

Budget Recommendations Committee  
Warrant Articles, CIP, Final General Budget Number  
Wednesday, Nov 14, 2018  
Town Offices, Nowak Room  
Draft Minutes

1. Call meeting to order

Attendees: Doreen Chester, Finance Director; Russell Dean, Town Manager; David Beavens, DPW General Subcommittee; Judy Rowan, Police and Fire Subcommittee Chair; Nancy Belanger, General Government Chair; Nick Gray, vice-chair and DPW Subcommittee chair; Niko Papakonstantis, Water Sewer subcommittee and chair of the Budget Recommendations Committee; Christine Soutter, chair of the Welfare and Human Services Subcommittee; Bob Kelly, chair of the Water and Sewer Subcommittee; Tai Chin Tung, General Government; Corey Stevens, Police and Fire Subcommittee; and Julie Gilman, Ann Surman, Molly Cowan, and Don Clement, Select Board Members, were present at this meeting. Committee members Len Benjamin and Mike Dawley were absent. The meeting was called to order by Mr. Papakonstantis at 6:32 PM.

2. Approval of Minutes

The committee reviewed minutes for the meetings of 10/24, 11/1, 11/5, and 11/8. Ms. Belanger suggested generally that the inconsistent use of the phrase "line item" be corrected, as well as Ms. Tung's name, which was miswritten in the first few meetings. She also mentioned that in the minutes of November 1, Page 2, 2nd paragraph, a line number had been treated as a dollar number.

**MOTION:** Mr. Stevens moved to accept the Budget Recommendation Committee minutes of October 24, November 1, November 5, and November 8 2018 with Ms. Belanger's corrections. Mr. Benjamin seconded. All were in favor.

3. Subcommittee Report Review

Greg Bisson discussed the \$250,000 design and engineering proposal for the Rec Park. With design and engineering in hand, they can get a firm cost for the project, which will help them budget, fundraise, and get more community input. Mr. Stevens asked if \$250,000 for the study is a placeholder; Mr. Bisson replied that it's a quote, but it has to go out to bid.

Mr. Gray was concerned that if the committee funds the design and engineering, they are moving forward with the project in absence of voter approval. Mr. Bisson responded that they were asked to come up with a firm number for the project, and this survey will allow them to do that. Mr. Stevens asked whether they will have to redo the design work entirely in 5 years if the voters say no again. Mr. Bisson said no, they can use this, since the topography isn't changing.

Mr. Bisson said that following the rejected proposal last year, they would be looking phase the project in logical steps, which Mr. Beavens thought was a good idea. Ms. Soutter said that the voters said no to a bunch of projects last year, it was too much at once.

Mr. Papakonstantis spoke for Mr. Dawley, who was on the Rec Subcommittee but not present at the meeting. Mr. Dawley felt that the study proposal would be better waiting one more year. Mr. Papakonstantis asked if Mr. Bisson had thought about reaching out to local talent for pro bono work. Mr. Bisson said the initial quote they got was from someone willing to do some pro bono work, but surveying is not cheap.

**MOTION:** Mr. Kelly moved to move \$250,000 for design of the Rec Park as proposed by Mr. Bisson. Ms. Soutter seconded. Mr. Gray said they shouldn't be devoting money to a project that fell well short of approval last year, but Mr. Bisson said that it only lost by 370 votes, and Mr. Stevens pointed out they can use the plan in the future. By a show of hands, Mr. Gray voted nay, and the motion passed 8-1-0.

Mr. Bisson said that many parks haven't been well maintained. For CIP projects, they'd like to redo Kids Park and put in new equipment there like a "Mommy and Me" swing. They'd like to work on the aesthetics for historic parks, and create new attractions for younger populations, since active parks make healthy communities. Ms. Rowan took issue with the "Mommy and Me" terminology, saying in the future, discussion items should be gender neutral. Mr. Dean responded that he thinks it's a brand name, and Ms. Rowan said they should not do business with that vendor.

Mr. Dean recommended creating a Parks and Recreation Capital Reserve Fund, because it would allow them to put money aside as they plan projects and get input, and also to look at other funding sources, such as impact fees and grants. It additionally would allow a project to operate on a longer timeline than the March to October budget cycle. He suggested starting the Capital Reserve at \$100,000, and if the proposal is successful at the ballot, to benchmark and revise the number at next year's budget meeting.

