

The Town Planning Board constituted a Capital Improvements Subcommittee at the regular meeting of May 21 2024, in accordance with RSA 674:5-8. The subcommittee consists of Planning Board members David Katz, Subcommittee Chair, Robert Broadhurst, Richard Shea. The subcommittee requested the Town Administrator to solicit capital improvement proposals from the Town Department Heads. The Department proposals were received by the subcommittee and evaluated by interviews with the Department Heads in posted public meetings held on May 30-31, 2024.

This Capital Improvements Plan was adopted by the Planning Board at public hearing on September 17, 2024. The plan represents a recommendation to the Board of Selectmen who make final decisions during the budget development cycle.

SUMMARY

The subcommittee maintains a list of capital equipment and improvements with forecast replacement between 2025 and 2035. The list has stabilized and, barring unforeseen situations, the confidence of the forecasts is improved as the Departments use the report as a guideline for requests.

The subcommittee's recommendation follows its primary principles of public safety and quality of life and maintaining, as best as possible, a level rate of taxation. The Fire Department is custodian of the highest cost capital equipment, most of which have stringent certification requirements. Two key pieces of primary apparatus – Engine 1 and Engine 3 – require replacement in the immediate future at an estimated cost of \$850,000 - \$1,000,000 each with lead times to delivery of 2 years. Both ambulances purchased in 2019 will reach an end of life in the next 7 years. The Town has diligently sought out grants to replace our primary apparatus without success.

The Police Department plans has altered its traditional “buy 4 skip 1” cruiser plan with replacements now between 7 and 10 years each.

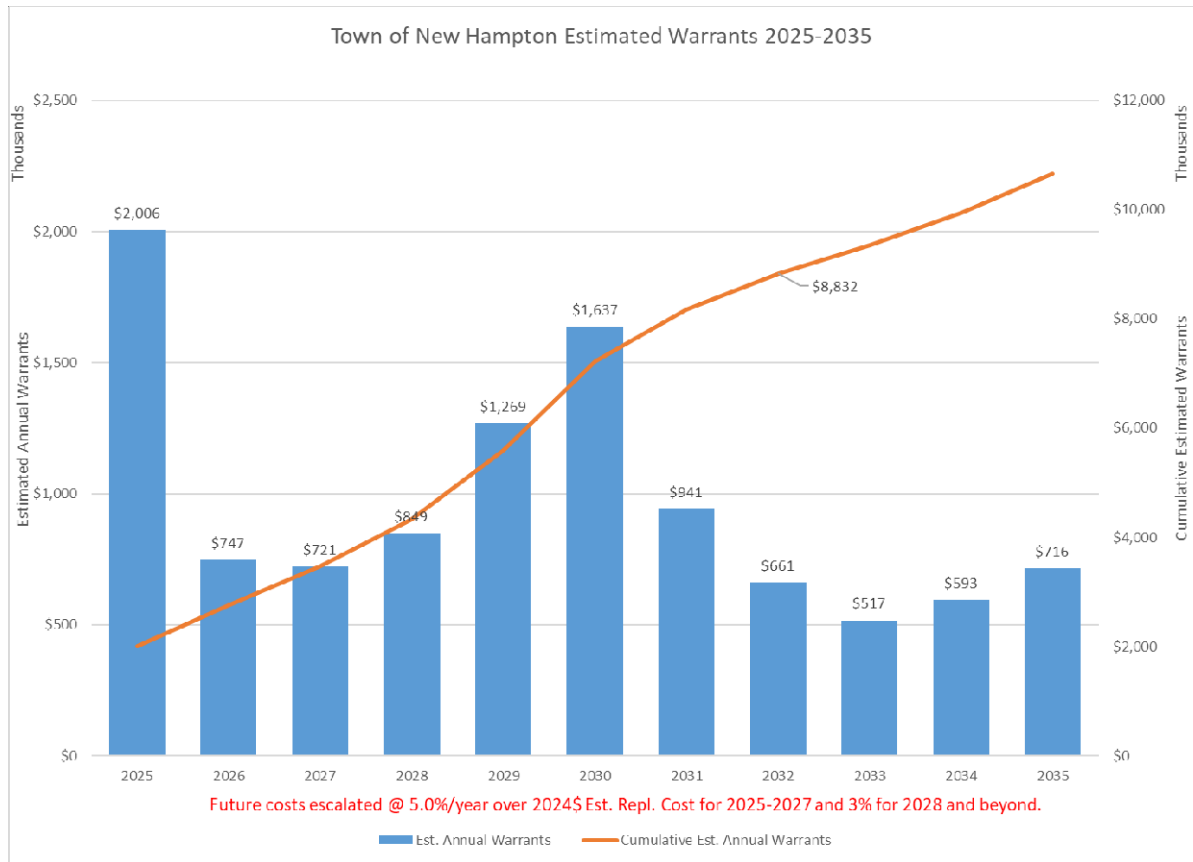
The Highway Department has followed the 2019 RSMS Study and town roads and culverts are being improved in a timely manner. The RSMS Study was updated in 2023. Cost forecasts for the remaining plan years are reflected in this update. The voters have consistently approved appropriations for road improvement which is a quality-of-life issue. Extreme weather has imposed some setbacks with major washouts. FEMA support may be available to address this problem. The red listed Brook Rd Bridge is now repaired and has been removed from the 10-year plan.

