

**CAPITAL IMPROVEMENTS PLAN
2003-2009**

Final August 08, 2002

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With Assistance from the Nashua Regional Planning Commission

Adopted by the Pelham Planning Board on 09/05/02

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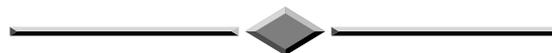


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PELHAM CAPITAL IMPROVEMENTS PLAN 2003-2009

A. INTRODUCTION

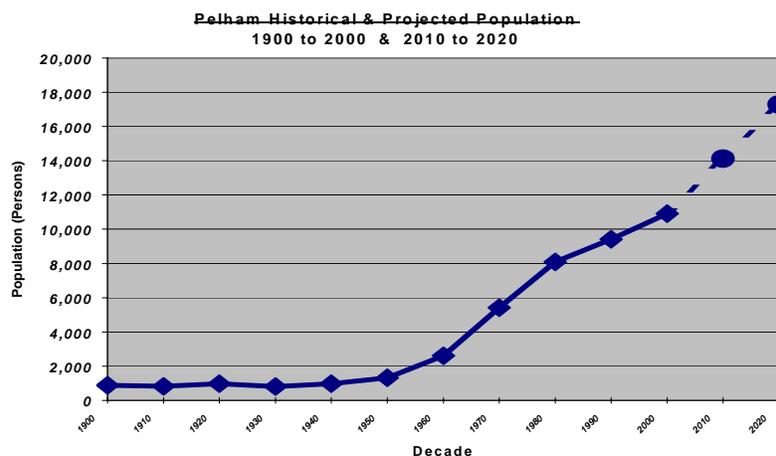
The preparation and adoption of a Capital Improvements Plan (CIP) is an important part of Pelham's planning process. A CIP aims to recognize and resolve deficiencies in existing public facilities and anticipate and meet future demand for capital facilities. A CIP is a multi-year schedule that lays out a series of municipal projects and their associated costs. Over the seven-year period considered by the CIP, the plan shows how the Town should strategize to maintain, expand or renovate facilities and services as needed to meet the demands of existing or new population and businesses.

A CIP is an advisory document that can serve a number of purposes, among them:

- To provide the Town of Pelham with a guide to be used by the Budget Committee, Board of Selectman, and School Board for their annual budgeting process (RSA 674:5-8);
- Provide a forward looking planning tool for the purpose of contributing to the creation of a stable real property tax rate;
- To aid the Town's elected officials, appointed committees, and department heads in the prioritization, coordination, and sequencing of various municipal and school improvements;
- To inform residents, business owners and developers of needed and planned improvements; and
- To provide a necessary legal basis for the development and proper administration of the Town's impact fee system (RSA 674:21.V.(b)).

Pelham's population underwent rapid growth between 1960 and 1980 (Table 1, Figure 1). From 1980 to 2000 the rate of growth has abated slightly, falling short of the 1997 NH Office of State Planning (NHOSP) projection for the year 2000, with a population of 10,914 vs. a projection of 11,506. The Town must still plan to meet the needs of a population that continues to grow at a regular and consistent rate. There is no indication that the trend toward steady population growth will decline from the rates recently demonstrated. Over the last 10 years the rate of growth in population has averaged about 1.6% per year.

Figure 1



Sources: U.S. Census and New Hampshire Office of State Planning

Table 1
Pelham Population, 1900-2020

Historical U.S. Census Population			NHOSP Projections		
Year	Population	% Change	Year	Population	% Change
1900	875	-	2005	13,082	19.9%
1910	826	-5.6%	2010	14,118	7.9%
1920	974	17.9%	2015	15,730	11.4%
1930	814	-16.4%	2020	17,285	9.9%
1940	979	20.3%			
1950	1,317	34.5%			
1960	2,605	97.8%			
1970	5,408	107.6%			
1980	8,090	49.6%			
1990	9,408	16.3%			
2000	10,914	16.0%			

Sources: U.S. Census for 1900 to 2000.

New Hampshire Office of State Planning (NHOSP) population projections 1997.

A comparison of the Town's annual operating costs over the last ten years with capital outlay and debt suggests that while the overall budget of the Town has been increasing regularly, the municipal portion devoted to capital outlay and debt service has been somewhat irregular (Table 2). Within the School District routine capital expenditures have come to represent a smaller portion of the overall budget allocation, although the elementary school expenditure authorized last year will offset this trend, as seen in the 2001 school figures in the table below. It is a principal goal of the CIP to increase the predictability and regularity of the Town's budget by planning for routine or anticipated major purchases of durable capital equipment and determining appropriate methods for meeting the Town's capital facility needs.

Table 2
Municipal & School Capital Outlay And Debt Service, 1986-2001

Year	Municipal Expenditures					School District Expenditures*					Total Expenditures				
	CAPITAL OUTLAY & DEBT	% CHANGE	OPERATING COSTS	% CHANGE	CAPITAL % OF TOTAL	CAPITAL OUTLAY & DEBT	% CHANGE	OPERATING COSTS	% CHANGE	CAPITAL % OF TOTAL	CAPITAL OUTLAY & DEBT	% CHANGE	OPERATING COSTS	% CHANGE	CAPITAL % OF TOTAL
1988	94,471	-56.3%	2,503,980	1.6%	3.6%	184,305	-15.2%	6,442,260	21.8%	2.8%	278,776	-35.7%	8,946,240	15.4%	3.0%
1989	107,437	13.7%	2,800,920	11.9%	3.7%	157,348	-14.6%	6,765,744	5.0%	2.3%	264,785	-5.0%	9,566,664	6.9%	2.7%
1990	124,091	15.5%	2,871,669	2.5%	4.1%	151,243	-3.9%	7,384,674	9.1%	2.0%	275,334	4.0%	10,256,343	7.2%	2.6%
1991	86,189	-30.5%	2,739,636	-4.6%	3.1%	145,138	-4.0%	8,050,693	9.0%	1.8%	231,327	-16.0%	10,790,329	5.2%	2.1%
1992	55,744	-35.3%	3,414,790	24.6%	1.6%	139,033	-4.2%	7,611,446	-5.5%	1.8%	194,777	-15.8%	11,026,236	2.2%	1.7%
1993	232,858	317.7%	3,302,686	-3.3%	6.6%	127,928	-8.0%	8,461,182	11.2%	1.5%	360,786	85.2%	11,763,868	6.7%	3.0%
1994	1,063,849	356.9%	3,311,148	0.3%	24.3%	0	-100.0%	8,825,333	4.3%	0.0%	1,063,849	194.9%	12,136,481	3.2%	8.1%
1995	710,518	-33.2%	3,436,054	3.8%	17.1%	71,619	N.A.	9,217,060	4.4%	0.8%	782,137	-26.5%	12,653,114	4.3%	5.8%
1996	598,352	-15.8%	3,548,220	3.2%	14.4%	71,619	0	9,768,371	6.0%	0.7%	669,971	-14.3%	13,316,591	5.2%	4.8%
1997	618,401	37.2%	3,224,184	-9.1%	16.1%	93,900	31.1%	10,002,740	7.6%	0.9%	712,301	6.3%	13,736,800	3.2%	4.9%
1998	506,149	-18.2%	3,416,705	6.0%	12.9%	81,021	-13.7%	9,964,651	-0.4%	0.8%	587,170	-17.6%	13,381,356	-2.6%	4.4%
1999	\$470,010	-7.1%	\$3,355,745	-1.8%	12.3%	\$61,048	-24.7%	\$11,986,818	19.3%	0.5%	\$531,058	-10.6%	\$15,342,563	14.7%	3.3%
2000	\$569,909	21.3%	\$3,719,699	10.8%	13.3%	\$79,894	30.9%	\$12,355,949	3.1%	0.6%	\$649,803	22.4%	\$16,075,648	4.8%	3.9%
2001**	\$519,149	-8.9%	\$4,050,482	8.9%	11.4%	\$394,335	393.6%	\$13,468,687	9.0%	284.5%	\$913,484	40.6%	\$17,519,169	9.0%	495.6

Sources: Town of Pelham, NH Annual Town Reports; Auditor's Report, (Exhibit A) and School Budget, (Expended)

*School district figures are for the school year (e.g. 2001 = 00/01).

**Bond for New Elementary School accounts for large rise in School District Capital Outlay and Percentages for 2001

The Pelham Capital Improvements Plan Committee (the Committee) has prepared this report under the authority of the Planning Board and RSA 674:5-8 (Appendix A). It is the Committee's intention that this report reflects the capital needs of the Town for the period between 2003-2009 and to offer recommendations to the Budget Committee for consideration as part of the annual budget.

Information was submitted to the Committee from the various town Departments, Boards and Committees, who helped form the basis of this document. Although this CIP includes a seven year period, the CIP should be updated every year to reflect changing demands, new needs, and routine assessment of priorities. This document contains those elements required by law to be included in a Capital Improvements Plan.

As indicated, the adoption of a CIP by the Planning Board is a statutory prerequisite to the application of impact fees. The adoption of an impact fee ordinance occurred in 1999, when in October an impact fee schedule was approved to fund a portion of the cost to construct a new elementary school.

Impact fees, however, have significant limitations. They can only be used to offset the proportion of capital expenses attributed to new development. They may not be used to meet existing capital deficiencies. Also, impact fees collected must be properly used within six years, or the Town must refund unused funds plus accrued interest to the developer(s) who paid them. Despite these constraints, which are more clearly delineated in the statute in Appendix A, it has been a strong recommendation of the CIP Committee that the Town of Pelham use impact fees as a method to manage and reduce the future cost of capital improvements. Furthermore, many capital improvements recommended in this CIP are consistent with the long term goals of the Pelham Master Plan as summarized in Appendix B.

After a detailed analysis of the Fire Departments needs for new facilities and the associated cost, the CIP Committee recommended and the Planning Board and Board of Selectman adopted a Fire department impact fee schedule. The impact fees collected will aid in funding new facilities needed to accommodate growth and improve response times to outlying neighborhoods as the pressures of rapid growth continue in Pelham.

For the purposes of this document, a capital improvement is defined by its cost and its useful life. Items included have a cost of at least \$20,000 and generally have a useful life of at least three years. Eligible items include new buildings or additions, land purchases, some studies, substantial road improvements and purchases of major vehicles and equipment. Operating expenditures for personnel and other general costs are not included. Expenditures for maintenance or repair are generally not included unless the cost or scope of a project is substantial enough to increase the capacity of a facility, or an improvement is a major long-term repair that maintains the useful life a capital facility.