Mr. Kelly agreed that they shouldn't be micromanaging Parks and Rec, but suggested \$50,000 instead of \$100,000. Mr. Stevens asked for clarification that they'd be replacing the Parks and Rec CIP projects with the fund, since there are \$400,000 of projects in CIP, not including the \$250,000 engineering project. Mr. Bisson said they'd scale back and determine what is the greatest need. \$100,000 is enough, but \$150,000 would get them closer to their goals. Mr. Dean said that the Capital Reserve model allows them to find private resources and match the public money. Mr. Bisson added that they are looking at a 501C3 "Friends" organization and crowdfunding.

Mr. Kelly said that neglecting Water & Sewer in the 80s and 90s proved to be costly; they shouldn't do the same with Parks and Rec, but should keep chipping away at projects there. Mr. Bisson said that in 2019, they intend to have a Primex work session with the department and residents to reshape their mission, vision, and values and come up with a strategic plan for their department.

Mr. Gray asked how much revenue is received by the Rec Revolving Fund, and Mr. Dean replied \$530,000. Mr. Gray asked if these improvements could be funded by increased revenue in the Revolving Fund. Mr. Bisson said that they have to consider what they want to

charge residents. Mr. Dean said that the Revolving Fund is not designed to fix things that are not recreation; it would be more appropriate to have an improvement fund for the parks.

Mr. Gray felt that those who use it should pay for improvements. Mr. Bisson responded that there are Parks and Rec projects that touch everyone, such as the Memorial Day parade or the commons. Ms. Belanger and Mr. Papakonstantis agreed that the activities and parks are for the whole community. Ms. Tung said she would like to see some people pay more.

Ms. Soutter asked how Exeter's Rec fees compare to other communities, and Mr. Bisson said that he does a program analysis every other year with other communities and Exeter is on par, except in summer camp. They did raise the summer camp fees by \$50 this year, but they don't want to price anyone out. Mr. Beavens said that a poor recreational system impacts your property values, and that a robust school system and parks system enhances the community.

**MOTION:** Ms. Soutter moved to establish a Capital Reserve fund \$100,000. Ms. Belanger seconded. By a show of hands, Mr. Gray voted nay, and the motion passed 8-1-0.

Mr. Dean described the next steps to establish a Capital Reserve fund. They will put it on town meeting warrant. If voted in the affirmative, it would be set up by the Trustees of Trust Funds, and they would hold the money until there's a project to spend it on. Mr. Bisson would go before the Select Board to release funds. Projects wouldn't come before the budget committee, but Mr. Bisson would report back to them about the projects. Every year, there would be an appropriation to the fund by town meeting.

Mr. Bisson next discussed their request for \$56464 for a multipurpose loader/tractor to be shared with the DPW. In the winter, it would serve as a snowblower to clear sidewalks and crosswalks; in warmer weather, it would serve as a small backhoe/digger or a commercial mower. Mr. Beavens asked if this would replace existing equipment, and Mr. Bisson said that for the DPW it would be supplemental but it would replace Parks' 1999 tractor, which is beyond its useful life.

Mr. Dean said that the other option is to create a \$100,000 Capital Reserve Fund for vehicles and equipment, and this request would come out of that fund. Any trade value could replenish that fund. Mr. Beavens asked if this would be a general fund for vehicles for all departments. Mr. Dean said only the ones that the town pays cash for. The lease program for vehicles over \$100,000 would stay in place. Mr. Kelly asked if there were trade-in value for the tractor, and Mr. Bisson said maybe \$1,000. Mr. Kelly suggested they consider donating it somewhere instead, and Mr. Bisson said he could approach the Select Board about it.

Mr. Kelly asked which \$100,000 worth of equipment the CRF would fund. Mr. Dean said this vehicle, a DPW vehicle for \$63,000, and the Sedan replacement in the DPW for the custodian. Mr. Kelly suggested it be an equipment replacement fund only; vehicles should still be looked at on a case by case basis by the budget committee. Mr. Dean said that the variability in pricing of vehicles creates uncertainty in the budget. Mr. Kelly said they tend to cycle vehicles on a regular basis and run equipment into the ground. They should dedicate a fund to equipment alone so that vehicles don't take precedence. Mr. Dean suggested there could be middle ground, where pieces of vehicles could be considered equipment. Mr. Kelly pointed out that they are planning to transition DPW fleets from traditional dump trucks to hook trucks, and if there were a piece of equipment to add onto those trucks, the purchase could count as

equipment. Ms. Rowan asked for a definition of equipment. Mr. Kelly said all non-vehicles; if it looks like a truck or car, it's a vehicle.

