

UNOFFICIAL
As of 3/14/08

BUDGET COMMITTEE MEETING
MINUTES
Hooksett Public Library
Thursday, March 13, 2008

CALL TO ORDER

Chair Sandra Oliver called the meeting to order at 7:00 PM

ROLL CALL

Chair Sandra Oliver, Vice Chair Tom Keach, Mike Sore, Dana Argo, Vincent Lembo, John Danforth, Sue Doyon, John Pieroni, Gerald Kearney, and Town Council Rep. Jason Hyde.
Excused: Charlie Humphries

APPROVAL OF THE MINUTES

February 28, 2008

OPEN PUBLIC HEARING at 7:02

Read from the Sewer Bond Warrant Article

To see if the Town will vote to raise and appropriate the sum of \$1,500,000 (One Million Five Hundred Thousand Dollars) for the purpose of completing the upgrades of the Hooksett Wastewater Department Treatment Facility and to authorize the issuance of not more than \$1,500,000 of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the Town Council to issue and negotiate such bonds or notes and to determine the rate of interest thereon; and to raise and appropriate and additional sum of \$230,000 (Two Hundred Thirty Thousand and Dollars) for the first year's payment on these bonds or notes.

Sid Baines explained that the 1.5 million dollar bond is needed to complete phase II of the Wastewater plant.

The Budget Committee requested that the warrant article include a provision for placing a percentage of the increased gallonage aside for commercial and industrial development.

D. Jodoin discussed adding this provision to the warrant with Town Counsel, Bart Mayer. He stated that placing such verbiage on the warrant may hinder the town's ability to float a bond.

S. Baines stated that is the practice of the Sewer Commission to reserve gallonage for commercial and industrial growth.

T. Keach: At the Council meeting last night, I presented a proposed draft for alternative language for the Sewer Bond, which would help gain passage by the voters. Mr. Baines felt this committee held him hostage and if he did not do as we requested, he would not have the support of the Budget Committee. I told him we were looking at alternatives to equalize growth. The Council felt we were out of place with this request and Councilor Hyde questioned the constitutionality of this change.

G. Kearney: Why did the town's attorney feel we would have difficulty attaining a bond?

D. Jodoin: The bond bank would have no way of guaranteeing that the requirement stated in the warrant would be met.

G. Kearney: This is not a legal ruling.

D. Jodoin: My recommendation is leave this to the Sewer Department to decide what is set aside for commercial growth.

G. Kearney: Commercial, in their definition included condos?

S. Baines: I was incorrect with that statement. When Granite Hills came in, they were a commercial development but now the Planning Board looks at this differently.

G. Kearney: We understand this failed at the ballot a number of times. We were trying to broaden the support. Those individuals, who are not users, might view this more favorably if they thought this was for commercial development.

S. Baines: The scenario is, if the article fails, we have 6 million dollars to spend and will upgrade as well as we can. The bids will open on April 1st. We can go as far as the money will take us. We will not be able to provide any future capacity for development. With this completion and the completion of the Cabela project, we will open up all the way down to exit 10. Without it, we will stop.

M. Sorel: Will the tax impact be placed on the warrant?

J. Hyde: The Council voted to have all the tax rates on the warrant articles.

J. Pieroni: Do we have enough money now, to meet the requirements of the EPA and the State regulations.

S. Baines: No, but with the \$1.5million, we will get the new clarifier. The State said they would give us another 10% capacity, which would allow us to sell capacity and raise another 1.5 million dollars.

J. Pieroni: Is the money you have sufficient to meet the levels the State says we must reach. Are you under any requirement to upgrade? If we don't get the 1.5 million dollars, will we be out of compliance?

S. Baines: No.

V. Lembo: Shouldn't the total cost of the project be on the Warrant?

C. Soucie: This was the wording recommended for bonding by DRA.

V. Lembo: You said you were going outside for funding. Would that wording be a problem for private sources?

C. Soucie: I contacted two (2) banks and they said they could support the note. Also, the State Revolving Fund said they could support the note. I did not discuss the wording for reserve gallonage.

J. Hyde: I suggest that putting gallonage for certain people is not constitutional. You can't guarantee something to some people and tell others no. This is growth management, which we seek for Hooksett.

G. Kearney: We give incentives to people all the time to come to Town. That is not unconstitutional.

M. Sorel: We made the suggestion in order to find a way to gain the support for this article.

J. Pieroni: I don't think a growth management technique should be to keep wastewater management old and run down. Then you get to the point where you are doing expensive repairs, which can result in fines. There are other techniques that can be explored to institute a GMO.