A brief description of each project included in the 2003 to 2009 CIP schedule voted on by the CIP Committee is provided below. Starting dates are not provided for deferred projects or those categorized as needing research. Typically deferred projects are not placed on the seven year schedule because: 1) there is insufficient information to determine the relative need for a capital improvement and additional research may be required before the Committee would consider allocating the project within the CIP schedule; or 2) based on information available the Committee has resolved that there is not a demonstrated need for a project in the next seven years.

In Some cases a municipal department articulated a request for a project, but the project was outside of the seven year CIP schedule. In other instances incomplete or unclear information was provided regarding a project start date. In these cases the projects were left off the CIP.

B. FINANCING METHODS

In the project summaries below, there are a number of different local financing methods used. Four methods require appropriations, either as part of the Town's annual operating budget or as independent warrant articles at Town Meeting. The *1-Year Appropriation* is most common, and refers to those proposed projects that are to be funded by real property tax revenues within a single fiscal year. The *Capital Reserve* method requires appropriations over more than one year, with the actual project being accomplished only when the total appropriations meet the project cost. The *Lease/Purchase* method has been used by the fire department and other divisions for vehicle purchases. *Bonds* are generally limited to the most expensive capital projects, such as major renovations, additions, or new construction of buildings or infrastructure, and allow capital facilities requests to be met immediately while spreading out the cost over many years in the future. *Impact fees* are collected from new development to pay for new facility capacity and placed in a fund until they are either expended within six years as part of project financing or they are returned to the party they were collected from.

In addition, if there are instances where fiscal resources from outside the community have been committed to help finance a local capital project, then the offsetting revenues are shown in association with the proposed capital project. Typical examples are grants, such as for new education buildings or State Transportation Improvement Plan (TIP) matches.

C. IDENTIFICATION OF DEPARTMENT CAPITAL REQUESTS

The Pelham CIP Committee uses worksheet forms that are filled-out annually and submitted by department heads and committee chairs to identify potential capital requests and explain these project requests. Forms are tailored by the CIP Committee and the Planning Department to generate information that defines the relative need and urgency for projects, and which also enables long-term monitoring of the useful life and returns from projects. The CIP worksheet includes: a project description; the departmental priority if more than one project is submitted; the facility service area; the rationale for a project; a cost estimate; and potential sources of funding. The form is included in Appendix C. After written descriptions of potential capital projects are submitted, department heads or committee chairs are asked to come before the CIP Committee to fill information gaps, explain their capital requests and priorities in detail and to explore with the CIP Committee the alternative approaches available to achieve the optimum level of capital requests and improvements while maintaining a level tax rate as possible while funding needed improvements.

D. PRIORITY SYSTEM

The Committee established a system to assess the relative priority of projects requested by the various departments, boards, and committees. Each proposed project is individually considered by the Committee and assessed a priority rank based on the descriptions below:

"U"--Urgent	Cannot be delayed. Needed for health or safety.
"C"--Committed	Part of an existing contractual agreement or otherwise legally required.
"N" – Necessary	Needed to maintain existing level and quality of community services.
"D"--Desirable	Needed to improve quality or level of services.
"F"--Deferrable	Can be placed on hold until after 7-year period, but supports community development goals.
"R" – Research	Pending results of ongoing research, planning, and coordination.
"I"--Inconsistent	Conflicts with an alternative project/solution recommended by the CIP. Contrary to land use planning or community development goals.

Table 3 contains the projects considered by the Committee, by Town Department. The information in Table 3 represents all requests for capital projects submitted by each municipal division to the CIP Committee. The 'CIP Committee Priority Recommendations' in the column to the far right describes the rank assigned by the CIP Committee to each of these projects within the seven categories of relative project priority.

TABLE 3
SUMMARY OF PROJECTS REQUESTED

	Department/Project	Department Cost Without Debt/Revenue	Starting Year (Dept. Request)	Financing Method (Method Recommended By Department)	CIP Committee Priority Recommendations							
					U	C	N	D	F	R	I	
	All Requests By Municipal Entities -- In the Order Requested											
I.	ADMIN./GEN'L GOVERNMENT											
A.	Municipal Building & Library			Appropriation by Ballot		C						
B.	20yr-Bond/ Note 2003	\$8,911,125	2003	Bonding		C						
C.	Municipal Capital Reserve 12/31/01	\$719,319	Existing	Capital Reserve Warrant								
II.	POLICE DEPARTMENT											
A.	Cruiser Replacement (2)	\$62,600	2003	1-Year Appropriation	U							
B.	Cruiser Replacement (2)	\$64,500	2004	1-Year Appropriation			N					
C.	Cruiser Replacement (2)	\$66,400	2005	1-Year Appropriation			N					
D.	Cruiser Replacement (2)	\$68,400	2006	1-Year Appropriation			N					
E.	Cruiser Replacement (2)	\$70,500	2007	1-Year Appropriation			N					
F.	Cruiser Replacement (2)	\$72,500	2008	1-Year Appropriation			N					
G.	Cruiser Replacement (2)	\$74,700	2009	1-Year Appropriation			N					
H.	Animal Control Vehicle (1)	\$30,000	2009	1-Year Appropriation			N					
III.	FIRE DEPARTMENT											
A.	Ambulance Fund	\$70,000	2003	Annual Appropriation (\$10,000 per year)			N					
	User Fee Balance 12/31/01	\$36,808	Existing	Withdrawal (10,000 per year)								
B.	Self-Cont. Breathing Apparatus	\$20,000	2003	1-year Appropriation			N					
C.	2nd Set of Haz-Mat Gear	\$30,000	2003	1-year Appropriation		C						
D.	Sub Fire Station # 1	\$1,000,000	2004		U							
E.	Central Fire Station Renovation	\$207,000	2004	Unprogrammed							R*	
F.	Ambulance Chassis	\$30,000	2005	1-Year Appropriation			N					
	Ambulance Fund Withdrawal	(\$30,000)	2005	Withdrawal to Offset Expendditure								
G.	Replacement of 2 Defibrillators	\$49,206	2006	1-year Appropriation			N					
H.	Replacement Fire Truck - 2007	\$350,000	2007	5-Year Lease/Purchase (\$70,000 per year)			N					
I.	Sub Fire Station # 2	\$1,000,000	2008					D				
J.	Build 2nd Floor - Police/Fire			Unprogrammed								I*
K.	New Primary Fire Station			Unprogrammed							R*	
	Impact Fee Balance 7/01/02	\$33,153										
IV.	HIGHWAY DEPARTMENT											
A.	Bridge Repair Capital Reserve	\$525,000	2003	Annual Appropriation (\$75,000 per year)			N					
	Capital Reserve Balance 12/31/01	\$75,000										
B.	90 HP Tractor w/ Boom Mower	\$45,400	2003	1-Year Appropriation				D				
C.	Maintenance & Storage Garage	\$576,000	2003	1-Year Appropriation				D				
D.	1 Ton Dump Truck /Plow	\$45,542	2004	1-Year Appropriation			N					
E.	Castle Hill Road Bridge	\$580,000	2004	1-Year Appropriation	U							
	State Aid	(\$464,000)	2004									
	Capital Reserve Withdrawal	(\$116,000)	2004									
F.	Tallant Road Bridge	\$735,000	2005	1-Year Appropriation	U							
	State Aid	(\$588,000)	2005									
	Capital Reserve Withdrawal	(\$147,000)	2005									
G.	Dump truck/Plow/Sander - 2005	\$95,870	2005	3-Year Appropriation				D				

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	Department/Project	Department Cost Without Debt/Revenue	Starting Year (Dept. Request)	Financing Method (Method Recommended By Department)	CIP Committee Priority Recommendations								
					U	C	N	D	F	R	I		
	All Requests By Municipal Entities -- In the Order Requested												
				(\$31,957 per year)									
H.	4 WD Backhoe	\$70,000	2005	1-Year Appropriation			N						
I.	Willow Street Bridge	\$930,000	2006	1-Year Appropriation	U								
	State Aid	(\$744,000)	2006										
	Capital Reserve Withdrawal	(\$186,000)	2006										
J.	Dump truck/Plow/Sander - 2007	\$95,870	2007	3-Year Appropriation (\$31,957 per year)				D					
K.	Hinds Lane Reconstruction	\$214,800	2009	1-Year Appropriation					F				
L.	1 Ton Pickup Truck w/ Plow	\$29,722	2009	1-Year Appropriation			N						
M.	Dump truck/Plow/Sander - 2009	\$95,870	2009	3-Year Lease/Purchase (\$31.957 per year)				D					
V.	SOLID WASTE DISPOSAL												
A.	Recycling Building	\$375,976		Unprogrammed							R		
VI.	PARKS & RECREATION												
A.	Soccer Fields at Raymond Park	\$203,000	2005	1-Year Appropriation				D					
B.	Skate Board Park	\$80,000	2005	1-Year Appropriation				D					
C.	Guard Shack at PVMP	\$68,750	2006	1-Year Appropriation							R		
D.	Community/Rec. Center	\$3,150,000	2008								R		
VII.	LIBRARY												
A.	Handicap Accessible			Unprogrammed							R		
VIII.	TAX COLLECTOR/ TOWN CLERK												
A.													
IX.	CEMETARIES												
A.	30'x 44' Garage	\$92,350	2003				N						
B.	Purchase 10 Acres of land	\$600,000	2005								R		
X	SENIORS												
A.													
XI.	SCHOOLS												
A.	New Elementary School (10 yr. bond) expires 2011	9,258,675	2003	(See Appendix E for the 10 yr. bond schedule)		C							
	State Building Aid	(\$2,178,000)	2003	Approx. \$300,000 per year									
	Impact Fee Balance 7/01/02	(\$839,811)	2003										
B.	School Building Maintenance Capital Reserve 12/31/02	\$700,000	2003	Annual Appropriation (\$100,000 per year)			N						
C.	Technology Program	\$525,000	2003	7-Year Appropriation (\$75,000 per year)			N						
D.	Side/Rear Doors at Memorial School	\$35,000	2003	1-Year Appropriation			N						
E.	Floor Tiles at Memorial School	\$65,000	2003	2-Year Appropriation (\$56,000 per year)			N						
F.	Mower/Snow blower	\$38,000	2003	1-Year Appropriation			N						
G.	New Maintenance Vehicle	\$35,000	2003	1-Year Appropriation			N						
H.	Repave Memorial Parking Lot	\$55,000	2004	1-Year Appropriation				D					
I.	Kindergarten			Unprogrammed							R		
J.	High School Renovation/ Addition			Unprogrammed							R		
K.	Ventilation at Memorial School			Unprogrammed							R		

E. LISTING AND DISCUSSION OF PROJECTS BY RECOMMENDED PRIORITY

“U”--Urgent: Cannot be delayed. Needed for health or safety.