**MOTION:** Mr. Stevens moved to establish an \$80,000 Equipment Replacement fund. Mr. Kelly seconded. By a show of hands, all were in favor.

Library Director Hope Godino and Anthony Mento of SMP Architects were present to discuss the Library CIP. Mr. Papakonstantis said that in the last meeting, Mr. Gray had asked them to provide the cost of a simple repair of the roof. Ms. Godino said that they have repaired those dents in the top of the building with three different roofing companies, and it never solved the problem. Mr. Kelly asked how much they have spent on repairs. Ms. Godino responded that from 2010 to present, they've spent \$122,000 just on the roof.

Mr. Mento said the proposed project looked at a series of repairs, not just the roof. They must fix the existing concrete entry ramp, repair existing bathrooms, redo the flooring, fix the roof, repair ceiling damage, address the rot and window leaks, and replace the HVAC, which is past its functional lifespan. For \$2.1 million, they could repair the roof and put the HVAC back in the same place, but the overall solution should be to cap and rebuild the roof and move the HVAC to the flat roof of an addition, as their CIP design suggests. It's inefficient to pull the roof repair out of the rest of the project. Ms. Godino reiterated that the roof can't be repaired, they'd tried three times and also engaged the original builder and nothing had worked. She added that if they only do repairs, it would be difficult for the library to raise matching funds from the community. Ms. Soutter said that the CIP proposal is the fix. All she saw for "extras" in the plan are furniture, fixtures, and equipment, at a cost of \$195,000.

Mr. Kelly asked if it's reasonable to delay the project another year, and spend this year gathering public input. Ms. Godino responded they brought the plan to the public in 2010, and created a long range plan that included residents of all ages. They plan to do further outreach this year. She pointed out that they did actually get 51% of votes last year, but needed 60% for a bond issue. She added that the HVAC will not last much longer, and the leaks continue to damage the building in the long run. Mr. Papakonstantis suggested there may also be mold issues that will worsen over time. Mr. Stevens said it's not a bad idea to start with design engineering and warm people up, but if Ms. Godino feels that the time is now and things are failing, they should put it out there.

Mr. Papakonstantis spoke for Mr. Dawley, who was absent. Mr. Dawley would recommend funding the 95% of the project that at the previous BRC meeting they'd said was comprised of repairs, renovations, maintenance, and not the extra 5% additions. Mr. Kelly pointed out that there are \$350,000 in contingencies, so it didn't make sense to cut 5% out. Mr. Gray said that he feels the scope is too broad. He calculated that this proposal would cost \$1,000 over 15 years for the owner of a \$300,000 house. Ms. Rowan said she was not in favor last year, but this solves critical problems and is an elegant design that the town could be proud of. She would put this to the voters.

Ms. Godino closed the discussion by saying that the library was built in 1987, and doesn't suit the way people want to use it now. People are staying longer, spending the day; the library is a safe space to meet friends or take your children. Currently there are no small meeting rooms for solo study or small gatherings. The children's room is very overcrowded. There are accessibility issues: the bathrooms, stacks, and children's room are no longer ADA

compliant. Expansion and repurposing the existing space are a big part of the needed improvements.

**MOTION:** Ms. Belanger moved to move \$4,505,885 for renovation and repurposing of the library. Ms. Rowan seconded. By a show of hands, Mr. Gray and Mr. Beavens voted nay, and the motion passed 7-2-0.

Next, Dave Sharples, the Town Planner, discussed ADA compliance, the Epping Road sidewalk extensions, and the Raynes Farm improvements.

Regarding ADA, Mr. Sharples said that one goal in the master plan is to prioritize facilities where ADA improvements are needed. There is an ADA requirement to do a self-evaluation, which is recommended every three years, and come up with a transition plan after that. He suggested they create a \$50,000 Capital Reserve Fund to fund a town-wide study of public spaces and public buildings to determine what is compliant, with any remaining funds to be used toward implementation. He estimates that the study itself will cost \$25,000. They would come back annually to the BRC to replenish the fund, but the total and duration would depend on the evaluation.

