

**Unofficial**

**BUDGET COMMITTEE  
Hooksett Town Hall  
35 Main Street  
Thursday, March 3, 2011  
Public Hearing**

**CALL TO ORDER**

M. Miville called to order at 7:04 pm

**ATTENDANCE**

Chair M. Miville, J. Hyde, T. Lizotte, JR Ouellette, D. Pearl, K. Hughes, D. Sorel, N. Comai, and V. Lembo Council Rep

T. Keach arrived at 7:18 pm

D. Argo excused – arrived at 8:45 pm.

**APPROVAL of MINUTES**

*JR Ouellette motioned to approve the minutes of February 24, 2011 as presented.*

*Seconded by T. Lizotte*

*Vote unanimously in favor*

**PUBLIC HEARING**

**Open Public Hearing at 7:06 pm**

C. Granfield stated that they have been monitoring the fuel issue with regard to rising cost and there is a concern with the coming year that the cost will be beyond what is budgeted. This was presented to inquire whether the Budget Committee would consider addressing that concern.

M. Miville asked if the Administrator had a proposal for a figure to be added.

C. Granfield stated that perhaps money could be added to the contingency fund, which currently has \$5000.

M. Miville stated that the Administrator sent a memo regarding the savings in telephone services, which were separated by Departments. These savings could be left in the Administration budget to cover unanticipated fuel costs.

J. Hyde stated that if we leave that money in Administration it would be easier to cover the increase in fuel costs.

J. McHugh: Does the gas for the increase include the Police Department? We have a lean budget for the PD. Does the contingency reflect the police department's needs?

C. Granfield: The amount of savings in the telephone includes police so that would reflect on the police needs as well. The savings is \$1400 for police.

#### Safety Center Repairs and Renovation

J. Doherty from HL Turner Group: Our building science group is in NH and they do forensic research and find why buildings fail. We are known throughout the country. We've been building for many years.

Issues with exiting building:

- Existing Metal Roof – dripping onto lower roof with flashing below which is failing.
- Step flashing is failing as well
- Moisture is an issue penetrating through the walls. Inside, in the bay, tower and stair area, the moisture is moving through the area and pulling paint off.
- Snow is resulting in water building up and ceiling failing.
- Insulation failing
- Structural framing in the roof
- Temperature issues due to air leakage.
- Wall and roof insulations issues
- Looked at thermal imaging to view problems – see the cold moving around the metal studs and outlets inside. Outside the building, see the windows failing with water behind the brick.

Best Solution is to work from outside of the building to the inside. This will allow the building to continue to operate while repairs are being done.

- Peel skin of building and get to the frame.
- Insure there is no mold – have not found any yet
- From the frame, build an air seal (tent) and encapsulate
- Add insulation to outside and add rain screen
- A brick band will wrap around the building and a cement siding above
- Windows will be replaced
- The roof will be replaced with (metal roof – holds the snow and it moves down and hits canopies) an asphalt shingle roof and the snow will melt naturally off the face of the building. This is contrary to large amounts of snow falling to lower levels.
- Apparatus bay will also get siding. Add single white block as well as the tower.
- The roof lines will be reconfigured as well.

#### Budget

Harvey Construction: We are responsible for assisting HR Turner by putting a cost to this project. In January we were asked if there is a cost increase. We said we would hold the line on the cost. Going forward however, the way the market is going, we cannot guarantee the cost would remain stable.

The guaranteed maximum price is \$1,524,000. The original construction was design build and this will be construction management which is a fixed fee and it is all open book. For every dollar below projected, the money goes into the Town's pocket.

This is a 7 month project and done in good weather. This is done with all departments working a normal schedule.

J. McHugh asked if this will go through Planning Board review. There is a policy that all buildings go through a formal review.

C. Granfield: This is a repair so it would not need Planning Board approval.

J. Hyde asked what the contractor will do with the steel removed from the building.

All material will be recycling through the Town's transfer station.

D. Pearl stated that he has done construction videography and offered his services if needed.

J. Hyde: What warrantee are you providing?

Contractor: One year warranted.

