

# Capital Improvement Program Committee

## Town of Hanover, NH

# Meeting Minutes

**Location:** Hanover Town Hall Boardroom.

**Date:** October 20, 2023.

**Time:** 10:00 AM – 11:15 AM.

**Committee Members:** John Dolan (Chair), Jennie Chamberlain (Vice Chair), Nicolás Macri (Secretary), Brian Edwards, Carey Callaghan, Peter Kulbacki, Ellen Bullion, Kimberly Hartmann, Alex Torpey.

**I. SWEARING-IN OF CIPC MEMBERS – ROBERTA HITCHCOCK (10 MINUTES):**

- A. All members of the Capital Improvement Program Committee (CIPC) attended the meeting in person.
- B. All CIPC members took the oath of office and were sworn in by Town Clerk Roberta Hitchcock.

**II. AGENDA REVIEW, PAST MEETING MINUTES REVIEW/APPROVAL (5 MINUTES):**

- A. The minutes for October 13, 2023 were amended and will be approved at the next meeting on October 27, 2023 as amendments are incorporated.

**III. PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA (5 MINUTES/AS NEEDED):**

- A. No members of the public were present, so no public comments were provided.

**IV. UPDATE ON RESULTS OF HANOVER MASTER PLAN ADVISORY COMMITTEE OPEN HOUSES – BRIAN EDWARDS (5 MINUTES):**

- A. Edwards thought the public feedback sessions (“open houses”) at the Howe Library went well and had a modest number of attendees. The Master Plan Advisory Committee is planning more open houses, with more in the evening, some at Baker Library, and some at the retirement community Kendal. The Master Plan Advisory Committee will also send out a mailing to thousands of households to collect feedback as well.
- B. Edwards is skeptical that the Master Plan will be adopted in November and personally thinks that a December or January adoption is more probable, though this is not the official position of the Planning Board yet.
- C. Edwards says that the feedback survey is available on the **Master Plan website**.
  - 1. Chamberlain could not find the feedback survey, so Edwards will check with Vicki Smith to make sure it is available.
- D. Callaghan notes that the Missing Middle Housing Study (which was just published last week) and the Walk Bike Plan were also at the open houses.
- E. Edwards recommends to look at Chapter 1 for summary information of the Master Plan, also pointing towards the summary brochures.

- F. Chamberlain notes that the CIPC should still consider the Master Plan prior to official adoption when crafting the CIP and should make adjustments to the CIP as needed if the Master Plan changes in order to not lose time.

**V. PROPOSED SCHEDULE FOR DEVELOPING THE FISCAL YEAR 2025 CIP PROPOSAL – JOHN DOLAN (10 MINUTES):**

- A. Dolan put together a first draft of a CIP proposal development schedule assuming that we had to submit a proposal to the Selectboard by January 8, 2024, but Torpey says that the actual final deliverable target is mid-February of 2024.
  - 1. Dolan revised the draft schedule accordingly, listing what activities the CIPC and other parties need to do and what deliverables are needed by when.
- B. By the October 27, 2023 meeting, Dolan requests that CIPC members read Chapter 1 of the Master Plan.
- C. At the November 3, 2023 meeting, Dolan says the CIPC will discuss the criteria that the CIPC may use to evaluate and prioritize capital expenditure requests and will define the key features of the CIP (such as the definitions of capital improvement projects, capital investments, and so on).
  - 1. The Selectboard will establish its fiscal year 2025 budget goals and priorities at its November 6, 2023 meeting, and fiscal year 2025 budget instructions (including instructions for submitting capital expenditure requests) will be sent to town departments soon after that.
- D. At the November 17, 2023 meeting, Dolan says the CIPC should discuss a starter list of new Master Plan projects for possible inclusion in the fiscal year 2025 CIP proposal.
- E. Chamberlain will determine when meetings in December will occur due to Dolan's unavailability, but Dolan proposes to set the due date for the CIP information request form to be December 11, 2023.
  - 1. Torpey and Bullion generally agree with that date as a suitable due date.
  - 2. Kulbacki says that December will be a busy time for him and his Department of Public Works.
- F. At the January 5, 2024 meeting, Dolan says that the CIPC can review the received information request forms from the town departments.
  - 1. Edwards notes that some proposals in the Master Plan will require zoning amendments, which would need to occur at the 2024 Town Meeting.
  - 2. Dolan says that the CIP could support the passage of zoning amendments.
  - 3. Bullion suggests that the CIP could also support new capital reserve funds, which would also need to occur at the 2024 Town Meeting.