Mr. Kelly said looking at the whole town seems like a broad scope, since some buildings are old enough to be exempt from ADA compliance. He suggested they focus on heavily used buildings, such as Town Hall, the Town Offices, and the Public Safety Complex. Mr. Sharples countered that the town-wide scope is federally mandated. According to Section 504 of the Rehabilitation Act, all town services and programs must be studied. Mr. Kelly then said he would like to fund a study before establishing a Capital Reserve Fund. Mr. Sharples said they have no figure on the study yet, just a ballpark number. It needs to meet the federal mandate, they can't reduce the scope of the survey. TAP projects like the one on Epping Road are federally funded, and there's been a complaint about an ADA issue downtown, so the federal government will be looking for Exeter's self-evaluation and transition plan. Mr. Dean said that ADA issues are only becoming more mainstream, and this kind of plan is overdue. Ms. Belanger added that this was one of the short-term priorities of the master plan.

Mr. Stevens suggested they just pay as they go. Mr. Dean said that if they have a Capital Reserve Fund, once they have a plan, implementations can be made right away; otherwise they're stuck until next year's budget. They could also leverage matching funds or alternate funding. Ms. Tung said that the CRF idea is good, but they need accountability. She asked if there will be bidding as part of this process. Mr. Dean responded that in NH, bidding is not regulated, and each town has a policy. Capital reserve fund spending goes to the select board, it's not opaque. Replenishment comes back to the committee, where they'll look at how the money was spent. Appropriations into the CRF are a warrant article. The timing piece is important: a CRF isn't subject to normal budget calendars, it allows you to do work year-round and match more closely with other organizations' calendars.

**MOTION:** Mr. Kelly moved to put \$50,000 in a capital reserve fund for ADA improvements. Ms. Belanger seconded. All were in favor.

Mr. Sharples moved on to the Epping Road sidewalk extensions. They submitted a grant to extend the sidewalk from 80 Epping Road/Aroma Joe's to Exit 9 near AllTown; beyond

AllTown, the existing sidewalk connects to the Barking Dog. There would be a midblock crossing between the east side and west side sidewalks with a traffic signal.

This project would only go forward if they get grant funding. The project is estimated at \$940,000, but the town's share is \$188,000, or 20% of the project cost; the rest would be covered by the grant. It's awarded in January, so they can pull the warrant article if they don't get the grant. They're seeing increased commercial activity and proposals in this area, as well as 116 new residents on the TIF road. Ms. Soutter said that with the improvements on Epping road, extending the sidewalks makes sense, and having it 80% funded by the federal government is great.

**MOTION:** Ms. Soutter moved to accept the Epping Road Sidewalk extension for \$940,000, contingent upon receiving the 80% federal funding. Ms. Belanger seconded. By show of hands, all were in favor.

Mr. Sharples then discussed the Raynes Farm barn improvements, speaking on behalf of the Conservation Commission. They are proposing a \$214,000 project, contingent upon a Land and Community Heritage Investment Program (LCHIP) grant to cover 50%; the town would be responsible for \$107,000. This project would repair the sideboards, windows, and foundation walls of the barn structure to make it weathertight. He estimates the repairs would give the building a 25-30 year useful life. Mr. Stevens questioned whether foundation repairs would cost \$60,000, but Mr. Sharples replied that structural assessment said it was needed, and they got estimates from contractors.

Mr. Kelly asked if they could do community fundraising for the structure besides grants. Mr. Dean said that the Conservation Commission plans events there. Don Clement added that there are perpetual limitations on events when you take LCHIP funds, which they have already done for this structure. Events can bring in money only if they're recreational or agricultural.

Mr. Gray asked if any private organizations had expressed interest in taking it over. Mr. Clement said that there's no vision out there. There is a group of Raynes Farm Stewards, comprised of ConCom members and interested citizens, but what would they do with that structure? It's a barn. Ms. Belanger pointed out that there are restrictions on selling or leasing conservation land. Mr. Sharples said it's worth exploring, but he suggested they do these renovations first, which would make the barn a usable space.

Mr. Stevens said he would support the renovations at some point, but they have a lot on their plate already.

**MOTION:** Ms. Soutter moved to accept the Raynes Barn improvements at the cost of \$214,000, contingent upon the town receiving an LCHIP grant for 50%. Ms. Belanger seconded. By show of hands, Mr. Beavens and Mr. Stevens voted nay, and the motion passed 7-2-0.

Jennifer Perry, Director of Public Works, discussed that department's CIP projects: an Intersection Improvements Program, the Pickpocket Dam reclassification, and the Sidewalk Improvement program.

