.139% (1/19.46) of the tax rate to be allocated to Capital Improvements.

When the Town reassessment is complete, the equalized valuation will be raised to 100%, from 72%. This does not increase the expenditures in town but rather changes the tax rate that is applied to a house to raise a fixed number of dollars. The amount of dollars available in the CIP, \$1,507,405, should also remain the same. Therefore, the \$1,507,405 as a percentage of the total tax bill should also remain unchanged, or 5.139%. When the town valuation is approved, the CIP rate should be adjusted to a rate commensurate with the same percentage of the total tax rate that is 5.139%. For example, at 100% valuation, the \$19.46 tax rate will be lowered to \$14.01. The CIP rate should therefore be lowered to \$0.72 per thousand, which will raise the equivalent dollars of \$1,507,405.

What this means to a homeowner. For a property assessed at \$300,000, the \$19.46 translates to a tax bill of \$5,838. The \$1.00 per thousand CIP rate allocates \$300 of this tax bill towards the CIP projects. When the revaluation is raised to 100%, the real property of the \$300,000 house will be raised to \$416,667. The tax rate will be \$14.01 still raising \$5,838 in tax dollars. To maintain the \$300 used for CIP, the CIP rate will be \$0.72 per thousand or 5.139%.

III. CIP FY 2006 Plan**A. FUNDING AMOUNTS**

2005 Actual Town Tax Valuation Less Utilities	\$1,470,638,825
2006 Estimated Town Tax Valuation Less Utilities at 2.5% estimated growth over 2005	\$1,507,404,796
CIP funding at \$1.00 per thousand of 2006 Town Tax Valuation Less Utilities	\$ 1,507,405
Other CIP Contributions:	<u>\$ 367,512</u>
Searles Trust Fund	\$ 12,512
School Impact Fee Funds	\$ 355,000
TOTAL AVAILABLE CIP FUNDING FOR 2006	\$ 1,874,917

B. FIXED CIP OBLIGATIONS FOR 2006

Town Master Bond (Fire and Police Stations, Library)	\$ 544,385
Schools Renovation Bond (Middle and Center)	504,365
Searles Bond	12,512
Fire Engine-1 Bond	<u>180,000</u>
TOTAL FIXED OBLIGATIONS	\$ 1,241,262

C. REMAINING CIP FUNDS FOR REQUESTED PROJECTS \$ 633,655

Ambulance-2 Replacement	\$ 148,800
Lowell Road Bike Paths (Year 1 of 2)	75,000
Road Improvements	290,000
Salt Shed (Year 2 of 3)	85,000
Driveway/Parking Lot Paving	34,855
Middle School (Year 1 of 2)	

IV. CIP FY 2006 - 2013 Appropriation Chart

CIP FY 2006 - 2013 Appropriation Chart (Summary)

	Notes	CRF Balances	2006	2007	2008	2009	2010	2011	2012	2013
CIP Projected Availability			\$1,507,405	\$1,530,016	\$1,552,966	\$1,576,261	\$1,599,905	\$1,623,903	\$1,648,262	\$1,672,986
Fixed CIP Obligations										
Town Master Bond	(1)		544,385	387,075	245,975	236,689				
Schools Renovation Bond	(2)		504,365	494,974	484,014	475,026				
Searle's Bond	(3a)		12,512	12,544	12,560	12,160	12,160	12,144	12,144	12,144
Fire Engine 1 Bond	(4)		180,000							
Total Fixed Obligations			\$1,241,262	\$894,593	\$742,549	\$723,875	\$12,160	\$12,144	\$12,144	\$12,144
Effective Availability Other			\$266,143	\$635,423	\$810,417	\$852,386	\$1,587,745	\$1,611,759	\$1,636,118	\$1,660,842
Other CIP Annual Contributions		-	367,512	373,224	162,560	162,160	162,160	162,144	162,144	162,144
Net to Annual Appropriations		\$ -	\$ 633,655	\$ 1,008,647	\$ 972,977	\$ 1,014,546	\$ 1,749,905	\$ 1,773,903	\$ 1,798,262	\$ 1,822,986
Annual Appropriations										
POLICE DEPARTMENT		-	0	85,000	0	0	0	0	0	0
FIRE DEPARTMENT		-	148,800	0	157,500	0	0	275,000	485,000	275,000
SELECTMEN		-	75,000	388,350	0	0	0	0	0	0
HIGHWAY AGENT		85,000	375,000	410,000	330,000	330,000	340,000	415,000	350,000	350,000
LIBRARY		36,545	0	0	0	0	0	0	0	0
CONSERVATION		400,000	0	0	0	0	0	0	0	0
TRANSFER STATION		-	0	172,000	385,000	289,320	178,000	102,000	0	85,000
PLAN. & DEV. DEPARTMENT		-	0	0	0	0	0	0	0	0
RECREATION		-	0	0	0	0	0	0	0	0
SCHOOL DEPARTMENT		156,000	34,855	115,145	110,000	400,000	1,242,000	1,000,000	1,162,000	1,291,000
Total Annual Appropriations			\$ 633,655	\$ 1,170,495	\$ 982,500	\$ 1,019,320	\$ 1,760,000	\$ 1,792,000	\$ 1,997,000	\$ 2,001,000
Variance			(\$0)	(\$161,848)	(\$9,523)	(\$4,774)	(\$10,095)	(\$18,097)	(\$198,738)	(\$178,014)

CIP FY 2006 - 2013 Appropriation Chart (Details)

	Notes	CRF Balances	2006	2007	2008	2009	2010	2011	2012	2013
Effective Availability Other			\$ 266,143	\$ 635,423	\$ 810,417	\$ 852,386	\$ 1,587,745	\$ 1,611,759	\$ 1,636,118	\$ 1,660,842
OTHER CIP ANNUAL CONTRIBUTIONS										
Searle's Trust Fund	(3b)*	13,000	12,512	12,544	12,560	12,160	12,160	12,144	12,144	12,144
School Impact Fee Funds	(5)	405,683	355,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Rte 28 Emergency Fund	(6)*	66,300								
Recreation Improvement Fund	(7)*	14,800								
Library CRF	(8)	36,545								
Castle Hill Bridge State Reimbursement	(9)			210,680						
Total Other contributions			\$ 367,512	\$ 373,224	\$ 162,560	\$ 162,160	\$ 162,160	\$ 162,144	\$ 162,144	\$ 162,144
Net to Annual CIP Appropriations			\$ 633,655	\$ 1,008,647	\$ 972,977	\$ 1,014,546	\$ 1,749,905	\$ 1,773,903	\$ 1,798,262	\$ 1,822,986
ANNUAL APPROPRIATIONS										
POLICE DEPARTMENT										
Garage/storage facility				85,000						
Sub-Total			\$0	\$85,000	\$0	\$0	\$0	\$0	\$0	\$0
FIRE DEPARTMENT										
Substation										275,000
Ambulance 2 Replacement			148,800						210,000	
Engine 3 Replacement								275,000	275,000	
Engine 2 Replacement										
Ambulance 1 Replacement					157,500					
Sub-Total		\$0	\$148,800	\$0	\$157,500	\$0	\$0	\$275,000	\$485,000	\$275,000
SELECTMEN										
Lowell Road Bike Paths (attached to funding)			75,000	75,000						
Bartley House				50,000						
Castle Hill Bridge				263,350						
Sub-Total		\$0	\$75,000	\$388,350	\$0	\$0	\$0	\$0	\$0	\$0
HIGHWAY AGENT										
Road Improvements		-	290,000	325,000	330,000	330,000	340,000	340,000	350,000	350,000
Salt shed		85,000	85,000	85,000						
Front end loader							75,000			
Sub-Total		\$85,000	\$375,000	\$410,000	\$330,000	\$330,000	\$340,000	\$415,000	\$350,000	\$350,000

CIP FY 2006 - 2013 Appropriation Chart (Details)

