

TOWN OF ALLENSTOWN  
Budget Committee  
16 School Street  
Allenstown, New Hampshire 03275  
November 20, 2014

**Call to Order.**

The Allenstown Budget Committee Meeting for November 20, 2014 was called to order by the Chair at 6:06pm.

**Roll Call.**

Present on the Board: Dave Coolidge, Jeff Gryval, Dave Eaton, Mike Frascinella, Keith Klawes, Stephanie Tallini, Carol Angowski, Jerry McKenney, and Melaine Boisvert.

Excused: Carol Merrill, Chris LaValley, Deb Carney, Tom Irzyk,

**Others Present.**

Residents of Allenstown:

Others Present:

Other Public Officials: Carl Caporale, Sewer Commission; Larry Anderson, Sewer Commission; Dana Clement, Superintendent; Jeff Backman, Asst. Superintendent; Andrea Martel, Budget Manager

Allenstown Staff: Ron Pelissier, Road Agent; and Shaun Mulholland, Town Administrator.

**Sewer Budget presentation**

Mr. Caporale distributed copies of the Sewer Budget for 2015. He explained they are going to have the assistant superintendent and then the budget manager do the budget presentation.

Mr. Frascinella joined the Budget Committee meeting.

Ms. Martel stated for utilities, administration, professional fees, and equipment dollar amount stayed pretty much the same. She explained some of the line items names have been changed

such as Telephone to Communication Services so they could include their cell phones and .dov emails.

Ms. Martel stated for equipment under Warranties and Services is much higher than the both the gross budget amount and the 2015 proposed budget amount. She explained the scale hit five years this year and once it hits more than five years the cells need to be maintained more frequently. She stated they got a good deal for the maintenance so they prepaid for the next five years.

Ms. Martel stated there was an increase in insurance for property because they are in the process of having the plant re-evaluated as there are more buildings and they don't feel they have enough coverage for it.

Ms. Martel stated they decreased some of the chemical costs under Operations because they added some new systems improving it. She stated the trash line was reduced because they joined the town in using their trash utilities.

Ms. Martel stated the overall budget is up 1.32% over this year's current budget. She stated the Sewer Commission voted to change the Sewer rate from \$7.59 for this year to \$7.58 for next year.

Mr. Backman stated they have five projects going on and they are all intertwined. He stated one of the projects is tank mixing which is intertwined with odor control and blowers. He stated they use air to mix their tanks and as they put more air into it they have to treat more odors. He stated one of the big projects for next year is installing mixing systems to reduce the amount of air that they mix. He stated this will affect the sizing of the blowers and the odor control system.

Mr. Caporale explained odor complaints have dropped and it is something which is hard to control. He stated this project they are working on will help reduce the odor some more. He stated the calls dropped to 15 complaints this year and it should reduce even more.

Ms. Angowski asked them to be more specific on what tank mixing is. Mr. Backman stated they have three 200,000 gallon tanks which store sludge. He stated the sludge has to be mixed together in order to take the water out of it in order to take it to the landfill. He stated the water gets reintroduced into the plant, treated and then put back into the river. He stated the blowers put air into the irrigation system to oxidize the pollutants.

Ms. Martel stated next year they are proposing to replace the sewer main on the left side of Ridge Road. She stated last year they did 10 manholes and this year they did 15 manholes and covers. She stated they are trying to do 10 every year. She stated the new ones have "Allenstown Sewer" on each cover and they lock. Mr. Caporale stated the covers don't allow water to go into

them so there's less water filtrate which they have to clean. He stated they are having the man wholes dug out and replaced. Ms. Martel stated they are good for fifty years. Ms. Martel stated last year they got hit with the Capacity Management Operation and Maintenance requirements for their permit so March 2015 will be their first annual report submitted.

Mr. Klawes asked they are able to lower the rate while doing all these projects. Mr. Caporale stated that is correct and it is the second year they have done this. Mr. Klawes asked if they are on the same health insurance as the town. Mr. Anderson stated yes they are.

Mr. Caporale stated the progress which was made last year was remarkable. He stated this year it is even more remarkable because of what the State is now imposing and the Federal guidelines are proposing. He stated the team is doing a lot of work themselves and are not outsourcing as much. He stated they are taking in 20% of the entire State's septic. Ms. Martel stated they are the only facility which takes grease. Mr. Caporale stated grease is much more profitable and it is what is allowing them to reducing the rates.

