

**TOWN COUNCIL MEETING**  
**December 22, 2008**

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2 The Town Council/Budget Workshop meeting was held in the Moose Hill Council Chambers,  
3 Town Hall, 268B Mammoth Road, Londonderry.

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5 **PRESENT: Town Council: Chairman Marty Bove; Vice-Chairman Brian Farmer; Kathy**  
6 **Wagner, Paul DiMarco, Mike Brown; Town Manager, Dave Caron; ATM/Finance Dir.,**  
7 **Sue Hickey and Cathy Dirsra, Planning Division Secretary.**

8  
9 **Budget Members – Tom Dolan; Jay Hooley; Mark Oswald; Tom Freda and Joe Green**

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11 **CALL TO ORDER – PUBLIC SESSION**

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13 **Chairman Bove opened the meeting at 7:10 PM with the Pledge of Allegiance. This was**  
14 **followed by a moment of silence for the men and women fighting for our country.**

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16 Chairman Bove said Old Business (item B) Town School District Consolidation Update is being  
17 postponed to January 19.

18  
19 **PUBLIC COMMENT**

20  
21 Chairman Bove announced that the Red Cross would be giving an update on the power  
22 restoration. There will be a meeting on January 10 to discuss response time, etc. in regards to the  
23 ice storm. Chief MacCaffrie spoke on behalf of Mike Fawcett (American Red Cross). Chief  
24 MacCaffrie said the shelter will be closed December 23. He said anyone seeking shelter after that  
25 date should contact the Red Cross or the Fire Department. Chief MacCaffrie gave an estimate  
26 that there is about 250 customers without power.

27  
28 **Interviews of Re-Appointments and New Applicants for Land Boards –**

29  
30 Chairman Bove explained that some of the volunteers on land use boards were not appointed by  
31 the sitting board and these scheduled interviews gave the Councilors the opportunity to know  
32 them. Councilor DiMarco proceeded to thank all the interviewed volunteers listed below:

33  
34 Paul Nickerson – Re-Appointment as a Full Member on the Conservation Commission, term to  
35 end 12/31/11.

36 Mike Considine – Re-Appointment as a Full Member on the Conservation Commission, term to  
37 end 12/31/09.

38 Greg Warner – Re-Appointment as an Alternate Member to the Planning Board, term to end  
39 12/31/11.

40 Art Rugg – Re-Appointment as a Full Member to the Planning Board, term to end 12/31/09.

41 Sue Joudrey – Re-Appointment as a Full Member to the Heritage Commission, term to end  
42 12/31/09.

43 John Dahlfred – Re-Appointment as Full Member to the Heritage Commission, term to end  
44 12/31/10.

45 Laura McIntyre – New Appointment as Alternate Member to the Heritage Commission, term to  
46 end 12/31/10.

47 Ben Labrecque – New Appointment as a Full Member to the Conservation Commission, term to  
48 end 12/10, or New Appointment as an Alternate Member to the ZBA, term to end 12/09 or New  
49 Appointment to the Planning Board that has no openings.

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51 Chairman Bove said that appointments will be announced at the January 5 meeting.

52  
53 Questions asked by the Councilors were if they are alternates would they like full member  
54 positions; do the new applicants (2) have any interest in other boards; what were their views,  
55 priorities and areas of interest; what did the volunteers bring to the board they volunteered on;  
56 how many years were served on their board; and interest of stewardship of land.

57  
58 Meg Seymour announced that town elections are coming up and January 21 – 30 is the filing  
59 period for elected positions (all are 3 year terms). Open positions are: one position for Town  
60 Council, two positions for the Budget Committee, two positions for the Leach Library, one  
61 position for the Trustees of the Trust Fund.

62  
63 **OLD BUSINESS**

64  
65 Ordinance #2008-14 – Relative to the Adoption of a Fee Structure for Secondhand Dealers and  
66 Pawnbrokers Licenses. Councilor Brown read the Ordinance, with the public hearing scheduled  
67 for January 5, **made a motion to accept, seconded by Councilor DiMarco. Council’s vote 4-0-**  
68 **1 (B. Farmer abstained).**

69  
70 Resolution #2008-23 – relative to the extension of the Cable Television Franchise Agreement.  
71 Councilor Brown read the Resolution, second reading waived, **made a motion to adopt,**  
72 **seconded by Councilor DiMarco. Council’s vote 5-0-0.**

73  
74 **FY10 Budget Review and Preliminary Recommendations**

75  
76 CART Executive Director Lee Maloney summarized the operations of CART (Cooperative  
77 Alliance for Regional Transportation), which is a shared ride system for anyone in the service  
78 region (Londonderry, Derry, Chester, Danville, Hampstead, Sandown, Windham, Salem). She  
79 said the current fare is \$2.00 per trip, one way, but they will be revising the fare structure. Some  
80 Medicaid members ride free.

