

Municipal Budget Committee Meeting
Community Center
8 Whitten Street
Allenstown, New Hampshire 03275
November 19, 2019

Call to Order

The Allenstown Municipal Budget Committee Meeting of November 19, 2019 was called to order at 6:08 pm by Chair Keith Klawes.

Chair Klawes said that a quorum of the Select Board members was present so that they could hear the budget presentations jointly.

Chair Klawes read the following statement regarding authorization to hold the meeting electronically due to COVID:

As Chair of the Allenstown Municipal Budget Committee, I, Keith Klawes, find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically. Please note that the meeting is being held at the Allenstown Community Center. Space is limited and we ask that non-members and people not presenting check with the Town Administrator to make sure there is a safe space for your attendance. You can join on Zoom and Zoom Conference Call, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, I am confirming that we are using Zoom video conferencing - and Facebook Live, if bandwidth permits. All members of the Budget Committee have the ability to communicate contemporaneously during this meeting through one of the platforms, and the public has access to listen and participate by dialing 832-7160-5555, passcode 111920. This is not the local conference call line due to the location of the meeting.

We previously gave notice to the public of the necessary information for accessing the meeting, including how to access the meeting using Zoom or telephonically. Instructions have also been provided on the town website's Budget Committee page, attached to the agenda for this meeting. If anybody has a problem, please call 207-595-0310 or email d.goodine@allenstownnh.gov. In the event the public is unable to access the meeting, we will adjourn and reschedule. We will only adjourn if the Zoom conference platform, which is the official platform, fails to work. The meeting may be paused if the video links fail and a quorum of the Budget Committee is needed on the conference call. The meeting will start by taking a roll call attendance.

Chair Klawes called for the Pledge of Allegiance.

Introductions

Present on the Committee: Melaine Boisvert, Vice Chair; Tiffany Ranfos, Keith Klawes, Chair; Carol Angowski, Matt Pitaro, Robin Richards, Secretary; Jeffrey Venegas, Michael Juranty, Jim Rodger, Sewer Commission Chair; Bobbie Laflamme, Debra Carney, Julie Keane

Select Board Members Present: Scott McDonald, Maureen Higham (also ex-officio representative to the Budget Committee)

Allenstown Staff: Derik Goodine, Town Administrator

Others present: Carl Caporale, Sewer Commissioner; Alan Turcotte, Sewer Commissioner; Jeffrey Backman, Allenstown Sewer Superintendent; Roxanne Chomas, Allenstown Sewer Deputy Superintendent; Eric Lambert, Deputy Fire Chief; Evan McIntosh, Fire Captain

Sewer Department Budget Presentation

Mr. Backman introduced Deputy Superintendent Roxanne Chomas and the members of the Allenstown Sewer Commission: Chair Jim Rodger, Carl Caporale and Alan Turcotte. He said he would be presenting five topics: 1) Overview of Key Changes 2) Collections Division 3) Treatment Plant Division 4) Hauled Waste Division and 5) Common Changes. He stated that the 2021 budget totals just over \$2.3 million, representing a 0.1% increase over the 2020 budget. Collections equal 14.3% of the total, and this section of the budget is supported by Allenstown sewer rents. The Treatment Plant constitutes 73.5% of the budget, these expenses being shared among Pembroke, Allenstown and Hauled Waste customers. The Hauled Waste sub-budget makes up the final 12.2% of the budget and these expenses are covered by hauled waste income. The Treatment Plant's portion of the 2021 budget is \$1.693 million, and the breakdown, which changes from year to year, is as follows: Allenstown, 15.5%; Pembroke, 34%; and Waste Haulers, 51%. It is important to note, he said, that Allenstown Sewer is completely self-funded and therefore does not impact the tax rate.

Mr. Backman turned to revenue, saying that Allenstown revenue for 2021 is projected at just under \$450,000. Pembroke revenue is expected to be about \$550,000, and Hauled Waste revenue should come in at \$1.3 million.

