

APPROVED
TOWN OF PELHAM
BOARD OF SELECTMEN MEETING
MINUTES
July 30, 2013
APPROVED – August 6, 2013

CALL TO ORDER – approximately 6:30pm

PRESENT: Mr. Edmund Gleason, Mr. Robert Haverty, Mr. Hal Lynde, Mr. Doug Viger, Town Administrator Tom Gaydos. Also Present Finance Director Cindy Kelley

ABSENT: Mr. William McDevitt

PLEDGE OF ALLEGIANCE

MINUTES REVIEW:

July 16, 2013

MOTION: (Haverty/Lynde) To approve the July 16, 2013 public meeting minutes as amended.

VOTE: (3-0-1) The motion carried. Mr. Viger abstained. (he was absent for the meeting)

2014 BUDGET PRESENTATIONS

Finance Director Cindy Kelley joined the Board for budget presentations.

Cable – presented by Cable Coordinator Jim Greenwood and Finance Director Cindy Kelley

2014 Budget request: \$99,571, constituting a 3.2% increase over last year.

2013 Operating Budget: \$96,450.

Salaries – contractual increases. Also, there was also an increase in board meetings (in the number of cable technicians) because of added equipment and electronic enhancements for those meetings.

Mr. Gleason questioned if the increase was necessary or being done to become state of the art. Mr. Greenwood noted that the franchise agreement expects PEG access to receive 50% of the fees (in revenue). He summarized the revenues received and what had been spent since 2011. Each year revenues had increased, which would allow for the increase in the line items. Mr. Gleason asked what transpired when they didn't spend half. Mr. Greenwood said if it wasn't spent it is supposed to be returned to Comcast. Mr. Gaydos believed that was an issue brought up years ago with the Budget Committee. He said the money was given to PTV (by Comcast) in the hopes it is spent on cable television. He said there was no mechanism to cut funding or return money; they had been spending approximately 50%.

Mr. Lynde commented that when the revenue money came in, it went into the General Fund and in turn cable expenses were paid out of the General Fund. Mr. Greenwood told the Board that he tried to keep his budget at 50% of the revenues received and based the amount on what was received the previous year.

Mr. Gleason asked if the misapplied grant had been straightened out. Mr. Greenwood said he followed up and was waiting for a response. Mr. Gaydos said he received a phone call from Comcast and was told they would be sending a proposed letter of understanding. Mr. Gleason asked if it would have any impact on the anticipated revenues. Mr. Gaydos answered no. He said they simply advanced more money than they should have.

Mr. Gaydos asked how Mr. Greenwood felt about charging for expanded services (covering plays, school activities etc). Mr. Greenwood didn't feel there was a need to they weren't losing money or having to let people go. He said public access provided citizens with programming.

Mr. Lynde wanted to know if there were any new equipment purchases anticipated for the future. Mr. Greenwood said before the end of this year he would like to purchase a (display/projection) screen. He uses a grant for purchasing equipment.

The Board concluded reviewing the cable budget.

Parks & Recreation – presented by Parks and Recreation Director Brian Johnson and Finance Director Cindy Kelley

2014 Budget request: \$185,171, constituting a 0.4% increase over last year.

2013 Operating Budget: \$185,516.

Salaries – contractual increase only.

Telephone – decrease based on actual cost.

Rentals – the request of \$500 was made last year but not received because of the default budget. The increase was for park road repairs for the additional road at Muldoon Park and 1201 Mammoth Road.

Expenses – decrease of \$1,200 for inmate work program cut by the State. This line was cut last year. It was put back in by the default and is being cut again this year. Mr. Gleason questioned how the department was compensating for the work that had been done through the inmate program. Mr. Johnson said the department and volunteers were handling the additional work. Mr. Gleason asked for an update regarding vandalism. Mr. Johnson said it was minimal.

It was noted that the level funded numbers were based on the budget from two years ago because of the default budget.

