

Budget Recommendations Advisory Committee
November 2, 2022
6:30 PM
Nowak Room, Town Offices

Members Present: Bob Kelly, Chair; Christine Soutter, Vice Chair; Andrew Elliott, Christopher Zigmont, Chris Newport, Judy Rowan, Anthony Zwaan, Liz Canada

Members Absent: Enna Grazier, Kathy Corson, Eduardo Contreras

Others Present: Town Manager Russ Dean, Assistant Town Manager Melissa Roy, Finance Director Corey Stevens, and Select Board members Niko Papkonstantis, Julie Gilman, and Nancy Belanger

Mr. Kelly called the meeting to order at 6:30 PM

1. DPW

DPW Director Jennifer Perry and Highway Superintendent Jay Perkins were present to discuss the budget. IT Director Andy Swanson was also present.

Mr. Kelly said the big request in Public Works Administration is for a new GIS Technician position. This would have a full-year impact of \$94,000, which won't happen until 2024. The budget for this position in 2023 is for six months. It will come 60% from Administration and 20% each from Water and Sewer.

Mr. Swanson said we've had this GIS database for a long time, and every Department has their own needs from it. The needs are competing with each other. We meet regularly to discuss this, but now the vendors are quibbling. We need someone who understands cartography deeply.

Ms. Soutter asked what this position would be doing. Mr. Swanson said Water/Sewer are using GIS most heavily. Someone should look at the big picture to make it work. Mr. Dean said there's no centralization of the system, so the Departments are doing their own things. This person would coordinate this system and pull together the layers. Right now it's hard to get everyone on the same page. Mr. Swanson said people are depending on it more than ever. Emergency Services now wants to figure it out. Ms. Perry said Public Works is constantly having to provide regulators or consulting engineers with the latest information, but our information is six months or a year old. There needs to be dedicated staff to maintain these systems. This is essential to operations in this day and age, and she thinks that most other communities have one.

Mr. Newport asked if they will be able to find someone at this salary. Ms. Perry said it will be difficult. It's initially at grade 8; it may be hard to find someone there, but we have to start somewhere. Mr. Zigmont asked if they could outsource this. Ms. Perry said we have been outsourcing, but it's a piecemeal approach and needs to be more cohesive.

Mr. Zigmont asked if this belongs in the Public Works budget. Ms. Perry said it's close to some expertise we already have in the Department, but that staff member is

also managing the Water and Sewer Utilities. Mr. Kelly said Assessing and Planning will also be using it.

Mr. Newport said it's a salary of \$54,000, which is only \$25/hour. Is there room to offer more? Mr. Kelly said the BRC and Select Board will review the position. Ms. Canada said she'd like to see what other communities are paying their folks.

Mr. Zigmont asked what next year looks like if we don't find someone. Ms. Perry said it would be status quo. We'd have to come back and talk about whether we need to increase the salary.

Dr. Rowan asked for more information about the town's GIS use. Is it someone logging into the system and adding their own information when changes are made? Ms. Perry said Public Works puts in our data and works with PeopleGIS, while Assessing sends their information to Cartographics.

Mr. Kelly said the subcommittee supports the new position.

Mr. Kelly said the Office Supplies line will be spent.

Mr. Stevens said the new benefits total is \$243,521. The total for Public Works Administration is \$484,105.

MOTION: Ms. Soutter moved to approve the Public Works Administration budget of \$484,105. Mr. Elliot seconded. The motion passed 8-0.

2. Highways and Streets

Mr. Kelly said we try to avoid disrupting in-town roadway networks in the fall, so Jay ends up doing a lot of work between late October and first snow. There are a number of vacancies in the Public Works Dept, many in the field and equipment operators. It makes it difficult to get the work done.

Mr. Kelly said line item 55251, Paving, has been reduced to \$700,000. They have done a large piece of work on Linden Street, and there are pending projects on Marshall Farms and Washington Street that can hopefully be done by the end of the year. Ms. Perry said we're wrapping up Linden Street and also doing sidewalks between Exeter River and Little River. Next we're moving to Marshall Farms, paving Colonial and Heritage. That will be the end of this year's paving budget. Washington Street is outyear project. We're having a mild fall but that can change quickly, so we may put in an encumbrance for Marshall Farms.

Mr. Stevens said the new benefits total for Highways and Streets is \$377,352. The total budget is \$2,092,636.

MOTION: Dr. Zwaan moved the Highways and Streets total of \$2,092,636. Dr. Rowan seconded. The motion passed 8-0.

3. Snow Removal

Mr. Kelly said the subcommittee had no questions on snow removal, the budget seems straightforward.

