

FINAL

**TOWN OF HANOVER
BOARD OF SELECTMEN'S MEETING**

MARCH 1, 2006

7:00 P.M. – MUNICIPAL OFFICE BUILDING – HANOVER NH

The meeting of the Board of Selectmen was called to order at 7:00 by Chairman Brian Walsh. Present were: Brian Walsh, Chairman; Katherine Connolly, Vice Chairman; Peter Christie, Selectman; Bill Baschnagel, Selectman; Allegra Lubrano, Selectman; Julia Griffin, Town Manager.

1. PUBLIC COMMENT

Chairman Walsh announced the 3rd Budget Meeting and asked for Public Comment. There was no public comment.

2. 3rd BUDGET HEARING

Public Works

Chairman Walsh addressed the audience that were present to speak about Reservoir Road advising them that this meeting will not include conversation about whether the Town will or will not repair the road. This will be a discussion as to whether the Town is going to set aside funding and the amounts for road repair. Ms. Griffin stated that there is a plan to have a separate public discussion in April to discuss whether or not to repair Reservoir Road.

Chairman Walsh advised that the total bill for the July storm is about \$600,000 in materials. If they were to repair all the roads and rebuild the capital reserve account, the sense is not to do it all in this year's budget. There may be some large numbers in the budget, but that doesn't imply that they are for or against doing anything to Reservoir Road. He wanted to clarify that by approving these amounts does not indicate a commitment to repair these roads.

Chairman Walsh asked Peter Kulbacki to introduce his staff. Mr. Kulbacki introduced Don Ware, Utilities Engineer, Frank Austin, Fleet and Facilities, and Mike Chase, Operations Manager. Chairman Walsh praised Mike Chase with his positive dealings with the public.

Chairman Walsh stated that they have been fairly thorough in reviewing the storm damage and asked Peter Kulbacki to take them through the Public Works budget. Mr. Kulbacki stated that right now the budget does not have the repairs for the roads including East Wheelock, Dogford, Reservoir, or Trescott Road. Park Street is in bad shape. There is no money in Capital Reserve for the equipment, bridges or traffic lights. They reduced their paving budget by \$76,000 and are going to try to keep in line with

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those numbers. There will be reductions in the line painting and the department has level funded the sand/salt for the year. Ms. Griffin stated that the best sheet to look at is page 21 of the supplemental information. Public Works every year has money cut from the General Fund. There was \$16,000 to defer the Rudsboro Road bridge replacement, and the Town has applied for some hazard mitigation funds for the retaining wall. Chairman Walsh asked to clarify that they made a commitment to repair the 4 bridges on Rudsboro Road five years ago. Mike Chase stated that they have replaced 3 of the 4 and then there is a retaining wall. Chairman Walsh asked what the amount is for the retaining wall. Mr. Kulbacki stated that it is about \$65,000 - \$75,000.

Ms. Griffin stated there are two big hits in Highway. The request for regular routine paving was reduced by \$76,000 and transfers to Capital Reserve Funds have been suspended. The goal of the department is to catch up with their paving schedule but only part of this catch up could be funded.

Vice Chairman Connolly asked if there were other roads in this same situation. Mr. Kulbacki stated that any time you rebuild a road you have to grind down the road, bring in gravel and reshape the road. That's where the costs increase. Mr. Kulbacki stated that they needed an additional \$16,000 to finish the retaining wall but that was cut from the budget. Chairman Walsh asked if the overtime and fleet level funding was going to be workable. Mr. Kulbacki stated that it depends on how far they stretch vehicles out and Ms. Griffin stated that it depends on how the vehicle holds up.

Chairman Walsh asked about the cut of \$1,500 in vehicle maintenance and what this is for. Frank Austin advised that this is do-able and it is for body work. If there is an accident, there is a \$1,000 deductible so they put money in that account if there is an accident they draw from that account.

Selectman Peter Christie stated that they are looking to fund this year's budget at 75%. Selectman Lubrano stated that there is \$240,000 of Capital Reserve suspended and she asked if they are talking about funding 75% of this. Ms. Griffin stated that this was the goal at this point instead of funding 0%. Ms. Griffin stated that the extent that they get behind may come out as more repair costs etc. It's a year to year balancing act for Frank Austin.