Mr. Klawes asked if the trucks coming in are contracted out or is it a good estimated guess based on previous years. Mr. Anderson stated when the sewer plant started there was one hose which takes time and to them time is money. He stated they put in four hoses so now each truck is there about 15 minutes and there is no one else around which have four hoses. Mr. Caporale stated they invested the money to make the large building which the truckers love and the rate is a half of cent lower.

Ms. Angowski asked about the increase to the sludge disposal contract. Mr. Anderson stated it is an estimate based on tonnage. He stated right now the water going into the trucks is 30% solids and 70% water and then they have the presses which press out the water. Ms. Martel stated they have a five year agreement with them and they are in year three with them. Mr. Clement stated they were able to re-negotiate the fee down to just a tonnage fee and dropped about \$75,000 off their cost by doing so.

Ms. Angowski asked the salary increases were specific variables or did everyone get the same percent. Mr. Clement stated it is all based on merit. Ms. Martel stated they can get anywhere between zero to five percent.

The Chair asked if there are any issues with Pembroke. Mr. Mulholland stated there are some issues. He stated the Town of Pembroke sued the Select Board and the Sewer Plant. He stated the issue is in regards to the usage of the fees they bring in for the septage and that Pembroke is arguing they should get a piece of that money.

Mr. Frascinella asked how they can ~~thing~~ think they have any standing. Mr. Mulholland stated anybody can sue anybody. He stated we feel confident in this particular case. Mr. Anderson stated this will be the fourth time they have tried it.

Mrs. Boisvert asked about the debt administration and if the close out is what will actually be spent in the line item. She stated the budget is \$500, they spent \$2,660 but they are only budgeting out \$100 and asked what the process for collecting unpaid sewer bills is. Ms. Martel stated the \$2,660 budget for close out is because they have liens outstanding from 2007-2010 and the liens are only good for six years and then she has to refile. She stated they had a large account pay and next year they reduced what they have for outstanding by 42% which is why there's only \$100 budgeted.

Ms. Martel stated they give anything outstanding for the fourth quarter, first quarter, second quarter, and third quarter of the current year to the tax collector through a sewer warrant which they collect and issue the Sewer Department a payoff. She stated they started going to the tax collector because the liens the Sewer Department files are only good for six years whereas the tax collector's liens are good for two years and a day and if not paid in full the town can take the property.

The Chair stated, as a side note from the Sewer Budget, Mr. LaValley had informed him he wanted to reopen the Police Department and Parks & Recreation. He stated since Mr. LaValley is not here, if nobody wants to do that they can let Mrs. Houlis and her children go. He stated he thinks Mr. LaValley wanted to do it so Mr. Frascinella could have a vote on it. The Chair asked the members if they plan on reopening any of the other budgets. The members stated they don't intend on opening any budgets.

Mrs. Boisvert asked Ms. Martel what happens to any surplus from the Sewer Department. Ms. Martel stated it goes into one of five Capital Reserve Funds for the Sewer Department. Ms. Angowski asked what the five Capital Reserve Funds are. Mr. Mulholland stated he can send them a spreadsheet of the five funds. Ms. Martel stated they don't transfer the surplus until all the funds have been expended for the year which is typically in the fall.

Mrs. Boisvert asked what percentage of the total expenditures of the budget does Pembroke pay. Ms. Martel stated they get billed 56.51% of the plant expenditures not of the total operating budget; calculations are based on their total outflow.

Ms. Angowski asked about the \$12.08 rate on the Rate Calculations sheet since the budgeted rate is \$7.58 for 2015. Ms. Martel stated the \$12.08 is based on the current budget and what the Allenstown rate should be to cover their plant portion of the budget and their collection system budget however right now they have a subsidy from the trucks.

Mrs. Boisvert asked if the lawsuit is after the legal line. Mr. Mulholland stated it is covered by insurance and they have met their deductible so it will all be covered through the insurance.

Mr. Frascinella stated he did some quick math for Deerfield and they are charging residents ten cents a gallon and the Sewer Department is charging them six cents a gallon. He stated it doesn't give them a lot of profit. Mr. Clement stated Deerfield is doing very well.

Motion. Mr. Klawes made a motion to recommend the Sewer Budget as written. Mr. McKenney seconded the Motion. There was no additional discussion.

A Roll Call Vote was taken: Mr. Coolidge-Yes; Mr. Gryval- Abstained; Mrs. Boisvert – Yes; Mr. Eaton – Yes; Mr. Frascinella – Yes; Mr. Klawes – Yes; Ms. Angowski – Yes; Mrs. Tallini – Yes; and Mr. McKenney - Yes. The Chair declared the Motion passed.