J. Hyde: Is the money on hand enough to get it upgraded without any additional gallonage?

B. Kudrick: We need the \$1.5 million to bump up the capacity.

Article #4

Operating Budget

\$15,786,795 – This includes Sewer's operating budget but not the 1.5 million dollar bond.

Article #24

G. Kearney: Have we received clarification regarding the uses of the two (2) new firefighters to off set overtime associated with plowing of the cisterns? Why isn't the Highway Department doing the plowing rather than overtime firefighters?

D. Jore, Hooksett Fire Department: The two (2) firefighters should reduce the overtime cost for sick, vacation and scheduled leave. On duty would be seven (7) firefighters and we would allow our town to drop down to six (6). That is the cost savings for that overtime.

We have done a little over 150 hours of snow removal. We are only opening our cisterns and hydrants as well as the area in front of our bays. This relieves the Highway Department from handling the cisterns. It is a matter of assistance. If there's a lot of snow, it will take the Highway Department a long time to get to. We have 22 dry hydrants in Town. With the heavy snowfall this year, that took a lot of overtime. We have

specialized work that must be done to keep the equipment compliant. We now have trained one of our own firefighters to do that work. It is 50/50 straight time and overtime. It is still cheaper than going outside. Our maintenance apparatus fund is showing a savings but we are expending the money in the overtime fund. This helps our equipment last longer.

G. Kearney: Are the people that plow the cisterns and maintain the vehicles certified firefighters? Couldn't you have a non-union employee do this work?

J. Hyde: 150 hours at \$30/hr is \$4500. How many hours are put into maintenance?

D. Jore: Approximately 4 to 6 hours per week is spent on vehicle maintenance.

D. Jore: We use overtime to cover call backs and training coverage.

C. Soucie: The Fire Department has two (2) overtime lines. One is for the plowing of cisterns and vehicle maintenance and the other is to cover sick, vacation, and bereavement. They are allowed six (6) firefighters per shift. They estimate a \$99,000 savings in the contractually obligated line.

T. Keach: Why doesn't the Highway Department hire someone who can be certified to maintain fire vehicles and plow the cisterns?

V. Lembo: How much does a firefighter get paid? What is the rate of pay for the firefighter plowing the cisterns'?

D. Jore: Approximately \$21.00 per hour.

V. Lembo: What is the rate of pay for highway employees?

D. Hemeon: \$13.00 per hour or \$17.00 for overtime.

V. Lembo: Why don't we give the two (2) extra people to highway rather than fire so that they can do the job.

D. Hemeon: The Fire Department started plowing cisterns this year. The Chief said if he got a new pick up truck, he could start plowing the cisterns. We have trouble plowing the cisterns during the day. If we, the Highway Department, see that they are not plowed, we plow them. They are a priority to the Fire Department.

I added a couple thousand dollars to the Highway Department to upgrade someone to work on safety vehicles. There is plenty of work for these mechanics. If we hire someone new, we should look for someone who is multi certified.

V. Lembo: If someone rebuilds the pump, and then it goes out, what is the failure rate?

D. Jore: We have not had an experience with such failures. We have been fortunate that our firefighter mechanic has saved a lot of money by going through the warrantee route. He has saved the Town a great deal of money.

Article #4

Shall the Town raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amount set forth on the budget posted with this warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$15,786,795? Should this article be defeated, the default budget shall be \$15,325,417, which is the same as last year, with certain adjustments required by previous action of Town Meeting or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. Note: This Article does not include special warrant articles #3, 5 through #25. **RECOMMENDED BY THE BUDGET COMMITTEE (9-1)**

Article #5

To see if the Town will vote to raise and appropriate the sum of \$113,975 (One Hundred Thirteen Thousand Nine Hundred Seventy-Five Dollars) for salaries and benefits to be set aside in a merit wage pool for non union full-time and part-time Town personnel. (\$0.09 estimated tax rate increase) **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

<u>Fiscal Year</u>	<u>Salaries</u>	<u>Benefits</u>
2008-09	\$97,973	\$16,002

Article #6

To see if the Town will vote to raise and appropriate the sum of \$50,000 (Fifty Thousand Dollars) to be placed in the Assessing Certification Capital Reserve Fund already established. **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #7

To see if the Town will vote to discontinue the following capital reserve funds with said funds with accumulated interest to date of withdrawal, to be transferred to the Town's general fund. **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

- Architectural and Engineering Plans for Town Center Building (established in 2003) with a zero balance as of February 2008
- Fire Department Computer Development (established in 2004) with a zero balance as of February 2008
- Containment/Enclosure for Storage at Transfer Station (established in 2003) with a balance of \$1,391.72 as of February 2008.

