

TOWN COUNCIL MEETING
November 22, 2010

The Town Council meeting was held in the Moose Hill Council Chambers, Town Hall, 268B Mammoth Road, Londonderry NH.

PRESENT: Town Council: Chairman Paul DiMarco: Vice Chairperson, Sean O’Keefe; Councilors: Mike Brown; Tom Dolan; John Farrell; Town Manager Dave Caron; Assistant Town Manager, Finance Director, Sue Hickey; Executive Assistant, Margo Lapietro.

Budget Committee Members: Chairman Don Jorgensen; Vice Chair Todd Joncas; John Curran; Dan Lekas; and Lisa Whittemore. Absent: Secretary Richard Dillon and Mark Oswald

CALL TO ORDER – PUBLIC SESSION

Chairman DiMarco opened the meeting at 7:00 AM with the Pledge of Allegiance. This was followed by a moment of silence for the men and women fighting for our country.

BUDGET WORKSHOP – Chairman DiMarco announced this meeting is a continuation of Saturday’s Council/Budget Workshop.

Community Services

Cable – Cable Access Center Director, Dottie Grover and Erin Barry, Training Coordinator presented. The budget increased by \$424.00. The total amount for decreases is \$27,782 coming out of overtime; training; capital equipment and office supplies. She proceeded to review the equipment that was replaced and the new purchases that totaled \$56,593. She requested that the position of trainer be re-instated to the budget. She explained that eliminating the position will gut the public part of PEG Access that the community has come to expect. There has been a targeted transfer in the Special Reserve Fund of \$105,302 to the General Fund. If the Town Council makes the transfer it can be accomplished without eliminating the trainer position. If continued, this practice could result in the Special Revenue Fund being drawn down faster than funds are collected. She said that Comcast is scrutinizing the use of franchise fees and is seeking reductions when they find out that those fees are not used to fund PEG Access channels. She is concerned the services that are expected from her department as well as the cost of those services to the public and the government entities might be impacted. The budget still has the money to pay for the operators to tape government meetings. The Assistant Director of Public Information Coordinator is still funded so play-back of those meetings will still continue. The major effect of the proposed cut will be its severe impact on the public. Community producers, non-profits, youths and viewers of the public channel will have their services severely curtailed and even eliminated. Volunteers are not a constant and new people need to be trained to keep a trained pool. The trainer recruits & trains those new volunteers who are essential in public access. Much of the progress we have made addressing the needs of the producers will be lost and as services diminish so will the volunteer work force and local programming. The Training Coordinator is responsible for the many interns they have as well as working with the youth of the community and proceeded to list all the youth groups and organizations that she deals with.

The Cable Department has a Special Revenue Fund generated by franchise fees and is intended for the support of PEG access in payment for the use of the Town's right-of-way. In 1999 at the town meeting the voters said the cable department should be self-funded and that fund was established for the special revenues. She is proposing that a transfer to the General Fund in the amount of \$105K be authorized by the Town Council to restore the Training Coordinator to the 2012 budget. This will mean that the taxpayer gets some relief but they do not lose another service. She explained the remaining 2 positions and the fact that neither of them is qualified to take on the services and the training of the Training Coordinator. Without this position the department becomes stagnant and it makes no sense to make the investment the town has made in PEG access over the years both in terms of the building, the equipment, time and training put into this. Dottie Grover announced she will be retiring in 2012; part of her salary won't be in the 2012 budget. Councilor Brown questioned the \$105K and D. Grover said that was the amount recommended by the Town Manager to reach the goal. She said to take that money in the reserve. Councilor Brown asked when did the training position begin, Dottie replied she has had the position since 1992. He asked if we have had three positions since 1992. D. Grover responded no, the Public Information Coordinator was the last position established about 8 years ago. Lisa Whittemore questioned that she has no resources to backfill the position. D. Grover said they don't have the capability to fill the same tasks. L. Whittemore asked how many people were served by this position, D. Grover responded about 200- 250 people. D. Jorgenson asked the Town Manager if we can make a loan from the Cable Company monies to the Town. Town Manager Caron said he has not seen any provision in our cable contract or federal or state law which precludes the use of those funds or restricts the use of those funds for a specific purpose, thus a loan would be unnecessary. D. Grover said that is true but the cable company is working on various towns that are not spending those funds on PEG access service. There is nothing in the law right now but there are some things pending in Congress right now that could make a difference. D. Jorgenson said when you retire what changes would drive the need from 3-2. D. Grover responded it might move the 2 up and bring in a lesser cost one for the third. She said they need the 3 positions to still provide services. D. Jorgenson asked for a detailed list for that position, she said she can provide it. John Curran said the franchise fees are based on the cable subscribers and asked if there will be a decrease in usage because of advances in technology. D. Grover said they have not found that usage is going down. She explained that some people in Londonderry are moving on to satellite services, some are getting cable services from Fairpoint. The cable companies are offering more extensive services and we get 5% of that. Councilor Dolan said if we lay-off the Training Coordinator how much of the \$105K is achieved through that. She responded \$64K will be transferred from cable to the General Revenue Fund. He said that this alternate proposal that Dottie is proposing does achieve the same amount of bottom line savings, Town Manager Caron said that is correct. Councilor Dolan said it is a net zero. Town Manager Caron said it draws down the cable Special Revenue Fund Balance quicker. There is currently \$535K in the Special Revenue Funds per the Town Manager. He said to maintain the three positions and to draw down the \$105K would result in about a \$50K reduction to fund balance. Don Jorgenson asked how the cable company assigns fees. D. Grover said with each quarterly payment they give us they supply a breakdown of the numbers and we only get a franchise fee on TV usage. D. Jorgenson said when they divvy up the revenues do they have any sense of how the percentage is determined. D. Grover said the cable bill is separated out by the 3 services and the franchise fee is separated out as well on each bill. Councilor Brown said even though the cable is self-funded, it will take \$1.32M from this budget to give the taxpayers a flat rate. That is \$315K or 3.15% below what was previously approved to get a flat tax rate. Martin Srugis, 17 Wimbledon Dr. asked how many people tune into the 5 channels; D. Grover said there is no way to get that number. He also asked if the money does not go to the cable access