	Notes	CRF Balances	2006	2007	2008	2009	2010	2011	2012	2013
ANNUAL APPROPRIATIONS (continued)										
LIBRARY	(8)*	36,545								
Sub-Total		\$36,545	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CONSERVATION										
Land Fund	(10)	400,000								
Sub-Total		\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TRANSFER STATION										
Trailer Replacement				52,000				52,000		
Tractor				120,000						
Facilities Improvement/Renovation per study					125,000	125,000	100,000	50,000		
Facilities Improvement/Renovation (Gate)							78,000			
Articulating Loader Replacement										85,000
Conveyor System Renovation						104,000				
Skid Loader Replacement						60,320				
Baler Replacement					260,000					
Sub-Total		\$0	\$0	\$172,000	\$385,000	\$289,320	\$178,000	\$102,000	\$0	\$85,000
PLAN. & DEV. DEPARTMENT										
Sub-Total		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RECREATION										
Sub-Total		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SCHOOL DEPARTMENT										
Driveway/Parking lot paving/Middle School parking			34,855	115,145						
School Land										
High School and Elem. School Land Facilities										
School Septic Replacement		156,000								
Elementary School Facilities					110,000	400,000	1,242,000	1,000,000	1,162,000	1,291,000
Sub-Total		\$156,000	\$34,855	\$115,145	\$110,000	\$400,000	\$1,242,000	\$1,000,000	\$1,162,000	\$1,291,000
TOTAL ANNUAL APPROPRIATIONS										
			\$633,655	\$1,170,495	\$982,500	\$1,019,320	\$1,760,000	\$1,792,000	\$1,997,000	\$2,001,000
VARIANCE										
			(\$0)	(\$161,848)	(\$9,523)	(\$4,774)	(\$10,095)	(\$18,097)	(\$198,738)	(\$178,014)

CIP FY 2006 - 2013 Footnotes

Fixed Obligations:

- (1) Represents 10 year bond (2000-2009), of \$4,196,064 at 4.57% covering Fire Station, Police Station, Library, and Griffin Park Phase I projects.
- (2) Represents 10 year bond (2000-2009) for schools renovation of \$5,992,000 at 4.65%. Use CRF and Impact fees to reduce total annual payments. Payment incl % state funding.
- (3a) Represents 10 year bond (2004-2010) of \$100,000 at 4.5% for renovations of Searle's Chapel west room.
- (4) Represents 2 year bond (2005 - 2006) of \$160,000 for the purchase of the Fire Department Engine 1

Other CIP Annual Contributions:

- (3b)* Represents projected rental revenue from Searle's Chapel.
- (5) Impact fees collected per year, above a \$50,000 standing reserve, are to be applied to the school bond payment. Fee collection is projected at \$150,000 per year.
- (6)* Fees collected by the Planning Dept. will offset part of the cost of the new Fire Department Substation
- (7)* Fees collected by the Planning Dept. for recreational improvements
- (9) Funds from State of NH will offset the state's portion of the Castle Hill bridge cost. Anticipated receipt of funds - 2007
- (*) The Capital Reserve Funds (CRF's), managed by the Trustees of the Trust Funds, are in the Town's "Concentration Acct." earning 0.7% interest as of 10/31/05

Capital Reserve Fund:

- (8) Interest left from Library construction project. Library request for release of \$20K from its CRF to begin architectural study voted down by CIP, pending completion of high school library and its media center.
- (10) Conservation land acquisition fund from current use penalties

TAX VALUATION PROJECTION

PROPERTY VALUATION	%	YEAR	PROJECTED CIP TAX RATE	\$
				AVAILABLE
\$1,470,638,825		2005	\$1.00	\$1,470,639
\$1,507,404,796	2.5	2006	\$1.00	\$1,507,405
\$1,530,015,868	1.5	2007	\$1.00	\$1,530,016
\$1,552,966,106	1.5	2008	\$1.00	\$1,552,966
\$1,576,260,397	1.5	2009	\$1.00	\$1,576,261
\$1,599,904,506	1.5	2010	\$1.00	\$1,599,905
\$1,623,903,074	1.5	2011	\$1.00	\$1,623,903
\$1,648,261,620	1.5	2012	\$1.00	\$1,648,262
\$1,672,985,544	1.5	2013	\$1.00	\$1,672,986
\$1,698,080,327	1.5	2013	\$1.00	\$1,698,080
\$1,723,551,532	1.5	2013	\$1.00	\$1,723,552
\$1,749,404,805	1.5	2014	\$1.00	\$1,749,405

*** Based on Tax Assessor's Valuation for tax year 4/1/2004-3/31/2005

V. Fixed Project Obligations

A. Board of Selectmen

Project Title: Town Master Bond

Cost: \$544,385

Description: The seventh year payment of a 10-year bond taken by the town for \$4,196,064 at 4.57% covering the new Police Station, the new Fire Station, the new Library, and Griffin Park Phase I projects.

B. Windham School District

Project Title: Schools Renovation Bond

Cost: \$504,365

Description: The seventh year payment of a 10-year bond taken by the school district for \$5,992,000 at 4.65% to finance additions and renovations to Windham Center and Middle Schools. This amount is net 30% state funding reimbursement.

C. Historical Commission

Project Title: Searles Bond

Cost: \$12,512

Description: The third year payment of a 10-year bond for \$100,000 at 4.5% for renovations of the Searle's Chapel west room.

D. Fire Department

Project Title: Fire Engine-1 Bond

Cost: \$180,000

Description: The second year payment of a two-year bond for \$360,000 taken by the town for the purchase of a replacement vehicle for Fire Engine-1.

VI. Requested Capital Projects and Actions Taken

A. Police Department

Project Title: Garage / Storage Shed

Proposed by: Chief Gerald Lewis

Estimated Cost: Requested year 2006, 85,000.00

Proposal: Construction of one garage / storage facility on the Police Station property where the existing impound fence area is currently located.

CIP Recommendation: The CIP Sub-Committee assigned the request a Class I (Urgent) with funding of \$85,000 in FY 2007.

Comments: While the sub-committee felt this was a valid request with respect to overcrowding in the current garage the request was approved but moved to year 2007 to accommodate CIP budgeting. The sub-committee urges the Police department to offset the cost with volunteers and donated supplies, if possible, as was done for the Fire Department shed.

B. Fire Department

Project Title: Ambulance-2 1997 Replacement

Proposed by: Chief Donald R. Messier

Estimated Cost: 148,800.00 Requested year 2006

Proposal: 2006 Replacement of Ambulance-2 for \$148,800.00 based on Town Vehicle replacement policy

CIP Recommendation: The CIP Sub-Committee assigned this request a Classification Rating of I (Urgent) with funding of \$148,800.00 in FY 2006.

Comments: The sub-committee approved this request as consistent with the high use of this vehicle and with the town vehicle replacement policy, maintaining the availability of safe and effective town emergency care.

Project Title: Public Safety Sub- Station

Proposed by: Chief Donald R. Messier

Estimated Cost: \$1,018,240.00 Requested year 2007

Proposal: As presented in several past CIP proposals the Chief is again requesting funding for the construction of a Public Safety Sub Station. The 2005 CIP Sub-Committee had recommended more research and planning be completed before full funding could be approved. Chief Messier has begun the process of further study by forming a committee to plan and design the sub station, as well as enlisting the help of the IAFF to perform a GIS study to best determine the optimal geographic location for the station based on response times. At this time, the GIS study is not yet complete and the committee has yet to meet.

CIP Recommendation: The CIP Sub-Committee assigned this request a Classification of IV (Deferrable Beyond 6 Years) with funding of \$275,000.00 in FY 2008.

Comments: The sub-committee approved this request with partial funding as the requested research and planning is not yet complete and the initial response times may suggest that the Rt 28 corridor may not be the best place for the sub station. The sub-committee recommends that the IAFF be provided the updated Route 111 bypass and Route 93 construction plans to assist with its analysis.

B. Fire Department - continued**Project Title: Engine-3 Replacement****Proposed by: Chief Donald R. Messier****Estimated Cost: \$550,000.00 Requested year 2007**

Proposal: The current Engine-3 is a 1992 model. The replacement schedule adopted by the department for an engine is 18-20 years, in order to minimize major maintenance costs and subsequent down time on the older equipment. The estimated cost and the requested year of funding have remained unchanged from last year's CIP request.

CIP Recommendation: The CIP Sub-Committee assigned the request a Class III, desirable within 4-6 years to improve service, with funding of \$550,000 in FY 2011-12.

