

Budget Recommendations Committee

November 20, 2014

Final Minutes

Call Meeting to Order

Chairman Corey Stevens called the meeting to order at 6:33pm in the Meeting Room of the Exeter Public Safety Building on Thursday November 20, 2014. Other members present were: Vice Chair Harry Thayer, Don Woodward, Bob Wentworth, Dr. Anthony Zwaan, Judy Rowan, Bob Kelly, Peter Lennon, Bill Campbell, and Phil Johnson. From the town was Russ Dean, Town Manager, and Doreen Ravell, Finance Director. Also there were vice- chair Dan Chartrand, Anne Surman, Clerk, and BOS Chair Julie Gilman.

Final review of town of Exeter Budget for 2015, tonight we will be looking at the capital improvements. We will hear from the departments and vote on the CIP items. Dr. Zwaan asked about the format for this portion of the review. Chairman Stevens said that they will hear from the departments and then they will vote on the warrants on page 37 of the budget.

Water and Sewer

With regard to CIP projects, G1, H1, H2 Bob Kelly said that the subcommittee looked the combined projects and thought they could be deferred a year. Chairman Stevens stated that they can finish it tonight. Mr. Kelly said that he is not ready to spend the money on design as there are other issues that they know they have to deal with.

Ms. Jennifer Perry spoke on the cost and scope of the LTCP manhole rehab and aid that said that they have found a significant issue that the river can back up and go into the sewer flow. Ms. Perry said that they all recognize that there are some financial concerns but that they recommend putting into \$130,000 but deferring \$100,000 for water and \$100,000 for sewer. Ms. Perry suggests that since it is so important they should have a line item called long term control plan.

Mr. Lennon said that he is not all for it and that he supports Mr. Kelly, he said he is uncomfortable with the way this item is being presented and that he thinks that they have a right as a town to push back against the EPA, and since they are not under a time gun, that he thinks that they have time to sort it out. Also he believes that if the project was not important enough at the beginning of the budget cycle to be included then they should not take it now.

Mr. Dean said that his take is that they are talking about two separate items, the I/I and the one for \$240,000. As far as the extra \$90,000 has already been said, he believes to take some time and benchmark the results, instead of making further adjustments at this time.

Dr. Zwaan would like to clarify, for Ms. Perry, he said that he was confused as he thought the Town Manager was supporting the expenditures but now he knows that he is not, but to Ms. Perry if it is characterized as design. Ms. Perry answered and said it is implementation, not design.

Mr. Wentworth asked if there was a motion to deal with or if they were starting again with the subcommittee.

Mr. Kelly says that their recommendation would be to not support the design and would like to leave the line item at \$100,000, adding \$40,000 onto the budget. Mr. Dean said that if motions are made not to recommend projects but to use the word "defer".

Motion made by Mr. Kelly to defer G1, H1, H2 for the project 2015, seconded by Mr. Lennon. All in favor, motion carried.

CIP

Mr. Dean explained how he approached the CIP and gave some explanation and how they take into account the shift in the years and make sure that they do not have an adverse reaction on the taxes. Mr. Dean said that they also try to get to projects that need to be done with the least amount of impact on the taxes. Mr. Dean spoke on the General Fund (Existing Debt Service) as well as the Tax rate share of that existing debt, as well as the General Fund (Proposed Debt Service, which includes the Street sweeper, the Fire alarm truck, the String Bridge reconstruction, the sidewalk problem, the Linden St. Bridge and the Court St. Bridge.

Questions

Chairman Stevens thought it was valuable to hear how these projects are chosen.

BOS vice chair Chartrand thought that Mr. Dean did a great job of laying the framework of the CIP projects and how we are trying to keep a consistent and level debt, and that he really appreciates the presentation and how it is about stabilization. Mr. Dean stated that he is really pleased with the progress they have made already and they have been able to program them in without a lot of impact.

Mr. Wentworth asked in regard to the process as to what projects make the cut, and also how he has observed for the past ten years that the Kingston Rd., has been a safety issue as there is no walking egress and it is a state highway, but that it does not make it but that something else makes it.

