

Municipal Budget Committee Meeting
Community Center
8 Whitten Street
Allenstown, New Hampshire 03275
December 6, 2018

Call to Order

The Allenstown Municipal Budget Committee Meeting of December 6, 2018 was called to order at 6:06 pm by Vice Chair Melaine Boisvert. She called for the Pledge of Allegiance.

Roll Call

Present on the Board: Kris Raymond, Dave Coolidge, Tiffany Ranfos, Carol Angowski, Melaine Boisvert, Deb Carney, Jeffrey Venegas, Chad Pelissier

Excused: Ron Cox

Allenstown Staff: Derik Goodine, Town Administrator; Debbie Bender, Finance Director

Present from the Sewer Department: Roxanna Chomas, Jeff Backman, Jim Rodgers, Carl Caporale

Sewer Department Budget Presentation

Mr. Backman stated that this is his first time presenting a narrative along with his spreadsheets. Page 20 of the narrative indicates a 1.5% increase in the overall budget.

Ms. Ranfos asked if there is anything drastic.

Mr. Backman replied that they are on track for this year and will be in 2019.

Ms. Angowski noted that the budget for Sludge is up about \$50,000, "the cost to dispose of de-watered sludge and screenings."

Mr. Backman explained that they have a contract with the Turnkey Landfill in Rochester where Waste Management hauls their sludge. The waste is thickened to 30% solid and that goes to the landfill. Thus, they do not pay for the 70% which is water.

Ms. Angowski asked if anyone else contributes to the waste.

Mr. Backman said that they process hauled waste. In 2018, they processed 23 million gallons of waste. They accept 20% of the septage processed in the State. It is a large revenue stream.

Ms. Angowski asked about the usage of their large piece of land which abuts the Merrimack River.

Mr. Backman responded that it is not used for anything. He explained that there are three ways to process waste: It can be put in a landfill, it can be incinerated, or it can be land-applied. This third method involves an additional cost to stabilize the waste and bring up the pH level. Allenstown Sewer does not have the equipment or the real estate for this.

Ms. Angowski asked if there are odor problems.

Mr. Backman said that there were no complaints this year. They no longer use an air-mixing system but instead use high pressure pumps, so most of the odor is gone.

Ms. Angowski asked about the use of chemicals.

Mr. Backman responded that they do not use chemicals but have budgeted \$500 in case they need to purchase some.

Ms. Angowski asked about magnetite.

Mr. Backman said that in 2012 they were allowed to go from 1.05 million gallons per day to 1.5 million gallons per day by using magnetite because it helps the waste settle quickly. He added that sodium bisulfate removes chlorine residual, for which there is a one milligram per liter limit.

Ms. Angowski asked if there was a lagoon.

Mr. Backman said no. There is an activated sludge process.

Ms. Chomas encouraged everyone to visit the plant for a tour. She added that for the land-apply method described by Mr. Backman, farmers are needed to take the waste and New Hampshire isn't ready for that yet.

Ms. Ranfos said that there are a few in the north country.

Vice Chair Boisvert asked about the number of full-time employees.

Mr. Backman said there are seven, with one vacancy. There are two part-time employees: a minutes clerk and Dana Clement who works in IT.

Vice Chair Boisvert asked if their numbers reflect a five percent pay raise.

Mr. Backman said that it is less than one percent. He said that salaries are divided amongst three entities: Allenstown (5%), Hauled Waste (15%) and Plant (85%). All three entities pay into the Plant based on the amount of pollutants and the amount of flow.

Ms. Raymond asked if this impacts the fees paid by Pembroke and Allenstown.

Mr. Beckman said that Pembroke only pays for the Plant. He said that Hauled Waste revenue has been stable for six or seven years. It subsidizes the Allenstown sewer rate.

Mr. Caporale said that Allenstown's rate would be \$11 instead of the current rate of \$7.57 without the Hauled Waste.

Ms. Ranfos asked if the amount of Hauled Waste has increased or decreased.

Mr. Backman responded that it increased last year and is on target this year.

Ms. Chomas said that Allenstown has four bays, so haulers prefer to come here rather than wait in line at other facilities.

Ms. Ranfos asked about the new facility in Plymouth which has six bays.

Mr. Backman said that Allenstown has a better location.

Ms. Angowski asked if the increased expenses for hauled waste are due to the fact that they are processing more hauled waste or because the cost of disposal is rising.

Mr. Backman said that it is both. The contract price goes up every year; they are processing more and are actively soliciting haulers because it creates revenue.

Vice Chair Boisvert asked if work is being done on the Suncook Pond project.

Mr. Caporale said there have been some delays but they will be putting out RFPs soon and hopefully will begin work in the summer.

Mr. Backman said that the environmental studies found the area to be a site of interest in terms of archeology. This required an archeological dig, which ultimately revealed no concerns. They are still negotiating with four properties in the Library Street area for easements. He said they will hold a public hearing at their facility on December 18, 2018 beginning at 6:00 pm. This will determine the eminent domain issue.

Ms. Carney asked if the eminent domain decision is based on public good.

Mr. Pelissier said that these are easements, not the taking of properties.