Chairman Walsh asked when the 75% is going to be dealt with and is it going to be across the Board. Betsy McClain took the planned contributions for FY2007, FY2008 and FY 2009 and spread the anticipated contribution over 4 years instead of 3. What hasn't been done is mapping the schedule through with Frank Austin to see what purchasing shuffling and reprioritizing needs to occur to reduced available funds. Chairman Walsh asked if this could be done by Monday. Ms. Griffin stated that this would not be possible, and this may be a year to year process. Chairman Walsh confirmed that some of the money would be funded now and then next year maybe they can put more in the reserve. Selectman Baschnagel didn't feel that the contributions needed to be the same department to department. Betsy McClain stated that in the Friday

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mailing, the schedule will show which departments are going to have reserves go into the red sooner. Ms. Griffin stated that after seeing it laid out, they can discuss it on Monday night.

Chairman Walsh asked about the reduction in salaries of \$6,717 and whether this was going to be okay. Mr. Kulbacki stated that there could be savings by not contracting out.

Chairman Walsh asked about \$7,000 for fields. Mr. Kulbacki stated that if it's funded, there is no one to do the work. It's the turf maintenance and they opted to use the money for staff instead but not do the level of improvements that have been done in the past.

Chairman Walsh noted that there is a \$5,000 decrease in OT and Ms. Griffin stated that this is in hopes that the winter is not too harsh. Selectman Baschnagel pointed out that it is still going up \$17,000 and Ms. Griffin confirmed that this is salary related.

Chairman Walsh asked about line painting. Mr. Kulbacki stated that this is not a reduction in painting the crosswalks, it is the road lines.

Chairman Walsh asked about the \$76,685 reduction for paving and whether this is something that they want to put back in. Mr. Kulbacki stated that they have had to juggle these roads around. Mr. Kulbacki stated that they will try to keep the arterial roads on a 10 year plan and they need to look at the newer developments, neighborhood roads that don't need repair as often because the traffic is slower. Selectman Baschnagel asked roughly how many miles the reduction in tons would cover. Mr. Kulbacki stated that it is 610 tons a mile. Ms. Griffin stated that it's about 3.2 miles or half of Hanover Center Road. Mike Chase wanted to speak to the cost of salt and sand which have increased and there is a good chance that this is going to continue to increase regardless of whether it's a hard winter or not. Chairman Walsh noted it as the amount of \$7,935 that was cut from the salt and sand budget.

Chairman Walsh asked about the stone bucket and Mike Chase stated that they could do without it this year. Chairman Walsh asked about the traffic light replacement. Mr. Kulbacki stated that this is something that was put off last year too. Ms. Griffin stated that the Town saw some relief when the College had to pay for the South Block project with the light upgrades. Chairman Walsh asked why the lights don't work for good once they are installed. Mr. Kulbacki stated that they stop making the parts, they wear out in the weather, and the components deteriorate. Ms. Griffin stated that the controllers wear out and technology upgrades need to be changed. Mr. Kulbacki stated that the newer signals are more efficient if set up properly. Chairman Walsh stated that there will be another one year suspension of the traffic light replacement item. Ms. Griffin stated that the next item, bridge replacement, is also on the list again this year.

Chairman Walsh is trying to condense the list and he has two questions, level funding of winter materials and the retaining wall on Rudsboro Road. Selectman Lubrano mentioned the paving program. Chairman Walsh stated that they have put off the paving

program. The Board discussed the night before funding 75% of the capital reserve. The Board is looking to stay where they should be on the paving program. There are really just two items to think about. Chairman Walsh asked if the \$35,000 for the bridge repairs would include the retaining walls. Mr. Kulbacki stated that \$16,000 would get the rest of the retaining wall done. Ms. Griffin stated that the numbers to be looked at are the \$16,000 for the Rudsboro Road bridge replacement, \$195,000 capital transfer and whether 75% of that should be funded, the \$7,935 is for winter materials, the \$76,685 restored to the budget and the \$341,000 for additional repairs and replenish undesignated fund balance of \$210,000 that was borrowed for the repairs made last summer.

Chairman Walsh noted that the Recycling seems to be going well. Ms. Griffin stated that by going every other week, the volume has gone up. Ms. Griffin asked Mr. Kulbacki to clarify about the Village Planning Group recommendation on the bike lanes and sidewalks, which will cost an additional \$85,000 but there is \$51,000 already budgeted. Peter stated that there was a cross section in front of the school, sidewalks are already in, crosswalks are in, but there is a foot and half space between the curb and the edge of the line and they would have to move the curb back a few spots. Ms. Griffin stated that the Village Planning Group would like to come in the spring to talk to the Board. Mr. Kulbacki has worked with this Group. Selectman Lubrano asked about the second roundabout and she doubts that people really know about the second roundabout and asked if there have been continuous complaints about the first roundabout. Mr. Kulbacki advised that the complaints have slowed down and there haven't been any real accidents there and also the Reservoir Road roundabout was in the Annual Report last year. Ms. Griffin stated that the second roundabout will be larger. Mr. Kulbacki stated that the roundabout does work well and the only damage has been tires that have blown out when people have hit the curbs by traveling too fast through there.