- G. At the January 19, 2024 meeting, Dolan says the CIPC will select a “first cut” of town department capital expenditure proposals for possible inclusion in the fiscal year 2025 CIP proposal.
  - 1. This would be updated to a complete proposal at the February 2, 2024 meeting and be finalized at the February 16, 2024 meeting.
  - 2. At the Selectboard meeting on February 19, 2024, the CIPC can present the CIP proposal.
- H. Callaghan suggests providing a first reading of a draft CIP proposal at a previous Selectboard meeting so that the public can have some time to provide input and so the CIPC can amend the CIP proposal as needed prior to the approval request at the February 19, 2024 meeting of the Selectboard.
  - 1. Macri suggests to promote the CIPC meetings in February as well in order to receive public input.
  - 2. Kulbacki and Bullion suggests that the February 19, 2024 meeting of the Selectboard could instead be the first reading to the public and that the budget process could provide for further input.
- I. Dolan notes that the CIPC work for the 2024 Town Meeting will be complete by mid-February 2024 and that the work for the 2025 Town Meeting will begin in April of 2024.
- J. Torpey and Hartmann have advice on how to use American Rescue Plan Act funds.
  - 1. The New Hampshire Municipal Association advised Torpey to spend ARPA funds prior to the end of 2024 to avoid the probability that funds are revoked by a future federal government.
  - 2. Hartmann says that Vermont towns in the Quechee regional development area received advice to use ARPA funds to pay for staff in order to create a surplus of funds elsewhere that would become unrestricted, but Hartmann and Torpey are unsure whether such a use of funds will work legally, so they are looking into it.
  - 3. If this staff-paying proposal does not work, Hanover may need to spend the ARPA funds by the end of 2024, which would require signed agreements with vendors prior to the spending of funds.
  - 4. Bullion notes that if the staff-paying proposal works, those now-unrestricted funds received from ARPA should be noted as such so they are spent wisely and not considered just general funds.
    - a) Bullion will consult with NHMA about the viability of this staff-paying proposal.

**VI. REVIEW OF PAST CIP PROPOSALS TO THE SELECTBOARD – PETER KULBACKI (10 MINUTES):**

- A. Historically, capital expenditures between \$10,000 and \$500,000 have been funded through capital reserve funds.
  - 1. Chamberlain notes that this would include project-wide calculations, such as replacing all street lights in town (even if the individual items like street lights were worth less than \$10,000).
- B. Kulbacki notes that Hanover currently has 13 capital reserve funds (a 14th fund for affordable housing ended when the most recent project of Twin Pines Housing was completed).
  - 1. Kulbacki notes that one proposal could be to combine the bridge, road construction, and municipal transportation (walking and biking improvements) could be combined into one capital reserve fund to fund all of these projects.
    - a) Bullion notes that the municipal transportation fund is unique since it is funded by vehicle registration fees and not property taxes, so this fund may not be apt for combination.
    - b) Combining funds would require a warrant article for approval at the 2024 Town Meeting.
  - 2. The funds for water and sewer are “enterprise” funds that are funded by user fees, so those who are not connected to those systems do not pay into those funds.
    - a) Parking is also an enterprise fund.
    - b) Ambulances are also in an enterprise fund since Hanover has received fees from other towns for this service, but Bullion notes that this fund could be combined into something else.
  - 3. Multiple funds often pay each other for different services (like the fire fund paying the water fund for water from hydrants), so this can become quite complicated.
    - a) Kulbacki notes that the historical view has been that those who receive fire hydrant services pay into the fire fund as those who do not live in the hydrant area have to pay a higher fire insurance fee.
      - (1) Chamberlain notes that various implications exist with this definition of equity with regards to funding for fire hydrant systems.
- C. Kulbacki then proceeded through the past capital improvement process (as described in the minutes of the October 13, 2023 meeting) each year and requested those funds from the yearly budget.
  - 1. Kulbacki would request that the budget made contributions to the various reserve funds in order to pay for each capital improvement for each year, and

while this often occurred, the Selectboard at times permitted expenditures from reserve funds without making contributions to “balance” the funds.

2. Kulbacki notes that if the funds were consolidated that balancing the various funds might not be as complex.
  - a) This consolidation would increase competition between town departments but could be more responsive to town needs instead of keeping certain amounts of money locked for specific purposes.
3. In the past, the Town of Hanover did not predict many replacements and needed to use reserve funds to pay for them somewhat spontaneously instead of planning ahead for them.
4. This past process has caused proposals for new projects like the proposals of the Bike Walk Committee to not get funded since no procedure for those projects to be funded outside of a sponsoring department existed prior to the CIPC’s formation.

**VII. REVIEW OF TOWN RESERVE FUNDS’ PURPOSES – ELLEN BULLION (10 MINUTES):**

- A. Bullion provided a list of the 13 capital reserve funds, their balances, creation date, and intended purposes.
  1. Dolan is struck by the low balances of the reserve funds given the goals of the town for capital improvements.
  2. Bullion notes that the past process has used bonds instead of reserve funds to pay for anything above \$500,000, but Chamberlain notes that the CIP proposal that the CIPC creates should account for these larger expenditures.
  3. The funds from loans, bonds, and borrowing from the New Hampshire state government (the state revolving fund) involve a few million dollars restricted to specific projects like repairing Ledyard Bridge, making improvements to the sewer system, and other projects.

**VIII. OVERVIEW OF CIPC FILE-SHARING SYSTEM – JENNIE CHAMBERLAIN (5 MINUTES):**

- A. Chamberlain created a folder in the Town of Hanover’s OneDrive for the CIPC to share documents with CIPC members and the public.
  1. Dolan says that the CIPC should upload all documents discussed in meetings into the OneDrive so that the CIPC does not need to keep track of paper documents.
- B. Kerry Osgood uploads files to the town website, so Macri will share the approved minutes with Osgood for publication to the town website.

**IX. OTHER BUSINESS (5 MINUTES/AS NEEDED):**

- A. No other business was noted.

**X. ADJOURNMENT:**

- A. The meeting adjourned at 11:19 AM.
- B. The next meeting will be on October 27, 2023 at 10:00 AM.