



Capital Improvement Plan

Fiscal Years 2022 to 2026

Capital Improvement Committee

- Charles Denault, Council Member
- Eric Lemont, School Committee Member
- Jeff Clifford, Citizen Representative
- Chris Perkins, Citizen Representative
- Kendra Amaral, Town Manager
- Patricia Moore, Finance Director/Asst Town Manager
- Eric Waddell, School Superintendent

Process



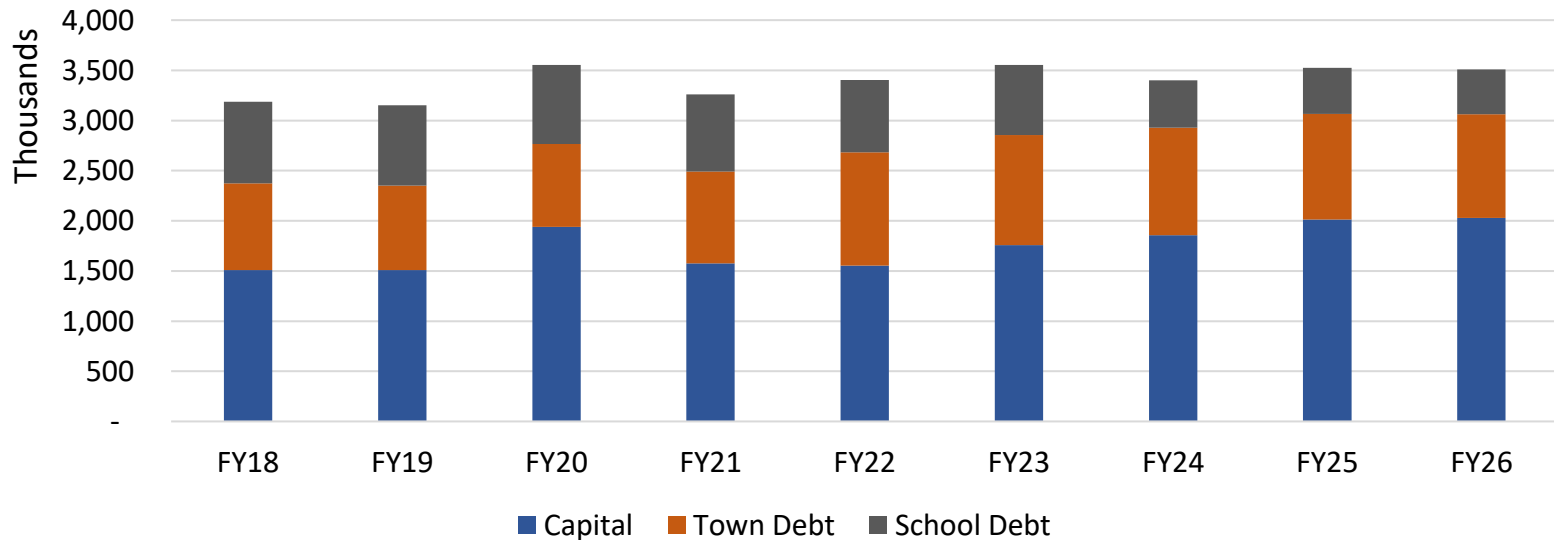
Policy & Program Update

- Policy amendment proposed to incorporate climate resiliency and climate change considerations.
- Added “Projects on the Horizon” for Kittery Port Authority; projects that are currently conceptual and higher cost than is supported by reserve approach.
- Incorporated detailed asset management plan for:
 - Municipal Technology
 - Police Vehicles