Mr. Dean answered and said that they have \$150,000 and also a grant of \$600,000 if it gets approved, so it is a financial article but that is a zero cost. Mr. Campbell asked if they are assured to get the grant. Mr. Woodward answered in regard to the grant, and said that there is no guarantee that they will get the grant.

Chairman Stevens asked if it has to be proposed as a warrant. Mr. Campbell and Chairman Stevens asked about the grant, and Mr. Woodward stated that they are second in line as of now.

Vice chair Thayer asked about it as well. Mr. Dean spoke on how they had CIP subcommittee years ago, but that they spent so much time in meetings that it gave the departments less time to do them, and it led to a lot of angst and issues. Therefore they changed it to give more time to the departments so that they have more preparation and detail to give.

Library

Ms. Hope Godino from the Library came to answer questions. Vice chair Thayer asked about the \$50,000 being part of the \$122,000. Ms. Godino spoke on the children's program in the Meeting Room as well as the Children's Room, and also stated that they have overcrowding, also spoke on the Handicapped parking as being a large issue. Ms. Godino also spoke on the air handler as being aged. She stated that they are trying to have some of the issues addressed. Also stated that Public Library is now considered the third place people go. Ms. Godino gave a summary on the uses that the Library handles and the issues that they have that they would like to be addressed. Ms. Godino would like to start a fund to have and then continue to add to that fund with a fundraiser. The money would be for updates, additions, and construction issues.

Questions

Chairman Stevens asked in regard to the \$50,000, and Ms. Godino said that they need the amount to start a capital reserve fund. Chairman Stevens asked if this money would just sit in an account.

Ms. Rowan asked about the time line, and asked when they would start the construction. Ms. Godino said that they are looking to get the money to get started to get a grant from the federal government. Ms. Godino stated that in order to get a grant they have to show that the town contributed.

Mr. Campbell asked if there was any in the reserve, Ms. Godino said that this amount will go in the reserve, as they do not have a capital reserve fund yet.

Chairman Stevens said that there is a trustee fund of \$60,000. Ms. Godino said that the \$60,000 will go toward the architect.

Vice chair Thayer asked about the cost of the fundraiser. Ms. Godino answered and said it may not cost \$20,000 but what she does is bring people in to the community that help fundraiser.

Mr. Wentworth stated that it seems odd as the request is not for a planned construction but rather a reserve fund and would like it clarified if it is a onetime request. Ms. Godino answered and said it depends on how the fundraising goes. Said that they need to have a capital reserve fund and it shows good faith in the town, and that they might have to come back years later, but she does not know. Mr. Wentworth asked the amount of the trustees given, and Ms. Godino said whatever they raise will go into the fund. Mr. Wentworth asked that the trustees never had a reserve fund.

Mr. Kelly said that the concept is great but that he believes that the semantics are off, and if they have hired an architect then a capital reserve fund and fundraising would evolve from that, but that they need a plan first and that he would concentrate on the heat first.

Vice chair Thayer asked Mr. Dean if they could dip into the fund themselves, and Mr. Dean said that it would come under the trustee trust fund, and then they would have to select and vote. Mr. Dean said that he supports it.

Ms. Ravell wanted to clarify that the town would vote whether or not to set up capital reserve fund, but the agents of the fund would be the library trustee. Mr. Dean said as long as you name agents to spend the fund.

Mr. Woodward said that the architect sounds like they are doing their preliminary engineering. Ms. Godino said that the idea would be to set up a fund now, and that it seemed like a practical place to put money and then add to it as soon as they started their fundraising. Mr. Woodward also asked in the warrant article to have it approve by the board to name the agent of the fund. Mr. Dean said that as a warrant article it does have to have a specific purpose. BOS Chairwoman Gilman spoke on it as well.

Mr. Lennon said that he does not know how they can ask for an amount before they start detailed planning or design.

BOS Chairwoman Gilman said that one of the difficulties that they have is that they miss a lot of opportunities when they do not have the money ready.

Vice chair Thayer said that there is no schedule yet with the architect and he would feel better if they have a schedule.

HVAC/ Replacement of two boilers in the Safety Complex

Ms. Perry spoke on the issues, in regard to the two boilers that need replacement in the Safety Complex building. Ms. Perry said that this is the first project that they are promoting and that the cost is \$122,100.