The Heritage Commission continues to seek grants to implement the 2023 Historic Building Assessment plan for the Town House. A 2024 Moose Plate grant application has been re-submitted and is pending. Grants are typically a 1:1 match. The need for matching funds is included in the forecasts. The Heritage Commission is considering a warrant article to raise limited funds to begin serious work on the Town House.

All these major expenses in a relatively short time frame have created a challenge for the CIP subcommittee to level the projected revenues from taxation, with many trade-offs to be made during the budget preparation process.

Escalation factors for this year's forecast are 5% for 2025 through 2027 and 3% thereafter.

The following chart reflects a 10-year projection of the capital expenditures recommended in this report. The Details are outlined in Attachment 1.



Key elements of this forecast include the following estimates:

- Continue in 2025 the upgrade of Town roads as outlined in the 2019 RSMS report updated to 2023 values.
- Replacement of Engine 3 in 2025 at an estimated cost of \$892,500
- Replacement of Engine 1 in 2030 at an estimated cost of \$1,075,600
- Replacement of Ambulance 1 in 2029 at an estimated cost of \$541,900
- Replacement of Ambulance 2 in 2031 at an estimated cost of \$575,000

Projected sources of funds are discussed in the FIVE (5) YEAR CAPITAL FUNDING SOURCE ESTIMATE section of the report.

DISCUSSION - 2025 WARRANT ARTICLE REQUESTS

Warrant article requests for 2025 were received from the Town Administrator, Heritage Commission, Police, Fire and Public Works departments. The subcommittee maintained its priorities of public safety, quality of life, stability of the tax rate and “no surprises” in its evaluation of the requests. All 2025 requests have been included by the subcommittee as they are within the overall CIP plan adopted over the past 7 years and necessary and reasonable for the future preservation of Town assets and services.

FIRE DEPARTMENT

The conditions of Engine 1 and Engine 3 may leave the department with one serviceable piece of primary fire-fighting apparatus. The Engine 1 frame rails are separating, and it will not pass inspection in September. The Select Board authorized repairs to Engine 1 estimated at \$80,000. These repairs have started and are almost complete. The subcommittee recommends replacement of Engine 1 in 2030. The inception of a dedicated expendable trust "savings account" in 2024 will minimize the immediate impact of a full purchase.

