

1  
2  
3  
4  
5  
6  
7

**MINUTES OF THE  
BOARD OF SELECTMEN**

**Budget Review Meeting of  
September 9, 2009**

8 The Board of Selectmen held a meeting on Wednesday, September 9, 2009 at The Media Center,  
9 Salem High School, Geremonty Drive, Salem, NH.

10  
11 **PRESENT:** Chairman Arthur E. Barnes III, Vice-Chairman Michael J. Lyons, Selectman  
12 Everett P. McBride, Selectman Patrick Hargreaves and Mr. Sistare (Town Manager)

13  
14 **ABSENT:** Selectman Roth, Secretary

15  
16 **CALL TO ORDER**

17 Chairman Barnes began by calling the meeting to order at 6:10 p.m. He joined the Board in the  
18 Pledge of Allegiance and introduced the Board and Town staff.

19  
20 **1. 2010 Budget Review**

21 • **Engineering (a/c 30100, pages 24 – 28)**

22 Mr. Puff, Engineering Director presented the budget for his department, reporting there is  
23 an increase overall of 3% over last year due to site remediation being moved from  
24 Capital. He explained the figures for fuel are based on three year averages, and  
25 Memberships and Publications have decreased.

26 *Line item 4402 (Engineering Services):* Has increased due to the cost of the engineering  
27 consultant, but it was pointed out this may decrease slightly as the contract is not yet  
28 signed.

29  
30 In response to a query, Mr. Puff estimated the mileage on the department's vehicles, and  
31 clarified the type of vehicles they use.

32  
33 *Line item 4092 (Temporary Pay):* Mr. Puff the temporary pay for the current part time  
34 position works out to 12 hours/week over the course of the year.

35  
36 *Line item 4405 (Memberships & Publications):* In response to a query as to whether any  
37 of the items in this account are contractual and a requirement, Mr. Puff pointed out some  
38 pay for themselves due to discounts received as a result of having them. Selectman  
39 Hargreaves requested an itemized list of the benefits from Mr. Puff.

40  
41 In response to a query, Mr. Puff provided a status report on the Lawrence Road Bridge,  
42 stating they are waiting for easements and Legal to get the final certificate written. He  
43 further clarified they are waiting for the mortgage holders to subrogate for easement.  
44

1 Mr. Puff explained how the reimbursement schedule for the state operates.  
2 He also provided a status report on Cluff Crossing Road, stating it is on schedule and  
3 they anticipate it will be open in November. There followed a discussion on what can be  
4 done to help the easement process.  
5

6 • **Public Works**

7 Mr. Russell, Director of DPW presented the budget for his department, providing a  
8 statement relating to their goal. He reported the budget is 3.93% higher overall than last  
9 year, but that the taxpayer portion of the General fund had decreased while the Utility  
10 portion has increased by 8.2%.  
11

12 • ***District Court (a/c 10200, pages 18 - 19)***

13 *Line item 4452 Building Maintenance:* This will increase due to the installation of the  
14 garage doors.  
15

16 Selectman McBride pointed out the revenue from the court building as it is not  
17 mortgaged.  
18

19 *Line item 4401 (Cleaning Services):* It was confirmed this goes out to bid annually.  
20

21 • **Town Buildings**

22 • ***Town Hall (a/c 10350, pages 50 - 54)***

23 Mr. Russell highlighted the decreases in this account for next year, providing reasons  
24 for the decreases.

25 *Line item 4201 (Maintenance Supplies):* Ms. Murray provided a current estimate of  
26 expenditure for this line item.  
27

28 • ***Old Town Hall (a/c 10351, pages 54 – 55)***

29 *Line item 4498 (Building Repairs):* In response to a query regarding the necessity of  
30 burner maintenance, Mr. Russell explained this takes place at least twice a year and  
31 ensures it is burning efficiently. He also explained most parts are covered for  
32 replacement. Selectman Hargreaves requested a copy of the last itemized bill.  
33

34 It was confirmed that the price for heating oil will be \$1.99/gallon and is a fixed price  
35 for the season  
36

37 • ***Hose House (a/c 10353, pages 56 – 57)***

38 Mr. Russell pointed out the decreases in the account which are due to electricity and  
39 other utility costs decreasing.  
40

41 • ***Old Library (a/c10354, pages 58 – 59)***

42 Selectman Hargreaves requested the last itemized service invoice and Mr. Russell  
43 confirmed the boiler is at least 15 years old. Selectman McBride suggested the  
44 maintenance should go out to bid.  
45

1 Selectman McBride asked Mr. Sistare to find out whether the school intends to go  
2 over to natural gas as it is less expensive overall and would benefit the town if they  
3 joined the school.

