

TOWN OF WARNER, NEW HAMPSHIRE

**CAPITAL IMPROVEMENTS PROGRAM**

FY 2003 to FY 2008

ADOPTED

Prepared by:

Warner Planning Board and its Capital Improvements Program Subcommittee

Certificate of Adoption

In accordance with New Hampshire RSA 674:5-8, Capital Improvement Program, and RSA 675:6, Method of Adoption, the Warner Planning Board, having held a duly noticed Public Hearing on \_\_\_\_\_ hereby adopts and certifies this Capital Improvement Program for the FY 2003-2008, dated \_\_\_\_\_.

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This document was received and recorded by the Town Clerk on \_\_\_\_\_.

Signed: \_\_\_\_\_, Warner Town Clerk

## ACKNOWLEDEMENTS

The Planning Board would like to express their gratitude to the following people who assisted the Board with this undertaking. Without their help, this plan would not have been possible.

William Chandler, Chief, Police Department

Allan Brown, Director of Public Works

Paul Foulliard, Superintendent of the Transfer Station

Richard Brown, Chief, Fire Department

Gerald Courser and Robert Shoemaker, Trustees of Cemeteries

Robert O'Connor, Chairman, Board of Selectmen

Nancy Ladd, Pillsbury Free Library

Edward Mical, Emergency Management

Richard Petrin, Kearsarge Regional School District

James McLaughlin, Warner Village Water District

George Saunders, Parks and Recreation

Richard Cook, Conservation Commission

David Karrick, Financial Analysis

R.C. White, Population Analysis

CIP Subcommittee:

Barbara Annis James McLaughlin

Derek Pershouse Russ St. Pierre

Chris Perkins Ed Mical

## INTRODUCTION

The Warner Planning board, as authorized by the 1988 Town Meeting, has initiated the preparation of a Capital Improvements Program (CIP). The Planning Board prepared a recommended program of municipal capital improvements projected over a period of at least six years, which may include any current and future capital projects. The Planning Board requested ideas for potential capital improvements from various Town departments.

The CIP, an integral part of the Master Plan, is a program budget and schedule which lays out a series of planned municipal expenditures for capital improvements. It is essentially a plan which shows how, when and at what cost, Warner intends to expand or renovate its' services and facilities over a six year period to accommodate the populations and house growth.

For the purposes of this document, a capital improvement has been defined by the two key criteria:

1. The item must have a cost greater than \$10,000, and
2. It must have a useful life of three years or more.

Eligible items include major equipment, vehicles, expansion of water and sewer systems, special studies, land, buildings and roads – to

name a few. Recurring costs such as personnel and supplies are not capital improvements. Some items, such as maintenance of repair, may or may not be included depending upon the cost and the useful life of the repair.

## **PURPOSE AND USE OF THE CIP**

The Capital Improvements Program is a valuable part of the community planning process. The CIP links local infrastructure investments with Master Plan goals, land use ordinances and economic development. A CIP bridges the gap between planning and spending. Its primary purposes are summarized below.