M. Miville read the Warrant Articles into the record

**Article A**

To see if the Town will vote to raise and appropriate the sum of \$1,538,000 for the reconstructive renovations of the Safety Center, and to authorize the issuance of not more than \$1,538,000 of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorized the Town Council to issue and negotiate such bonds or notes and to determine the rate of interest thereon; furthermore, to raise and appropriate the sum of \$56,000 for the purposes of paying the first year's bond issuance costs and interest payments on the bond. (3/5 ballot vote required) RECOMMENDED BY TOWN COUNCIL (8-1),

*Note: Estimated tax increase is \$.034 for the first year*

*15 year bond with principal payments of \$101,600 plus interest of \$80,000 (estimated tax impact is \$0.11 each year)*

*Bond hearing per Charter 5.4.c scheduled on March 9, 2011.*

**Article B**

*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 \$15,784,789? Should this article be defeated, the default budget shall be \$16,039,629, 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.*

- Town Council recommend the Municipal Operating Budget for Fiscal Year 2011-2012 including Sewer for \$15,820,217. This includes a ½% increase for non-union employees (excluding Police non-union, which receives step increase)
- The default budget is \$16,039,629.
- Estimated Revenues are \$6,230,331.
- The Budget Committee has recommend \$15,784,789. Areas that the Budget Committee altered the Council's recommend budget are as follows:
  - Administration – Reduced Workers Compensation and Volunteers Appreciation Night
  - Assessing – Reduced Training and Dues
  - Building – Reduced Printing
  - Fire-Rescue – Increased Hazmat Dues
  - Library – Increased Health Insurance
  - Police – Changes in Wages and Benefits

**Article E**

To see if the Town will vote to raise and appropriate the sum of \$16,500 (Sixteen Thousand Five Hundred Dollars) to be placed in the Town Wide Computer Development Capital Reserve Fund already established. RECOMMENDED BY TOWN COUNCIL (8-1),

*Note: Estimated tax increase is \$.010*

*Balance held by the Trustees as of November 30, 2010 for this fund is \$0.00*

**Article F**

To see if the Town will vote to raise and appropriate the sum of \$62,000 (Sixty-two Thousand Dollars) to be placed in the Revaluation Capital Reserve Fund already established. RECOMMENDED BY TOWN COUNCIL (7-2),

*Note: Estimated tax increase is \$.038*

*Balance held by the Trustees as of November 30, 2010 for this fund is \$43,314.01*

**Article G**

To see if the Town will vote to raise and appropriate the sum of \$6,250 (Six Thousand Two Hundred Fifty Dollars) to be placed in the Town of Hooksett's Master Plan Capital Reserve Fund already established. RECOMMENDED BY TOWN COUNCIL (9-0),

*Note: Estimated tax increase is \$.004*

*Balance held by the Trustees as of November 30, 2010 for this fund is \$10,128.29*

**Article H**

To see if the Town will vote to raise and appropriate the sum of \$12,250 (Twelve Thousand Two Hundred Fifty Dollars) to be placed in the Road Impact Fee Traffic Study Capital Reserve Fund already established. RECOMMENDED BY TOWN COUNCIL (5-4),

*Note: Estimated tax increase is \$.008*

*Balance held by the Trustees as of November 30, 2010 for this fund is \$37,535.52*

### **Article J**

To see if the Town will vote to authorize the Town Council to enter into a seven year lease agreement for \$375,000 the purpose of leasing a tanker for the Fire-Rescue Department, and to raise and appropriate the sum of \$62,550 (Sixty-two Thousand Five Hundred Fifty Dollars) for the first year's payment for that purpose. This lease agreement contains an escape clause. RECOMMENDED BY TOWN COUNCIL (8-1),  
*Note: Estimated tax increase is \$.038*

J. McHugh asked what the escape clause is.

C. Soucie: If the funds are not appropriated, we can return the vehicle and get out of the lease with no penalty.

J. McHugh: At the end of the lease do we own it?

C. Soucie: Yes, after 7 years.

J. McHugh: What is the difference in cost between the lease and purchase?

M. Miville: 4.5% for 7 year at \$62,500 for the seven years. \$437,850

### **Article L**

To see if the Town will vote to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) to be placed in the Air Pack and Bottles Capital Reserve Fund already established. RECOMMENDED BY TOWN COUNCIL (9-0),  
*Note: Estimated tax increase is \$.006*

*Balance held by the Trustees as of November 30, 2010 for this fund is \$91,179.88*

### **Article M**

To see if the Town will vote to establish a capital reserve fund under the provision of RSA 35:1 for the purpose of purchasing Plow Dump Trucks for Public Works and to raise and appropriate the sum of \$37,500 (Thirty-seven Thousand Five Hundred Dollars) to be placed in this fund, and to name the Town Administrator as the agent to expend. RECOMMENDED BY TOWN COUNCIL (9-0),  
*Note: Estimated tax increase is \$.023*

D. Hemeon: When we first presented this to CIP we were on a two (2) year plan. We are now on a four (4) year plan. Is it now at the mercy of the Budget Committee every year and could it be zeroed out any subsequent year? The Council may not want to put it on the ballot each year.