First, she discussed the proposal to initiate a programmatic Intersection Improvement Program for \$50,000. They're not looking to signalize intersections, but rather reconfigure, stripe, or change approaches for better visibility. Mr. Beavens asked if the \$50,000 would include a study. Ms. Perry said that it would be used to develop plans for two or more problem

intersections. Mr. Dean added that it can be used for design and analysis or alternative solutions. Construction would cost much more than \$50,000. Mr. Beavens said that they already know which intersections are a problem. Ms. Perry said yes and no; she's working with the Rockingham Planning Commission to identify higher risk areas. Some of the more problematic intersections may not have high crash rates.

**MOTION:** Ms. Belanger moved to approve the Intersection Improvement Program for \$50,000. Mr. Beavens seconded. By a show of hands, all were in favor.

Ms. Perry moved on to the Pickpocket Dam reclassification issue. This dam is located in Brentwood but owned by Exeter. The NH DES Dam Bureau sent them a letter of deficiency and required breach analysis. The DPW did a review and elevation survey in 2015 and 2016 and submitted it to the state this year. The DES determined it is a "high hazard" dam because of inundation potential for occupied properties. This change in classification brings requirements. They must update their emergency action plan and make modifications based on breach analysis. In 2.5 times the hundred year flood conditions, they must pass with one foot of free water, and they can't currently do that. It will cost about \$400,000 to do this work, and will take some time.

They must do a feasibility study, but that is several years out. The department also needs to engage with the town of Brentwood; Brentwood is copied on Exeter's communications with the state, but she hasn't reached out to them. Ms. Soutter asked if Brentwood might help pay, and Ms. Perry said it's a valid question, but Exeter owns the dam. Mr. Kelly asked if they expect to hear from property owners. Ms. Perry said that Brentwood property owners will have a seat at the table.

Mr. Kelly asked if they could pushback on the NH DES. Ms. Perry said that since it's a high hazard dam, the regulations are clear. Mr. Kelly asked if anything had changed to cause the dam to be reclassified, such as new development, but Ms. Perry said nothing's changed, they just didn't have the survey data before.

Ms. Perry said there is a need and responsibility to update the emergency plan and address the comments immediately, which will cost \$30,000. Evaluation will take longer and they can buy some time. Mr. Dean said they will also use \$10,000 of the legal budget to look at this issue.

Ms. Rowan asked about the history of the dam. Mr. Dean said that it was part of the 1981 gift that included the Great Dam. The original purpose was as a water supply to power the mill.

Mr. Dean mentioned that during the Great Dam process, DES contributed money for a feasibility study, so they may get assistance here. Mr. Stevens asked what liability the town has if someone's property is flooded. Mr. Dean said that there are 14 properties affected, and conceivably they could make a claim.

Mr. Stevens asked if \$30,000 would be sufficient for this year; Mr. Kelly suggested \$40,000 to include the legal analysis. Ms. Perry said the reduced amount was acceptable, the state understands that things take time.

**MOTION:** Mr. Kelly moved to put on the Warrant a Pickpocket Dam reclassification analysis, which would include updating the emergency action plan, addressing the breach analysis

comments from DES, and reviewing our legal liabilities both up and downstream for a total of \$40,000. Ms. Belanger seconded. By a show of hands, all were in favor.

Ms. Perry then discussed the Sidewalk Replacement Program. This is a programmatic asset management approach to manage the existing 32 miles of sidewalks, not expanding sidewalks. They cost \$120,000 a year just to maintain.

They did assessments in 2011, and found that 27% of sidewalks were in good condition, 41% were in fair condition, 27% in poor condition, and 5% in very poor condition. Since then, they've done work on Water Street and Front Street, some on High Street, but the percentages had not changed much, since there are so many miles of sidewalk. There are three dozen projects that could be done in 2019.

Mr. Kelly asked about the criteria for grading. Ms. Perry said that they do a fine-tuned analysis where they break the roadway down into segments associated with a property on the GIS, and do a condition analysis, looking at the number of cracks, where it's heaved, and whether it has breaking on the edge.

Mr. Kelly asked if they would eventually repair all sidewalks. Ms. Perry said that it's managed like the paving program. The PCI for paving is 70%, and sidewalks should be similar. **MOTION:** Mr. Kelly moved to include the sidewalk program in this year's warrant for \$120,000. Ms. Belanger seconded. By a show of hands, all were in favor.