Mr. Gleason asked if the department was still applying for grants. Mr. Johnson answered yes and told the Board he was in the process of working on a grant that would be combined with funds raised through sports programs. The hope was to create a facility at 1201 Mammoth similar to the facility at Muldoon. He was also working on a grant to put a playground at Veteran's Park.

There was a brief discussion regarding the structure of the self-funding programs. Mr. Gleason felt the Parks and Recreation programs were very successful and returning money to sustain

94 them. He said the budget only represented the Town's contribution, not what the department was
95 actually doing. Mr. Gaydos noted that revenue money also went toward maintaining the facilities.
96 Mr. Johnson believed they put approximately \$30,000 back into the fields. He said they hoped at
97 some point to be able to rotate field usage giving the opportunity for them to rest.

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99 The Board concluded their review of the Parks and Recreation budget.

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101 **Planning Department – presented by Planning Director Jeff Gowan and Finance Director**
102 **Cindy Kelley**

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104 2014 Budget request: \$301,862, constituting a 5.3% increase over last year.

105 2013 Operating Budget: \$286,785.

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107 Salaries – contractual increases. The electrical, plumbing and building inspectors show a 1.5%
108 increase that was part of last year's budget, but because of the default didn't take effect.

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110 Telephone – decrease proposed last year from switching to iPhones rather than blackberries.

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112 Expenses – decrease for MuniSmart maintenance contract based on renegotiation through the
113 Town Clerk's office.

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115 Specials - Same request for \$2,499 increase for Nashua Regional Planning Commission
116 ('NRPC') project assistance with Capital Improvement Plan ('CIP') Update, which was supported
117 last year by the Selectmen and Budget Committee, but not passed because of the default.

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119 Mr. Gowan said the CIP schedule had been done this year and would be presented to the Board at
120 their next meeting. Mr. Gleason wanted to know what NRPC would be doing. Mr. Gowan said
121 the NRPC would draft the backup document with detailed information. He said the Town had
122 been doing the bare minimum year-to-year and in his and the CIP committee's opinion would be
123 good to have the backup document updated. After that update, they may be able to update the
124 schedule only for a couple years as they had been doing. Mr. Gowan said he also had a line for
125 the Master Plan update, which had not been done in many years. Mr. Gleason questioned if the
126 NRPC updates could be deferred if needed. Mr. Gowan answered yes, but felt those items should
127 be updated each year. Mr. Gleason wanted to know if NRPC had collected all the data they
128 needed to do the updates. Mr. Gowan believed they had the necessary data.

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130 Mr. Haverly referenced the Economic Development Website Maintenance line and questioned if
131 any analytics were done for that site. Mr. Gowan said they had excellent analytics and would
132 share the information to the Board.

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134 Mr. Gleason questioned what impact fees would be reviewed. In response, Mr. Gowan said they
135 were obligated to review impact fees on a regular basis. It was currently way out of date. He said
136 they needed to review the Fire and Senior Recreation fees. He was not aware of the proposal for
137 new impact fees. He noted that the proposed budget line was carried, but defaulted. It was not a
138 new budget item and would not be a recurring item.

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140 Mr. Gowan then spoke about a proposed approach for the department to budget a vehicle. He
141 suggested that the Selectmen consider placing \$7,500 in the budget to obtain an older vehicle
142 with low mileage. He said the only reason they had asked for a new vehicle the previous year
143 was for the benefit of having a warranty. It was noted that the Budget Committee's threshold was
144 the State bid package for two police cars.

Mr. Gleason said the issue they faced the previous year was they attempted to place the vehicle in the operating budget and the Budget Committee insisted that it come out and be placed in a warrant. Mr. Viger said the Budget Committee's stance was the vehicle was a new item that the voters never approved. He said the voter's theoretically did when they supported the budget each year, even though they never (actually) voted for the vehicle because it was a hand-me-down.

Mr. Viger suggested that the vehicle be put back in as a line item.

