

APPROVED

**BOARD OF SELECTMEN'S MEETING
BUDGET HEARING**

WEDNESDAY, FEBRUARY 7, 1996

7:30 P.M. - MUNICIPAL OFFICE BUILDING, HANOVER, NH

The meeting of the Board of Selectmen was called to order at 7:30 p.m. by the Chairman, Marilyn W. Black. Present were: Marilyn W. Black, Chairman; Jack H. Nelson, Vice Chairman; Katherine S. Connolly, Dorothy Behlen Heinrichs, Dorothy King, Clifford R. Vermilya, Town Manager; Michael Gilbar, Director of Finance and members of the public.

Ms. Black announced that this meeting was being taped by CATV6 and that assistive listening devices were available for anyone who wished to use them.

1. PUBLIC COMMENT

There were no public comments.

2. BUDGET DISCUSSION

Dept. 410 - Public Works - Administration

Present at this meeting representing the Public Works Department were Richard Hauger, Director of Public Works, and Keith Southworth, Assistant Director of Public Works.

Mr. Nelson commented on item **410-614, Uniforms and Clothing**, questioning if safety shoes are purchased for seasonal employees.

Mr. Vermilya indicated that safety shoes are purchased for seasonal employees. The nature of the work in buildings and grounds or equipment maintenance is such that it is highly recommended by the insurance carrier as a method of protection. The position of the insurance carrier is that if safety shoes are issued to regular employees, there is no less risk to seasonal employees performing the same work.

Mr. Nelson questioned the renewal of employee CDL licenses contained in item **410-560, Dues and Memberships**.

Mr. Vermilya indicated employees who drive the large trucks are required to have a commercial driver's license, and since it is a requirement of the job description, the Town has agreed to pay for the examination fee for their renewals. He stated, however, that if they have to take special courses in order to obtain that license, they are required to pay for the courses themselves.

2. BUDGET DISCUSSION (Continued)

Ms. Black inquired if this were a light or heavy commercial license.

Mr. Hauger indicated it was a heavy commercial license.

Ms. Black questioned the increase in funds for street lights.

Mr. Vermilya stated the primary reason for the increase is the change in lights on Maynard St. from the old system to the new system, and the Town agreed to pay half that cost.

Ms. Connolly questioned item **410-110, Full Time Services**, indicating the amount requested was more than what was deducted from the winter and summer budgets.

Mr. Vermilya indicated that there are a number of employees who received step increases or other percentage increases, so there will not be the total deducted that is added in this item.

Ms. Connolly requested a breakdown of item **410-110, Full-Time Services**.

Ms. Black questioned item **410-614, Uniforms and Clothing**, asking if uniforms had taken an increase in cost.

Mr. Vermilya responded that the reason for the increase is the allowance for the seasonal employees which was not budgeted last year.

Dept. 421 - Highway Summer Maintenance

Mr. Vermilya commented on the amount budgeted in item **421-140, Overtime Expenses**, indicating that the reason the amount budgeted can be less than the approximately \$16,000 spent this year is because the Town will not be doing the downtown pedestrian project. Out of the \$13,000 budgeted, approximately \$7,300 is for street sweeping, and the balance of \$5,700 is for employees called out in the event of storms, etc.

Dept. 422 - Highway Winter Maintenance

Ms. Black commented that the budget shows a decrease, and questioned if a light winter was expected next year.

Mr. Vermilya stated that the decrease appears in the salary account as a result of the move of the former highway superintendent's position to administration.

Mr. Nelson questioned an amount of \$2,500 budgeted for item **422-490, Contracted Services**.

2. BUDGET DISCUSSION (Continued)

Mr. Vermilya indicated that in the event of a situation when the regular crews have been out too long or are finishing up a storm, the amount requested would allow the Town to hire trucks to pick up snow. He commented that this is an attempt to give better service, and is in addition to the present service level.

Mr. Nelson wished to target item **422-490, Contracted Services**, for further discussion.

Ms. Black questioned the decrease in item **422-618, Construction and Maintenance Materials**, indicating that although the same amount of winter sand, salt and gravel will be used, the cost has decreased.

Mr. Vermilya indicated that the cost has decreased over what was budgeted this year.

Mr. Keith Southworth stated part of the decrease is as a result of less pre-salting before a storm.

Dept. 423 - Line Maintenance

Ms. Connolly asked if the increase in item **423-490, Contracted Services** reflected an experience of sudden breaks in the sewer lines.

Mr. Vermilya stated there have been instances with problems with breaks, and felt there should be an allowance in order to cover the expenses in the future.

Ms. Black questioned the amount budgeted in item **423-140, Overtime Services**, commenting that although the crew is much smaller, their overtime is very high.

