

Budget Recommendations Committee

DPW General Fund

Thursday, Nov 1, 2018

Town Offices, Nowak Room

Final Minutes

1. Call meeting to order

Attendees: Julie Gilman and Don Clement, Select Board Members; Doreen Chester, Finance Director; Russell Dean, Town Manager; Jennifer Perry, Public Works Director; Jay Perkins, Highway Superintendent; Len Benjamin, Police and Fire Subcommittee; Judy Rowan, Police and Fire Subcommittee Chair; Nancy Belanger, General Government Chair; David Beavens, DPW General Subcommittee; Mike Dawley, Rec, Welfare, and Library Subcommittee; Niko Papakonstantis, Water Sewer subcommittee and chair of the Budget Recommendations Committee; Bob Kelly, chair of the Water and Sewer Subcommittee; Tai Chin Tung, General Government; and Corey Stevens, Police and Fire Subcommittee, were present at this meeting. The meeting was called to order by Mr. Papakonstantis at 6:34 PM.

2. Approval of Minutes

Mr. Papakonstantis remarked that there were no minutes from previous meetings to review. Mr. Dean said that the recording secretary had an issue and they will know more by the end of the week.

3. DPW Subcommittee Report Review

Mr. Papakonstantis said that the subcommittee chair of Public Works, Nick Gray, had a conflict and will not be able to present, so Dave Beavens will act as chair. Mr. Beavens reported that the DPW Subcommittee had met with Ms. Perry and Mr. Perkins to discuss the 2019 preliminary budget for the Department of Public Works, which includes a year over year increase of \$196,000, from \$5.1 million to \$5.3 million, or a 3.8% increase. This is due primarily to \$137,000 in new spending for solid waste disposal, which is a 12.5% increase. The town's current waste management contract is projected to rise by \$78.5 million, or 9%, based on prevailing rates and waste outputs. Recycled material costs \$81/ton, while non-recycled materials cost \$72/ton. The subcommittee recommends a town discussion on whether a fully subsidized recycling pickup is warranted. Mr. Beavens mentioned that glass recycling in particular is driving up costs. There is also a \$24,000 line item for a bulldozer to push brush back at the Transfer Station, but the DPW is planning to establish a commercial permit to raise revenues to offset this expense. There will be a onetime \$15,000 expenditure for a replacement well and landfill cap repair. Blue bag manufacturing and delivery are up \$7,000 in 2019, which will be offset by a higher bag rate. Stormwater has requested an additional \$10,000 for hydrogen testing. The Highways and Streets Department requested an increase of \$10,000 for a road paint maintenance machine, to replace an 18 year old product. The Maintenance group has requested \$14,000 for a four-post automotive lift, which will enhance the speed of repairs and the safety of the mechanics. There will be a \$146,000 expenditure from the capital budget to refit all town streetlights with LEDs, which will probably be a warrant article; the energy

savings will yield a 5 year payback period. \$26,000 has been allocated for contracted cleaning services of town buildings, which he recommends pushing off a year.

Mr. Papakonstantis asked that they start with administration and finance. Ms. Chester said the salaries total has been adjusted to \$435,762, due to a recent change this year. The benefits total is \$152,441. Mr. Dawley asked if Ms. Chester could discuss the total increase in health benefits for all categories of Public Works. Ms. Chester said \$40,416 was the '19 increase over the '18 budget.

Mr. Stevens raised the issue of lines with no historical spending; for example, the line item "PWA Insurance Reimbursement Repairs." Ms. Perry replied that this line item was added to cover repair costs associated with an insurance case. Currently, such costs are charged against a line item in the budget; if a traffic light has \$5,000 in damage, they lose half the budget. To address these instances, they added one line item in the General Fund, one in the Water Fund, and one in the Sewer Fund. Once charged to that item, there would be an insurance settlement to reimburse the budget.

