

**Unofficial**  
**As of 2/27/09**

**BUDGET COMMITTEE**  
**MEETING**  
**Hooksett Town Hall**  
**Thursday, February 26, 2009**  
**6:30 pm**

**CALL TO ORDER**

The meeting was called to order at 6:30 pm.

**ATTENDANCE**

J. Pieroni, J. Danforth, K. Hughes, M. Miville, D. Pearl, S. Doyon, JR Ouellette, S. Doyon, D. Argo, and N. Comai  
Staff: Christine Soucie, Finance Director and

**APPROVAL OF MINUTES**

January 31, 2009

***J. Danforth motioned to approve the minutes of January 31, 2009 as presented. Seconded by K. Hughes.***

***Vote unanimously in favor***

February 12, 2009

***J. Danforth motioned to approve the minutes of February 12 as presented. Seconded by S. Doyon.***

***Amended***

***Vote unanimously in favor***

February 19, 2009

***J. Danforth motioned to approve the minutes of February 19, 2009 as presented. Seconded by K. Hughes.***

***Vote unanimously in favor***

**BUSINESS**

Warrant Articles

Sewer Bond – Sewer Commission  
S. Baines, Sewer Commissioner  
Bruce Kudrick: Superintendent  
Alden Beauchemin

S. Baines: The Bond on the front page is \$9,460,000. After conversations with the State, they recommended breaking the request into two (2), one for \$6,224,375 to complete the second phase at the plant and \$3,236,675 for the composting. Knowing we won't get both, we dropped the composting.

We called our State Senator, Council Reps and Elected Officials to alert them. The State decided on a 50/50 match. You have to bond the whole thing and they will forgive half. We think the smaller communities and us will have difficulty passing this. I don't think that the State's decision was in the spirit of what the President envisioned.

B. Kudrick: This is unusual. The warrant article is correct except for a few small changes. We won't know how much money we will get until after April 15<sup>th</sup>. In January, the Sewer Commissioners met with DES and were looking at \$100 million that was coming to the State for infrastructure just for wastewater. At that time, we decided to go for 75/25, which was what was done in the 70's. They also said what jobs you have must be "shovel ready". Our plans are designed and we have gone out for bid and we have permits. This was written based on the recommendation of DES. We also had to be flexible because it bounced from the House to the Senate. The new information is we have \$36 million not \$65 million. The State takes a percentage. The State has added another \$36 million from the revolving loan program so they have \$72 million to work with. You have to place an application by the deadline (tomorrow). The State will look and decide who gets the money. The first to receive will be those towns under Administrative Order. The second will be those at 100% capacity for their treatment plant. The third will be "shovel ready" programs, which we are. There is more ranking involved. The Sewer Commission will not know until March 15 if they are on the list. There will then be a hearing on March 20<sup>th</sup> and a comment period from the March 20<sup>th</sup> to the 30th. Then they will give out the money. The Sewer Commission can't give a number until after the 13<sup>th</sup>. We have been in contact with State officials and they suggested breaking up the \$9 million into parts. The compost is not as high a priority as separating the solids and cleaning what goes in the river and we are shovel ready. If we look at the \$6 million, half must be repaid. We are looking at \$3,100,000, which would have to come back which is \$7.05 per month. This would be ratepayer dollars not tax dollars. Those not on the sewer would pay nothing. The average family that uses 90,000 gallons per year would pay an additional \$7.05 per month. The Commissioners are looking at a lot less than this to clean the river and build half of what we need. We don't know if we are awarded the \$6 million, can we accept only \$3 million. That would only cost \$2.60 per month for the ratepayers. We bill everything off of water usage. If you don't use a lot, it will not cost as much. The language of the article won't change at the deliberative session.

J. Pieroni: Check with DRA to see if you can change the 75% and 25% to 50/50 at the Deliberative Session.

S. Baines: We have had two (2) meetings at the State. The first two (2) were informative about the stimulus package. The meeting scheduled for next week, would have been more informative but they cancelled the meeting. That puts us on a bubble. Where we would get the final information would have been that meeting and that isn't going to happen.

J. Pieroni: If the warrant article says 75/25 and then it is 50/50, this might be null and void.

C. Granfield will check with DRA and the moderator.

S. Baines: Gretchen Richards told us it would be 50/50. Harry Stewart is in charge at the State.

J. Pieroni: The \$7.05 rate that you have is assuming you don't take in any development fees? That is worst case?

B. Kudrick: Yes, the Commission has the option, if we get new development to put it towards the bond.

A. Beauchemin, Economic Development committee: Distributed Potential Hooksett Projects and Updates.

This list is based on the Master Plan.