Mr. Hauger indicated most overtime is for winter maintenance, noting that the overtime expenses for winter and summer are not broken down.

Dept. 425 - Tree Care

Ms. Heinrichs stated she was pleased to see an increase in this account to put up new trees throughout the Town.

Dept. 430 - Equipment Maintenance

Ms. Black asked how many weeks the seasonal person is employed for, and at what rate of pay.

Mr. Hauger indicated the seasonal position is for a period of 16 weeks, and the rate of pay varies depending on the position. A shop person earns \$8 per hour, while a person mowing lawns earns approximately \$6 per hour.

2. BUDGET DISCUSSION (Continued)

Dept. 141 - Buildings and Grounds Maintenance

Ms. Black questioned the decrease in item **440-110, Full Time Services**.

Mr. Vermilya indicated the budgeted amount is based on the actual salaries of people involved, and perhaps the budget for this year was overstated by approximately \$100.

Dept. 450 - Recycling/Waste Disposal

Under item **450-490, Contractual Services**, Ms. Black asked who is collecting cardboard and glossy papers in the old water company lot.

Mr. Vermilya answered that Dartmouth is participating in the collection of cardboard and glossy papers, and the Town of Hanover is participating in the collection of glass as the downtown restaurants use glass. He further reported that he and Jean Ulman met with Northeast Waste recently in anticipation of the present contract which expires June 30, 1996; they have proposed to extend the existing contract at the existing rates for a period of five years. As in the past, there is a quota based on CPU; there will be no changes other than to add the collection of gable top boxes. The proposed contract also includes an extension of the processing contract at the same present rates.

Ms. Heinrichs indicated that the recycling committee was starting a survey to determine what problems or confusion exists regarding products picked up, and a wish list for items desired to be picked up.

Dept. 510 - Municipal Building

Concerning item **510-411, Heat**, Mr. Nelson indicated that the heating plant in the municipal building is going to be replaced, and asked if any increased efficiency was assumed.

Mr. Vermilya indicated that increased efficiency could be expected, and stated that item **510-411, Heat** is an item that could probably be reduced by possibly \$750.

Ms. Connolly suggested that new exterior windows for the municipal building could be a means of saving a great deal of heat.

Mr. Vermilya indicated that he could provide an estimate of the cost for new exterior windows, and the Board can decide whether or not to add that amount to this year's budget.

2. BUDGET DISCUSSION (Continued)

Mr. Vermilya further stated that replacement of the lights in the court room had been planned this year, but had been postponed because it was assumed the court would be leaving this coming summer and there would be renovations to the court room. He indicated that the court would not be moving until next summer, and stated that if the Board wished, replacement of the lights could be done now. After discussion, it was agreed that for the present time the covers would be taken off the lights in an effort to make all the fixtures identical.

Mr. Vermilya also informed the Board that all the sewer accounts will be revised.

Dept. 511 - Community Center

Ms. Black questioned the amount budgeted in item **511-341, Telephone**, asking if the Community Center is on Valley Net.

Mr. Vermilya stated they are on Valley Net, but indicated that there is no dedicated line for this service, but rather an account for Valley Net which runs approximately \$15 per month.

Ms. Black requested the total cost for all departments joining the Valley Net, and Mr. Vermilya indicated he would prepare that.

Mr Vermilya stated that one of the items affecting this budget is the scheduling of recreation games throughout the area, causing a sizeable long distance telephone bill.

Dept. 521 - Main Highway Garage

Mr. Vermilya stated that estimates have been made for amounts requested for heat and electricity which are based on very little experience. Significant changes have been made in this building, and consequently regular heating and lighting costs will be very different.

Dept. 522 - Highway Garage #2

Ms. Black questioned if the building were wooden. Mr. Vermilya answered that it was constructed of cement blocks, which required painting.

Dept. 523 - Water Works Building

There was no discussion of **Dept. 523 - Water Works Building**.

2. **BUDGET DISCUSSION** (Continued)

Dept. 530 - Howe Library

Ms. Black indicated that at some time in the future it would be interesting to determine all of the associated costs with the addition of more computers and technology, for example, additional phone lines, air conditioning, etc.

Mr. Vermilya indicated that it would take a little work to compile, but that it could be accomplished.

Ms. Black asked if Howe Library was reserving any monies.

Mr. Vermilya indicated there was a capital reserve for the carpet, but when it was agreed to participate in the new computer system, they agreed there would be no capital reserve for that five year period. At the end of the five year period, they would start in again with eventual reserves toward renovations, etc. at Howe Library, but there would be a hiatus during the period of time the computer acquisition is paid off.

Dept. 540 - Etna Library

Ms. Black indicated that the intrusion alarm system for the Etna Library at a cost of \$1,000 should be added to item **540-490, Contracted Services**.