Comments: The CIP Sub-Committee recommends that the funding for Engine-3 be spread over two years, because of the high cost and its potential impact to other town capital projects' funding if it is allocated in one year. The sub-committee also recommends that the funding schedule conform to the department's 20-year replacement cycle, instead of the 15-year replacement being proposed by the chief. Twenty years for the 1992 model places the purchase in 2012.

Project Title: Ambulance-1 Replacement**Proposed by: Fire Chief, Donald Messier****Estimated Cost: \$157,500 in Year 2010**

Proposal: The current Ambulance-1 is a 2002 model. The replacement schedule adopted by the department for an ambulance is six years, in order to minimize major maintenance costs and subsequent down time on the older equipment. This request allows the department to stay on course for scheduled apparatus replacement. The estimated cost has remained unchanged from the 2005 request.

CIP Recommendation: The CIP Sub-Committee assigned the request a Class III, desirable within 4-6 years to improve quality and level of community service, with funding in FY 2008, at the six-year replacement schedule.

Project Title: Ladder-1 Replacement**Proposed by: Fire Chief, Donald Messier****Estimated Cost: \$525,000 in Year 2009**

Proposal: The department requested replacement of the donated 1981 ladder truck in 2009. Estimated cost remains the same as last year's CIP request.

CIP Recommendation: The CIP Sub-Committee assigned the request a Class IV (Deferrable Beyond 6 Years). Funding for this request does not appear in the 2006-2013 Appropriations Chart.

Comments: The sub-committee felt that the current ladder truck gets little use each year and that it is in fine working condition for that frequency of use.

B. Fire Department – continued**Project Title: Engine-2 Replacement****Proposed by: Fire Chief, Donald Messier****Estimated Cost: \$581,700 in Year 2011**

Proposal: The current Engine-2 is a 1994 model. The replacement schedule adopted by the department for an engine is 18-20 years, in order to minimize major maintenance costs and subsequent down time on the older equipment. The requested cost has remained unchanged from last year's CIP request.

CIP Recommendation: The CIP Sub-Committee assigned the request a Class IV, Deferrable until after the 6-year period, and funding appears in the year 2014.

Comments: The CIP Sub-Committee recommends adherence to the 20-year engine replacement schedule. For this 1994 model, that would mean a replacement purchase by 2014.

Project Title: Ambulance-2 2006 Replacement**Proposed by: Chief Donald R. Messier****Estimated Cost: 209,377.00 Requested year 2012****Proposal:** 2012 Replacement of Ambulance-2 for \$209,377 based on Town Vehicle replacement policy

CIP Recommendation: The CIP Sub-Committee assigned this request a Classification of IV, Deferrable until after the 6-year period, with funding of \$209,377 in FY 2012.

Comments: The sub-committee approved this request as consistent with the high use of this vehicle and with the town vehicle replacement policy, maintaining the availability of safe and effective town emergency care. The increased cost of \$60,577 is due to estimated inflation over six years, based on the current replacement cost.

C. Board of Selectmen**Project Title: Lowell Road Bike Lanes****Proposed by: Dave Sullivan, Town Administrator****Estimated Cost: \$127,000**

Proposal: The Town has been working with the State Department of Transportation on a joint Transportation Enhancement Project to construct bike paths along a 2.1-mile segment of Lowell Road between the Route 111 intersection and the Golden Brook School. The cost of the project, estimated to be \$715,000, will be shared between the State and Town on an 80%/20% basis split respectively.

The Town's share of the engineering phase of the project, \$23,000, was approved at the 2003 Town Meeting. The State has begun the engineering phase, held one public meeting and anticipates further public hearings for the results of the study in late 2004 or early spring 2005. With the first phase for engineering study approved, the CIP has included the future expenditure of approximately \$30,000 in the year 2006 and \$92,000 in 2007. The matching funds represent 80% to the town's 20% funds. The \$5,000 costs in 2005 will be the Town's share of the Right of Way expenditures anticipated during 2005.

CIP Recommendation: The CIP Sub-Committee gave a Class II (Necessary. Needed within 3 years to maintain basic level and quality community services) to this proposal. Based on the schedule for engineering studies a, public hearings, presentations and allocation of State Funding being delayed, it is anticipated the project, if approved, would be complete in the 2007 time frame and has allocated Windham's share of \$127,000 in 2006 and 2007.

Comments: The sub-committee needs to stay current on the State and Federal allocation of funds as changing priorities at the State level have delayed many state sponsored projects.

C. Board of Selectmen - continued

Project Title: Castle Hill Road Bridge**Proposed by: Dave Sullivan, Town Administrator****Estimated Cost: \$157,990 in Year 2006**

Proposal: The Castle Hill Road Bridge, located on the Windham/Pelham town lines and jointly owned by both communities has been "red listed" by the state meaning it is deficient in one or more of the following categories: width, approach, weight limits, structural integrity or overall condition. In 2002, a contract was awarded to an engineering consultant, SEA, to determine the extent of repairs required to the bridge. Discussions between Windham and Pelham have presented options for dealing with the deficiencies in the bridge up to the full reconstruction of the bridge to a width of 24-feet from its current 16-feet. The consultant's preferred alternative recommended is a pre-cast concrete voided deck slab structure with cast in place stub abutments and wingwalls. Both Pelham and Windham will split the cost of the repairs and the State DOT has indicated that the project is eligible for State Bridge Aid, which will reimburse the towns 80% of the project costs. In March of 2004, Pelham Selectmen decided to not place this expenditure on their Town warrant, jeopardizing the joint project. The State has allowed an additional year for the joint town approval. In 2003, Windham approved the expenditure of \$75,000 as our share of the final engineering design costs. Assuming funding and completion of the final engineering plans in 2006, we are currently estimating that the construction and bid phases will cost \$394,983. Based on this project being realigned under the State's Bridge Aid Program for FY2007 approval, where 80% of the final costs are reimbursed to the Towns, we are estimating Windham's final share of the construction costs to be \$39,498. This figure assumes a total construction and bid phase costs of \$394,983; 80% reimbursement from State of \$315,986; leaving approximately \$78,997 to be split between Windham and Pelham. Given that the bridge aid is a reimbursement program, we will be responsible for \$197,491 of the total construction and bid phase costs and would then seek reimbursement from the State. From our \$75,000 approved funding from 2004, we anticipate having a funding balance of \$37,000 to be available towards our share of the construction and bid costs, and therefore require an allocation of \$157,990 for 2006. We have received reimbursement of \$12,000 from the State towards our engineering study in 2004.

CIP Recommendation: The sub-committee assigned a Class II (Necessary. Needed within 3 years to maintain basic level and quality community services). With the completion of the SEA study, an alternative and associated costs have been provided. The 80% construction reimbursement cost is not projected to be available in 2005. The sub-committee recommends splitting the costs between the years 2004 and 2005 to offset the costs encumbered by the Town and phase more closely with the anticipated State reimbursement.

Project Title: Bartley House Phase II**Proposed by: Dave Sullivan, Town Administrator****Estimated Cost: \$50,000 in Year 2009**

Proposal: The Board of Selectman has requested \$50,000 to be used towards the repairs and renovation of the Bartley House. In 2002, Phase I began with repairs to the foundation and finishing the first floor for office space use by the Town administrator and staff. In July 2003, the Administrative offices moved from the Town Hall to the newly renovated first floor of the Bartley House. In March of 2004, the Town rejected the article for \$50,000 for improvements to the Bartley House. In light of this, the Board of Selectmen has decided to delay further renovations until the year 2009. Phase II includes replacing the windows, removal of the vinyl siding and repair of the clapboard and finishing the second floor for office space.

CIP Recommendation: The CIP Sub-Committee gave a Class III (desirable in 4-6 years to improve quality and level of service) to this project acknowledging that funding the project would assist the town in maintaining its quality and level of service to its citizens and mitigate the need for a new Town Hall complex. The CIP Sub-Committee agreed with the requested allocation amounts and proposed schedule.