Mr. Papakonstantis raised the issue of historical spending on conference rooms, meals, education and training, and asked whether there would be spending in that area this year. Ms. Perry replied yes, there will be additional charges, but that they encourage free training within the department as well.

Mr. Papakonstantis asked Ms. Chester to provide the total for Administration and Engineering. She stated \$376,984.

MOTION: Mr. Kelly moved to move \$376,984; Ms. Belanger seconded. All were in favor.

Mr. Papakonstantis asked Ms. Chester to provide the total for Highways and Streets. She stated that wages are the same, and the benefits total was \$355,678.

Mr. Papakonstantis asked Mr. Beavens whether he and Mr. Gray had wanted to discuss any particular line items from the budget. Mr. Beavens mentioned the \$10,000 increase for street marking equipment and an increase in line item 4334, tree maintenance, to cover increased demands for tree removal and pruning. Ms. Perry added that this covers tree removal, identifying hazardous trees, and responding to the complaints of abutting property owners. Mr. Perkins said that they do the majority of the tree work in-house using the fire department bucket truck.

Mr. Papakonstantis asked whether they anticipate spending on education, training, uniforms, and phone reimbursements this year as historically; Ms. Perry responded yes.

Mr. Kelly pointed out that line item 4355, Street Repairs and Maintenance, is lagging behind the budget by almost \$20,000, and asked if there is a way to work with that difference to purchase the new street marking equipment. He added that he assumes they've exhausted all the maintenance possibilities for the existing equipment. Ms. Perry responded that the paint machine is past its useful life, and needs to be replaced to do a quality job; they've rebuilt pieces numerous times. Mr. Kelly asked for confirmation that they had looked at those two items and determined they don't have excess money in the budget to buy that equipment this year, and Ms. Perry said that was correct.

Mr. Stevens asked about items that have no spending, such as line item 1210, Temp Wages. Ms. Perry said there were no charges there this year. They had to decide whether to hire a part time temporary summer intern or an engineering intern; there's a possibility that that

hiring may still take place, but the window is beginning to close. Mr. Perkins added that they wanted a highway intern to help with the storm drain cleaning, but because the paving schedule was delayed they ended up doing it themselves. Mr. Stevens asked if the '18 budget had gone up to \$7500 to allow them to have an engineer intern, and they need it again this year, or has it been carried? Mr. Perkins replied that it had been carried for quite a few years. Mr. Stevens said it's been a while since they spent that amount of money, and he felt that if they're going to spend it they should. Mr. Stevens asked if the subcommittee had a recommendation on this line item. Mr. Beavens responded that he and Mr. Gray felt that having the provision for next year was important, given the amount of work they need to do. Mr. Stevens asked if the full \$7500 were necessary, and Mr. Perkins said that they try to get an intern as early as possible when candidates get out of school and to keep them as long as they can, so he would rather continue carrying the full amount. Ms. Perry added that the position is for 12 weeks, the summer period, at about \$15 an hour, but a laborer may be less. Mr. Stevens asked if they had a job description for this position. Ms. Perry said that year to year they have a discussion on what the needs are, and they choose between a laborer or an engineer that year. Mr. Stevens said with so large an amount, they should have a job description and get the position filled. Mr. Perkins replied that with limited highway staff and paving, they have to determine the schedule first. They have a job description for a laborer, but sometimes they need the engineering tech more. Ms. Perry said that they need more help when Engineering updates the the road surface management program, rather than just inputting the most recent roads. They're just about to do a big update, so they will likely need an engineer next year, unless Mr. Perkins absolutely needs a laborer. Mr. Stevens said that he wants to see this money spent. Mr. Dean said that the department had an intern do the solid waste review last year, which led to the brush dump fees. One option for next year, if they can't attract an engineering tech type, is to use the funds to hire someone studying public administration for further analysis work.

Mr. Dawley asked why they are sweeping the streets so often. Mr. Perkins responded that under their MS4 Stormwater permits, they're mandated to clean the streets frequently, track the cleaning, and report to the EPA.