Ms. Boisvert asked if anything has changed with the plan.

Mr. Backman said that the new pump station will eliminate two river crossings. There is no change in the estimated cost of \$1.6 million.

Ms. Carney asked if there would be legal fees if lawsuits were filed.

Mr. Backman responded that there would be legal fees if that happened. Once they make a declaration of taking for the easements, homeowners may object on the basis of public interest. Then the monetary offer is made and negotiated.

Vice Chair Boisvert asked if these legal costs have been accounted for in the legal line.

Mr. Backman said that they had.

Ms. Angowski asked about the increase in the Shipping and Receiving line. It has tripled.

Mr. Backman explained that this is a change in accounting. They decided to keep all shipping costs in the same line for better tracking.

Ms. Angowski asked about the status of their efforts to 'go paperless.'

Mr. Backman said that they have started. The scanning was done this year. Shredding and storing of the electronic files will be done in 2019.

Vice Chair Boisvert asked about the decrease in the Dues and Subscriptions line from \$9,700 to \$650.

Mr. Backman said that most of these have been put into other lines.

Ms. Angowski asked about revenue projections.

Mr. Backman said he could send those tomorrow. He said that allocation of pollutants and flow to Allenstown and Pembroke are done at yearend. Generally, Pembroke pays more for the Plant than Allenstown.

Vice Chair Boisvert observed that, in terms of the bottom line, the budget appropriation versus the actual amount is on track. She added that revenue will be higher.

Ms. Angowski asked about a schedule of projects.

Mr. Backman said they have two significant projects. One is an upgrade of the de-watering system – a replacement of the electrical panel, at a minimum. The second project is the replacement of the electrical component of the scale. Both are included in the budget. He said the Sewer Department bought four stainless steel containers in 2018 and believe they have enough money to buy a spare container in 2019.

Vice Chair Boisvert said that the narrative helped.

Mr. Venegas said that education about what not to flush down the drain is important.

Mr. Backman said that Ms. Chomas does a lot of educational activities.

Ms. Ranfos made a motion to table the Sewer Department budget. Mr. Venegas seconded the motion, which carried unanimously.

Town Administration Budget

Mr. Venegas asked for an explanation of how the salary step scale works. He asked about the guidelines.

Ms. Bender explained that there is no specific guideline, but if there were one, it would be years of service. The process is somewhat subjective depending upon who is hiring. Competence and experience are important considerations. People who start high on the scale max out soon. There are only 12 steps.

Mr. Venegas asked if it was incremental.

Ms. Bender said that it was not necessarily incremental. People working in municipal government tend to start lower than in the private sector but regular raises are more predictable.

Vice Chair Boisvert asked about pay raises for this year.

Ms. Bender explained that everyone will get a 2.5% COLA, and unless they are at the maximum, they will probably get a 2% step increase.

Mr. Venegas asked about the step scale used before this one.

Ms. Bender said that the scale which was in place for the past two or three years was similar but less consistent than the new one. With satisfactory performance, employees can expect a step increase every year for 12 years. People know what to expect. After 12 years, employees get only the COLA.

Vice Chair Boisvert asked if the scale is comparable to those of other towns in the area.

Ms. Bender confirmed that it is.

Mr. Goodine said that the public hearing on the budget is scheduled for January 12, 2019 beginning at 9:00 am in the ARD gymnasium. The Deliberative Session will be held on February 2, 2019 at the ARD gymnasium beginning at 9:00 am.

Vice Chair Boisvert asked when the warrant articles would be available for review.

Mr. Goodine said he could go over most of them tonight.

Ms. Ranfos said that they should vote on the various budgets at their December 13, 2018 meeting.

Ms. Angowski said they could also review the proposed warrant articles at that meeting.

Mr. Goodine said that, besides the classic warrant articles, there are some others. There is \$15,000 for the Economic Development Committee and a revaluation warrant article for \$60,800. Both of these would be funded by the Undesignated Fund Balance. Then, there is a Storm Water Asset Management grant of up to \$30,000 in a forgivable loan. The BOS has approved warrant articles for Keno and for a five-member BOS. There is an article proposing free vehicle registration for 100% disabled veterans and also for Purple Heart recipients, POWs and Pearl Harbor veterans. A new All Veterans Property Tax Credit is proposed for active duty veterans, members of the reserves and current active duty members of the military. Mr. Goodine said that Mr. Roger Laflamme has asked the BOS to consider a warrant article making the chairman of the Trustees of the Trust Fund an appointed position rather than an elected one.

Mr. Pelissier said he had suggested a warrant article requiring a public vote for the sale of more than ten acres of town-owned land because sales of large parcels affect the whole town. The BOS rejected the idea.

Ms. Ranfos stated that we vote in the BOS members to make decisions for us.

Vice Chair Boisvert suggested that Mr. Pelissier could do this as a petition warrant article. She added that she would like to eliminate SB2.

Mr. Goodine said that if residents care, they should attend the Deliberative session.

On a motion by Ms. Raymond, duly seconded by Ms. Carney, it was voted to adjourn at 7:02 pm.