81 Bob Ramsey, Traffic Safety Committee chairman, said that CART transported people to the  
82 shelters during the recent ice storm. Al Baldasaro, elder senior center, said they have quite a few  
83 people using CART. He is concerned about revising the fare structure. [www.cart-rides.org](http://www.cart-rides.org)

84  
85 Councilor Brown asked if the Council should consider moving the \$26,500 CART appropriation  
86 from the operating budget onto a separate warrant article. Councilor Farmer feels this shouldn’t  
87 go back to a warrant article for the town meeting. Chairman Bove and Councilor DiMarco are in  
88 agreement with Councilor Farmer and want to leave it in the operating budget.

89  
90 Councilor Brown said we have received some suggestions from the Town Manager as to what  
91 options are available for the budget. He feels that we should be as conservative as possible and  
92 that we should increase the tax rate by no more than 1%. Councilor Farmer summarized the  
93 change in distribution suggested by the Town Manager regarding the land use tax funds collected  
94 when property is taken out of Current Use. This could result in \$101,000 being used to offset the  
95 budget but the change in distribution would need to be approved at Town Meeting and cannot be

96 changed by the Council themselves. Mike Speltz, a member of the Conservation Commission,  
97 feels that redirecting our land use change tax would be ill advised because it would be spending  
98 capital funds designed to make permanent investments, i.e. open space, and instead using them  
99 for current ongoing operating costs. It would be covering a shortfall in labor costs with money  
100 designed what he feels is the Town's most important investment account. Conservation Chair  
101 Deb Lievens voiced the same concern that the land use change tax should continue to fund the  
102 Open Space Program. She noted that when the Town voted to use those funds for conservation  
103 purposes in 1997, it was a commitment that was made after much discussion and deliberation.  
104 Chairman Bove acknowledged that even before this recent economic crisis, bonds for open space  
105 have not been passed by the voters in the last couple of years because the majority was in favor  
106 of "taking a break from open space." Redirecting the land use change monies would therefore  
107 leave the Conservation Commission with no other means of funding open space. Councilor  
108 Farmer agreed, stating that the decision to forgo open space bonds in recent years was based on  
109 advice from the CIP Committee, combined with information from the Planning Department, but  
110 that taking these funds from the Conservation Commission would leave them to rely on a small  
111 line item budget which will not see an increase. Chairman Bove asked the Town Manager if  
112 legal action could be brought against the Town for reallocating funds originally used for one  
113 purpose and then suddenly used for another. Dave Caron replied that State law mandates that  
114 that the land use change funds are put into a Town's general fund unless the voters approve  
115 restricting those funds for operating purposes. M. Speltz noted that most towns in New  
116 Hampshire use the land use change tax funds for conservation purposes, which was what the  
117 Legislature intended when they created the RSA. Councilor Farmer added that while he is not in  
118 favor of making any immediate decisions regarding such a reallocation, it is still a subject worth  
119 investigating and revisiting. Chairman Bove noted that since it is unknown whether such a  
120 change in policy would pass at this year's Town meeting or even how the warrant article would  
121 be written by the Council, it is not an idea that can be relied upon for this budget. Councilor  
122 DiMarco asked the Town Manager how he arrived at the \$101,000 figure. Dave Caron replied  
123 that the annual average of income from the land use change tax is approximately \$215,000 and  
124 that \$101,000 is the amount that is currently billable. Because the amount can fluctuate greatly  
125 from year to year and in view of the poor economy, Councilor DiMarco advised that relying on  
126 such funds would not be a prudent long term plan. He added that the amount of land available  
127 for conservation will probably run out in the next 15-20 years, so funding of the Open Space  
128 Plan is still important to the Town. Mark Oswald, 11 Verdi Lane, stated he considered the  
129 reallocation of said funds to be merely a stop gap solution and asked where the funds would  
130 come from next year. Londonderry, he said, has made great efforts to create and adhere to long  
131 range fiscal objectives along with the Master Plan and the Open Space program. Trying to  
132 simply make the budget "look good" threatens to take the Town off the track of long term fiscal  
133 planning that it has worked very hard to achieve.