### **Review and Approve Minutes**

Ms. Angowski made a motion to amend the minutes for October 30, 2014. Mr. Coolidge seconded the Motion.

A Roll Call Vote was taken: Mr. Coolidge-Yes; Mr. Gryval- Yes; Mrs. Boisvert – Yes; Mr. Eaton – Yes; Mr. Frascinella – Yes; Mr. Klawes – Yes; Ms. Angowski – Yes; Mrs. Tallini – Yes; and Mr. McKenney - Yes. The Chair declared the Motion passed.

Ms. Angowski stated when she stood before the Budget Committee expressing interest in joining the committee she had informed them she had been elected official for Budget Committee on three or four occasions in the past.

The Chair stated he had a correction for the other public officials as Joanne Dufort is misspelled.

The Chair stated on page 7 it should be reworded to say “Mr. Coolidge asked who handles the kitchen in the cafeteria.”

The Chair stated on top of page 8 when Mr. Klawes stated “although these numbers are high, to err” err is spelt wrong.

The Chair stated where it says “Mr. LaValley asked what the senior center is going” should be where the senior center is going now.

The Chair stated on the first paragraph for the Library it says “provide installation in the roof” should be “insulation.”

The Chair stated page 11 the title should be assessing instead of accessing.

The Chair stated on the second paragraph on page 11 says “Mr. Mulholland stated is an assessor question” and should have “it is an assessor” to add clarification.

The Chair stated again on page 14 Mr. Mulholland stated is a matter of staffing hours and should have the word it.

The Chair stated page 18 under Solid Waste 4th paragraph down should have “he stated it was not part of the contract.”

The chair stated on page 19 under Tax Collector it says “Ms. Rogers stated her budget mostly stated the same” and should say stayed the same.

Motion. Ms. Angowski made a motion to approve the October 30, 2014 as amended. Mrs. Boisvert seconded the Motion. There was no additional discussion.

A Roll Call Vote was taken: Mr. Coolidge-Yes; Mr. Gryval- Yes; Mrs. Boisvert – Yes; Mr. Eaton – Yes; Mr. Frascinella – Yes; Mr. Klawes – Yes; Ms. Angowski – Yes; Mrs. Tallini – Yes; and Mr. McKenney - Yes. The Chair declared the Motion passed.

### **Other Business**

The Chair stated the only other thing he wanted to discuss was the spreadsheet Mr. Klawes asked for and asked him to explain it because it sounds like a Budget Committee request. Mr. Klawes stated it wasn't really a Budget Committee request and he wanted to see what the difference was in property taxes from stick and built mortar homes, mobile homes and what we had for business property income. He stated he starting speaking with Senator Reagan and Rep. McGuire about air property taxes in the state of New Hampshire and balancing all of it out.

Mr. Klawes stated it was fifteen years ago when they had the Claremont Decision in which we were all relieved at the time and then shocked five years later when the we got our tax bill and saw it triple. He stated in speaking with Rep. McGuire that it is a state statute; it would have to be a Constitutional amendment to make some changes to the way thing are done. He stated how the schools are funded and being a fair and equitable assessments are State Constitutional issues.

Mr. Klawes stated Allenstown is not the only town he is looking for the figures on. He stated he is looking at other towns like Loudon, Pittsfield, Claremont, Wolfeboro and getting a broad

spectrum of different towns in the state to see where those things balance out which is where the spreadsheet request came from.

Ms. Angowski stated remembering too that Allenstown is a little unique because a chunk of the land is owned by Bear Brook State Park. Mr. Coolidge stated we maintain the road and they can't say there aren't any services and we don't get anything for it. Mr. Mulholland stated they received \$5,000 from the State last year. Ms. Angowski stated the park is utilized by people. Mr. Klawes stated there are a lot of parks in the state which have the same issues. He stated there are only a few small towns which are very similar to Allenstown. He stated Rep. McGuire had told him it is going to be difficult to get people in the state to look at funding in a different way because it doesn't affect them.

Ms. Angowski stated in Allenstown the land which is usable to build on is very limited. She stated the EDC's process was to see how to attract businesses into Allenstown and it was difficult because of the amount of land available. She stated it deterred businesses from coming into town which would have helped the tax rate.

Mrs. Boisvert asked who the plaintiff districts were in the Claremont Decision. She stated she knows it was Claremont, Pittsfield, and Allenstown. Mr. Coolidge stated he thinks Epsom was in it as well.

Ms. Angowski asked Mr. Mulholland if they are paying out any losses. Mr. Mulholland stated the last one was paid out in 2013.