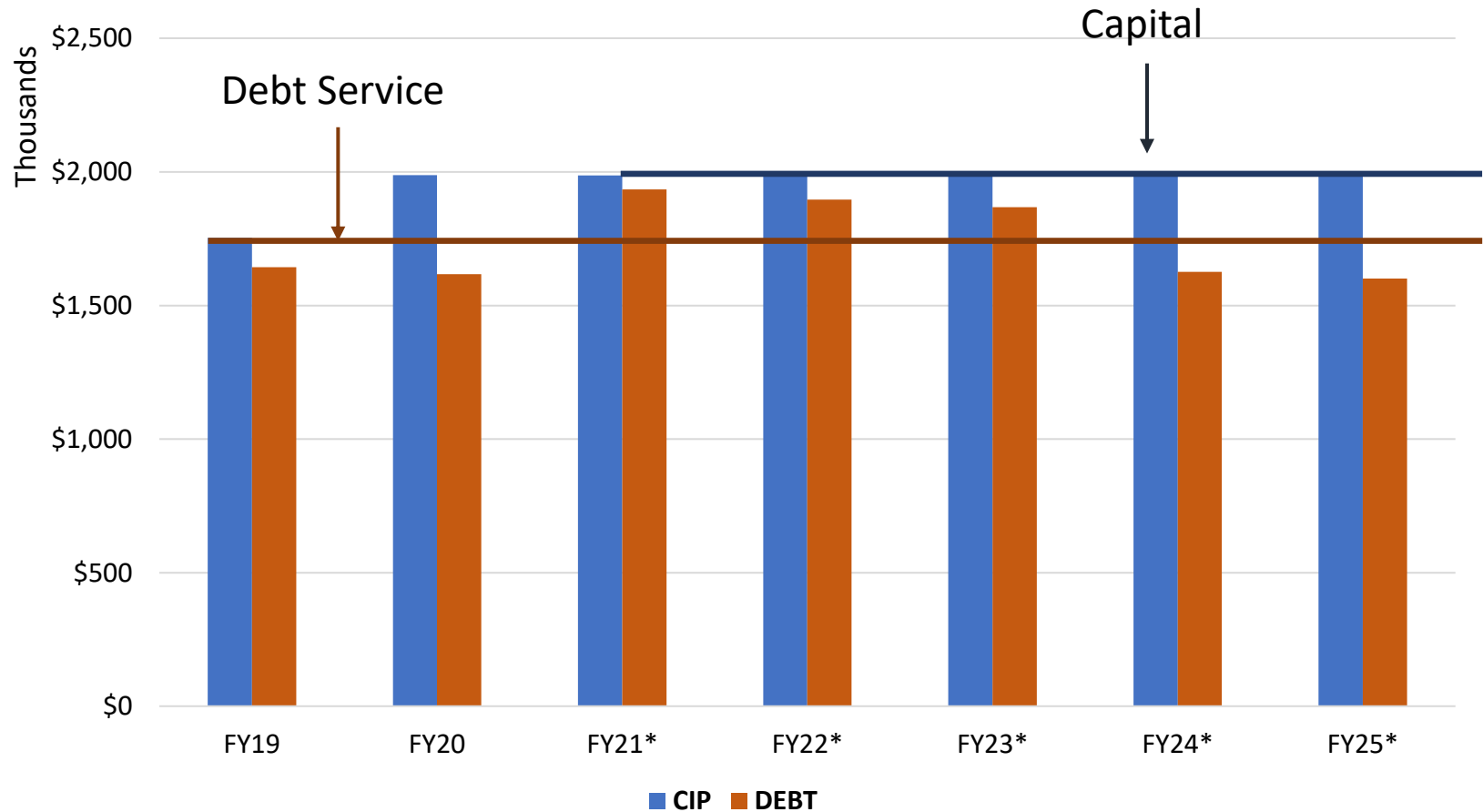
Overview

	Pre-COVID Proposal FY21	Approved FY21	Proposed FY22
Capital Requests	\$1,986,517	\$1,455,500	\$1,588,900
YE Transfers	0	190,850	TBD
Rev & Other Funds Offsets	(35,000)	(35,000)	(35,000)
NET CIP	\$1,951,517	\$1,576,350	\$1,553,900