C. Board of Selectmen - continued

Project Title: Amphitheater**Proposed by: Dave Sullivan, Town Administrator****Estimated Cost: \$100,000 in Year 2010**

Proposal: The original proposal for the Fellows property included building a library, police station, fire station, possible elderly housing and an amphitheater. This amphitheater will be built behind the library and will include site work to slope the property to a Clamshell type of amphitheater. This will provide a venue for the community band, outdoor plays and other community functions. Funding in the amount of \$100,000 was requested in 2010.

CIP Recommendation: The CIP ranked this proposal a Class IV (4.57) (deferrable until after the 6-year plan period) and did not place funding on the CIP FY 2006-2013 Appropriation Chart. More detailed plans and costing are needed.

Comments: The sub-committee believes this type of proposition lends itself to donation funding and suggests the Town begin a fund raising program to support this undertaking.

D. Highway Agent

Project Title: Roads**Proposed by: Jack McCartney, Highway Agent****Dave Sullivan, Town Administrator****Estimated Cost: \$2,690,000 Years 2006-2013**

Proposal: The highway agent again submitted a prioritized plan for complete and partial reconstruction of Windham roads in greatest need of repair. A major component of the plan includes developer contributions to the roads. The proposal acknowledges highway block grants to supplement CIP allocations. Roads listed in the plan include Marblehead Road complete reconstruction of approximately 2,000 feet between Fletcher's Corner and Woodbury Road, East Nashua Road, Beacon Hill Road, Fordway Extension, Sylvestri Road, Hayes Hart Road, Wildwood Road, Robin Hood Road, Birchwood Road, Rolling Ridge Road, Pine Hill Road and West Shore Road. The plans for 2006 are for Marblehead Road and East Nashua Road if funds are available.

CIP Recommendation: The sub-committee assigned a Class I (Urgent – cannot be delayed, needed immediately for health and safety needs) to this project, recognizing that maintaining town roads is directly tied to citizen safety. The Highway Agent built a 3% inflationary cost in the proposal. The sub-committee reduced the request to \$2,655,000 with \$290,000 in 2006, \$325,000 in 2007, \$330,000 for years 2008 – 2009, \$340,000 for years 2010 – 2011, and \$350,000 for years 2012 – 2013.

Comments: The sub-committee encourages the Highway Agent to maintain and update the submitted plan yearly to ensure sufficient CIP funding is made available as needed. The sub-committee also recommends that the town continue its past practice of working with developers to improve the existing road network and to better serve new roads that are laid. It is recommended that the bidding process begin earlier in the year, in order that roadwork is completed in its scheduled year, before bad weather halts the process.

D. Highway Agent - continued**Project Title: Replacement Vehicle for 5-Ton Dump Truck****Proposed by: Jack McCartney, Highway Agent
Dave Sullivan, Town Administrator****Estimated Cost: \$96,000 in Year 2006**

Proposal: Funding for 5-Ton Dump Truck as a replacement vehicle was requested for 2006. This truck would be used primarily during the winter months for plowing and sanding. During warm weather it would haul sand and gravel products, as well as working with sub-contractors on road sweeping, roadside cleanup, ditch work or shoulder work. This vehicle is a replacement for the 5-Ton dump truck purchased in 2001.

CIP Recommendation: The sub-committee assigned a Class V (Premature - needs more research, planning and coordination) to this request. In the past, the Town has purchased vehicles through the State surplus program. The CIP Sub-Committee recommends that the Town pursue a used surplus vehicle and include these costs in the operating budget of the Highway Agent. Therefore, funding for this request does not appear in the 2006-2013 Appropriations Chart.

Comments: The sub-committee also suggests coordination among the Transfer Station, Highway Agent, and Town Maintenance Department for vehicles that could have shared uses.

Project Title: 1-Ton Dump Truck**Proposed by: Jack McCartney, Highway Agent
Dave Sullivan, Town Administrator****Estimated Cost: \$54,000 in Year 2007**

Proposal: The Highway Department has requested such a vehicle for several years without success. Through this year's operating budget we were able to purchase a used 1999 truck. It presently has 70,000 plus miles on it, and will most likely exceed 100,000 miles by 2007. Our present maintenance policy calls for replacement of the vehicle between six and eight years, depending on severity of use. This vehicle is a front line vehicle seeing use throughout the year. Presently, it is seeing service for cold patch repair, shoulder and basin repairs, site work, brushwork and will soon be doing winter plowing and sanding duties.

We have already done several repairs to this vehicle for inspection and safety reasons, and also to try to ensure reliability for the coming winter season. Although we feel it should provide an additional couple of years of service without major repair expenses, beyond this would be pushing the limits. This would also leave little or no value towards trade-in, or useful life for another department's possible continued used.

CIP Recommendation: The sub-committee did not assign a Class to this request. In the past, the Town has purchased vehicles through the State surplus program. The CIP Sub-Committee recommends that the Town pursue a used surplus vehicle and include these costs in the operating budget of the Highway Agent. Therefore, funding for this request does not appear in the 2006-2013 Appropriations Chart.

Comments: The sub-committee also suggests coordination among the Transfer Station, Highway Agent, and Town Maintenance Department for vehicles that could have shared uses.

D. Highway Agent – continued**Project Title: One-Ton Pickup****Proposed by: Jack McCartney, Highway Agent
Dave Sullivan, Town Administrator****Estimated Cost: \$54,000 in Year 2008**

Proposal: The Highway Department present pick-up is going on six years old, has over 70,000 miles on it, and has served us well thus far. For its next annual safety inspection we have already been informed it will need new brakes. Prior to winter it will also need new tires. Both of these items will be third time replacements. Other issues are present, but do not present safety problems. This vehicle also comes under a six to eight year replacement schedule, will also be over 100,000 miles at eight years, and will have done more than it was designed to do as a pick-up truck.

Because we now have a one-ton dump truck, we may be able to downsize this truck, but would lose options as to its usefulness and versatility by doing so without realizing significant cost savings.

CIP Recommendation: The sub-committee did not assign a Class to this request. In the past, the Town has purchased vehicles through the State surplus program. The CIP Sub-Committee recommends that the Town pursue a used surplus vehicle and include these costs in the operating budget of the Highway Agent. Therefore, funding for this request does not appear in the 2006-2013 Appropriations Chart.

Comments: The sub-committee also suggests coordination among the Transfer Station, Highway Agent, and Town Maintenance Department for vehicles that could have shared uses.

Project Title: Rubber Track Excavator**Proposed by: Jack McCartney, Highway Agent
Dave Sullivan, Town Administrator****Estimated Cost: \$80,000 in Year 2009**

Proposal: The Highway Department has requested a Small Rubber Track Excavator. This machine is similar to our past requests, but on a much smaller scale, a less expensive initial cost and can be easily moved around with our present trucks. It will also do about seventy-five percent of what the larger one would do and be more maneuverable in tight work areas. It would primarily be used to do catch basin repairs, shoulder work, swale work, cleaning inlets and outlets for culvert pipe, some detention pond work where accessible, and other uses a smaller machine would be capable of. These smaller machines have many uses, can be easily towed by a one-ton or five-ton truck, and are available with several attachments to make them very versatile. Among these items are “pizza cutters” for cutting pavement, trenching buckets, grading buckets, a thumb for lifting pipes or logs, brush cutters etc.

With the already existing roadside swales, treatment swales, detention ponds and the continued installation of the above, this will be a valuable and well-used piece of equipment.

CIP Recommendation: The sub-committee assigned a Class V (Premature - needs more research, planning and coordination) to this request. Based on the need to greatly increase the staffing in the Road Department, the need to provide an equipment shelter for the aforementioned equipment, and the current ability to contract these services, the CIP gave this proposal a Class V and it does not appear on the CIP FY 2006-2013 Appropriation Chart.

Comments: Additional justification for cost savings needs to be provided based on the limited need for this equipment and the successful implementation of subcontracting these services.

D. Highway Agent – continued**Project Title: Replacement Vehicle for 5-Ton Dump Truck****Proposed by: Jack McCartney, Highway Agent
Dave Sullivan, Town Administrator****Estimated Cost: \$105,000 in 2010**

Proposal: This truck would be used primarily during the winter months for plowing and sanding. During warm weather it would haul sand and gravel products, as well as working with sub-contractors on road sweeping, roadside cleanup, ditch work or shoulder work. This vehicle is a replacement for the 5-Ton dump truck purchased through State surplus in 2003. The request is for \$105,000 in 2010.

