

TOWN OF ALFRED
COMPREHENSIVE PLAN
VOLUME 3:
CAPITAL INVESTMENT PLAN

2002

Table of Contents:

CAPITAL INVESTMENT PLAN	2
Background.....	2
Goal.....	2
Alfred's 1991 Town Meeting Mandate	2
Definition of a Capital Investment Plan	2
The Steps In Capital Investment Planning	3
Capital Inventory	3
Needs Assessment.....	3
Establishing the Capital Improvements Administrative Framework.....	3
Key Functions in Administering the Capital Improvement Planning (CIP) Process.....	4
Volume 3, Table A-1: CAPITAL INVESTMENT PLAN FOR 2003-2013.....	6

CAPITAL INVESTMENT PLAN

Background

This volume constitutes Alfred's 10-year Capital Investment Plan. It is a part of the town's Comprehensive Plan, and is included to meet the requirements of 30-A MRSA §4326 as well as the SPO rules for Comprehensive Plans. The Capital Investment Plan is the framework and the legal basis for the town's permanent capital improvements planning program.

Goal

A goal of this Comprehensive Plan is to plan for, finance and develop an efficient system of public facilities and services to accommodate anticipated growth and economic development.

Alfred's 1991 Town Meeting Mandate

After adoption of the last Comprehensive Plan, on March 9, 1991, the voters of Alfred approved the establishment of a permanent, ongoing, long-range Capital Improvements Plan. An appropriation of \$3,000 was approved for the establishment of a Capital Improvement Planning Account, which will be used by the Capital Improvement Committee primarily for operating expenses.

While the original committee established a Capital Improvement Plan, it became obsolete because it was not maintained and updated as necessary. For the selectmen to be able to plan for the future financial needs of the town the Capital Improvement Plan must be updated on an annual basis.

With the adoption of this Comprehensive Plan update, which includes a new Capital Investment Plan, the town is committed to re-establish a Capital Improvements Fund. Alfred will now have a dedicated tax-derived revenue source to pay for capital improvements.

Definition of a Capital Investment Plan

The Capital Investment Plan is that part of the Comprehensive Plan that identifies, in general terms, new or expanded public facilities which are needed, and sets general funding priorities. The Capital Investment Plan includes the following elements:

1. A list of major capital needs.
2. An estimate of approximate costs.
3. Setting of general priorities.
4. Probable sources of funding.
5. Scheduled target dates for implementation.

When the electorate has approved the Comprehensive Plan, the Capital Investment Plan becomes the legal basis for the development of a specific Capital Improvements Plan by the Capital Improvements Committee. This is a permanent municipal body, which will add specifics to the planning process begun here. Working from the Comprehensive Plan and other documentation, the committee annually will

submit a Capital Improvement Plan to the electorate for approval. The Capital Improvements Committee will annually submit its plan to the Board of Selectmen before the final review process of the budget committee is completed.

The Steps In Capital Investment Planning

The three basic steps in Capital Investment Planning are:

1. **Inventory:** How much does the town have?
2. **Needs Assessment:**
 - Adequacy of Facilities.
 - Public opinion rating of the facilities/equipment.
 - Do the residents want improvements?
 - Will residents accept higher taxes to fund the needed improvements?
3. **Plan Development:**
 - Set community goals.
 - Decide the extent and priorities of the improvements.
 - Determine targeted levels of service.
 - Determine fiscal capacity and probable funding sources.

Capital Inventory

Capital Investment Planning requires planning for both capital maintenance and improvement of existing capital facilities. Essential to an assessment of current capital facilities and maintenance is a clear identification of past, current, and projected expenditure and revenue trends for public facilities and transportation. This information has been obtained. Inventories of the condition of Alfred's public facilities and maintenance are included in Volume 2, Data Inventory and Analysis; Chapter 6, Public Facilities and Services; and Chapter 5, Transportation. Expenditure and revenue trends data for 1990 through 2000 are presented in Chapter 13, Fiscal Capacity. Projected expenditures and revenues are presented in Chapter 14, Analysis and Findings.

Needs Assessment

The Comprehensive Plan Committee has obtained input from Town Officials and Selectmen in the preparation of this Capital Investment Plan. The table A-1 indicates the needs over the next ten years. The Capital Improvements Committee needs to follow up in the upcoming years with annual meeting(s) with each Town Department to identify their specific capital improvement needs in the upcoming years, as unforeseen problems or opportunities arise.

