

Town of Jackson Capital Improvement Plan

Prepared by the Capital Improvement Plan Committee for the Jackson Planning Board

May 2005

I. Introduction

Procedure

A Capital Improvement Plan (CIP) is a multi-year schedule for implementing needed municipal capital improvements in Jackson. It is strictly an *advisory* document prepared by the Planning Board for the Board of Selectmen. It is not binding on either the Selectmen or the town. The Selectmen may, however, bring parts or all of the Capital Improvement Plan to town meeting for a vote by the legislative body to proceed. Thus, the Capital Improvement Plan is useful in preparing the town's annual budget and looking ahead to anticipate needs.

In addition, the CIP can help spread the impact of large costs over a longer period of time and help even out the tax burden from year to year. A CIP needs to dovetail with the Master Plan and is a necessary foundation for considering impact fees. (Impact fees are fees the town might charge a developer to help cover the extra costs in town services resulting from a proposed development.)

The procedure for developing a CIP is outlined in RSA 674:5-8 (see Appendix). Following these procedures, the legislative body of the town of Jackson in March 2003, authorized the Planning Board to develop a CIP. The Planning Board, in turn, appointed a committee to develop a draft CIP. This committee met monthly beginning in January 2004. It involved members of the Planning Board, Select board, all department heads, school and library officials and interested residents. Those contributing to the committee's work were Willis Kelley (chairman), Richard Bennett, Sarah Kimball, Phil Davies, Betsey Harding, Dee McClave, Ed Dubie, John Edgerley, Karl Meyers, Arthur Fernald, Peter Benson, Anne Kebler and Sam Harding.

Definitions and scope

A capital improvement project was defined by the committee as a non-recurring expense, costing at least \$10,000, with a useful life of at least five years, or any project requiring bonded debt or the purchase of real property.

The CIP committee not only looked to the future of Jackson, but also performed a fiscal analysis of past capital spending by the town and closely reviewed the Master Plan. The CIP covers the period from 2005 to 2010 but is intended as an evolving document. Each year, the committee or

the Planning Board will meet and make changes based on the previous year's spending and anticipated changes in subsequent years.

This CIP covers all of the anticipated capital improvements needed by Jackson through 2010 except for highway reconstruction. The committee recognizes that there has been little, if any, actual highway reconstruction in Jackson for many years. In time, road reconstruction will be necessary. The scope and cost of this reconstruction is difficult to anticipate and will require further study. The committee plans to examine road reconstruction in the near future probably with the help of an outside consulting engineer.

Section II is a summary of the major capital improvement projects while Section III describes the major projects in more detail. Section IV shows a year-to-year financial needs analysis covering these expenses and sources of funds to meet them. Section V is a summary spreadsheet with the costs and sources of funds for the projects from 2005 to 2010.

II. Summary of Major Areas of Impact

For the period 2005 to 2010, the CIP committee foresees the following major capital improvement projects:

- **Highway** – New garage facility and truck replacement
- **Fire** – Modernized and expanded fire house/new equipment
- **School** – Additional classroom space
- **Library** – Larger, modernized facility
- **Town** – Modernized and expanded meeting space, more office space
- **Police** – Larger office space
- **EMS** – Vehicle replacement
- **Transfer station** – Recycling shed and equipment

III: Descriptions of Major Projects

A. Highway, Fire and Police

The needs of the highway and fire department are interrelated. The Fire Department needs more space for their new truck and other equipment. They can use the space behind the firehouse now used by the Highway Department, although this means the Highway Department will have to move to a new garage. In addition, the Highway Department also needs more space regardless of any move as does the Police Department.

The CIP calls for building a new 6,000 square foot highway garage on the Gray's Inn property with an additional 1,800 square feet for a police station. Moving the Police Station to this new area will also free space in the Town Office for the Town Clerk and the Selectmen. The Fire Department could then build two additional bays using the space vacated by the Highway Department.

Cost of construction is \$\$600,000 for the Highway/Police building (public safety building) and \$125,000 for the Fire Department.

Consideration was given by the committee to locating the garage on the transfer site property. The topography of the land and the needs of the transfer site operation mean that there is not actually any buildable area suitable for a highway garage. In addition, joint ownership of the transfer station and land with Bartlett and egress from Route 16 makes the site problematic.

