

**CAPITAL IMPROVEMENTS PLAN  
2004 - 2010**

**Final August 4, 2003**

**Prepared by the Pelham Capital Improvements Plan Committee:**

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**With Assistance from the Nashua Regional Planning Commission**

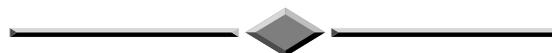
**Adopted by the Pelham Planning Board on 09/04/03**

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## PELHAM CAPITAL IMPROVEMENTS PLAN 2004-2010

### A. INTRODUCTION

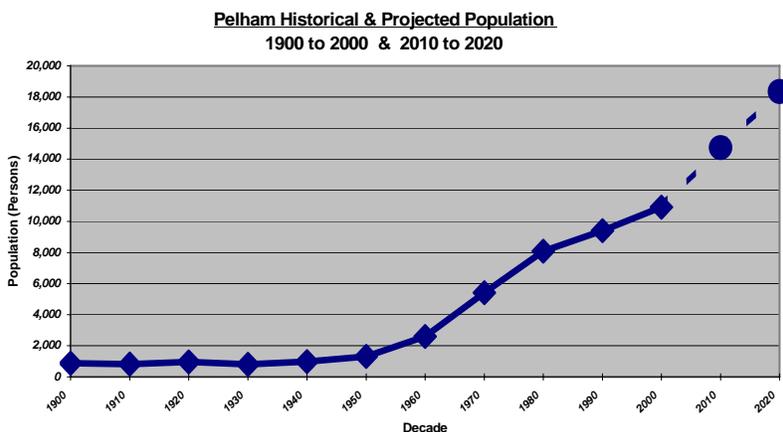
The preparation and adoption of a Capital Improvements Plan (CIP) is an important part of Pelham's planning process. A CIP aims to identify and resolve deficiencies in existing public facilities and to anticipate and meet future demand for capital facilities. A CIP is a multi-year schedule that programs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

US Census figures show that Pelham's population experienced rapid growth between 1960 (pop. 2,605) and 1980 (pop. 8,090) and the most recent 2000 Census lists Pelham's population at 10,914. (Table 1, Figure 1). From 1980 to 2000, the rate of growth has abated slightly. The new 2003 NH Office of State Planning (NHOSP) "Municipal Population Projections 2005 To 2025" forecasts similar growth rates to its previous 1997 projections. Current NHOSP projections show that Pelham continues to grow at a regular and consistent rate, from 13,030 in 2005 to 20,060 in 2025, at an average of 1,752 persons per year over the 20 year period. From 2000 to 2010, the change in population is estimated at 35.1%. No change in this trend is indicated, barring zoning changes.

**Figure 1**



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

**Table 1: Pelham Population, 1900-2025**

Historical U.S. Census Population			NHOSP Projections		
Year	Population	% Change	Year	Population	% Change
1900	875	-	2005	13,030	19.4%
1910	826	-5.6%	2010	14,750	13.2%
1920	974	17.9%	2015	16,530	12.1%
1930	814	-16.4%	2020	18,350	11.0%
1940	979	20.3%	2025	20,060	9.3%
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 March 2003.

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). The Pelham School Districts routine capital expenditures had come to represent a smaller portion of the overall budget allocation, although the elementary school expenditure authorized in the year 2000, offset this trend, as seen in the 2001 and 2002 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 for Capital improvement items by planning for routine and 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, 1988-2002**

Year	Municipal Expenditures					School District Expenditures*					Total Expenditures				
	CAPITAL OUTLAY & DEBT (\$)	% CHANGE	OPERATING COSTS (\$)	% CHANGE	CAPITAL % OF TOTAL	CAPITAL OUTLAY (\$)	% CHANGE	OPERATING COSTS (\$)	% CHANGE	CAPITAL % OF TOTAL	CAPITAL OUTLAY (\$)	% 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	0.0%	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%	2.8%	913,484	40.6%	17,519,169	9.0%	5.0%
2002	619,434	19.3%	5,391,443	33.1%	10.3%	1,610,919	308.5%	12,332,593	-8.4%	11.6%	2,230,353	144.2%	17,724,036	1.2%	11.2%

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 and 2002

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 of Pelham for the years 2004 to 2010 and to offer recommendations to the Board of Selectmen, Budget Committee, School Board, Department Heads and Residents of the Town 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 in 2002. 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.

The CIP Committee is currently considering an impact fee for either a Pelham or Pelham-Windham Cooperative High School. As stated above, the impact fee may only be assessed for capital expenses attributed to new development and not existing deficiencies.

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 prioritized by the CIP Committee and included in the 2004 to 2010 CIP schedule 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 determined there is not a demonstrated need for a project in the next seven years.

In some cases, a municipal department head 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 in the CIP but left unprogrammed waiting for more info.

## **B. FINANCING METHODS**

In the project summaries below, there are a number of different local financing methods referenced. Four of these 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 completed annually and submitted by department heads, committee chairs and residents, to identify and explain project requests. Forms are tailored by the CIP Committee and the Planning Department to prompt information that defines the relative need and urgency for projects, and which enables long-term monitoring of the useful life and value to the community for these 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 improvements while maintaining as level a 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:

