

Warrant Article for the 2005 Annual Town Meeting

Article ____ Capital Project Planning Committee

To see if the Town will vote to amend the Town Bylaws Article II, by adding a new Section 22, to establish a Capital Project Planning Committee to review all proposed capital projects for the ensuing year and the following five years and make recommendations on that plan to the Board of Selectmen.

And further, add an entry in Article I, Section 1.3 for the Capital Project Planning Committee with the Number of Members - 7, Term of Office - One Year, Appointing Authority - see Article II, Section 22.1 and Number Appointed/Yr. - 7

Pass any vote or take any action relative thereto.

Sponsor: Government Study Committee

Background Material

Amend Article II of the town bylaws by replacing the current Section 22 with a new Section 22 as follows:

Section 22 Capital Project Planning Committee

- 22.1 There shall be a committee established for the purpose of performing capital budget planning that shall receive information on all capital projects proposed by the various town officers, departments, boards, committees, and commissions from the Chief Financial Officer of the Town, and shall report its recommendations to the Board of Selectmen. The committee shall consist of one member of each of the following elected boards or committees, each appointed for one year by the members of that board or committee: Board of Selectmen, Planning Board, School Committee, and Board of Library Trustees. In addition, the committee shall consist of one member of the Finance Committee, who shall be appointed for one year by the Finance Committee, one Town Meeting Member appointed for one year by the Town Moderator, and one registered voter of the Town appointed for one year by the Board of Selectmen.
- 22.2 The committee shall have the following responsibilities:
- 22.2.1 The committee shall study proposed capital projects as defined in Article II, Section 11.7 of the Town Bylaws.
- 22.2.2 The committee shall review all capital project requests for the ensuing year and the following five years based on information received from the various town officers, departments, boards, committees, and commissions as presented by the CFO and as described in Article II, Section 19.6. It shall then present its recommendations to the Board of Selectmen in a Capital Project Program Plan no later than ninety days prior to the Annual Town Meeting and within a reasonable time prior to any Special Town Meeting. The Board of Selectmen shall approve this Plan as presented or with modifications thereto, and then submit it to the Capital Advisory Committee no later than sixty days prior to the Annual Town Meeting and within a reasonable time prior to any Special Town Meeting.
- 22.2.3 The committee shall prepare an annual report recommending a capital project budget for the next fiscal year, and a Capital Project Program Plan for the following five years. The report shall include projections of cost of each capital project recommended with the expected effect on the operating budget including cost of debt service, maintenance, and other associated costs, as well as depreciation, if any.
- 22.3 No appropriation shall be voted for a capital project requested by a department, board, committee, or commission unless the proposed capital project is considered in the committee's report, or the committee shall first have submitted a report to the Board of Selectmen explaining the omission.

- 22.4 The committee shall review and revise the entire Capital Project Program Plan as necessary to reflect its most recent determination of the need for equipment and facilities; maintenance of equipment, infrastructure, and facilities; the town's social and environmental conditions, the development or revision of financial policies related to capital projects, and the town's financial resources.
- 22.5 The Board of Selectmen shall establish and publish policies and procedures to be followed by the committee that are in conformance with this bylaw, other statutory requirements, and other bylaws of the town, and such policies may be modified from time to time by the Board of Selectmen. These policies and procedures shall include budgetary guidelines and measurable financial goals and guidelines for use by the committee in providing a uniform method for assessing economic impact of each project on the Town's financial position. The committee shall assess annually the effectiveness of the capital budget process and make recommendations to the Board of Selectmen for process improvements.
- 22.6 After adoption of the Capital Project Program Plan by the Board of Selectmen and Town Meeting, expenditures on projects included therein shall be permitted for surveys, architectural or engineering studies, appraisals, and other necessary activities related to the approved projects. However, no such expenditure shall be incurred on projects that are not in the approved Capital Project Program Plan.

Reasons:

Currently, capital projects are evaluated and prioritized by the Town Manager, the department heads and the CFO. The people who make these decisions on capital project priorities should be representatives of the voters and not the same people who carry out the decisions made. Those who set the priorities for capital projects need to be motivated by a broad view of the town's needs and be in a position to adjudicate competing needs. Since the Town Manager has to work with all department heads, he should not be making the decisions on whether a school, a library, or a DPW facility modification is more important. This decision should be made by an independent body reporting to the Board of Selectmen.

The bylaw requires that the Selectmen consider a capital budget for the current year that is based on a capital project plan developed over many years of consideration. The bylaw requires that capital projects be identified well in advance of their implementation. The bylaw specifies that data be obtained for capital projects for the current year and for five (5) succeeding years.

Selectmen are elected to set overall policy for the Town. Thus, this bylaw charges the Selectmen, based on inputs from a body composed primarily of elected Town officials representing a cross section of interests, with setting priorities and making policy decisions that are acceptable to the residents of the town.

A Capital Projects Planning Committee (CPPC) is created to provide the Selectmen with guidance on setting priorities in the five year capital projects plan and the capital budget for the current year. Four of the seven members of this committee are representatives of elected boards who also have accountability to the voters. Two members of the CPPC are members who influence Town Meeting – a member of the Finance Committee and a Town Meeting Member appointed by the Moderator. Note that Finance Committee Members are appointed by the Moderator and that the Moderator is elected. In addition, the Selectmen appoint one resident to the CPPC to provide input from the community.

Note that the current Section 22 is obsolete it states:

“Reserved (Per Attorney General, (Jan. 27, 2003))”