Also, the CIP anticipates that the state will require covered sand and salt storage and anticipates that this requirement will come before 2010.

Cost of a sand and salt storage shed is \$250,000 since solid flooring is required among other design features.

In addition, all three departments will require replacement equipment during the planning period.

Cost estimates to replace highway, police and fire equipment and vehicles from 2005 to 2010 is \$440,000 with \$240,000 of this in the cost of vehicles.

B. Jackson Grammar School

The grammar school is under considerable pressure from the state to add new classroom space. They are operating under a conditional approval which is permitted for only three years. About 2,000 square feet are needed. A basement renovation was considered in the past, but flooding problems were developed so that this is no longer an option.

Cost of an addition is \$500,000 of which a portion is covered by state grants. A portion may also be covered by working in cooperation with the town and the Whitney Foundation (see discussion under Plan NH/Whitney Foundation below).

C. Jackson Public Library

The Library needs more space, estimated at 4,000 square feet, as well as a more modern facility with indoor plumbing and adequate HVAC systems.

Cost of a new building is \$600,00 of which the library plans to raise \$450,000 in private donations.

D. Town Needs

The town needs a larger meeting space with indoor plumbing and adequate HVAC. At a minimum, about 5,000 square feet are needed. The current town hall holds about 120 people for

a town meeting and there are over 800 registered voters in Jackson. Certainly attendance at town meetings is diminished because of the lack of plumbing and poor heat and ventilation. The building has already been declared unusable by the state for state and national elections.

Cost of a building just for town meetings (whether a new building or renovation of the existing town hall) is \$500,000. Some of this cost may be met through working with the Whitney Foundation (see discussion under Plan NH/Whitney Foundation below).

E. EMS needs

By 2007 the EMS service (jointly shared with Bartlett) will need a new ambulance.

Jackson's share of the cost of a new ambulance is \$70,000.

F. Transfer Station Plans

The transfer station needs to replace or add to their equipment to provide for a forklift and baler as well as a recycling building. These costs are shared with Bartlett.

Jackson's share of a forklift and baler will be \$75,000, and its share of a recycling building will be \$120,000.

G. Plan NH and the Whitney Foundation

In May, 2004, the Planning Board hosted PlanNH for a weekend charrette of discussions, brainstorming and planning. This group of volunteer architects, planners, engineers and designers volunteer their time to assist towns in planning projects of benefit to the town. The goal for the weekend was to devise a plan that met the space needs of the town of Jackson and utilized existing historic buildings.

The major recommendation coming out of the Charrette was to concentrate development of school, town hall and library uses in the center of town near the school. This would be facilitated by moving and straightening Route 16B away from the school and toward the river as well as eliminating the triangle that now exists in the roadway. This move would give the school more land (allowing it to meet minimum state requirements of five acres) and provide space to locate a town meeting space and library accessible to the school. Both would be available for school and town use.

The cost of moving the road is \$250,000 and it can be accomplished within three years. The more that Jackson can contribute to the cost, the faster it is likely to be finished by NH DOT. Jackson's share will be on the order of \$60,000. This cost is currently not included in the CIP figures in this report or in the spreadsheet.

The Plan NH design recommended moving and renovating the Trickey barn and the Town Hall to accomplish this purpose. However, future examination of the space and possibilities may result in a recommendation to build new rather than move and renovate older buildings.

In addition, The Whitney Foundation, which came into active consideration with the passing of Betty Whitney, has a mandate to help build and maintain a town "Community Center." The Selectmen, School Board and the Whitney Foundation trustees have pledged to work together to develop a plan that would meet the town and school needs with a focus on the area currently occupied by the school, town hall and Trickey barn.

The combination of the school, town and library needs into a single program with shared facilities could significantly change the cost estimates of this CIP. On the other hand, the availability of funds from the Whitney Foundation as well as state aid for school reconstruction, could mean that the net impact on the town's budget is actually less than that envisioned by this CIP.

IV: Year-by-year Costs and Sources of Funds

Below, year-to-year spending to meet the CIP needs for Jackson is discussed. The spreadsheet that follows summarizes the proposed spending.

A. 2005

In 2005, the town voted at the March town meeting to implement some of the recommendations in the CIP. \$20,000 was earmarked for an engineering study for a town garage/police station (public safety building) on the Gray's Inn property, and \$24,000 was raised at the school meeting for a consultant to help design an addition to the school.