Mr. Backman next addressed the key changes in the three sub-budgets. Collections sub-budget changes are mainly a result of the Suncook Pump Station, the construction of which begins on November 23, 2020. Completion is targeted for May 1, 2021. The budget includes increases for electricity, natural gas and telecommunications in the construction line. In the construction and reconstruction budget line, there are increases for underground work, including manholes, sewer covers, pipe lining, CCTV inspections and high- pressure water cleaning. The Treatment Plant budget is down six percent because use of technology and data for preventative and scheduled maintenance has significantly reduced the need for higher cost reactive and breakdown maintenance. Hauled waste costs have an increase of 5.5%, the largest portion of which is sludge removal. He said expenses for hauled waste have been steady since the 2018 purchase of major equipment for this operation. Personnel is a common budget area. Payroll has an increase of 4.2%, consisting of a one percent COLA increase and a 3.2% merit raise. Payroll increases cause corresponding increases in Social Security, Medicare, and the NH Retirement System (NHRS). Along with others in the NHRS, Allenstown Sewer will see this increase from 11.17 currently to 14.06 on July 1, 2021.

Mr. Backman concluded by inviting Budget Committee members and BOS members to come to the plant for a tour. He said the tour is mostly outside.

Ms. Angowski asked about the number of employees at Allentown Sewer.

Mr. Backman said they have eight full time, two part-time, and a minute's clerk.

Ms. Angowski asked why Sludge is down.

Mr. Backman said they are not expecting as much.

Ms. Boisvert asked why he presented three sub-budgets. She said she had never seen that before.

Mr. Backman said they have always prepared the budget this way.

Ms. Boisvert asked if Mr. Backman's presentation data could be shared.

Mr. Backman responded that he would send it to Mr. Goodine.

Ms. Angowski asked about the increase in the expense for polymers for dewatering sludge.

Mr. Backman said that the cost is expected to increase.

Chair Klawes asked if they are expecting less hauled waste in 2021.

Mr. Backman said they expect a little less.

Chair Klawes asked if the haulers are getting a better price elsewhere.

Mr. Backman said that 2019 was a record year; there are other treatment plants, but they are still the major player.

Ms. Boisvert asked if any properties had to be taken by eminent domain for the pump station.

Mr. Backman said that they just reached their last agreement today, so they will not have to take any properties.

Ms. Angowski asked about Allentown's and Pembroke's portions of the budget.

Mr. Backman said that Hauled Waste pays 50.6% of all Treatment Plant costs. Pembroke pays 33.9% and Allentown pays only 15.5%.

Ms. Keane asked how the amount of usage is divided between Allentown and Pembroke.

Mr. Backman said it is determined by measures of flow and load (or capacity).

Ms. Ranfos asked why the Repairs & Maintenance line went up by \$8,000 and the Building Maintenance line went down by the same amount.

Mr. Backman said it is a very small amount in such a large budget; perhaps something was shifted.

Mr. Backman noted that the Construction and Reconstruction line is up from \$25,000 to \$52,000 because of upgrades in the collection system.

Chair Klawes asked if Allentown Sewer is prepared for the China Mill and Assisted Living projects.

Mr. Backman responded yes. He has conducted a review and they have more than enough for the next 20 years.

Chair Klawes asked about the Treatment Plant capacity.

Mr. Backman said they were at 105 million gallons per day, and with the Biomag, they were upgraded to 150 million gallons per day.

Chair Klawes asked about the average household use.

Mr. Backman said a two-bedroom home uses between 225 and 300 gallons per day; each additional bedroom adds about 125 gallons.

Chair Klawes asked about the cost to add sewer and water pipes.

Mr. Backman said they don't install water pipes. Pembroke Water does that. The cost for sewer is \$150 per foot.

Chair Klawes asked about talk of extending sewer on River Road,

Mr. Backman said that service now ends at Granite and River; extension would be done at a developer's cost.

Mr. Venegas said that the odor from the plant is a lot less now than it was when he moved to Allenstown five years ago. He asked about plans for more odor reduction.

Mr. Backman stated that they did a major upgrade in 2016, and have no plans for the next year or two. He said the State had two complaints about odor this year, and they determined it was not from the Treatment Plant, but from low tide on the Merrimack River.

Ms. Keane asked about the number of customers served by Allenstown sewer.

Mr. Backman said they have 600 Allenstown customers.

Ms. Boisvert asked about the rate.

Mr. Backman said they haven't set the new rate yet. The current rate is 7.57 cents. It hasn't varied much in several years, and has even decreased.

Ms. Angowski said that Casella is putting in a pipeline toward River Road.

Mr. Backman said they have not been contacted regarding a hook-up.

Mr. Goodine said that is a storm sewer, not a sanitary sewer.

Ms. Boisvert asked if Allenstown Sewer has received any PPE funds.