4  
5 • ***School house # 5 (a/c 10355, pages 60 – 61)***

6 Mr. Russell pointed out the decrease in electricity costs is the reason for the decrease  
7 in this account.

8  
9 • ***Depot Train Station (a/c 10356, pages 62 – 63)***

10 Mr. Russell pointed out the increase in electricity costs are due to the work currently  
11 going on in the building. Selectman Hargreaves stated he would expect to reduce this  
12 by half.

13  
14 • ***Animal Control (a/c 40400, pages 146 - 149)***

15 Mr. Russell pointed out the increase in this account is less than 1%.

16 *Line item 4450 (Telephone):* The increase in this line is due to the move from the  
17 Police department

18  
19 *Line item 4453 (Meetings & Training):* In response to Selectman Hargreaves' query  
20 as to whether both training events are necessary, Mr. Russell explained the training is  
21 justified and was an opportunity because they are local.

22  
23 *Line item 4098 (Overtime pay):* Mr. Russell explained the figure was a 3 year  
24 average.

25  
26 **Public Works (pages 150 – 174)**

27 • ***Public Works Administration (a/c 50100, pages 151- 154)***

28 *Line item 4090 (Regular Pay):* Responding to a query from Selectman Hargreaves,  
29 Mr. Russell explained why the administrative secretary had been reclassified and that  
30 a step increase was included. He explained the position had taken on additional  
31 responsibilities which had previously been part of another position.

32  
33 *Line item 4239 (Dam Repair & Maintenance):* Mr. Russell explained it is still early in  
34 the year and they may have to expend more this year. Selectman McBride clarified  
35 certain cutting was a state requirement.

36  
37 *Line item 4453 (Meetings & Training):* Responding to a question from Selectman  
38 Hargreaves regarding the increase in backhoe operator training, Mr. Russell explained  
39 specialty training for the backhoe was required due to the expense of the equipment  
40 and safety requirements.

41  
42 • ***Public Works Garage (a/c 50110, pages 155 – 159)***

43 Mr. Russell reported they are expecting substantial savings in heat and electricity in  
44 this account next year due to the installation of the new roof which was done this  
45 year.

1       • ***Fleet (a/c 50120, pages 160 -164)***

2       Selectman McBride confirmed that there was not a fixed price for fuel oil.

3  
4       *Line item 4098 (Overtime pay):* Mr. Russell explained the increase in this line was  
5       due to using a three year average figure.

6  
7       *Line item 4456 (Radio Maintenance):* Mr. Russell explained they preferred to retain  
8       their pagers rather than moving over to cell phones for everyone as the pagers work  
9       everywhere and they use them for the foremen for after hours emergencies.

10  
11       There was a discussion between Chairman Barnes and Mr. Russell regarding vehicle  
12       maintenance.

13  
14       • ***Streets/Shops (a/c 50130, pages 160- 164)***

15       *Line item 4245 (Bituminous concrete):* Mr. Russell explained the cost of asphalt has  
16       increased by 5%, and he has included amounts for crack sealing.

17  
18       *Line item 4607 (Equipment):* Mr. Russell stated there is a reduction in this line as they  
19       have less.

20  
21       *Line item 4267 (Calcium Chloride):* Mr. Russell reported they had not used dust  
22       control this year.

23  
24       *Line item 4098 (Overtime pay):* Mr. Russell explained they had used a three year  
25       average for this which resulted in a 9% increase for the line.

26  
27       *Line item 4241 (Bridge & Rail Supplies):* Mr. Russell confirmed this did not include  
28       South Policy, but stated they had recently requested a price from the contractor.

29  
30       Selectman Hargreaves asked whether Route 28 is complete and Mr. Russell  
31       responded that it was as far as the warrant article is concerned. He told Selectman  
32       Hargreaves they would take care of the gap he mentioned in house.

33  
34       *Line item 4400 (Contracted Services):* Mr. Russell confirmed the bill for this come in  
35       late October/early November in response to a query on why they were budgeting the  
36       same for next year when they have expended zero to date.

37  
38       *Line item 4440 (Equipment Rental):* In response to a query about the expenditure to  
39       date, the figure was updated to \$3,600

40  
41       Mr. Russell by getting good price on asphalt – will not use all this year but price  
42       unknown for next yr.

43  
44       *Line item 4462 (Tree Removal):* The figure expended to date was updated to \$5,034.  
45       Mr. Russell stated the contractor is scheduled to come in and take down some trees  
46       prior to winter.

1 Selectman McBride pointed out that the bridge will not solve the flooding problem,  
2 and talked about beaver dams and the lack of water flow.

