

# DRAFT MINUTES

## BUDGET RECOMMENDATIONS COMMITTEE MINUTES

November 29, 2011

Chairman Don Brabant convened the Budget Recommendations Committee at 6:01pm in the Nowak Room of the Town Office. The members of the Committee and Board of Selectmen present are: Mark Leighton, Bob Kelly, Corey Stevens, Harry Thayer, Don Woodward, Allen Corey, Dan Chartrand, Carol Aten, Chairman Bobby Aldrich, Selectman Don Clement, Selectman Frank Ferraro, Finance Director Doreen Ravell, and Town Manager Russell Dean.

Mr. Brabant said that tonight's meeting will deal on Human Services, CIP, Vehicle Replacements and finishing up the rest of the housekeeping items that are left over. First, Mr. Brabant wants the committee to know that so far there have been \$619,136 in cuts made to the budget which is great and close to the goal of \$660,000. Additionally, \$113,905 has been cut from the Water Fund and \$224,960 has been cut from the Sewer Fund. Due to recent changes, Mr. Dean has an update for the committee on changes to approved line items, which he will speak about shortly.

The Highway Department and Police Departments both have open positions that they have agreed to leave unfilled for 2012, netting a savings of \$171,497 between salaries and benefits.

**Mr. Thayer moved to incorporate the changes to the Highway and Police budgets that have resulted from the unfilled positions. Mr. Chartrand seconded. Vote: Unanimous.**

Mr. Thayer wanted to publicly thank Chairman Aldrich for his efforts in moving the receptionist to the tax office and for further proposing to move the Finance office to the Town Hall space that was vacated by the bank in order to give the Deputy tax Collector a private office to meet with residents. Chairman Aldrich said this was a good decision and he has gotten a lot of positive feedback about it.

Mr. Dean said that the change in personnel in the tax office has resulted in some budget changes and they must be voted on.

**Mr. Thayer moved to recommend a total Finance budget of \$256,993. Mr. Chartrand seconded. Vote: Unanimous.**

**Mr. Thayer moved to recommend a total Tax budget of \$83,686. Mr. Woodward seconded. Vote: Unanimous.**

Mr. Dean said that all of the salary lines in the Town Office budget have been deleted and the Town Office expense lines have been combined in the Town Manager's budget, eliminating the Town Office budget section completely.

**Mr. Thayer moved to recommend a total Town Manager budget of \$178,145. Mr. Chartrand seconded. Vote: Unanimous.**

Mr. Dean said that the original estimated savings for moving the receptionist to the tax office was \$30,000 but in reality the savings is closer to \$50,000.

DPW Director Jennifer Perry and Highway Superintendant Jay Perkins are present to answer questions related to the DPW requested vehicles. The present requests are for a 6 Wheel Dump Truck, a 1 Ton

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Dump Truck, and a Sidewalk Tractor. Mr. Kelly stated that the DPW subcommittee supports the 1 ton and sidewalk tractor but believes that the 6 wheel dump truck can wait as it appears to be a low priority This budget year and the department has a lot of vehicles being replaced this year. Mr. Perkins says there are 2 6 wheel dump trucks that are up for replacement, one is a 1997 model and the other is 1998. They are both functioning, but they are both in need of replacement, so either one could be retired. Originally there were additional requests that were going to be put on warrant articles, but that plan has changed and the warrant articles will not be on the ballot for the additional items.

**Mr. Kelly moved to recommend a Vehicles total of \$255, 270 eliminating the 6 wheel dump truck. Mr. Chartrand seconded.**

Mr. Chartrand seconded the motion for purposes of discussion. He disagrees with eliminating the 6 wheel dump truck. He does not think it should be put off any longer. Mr. Corey agrees.

**Vote: 4-3, Motion carries**

**Mr. Kelly moved to add \$16,925 to the Vehicle total to include a highway department pickup truck #5. Mr. Leighton seconded. Vote: Unanimous.**

**Mr. Kelly moved to recommend a Vehicles total of \$272,195. Mr. Thayer seconded. Vote: Unanimous.**

**Mr. Thayer moved to recommend a Vehicle Replacement total of \$389,627. Mr. Chartrand seconded. Vote: Unanimous.**

## **Human Services**

Mr. Brabant said that Human Services and CIP projects. Mr. Dean said that the CIP items that need to be acted upon by the Budget Committee are the following: Supplemental Paving, HVAC project for the Town Office, Historical Society Roof project, Town Hall records room renovation, and DPW complex generator.