- II.A. **Cruiser Replacement - 2003.** A 2-2 replacement cycle of police cruisers is recommended by the Police Chief, meaning that two vehicles are retired and replaced each year. Two cruisers are proposed for replacement in 2003. In subsequent years a 2-2 replacement of high mileage cruisers is based on the rationale that replacements will provide enhanced safety of officers and the public, improves service, and reduce high operating costs associated with the older high mileage vehicles. The CIP committee recommends two new cruisers are purchase in FY 2002. It has been noted that in the year 2010, there may be a need for three (3) cruisers based on the expected growth in miles of town road to patrol.
- III.D. **Sub Fire Station # 1 - 2004.** There is a need for a sub fire station that can enable rapid response to under-served parts of East Pelham, as this is the area of town with the longest response time. A new impact fee was enacted in March 2002 that will provide funds from new development as permitted in NH statutes. The department intends to maintain a maximum four (4) minute response time as the town develops farther away from the Central station. The CIP Committee has ranked the first of two proposed sub fire stations as Urgent because response times are already well above (4) minutes in some outlying areas of town especially the Spring Street Extension area near the Methuen border which would be served by this first sub fire station.
- IV. E. **Castle Hill Road Bridge - 2004.** This is a wooden deck bridge currently on the NHDOT Municipal Bridge Red List. Rehabilitation of this structure is urgently needed. Rehabilitating this bridge enables this route to serve as an alternate detour route during the rehabilitation of the Tallant Road Bridge. Windham has shown a willingness to share in the cost of rehabilitating this bridge, as the closing of this bridge would have an adverse affect on their residents. Rehabilitation would be funded through a combination of anticipated state aid and a Bridge Repair Capital Reserve account and funds from the Town of Windham as negotiated by the Board of Selectman. A 20 percent match is required to receive State bridge aid, which will be applied for in conjunction with the next 10-Year State Transportation Improvement Plan (TIP), which will be completed in 2002. Funding must be approved before a bridge may be scheduled with NHDOT. The CIP committee recommends scheduling of Castle Hill Bridge replacement for FY 2004.
- IV. F. **Tallant Road Bridge - 2005.** This bridge replacement is scheduled for 2005. This bridge is too narrow for today’s standards. It is to be funded through combination of anticipated state aid and a Bridge Repair Capital Reserve account. This project cannot be addressed until Castle Hill Bridge renovation occurs because Caste Hill Bridge is needed to provide a detour route. Funding must be approved before a bridge may be scheduled with NHDOT.
- IV. I. **Willow Street Bridge - 2006.** This bridge replacement is scheduled for 2006. This bridge is too narrow for today’s standards. It is to be funded through combination of anticipated state aid and a Bridge Repair Capital Reserve. Funding must be approved before a bridge may be scheduled with NHDOT.

"C"--Committed Part of an existing contractual agreement or otherwise legally required.

- I. A. **Municipal Building / Police, Fire and Library - Appropriation by Ballot.** Voters approved a bond for conversion of the E. G. Sherburne School into a combined municipal facility. Town Offices and Police Headquarters are planned at the former school. A new Library is planned for placement on the Mills property, overlooking a new (3) acre Town Green. The Board of Selectmen anticipates the need for some additional money in 2003 for furnishing and the police department has received money from the RICOH fund, which will pay for some furniture and equipment in the new police station.
- I. B. **Bond Bank Note (Private) - 2003.** Voters approved a bond for conversion of the E. G. Sherburne School into a combined municipal facility. In addition, a new library is planned on the Mills property. The town opted for a private institution for favorable rates. The \$5,600,000 bond/note will extend beyond the 7 year CIP schedule with a remaining balance in 2009 of \$3,593,000.
- I. C. **Municipal Buildings Maintenance Capital Reserve - Existing.** The CIP Committee recommends that the Board of Selectman establish a new Municipal Building Maintenance Capital Reserve Fund specifically for the purpose of maintaining all of the Town buildings. This fund would be used to stabilize the tax rate when funding future repairs and additions to Town facilities.
- III. C. **2nd Set of Hazardous Material (HAZMAT) Equipment - 2003.** The Fire Department requests funds for a backup set of HAZMAT equipment for situations when the primary set has been exposed to contaminants (gas, oil, chemicals) during an incident and must be sent out of Town for decontamination. As federally mandated, the Fire Service have jurisdiction over all hazardous materials incidents and must have a set of response gear available at all times.
- XI. A. **New Elementary School (10-year bond) - 2003.** In 2000 the community approved \$10,373,00 in bond principal to enable elementary school construction. Based on current finance and revenue assumptions this project is committed through 2011. The bond is in its 2nd year with an outstanding balance of \$9,258,675.

"N"--Necessary: Needed to maintain basic level and quality of community services.

- II. B. - G. **Cruiser Replacement - 2004-2009.** The Police Chief has recommended a 2-2 cycle of replacement of cruisers in order to enhance the safety of officers and the public, improve service and reduce the high operating costs associated with older high mileage vehicles. This means that every year two existing police cruisers will be replaced with new vehicles. The 2-2 cycle is scheduled through 2009. It has been noted that in the year 2010, there may be a need for replacement of three (3) cruisers per year based on the additional road miles patrolled at that time.
- II. H. **Animal Control Vehicle - 2009.** - The Police Department purchase of this vehicle will replace the existing new Animal Control pick-up truck and provide the continued ability to pick up and transport animals. The current ACO vehicle is expected to last through 2009 at which time a replacement pick-up truck will be needed.
- III. A. **Ambulance Fund - 2003.** The continuation of the ambulance capital reserve account for ongoing funding of ambulance upgrades and enhancements, and new purchases is recommended by the CIP Committee in order to stabilize spending for this item. This fund should also be used for additional equipment needed at the new sub fire stations.
- III. B. **Self-Contained Breathing Apparatus (SCBA) - 2003.** The Fire Department requests new enhanced breathing apparatus to replace their aging existing equipment. A new set consists of lighter weight tanks and updated regulators with more safeguards, including heads-up display for heat, air remaining and a lack of motion alarm. This will improve the safety and improve the quality of equipment.
- III. F. **Ambulance Chassis - 2005.** The Fire Department requests the replacement of the existing 1986 Ford chassis with a new one in 2005. The existing aluminum body is in good condition. The new chaise is needed to maintain the current level of service. It is anticipated that funds from the Ambulance Fund will offset the cost of this request.
- III. G. **Replacement of 2 Defibrillators - 2006.** The Fire Department requests replacement of 2 defibrillators that are coming off warranty. Reliability and cost are factors for replacement. New features beneficial to paramedics are available on the new Physio-Control Lifepack 12 units. The ability to fax EKGs to physicians while in route will increase ability to treat patients faster and more effectively.
- III. H. **Fire Truck - 2007.** The Fire Department requests replacement of a 1985 Ford 3-D, 1,500 gallon (1,500 gpm) mid-ship pump truck. This truck will be 22 years and will need to be moved to back-up status with the replacement becoming the new Class A truck. The cost will be distributed over a five (5) year lease/purchase.
- IV. A. **Bridge Repair Capital Reserve - 2003.** The CIP Committee endorsed the establishment of a bridge repair capital reserve account. Beginning in 2003, annual funding of the account at the proposed \$75,000 per year is necessary to fund the repair of three bridges on the state bridge repair list that are in critical need of repair or replacement, and to stabilize the tax rate. The Towns matching funds must be available prior to the NHDOT scheduling the project.
- IV. D. **1 Ton Dump truck w/Plow - 2004.** The Highway Department has requested a 1 ton dump truck with a 9 foot plow attachment to replace a 1994 1 ton pickup with 108,419

miles on it. It is anticipated that the new vehicle will reduce operating and maintenance costs.

"N"--Necessary: Needed to maintain basic level and quality of community services.

- IV. H. **New Four Wheel Drive Backhoe - 2006.** Purchase of a new 4WD backhoe will replace an existing frontline machine. A backhoe purchased in 1990 with an excess of 11,200 hours would be traded-in while frontline backhoe purchased in 1997 with over 4,800 hours would become the backup unit and to load trucks in the yard. This new purchase will increase service and reduce operating costs.
- IV. L. **1 Ton Pickup Truck with Plow - 2009.** Request to replace a 1997 1 ton diesel pickup with an 8 foot plow and over 87,910 miles with a new truck and plow. This will reduce long term operating costs.
- IX. A. **30' x 44' Garage - 2003.** The Cemetery Trustees have requested funds for the construction of a 30' x 44' garage to allow for the consolidation and storage of equipment in one location and provide a bathroom, meeting room and small office for staff. Currently, equipment is divided between 3 small garages. The cost includes the septic system and well. The Cemetery department needs to replace the garage storage lost as a result of the demolition of an old garage on the Mills property as part of the Municipal Building project.
- XI. B. **School Building Maintenance Capital Reserve - 2003.** The reserve fund is used to complete necessary school repairs, and to stabilize the tax rate. This capital reserve was established in the year 1999 at the recommendation of the CIP committee. The tax rate can be stabilized by being proactive in setting aside funds for routine maintenance and lessen the impact from unexpected expenses.
- XI. C. **Technology Program - 2003.** The School Board has revised the District's technology plan for 2002-2004. This plan is used to outline the need for purchasing computers and audiovisual accessories and the sequencing of upgrades and purchases. The Technology Plan is the overall technology plan for the school. This District began implementation of the plan in 2001 in order to maintain and improve the technology available to Pelham students and faculty.
- XI. D. **Side and Rear Doors at Memorial School - 2003.** The School Board requests funding for replacement of 30 year old doors with new alarmed doors and casings. A total of 5 double doors are in need of replacement for safety and security reasons.
- XI. E. **Memorial School Floor Tiles - 2003.** The School Board requests funds for the second phase of the plan to replace the existing worn floor tiles. The cost of completing the project has increased \$9,000 from last year's proposal. The existing tiles were installed in 1964 and 1966 and are badly worn. The uneven tiles pose a potential safety hazard. The tiles contain asbestos, which is encapsulated, but will cost more to remove safely. The removal and replacement has been planned to take place over two years and funds should be withdrawn from the Building Capital Reserve Fund for this item.
- XI. F. **Mower / Snow blower - 2003.** The School Board requests the purchase of a Model 5210 tractor with mower and snow blower. Due to the increase in parking and grass area at the new school, there is 11 acres of lawn and walkways creating a need for additional mowing and snow removal capability.

- XI. G. **New Maintenance Vehicle - 2003.** The School Board requests funds for the replacement of the existing van, a 1993 maintenance vehicle with 42,000 miles with a new Ford F-250 4x4 truck. The existing vehicle is rusting and had \$1,000+ in repair costs this past year.

"D"--Desirable: Needed to improve quality or level of services.

