



Town of Plaistow ♦ Budget Committee

145 Main Street ♦ Plaistow ♦ NH ♦ 03865

BUDGET COMMITTEE MEETING

Training Workshop: CIP & Impact Fee Training

September 11, 2018

Call to Order: 7:11 p.m.

ROLL CALL

Bob Hamilton, *Chair Elect*
Lisa Lambert, *Vice Chair Elect, excused*
Katie Ingalls, *Budget Committee, excused*
Laurie Milette, *Budget Committee*
Sam Cafiso, *Budget Committee, excused*
Dennis Heffernan, *Budget Committee*
Jay DeRoche, *Budget Committee, absent*
Greg Taillon, *Budget Committee*
Dean Nifakos, *Budget Committee, absent*
Francine Hart, *Selectman Ex-Officio*

Also in attendance:

Tim, Moore, *Planning Board Chair/CIP Chair*
Mark Pearson, *Town Manager*
Greg Colby, *Finance Director, absent*
Dee Voss, *Planning Coordinator*

Review/Approval of Budget Committee Minutes from June 5, 2018.

B. Hamilton stated that the review of June 5, 2018 Budget Committee Meeting Minutes will be continued at the next Training Workshop scheduled on September 18, 2018

Capital Improvements Program (CIP):

- Review of CIP Enabling Legislation: RSA 674:5 through 674:7:
 - Planning Board must adopt a Master Plan before CIP can be established.
- Review of Advantages:
 - In conjunction with capital reserve funds, allows most capital expenses to be paid for in cash rather than taking out a loan or bond.
 - Enables towns to establish impact fees per RSA 674:21.
- Review of CIP Committee Membership:

- The CIP is made up of two (2) members and one (1) alternate from the Planning Board, Board of Selectmen, and the Budget Committee.

- Review of “What is a Capital Improvement?”:

- Land, vehicles, buildings, transportation infrastructure, building systems (electric, plumbing, telephone, Internet, and computer)
- Special studies such as resource assessments, or Master Plan development
- CIP cannot be used to add personnel or for common maintenance issues.
- Capital Improvements must have a useful life of at least three (3) years and cost \$10,000 or more.

- Review of Plaistow’s CIP Process:

- Department heads submit anticipated capital requests for the next six (6) years.
- CIP committee reviews the requests, updates CIP, and makes recommendation to the Planning Board for approval.
- Planning Board approves CIP then presents to the Board of Selectmen and Budget Committee

- Brief overview of CIP Document contents:

- Sections 1-13

D. Voss offered that there is a hard copy of the CIP available for review. It is also available via e-mail copy.

L. Milette requested an e-mailed copy of the CIP

D. Voss offered that the completed copy of the CIP will be sent out October 3, 2018.

T. Moore asked if there were any questions.

Impact Fees:

- Review of Impact Fee Enabling Legislation: RSA 674:21:

- There must be a CIP in place to create Master Plan. Master Plan must be in place to be able to charge Impact Fees
- Used for Capital expenses only and only those that are caused by growth.
- Commercial: assessed at Planning Board approval of a subdivision or site plan.
- Residential: assessed at the time of the building permit.
- Fees are paid before approval of certificate of occupancy.
- Fees collected must be spent or encumbered (committed) within six (6) years after collection. Therefore, the oldest are used first.

- Fee ordinances must be part of Zoning ordinances and may contain provisions to waive some or all fees.
- Fees based upon methodology. Methodology is contracted out for drafting to create an Impact Fee ordinance.

- Review of Current Impact Fees:

- Review of Impact Fee Methodology:

- States the logic behind the Impact Fee.
- Justifies collecting the Impact Fee.
- States how the Impact Fee is to be used.

D. Voss offered that Impact Fees cannot be used to hire personnel. However, they can be used for payment of principal and interest on bonds.

- Review of Current Impact Fee Update Status:

- Review of Impact Fee Update Process:

- Previously required a warrant article vote at a town meeting in March.
- At a town meeting in 2018, the voters approved a more streamline method. Methodologies can now be approved by a majority vote of the Planning Board at a legally-noticed public hearing.

M. Pearson offered that legal counsel and the drafting of Impact Fee Methodology by a New England expert, such as Bruce Mayberry, are standard procedure.

T. Moore asked if there were any questions.

D. Heffernan asked what happens to Impact Fees if they are not spent?

M. Pearson offered at they are returned if not used for the intended purpose.

D. Heffernan asked if every town collects impact fees?

M. Pearson offered that if the Town does not have a Master Plan, then no, they cannot collect impact fees.

T. Moore offered a few examples where impact fees can be used:

- The water and fire suppression system impact fee can be used to offset the cost of improvements to the water system and the possibility of future expansion for water piping.
- Use Impact Fees to pay for the remaining \$43,000 that is needed to replace the Westville Rd bridge.
- Use School Impact Fees for new classrooms
- Use Recreation Impact Fees for new ball fields or a new park.

- Review of Plaistow Master Plan Community Forum (Open House) flyer:

T. Moore asked if there were any additional questions.

- Review of Police Vehicle Rotation Schedule and Long-Term Police Cruiser Purchase Plan:

M. Pearson did a review of 2018 Police Vehicle Rotation Schedule and Long-Term Police Cruiser Purchase Plan and gave attendees the ability to ask questions and give comments.

There was discussion about what the cruiser replacement and rotation schedule looks like currently and the positive adjustments that are looking to be made to create a cycle with the goal of saving money in advance so that when a vehicle needs maintenance or to be replaced that the money is already available for use.

M. Pearson offered that there is only need to replace one (1) vehicle in 2019. Proposing that a warrant article be created to start saving funds for a fleet program to purchase vehicles instead of having to lease them.

B. Hamilton offered a review of current vehicles where the lease has expired or will expire through April 2020.

M. Pearson gave a brief overview of some of the problems that he has made a note of:

- When a vehicle is used 24/7, it may run great until you stop running them and they sit for a period of time.
- New vehicles purchased may have generation changes (new models, new features, etc.) in which the equipment in older vehicles may not fit.
- Detail cars may sit running for hours. The car may have actually had 100,000 miles of wear and tear, but only show 60,000 miles on the odometer.

M. Pearson also brought up for discussion the proposed idea of writing a warrant article that will allow the Water Department truck to be reclassified as “dual purpose”, to be shared between the Highway Department and the Water department.

The next Budget Committee Training Workshop Meeting will be Tuesday, September 18, 2018 at 6:30pm.

There was no additional business presented and the meeting was adjourned at 8:27pm

Respectfully Submitted,

Samantha D. Cote
Recording Secretary