

Introduction

In December 2004, this Committee submitted a Capital Improvements Program report. Among other things, it made the following recommendation:

We urge our successors to update the CIP frequently. Each year, all town departments and committees should submit information for the new sixth year, along with any recommendations for revisions to prior years projects if necessary. Every few years, Hancock's demographic, financial and statistical data should be updated by the Planning Board or CIP Committee, and the trends should be studied in light of the long term planning goals of the town.

This brief report implements that recommendation for the current year.

Population Trends and Projections

It is not the purpose of this report to re-analyze the trends and projections fully set forth in the 2004 report. We nevertheless make the following brief comment:

During calendar 2010, to date, Hancock has issued no building permits for new housing. In all of 2009 and 2008, only two (2) and three (3), respectively, were issued.¹ This is below the growth rate projected in the 2004 Report.

We expect that data from the 2010 census will be available to us for use in connection with the next annual report and will require a reevaluation of these trends.

Municipal Financial Projections

During 2010, Hancock's municipal departments continued to experience unusual financial strains, largely due to the aftermath of the near collapse of the financial markets and a resulting virtual recession. State funding of municipalities has been seriously curtailed. At the same time, generous federal stimulus packages created some opportunities for isolated capital

¹ Data supplied by Linda Coughlin by e-mails of October 15, 2008, October 22, 2009 and November 30, 2009 and October 12, 2010.

projects. Simply stated, the town – like all local governments - is tightening its belt.

In late 2010, the Committee re-canvassed other contributors to this report to update their financial projections for capital expenses expected over the next six years. In October, all contributors were asked by telephone call, visit or e-mail to provide updated information. Notes of these contacts are appended to the archive copies of this report.

The information collected is summarized in the table appended to this report which supersedes Exhibit #8 in the 2004 Report and by the following notes which supplement the 2004 through 2009 Reports.

Direct but Presently Non-Quantifiable Capital Requirements:

Village Planning Committee: In earlier reports, we outlined extensive work done by the Village Planning Committee (“the VPC”) [formerly the Village Design Committee] to improve public infrastructure in Main Street and around the Common. In 2010, these plans were implemented. Funding was provided entirely from federal stimulus grants, thus involving no call on taxpayer funds.

Following completion of this work, the VPC intends to disband and has no plans which involve capital expenditures by the Town².

Conservation Commission: No further capital expenditure plans have been formulated.

Police Department: In 2009, Chief Andrew Wood reported three projects: First, he wished to create new space at the existing police facility for offices, records and equipment storage. This would require an expansion of the existing building. No plans or costings had been prepared; Second, he hoped to add a third police vehicle with a view to assigning each vehicle to an individual officer and extending the life of each from four years to six or so. He believes that this would reduce capital costs and maintenance but no figures have been worked out. For the interim, Exhibit 8 uses figures for a two-yearly cycle.

² Interviews by Hunt Dowse with Howard Mansfield and Kurt Grasset, (November 2009).

Third, the Chief wished to install a digital emergency radio repeater at a strategic location in town. He believes that the capital cost of doing so would be \$15,000 to \$18,000 but has not worked out details. In October 2010, the Chief reported no developments on these projects and no other capital projects.³

Fire Department: Apart from replacement or refurbishment of emergency vehicles as shown in Table 8, the Fire Department does not have plans for capital expenditures which would call on taxpayer funds.⁴

Commons Commissioners: The Commons Commissioners report that the bandstand on the Commons is in a poor state of repair and should be replaced. Kurt Grasset estimates that this work will need to be done not later than fiscal 2012 and will cost about \$40,000, but no detailed plans or costings exist at this stage.⁵

Library: We reported earlier that the Library has modified its capital plan to defer re-carpeting (\$12,000) until fiscal 2012. It now believes that it will need to replace the roof at a cost of about \$19,000 in 2011 but has not developed a full plan.⁶ It has no other capital plans.

Recreation Department: At the 2009 Town Meeting, the Recreation Department received approval for \$36,000 of construction related to improvements at the Norway Pond beach. These are now integrated with the Main Street improvements noted above. The Department has no additional plans involving capital expenditures.⁷

Housing Authority: In 2008, we reported that the Housing Authority had “stepped back” from plans to lease the old Fire Station off Main Street and was considering alternative plans. At present, the Authority is effectively dormant and apparently plans to dissolve. It has no plans involving capital expenditure.⁸

³ Interviews by Stephen Froling with Chief Andrew Wood, (November and December, 2009); Neal Cass interview with Chief Wood (October 2010).