- III. I. **Sub Fire Station # 2 - 2008.** There is a need for a second sub fire station that can enable rapid response to under-served parts of North Pelham. A new impact fee was enacted in March 2002 that will provide funds from new development as permitted in NH statutes. The CIP Committee has ranked the second of two proposed sub fire stations as Desirable and is currently scheduled for 2008 but may be moved up in the schedule pending further research.
- IV. B. **90 Horsepower Tractor with Rotary Boom Mower - 2003.** The Highway Department requests the purchase of a mower for approximately 200 miles of roadside (two lanes per road segment). It currently costs \$5,000 annually for contract mowing services. The purchase of a tractor with a useful life of 20 years may be less expensive than procuring this service in the future. Enhanced service may include increased mowing frequency and other trail and roadside maintenance.
- IV. C. **Maintenance and Storage Garage - 2003.** The Highway Department, Fire and Police have expressed a need for a maintenance facility. Highway has the greatest need. A proposed 80' x 120', 6 double-bay garages with a lift and wash bay for trucks and equipment is proposed. Based on current marginal vehicle storage, the CIP committee ranks this project as Desirable.
- IV. G. **Dump Truck/Plow/Sander - 2005.** This new 36,000 GVW truck is proposed for 2005 through lease-purchase over a three year period and would eliminate one hired truck for plowing sanding and construction work. The lack of availability of reliable contract plows necessitates the need for Town owned equipment. This will enhance the level of service provided the town.
- IV. J. **Dump Truck/Plow/Sander - 2007.** This new 36,000 GVW truck is proposed for 2007 through lease-purchase over a three year period and would eliminate one hired truck for plowing sanding and construction work. The lack of availability of reliable contract plows necessitates the need for Town owned equipment. This will enhance the level of service provided the town.
- IV. M. **Dump Truck/Plow/Sander - 2009.** This new 36,000 GVW truck is proposed for 2009 through lease-purchase over a three year period and would eliminate one hired truck for plowing sanding and construction work. The lack of availability of reliable contract plows necessitates the need for Town owned equipment. This will enhance the level of service provided the town.
- VI. A. **Soccer Fields at Raymond Park - 2005.** With the projected population growth, additional playing fields are needed. Clearing of two fields was funded with pipeline funds received from Tenneco Gas Company per negotiation with the Board of Selectman. The two additional new fields at Raymond Park would provide much needed soccer fields and go a long way to meet current and future needs.
- VI. B. **Skate Board Park - 2005.** The Recreation Department is requesting funding of a skateboard park to provide alternate non-traditional recreation for a growing sport. The project is scheduled for 2005. A potential site for this park is the former Sherburne School property.
- XI. H. **Repave Memorial Parking Lot - 2004.** The School Board requests funds for the repair and repaving of portions of the school parking lot and driveway. Cracks and gaps in

the walkways and parking lot require repair. Catch basins and drainage basins need improvement due to damage and wear.

"F"--Deferrable: Can be placed on hold until after 7 year period, but supports community development goals.

- IV. K. **Hinds Lane Reconstruction - 2009.** The Highway Department requests funds for the reconstruction and paving of Hinds Lane, which is 4,200 feet by 18 feet. This is an unpaved road that requires upgrading to alleviate substandard conditions. There is a considerable amount of developable land at the end of Hinds Lane and the CIP committee ranked this project as Deferrable because the upgrade could be part of the cost of gaining access to this land by developers.

"R"--Research: Pending results of ongoing research, planning, and coordination.

- III. E. **Central Fire Station Renovations - 2004.** Includes interior renovations to provide living/learning space and replacement of overhead doors. This project is possibly inconsistent with the future facilities planning, but insufficient information is available to rank this project other than Research at this time. A new Central fire station is a possibility in the future. A new impact fees for the fire department can provide funding for future expansion or a new buildings to provide adequate service as the town grows.
- III. J. **New Primary Fire Station - Unprogrammed.** The Fire Department is researching options for the replacement of the aged primary station in the Center of town. While this facility has served the town well for many years, it has certain deficiencies that may make a replacement station more efficient and cost effective in the long run. Potential locations are being researched. The "R*" rating does not reflect on the importance of a particular project; simply, additional information is forthcoming. A new impact fee was enacted this year for future growth based renovations and/or new buildings and equipment that will be needed to provide adequate service as the town grows.
- V. A. **Recycling Building & Site Improvements - Unprogrammed.** Plans have been developed to upgrade the recycling building and site, including new receptacles, processing apparatus, road, weighing scales and other improvements. Enhancing the facility may generate increased revenues from resource recovery, which could be used to finance operations. This project was voted researchable, and not programmed due to the current soft market in recyclables.
- VI. C. **Guard Shack at PVMP - 2006.** The present 25' x 25' lifeguard and storage building at Pelham Veterans Memorial Park is in need of replacement. A multi-purpose structure is proposed, providing space for arts and crafts and various uses. This project is proposed for 2006, but requires more research.
- VI. D. **Community Recreation Center - 2008.** The Recreation Department has requested funds for a new community recreation center. The department master plan identifies the need for an adequate gymnasium for indoor athletics. This facility may combine with needs of senior citizens in order to gain federal funds targeted only to seniors. It will also provide meeting space, rainy day programs and access to community groups. This project is currently scheduled in 2008, but at this time requires further research.
- VII. A. **Library Handicap Accessibility - Unprogrammed.** The Library has requested funds to add 2 chair lifts to the current facility to provide access to physically challenged individuals. This project has not been scheduled at this time pending more research. A bond was approved this year for Town facilities and police at the former Sherburne School and a new library on the Mills property. The current library will likely remain a public building, so accessibility will still need to be addressed. Due to changing circumstances, other funding sources and further research is required
- IX. B. **Purchase 10 Acres of Land - 2005.** The Cemetery is requesting the purchase of 10 acres of land to meet future needs for burial of residents required by state statute. There are 6 cemeteries currently with 100-200 plots sold per year. Further research for a site or available Town owned land is required, however land prices are rising annually. Purchase is proposed in 2005.

"R"--Research: Pending results of ongoing research, planning, and coordination.

- XI. I. **Kindergarten - Unprogrammed.** It is possible to add a kindergarten to either an existing school building or as part of new construction. A new Kindergarten committee will provide information in the future. This project requires more research.
- XI. J. **High School Renovation/Addition - Unprogrammed.** Renovations are needed at the high school, both to maintain major facilities and better utilize the building space. An addition may also be needed to expand the facility for curriculum enhancement. Included in this project would be other major renovations that have been listed in the past. A study with recommendations, but no costs has recently been completed. Further research is needed to develop design and cost estimates. Facilities repairs and improvements at the high school have been placed on hold pending the outcome of study, including replacing carpets and constructing a public auditorium for use by the school and community.
- XI. K. **Ventilation at Memorial School - Unprogrammed.** The School Board has requested funds for improved ventilation within the school. Several rooms need additional air exchange to improve circulation. This project has not been scheduled pending engineering and additional research.

**"I"--Inconsistent: Conflicts with an alternative project/solution scheduled by the CIP.
Contrary to land use planning or community development goals.**

- III. E. **Build 2nd Floor on Fire/ Police Facility - Unprogrammed.** The Fire Department has requested funds for the addition of a second floor over portions of the existing facility to alleviate overcrowding and anticipated growth. . A bond was approved this year for Town facilities and police at the former Sherburne School and a new library on the Mills property. In addition, a fire department impact fee was approved this year. Based on the inadequacies of the facility, police moving to a new facility and fire considering a new central station, this project is inconsistent with current plans for municipal facilities.

F. SCHEDULE OF CAPITAL IMPROVEMENT PROJECTS AND SCHEDULE OF NON-PROPERTY TAX REVENUES

Table 4 shows the net assessed value of real property in Pelham over the last 12 years. The projected assessed valuation in the CIP schedule is based on the average annual growth rate of the net taxable valuation of the Town, excluding the large increase in 1997 due to the revaluation. Between 1989 and 1995, the average annual growth rate was 2.7 percent. A figure of 2.7% annual growth in the local assessment was used in the **Projected Assessed Valuation** row in the **Schedule of Capital Improvement Projects, 2003-2009 Annual Costs and Revenues**, found in Appendix D.

Table 4

Net Taxable Value, 1990-2001

Year	Net Taxable Value	Change
1990	\$256,148,295	-
1991	\$262,553,885	2.5%
1992	\$265,502,888	1.1%
1993	\$273,729,995	3.1%
1994	\$278,706,341	1.8%
1995	\$283,494,782	1.7%
1996	\$289,772,131	2.2%
1997	\$497,981,665	71.9%*
1998	\$511,943,800	2.8%
1999	\$536,672,781	4.8%
2000	\$556,385,375	3.7%
2001	\$582,757,575	4.7%
	Average Annual Change, 1990-2001	2.8%*
	Average Annual Change, 1995-2001	3.3%*

Source: Town Annual Reports (Report of the Pelham Assessor)

*The large increase in net taxable value was due to a town-wide reassessment between 1996 and 1997. The jump in 1997 was excluded in calculations of the average annual tax rate increase for the 12 and 7 year periods.

See Appendix D, Schedule of CIP Projects, 2003-2009, Annual Cost and Revenues. The schedule in Appendix D displays the 7-year CIP schedule developed by the Committee. It includes (a) project name and sources of revenue; (b) the priority rank of the project; (c) annual expenditures and revenues; (d) a 7-year expenditures total; (e) a 7-year revenues total; (f) the total cost of the project (including interest, where applicable); (g) outstanding revenues; (h) net balance to be paid by the Town beyond the 7-year period; and (i) unprogrammed projects that fall within the seven year timeframe. The bottom of the table shows the total capital expenditures, the projected assessed valuation, and the annual tax rate impact of those projects programmed in any given year.

Table 5 depicts projects that did not receive any funding in FY 2001 and were not re-submitted for FY2002 for the 2002-2009 CIP. For reference, the 2001 project cost and projected starting year for funding is shown.

Table 5
2001-2008 CIP Projects Not Funded in FY2001
And
Not Resubmitted In The 2003-2009 CIP

Town Department	2001 Projects	Cost	Starting Year
ADMIN./GENERAL	N/A		
POLICE	Telephone Radio Recording	\$30,000	2004
	New Copy Machine	\$15,000	2007
FIRE	Maintenance Garage	\$20,000	Unprogramed
HIGHWAY	N/A		
SOLID WASTE	N/A		
PARKS AND RECREATION	Improvements to Raymond Lodge	\$22,000	Unprogramed
	Lights at Major League Field	\$60,000	2003
	Restrooms at Muldoon Park	\$27,000	2004
LIBRARY	N/A		
SENIOR CENTER	Senior Center	\$1,000,000	
SCHOOLS	Air Condition Computer Space	\$60,000	Unprogramed

Source: Town of Pelham Capital Improvements Plan, 2001-2008.