Mr. Backman said that they have not. Since they are dealing with raw sewage, they have always had to be careful.

Fire Department Budget Proposal

Deputy Fire Chief Lambert stated that he and Captain McIntosh have answers to the questions raised about personnel, vehicles, and the second floor of the Fire Station. He began his presentation with some history. In 1986, they had two full-time firefighters working 8:00 am to 5:00 pm on weekdays. He said that department calls had gone from 212 to 400 between 1980 and 1985, and a warrant article

established the positions. There was a spike at the turn of the century because of Y2K, he said. Now they are projecting 780 calls for 2020, and they are also looking at two large developments – China Mill and the Assisted Living facility – expected to add 156 calls per year to the existing volume.

Captain McIntosh presented a graph showing the decrease in manpower over the years as calls have increased. In 2017, he said, the other full-time firefighter left and an interim chief was hired. He said they have the full-time position in their budget and only need the administrative portion of \$31,235.65. He said they also hope to hire four more full-time firefighters in 2022. Captain McIntosh continued, offering data on reaction time and response time for calls. He said reaction time is the amount of time it takes to get to the apparatus, and response time is the time it takes to get from the apparatus to the call. When staffed, reaction time is 56 seconds; during non-staffed hours it is 6.11 minutes. The standard, he said, is 60 seconds. Staffed response time is 3.26 minutes within the first district where the hydrants are; non-staffed response time is 9.22 minutes. The standard is 4.0 minutes. Continuing, he said that as of October 31st of this year, Allenstown was unable to respond to 42 calls during non-staff hours. Captain McIntosh said that his full-time hours cover only 28% of the 24/7 cycle. As of November 9th, he said, for 90 of the calls during non-staffed hours, only one firefighter responded. There were three unanswered calls on November 17th, and on the 19th, there was a vehicle fire at 1:00 am. Allenstown's response time was 15.5 minutes, and fire doubles every 30 seconds. Hooksett put out the fire.

Deputy Lambert said they would like to have a warrant article for a SAFER grant. This would allow them to hire four firefighters, with the grant paying 75% of their salaries for the first two years and 35% the third year. After that, the Town would absorb all of the salary expenses. During the pandemic, he said, they have even been waiving the town's portion and paying 100%.

Chair Klawes asked how long SAFER grants have been in existence.

Deputy Lambert said there was concern after 9-11, and the SAFER grant was established in 2010. He said that Salem took the grant and then decided not to fund the positions after the first three years. The grant money was taken back.

Captain McIntosh said that, if a warrant article is approved in March, Allenstown can apply for the grant in June, receive the award in September, and hire the firefighters in 2022.

Ms. Boisvert noted that Allenstown is an SB2 town.

Deputy Lambert said that is not an issue; other SB2 towns have applied for SAFER grants, such as Hudson and Salem. He said that Allenstown has about 1,902 homes, per the census, so the added cost would be \$177 per household.

Ms. Ranfos said that if five firefighters are added in 2021, the budget of about \$243,000 will increase by \$385,000, totaling almost \$620,000. She asked if the warrant article gets shot down, even if it passes, if the budget isn't approved.

Mr. Goodine said that the voters approve the Town budget as a whole, not by department. If the proposed budget isn't approved, they go to default.

Ms. Boisvert noted that they have the Public Hearing and the Deliberative Session.

Chair Klawes said that the warrant article would fund the Town's portion of the SAFER grant for the firefighters.

Mr. Goodine said that the expense would then be built into the operating budget and the default budget for subsequent years.

Deputy Lambert said that the federal government dictates the wording of the warrant article. He continued, saying that 86% of their calls are EMS calls.

Ms. Ranfos asked if Allenstown could be kicked out of the Mutual Aid group.

Deputy Lambert said no, but they have talked about charging towns that receive more aid than they give.

Mr. Pitaro noted that this plan would result in six full-time firefighters. He asked if the Chief and Deputy Chief are included.

Deputy Lambert said that the Chief and Deputy are not full time and are not included. The six would include Captain McIntosh, one more in 2021 and four from the SAFER grant.

Mr. Pitaro asked about the parameters used for the grant.

Deputy Lambert said it was based on two firefighters and 24-hour shifts.

Ms. Boisvert asked for copies of call data, indicating what the calls were for and when they occurred.

Deputy Lambert said he would send the data to Chair Klawes.

