

**Town of Bow**  
**Capital Improvements Committee**  
**September 11, 2019**  
**Approved Minutes**

The Capital Improvements Program (CIP) Committee met Wednesday, September 11, 2019 at 5:30 PM. in Meeting Room C in the Municipal Building at 10 Grandview Road, Bow, New Hampshire.

Committee members present were: Chair Bill Oldenburg (Planning Board Representative); Jeffrey Knight (Budget Committee Representative); Jennifer Strong-Rain (School Board Representative); Colleen Hunter (Selectman Representative). Also present were Town Manager David Stack and Finance Director Geoff Ruggles. Members absent were: Vice Chair Dik Dagavarian (Citizen Representative; Glenn Dugas (Citizen Representative); and Mark Davis (Citizen Representative). A quorum was still maintained.

**I. Call to Order**

The meeting was called to order at 5:30 PM.

**II. Old Business**

1. Acceptance of the any unapproved minutes.

**Motion:**

Selectman Hunter moved to approve the minutes of August 7, 2019 with the corrections noted by the recording secretary. Motion was seconded by Jeffrey Knight and carried by unanimous vote 4-0-0.

**Motion:**

Selectman Hunter moved to approve the minutes of August 21, 2019. Jeffrey Knight seconded. There being no discussion, the Chair called for a vote. Motion to approve the minutes as presented carried by unanimous vote. 4-0-0.

**III. New Business**

1. Review and finalize town CIP

Selectman Hunter told the Committee that Business Development Committee (BDC) had voted to ask the CIP Committee to set up a Capital Reserve Fund (CRF) for water extension to commercial real estate and to contribute \$250,000 to it. There was some discussion on the contribution amount but the Committee agreed to set up the CRF noting they can include it but not recommend the contribution.

Director Ruggles reviewed any changes made to the updated handouts. Under Bridges and Highway Construction the total had included amounts in Dunklee Bridge and Rte. 3A intersection that had already been paid for so the numbers were reduced accordingly. This allowed the contribution to go back to \$120,000 and still have money in the fund out to year six. Based on an updated estimate for the fuel system replacement the Committee agreed to raise the contribution to \$176,000. No changes to the Police Department, Fire Department, Public Works, Baker Free Library or Parks and Recreation detail sheets. Water and Sewer System has a new estimated cost for the water system extension based on the amount of a feasibility study for MBTE in the system. Turning to the Recommendation History sheet, the biggest increase in contribution amounts is under the Municipal Buildings and Grounds which is starting to save for a \$1.5 million municipal building renovation in 2026-2027. There was continued discussion about the municipal heating and electrical components with the municipal building renovations. The Committee agreed to move the heating system of \$45,900 and electrical of \$86,700 out to 2026-2027 with the municipal building renovations.

The Committee recognizes there are several large projects coming down the line and the question of whether the CIP could realistically save for them all without a large spike in the contributions (and the tax rate) was explored. The Committee has never discussed whether to recommend bonding for certain projects before and discussion continued. One concept is that when the indebtedness reduces the contributions to the CRFs would increase and the effect on the tax rate would stay the same. Conversely, if the indebtedness increases contributions to the CRFs would decrease. Further discussion continued around bonding, rate of indebtedness, term, timing of the bond and contributions to the CRFs. Bonding makes sense for a building or water system that lasts for a considerable period of time but not for something like equipment which are better saved for with a CRF. The Committee went through various scenarios of rates, bonding amount and number of years to get a better idea of what it would look like.

Various ways to present the CIP were discussed. Director Ruggles will bring bond schedules for the Committee to review at the next meeting.

2. Set next meeting

After some discussion, the Committee set the next meeting for Tuesday, September 17, 2019 at 5:30, Room C.

**IV. Adjournment.**

There being no further business before the Committee,

**Motion:**

Selectman Hunter moved and Jeffrey Knight seconded the motion to adjourn the meeting at 7:30 PM. Motion carried by unanimous vote of the Committee. 4-0-0.

Respectfully submitted,

Wendy Gilman, Recording Secretary