Ms. Tung observed that in 2017, they spent almost \$20,000 on highway signs with a budget of only \$7,000, yet the '19 budget was still \$7,000. She asked if they anticipate additional spending. Ms. Perry responded that \$7,000 is adequate for the regular replacement of signs which are damaged or lose their reflective coating. The 2017 expenditure was higher than normal, as they did a one-time replacement of all the roadway name signs. Ms. Tung also asked about dam maintenance, which in 2017 was \$114,000, but only has a budget of \$15,000 this year. Ms. Perry explained that in 2017 they had one-time costs associated with the removal of Great Dam. They still have two or three more years of continued monitoring at the former dam site, but it's \$100,000 less.

Ms. Rowan asked about paving in a historic town, when the pavement rises 6" every 50 years; for some streets, that's a foot and a half rise. Mr. Perkins responded that they survey the streets before they pave them, and mill the higher ones, which means grinding down the edges. Their primary goal is to make the drainage work to the catchbasins. Milling is cheaper than reclaiming, which is grinding up the whole street and taking it down. Ms. Rowan asked if these processes will affect their budget in the future. Mr. Perkins said yes and no; the grinding is cheaper, but they're also saving in other areas when they're doing that. Ms. Perry added they

always look at what is the right strategy for paving. It isn't automatically a 2 inch overlay, it could be crack-sealing or a thin overlay, which can stretch the paving budget. Ms. Rowan suggested they spend time with at the Historical Society and study how the town used to look prior to the streets rising. She said it's also an issue of safety.

Mr. Benjamin raised line item 4339, asphalt reclamation. This line item is \$10,000, the same as the previous year, but as of August YTD, nothing had been spent. Mr. Perkins said that the work was done the week before the meeting, so now it's completely spent.

Mr. Papakonstantis asked whether the road paving maintenance and sidewalk curbing will that be spent by the end of the year. Ms. Perry said yes. They had a slightly later start to paving season, so it will get done, but the bills haven't yet gone through finance. Mr. Stevens asked if they have a responsibility to rehab Epping Road. Mr. Perkins said yes, since it's a town road until Cronin Road, the Urban Compact location. Mr. Stevens asked if that will that come out of the 2019 budget. Mr. Perkins said no, and Ms. Perry added that it's out of the TIF project. Mr. Dean clarified that the money they borrowed earlier this year for the water and sewer extensions included an allowance to pave.

Mr. Papakonstantis asked for a new total for Highways and Streets. Ms. Chester said \$2,061,675.

MOTION: Ms. Belanger moved to move \$2,061,675; Mr. Kelly seconded. All were in favor.

Mr. Papakonstantis asked for updated totals on Snow Removal. Ms. Chester said they're the same. He asked if the subcommittee had any comments, and Mr. Beavens said no.

MOTION: Ms. Belanger moved to move \$314,632. Ms. Tung seconded. All were in favor.

Mr. Papakonstantis asked for updated totals on Solid Waste. Ms. Chester said no changes. Mr. Beavens mentioned line item 5832, the blue bags. Their increase of \$7,000 is attributable to the cost of the bags themselves, but that will be offset by the revenue increase with new rates for the bags. Item 5834, the solid waste disposal recycling contract with Waste Management, increased by \$78,500, driven primarily by higher recycling costs. There is a 15% delta between recycling at \$81/ton and disposal at \$72/ton, so while an increase in the amount of recycling is a good thing it's driving up costs. There were additional landfill monitoring costs, a cap depression survey, design and repairs were \$10,000, and there was a one-time \$5,000 expense for replacement of a monitoring well, and a \$7,000 recurring expense increase in the cost of water quality testing at the landfill. For line item 5842, brush handling, they will be contracting a bulldozer to push back the brush at the transfer station, but the DPW has plans to establish a commercial permit to offset that cost. Mr. Dawley asked about the revenue offset increase from the new fees for the blue bags. Mr. Dean said it's close to \$100,000, which represents a little more recovery for a cost that has skyrocketed. Ms. Tung asked why the cost of the blue bags had gone up so much. Ms. Perry replied that the cost the town pays for the bags has had a small increase, but it's more about the increase of the solid waste removal contract. Solid waste is a 5 year contract with a 3% per year increase, but the cost of single-stream recycling is calculated based on the value of all recyclables received by Turnkey in Rochester for that month; not just from Exeter, but all participants. Mr. Dean added that the

