

Town of Conway Capital Improvement Planning Committee

Committee Members;

Citizen Member

Dana Goodfield, Citizen, Chairman

Robert Armstrong, Select Board Member

Roy Cohen, Finance Committee Member

Russell French, Assessor Member

Brian Kuzmeskus, Citizen Member

The purpose of this committee is to receive and review capital requests from town departments and items that pertain to fixed assets. In most cases, fixed assets will be town buildings and bridges that are town owned. A capital item is one costing \$5,000.00 or more or having a useful life of five years or more. The Select Board has the ultimate authority to grant purchase decision on capital purchases not requiring town meeting approval. One of the goals of the CIP Committee is to research capital requests providing the Select Board with a fuller understanding of the request, frequency of replacement, and in some situations possible ways to acquire it. Using the information provided by the CIP Committee, the Select Board is able to make purchase decisions that are in the best interest of the Town of Conway tax payers.

Frequency of replacement concerning some highway equipment has been an issue in the past. We are all familiar with rebates. They have become a way of life in retail marketing. In state, city, and town purchases where bids are typically employed, these rebates take a somewhat different form. They are called Competitive Equalization Allowances, and can be substantial. The term refers to funds that manufacturers provide to their distributors to encourage government accounts to purchase their products. The theory is that purchases by retail buyers can be influenced by what those buyers see government buyers purchasing. These incentives generally are not influenced by frequency of purchase.

Competitive Equalization Allowances alone do not make shorter term ownership by the town advantageous. The other piece of the puzzle is the strong market for certain types of equipment. Equipment like excavation machinery that has broad usage among contractors retains its value during the first few years. This means that the final cost to the town for a new piece of equipment could be closer to what a used piece would sell for in the retail market. The trade in value at the replacement time is closer to the original acquisition cost than it would be for a retail buyer. Therefore, this can make it cost effective for the town to replace some equipment more frequently which reduces replacement of wear items, and provides protection with warranties. This does not apply to all of our equipment. Examples of equipment that would not qualify for this practice are fire trucks, the used market is almost nonexistent, and our highway dump trucks. These trucks tend to be very user specific in that they can have special sander bodies and snowplow arrangements which make them less attractive to general contractors.

In the final analysis, the determination to replace equipment more frequently needs to be reviewed on an individual basis at the estimated time of replacement. Included on this website is a matrix of anticipated capital expenditures that have been provided by the various department heads. It is still a work in progress, but provides a starting point for planning the revenue required in the future.

TOWN OF CONWAY
CAPITAL PLAN

7/28/2015

	Year Purchased	Planned Life	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
HIGHWAY DEPARTMENT															
Ford Dump Truck	1998	20													
International 7400 Dump Truck	2004	15							150,000						
International 7400 Dump Truck	2007	15							170,000				150,000		
Acquire and Refurbish Used Dump Truck															
Caterpillar Loader 928	1997	15													
replaced 2015 w Volvo L60G		5													
Caterpillar Wheel Loader 930	2012	15	190,000								40,000				
replaced 2015 w Volvo L60G		5													
John Deere Rd Grader	1998	25									40,000				
Volvo MTC 110D Skid-steer	2014	5												170,000	
Volvo ECR 58 Mini Excavator	2013	5								36,000					
Supercam equipment trailer	2013	15			72,000					30,000					
2014 Dodge 3500	2014	5			8,000										
Chevrolet Kodiak 4500 Dump Truck	2008	10			45,000										
1998 Volvo Dump/Plow Truck	2014	10					60,000		25,000						
John Deere Tractor with Mower	2008	20													
Ambulance Cab/Chassis Ford F-450	?	?													100,000
Kubota Tractor with Snowblower	2013	10													
Work zone safety trailer	2013	10												25,000	6,000
Dump body															
SUBTOTAL			190,000		125,000		46,000	106,000	0	175,000	236,000	80,000	0	150,000	201,000
FIRE DEPARTMENT															
Dodge Power Wagon	1951	X													
International Pumper	1990	25													
GMC Yukon	1999	15						300,000							
International Pumper 4400	2002	25			0										
Kenworth Fire Truck (Replaced '84 Tanker)	2011	25													
PAS Utility Trailer	2002	15													
SUBTOTAL			0		0		0	5,000	0		0	0	0	0	0
POLICE DEPARTMENT															
Chevrolet	2013	6													
Karavan Trailer	1999	?		0					45,000						
SUBTOTAL			0		0		0	0	45,000		0	0	0	0	0
GRAND TOTAL			190,000		125,000	0	106,000	305,000	175,000	281,000	80,000	0	150,000	201,000	100,000
CAPITAL ACCOUNT:															
BALANCE															
Transfers/Revenues In			209,336	170,862	169,915	294,915	363,915	183,915	133,915	-22,085	22,915	147,915	122,915	46,915	
Interest			131,526	124,053	125,000	175,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	
Appropriations Out			170,000	125,000	0	106,000	305,000	175,000	281,000	80,000	0	150,000	201,000	100,000	
NEW BALANCE			209,336	170,862	169,915	294,915	183,915	133,915	-22,085	22,915	147,915	122,915	46,915	71,915	

[illegible]

Bridge #	Road/River	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
C-20-001	0F3 Main Poland Road/Chapel Brook								
C-20-002	0H3 Harrison Road/Poland Brook								
C-20-003	5YE N. Poland Road/Poland Brook								
C-20-004	0F1 N. Poland Road/South River								
C-20-005	0F2 Main Poland Road/Chapel Brook								
C-20-007	ANM Hickory Rodge Road/South River								
C-20-009	0H7 Main Poland Road/South River								
C-20-013	AR1 Reed's Bridge Road/South River								
C-20-014	AY3 Reed's Bridge Road/South River								
C-20-017	0H6 Bardwell's Ferry Road/Deerfield River								
C-20-018	0F4 Shelburne Falls Road/Bear River								
C-20-019	0H1 S. Shirkshire Road/Bear River								
C-20-026	0H4 Main Poland Road/Chapel Brook								
Stabilization fund:									

minimum of \$26,000/yr for engineering