Article #8

Shall the Town rescind \$16,000,000 of bonding authority that was authorized at town meeting in May 2006 and to comply with the results of the special election in October 2007 for the upgrades to the Town's infrastructure at Exit 11 Tax Increment Finance District. (3/5 ballot vote required) **RECOMMENDED BY TOWN COUNCIL (6-1), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #9

To see if the Town will vote to continue the numeric tally of all town council and the budget committee votes to recommend or not recommend an article be printed in the town warrant next to the affected article.

Article #10

To see if the Town will vote to establish a Recreation Revolving Fund pursuant to RSA 35:B:2 II. The money received from fees and charges for recreation park services and facilities shall be allowed to accumulate from year to year, and shall not be considered to be part of the Town's general fund unreserved fund balance. The Town Treasurer shall have custody of all monies in the fund, and shall pay out the same only upon order of the Town Administrator. These funds may be expended only for recreation purposes as stated in RSA 35-B, and no expenditures shall be made in such a way as to require the expenditure of other town funds that have not been appropriated for that purpose. **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #11

To see if the Town will vote to establish a revolving fund pursuant to RSA 31:95-h, for the purpose of Fire Special Details. 80% of all revenues received from Fire Special Details will be deposited into this fund, and the money in the fund shall be allowed to accumulate from year to year, and shall not be considered part of the Town's general fund unreserved fund balance; furthermore, to raise and appropriate \$1 (One Dollar) in order to pay for any details until such time as the outside payments are received. The Town Treasurer shall have custody of all monies in the fund, and shall pay out the same only upon order of the Town Administrator and no further approval is required by the legislative body to expend. Such funds may be expended only for the purpose for which the fund was created. **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #12

To see if the Town will vote to create a capital reserve fund under the provisions of RSA 35:1, to be known as the Fire Cistern Capital Reserve Fund, for the purpose of repairing and maintaining Town cisterns and to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) for this fund, and to name the Town Administrator as agent to expend. **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #13

To see if the Town will vote to raise and appropriate the sum of \$20,000 (Twenty Thousand Dollars) to be placed in the Fire Air Packs & Bottles Capital Reserve Fund already established. **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #14

To see if the Town will vote to raise and appropriate the sum of \$50,000 (Fifty Thousand Dollars) to be placed in the Town Building Maintenance Capital Reserve Fund already established. **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #15

To see if the Town will vote to raise and appropriate the sum of \$9,000 (Nine Thousand Dollars) to purchase a Scale Management Computer Program for the Transfer and Recycling Department, to replace an outdated system. Said funds to be withdrawn from the Solid Waste Disposal Special Revenue Fund, with no funds from current year taxation. **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #16

To see if the Town will vote to authorize the Council to enter into a five year lease/purchase agreement for \$151,000 for the purpose of leasing a plow-dump truck for the Highway Department, and to raise and appropriate the sum of \$30,205 (Thirty Thousand Two Hundred Five Dollars) for the first year's payment for that purpose. This lease agreement contains an escape clause. **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #17

To see if the Town will vote to raise and appropriate the sum of \$55,000 (Fifty-five Thousand Dollars) to purchase a Tractor/Loader/Backhoe for the Highway Department. **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #18

To see if the Town will vote to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) to be placed in the Town-Wide Computer Development Capital Reserve Fund already established. **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #19

To see if the Town will vote to raise and appropriate the sum of \$30,000 (Thirty Thousand Dollars) to be placed in the Emergency Radio Communication Development Capital Reserve Fund already established. **RECOMMENDED BY TOWN COUNCIL (7-0), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #20

To see if the Town will vote to establish a capital reserve fund under the provision of RSA 35:1 for the purpose of a Road Impact Fee Traffic Study and to raise and appropriate the sum of \$33,000 (Thirty-three Thousand Dollars) to be placed in this fund, and to name the Town Administrator as the agent to expend. **RECOMMENDED BY TOWN COUNCIL (6-1), RECOMMENDED BY THE BUDGET COMMITTEE (6-2)**

Article #21

To see if the Town will vote to raise and appropriate the sum of \$118,294 (One Hundred Eighteen Thousand Two Hundred Ninety-four Dollars) for the salaries, benefits and taxes for two full-time Truck Driver/Laborers. **RECOMMENDED BY TOWN COUNCIL (6-1), RECOMMENDED BY BUDGET COMMITTEE (8-0)**

