



TOWN OF HARWINTON

HARWINTON, CONNECTICUT 06791

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CAPITAL EQUIPMENT COMMITTEE MEETING WEDNESDAY DECEMBER 21ST, 2016

Chairman, John Fredsall, called the meeting to order at 7:00 pm. Committee members present were, Dave Bousquet, Bill Buys Jr., and myself. Bob Santamaria was absent and Jim Savenella is south for the winter. The minutes from the previous meeting on June 30th, 2016 were passed out and reviewed. Bill made a motion to accept with Dave's second, and the motion to accept was unanimous.

The agenda for this meeting was to go over the equipment needs for the 2017-2018, budget year and a look a little further out. A review of the updated list of the capital equipment, owned and operated, by the Town was reviewed by the committee. It was noted that the depreciation amount has held steady at a little over \$230,000 per year, and that the Town appropriated \$330,000 last year for equipment. The members appreciate the tough economic conditions that the Town and the State are experiencing but feel they would be negligent in their duty to not recommend to the Selectman and the Board of Finance the necessary equipment that is required. It makes good economic sense to replace equipment on a regular and timely basis in order to maintain reliability and limit costs related to repairs. Using this sound policy, as the Town has done in the past, certainly limits the strain on the repair budget and helps up-time of the equipment.

John presented his thoughts for the coming year for the committee to consider and made a note that Units #9, 11, 22, and 25 are all coming due in the near future and that the committee needs to look at the best way to try and spread out the impact to the budget. He also noted that the next truck up for replacement will be Unit #3, a 2006, 40,000 lb. plowing dump truck. After a long discussion and review of the Town's equipment the members came up with the following solutions. Replace Unit #3 this year as scheduled and move up by one year Unit #22, the 2006 hydraulic excavator. The following budget year 18/19, replace Unit #11, a 2007, 40,000 lb. plowing dump truck and Unit #9 a 2006, one ton 4x4 pick-up truck. The next budget year, 19/20, replace Unit #25, the road grader and Unit #8 a 2008, 40,000 lb. plowing dump truck. This would still be difficult year but would be a little less costly by moving up one piece this year. Obviously this plan is not cast in stone and can be reviewed again as we get closer to that time. The grader is the hard one as it's an expensive piece and it's tough to fit in around the Town's plowing fleet, which have also gotten very costly.

John presented the committee with specifications and budget numbers for the truck as well as the Excavator for their review. The truck has an estimated cost of \$175,000 and the Excavator at \$125,200. It was decided to recommend \$155,000 for Unit #3 with the \$20,000 trade-in value and \$100,000 for Unit #22 with a \$30,000 trade-in value.

The total for this year's equipment purchases would be a not to exceed budget amount of \$255,000. The committee believes that it should recommend to the Board of Selectman and Finance that they appropriate \$255,000 for Capitol Equipment, with \$230,000 being appropriated this year, which is the depreciation amount and the balance of \$25,000 from the Capitol Equipment Account, which has a balance of \$137,600 as of this writing. The Committee has recommended for the last couple of years when purchases for the year didn't reach the depreciation amount that the balance be put into the Capitol Account for years such as this when two large purchases come due in the same year. A motion was made by Bill and seconded by Dave to recommend to the Boards of Selectman and Finance for their action, a budget amount of \$255,000, with \$25,000 of this amount being expended from the Capitol Account for this year's equipment needs. The motion carried unanimously.

With nothing else on agenda, the meeting was adjourned at 8:00pm.

John D. Fredsall
Chairman, Capital Equipment Committee

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