<b>"U"--Urgent</b>	Cannot be delayed. Needed for health or safety.
<b>"C"--Committed</b>	Part of an existing contractual agreement or otherwise legally required.
<b>"N" – Necessary</b>	Needed to maintain existing level and quality of community services.
<b>"D"--Desirable</b>	Needed to improve quality or level of services.
<b>"F"--Deferrable</b>	Can be placed on hold until after 7-year period, but supports community development goals.
<b>"R" – Research</b>	Pending results of ongoing research, planning, and coordination.
<b>"I"--Inconsistent</b>	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		
	<b>All Requests By Municipal Entities -- In the Order Requested</b>												
<b>I.</b>	<b>ADMIN./GEN'L GOVERNMENT</b>												
A.	Municipal Building & Library			Appropriation by Ballot		C							
B.	20yr-Bond/ Note 2003	\$5,597,383	2003-2004	See Appendix F for 20-yr Bond Schedule		C							
C.	Municipal Capital Reserve 05/01/03	\$33,000	Existing	Capital Reserve Warrant									
<b>II.</b>	<b>POLICE DEPARTMENT</b>												
A.	Cruiser Replacement (2)	\$64,500	2004	1-Year Appropriation	U								
B.	Cruiser Replacement (2)	\$64,400	2005	1-Year Appropriation			N						
C.	Cruiser Replacement (2)	\$66,400	2006	1-Year Appropriation			N						
D.	Cruiser Replacement (2)	\$68,500	2007	1-Year Appropriation			N						
E.	Cruiser Replacement (2)	\$70,500	2008	1-Year Appropriation			N						
F.	Cruiser Replacement (2)	\$72,700	2009	1-Year Appropriation			N						
G.	Cruiser Replacement (3)	\$112,700	2010	1-Year Appropriation			N						
H.	Animal Control Vehicle (1)	\$30,000	2009	1-Year Appropriation			N						
<b>III.</b>	<b>FIRE DEPARTMENT</b>												
A.	Ambulance Fund	\$70,000	2004	Annual Appropriation (\$10,000 per year)			N						
	User Fee Balance 12/31/02	\$32,515	Existing	Withdrawal (10,000 per year)									
B.	Cascade System & Compressor Fill Station	\$43,000	2006	1-year Appropriation				D					
C.	2nd Set of Haz-Mat Gear	\$30,000	2004	1-year Appropriation		C							
D.	Central Station, Sub Fire Stations & Equipment				U			D					
	10 Year Bond Payment - 3.0%	\$4,806,450	2004	Bonding									
	Impact Fee Balance - 05/01/03	\$170,297											
E.	Existing Fire Station Renovation	\$50,000	2004	1-Year Appropriation								R*	
F.	Ambulance Chassis	\$30,000	2005	1-Year Appropriation			N						
	Ambulance Fund Withdrawal	(\$30,000)	2005	Withdrawal to Offset Expenditure									
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.	1 Ton Pickup Truck	\$35,000	2007	1-year Appropriation				D					
J.	Build 2nd Floor on Police/Fire	\$657,000		Unprogrammed									I*
<b>IV.</b>	<b>HIGHWAY DEPARTMENT</b>												
A.	Bridge Repair Capital Reserve	\$525,000	2004	Annual Appropriation (\$75,000 per year)			N						
	Capital Reserve Balance 12/31/02	\$62,931											
B.	90 HP Tractor w/ Boom Mower	\$49,400	2005	1-Year Appropriation				D					
C.	Maintenance & Storage Garage	\$576,000	2003	1-Year Appropriation								R	
D.	1 Ton Dump Truck /Plow	\$47,500	2004	1-Year Appropriation			N						
E.	Castle Hill Road Bridge	\$580,000	2006	1-Year Appropriation	U								
	State Aid	(\$464,000)	2006										
	Capital Reserve Withdrawal	(\$116,000)	2006										
F.	Tallant Road Bridge	\$735,000	2004	1-Year Appropriation	U								

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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		
<b>All Requests By Municipal Entities -- In the Order Requested</b>													
	State Aid	(\$588,000)	2004										
	Capital Reserve Withdrawal	(\$147,000)	2004										
G.	Dumptruck/Plow/Sander - 2005	\$95,870	2005	3-Year Appropriation (\$31,957 per year)				D					
H.	4 WD Backhoe	\$78,800	2004	1-Year Appropriation			N						
I.	Willow Street Bridge	\$930,000	2008	1-Year Appropriation	U								
	State Aid	(\$744,000)	2008										
	Capital Reserve Withdrawal	(\$186,000)	2008										
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	\$31,722	2008	1-Year Appropriation			N						
M.	Dump truck/Plow/Sander - 2009	\$95,870	2009	3-Year Lease/Purchase (\$31.957 per year)				D					
<b>V.</b>	<b>SOLID WASTE DISPOSAL</b>												
A.	No CIP needs at this time												
<b>VI.</b>	<b>PARKS &amp; RECREATION</b>												
A.	Equipment/Restroom bldg. At Muldoon Park	\$50,000	2007								R		
B.	Multi-Purpose Fields at Raymond Park	\$50,000		1-Year Appropriation				F					
C.	Renovate High School for Recreation & Senior Center	\$3,480,000		Bond Anticipated							R		
D.	Skate Board Park	\$85,000	2006	1-Year Appropriation				D					
E.	Town Pool, Tennis Court & Ice Skating Rink	\$550,000									R		
<b>VII.</b>	<b>LIBRARY</b>												
A.	No CIP needs at this time												
<b>VIII.</b>	<b>TAX COLLECTOR/ TOWN CLERK</b>												
A.	No CIP needs at this time												
<b>IX.</b>	<b>CEMETARIES</b>												
A.	30'x 44' Garage	\$97,500	2005				N						
B.	Purchase 10 Acres of land	\$800,000	2007	2-Year Appropriation (\$400,000 per year)							R		
	Land Acquisition Fund Balance												
<b>X.</b>	<b>SENIORS</b>												
A.													
<b>XI.</b>	<b>SCHOOLS</b>												
A.	New Elementary School (10 yr. bond) expires 2011	\$8,293,000	2003-2004	(See Appendix E for the 10 yr. bond schedule)		C							
	State Building Aid @ 30%	(\$2,178,000)	2004	Approx. \$310,000 per year									
	Impact Fee Balance 05/10/03	(\$793,236)	2004	Approx. \$119,900 per year									
B.	School Building Maintenance Capital Reserve 05/01/03	\$161,633	2004	Annual Appropriation (\$50,000 per year)				N					
C.	Technology Program	\$700,000	2004	7-Year Appropriation (\$100,000 per year)				N					
D.	High School Land Purchase at 3.0%	\$1,060,590	2004	Bond for 3 Years	U			N					
E.	Memorial School Roof Replacement	\$81,000	2004	1-Year Appropriation				N					
	Bldg. Cap. Reserve Withdrawal												

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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	
	<b>All Requests By Municipal Entities -- In the Order Requested</b>											
F.	Tractor/Mower	\$38,000	2004	1-Year Appropriation			N					
G.	New Maintenance Vehicle	\$35,000	2004	1-Year Appropriation			N					
H.	Repave Memorial Parking Lot	\$65,000	2005	1-Year Appropriation			N					
I.	Kindergarten	\$1,571,500						D				
	State Grant Money											
	Building Aid											
J.	New Pelham-Windham Cooperative High School	\$60,000,000		Bond Anticipated							R	
	State Bldg. Aid at 40.0%	(\$24,000,000)										
	Windham Share @ 50.0% of bal.	(\$18,000,000)										
	Impact Fee Balance - 05/01/03											
K.	Ventilation at Memorial School	\$60,000	2005	1-Year Appropriation							R	

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## E. LISTING AND DISCUSSION OF PROJECTS BY RECOMMENDED PRIORITY

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**"U"--Urgent: Cannot be delayed. Needed for health or safety.**