The next is what we are working on at Exit 11

The colored plan is an overall view of the 100 acres of potential development at Exit 11.

The last page is Exit 10.

J. Pieroni: Can any of these projects take place without the expansion of the Sewer infrastructure.

A. Beauchemin: No, they laid dry sewer line at exit 10 in anticipation of sewer. Wal-Mart is under construction and has an on site septic and they are looking to spend 3-4 million dollars to build their own wastewater treatment plant. That is now on hold in hopes that they will join in Hooksett to expand the sewer.

J. Pieroni: We have a number before us and we can recommend or not recommend what is before us. We will present that at the hearing. At the deliberative session, the number can be reduced. It changes the whole thing. Here there is 25% funding from the ratepayers and it will actually be 50% from the ratepayers. We may have an issue with increasing the total appropriation of 10% on this one item.

C. Soucie is going to check if the 10% rule is exclusive of bonds.

J. Pieroni: Could you change the 9 million to 6 million?

S. Baines: We have already submitted the 9 million to the State. Tomorrow we will submit the 6 million dollar request.

J. Pieroni: Did you get rid of the composting issue?

S. Baines: If they ok the 6 million and stuck at the 50/50 match, we will only take 3 million. We are not convinced they will stay at the 50/50 match.

J. Pieroni: Just put the 6 million and 50/50 which are known facts on the warrant. This is a more honest discussion to have at the deliberative session. The Council would have to meet prior to March 5<sup>th</sup> to make the changes to the warrant.

JR Ouellette: Can you include something in the warrant that says you will apply the first 3 million dollars of system development fees toward paying off the bond?

S. Baines: We can't tie the hands of the commission. If we have a major catastrophe, we need to know that we can rely on that money if needed.

J. Pieroni requested that C. Granfield request the Council reconvene and rewrite the warrant to 6 million and 50/50 funding.

***M. Miville motioned to table the recommendation until the Council meets. Seconded by J. Danforth.***

C. Granfield stated after speaking on the phone with the Council Chair, they will post and schedule a special meeting.

### **Union Contract**

J. Pieroni: There was a question regarding the second year's increase in wages for the union contract. It has been explained that the cost of the second year is to the total cost over the current cost.

The Budget Committee will vote to recommend/not recommend after they take testimony from the public at the Public Hearing on March 5.

### **Municipal Budget**

C. Soucie: With the changes in Community Development, Police, Fire, Park & Rec, Solid Waste, and Highway for fuel and the Library equity pay increase including the Sewer is \$15,878,857 which is below the default by \$58,000.

The Default Budget, including Sewer is \$15,937,590

The operating budget that you recommended is 1.87% over the current budget and is below the default the budget. This would be a challenge to the Council to manage this budget.

C. Soucie: When reviewing the budgets with the departments, the Parks Department brought up a 700 decrease that was not intentional. They missed budgeting for fuel for the lawn mowers. They asked this to be added but when the fuel numbers were being cut, it got missed. They asked this to be brought to your attention to be added. They asked for \$11,600, which didn't include the fuel for the mowers. The back up states, \$12,300. which includes the \$700 for the mowers.

***JR Ouellette motioned to increase the Park and Rec. budget by \$700. Seconded N. Comai.***

J. Pieroni: They are asking for almost double the default and three (3) times what was spent the previous year.

***Vote 0:9 motion fails***

M. Miville: What I've heard is that the public feels there should be deeper cuts. We've made recommendations and the message is anything non-contractual should be cut. There should be no non-contractual raises and no new positions, which include the librarian.

J. Pieroni: With regard to the warrant article, it is up to the voters. The budget is different. The warrant articles are specific. Our recommendation should reflect the need. If there is a need and we recommend, it is still up to the voters to decide. When you are adding to the budget, you are adding to the budget that is different.

JR Ouellette: I agree, voters should vote against articles if they are opposed.

The Budget Committee will meet on Thursday, March 12<sup>th</sup> at 6:30 PM at the Town Hall to vote on the warrant articles.

### **ADJOURNMENT**

The chairman adjourned the meeting at 8:45 PM.

Respectfully submitted,

Lee Ann Moynihan