

Preliminary Report

Salisbury, NH Highway Department Advisory Committee
December 2022

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Purpose & Context

Our Charge:

At the request of the Board of Selectmen (BoS) of Salisbury, we set out to produce, informed by our own knowledge, research, and public input, a report detailing a recommended course of action by which the Town of Salisbury may establish the capability to provide for itself those services currently provided by and through our town Road Agent, Bill MacDuffie, Jr.

The Public Works Crisis in Salisbury:

For many years now, our town has relied upon the equipment, infrastructure, and staff of MacDuffie Construction, owned by our current and former Road Agents, for both snow removal and maintenance on our public roads. While the Road Agent position is an elected one and Salisbury might, in theory, elect a different road agent, there has been no competition for that position in recent years. Bill MacDuffie Jr., our current Road Agent, appears to be the only private individual with the inclination and capability to perform these services.

That town services essential to the safety and quality of life of Salisbury residents depend on the continued health, solvency, and goodwill of a single individual would by itself be a cause for concern. Compounding this though is the fact that Mr. MacDuffie has expressed to the BoS on several occasions over the past few years his desire to eventually retire from his service as Salisbury's Road Agent.

The BoS believes it would be prudent at this time for Salisbury to begin the process of establishing a more permanent solution to our road maintenance and snow removal needs. Mr. MacDuffie has set a deadline of no less than five and no more than ten years from now (2022) for him to retire from service as Salisbury's road agent. An Advisory Committee was convened and this report commissioned to lay out the details of how such a transition may be accomplished.

Timeline:

As with any major undertaking in Town government, the solution to Salisbury's public works crisis will involve coordinated actions by both the Board of Selectmen and the Town Meeting over the course of several years. Because New Hampshire state law restricts the grounds upon which an irregular Town Meeting may be called, it is essential for this report to be finalized and its recommendations reflected in the agenda for the 2023 Meeting lest Salisbury lose an entire year of potential progress. Thus, in order to effectively deliberate the citizens of Salisbury must know, by the time of the 2023 Town Meeting, what will be asked of them over the course of the next few years and why.

Having met regularly, gathered information, and deliberated since June of this year, we now prepare this preliminary report in the Fall of 2022 in order to spur public discussion and resulting revision leading to a final report by January of 2023. While all of our meetings to date have been public, they have been only lightly attended. It is our hope that this preliminary report will provide sufficient context and concrete details to elicit the counsel of our fellow citizens in refining this document towards its final state.

Required Highway Services in Salisbury

The town of Salisbury maintains 43 miles of public roads, approximately half of which are paved and the remainder are dirt/gravel surfaced. Required services break down into the two primary categories of road maintenance and snow removal.

The Salisbury budget also includes a number of services which might optionally be performed by our permanent Public Works capability, such as mowing and landscaping, cemetery maintenance, etc, but due to uncertainty, those expenditures are not included in this analysis.

Road Maintenance

All roads require regular ditch maintenance and pothole repair while unpaved roads require more frequent supplemental stone and regrading. This work is performed as part of the regular highway maintenance budget. Upgrades and major overhauls to roadways are budgeted as individual projects where main construction is typically performed by a commercial contractor while preparatory and finishing work is performed by the town Road Agent.

Snow Removal

Preventative salting and sanding is performed throughout the winter. During snow events, continuous incremental plowing is required to ensure that roads are accessible for emergency use and to prevent the buildup of unplowable quantities of snow and ice, Thus Salisbury requires it's own dedicated snow removal capacity. The Road Agent requires a minimum of two six-wheel dump trucks with wing plows and sanders for the main plowing during snow events while contracting with operators of smaller equipment to clear minor roads and perform detailed cleanup of e.g. intersections.

Current Usage

2021 Totals

	Maintenance	Snow Removal	Totals
	Equipment Hours		
Manager's Truck	265	241.5	506.5
Truck/Plowing	179.5	257	436.5
Plowing/Sanding incl. subcontractors		451.5	451.5
Loader Backhoe	21.5	117	138.5
Loader		20	20
Excavator	80.5		80.5
Backhoe & Pusher		23.5	23.5
Grader	266.5		266.5
Roller	57		57
Dozer	4		4
Boom Mower	7		7
Labor		1	1
	Tonnage		
Sand	1157		1157
Salt	68.03		68.03
3/4 Quarry Pack		1489.66	1489.66
1 1/2 Stone		354.6	354.6
1 1/2 Quarry Pack		30.6	30.6
Erosion Stone		18.5	18.5

Alternatives and Selection

This committee investigated three main approaches to providing necessary road maintenance and snow removal services before deciding on our recommended approach.