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- II.A. **Cruiser Replacement - 2004.** Replacement of two police cruisers per year is recommended by the Police Chief. Two cruisers are proposed for replacement in 2004. In subsequent years replacement of 2 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 that the chief's schedule be followed. 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. **Central Station, Sub Fire Stations and Equipment - 2004.** The CIP Committee ranks this proposal as both "Urgent" and "Desirable". The two fire substations are ranked as "Urgent", while a new central station is "Desirable". There is an immediate need for the sub fire stations that can enable rapid response to under-served parts of Pelham, with the East Side having the longest response time. There is an existing safety issue with response times over 4 minutes. Currently favorable interest rates (less than 3%) present a unique opportunity. A number of other major capital projects are still being researched and not recommended for presentation to the voters at this time. The CIP Committee therefore recommends to the Fire Chief, Board of Selectmen and Budget Committee to move forward this year with plans to ask voters to approve funding to build and finance both substations and the central station. A 10-year bond coupled with a reduction in the cost of existing bonds and collected impact fees and the savings of not funding temporary renovations of the old central station will give voters two substations and a central station for approximately \$4.1 Million dollars, with little or no additional tax impact.

The recent discussions on installing a Roundabout and interest in a Town Center green space have created competing interests for land, including the current fire station location. Renovation is likely to be a temporary fix costing \$207,000, based on 2003 CIP figures. The proposed 10-year bond would cost approximately \$460,000 per year with one third of that cost paid by impact fees. Separate bonds over an extended time would likely be much more costly.

- IV. E. **Castle Hill Road Bridge - 2006.** 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 during the rehabilitation of the Tallant Road Bridge. Windham has shown a willingness to share in the cost of rehabilitating this bridge, since it's closing 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 was completed in 2002. Funding must be approved before a bridge may be scheduled with NHDOT. The CIP committee has currently scheduled the Castle Hill Bridge replacement for FY 2006, although the CIP Committee originally scheduled this project for 2004 before the replacement of the Tallant Road Bridge. It would have been more prudent to act on the Castle Hill Bridge prior to the Tallant Road Bridge, but the much-anticipated necessary agreements with Windham have not been reached to date.

**"U"--Urgent: Cannot be delayed. Needed for health or safety.**

- IV. F. **Tallant Road Bridge - 2004.** This bridge replacement is scheduled for 2004. This bridge is too narrow for today's standards. It is to be funded through combination of anticipated state aid and the Bridge Repair Capital Reserve account. The CIP Committee feels that it would have been better to address the Castle Hill Road Bridge renovation first, in order to provide a detour route during this construction. However, agreement with Windham was not reached. Funding must be approved before a bridge may be scheduled with NHDOT.
- IV. I. **Willow Street Bridge - 2008.** This bridge replacement is scheduled for 2008. 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.
- XI. D. **High School Land Purchase - 2004.** The CIP Committee rates this request as "Urgent" for the Pelham School District to have monies available to purchase land for a Pelham-Windham Cooperative High School and to be able to act quickly if this becomes a reality. It is also "Necessary" to purchase land for a Pelham only High School in the future, should the Cooperative school not materialize. For this reason, the Committee has submitted a dual rating and recommends spreading the cost of this land purchase over a 3-year period to stabilize the tax rate.

**"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 Ernest G. Sherburne School into a combined municipal facility. Town Offices and Police Headquarters are located at the former Ernest G. Sherburne School. The new Library, built on the Mills property, is overlooking a new (3) acre Town Green.
- I. B. **Bond Bank Note (Private) - 2004.** Voters approved a bond for conversion of the Ernest G. Sherburne School into a combined municipal facility. A new library was built on the Mills property. The town opted for a private institution for favorable rates. (Please see the "Pelham Municipal Facilities 20-Year Bond Schedule in Appendix F")
- I. C. **Municipal Buildings Capital Reserve - Existing.** The majority of this fund has been expended, with the interest balance remaining from the renovation of the Ernest G. Sherburne School. The CIP Committee recommends that the Board of Selectman establish a new Municipal Building Maintenance Capital Reserve Fund specifically for 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. **2<sup>nd</sup> Set of Hazardous Material (HAZMAT) Equipment - 2004.** The Fire Department has requested 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) - 2004.** In 2000, the community approved \$10,373,000 in bond principal to enable elementary school construction. Based on current finance and revenue assumptions this project is committed through 2011. (Please see the "Pelham School District 10-Year Bond Schedule - New Elementary School" located in Appendix E)

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

- II. B. - G. **Cruiser Replacement – 2004-2010.** The Police Chief has recommended the replacement 2 cruisers annually in order to maintain 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 two replacement cruisers per year are scheduled through 2009. It has been noted that in the year 2010, there may be a need for replacement of three (3) cruisers 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 - 2004.** 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. 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 chassis 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 two Defibrillators - 2006.** The Fire Department requests replacement of two defibrillators, with warranty expirations approaching. 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 old 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 - 2004.** 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 - 2004.** 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 a 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 - 2008.** 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 - 2005.** 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 planned demolition of an old garage on the Mills property. Research of the feasibility on future use of the Annex building is recommended.
- XI. B. **School Building Maintenance Capital Reserve - 2004.** 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 - 2004.** 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. A cost/benefit study is warranted in determining if it is better to lease computers vs. direct purchase. Leases may allow for staying current with technology, due to automatic replacement on a fixed schedule where purchased equipment tends to be replaced less frequently and becomes dated.
- XI. E. **Memorial School Roof Replacement - 2004.** The CIP Committee rated the replacement of the Memorial School Roof as "Necessary". Action now is prudent, before the situation becomes urgent and damage to the school occurs.
- XI. F. **Mower / Snow blower - 2004.** 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 - 2004.** The School Board requests funds for the replacement of the existing van, which is 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.

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

- XI. H.      **Repave Memorial Parking Lot - 2005.** 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. Putting these repairs off may significantly increase the cost to correct the problems.

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

- III. B.        **Cascade Air System and Compressor Fill Station - 2006.** A "Desirable" ranking was given the Cascade system. This will improve the capability of the fire Dept. Pelham currently has to send out the air tanks for refilling. This new system will allow filling of these tanks in-house.
- III. I.        **1-ton Pickup Truck - 2007.** The Fire Department has requested a 1-ton pickup to replace the current Forestry truck. The existing 1972 Forestry truck, on loan from the State Forestry Service, has its continued availability uncertain. A new vehicle is needed for both availability and reliability.
- IV. B.        **90 Horsepower Tractor with Rotary Boom Mower - 2005.** 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. 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. D.        **Skate Board Park - 2006.** The Recreation Department is requesting funding of a skateboard park to provide facilities for this popular recreational activity. The project is currently scheduled for 2006. Comparative costs and flexibility based on type of construction have been researched. Potential sites for this park are being studied.