Ms. Perry then discussed the LED streetlight retrofit, although this will not be a warrant article. They're working with Unutil and a lighting vendor to retrofit the town's 690 streetlights. They're getting rebates from Unutil; the town buys out the remaining value of the old lights, and Unutil would allow the town to do that over a five year period at 0% interest. It's the same with the balance of the cost for the LED lights. Over the next five years, they will have the same bill as today, \$160,000 next year. The lights will be changed out over 3 - 4 weeks. They'll see savings immediately, but the bill won't change for five years. In year six it's a \$30,000 per year savings. Because this is not a warrant article, it will not require a motion.

Next Mr. Kelly, who was on the Water and Sewer subcommittee, discussed the utilities improvement project at Salem Street. This would make improvements to the six and eight inch water, sewer, and drainage lines north of the Park Street area. The subcommittee supported this warrant article. It has been deferred for a number of years due to crisis management projects, like at Washington Street and High Street.

**MOTION:** Mr. Kelly moved for the inclusion of \$325,000 for the design and engineering of the Salem Street utilities project. Ms. Belanger seconded. By a show of hands, all were in favor.

Next, Mr. Kelly discussed the Newfields Road Water Main Extension. This would provide fire flows to the \$35 million dollar Wastewater treatment facility and DPW site, and also provide public water to the Public Works complex. Some residents can also tie in. Mr. Beavens asked why the water main wasn't included in the original estimate. Ms. Perry said that it was value engineered out, but when they went to bid, they got very good pricing, and found that they could potentially do the water main project. They've been working through it with the Select Board. To



add the water main to the project, they will have to extend the Urban Compact Zone by 3,000 feet; they're still discussing with the DOT the value of the town taking that road over.

If they do the water main now, they can do all construction at one time, pave it over, and not come back later. They looked at fire ponds to address fire suppression, but there's a new Public Works facility to be proposed in two years, and their well is already inadequate for existing needs. Mr. Kelly added that VE wanted to repurpose the lagoons as fire ponds, but they later found they couldn't do that. Mr. Dean said that there's an economy of scale in doing it at the same time, so the project will probably not cost \$1.6 million but more like \$1 million.

Mr. Kelly started to make a motion, but Ms. Perry said that this will not be a separate warrant article, it's coming out of the contingency. Mr. Kelly rescinded his motion. Mr. Dean added that NH DES, as the funding agency providing the loan, agreed that this project can be paid for with that package. Legal counsel reviewed the language of the warrant article, and he indicated that it's for the benefit of the wastewater treatment plant so it's included. Mr. Beavens said it was just a question of replacing the fire ponds, which were approved, with a water main serving the same purpose.

Mr. Kelly then discussed the Folsom Rehabilitation from the Sewer CIP. The subcommittee said it was a lot of money for what was being proposed. They had already asked the ratepayers to take quite a bit of burden during the construction of the plant. The subcommittee suggested they defer for a year and look at ways to do this work in-house or reconstitute the project. Ms. Perry said that the department had planned it as a 2020 project, so deferring it was not a problem.

Mr. Kelly also recommend deferring siphons. He said it's nice to be proactive, but \$800,000 is a lot of money, and there could possibly be a phased approach over the next few years.

Ms. Perry then discussed the three vehicle requests. Ms. Perry said that truck number 9, a 2008 F450 truck, is used by the highway department daily. They want to replace it with a \$63,000 truck that has a stainless steel dump body, so they can save on painting and replacing the dumps. Mr. Gray said that the subcommittee felt there was proper justification for this request.

**MOTION:** Mr. Beavens moved to replace the one ton dump body truck number 9 in the amount of \$63,035. Ms. Belanger seconded. By a show of hands, all were in favor.

Ms. Perry then discussed the replacement of truck 25. This is a 2008 six wheel dump owned by the Highway department. It's been a problem since early on, since it's part of the first generation of catalytic converters. They've done several replacements of catalytic converter at \$11,000 each for materials alone. 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. The trade-in value for truck 25 would go to Water and Sewer;

Highway will trade in the old truck 33 in the next year or two. Mr. Kelly said that the subcommittee supported the proposal.

**MOTION:** Mr. Kelly moved to move \$174,959, split between the Water and Sewer departments, to purchase a new truck 33 to replace the existing 33, which will be transferred to Highway. Mr. Gray seconded. By a show of hands, all were in favor.