1. Anticipating the demands of growth: According to NH RSA 674:22, communities that wish to engage in regulating the timing of development through the establishment of growth controls must have adopted both a Master Plan and the Capital Improvements Program. With the adoption of the CIP, the Town may be able to regulate the rate of growth, should the need for such control be necessary. In the meantime, the CIP, in conjunction with the Master Plan, will enable the Planning Board to use its power to deny subdivisions that are premature due to the lack of sufficient public services and/or infrastructure. The CIP demonstrates that the Town is attempting to accommodate growth and that there is a good faith effort on the part of the Town to provide those services at some later date.
2. Avoiding Undue Tax Increases: The CIP process is a means of avoiding the unpleasant surprise of expensive projects generating large property tax increases. Financing methods such as bonding and capital reserve funds are recommended in order to make annual capital expenditures more stable, predictable and manageable.
3. Management Tool: The current Master Plan outlines projections and analyses the Town's demographic trends and finances which all local officials should find useful in planning and delivery public services. Communication among the Planning Board, municipal departments, administrative officials, the budget committee, and citizens can result in cost savings and avoidance of duplication of facilities and expenditures. For example, the Highway Department may postpone paving a road if they know that the Water District is going to replace a water pipe on that particular road.
4. Involving the Community: The CIP process allows for a public discussion of the preferred means of distributing capital costs not only over time, but also among users of the facilities to be financed. Some communities prefer to pay for some capital costs out of current revenues and absorb a high but single year tax increase. Other communities prefer to establish annual appropriations to capital reserve accounts to save for future projects. Still others feel that construction should take place as needed, and be funded by bonded debt, retired by both existing and future users of a facility. In some cases, user fees may be deemed more appropriate than property taxes. Federal or state funds may also be available to help finance specific project costs, or the cost of infrastructure improvements in lower income neighborhoods. A CIP process can promote discussion of fairness in fiscal policy.
5. Supporting Economic Development: Communities having sound fiscal health and high quality facilities and services are attractive to business and industry. New corporate investment and re-investment in a community may be influenced by improvements which enhance the quality of life of the chief executives and managers in a company, and for their area labor force. Private decisions which bring jobs to an area and new tax base to a community are based not only on the availability of water and sewer utilities, but also upon the quality of community schools, public safety facilities, recreation opportunities, and other services.

## **THE CIP PROCESS**

1. Authorization from Annual Meeting. The Planning Board previously sought approval from the March 1988 Town Meeting to create a Capital Improvements Program in accordance with NH RSA 674:8.
2. The Planning Board sends information and application materials to all Town department heads, Board/Commission Chairs and the School Board. Information included was a copy of their portion of the latest Master Plan. The Department heads submitted requests with the department priority ranking, estimated costs, year that they are seeking the request and identification of how each project/purchase is to be funded.
3. The Planning Board Sub-Committee collected the requests and compiled them into this document for review by the entire Planning Board.

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## **PLANNING BOARD REVIEW**

1. Planning Board may adjust scheduling and/or estimated cost of items prior to a Public Hearing.
2. Planning Board conducts a properly noticed Public Hearing for adoption of the CIP.

3. Planning Board either votes to adopt as posted, or revises as a result of the Public Hearing.
4. Once adopted, the CIP is filed with the Town Clerk, and copied to all Town Departments, the Budget Committee, the Board of Selectmen and the School Board.

## **ANNUAL UP-DATE**

Following the annual Town Meeting, the CIP process is repeated. Projects are re-evaluated and re-ranked according to criteria approved by the Planning Board.

## **PROJECT/PURCHASE RANKING SYSTEM**

One of the most difficult aspects of preparing a CIP is the scheduling and evaluation of proposed projects. The following system of priorities was developed to assist the departments and committees in evaluating the proposals submitted. Each project/purchase was assigned a priority using a set of 9 equally weighted ranking criteria by the department. The criteria are as follows:

- Removes imminent threat to public health or safety
- Alleviates substandard conditions or deficiencies
- Responds to federal or state requirements to implement
- Improves quality/efficiency of existing services
- Provides additional capacity to meet needs of growth
- Reduces long-term operating costs
- Provides incentive for economic development
- Project/purchase consistent with Warner's latest Master Plan
- Project is eligible for matching funds

**ALL OF THE ABOVE HAVE AN EQUAL VALUE.** If a project satisfies criteria, it receives a score of "1". Alternately, if a project did not meet particular criteria, it received a "0". The maximum score any project could receive was "9".

## **PROJECTS OVERVIEW**

Using information submitted by the Department Heads, Committee Chairs, etc., the CIP Subcommittee identified 32 projects in the Capital Improvements Program for fiscal years 2003-2008. Of the 32 projects, 30 are recommended to be funded through various means for a total of \$5,259,144.

Warner's share of the 2 projects of the Kearsarge Regional School District totals approximately \$3,140,524, and is anticipated to begin in fiscal year 2004.

## **POPULATION**

After some consideration, I believe that a population factor should be included in the Capital Improvements Program. As the population of the town increases, so will the demand for various services. Departments and Committees will have to remember this when placing requests for the future into the CIP.