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

- VI. B. **Multi Purpose Fields and Parking at Raymond Park - 2005.** With the projected population growth, additional playing fields will be needed. Clearing and construction of two fields was recently funded with monies received from Tenneco Gas Company during the pipeline installation, per negotiation with the Board of Selectman. The new multipurpose fields at Raymond Park will provide much-needed fields, relieve some parking demands on the Muldoon parking lot, and go a long way in meeting current and future needs. The CIP committee recommends deferring this project because there appears to be a need for more coordination and possible blending of projects to meet common 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 unpaved road 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 road upgrade may be funded by developers who desire to access land on Hinds Lane for new developments.

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

- III. E. **Existing Central Fire Station Renovations.** This project includes interior renovations to provide living/learning space and replacement of overhead doors. Competing needs for land on and around the Central Station increases the sense that this project is inconsistent with future facilities planning. The CIP Committee therefore ranks this project, as needs further "Research" at this time. A new Central fire station is a possibility in the near future. A new impact fee for the fire department is providing funding for new buildings to provide adequate service as the Town grows.
- IV. C. **Maintenance and Storage Garage.** The Highway department as well as the Fire and Police departments have expressed a need for a maintenance facility. The Highway department has the greatest need. A proposed 80' x 120' building with six double bay garages with a lift and wash bay for trucks and equipment is proposed. While there is currently marginal vehicle storage, the CIP committee ranks this project as needs "Research" due to changing circumstances that need further assessment to provide the best value and use of new facilities.
- VI. A. **Equipment/ Restroom Building at Muldoon Park- 2007.** This project is proposed for 2007, but requires more research. This potential need may be addressed with the planned expansion of Raymond Park, which is being proposed. The status of the existing septic system is in question too. Until current deficiencies are more fully addressed, the Committee would like additional research done.
- VI. C. **Renovate High School for Joint Seniors and Community Recreation Center.** The Recreation Department and Senior Center Coordinator have proposed a senior citizens/ community recreation center at the existing High School should a new local or cooperative High School be approved. The recreation department master plan identifies the need for an adequate gymnasium for indoor athletics. Last years proposal recommended that a new recreation facility be built. This new proposal has many positive features, but needs research on the best utilization of the existing school facility should it become available. Including a Seniors Center as a shared use provides an opportunity for Federal funds targeted only to seniors to offset a portion of the cost for this facility.
- VI. E. **Town Pool, Tennis Courts and Ice-Skating Rink.** As the Town rapidly grows, additional recreational services become both viable and needed. The new concept of converting the existing High School Building could incorporate these facilities. An indoor pool may be feasible within the existing structure. The CIP Committee recommends this proposal be further researched in conjunction with the proposed Seniors Center/Recreation Center at the current High School site.
- IX. B. **Purchase 10 Acres of Land - 2007 and 2008.** 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 six 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 to be split between years, 2007 and 2008.
- XI. I. **Kindergarten - Unprogrammed.** Kindergarten is not being pursued by the District at this time. State funding may not be available after this year and implementation will likely be more expensive. It is also competing for land and dollars needed for a district or Cooperative High School. This project is therefore not scheduled for this current CIP update.

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

- XI. J.      **New Pelham-Windham Cooperative High School.** A combined Pelham and Windham Cooperative School Study Committee is rapidly approaching the point of proposing Articles of Agreement. The establishment of a Pelham-Windham Cooperative School District should be determined shortly. An affirmative vote would set in motion a schedule that would allow the CIP Committee to schedule this facility into the CIP. The shared cost of facilities and teaching resources will be a benefit to both Towns should they vote to combine.
- XI. K.      **Ventilation at Memorial School - 2005.** 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. J. **Build 2<sup>nd</sup> Floor on Fire - Unprogrammed.** The Fire Department has requested funds for the addition of a second floor for living quarters over portions of the existing facility to alleviate overcrowding and anticipated growth. A bond was approved last year for Town facilities and police at the former Sherburne School and a new library on the Mills property allowing the Fire department to temporarily take over the police section of the building. Even so, the current facility is old, needs several repairs, and is inadequately sized on a parcel that is too small to provide for proper expansion as the town grows. In addition, a fire department impact fee was approved in 2002. Based on the known inadequacies of the existing facility identified by the Municipal Building Committee during its study which do not allow the current site or facility to meet certain mandated requirements even with this proposed addition, the CIP Committee has voted this proposal as "Inconsistent" in its ability to meet the town's future needs. This project is also inconsistent with current plans for fire 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, 2004-2010 Annual Costs and Revenues**, found in Appendix D.

**Table 4: Net Taxable Value, 1990-2002**

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%
2002	\$615,435,649	5.6%
	Average Annual Change, 1990-2002	7.6%*
	Average Annual Change, 1995-2002	6.8%*

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, 2004-2010, 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 2002 and were not re-submitted for FY2003 for the 2004-2010 CIP. For reference, the 2002 project cost and projected starting year for funding is shown.

**Table 5: 2003-2009 CIP Projects Not Funded in FY2003  
And Not Resubmitted In The 2004-2010 CIP**

Town Department	2001 Projects	Cost	Starting Year
ADMIN. /GENERAL	N/A		
POLICE	N/A		
FIRE	N/A		
HIGHWAY	N/A		
SOLID WASTE	Recycling Building	\$375,976	Unprogrammed
PARKS AND RECREATION	Guard Shack at PVMP	\$68,750	2006
LIBRARY	N/A		
SENIOR CENTER	N/A		
SCHOOLS	N/A		

Source: Town of Pelham Capital Improvements Plan, 2003-2009.

The Solid Waste Department did not resubmit their proposed recycling building for the current CIP. There is adequate space and facilities at this time and as the need increases, the proposal is likely to be submitted again

Parks and Recreation has not resubmitted proposals as they re-assess needs. This year is a similar situation. Priorities were changed for the current CIP.

## 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, certain projects were proposed that the CIP Committee determined contained inadequate information to make a recommendation. These projects will be reconsidered, when submitted with sufficient backup, during future CIP revisions.

The CIP Committee firmly believes that impact fees should be used as a funding mechanism to partially fund future capital needs. 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.

