

## Draft Minutes

### Budget Recommendation Committee

November 19, 2013

#### Call Meeting to Order

Chairman Corey Stevens called the meeting to order at 6 pm in the Nowak Room of the Exeter Town Offices building. Other members present were Vice Chairman Harry Thayer, Don Woodward, Bill Campbell, Francine Hall, Allan Corey, Rob Corson, Anne Surman, Bob Kelly, Nikki Graney, Phil Johnson, Nancy Belanger, Nelson Lourenco, Robert Wentworth, Selectwoman Julie Gilman, BOS Chair Don Clement, BOS Vice Chair Dan Chartrand, Selectman Frank Ferraro, Town Manager Russ Dean, and Doreen Ravell, Finance Director.

Chairman Stevens talked about the agenda, saying they were there to discuss CIP items, get a presentation from COAST, discuss the Economic Development Director position, and talk about the Human Services warrant article.

Chairman Stevens said they had multiple sets of minutes to approve, but not all have read through them. They would have a meeting at a later date to approve minutes.

#### COAST presentation

Rad Nichols, Executive Director at COAST, gave a power point presentation. He said he has been with the organization for 17 years and gave a bit of background. He said they started as a staff of 3 and now have 73 staff members. He said one core service they provide is Route 7 which serves Exeter. This route was started in 1995. It connects Exeter to Stratham, Newmarket, Greenland, and Portsmouth. They have had 15% growth in the route this year. They have added runs to this route and have seen growth.

Mr. Nichols talked about the FY14 Municipal Funding Formula which was “established for the purpose of raising sufficient local funds to support the operation of the original core system.” COAST is a non-profit organization. This current formula was approved in 2004. There are four factors in the Municipal Funding Formula.

Mr. Nichols went on to talk about the FY14 operating budget projections. He projects an overall operating budget of \$5,060,000. He said 80% of this is attributed to ADA program growth. He talked about ADA program, explaining there is such growth. He said in 2009 it cost \$180,000 to operate the program. In 2012 it cost \$640,000 and in 2014 he expects it to cost around \$890,000. There is an aging population which is causing the growth of this program.

To maintain Exeter services, Mr. Nichols is asking for \$33,074. He said there are ways to offset increased need for municipal revenues.

Mr. Wentworth thanks Mr. Nichols for his presentation. He asked why usage isn't the primary allocation factor to Exeter, adding that usage is always on the top of formulas. Mr. Nichols said they do not expect the same usage as bigger cities like Dover. He said they provide a different level of service in smaller communities. Mr. Nichols said they are always trying to increase usage.

Ms. Hall asked if there is any way to reroute the route so it goes to the dialysis centers. Mr. Nichols said the average cost for one trip is \$52 and they only charge \$3, so it's hard to add runs when the ADA program is involved.

Selectman Ferraro said Exeter is served by Route 7. He has heard some communities weren't fully funding COAST's requests. He wondered if COAST was still stopping in those communities. He provided a chart of money spent by surrounding communities which showed Exeter and Portsmouth paying 100% of the requested amount, Newmarket paying 56%, and Greenland paying 0%. He is looking at fairness, saying Exeter is subsidizing other towns. If Exeter pays 100% this year, they will be subsidizing the other four towns on Route 7.

Mr. Corey asked Mr. Nichols how the budget came out if the other communities didn't give 100% of their requested funding. Mr. Nichols said they used reserves. Mr. Corey asked why they don't bill the municipality directly so no one will be subsidizing for others. Mr. Nichols had a different approach, asking why Exeter does not want to pay for others to come to their community.

Mr. Clement asked for everyone's proposals.

A Motion was made by Mr. Corey and seconded by Mr. Lorenzo to reduce the requested amount by \$8470. Motion failed – all opposed.

### **Economic Director Development position**

Barry Sandberg, Chairman of the Economic Development Commission, spoke in support of the position. He said he has been with the EDC for three years, serving as Chair for 2.5. It is a commission of 12, nine of which being citizen members. They are a committed group of members. They have five priorities for this year; to promote TIF, to promote various economic tools like 79-E, to work with planning to the sponsor the Chamber of Commerce business after hours get together, to encourage the business expansion committee, and to reformat information for the website for people to get answers.

He went on to say they are a volunteer run commission that is not going away. He thinks they need to bring on a professional entity which is a very different role from the Town Planner. He said they can either continue in the format they are in now, or hire a professional entity. He said the EDC voted unanimously in favor for the position.

Beth MacDonald, of the EDC, said Exeter would do itself wrong by not deciding to go forward with the position. She said it will promote growth and attract people. Exeter actively has to compete for businesses. She urges the Committee to approve this position.

Chairman Stevens asked how they see the Director working with the community. Mr. Sandberg said it is in the job description. The position will work with the EDC as well.

Ms. Surman said she did some research and she is now in favor of the position. She said Exeter is behind. Neighboring towns are ahead of Exeter. There is land that is developable but no one to go get developers.

Mr. Corey read his research. He gave examples of things that have been developed without the need of an Economic Development Director. He is not in favor of the position. He said there are realtors and town employees that can do the job description of the Director.

Mr. Wentworth said Exeter needs to be up front. He said it is not the number of acres that is relevant. They need to welcome new people and bring in new business and growth. He is not looking at a one year time frame, but out 3-5 years.

Mr. Campbell said he is concerned with the budget because of the 53<sup>rd</sup> week pay period. He does not think this is the year for the position. He said the town wants to have a large drop in the tax rate. He thinks they should bring the idea back next year. Mr. Corey said he simply does not see the need to add the position.