Mr. Brabant said that the subcommittee for Human Services agreed that any increases in funding requests should be warrant articles. Meals on Wheels has requested an increase. Mr. Dean said that Meals on Wheels would rather change their request to level funding rather than have a warrant article. Mr. Dean said that there is still some discussion amongst the Board of Selectmen whether to list agencies on the warrant separately or use one warrant article for all of the Human Services agencies that are on the warrant this year. Mr. Chartrand thinks the town should vote on a single number of Human Service funding and a committee should be appointed to administer the funding. He believes that this system should be revised in coming years, even though it cannot be changed for this year's budget.

**Mr. Thayer moved to recommend \$7,800 for Meals on Wheels food services. Mr. Chartrand seconded. Vote: Unanimous**

**Mr. Thayer moved to recommend \$11,000 for Rockingham Community Action. Mr. Chartrand seconded. Vote: Unanimous**

**Mr. Chartrand moved to recommend \$11,000 for Child and Family Services. Mr. Thayer seconded. Vote: Unanimous**

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**Mr. Thayer moved to recommend \$0 for Lamprey Health and to move this funding to the Transportation Fund. Mr. Chartrand seconded. Vote: Unanimous**

The Ritchie McFarland Center has requested \$5,400 in additional funding this year. The subcommittee would like to see the entire amount of the request in a warrant article, but Mr. Thayer suggests that the committee vote to level fund them and then the agency can pursue a warrant article for additional funding.

**Mr. Chartrand moved to recommend level funding for Ritchie McFarland Children's Center in the amount of \$6,300. Mr. Thayer seconded. Vote: Unanimous**

**Mr. Chartrand moved to recommend \$2,000 for New Generations Shelter. Mr. Thayer seconded. Vote: Unanimous**

**Mr. Thayer moved to recommend \$3,000 for Families First. Mr. Chartrand seconded. Vote: Unanimous**

**Mr. Thayer moved to recommend \$9,000 for Big Brothers/Big Sisters. Mr. Chartrand seconded. Vote: Unanimous**

Mr. Brabant said that the subcommittee has recommended that the Red Cross not be funded because they are not in the area anymore and the Fire Department has said that they are not around to help any more.

**Mr. Chartrand moved to recommend \$0 for Great Bay American Red Cross. Mr. Thayer seconded. Vote: Unanimous**

**Mr. Woodward moved to recommend \$2,495 for Great Bay Kids. Mr. Corey seconded. Vote: Unanimous**

Mr. Corey reviewed the application for Seacoast Mental Health and found that much of the funding goes to testing schoolchildren for Attention Deficit Disorder and other conditions in the schools.

**Mr. Thayer moved to recommend \$8,500 for Seacoast Mental Health. Mr. Woodward seconded. Vote: Unanimous**

Mr. Brabant said the New Outlook Teen Center has requested an increase and has asked to be on a warrant article, but that the committee has recommended level funding and then the agency can put themselves on a citizens petition to increase funding.

**Mr. Thayer moved to recommend \$0 for New Outlook Teen Center. Mr. Stevens seconded. WITHDRAWN**

**Mr. Chartrand moved to recommend level funding for New Outlook Teen Center in the amount of \$2,700. Mr. Thayer seconded. Vote: Unanimous**

**Mr. Chartrand moved to recommend \$2,200 for RSVP. Mr. Thayer seconded. Vote: Unanimous**

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**Mr. Thayer moved to recommend a total Human Services budget of \$65,995. Mr. Woodward seconded. Vote: Unanimous.**

**Mr. Chartrand moved to recommend a total Welfare/Human Services budget of \$161,296. Mr. Woodward seconded. Vote: Unanimous.**

Mr. Brabant asked for a total General Fund amount. Ms. Ravell says it is \$16,288,327. Mr. Brabant said that last year's budget was \$16,493,567, making the overall budget decreased by \$205,240.