Contract Services

We inquired with several local contractors about the feasibility of hiring the various work currently performed by our Road Agent. While none of these contractors felt comfortable issuing a formal bid due to our lack of budget authority and the speculative nature of the inquiry, we reached the following conclusions:

- No one contractor was capable of supporting both our road maintenance and our snow removal needs at required levels of service.
- Once supervision and project management is accounted for, hourly rates for service would not be competitive with those Salisbury currently pays for work performed by our Road Agent.
- In order to support snow removal efficiently, contractors would require that Salisbury provide sand and salt storage within our town limits, imposing on us much of the capital investment costs we might have hoped to avoid with this option.

Since we did not find a vibrant local market in such services where multiple contractors were ready and able to take on Salisbury's highway needs, we concluded that relying on contracted services would inevitably recreate the situation we are attempting to disentangle, where Salisbury's road maintenance depends on the goodwill and availability of a single party.

Municipal Partnership

We further inquired with neighboring towns regarding their ability and willingness to take on Salisbury's road work. Similar to the commercial contractors, we were unable to obtain formal bids from these towns, but we were able to draw the following conclusions:

- Interest/enthusiasm among neighboring highway departments was generally low for expanding their operations to include Salisbury.
- No nearby town was willing to absorb our road maintenance responsibilities. The only offers were to provide some limited snow removal support on a best-effort basis.
- Neighboring town highway departments have to prioritize snow removal for their own town first and so the expected levels of service would be unacceptably poor. In the case of heavy snow events, Salisbury could expect its roads to remain un-plowed until well after the active accumulation slowed or ceased.
- As with commercial contractors, efficient snow removal would require that Salisbury build a local salt/sand storage facility or pay for greatly increased hours/miles of service to account for ferrying equipment to and from its home facility for replenishment.

Proposed Approach: Establish a Public Works Department

There are certain costs and risks associated with creating an indigenous Public Works establishment for Salisbury which naturally give us pause; it will require a substantial up-front investment, complicate town administration with new staff, and impose a longer-term planning horizon around the repair and replacement cycles of facilities and equipment. However, it is the judgment of this committee that certain investments, such as the creation of a salt/sand facility, are inevitable and that the underlying risk we seek to mitigate, reliance on a single independent party for the usability of our roads, is certain to recur if we do not.

Accepting a Salisbury Public Works establishment as inevitable, we see no benefit in delay. Addressing the current crisis with a temporary solution will only leave us in a worse position down the road.

- A contracted service provider, municipality, or a new Road Agent (if one can be found) can only be expected to serve our town temporarily. When such a provider decides to no longer support Salisbury's road maintenance needs, it's unlikely they will extend to us multiple years of runway as Mr. MacDuffie is doing. Thus we may eventually face the prospect of building (and funding) a Public Works infrastructure immediately, with little time to save or to plan.
- Land in Salisbury is becoming more expensive by the year and appropriate locations for a Highway facility are filling in with development. Purchasing appropriate land along one of our major highways is likely to only become more expensive in the future.
- Political trends nationally and internationally anticipate ever-tightening regulation regarding building methods, land use, water protection, and the handling and storage of potential pollutants such as salt and fuel. What may be simple and efficient to build in the years 2023-2028 may become prohibitively complicated and expensive to build in the 2030's or beyond.
- While Salisbury remains a distinctly rural community with local producers of lumber and quarry products and a strong population of tradesmen, mechanics, and equipment operators, our region is seeing an influx of retirees and remote workers and a transition to more residential/suburban development. Some Salisbury residents commute as far as Massachusetts each day to take advantage of the scarcity and far higher pay enjoyed by tradesmen in "bedroom" communities. If trends continue, Salisbury may find it more expensive to construct facilities and harder to staff a Public Works department should we wait another decade to begin.
- Presently increasing inflation and interest rates favor undertaking construction and staffing of a Public Works Department in the near term. The next few years will likely see a sharp decline in new construction, making both skilled labor and used equipment more abundant on the market. At the same time, insecurity in financial markets will make any municipal bond we issue easier to market while inflation makes it easier to pay back.
- While in-migration is rising, Salisbury is still primarily populated by long-term residents with the collegiality and social cohesion necessary to undertake a multi-year project. The Salisbury Town Meeting as currently comprised has the attention span and sense of local loyalty to follow through on a plan spanning several years' meetings. Whether this will remain true in the future is uncertain.