Mr. Stevens said the new benefits total is \$15,012. The total Snow Removal budget is \$313,016.

MOTION: Ms. Canada moved to approve the Snow Removal budget of \$313,016. Dr. Rowan seconded. The motion passed 8-0.

4. Solid Waste Disposal

Mr. Kelly said the big expense is the waste disposal and recycling contract. We have a new 5 year contract with Waste Management. There could be significant fuel surcharges, and there's pressure on the recycling markets.

Ms. Perry said the Select Board signed a 5 year contract extension which began in June 2022. There are planned escalations of 6% per year. Under the last contract, Waste Management was not recouping their expenses. Part of the contract is a fuel surcharge: we pay part of the cost over their base rate of \$2.90 for diesel. The first six months was a gratis period, but in December we'll start the fuel surcharges. Diesel is averaging high, and we calculate that there could be \$4,109 a month in surcharges. That would increase our charges by over \$40,000. They will reassess the surcharge every six months.

Ms. Perry said recycling has a cost; it was \$50 or \$60 per ton in June, but in the last two months, it was \$120-150 per ton. This is the biggest jump we've ever seen. Only using \$50 a ton in the budget is not enough. It should be about \$120. We asked about the charges and were told initially that paper mills are shut down and there's no demand for OCC [old corrugated cardboard]. There's way too much material on hand. Plastics are difficult to recycle and have little value. There are increased costs for fuel and electricity. The cost sometimes goes high for a few months but usually goes back down.

Mr. Kelly said we do have some fallback with reserve accounts, but this looks like a crisis in the making. The estimated cost of recycling is \$1,160,000, about \$70,000 more than what the Department requested. Mr. Elliot said some towns are creating fees for residents contaminating the recycling, which can offset the cost. Mr. Zigmont said that might make some people stop recycling. We want to encourage people. Residents should also work on reducing consumption at home. Mr. Kelly said if we want to go halfway, the budget would be \$1,125,000.

Mr. Elliott asked what happens if there's a shortfall. Mr. Dean said we would first try to pay it from the Department budget. Mr. Elliott said the General Fund has extra money each year. Mr. Kelly said the reserve account is our safety net for unforeseen circumstances. We don't know how long this increase will go on. The Subcommittee thought if we go over the budget, it could come from the General Fund.

Mr. Dean said we have a bottom line budget. We're prohibited from overspending the bottom line without DRA approval. Fund balance is an equity position, the accumulation of several years of building it up, not a single-year number.

MOTION: Dr. Zwaan moved to add half of the proposed amount, \$35,000, line 55082, to bring the Recycling budget to \$1,125,000 to budget for the present reality. Dr. Rowan seconded. The motion passed 8-0.

Mr. Kelly said line item 55150, Household Hazardous Waste, covers a fall event for ourselves and six other communities. It's typically budgeted so we pay everything, then bill the other towns, so there's a revenue component. The cost is somewhere between the high \$20,000s to low \$30,000s, not up to \$40,000, so the subcommittee recommends adjusting this line to \$35,000 which is more than the cost over the last 5

years. There's also an offset from residents paying fees. He added that the events don't seem to be as well attended as in the past.

Ms. Perry said we receive a grant from NHDES of about \$10,000, which is not reflected in the overall costs because it is subtracted out before it gets into the budget. We almost canceled the event this year, because there are so few facilities that can handle this and they couldn't tell us if they would take our material. We talked about going back to bid for a waste hauler for this event. The reason you're seeing fewer people is that we now do a pre-registration for better management of flow. The counts are fairly consistent.

MOTION: Mr. Newport moved to adjust line item 55150, Household Hazardous Waste, to \$35,000. Mr. Zigmont seconded. The motion passed 8-0.

Ms. Perry said we have 14 wells that have to be monitored. When additional parameters are added to the permit, such as PFOA, PFAS, and Dioxane, the expense increases. The \$35,000 should be spent by the end of the year.

Mr. Stevens said the benefits in Solid Waste are the same. The total Solid Waste budget is \$1,407,523.

MOTION: Ms. Soutter moved to approve the Solid Waste budget of \$1,407,523. Dr. Zwaan seconded. The motion passed 8-0.

Mr. Kelly said for Streetlights, we converted to LED bulbs 3 years ago, and there's a 5 year payoff to Unutil. The number should go down in the near future.

MOTION: Ms. Soutter moved to approve \$169,000 for Streetlights. Dr. Zwaan seconded. The motion passed 8-0.