Engine 3, the 1989 KME, has been removed from primary service. The replacement of Engine 3 has been on the forecast and recommended by the subcommittee since 2017, all contingent on receipt of Aid to Fire Fighters grants, none of which have been received. The subcommittee continues to recommend replacing Engine 3, this time in 2025, contingent on an AFG grant. However, given the track record on AFG grants, this report assumes funds for the new Engine 3 coming from the new Expendable Trust Fund (ETF), the Special Revenue Fund and taxation.

The subcommittee's recommendation that a discrete trust fund be put to the voters in 2024 to provide a source of funds not only for the fire equipment but for both ambulances was acted upon and an initial sum of \$200,000 was approved and appropriated for this purpose. The subcommittee recommends continued future contributions of this magnitude be made. The past absence of such an account has placed the Town in a position that limits options and opportunities to deal with replacement of these significant pieces of capital equipment.

A future improvement to the 2nd floor of the Public Service Building for firefighter/ EMT overnight quarters has been added to the plan. This improvement was initially added in 2017, subsequently removed and has been added as a placeholder for continued evaluation at the request of the Fire Chief.

Other updates to the FD plan include useful life changes due to code or certification requirements. The replacement of Boat 1 has been accelerated to 2025 as a result of age and extraordinary wear and tear. The purchase of a PFE washer in 2025 is an estimated cost of \$33,600.

POLICE DEPARTMENT

The Police Chief has changed the "buy 4/ skip 1" cruiser replacement cycle and presented a plan to expand the cruiser fleet to 5 vehicles. Replacements are planned in 2025, 2028, 2030 and 2032. All estimated costs are for fully outfitted vehicles. Body cameras were purchased in 2023 and will require an update/ refurbishment in 2028. The eleven (11) PD building security cameras originally installed in 2013 are failing and require replacement in 2025 at an estimated cost of \$11,000.

PUBLIC WORKS

The Brook Rd bridge was finally replaced in 2024 at a cost of \$251,381. Funds originated from the Town Bridge Maintenance ETF, State Bridge aid and FEMA funds.

The Highway Department requested a five-year lease for a new dump truck to replace a 2013 IH 7400 dump truck. The dump truck carries an estimated replacement cost of \$278,000 fully outfitted (plows, etc.) and a potential trade value of \$20,000 depending on market conditions. An outfitted F-600 truck was purchased in 2023 as an alternative to a Kenworth 370. The 2013 IH 7400 was offered for sale in June, 2023. A sand shed replacement in 2028 is planned at an estimated cost of \$119,400.

Cost estimates and useful life adjustments were made to in-service equipments based on market conditions. Refer to Attachment 1 for details.

The 2019 RSMS study was updated in 2023. The table below shows the updated values for 2025 through the end of the base case in 2028:

Year	2025	2026	2027	2028
Cost	\$387,286	\$345,263	\$386,374	\$448,179

The paved road improvement costs at completion of the RSMS base case work is conservatively estimated at \$250,000 per year (escalated) as the pavement condition index for paved town roads will have been improved and normal maintenance and repairs to keep the good roads good would be required thereafter.

BUILDINGS AND FACILITIES

The Heritage Commission completed a Historic Building Assessment of the Town House in 2023. The report recommended repairs and enhancements in the range of \$400,000 to \$450,000 (2023 dollars) over the next 5 years. The receipt of the report in January allowed the Commission to apply for a 2023 Moose Plate grant of \$20,000 to begin the repairs. An additional amount of \$4,000 from the Heritage Fund will be used to supplement the grant to complete the initial recommended scope. Moose Plate grants to a maximum of \$20,000 do not require matching money and are available each year. Larger grants from organizations like the Land and Community Heritage Investment Program (LCHIP) typically require 1:1 match that would require support from the Town.

An estimate of \$116,000-\$120,000 to replace the original PSB Building roof in 2026 was received. Weather over the years has not been kind to the PSB roof.

Much of the wiring in the Public Works Building does not meet current code requirements and circuits are not readily identifiable. The recommendation from last year to perform this work stands. An amount of \$31,500 is included in the plan for work to occur in 2025. A bid/ evaluate/ award process should be planned for 2024.