Mr. Goodine stated that these changes add \$18,250 to the budget presented on November 7th.

Deputy Lambert next presented his research on department vehicles. He said he was not able to get the trade-in value on Engine 3, but he said that doing this swap would get them back on track with their replacement plan. Regarding the Forestry vehicles, he said they have developed a good plan. They would send to auction the 1986 and the 1952 M34 Power Wagon, and they would trade in the 2007 Ford F350 Utility Pickup for a new Pickup with a plow. Grappone will sell them the truck for \$47,126 and throw in the plow, he said. The truck's sticker price is \$58,000. To outfit the truck for Forestry work would bring the total price to \$63,646.

Ms. Angowski asked what a skid unit does.

Deputy Lambert said that it holds water – 250 to 300 gallons – and has a pump. They can also put someone on the backboard to transport them.

Mr. Richards asked if the new truck was an F250 or F350.

Deputy Lambert said it was an F350 with four-wheel drive. He said they have lots of calls for snowmobilers and hikers.

Mr. Richards asked about the weight capacity of the trailer.

Deputy Lambert said it has a capacity of 5,500 pounds. He said that, with the \$84,000 in the budget, they can replace all three existing vehicles in a one-year lump sum payment.

Mr. Pitaro asked about lights and radios.

Deputy Lambert said they do not need to outfit the pickup with these because they use portable radios and lights.

Mr. Juranty asked about the number of bids required.

Mr. Goodine said three bids are needed, but they would use the competitive bid process.

Deputy Lambert continued, saying that in 2007 they purchased a used 1991 E1 ladder truck, which has worked well for over ten years. It has a \$27,000 trade-in value. They want to purchase a new Quint in 2021 for \$1 million, with the first payment due in 2022. The Quint has a 500-gallon water tank and a 100-foot ladder. The vendor has told them the price will go up to \$1.139 million within one year. They will have payments of \$94,000 per year for 15 years, and the vendor is adding \$80,000 of items at no additional cost.

Mr. Juranty asked about the interest adjustment at year ten.

Ms. Boisvert said it would probably have to be based on an index.

Chair Klawes asked why the vendor is offering such a deal.

Deputy Lambert said that E1 wants the town to stay with their company.

Captain McIntosh said that when they need something fixed, they come from Maine to make the repair. He said they have a great relationship with them. He said their trucks are not the very best and not the cheapest – just mid-range in price. Customization costs a lot more, so they save money by ordering a standard truck.

Ms. Boisvert asked if the vendor would hold the lower rate pending the town vote in March.

Deputy Lambert said he will ask about that.

Ms. Ranfos noted that the CAP line was cut from \$84,000 to \$60,000. She asked if they could bump up that line.

Deputy Lambert said that \$60,000 per year does not work for them in the future.

Ms. Lambert expressed concern that they would be committing to the purchase without a vote.

Captain McIntosh said that they have about \$160,000 in the capital reserve fund that was not used for SCBA purchases because that was grant-funded.

Chair Klawes asked if there would be an advantage to issuing a bond versus financing with this company.

Mr. Goodine said if the purchase is bonded, they could probably repurpose the \$160,000 in the capital reserve line. The payments would come from a debt service line, not the regular operating budget.

Deputy Lambert said that keeping the payments in the operating budget eliminates spikes to the tax rate.

Mr. McDonald told Deputy Lambert not to reference Salem and Hudson because they have larger populations and strong industrial bases. He said they want the town to be safe, but they want people of Allenstown to be able to keep their houses too.

Captain McIntosh said the town doesn't want to go backwards. They want to be able to handle new development.

Ms. Angowski asked if a ladder truck is needed, since Allenstown does not have tall buildings.

Deputy Lambert said that, even with two-story buildings, the ladder truck is safer. He said they could check with Primex.

Mr. McDonald asked about the number of pounds of gear carried by a firefighter.

Captain McIntosh said it is between 60 and 100 pounds.

Mr. Pitaro asked if the new pickup and forestry truck are not inevitable.

Deputy Lambert responded no, not if the CAP amount stays at \$60,000. With the default budget, yes.

Chair Klawes asked about the impact on the tax rate of \$75,000.

Mr. Goodine said it would be about \$0.23 per thousand.

Chair Klawes asked the Fire Department to provide him with two more documents: one with the budget that was presented and one with the \$24,000 back in the CAP line and adjusted for the full-time firefighter.