### **Article N**

To see if the Town will vote to establish a capital reserve fund under the provision of RSA 35:1 for the purpose of purchasing 1-Ton Dump Trucks for Public Works and to

raise and appropriate the sum of \$12,500 (Twelve Thousand Five Hundred Dollars) to be placed in this fund, and to name the Town Administrator as the agent to expend.

RECOMMENDED BY TOWN COUNCIL (8-0),

*Note: Estimated tax increase is \$.008*

#### **Article O**

To see if the Town will vote to establish a capital reserve fund under the provision of RSA 35:1 for the purpose of purchasing Backhoes and Loaders for Public Works and to raise and appropriate the sum of \$37,500 (Thirty-seven Thousand Five Hundred Dollars) to be placed in this fund, and to name the Town Administrator as the agent to expend.

RECOMMENDED BY TOWN COUNCIL (8-0),

*Note: Estimated tax increase is \$.023*

#### **Article P**

To see if the Town will vote to raise and appropriate the sum of \$5,000 (Five Thousand Dollars) to be placed in the Parks and Recreation Facilities Development Capital Reserve Fund already established. RECOMMENDED BY TOWN COUNCIL (7-2),

*Note: Estimated tax increase is \$.003*

*Balance held by the Trustees as of November 30, 2010 for this fund is \$41,063.71*

K. Northrup: Since Park and Rec has impact fees, why do they need more funds.

D. Hemeon: Impact fees can only be spent on new construction and growth. This money is for maintaining parks.

#### **Article Q**

To see if the Town will vote to raise and appropriate the sum of \$25,000 (Twenty-five Thousand Dollars) to be placed in the Town Building Maintenance Capital Reserve Fund already established. RECOMMENDED BY TOWN COUNCIL (6-2),

*Note: Estimated tax increase is \$.015*

*Balance held by the Trustees as of November 30, 2010 for this fund is \$151,930.33*

#### **Article R**

To see if the Town will vote to establish a capital reserve fund under the provision of RSA 35:1 for the purpose of purchasing Pickup Trucks for Public Works and to raise and appropriate the sum of \$7,500 (Seven Thousand Five Hundred Dollars) to be placed in this fund, and to name the Town Administrator as the agent to expend.

RECOMMENDED BY TOWN COUNCIL (5-4),

*Note: Estimated tax increase is \$.005*

#### **Article S**

To see if the Town will raise and appropriate the sum of \$920,000 to purchasing equipment for an automated trash collections/curbside recycling program; of this amount \$700,000 (Seven Hundred Thousand Dollars) is to be withdrawn from the Solid Waste

Disposal Fund and \$220,000 (Two Hundred Twenty Thousand Dollars) to be raised from general taxation. RECOMMENDED BY TOWN COUNCIL (7-2),

*Note: Estimated tax increase is \$.135, this is a one-time request to start the project.*

*Balance held by the Treasurer as of November 30, 2010 for this fund is \$730,224.80*

J. Pinard: I recycle and since Diane has gone to single stream, I only have one barrel. Before you vote, think of the convenience to residents and the reduction in trash.

David Pearl: If this goes through, will residents buying the bins?

Diane Boyce: The barrels are included in the cost.

K. Hughes: What is the tax impact on Article B.?

C. Soucie: We are estimating the impact to be \$5.87/1000. Last year it was \$6.05.

Lee Ann Moynihan: Is the revenue raised from plowing the school reflected in the projected revenues?

C. Soucie: Currently those revenues are not in the revenue and will be presented as a capital reserve fund to be used for highway maintenance vehicles.

C. Granfield: The warrantee for the Safety Center is normally one year but they did agree to a two year warrantee.

J. McHugh: Do you know the assessed valuation for the town.

C. Soucie: 2010 tax \$1,625,229,734

### **Close Public Hearing at 8:03 pm**

#### **NEW BUSINESS**

#### **Reconsideration of any Budget Items**

V. Lembo asked if the Committee could reconsider Volunteer Appreciation night.

J. Hyde pointed out in light of the fuel issue; if we do not remove the money in the telephone savings the \$5200 will buy about 1200 extra gallons.

D. Hemeon: I estimate we will need another \$11,000 so the \$5000 will do me no good.

J. McHugh: In developing the budget, we based the fuel on projected cost before the increase in fuel. The greater part of the police function is done in the vehicles.

D. Pearl: I would be in favor of increasing the contingency fund rather than leaving the telephone savings which if not needed for fuel may be used for other items. The contingency is there to use if we need it and be returned if not needed.