The Police Department did not submit a request for Telephone radio recording equipment because this equipment cost will become part of the equipment ordered as part of the Municipal Building project.

The Police department did not re-submit a request for a new copy machine in 2002 because the value is below the \$20,000 threshold for being scheduled in the CIP.

The Fire Department maintenance garage was not re-submitted because the Highway Department had submitted a more detailed analysis for the same project.

The reason for not submitting the needed improvements to Raymond Lodge by the Parks and Recreation department are unknown.

The Parks and Recreation department did not resubmit the lights to the Major League field because the funds for this project was raised privately.

The reason the Parks and Recreation department did not resubmit the request for additional restrooms at Muldoon Park is unknown

The reason for not resubmitting the known need for a future Senior Center is unknown.

The School district did not resubmit the Air Conditioning of the High School Computer Space because they wanted to finish the High School space needs assessment before spending any money on individual project costs that might change based on the findings of this report.

G. CONCLUSIONS

The Program of Capital Expenditures herein provides a guide for budgeting and development of Pelham public facilities. The Planning Board will review and update the CIP each year prior to budget deliberations. The CIP may be modified each year based on changes in needs and priorities. As noted above, there are projects proposed where the CIP Committee has resolved that there is not enough information to make a recommendation concerning a proposed capital project. These are topics that in the opinion of the Committee should be addressed in further detail.

In 2000 the CIP Committee unanimously endorsed the adoption of an impact fee schedule for development of a new elementary school. The Committee has endorsed the enactment of an impact fee in 2002 for expansion of existing and/or new facilities for the Fire Department. In March 2002, the Fire Department impact fees were enacted. It is anticipated that new growth will bring about the need for a new central fire station and one or more sub-stations in order to provide adequate service in the future. Impact Fees will be used to fund the portion of the facility cost attributable to new development. Impact fees cannot be used to cover the cost of operation, maintenance and repairs or facility replacements that do not increase the capacity or level of service. Once a more formal and detailed Parks and Recreation 7-year plan is developed and adopted as recommended by the Planning Board, the CIP Committee will study, analyze and develop a new impact fee schedule to meet those needs.

The CIP Committee is striving to improve the effectiveness of capital facilities programming. The Planning Department should continue conducting training workshops, as necessary, with Town department heads, boards and committee chairs to further educate them about how to evaluate their departmental capital requests and fill-out requests for capital projects for inclusion in the CIP. Problems with current submissions include Project Worksheets not being fully completed or some department heads not providing sufficient information (i.e. multiple bids) to justify cost estimates and specifications. All departments submitted worksheets on time again this year. For some departments, more comprehensive and detailed worksheet will benefit requests. An understanding of the minimum necessary information and how the CIP Committee analyzes and ranks projects will make for more precise submissions with less wasted effort and a better product to submit to the Planning Board for presentation to the Board of Selectmen, School Board and Budget Committee. To more effectively impact the current years budget cycle, the CIP Committee has initiated the CIP planning process earlier in the year so the information is available prior to individual Town departments preparing preliminary budgets for submission to the Town.

The CIP Committee seeks to increase its capacity in evaluating the fiscal impacts of projects and the returns on investment of public funds in capital facilities replacement and development. Towards this end, one piece of information the Committee seeks to understand is how a projects funding is proposed and if specific funding sources have been identified. This data is presented in the Cost Estimate section of the Project Worksheet. The Impacts on Operating & Maintenance section of the Project Worksheet is also important in assessing the cost/benefit of one solution versus another to meet a departments needs.

There also may be merit in attempting to track the performance of investments in facilities renovation or upgrades and also monitoring and forecasting when replacements or upgrades may be necessary in the future. One recent external development that could impact the municipality is the Government Accounting Standards Board (GASB) adoption of Statement 34 protocols for reporting infrastructure assets. The program's objective is to promote more consistent evaluations of municipal financial conditions by providing more detailed and relevant information on the characteristics and conditions of capital equipment. The CIP planning process may provide a forum for encouraging the development of capital asset inventories, accounting for the value of these assets and tracking the useful life and depreciation of municipal equipment and infrastructure. The CIP recommends that all Town

and School assets be tracked for life expectancy so that future capital needs can be better anticipated and planned for. Updated information regarding the age of existing town road surfaces will help with that planning in the highway department. Future meetings with the Board of Selectman and School Board regarding better long term planning will result in tax savings.

H. RECOMMENDATIONS

This evening, the CIP Committee would like to thank the Pelham Planning Board for giving us an opportunity to present the 2003-2009 Capital Improvement Plan to you as well as our invited guests, the Pelham Board of Selectman, Pelham School Board, and Pelham Budget Committee and other interested parties including the citizens and taxpayers of Pelham.

This CIP report is presented to you under authority and purpose of RSA 674:5 and 674:6. Per RSA 674:8, we also hereby submit our recommendations to the Pelham Budget Committee for consideration as part of next year's annual budget.

Ladies and Gentlemen, the following CIP Plan is hereby submitted to you as compiled by the CIP with assistance from the Nashua Regional Planning Commission. This year the CIP started our process much earlier in the year in order to meet the concerns and needs expressed last year by the Budget Committee, Board of Selectman and School Board. We have also adopted a year round schedule in order to ensure we would have a completed and comprehensive document at the beginning of the budgeting process for your review. In keeping with the goal of providing you a comprehensive plan we have included a couple of new sections in this year's plan including a table of projects dropped from the CIP and the reasons they have not been resubmitted. We have also included a potential future bond schedule for proposed new projects showing a possible schedule for your review that maintains a capital expenditure tax rate no higher than what is proposed in the year 2003 over the life of this 7 year plan.

Our format for this evenings meeting and approximate timelines will be as follows:

- | | |
|---|--------|
| 1. Review of the CIP priority rating system and funding methods | 3 min |
| 2. Review of 2003 municipal and school projects and ratings | 20 min |
| 3. Question and Answer period | 10 min |
| 4. CIP Recommendations to elected officials | 5 min |
| 5. Closing comments from CIP and Planning Board | 1 min |

The CIP is an advisory document that serves a number of purposes:

1. It provides the Town of Pelham with a guide to be used by the Budget Committee, Board of Selectman and School Board for their annual budgeting process pursuant to RSA 674 par 5-8.
2. Provides a forward-looking planning tool for the purpose of contributing to the creation of a stable real property tax rate.
3. To aid the Town's elected officials, appointed committees, and department heads in the prioritization, coordination, and sequencing of various municipal and school improvements.
4. To inform residents, potential residents, business owners, potential business owners and developers of needed and planned improvements.
5. To provide a necessary legal basis for the development and proper administration of the Town's impact fee system pursuant to RSA 674:21 section V.b.

One of the main goals of the Planning Board and the CIP is to try to even out the periods of under and over expenditure on Capital Improvements and to protect Pelham taxpayers from large swings in their tax rate due to these spending divergences by properly planning for, scheduling, and setting aside of public funds for projects that are needed and desired both on the town and school sides now and in the future.

The CIP Committee would like to remind everyone here that the cost of not scheduling needed capital improvements when first identified can cause large increases in the town's tax rate due to the increased cost of these projects in subsequent years. While the town and school district have made substantial progress in meeting critical town and school district needs in the last few years with the passage of the 2 largest identified projects within the CIP which included the new elementary school and municipal building project, we wish to remind everyone that there are still critical needs identified in this year's CIP that still need to be met in our Fire department and Parks and Rec. In addition there are future needs not as yet scheduled including High School additions/modifications and the Senior Center that will have to be scheduled once more information is gathered. The stable growth rate of just over 100 new homes per year along with historically very low interest rates have allowed the Town and the Pelham School District to fund needed projects with only a slight impact in the town's tax rate. It is our hope that you will continue to take advantage of the increased appraised value of new homes in the town, the continued low interest rates, along with use of additional impact fees enacted to fund the remaining key items identified to date in the CIP report. In the long run, taxpayers will not only see better service, but lower tax bills as these bonds are paid off.

As we discussed last year the CIP would like to reiterate our recommended financing methods for scheduled projects.

The Board of Selectman and School Board have several financing options available to them in order to fund capital improvements. Four methods require appropriations, either as part of the Town's annual operating budget or as independent warrant articles at Town meeting. The CIP would like to make clear it's recommendation regarding which funding methods should be used for which type of project, and we hope we can get everyone here this evening to agree with our well thought out reasoning.

The one-year Appropriation is most common, and refers to those proposed projects to be funded by real property tax revenues within a single fiscal year. The CIP committee recommends this approach for irregular Capital needs that do not exceed \$100,000.

The Capital Reserve method requires appropriations over more than one year, with the actual project being accomplished only when the total appropriations meet the project cost. The CIP committee recommends this approach for expenditures over \$100,000 and less than \$1,000,000 and for projects or Capital Assets having a known fixed life such as vehicle replacement, building maintenance and road repair. In conjunction with the Capital reserve method of financing, there may be State or Federal monies available to pay for portions of the project, which require the Town to raise their share percentage prior to the opportunity to receive these Federal or State dollars. Such being the case with let's say State bridge aid where the town needs to raise their 20% share prior to applying for the State matching 80% share. Identification of these needs early is critical to starting a Capital Reserve in time to fund projects when needed.

The Lease/ Purchase method has been used in the past for the purchase of Fire trucks and Highway department vehicles. Although this is a valid financing method, the CIP would like to recommend that we get away from this method of payment and stop paying high interest lease payments and start funding vehicle replacement through Capital reserves where the Town pays itself the interest on Capital balances rather than a financing company for the purchase of needed vehicles. The CIP committee feels this would be a substantial tax savings to Pelham residents with the number of current vehicles and other equipment now owned by the town along with the increase in vehicles that will be needed in the future. The annual interest earned or saved on a properly funded vehicle replacement Capital reserve would pay for the cost of certain vehicle replacement when needed.

The Bond method of payment is recommended for Capital Expenditure needs in excess of \$1,000,000. Typically the most expensive projects such as renovations, additions, or new construction of buildings or infrastructure that allow for capital facilities requests to be met immediately while spreading out the cost over several years in the future. We highly recommend this method of payment on all Capital projects scheduled in the CIP costing over \$1,000,000 and obviously based on our review of historical spending patterns in the town, the year we propose it to you.

