

Approved at the 11/13/15 CIP Meeting

**Town of New Durham
Capital Improvement Program Advisory Committee
Minutes of the November 5, 2015 Meeting**

1. Call to Order: By Chair Jarvis at 7:04 PM.

Present: Theresa Jarvis, Chair and Member At Large
Theresa Chabot, Vice Chair and Planning Board Representative
David Bickford, Board of Selectmen Representative
Anthony Bonanno, Budget Committee Representative
Denis Martin, Member at Large

Also Present: Residents Greg Anthes and Joan Martin.

2. Approval of the 10/15/15 Minutes:

- Edits were made to the RSMS relative to Ten Rod Road and identification of CRFs and ETFs that the CIP Committee has not always reviewed.
- **MOTION:** *To approve the October 15, 2015 CIP minutes as amended.* (Bonanno/Bickford) Vote: 5-0-0.

3. Highway Department Equipment:

- Grader: Terry J. presented a spread sheet analyzing the cost of the Town owning and operating a grader versus contracting for grader services. (See attachment.) Both Tony and Resident Greg Anthes disagreed with the costs for the grader operator. After reviewing the 2014 Town Report employee compensation figures the hourly wage was changed from \$ 30/hour to \$ 32.30/hour. Tony asked for a breakdown of the 556 hours that are cited in the cost analysis. As a result the hourly cost for the grader, when owned and operated by the Town, became \$ 74.48 while the contractor hourly cost remained at \$ 100/hour. Even though the hourly cost for contracted grader services was over \$ 25.00/hour more Tony, David and Denis did not want to change their decision to cease funding for a replacement grader in 2026.

Loader Backhoe: Tony presented information from Milton Cat regarding different size loader backhoes. As all the gravel has been mined from the town gravel pit Tony suggested that the Town not replace, the JD 544 loader that it owns. The Town's CAT 520 loader backhoe can perform all of the remaining tasks that the JD 544 currently performs including loading spreaders in the winter. (See attached e-mail.) He suggested that the Town look at a Caterpillar 450F loader backhoe. The Caterpillar loader backhoe has a 2.0 cubic yard bucket versus the Town's 1.5 cubic yard loader backhoe. Tony feels that since the loader is not used that often that it would be cheaper to contract for the equipment, as needed. **MOTION:** *To not fund the replacement of the JD 544 loader.* (Bonanno/Bickford) Discussion: Terry J. stated that she would like to hear from the Road Agent before agreeing to no longer fund for a replacement loader backhoe. Vote: 4 (Bickford, Bonanno, Chabot, Martina)-1-0.

MOTION: *To upgrade the loader from a 420 to a 450 or equivalent.* (Bonanno/Martin) Discussion: Tony stated that by going to the 450 or equivalent the capacity of the loader would be increased over that of the JD 544. This would occur in 2028 when the current loader is scheduled for replacement. The cost of the Caterpillar 450F is \$ 40,000 more than the replacement cost of the JD 544 model. Terry C. asked why we would want to spend an additional \$ 40,000. Denis withdrew his 2nd and Tony withdrew his motion.

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- Freightliner 4X4 with Plow, Wing and Water Truck: Tony proposed that a replacement for the Freightliner truck no longer be funded, instead contracting the plow work out. Discussion ensued. Concerns included that there were no bids on the 2015 RFP plowing and the lack of recent experience with contracting plow services. The Committee decided to wait before defunding this replacement.
 - Life Expectancy of Plow Trucks: Terry J. brought up the fact that based on research done by the former Equipment Mechanic the Road Agent is recommending that all of the 6 wheel plow trucks have their life expectancy changed from 10 years to 12 years. **MOTION:** *To change the life expectancy of the 6 wheel plow trucks from 10 to 12 years.* (Jarvis/Bickford) Vote 5-0-0.
6. Next Meeting: The next meeting will be November 13, 2015 at 1 PM at the Fire Station Community Room.
 7. Adjournment: **MOTION:** *To adjourn.* (Bickford/Martin) Meeting adjourned at 9:16 PM

Respectfully Submitted
Terry Jarvis

ORIGINAL

Grader Actual Usage Costs

5 yr Total Hrs 2781	Avg Hrs per Year 556	Operator Hrly rate \$30.00	Labor cost per Yr \$16,680.00	
Monthly Fuel Avg/month 181.78	Price per Gallon Diesel \$3.21	Monthly Avg Fuel \$583.52	Annual Fuel Cost \$7,002.29	Hourly hourly Fuel Cost \$12.59
Maintenance and Tires per hour \$8.00	Maint and Tires per Year \$4,448.00	Replacement Cost Per hour \$21.58	Replacement cost per year \$11,998.48	
	ANNUAL RATE	HOURLY RATE		
Total Annual Cost for Driver and Grader Use	\$40,128.77	\$72.17		
Cost of subcontracting out Grader based on our average bill from subcontractors @ \$100 per hour	\$55,600	\$100		
Difference in Cost	(\$15,471.23)	(\$27.83)		

EDITED

Grader Actual Usage Costs

5 yr Total Hrs 2781	Avg Hrs per Year 556	Operator Hrly rate \$32.30	Labor cost per Yr \$17,958.80	
Monthly Fuel Avg/month 181.78	Price per Gallon Diesel \$3.21	Monthly Avg Fuel \$583.52	Annual Fuel Cost \$7,002.29	Hourly hourly Fuel Cost \$12.59
Maintenance and Tires per hour \$8.00	Maint and Tires per Year \$4,448.00	Replacement Cost Per hour \$21.58	Replacement cost per year \$11,998.48	
	ANNUAL RATE	HOURLY RATE		
Total Annual Cost for Driver and Grader Use	\$41,407.57	\$74.47		
Cost of subcontracting out Grader based on our average bill from subcontractors @ \$100 per hour	\$55,600	\$100		
Difference in Cost	(\$14,192.43)	(\$25.53)		

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From: [Slade, Jeff](#)
Sent: Friday, October 30, 2015 7:09 AM
To: ambjr@metrocast.net
Subject: Caterpillar budget quotes

Tony-

Here is the info you requested. Please call me if you have any questions.

Budget cost for Caterpillar 420F2IT loader backhoe: \$117,500.00

4x4, Cab/AC/Estick/Front Coupler/1.5 cubic Yard bkt/3rd Function/Ride Control/Rear Coupler/24" Dig/48" Tilt

Budget cost for Caterpillar 430F2IT loader backhoe: \$127,500.00

4x4, Cab/AC/Estick/Front Coupler/1.5 cubic Yard bkt/3rd Function/Ride Control/Rear Coupler/24" Dig/48" Tilt

Budget cost for Caterpillar 450F loader backhoe: \$157,500.00

4x4, Cab/AC/Estick/Front Coupler/2.0 cubic Yard bkt/3rd Function/Ride Control/Rear Coupler/24" Dig/48" Tilt

Budget cost for Caterpillar M314F wheeled excavator: \$225,000.00

4x4, Cab/AC/VA Boom/Blade/Coupler/Swinger/36" Dig/60" Ditching

Monthly Rental for this machine: \$4,500.00

Weekly Rental for this machine: \$1,500.00

Budget cost for Caterpillar 120M2AWD grader: \$300,000.00

6x6, Cab/AC/12' Moldboard/Plow Harness/12' Snow Wing

Monthly Rental for this machine: \$6,000.00

Weekly Rental for this machine: \$2,000.00

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"The value built into our product will outlive the cheaper price of our competitors"