recycling markets have crashed because China will no longer buy recyclables from the United States. As recently as 2016, solid waste was \$681,000; in 2017, \$717,000; in 2018, \$861,000; and in 2019, \$940,000, quite a swing upward. Mr. Dawley asked about the strategy for charging a percentage of the town's fees to the residents. Ms. Perry replied that it's not an exact percent; they've tried to keep the cost of the blue bags lower so that people don't dispose of items illegally. They discuss the fees with the Select Board periodically.

Mr. Dawley asked if the changes in recycling would cause them to rethink their strategy on free recycling. Mr. Dean said they had considered a number of things, including cutting glass out of the program, but they don't want to do that. Mr. Beavens suggested that they should work harder to control contamination, which drives up the cost significantly, through education of residents on correct recycling practices. Mr. Stevens asked about percentages for trash disposal versus recycling. Ms. Perry said 38-40% is recycling and 60% is trash, but every household is different. Mr. Stevens said that people may be willing to pay more for blue bags to keep their tax rate down. Mr. Dawley asked about the operating strategies in other New Hampshire towns. Ms. Perry said that other communities regularly ask her about pay-as-you-throw, which Exeter has been doing since 1993. It's a reasonable approach and helps to put some of the costs on the user rather than the tax base. Mr. Dawley asked about private trash contracting. Ms. Perry said that commercial and retail may use private contracting, but she's not aware of that being the case with municipalities. Mr. Perkins said that the Town Manager's office intern Chris Robillard had done an excellent analysis of their solid waste program, which is posted on the town website

[\[https://www.exeternh.gov/sites/default/files/fileattachments/public_works/page/14171/solid_waste_program_review_2018_04_25_1.pdf\]](https://www.exeternh.gov/sites/default/files/fileattachments/public_works/page/14171/solid_waste_program_review_2018_04_25_1.pdf). Mr. Stevens asked if they had seen any increase in illegal dumping after past rate raises. Mr. Perkins said it's pretty consistent; they haven't seen a bump, but there's plenty of litter. Ms. Perry added that they work with the police department to prosecute these cases. Mr. Stevens observed that \$50,000 of the budget increase is due to the recycling issue. Mr. Dean said there's \$450,000 in blue bag revenue currently, and with the fee increases they're expecting an additional \$100,000 over 12 months, which will address that increase.

Mr. Benjamin mentioned that the Select Board had recently raised the brush handling fees, and asked how much revenue that will generate. Ms. Perry said that they will be migrating away from using a bulldozer. Instead, they will be chipping or grinding the brush, which will require an estimated \$28,000 increase next year. The rate for the transfer station sticker will go from \$10 to \$20 per year, and the cost for commercial entities to bring a small brush load to the transfer station will be \$25, and a large load \$50. Commercial haulers will have to get a permit ticket in advance, which must be signed by the owner of the property the brush came from, and which is handed to the transfer station attendant. They anticipate that the additional revenue should be close to the \$28,000 increase, but they will review the numbers with the Select Board in the fall. Public Works is currently generating an RFP for a vendor to chip and take the material offsite three to four times a year. Mr. Stevens felt that if the brush dump was that much of a problem, they should raise the rates even higher. Mr. Dean said that they should recoup the cost of chipping with the proposed increase. Public Works had been working on this issue with the Select Board since July. Mr. Beavens said they are moving in the right direction, and

recommended they reevaluate the program in a year. Mr. Papakonstantis said that for the line item 5842, brush handling, the subcommittee has recommended an increase to \$28,000.