Public Works Requirements and Success Criteria

Strategic Goals

The proposed program shall establish a Public Works Department (PWD) in Salisbury capable of fully replacing our current Road Agent. Wherever possible, the following outcomes should be sought:

- Following the initial set-up program, ongoing budgets of the Public Works Department should be comparable to the current annual appropriations for the same activities (future inflation notwithstanding). This projected PWD budget includes operations and maintenance, payroll, and capital reserve appropriations, but does not include financing payments related to the initial capital investment to create the Public Works capability.
- In order to limit ongoing liabilities, the Salisbury PWD should be designed to operate with the fewest possible full-time staff necessary to perform its core missions. The current Road Agent has a network of subcontractors to support surge activities like snow plowing, these should continue to be used in preference to hiring additional town employees.
- The initial capital investments required to establish the Salisbury Public Works department should utilize debt only for durable infrastructure such as buildings, while depreciating assets such as vehicles should be pre-funded by the Town Meeting over the course of the five year set-up period. Replacement equipment should be funded by capital reserve funds during the service life of the initial equipment as is the current practice for Fire Department vehicles.
- Once established, the Salisbury PWD should be employed to the greatest extent possible to perform such maintenance activities as the town requires outside of the Highway budget in order to make the most of this investment and the available staff.

Public Works in Comparable Towns

<u>Town</u>	Greenfield	Dublin	Bristol	Salisbury
<u>Population</u>	1,716	3,500	3,300	1,500
<u>Miles Maint.</u> <i>(total/unpaved)</i>	38/20	42/20	40/4	43/20(est.)
<u>Budget</u>	\$495,000	\$482,000	\$600,000	\$435,322*
<u>Dept. Type</u>	DPW	Highway Dept.	Highway Dept.	Road Agent
<u>Building</u>	unknown, 1968	unknown, 1972	3500sq', mid 70's	-
<u>Equipment</u>	New	New	Mixed New/Used	-
<u>Staff</u>	3	3	5	-

** Budget total reflects all costs currently incurred by the Road Agent based on the 2022 budget. This includes the entire section "4312 HIGHWAYS & STREETS MAINTENANCE" cost of \$350,322.00 as well as 50% of the \$170,000.00 in section "4910 HIGHWAYS & STREETS - PROJECTS", reflecting the typical division of project work between the current Road Agent and outside contractors, contributing \$85,000.00.*

Facility

At a minimum, a Department of Public works requires a road maintenance complex which satisfies the following requirements:

Site

- The lot must include an area of 5-10 contiguous buildable acres at < 3% average slope.
- The lot must be located on or with access to one of Salisbury's main secondary roads.
- The buildable portion must be free of wetlands and not be adjacent to navigable rivers or streams.
- Buildable area soils must be capable of supporting commercial buildings and (with improvement) heavy equipment traffic.
- The lot must be capable of supporting a well and adequate septic system for its intended use.

Improved Area

- Notwithstanding the footprints of the various buildings, stabilized and graded areas with gravel or hard surfaces must be created which are adequate for employee and visitor parking, access to and from the site by large commercial vehicles, and maneuvering and parking of large vehicles outside of the various parking structures including space to turn around outside of each garage door or shed space and in front of the salt and sand storage areas.
- Consideration should be made for the security of the site during non-operating hours. Some combination of gates, fencing, security cameras with off-site monitoring, and/or other security measures should be included in the final design for a DPW complex.

Shed(s)

- One or more three-sided structures must be created to store road salt and sand with roofs sufficiently high to allow the delivery of materials by dump truck and unloading by a heavy tracked loader. The salt and sand sheds must have adequate lighting for safe nighttime loading operations.
- One or more three-sided structures must be provided to protect department-owned equipment which are not stored indoors. This may be part of the same structure used for salt/sand storage or may be separate. These protected, unheated parking sheds must be adequately lit for safe nighttime access and must provide sufficient electrical outlets to support vehicle peripherals such as trickle chargers, block heaters, and fuel tank heaters.
- All sheds should have impervious floor surfaces to protect ground water from contamination by salt, oil, fuel, etc.