CIP Recommendation: The sub-committee assigned a Class V (Premature - needs more research, planning and coordination) to this project. The CIP sub-committee supports the process of purchasing this equipment through the State surplus program and including funding through the Highway operating budget.

Comments: The sub-committee also suggests coordination among the Transfer Station, Highway Agent, and Town Maintenance Department for vehicles that could have shared uses.

Project Title: Front End Loader**Proposed by: Jack McCartney, Highway Agent
Dave Sullivan, Town Administrator****Estimated Cost: \$75,000 in Year 2011**

Proposal: This will be a planned replacement adhering to policy guidelines as adopted. The loader will most likely have both the age and hours of the policy, and mote likely be rusted out versus worn out due to its heavy uses in winter months. We recently purchased a harness for the purpose of adapting a snowplow to the loader, as will as a pair of hydraulic forks making the unit a more versatile piece of equipment. These purchases were done though a trade agreement, and at no cost to the taxpayers.

CIP Recommendation: The sub-committee assigned a Class III (Desirable, needed within 4 – 6 years to improve quality and level of service.) to this request. The CIP Sub-Committee supports replacement programs for Town equipment and funding appears in FY2011.

Project Title: Salt Shed**Proposed by: Jack McCartney, Highway Agent
Dave Sullivan, Town Administrator****Estimated Cost: \$255,000 In Year 2007**

Proposal: As new State and Federal requirements are implemented, a Town salt shed may soon be a requirement. Like installations have been found to exist with costs of approximately \$85 per square foot. It is anticipated the facility can be located on Town owned land, removing the costs for land acquisition. A committee to review what should be built and where is in the process of being formed.

CIP Recommendation: The sub-committee assigned a Class II (Necessary within 1-3 years to maintain basic level and quality of community services) to this request. Existing Town owned land (for example land behind the fire station or on Route 111/28) could be used to reduce the costs of this proposal. Within the purview of the Storm Water Management program, the CIP Sub-Committee feels there needs to be further study by the committee to determine the location, use and size of the facility. The sub-committee suggested a reserve fund be established beginning in FY 2005 with \$85,000, which was approved by the voters in March of 2005, followed by \$85,000 in FY 2006 and \$80,000 in FY 2007 with 2006 being the second year of funding.

D. Highway Agent – continued

Comments: The sub-committee encourages the Highway Agent to monitor the Storm Water Management requirements and provide more detailed information regarding the location of the site, the size of the building required, the number of bays required, and the staffing levels required to maintain the operation of this size.

Project Title: Site Work for Salt Shed

Proposed by: Jack McCartney, Highway Agent

Dave Sullivan, Town Administrator

Estimated Cost: \$90,000 In Year 2006 - 2008

Proposal: Requested funding to be set aside at \$30,000 per year for three years to perform site work when a site is chosen for the location of the salt shed.

CIP Recommendation: The sub-committee did not assign a Class to this request. The sub-committee felt that with out the selection of a site that this request should wait until a location is selected and then to determine how much can be performed in house with existing personnel and equipment.

Project Title: Power Sweeper

Proposed by: Jack McCartney, Highway Agent

Dave Sullivan, Town Administrator

Estimated Cost: \$50,000 in 2012 and \$55,000 in 2013

Proposal: This is a first time request. Presently all road and parking lot sweeping is contracted on an annual basis. So far this year \$9,000 has been spent. With the ever-increasing road and parking lot additions (parks, new school, etc) we will soon be paying out more than we can own and man our own equipment for. Also, we presently only sweep once a year, and many areas could use it more than once a year. Stormwater Pollution measures also continue to get more stringent and this vehicle would be implemented for these programs, which is why we much sweep all roads at least once a year. Today's cost for this vehicle is \$85,000-\$90,000, with a 10-12 year life span.

CIP Recommendation: The sub-committee assigned a Class V (Premature - needs more research, planning and coordination) to this project. Funding for this request does not appear in the 2006-2013 Appropriations Chart.

Comments: Based on the need to greatly increase the staffing in the Road Department, the need to provide an equipment shelter for the aforementioned equipment, and the current ability to contract these services, the CIP Sub-Committee did not support funding for this requested equipment. Additional justification for cost savings needs to be provided based on the limited need for this equipment and the successful implementation of subcontracting these services.

E. Library

Project Title: Architectural Design & Management Work

Proposed by: Carl Heidenblad

Estimated Cost: \$250,000 for FY2007-08

Proposal: The Director and Trustees of the Nesmith Library have requested funding in 2007/2008 for architectural design and management plans for a library addition to adequately meet the needs of the growing population of Windham.

CIP Recommendation: The subcommittee assigned a class IV (Deferrable, can be placed on hold until after the 6 year period, but supports community development goals) and funding does not appear on the CIP plan.

Comments: The CIP Sub-Committee feels that a needs analysis should be put on hold until the effects of the new media center at Windham High School can be fully realized. An analysis after the completion of the high school media center in 2008, and several years of operation, will more accurately define the new library spaces required to meet the needs of Windham.

Project Title: Construction, Clerk of the Works, and Furnishings

Proposed by: Carl Heidenblad

Estimated Cost: \$2,350,000

Proposal: This request is for construction of an 8,000 or 10,000 sq ft addition to the library in 2008-2009.

CIP Recommendation: The CIP subcommittee assigned a class of IV (Deferrable, can be placed on hold until after the 6 year period, but supports community development goals). Funding does not appear in the CIP FY2006-2013 Appropriation Chart.

Comments: The CIP subcommittee recommends that design and construction work on a library addition be put on hold until the impact of the new media center at Windham High School can be fully realized.

F. Transfer Station

Project Title: Tractor/Trailer Truck Replacement

Proposed by: David Poulson, Director

Estimated Cost: \$130,000 in 2007

Proposal: The Mack tractor/trailer truck is 15 years old and has approximately 400,000 miles. It is anticipated that our disposal loads will increase dramatically over the next 5 - 10 years and the reliability of a dependable truck is critical to the operation of the facility. Any serious breakdown of our current truck will cause an interruption of service and a hardship to the efficiency of the operation. Any serious overhaul or repair to the existing truck would produce a questionable economic expenditure as it relates to its age and mileage. The trade-in value or resale is another factor to the worth of the current truck. The new truck could be equipped to haul roll-off containers.

CIP Recommendation: The CIP Sub-Committee gave this request a Classification II (Necessary). The funding appears in FY 2007.

Comments: The CIP Sub-Committee agreed with the timing of this request. However, it decided that the replacement could be done for \$120,000.

Project Title: Rack Truck Replacement

Proposed by: David Poulson, Director

Estimated Cost: \$88,400 in 2007

Proposal: The Chevy 1-ton rack truck is 20 years old and has approximately 60,000 miles. The truck has been an economic burden to the facility with many repairs and problems. The age suggests that it is not worth the money we are placing into its maintenance. As the growth of the facility increases, the need for a larger (10 wheeler) should be considered by the committee to haul a greater quantity of material. In addition, this truck could be utilized by our Highway Department and Maintenance Department.

CIP Recommendation: The sub-committee gave this request a Classification V (Premature).

Comments: The CIP Sub-Committee recommends that the replacement of this vehicle be done through the State surplus vehicle sale program via the town budget, for less than the \$50,000 CIP minimum. It does not appear in the CIP FY2006-2013 plan.

Project Title: Disposal Trailer Replacement

Proposed by: David Poulson, Director

Estimated Cost: \$52,000.00 each in 2006 and 2009

Proposal: The fleet of disposal trailers is in bad condition and needs service. Two walking floor trailers were replaced in 2004 & 2005 per CIP approval. The 2006 trailer to be replaced is 13 years old and the last trailer will be 10 years old when rotated in 2009. We anticipate a four-trailer fleet with longevity and resale value.

CIP Recommendation: The CIP Sub-Committee gave this request Classifications I & III. (Urgent and Desirable) The funding appears in years 2007 and 2011 for two of the trailers.

Comment: The CIP Sub-Committee supports the replacement schedule proposed by the Transfer Station manager for both trailers and placed them in the plan as close to the requested dates as funding allowed.

