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**Capital Improvement Program**

**2.3 GENERAL BY-LAW - CAPITAL PLANNING:**

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*Section 2*

There shall be established a Capital Improvement Program for land purchases, construction and renovation of buildings, major equipment and machinery purchases, road and drainage reconstruction, and the construction and reconstruction of special facilities such as local school projects, sewer and water mains, and water treatment and sewage disposal facilities.

The Selectmen shall appoint a Capital Planning Committee consisting of seven voting members to assist and advise the Town Administrator in preparing a five-year Capital Improvement Plan. Members shall serve terms of three years. Initially two members shall serve for one year, two for two years, and three for three years and may be re-appointed. The committee shall be comprised as follows:

- 1) Three citizens at large;
- 2) A person who is a member of the Fairhaven local School Committee or an appointee thereof;
- 3) A person who represents the business, financial, or banking community;
- 4) A person with experience in the management of construction activities;
- 5) A person knowledgeable about the Town's needs in the areas of open space and recreation facilities or activities;
- 6) The Finance Director/Town Accountant and Treasurer/Collector shall serve as ex-officio non-voting members;
- 7) Town Administrator shall serve as an ex-officio non-voting member.

And charge the Committee with:

- a) The committee shall study proposed capital projects, improvements, and equipment purchases that have a useful life of at least five years and cost over \$20,000;
- b) Work with town departments and officers to compile an inventory of the town's facilities, equipment, machinery and other capital assets;
- c) By October 15th of each year, each department, board, committee and commission shall provide to the Committee information concerning all anticipated capital outlays requiring Town Meeting appropriation for the ensuing five year period.
- d) The Committee shall consider the relative need, impact, timing and cost of these expenditures and the effect each will have on the financial position of the Town of Fairhaven;
- e) The Committee shall prepare an annual report recommending a Capital Improvement Budget for the next fiscal year and a Capital Improvement Program Plan, including capital improvements for the next five years. The report shall be submitted to the Board of Selectmen on or before December 31st of each year for consideration and approval;
- f) after presentation of the plan by the Selectmen at a public hearing, the Committee shall present the Capital Improvement Plan to the Annual Town Meeting for its approval of fiscal year expenditures;
- g) The Committee shall monitor the execution of projects authorized;
- h) The Committee shall explain and defend to all town meetings dealing with capital expenditures any deviations from the capital plan

**Section 3.** No appropriation shall be voted for a capital improvement requested by a department, board or commission unless the proposed capital improvement is considered in the Committee's report, or the Committee shall first have submitted a report to the Board of Selectmen explaining the omission.

**Section 4.** Such Capital Improvement Program, after its adoption, shall permit the expenditure on projects included therein of sums from departmental budgets for surveys, architectural or engineering advice, options or appraisals; but no such expenditure shall be incurred on projects which have not been so approved by the town through the appropriation of sums in the current year or in prior years, or for preliminary planning for projects to be undertaken more than five years in the future.