In the year 2000, the CIP Committee unanimously endorsed the adoption of an impact fee schedule for development of a new elementary school. The CIP Committee also endorsed the enactment of an impact fee in 2002 for new facilities for the Fire Department. In March 2002, the Fire Department Impact Fee was enacted. It is anticipated that continued growth of the Town's population and buildings will bring about the need for a new central fire station and one or more sub-stations in order to provide adequate service and response time in the future. The Impact fees will be used to fund the portion of the facility costs attributed to new development.

A more formal and detailed Parks and Recreation 7-year plan must be developed and adopted as recommended by both the Pelham Planning Board and CIP Committee in order to properly study, analyze and develop a new impact fee schedule to meet these capital needs. Further delays in developing this plan reduce the opportunity to adopt and collect significant impact fees for needed projects. The CIP Committee considers impact fees critical to funding Parks and Recreation capital improvements.

The CIP Committee is striving to improve the effectiveness of the capital facilities programming process. The Planning Department should continue conducting training workshops, as necessary, with Town department heads, boards and committee chairs to further educate them on how to evaluate their departmental capital needs and on how to properly complete request forms for capital projects for consideration by 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. A better understanding of the minimum necessary information and how the CIP Committee analyzes and ranks projects will result in more precise submissions with less wasted effort and a better finished product. 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 accurately evaluate the fiscal impacts of projects, and return on investment of public funds in capital facilities replacement and development. The CIP Committee has requested information regarding the value, condition and worth of the Town's assets, as required by the Government Accounting Standards Board, "GASB Statement 34". Towards this end, one piece of information the Committee seeks to understand is how a project's 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 future replacements or upgrades may

be necessary. 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 are 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

Following is an excerpt of the presentation of the 2004-2010 Capital Improvement Plan to the Pelham Planning Board on September 4<sup>th</sup>, 2003.

This evening, the CIP Committee would like to again thank the Pelham Planning Board for giving us an opportunity to present the 2004-20010 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, this year's CIP Plan is hereby submitted to you as compiled by the CIP Committee after careful deliberations and with assistance from the Nashua Regional Planning Commission.

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

- |  |        |
|--|--------|
| 1) Opening Comments & Review of the CIP priority rating system | 5 min  |
| 2) Review of municipal and school projects and ratings         | 30 min |
| 3) Question and Answer period                                  | 3 min  |
| 4) Recommendations for the Board of Selectman                  | 2 min  |
| 5) Recommendations for the School Board                        | 1 min  |
| 6) Recommendation for the Budget Committee                     | 2 min  |
| 7) Closing comments from CIP and Planning Board                | 2 min  |

- 1) The CIP is an advisory document that serves a number of purposes:
  - a) 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.
  - b) Provides a forward-looking planning tool for the purpose of contributing to the creation of a stable real property tax rate.
  - c) To aid the Town's elected officials, appointed committees, and department heads in the prioritization, coordination, and sequencing of various municipal and school improvements.
  - d) To inform residents, potential residents, business owners, potential business owners and developers of needed and planned improvements. And

- e) 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 Vb.

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 again reminds 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 we continue to make substantial progress in meeting critical town and school district needs there are still a few critical needs identified in this year's CIP that still need to be met, especially in the Fire/ Life safety area. In addition, there are future needs not yet scheduled including a potential new Pelham /Windham Cooperative High School 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.

The Board of Selectman and School Board have several financing options as everyone knows 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. Without explaining each in detail, they are listed in this report.

**The one-year Appropriation** is most common, and refers to those projects with proposed funding from 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 or Bank Note 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. The town has adopted an impact fee ordinance and the CIP Committee has proposed and the Board of Selectman have adopted one for the new elementary school as well as one for a new Central fire station and 2 sub fire stations and required equipment. This year the CIP has strongly recommended that the town go forward with plans to bond and build the two sub-fire stations and a new central station. The CIP Committee sees this as the last critical town CIP need in order to provide adequate life safety response time for the new homes and businesses being built and as a necessary pre-requisite to any proposed new school project. Funding this project this year will allow the town to finish all urgent and necessary capital project needs spending while maintaining a level CIP tax rate.

The CIP is disappointed to announce that we were unable to work on an impact fee schedule for Parks and Recreation as announced last year to specifically address their growing needs due to the failure of the Parks and Recreation department to complete the prerequisite multi-year comprehensive plan as requested by the Pelham Planning Board and CIP Committee. It is still our hope that a comprehensive plan will be developed soon, so that we can consider a fee schedule next year for review and adoption by the Planning Board and Board of Selectman. The CIP Committee recognizes and hopes other recognize that our inability to adopt an impact fee schedule for Parks and Recreation seriously hinders funding desirable Parks & Recreation capital improvements when other more urgent and necessary needs continue to come forth. In the mean time, we plan to work on an impact fee schedule for the proposed Pelham /Windham Cooperative High School project if voters approve the articles of incorporation later this year.

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.

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 very specific criteria as described below:

<b>"U"--Urgent</b>	Cannot be delayed. Needed for health or safety.
<b>"C" – Committed</b>	Part of an existing contractual agreement or otherwise legally required.
<b>"N" – Necessary</b>	Needed to maintain basic level and quality of community services.
<b>"D"--Desirable</b>	Needed to improve quality or level of services.
<b>"F"--Deferrable</b>	Can be placed on hold until after 7-year period, but supports community development goals.
<b>"R"--Research</b>	Pending results of ongoing research, planning, and coordination.
<b>"I" – Inconsistent</b>	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. The information in Table 3 represents all requests for capital projects submitted by each municipal department 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.

Any questions on our ranking methods?

We are now ready to get into the most important part of the CIP report and will review projects that the CIP Committee scheduled for this year and our reasons for doing so. We will cover these in priority rank sequence.