This data is considered preliminary based on the September 10, 2002 article in the InterTown Record and the ADM found in the Annual School Report. The following does not take into consideration the status of the economy, disasters, wars, etc. It will be updated in the future.

## **YEAR POPULATION INFLATION**

**2% / YEAR 3% / YEAR**

2002 2877 (projected) 1.000

2007 3176 1.159

2012 3507 1.344

2017 3872 1.558

2022 4275 1.806

2027 4720 2.094

## **TRANSFER STATION**

The mission for the Transfer Station is to increase efficiency by processing material in the following two manners: better equipment and additional man hours. We are also receiving an increase in revenue and savings by utilizing new markets and new methods of recycling. We are looking for ways to meet the needs of a growing town by acquiring additional land and also equipment/manpower to match the growth. We hope to reduce the cost of the operation of the Transfer Station by increasing revenues, savings in the operation and looking for cost avoidance methods.

### REQUESTS:

Self Rank Est. Cost

Bob-Cat 6 \$24,000.00

The Town of Warner has been advised by Bob-Cat that we could purchase an 863G for \$20,000 plus attachments (\$4,000) for a total of \$24,000, plus normal price increase. This size Bob-Cat would be much more stable. It can lift more weight and can also lift 7" higher. By selling the current Bob-Cat, the net cost would be approximately \$10,000 - \$12,000. To be purchased in 2004.

Horizontal Baler 6 \$20,000.00

This would be the cost of a used baler with a warranty. A new baler starts at \$45,000. A horizontal baler can handle 2-3 bales an hour, which would allow us to process more material without significantly increasing our labor cost. To be purchased in 2003.

## **BOARD OF SELECTMEN**

The Town of Warner is in a growth mode that is currently being addressed by the Zoning Board of Adjustment, Planning Board and Board of Selectmen. As growth continues, the need for increased services will become apparent, i.e.: Transfer Station, Highway Department, Fire Department and the Police Department.

Property budgeting and management should be able to hold the Town budget increases to a maximum of 3% per year for the next five years. However, increased growth will have major impact on school budgeting as well as County budgeting.

This Capital Improvements Program does not address County or school impact to the Town of Warner's Capital Improvements Program because we just don't know what that impact will be.

### REQUESTS:

Gravel Pit 6 \$100,000.00

The Board of Selectmen is considering the purchase of a gravel pit. It would reduce expense for outside purchasing of gravel for town roads. To be purchased in 2006. *See Highway Department 2003*

Town Hall Roof 5 \$ 80,000.00

The Town Hall roof is in need of repair. The Town wants to continue with a slate roof. Repairs done over a period of 4 years.

Revaluation Certification 6 \$ 50,000.00

Revaluation certification is a requirement of the Department of Revenue Administration 6000 rules and includes pick-ups and sales analysis of all Town properties every four years. Due in 2005.

Hopkinton Landfill \$ 30,000.00

\$25,000 per year is specified in an agreement between the Town of Hopkinton and the Town of Warner until the cost of the Hopkinton Landfill bond is paid in full. There is also \$5,000 per year cost for well testing. The last payment will be in 2017.

Bond \$ 17,500.00

2003 is the final payment on behalf of the Pillsbury Free Library.

## **WARNER POLICE DEPARTMENT**

The Town of Warner continues to experience an increase in population and business, increasing the need for Police services.

The Warner Police Department has, in turn, experienced an increase in administrative duties and criminal-related activity over the past several years. This requires additional man hours and has resulted in a decrease in consistent patrols and Officer visibility in our community with the current staffing.

A Detective position as well as an additional part-time Officer position will be necessary to ensure the effectiveness and efficiency of Police services provided to the community.

It is imperative that Cruiser Fleet Management is maintained and it is foreseeable in the future that a third cruiser will be added, should the staff be increased.