MOTION: Ms. Belanger moved to move \$28,000; Mr. Dawley seconded. All were in favor.

Mr. Stevens asked whether the cap depression survey was a NH DES requirement. Ms. Perry confirmed, and said they also required PFAS monitoring and groundwater monitoring. Mr. Stevens asked why they need the new well, and Ms. Perry clarified it's a replacement well, since the existing well is not deep enough to be an effective monitoring point. Mr. Stevens asked why DES are interested in a depression survey. Ms. Perry said there's settlement on the cap, and they want to ensure there's no damage done to the cap. There must be an elevation survey before and an elevation survey after, it has to be done by a qualified contractor, and the cap must not be overloaded. It's a one-off cost, but there may be other areas that become problematic over the years.

Mr. Papakonstantis asked for a new total for solid waste disposal; Ms. Chester said \$1,230,517, including the increase for the brush.

MOTION: Ms. Belanger moved to move \$1,230,517, Mr. Stevens seconded. All were in favor.

Mr. Papakonstantis raised the issue of streetlights. Ms. Tung asked whether there would be \$146,000 in the CIP to replace the lights. Ms. Perry responded that it will not be a warrant article; they are working with Unitil and an LED lighting vendor to get the best possible rebates. The town has to pay for the remaining balance value of existing lighting, then the installed cost of the existing lighting. Unitil will give a significant rebate and 0% interest for those values over 5 years. There will be no change to annual cost for streetlights, and at the end of 5 years, there will be a significant reduction. There's no capital cost to the town, so it doesn't need to go forward as a warrant article. Ms. Rowan asked whether the lights would be bright white or more moderate. Ms. Perry said it's not the bright bluish lights, they're 3,000 [lumens], so more moderated, but brighter than mercury vapor, halide, or sodium.

Mr. Papakonstantis asked Ms. Chester whether there was an update in the total for streetlights; Ms. Chester said no. Mr. Papakonstantis said that the total was \$170,340.

MOTION: Ms. Belanger moved to move \$170,340. Ms. Tung seconded. All were in favor.

Mr. Papakonstantis mentioned stormwater. Mr. Beavens said that the \$10,000 increase was for required nitrogen water quality monitoring. Mr. Stevens asked why there was no spending in '17 or '18 year to date. Ms. Perry said that there was spending; historically it was under the phase 2 line in the budget. Mr. Dean added that '18 was the first year they'd carved out line items for stormwater. They created a long-term nitrogen control plan, which they recently submitted to the EPA. Ms. Perry said they hadn't yet received all the bills for the work that had been done this year.

Mr. Papakonstantis asked Ms. Chester whether there was an update in the total for stormwater; Ms. Chester said no. Mr. Papakonstantis said that the total was \$60,000.

MOTION: Mr. Dawley moved to move \$60,000. Ms. Tung seconded. All were in favor.

Ms. Chester said that the General Maintenance total is \$4,214,148. Salaries are the same; the new benefits total is \$130,226.

Mr. Beavens said that line item 5202, contract services, was reduced from \$8,000 to \$6,000 based on historical spending. Ms. Perry said that based on what they've spent to date, that is acceptable. Mr. Stevens asked for the year to date spending on 5202, and Ms. Chester replied \$3,045 through October. Mr. Stevens asked whether that line item was just for snow removal; Ms. Perry said it's the Town Building snow removal, but they've been using this line item to pay for contracted cleaning. Mr. Papakonstantis asked whether it's also for snow removal, and Ms. Perry said yes, but that it hasn't been used yet this year. They have a load that doesn't meet building code, so when there's a significant storm event and the load monitor on the roof signals that it exceeds acceptable loads, they have to have it cleared by specialty contractors. They have a plan to replace that facility in the CIP.

Mr. Stevens asked if the PeopleGIS system is new, but Mr. Dean said that they've had it for quite a while. They're dropping the TMA program and folding it into PeopleGIS, which is more user-friendly. Mr. Papakonstantis said that the recommended amount for 5202, contract services, is \$5,000.

