

HAMPTON BUDGET COMMITTEE
MINUTES
November 21, 2006

Budget Committee Members Present

Mary-Louise Woolsey, Chairman
Michael Plouffe, Vice-Chairman
William Lally, Selectman Representative
Gary Kubik, Precinct Representative
Rosemary Lamers, School Board Representative
Russ Bernstein
Rusty Bridle
Dick Hansen
Eileen Latimer (7:20)
Jack Lessard
Richard Nichols
Michael Pierce
Norman Silberdick

Excused

Pat Collins
Maury Friedman

Chairman Woolsey called the meeting to order at 7:00 p.m.

The Pledge of Allegiance was said.

Chairman Woolsey introduced the members of the Committee.

Approval of Minutes – November 14, 2006

Moved by Mr. Lessard, seconded by Mr. Pierce, to approve the Minutes of November 14, 2006.

Vote: 8 yes, 0 no, 4 abstentions (Bernstein, Hansen, Kubik, Lamers). Motion passed.

Chairman Woolsey said that a member of the public had asked why the Committee was being so nice to the department heads. Chairman Woolsey said that it is not the Committee's job to criticize Town employees. The department heads work for a living just like everyone else. They have no control over collective bargaining agreements, health care costs, etc. They may or may not get what they are asking for or what they need. The department heads were asked to present a "needs based" budget and they have done so. Whether the public will be willing to pay the cost remains to be seen. Chairman Woolsey said the Committee is proud of the department heads and the Town is very fortunate to have the services they offer.

Mike Schwotzer, Finance Officer, introduced John Hangen, Director of Public Works. He also introduced Doug Mellin, Operations Manager for Public Works, and Teresa McGinnis, Assistant to the Operations Manager Public Works.

Mr. Hangen said that Public Works has great employees who are dedicated to service to the Town. They all look at every possible way to save money. The budget this year is very thin because they are trying to keep the tax rate down. Public Works in any community doesn't wear

fancy uniforms, guns or badges. They work behind the scenes. Mr. Hangen re-extended his invitation to the Committee and the public to visit the Public Works facilities.

This year Public Works will be working on the infrastructure, Kings Highway sewer project, and the waste water treatment plant upgrades. The scale will be put in at the transfer station. The transfer station will be fully automated. The department has a new drainage priority plan.

Mr. Hangen said the May flood had a big impact at the transfer station. It took a long time to help people get back to normal.

Mr. Hangen discussed the new scale and the automated tracking system. The department does not want to be a “cash handling” business.

Ms. McGinnis explained her job at the transfer station. She mentioned that now is the time to obtain a new sticker.

Mr. Mellin said there are seven licensed operators at the wastewater treatment plant, which is a Class IV plant. They have been able to meet all standards. The plant is about to do denitrification (removal of ammonia). Construction has begun on a new HVAC. The laboratory is going to be expanded and the generator will be replaced.

Chairman Woolsey said it was important to keep in mind that even with the new HVAC system, the people who work at the wastewater treatment plant are working in a hostile environment and the Town owes a debt of gratitude to them.

Mr. Hangen said the department is submitting a grant application for repair of the waste oil heater. He said he is confident they will receive this grant which will pay approximately 50% of the cost.

Chairman Woolsey asked if the restaurant grease trap problem was better. Mr. Hangen said he doesn't have the manpower to properly keep track of this, but most of the restaurants try to work with the department.

Rolling stock was discussed. Mr. Plouffe said that the Committee wants to see mileage and engine hours. Mr. Hangen said he will supply this information.

Chairman Woolsey commented on the \$100,000 for highway resurfacing. She asked if there was any way to squeeze the cost of the Island Path parking lot into this amount. Mr. Hangen said the budget is tight and they do not have the \$70,000 to do the parking lot. He said he did, however, believe it might be possible to find enough money in the existing 2006 budget to get the work done. If so, it would not be necessary to have a warrant article for this purpose.

Mr. Pierce asked if the Department pursues programs to get money back from the state. Mr. Hangen said that they do, but with these grants there is a substantial local match. Mr. Pierce asked if it would be a good idea to form a committee to look at this. Mr. Hangen replied that generally they listen to Highway Safety and the Rockingham Planning Commission.

Chairman Woolsey asked if there was a salt substitute that is affordable. Mr. Hangen said there was not.

Mr. Silberdick asked how priorities were set on road repair. Mr. Hangen said they look at all of the roads and use a computer program and evaluation.

Chairman Woolsey asked if any of the infrastructure project made things better or worse for drainage. Mr. Hangen said it has made it better. Mr. Lally said drainage is a health issue and it is a serious concern and that is why the Board of Selectment decided to make it a warrant article. This work must be done and will be broken down into phases.