The Town Office on Pinnacle Rd needs new windows (est. \$27,700) and HVAC upgrades (est. \$33,100).

CURRENT ACCOUNT STATUS

Status of Town Expendable Trust accounts as of July 2024 are shown in the following table. These accounts are maintained in interest bearing cash savings accounts. Invoices for the Brook Rd Bridge will be paid in August and September from the Town Bridge Maintenance Fund.

EXPENDABLE TRUST FUND ACTIVITY FOR THE TOWN OF NEW HAMPTON FOR 2024 AS OF JULY 2024								
ACCOUNT	PURPOSE	HOW INVESTED	BEGINNING BALANCE	ADDED	PAID	GAIN/LOSS	INCOME	ENDING BALANCE
513	TOWN BRIDGE MAINTENANCE	MMKT	\$114,077				\$114	\$114,191
568	TOWN EQUIP REPAIR/REPLACE	MMKT	\$12,249	\$8,000			\$12	\$20,261
673	TOWN VEHICLE MAINTENANCE	MMKT	\$28,223	\$22,000			\$39	\$50,262
680	GRAVE STONE MAINTENANCE	MMKT	\$6,405				\$5	\$6,410
682	TOWN BUILDING MAINTENANCE	MMKT	\$23,217	\$27,000			\$34	\$50,251
684	SURPLUS/USED EQUIPMENT	MMKT	\$20,142				\$15	\$20,157
930	FIRE DEPT TRAINING	MMKT	\$10,679				\$8	\$10,687
132	UNUSED PTO	MMKT	\$15,031				\$11	\$15,043
975	HYDRANTS	MMKT	\$18,918	\$10,000			\$21	\$28,940
773	REIMBURSABLE GRANTS	MMKT	\$5,438	\$15,000			\$10	\$20,448
227	TOWN CAPITAL EQUIPMENT & VEHICLE	MMKT	\$0	\$200,000			\$123	\$200,123
976	VETERANS MEMORIAL TRUST	MMKT	\$213				\$0	\$213
081	NATURE & FITNESS TRAIL	MMKT	\$4,380				\$3	\$4,384
TOTAL			\$258,973	\$282,000	\$0	\$0	\$395	\$541,368

Fire Department Special Revenue Fund

A Special Revenue Fund (SRF) was established specifically for the annual payment of \$25,000 for the Public Service Building (PSB) payment through March 2027 and Fire Department equipment. Use of these SRF funds require voter approval.

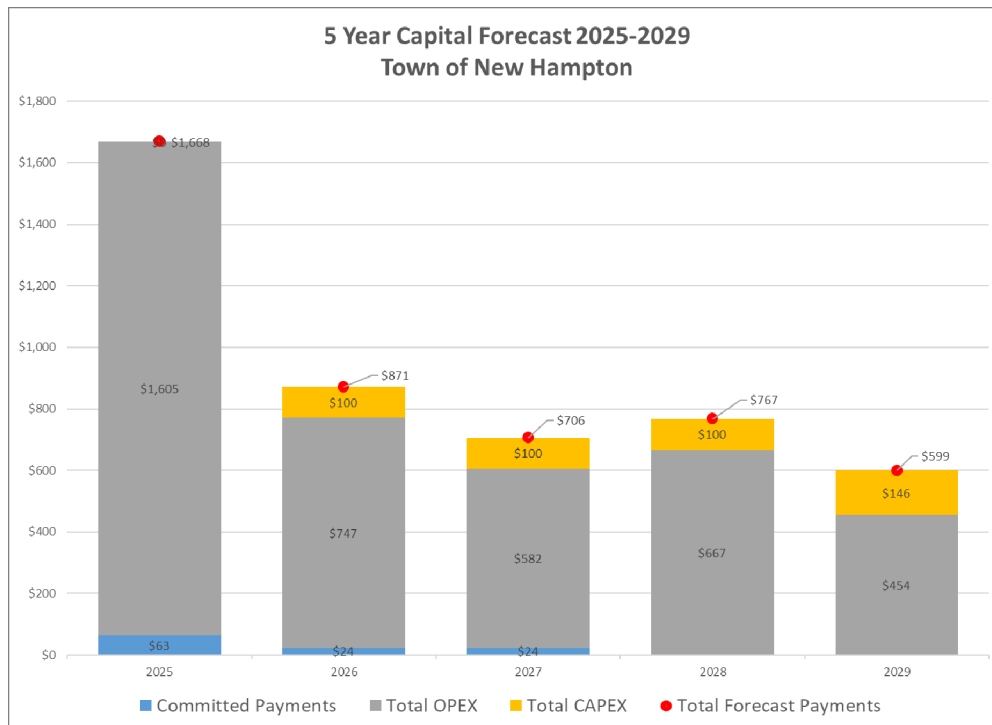
The SRF receives revenue from Medicaid reimbursable expenses associated with emergency medical services (EMS) furnished by the Fire Department. Income over the last 2 years has been approximately \$100,000. That value is used considering that more than 50% of FD service calls are ambulance related and will probably grow over time. Potential future changes in Medicaid and insurance payments will affect this estimate.