3  
4 Selectman Lyons confirmed with Mr. Russell that crack sealing extends the life of  
5 roads and is the best maintenance which can be done. Mr. Russell clarified that if  
6 more money is required for bituminous concrete they will move money out of crack  
7 sealing. There followed a discussion on spending on asphalt versus crack seal for  
8 previous years. Selectman Lyons suggested moving crack seal out of the operating  
9 budget and into a warrant article and there was a discussion with Selectman McBride  
10 in which Selectman McBride stated his preference would be to see roads paved.  
11 Selectman Hargreaves suggested crack sealing more secondary roads, and there was  
12 further discussion with Selectman McBride.

13  
14 • ***Solid Waste (a/c 50200, pages 165 - 169)***

15 *Line item 4648 (Testing):* Mr. Russell reported an increase in this line due to new  
16 rules from the state requiring additional testing.

17  
18 *Line item 4400 (Contracted Services):* Ms Murray confirmed for Selectman  
19 Hargreaves that the 2009 expenditure figure was for six months.

20  
21 *Line item 4633 (Hazardous Waste Collection):* Mr. Russell announced details of the  
22 town's hazardous waste day.

23  
24 There was a discussion regarding recycling rates for the town and reasons why the  
25 rate may be so low.

26  
27 • ***Parks and Property (a/c 50300, pages 169 - 172)***

28 There was a discussion with Selectman McBride regarding whether the department  
29 could use chemicals and Mr. Russell explained you need to be licensed to spray weed  
30 killer, but that they can contract out the spraying.

31  
32 *Line item 4440 (Equipment Rental):* In response to a query as to why they are  
33 budgeting for this line when they have expended anything this year, Mr. Russell  
34 explained they will use equipment to blow leaves in the fall.

35  
36 *Line item 4465 (Expansion & Development):* It was explained they will use the  
37 money in this line for the scheduled fall removal of trees.

38 Selectman McBride suggested they also need to remove brush in the river before the  
39 weather changes.

40  
41 • ***Lighting (a/c 50400, pages 173 - 174)***

42 Selectman McBride pointed out the use of LED lights has reduced costs.

43  
44 *Line item 4496 (Electricity):* Selectman Hargreaves asked why the town is paying for  
45 the lights at the intersection of state owned roads and Selectman Hargreaves  
46 suggested the Board of Selectmen ask the Town Manager to write to the DOT.

**Sewer Fund (pages 210 219)**

- **Administration (a/c 28100, page 211)**

*Line item 4646 (GLSD Operating Costs):* It was reported this line has increased significantly due to the rate increase and general liability costs.

*Line item 4451 (Postage):* A decrease was reported due to changing the split between the water and sewer funds for this. Mr. Russell pointed out most customers have water only.

*Line item 4098 (Overtime pay) and 4092 (Temporary pay):* These figures are based on a three year average.

*Line item 4244 (Gravel/Sand):* It was clarified for Selectman Hargreaves that they are budgeting for this in case it is needed.

*Line item 4249 (Resurfacing):* This is also being budgeted in case it is needed.

*Line item 4423 (Medical Examinations):* Mr. Russell explained they need to budget for these as the employees are randomly picked, but that the sewer department has had none this year so far.

Responding to a query from Selectman McBride, Ms. Savastano explained the areas which have increased in the GLSD operating costs. Selectman McBride then provided a status report on the GLSD and pointed out that water consumption in town is down.

In response to a request from Chairman Barnes, Mr. Russell provided a status report on the remediation at the water treatment plant.

- **Sewer Debt Services (a/c 28110, pages 217 -218)**

There were no comments on this account.

**Water Fund (pages 220 – 235)**

- **Administration (a/c 38100, pages 221 – 225)**

*Line item 4451 (Postage):* It was explained \$8,500 **being taken out of town hall**

*Line item 4098 (Overtime Pay):* Mr. Russell explained for Selectman Hargreaves this was based on a three year average, stating it was difficult to predict how accurate the figure would be.

*Line item 4405 (Memberships & Publications):* Mr. Russell confirmed these are required by contract.

*Line item 4440 (Equipment Rental):* Mr. Russell explained they had looked at the three year average and requested half.

1 *Line item 4451 (Postage):* Mr. Russell explained the certified shut off letters are sent  
2 out every quarter.

3  
4 *Line item 4453 (Meetings & Training):* Mr. Russell was asked to find out where the  
5 AWWA conference is. He pointed out the NHWWA and NEWWA meetings are  
6 important and state mandated. He also explained the membership entitles them to  
7 discounts.

8  
9 *Line item 4456 (Radio maintenance):* There was a discussion with Selectman  
10 Hargreaves regarding the number of pagers in which Mr. Russell justified the need  
11 for these.

