

**TOWN OF WOLFEBORO
BUDGET COMMITTEE
December 17, 2015
Minutes**

Members Present: John MacDonald, Chairman, Frank Giebutowski, Vice-Chairman, Luke Freudenberg, Selectmen's Representative, Brian Black, Matt Krause, John Burt, Steve Johnson, Bob Tougher, Members.

Members Absent: Robert Moholland, Harold Parker, Members (excused).

Staff Present: Dave Owen, Town Manager, Pete Chamberlain, Finance Director, Barry Muccio, Director of Operations, Municipal Electric Department, Dave Ford, Director of Public Works and Water & Sewer Utilities, Lee Ann Keathley, Secretary.

Chairman MacDonald called the meeting to order at 6:07 PM at the Wolfeboro Public Library.

Bob Tougher noted the total passed cash warrant articles last year was \$1,788,000; noting a return in the amount of \$150,000 from a grant for the Abenaki lodge. He stated the total proposed warrant articles for 2016 is \$1,889,000. He stated the BOS reduced the scope of three warrant articles to total \$1,717,000; noting the Town should receive \$110,000 from the State for the Pleasant Valley Road Bridge project.

Dave Owen stated the Town is currently below the level of proposed warrant article spending in 2015. He noted the BOS voted on 12/16/15 to reduce the funding of the following projects; Solid Waste Expansion (only to include engineering and design), Dockside Capital Reserve Account and Establishment of a Building Maintenance Capital Reserve Account.

WARRANT ARTICLES

Article I Sewall Road Voltage Conversion Project; \$450,000

Barry Muccio stated such is the fourth phase of a systematic approach to convert the Town's voltage; noting a 20-year conversion plan began in 2003. He stated the project would convert the Sewall Road distribution voltage from 4kV to 12 kV, including all side taps, conductors, insulators, transformers and deficient pole structures. He note such would not be bonded.

John MacDonald asked if the project would affect the electric rates.

Barry Muccio replied no, the cost is built into the existing rates.

John MacDonald asked if the project would be contracted out.

Barry Muccio replied yes.

Article M Abenaki Ski Area Capital Reserve Account; \$16,750

Ethan Hipple stated the account was established three years ago for the purchase of equipment; noting tow rope is scheduled to be purchased. He stated the groomer is scheduled to be replaced in 2018 (current groomer was purchased in 2005 by the Friends of Abenaki).

John Burt questioned the history of revenue for Abenaki.

Ethan Hipple stated when he began his employment Abenaki had a \$5,000 revenue; noting that currently 35% of the current expense to run the ski area is covered. He stated his goal is to reach 50%.

John Burt questioned the gap in the cost to run the ski area and revenues.

Frank Giebutowski stated the total expense is \$117,000.

Ethan Hipple replied \$77,000.

Article O Foss Field Replacement Capital Reserve Fund; \$100,000

Ethan Hipple stated the Foss Field hut was torn down in 2008 and since that time the Foss Field Recreation Area has been restored. He stated the hut contained a storage room and bathroom for staff and children from the day camp program. He stated the proposal includes a structure similar to the building at The Nick which would include seasonal public restrooms, storage for the summer programs and a covered picnic area. He noted portable toilets are currently located at the site. He stated the existing account has a balance of \$101,000 and the concept is to add \$100,000 in 2016; noting costs associated with the concept design, wetland permitting and cost estimate would be paid for from the existing funds.

John MacDonald asked if there have been deposits in the fund recently.

Dave Owen stated the fund was established in 2001 and there have not been any deposits.

John Burt asked who would maintain the restrooms.

Ethan Hipple replied Parks & Recreation Department. He distributed a supplemental program/service costing form for the project.

Brian Black asked why the account was originally funded.

Dave Owen stated replacement of the building had been anticipated.

Dave Ford stated several proposals were previously submitted however, the proposals were voted down.

Brian Black asked there are any other dormant capital reserve accounts.

Ethan Hipple replied no.

Brian Black questioned whether there would be input from the voters regarding the proposed plan.

Ethan Hipple stated the intent is to design the building and retrieve a cost estimate for such in 2016. He stated the design would be shared with the voters.

John MacDonald asked if the intent is to construct the project when the funds have been raised in the account.

Ethan Hipple replied yes.

**Article T Layout and Reconstruction of Winnepesaukee Drive Subject to Betterment Assessments;
\$830,000**

Dave Ford stated the subdivision was developed in the late 1980's; noting the road was poorly built. He stated the residents of Winnepesaukee Drive petitioned the BOS to layout the road conditioned upon Town vote and subject to betterment assessments. He stated there will be operating costs to plow and salt/sand the road however, feels that it would be a minimal impact.

Dave Owen stated each property would be equally assessed.

Bob Tougher asked if the residents would have a clear title and if there would be a chance of any further litigation.