Dept. 550 - Cemeteries

Mr. Vermilya stated that \$4,000 per year is budgeted for restoration, but because there has been vandalism, approximately 1/3 of that figure will fund repairs caused by vandals rather than new restoration.

Ms. Black asked whether insurance covers vandalism, and Mr. Vermilya indicated that it is not covered.

Ms. Connolly questioned whether more money should be added to this fund in order to accomplish both restoration and repair.

Mr. Vermilya indicated there is an extremely active group of volunteers that put in a substantial amount of time, and that part of keeping the volunteers' momentum going is assisting them in this way.

Ms. Black wished to mark item **550-390, Professional Services**, for further discussion.

Ms. Connolly requested Mr. Vermilya to arrive at a figure he feels would be appropriate for this purpose.

2. BUDGET DISCUSSION (Continued)

Dept. 560 - Boat Landing

Ms. Black questioned item **560-490, Contracted Services**, commenting that the narrative indicates that costs have gone up, but comparing budget to budget, they have gone down.

Mr. Hauger stated that better prices in collection pickup and portable toilet rental have been guaranteed, and have stabilized at this point. He indicated he felt that \$1,100, the amount budgeted, would be adequate.

Mr. Vermilya indicated the amount budgeted was based on the prices in effect, and indicated it covered seven months of portable toilet rental and seven months of rubbish collection.

Dept. 570 - Police Station

Ms. Black questioned item **570-410, Electricity**, noting that the amount has increased almost \$1,000.

Mr. Vermilya stated that the amount was based on expenses, and that an increase was expected this year.

Dept. 720 - Purchases for Capital Reserve

Ms. Black questioned an item included in **720-740, Public Works**, asking for a description of a vacuum/manhole cleaner.

Mr. Vermilya explained that in the spring, it is a vacuum that cleans out the manholes.

Ms. Heinrichs asked for an explanation of an antique collector's item which required replacement in item **720-740, Public Works**.

Mr. Vermilya stated it is an item approximately 70 years old that steams out frozen culverts. It can no longer be cleared by the boiler inspectors, so it must be retired.

Dept. 740 - Road Construction

Mr. Vermilya reminded the Board that the Summer Street project will be contracted out as the Town will be working on Maynard Street and Grant Road.

2. BUDGET DISCUSSION (Continued)

Dept. 750 - Traffic Controls

Regarding traffic lights, Mr. Vermilya indicated it is the Board's decision to prioritize the order in which to repair the traffic lights. Discussions with Board members have indicated that a manually activated walk signal at the Inn corner may be desired; if that is the case, the Board may want to change the priority. He indicated the same amount of money will be involved in any case.

Ms. Heinrichs stated she is interested in having an "all walk" signal which occurs on a regular sequence, not manually operated. This signal would allow no cars to go, but would allow pedestrians to cross.

Mr. Nelson indicated his understanding is that all of the sequences have been used up.

Mr. Vermilya stated that the sequences have in fact been used up; however, there is a walk cycle and it may be possible to rewire it to be "all walk" but not a push button walk. He indicated he had asked RSG to provide some idea of what this would do to the traffic flow.

Ms. Connolly indicated she receives the most complaints about the traffic light at Park and Lyme.

Mr. Hauger stated that one of the things that may affect the sequencing of the light at Park and Lyme is the new parking lot.

Mr. Nelson commented that by the restructuring of North College more people might want to go on it.

Mr. Vermilya stated that if the decision is not made to work on the traffic light at the Inn corner, the light at Wheelock and Park needs attention as that is the light that fails most often.

Dept. 760 - Town Properties

Mr. Nelson stated that if the bond issue for the public works garage fails, there are no funds available. His suggestion is to put \$125,000 in item **760-720, Public Works Garage**. Mr. Nelson questioned whether the bond can be scheduled so that if it does pass there will not be a double payment that year.

Mr. Vermilya stated that if the bond issue were voted in May, the first principal payment would not be due until after July of 1997, the following fiscal year, so it would appear in the 1997 - 1998 budget. Assuming a \$600,000 bond issue, by putting in \$125,000 in cash, it would become a \$475,000 bond issue, so there would be less to finance.

2. BUDGET DISCUSSION (Continued)

Ms. Black wished to mark item **760-720, Public Works Garage**, for further discussion.

Dept. 770 - Police Projects

There was no discussion of **Dept. 770 - Police Projects**.

Dept. 780 - Capital Projects - Miscellaneous

Mr. Vermilya indicated there were funds left in this account from previous years, but that if the grant were approved, another \$5,000 would be required.

Dept. 110 - Sidewalk Fund

Ms. Heinrichs asked if the sidewalk plow included in item **110-730, Capital Reserve Purchases** was a replacement plow or an additional piece of equipment. Mr. Vermilya indicated it is a replacement plow.