Maintenance and Administrative Building

- An enclosed, heated building must be constructed for maintenance of equipment, indoor parking of select equipment, department administration, storage of parts, tools, and supplies, as well as a break room and restrooms for department staff and visitors.
- The Maintenance and Administrative Building should have impervious floor surfaces to protect ground water from contamination by salt, oil, fuel, etc.
- During winter operations, it is necessary for plow/sanding trucks be stored in a heated building when not in use to prevent the icing of spreader equipment.
 - Standard heavy plow trucks require a parking area at least 45' deep, 14' wide, and 13' tall.
 - A footprint of 50'x30' is recommended to allow the circulation of staff and equipment around the vehicle for maintenance and inspection.
 - A ceiling and door height of 16' is recommended so that indoor maintenance areas can be used for any category of heavy equipment which may be required in the future.
 - Salisbury requires a minimum of two heavy plow/sanding trucks to support plowing operations, thus the maintenance building must provide a minimum of two such heated parking spaces.
- For efficient operation and handling of disabled/towed equipment, at least one "pull through" maintenance area is recommended (one or more maintenance/parking spaces with doors on opposing sides of the building).
- Because the free-span distance of the parking area for these large vehicles is the most demanding engineering requirement of the maintenance building, the Advisory Board has adopted for estimation purposes a hypothetical reference layout consisting of a 100'x30' main roof providing parking for both plow trucks in tandem and a lower 16'x100' shed extension to one side which can contain offices, break room, restrooms, storage, and possibly an additional parking and maintenance bay for smaller equipment. This describes an overall building with a footprint of 46'x100 and area of 4600sq'.
- Utmost care must be taken in planning the climate control of this building.
 - Heating equipment, insulation, and enclosed thermal mass must be sufficient to not only keep the space warm when sealed, but also to buffer heat losses when large vehicle doors must be opened during winter conditions and to warm up the mass of parked equipment to above freezing multiple times a day.
 - Given the intended use profile and the global trend of rising energy prices, the cost of heating for this building could quickly become excessive, and it will likely prove worthwhile in the long run to invest in heating and thermal efficiency at the cost of a somewhat higher initial construction budget.

- Supplemental wood or other biomass heat might be advisable due to the abundance of forestry industries locally, but should not be relied on as the sole source of heat due to the 24/7 attention required to feed and tend them.
- Offices, break rooms, and restrooms should be thermally isolated from maintenance and parking areas to allow these rooms to be maintained at comfortable indoor temperatures and (if desired) cooled in the summer without having to maintain the same climate in shop areas which only require safe above-freezing temperatures.

Equipment

At a minimum, a Salisbury Department of Public Works will require the following owned equipment.

(Because a full-time DPW should be expected to take on additional tasks and perform more frequent road maintenance than the current Road Agent, annual hours of service for all listed equipment will likely be higher than the current use levels reported by the Road Agent):