At a subsequent meeting, the Selectmen, School Board and trustees of the Whitney Foundation pledged to work together on a design that would meet both school and town needs for classroom, meeting space and library uses in the area around the school.

In addition, the town voted to place \$80,000 in a capital reserve fund (CRF) for a public safety building, \$50,000 in a CRF for a fire truck, \$50,000 in a CRF for a highway truck, \$25,000 in a CRF for an ambulance, and \$10,000 in a CRF for a police cruiser. At the school meeting, the town voted to place \$75,000 in an expendable general trust fund to be used for an addition.

In all, the town voted to reserve or to spend \$334,000 toward items in this CIP.

B. 2006

In 2006, the CIP envisions building the public safety building on the Gray's Inn property to house the Highway Department and the Police Department at a cost of \$580,000 of which

\$80,000 was placed into a CRF in 2005. The CIP calls for raising \$300,000 of the cost of a public safety building through five-year bonds. Subsequent years will require an estimated \$75,000 each year to pay off the bonds over the five-year period. Another \$200,000 will be raised by selling the Gray's Inn garage and property. The garage is in poor repair (except for the roof) and inadequate as storage for the Highway Department especially when it rains as the building has a tendency for significant flooding.

The CIP also envisions another \$75,000 being set aside for a school addition with the addition being built in 2007. Pressure from the state to come into compliance may move this schedule up with construction actually starting in 2006.

This year would also see the renovation of the Fire Department (\$125,000) with the addition of two bays in the space vacated by the Highway Department and the purchase of a new highway truck at \$140,000. The CIP also envisions money placed in CRFs for a police cruiser, an ambulance, and a recycling shed with a total of \$82,000 going into the CRFs. In addition, the fire department would spend money to pave the front of the station, repair and paint Engine 4, purchase forestry set-up equipment and a thermal imaging machine, while the transfer station would purchase a fork lift and baler for a total cost of \$87,000.

The total CIP spending would be \$1,089,000 with offsetting funds of \$640,958 coming from a bond issue for the public safety building, sale of the Gray's Inn garage, (\$200,000) and money already in CRFs (\$140,958). The net amount to be raised from taxes is \$448,042.

C. 2007

The CIP sees this year as the one to put the addition on the school (\$500,000) and provide for a town meeting space (\$500,000). In addition, a new recycling shed would be built (\$120,000) and the EMS ambulance replaced (\$70,000). A further \$10,000 would be added to the CRF for a police cruiser. A bond payment of \$75,000 will be made for the public safety building.

The CIP anticipates that the state will mandate covered sand and salt storage by 2008. To meet this expense, the CIP calls for placing \$125,000 in a CRF for a sand and salt storage shed.

The total CIP spending would be \$1,400,000 but with significant offsets. While it is too soon to say how the Whitney Foundation and school aid for reconstruction will impact this figure, the CIP is based on \$450,000 of the cost of town meeting space coming from the Foundation and \$150,000 coming from state aid for school reconstruction. An additional \$50,662 is in the CRF for an ambulance and \$100,654 in a CRF for a recycling shed. A total of \$981,316 would be available to offset the amount needed leaving a net to be raised from taxes of \$418,684.

D. 2008

The CIP calls for 2008 to be the last year of major expenses on buildings with the construction of a library and a sand and salt shed. By 2008, the feeling is that the state will mandate covered storage for salt and sand. If this does not happen, the sand and salt shed might be postponed.

The cost for the library is \$600,000 (with significant private contributions) and the cost of the sand and salt shed is \$250,000. A \$75,000 bond payment is also due.

In addition, a one-ton highway truck would be purchased (\$60,000), a police cruiser would be purchased (\$40,000) as well as rescue tools and equipment for the Fire Department (\$30,000).

The total CIP spending for 2008 would be \$1,055,000. Offsets include \$450,000 raised for the library by private donations, \$125,000 placed in a CRF for the sand and salt shed last year, and \$30,000 already in a police cruiser CRF. This means a net of \$450,000 to be raised by taxes with this amount dependent mostly on the sand and salt shed and private fund raising for the library.