12  
13 • ***Operations (a/c 38110, pages 229)***

14 In response to a query from Selectman McBride, Mr. Russell explained why the valve  
15 for the Spicket Hill water tower was required and Mr. Wholley agreed to find out  
16 when the water tower had been built.

17  
18 *Line item 4255 (Chemicals):* Responding to a query from Selectman Hargreaves  
19 regarding the increase in this line, Selectman McBride explained the state standards  
20 are becoming more stringent and these cost the town money. Mr. Russell explained  
21 the treatment plant is currently lagging behind these requirements.

22  
23 *Line item 4484 (Meters/Replacement):* Selectman Hargreaves queried why they need  
24 to continue with the replacement program if they have a warrant article coming up for  
25 this, and there was a discussion regarding maintenance due to meters breaking which  
26 is not in the warrant. They also discussed a more efficient way to replace the meters,  
27 and Selectman McBride asked for information on what it would cost to replace all the  
28 meters within a year. In response to questions from Selectman Lyons, Mr. Sistare  
29 clarified the town is proposing to replace the meters over three years.

30  
31 *Line item 4497 (Other Utilities):* In response to a query from Selectman Hargreaves  
32 regarding low expenditure this year to date, it was confirmed they are waiting for the  
33 bill from the GLSD.

34  
35 • ***Buildings (a/c38120, pages 230 – 231)***

36 *Line item 4452 (Building Maintenance):* Mr. Russell explained why the repairs are  
37 necessary. He also explained he was proposing a storage facility as the distribution  
38 crew has moved and need a facility in which to store equipment. He also provided  
39 information on the required security improvements at the WTP.

40  
41 • ***Debt services (a/c 38130, pages 232 – 233)***

42 Selectman McBride asked questions about the various bonds. Mr. Russell clarified  
43 for Selectman McBride that the state had not reduced the amount of salt they can buy.  
44 Ms. Savastano handed out a draft proposal of water and sewer rate projections, and  
45 Mr. Sistare and Ms. Savastano explained these. There was a discussion in which  
46 Selectman McBride suggested bonding the whole thing including the booster station.

1 They also discussed the decrease in water consumption which is also affecting the  
2 rate. Ms. Savastano went over the other options she proposed and the effect on the  
3 rates.

4  
5 There was a discussion with Chairman Barnes regarding difficulties with the new  
6 finance software which were affecting Finance department's ability to run reports and  
7 perform a test run.

8  
9 Ms. Savastano also handed out the budget information for SCTV.  
10 Selectman McBride asked Mr. Sistare to look at a 10 year bond option and perform  
11 some analysis on this.

12  
13 Mr. Sistare confirmed the next meeting should start at 6:00 p.m.

14  
15 There was a discussion between members of the Board regarding the warrant article  
16 policy.

17  
18 • **Additions and/or Requests by Public or Board by Vote**

19 Mr. Jerry Parenti, 1024 Shore Drive handed out information and photos pertaining to  
20 flooding problems at his residence which he stated were the result of the reconstruction on  
21 Shore Drive and a similar problem he was having with his beach front property. He stated he  
22 had spoken with Mr. James Danis (Engineering) about what the town could do to help  
23 mitigate the problems. He also stated Messrs. Sistare and Russell had come out to look at the  
24 problems. He stated the solution offered by Engineering was a swale and he explained why  
25 he felt this would not solve the problem. He pointed out the road has been raised  
26 approximately 10 – 12 inches. Mr. Parenti also talked about the issues with his beach front  
27 property. Selectman Lyons suggested adding these problems to the agenda of the September  
28 21<sup>st</sup> meeting, and Chairman Barnes confirmed that someone from Engineering will be in  
29 attendance at that time.

30  
31 • **Upcoming Meetings**

- 32 ○ September 10, 2009 at 6:00 p.m. – Budget Review
- 33 ○ September 14, 2009 – Budget Review
- 34 ○ September 21, 2009
- 35 ○ September 28, 2009

36  
37 • **Upcoming Events**

- 38 ○ September 19 – 20, 2009 Salemfest

39  
40 **MOTION:** by Selectman Lyons

41 ***Move to adjourn to a Non-public session***

42 **SECOND:** Selectman McBride

43 Chairman Barnes polled the Board: Selectman Lyons – yes; Selectman McBride – yes;  
44 Selectman Hargreaves – yes; Chairman Barnes - yes

45 **VOTE:** 4-0-0

1 **The motion carried unanimously.**

2 Without further business, the meeting adjourned at 9:06 p.m. and the Board went into Non-  
3 Public Session.

4

5 Notes/minutes taken by: Sandra Maxwell

6

7 Approved: Board of Selectmen

8

9 Date: October 5, 2009