F. Transfer Station- continued**Project Title: Articulating Loader Replacement****Proposed by: David Poulson, Director****Estimated Cost: \$85,000 in 2013**

Proposal: Depending on hours, age, and wear, most equipment should have a turnover timeframe of 5 – 8 years. Equipment needs to reduce maintenance cost and retain a trade or resale value. A loader was purchased in 2005.

CIP Recommendation: The CIP Sub-Committee gave this request a Classification IV (Deferrable) The funding appears in FY 2013.

Comment: The CIP Sub-Committee agreed with the timing of this request by the Transfer Station manager.

Project Title: Skid Steer Loader Replacement**Proposed by: David Poulson, Director****Estimated Cost: \$60,320.00 in 2008**

Proposal: The Bobcat loader is 4 years old and has 1400 operating hours. Replacement would be anticipated at the 5-year timeframe. Our plan is to replace this loader with a twin to the articulating loader to ensure backup equipment if one of those pieces is out of service. We need interchangeable equipment that can be diversified to have more applications.

CIP Recommendation: The CIP Sub-Committee gave this request a Classification III (Desirable). The funding appears in FY 2009.

Comments: The Transfer Station manager requested this purchase for 2008 and the CIP Sub-Committee moved the request to 2009 to fit into the CIP plan.

Project Title: Conveyor System Renovation**Proposed by: David Poulson, Director****Estimated Cost: \$104,000.00 in 2009**

Proposal: The conveyor system is 15 years old and has been used extensively during those years. To avoid a complete new conveyor system, a renovation of the existing system would require new belts, refinishing any metal deterioration, replace motors, etc. Some of this cost may be reduced during yearly upgrades and replacements, i.e., 2003 upgrade. It is necessary to avoid any interruption of service due to the failure of the conveyor.

CIP Recommendation: The CIP Sub-Committee gave this request a Classification III (Desirable). The funding appears in FY 2009.

Comments: The sub-committee agrees with the Transfer Station manager's replacement timeframe for this type of equipment.

F. Transfer Station- continued**Project Title: Baler Replacement****Proposed by: David Poulson, Director****Estimated Cost: \$260,000.00 in 2008**

Proposal: The baler unit is 15 years old and has been used extensively during those years. The existing baler had a major maintenance service performed in 2003, which extended its life. Replacement with new unit (pending no major problems with the existing unit) is thereby extended.

CIP Recommendation: The CIP Sub-Committee gave this request a Classification II (Necessary). The funding appears in FY 2008.

Comments: The sub-committee agrees with the Transfer Station manager's replacement timeframe for this type of equipment.

Project Title: Fencing and Gates Cost**Proposed by: David Poulson, Director****Estimated Cost: \$78,000.00 in 2010**

Proposal: The existing site has little to no security. The State D.E.S. mandates the facilities are secured and have no potential for on-property intrusion. The project would surround the facility with fencing and both gates would be electric. Once installed, only maintenance would be required by staff or an installation company. Beyond a D.E.S. violation, the Town would be placed in a questionable position if something would happen after hours.

CIP Recommendation: The CIP Sub-Committee gave this request a Classification III (Desirable). The funding appears in FY 2010.

Comments: The subcommittee feels these costs will be included in the Transfer Station Facility Improvements program outlined below.

Project Title: Facility Improvements**Proposed by: David Poulson, Director****Estimated Cost: \$400,000.00**

Proposal: As the increase in solid waste suggests, the potential of the current facility to grow is very limited and would require a design change. CMA Engineering developed the renovation project. This specific renovation would increase our overall storage for future growth. I would recommend a feasibility study be developed with the assistance of an engineering firm to ensure this specific renovation project is the right choice for the station and community.

CIP Recommendation: The CIP Sub-Committee gave this project a Classification III (Desirable). The funding appears in FY 2008 through 2011.

Comments: The Transfer Station manager did not include this request item in his current request proposal. However, the general consensus of the CIP Sub-Committee was to put aside funds on a multiple year basis to ensure that when the actual need to improve the transfer station arises funds will be available to complete the improvements without bonding the costs. The Transfer Station manager must provide a comprehensive program for the utilization of the existing site and / or expansion into the Wilson property.

G. Windham School District

Project Title: Driveway Repaving and Additional Parking at Windham Middle School

Proposed by: Brian Gallagher, School District Business Administrator

Estimated Cost: \$150,000

Proposal: This request is for repaving/reconstruction of the existing road and parking areas at the Middle School. In addition, this request includes construction costs for 78 additional parking spaces behind Middle School.

CIP Recommendation: The CIP subcommittee assigned this request a class I (Urgent), and split funding into the years FY2006 and FY2007.

Comments: The CIP sub-committee recognizes the severe parking shortage at Windham Middle School by assigning class I to this request. A majority of the existing spaces are needed to accommodate staff parking, leaving few for traveling staff, daily visitors, and volunteers. The additional spaces would also help ease the parking problems which occur for special evening events, so that fewer residents would need to park downhill at Golden Brook, or along the winding access road, and make the difficult walk up to the Middle School building.

Project Title: Elementary/Middle School Facility

Proposed by: Brian Gallagher

Estimated Cost: \$15,000,000

Proposal: The School Board is requesting funding for a future elementary/middle school beginning in FY2010. Elevated enrollment projections, continued growth of the community, and the continual need to support district standards strongly indicate the need for additional facilities in the near future. The school board requests funding for a new facility in the creation of a capital reserve fund. The facility would be built on available land from the parcel recently purchased for a new high school facility.

CIP Recommendation: The CIP subcommittee assigned a class III to this project (Desirable, needed within 4-6 years) and begins funding in FY2008.

Comments: The CIP subcommittee recognizes the magnitude of a building project like this one, and has committed an increasing rate of funding leading up to the expected bonding and occupancy date of 2010. The CIP subcommittee also requests that the school board offer a more detailed analysis and accurate cost estimate of this project for next year's CIP process.

H. Departments/Committees with No Request Projects for the FY 2006-2013 CIP:

**Cable Advisory Department
Cable TV Department
Cemetery Trustees
Community Stewardship
Conservation Commission
Emergency Management
Historic District Commission
Housing Authority
Information Technology Department
Planning & Development Department
Recreation Committee
Senior Center
Tax Assessor
Technical Advisory Board
Town Clerk
Treasurer**