134  
135 Councilor Wagner asked what the total amount needed to reach the 1% tax rate increase budget  
136 would be if this \$101,000 were not considered. Dave Caron replied that \$224,000 would need to  
137 be cut to reach the goal, however, by making the restrictions the Council has placed on what to  
138 consider for adjustments, roughly 65% of the budget cannot be considered. He also stated that  
139 February 3, 2009 is the deadline for petition warrant articles and the Council will have a final  
140 budget public hearing on Feb 5<sup>th</sup>. Since a consensus could not be reached at this meeting,  
141 Chairman Bove stated that one more workshop will take place at the January 5<sup>th</sup> meeting. The  
142 Town Manager noted that in that event, two separate public hearings for the operating budget  
143 and proposed bonds will have to take place at the January 19<sup>th</sup> meeting, therefore any and all  
144 decisions will need to be made at the January 5<sup>th</sup> workshop. Following more discussion, Chair

145 Chairman Bove called for a consensus as to whether the change in distribution of land use  
146 change tax funds should be considered for this budget. The consensus was to remove it from the  
147 table.

148  
149 Councilor Farmer asked for suggestions from the Budget Committee. Chairman Jay Hooley  
150 referenced the Town Manager's letter of proposed reductions for the budget, including his initial  
151 proposal, the default budget minus 1% and the default budget minus 2%. The Budget  
152 Committee recommends approval of the estimated \$25,000 reduction in the General Government  
153 line item for gasoline. Tom Dolan, Budget Committee, noted that even more may be saved if the  
154 Council wishes to consider the recent decrease in gas prices since this estimate is based on gas  
155 being \$3 per gallon and diesel costing \$3.50 per gallon. Jay Hooley stated that overtime fund  
156 reductions are still being considered by the Budget Committee. They do not recommend,  
157 however, eliminating the Cable Franchise fee. Tom Dolan, Budget Committee, explained that  
158 that fee is paid by cable subscribers, meaning if the fee is eliminated, all taxpayers, whether they  
159 subscribe to cable or not, will be responsible for the \$270,000 needed to fund the Cable Access  
160 Center annually. Jay Hooley continued on with regard to Capital Reserve funding which met  
161 with some approval, but overall, the Budget Committee did not feel it was wise to tap into  
162 undesignated fund balances in search of temporary tax relief. Tom Freda, Budget Committee,  
163 agreed that it would be an inappropriate use of such funds which are intended to be used for  
164 unexpended contingencies. Tom Dolan added it would be a dangerous precedent to set. With  
165 regard to the overlay account, if it can be funded at a lower level without any negative impact,  
166 the Budget Committee would be in favor of that suggestion. Looking at the elimination of the  
167 part time Town Clerk/Tax Collector position and the Police SRO, the consensus of the Budget  
168 Committee was that a reduction in either position was not appropriate. Likewise, they did not  
169 support the reduction of either two firefighters or a highway employee.

170  
171 Jay Hooley asked the Library Director, Barbara Ostertag-Holtkamp, if she could answer the  
172 question previously raised as to whether fees charged for overdue books are limited by State  
173 RSA. She replied that the RSA does not limit what amount is charged for late fees but that in  
174 comparing with other towns, Londonderry seems to be very competitive and in fact charges more  
175 for certain fees such as lost library cards and non-resident cards. Increasing any of the fees  
176 would be a policy question and is therefore not under her control. Another question had been  
177 raised regarding revenue from the new cell tower on Nelson Road and whether it would be part  
178 of the general fund or designated for a specific purpose. Councilor Farmer noted that the first  
179 year's revenue will be used for the placement of the Fire Department's equipment on the tower  
180 itself. Once that is paid, the Town Council will have to draw up specific language for a warrant  
181 article at Town Meeting if they opt to direct those funds to a special revenue account for a  
182 specific purpose. Some examples include offsetting costs like the maintenance and use of Town  
183 Common (e.g. Old Home Days, Concerts on the Common) and stewardship of the Town Forest.  
184 The Budget Committee, however, recommends the Town hold off on assigning putting those  
185 funds towards anything specific.

186  
187 Councilor Brown stated he felt the Budget Committee was moving in the opposite direction than  
188 what the Council wants to move in, i.e. the Council would like to take the \$663,000 reduction  
189 proposed by the Town Manager and make further cuts beyond that, yet the Budget Committee is  
190 only advocating \$442,000 of the Town Manager's total. Tom Dolan replied that the Budget  
191 Committee is indeed moving in the same direction as the Council, just not to the same extent.  
192 Council Farmer summarized that to achieve the Council's objective of default minus 1%, the  
193 Town Manager is stating another \$224,000 would have to be cut beyond the \$101,000 discussed