Mr. Gaydos commented that they had tried to think of a different way. He asked if they should go in the same direction as last year with a Ford Escort. Mr. Viger felt Mr. Gowan gave a good presentation why a new car would be beneficial with the longevity, repairs, gas mileage etc. versus buying a 2-3 year old car. He said if they received feedback from the Budget Committee not to go in that direction, they could then offer a used car alternative. Mr. Gleason agreed that it should be placed in the operating budget and defended as an existing vehicle. If the Budget Committee takes the hard stand that they want it to go to warrant, a place holder of \$7,500 could be put in the budget for repairs or replacement of an older vehicle. Mr. Gaydos pointed out that the first year lease payment would be less than \$7,500. Mr. Viger suggested breaking out the cost savings of a new vehicle over its life expectancy. Mr. Gleason wanted to know if the existing vehicle was included in the vehicle inventory list. Mr. Viger believed it was. Mr. Gleason replied that fact could be brought up as a premise to strengthen the argument.

The Board gave Mr. Gowan direction to research the lease/purchase fee and run the cost savings numbers.

Mr. Lynde asked if there was any potential penalty for not having a Master Plan update. Mr. Gowan said there was no penalty described in the RSA's nor is there a specific timeframe. He said they should be updated every 5-10 years. He said the Town got the last update for relatively short money; at present an update would cost in six figures. He stated that the Master Plan was the foundation for everything the Planning Board did and most of what the Zoning Board did. Mr. Gowan told the Board that they could pass on the project for another year, but once the plan got older the Town would be in a defensive position.

Mr. Gaydos provided the Board with an update regarding the roundabout project. Currently Acorn Lane is a one-way street because of a Fair Point pole. If that pole is removed, it's Continental's intent to open the road to two-way traffic. He asked the Selectmen if they wanted to keep the road as a one-way road, or open it to two-way traffic. He suggested asking the Highway Safety Committee their opinion regarding the traffic flow. Mr. Gleason didn't feel it was the Town's prerogative, given that the project was under the control of the State. He simply wanted people to know that the roundabout was open and functional. Mr. Gowan noted that the roundabout was only serving half its function with it being one-way traffic. He said Continental wanted to get everything done before they deployed elsewhere. He believed it was hopeful thinking that they would be able to finish the road for it to become two-way.

Mr. Gleason said he saw a request to make a change in the color of the intermediate strip and asked that the Board have a discussion. Mr. Gowan explained that the Board chose Barcelona Brown, which they are unable to mix effectively. He believed that the colors appeared darker on the charts than they do in the field. The test pour showed the color to be lighter than expected. The Department of Transportation ('DOT') suggested using a darker grey color. Mr. Gleason asked if it would be stamped in a brick pattern. Mr. Gowan answered yes; they would look similar to paving/cobble stones. He noted which ever color the Selectmen decided upon would have a test pouring for review prior to it being poured in the roundabout inner ring.

The Selectmen discussed which color they preferred. There was concern about the color fading and what it would look like in the future. There was a preference for French Grey. Mr. Gaydos said a test pouring would be done so the Selectmen could see how the color would look.

Mr. Lynde asked that the Highway Safety Committee provide comment for how they felt about making Acorn Lane two-way traffic before or after the second roundabout is completed. He would like to hear their recommendation. Mr. Gowan said he would bring the question to the committee and let the Selectmen know their opinion. Mr. Lynde said the assumption is it would be done when it was needed, but he wanted to know the committee's preference.

Mr. Lynde questioned how long work would be done this year. Mr. Gowan said there would be enough work to take them through the end of August. He said in a perfect world, Continental would like to only have to come back to do the second roundabout and sidewalks. He said they weren't trusting that they would be where they needed to be with utilities in short term. He will keep the Selectmen informed. Mr. Lynde didn't think they should just sit back and wait. He wanted to know if the DOT had estimates for when things would get done. Mr. Gowan said he would ask them to put something in writing for the Selectmen. Mr. Lynde said the woman he spoke with at the Public Utilities Commission would like updates as well. He wanted to know how the Town could be confident that the project would be completed next year as it should. Mr. Gowan said Continental wouldn't come back until all the utility work was completed. Mr. Lynde said construction projects have time tables and deadlines and didn't understand why the Town didn't have one. Mr. Gowan said everyone was bound by contract except for the utilities.