Impact fees are also a viable financing method for some portion of future capital improvement needs as long as they are placed in a fund until they are either expended within 6 years as part of a project financing or returned to the party they were collected from. As everyone is aware, the town has adopted an impact fee ordinance and the CIP Committee proposed and the Board of Selectman adopted the one recommended for the new school construction bond. We have since adopted an additional impact fee for a new Central fire station, 2 sub fire stations and required equipment. These impact fees are expected to pay for up to \$1.2 million of the \$10.4 million new elementary school project, along with up to \$1.1 million of the expected \$4.0 million needed to build and equip these new fire stations. Removal of the inadequate primary fire station in the center of town would also be necessary in order to better address the traffic situation especially if a round about as proposed by safety engineers is built. The CIP is please to announce to all of you this evening that we will begin working on a third impact fee specifically to address the growing Parks and Recreation needs as soon as the Parks and Recreation department completes the multi year comprehensive plan as requested by the Pelham Planning Board. It would be our hope to have a plan comprehensive enough to consider a fee schedule early next year for review and adoption by the Board of Selectman sometime in the spring or summer of 2003.

Other financing methods available include gifts, grants and matching funds from any source. All of these can be used to offset the cost of Capital Improvement projects and the CIP recommends that all Department Heads, the School Board and the Board of Selectman research and use these methods when ever available in order to lessen the burden on taxpayers as much as possible.

Any questions on financing methods?

Let's move on to the CIP priority ranking system.

The Committee established a system to assess the relative priority of projects requested by the various departments, boards, and committees. Each proposed project is individually considered by the Committee and assessed a priority rank based on the descriptions below:

"U"--Urgent	Cannot be delayed. Needed for health or safety.
"C"--Committed	Part of an existing contractual agreement or otherwise legally required.
"N" – Necessary	Needed to maintain existing level and quality of community services.
"D"--Desirable	Needed to improve quality or level of services.
"F"--Deferrable	Can be placed on hold until after 7-year period, but supports community development goals.
"R" – Research	Pending results of ongoing research, planning, and coordination.
"I"--Inconsistent	Conflicts with an alternative project/solution recommended by the CIP. Contrary to land use planning or community development goals.

Table 3 contains the projects considered by the Committee, by Town Department. The information in Table 3 represents all requests for capital projects submitted by each municipal division to the CIP Committee. The 'CIP Committee Priority Recommendations' in the column to the far right

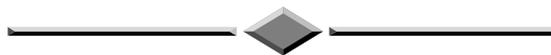
describes the rank assigned by the CIP Committee to each of these projects within the seven categories of relative project priority.

We are now ready to get into the meat of the CIP and will review this year's scheduled projects in priority rank and briefly discuss future large expenditures scheduled that need more planning and funding.

Question and Answer Period

Recommendations:

1. The CIP recommends that the Board of Selectman and School Board inventory existing building and capital assets that are over \$20,000 in cost and have a useful life of at least 3 years and estimate the age and estimated remaining life on those assets. This includes not only equipment, but also the age of roofs, flooring etc. This information would aid the CIP and Budget Committee in determining the maximum value of a needed town wide Capital reserve to maintain buildings properly and at the same time stabilize the tax rate. This information would be the basis for funding annually a maintenance capital reserve for this purpose. The CIP would like to see this completed by 02/01/03. The CIP has recommended that the Selectman's Rep and School Board Rep lead this effort.
2. The Board of Selectman should continue to work with Parks and Recreation regarding the development of a detailed 7-year plan. Parks and Recreation has historically been under-funded in the CIP and continues to be so this year due to a lack of presented projects and removal of projects without reason from one year to the next. We expect that this lack of project presentation does not reflect the actual needs of the town. Adoption of an impact fee schedule for needed projects is not possible without a comprehensive long range plan.
3. Roads have a known useable life span. No provision has been made in the town's budget for the continued long term maintenance of the town's roads and drainage systems. While the current road conditions are very good the need for a long range maintenance schedule is needed.
4. We recommend excess user fees collected in the ambulance fund be set aside for additional equipment needed in new fire stations.
5. We would like to see police cruiser replacements taken off the ballot as part of the town warrant articles and placed within the operating budget. The Chief has provided both the BOS and Budget Committee with justification for his vehicle replacement schedule. Additionally this would ensure that these vehicles would become part of the Town's default budget.
6. Based on the estimated full build out of the town projected in the Pelham Master Plan, we would also recommend that all future building plans take into consideration a 20 year need and full town build-out.
7. We recommend that the Pelham School Board continue to fund annually the School Building Maintenance Capital reserve fund to the sum of \$100,000 annually until an appropriate cap can be determined based on the asset replacement and life expectancy study conclusions we have recommended above.
8. The CIP recommends that the CIP and Budget Committee share notes on items of concern found on our individual site walks of town and school facilities and that the Budget Committee rep be responsible for this exchange of notes.



APPENDIX A

N.H. REVISED STATUTES ANNOTATED

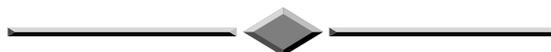
Chapters 674: 5-8

Capital Improvements Program

and

Chapter 674: 21

Innovative Land Use Controls



CHAPTER 674

LOCAL LAND USE PLANNING AND REGULATORY POWERS

Capital Improvements Program

Section 674:5

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. 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 and the budget committee in their consideration of the annual budget.

Source. 1983, 447:1, eff. Jan. 1, 1984.

Section 674:7

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.

Section 674:7

674:7 Preparation. - I. In preparing the capital improvements program, the planning board shall confer, in a manner deemed appropriate by the board, 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 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, transmit to the board a statement of all capital projects it proposes to undertake during the term of the program. The planning board 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.

Section 674:8

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

Source. 1983, 447:1, eff. Jan. 1, 1984.

CHAPTER 674

LOCAL LAND USE PLANNING AND REGULATORY POWERS

Zoning

Section 674:21

674:21 Innovative Land Use Controls. - I. Innovative land use controls may include, but are not limited to:

- (a) Timing incentives.
- (b) Phased development.
- (c) Intensity and use incentive.
- (d) Transfer of development rights.
- (e) Planned unit development.
- (f) Cluster development.
- (g) Impact zoning.
- (h) Performance standards.
- (i) Flexible and discretionary zoning.
- (j) Environmental characteristics zoning.
- (k) Inclusionary zoning.
- (l) Accessory dwelling unit standards.
- (m) Impact fees.

II. An innovative land use control adopted under RSA 674:16 shall contain within it the standards which shall guide the person or board which administers the ordinance. An innovative land use control ordinance may provide for administration, including the granting of conditional or special use permits, by the planning board, board of selectmen, zoning board of adjustment, or such other person or board as the ordinance may designate. If the administration of the innovative provisions of the ordinance is not vested in the planning board, any proposal submitted under this section shall be reviewed by the planning board prior to final consideration by the administrator. In such a case, the planning board shall set forth its comments on the proposal in writing and the administrator shall, to the extent that the planning board's comments are not directly incorporated into its decision, set forth its findings and decisions on the planning board's comments.

III. Innovative land use controls must be adopted in accordance with RSA 675:1, II.

IV. As used in this section:

- (a) "Inclusionary zoning" means land use control regulations which provide a voluntary incentive or benefit to a property owner in order to induce the property owner to produce housing units which are affordable to persons or families of low and moderate income. Inclusionary zoning includes, but is not limited to, density bonuses, growth control exemptions, and a streamlined application process.
- (b) "Accessory dwelling unit" means a second dwelling unit, attached or detached, which is permitted by a land use control regulation to be located on the same lot, plat, site, or other division of land as the permitted principal dwelling unit.

V. As used in this section "impact fee" means a fee or assessment imposed upon development, including subdivision, building construction or other land use change, in order to help meet the needs occasioned by that development for the construction or improvement of capital facilities owned or operated by the municipality, including and limited to water treatment and distribution facilities; wastewater treatment and disposal facilities; sanitary sewers; storm water, drainage and flood control facilities; public road systems and rights-of-way; municipal office facilities; public school facilities; the municipality's proportional share of capital facilities of a cooperative or regional school district of which the municipality is a member; public safety facilities; solid waste collection,

transfer, recycling, processing and disposal facilities; public library facilities; and public recreational facilities not including public open space. No later than July 1, 1993, all impact fee ordinances shall be subject to the following:

(a) The amount of any such fee shall be a proportional share of municipal capital improvement costs which is reasonably related to the capital needs created by the development, and to the benefits accruing to the development from the capital improvements financed by the fee. Upgrading of existing facilities and infrastructures, the need for which is not created by new development, shall not be paid for by impact fees.

(b) In order for a municipality to adopt an impact fee ordinance, it must have enacted a capital improvements program pursuant to RSA 674:5-7.

(c) Any impact fee shall be accounted for separately, shall be segregated from the municipality's general fund, may be spent upon order of the municipal governing body, shall be exempt from all provisions of RSA 32 relative to limitation and expenditure of town moneys, and shall be used solely for the capital improvements for which it was collected, or to recoup the cost of capital improvements made in anticipation of the needs which the fee was collected to meet.

(d) All impact fees imposed pursuant to this section shall be assessed prior to, or as a condition for, the issuance of a building permit or other appropriate permission to proceed with development. In the interim between assessment and collection, municipalities may require developers to post bonds, issue letters of credit, accept liens, or otherwise provide suitable measures of security so as to guarantee future payment of assessed impact fees. Impact fees shall normally be collected as a condition for the issuance of a certificate of occupancy. The above notwithstanding, in projects where off-site improvements are to be constructed simultaneously with a project's development, and where a municipality has appropriated the necessary funds to cover such portions of the work for which it will be responsible, that municipality may advance the time of collection of the impact fee to the issuance of a building permit. Nothing in this subparagraph shall prevent the municipality and the assessed party from establishing an alternate, mutually acceptable schedule of payment.

(e) The ordinance shall establish reasonable times after which any portion of an impact fee which has not become encumbered or otherwise legally bound to be spent for the purpose for which it was collected shall be refunded, with any accrued interest. Whenever the calculation of an impact fee has been predicated upon some portion of capital improvement costs being borne by the municipality, a refund shall be made upon the failure of the legislative body to appropriate the municipality's share of the capital improvement costs within a reasonable time. The maximum time which shall be considered reasonable hereunder shall be 6 years.

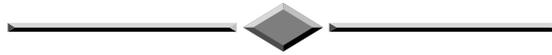
(f) Unless otherwise specified in the ordinance, any decision under an impact fee ordinance may be appealed in the same manner provided by statute for appeals from the officer or board making that decision, as set forth in RSA 676:5, RSA 677:2-14, or RSA 677:15, respectively.

(g) The ordinance may also provide for a waiver process, including the criteria for the granting of such a waiver.

(h) The adoption of a growth management limitation or moratorium by a municipality shall not affect any development with respect to which an impact fee has been paid or assessed as part of the approval for that development.