**Mr. Kelly moved to recommend a total General budget of \$16,288,327. Mr. Woodward seconded. Vote: Unanimous.**

## **Capital Improvement Projects**

### **Ground Water Treatment Facility**

Public Works Director Jennifer Perry and Water Sewer Managing Engineer Michael Jeffers appear to discuss DPW Capital projects. First, there is the Groundwater Treatment Plant. The Board of Selectmen voted to have the final site of Lary Lane, so the Gilman Park site is no longer an option. The original plan was for a \$17 million project but this option is for \$6.3 million facility and there is a state program that would offer up to 20% loan forgiveness upon completion. Design work would be completed in 2012 and the construction would likely begin in 2012 and continue into 2013. Mr. Dean said that this facility would help to improve water quality and help with the arsenic issues of the past. This will lessen the Town's reliance on the water treatment plant, also.

Mr. Thayer moved to recommend the Groundwater Treatment Facility to the Warrant. Mr. Kelly seconded. Vote: Unanimous.

### **Jady Hill Phase 2**

Ms. Perry said that Phase 2 continues the work that started recently on Haven Lane addressing long term sewer deficiencies along with water line work in the area. Phase 2 will complete the sewer portion of the work in the Jady Hill neighborhood. The total budget is \$2.8 million to include \$2.65 million in Phase 2 work and \$200,000 in drain lines that need to be repaired. This will remove up to 160,000 gallons per day of infiltrations and up to 230,000 in peak times. Ms. Perry said that the water line and sewer line replacement programs are very important because so much needs to be done. Currently, about 2/3 of the water lines are due for replacement due to their age and poor condition. Mr. Kelly said that the Water Sewer Advisory Committee believes this project to be a great investment in the system and that it will create great benefits.

**Mr. Thayer moved to recommend the Jady Hill Phase 2 project. Mr. Corey seconded. Vote: Unanimous.**

### **Water Meter Replacement**

Ms. Perry said this is a state program that would be up to \$750,000 over 2 years to replace current Badger water meters with a Neptune touchpad system that would allow readings from the exterior of the building and would be much more accurate than the current system. Ms. Perry said that the Town is losing significant revenues with the failing meters. This program also is available for the state's loan

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forgiveness program of up to 20%. Mr. Jeffers said that he feels the replacement work can be done in house with current staff. Mr. Jeffers said the Town's water system is well equipped to quickly replace the meters in about 12 minutes per meter. Mr. Jeffers acknowledged that the project has the potential to finish under budget and the total amount would not be the entire \$750,000. Mr. Brabant is concerned that the funding could come from reserves instead of borrowing. Mr. Jeffers said that if you complete the project in 2 years instead of only doing a small numbers per year, the revenues will increase faster and the equipment will not have to be replaced constantly. Mr. Jeffers also noted that the 20% debt forgiveness is a good benefit, but if this project had passed last year, the forgiveness would have been 30%.

**Mr. Chartrand moved to recommend the Water Meter Replacement project. Mr. Woodward seconded. Vote: Unanimous. Mr. Brabant is opposed, though he does not vote. He is opposed to borrowing the money for the project.**

## **Winter Street Water Line Replacement**

Ms. Perry said this is a portion of the Water Line Replacement project that the Department is asking to move forward with. This would replace the water main from Columbus Ave to Main Street where there have been close to 20 breaks. This project includes 240 feet of 6 inch cast iron main pipe, and the design would be completed in summer 2012 with construction in fall 2012 or spring 2013 and would cost \$446,000. Mr. Kelly said that the subcommittee does not recommend this project because there are other projects that are more of a priority. Mr. Stevens noted that this project is rated as a 7 out of 10 on the DPW rating.