# **ACTIVITY 1996 – 2001**

## **TYPE 1996 1997 1998 1999 2000 2001**

### **MOTOR VEHICLE:**

Accidents 58 45 49 80 84 52

Summonses 61 72 90 163 133 77

Check-Ups 115 99 69 113 134 73

Warnings 285 461 349 237 256 173

**Total Motor Vehicle 519 677 557 593 607 375**

### **CRIMINAL:**

Investigations 261 226 243 287 391 459

Juvenile 19 45 41 30 41 89

Untimely Deaths 4 5 1 1 2 1

Bench Warrants 2 7 12 9 7 19

Arrests 27 31 59 37 67 71

**Total Criminal 313 314 356 364 508 639**

ALARMS 26 51 79 49 91 47

## **Total of Above**

**Activities: 858 1042 992 1006 1206 1061**

## **TOTAL CALLS**

**FOR SERVICE: 2881 2839 2886 7424 8257 7932**

## **Note:**

### **Motor down, criminal up**

**1996, 1997 & 1998 – Warner only calls**

**1999 -- 2001 – Warner & County calls**

**2001 – Motor down**

**No part-timer was patrolling like prior years. Not usually given criminal.**

### REQUESTS:

Cruiser 8 \$ 25,406.00

It is imperative that we continue to follow the previously established Cruiser Fleet Management program. This ensures that Officers on the street possess safe, reliable and necessary equipment while performing their duties. The previously established schedule in replacing cruisers also prevents costly repairs that are associated with high mileage and many hours of engine idle time. Cost of purchase in 2003 reflects purchase, equipment installation and decals.

Cruiser 8 \$ 27,173.00

To maintain cruiser schedule. 2005 cruiser reflects cost of purchase, equipment installation and decals.

Cruiser 8 \$ 29,065.00

To maintain cruiser schedule. 2007 cruiser reflects cost of purchase, equipment installation and decals.

## **WARNER HIGHWAY DEPARTMENT**

The list of approved jobs by the Board of Selectmen on 10/21/99 consists of major construction jobs that some people have complained about. It does not include roads that need regular maintenance or rehabilitation (Burnt Hill Road, Pumpkin Hill Road, East Sutton Road, Red Chimney Road, Waldron Hill Road, Melvins Road, Newmarket Road, etc.)

The priority of that list was:

1. Bean Road for approximately 9/10<sup>th</sup> of a mile for reconstruction, drainage, gravel and paving. It is the alternative route around the Waterloo Covered Bridge for Fire and Rescue and heavy trucking.
2. Poverty Plains Road is narrow and sand cannot be kept smooth due to the high traffic. Need to construct, drain, gravel and pave approximately 1500 feet.
3. Denny Hill Road approximately 1000 feet. This is near the intersection of School Street and Pumpkin Hill. There is high traffic use, a dangerous intersection, blind spots and some narrow areas.

4. Mason Hill Road. This is a major project to repair the intersection of Burnt Hill and Mason Hill. A contractor that has reviewed the repairs necessary has estimated the cost to be around \$179,000. There have been numerous accidents at this intersection.
5. Newmarket Road needs to be finished.
6. Horne Street washes out due to culvert and brook overflow.
7. Kearsarge Mountain Road. (Tory Hill Road) to do several types of repairs on various sections. There is heavy traffic on this road and it needs work and maintenance.
8. Kearsarge Mountain Road. Drainage by the Blanchette's and Indian Museum.
9. Retreat Road for approximately 1000 feet of narrow sand hill. This is a major route around Waterloo Covered Bridge, Fire and Rescue route, school bus route and trucking route.
10. Old Denny Hill. Rebuild and pave 1000 feet of steep road. Constant grading complaints.

As of August 21, 2002, these are comments from the Road Agent – [numbers correspond with the above priority list]:

#1. This project is half completed.

#7. The section of Kearsarge Mountain Road, formerly called Tory Hill, needs to be reconstructed. This job should have matching State funds as it is a Class II unimproved highway. You cannot apply for maintenance funds, only reconstruction funds.

#8. This is part of #7, and the drainage and road surface was done to Latting Lane in 2001 to stop complaints from residents.

#9. I will now consider this job as part of the East Roby District Road. As a cost savings (huge cost savings, we should do these two jobs as one.