#### Question and Answer Period

#### Recommendations for the Board of Selectman

- 1) The CIP has recommended that the Board of Selectman look at every existing building and capital assets within those buildings that are over \$10,000 in cost and have a useful life of at least 3 years and estimate the age, condition, and estimated remaining life on those assets. This includes not only equipment, but also the age of roofs, flooring etc. It is our understanding that the Town needs to be in compliance with GASB (Government Accounting Standards Board) statement 34 protocols by year-end 2003. 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.
- 2) The CIP recommends that a municipal building maintenance Capital reserve fund be started and be funded annually at a rate to be determined based on the GASB data for the purpose of having much needed funds available for the repair and maintenance of all existing and the new municipal buildings in the future.
- 3) The CIP recommends that the Board of Selectman make it a priority to direct the Parks and Recreation department to develop a new detailed 7-year plan so that the CIP can create a legitimate impact fee schedule to fund necessary projects. 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 detailed analysis of needs. We are cognizant of the fact that the CIP report does not reflect the actual recreational CIP needs of the town.
- 4) The CIP continues to recommend that the BOS maintain the Ambulance Capital reserve fund and fund it annually with \$10,000 from the ambulance fund for the sole purpose of purchasing a future ambulance for a proposed future sub-fire station. We also recommend the use of the excess funds collected by the ambulance service to be used to fund a new capital reserve fund for future fire stations and the emergency equipment that will be required in them.
- 5) Existing road conditions in Pelham continue to be better than surrounding communities due to repaving project recently completed and the road agents reconstruction and repaving schedule. The CIP committee is still concerned that many roads built over the last 20 years will need substantial repair in the years ahead including the road surface, catch basins and drainage pipes. Roads have a known useable life span. No provision has been made in the town's budget for this expected need, which we expect to be substantial in the years ahead especially if we keep having winters like the last one. As recommended last year

- we would like to see a study of these needs and a recommended funding method as soon as possible.
- 6) This past year's vote has convinced the CIP that it is important that certain critical items, such as cruiser and ambulance replacement be taken off the ballot as part of the town warrant articles and placed within the operating budget. We feel this would make for a better managed town ballot as well as ensure that these items become part of the town's default budget if ever the town's requested budget is not fully funded by the voters ensuring the safety of the town's citizens. Requests for additional emergency equipment should be placed on the ballot one time before becoming part of the default budget.
  - 7) The CIP Committee feels it is crucial for the town to go forward this year with plans to bond and build the two sub fire stations and a new central fire station. This project is needed now and can be accomplished this year while maintaining a level CIP tax rate impact.

#### Recommendations for the Pelham School Board.

- 1) A complete list of current assets worth over \$10,000, having a useful life of 3 years or more and owned by the school district needs to be done and distributed to the CIP. This is a repeat request for the last 2 years.
- 2) The age of these assets needs to be determined so that a remaining useful life can be determined so that the school district can determine a more proper figure for funding of a Capital Reserve. We feel the current funding amount is too low to meet existing needs and will cause unnecessary swings in the tax rate.
- 3) Accomplishment of #1 and #2 above is crucial to preventing the presentation of needed repair projects to the CIP Committee for inclusion in our current year's project list and would allow us to better project and budget for them without negatively impacting the Pelham tax rate.
- 4) We recommend that the Pelham School Board continue to fund annually the School Building Maintenance Capital reserve fund to the sum of \$100,000, at least for now, until a more appropriate amount can be determined based on the completion of recommendations 1 and 2 and 3 above.
- 5) Based on the estimated full build out of the town projected in the Pelham Master Plan, we would also recommend that all future school building plans take into consideration a 20-year need and full town build out.

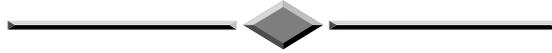
#### Recommendations for the Pelham Budget Committee

- 1) The CIP committee feels that a better understanding of the CIP rankings and its purpose and support from the Budget Committee in funding scheduled items will lead to a more stable tax rate which is not only the CIP's goal but the Budget Committee's as well.
- 2) The CIP would like to see communication from the Budget Committee to both the BOS and School Board your approval and support especially for the funding of Capital Reserves and the elimination of warrant articles for replacement of critical life/safety vehicles.
- 3) The CIP Committee requests your assistance in recommending methods to fund Parks and Recreation capital needs while other more urgent and necessary projects take priority.
- 4) Based on the low cost of construction and financing available today, the Budget Committee is urged to recommend passage of the CPI's recommendation to bond and build the two sub-fire stations and new central fire station this year as proposed.

The CIP Committee is confident that funding of our 2004 recommended Capital Improvement projects as proposed represents the best opportunity for the town to fund needed CIP projects with minimal impact on the Pelham tax rate. Interest rates are historically low, overall construction costs are still stable or declining slightly, new home pricing continues to increase, the town's average growth rate is stable, and our impact fee revenue is increasing. It is our hope that we will continue the progress the

town and school districts have made in the last few years in meeting capital improvement needs during this favorable economic climate in order to minimize the tax impact of these projects on the citizens of Pelham.





## **APPENDIX A**

# **N.H. REVISED STATUTES ANNOTATED**

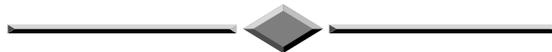
**Chapters 674: 5-8**

**Capital Improvements Program**

**and**

**Chapter 674: 21**

**Innovative Land Use Controls**





# TITLE LXIV PLANNING AND ZONING

## 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. As an alternative, the legislative body may authorize the governing body of a municipality to appoint a capital improvement program committee, which shall include at least one member of the planning board and may include but not be limited to other members of the planning board, the budget committee, or the town or city governing body, to prepare and amend a recommended program of municipal capital improvement projects projected over a period of at least years. The capital improvements program may encompass major projects being currently undertaken or future projects to be undertaken with federal, state, county and other public funds. The sole purpose and effect of the capital improvements program shall be to aid the mayor or selectmen and the budget committee in their consideration of the annual budget.

**Source.** 1983, 447:1, eff. Jan. 1, 1984. 2002, 90:1, eff. July 2, 2002

### Capital Improvements Program

#### Section 674:6

**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.

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

# Capital Improvements Program

## Section 674:7

### **674:7 Preparation. -**

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

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

**Source.** 1983, 447:1. 1995, 43:1, eff. July 2, 1995. 2002, 90:2, eff. July 2, 2002.

# Capital Improvements Program

## Section 674:8

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

**Source.** 1983, 447:1, eff. Jan. 1, 1984. 2002, 90:3, eff. July 2, 2002.

# TITLE LXIV PLANNING AND ZONING

## 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.
- (n) Village plan alternative subdivision.

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.

VI. (a) In this section, "village plan alternative" means an optional land use control and subdivision regulation to provide a means of promoting a more efficient and cost effective method of land development. The village plan alternative's purpose is to encourage the preservation of open space wherever possible. The village plan alternative subdivision is meant to encourage beneficial consolidation of land development to permit the efficient layout of less costly to maintain roads, utilities, and other public and private infrastructures; to improve the ability of political subdivisions to provide

more rapid and efficient delivery of public safety and school transportation services as community growth occurs; and finally, to provide owners of private property with a method for realizing the inherent development value of their real property in a manner conducive to the creation of substantial benefit to the environment and to the political subdivision's property tax base.