The following table details projected capital expenses from the FD SRF. Most FD grants are typically 95%/5% Aid to Firefighter grants. The 5% match will come from the SRF. The projection is conservative regarding receipt of grants for Fire Department Equipment. All other FD equipment is presumed to be outright purchase; however, any potential grants for these items will positively influence the fund balance over time.

FD SPECIAL REVENUE FUND	2024	2025	2026	2027	2028	2029
Special Revenue Fund Balance (12/2024 Act.)	\$263,546	\$108,526	\$170,976	\$141,691	\$241,691	\$320,771
Est. Revenue		\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Anticipated Payments		(\$255,020)	(\$37,550)	(\$129,285)	\$0	(\$20,920)
PSB		(\$25,000)	(\$25,000)	(\$25,000)		
2020 Ambulance						
Engine 1						
Engine 2						
Engine 3		(\$200,000)		(\$50,685)		
Ambulance 1						
Boat 1		(\$23,300)				
Forestry 1						(\$20,920)
Defib A1			(\$11,040)			
Defib A2				(\$11,600)		
Turnout Gear - 10 sets						
SCBA						
PPE Washer		(\$6,720)	(\$1,510)			
Portable Radios				(\$42,000)		

5 YEAR CAPITAL FORECAST

The 5-year Capital Forecast is based on the current remaining payments for committed capital equipment and the Town payment model of a five (5) year payoff schedule with the first-year payment within the operating expense account(s) and subsequent year’s payments in the capital equipment accounts. The large expenditure in 2025 is the anticipated replacement of Engine 3.