APPENDIX A

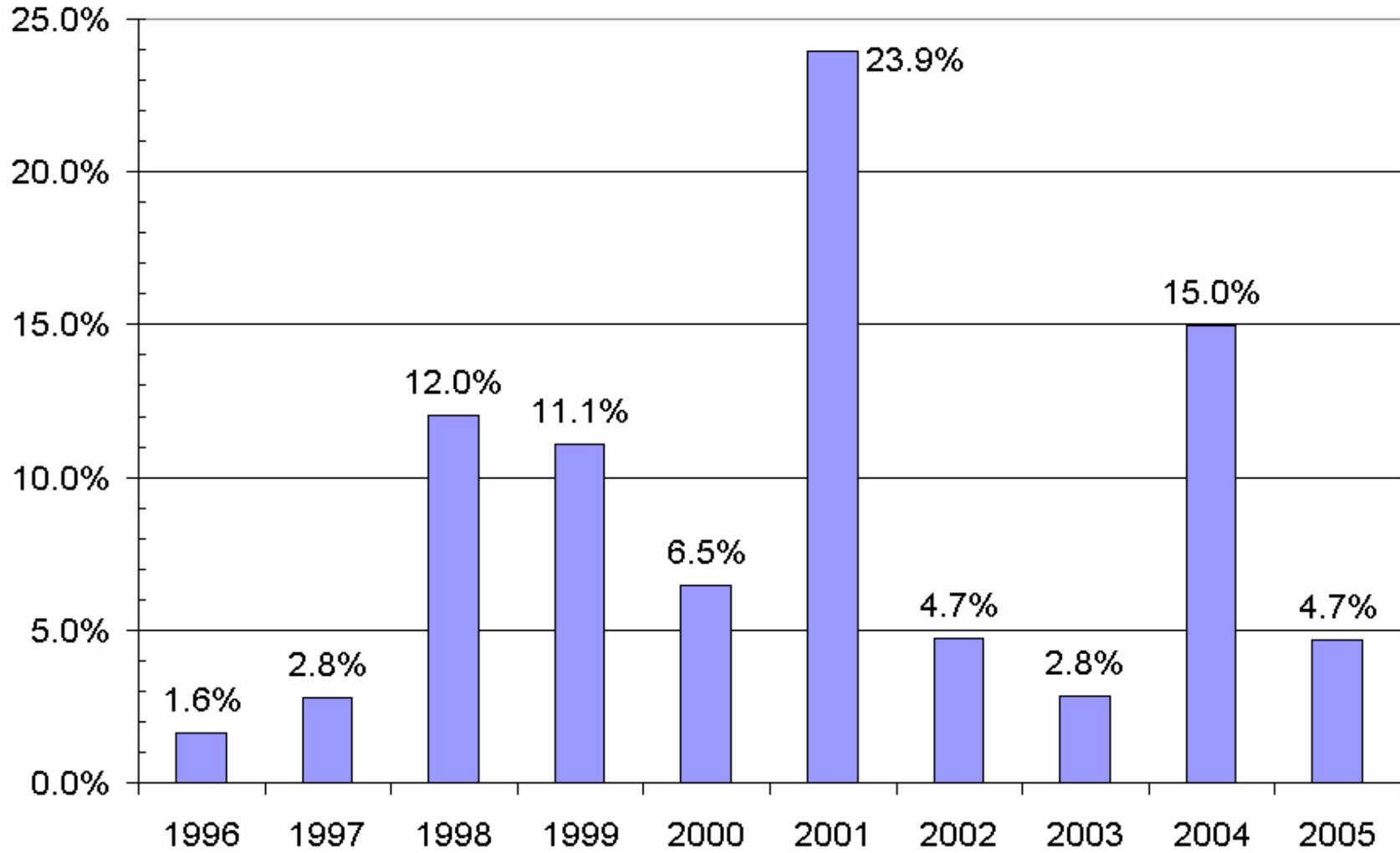
2006 CIP SUB-COMMITTEE MEMBERSHIP

- ❖ Phil LoChiatto – Chairperson (Planning Board)
- ❖ Marcia Unger – Vice Chairperson (Citizen Volunteer)
- ❖ Suzanne Jortberg – Secretary (Citizen Volunteer)
- ❖ Roger Hohenberger – Board of Selectmen representative
- ❖ Walter Kolodziej – Planning Board representative
- ❖ Jack Merchant – Citizen Volunteer
- ❖ Galen Stearns – School Board representative, Board of Selectmen Alternate
- ❖ Beth Valentine – School Board Alternate

APPENDIX B – REQUESTED PROJECTS IN CLASS ORDER

Class Range	Department	Project	Requested Year	Requested Cost	CIP Plan Year	CIP Plan Cost	Class Avg.	Std. Dev.
1.00 - 1.99	Fire	Ambulance-2 Replacement	2006	\$148,800	2006	\$148,800	1.00	0.00
	Road Agent	Roads	2006-2013	\$2,690,000	2006-2013	\$2,655,000	1.00	0.00
URGENT	School District	Driveway/parking paving	2006	\$150,000	2006-2007	\$150,000	1.17	0.41
	Police	Garage / Storage shed	2006	\$85,000	2007	\$85,000	1.50	0.55
	BOS	Lowell Road Bike Paths	2006	\$150,000	2006-2007	\$150,000	1.67	0.52
	Transfer Station	Trailer Replacement	2006	\$52,000	2007	\$52,000	1.83	0.41
	BOS	Bartley House - Phase II	2006	\$50,000	2007	\$50,000	2.00	0.00
2.00 - 2.99	Road Agent	Salt Shed	2006-2008	\$260,000	2006-2007	\$170,000	2.00	0.00
NECESSARY WITHIN 1-3 YEARS	Fire	Ambulance-1 Replacement	2008	\$157,500	2008	\$157,500	2.00	0.00
	Transfer Station	Tractor Trailer Replacement	2007	\$130,000	2007	\$120,000	2.17	0.41
	Transfer Station	Baler Replacement	2008	\$260,000	2008	\$260,000	2.50	0.55
3.00 - 3.99	Transfer Station	Skid Steer Loader Replacement	2008	\$60,320	2009	\$60,320	3.00	0.00
	Transfer Station	Conveyor System Renovation	2009	\$104,000	2009	\$104,000	3.00	0.00
	School District	Elem. School Facilities Bond	2010-2030	\$15,000,000	2010-2030	\$15,000,000	3.00	0.00
DESIRABLE WITHIN 4-6 YEARS	Road Agent	Front-end Loader	2011	\$75,000	2011	\$75,000	3.00	0.00
	Transfer Station	Trailer Replacement	2009	\$52,000	2011	\$52,000	3.00	0.00
	Transfer Station	Fencing & Gates	2010	\$78,000	2010	\$78,000	3.17	0.41
	Fire	Engine-3 Replacement	2011-2012	\$550,000	2011-2012	\$550,000	3.17	0.41
	Transfer Station	Facility Improvements	20XX-2010	\$400,000	2008-2011	\$400,000	3.17	0.41
4.00 - 4.99	Fire	Rte. 28 Safety Sub-Station	2008	\$1,018,240	2013	\$275,000	4.00	0.00
	Fire	Engine-2 Replacement	2014	\$581,700	2014	\$581,700	4.00	0.00
	Fire	Ambulance-2 Replacement	2012	\$209,377	2012	\$210,000	4.00	0.00
	Transfer Station	Articulating Loader	2013	\$85,000	2013	\$85,000	4.00	0.00
DEFERRABLE BEYOND 6 YEARS	Library	Arch. Design & Management	2006-2008	\$250,000	Not in Plan	Pending HS	4.33	0.82
	Fire	Ladder Truck Replacement	2009	\$525,000	Not in Plan	Current OK	4.33	0.52
	Library	Constrectn, Clerk of Works, Furn	2008-2009	\$2,300,000	Not in Plan	Pending HS	4.50	0.55
	BOS	Amphitheater	2010	\$100,000	Not in Plan	Fund Private	4.67	0.52
	BOS	Castle Hill Bridge Repair	2006	\$263,350	2007	\$263,350	5.00	0.00
5.00 - 5.99	Road Agent	5 Ton Truck	2006	\$96,000	To Budget	Buy Used	5.00	0.00
	Road Agent	1 Ton Truck	2007	\$54,000	To Budget	Buy Used	5.00	0.00
PREMATURE NEEDS MORE RESEARCH	Transfer Station	Chevy 1 (or 5) ton replacement	2007	\$88,400	To Budget	Buy Used	5.00	0.00
	Road Agent	1 Ton Truck	2008	\$54,000	To Budget	Buy Used	5.00	0.00
	Road Agent	5 Ton Truck	2010	\$105,000	To Budget	Buy Used	5.00	0.00
	Road Agent	Rubber Tire Excavator	2009	\$80,000	Not in Plan	Contract out	5.50	0.55
	Road Agent	Power sweeper	2012-13	\$105,000	Not in Plan	Contract out	5.67	0.52

APPENDIX C – HISTORICAL ANNUAL INCREASE IN TOWN TAX VALUATION



APPENDIX D – CIP FY2006-2013 PLAN WITH HIGH SCHOOL OBLIGATIONS

CIP FY 2006 - 2013 Appropriation Chart WITH HIGH SCHOOL FUNDING (Summary)