(i) Neither the adoption of an impact fee ordinance, nor the failure to adopt such an ordinance, shall be deemed to affect existing authority of a planning board over subdivision or site plan review, except to the extent expressly stated in such an ordinance.

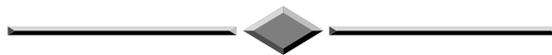
Source. 1983, 447:1. 1988, 149:1, 2. 1991, 283:1, 2. 1992, 42:1. 1994, 278:1, eff. Aug. 5, 1994.



APPENDIX B

SUMMARY OF RECOMMENDATIONS

2002 Pelham Master Plan



MASTER PLAN - SUMMARY OF RECOMMENDATIONS

A. POPULATION AND HOUSING

- Conduct a Town buildout analysis using parcel-based Geographic Information System (GIS) technology. The buildout analysis can provide a more accurate estimate of the amount of developable land remaining in the Town. The results of the buildout analysis can be used to predict the level of public services required when the Town is fully developed.
- Using the results of the buildout analysis and the Natural Resources Inventory, conduct a study of the potential need for public water and/or sewer in certain sections of the Town.
- Develop regulatory measures that will facilitate the provision of affordable housing, such as: 1) review and consider revising the Housing for Older Persons Ordinance to further encourage the provision of such housing; 2) review and consider revising the requirements for Accessory Dwelling Units to allow for one-bedroom market rate rental housing; and 3) review and consider revising the zoning ordinance to further encourage the provision of mixed residential/commercial units in the Business Districts.

B. NATURAL RESOURCES

1. Topography

- Consider an amendment to the Zoning Ordinance, subdivision and site plan regulations to adopt a Slope Conservation Overlay District to protect the most severe slopes in Town from unsuitable development. Development of land with slopes greater than fifteen percent should be approached with extreme caution, giving consideration to the problems presented by these slopes. Active use or development of slopes greater than twenty-five percent should be avoided. As these areas are best suited for open space, reserving them for that purpose will minimize the potential for erosion and allow for maximum absorption of surface water run-off thus protecting down-slope residents.

2. Soils

- The Planning Board should continue to consider soil potentials and limitations when reviewing the intensity of development.
- The Town's agricultural lands are recognized as an important and endangered resource with few State or local incentives for keeping viable agricultural lands in production. To protect this valuable resource, the Town should take steps to protect active and idle agricultural lands from development for other uses and create incentives which encourage agricultural lands to be kept in, or returned to, productive farm use. The Trust for New Hampshire Lands Program or the Land and Community Heritage Investment Program may assist the Town in this endeavor.
- New development should be focused in large areas with slopes of less than fifteen percent, giving consideration to the other factors which affect the development suitability of these areas.

- Site Specific Soil Mapping Standards and enforcement actions should continue to be required in the subdivision regulations as a means of verifying actual site conditions, to determine the extent to which development is feasible and to ensure that approved development is constructed according to the approved site and subdivision plans. The non-residential site plan regulations should be reviewed and revised as necessary to require the use of SSSMS.

3. Water Resources

- Land adjacent to surface water resources is restricted from development or strictly monitored in its active use. As these areas are a vital interface between surface and groundwater supplies, they are best suited for open space and have the potential for forming the basis of an open space system serving all developable areas of the community.
- Enforce the Shoreland Protection Act around all great ponds.
- Consideration is given to the protection of surface water and groundwater supplies within the Town's boundaries as they are the life-blood of the community. Groundwater supplies exist which are capable of supporting higher intensities of development. However, these must be protected from contamination in the absence of a municipal waste treatment system.
- Protect existing wetlands and surface waters by amending the Wetlands Ordinance to increase the 50' buffer from the edge of the wetland or surface water. This buffer will protect the natural habitat surrounding wetlands and surface waters that is crucial to the proper functioning of these water resources.
- Continue to implement the Floodplain Overlay Zoning District to reduce losses due to flooding.
- Water supply wells located on till deposits are shallow in depth and very susceptible to land use related contamination (septic systems, fuel storage, fertilizers, road salt, etc.). The Town should consider increasing the setback of future land-uses to these water supply wells.
- Take advantage of the University of New Hampshire's Community Environmental Outreach Program (CEOP)¹ and Natural Resources Senior Projects to continue prime wetland evaluations and designations.
- It is recommended that development of wetland areas continue to be restricted in the future through the Town's Wetland Conservation ordinance. This, combined with active enforcement of State regulations governing the location of septic system and along with the possibility of the Town adopting greater setback distances than the State's minimum, will ensure that these areas may continue to perform the natural functions for which they are best suited.
- Improve the licensing checklist to include the review of the National Pollution Discharge Elimination System permit, especially the facility's Stormwater Pollution Prevention Plan.
- Enforce licensing requirements of all junkyard facilities.
- Prepare a stormwater management plan that addresses the 6 minimum controls outlined under the EPA's Phase II Stormwater Regulations.
- Pursue further protection measures through the Department of Environmental Services.

¹ <http://ceinfo.unh.edu/Water/Documents/WRcomcon.htm>

4. Forests and Wildlife

- Utilize the Forestland Evaluation and Site Assessment (FLESA)² for future forest planning and components of the program on all Town owned lands.
- Maintain 50 foot undisturbed, shady buffer around vernal pools and 100 foot buffer on property lines abutting forests and all surface waters.
- Consider legal easements on all Town Forests to preserve the land for recreation and permanent protection.
- Inventory all existing trails using Geographic Positioning System (GPS) and create a trail system map signage for all Town forests.
- Initiate a long-term insect monitoring plan for Hemlock Woolly Adelgid, weevils, and others.
- Take advantage of the University of New Hampshire's Community Environmental Outreach Program (CEOP) and Natural Resources Senior Projects for a plant biodiversity survey. These are inexpensive programs and the range of possible projects is limited only by the needs of the community and the availability of students to match those needs.

5. Conservation

- Pursue the fee purchase, purchase of development rights or other conservation measures to protect the remaining open space properties. Legal easements should be placed on all conservation properties.
- Allocate 100% of the Land Use Change tax to the Conservation Fund to help contribute towards increasing the number of protected open space parcels and provide matching funds for potential funding sources.
- Farm protection should be pursued for existing or undeveloped lands with Prime or State designated soils.
- Establish a Capital Reserve Fund to raise funds for land protection.
- The Conservation Commission and interested citizens should consider participating in the "Keeping Track" Program. This program uses animal tracks to identify habitats and feeding grounds in a systematic manner for a variety of animals. The information gained can be the start of an inventory and a monitoring system of prime habitats for future conservation.
- Take advantage of the University of New Hampshire's Community Environmental Outreach Program (CEOP) and Natural Resources Senior Projects. These are inexpensive programs and the range of possible projects is limited only by the needs of the community and the availability of students to match those needs.
- The Pelham Fish and Game land, the golf course, Camp Runnels and the watershed of the pond, Little Island Pond Prime Wetland and the surrounding uplands along with the Peabody Town Forest and the surrounding lands with powerline easements should be recognized as a greenway corridor and expanded so that movement of wildlife can continue to the Dracut.

² North Country and Southern New Hampshire Resource Conservation and Development Area Councils, *Planning for the Future of Local Forests*, 2001.

C. TRANSPORTATION

- The Town should conduct a townwide traffic study immediately to look at future transportation and traffic issues in the community in detail. Specific recommendations should be developed that could be implemented over the course of time to address the anticipated conditions. The Town should then budget for these improvements in its Capital Improvement Program and undertake a systematic transportation system improvement program
- The Town should develop a town-wide hiking and walking trail system utilizing Class VI roads and Town Center sidewalks.
- New roads in the Town should be local roads in function and classification, limited to providing access to adjacent parcels in subdivisions.
- The Town should employ access management techniques for the purpose of preserving roadway capacity and ensuring safe movement for vehicles entering and exiting curb cuts and side roads. Access management techniques that should be pursued include implementing minimum driveway separation distances based on roadway speed and entering into a Memorandum of Understanding with the NH DOT.
- The Town should re-assess existing site plan, subdivision and zoning requirements based on recommendations included in NRPC, Non-Residential Development Community Character Guidelines and Compatibility Guidelines for the Town of Pelham. Any revisions based on these site design guidelines could also enhance the access management goals.
- The Town should update its Road Surface Management System study as soon as possible and every five years hence in order to plan for future road maintenance and reduce the future cost of extensive repairs to deteriorated roadways.
- The Town should utilize traffic calming measures and roundabouts where appropriate based on traffic flow and right of way constraints to channelize and control traffic through neighborhoods and the Town Center.
- The Town should request that the NH DOT consider design options for the NH38/Old Gage Hill Road N. intersection in order to ensure traffic safety. In addition, the Town should monitor the accident rate at the recently redesigned NH128/Keyes Hill Road/Tallant Road intersection to ensure that improvements are successful in reducing accidents.
- The Town should conduct a Buildout Analysis by TAZ using the NRPC's parcel-based Geographic Information System technology.
- The Town should participate in the Greater Derry Greater Salem Regional Transit Council (GDGSRTC) in order to increase public transportation options those who cannot afford it or are unable to meet their own transportation needs due to physical disability or infirmity.
- The Planning Board should maintain close contact with the State of NH to ensure ample opportunity for public and Town input regarding any planned changes to state roads within Pelham or feeding traffic into Town.

D. COMMUNITY FACILITIES

1. Town Hall

- Construct and maintain the new Town Hall facility as approved by voters in 2002 and expand into the shell space as needed to serve population growth through the planning period.

2. Library

- Construct and maintain the new library as approved by voters in 2002.
- Reserve land adjacent to the new library for possible future expansion.
- Retain and continue to utilize the former historic library building for public use in keeping with deed restrictions on the property.

3. Police Department

- Construct and maintain the new police facility as approved by voters in 2002 and expand into the shell space as needed to serve population growth.

4. Fire Department

- Continue planning for new sub-station(s) and an expansion or replacement of the existing fire station in order to limit response times and provide adequate space for additional fire fighters.
- Continue to use impact fees as a source of revenue for new Fire Department facilities.

5. Parks and Recreation

- Perform an in-depth facility study of recreation needs to serve the existing and projected population.
- Complete and implement a Parks and Recreation Department Long Range Plan.
- Continue planning for the design and construction new recreation facilities based on the results of the study.
- Consider using impact fees as a source of revenue for new recreation facilities.

6. Solid Waste

- Continue to encourage the use of recycling as a method of limiting the cost of transfer station facilities.

7. Highway Department

- Continue planning for the design and construction of a new highway department garage.
- Consider a new location for Highway Department offices.

8. Schools

- Conduct a study of the potential to provide public kindergarten.
- Continue to plan for, design and construct additional middle and high school facilities based on NH Department of Education standards to meet the needs of the current and projected enrollment.
- Implement recommendations of the high school systems study.

