

BOARD OF SELECTMEN
Minutes of November 25, 2013

MEMBERS PRESENT: Chairman Phil LoChiatto, Selectmen Al Letizio, Ross McLeod and Roger Hohenberger were present, as was Town Administrator David Sullivan and several department heads. Vice Chairman DiFruscia was excused. Mr. LoChiatto called the meeting to order at 7:00 pm, and opened with the Pledge of Allegiance.

NON-PUBLIC SESSION: Mr. Hohenberger motioned and Mr. Letizio seconded to enter into nonpublic session in accordance with RSA 91-A:3 II e. Roll call vote all "yes". The topic of the meeting was a legal matter.

At approximately 7:20, the Board returned to public session and announced that they had discussed a legal tax case with Rex Norman and have sealed the minutes until such time as the case is resolved.

ANNOUNCEMENTS: Mr. Letizio announced the 2nd Annual Holiday Shopping Extravaganza to be held on December 7th at Windham High School from 9 am to 2 pm. The event is free with the donation of a non-perishable food item or \$1/person.

BUDGET WORKSHOP:

Fire/Emergency Management – Chief McPherson reviewed the proposed budget and answered questions pertaining to the call firefighters salaries and social security benefits, noting a reduction was made in the salary line, however, a corresponding reduction was not made in the Social Security line, thus that line can be adjusted down from \$2,325 to \$930. The Board also discussed a new item required this year under training, due to new certification requirements for Advanced EMTs, as well as the need for discretionary training funds. Discussion ensued regarding radio equipment replacements, radio and communication maintenance contingency funds, and an increase in HVAC maintenance budget due to the new preventative maintenance contract entered into in 2013. No other changes to the Fire budget were made.

Under the Emergency Management budget, the Board discussed the proposed purchase of 9 tablet computers for the public safety departments, which would be used in responding to emergencies. The Chief noted this project was designated by the Fire Dept for a future CIP article, but that it could be completed now with 50% grant funding and at a much lower overall cost. It was noted that in 2013, the Police department had mobile data terminals installed in all patrol vehicles, but there are currently no terminals in the Police Chief's or 2 Police Captains' cars. The \$20,000 request would outfit 6 Fire cars and 3 Police cars with the tablets and related equipment. This purchase would be eligible for a 50% grant from the State, so the net funding from the Town would be approximately \$10,000. No changes to the EM budget were made.

CIP Items – Chief McPherson explained the two Fire related CIP articles, the Fire Ladder Replacement (Quint) for a net funding requirement of \$42,500; as well as the Ambulance, which would be a scheduled replacement, for \$220,000. Mr. Letizio noted that these items were discussed at length among the CIP committee, and were both rated as Urgent in terms of priority for this year. Chief McPherson discussed the department's vehicle maintenance policy and noted how long the vehicles can last due to sufficient up-keep, however, rotating these vehicles off the front line, will continue to allow for extended life of the vehicles. It was further discussed that the Town could lease the vehicle and pay over three years (approximately \$75,000 per year at an estimated 3.15% interest rate), which would lessen the impact for the 2013 budget. Discussion ensued regarding the use of the CIP and planning ahead for these types of purchases through Capital Reserve Funds. The consensus of the Board was to move forward with the lease approach. Mr. Sullivan noted that this would be a separate warrant article requiring a majority vote to pass, as the lease arrangement would have an annual non-appropriation clause.

Community Development – Ms. Scott reviewed the changes proposed in her department budget including approximately \$18,000 funding (beginning May 1) for a new part-time position for a Natural Resources/Public Health Administrator to handle matters stemming from upcoming Stormwater regulations,

as well as DES permits, flood insurance and other related complaints; in order for the department to be more proactive than reactive in these areas and better manage department staff time. Ms. Scott noted that she understands this position might not make it through the budget process because of all the other increases this year, but felt it was important to make the request. After further discussion, consensus of the Board was to remove funding for the proposed position.

Ms. Scott presented an update to a funding request for an item in the Regional Planning line, to adjust the cost of the Master Plan Phase I update from \$15,000 to \$13,500. Ms. Scott also noted, as a follow up to the previous CURP assessment done in 2008, \$5,000 is proposed in the Contracted Services line for a 2014 economic development self-assessment tool to be conducted through the Northeastern University program. Discussion ensued regarding both items, as well as the funding for/use of the economic development website and other line items. No other changes to the operating budget were made.