center what will the cable company do to us if they withdraw funds. D. Grover said in some other areas they are talking to the franchising authorities and saying they do not want to pay those franchise fees if they are not being used for PEG access. M. Srugis asked if Comcast gives you the number of subscribers who have left in the past year. D. Grover said she gets quarterly reports that give the number of subscribers; she said she can compare them. He asked her if she could put it on the website. Councilor Dolan said this has been debated in the public as well as with different levels of legislatures. One of the concerns is as technology grows; only 1 provider pays the franchise fee to the town. As other providers become more competitive and they don't pay a franchise fee an argument begins to build for fairness. If we demonstrate consistently that we are re-directing franchise fees we make the case on behalf of the cable companies that they shouldn't be charged a franchise fee or give it to the community. If the franchise fee goes away the taxpayers will have to decide if they want to pay for the cable center. M. Srugis asked if the cable center is looking to expand. D. Grover said they are not looking to expand for public or government use. They presented a plan to the CIP stating that for about \$300K they could put an addition that could be used strictly for the school. It would be self-contained, they could use it whenever they needed and they would be able to increase the use of the Access Center and they could increase the use of the building.

Senior Affairs – Senior Affairs Director Sara Landry presented her budget. The FY12 request is \$53,668, the FY11 was \$54,085. \$2,700 is a 5% reduction out of the program. Town Manager Caron stated that the Senior Affairs Division is the only department that he restored the reductions to the budget, as they only have \$9K beyond staff expense to provide services. The reason for the reduction is that workman's compensation was misclassified, it has been level funded for FY12. S. Landry said the senior population will almost double in the next 10 years per recent census trends. They have currently over 430 members; new members are constantly coming in. Councilor Dolan asked when they will reach capacity in their current facility. She responded she reached it 2 yrs ago, some programs are being moved over to the YMCA. She said she is at over 100% capacity at this time. She said if they could add space at the existing facility with the fire department leaving or just adding parking space it would help. She said the bathroom facilities are too small. She said she has submitted a proposal to the CIP and explained the procedures she has put in place to deal with the space problems. Councilor Dolan asked if they are a candidate for future impact fees, Town Manager Caron said he would have to research that. Councilor Brown asked for the number of seniors we have in town. S. Landry said the last census was done in 2000 and based on her calculated anticipated growth we are now looking at 6K seniors in 2010. Councilor Brown asked if she had an idea of how the economy affected them. Sara responded food costs, gas, insurance and any living expenses like the cost to maintain their homes has impacted them a great deal. Councilor Brown asked if there were any complaints about their tax bills, she responded not really. The day-to-day living costs are hard on them. Chairman DiMarco asked the Town Manager when we will have the information from the census that was done this year. A. Garron responded the first quarter of next year. D. Jorgenson asked for clarification of how many members are currently using the building; S. Landry responded as of November 9, 2010 they have 432 members, 357 renewals and 76 new members. L. Whittemore asked about what programs are being offered, and Sara explained. She explained that the programs are run with the assistance of 70-80 volunteers every week. Dan Lekas asked what the maximum occupancy of the building is. S. Landry said at the most 256 at once.