(b) An owner of record wishing to utilize the village plan alternative in the subdivision and development of a parcel of land, by locating the entire density permitted by the existing land use regulations of the political subdivision within which the property is located, on 20 percent or less of the entire parcel available for development, shall provide to the political subdivision within which the property is located, as a condition of approval, a recorded easement reserving the remaining land area of the entire, original lot, solely for agriculture, forestry, and conservation, or for public recreation. The recorded easement shall limit any new construction on the remainder lot to structures associated with farming operations, forest management operations, and conservation uses. Public recreational uses shall be subject to the written approval of those abutters whose property lies within the village plan alternative subdivision portion of the project at the time when such a public use is proposed.

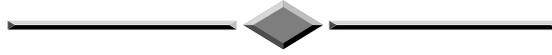
(c) The village plan alternative shall permit the developer or owner to have an expedited subdivision application and approval process wherever land use and subdivision regulations may apply. The submission and approval procedure for a village plan alternative subdivision shall be the same as that for a conventional subdivision. Existing zoning and subdivision regulations relating to emergency access, fire prevention, and public health and safety concerns including any setback requirement for wells, septic systems, or wetland requirement imposed by the department of environmental services shall apply to the developed portion of a village plan alternative subdivision, but lot size regulations and dimensional requirements having to do with frontage and setbacks measured from all new property lot lines, and lot size regulations, as well as density regulations, shall not apply. The total density of development within a village plan alternate subdivision shall not exceed the total potential development density permitted a conventional subdivision of the entire original lot unless provisions contained within the political subdivision's land use regulations provide a basis for increasing the permitted density of development within a village plan alternative subdivision. In no case shall a political subdivision impose lesser density requirements upon a village plan alternative subdivision than the density requirements imposed on a conventional subdivision.

(d) Within a village plan alternative subdivision, the exterior wall construction of buildings shall meet or exceed the requirements for fire-rated construction described by the fire prevention and building codes being enforced by the state of New Hampshire at the date and time the property owner of record files a formal application for subdivision approval with the political subdivision having jurisdiction of the project. Exterior walls and openings of new buildings shall also conform to fire protective provisions of all other building codes in force in the political subdivision. Wherever building code or fire prevention code requirements for exterior wall construction appear to be in conflict, the more stringent building or fire prevention code requirements shall apply.

(e) If the total area of a proposed village plan alternative subdivision including all roadways and improvements does not exceed 20 percent of the total land area of the undeveloped lot, and if the proposed subdivision incorporates the total sum of all proposed development as permitted by local regulation on the undeveloped lot, all existing and future dimensional requirements imposed by local regulation, including lot size, shall not apply to the development.

**Source.** 1983, 447:1. 1988, 149:1, 2. 1991, 283:1, 2. 1992, 42:1. 1994, 278:1, eff. Aug. 5, 1994. 2002, 236:1, 2, eff. July 16, 2002.

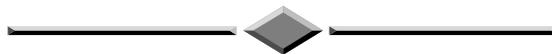




## **APPENDIX B**

### **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)<sup>1</sup> 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.

### 4. Forests and Wildlife

- Utilize the Forestland Evaluation and Site Assessment (FLESA)<sup>2</sup> 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.

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

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

- 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, the 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 line.

## 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 of 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 locate 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.

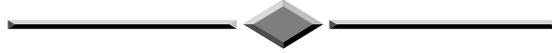
## 5. Industrial Development

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

[#255-9 Excerpt from 2002 Pelham Master Plan](#)

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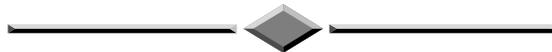
<sup>3</sup> NRPC, *Compatibility Guidelines for the Town of Pelham, NH*, June 15, 1999.



## APPENDIX C

### PELHAM CIP PROGRAM

Capital Project Worksheet and Submission Form





Town of Pelham  
 Capital Improvements Plan  
 2004-2010  
 Appendix C

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
(Itemize as Necessary)		
	Dollar Amount (in current \$)	<b>Costs or Personnel Needs</b>
\$ _____	Planning/feasibility analysis	<input 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	<b>Dollar Cost of Impacts if known:</b>
_____	Vehicles and capital equipment	(+) \$ _____ annually
		(-) \$ _____ annually
\$ _____	Total project cost	Estimated useful life is ____ years

**Sources of Funding:**

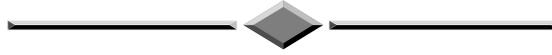
Grant from: \_\_\_\_\_ \$ \_\_\_\_\_ show type  
 Loan from: \_\_\_\_\_ \$ \_\_\_\_\_ show type  
 Donation/bequest/private \_\_\_\_\_  
 User charge or fee \_\_\_\_\_  
 Capital reserve withdrawal \_\_\_\_\_  
 Impact fee account \_\_\_\_\_  
 Warrant article \_\_\_\_\_  
 Current revenue \_\_\_\_\_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

**Form Prepared by:**

\_\_\_\_\_  
 (Signature)  
 \_\_\_\_\_  
 (Title)  
 \_\_\_\_\_  
 (Department/Agency)  
 \_\_\_\_\_  
 (Date prepared)

**Total Project Cost** \$ \_\_\_\_\_

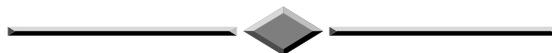




## APPENDIX D

### PELHAM CIP PROGRAM

#### **Schedule of CIP Projects, 2004-2010, Annual Costs and Revenues**

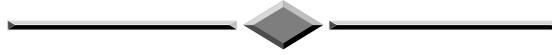




**INSERT EXCEL SPREADSHEETS 11x17 or (8. X 14)**

**SEE FILENAME #255E-26 Pelham 2004-2010 CIP Spreadsheet**

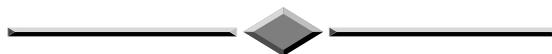




## APPENDIX E

### PELHAM CIP PROGRAM

#### **Pelham School District 10 Year Bond Schedule New Elementary School**





## Pelham School District

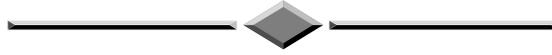
### 10 Year Bond Schedule

**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
<b>TOTALS</b>	<b>\$10,373,000</b>	<b>\$0</b>	<b>\$2,912,391</b>	<b>\$13,285,391</b>	<b>\$3,111,900</b>	<b>\$1,079,757</b>	<b>\$8,344,809</b>