Questions

Chairman Stevens asked in regard to the amount needed for the boilers. Spoke on the heat loss and the heat recovery if the pipes might freeze due to the Fire trucks going in and out and the doors being open.

Mr. Campbell asked what the boilers are rated at. Mr. Smart said that it will be determined by the design as it will determine what level of btu would be needed.

Chairman Stevens asked the maintenance done on them in the past. Mr. Smart answered and said that they were new in 1999, but due to the power band of Unitil, it started shorting some of the power, and number one boiler damaged the heat expander. Mr. Smart stated that now that the boilers

are older, the parts are harder to find. Vice chair Thayer mentioned the \$25,500 maintenance cost they already spent on it.

Mr. Lennon asked what the amount covers, and Mr. Smart answered and said that the amount is the total cost for everything including the design. Mr. Lennon asked if there was any way to find out different cost from different contractors, as well as other operating cost that they have now, verses the potential operating cost. Mr. Smart said that it is an estimate based on some assumptions.

Mr. Kelly said that it will take the engineer a couple of weeks and that it bothers him that they are replacing these units after only 15 years, but the operation of the Fire Station is unique, but that he supports it.

Selectwoman Surman states that what seems to be lacking is that there is not enough data given by the departments. Chairman Stevens said that Mr. Smart is doing what he is supposed to do. Mr. Lennon said that Mr. Kelly made the best case for it right now. Vice chair Thayer sees that it is a necessary maintenance item.

Dr. Zwaan said that he is surprised that it requires engineering as the building is not that old. He also stated that it upsets him when the Library has an older boiler that needs updating. Discussion continues.

Town Hall Egress Staircase

Ms. Perry spoke on the stair case and said that it is not up to code, and that the Fire Chief and the code enforcement do support the issue. Ms. Perry said that it is very dangerous and a liability.

Questions

Chairman Stevens asked about the liability of the stairs. Ms. Perry said that they do keep a rope across but that if someone does use them and gets hurt they are liable. Mr. Dean spoke on it and said that this is a worthwhile project. Ms. Rowan asked about a change of lighting. Mr. Smart said yes.

Mr. Wentworth said that it is a no brainer, and that it does not meet their own codes and fire safety.

Vice chair Thayer asked Mr. Dean about liability, and said that if someone gets hurt they will go after the town and it has to be fixed. Mr. Dean agreed.

Town Office Wiring

Ms. Perry explained about the bad wiring in the Town Office and that they have done some emergency repairs, but it remains an unsafe condition.

Questions

Vice chair Thayer said that it is a maintenance item and should be a part of the budget.

Selectwoman Surman said that it absolutely has to be done, but should be a budget item.

Sidewalk Program

Ms. Perry gave an overview of the project description and rationale. Said that they are stuck with elevations and have to meet with codes, it is also time to coincide with paving work done on Water Street. Ms. Perry said that they are looking at doing core sidewalks when they are doing paving in those areas.

Questions

Mr. Dean said that the amount seems significant, so the recommendation is to look at the entire program and float a bond that would cover that amount of work and take the proceeds from that bond and start doing CIP work.

Mr. Campbell asked and said then after six years it would get us up to speed. Mr. Dean answered and said that it would, without further going back to town meetings.

Vice chair Thayer said that there are still three more payments. Mr. Dean said that it is an estimated 10 years of borrowing.

Mr. Campbell says that this is an opportunity to look at downtown and see what they could do, such as add brick in the downtown sidewalks. He would like to make the downtown look as attractive as possible.

Vice chair Thayer asked Ms. Perry in regard to the amount, and said that he is opposed of Mr. Campbell's idea as it cost \$140,000.

Selectwoman Surman says that there is an argument to be made, as it might cost a lot more now, but brick would last longer.

Ms. Perry said that concrete lasted slightly longer than the brick. Mr. Dean confirmed it, to be 30 years for brick and concrete lasting 35 years.

Mr. Johnson asked if there was some grant money available and is there a capital fund. Mr. Dean said they are currently using the capital money now, as to grants they are in the process.