Ms. Perry said that they also proposed replacing sedan 24 with a small work van for \$24,000. This sedan is an older Crown Victoria, the last in the fleet. It's currently used by the custodian, but it's not adequate for the equipment and boxes he must move. Mr. Gray confirmed that this vehicle was "packed to the gills" with custodial equipment.

**MOTION:** Mr. Gray moved to approve the request for \$24,000 for replacement of sedan 24. Mr. Kelly seconded. By a show of hands, all were in favor.

Ms. Rowan said that the Police and Fire Subcommittee supported the dispatch communication upgrades, as this will result in better communication for the emergency crews. These are large units, one on the Epping water tank, a second in the dispatch center. The current system is no longer being maintained by the manufacturer and is not under warranty. Mr. Stevens added that this was a multi-year process; there will be one more year of investment next year. Line item 73292 will be up next year; the tower on Kingston Road needs to be in place. SAU had agreed to make upgrades at the High School.

**MOTION:** Mr. Stevens to move \$153,451 for a communication upgrade in the police and fire department. Ms. Belanger seconded. By a show of hands, All were in favor.

Mr. Stevens then discussed the request for a new ambulance. The subcommittee suggested that they rebuild the existing ambulance, but it would take the ambulance out of service for 6 months. It would impact service, and the revenue ambulance generates to the revolving fund would be lost.

**MOTION:** Mr. Stevens moved to move an Ambulance 2 replacement for \$235,349. Ms. Belanger seconded. By a show of hands, all were in favor.

Ms. Chester stated that the new vehicle total is \$523,116 in capital outlay from the General Fund budget. The total General Fund is \$19,268,547.

Ms. Rowan observed that debt service is 5% of their overall budget, and asked if that is a general healthy range. Mr. Dean said they don't want it to be too high; 5% is fairly low. The rule of thumb is not to have too much dependence on operating expenses, and make sure capital investment is a good portion of the overall spend.

Mr. Gray asked if the CIP warrant articles are included in the General Fund total; Mr. Dean said no. Ms. Chester said that the General Fund total before the warrant articles is \$6,533,336, but that may not impact next year's tax rate. Mr. Dean said that when projects close out, typically they begin paying back the bonding a year later. Mr. Gray asked for confirmation that the unbonded warrant articles for 2019 would be about \$1 million, and Mr. Dean listed the projects that were approved but did not give a figure. Mr. Gray asked how this compared to last year. The General Fund figure, \$19,268,547, looks like a 2.3% increase over last year, and for a

\$300,000 home, that's a tax increase of \$70, or 3.3%. That's the General Fund; there are also warrant articles.

Mr. Dean said there were proposed warrant articles that didn't pass, such as the public safety study and downtown traffic study. Last year, \$310,300 was funded through separate warrant articles. Collective bargaining, the highway loader, sidewalks, etc. Those were warrant articles above and beyond the budget that impacted the tax rate. It's true that there are more warrant articles this year. Mr. Gray asked what the tax rate will be. Mr. Dean said that the 2019 projection was \$868,000, not including Water and Sewer, or a 50 cent rate impact, \$94 for a \$313,500 home.

Mr. Gray said that given the General Fund tax impact increase of 3.3% and his sense that there are more warrant articles this year, he would like to institute a hiring freeze and reduce the General Fund budget to reflect this. The 2019 fiscal year budget for staff was \$144,424, which does not include the two fire hires they did not approve.

**MOTION:** Mr. Gray moved to reduce the General Fund by \$144,424, which when applied to the current figure, gave a new General Fund number of \$19,124,123. The motion was not seconded.

**MOTION:** Mr. Kelly moved to move the General Fund budget of \$19,268,547. Ms. Belanger seconded. By a show of hands, Mr. Gray and Mr. Beavens voted nay, and the motion passed 7-2-0.

Mr. Papakonstantis thanked Ms. Chester and Mr. Dean, the department heads, the Select Board, and each member of the BRC. Julie Gilman said that she appreciated the detail of the process, and felt that all of the subcommittees did an excellent job.

#### 4. Review Board Calendar

This was the final Budget Recommendation Committee meeting of 2018.

#### 5. Adjournment

**MOTION:** Ms. Belanger moved to adjourn the meeting. Ms. Rowan seconded. All were in favor and the meeting was adjourned at 10:50 PM.

Respectfully Submitted,  
Joanna Bartell  
Recording Secretary