Dave Ford stated the judge awarded the residents of the subdivision \$1.7 million (awarded the residents the remaining lots). He stated B&H Development continues to own the road and the lots; noting B&H Development

would convey the road to the Town and the lots to the new developer, Tom Frangos. He stated the lawsuit is settled.

Bob Tougher asked if the conveyance would occur prior to Town vote.

Dave Ford replied no, because the agreement is contingent upon the approval of the warrant article. He stated the Town will have a signed contract; noting a legal agreement would be signed prior to Town vote. He noted Tom Frangos would also be responsible for back taxes.

John Burt asked if the lots are serviced by Town water and sewer.

Dave Ford replied no, however noted the electric is underground.

Brian Black asked if there would be sidewalks or curbing.

Dave Ford replied no. He noted an easement across Knights Pond Road exists.

Brian Black asked if there are lots located in Alton.

Dave Ford replied yes, two lots and a cul-de-sac; noting the Town would pave up to those lots.

Member of the public (and resident of Winnepesaukee Drive) stated 46 lots are located in Wolfeboro (24 undeveloped lots) and two in Alton that are undeveloped. He stated the judgment has been recorded however, it has not been executed; noting the residents are not interested in being property owners therefore, the remaining lots would be conveyed to Tom Frangos. He noted the existing residents are in favor of the proposed agreement.

Bob Tougher questioned when the petition was filed and when could the developer revoke the petition.

Dave Owen stated the petition was recently filed; noting the BOS voted to hold a public hearing on 1/20/16 (the public hearing for the petition requires a 30-day notice).

Dave Ford stated that ten days following the public hearing the developer has the ability to revoke the petition.

Article B Whitten Neck Waterline Upgrade; \$550,000

Dave Ford stated the article relates to the design and reconstruction of such, including restoration of the road surface up to Olsen Lane. He stated the existing waterline is an unlined cast iron pipe and has caused discolored water for customers serviced by this line in addition to significant waterline breaks on this section of pipe in the winter. He stated the pipe was constructed in ledge and was backfilled with broken ledge in some areas which causes breaks. He stated the project would be bid out based on the engineer's estimate (provided by Underwood Engineers); noting Phase I would include engineering in 2016 and Phase II would include construction in 2017.

John MacDonald questioned the length of the section of road to be reconstructed.

Dave Ford replied just under 2,000 feet.

John Burt verified the estimate represents the total cost and that such is covered by the Water Fund.

Dave Ford stated the majority of the project would be covered by the Water Fund; noting the contingency for the projects is covered under the Town Roads Upgrades warrant article.

John Burt verified there is no tax impact.

Rich Lampardy noted there are 130 homes off Whitten Neck Road and there is an odor and discoloration of the water. He noted the deplorable condition of the road; stating there has been three water breaks (two breaks in the last two years).

Article C Acquisition of Wolfeboro Oil Freight House; \$125,000

Dave Ford stated the building has been cleaned out and the tanks have been decommissioned; noting the building is currently a safety issue and is in need of renovation. He stated the Town has first right of refusal; noting the article reflects the cost to purchase the property. He stated an assessment has been completed; noting the building has asbestos shingles on the roof and lead paint. He noted the property would provide additional parking regardless of the building resolution.

Frank Giebutowski expressed concern regarding the purchase of a property without knowing its ultimate use. He asked if the building is on a historic register that would prevent the demolition of the building.

Dave Ford replied no.

Bob Tougher stated the Restroom Committee is currently discussing restroom options at the Dockside building. He stated parking would be good use of the property since its located in the Downtown core and recommended the building be demolished.

John Burt asked when the building was constructed.

Dave Ford replied the 1870's and noted the building was tied to the Railroad Station.

John Burt asked if there is oil contamination.

Dave Ford stated there is no contamination from oil and that all inspections to date have not produced any groundwater contamination.

John Burt asked if the BOS could amend the warrant article to include language regarding the demolition of the building.

Dave Owen stated the Town acquired the Railroad Station in 1950 for \$5,000 with the purpose of demolishing it.

Linda Murray stated the BOS saw the purchase of the property as an opportunity to bank the property given its location. She stated the BOS would like to acquire the land then review options. She noted there are right-of-way issues with the abutting property.

Bob Tougher asked if the Town forfeits its first right of refusal if the Budget Committee does not vote in favor of the article.

Dave Ford stated that if the bond vote fails, the owner has the right to sell the property.

John Burt questioned the cost to develop 8 parking spaces.

Dave Ford replied approximately \$2,000; noting the existing gravel area would be maintained. He stated operating budget funds could be used to construct the parking spaces.

Frank Giebutowski asked the demolition of the building could come out of the operating budget.

Dave Ford replied no, the cost for such would be \$25,000-30,000.

Steve Johnson arrived.

Article E Town Road Upgrades; \$675,000

Dave Ford noted the following road projects scheduled for 2016; overlay 2 miles of Beach Pond Road, overlay of Old Lakeview Terrace, reconstruction of Port Wedeln Road and Winterhaven Drive. He noted the funding request includes a \$21,000 contingency for the Whitten Neck waterline upgrade project.

