

OVERVIEW OF THE 2018-2023 CAPITAL IMPROVEMENTS PROGRAM

GENERAL

A six-year Capital Improvements Program is developed and updated annually. The following pages contain the City of Lebanon's 2018-2023 CIP. The cost of individual projects are based on the best estimates available at the time this plan was prepared; actual project costs are a function of detailed study by architects and engineers.

In reviewing the CIP it should be kept in mind that it is one of the community's most important physical and financial planning tools. It should be noted that no formal action is required by the City Council on financing for years two through six of the CIP (2018-2023); only year one (2018), will be considered as part of the approval process of the 2017 Budget by the City Council. Proposals set forth in this CIP and succeeding CIPs influence the standard of facilities and services the City of Lebanon provides its citizens in the future. As such, careful analysis and evaluation is necessary if it is to serve as a rational planning guideline for necessary community improvements.

This 2018-2023 Capital Improvements Program (CIP) is an essential component of the City's financial planning effort and provides the long range perspective and framework for addressing its capital improvements needs. As a companion to the annual budget, the CIP provides the mechanism for anticipating future facility and infrastructure requirements and ensuring that they are funded in a responsible and systematic fashion.

LEGAL BASIS FOR CAPITAL PROGRAMMING

The 2018-2023 CIP is prepared pursuant to RSA Chapter 674:5 - 674:8 which in summary grants to the City Council, as the City's legislative body, the authority to authorize the Planning Board to prepare and amend a recommended Capital Improvements Program for submission to the City Council to assist in its consideration of the annual budget.

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 6 years. The capital improvements program may encompass major projects being currently undertaken or future projects to be undertaken with federal, state, county and other public funds. The sole purpose and effect of the capital improvements program shall be to aid the mayor or selectmen and the budget committee in their consideration of the annual budget.*

a) **Source.** 1983, 447:1. 2002, 90:1, eff. July 2, 2002.

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.

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

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.

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

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.*

a) **Source.** 1983, 447:1. 2002, 90:3, eff. July 2, 2002.

CAPITAL IMPROVEMENT PROGRAM ITEMS

For the purpose of the Capital Improvements Program, **Capital Improvement Program Items** will be those items that pertain to planning and land use within the City only. CIP items are to include:

- a) Any physical public betterment and studies relative thereto,
- b) Acquisition of land,
- c) Construction of new buildings and facilities with an estimated value in excess of

- \$50,000,
- d) Facilities engineering design and other preconstruction costs in excess of \$50,000,
- e) Major planning related studies and analysis requiring utilization of independent professional consultants in excess of \$25,000,
- f) Reconstruction of facilities resulting in more capacity for City growth,

Capital items that are operational in scope, vehicles for example, are not considered to be CIP items.

A Physical Public Betterment shall mean any new use of land or infrastructure that is for the benefit of the community. Excluded from this definition are operational, maintenance, and improvements accruing a benefit to the community, for example resurfacing a road, fixing a sidewalk, and other repairs that do not increase capacity.

PLANNING BOARD CAPITAL IMPROVEMENT COMMITTEE

The Planning Board Capital Improvement Committee is the body appointed by the Planning Board to develop the CIP. The Planning Board may elect to have a committee with non-members so long as the Board represents more than 50% of the committee membership. It is the Committee's responsibility to review, evaluate, rank, and revise the Capital Improvement Project List as presented by the Administration, with a view toward ensuring that proposed projects are compatible and complementary with the Master Plan.

REVIEW OF THE CIP

The CIP is drafted and reviewed according to the "Capital Improvement Program Policy and Procedures" which was adopted by the Lebanon Planning Board on September 22, 2003. The procedure begins in February when the Planning Board establishes the CIP Project List and then evaluates prior years' City Council-adopted Capital Budget, identifies changes, and makes recommendations relevant to the CIP. In April the Planning Office distributes the CIP Project List and other materials to the departments and agencies and instructs them to prepare the description and documentation for each of the proposed projects, to include those on the CIP Project List, for return to the Planning Office in May. The Planning Office, Finance Department, and the City Manager review the submissions from the departments and agencies and submit same by the end of June to the Planning Board Capital Improvement Committee for its evaluation. By August, the Committee shall submit the CIP to the Planning Board with its recommendations. After review, the Planning Board is to adopt the CIP Project List and submit its recommendations along with the CIP to the City Council.

SCHOOL DISTRICT CIP

The Lebanon School District did not provide the City a copy of its Capital Improvement Plan for the fiscal year 2017. The information used is that provided last year by the school district which appears to be the most current information at this time.

ORGANIZATION OF THIS DOCUMENT

The Capital Improvements Program and Other Capital Improvements, this document is organized into just one part which lists all of the proposed capital projects and expenditures.

FINANCIAL ANALYSIS

This Overview concludes with the analysis by the City's Finance Department which includes:

1. Net Effects of Operating Cost
2. Estimated Debt Service
3. Estimated Tax Rate Impact (if applicable)
4. Summary of All Projects
5. Comprehensive Listing of All Projects by Year of Initiation
6. Comprehensive Listing of All Projects by year and by Responsible Fund
7. Comprehensive Listing of All Projects by Year of Initiation and by Type of Project
8. Debt Financing Projects
9. Operating Budgets Financing Projects
10. Grants/Contributions Financed Projects
11. Existing Funds Financed Projects

Following the Financial Analysis are all of the supporting materials describing each of the projects.