MOTION: Ms. Belanger moved to move \$5,000; Mr. Stevens seconded. All were in favor.

Ms. Perry asked to discuss the custodial contract, line item 5006, for a vendor to supplement the existing employee in cleaning of the Town Offices, working 2 hours/night 5 days/week, which would cost \$26,000 for the year. Mr. Beavens recommended putting that off a year. Ms. Perry said they are far above the recommended square footage per custodian, and they'd like the existing custodian to take care of other spaces and ordering supplies. Ms. Perry said there were currently 1.75 custodians cleaning the Town Offices, Town Hall, Public Safety, Parks and Rec, the Public Works campus; everything in the town except the library and the schools. Mr. Stevens asked whether it was \$26,000 plus the \$6,000 for this line item, and Ms. Perry confirmed. Mr. Dean said that there is a deficiency in cleaning now, due the additional square footage requirements and more demands put on the buildings. They are talking about a custodial fee to recoup some of the money, but they also can't get to things as quickly as they need to. Ms. Perry said they've been trying it out, and are getting good preliminary feedback. Mr. Kelly asked how often the regular custodians are in the Town Offices, and Ms. Perry replied every day; the only building they're not in every day is Public Works. Mr. Beavens said this proposal is about bringing the service up to acceptable standards and meeting the expansion of square footage, but they recommended just waiting a year. Mr. Stevens argued that if the standards are not being met, they should do something now. Mr. Papakonstantis asked if it would be less expensive to bring on new part-time staff rather than pay a contractor, and Ms. Perry said that it would be challenging to get a part-time employee who would do the work for that amount. They turned two part-time positions into a full-time position to help with retention. When the full-time employee retires, they plan to re-evaluate. Mr. Dean added that finding employees in this labor market is challenging, so the cleaning company seems like a better option. Mr. Dawley asked for details about substandard cleaning in the Town Offices. Mr. Dean said the issues were with basic office cleaning, dusting, bathrooms, etc. The Town Offices are used every day for 14 - 16 hours during the day, with night meetings after that, so there's always a need for cleaning. There's no resident custodian, and that position is also gone at 3PM, so you don't have the ability to clean at night and things fall behind. Mr. Stevens said that the custodians are stretched a bit too thin, so he would be in favor of having the cleaning

contracted. Ms. Belanger agreed that it's a current need. Mr. Papakonstantis said there was a recommended change for line item 5202.

MOTION: Ms. Belanger moved to change line item 5202, contract services, from \$6,000 to \$32,000, \$26,000 of which was for contracted custodial services. Ms. Rowan seconded. Mr. Kelly questioned moving from the pilot to a full-scale program, and asked if there were a phasing approach they could fund. Ms. Perry said this is the bare bones proposal to make a consistent and significant impact. Mr. Kelly suggested that they treat this as a one-year expanded pilot program to be reassessed next year. By a show of hands, all were in favor other than Mr. Beavens, and the motion passed 8-1-0.

Mr. Papakonstantis asked for the new total for General Maintenance. Ms. Chester said \$499,466.

MOTION: Mr. Dawley moved to move \$499,466; Ms. Belanger seconded. All were in favor other than Mr. Beavens, and the motion passed 8-1-0.

Mr. Papakonstantis moved on to Mechanics and Garage. Ms. Chester reported that the benefits total is \$81,480. Mr. Beavens said that the only line item the subcommittee wanted to raise was line item 5222, mechanics' tools, with a one-time \$14,000 cost for a four-post automotive lift for the garage, which would enhance productivity and safety. Mr. Stevens asked if they had a lift now; Ms. Perry said that they had two working two-post lifts, but they have three mechanics, and this would give them a third lift. A four-post lift would give them more flexibility, and could be used for smaller and mid-sized vehicles. It would be portable and could be repurposed for a new facility.