Mr. Sandberg said the town can work together more effectively with this position, so there is someone there to answer all questions.

Mr. Dean said a big part of the position is to review our zoning ordinances with development in mind. He said there is no point person to connect between businesses and the zoning ordinances in a how to way.

Mr. Dean said 2014's budget funds the position for seven months.

A Motion was made by Ms. Surman and seconded by Ms. Belanger to approve \$69,149 for the 2014 Economic Development budget. Motion carried 7 in favor, 6 against, with one abstention. The Chair voted on the motion to break a tie.

### **CIP**

Fire Chief Brian Comeau spoke on behalf of the Fire Dept. He said most projects that are looking to bring forward with CIP are being deferred, i.e. the utility truck and Station 2.

Mr. Corey spoke about the bucket truck, saying it is in good shape. Chief Comeau said it is 20 years old. Mr. Dean said they do have prior vehicles in the CIP and Chief Comeau has been

good about trying to get another year out of the utility truck. Chief Comeau thanked the Committee for all their support.

Kristen Murphy, Town Natural Resource Planner, was there to present the CIP requests on behalf of the Conservation Commission. She said there is a CIP request for \$26,490 for tax map 26, lot 15 for the conservation of a 34 acre area on the Elliot property. She gave some outside funding sources. Phase I inventory came back "clean". The Wetlands Reserve Program is funding the conservation easement. She will hear if any L-CHIP funds will be awarded by mid-December. The Conservation Commission is looking for a "place holder" in case the L-CHIP funds are not given. If they are not they are not available then Con. Com. will need the CIP \$26,490.

A Motion was made by Mr. Campbell and seconded by Mr. Clement to support the \$26,490 to purchase this property through a warrant article. Motion carried – all in favor.

Jennifer Perry, DPW Director, said one major project of theirs is to paint the Parks and Rec building. It was last coated in 2003. This is proposed as a warrant article for \$40,000. Mr. Dean said his intent was to have the subcommittee review this item. He said it is not a warrant article. He said it is not in the budget right now. The Committee talked about switching around Maintenance projects if this is a priority. Ms. Perry said she would take this under advisement.

Ms. Perry talked about the Great Dam modifications. She said the info is available on the town website. There are four alternatives to review. The next step is to go to the BOS. One alternative is dam removal will cost approx. \$1.24 million. She went through the other three alternatives which include dam modifications and dam stabilizing. Mr. Dean said timing is to be determined. It could either happen in 2014 or 2015. Mr. Clement said the BOS have not made any decisions. Mr. Lourenco talked about grants, saying there are deadlines and there is a potential grant that will pay 75% if they go forward in 2014 and if they choose dam removal.

Ms. Perry next talked about the String Bridge. She said this project will cost \$1,236,000. The bridge exceeds its 70-year life. It was built in 1935. The project is 80% funded by NHDOT. It was noted bonding authority of \$1,100,000 already exists for this project, so it does not have to be part of the budget.

Ms. Perry talked about the Sidewalks Program. She talked about the recommended \$80,000 that be placed in the 2014 budget. Mr. Corey said they approved \$80,000 would go into capital reserves. Mr. Dean said this would be a warrant article.

Ms. Perry talked about the Hampton Road Tank Asset Management Program costing \$102,448 in 2014. It is a one million gallon tank that was constructed in 1958. It was last coated in 1995 and inspected in 2008. She said this is in the budget as a line item.

Ms. Perry talked about the Water Line Replacement which will be a warrant for \$1.4 million in 2014, \$1.4 million in 2016, and \$1.4 million in 2018. She said some mains are over 100 years old. The areas which will be addressed in 2014 are Lincoln Street and Winter Street.

Finally, Ms. Perry talked about the new Wastewater Treatment Facilities. She said there is a proposed warrant article for the design in 2014. It will cost \$6 million for the design and \$40 million in 2015 for the construction.

A Motion was made by Mr. Kelly and seconded by Vice Chair Thayer to approve the \$1.4 million for the Water Line Replacement. Motion carried – all in favor.

A Motion was made by Mr. Kelly and seconded by Mr. Campbell to accept up to \$6 million bond to support the design of the Wastewater Treatment Facilities. Motion carried – all in favor.

Mr. Dean talked about the Town Facility Plan. He said they are taking inventory of the town buildings. He wants to invite schools into this process. The town owns buildings that people are not aware of. There is a need to do an assessment on the facilities. Mr. Corson asked if this is a conditions assessment or a use assessment. Mr. Dean said both but mostly a use assessment. He said \$50,000 will get them a plan. Mr. Campbell said it is a nice idea but does not think it should be done this year. Chairman Stevens asked how a town owned property is sold. Mr. Dean answered it goes through the BOS.

A Motion was made by Mr. Corson and seconded by Ms. Surman to approve M1 Facilities Plan for \$50,000. Motion carried – majority vote yes, Mr. Campbell and Mr. Woodward vote nay.

Chairman Stevens moved on to the Human Services warrant article. Mr. Woodward talked about Seacoast VNA, saying 6% goes to Exeter residents (78 people). A Motion was made by Mr. Campbell and seconded by Ms. Surman to accept the Human Services recommendation of \$109,595. Motion carried – all in favor.

A Motion was made by Vice Chair Thayer and seconded by Ms. Surman to approve the total general fund budget in the amount of \$17,357,899. Motion carried – all in favor.

A Motion was made by Mr. Campbell and seconded by Ms. Belanger to adjourn the meeting at 9:25 pm. Motion carried – all in favor.

Respectfully submitted,

Nicole McCormack  
Recording Secretary