**Mr. Kelly moved to delay the Winter Street project. Mr. Chartrand seconded. Vote: Unanimous.**

## **Wastewater Treatment Plant Plan**

Ms. Perry said that this is needed to identify treatment alternates in light of the EPA discharge permit. The current discharge levels do not meet EPA quality standard. The Town needs a 20-30 year plan for water treatment. Mr. Thayer said that there would be a consequence of high fines from the EPA without this project. Ms. Perry said that it is important to get this item in front of the voters this year as an attempt to get the issue in the forefront. Mr. Aldrich said the Board discussed the matter and did not make a decision, but the Board is leaning toward recommending funding of the project all at once instead of over the course of 3 years. Mr. Kelly said there are a lot of projects that need to be done, the EPA has been assured that the Town is working to improve the system so we should not feel that we will be fined while we are cooperating. Mr. Kelly thinks that this item should be delayed.

Mr. Chartrand moved to recommend \$375,000 for a warrant article on this project. Mr. Thayer seconded. Vote: Unanimous.

## **WTP Pumping and Waste Reduction**

Ms. Perry said this could save up to 42 million gallons of water per year. Mr. Kelly said this is a very cost effective measure with a payback time of about 2 years. The subcommittee highly recommends this item. Ms. Perry said this would qualify for the 20% loan forgiveness. Ms. Perry said it is highly unusual for a town to qualify for even one item of debt forgiveness in a given year, let alone 3 items in one year, but it appears that the State recognizes Exeter has significant issues that need to be addressed.

**Mr. Thayer moved to recommend \$284,625 for this project. Ms. Aten seconded. Vote: Unanimous.**

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Mr. Dean clarified that the difference between the FY11 and FY12 budget recommendation is \$233,103.

## **Warrant Articles**

### **Supplemental Paving**

Ms. Perry said that DPW is proposing a supplemental warrant article of \$350,000 in order to catch up with paving projects that have been backlogged. This will supplement the amount already in the budget. The department needs to have \$1.1 million per year in order to keep up with the town roads, and the department feels it is an important investment for the town to maintain. Mr. Kelly said that the subcommittee spoke extensively about this issue, and they feel that having a warrant article of \$150,000 would be adequate and would level fund paving from last year. Mr. Clement disagrees that this is a reasonable number.

**Mr. Kelly moved to reduce the warrant article to \$150,000. Mr. Woodward seconded. Vote: Unanimous.**

### **Town Office HVAC System**

Ms. Perry said this item would use \$235,000 to install air conditioning units in the Town Office to replace the current window mounted units and 3 boilers that are over 30 years old. She stated that there are some health issues that would also be resolved with this project. Mr. Kelly said the subcommittee supports this project.

**Mr. Stevens moved to recommend \$235,000 for Town Office HVAC system. Mr. Leighton seconded. Vote: Unanimous.**

### **Fire Department Ambulance**

**Mr. Woodward moved to recommend Ambulance 2 replacement in the amount of \$175,523. Mr. Thayer seconded. Vote: Unanimous.**

### **Historical Society Roof Replacement**

Ms. Perry said this project would replace the 1896 slate roof on the Historical Society building that is original to the building. The department is currently reviewing the project with an expert and will likely have a revised proposal shortly. There have been many leaks and repairs, and the concern is to keep the building and its contents safe and secure.

**Ms. Aten moved to support the roof replacement in the amount of \$117,900 and urged the Town to use slate and not a synthetic material, in keeping with the historic building's original features. Mr. Woodward seconded. Vote: Unanimous.**

### **Public Works Generator**

Ms. Perry describes this project as a dire need for the Public Works Department. She said that in the case of extended outages, there is no heat, lights or running water in order to operate the department to support the emergency workers. The generator would include a large generator for the garage area as well as a small generator for the office building.

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## **Parks and Recreation Department Dump Truck**

Mr. Dean said this is a 2001 truck with 65,000 miles on it. Mr. Thayer said he would vote against this item because there are a lot of other vehicles that are in worse shape that need replacement before this on.

**Mr. Woodward moved to recommend a 1 ton dump truck in the amount of \$24,500. Mr. Corey seconded. Vote: 3-5. Motion Fails.**

Mr. Brabant thanked the members of the committee as well as the Board of Selectmen for their participation in the budget process.

**At 9:34 PM, Mr. Kelly moved to adjourn. Ms. Aten seconded. VOTE: Unanimous.**

Respectfully submitted,

Kelly Geis  
Recording Secretary