E. 2009

Compared to previous years, the CIP does not envision major spending in 2009. Apart from a \$75,000 bond payment, Fire Department equipment (turnout gear, batteries and a solar panel for the communications shed, and an airpack upgrade) will be \$70,000. The police cruiser CRF will receive \$10,000, and a new CRF fund for a highway grader will be established with \$40,000. The grader will need to be replaced in 2012 for \$175,000.

There are no offsetting sources of funds leaving \$195,000 to be raised by taxes.

F. 2010

Only three items are currently in the CIP for 2010 – the \$75,000 bond payment, an addition of \$40,000 the CRF for a highway grader, and an addition of \$10,000 to the CRF for a police cruiser. The total of \$125,000 would be raised by taxes.

G: Comparison with Historic Levels of Spending

Over the previous ten years (1994-2003) Jackson spent about \$1,658,000 in capital expenses including the purchase of the Gray's Inn property. On average then, Jackson has been spending \$165,800 a year for capital improvements. As the CIP figures suggest, the town has been under spending for capital improvements and needs to catch up. This will result in a relatively short-term increase in capital spending over the previous ten-year average. The total capital expenditures for 2005-2010 included in the CIP add up to \$1,970,726, or an average of \$328,454 per year. Based on the 2004 total town evaluation of \$285,252,392, this represents an increase in property tax of about \$0.57 per \$1000 evaluation for capital expenditures.

The town voted to reevaluate 25% of the property in Jackson each year to avoid doing a complete revaluation every five years. Thus, the total valuation of the town will change each year. Nevertheless, the estimates based on the 2004 valuation provide an indication of the impact of the CIP on tax rates.

EXCEL SPREADSHEET SHOWING YEAR BY YEAR DATA GOES HERE AND ON THE FOLLOWING PAGE. THIS SPREAD SHEET NEEDS TO BE DOWNLOADED SEPERATLY. IT IS ON THE WEBSITE IN ADOBE ACROBAT FORMAT.

APPENDIX

Capital Improvement Plan as Outlined in New Hampshire RSA 674

674:5 Authorization. – In a municipality where the planning board has adopted a master plan, the local legislative body may authorize the planning board to prepare and amend a recommended program of municipal capital improvement projects projected over a period of at least 6 years. As an alternative, the legislative body may authorize the governing body of a municipality to appoint a capital improvement program committee, which shall include at least one member of the Planning Board and may include but not be limited to other members of the planning board, the budget committee, or the town or city governing body, to prepare and amend a recommended program of municipal capital improvement projects projected over a period of at least years. The capital improvements program may encompass major projects being currently undertaken or future projects to be undertaken with federal, state, county and other public funds. The sole purpose and effect of the capital improvements program shall be to aid the Mayor or Selectmen and the budget committee in their consideration of the annual budget.

674:6 Purpose and Description. – The capital improvements program shall classify projects according to the urgency and need for realization and shall recommend a time sequence for their implementation. The program may also contain the estimated cost of each project and indicate probable operating and maintenance costs and probable revenues, if any, as well as existing sources of funds or the need for additional sources of funds for the implementation and operation of each project. The program shall be based on information submitted by the departments and agencies of the municipality and shall take into account public facility needs indicated by the prospective development shown in the master plan of the municipality or as permitted by other municipal land use controls.

674:7 Preparation. –

I. In preparing the capital improvements program, the planning board or the capital improvement program committee shall confer, in a manner deemed appropriate by the board or the committee, with the Mayor or the Board of Selectmen, or the chief fiscal officer, the budget committee, other municipal officials and agencies, the school board or boards, and shall review the recommendations of the master plan in relation to the proposed capital improvements program.

II. Whenever the planning board or the capital improvement program committee is authorized and directed to prepare a capital improvements program, every municipal department, authority or agency, and every affected school district board, department or agency, shall, upon request of the planning board or the capital improvement program committee, transmit to the board or committee a statement of all capital projects it proposes to undertake during the term of the program. The planning board or the capital improvement program committee shall study each proposed capital project, and shall advise and make recommendations to the department, authority, agency, or school district board, department or agency, concerning the relation of its project to the capital improvements program being prepared.

674:8 Consideration by Mayor and Budget Committee. – Whenever the planning board or the capital improvement program committee has prepared a capital improvements program under RSA 674:7, it shall submit its recommendations for the current year to the Mayor or Selectmen and the budget committee, if one exists, for consideration as part of the annual budget.