Combined CIP

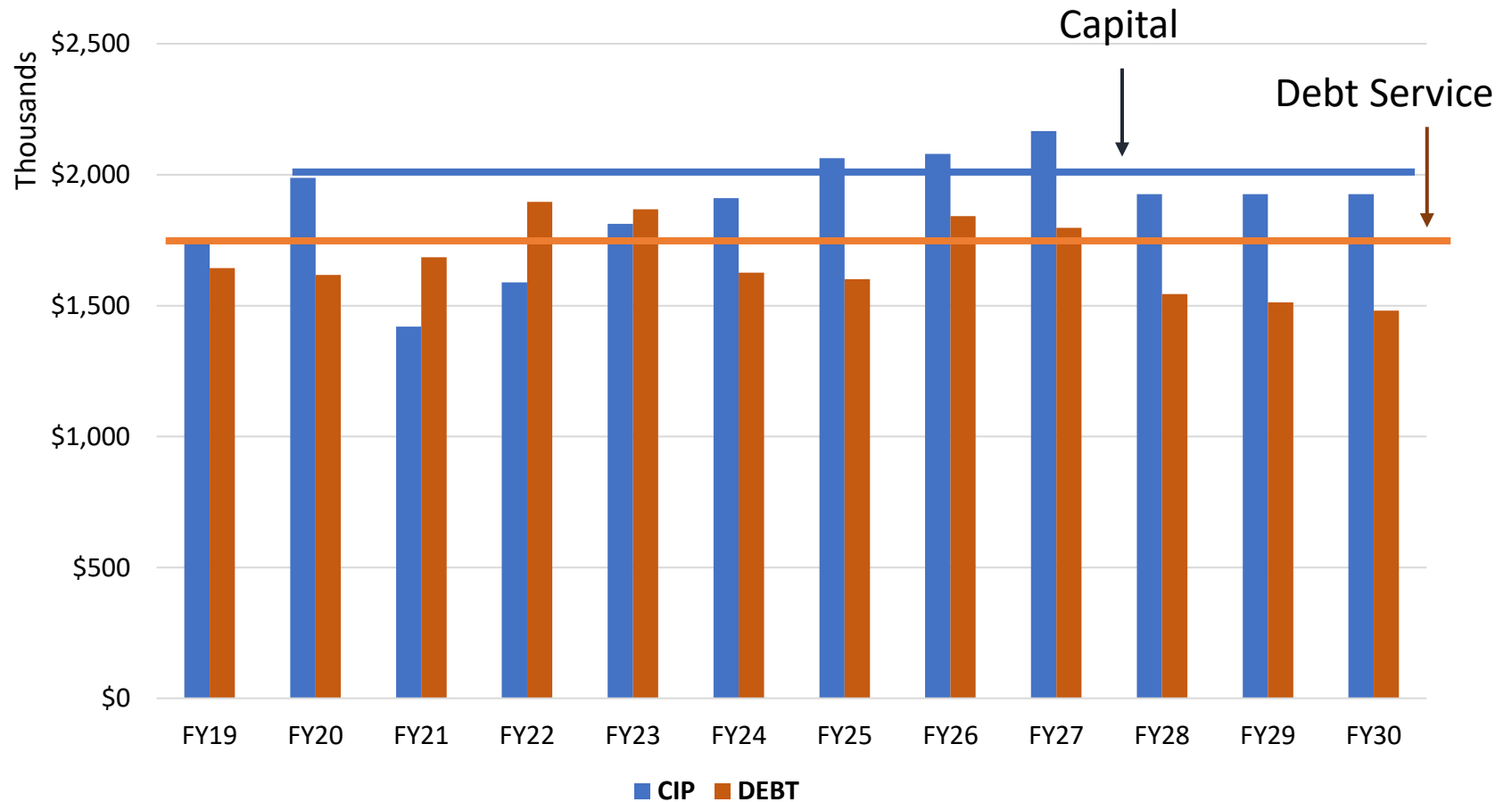


Pre-COVID Plan



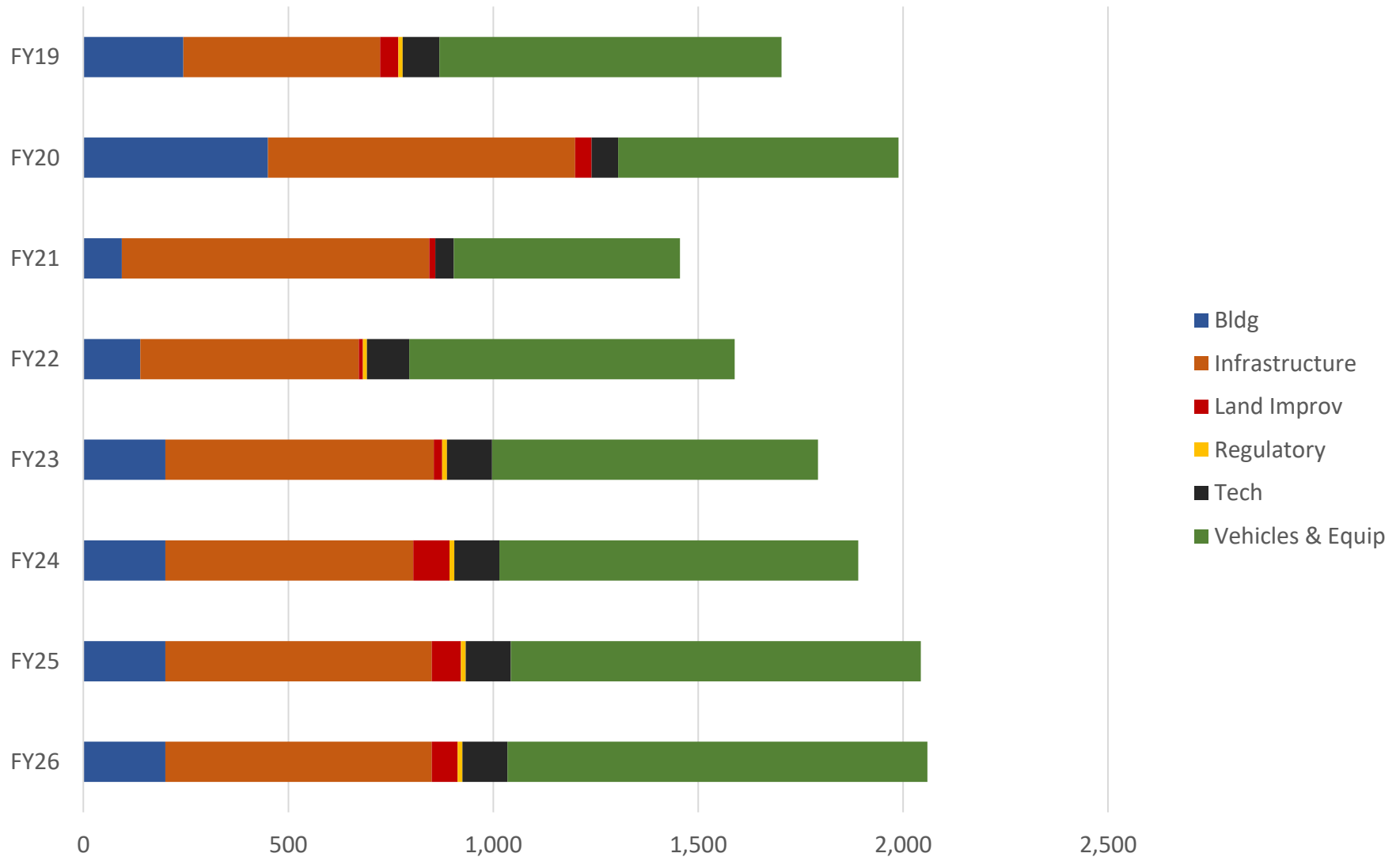
*Bonds exclude Sewer debt; includes projected Library Project Debt

Revised Plan



*Bonds exclude Sewer debt

CIP Funding By Category



Holding Accts

- Right of Way funding supports ongoing implementation of Pavement Management Plan and builds some contingency for Rte 1 paving in FY23.
- Fire Apparatus - rebuilding reserve for next replacements scheduled for FY26 ~ \$840,000.
- Continue to build Municipal Facility reserve for planned future needs.



Other Holding Accounts

- Municipal Facility Reserve will rely on built up reserves for the FY22 program.