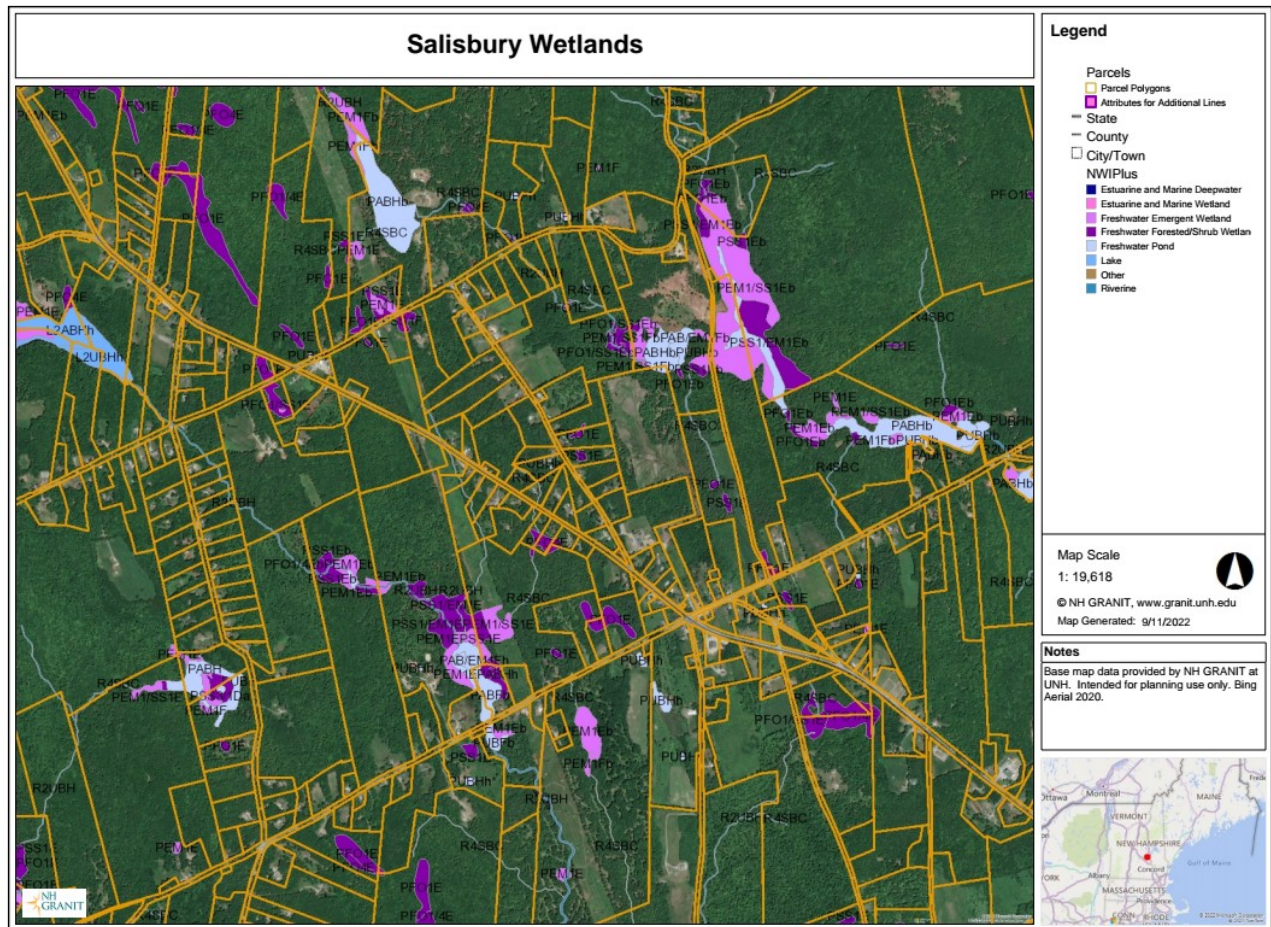
- Two six-wheel dump trucks for both plowing and summer road maintenance use. The State of New Hampshire provides a standard specification for these which can in 2022 be purchased at a state-negotiated price of \$200,000 each including sander, wing plows, and other auxillary equipment necessary for highway maintenance use in our climate.
 - Dump/Plow trucks have an expected service life of 15 years. It may be desirable to purchase one new truck and one 5-10 year used truck if one such is available at the time Salisbury purchases it's equipment. This will save some money and smooth the replacement cycle of equipment going forward.
- One 1-ton pickup truck for general transport use and supplemental plowing. This truck should be equipped to tow a medium-sized equipment trailer and mount a plow.
 - Appropriately sized plow and sander for the 1 ton.
- One heavy grader. This can be purchased used in good or excellent condition.
- One large backhoe-loader. This can be purchased used in good or excellent condition.

Staff

While the public works departments we examined all operated with a full-time staff of three or more employees, this board believes it will be just possible for a Salisbury DPW to operate with two full time staff, the balance of effort made up by temporary staff and contractors.

- One staffer shall serve as the DPW Manager, and shall be responsible for the management of the Department staff and budget in addition to participating in all manner of on-road and maintenance activities performed by the DPW. This staffer will also take on the advisory role in town government currently fulfilled by the road agent.
- Both full time staffers should be capable of operating and performing basic maintenance on all equipment and performing all basic types of work for which the DPW is responsible.

To support efficient operations, the site for the future public works facility must be located along one of Salisbury's main paved highways in a location more or less central to town. In effect, this means a location along the central stretches of Rt.4.