Mr. Sullivan asked if the Board would like to take up the correspondence received from the Planning Board requesting a third party audit of impact fees, as this is the appropriate budget to add that funding. Mr. Hohenberger noted that his position has not changed and that he feels the issue has been addressed going forward and that process improvements have been made, thus he believes a third party audit is not needed. Mr. Letizio echoed Mr. Hohenberger's comments. Mr. McLeod noted that while he is not pleased with the mistakes made by the department, he understands that regardless of the outcome of an audit, we cannot go back and collect any of the lost fees, also noting he feels comfortable that the Administration staff can perform this type of analysis. Mr. Sullivan noted that while Administration would not shy away from an outside audit, as we have been transparent throughout the entire process, he believes that based on the work that has been done to date, Administration is capable of independently validating the impact fee data and calculating any under/over charges. He noted that once Administration's review is complete, all of the information will be made available to the Board and the public for review. He further noted that it is a very time consuming process and Administration needs direction from the Board as to whether we should continue with the analysis or hold off for a third party audit. Mr. Sullivan elaborated on the work that has been done to date, as well as the plan to validate the data going forward, noting that the preliminary analysis has been reviewed by residents and adjustments have been made to the data as a result.

It was further noted that based on the scope that would be required if an outside auditor came in and did not rely upon any staff data, the cost of the audit would be very high, however, without direction from the Board, Administration has not sought a price proposal from any firms as of yet. Mr. Sullivan did note, however, that Mr. Mayberry does not perform this type of work, as some had previously suggested. Mr. LoChiatto agreed that it would be a redundant effort to have an outside review done, as the Town cannot collect the money, and he also has full confidence in the work being done by both Administration and Community Development to assess the situation. Consensus of the Board was to send a response letter to the Planning Board, outlining the primary reasons the Board does not wish to pursue a third party audit of impact fees.

Solid Waste – With the overall budget down \$97,000, the Board had no questions on the operating budget itself. However, Mr. Poulson recommended the Board consider a change to the existing Commercial & Demolition program, which could provide further cost savings to the budget as proposed. Mr. Poulson read into the record his memo noting the small percentage of users of C&D versus everyday disposal and the “subsidizing” of this system by the overall tax base, as well as the ongoing potential for abuse of the current system. Mr. Poulson noted other towns that do not allow residents to dispose of C&D at transfer stations for no charge, and proposed either 1) an individual voucher program limiting tons disposed or, 2) an annual ceiling for collection, after which the Station would discontinue accepting C&D until the following year. A lengthy discussion ensued regarding Mr. Poulson's management/cost savings approach versus the Board's philosophical approach to waste collection and the consensus that eliminating a waste stream is not an option, but that other measures could be taken to deal with potential abuse of the system. The Board was in consensus to make no changes to the program at this time, and thanked Mr. Poulson for bringing in a responsible budget.

Regarding the Transfer Station Loader that is in the CIP plan for \$80,000, Mr. Letizio noted that it was deemed Necessary by the CIP committee. Mr. Sullivan noted that the purpose of the discussion is not necessarily to debate the merits of the CIP items, but to discuss how it would be best to finance it within the current budget increase. Mr. Sullivan noted it could be done as an equipment lease with the annual non-appropriation clause, similar to the ambulance discussed earlier, or it could be done as a lease through the operating budget, as was done previously for the department's walking floor trailers. Further discussion ensued regarding the standard replacement schedule for the Loaders (front line and second line) and the level of maintenance that is required to keep them operational. It was also noted that the department may find a slightly used loader at a lesser cost. Consensus of the Board was to leave the Loader in the budget at full funding for the time being. Mr. McLeod noted that in the context of the entire budget, he might not be in support of the Loader.

The Board discussed the logistics of the meetings going forward. Mr. Hohenberger also noted he might have items in the various budgets that he wishes to revisit at the end of the process. Further discussion ensued regarding the future budget workshops and it was noted the Administration will leave time at the end of the process to go over some of the suggested areas where cuts can be made. However, Mr. LoChiatto noted his belief that due to the previous four years' of virtually level-funded budgets, there might not be many areas where cuts can be made to significantly lower the overall percentage increase. It was noted that the Police/Dispatch budgets will be moved up to the Dec 2nd regular Board meeting due to a relatively light agenda.

NON-PUBLIC SESSION: Mr. Hohenberger motioned and Mr. Letizio seconded to enter into nonpublic session in accordance with RSA 91-A:3 II a, c and e. Roll call vote all "yes". The subject matter was personnel, reputations and legal. Mr. Sullivan addressed the first legal matter, requesting the Board consider releasing an opinion from Attorney Campbell relative to the timing of impact fee collections at certificate of occupancy versus building permit issuance. Mr. Hohenberger motioned and Mr. McLeod seconded to release the opinion publicly; passed 4-0.

Mr. Sullivan advised the Board of a pending litigation matter and no decisions were made.

Mr. Sullivan advised the Board of two personnel matters. No decisions were made.

Mr. Hohenberger requested the Board discuss a matter pertaining to reputations and no decisions were made.

Mr. Hohenberger motioned and Mr. Letizio seconded to adjourn. Passed unanimously. Meeting adjourned at approximately 10:05 pm.

Respectfully submitted,

Dana Call
Asst Town Administrator-Finance

NOTE: These minutes are prepared in draft form and have not been submitted to the Board for approval.