Ms. Tung observed that they had budgeted \$10,000 for vehicle equipment stock in 2018, but so far only spent \$2,000. Ms. Chester clarified that the year to date spent is \$1778. Ms. Perry said they wait until the latter part of the year to replenish stock like fluids, oils, nuts and bolts. Ms. Tung said that in 2017, they spent \$5,000, so she questioned the \$10,000 budget figure. Mr. Kelly said they spent \$11,000 in 2016, but in 2017 they spent less than half of that, and they're still on track to spend less than half; he wondered whether 2016 was an anomaly. Ms. Perry said the totals average closer to \$10,000. Mr. Dean said a newer fleet or a personnel transition could be driving the reduction. Mr. Kelly wondered if lowering the total would be taking too much of a risk. Ms. Perry said that the majority of these costs are for fluids and filters, which is a consistent expense. Mr. Kelly felt that this indicated that a reduction could be made.

MOTION: Mr. Kelly moved to reduce line item 4210, vehicle equipment stock, to \$5,000. Ms. Belanger seconded. By a show of hands, all were in favor other than Mr. Stevens, and the motion passed 8-1-0.

Mr. Papakonstantis raised the issue of Town Buildings. Mr. Beavens said the subcommittee had nothing to add. Ms. Tung asked if they are doing the LED streetlights, are they also thinking about replacing the lights in town buildings? Ms. Perry said they're about halfway through that process. Ms. Chester said the total remains the same, and Mr. Papakonstantis said it's \$270,344.

MOTION: Ms. Belanger moved to move \$270,344. Mr. Kelly seconded. All were in favor.

Mr. Papakonstantis then discussed Maintenance Projects. Ms. Perry clarified that this is not capital-level investment but just the maintenance of older buildings, addressing accessibility issues, roofing systems, exterior coatings, etc, and they've been spending around \$100,000 for several years. This year, they will likely not spend the \$100,000, but they will need it for next year, since there's a backlog of work that needs to be done. The new maintenance superintendent, Jeff Beck, has been taking an aggressive look at cost estimates, and they have paused several projects due to cost concerns. The list of maintenance projects may change as unanticipated items arise. Ms. Chester reported that \$13,542 had been spent through October. Ms. Perry estimated \$60,000-\$70,000 spent by year end. Mr. Stevens said \$100,000 is historically about what they can do in a year, but there's probably \$500,000 or more of projects out there they can't get to. Ms. Perry said there's nothing in danger of imminent failure, and they're always re-prioritizing. If there were an emergency, they would approach the Select Board. Ms. Tung asked how they set priorities. Ms. Perry responded that their first priority is safety, then accessibility, then maintaining the systems of older buildings. She said that sometimes it's about spreading out costs, to avoid doing several expensive projects in one year. Mr. Kelly said the committee appreciates them making the list in-house, but asked if 2018 is a year where they could use contract services in the short-term. Ms. Perry said that Mr. Beck is working with several subcontractors right now on maintenance projects.

MOTION: Ms. Belanger moved to move the town maintenance project for \$100,000. Ms. Rowan seconded. All were in favor.

Mr. Papakonstantis asked for a new Buildings Maintenance total. Ms. Chester said that the Buildings Maintenance total remained the same, but there is a new DPW maintenance total of \$1,130,487. Mr. Papakonstantis asked for the new total Public Works budget, and Ms. Chester responded \$5,344,634.

MOTION: Ms. Belanger moved to move \$5,344,634. Ms. Rowan seconded. Mr. Dawley said that he would vote yay on this number only because of the unofficial offset from the blue bag fees. Mr. Beavens voted nay, and the motion passed 8-1-0.