Library – Library Director Barbara Ostertag-Holtkamp and Trustee Chair, Richard Matckie were presenting. They are requesting \$1,304,525, a 0% increase. The Town Manager’s recommended FY12 budget is \$1,278,885 a decrease of 1.9%. The FY11 budget was \$1,304,304. She said with the proposed budget the Library will be reducing staff, operating hours and programs. She addressed the fact that they don’t have a maintenance person anymore and they have assigned the staff to do certain custodial/maintenance jobs. She said according to their records they actually paid \$1,442.77 more than if they had a custodian. The custodian was going to be paid at \$17. /hr when insurance and Medicare are added in it would be a total hourly rate of \$18.30/hr. She said these figures are for only the past four months of this fiscal year. She explained she has paid additional outside contractors \$18,035.06 to clean HVAC coils, locksmith, cleaning of gutters, etc. She said she has lost the productivity of staff because they are doing custodian/maintenance duties. She pointed out that this does not include the time spent by the Admin. Support Coordinator who has helped. She said it is not feasible to not have a maintenance/custodian at the library. She said she is talking about \$19K. Councilor Farrell asked if the \$19K being requested for a custodian is part of the underfunded amount of \$129,539, she responded yes. She explained her recent HVAC problem and the damage that was done to the facilities. Councilor Brown asked for specifics of the impacts that shortages on staff, operating hours and programs would impose. She said the Trustees have not discussed the additional reductions so she can’t talk about it at this time. She said the cuts would involve multiple positions. Councilor Brown asked about the operating hours, B. Holtkamp responded they might have to close one day. Councilor Dolan asked what is the age of HVAC, she responded it was installed in 1997 and they have two rooftop units and one for the historical room. The average lifespan is 15 – 20 years. She said they are experiencing a lot of issues; the cost to replace one rooftop unit is \$65K. The Historical Room unit is not a rooftop unit and to move it to the rooftop would exceed the \$65K quote. To replace all the systems in the library it would cost about \$200K. The Trustees said at this point they would keep replacing the parts in the units. Councilor Dolan asked what part of her operation expense is being paid on debt service. Councilor Dolan said if we have some impact fee available for the library if we were able to pay down some of the debt we can relieve some of the annual operating expense for debt service. Town Manager Caron said the debt service for the Library is carried in the operating budget, not in the Library budget. For the last three years we have anticipated transferring \$30K from the impact fee fund to help offset that debt service. Right now we have \$30K in revenues. Councilor O’Keefe asked if the HVAC units are covered under any scheduled capital plans that we have right now. Town Manager Caron responded no, we do replace those as they wear out from the expendable maintenance trust fund. This is the first he has heard about replacing HVAC in the Library and that is the fund they would use. Dan Lekas questioned using staff for maintenance duties. He clarified that B. Holtkamp said that using staff is costing her more than using a maintenance person, she responded yes it is. He asked if that was due to her scheduling people for more hours, she responded no. It is affecting their regular duties, it is slowing down services, and they are not paying overtime. D. Lekas asked how this is costing money the people are working their regular hours; she replied they are experiencing a loss of productivity. Richard Matckie said they have no one to shovel snow now. R. Matckie said that the Council stated that they would take care of it last year. The Town Manager said he collaborates with the school district to pool our resources and allocate the responsibilities. D. Jorgenson asked about maintenance of the facility. Was there an agreement that the maintenance would be coordinated through town services? Town Manager Caron responded our Admin Service Coordinator has contracts for mechanical systems and he himself is very skillful with small repairs. We have been budgeting funds with the library maintaining their building as well from the expendable maintenance trust fund. The Admin Service Coordinator oversees the management of the repairs