5. Stormwater

Mr. Kelly said for the Contracted Services line, we were not able to do all of the work we wanted to do this year. There are a number of projects listed for 2023. Ms. Perry said we were in a drought this year, and were waiting for rainfall to do some initial water sampling for the stormwater program. We've just done that and it was expensive. The spend will be similar to last year. Mr. Kelly said last year, we spent all but \$3,000. Catchbasin replacement will be done as part of the paving work later this fall. Ms. Perry said we're required to have at least a 3 foot sump to catch sediments. We try to do 7 per year. We have a list. Dr. Rowan said it's a paper list, and the GIS system may not be complete. Ms. Perry agreed, saying not a single person could look at our system and say "this is what we have." Determining this requires input from multiple teams and a couple of days.

Dr. Zwaan asked about the size of the catchbasin problem. Mr. Perkins said we'll be doing this for a while. There are over 100 catchbasins. Mr. Kelly said we'll be doing the work in perpetuity. If it's not catchbasins, it's leaky pipes or infiltration.

MOTION: Ms. Soutter moved to approve the Stormwater budget of \$92,360. Ms. Canada seconded. The motion passed 8-0.

Mr. Stevens said the cumulative total is \$4,558,641, a 1.5% increase.

6. Public Works Maintenance

Mr. Kelly said this budget is self-explanatory. In post-Covid environment, some Covid expenses have gone down, but some cleaning things are the same and durable goods cost more. Fire Safety is a new line at \$18,000. The FD used to do in-house monitoring of fire alarm systems but are not doing it any longer. Ms. Perry said this expense was in Maintenance, but it was taking away from the work they need to do, so we put it in a separate line this year. Dr. Zwaan said the Fire Chief spoke about what needed to be alarmed. Have we looked critically at what we're covering? Ms. Perry said we worked with Deputy Chief Pizon to determine which facilities should be alarmed. Dr. Rowan said the FD had a \$20,000 decrease in overtime from not doing the monitoring.

Mr. Stevens said the new benefits total is \$145,609. The new Maintenance total is \$597,066.

MOTION: Ms. Soutter moved to approve a General Maintenance budget of \$597,066. Mr. Zigmont seconded. The motion passed 8-0.

7. Town Buildings

Mr. Kelly said the subcommittee had no comments on this budget.

MOTION: Dr. Rowan moved to approve the Town Buildings Maintenance budget of \$303,607. Ms. Soutter seconded. The motion passed 8-0.

8. Maintenance Projects

Mr. Kelly said this budget gives Public Works the latitude to do ADA compliance and other projects. There is a list of projects associated. The Subcommittee supported the \$100,000.

MOTION: Ms. Soutter moved a Maintenance Project budget of \$100,000. Mr. Zigmont seconded. The motion passed 8-0.

9. Mechanics/Garage

Mr. Kelly said this budget is similar to above. The Health Insurance has gone down. All items are tracking appropriately. Dr. Zwaan asked about staffing in this Dept. Ms. Perry said we were fully staffed but just received a resignation notice from one of the mechanics.

Mr. Stevens said the new benefits total is \$100,627. The Mechanics/Garage total is \$282,807.

MOTION: Dr. Rowan moved to approve the Mechanics/Garage budget of \$282,807. Ms. Soutter seconded. The motion passed 8-0.

Mr. Stevens said the total Public Works budget was \$5,842,120.

MOTION: Mr. Zigmont moved to approve the total Public Works budget of \$5,842,120. Dr. Rowan seconded. The motion passed 8-0.

Dr. Zwaan asked about the percentage increase in this budget, and Mr. Stevens said a 1.7% increase.

Mr. Kelly said there are 3 vehicles in the CIP. The first is a sidewalk tractor. The current equipment is old, and most maintenance parts are no longer available. The subcommittee recommends it. The second is the half ton Pickup #5. It has 100,000 miles. They're looking to replace it with a truck with a plow package and four wheel drive. The subcommittee recommends the replacement. The third is dump and plow truck #33, but that's on the in-house deferral list and the subcommittee agreed it could be deferred.

Mr. Kelly said there's one Public Works warrant article, also in Water and Sewer. In 2019, we put \$25,000 into coming up with what a new Public Works garage might look like. The Architect came up with general plans. In 2022, there was a warrant article for \$50,000 to continue the review and site planning, but that was defeated. The existing garage was built decades ago for a smaller staff. The HVAC and ventilation are inadequate for long-term habitation. Recommend another warrant article***

10. Adjournment

Mr. Kelly adjourned the meeting at 8:12 PM.

Respectfully Submitted,
Joanna Bartell
Recording Secretary