Mr. Lennon asked in regard to contractors. Ms. Perry said that there are qualified contractors out there that do this work, and it would not be done by department forces. Mr. Lennon asked how they would phase the project. Ms. Perry said they would have to see.

Dr. Zwaan asked about maintenance of the sidewalks and comparing concrete with brick pavers as to an issue with plowing, sanding, and salting concrete. Ms. Perry said that the concrete is weather proof; however the brick is more of maintenance with plowing.

BOS vice chair Chartrand stated that there have been attempts before and that DPW came before and gave a sound presentation that answered the thoughts and said that he believes that this is the right approach and the best shot to get the voters to approve the sidewalks.

Ms. Rowan said that some towns add a brick line through the concrete sidewalk without increasing the maintenance cost. BOS vice chair Chartrand said that he likes the idea, but those towns were all with town council form of government, and thinks when they add aesthetics is not as important as safety.

Ms. Rowan asked about curb appeals. Ms. Perry said that if you think about the cross slope it will not have that much change as they have to do a lot of milling.

Linden and Court Street Culvert Repairs

Ms. Perry spoke on the project that will replace the large roadway culverts on Linden and Court Street. Says that the structures have eroded and are from 1965, they technically should be red listed, and one is already. Cost is \$711,000.

Questions

Dr. Zwaan asked about combining them both, and Mr. Dean said that there is not much of a difference. Ms. Perry stated that they are 50 feet across and are considered to be bridges.

Mr. Lennon asked in regard to the increase in design from the original estimate and states he is concerned why the cost are so squishy and why should they have confidence for the amount of work to be done. Ms. Perry said that the cost change is due to the final design being conducted. Ms. Perry said that there is additional scour going on in the river and as far as additional engineering, it is the engineers time to be on site during construction which is required. Mr. Lennon says he does not understand how the numbers grew, and Ms. Perry said this is the best and current numbers. Mr. Dean addressed that issue.

Vice chair Thayer sated that he is confused and asked why it says design, Ms. Perry said it is not design and that they are labels that all the sheets have.

Pickpocket Dam Breach Analysis

Breach analysis is required and should be noted that they also should do a breach analysis at Exeter reservoir dam, the cost is \$35,000 for both.

Questions

Chairman Stevens asked about liabilities that might come from with homes downstream. Ms. Perry said that it would be hard to envision, but they need the analysis to see the potential effect it might have.

Vice chair Thayer asked about having homes upstream and whether the state has requirements for those as well, and Ms. Perry says they do require it.

Lincoln Street Project Phase II

Ms. Perry gave some insight on it.

Questions

Dr. Zwaan asked if Phase I had happened yet, Ms. Perry said not yet.

Mr. Lennon said it looks like the design cost went up severely from the previous estimates, and also wouldn't Phase II's design be impacted by the completion of Phase I. Ms. Perry answered and said that the original estimate was in 2011, and as far as insights, it will not be a huge impact on what the project will cost for Phase II.

Mr. Dean said that they are also doing a fact finding mission for Portsmouth Ave, therefore his view in this is that they need to take stock of what Lincoln Street is, and the future of both of these.

Mr. Zwaan said that if they leave Lincoln Street with just patches, it will be pretty bad, and Mr. Dean said that they always have the paving budget so they can always pave, but it comes down to the road landscape that needs to be done.

Mr. Lennon asked about where all the extra cost came in, and Mr. Dean said that in regard to legal and bond, they are always charged when they go in. Ms. Perry said that they are trying to make sure to take care of the people and businesses. (9:38)

Mr. Dean said that one of the aspects of CIP is estimates. Mr. Dean states that the department have done many capital projects and some of the projects are not planned yet, it is only a planning exercise and as it evolves it because a project.

Reservoir Cleaning for \$50,000

Ms. Perry gives a summary in regard to the sediment and what needs to be done to clean it.

Questions

Chairman Stevens asked in regard to finding out that it could be done for the cost. Ms. Perry said yes.

Vice chair Thayer said that he is concerned that this needs to be done this year and believes that they need to do it next year. Ms. Perry said that he is thinking about the breach analysis and that it is a "what if" scenario and that it is different. Mr. Kelly said that the breach analysis is not about the dam.