As shown in the images above, most property fronting Rt.4 in the central part of Salisbury is free of wetlands, steep slopes, or unbuildable soils in the area directly adjacent to Rt. 4. While any prospective parcel will have to be evaluated in detail, the BoS can feel relatively confident in considering any sufficiently large parcel adjacent to Rt. 4 where the area to be developed is clear of purple on the above map.

Land Purchase Plan

After examining real estate listings as well as informal offers of which the committee was aware, we came to the conclusion that a direct estimate of the cost to acquire a site for the DPW was impossible to make. Most properties offered for sale which contained at least 10 usable acres of land were much larger than necessary for a DPW, their higher purchase price might potentially be defrayed by subdividing and re-selling the unneeded portions. Other properties we considered were deceptively inexpensive as they would require substantial preparatory work to be accessible and/or usable. Of course, market conditions and specific parcels offered for sale will be different next year when the BoS is actually ready to buy than they are this year, and as such it is beyond our ability to reach a specific recommendation as to which land to acquire and how to manage that acquisition.

Instead, we recommend an approach as follows:

1. The Town Meeting should provide the Board of Selectmen with an initial budget of \$250,000 to purchase land to build a DPW facility. This was sufficient to meet the asking price of every appropriate parcel offered for sale during the time of our analysis.
2. The BoS shall, considering costs and opportunities at every step enumerated here, purchase outright the land which, in their judgment, represents the best value for Salisbury.
3. The BoS should subdivide and sell off any excess land in the acquired parcel not needed for the DPW facility or for other legitimate foreseeable town needs, returning the revenue from this sale to the Land Acquisition Trust.
4. The BoS should, using funds remaining in the Land Acquisition Trust, pay for any modification of the site required in order to make it usable for a DPW facility. This may include creating or improving the road access to the site, clearing the site of trees, boulders, or other obstacles, installing temporary electrical and telecom service to the site, etc.
5. Any revenue incidental to this improvement, such as the proceeds of selling timber from land clearing, should also be returned to the Land Acquisition Trust.
6. Once this acquisition process is completed and the intended site is in a buildable condition, the Town Meeting shall direct the transfer of all funds remaining in the Land Acquisition Trust to the Highway Equipment Trust, defraying the budget impact of later stages of the DPW project.

Following this methodology, this committee estimates that the final net cost of acquisition for a DPW site will fall somewhere between \$100,000 and \$150,000, though it is conceivable that a fortuitous alignment of inexpensive land, high subdivision value, and good timber prices might lead to a net cost below this range.

In any case, all residue from this acquisition process should eventually wind up in the Highway Equipment Trust and thus all funds appropriated in 2023 will ultimately be used to address Salisbury's public works crisis in one way or another. The effect of this high initial appropriation in 2023 will be to reduce the appropriations burden in later years, increasing the likelihood that the project as a whole will succeed.

Budgeting

All values in this section are estimated in 2022 dollars for purposes of comparison to the most recent town budget. It is inevitable that prices will fluctuate over the course of the proposed program, but impractical for this committee to forecast relative future prices beyond an assumption that general inflation would effect both the proposed program and the status quo in roughly equal proportions.

Capital Investment

Land

As described in the section “Land Acquisition Plan” above, many variables act on the total cost of acquisition for the site of a future DPW facility. In our budget estimation, we will take the midpoint of our estimated price range, \$125,000 as a point estimate.

Facilities

Maintenance and Administrative Building

4600sq’ medium industrial building

From buildingjournal.com, cost of 1-story factory @\$100.28/sq’ - **\$461,301**

Sheds

(3) 20’x40’ covered parking spots for heavy equipment - 2400sq’

(2) 25’x40’ loose material sheds for salt and sand - 2000sq’

Multiple sources, cost of open sided steel shed + foundation + labor \$30/sq’ - **\$132,000**

Improved Surfaces

To allow all necessary parking and truck access, assuming reasonably efficient packing of buildings on the site, an estimated apron area of 200’x300’ will be required; gravel with a deep base - 60,000sq’

Poll of local stone prices + equipment/labor/transport estimate from Mr. MacDuffie - **\$100,000**

Site Utilities

Well, septic, (1) power pole, electrical service to main building and sheds, standby generator, fuel tank
There is a lot of variability here, but we are starting from a rough estimate of **\$100,000** for site utilities.

