

Municipal Corner – Capital Program

Someone recently asked – “Why hasn’t the Town developed a capital program?” Some people might even wonder what a capital program is.

A capital budget is a prioritized list of capital projects to be undertaken in a fiscal year. A capital program is a prioritized listing of capital projects to be undertaken over several fiscal years. The Town of Stowe’s Capital Fund Policy defines a capital project as “A physical public betterment, maintenance or improvement involving a facility, a parcel of land, vehicle or piece of major equipment with a value exceeding \$10,000 that is not recurring on an annual basis.”

The Town developed an Equipment Fund that identifies our vehicle fleet and schedules their replacement on a planned basis. This is important because the Town has health, safety, and welfare responsibilities for its citizens and needs to ensure it has reliable equipment. It also helps to stabilize the funding requirements from year to year. Overall, the Equipment Fund has been received well, so why don’t we develop a comprehensive capital program to do the same?

The development of an infrastructure capital program is a goal of the Selectboard. However, like most things it is easier said than done. The Town has made attempts at developing capital programs in the past, but some have referred to them as “wish list” rather than a true prioritization of projects that includes existing infrastructure obligations with accurate scoping and reliable cost estimates. To do a bona-fide capital program takes time to scope out projects and develop cost estimates before a project can be incorporated into a capital program. While stakeholders can provide ideas for projects and voters ultimately decide what gets funded; the time consuming part requires individuals that are qualified to scope out and cost estimate a project.

The Public Works Department has had its hands full just trying to keep up with its day-to-day responsibilities and preparing the capital projects for the upcoming year. It has not been able to perform the scoping and cost estimating necessary to assist the municipality in developing a bona-fide multi-year capital program. Even if we hire consultants to do the work, those contracts have to be managed and background work provided to them.

With all of this being said, we have made progress on catching up with the backlog of capital projects. We hired additional qualified staff in Public Works to help keep up with the work load and are incorporating money as part of the project budget to hire qualified consultants when it is feasible to do so. By putting more time into the project development and cost estimating upfront, it has resulted in the successful delivery of numerous projects, on time and within budget. We still have a significant body of work to do, but we are making progress.