Dr. Zwaan says that he is concerned about the timing of it and why they have to do it now. Mr. Jeffers spoke and said that they need to do it due to the level of sediment, as well as being in violation, as well as for future.

Mr. Kelly said that he would vote against it and have it be part of the budget, and scale back the scope.

Motion

Mr. Kelly moved that they do not address it as a warrant article and the PW finds money in their budget, seconded by Mr. Campbell. All in favor- motion carried.

G3 River Pump Station Upgrade, cost of \$300,000.

Ms. Perry gives an overview and says that they need to put back up power at the river pump.

Questions

Mr. Kelly asked about the two water sources, if there was power outages the reality it would affect the Academy as well as the Hospital, and they don't let the power stay down long. Mr. Kelly said to run a line is not worth the cost.

Replace the HVAC Plumbing Van #12

Ms. Perry speaks on the van that is relatively high on the maintenance department for replacement, cost is \$21,500.

Questions

Mr. Lennon said that it does not seem like a lot of wear and tear on this vehicle and raises the questions as to this being the priority.

Ms. Perry said that even though the mileage does not sound high, but due to the frequent stops, causes a lot of wear and tear. Mr. Smart said that the rust is a major factor. Vice chair Thayer said that there are two different types listed, Ms. Perry said it is a Dodge.

Dr. Zwaan said that if this is not approved it still has to be replaced at another time.

Highway Street Sweeper

Ms. Perry speaks on the need for the highway street sweeper and says that they are considering it an important part of the water.

Questions

Vice chair Thayer asked how many hours a year and Ms. Perry answered 1200 hours a year.

Mr. Woodward asked in regard to using it as catch basin cleaning, and Ms. Perry said it could be used for that too.

Mr. Dean came up with the numbers and said after the fifth year the cost drops and it seems like a good deal to have it in house.

Mr. Kelly said that this would count to do out of the pocket to appease EPA. Vice chair Thayer makes an observation that they should street sweep before the Memorial Day parade and the Academy graduation.

Highway SnoGo Snow Blower

Ms. Perry speaks in regard to the snow blower and states that if the unit goes out they cannot go out and rent and it has over 660 hours and is from the 1990's.

Questions

Vice chair Thayer asked if this is the only blower they have. Ms. Perry said this is the only street blower they have.

Mr. Kelly said that the maintenance cost do not seem to reflect the major repairs. Mr. Kelly would volunteer to make the assessment as he believes that more analysis on this.

Mr. Smart spoke on the repairs that had been done and the issues they have with the snow blower. Mr. Johnson said that he believes it needs to be replaced.

2 Sand/ Salt replacement

Both are from 1986, they both are in need of major repairs, they have five and these are the two oldest.

Vice chair Thayer asked there was any way to set up a schedule to spread it out each year and he thinks that is it a budget item.

Fire Department CIP

Fire Chief Comeau speaks and says thank you for the new fire truck.

The CIP overview is Station 2 which has been deferred, an ambulance. Fire Chief Comeau gave a summary of Fire Station 2 and the issues it has. He stated that they have done approximately \$70,000 in studies. They have been making progress but it keeps getting deferred. The goal of a new station is to reduce the response time and to reduce the insurance, as well as having another station to help other communities.

Fire Chief Comeau spoke on the current radio system and he stated that new radios it is such a propriety as it does correct unsafe conditions. He said that they had to send police in the past to verify the firemen that had been sent out were ok. Chief Comeau is proposing a five position system that would rebroadcast in all locations.

Replacing Ambulance 1, is also important as the service life is 6 years, this one has been in service for 8 years.

The next is the truck that is used to replace lights and do all different things with it, and is costing money to keep it updated and inspections. This truck is used by multiple departments.

The last truck is the utility truck. This truck is used as much as possible as it is more cost effective to run this truck around town for the smaller agendas. Maintenance cost is starting to come up, but they believe they will get a good trade in cost. This vehicle is the one that moves the three trailers around. Fire Chief Comeau said that most of them have been deferred.

Questions

Chairman Stevens asked about the communication issues. Chief Comeau said that we do not have a multiple approach, so grant funding is not easy to find.