	Notes	CRF Balances	2006	2007	2008	2009	2010	2011	2012	2013
CIP Projected Availability			\$4,914,140	\$4,987,852	\$4,783,136	\$4,697,257	\$4,639,723	\$4,563,168	\$4,681,063	\$4,583,980
Fixed CIP Obligations										
Town Master Bond	(1)		544,385	387,075	245,975	236,689				
Schools Renovation Bond	(2)		504,365	494,974	484,014	475,026				
Searles Bond	(3a)		12,512	12,544	12,560	12,160	12,160	12,144	12,144	12,144
Fire Engine 1 Bond	(4)		180,000							
High School Bond	(11a)		4,170,279	4,081,713	3,988,188	3,891,438	3,794,688	3,697,938	3,601,185	3,499,531
Total Fixed Obligations			\$5,411,541	\$4,976,306	\$4,730,737	\$4,615,313	\$3,806,848	\$3,710,082	\$3,613,329	\$3,511,675
Effective Availability Other			(\$497,401)	\$11,546	\$52,399	\$81,944	\$832,875	\$853,086	\$1,067,734	\$1,072,305
Other CIP Annual Contributions		-	1,141,001	1,147,224	936,560	936,160	936,160	936,144	936,144	936,144
Net to Annual Appropriations		\$ -	\$ 643,600	\$ 1,158,770	\$ 988,959	\$ 1,018,104	\$ 1,769,035	\$ 1,789,230	\$ 2,003,878	\$ 2,008,449
Annual Appropriations										
POLICE DEPARTMENT		-	0	85,000	0	0	0	0	0	0
FIRE DEPARTMENT		-	148,800	0	157,500	0	0	275,000	485,000	275,000
SELECTMEN		-	75,000	388,350	0	0	0	0	0	0
HIGHWAY AGENT		85,000	375,000	410,000	330,000	330,000	340,000	415,000	350,000	350,000
LIBRARY		36,545	0	0	0	0	0	0	0	0
CONSERVATION		400,000	0	0	0	0	0	0	0	0
TRANSFER STATION		-	0	172,000	385,000	289,320	178,000	102,000	0	85,000
PLAN. & DEV. DEPARTMENT		-	0	0	0	0	0	0	0	0
RECREATION		-	0	0	0	0	0	0	0	0
SCHOOL DEPARTMENT		156,000	44,617	105,383	110,000	400,000	1,242,000	1,000,000	1,162,000	1,291,000
Total Annual Appropriations			\$ 643,417	\$ 1,160,733	\$ 982,500	\$ 1,019,320	\$ 1,760,000	\$ 1,792,000	\$ 1,997,000	\$ 2,001,000
Variance			\$183	(\$1,963)	\$6,459	(\$1,216)	\$9,035	(\$2,770)	\$6,878	\$7,449

CIP FY 2006 - 2013 Plan WITH HIGH SCHOOL FUNDING (Footnotes)

Fixed Obligations:

- (1) Represents 10 year bond (2000-2009), of \$4,196,064 at 4.57% covering Fire Station, Police Station, Library, and Griffin Park Phase I projects.
- (2) Represents 10 year bond (2000-2009) for schools renovation of \$5,992,000 at 4.65%. Use CRF and Impact fees to reduce total annual payments. Payment inclu % state funding.
- (3a) Represents 10 year bond (2004-2010) of \$100,000 at 4.5% for renovations of Searle's Chapel west room.
- (4) Represents 2 year bond (2005 - 2006) of \$160,000 for the purchase of the Fire Department Engine 1
- (11a) Represents 20 year bond (2006 - 2026) of \$42,753,296 at 3.93% for High School construction

Other CIP Annual Contributions:

7% interest as of 10/31/04

- (3b)* Represents projected rental revenue from Searle's Chapel.
- (5) Impact fees collected per year, above a \$50,000 standing reserve, are to be applied to the school bond payment. Fee collection is projected at \$150,000 per year
- (6)* Fees collected by the Planning Dept. will offset part of the cost of the new Fire Department Substation
- (7)* Fees collected by the Planning Dept. for recreational improvements
- (9) Funds from State of NH will offset the state's portion of the Castle Hill bridge cost. Anticipated receipt of funds - 2007
- (11b) Represents reimbursement from the State of New Hampshire at 30% of principle on the High School bond
- (*) The Capital Reserve Funds (CRF's), managed by the Trustees of the Trust Funds, are in the Town's "Concentration Acct." earning 0.7% interest as of 10/31/04

Capital Reserve Fund:

- (8) Interest left from Library construction project. Library request for release of \$20K from its CRF to begin architectural study voted down by CIP, pending completion of high school library and its media center.
- (10) Conservation land acquisition fund from current use penalties

TAX VALUATION PROJECTION

PROPERTY VALUATION	% Increase	YEAR	PROJECTED CIP TAX RATE	\$
				AVAILABLE
\$1,470,638,825		2005	\$1.00	\$1,470,639
\$1,507,404,796	2.5	2006	\$3.26	\$4,914,140
\$1,530,015,868	1.5	2007	\$3.26	\$4,987,852
\$1,552,966,106	1.5	2008	\$3.08	\$4,783,136
\$1,576,260,597	1.5	2009	\$2.98	\$4,697,257
\$1,599,904,506	1.5	2010	\$2.90	\$4,639,723
\$1,623,903,074	1.5	2011	\$2.81	\$4,563,168
\$1,648,261,620	1.5	2012	\$2.84	\$4,681,063
\$1,672,985,544	1.5	2013	\$2.74	\$4,583,980
\$1,698,080,327	1.5	2014	\$3.25	\$5,518,761

*** Based on Tax Assessor's Valuation for tax year 4/1/2004-3/31/2005

APPENDIX E – \$1.00 RATE CIP FY2006-2013 PLAN WITH HIGH SCHOOL OBLIGATIONS

\$1.00 CIP FY 2006 - 2013 Appropriation Chart WITH HIGH SCHOOL (Summary)

	Notes	CRF Balances	2006	2007	2008	2009	2010	2011	2012	2013
CIP Projected Availability			\$1,507,405	\$1,530,016	\$1,552,966	\$1,576,261	\$1,599,905	\$1,623,903	\$1,648,262	\$1,672,986
Fixed CIP Obligations										
Town Master Bond	(1)		544,385	387,075	245,975	236,689				
Schools Renovation Bond	(2)		504,365	494,974	484,014	475,026				
Searles Bond	(3a)		12,512	12,544	12,560	12,160	12,160	12,144	12,144	12,144
Fire Engine 1 Bond	(4)		180,000							
High School Bond	(11a)		4,170,279	4,081,713	3,988,188	3,891,438	3,794,688	3,697,938	3,601,185	3,499,531
Total Fixed Obligations			\$5,411,541	\$4,976,306	\$4,730,737	\$4,615,313	\$3,806,848	\$3,710,082	\$3,613,329	\$3,511,675
Effective Availability Other			(\$3,904,136)	(\$3,446,290)	(\$3,177,771)	(\$3,039,052)	(\$2,206,943)	(\$2,086,179)	(\$1,965,067)	(\$1,838,689)
Other CIP Annual Contributions		-	1,141,001	1,147,224	936,560	936,160	936,160	936,144	936,144	936,144
Net to Annual Appropriations		\$ -	\$ (2,763,135)	\$ (2,299,066)	\$ (2,241,211)	\$ (2,102,892)	\$ (1,270,783)	\$ (1,150,035)	\$ (1,028,923)	\$ (902,545)
Annual Appropriations										
POLICE DEPARTMENT		-	0	85,000	0	0	0	0	0	0
FIRE DEPARTMENT		-	148,800	0	157,500	0	0	275,000	485,000	275,000
SELECTMEN		-	75,000	388,350	0	0	0	0	0	0
HIGHWAY AGENT		85,000	375,000	410,000	330,000	330,000	340,000	415,000	350,000	350,000
LIBRARY		36,545	0	0	0	0	0	0	0	0
CONSERVATION		400,000	0	0	0	0	0	0	0	0
TRANSFER STATION		-	0	172,000	385,000	289,320	178,000	102,000	0	85,000
PLAN. & DEV. DEPARTMENT		-	0	0	0	0	0	0	0	0
RECREATION		-	0	0	0	0	0	0	0	0
SCHOOL DEPARTMENT		156,000	34,855	115,145	110,000	400,000	1,242,000	1,000,000	1,162,000	1,291,000
Total Annual Appropriations			\$ 633,655	\$ 1,170,495	\$ 982,500	\$ 1,019,320	\$ 1,760,000	\$ 1,792,000	\$ 1,997,000	\$ 2,001,000
Variance			(\$3,396,790)	(\$3,469,561)	(\$3,223,711)	(\$3,122,212)	(\$3,030,783)	(\$2,942,035)	(\$3,025,923)	(\$2,903,545)