Mr. Gleason noted if the roundabouts were done this year the Selectmen would need to review how they would be maintained this year. He was unsure if the Highway Department had money in the budget to do so. Mr. Gaydos said he had numbers to forward to the Selectmen.

Fire Department / Emergency Management – presented by Fire Chief James Midgley

Emergency Management:

2014 Budget request: \$8,976, representing an increase of \$167 over last year.

2013 Operating Budget: \$8,809.

Chief Midgley said the budget had only a couple increases, one was the purchase of hot spots to provide emergency communications during one of the storms. He explained that they lost communication with the State EOC; the hot spots allow the Fire Department to remain in communication with the State EOC using the cellular system. The other increase was for cistern maintenance. He said that shouldn't be confused with the warrant article approved for cistern repairs. Chief Midgley noted that the salaries line gets reimbursed back through FEMA monies.

Mr. Haverty recalled a discussion about radio licensing to have the ability to communicate with residents in the event of a prolonged outage. He asked if that, or any other strategy had been considered for communicating with residents during an outage. Chief Midgley said they were working on two things; 1) LED sign in front of the fire station, and 2) low power FM, for which the licensing process is determined by the FCC and learned that October is tentatively the opening date. He noted there were a couple channels that were in good position with the department's tower if the licensing process opens. Both the sign and the radio would be used simultaneously.

Fire Department:

2014 Budget request: \$1,913,524, representing an increase of \$66,886 over last year.

2013 Operating Budget: \$1,846,638.

Salaries – contractual increase. It was noted that internal training and administrative over time had been split out because internal training was a contractual obligation. Chief Midgley explained how training, certifications and refreshers were staggered between years. He also explained that the National Registry of EMT's had abolished the EMT85 curriculum and would no longer be recognized in the State. All personnel have to take a 36-hour transition program to prepare everyone to pass the test. It is a very difficult program to pass.

Mr. Viger asked if the EMT's could take the test prior to their expiration date. Chief Midgley believes the State is backing down on that point; the department is trying to get that information.

Chief Midgley continued to review the proposed budget. Mr. Gleason recalled there were problems with the cardiac monitors and asked if there were still problems. Chief Midgley said at the end of next year the cardiac monitors would become obsolete. He said at that point if there were problems with the monitors, there would be no parts available. The goal was to try to take care of them as soon as possible.

Telephone – Chief Midgley explained that Nextel merged with Sprint and therefore the cost plan they had was no longer available through Sprint. Because of this, they've had a significant increase in cost for cell phones.

Fuel – decrease of \$1,200. With the computerized fuel system they were able to determine the exact fuel usage. Chief Midgley was comfortable with the decrease and noted there was still a buffer in the event of an emergency.

Mr. Gleason asked if the placeholder for oil and diesel would be adjusted. Mr. Gaydos said the number would be set at the latest point they could.

Equipment Repair – decrease of \$1,000. One of the two ambulances was coming off warranty, but they both seemed to be doing well. Chief Midgley was comfortable with the decrease. He noted Engine 1 was put back together and would be up and running; the bad news was it would be a five figure bill (out of this year's budget).