Establishing the Capital Improvements Administrative Framework

The Capital Improvements Program is established by ordinance and will be coordinated by a permanent organization: the Capital improvement Committee. This Committee might consist of five to ten

volunteers, who represent town government, those with special skills and the general public. The committee might consist of:

1. Members of the Board of Selectmen
2. Key department heads, including the Town Treasurer
3. Members of the Budget Committee
4. Members of the Comprehensive Planning Committee
5. Members of the Planning Board and Zoning Board of Appeals
6. School Officials
7. Civic and neighborhood leaders
8. Citizens with special skills: engineers, bankers, professionals and contractors
9. Interested citizens and the general public
- 10.

Key Functions in Administering the Capital Improvement Planning (CIP) Process

1. **Policy Oversight:** Policies will be established that will guide the identification, approval and financing of capital improvements projects. These policies will be incorporated into ordinances to be approved by the electorate.
2. **Project Identification and Submission:** Necessary projects must be identified, and all requests will be submitted by the appropriate department or governing body to the Capital Improvements Committee. The submission process should follow specific municipal procedural guidelines, with requests submitted on standardized forms. The request forms should explain why the project is needed, describe how it relates to other programs and include a cost estimate adjusted for the anticipated year of funding. When possible, the request should indicate possible funding sources. Requests may be based on studies and/or an inventory of the current condition of the facility in question.
3. **Planning:** Individual projects should be compatible with the long-range growth concerns of the town, as stated in the Comprehensive Plan. Land use information and plans for future town growth should be considered in formulating the Capital Improvement Plan. The Planning Board will be represented on the Capital Improvement Committee and will review the planning aspects of the Capital Improvements Plan. The Planning Board will consider how the projects relate to each other, to land use ordinances, to the town's growth policies and to the Comprehensive Plan.
4. **Finance:** Financial analysis will include: (1) a review of the impact of capital improvements planning project requests for both capital and operating budgets, (2) the best possible means of financing each project among alternative funding methods, (3) estimates of debt service costs, if appropriate and (4) a check for mathematical accuracy. The Selectmen, the Capital

Improvements Committee, the Budget Committee and the Town Treasurer should jointly participate in establishing overall fiscal guidelines for the Capital Improvements Planning process. The Board of Selectmen will oversee and coordinate the CIP process in accordance with the specific Capital Improvements Planning Ordinance. The Budget Committee would participate in CIP development in a number of ways: in the background financial analysis for the CIP, in reviewing the impact of each request on both the capital and operating budgets, in reviewing the overall Capital Improvements Plan to assure that it reflects the community fiscal guidelines, and in recommending projects for inclusion in the capital budget. The Town Treasurer will review the financial analysis for mathematical accuracy. The treasurer may also participate in the review of the CIP on the operating and capital budgets, in evaluating funding methods, and in estimating debt service costs.

5. **Engineering:** A preliminary analysis of cost estimates will be made by department heads and, when appropriate, by consultants, in order to determine the technical feasibility of requested projects. Additional engineering analysis will determine whether the design and specifications are appropriate to the stated need. The funding methods for engineering analyses should be clearly spelled out in the CIP. The source of the engineering funding may be the CIP operating account, the town operating and maintenance account, a CIP fund, a combination of these sources, or other sources.
6. **Review and Approval:** Capital Improvement Planning in Alfred was made mandatory at the 1991 Town Meeting. The Capital Improvement Plan formulation, review and approval process will be approved by the voters and formalized by ordinance.

Volume 3, Table A-1: CAPITAL INVESTMENT PLAN FOR 2003-2013

MAJOR CAPITAL NEEDS	ROUGH ESTIMATE OF COSTS	GENERAL PRIORITY SETTING*	PROBABLE FUNDING SOURCE
Road Improvements	\$500,000 over five years, or \$100,000 per year for five years	1	Taxes/grants
District #5 Schoolhouse Restoration	\$10,000	4	Taxes
Ambulance	\$135,000	3	Taxes
Sand Storage Building	\$125,000	3	Bond/Taxes
Tanker	\$125,000	3	Bond/Taxes
Library Improvements	\$25,000	2	Taxes
Transfer Station Press/Bailer	\$15,000	2	Grant/Taxes
Cardiac Monitor	\$25,000	3	Grant/Taxes

*Priority Setting

1=Immediate Need - to remedy danger to public health and safety.

2=Necessary Within 3 Years - to correct deficiency in existing facility.

3=Future Improvement Within 4 - 6 Years - Desirable, but funding flexible, no immediate problem.

4=No Immediate Need - can wait. More study may be needed.