<u>Fiscal Year</u>	<u>Salaries</u>	<u>Overtime</u>	<u>Taxes</u>	<u>Benefits</u>
2008-09	\$57,824	\$9,592	\$5,158	\$45,720

S. Oliver suggested adding the wording for highway and park and rec.

Article #22

To see if the Town will vote to establish a capital reserve fund under the provision of RSA 35:1 for the purpose of updating the Town of Hooksett's Master Plan and to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) to be placed in this fund, and to name the Town Administrator as the agent to expend. **RECOMMENDED BY TOWN COUNCIL (6-1), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #23

To see if the Town will vote to raise and appropriate the sum of \$10,400 (Ten Thousand Four Hundred Dollars) for a Part-time Assistant Building/Zoning Inspector. **RECOMMENDED BY TOWN COUNCIL (6-1), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #24

To see if the Town will vote to raise and appropriate the sum of \$129,548 (One Hundred Twenty-nine Thousand Five Hundred Forty-eight Dollars) for the salaries, benefits and taxes for two full-time Firefighters/EMT's for the Fire Department. If this article passes, the operating budget will be reduced \$99,672 in overtime for the Fire Department. **RECOMMENDED BY TOWN COUNCIL (6-1), NOT RECOMMENDED BY THE BUDGET COMMITTEE (2-6)**

<u>Fiscal Year</u>	<u>Salaries</u>	<u>Taxes</u>	<u>Benefits</u>
2008-09	\$73,022	\$1,059	\$55,467

J. Pieroni: The \$99,000 we had placed in the budget because this was the overtime if the article doesn't pass.

D. Jore: It is in the contract to maintain 6 firefighters on duty. The standard is 4 and we maintain 3.

J. Pieroni: The two (2) people in this article are not to plow snow but rather to offset the overtime for sick and vacation time. I also do not feel that firefighters should be plowing cisterns.

Article #25

To see if the Town will vote to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) to be placed in the Parks and Recreation Facilities Development Capital Reserve Fund already established. (\$0.01 estimated tax rate increase) **RECOMMENDED BY TOWN COUNCIL (4-3), RECOMMENDED BY THE BUDGET COMMITTEE (8-0)**

Article #26

Shall we adopt provisions of RSA 31:95-c to restrict 100% of revenue from the Town of Hooksett Comcast Franchise fees to expenditures for the purpose of establishing and operating Public Access (PEG) television service for Hooksett. Such revenues and expenditures shall be accounted for in a special revenue fund to be known as the "Town of Hooksett Public TV Access" fund separate from the general fund. Any surplus in said fund shall not be deemed part of the general fund accumulated surplus and shall be expended only after a vote of the legislative body to appropriate a specific amount from said fund for a specific purpose related to the purpose of the fund or source of revenue.
SUBMITTED BY PETITION

Petition Article for Public television

D. Pearl: I am here representing P. Farwell. We did a non-scientific survey. The results were distributed to the board.

We would look to spend \$35,000 for a fiber optic cable to bring the cable to the Village School.

T. Keach: At the last presentation, to this committee asked Mr. Farwell if the \$100,000 start up costs includes in addition the \$35,000 for the cable.

D. Pearl: It cost \$55,000 to set up a studio with cameras and microphones. The \$35,000 includes two modulators to make it work. This would only be a starting point. You would need mobile equipment if you were going to do sporting events. We are looking at a tech and a public relations person to work 20 hours per week each.

T. Keach: I also asked what percentage of Hooksett homes are cable wired?

D. Pearl: According to Comcast, 75% of Hooksett homes are Comcast customers. That could include phone, cable and internet. It is our goal to fund cable television solely with the franchise fees. After the initial start up cost, I don't think it will take the total

\$100,000 a year to maintain this station. At some point, we foresee reducing the fee to match what is actually needed.

T. Keach: The Article in Governing.com says there is fast competition between AT&T and Verizon. They are going to the State regulation cable. The State is looking to return those funds to the communities. That is something to consider.

D. Pearl: There is competition to provide electronic services. We have a contract with Comcast now. It is a valuable thing to build a nucleus for the Town and this can be funded without tax dollars. I feel the franchise fees are not tax dollars because the customers pay them. That money, however, will come out of the budget and will impact taxes.

D. Pearl: The Town Council has the power to determine the franchise fee funding.

C. Soucie: If the voters pass this article, we will receive less revenue to offset the taxes. It will increase the tax rate because the Operating Budget is a set number.