Facilities Funding

Investments described in the above section will secure a long-term durable asset (Towns in our comparison set are still using public works structures they built 50 or more years ago). As such, it is appropriate for Salisbury to finance this part of the project with long term debt. Loans shall be secured during year 3 (2025) for the construction of these facilities. **Total Cost of Facilities - \$793,301**

Equipment

(2) NH Standard Dump/Plow trucks all inclusive - **\$400,000**

(1) 1-Ton Pickup with plow, late model used, work truck trim (survey of carfax.com listings) - **\$40,000**

(1) Grader, late model used, < 4,000 hours (survey of ironplanet.com, machinerytrader.com) - **\$250,000**

(1) Backhoe-Loader, late model used, < 4,000 hours (survey as above) - **\$75,000**

Equipment Funding

Because motorized equipment is a depreciating asset requiring periodic replacement, it is undesirable for Salisbury to incur debt to purchase this category of asset. Instead, this committee recommends the Town Meeting accumulate funds in the Highway Equipment Trust from various sources over the course of the next 5 years such that an initial fleet of equipment can be purchased outright just prior to the hand-off from Road Agent to DPW responsibility.

It is recommended that additional funds be appropriated to the Highway Equipment Trust to cover incidental initial purchases such as shop equipment, safety equipment, maintenance consumables, hand tools, small powered equipment, uniforms, and office furnishings, rounding the road equipment budget of \$765,000 up to an even \$800,000 **Total Cost of Initial Equipment - \$800,000**

Future replacement road equipment can then be pre-funded through regular annual appropriations as is the practice for Fire Dept. equipment and replacement incidental equipment funded through the regular annual budget. Because the depreciation of equipment is part of the cost currently incurred by the road agent, ongoing contributions to the Highway Equipment Trust shall be considered a part of the DPW budget for the purposes of assessing the strategic goal described under "Operations & Maintenance" below.

Investment Schedule

		2022	2023	2024	2025	2026	2027
Totals	Appropriations	--	\$215,797.60	\$150,246.00	\$150,246.00	\$150,246.00	\$149,341.57
	Aprop. Net 2022	--	\$191,980.60	\$100,000.00	\$100,000.00	\$100,000.00	\$99,095.57
	Expenditures	--	\$125,000.00	\$0.00	\$0.00	\$0.00	\$800,000.00
Land Acquisition Trust	Initial	\$58,019.40	\$58,019.40	\$125,000.00	\$125,000.00		
	Appropriations	--	\$191,980.60				
	Transfers	--			-\$125,000.00		
	Expenditures	--	\$125,000.00				
	Final	\$58,019.40	\$125,000.00	\$125,000.00	\$0.00		
Highway Equipment Trust	Initial	\$39,782.65	\$51,103.43	\$74,920.43	\$225,166.43	\$500,412.43	\$650,658.43
	Aprop. Net 2022	--	0	\$100,000.00	\$100,000.00	\$100,000.00	\$99,095.57
	Aprop. Redirect	--	\$23,817.00	\$50,246.00	\$50,246.00	\$50,246.00	\$50,246.00
	Transfers	--			\$125,000.00		
	Expenditures	--					\$800,000.00
	Final	\$51,103.43	\$74,920.43	\$225,166.43	\$500,412.43	\$650,658.43	\$0.00
Bridge Loan		\$23,817.00	\$0.00	\$0.00			
Tanker Loan		\$26,429.00	\$26,429.00	\$0.00			

The above table describes the impact of this project on the Town budget during the five year set-up period. The second line, “**Aprop. Net 2022**” is the most directly significant to citizens, as it reflects the impact this project will have on the total budget and and therefor on tax assessments.

Not shown is the payback period of the construction loan, which will involve a partial payment in 2027 and then a full payment in the following years. Assuming a 10 year repayment schedule for the construction loan on the DPW facility, though we are not able to precisely estimate the prevailing interest rates or loan terms which will be available in 2026, it seems safe to conclude that loan repayment costs will fall at or below the ~\$100,000/year rate which this project anticipates for the years 2024 - 2026.

2027 will likely show a modest uptick in total budget impact due to the concurrence of debt service on early construction costs with continued pre-funding of equipment, after which the net budget impact should stabilize for the duration of the construction loan, falling thereafter.