194 above regarding the land use change tax. Therefore, if the Budget Committee is \$221,000 short  
195 of the \$663,000 goal, the Council would now be looking for an additional \$440,000 to cut from  
196 the budget. Tom Dolan noted that while the Council is trying to reach the minus 1% target, they  
197 are simultaneously restricting the Town Manager as to what he can cut. He suggested that the  
198 Council simply leave their goal with the Town Manager and allow him to coordinate with the  
199 Department Heads since they are the “paid experts” who know best about day to day operations  
200 and future needs. Councilor Farmer replied that the Council has already done so and despite  
201 several options provided, the Council is still undecided. Chairman Bove noted that the Town  
202 Manager has achieved all the objectives the Council has brought before him over the years and  
203 has been creative when restricted as to what areas he can recommend cutting. Staff reductions  
204 have already taken place in prior budgets while maintaining services for residents. He thanked  
205 the Budget Committee for their input but reiterated that the Council still does not agree with all  
206 of it. Councilor DiMarco added that he will be providing the Town Manager with his own input  
207 and ideas prior to the January 5<sup>th</sup> meeting.  
208

209 **NEW BUSINESS**

210  
211 **Resolution 2008-24 – Relative to the tax assessment agreement with Tenneco, Inc.**

212 Councilor Brown read the first reading, second reading waived. He made a motion to adopt  
213 which was seconded by Councilor DiMarco. **Council’s vote 5-0-0.**  
214

215 **Collective bargaining agreement with ASCFME Local 1801.**

216 Town Manager Dave Caron outlined to the specifics of the agreement ratified by the membership of Local 1801, including  
217 moderated wage increases over the three year contract, a new step increase plan for new  
218 employees, a reduction of the insurance buyback for family plan members and a new sick accrual  
219 maximum of 60 days for new employees as opposed to the current 100 day maximum. The  
220 fiscal year cost for FY2010 is \$48,000 which is approximately 1.3 cents on the tax rate. He  
221 noted that these agreements were all in line with the Town Council’s directive and that the  
222 contract is subject to pending legislation at the State level that would relieve individual towns  
223 from last year’s law making towns bear the cost of retirement expenses calculated over 125% of  
224 employee’s overtime pay. If the vote does not pass at the State level to correct that law, the  
225 entire agreement will be void. Chairman Bove and P. DiMarco both thanked ASCFME for their  
226 efforts in working with the Town in view of the difficult economic times and Councilor Brown  
227 acknowledged that significant movement was made on the part of this unit to work with the  
228 Town. **Councilor Wagner made motion to support the collective bargaining agreement for  
229 Local 1801. Councilor Farmer seconded the motion, Council’s vote 5-0-0.**  
230

231 **Order 2008-20 – Relative to the Expenditure of Maintenance Trust Funds for Various  
232 Projects.** Councilor Farmer read the first reading to expend \$28,030.10 for various repairs  
233 and improvements. He made a motion to accept, seconded by Councilor DiMarco,  
234 **Council’s vote 5-0-0.**  
235

236 **APPROVAL OF MINUTES**

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238 Minutes of the Council’s December 1, 2008 Public Meeting  
239 **Councilor Wagner made a motion to accept the minutes from the December 1, 1008  
240 meeting, seconded by Councilor Brown, Council’s vote 5-0-0.**  
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**OTHER BUSINESS**

**Liaison Reports -**

Councilor Wagner said she attended two meetings with the Planning Board, one being the Flexible Industrial District also attended by abutters in the airport area who voiced their concerns. The other was a presentation on Workforce Housing. There will also be a joint meeting between the Heritage Commission and Planning Board to discuss the Historic Overlay District on January 22<sup>nd</sup>.

Councilor DiMarco stated that the Elder Affairs Committee meeting was cancelled last week due to weather and will be rescheduled.

**Town Manager's Report -** Town Manager Caron stated that in preparation of Town Meeting, Community Development Director Andre Garron is scheduled to speak at the January 5<sup>th</sup> Town Council meeting to start looking at different options for the TIF districts in the airport area.

**Board/Committee Appointments/Reappointments-**

**Councilor Wagner made a motion to reappoint as full members Nancy Irwin and Dorothy Greenler, Helen Conti, Al Baldasaro, Stacey Thrall and new appointments of Peg Johnson and Ruth Silverman as full members of the Elder Affairs Committee. Councilor DiMarco seconded, Council's vote 5-0-0.**

**Councilor Wagner made a motion to appoint David Howard, Sandra Weston and Flo Silva as alternate members of the Elder Affairs Committee. Councilor DiMarco seconded, Council's vote 5-0-0.**

**ADJOURNMENT**

**Councilor Farmer made a motion to adjourn at 9:50 PM. Second by Councilor DiMarco, Council's vote 5-0-0.**

**Notes and Tapes by: Cathy Dirsa Date: 12/22/08**

**Minutes Typed by: Cathy Dirsa  
Jave Trottier Date: 12/24/08**

**Approved; Town Council Date: 1/5/09**