Mr. Dean said that one of the frustrations is that he would like to assist in looking into the one through FEMA as it seems to be targeted for this. Mr. Dean said that they are talking with someone building a tower and they agreed to put up signal.

Fire Chief Comeau said that the tower can take money amount from \$400,000 to \$200,000.

Mr. Kelly asked if there was a way to build it as they have the facilities already in place. Fire Chief Comeau said they believe they can fix the problem.

Vehicles

The Patrol car for \$37,698 is moved by vice chair Thayer and seconded by Mr. Campbell, all in favor- motion carried.

The fire dept. utility truck moved by Mr. Campbell, seconded by Mr. Woodward to approve the replacement, only 3 approved, motion does not pass.

The two sand/ salt machine- motion made by Mr. Campbell to approve 1 Sand/Salt machine and seconded by vice chair Thayer. \$15,675 all in favor- motion carried.

A6 plumbing HVAC 21500 moved to defer by vice chair Thayer and seconded by Mr. Campbell. All in favor- motion carried.

Motion made to move the New vehicle replacement in the general fund line item #0117-7420 to \$53,373 made by Mr. Campbell and seconded by vice chair Thayer, all approved- motion carried.

Motion made to move the new General total for Vehicle as \$332,897 made by vice chair Thayer and seconded by Mr. Campbell. All in favor- motion carried.

Motion to move the total of \$1,276,655 made by Mr. Campbell seconded by Vice chair Thayer, all approved- motion carried.

Total new General fund 17,239,056 moved by vice chair Thayer and seconded by Mr. Campbell, all in favor motion carried.

Motion made by vice chair Thayer to recommend the grant and seconded by Mr. Campbell, all in favor- motion carried.

Motion made by Mr. Campbell to defer Library request and seconded by Mr. Lennon, all in favor and Dr. Zwaan abstained. Motion carried.

Motion made for public safety boilers to be approved made by vice chair Thayer and Mr. Woodward seconded it. All in favor, motion carried.

Motion made for town hall egress moved by Mr. Kelly to defer it, seconded by Mr. Woodward, 5 defers, 4 for approval, it defers.

Motion made by Dr. Zwaan to move for town hall egress to go into budget seconded by Mr. Campbell, all approved, motion carried.

Motion made by Mr. Campbell to move the town office wiring to maintenance list in general fund budget, seconded by Dr. Zwaan- all in favor

Motion sidewalk program bond issue, to recommend the 1.89 made by vice chair Thayer and seconded by Mr. Kelly, discussion ensues, Ms. Rowan would like to include the aesthetics. All in favor-, except Campbell, motion carried.

Motion to do Linden St. Culvert Bridge, made 711,000 ten year bond made by Mr. Woodward, seconded by Mr. Campbell. All in favor except Mr. Kelly, motion carried.

Breach analysis, \$17,500 motion made by Mr. Kelly to approve it to be taken out of water reserves if necessary, seconded by vice chair Thayer. All in favor, motion carried.

Motion made to defer Pickpocket and seconded by Mr. Campbell, all in favor- motion carried.

Linden street phase II moved to defer it made by Mr. Kelly and seconded by Thayer, opposed by Mr. Campbell, motion passed.

River pump upgrade, motion made to defer it made by Mr. Kelly and seconded by Mr. Campbell, motion carried, all in favor.

Fire/ police communications motion made by vice chair Thayer to give \$100,000 seconded by Mr. Kelly. In discussion. All in favor, motion carried.

Street sweeper, motion made by vice chair Thayer and seconded by Campbell to move, all in favor- motion carried.

SnowGo, motion to approve it made by Mr. Wentworth and seconded it by vice chair Thayer, opposed by Ms. Rowan and Mr. Kelly, motion carried.

Fire alarm bucket truck replacement \$93,796 moved by Mr. Kelly and seconded by vice chair Thayer, all in favor, motion carried.

Motion to adjourn meeting made by vice chair Thayer and seconded by Mr. Woodward. All approved.

Meeting ended at 12am.

Respectfully submitted,

Brigitte Nelcoski
Recording Secretary