Mr. Klawes asked Mr. Mulholland about a previous discussion of two businesses coming into town and if they were still coming or not. Mr. Mulholland stated there is one at 286 Pinewood Road was town owned land which was sold for development purposes and is looking at February for site plan and if he doesn't do that they will keep the escrow payment. He stated the other property at 15 Pinewood was looking at condos and the original owner bought back the taxes which were owed on it. He stated he doesn't know whether they are in negotiations with that. He stated Hegarty Properties which is the pond area around Rt 3A. He stated there are a credit union, restaurant and Dollar General looking at the property. He stated Tender Years is looking at building a facility.

Ms. Angowski stated years ago when she was on the Planning Board, she recalls something about a business was supposed to build beyond Family Dollar. She thinks it didn't happen because of the economy. Mr. Mulholland stated Tender Years is moving because Concord Warehouse is selling their complex. He stated Family Dollar was leasing the building originally and bought it last year.

Mr. McKenney asked how the litigation is going with Allentown Aggregate. Mr. Mulholland stated okay for the town not good for them. He stated the State has now joined on the litigation. Mr. Coolidge asked what would happen if they filed bankruptcy. Mr. Mulholland stated it's a possibility for them to file bankruptcy however they can't protect themselves from the State actions. He stated the town won't take over the property. Mr. Coolidge asked who would be responsible for cleaning it up. Mr. Mulholland stated it will just sit there and nothing will be done with it.

Mr. Mulholland stated Ms. Angowski had asked if the Highway Department plans to purchase a truck in 2015. He stated they are considering it and the Select Board will be looking at warrant articles on December 15, 2014. He stated they have a Capital Reserve Fund for a Solid Waste Vehicle in which they don't need any more so the money can be used and moved into the Capital Reserve Fund for Highway Equipment. He stated they also have a surplus in the Recycling Fund and want to move it to the Highway Equipment fund so it doesn't affect the tax rate. He stated the voters have to approve moving the money between the Capital Reserve Funds.

Mr. Coolidge asked if there is any way to do a similar situation like what they do with the library and if they get net cash for the Highway Department to keep the money it needs. Mr. Mulholland stated they really want the people to make the decisions when it comes to moving money around. He stated they have things they are working on and he thinks they are going to see some positive developments. There was further discussion of the use of Capital Reserve Funds without affecting the tax rates.

The Chair stated December 11, 2014 they will discuss the School Budget and December 18, 2014 they will discuss the Warrant Articles and other budgets as necessary. He stated they have some tentative meetings scheduled after Christmas and New Year's in case of petition warrant articles. Mrs. Boisvert stated she will have to be excused at the December 18, 2014.

Ms. Angowski asked if they have scheduled a deliberative session yet. Mr. Mulholland stated it will be on January 31, 2015 and the public hearing dates are all on the website.

Mr. Frascinella asked for the potential new businesses will there be an immediate tax benefits or will they be given a free ride. Mr. Mulholland stated they don't have the ability to give any tax breaks.

Motion. Mr. Coolidge made a motion to adjourn. Mrs. Boisvert seconded the Motion. There was no additional discussion.

A Roll Call Vote was taken: Mr. Coolidge-Yes; Mr. Gryval- Yes; Mrs. Boisvert – Yes; Mr. Eaton – Yes; Mr. Frascinella – Yes; Mr. Klawes – Yes; Ms. Angowski – Yes; Mrs. Tallini – Yes; and Mr. McKenney - Yes. The Chair declared the Motion passed.

The Chair declared the meeting adjourned at 7:16pm.

TOWN OF ALLENSTOWN  
 BUDGET COMMITTEE  
 MEETING MINUTES  
 November 20, 2014

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**Signature Page**

<b>Original Approval:</b>	
 DAVID EATON, CHAIRMAN	2/8/2015 DATE

<b>Amendment Approvals:</b>		
<b>Amendment Description:</b>	<b>Approval:</b>	<b>Date:</b>
General: change 'Mrs. Angowski' to 'Ms. Angowski' Page 1: Roll Call - changed 'Melanie' to 'Melaine'; Added people from Sewer Dept. to Others Public Officials Page 2: last paragraph: Changed 'man wholes' to 'manholes' Page 4: 1 <sup>st</sup> paragraph: change 'thing' to 'think' Page 4: 6 <sup>th</sup> paragraph: added 'what percentage' and 'pay' to 1 <sup>st</sup> sentence; modified last sentence to clarify answer. Page 5: paragraph 8 change 'Diane' to 'Joanne'	 DAVID EATON, CHAIRMAN	2/8/2015 DATE

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