## APPENDIX F

### PELHAM CIP PROGRAM

#### **Pelham Municipal Facilities 20 Year Bond Schedule**





## Pelham Municipal Facilities

### 20 Year Bond Schedule

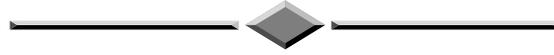
**Bond: \$5,597,383.**

**Interest rate: 3.15 to 5.00 (Adjustable Rate)**

YEAR	PRINCIPAL	BOND AMT. REMAINING	INTEREST	TOTAL COST	STATE AID	IMPACT FEES	DISTRICT COST
2003-04*	277,383	5,597,383	212,161	489,544	N/A	N/A	N/A
2004-05	280,000	5,320,020	203,840	483,840	N/A	N/A	N/A
2005-06	280,000	5,040,020	195,440	475,440	N/A	N/A	N/A
2006-07	280,000	4,760,020	187,040	467,040	N/A	N/A	N/A
2007-08	280,000	4,480,020	178,640	458,640	N/A	N/A	N/A
2008-09	280,000	4,200,020	170,240	450,240	N/A	N/A	N/A
2009-10	280,000	3,920,020	161,140	441,140	N/A	N/A	N/A
2010-11	280,000	3,640,020	151,340	431,340	N/A	N/A	N/A
2011-12	280,000	3,360,020	141,540	421,540	N/A	N/A	N/A
2012-13	280,000	3,080,020	131,040	411,040	N/A	N/A	N/A
2013-14	280,000	2,800,020	120,540	400,540	N/A	N/A	N/A
2014-15	280,000	2,520,020	109,340	389,340	N/A	N/A	N/A
2015-16	280,000	2,240,020	98,140	378,140	N/A	N/A	N/A
2014-15	280,000	1,960,020	86,940	366,940	N/A	N/A	N/A
2016-17	280,000	1,680,020	75,460	355,460	N/A	N/A	N/A
2017-18	280,000	1,400,020	63,560	343,560	N/A	N/A	N/A
2018-19	280,000	1,120,020	51,520	331,520	N/A	N/A	N/A
2019-20	280,000	840,020	39,200	319,200	N/A	N/A	N/A
2020-21	280,000	560,020	26,600	306,600	N/A	N/A	N/A
2021-22	280,000	280,020	13,300	293,300	N/A	N/A	N/A
<b>TOTALS</b>	<b>5,597,383</b>	<b>0</b>	<b>2,417,021</b>	<b>8,014,414</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

\* - 2003 is scheduled the beginning year of the Municipal Bond payments. Table 3, I, B, Pg. 6



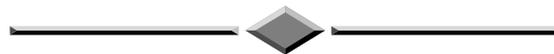


## **APPENDIX G**

### **PELHAM CIP PROGRAM**

**06/13/03 FIRE DEPARTMENT STATION NEEDS**

**LETTER To Town Officials**





**To:** Board of Selectman  
Pelham Budget Committee  
Pelham Planning Board  
Chief David Fisher  
Tom Gaydos

**From:** CIP Committee

**Date:** 06/13/03

**Re:** Fire Department Station needs

With so many studies still in progress on such necessary needs as a new High School and desirable needs such as Kindergarten, Senior Center and Recreation Center, this year's CIP has been challenging to say the least since accurate cost numbers for these items are unknown at this time.

Based on the current lack of important information on these items and the likelihood that most of them will go forward in the future when more definitive information is known, the CIP Committee would like to recommend to the Fire Chief, Board of Selectman and Budget Committee that you go forward this year with plans to ask Pelham voters to approve funding to build and finance via a 10-year bond both 2 sub fire stations and a new primary fire station. Our reasons for requesting your urgent attention to this project, this year, are as follows:

- 1) Pelham has built over 350 new homes in the last 3 years and providing ambulance, fire and rescue services to these new homes as well as the additional ones that will be built in the next few years is vitally important.
- 2) The CIP Committee identified less than 2 years ago that the current primary Fire station was at capacity to serve the town of Pelham and recommended an impact fee to cover the cost of building a new one along with additional sub fire stations to provide coverage on the outskirts of town. Both the Pelham Planning Board and Board of Selectman adopted this impact fee schedule. This Impact fee has already collected over \$175,000.
- 3) The impact fee schedule adopted will pay almost 100% of the cost to build and equip the 2 sub fire stations and approximate 55% of the cost to build the new primary station in the years ahead.
- 4) The Municipal Building Committee identified critical shortcomings in the current central fire station that cannot be rectified on the existing site because the site is too small. Several of these shortcomings will not allow the Fire department to meet certain Fire safety requirements that are mandated.
- 5) The existing primary station needs substantial renovations that have been identified to cost approximately \$207,000. This represents over 20% of the taxpayer costs to build a new central station. The CIP Committee feels this is a poor use of taxpayer dollars.
- 6) With the likely decision soon to either build a new Pelham High School or a new Pelham Windham Regional High School, the CIP Committee feels that having the proper ambulance, fire, life safety, and rescue resources in place first should be a pre-requisite.
- 7) The total cost of building a new central station and 2 sub fire stations is roughly \$4.1 million dollars. At a current quoted Municipal borrowing interest rate of 2.3% the annual payment on a 10-year bond is approximately \$460,000 with 1/3 or \$150,000 per year coming from impact fees. This leaves an annual payment of approximately \$310,000 to be expended.
- 8) The reduction in the cost of the existing Elementary School Bond between now and the first payment due on the new Fire station bond of \$116,000 and the elimination of the existing road bond this year of \$110,313 will pay most of the town's portion of the tax impact the first year for this project. Subsequent reductions in all existing bond payments going forward will more than cover the new bond payment and therefore having virtually no additional tax impact to Pelham taxpayers if this project is funded this year.

- 9) Replacement of the existing central station in the center of town would allow the Board of Selectman to get a more up to date traffic study completed in the center of town and aid both them and the Pelham Planning Board to better determine a proper long term solution to solve the traffic problem that has been identified in this area.
- 10) If the town approves a plan to provide sub fire stations and a new central station along with the Fire Chief and Planning Boards diligence in requiring water storage in Cisterns on all new subdivisions, there is a strong possibility that the town's insurance rating can be raised affording homeowners a reduction in cost to their existing homeowner policies due to the increase in fire safety.

While there needs to be more public discussion and hearings on the location of sub fire stations and a new central fire station, the CIP Committee sees a unique opportunity to provide necessary and desirable fire and life safety protection for the town, pave the way for a solution to town center traffic problems, and put in place the ambulance, fire, rescue and life safety needs to properly protect future projects like the new High School with little impact to Pelham taxpayers if this plan is adopted and funded this year. Waiting to build the fire stations over time would result in a significant increase in cost and predicting the tax impact of these increases can't be known today. We urge your strong support.

Bill Scanzani

Chair- CIP Committee

[#255E-25b](#)