Mr. Gleason said it seemed in every bi-weekly report the Selectmen received pictures of fire apparatus that was down at the repair shop for age related malfunctions. He asked if the money in the budget was adequate. Chief Midgley said once they got past the hurdle of Engine 1, it would get them through to 2018-2019 when it is scheduled for replacement. He said the rescue vehicle (scheduled for a warrant article) was not in great shape, but it was the only vehicle replacement until 2018-2019. Mr. Viger felt the Selectmen should seriously consider placing the rescue vehicle into the budget with a lease/purchase option. He understood it was a big dollar item, but commented it was a level of service that would be replaced with a level of service. Mr. Gleason said he researched the subject and found historically it had been in the budget. He agreed it should go back into the budget with the argument of it being a continuation of the lease. He didn't feel a warrant article was the right way to proceed given it was the replacement of a vehicle that historically had been in the budget. The Selectmen agreed the vehicle should be included in the budget. Mr. Gaydos asked for the anticipated value of the equipment. Chief Midgley believed it to be approximately \$600,000-\$625,000. The expected life was a minimum of 20 years. He noted the department was moving away from getting aluminum bodies on

vehicles and was moving toward stainless steel. It was further noted that they had never had the tanker go out for repairs, and that vehicle had a stainless steel body.

There was a discussion about the communication radios used by the department. Motorola has taken the stance that they won't fix the mobile radios. Chief Midgley said the Police Department had removed some of their radios out of service, which has given the Fire Department a cache of parts and body chassis that they could use for replacements.

Chief Midgley told the Selectmen that Pennichuck has notified of a 12.21% increase in hydrant fees. The fees were for thirty-five hydrants currently throughout the Town. He said there was a development in process that would have hydrants, but the cost for them will be put onto the homeowner's association.

There was further discussion about the proposed ambulance rescue vehicle, which was contained in the new Capital Improvements Plan for 2013. There was no objection to having Chief Midgley work with Mr. Gaydos to determine the details of a lease to purchase for the vehicle to be included in the budget.

The Board continued their review of the budget. Mr. Gleason asked about cardiac monitors. Chief Midgley said his goal was to cut and save as much as possible within this year's (2013) budget. He was projecting a surplus from the significant cuts in training and offset by training that has been supplied through grant funding. He said based on the projections, they would probably be able to purchase the monitors at the end of September, beginning of October, 2013.

Mr. Gleason asked Chief Midgley and Mr. Gaydos to amend the budget (to include the vehicle) prior to the Selectmen's vote.

Town Buildings – presented by Town Administrator Tom Gaydos and Finance Director Cindy Kelley

2014 Budget request: \$598,005, constituting a 13.6% increase over last year.

2013 Operating Budget: \$526,582.

Mr. Gaydos said Town Buildings has been overspent for the past 4-5 years and absorbed the costs in other parts of the budget. He said they've expanded quite a bit and not updated the budget. He was directed to compose a budget that accurately shows the costs for the areas they have to maintain. The salary line had a \$1 placeholder in the event something was charged to the line item versus being contracted out as they usually did.

The increase in supplies reflects the costs of cleaning supplies above the cost of the cleaning contract.

Utilities anticipated a small increase. The Town would be participating with the Nashua Regional Planning Commission in their bulk energy buying. Mr. Gaydos will be meeting with the School Business Manager to discuss pooling the schools into the program.

There was an increase for water due to an increase by Pennichuck. Mr. Gaydos didn't anticipate additional water usage from what they were currently using. Regarding oil, Mr. Gaydos contacted several vendors and obtained a fixed price for the year. He expected propane usage to increase because of the fire station, but noted that the price had gone down \$.03 per gallon. He then reviewed the items contained in building repairs.

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349 The Board continued their review of the budget.

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351 Mr. Viger questioned if there was enough money in the repairs line to get work done. Mr.
352 Gaydos said unfortunately, the repairs budget and expenses budget had to be added together; they
353 did their best to split the costs out accurately.

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355 The Selectmen concluded their budget review.

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357 Mr. Gleason discussed the items on the upcoming Selectmen agenda.

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359 **ADJOURNMENT**

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MOTION: (Haverty/Lynde) To adjourn the meeting.

VOTE: (4-0-0) The motion carried.

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362 The meeting was adjourned at approximately 9:04 pm.

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Respectfully submitted,
Charity A. Landry
Recording Secretary