Chairman Walsh advised that he received positive comments and people are now used to it. He feels that the uproar has died down. Mr. Kulbacki also advised that the State is considering a roundabout for the area of Buck Road on Rt 120.

Lynn Swett-Miller from Rip Road spoke from the audience asking about the Dresden neighborhood and the village project and her question is the focus in one location and what is the proportional financial commitment to anything connected to that focal point. This is the first time she's seeing a dollar amount for that and she wanted to know more about this.

Chairman Walsh stated that when the decision was made to move the Richmond Middle School, the decision was also made to make appropriate changes to Lyme Road to make it safe for the students and to tie it in reasonably to get into Reservoir Road and the Ray School. Beyond that they have not set any policies or direction to invest money in it for a "village center" kind of area in both looks and safety. Lynn Swett-Miller stated that this was an assumption that the Board made and that this has broader implications and that when there are dollar figures for these things, they need to be considered. Her concern is that Reservoir Road receives the same kind of consideration. Chairman Walsh stated that

they are very well aware that Reservoir Road has been an increasingly important link between Etna and the Ray School and the Richmond Middle School and there are other competing interests and in the numbers that they are talking about, they are talking about funding to be able to rebuild it.

Ms. Swett-Miller wanted on public record that when there are dollar amounts with regard to the bike path and then the ridiculous amount of people who do not ride bicycles and who drive cars as a proportion, as a dollar figure, as a proportion to danger and safety there are bigger issues and much bigger fish to fry. She is all for bike paths but wants to make sure that its part of a larger conversation. Chairman Walsh stated that the decisions on Route 10 from Reservoir to past Rivercrest were made long before June 10th and the Board is treating it as a separate event. Stan Colla from Rip Road wanted to speak about the budgeting process. Freezing decisions made prior to the June 10th event is not allowing reality to enter into the budgeting decision. The storm affected the Town in a very serious way and it should put the discussions back on the table with the order of development. Chairman Walsh feels that the policy in the budget has been to plan on funding this over 1, 2 or 3 years getting back to 0, getting back to where we were before June 10th but do the other commitments plus that. It is not reasonable to state that the Board is going to put June 10th in second place. It is going to cost \$600,000 to recover from the storm, and it is going to be put in the budget and raised through property taxes, and he feels that they are being fairly responsible.

Maureen Brentrup, Pete's Lane, spoke next. She had a question about the Rt 10 development and the roundabout and turnouts. She asked about the lights in front of the middle school and how much did they cost. Mr. Kulbacki advised around \$45,000 total. Maureen felt that one light would be sufficient and there is still a police officer there directing traffic. With regard to the bike path, a lot of money was spent on the turnouts and what is the purpose because they are now on South Street and Maynard Road which limits traffic. She is wondering what the cost is for this. Ms. Griffin stated that the term is bump outs and the purpose is traffic calming. Regarding the Lyme Road section between Rivercrest and Reservoir, the purpose was to slow traffic down. Ms. Griffin stated that the police officer is funded by the School district. The section of Lyme Road is so wide and people tended to drive much faster, and the new presence of the school emphasized the need to reduce the width of the roadway and the same thing was done on Rip Road, South Street and Maynard St. Whenever there are more pedestrians with more cars, they need to do whatever they can to slow cars down.

Ms. Brentrup stated that the bump outs are not visible in a snow storm. She feels that they are more of a hazard. She referred to the traffic on Lebanon Street near the High School. Ms. Brentrup stated that the roundabout will create more havoc and she has seen 6 cars go all the way around. Ms. Griffin stated that there is a heavy movement of cars in the morning using the roundabout to reverse direction. There are complaints about the officer delaying traffic on Reservoir Road. Another goal of the roundabout was to signal to cars to slow down because there is a village center there, and the travel zone is different there than from the north and south.

Ms. Brentrup asked how much the signs cost. Ms. Brentrup stated that there are 23 signs on the roundabout and feels that this is overkill. Mr. Kulbacki stated that they intended to use more signs until people got used to them and then take them down over time.