John MacDonald asked if the Winter Harbor Watershed Improvements project includes Port Wedeln Road.

Dave Ford replied no.

Article F Solid Waste Building Expansion; \$20,000

Dave Ford stated the facility is averaging 500 tons of baled material, averaging \$60,000 in revenue. He noted the 28'x40' expansion would allow for an increase in revenue, alleviate congestion at the drop off areas and improve service without additional operating costs. He stated the funding is associated with the cost for engineering. He noted that he could not submit a cost benefit analysis form because the project did not affect the operation and maintenance costs.

Steve Johnson asked why engineering is needed.

Dave Ford stated plans are needed to bid the project and build the structure.

Steve Johnson asked who the engineer is.

Dave Ford replied Casco Bay Engineering.

Article G Mast Landing Parking Lot Upgrades; \$30,000

Dave Ford stated the funding request includes the engineering and design of the Mast Landing parking lot upgrades including parking, pedestrian and stormwater treatment improvements. He stated the request reflects engineering (CEI) for construction plans and wetlands permitting.

Bob Tougher noted an error in the warrant article language; strike "Forty" and replace with "Thirty".

Steve Johnson requested feedback be obtained from the Lake Wentworth Association and the islanders regarding the improvements. He stated that making the parking lot too accessible or too nice would invite additional people.

Dave Ford stated the warrant article is in response to concerns noted by the Lake Wentworth Association.

Article H Pleasant Valley Road Bridge Design; \$140,000

Dave Ford stated NH DOT has evaluated the Pleasant Valley Road Bridge over Heath Brook and has classified it as being deficient and labeled as "red listed". He stated the Town has contracted with a bridge engineer for the prerequisite engineering to qualify for the State Bridge Aid program; under this NH DOT Municipally Managed Program the Town would be reimbursed 80% of the project cost (total cost of project being \$115,000; Town's share being \$23,000 and the State's share being \$92,000).

Frank Giebutowski asked when the Town would receive the 80% funding from the State.

Dave Ford replied upon completion of the engineering study.

Bob Tougher noted in 2011 the Committee removed this warrant article and added \$200,000 in the Town Roads Upgrades warrant article.

Article J Establish Dockside Parking Lot Capital Reserve Account; \$100,000

Dave Ford stated two public forums were held regarding improvements to Dockside and noted a reduced scope project resulted from those forums. He stated the engineer tabled further design of the improvements until following the resolution of the restroom location study. He stated that due to the sewer infill issues a portion of the project would be funded out of the sewer fund.

Article K Fire Trucks and Apparatus Replacement Capital Reserve Account; \$186,000

Dave Owen stated the warrant article was increased by \$10,000 to replenish the account from the previous year's purchase of the Fire Chief's vehicle; noting the purchase of the vehicle had been removed from the 2015 operating budget.

Pete Chamberlain noted the cost of the Fire Chief's vehicle was \$36,746.37.

Bob Tougher asked if the two capital outlay requests for the Jaws of Life and Supplemental Jaws of Life could be taken from the Capital Reserve Account.

Dave Owen stated the Jaws of Life could be and noted the BOS discussed such.

Article L Public Works Vehicle and Equipment Capital Reserve Account; \$170,000

Dave Ford stated the article is related to the ongoing Highway and Solid Waste vehicle and equipment replacement program; noting the account can now be level funded.

Article N Wastewater Treatment Plant Capital Reserve Account; \$125,000

Dave Ford stated the account was established in 2010 to allow for the completion of midsize projects and noted the following scheduled projects; sludge pumps, odor control and repave site.

Article P Establish a Building Maintenance Capital Reserve Fund; \$30,000

Dave Owen stated the BOS and Staff felt it would be wise to set aside funds for emergency repairs of Town owned buildings; noting such is similar to the School District.

John Burt stated the School District identifies projects; noting such is not a valid argument for the justification of the warrant article.

Bob Tougher stated such was discussed at the CIP meetings for years and noted the Committee is holding off until receipt of an Asset Management Plan.

Linda Murray stated she cut the funding request to \$30,000 in order to start the account. She stated the Dockside Asset Management Plan will be developed which could provide backup information and assist with identifying projects.

John MacDonald verified the funds would only be used for building maintenance.

John Burt stated money spent towards the operating costs of a building should be included in the operating budget.

Frank Giebutowski stated building maintenance is currently included in the department operating budgets and noted that this capital reserve account would be at the sole discretion of the BOS to expend. He questioned the need for the account.

Other Business

Pete Chamberlain distributed the Default Budget and Estimated Revenues; to be reviewed on 12/22/15.

It was moved by John MacDonald and seconded by Bob Tougher to adjourn the December 17, 2015 Budget Committee meeting. All members voted in favor.

There being no further business before the Committee, the meeting adjourned at 8:14 PM.

Respectfully Submitted,
Lee Ann Keathley
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