and maintenance of the town building and grounds. We do have some staff to help the Library with those issues but a lot of those issues we don't have the staff on hand to do them. B. Holtkamp said it has worked with a few issues. All the issues they are having cannot be taken care of by a 32 hour employee. She explained she checks references on all contractors for anything over \$5K which has to be approved by the Trustees. She said the building is 13 years old and it gets constant use. D. Jorgenson said having someone available at all times is not cost effective. B. Holtkamp said she can work around it; you could have someone on call for other responsibilities and have them work specific hours. D. Jorgenson asked what are the total part-time hours that are expanded hourly at the Library. She said currently they have 10 part-time people, 8 work 28 hrs./wk and 2 work 12 hrs./wk. He asked how many full-time employees she has. She said there are 10 full-time staff members. He asked what the salary ranges are and B. Holtkamp said due to actually reducing positions they couldn't be put in the Budget Book. T. Joncas asked what day of the week would have higher usage. She said it varies. He asked if they have looked at going to 3-4 days and reducing hours. She responded she has been restructuring staff and changing internal procedures, this year they will reduce hours. T. Joncas asked for a breakdown on what the budget will be with closures. B. Holtkamp said the Trustees will have to look at it. R. Matckie suggested the Councilors come to the library to see who uses it. He said a lot of students use the library; students come over and do homework while waiting for parents to pick them up. B. Holtkamp said the tax bill is \$67 on a \$300K house. If you went to a bookstore and bought books it would equal the cost of a couple of books. John Curran said the budget book lists custodial services on page 101, is it just for cleaning services. B. Holtkamp explained yes, it is an outside vendor service that was bid with the Town and Cable Dept. to get a better price. J. Curran said another line item says it is for books, periodicals, supplies what is that. She said that is all their materials including electronic materials, books, magazines and periodicals. Councilor O'Keefe said right now the Library is open approximately 60 hrs/wk, with 10 full and 10 part-time employees which comes out to 400 hours/wk. He said that it seems that they have plenty of staffing to cover what you need. The Library is not an essential service; it is something that people like to have. We are talking about eliminating SRO's and crossing guards and eliminating safety programs; he said it is difficult to have sympathy. She stated that they have lower staff members compared to other local communities. Councilor Brown asked how long we have had a 6 day/wk. She said she has been here 9 years and the Library was always open 6 days a week, but not on Saturdays in the summer. They were added about 2 years ago. Councilor Brown said the budget is a bottom line budget and if the Trustees felt the custodial position was critical they could fund it themselves. He suggested when the trustees get the budget they can put the \$18K into it. B. Holtkamp said the Trustees have to pay certain expenses as well and it might be difficult. Councilor Brown asked if the trustees reviewed options on hiring their own custodian. B. Holtkamp said they are waiting to see what comes out of the budget process. R. Matckie said the book budget is the only thing that is flexible in their budget and books have the priority. Chairman DiMarco asked how e-books work. B. Holtkamp said they researched it and right now it is too expensive to buy them. They joined the NH State Library Downloadable Consortium where they offer downloadable books and started offering e-books. She said the cost for the next calendar year has gone up \$400.00 more but it is still more cost effective; to buy an e-book could cost up to \$160.00 for just one title. Chairman DiMarco asked if that e-book was downloadable from home. B. Holtkamp said it can be done at home. He asked how far away are we from a point from when it becomes cost effective to have electronic book check-outs at the Library. B. Holtkamp said right now according to what they have tracked it is a very small percentage, maybe 2%. Dan Bouchard, 8 O'Connell Dr. said he has an issue with the maintenance position. He asked why they couldn't get volunteers to do the work at the Library. B. Holtkamp said they do have volunteers who help out. They would have

liability issues with volunteers doing maintenance work; it would be unrealistic to have someone offer immediate help. D. Bouchard suggested that the Senior Center has talented, skilled people, she should check that out. He offered his help getting volunteers. B. Holtkamp said she does have about 60 volunteers and quite a few are senior citizens and they do put them in jobs that they are physically capable of doing. Martin Srugis verified they were open from 10 – 8 at night. He asked if they count people in the building hour from hours. He said the town would like to get an idea on how many people are in on an hourly basis. B. Holtkamp responded that is not something they could do; they don't physically count how many people come into the Library.

Chairman DiMarco asked the public if they had any questions or comments on the entire budget. Dan Bouchard, 8 O'Connell Drive, Londonderry said eliminating the Call Firefighters is not a good idea. Calling in the regular firefighters at overtime doesn't make sense. The Call Firefighters volunteer a lot of hours and provide a great service. He confirmed we are moving an individual from the Fire Dept. to the Building Dept., so we are not really eliminating a position. Town Manager Caron said we are eliminating one and transferring the remaining employee to the inspection department. D. Bouchard said that is a great idea it uses our resources a lot better. He asked what the cost is for the Family Mediation program; Town Manager Caron said it is about \$27K. D. Bouchard said they do a great service; he would like Council to re-consider the position. He said three years ago Council talked about the SRO's. At that time we had 4, they eliminated the DARE Officer and one SRO. Now there are only 2 left. He said the SRO program was started in 1989, it has a lot of value in this community, and you help a lot of kids by building a repore with the SRO. It is beneficial for the kids. It will hurt the youth in the community, he asked the Council to keep the program.

Councilor Farrell made a motion at 9:25PM to go into a Non-Public Session per RSA 91–A: 3, II (a). Aye John Farrell; Aye Chairman Paul DiMarco; Aye Vice Chairman Sean O'Keefe; Aye Councilor Tom Dolan; Aye Councilor Mike Brown. Council's vote 5-0-0.

Notes and Tapes by:	<u>Margo Lapietro</u>	Date: <u>11/22/10</u>
Minutes Typed by:	<u>Margo Lapietro</u>	Date: <u>12/01/10</u>
Approved;	<u>Town Council</u>	Date: <u>12/06/10</u>