Chairman Walsh continued with the budget review. Vice Chairman Connolly had a question about the highway maintenance overtime and why it had increased. Mike Chase stated that it is the painting of crosswalks, winter maintenance and sweeping. Ms. Griffin stated that the employees have been in every weekend even though there isn't a lot of snow.

Chairman Walsh asked about the \$7,935 for winter materials and the \$16,000 for the Ruddsboro retaining wall and what the Board's feeling is on whether this should be added back in at this time. Selectman Christie wants to leave the cuts as they are in the budget for now. Selectman Baschnagel is concerned that the \$7,900 is a real cost and feels that this should be rolled back into the budget. Selectman Christie feels that this should be left out unless there is a pre-buy issue. Mike Chase stated that you do pre-buy because you order this in late summer and late fall. Selectman Baschnagel wants to throw these budget cuts back in and the Ruddsboro Road retaining wall, if it goes, it is going to be a major job to fix and it will more than likely happen at the worst time. Ms. Griffin stated that if the retaining wall was compromised, some other area in the budget would suffer. Chairman Walsh now feels that this should be done at the last night but asked Betsy McClain to highlight those two items. Betsy McClain stated that this will be added to the other items previously highlighted.

Water Reclamation Facility (Wastewater Treatment Plant)

Chairman Walsh moved to the Water Reclamation Facility. Ms. Griffin stated that this used to be considered the "Wastewater Fund". Selectman Baschnagel asked why the tipping fees would be going down. Mr. Kulbacki stated that they are in the process now of nearing capacity of the solids and there was a decision to buy as much time as possible by reducing the amounts they are receiving. Mr. Kulbacki stated that more than half the septic that comes in is port-a-potties. Ms. Griffin stated that this was an unforeseen impact due to the heavy construction.

Chairman Walsh thought that there would be a reduction due to eliminating the UV. Mr. Kulbacki advised that they used less but at a higher rate. Mr. Kulbacki stated that the UV has been off line for about 6 months. Selectman Baschnagel asked what the logic was to reduce the transfer to capital reserve. Mr. Kulbacki stated that they have seen a reduction in BOD's and the bonds are now due and they don't need the extra \$100,000 rather than put it into reserve and raise the rate. Betsy McClain stated that the FY2006 transfer included the State Aid Grant that isn't going to be there this year, and they transferred the money into the reserve.

Mr. Kulbacki stated that there is equipment to reserve for and equipment that is too expensive to reserve for, and they drew a line for the amounts that they would reserve for.

Mr. Kulbacki noted that Town staff will be making a detailed presentation of proposed plant improvements sometime in the spring. Ed Underwood, our consulting engineer, has been tasked with the funding and phasing elements of these improvements.

Capital Improvement Program

Chairman Walsh moved forward to the Capital Improvement Program. Ms. Griffin stated that the Board has been through most of the parts of this except the Public Works Department and Wastewater.

Selectman Baschnagel asked about page 149 and the amount of \$741,350. Betsy McClain feels that this may be a typo and that the individual line items are correct. Betsy McClain stated that \$334,510 is what the number should be.

Chairman Walsh asked if there were any questions about the Vacuum Manhole cleaner. Ms. Griffin stated that Frank Austin could talk about this because it is a specialized piece of equipment. Frank Austin stated that the purchase of the sidewalk sweeper equipment 10 years ago it was two separate pieces and it cost \$109,000 for the truck and there was a \$20,000 trade in. Frank Austin looked at it coming into the final years, for the same exact unit it will cost about \$200,000. The 3% cost of inflation pertaining to vehicles doesn't match. The costs of fuel and steel are a direct factor. It is good to put away for it but when the time comes to replace it, he looks at several factors including what the vehicle would do for the department and how they could cut man hours, etc. He has looked at demo units or purchasing a rental unit but these unique pieces of equipment make it harder to do. Chairman Walsh stated that he has a fear that inflation is going to eat up their funds over the next 5 years. Vice Chairman Connolly asked if the \$135,624 is way too low. Frank Austin suggested keeping this at that price and see what he can do to come up with a piece of equipment or wait and try to get more funds next year.