Mr. Nichols complimented Public Works on the fact that their overtime is only increasing by 2.5%.

Mr. Pierce asked how the department regulates the bringing in of trash by the state. Mr. Hangen said it is on a trust basis because they come in at night.

Mr. Bridle asked why overtime was down this year. Mr. Hangen said there are peaks and valleys with storms. Last winter was very mild, but was offset by the May storm.

Mr. Schwotzer said that they are also looking into prepayment and credit cards. There will be a transition period while initiating the automated system. The Town wants the system to be user friendly and fair to all.

Ms. Lamers asked how far the department was in the planning for bringing sewer around Town. Mr. Hangen said they have no plans for extending the sewer system at this time.

Mr. Hangen said rubbish collection is a huge effort. A crossroads has been reached because of default budgets. In 25 years, Public Works has not increased the number of trucks or crews. They are doing more with less. The fact that businesses receive better treatment than regular residents (more pickups per week) has been discussed. There needs to be a policy decision. There are several choices: 1) Continue what is presently being done; 2) Have businesses pay the Town for trash pickup; 3) Give businesses the same service other residents have (once a week) and have them pay for additional pickups; and 4) Contract out all trash pickup. Ms. Woolsey asked about just telling the businesses they are on their own.

Moved by Ms. Latimer, seconded by Mr. Pierce, to recommend the following to the Board of Selectmen.

THAT THE BOARD OF SELECTMEN REVIEW WITH DPW DIRECTOR HANGEN HIS RECOMMENDATIONS REGARDING COMMERCIAL TRASH COLLECTION AND TAKE THEM INTO CONSIDERATION WITH THE INTENT TO RESOLVE THE ISSUE BY THE TIME THE 2008 BUDGET REQUEST FIGURES ARE PRESENTED

Vote: 12 yes, 0 no, 1 abstention (Lally). Motion passed.

Chairman Woolsey thanked Mr. Hangen for his fine presentation.

Chairman Woolsey complimented Mr. Schwotzer on the presentation he made to the Board of Selectmen and asked him to give the high points to the Committee. Mr. Schwotzer said the issue is that there is a very short period of time in which the police station is being paid off. It is only a 10-year bond and has a significant impact on the tax rate. After 2008, the bond can be bought back. With a new bond there can be a lowering of the tax rate by 21 cents. He said bonding should cover the life of the building. More interest is paid, but it can be paid back "cheap" because of the worth of the dollar. This spreads out the load on the taxpayers. Chairman Woolsey said that everyone must be very careful in the future regarding debt service.

Mr. Nichols said he agreed with obtaining the new bond. He said he was opposed to increasing debt service. Refinancing in the future can offer ways to shelter the taxpayer.

Mr. Lally said there will be more debt service because of the fire station. Chairman Woolsey said this is all the more reason to reconfigure.

Moved by Mr. Nichols, seconded by Mr. Pierce, to recommend the following to the Board of Selectmen.

THAT THE BOARD OF SELECTMEN RECONSIDER THE REFINANCING OF THE POLICE STATION LOAN AND ANY OTHER BOND ISSUE THAT IS ELIGIBLE FOR REFINANCING OVER A LONGER TIME FRAME TO BE DETERMINED TO BE AT LEAST 15 YEARS AFTER THE NO CALL

Vote: 10 yes, 2 no (Lamers, Latimer), 1 abstention (Lally). Motion passed.

Mr. Nichols said that the operating expense is going up steeply and the population is not going up as fast. The operating expense is radically overrunning population and properties. Mr. Schwotzer said that medical expense is driving a lot of that. He said to remember that the Town is service driven and if the public wants to remove certain services, the Town will do so.

Chairman Woolsey said that December 5th will be the final review. She asked the Committee how they would like her to configure the recommendations they have made to the Board of Selectmen. It was agreed that she should do a rough prioritization.

Chairman Woolsey asked the Committee to do some serious thinking and come back on December 5th with an idea of where they think the operating budget should be going for 2007.

Ms. Lamers discussed federal and state school district mandates. She said transportation is not just a money issue, but also a safety issue. We must look in terms of value.

Mr. Kubik said the Precinct budget and public hearing will be held on February 13, 2007.

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Adjournment

There being no further business to come before the Committee, Mr. Lessard **moved**, seconded by Mr. Lally, that the meeting be adjourned. The motion passed by unanimous vote.

The meeting was adjourned at 10:05 p.m.

Respectfully submitted,

Joan Rice
Secretary

Mary-Louise Woolsey, Chairman