Mr. Papakonstantis asked if Ms. Perry could take them through the warrant articles. Ms. Perry said that the LED streetlights will not be a warrant article, it will be in the budget. The sidewalk program is \$120,000 per year. This is the programmatic asset management of existing sidewalks, usually in conjunction with the paving program, not building new sidewalks or extensions. There is a capital fund for sidewalks, so they can accumulate funds for more significant projects. Mr. Stevens asked if they are spending \$120,000 per year consistently, and Ms. Perry responded that last year the money was taken for the TAP project. Mr. Dean elaborated that the Epping Road, Winter Street, and Spring Street TAP project had a match of \$108,000, so the town's portion was taken out of the sidewalk account, leaving them with \$20,000.

Ms. Perry then discussed equipment vehicle requests. There's \$63,000 for the replacement of Truck 9, a small dump truck, which is relatively new but is used on a daily basis and is in poor condition. Also, they proposed replacing Sedan 24 with a small work van. This sedan is an older Crown Victoria, a former police cruiser; it's currently used by the custodian, but it's not adequate for the equipment and boxes he must move. Truck 25, a freightliner, will actually be covered by the Water and Sewer side. This truck is not quite as old as other vehicles up for replacement, but this was the first time a regenerative catalytic converter was used on diesels, and it was problematic from day 1. During plowing, they need to keep moving for 12 hours straight, but when the catalytic converter needs to regenerate, they have to shut it down. Water and Sewer has Truck 33, an older 6 wheel dump, which would come over to the Highway Department, and Water and Sewer would replace it with a hook truck, which is more suited to the work they need to do. Mr. Kelly asked if there were a trade-in value for Truck 25 to be applied to the Water and Sewer hook truck, and Mr. Dean replied that there will likely be something but they hadn't worked it out yet.

Ms. Perry mentioned the intersection improvements. They've been working with the Rockingham Planning Commission to identify problematic intersections in terms of safety, efficiency, and addressing complaints. Mr. Dean added that during the Select Board meeting Mr. Sharples gave an update on the Epping Road TAP grant and discussed the problem intersection at Brentwood Road. Ms. Rowan asked if they were working with the police department on problem intersections, and Ms. Perry said that it was going to be a town-wide effort between Police, Planning, Public Works, and other groups.

Mr. Dean said regarding the fleet situation, it may be a good time to consider creating a capital reserve fund for vehicle purchases. This would allow them to put in money from trade-in values and track it outside of the annual budget. The excess could carry over from year to year. Ms. Tung asked why they couldn't level out or save up the equipment purchases and plan them into the budget. Mr. Dean responded that each department has different outlays, specialty equipment, and that fleet sizes vary. They have tried in recent years to get on a regular replacement cycle and establish a process. To manage the outlay, they combine cash buying and lease purchases. The size and diversity of fleet requires them to keep up with replacements, not save up. They continue to gauge the efficiency of their operations.

Ms. Perry mentioned the Pickpocket Dam project. This dam, which is located in Brentwood but is Town of Exeter property, has been classified by NH DES as a "high-hazard" dam. This means that Public Works must develop an emergency action plan. They conducted breach analysis in 2017, but DES provided them with notice they must now put together recommendations for action. They need to consider modification to address the hundred year storm elevations, such as a movable crest, increasing size of discharge gates, adding serpentine weirs, etc. Dam removal could be a possible alternative. The cost of any remediation would be in the future, not in '19 budget.

Mr. Papakonstantis thanked Ms. Perry and Mr. Perkins for their participation and effort, and Mr. Beavans for the subcommittee's work. Mr. Dawley said that looking at the percentages, there's 4.8% increase in the Public Works budget for 2019, but that municipal accounting doesn't include offset revenues. If you take off \$86,000 in trash-related expenses because of the increase in bag prices, it's only a 3.1% increase, which is an excellent budget to recommend to the Select Board.

4. Review Board Calendar:

Monday November 5th is the Police and Fire subcommittee meeting. Thursday November 8th is Water and Sewer.

5. Adjournment

MOTION: Ms. Belanger moved to adjourn the meeting. Mr. Dawley seconded. All were in favor and the meeting was adjourned at 9:18 PM.

Respectfully submitted,
Joanna Bartell
Recording Secretary