The East Roby problem did not make the list in 1999, but will probably top the list now. In July of 2002, I met and reviewed the two roads with a very well-known contractor. They have given me a price for repairs at East Roby and the completion of Retreat Road at approximately \$600,000. The engineer has the repair alone on East Roby at \$588,000. The 1200-foot repair at East Roby leaves about 1 mile of Retreat Road uncompleted. About 1000 feet of East Roby District is in Sutton, before Retreat Road takes over in Warner. What we would do about that is unknown to me. I looked into moving the road at East Roby to a new location and found that it is impossible. I looked into moving the Waterloo covered bridge to another location in town, but found that it is registered as a National Historical Bridge and cannot be moved per their rules. I had hoped to replace the current bridge with a new bridge, and that would cost over one million dollars. That leaves the Retreat Road job and Roby District Road repairs pretty much needed.

## REQUESTS

### Equipment

1988 Highway Sander in 2008 7 \$ 17,000.00

1991 Mack Truck in 2004 7 \$140,000.00

1982 or 1986 Mack Truck in 2005 7 \$140,000.00

1997 Mack Truck in 2007 7 \$100,000.00

1998 Mack Truck in 2008 7 \$115,000.00

2000 Komatsu Loader in 2006 7 \$100,000.00

2002 Cat M312 Excavator in 2009 7 \$200,000.00

1999 F350 Pickup in 2004 7 \$ 35,000.00

2001 F350 Pickup in 2006 7 \$ 36,000.00

Gravel Pit 6 \$100,000.00

The gravel pit at Pleasant Lake has been offered to the town to buy. It is not cheap, but you need gravel with about 40 miles of gravel roads and all of the work they need. When you have to travel to Henniker or out of town to buy material, it is always more expensive and you never have it when you need it. Trucking and labor costs have to be figured into it. This should be purchased in 2003

Bridges 9 \$ 10,000.00

A fund should be started to repair some of our bridges. The Master Plan does not show the dates that these bridges were built, but we have some in town that are over 20 years old and they are going to need major repairs within the next few years.

Shim and Overlay Pavement 7 \$100,000.00

This amount should be appropriated annually. As the cost of oil increases, thought should be given to increasing this line also.

Construction Fund All but Kearsarge Mtn. Road 8

Kearsarge Mtn. Road 1

Total \$150,000.00

I continue to encourage the establishment of this fund. For safety reasons, we need several alternative routes through the town. One of these roads would be from Kearsarge Mountain Road to North Road. There is no escape for the residents of Kearsarge Mountain above Geneva Street in the event of a disaster.

The intersections of Route 103 and Old Main Road (both ends) are very dangerous and the intersection of Denny Hill Road with Old Main Road is also dangerous. A connector road should be constructed from Denny Hill Road to Route 103.

The third connector road should be from Kearsarge Mountain Road to Pumpkin Hill, but that would be very costly with all of the wetlands between the two existing roads.

Presently, the Highway Department is doing more construction work than maintenance. Although construction is an important aspect of highway work, highway maintenance is even more important as it reduces and prolongs the need to reconstruct some roads. A solid plan needs to be adhered to and only varied from if an emergency arises.

**WARNER FIRE DEPARTMENT**

The Town of Warner continues to experience an increase in population and business, increasing the need for Fire services.

The Warner Fire Department has experienced an increase in calls for services, especially medical related activity, over the past several years. This requires additional man hours. If the town's growth continues at the current rate, full-time personnel for medical response may be required.

## **SUMMARY OF CALLS AND ALARMS**

**TYPE 1999 2000 2001**

Alarm activities 19 18 18

Chimney fires 4 3 3

Medical emergency 135 162 155

MVA 45 32 24

Service Call 11 4 4

Structure fires 6 6 12

Wires down 9 9 3

Brush/forest fires 9 4 8

Investigation 2

Mutual aid 12 14 14

Other 6

Smoke investigation 5 3 6

Vehicle fire 9 7 9

Haz Mat 4 3

CO detection activities 1

False alarms 2

Illegal burns 5 5

#### REQUESTS:

Tank #3 6 \$ 45,000.00

Refurbish the 1980 Chevrolet tank truck – replace tank, paint, respring, rewire. Existing tank is rusting out and leaking. Truck is 22 years old. Refurbishment should add 12 – 15 years to life of truck. Replacement cost of new truck is approximately \$150,000. This should be done in 2003.