Town Properties

Ms. Griffin stated that it is pretty straightforward. Frank Austin's job title was changed. The cleaning contracts for Town buildings were changed and they hired 3 custodial staff members to bring it in-house. Frank Austin was upgraded last January. Ms. Griffin stated that Steve Driscoll works with Frank Austin and there are two custodians who are overseeing the cleaning of all the Town buildings. Ms. Griffin stated that what they are seeing in this budget is the first year of Frank Austin's work in looking at the on-going maintenance and repair issues, for example, the Police Department roof and HVAC controller. Ms. Griffin stated that Frank Austin is doing a great job and they realize it is stressful.

Frank Austin stated that he understands that there may be things that they are seeing for the first time and it is his opinion that they have items that need to be addressed that haven't been dealt with for a long time. He likes to break down the cost for each building instead of lumping it all in together. Mr. Austin feels that the buildings are being cleaned

better and there are now people looking for problems in the buildings and unfortunately they are finding it. He feels that some of these things have been paid for in the past but were not fixed the way that they should be.

Chairman Walsh asked about the police department roof repair. Ms. Griffin stated that there is a section right over dispatch that has a major problem. Frank Austin found that some of the things were budgeted in the past didn't always get done, but the money was used for something else. Selectman Baschnagel was pleased that someone is tracking these things. Ms. Griffin stated that one of the things that she has wanted to know about is what the routine repairs are going to cost, as this was previously under budgeted. Vice Chairman Connolly asked about the air conditioning system. Ms. Griffin advised that the building is an air conditioning nightmare. It has routinely been malfunctioning and Frank advised her that he wants to do it once and do it right, instead of patching it together. Ms. Griffin stated that she spoke to the Police Chief about shutting down the central system. Ms. Griffin stated that dispatch creates its own amount of heat which provides an additional challenge. Vice Chairman Connolly felt that by putting in a new system it may reduce the energy demands. Mr. Austin stated that this system has been dismantled and there was a controlled system that had actuators on them and the dampers were opened up by repairmen in the past. If there is one part of the building that needs air conditioning, it heats up all of the cooled air coming through the system because it's not a controlled system. Mr. Austin stated that it's not that the heating or the air isn't working but where they are most affected is in the summer and in the spring, the winter is not as bad and the other contributing factor is that the central thermostat system is in the dispatch center which is in the warmest part of the building. Mr. Austin stated that they have paid people to dismantle the system in the past instead of making it cost effective/energy efficient. Ms. Griffin stated that she wants it fixed this year and not seen again.

Chairman Walsh asked Betsy McClain about the Endowment Support from the Howe Corporation which appears to be a 4.6% return on \$500,000 and how that number gets set. Ms. McClain stated that it is set by the Howe Corporation. Chairman Walsh wants to know more about what the basis is because they are looking at that number being about the size of the increase of the electric bill and wants to make sure that they are getting the full value. Betsy McClain stated that there is a spending formula which controls the amount to which they will distribute income and she will get the Board the information provided to her from Mado MacDonald of the Howe Corporation.

Selectman Baschnagel asked about the School Street building. Ms. Griffin stated that it's just sitting there. They also need to remember to encumber the money for the demolition of it from the parking fund. Ms. Griffin feels that this becomes an attractive nuisance even if it does work well for the Haunted House. Her sense is that they are driving toward a decision fairly soon.

Chairman Walsh had questions on page 182. There is 11 years of data for electric and heating costs and they averaged 16% per year increase from 1996 to the 2007 budget and

he feels this is an astonishing increase. They have really only seen a 3% per year increase. Vice Chairman Connolly pointed out that Public Works was doubled and the Library was expanded. There is a 16% increase and Ms. Griffin stated that it's directly in relation to adding increased square footage to the buildings. Selectman Baschnagel assumed that the infrastructure decreases are due to the more efficient street lights, etc.

3. ADMINISTRATIVE REPORTS

Ms. Griffin reported nothing new since last night's meeting.

4. SELECTMEN'S REPORTS

Kate Connolly

Vice Chairman Connolly reported that the Planning Board met and accomplished setting the zoning amendments of the district for Lyme Road.

5. OTHER BUSINESS

There was no other business.

6. ADJOURNMENT

Vice Chairman Connolly MOVED to adjourn the meeting. Selectman Baschnagel SECONDED the motion. THE BOARD VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 8:45 P.M.

Respectfully submitted,

Allegra Lubrano, Secretary

Minutes transcribed and prepared by Elizabeth S. Rathburn.

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March 1, 2006

SUMMARY

- 1. Vice Chairman Connolly MOVED to adjourn the meeting. Selectman Baschnagel SECONDED the motion. THE BOARD VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 8:45 P.M.**