Ms. Black asked if the sidewalk plow could also do mowing, and if it could be used year-round.

Mr. Hauger indicated that it is used year round.

Ms. Black commented that since the new sidewalk plow is being used a percentage of the year for fields and mowing, part of its cost should be charged to the general fund and not entirely the sidewalk district.

Mr. Vermilya indicated that will increase the general fund and decrease the sidewalk fund.

Mr. Hauger stated that the amount budgeted will bring the sidewalks to good to excellent condition throughout the Town, with almost all of the work for sidewalk repair being contracted out.

Sewer Fund

As an introduction, Mr. Vermilya explained that the budget approved last year estimated that the current fiscal year would require approximately a 5% increase in the sewer rate this coming April. Taking into consideration the current water usage, which is what sewer rates are based on, it appears that there will be a 10% increase because water usage has remained virtually flat for the last several years.

Mr. Heinrichs asked if the Town population has remained flat.

2. BUDGET DISCUSSION (Continued)

Mr. Vermilya stated that although the population has not remained flat, residents are doing much more water conservation. Another consideration is the relocation of the hospital a few years ago.

Ms. Black questioned if sewer rentals should be going up 10% also.

Mr. Vermilya explained that it is assumed that the 10% increase will be in effect this April, so that increase is reflected in the estimated revenue this year. He stated that it is assumed the rate will remain flat next year.

Regarding item **094-410, State Aid Water Pollution**, Mr. Nelson questioned if the Town receives grant money from the State of New Hampshire.

Mr. Vermilya indicated that figure is for the payoff of the bond issue for the secondary treatment expansion which occurred back in 1989. State grant money for water pollution control is given each year as the bond issue is paid off, so that it will last as long as the bond issue.

Ms. Black asked when the last time the sewer rates were increased. Mr. Vermilya answered that it was four to five years ago.

Ms. Black asked if it might be easier on the consumer in the future to have a 2% increase each year rather than a 10% jump.

Mr. Vermilya stated that if the capital expense for paying off the bond issue goes down, that will take another significant amount out of what is paid.

Dept. 210 - Treatment Plant Operation

Mr. Vermilya commented that the Town is assuming that the composting plant will be operable by May 1st, and that will be the way in which the Town disposes of sludge. Although there is a movement by some parties in the state to eliminate spreading of sludge in any form, Mr. Vermilya stated that there is no known other way to dispose of sludge, other than burying it in a landfill.

Mr. Vermilya commented that the State continues to recommend that a sewage treatment plant the size of Hanover's should have an additional full-time person. He stated that much of the work is being done with scheduled overtime, and that although that practice can continue for a time, he is not sure how long.

Ms. Black asked whether the employees wish to work the overtime hours.

Mr. Vermilya stated the employees seem to be satisfied with the present arrangement.

2. BUDGET DISCUSSION (Continued)

Ms. Black mentioned that the amount in item **210-341, Telephone**, shows a substantial increase.

Mr. Vermilya indicated the increase is due to the alarms in the pumping station which are new and run by telephone lines.

Dept. 610 - Debt and Interest

Mr. Vermilya stated that income from the state grant was \$150,000 against an expense of \$180,000.

Dept. 640 - Fixed Charges

There was no discussion of **Dept. 640 - Fixed Charges**.

3. ADJOURNMENT

Ms. Heinrichs MADE THE MOTION to adjourn. Ms. Connolly SECONDED THE MOTION and the Board of Selectmen VOTED UNANIMOUSLY TO ADJOURN THE MEETING.

The meeting was adjourned at 8:35 p.m.

SUMMARY

The following line items were marked for further discussion:

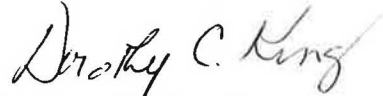
- 1. Dept. 422 - Highway Winter Maintenance
422-490 - Contracted Services**
- 2. Dept. 510 - Municipal Building
510-411 - Heat**
- 3. Dept. 540 - Etna Library
540-490 - Contracted Services**
- 4. Dept. 550 - Cemeteries
550-390 - Professional Services**
- 5. Dept. 760 - Town Properties
760-720 - Public Works Garage**
- 6. Dept. 110 - Sidewalk Fund
730 - Capital Reserve Purchases**

Board of Selectmen's Meeting
February 7, 1996
Page Twelve

SUMMARY (Continued)

7. **Ms, Heinrichs MADE THE MOTION to adjourn. Ms. Connolly SECONDED THE MOTION and the Board of Selectmen VOTED UNANIMOUSLY TO ADJOURN THE MEETING.**

Respectfully submitted,



Dorothy C. King, Secretary

These minutes were taken and transcribed by Nancy A. Richards.