9. Water Supply

- Consider updating and/or expanding existing water studies to determine whether groundwater supplies remain of a quality and quantity suitable for a public water source.
- Consider conducting a survey of underground storage tanks with capacities below 1,100 gallons.

10. Sewer

- Consider further study of municipal sewer system if demand is generated.

11. Cultural/Recreation Center

- Conduct a study of the feasibility of developing a community cultural/recreation center.
- A volunteer non-profit organization, perhaps a Pelham Arts Council, could be established to foster the arts as a vital component of Pelham's community fabric. This council could also provide guidance in the design and management of a future cultural/recreation center to ensure adequate facilities for arts programs in addition to sports and entertainment facilities

12. Re-Use of Old Buildings

- Conduct a study to determine the most appropriate re-use of the former library, Town Hall and Town Hall annex buildings.

13. Historic Resources

- Conduct a comprehensive townwide historic resources survey using a Geographic Information System. Information should be updated periodically to indicate changes to buildings, including remodeling, fire, demolition or changes to surroundings.
- The Town should continue to encourage the protection, enhancement and rehabilitation of significant architectural and historic resources such as the Town Hall, Library, Butler Monument, Town Common and cemeteries. Any building changes, site improvement or other alteration (especially to town owned buildings) should respect the historical qualities of the structure.
- The Town should consider the establishment of a heritage commission to encourage the protection and appropriate use of Pelham's cultural and esthetics as well as historic resources. Attention in particular, should be focused on Town Center.
- Historical interest and pride should be promoted in a variety of ways including: photographs and exhibits in public places;

- markers and dates at historic structures;
 - brochures describing local history;
 - tours of historic structures and sites;
 - local history courses in the school curriculum;
 - oral history projects; and
 - support of the Pelham Historical Society.
-
- Copies of literature from the State Historic Preservation Office regarding appropriate rehabilitation techniques should be placed on file in the Town Hall and made available by the Historical Society to encourage the sensitive rehabilitation/renovation of older homes and buildings.
 - Encourage National and State Register listing for eligible local structures, including appropriate private residences and the former Library building.
 - Continue to locate, identify, catalogue, preserve and protect Town records, documents, manuscripts and artifacts and provide a suitable and safe repository for them. Early handwritten records should be reproduced (transcribed or microfilmed but not photocopied) and copies kept in more than one location. Make collected historical information (in a protected environment) accessible to Town residents and future generations.
 - Encourage the use of innovative land use controls including cluster development and partial development to conserve open space and minimize the visual impact of new development on significant historic areas, open space and scenic views.
 - Consider the creation of a local Historic District for the Town Center.
 - Strengthen incentives for historic preservation in the zoning ordinance and site plan and subdivision regulations, including the adoption of an "open space development" ordinance.
 - Consider the adoption of a Scenic Road ordinance, per RSA 231:157, in order to help preserve the scenic and historic qualities of Pelham's rural roads.
 - Investigate protection measures for Pelham's Class VI roads, which were often the location of historic development, and which today can serve as recreational trails for Pelham's citizens. The stone walls, cellar holes, and large trees that are often located along these Class VI road should be safeguarded from destruction or removal.
 - Consider the acquisition of available, significant property for conservation and preservation purposes in limited but critical cases.
 - Promote the donation of easements by historic property owners to a designated authority such as the conservation commission, or established land trust such as the Society for the Protection of New Hampshire Forests.
 - Encourage archaeological investigation/documentation in Pelham including historic and prehistoric sites and cemeteries.
 - Promote the work of the Town cemetery trustees and the preservation and protection of the Town's historic graveyards and private burying grounds including retention of the natural vegetation, preservation of the dry laid stonewalls and retention of the small stones used as footstones and children's headstones.
 - Promote the collection, preservation and protection of oral histories and early photographs and encourage the continued recording of townspeople and structures for permanent reference.

E. FUTURE LAND USE

1. Natural Resource Protection

- Actively pursue the permanent protection those land areas in Pelham that exhibit two or more of the following resources: steep slopes, large forest blocks, surface water resources, ground water resources, soils with high limitations for septic systems and/or agricultural

2. Town Center

- Continue to permit institutional uses in the Residential Zoning District to allow for mixed uses while protecting residential amenities.
- Continue to located additional community facilities in the town center, when appropriate.
- Protect historically significant buildings within the town center through sensitive redevelopment.
- Pursue a double-lane roundabout or other traffic control measure for the NH 111A/Nashua Road/Old Bridge Street intersection to reduce traffic delay and improve traffic, pedestrian and bicycle safety.

3. Residential Development

- Consider amending the Residential District of the Zoning Ordinance to allow for lower densities in areas of undeveloped land with significant natural resources while increasing the density in areas with fewer development constraints.
- Consider committing to and implementing a system of transfer of development rights.

4. Commercial Development

- Update to the 1991 Route 38 Corridor Study to include access management techniques and best practices in vehicle, bicycle and pedestrian circulation, urban design and stormwater management.
- Further implement the Compatibility Guidelines for the Town of Pelham 3 and apply the guidelines to all new commercial development and redevelopment.
- Consider amending the sign ordinance to improve the aesthetics of commercial development. Consider a requirement that signs must be compatible with architectural treatments and prohibit the use of moving, flashing or electronic changing signs.
- Consider amending the Zoning Ordinance to allow for shared parking and shared access where appropriate.

5. Industrial Development

- Continue to implement the provisions of the Industrial Zoning Districts.

³ NRPC, *Compatibility Guidelines for the Town of Pelham, NH*, June 15, 1999.

#255-9



APPENDIX C

PELHAM CIP PROGRAM

Capital Project Worksheet and Submission Form



TOWN OF PELHAM
 CAPITAL IMPROVEMENTS PLAN, 2003-2009
 September - 2002
 Appendix C Page 1

F. TOWN OF PELHAM CAPITAL IMPROVEMENT PLAN PROJECT WORKSHEET

Priority ranking _____ Year First Scheduled _____ Year needed _____

Department _____ Department Priority ____ of ____ projects Date of this submission _____

Type of Project:
 (check one)

Primary purpose of project is to:

- Replace or repair existing facilities or equipment
- Improve quality of existing facilities or equipment
- Expand capacity of existing service level/facility
- Provide new facility or service capability

Service Area of Project Impact:
 (check one)

- Region Business District
- Municipality Neighborhood
- School District Street
- _____ District Other Area

Project Description:

Project Rationale:

- Removes imminent threat to public health or safety
- Alleviates substandard conditions or deficiencies
- Responds to federal or State requirement for implementation
- Improves the quality of existing services
- Provides added capacity to serve growth
- Reduces long-term operating costs
- Provides an incentive to economic development
- Eligible for matching funds available until _____

Narrative Justification:

(Attach all backup material if possible)

a. Cost Estimate: Capital Costs	Impact on Operating & Maintenance
<i>(Itemize as Necessary)</i>	
Dollar Amount (in current \$)	Costs or Personnel Needs
\$ _____ Planning/feasibility analysis	<input checked="" type="checkbox"/> <i>Increases personnel requirements</i>
_____ Architecture & engineering fees	<input type="checkbox"/> Increases O & M costs
_____ Real Estate acquisition	<input type="checkbox"/> Reduces personnel requirements
_____ Site preparation	<input type="checkbox"/> Reduces O & M costs
_____ Construction	
_____ Furnishings & equipment	Dollar Cost of Impacts if known:
_____ Vehicles and capital equipment	(+) \$ _____ annually
_____	(-) \$ _____ annually
\$ _____ Total project cost	Estimated useful life is ____ years

Sources of Funding:

Grant from: _____ \$ _____ show type
 Loan from: _____ \$ _____ show type
 Donation/bequest/private _____
 User charge or fee _____
 Capital reserve withdrawal _____
 Impact fee account _____
 Warrant article _____
 Current revenue _____
 General obligation bond _____
 Revenue bond _____
 Special assessment _____

Form Prepared by:

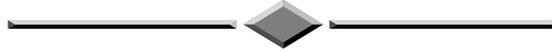
 (Signature)

 (Title)

 (Department/Agency)

 (Date prepared)

Total Project Cost \$ _____



APPENDIX D

PELHAM CIP PROGRAM

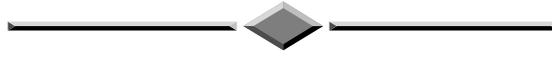
Schedule of CIP Projects, 2003-2009, Annual Costs and Revenues



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INSERT SPREAD 020808F Ranking Spread Page 2 of 3

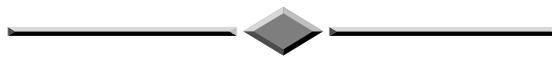
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APPENDIX E

PELHAM CIP PROGRAM

Pelham School District 10 Year Bond Schedule
New Elementary School



Pelham School District

10 Year Bond Schedule

Bond: \$10,373,000.

Interest rate: 5.0%

YEAR	PRINCIPAL	BOND AMT. REMAINING	INTEREST	TOTAL COST	STATE AID 30%	IMPACT FEES	DISTRICT COST
2000-01			\$322,716	\$322,716	\$312,000	\$119,973	\$322,716
2001-02	\$1,040,000	\$10,373,000	\$492,650	\$1,532,650	\$312,000	\$119,973	\$1,100,677
2002-03	\$1,040,000	\$9,333,000	\$440,650	\$1,480,650	\$312,000	\$119,973	\$1,048,667
2003-04	\$1,040,000	\$8,293,000	\$388,650	\$1,428,650	\$312,000	\$119,973	\$996,677
2004-05	\$1,040,000	\$7,253,000	\$336,650	\$1,376,650	\$312,000	\$119,973	\$944,677
2005-06	\$1,040,000	\$6,213,000	\$284,650	\$1,324,650	\$310,500	\$119,973	\$892,677
2006-07	\$1,035,000	\$5,173,000	\$232,775	\$1,267,775	\$310,500	\$119,973	\$837,302
2007-08	\$1,035,000	\$4,138,000	\$181,025	\$1,216,025	\$310,500	\$119,973	\$785,552
2008-09	\$1,035,000	\$3,103,000	\$129,275	\$1,164,275	\$310,500	\$119,973	\$733,802
2009-10	\$1,035,000	\$2,068,000	\$77,525	\$1,112,525	\$310,500	\$119,973	\$682,052
2010-11	\$1,033,000	\$1,033,000	\$25,825	\$1,058,825	\$309,900	\$119,973	\$628,952
TOTALS	\$10,373,000	\$0	\$2,912,391	\$13,285,391	\$3,111,900	\$1,079,757	\$8,344,809

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