Operations & Maintenance

The goal of recommended investment, equipment and staffing decisions herein is to arrive at a Salisbury DPW which can be operated at a cost comparable to the current cost of services from our Road Agent, adjusting for future inflation and commodity price increases. That budget in 2022 was ~\$435,000.

Plan of Action

Year 1 (2023)

2023 Town Meeting Agenda

1. Adopt a resolution to undertake the program described herein, declaring the intention of Salisbury to build a Public Works Department over the next several years.
2. Adopt a resolution granting the Board of Selectmen the authority to enter into land purchase, and associated agreements on behalf of the town and to use funds from the Land Acquisition Trust to do so.
3. Modify the Land Acquisition Trust to allow for use of funds to improve or prepare acquired land for development.
4. Appropriate additional funds for the Land Acquisition Trust sufficient to bring its total value to \$250,000.00 (The Land Acquisition Trust held a total value of \$58,019.40 at the end of 2021, the most recent number available to us).
5. Adopt a resolution granting the Board of Selectmen the authority to subdivide and sell portions of any land purchased for the use of a DPW or to sell timber or other materials from the land which are to be removed in the course of developing a DPW facility. This resolution should direct that the proceeds of such sale be deposited in the Highway Equipment trust fund.
6. Appropriate a sum of \$10,000.00 to be used at the discretion of the Board of Selectmen during 2023 for preliminary activities associated with the search for land, such as surveying, environmental studies, or legal or other professional services.

2023 Planned Activities

During 2023, the BoS will be engaged in the search for and purchase of a site for the future DPW facility.

Year 2 (2024)

2024 Town Meeting Agenda

1. Appropriate funds for the Highway Equipment Trust.

2024 Planned Activities

During 2024, preparatory and access work such as land clearing, creation of curb cuts and driveways, provisioning of temporary power, and surveying will occur. Initial interviews and consultations with architects, engineers, and contractors may occur.

Year 3 (2025)

2025 Town Meeting Agenda

1. Appropriate funds for the Highway Equipment Trust.

2. If required, the Town meeting will adopt a resolution granting the BoS authority to negotiate conditional contracts and loans in furtherance of the construction of a DPW facility.

2025 Planned Activities

During 2025, the BoS will engage an architect or engineer to create a detailed specification or plan for the DPW facility. Construction bids will be solicited and assessed. Contract awards conditional on financing may be awarded.

A detailed construction plan and budget will be created and financing (conditional on the ratification of the Town Meeting) secured.

Year 4 (2026)

2026 Town Meeting Agenda

1. Appropriate funds for the Highway Equipment Trust.
2. Adopt a resolution creating the Salisbury Department of Public Works and assigning it responsibility for the Town property designated to become the DPW facility.
3. Adopt a resolution accepting the plan for construction of a DPW facility.
4. Adopt a resolution authorizing the issuance of public debt on the terms presented by the BoS.
5. Adopt a resolution transferring all funds remaining in the Land Acquisition Fund to the Highway Equipment Fund.

2026 Planned Activities

During 2026, main construction of the DPW facility will begin.

Year 5 (2027)

2027 Town Meeting Agenda

1. Appropriate funds for the Highway Equipment Trust.
2. Appropriate a limited budget for the Department of Public Works sufficient to cover partial year personnel expenses as described below.
3. Adopt a resolution creating the position of Commissioner of Public Works, to be appointed by the BoS.
4. Adopt a resolution authorizing the Commissioner to spend the contents of the Highway Equipment Fund to acquire the necessary fleet of vehicles as well as incidentals.
5. Adopt a resolution discontinuing the office of Road Agent at the end of 2027.

2027 Planned Activities

During 2027, construction of the DPW facility will complete.

The BoS will interview candidates for the position of Commissioner of Public Works (CPD) during the early part of the year in order to hire a commissioner in time for them to shadow the Road Agent through the Summer road maintenance season and thereby gain familiarity with the roads in Salisbury and their condition.

The CPD, in consultation with the Road Agent and BoS, will purchase necessary equipment. Towards the end of the year, the CPD will interview candidates for the position of Operator/Laborer and, with the approval of the BoS, make a hiring decision.

The CPD and the Road Agent will perform a gradual transition of responsibilities over the course of the 2027-2028 winter plowing season.