FIVE (5) YEAR CAPEX OPEX PAYMENT DETAIL INCLUDING DEBT SCHEDULE

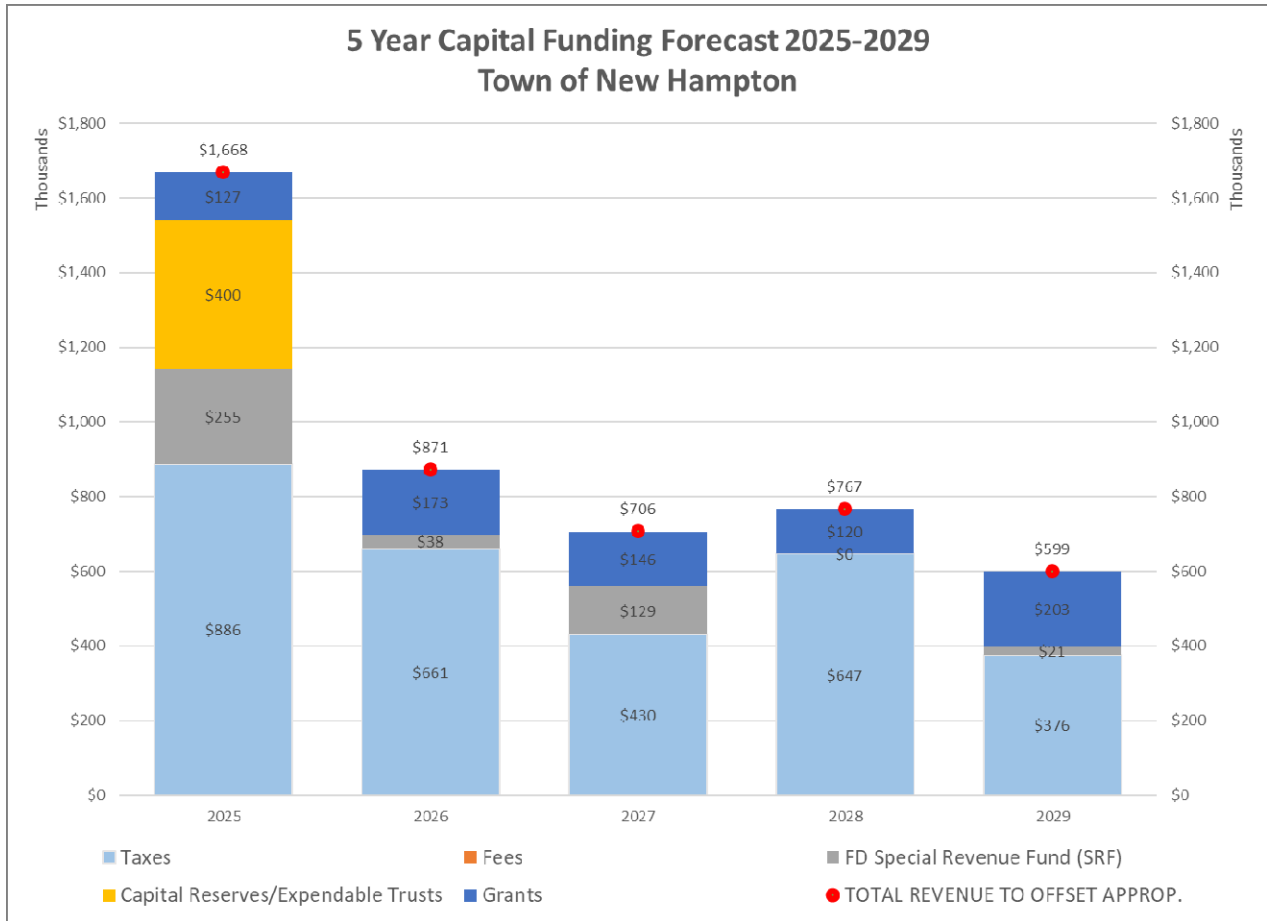
The following table reflects the details associated the previous graph:

PAYMENTS		Original Cost	2025	2026	2027		
2021 HWY Kenworth Dump Truck		\$ 188,101	\$ 39,643				
2022 Ford F-660 Truck		\$ 139,593	\$ 23,794	\$23,794	\$23,794		
Total Committed			\$63,437	\$23,794	\$23,794		