Jaws of Life 5 \$ 10,000.00

Should be purchased in 2003.

All-terrain rescue vehicle 5 \$ 10,000.00

This should be purchased in the year 2004.

Replace existing Cascade Air System 6 \$ 30,000.00

Current air system is very old. Must use extreme caution so as to not contaminate air cylinders used for breathing apparatus. New system would provide for greater safety and sufficiency. This is projected for the year 2006.

#### LONG RANGE PLANNING NEEDS

**2010:** Assuming current growth rates continue, some time around 2010 there will likely be a need for two full-time EMS/Fire personnel. At this time, consideration should also be given to providing full-time ambulance service. In doing so, a new central fire station or large substation will be needed. Estimated costs associated with this should be in the range of:

EMS/Fire personnel (2) \$ 75,000 - \$100,000 per year

Ambulance purchase (one time) \$150,000 - \$170,000

New Central Station \$1,000,000 (Large substation - \$600,000 - \$800,000)

While not all three projects would have to be done in the same year, they would most likely be implemented over a three to five year period.

**2012:** Should see replacement of the Forestry truck.

**2015:** Replacement of the refurbished Engine #1 and Rescue #1.

Engine #2 6 \$100,000 - \$150,000

Replace or refurbish. This is a 1989 pumper. At this time, vehicle will be 20 years old. Normally will show signs of wear. In the past, we have replaced pumper at 20 years. May be possible to refurbish, depending on deterioration. Refurbishing should add 5 – 10 years to the life

of the vehicle. Replace cost would be approximately \$200,000. This is a project for 2009.

## **WARNER PARKS AND RECREATION**

No request for funds was received for the next 6 years.

## **EMERGENCY MANAGEMENT**

Emergency Management has no submission for the CIP at this time. I am currently working with the New Hampshire Office of Emergency Management to receive a standby generator for our Emergency Operations Center located at the Highway Facility from mitigation funding associated with the ice storm. There are funds available for this project; however, some matching funds from the community will be required. If this project does not receive funding, I may place this into the CIP.

One project that has received funding from the town is the East Roby Road repair. I am currently attempting to receive State or Federal funds to assist in the Roby Road repair project. There is no guarantee that any funds will be available.

There is a safety issue that I hope you will pursue as part of this program: that is an alternate route off of Kearsarge Mountain Road (see Highway Department, pages 9 and 10 of this report). This issue has been identified in the 1999 Master Plan for the Town, but no action has been taken to date. In conducting a hazard analysis for the Town, it has been determined that many of our hazardous materials are stored in the center of Town. If there were a spill in the center of Town requiring the evacuation of Warner citizens, many residents on Kearsarge Mountain Road could be cut off from evacuating.

## **PILLSBURY FREE LIBRARY**

The Pillsbury Free Library has no planned capital improvements for the 2003-02008 period.

## **WARNER CONSERVATION COMMISSION**

The Warner Conservation Commission was established by vote of the Town Meeting in 1988, in accordance with RSA 36-A:3. The Commission has as its principal mission the protection of the environmental resources in the Town of Warner. During its 13 year history, the WCC has promoted environmental awareness among the town's residents; and has undertaken activities intended to document and protect Warner's land and water resources. The principal strategy that the WCC has adopted to protect environmentally sensitive areas and the more remote and rugged parts of the Mink Hills is to work with landowners to obtain conservation easements. To date, nine parcels have been protected, through direct WCC action, totaling almost 600 acres.

While the Town has dedicated the revenue received annually from the penalty assessed on properties taken out of current use, this source is insufficient to support an ongoing program. For example, the value of the conservation easement for a 750 acre tract in the Minks that is on the market is conservatively about \$150,000. This property is located centrally and would link existing protected land with the Chandler Reservation. While the WCC plans to apply for an LCHIP grant for half of the easement cost, the Commission doesn't have the funding necessary to meet the matching requirement. Therefore, the WCC is proposing that a \$50,000 annual amount be included in the Capital Improvement Program for each year within the 2003 – 2008 time period. This will assist in the above-mentioned project as well as assisting in other conservation efforts.