⁴ Interview by Hunt Dowse with Nevin Cassidy (December 2009); email exchange (October 2010).

⁵ Interview by the Committee with Kurt Grasset (October, 2010).

⁶ Interviews by Alison Rossiter with Amy Markus and Mary Garland (November 2009) and Hunt Dowse with Amy Markus (October 2010).

⁷ Interview by Alison Rossiter with Jeff Wilder (November 2009, October 2010)

⁸ Interview by Larry Schwartz (October 2010)

Highway Department: The committee has received a report from the DPW relating to extensive road work which will be required over the next ten years on several roads; a copy is filed with the original of this report. The Director of Public Works has requested that budgets reflecting this work be spread evenly over the ten year period, which we have done.⁹

Other Matters not directly affecting the town Capital Budget:

Post Office: We reported earlier that the town signed a new lease with the USPS in 2004 which runs to 2016. It does not intend to make any new capital demands on the town apart from routine maintenance, especially painting, for which we have already budgeted.¹⁰

Cemetery Trustees: We reported earlier that the cemetery trustees still plan to install gates at the Norway Plains cemetery over the next few years. They also plan to develop an area for the interment of cremated remains. Necessary funds for these projects will be raised through private donations without making any call on public funds. They have no other capital plans.¹¹

Water Department: The following projects are planned:

1. The State now requires the water system to have a secondary disinfection system installed by 2014. The Water Commissioners have contracted to have an engineering study completed at a cost of around \$20,000. Once the study is completed the Water Commissioners will study the engineering recommendations and initiate installation of a disinfection system, which they plan to finish before the 2014 deadline. This project will be funded by user fees. There is no plan to request money from the town for this.
2. The Commission also plans to install a booster pumping system for Antrim Road and Norway Hill over the next few years. The cost is estimated at \$20,000-\$30,000 but will again be covered by user fees.

⁹ Interview by Committee with Kurt Grasset (October 11, 2010).

¹⁰ 2006 Report; further interviews by Alison Rossiter with Elaine Merritt (November 2009) and by Stephen Froling with Elaine Merritt (October 2010).

¹¹ Telephone interview by Hunt Dowse with Kurt Grasset (November, 2009 and interview by Larry Schwartz (October 2010).

The Water Department has no plans which would impose capital requirements on the town.¹²

School District: We refer to two reports outlining the capital plans of the School District:

The Conval Strategic Plan 2010-2015 revised to November 2009 prepared by the Superintendent and others and

The Conval Educational Specification prepared by SAU #1 (undated and unsigned.)

¹² Interviews and e-mails by Alison Rossiter with Jeff Wilder (November 2009 and October 2010).

Exhibit 8 revised

Departments and	Aggregate Cost of Multi-Year Projects	Financing							
Capital Items		Method ⁱ	2011	2012	2013	2014	2015	2016	
Highway Departmentⁱⁱ									
120G Grader		Outstanding Bond	\$39,687	\$35,161					
Mack Truck #2 (refurb)									
Loader	\$130,000	Bond				\$26,000	\$26,000	\$26,000	
F-550						\$85,000			
International (rebuild)									\$30,000
Road Constructionⁱⁱⁱ									
Consolidate Re-construction			\$67,700	\$67,700	\$67,700	\$67,700	\$67,700	\$67,700	\$67,700
Bridge Maintenance									
Transfer Station									
Forklift				\$31,000					
Town Buildings									
Paint Meeting House			\$5,000						
Paint Post Office					\$19,500				
Police Department									
New Cruisers			\$29,500		\$30,500			\$31,500	

Commons Commission									
Replace bandstand ¹³					\$40,000				
Fire Department									
Fire Pumper		\$255,000	Outstanding Bond	\$45,554					
Fire Tanker (refurbishment)					\$30,000				
Library									
Carpet (except for Daniels Room)					\$12,000				
Roof				\$19,000					
Existing Bond Obligations									
1991 Bond (Rec Area, Tanker, Office, Truck)				\$47,025					
2007 Bond (Prospect Hill Land)		\$374,044	Bond	\$44,300	\$44,300	\$44,300	\$44,300	\$44,300	\$44,300
Total				297,766	260,161	162,000	223,000	169,500	168,000

ⁱ Generally, the Town proposes to finance by direct taxation in the year incurred except for items in excess of \$100,000 which it proposes to bond.

ⁱⁱ The larger items are highly dependent on the price of steel.

ⁱⁱⁱ These figures are all highly dependent on the price of oil since asphalt is directly related.

¹³ Recommend that this be done by fundraising via the Village Improvement Committee.