***D. Pearl motioned to reconsider the bottom line of the Town Budget. Seconded by T. Lizotte.***

***Vote unanimously in favor***

***D. Pearl motioned to increase the contingency fund \$10,000. Seconded by T. Lizotte.***

V. Lembo asked how much D. Boyce feels she will need for the increased cost of fuel.

D. Boyce: I think we need \$20,000 in the contingency. I will need a minimum of \$5000.

C. Granfield: You also need to consider police and fire.

D. Pearl: Would the new recycle trucks come in place this budget cycle?

D. Boyce: It won't come into play that quickly. The staff needs to be trained so I won't be implemented the automated system until April 2012 the earliest.

J. McHugh: 261,691 miles last year for police.

J. Hyde: 10/miles per gallon x 3.50/gal is \$91,000 and the budget is at \$59,000 for police.

T. Lizotte stated that if there is a 25% increase in fuel cost, the police will need \$14,000 more for fuel costs.

T. Lizotte: I don't know what the historical data is for the last time we had a fuel increase but we will be cutting other items if we are hit that hard with costs. It is an impact based on the economy and the departments will have to make adjustments in services. I would be more receptive to putting \$10,000 in the contingency and have the departments manage the cost.

***Vote 8:2 motion passes***

***D. Pearl motioned to approve the budget for \$15,794,789. Seconded by K. Hughes***

***Vote 8:2 motion passes***

## **Recommendation of Warrant Articles**

### **Article A**

***N. Comai motioned to recommend Article A as written. Seconded by T. Lizotte***

***Vote 10:0 motion passes***

### **Article B**



***JR Ouellette motioned to recommend Article B. Seconded by T. Lizotte  
Vote 8:2 motion passes***

**Article E**

***N. Comai motioned to recommend Article E. Seconded by T. Lizotte  
Vote 9:1 motion passes***

**Article F**

***V. Lembo motioned to recommend Article F. Seconded by K. Hughes  
Vote 9:1 motion passes***

**Article G**

***K. Hughes motioned to recommend Article G. Seconded by T. Lizotte.  
Vote 9:1 motion passes***

**Article H**

***N. Comai motioned to recommend Article H. Seconded by T. Lizotte***

M. Miville: The Town Council voted to recommend this Article by a vote of 5-4.  
J. Duffy stated this is the third year of a 3 year plan and is needed in order to be able to use the impact fees for the study. We need to spend money to use the impact fees. The Council's vote was close because they were concerned about the tax rate.

C. Soucie: The original study cost was \$100,000.

C. Granfield: The study was done in phases and we have done phase I and we have started phase II.

***J. Hyde motioned to move the question. T. Lizotte seconded.  
Vote 9:1:1 motion passes***

**Vote Article H**

**Vote 9:1:1 motion passes**

**Article J**

***T. Lizotte motioned to recommend Article J. Seconded by JR Ouellette.***

D. Pearl stated this is an example of where the CIP process is failing. We now have to lease at a higher costs.

M. Miville: The Chief thought this was an immediate need and should be paid for over 7 years.

***Vote 9:2 motion passes***

**Article L**

***JR Ouellette motioned to recommend Article L. Seconded by T. Lizotte***

*Vote 8:3 motion passes*

**Article M**

*T. Lizotte motioned to recommend Article M. Seconded by V. Lembo.*

*Vote 8:3 motion passes*

**Article N**

*T. Lizotte motioned to recommend Article N. Seconded by V. Lembo*

*Vote 7:4 motion passes*

**Article O**

*V. Lembo motioned to recommend Article O. Seconded by T. Lizotte*

*Vote 9:2 motion passes*

**Article P**

*K. Hughes motioned to recommend Article P. Seconded by T. Lizotte*

*Vote 5:6 motion fails*

**Article Q - \$25,000**

*T. Lizotte motioned to recommend Article Q. Seconded by V. Lembo.*

*Vote 7:4 motion passes*

**Article R**

*K. Hughes motioned to recommend Article R. Seconded by V. Lembo.*

*Vote 4:7 motion fails*

**Article S**

*T. Lizotte motioned to recommend Article S. Seconded by JR Ouellette*

M. Miville stated that he has struggled with this question and now looking at it dollar wise, and is now in favor of it.

D. Pearl: This will pay for the trucks and the barrels.

M. Miville: This should result in an overall savings in tipping fees.

*Vote 11:0 motion passes*

**ADJOURNMENT**

*K. Hughes motioned to adjourn. Seconded by V. Lembo.*

*Vote unanimously in favor.*

Respectfully submitted,

Lee Ann Moynihan