## **WARNER VILLAGE WATER DISTRICT**

The Warner Village Water District provides water supply and sewage disposal services to 224 residences, businesses and public buildings in the village area. The following projects have been identified by the District Commissioners as being needed and that should be considered by District voters for implementation within the 2003 – 2008 time period.

## REQUESTS

Development of a New Well 6 \$ 50,000 –

\$150,000

Year: 2004

In 2002, the two wells currently providing water to the District were redeveloped to renew their capacity to deliver adequate quantities of water. The redevelopment process meant that both wells had to be taken off-line for about four days because of their close proximity. Inasmuch as redevelopment is a recurring maintenance requirement to ensure continued productivity, the District should develop a new well at a location that is distant enough to make it independent of the existing wells. This project should be carried out within the next five years.

Sources of Funding: CDBG grant, SRF-Water Supply, District bond

Water Storage Tank Enlargement 4 \$500,000 –

\$700,000

Year: 2005

The existing Denny Hill storage tank has a capacity of 98,450 gallons and was constructed in 1987 to assure adequate quantities of water to meet normal daily demands and to equalize pressure in the system. A storage volume of 430,500 gallons was originally recommended to provide sufficient flow for fire suppression. The storage tank was designed to accommodate an increase in storage capacity, through additional concrete modules. This project would involve the addition of about 300,000 gallons of additional storage capacity.

Sources of Funding: CDBG grant, SRF-Water Supply, District bond

Replacement of Meters 1 \$ 70,000 –

\$ 80,000

Year: 2003

The District installed water meters in all residences, businesses and public buildings within the precinct at the time of the sewer treatment plant construction in 1975. Meters typically have a limited useful life, based on the quantity of water metered. The original meters are estimated to be reading from 20 to 40 percent below the quantity actually being consumed. Over time, meters that have failed have been replaced with new meters. These measure correct amounts, with corresponding increases in water and sewer rents for those customers. Also, as new customers come on line, they have new meters installed. Inasmuch as the majority of customers continue to have their water measured by old meters that register lesser amounts than they are using, an inequitable situation has come to exist. From the standpoint of revenue to the District, less water and sewer rents are being received as a result of the under-reporting meters.

This project will replace all meters in the precinct with modern meters. It also includes the purchase of automated meter reading devices, and installation of back-flow preventers.

Sources of Funding: SRF-Water Supply, District capital reserve fund.

Replace Water and Sewer Lines: West Main to Roslyn and Mill Street 6 \$450,000 –

\$500,000

Year: 2008

This project involves replacing the water and sewer lines, circa 1890, along West Main Street from Mill Street to Roslyn Avenue and also on Mill Street. This would correct substandard conditions and deficiencies, improve the quality of services, provide added capacity to serve existing customers and future growth and reduce long term operating costs.

Sources of Funding: USDA Rural Development, CDBG grant, SRF-Water Supply, District bond

Replace Sewer Line: Main Street – Mill to Old Main Street 5 \$400,000 –

\$500,000

Year: 2008

This project involves replacing the sewer main along Main Street east from Mill Street to Old Main Street. This pipe is original to the system and would be the remaining portion to be replaced. The project involves replacing 2,600 feet with 8-inch pipe and installing nine new manholes.

Sources of Funding: USDA Rural Development, CDBG grant, SRF-Water Supply, District Bond

Treatment Plant Generator Replacement 3 \$ 25,000

Year: 2004

This project will replace the generator at the plant. This generator is original equipment and is 26 years old. Oil is leaking into the fuel system which could cause an explosion. The generator is too big for the task and does not get properly exercised.

Sources of Funding: District operating budget

### **KEARSARGE REGIONAL SCHOOL DISTRICT**

Over the past 10 years, District enrollment has increased at an overall annual rate of 1.5% to 2%; however, the rate of growth has varied dramatically between grade levels. The high school and middle school populations have been growing at a rate in excess of 3% while the elementary enrollment has actually declined. This difference in growth rates is probably explained by the housing market and by overall population changes. There is very little rental property or multifamily housing in the seven towns of the district, and property values are relatively high. Thus, it is very difficult for young families to find affordable housing. As they grown older and more prosperous, they can then afford to move into the district, hence accounting for the growth of the high school and middle school populations.