Municipal Facility Summary

	2022	2023	2024	2025	2026
AIR CONDITIONING		\$ 84,413			
EMERGENCY POWER	\$ 92,882				
EXTERIOR WALLS		\$ 30,951			
FLOOR COVERINGS					
HEATING SYSTEM		\$ 6,155			
INTERIOR WALLS		\$ 24,761			
POWER DISTRIBUTION					
ROOF SYSTEMS				\$ 5,320	
SITE UTILITIES					
VEHICULAR & PEDESTRIAN MOVEMENT		\$ 50,423			\$ 143,846
VENTILATION UNITS		\$ 3,658			
UNPLANNED PROJECTS	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
FIRE PROTECTION					\$ 32,637
Total Est Projects	\$ 112,882	\$ 220,362	\$ 20,000	\$ 25,320	\$ 196,483

Reserve Accounts

- Most Reserve Accts were not funded in FY21 as a result of COVID-19 budget impacts. FY22 proposal starts to rebuild reserve plan to pre-COVID levels.
- Multi-year Technology Plan includes redesign of network architecture, transition to VoIP, equipment replacement.
- KCC equipment will be integral to service as community resumes normal activities post COVID-19.

FY2022			
Name	Priority	Status	Dependency
BACKUP: Acronis CyberCloud Migration	Medium	Not Started	
KWW Waste Water Virtualization/Network Rebuild	Medium	Not Started	Office 365 Government Community Cloud (GCC) Migration
Domain Reorganization	Low	Planning	Endpoint Security Enhancement
KPD Wireless Upgrade	Medium	Not Started	
SECURITY: Harden Local servers With Department of Defense settings (STIGS)	High	Not Started	New Hosts for Town Administration Office
New Network Switching - All locations	Medium	Not Started	Domain Reorganization
HARDWARE: Police: Evidence PC (Isolated PC)	Low	Not Started	
AUDIT: Business Continuity Review	High	Not Started	Compliance: Upgrade Local Servers to Windows 2019
Upgrade/Replace Windows 7: Year 2	Critical	Planning	
HARDWARE: Obsolete/Out of Warranty PC Replacements	High	Not Started	

Projects & Debt

Projects

- No new projects proposed for FY22

Debt

- Library Expansion and Renovation ~\$350,000/annual
 - 20 Year Bond
 - Interest rate: 1.18% blended
- Refinance 2010 School and DPW bonds
 - \$640,000 savings over the next 10 years



On the Horizon

FY20 Unassigned Fund Balance	\$6,970,748
Policy 2.5 Months of Operating Costs	\$6,998,525
Surplus/(DEFICIT)	(\$27,777)



On the Horizon

Planned	Funded Year	COST	Unassigned Fund	Capital	Annual Debt	Grants
Senior Tax Circuit Breaker	Ongoing	\$50,000	\$ 50,000	\$ -	\$ -	\$ -
Compensated Absences	Ongoing	\$125,000	\$ 125,000	\$ -	\$ -	\$ -
In Evaluation Phase						
Ambulance Relocation ¹	TBD	\$700,000	\$ 700,000	\$ -	\$ -	\$ -
Memorial Field ² - Phase 1	TBD	\$1,000,000	To Be Determined			
Stevenson Sidewalk ³	TBD	\$750,000	To Be Determined			
Removal of Cole Street Bldg	TBD	\$80,000		\$ -	\$ -	\$ -
TOTAL			\$ 875,000	\$ -	\$ -	\$ -
Requested						
Dredge Pepperell Cove - Engineering and Permitting	2022	\$ 292,000	To Be Determined			
Love Lane Sidewalks ³	TBD	1,900,000	To Be Determined			
TOTAL		\$ 4,897,000		\$ -	\$ -	\$ -

* See notes in Capital Improvement Plan

Conclusion

- FY21 CIP allocation was reduced to respond to COVID-19.
- Reserve approach is working, absorbing larger projects without impacting long-term asset management while providing flexibility in lean years.
- Protection of unassigned fund balance, long-term planning, and reserve approach viewed favorably by Rating Agencies.
- Replacement schedules are gaining detail and predictability.
- Five Year CIP will slowly rebuild to resume stabilization.
- FY22 plan drivers:
 - Rebuild reserve account funding incrementally
 - Roads, facilities, technology