

**CREATING A CAPITAL IMPROVEMENT PLANNING
COMMITTEE
MODEL BYLAW**

June 2001

COMMENTS:

NOTE: In order to establish a formal CIP process, a town should consider adopting a bylaw at annual town meeting to create a CIP committee (MGL Chapter 41 § 106B). This model bylaw covers appointment of the committee by the Board of Selectmen, the committee's duties, and its authority.

Purpose. There shall be established a Capital Improvement Program for the Town's purchase of major capital items, including land and buildings, construction of new buildings, renovation of existing building, large equipment items, machinery, road paving/reconstruction, and vehicles.

Section 1. The Board of Selectmen shall establish and appoint a committee to be known as the Capital Improvement Planning Committee, composed of one member of the Board of Selectmen, one member of the Finance Committee, one member of the Planning Board and the School Superintendent or his designee [see note 1.]. The Town Accountant (or the Executive Secretary or other administrative officer) shall be an ex-officio Committee staff member without the right to vote. The Committee shall choose its own officers.

Section 2. The Committee shall study proposed capital projects and improvements involving major non-recurring tangible assets and projects which: 1) are purchased or undertaken at intervals of not less than five years; 2) have a useful life of at least five years; and 3) cost over \$10,000. All officers, boards and committees, including the Selectmen and the School Committee, shall, by _____ of each year, give to the Committee, on forms prepared by it, information concerning all anticipated projects requiring Town Meeting action during the ensuing six years. 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. 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 [see note 2], or the Committee shall first have submitted a report of the Board of Selectmen explaining the omission.

Section 3. The Committee shall prepare an annual report

1. The size and membership of the Committee, length of terms and the procedure for filling vacancies should be determined according to your community's needs. Members might include the Fire Chief, Highway Superintendent, etc.

2. This does not apply to citizen petitions placed on the warrant.

recommending a Capital Improvement Budget for the next fiscal year, and a Capital Improvement Program including recommended capital improvements for the following five fiscal years. The report shall be submitted to the Board of Selectmen for its consideration and approval. The Board shall submit its approved Capital Budget to the Annual Town Meeting for adoption by the town.

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.

Section 5. The Committee's report and the Selectmen's recommended Capital Budget shall be published and made available in a manner consistent with the distribution of the Finance Committee report. The Committee shall deposit its original report with the Town Clerk.

Source: Adapted from material presented in the publication "*Developing a Capital Improvements Program: A Manual for Massachusetts Communities*" (Massachusetts Department of Revenue, 1997) and from material presented in the final report of the Savoy Capital Improvement Program Development Project, 2000.