Per page 40 of the 2002 Annual Report, Warner had an ADM of 477.8 and a total assessment of \$3,577,083 or an average cost of \$7,486.56 per student. This also reflects an 18% cost of the total budget.

The average cost per student in 2001 was \$7,239.44 or 17.6% cost of the total budget.

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#### REQUESTS:

Addition to Kearsarge Regional High School \$ 2,859,358.00

Kearsarge Regional Middle School \$19,500,000.00

(Per Concord Monitor -- 11/22/02)

## FINANCIAL ANALYSIS

Attached is a spreadsheet showing anticipated expenses and proposed reserves for various departments of our town as well as the School District and the Village Water District from 2003 to 2017. I look at this spreadsheet as something that we can revise as we get a clearer picture of the actual year to year needs of the town.

As you can see, there is considerable variation in anticipated expenditures from year to year. We would expect that bonds will be issued to pay for the Regional High School Addition and the New Middle School so those expenditures could be spread out over 20 years rather than all having to be raised in 2003 and 2004.

The Town of Warner might also want to consider issuing bonds during this time of low interest rates. Good quality twenty-year Tax Free Bonds are currently costing approximately 4.5% per year interest. We'd probably also need to escrow some principal each year to assure redemption of the Bonds at maturity in 20 years, or we might want to redeem some bonds each year prior to maturity.

## ESTIMATED WARNER CAPITAL RESERVE FUNDS

**Available 12/31/02**

### HIGHWAY DEPARTMENT

East Roby Road Repair, etc. \$100,000.00

Highway Equipment 53,000.00

**HIGHWAY DEPT. TOTAL \$153,000.00**

### FIRE DEPARTMENT

Fire Equipment \$ 75,000.00

**FIRE DEPT. TOTAL \$ 75,000.00**

### EXPENDABLE FOREST FIRE TRUST

**FOREST FIRE TRUST TOTAL \$ 30,382.09**

### CEMETERIES HEADSTONE RESTORATION

Expendable Trust \$ 5,000.00

New Waterloo Cem. Capital Equipment 3,500.00

**CEMETERIES RESERVES TOTAL \$ 8,500.00**

**ODD FELLOWS (MARTIN) BUILDING \$ 10,000.00**

**ODD FELLOWS BUILDING TOTAL \$ 10,000.00**

### TOTAL CURRENT

**CAPITAL RESERVE FUNDS: \$276,882.09**

## **SUBCOMMITTEE REPORT**

The subcommittee reviewed all the requests from the various departments. Using the same criteria as the departments, we gave each request a rating.

There was a lengthy discussion by the committee of the East Roby Road versus a new bridge at Waterloo. A major consideration was given to the historic value of the covered bridge currently located in Waterloo. We were very conscious of the safety and health response time for those individuals living on just the other side of the covered bridge. At this time, modern and heavy equipment are unable to pass through the bridge and must use either East Roby Road or North Village Road/Bean Road/Newmarket Road. We met and discussed this matter with the Road Agent and concluded that the reconstruction of the entire East Roby Road was the best solution. This is what we recommended to be done and be given a high priority by the town.

We encourage the Board of Selectmen and the Budget Committee to consider undertaking a sizable loan/bond and implement the construction of a number of the road projects that are recommended by the Road Agent. We think that construction costs are going to continue to increase and interest rates are at the lowest they will ever be. Acting now would allow our highway department to return to maintaining our roads and not be in the road building business. Projects on the itinerary are all going to have to be done soon and the cost of some would be such that we would have to borrow at that time or postpone the projects until a Capital Reserve fund was of an adequate amount.

We also encourage the Board of Selectmen and Budget Committee to continue to add to the current Capital Reserve Funds and start several more. The CIP is only for 6 years, but costly items (Fire Station) are just beyond 2008 and the town should start saving now.

We wish to thank all of the departments for their cooperation in this report. Hopefully, in another year we will be able to expand it and give everyone more details so that better educated decisions for the future of the town can be made.