Item Description	Year	Est Repl Cost (2024\$)	2025	2026	2027	2028	2029
Engine 3 [APPROPRIATION FOR AFG GRANT LAPSES IN 2025]	1989	\$850,000	\$892,500				
Forestry 1	2014	\$85,000					\$20,920
Boat 1	2013	\$22,100	\$23,300				
Ambulance 1	2019	\$441,000					\$108,380
Manakin, IV Pump, Tool Set	2019	\$16,600				\$20,000	
Defib A1	2015	\$50,000		\$55,200			
Defib A2	2013	\$50,000			\$58,000		
PPE Washer [80/20 Grant Pending]	2025	\$32,000	\$33,600				
IH 7400 Dump Truck [Offer for sale 6/2023]	2013	\$225,000	\$47,260	\$47,260	\$47,260	\$47,260	\$47,260
Ford F550 1t dump	2018	\$110,300				\$26,340	\$26,340
Bobcat Skid Steer (Transfer Station)	1999	\$72,000	\$15,120	\$15,120	\$15,120	\$15,120	\$15,120
Town Roads (RSMS Plan 2023 update)			\$387,000	\$345,000	\$362,300	\$448,000	\$250,000
Cat 924 Loader	2014	\$303,300					\$74,560
Ford F-350 Pickup	2017	\$100,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000
Cruiser 2	2018	\$80,000	\$16,800	\$16,800	\$16,800	\$16,800	\$16,800
Cruiser 3	2021	\$80,000				\$19,100	\$19,100
Axon Body Cameras	2023	\$30,000				\$34,100	
PSB Building Cameras		\$11,225	\$11,800				
Town House Preservation		\$404,000	\$125,000	\$154,000	\$161,700		
PSB Roof		\$120,000		\$132,300			
Public Works Building Electrical to code		\$30,000	\$31,500				
Sand Shed		\$100,000				\$119,400	
Town Office Windows		\$25,000		\$27,700			
Town office HVAC		\$30,000		\$33,100			
Total OPEX (First Year Payment)			\$1,604,880	\$747,300	\$582,000	\$666,940	\$453,860
Total CAPEX (Payments years 2-5)			\$0	\$100,180	\$100,180	\$100,180	\$145,620
Total Forecast Payments (OPEX + CAPEX)			\$1,604,880	\$847,480	\$682,180	\$767,120	\$599,480
Total Payments (Committed + Forecast)			\$1,668,317	\$871,274	\$705,974	\$767,120	\$599,480

FIVE (5) YEAR CAPITAL FUNDING SOURCE ESTIMATE

Funding for capital requests may originate from five principal sources summarized in the following graph and table. The funding source values were estimated to match the proposed annual spend. The large 2025 Capital Reserves/ Expendable Trusts value results from the assumption that the Engine 3 replacement is partly self-funded by the Town.



FUNDING SOURCE	2025	2026	2027	2028	2029
Taxes	\$886,417	\$660,874	\$430,289	\$647,120	\$375,673
Fees	\$0	\$0	\$0	\$0	\$1,000
FD Special Revenue Fund (SRF)	\$255,020	\$37,550	\$129,285	\$0	\$20,920
Capital Reserves/Expendable Trusts	\$400,000				
Previous Year Appropriations					
Grants	\$126,880	\$172,850	\$146,400	\$120,000	\$202,886
ARPA					
Highway Block Grant	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Engine 1 AFG					
Engine 2 AFG					
Engine 3 AFG					
Ambulance 1					\$102,885
Manakin, IV Pump, Tool Set				\$20,000	
Defib A1		\$44,160			
Defib A2			\$46,400		
Boat 1					
Portable Radios AFG					
PPE Washer	\$26,880	\$28,690			
Historic Restoration					
FEMA (Town Road Repairs)					
TOTAL REVENUE TO OFFSET APPROP.	\$1,668,317	\$871,274	\$705,974	\$767,120	\$599,480

**Town of New Hampton NH
2025 Capital Improvements Plan**

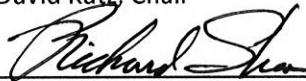
QUALIFICATIONS AND ASSUMPTIONS

1. All estimates and assumptions made by the CIP subcommittee in this report require validation of past data. A review of equipment maintenance records over the last 3-5 years is suggested.
2. 2024 estimated replacement cost values provided by respective Department Heads and are considered values expressed in 2024 dollars. Proposed budget values escalated to the proposed need date at 5% per year for 2025 through 2027 and 3% thereafter.
3. Need dates were provided by Department Heads unless modified by the subcommittee and noted in the report.

SUBMITTED BY:



David Katz, Chair



Richard Shea



Bob Broadhurst