H. Murray: This is the fourth time this has come before the town and has been turned down every time. Councilor Belanger told me to watch Channel 16. I watched the Central game, which I had seen live weeks before. It then ran four (4) more times. This tells me Manchester is having trouble filling their time. I go to many meetings and see only a handful of people in attendance. I doubt that those people who chose not to attend the meetings will sit for that amount of time and watch it on TV. This is coming out of tax money because it is coming out of the General Fund. When they first came in, they said it would cost \$50,000. They said they would get a camera and a volunteer to go from meeting to meeting. The night they came to Council, there were five (5) people here and two (2) of the presenters didn't even stay for the entire meeting. I question whether this should even be considered again.

D. Pearl: I agree it is difficult to get volunteers. I as a new person time would have liked to view some meetings to prepare for the protocol of the meetings. It also may draw people into the process. It is difficult to get volunteers. That is why we want a part time person. This is a new age of media technology. I think Manchester re runs programs not because there is nothing else to show, but to provide programs at a variety of times.

H. Murray: Can you sell ads on this broadcast?

D. Pearl: No, but you can have sponsors? This venture will never make money.

J. Hyde: With ten (10) years as a technician, I have never had a service call for public access. That tells me there is no one watching. Also, be careful what you wish for. You will be opening up public TV for anyone who wants to post on it.

C. Soucie: This article came from the voters and because it is setting up a Capital Reserve Fund, the Council had to have a public hearing but no action is required by the Budget Committee.

D. Pearl: There are restrictions for public access and there are guidelines for FCC whether it is public or private.

J. Danforth: What are your labor costs?

D. Pearl: For the start up cost, you are borrowing against the franchise fee. The \$100,000 is based on \$20,000 quarterly payments. They will loan the cable company the money.

Close Public Hearing at 8:30 pm

**Article #3
Sewer Bond**

J. Pieroni motioned to recommend Article #3. Seconded by T. Keach

Roll Call

<i>J. Pieroni</i>	<i>Yes</i>	<i>D. Argo</i>	<i>Yes</i>
<i>J. Danforth</i>	<i>Yes</i>	<i>T. Keach</i>	<i>Yes</i>
<i>J. Hyde</i>	<i>Yes</i>	<i>S. Oliver</i>	<i>Yes</i>
<i>V. Lembo</i>	<i>No</i>	<i>M. Sorel</i>	<i>No</i>
<i>S. Doyon</i>	<i>No</i>	<i>G. Kearney</i>	<i>No</i>

Vote 6:4 Motion carries

**Article #4
Operating Budget**

J. Pieroni motioned to recommend Article #4. Seconded by T. Keach

Roll Call

<i>J. Pieroni</i>	<i>Yes</i>	<i>D. Argo</i>	<i>Yes</i>
<i>J. Danforth</i>	<i>Yes</i>	<i>T. Keach</i>	<i>Yes</i>
<i>J. Hyde</i>	<i>No</i>	<i>S. Oliver</i>	<i>Yes</i>
<i>V. Lembo</i>	<i>Yes</i>	<i>M. Sorel</i>	<i>Yes</i>
<i>S. Doyon</i>	<i>Yes</i>	<i>G. Kearney</i>	<i>Yes</i>

Vote 9:1 Motion carries

J. Hyde motioned to reconsider Article #24. Seconded by S. Oliver.

Roll Call

<i>J. Pieroni</i>	<i>Yes</i>	<i>D. Argo</i>	<i>Yes</i>
<i>J. Danforth</i>	<i>Yes</i>	<i>T. Keach</i>	<i>Yes</i>
<i>J. Hyde</i>	<i>No</i>	<i>S. Oliver</i>	<i>Yes</i>
<i>V. Lembo</i>	<i>No</i>	<i>M. Sorel</i>	<i>No</i>
<i>S. Doyon</i>	<i>No</i>	<i>G. Kearney</i>	<i>No</i>

5:5 Motion fails

G. Kearney motioned to approve all warrant articles with the exception of Article 21 for a total of \$16,576,670. Seconded V. Lembo.

Roll Call vote unanimously in favor

J. Pieroni motioned to recommend 129,548 Article #24. Seconded by J. Hyde.

Roll Call

J. Pieroni No D. Argo Yes

J. Danforth No T. Keach No

J. Hyde Yes S. Oliver Yes

V. Lembo No M. Sorel No

S. Doyon No G. Kearney No

3:7 Motion failed.

ADJOURNMENT

Chairman S. Oliver declared the meeting adjourned at 9:40 PM.

Respectfully submitted,

Lee Ann Moynihan