Deputy Lambert next presented information on the finishing of the second floor of the Fire Station. He said that the station was built 20 years ago, and the second floor has been unfinished all of this time. He said they got one quote from Milestone Construction in the amount of \$400,000, which is way too high. He suggested that the Public Safety Building capital reserve fund could be used for this project. He listed the items which need to be done: insulation (blown in or foam), backside egress, a handicapped elevator, electricity and heat. He said that the egress stairway does not have to be enclosed. The elevator would cost about \$27,000. He said the layout was done, along with two rooms, through an Eagle Scout project.

Ms. Boisvert asked about the number of bedrooms.

Deputy Lambert said they have flexibility because some of the office space on the second floor could be converted to bedrooms if necessary.

Ms. Ranfos asked if they might complete these tasks in smaller increments over the course of three years.

Deputy Lambert said that some money could come from the SCBA funds.

Chair Klawes said that Ms. Ranfos is correct about completing the work in increments. He said they would need to establish the order in which the tasks should be done. He asked if the quotes are solid.

Deputy Lambert said there might be ways to cut the costs. He said he recommends spray foam insulation, which would be done first, followed by the installation of a heating system.

Chair Klawes suggested that volunteers might be enlisted to help.

Deputy Lambert said some of the call firefighters have construction skills.

Mr. Juranty said that there are people with talents who could help. The fact that the space has been unfinished for so many years is unfortunate.

Deputy Lambert said they could use social media to get vendors and volunteers. He said that Jim Cassidy did a lot of the work on the station, so it would be logical to reach out to him.

Scheduling of Meetings

Chair Klawes stated that the Committee needs to set some meeting dates for hearing the School budget and the warrant articles, voting on the budgets and holding a regular meeting. He asked if they should hear the School budget on a Thursday or a Saturday.

Ms. Carney said that, as they get close to the holiday, Saturdays are harder.

Chair Klawes said they could schedule the School for December 3rd, the warrant articles and voting on the budgets for December 10th, and a regular meeting for December 17th, with all meetings starting at 6:00 am. He added that this would be fluid.

Approval of Meeting Minutes

Ms. Boisvert made a motion to approve the minutes of the October 15, 2020 meeting as written. Mr. Richards seconded the motion.

A roll call vote was taken on the motion.

Bobbie Laflamme	Aye
Julie Keane	Aye
Matt Pitaro	Aye
Robin Richards	Aye
Mike Juranty	Aye
Deb Carney	Aye
Keith Klawes	Aye
Melaine Boisvert	Aye
Carol Angowski	Aye
Jim Rodger	Aye
Maureen Higham	Aye
Tiffany Ranfos	Abstained due to absence
Jeffrey Venegas	Abstained due to absence

Voted in favor.

Ms. Ranfos made a motion to approve the minutes of the November 7, 2020 meeting as written. Ms. Angowski seconded the motion.

A roll call vote was taken on the motion.

Bobbie Laflamme	Abstained due to absence
Julie Keane	Aye
Matt Pitaro	Aye
Robin Richards	Abstained due to absence

Mike Juranty Aye
Deb Carney Aye
Keith Klawes Aye
Melaine Boisvert Aye
Carol Angowski Aye
Jim Rodger Aye
Maureen Higham Aye
Voted in favor.

Adjournment

Ms. Angowski made a motion to adjourn at 9:08 pm. Ms. Boisvert seconded the motion.

A roll call vote was taken on the motion.

Bobbie Laflamme Aye
Julie Keane Aye
Matt Pitaro Aye
Robin Richards Aye
Mike Juranty Aye
Deb Carney Aye
Keith Klawes Aye
Melaine Boisvert Aye
Carol Angowski Aye
Jim Rodger Aye
Maureen Higham Aye

Voted unanimously in favor, and the meeting was adjourned.

**SIGNATURE PAGE
MUNICIPAL BUDGET COMMITTEE
NOVEMBER 19, 2020**

<u>NAME</u>	<u>DATE</u>	<u>SIGNATURE</u>
KEITH KLAWES, CHAIR		
MELAINE BOISVERT, VICE CHAIR		
ROBIN RICHARDS, SECRETARY		
CAROL ANGOWSKI		
TIFFANY RANFOS		
DEBRA CARNEY		
JIM RODGER		
JEFFREY VENEGAS		
MATT PITARO		
JULIE KEANE		
BOBBIE LAFLAMME		
MICHAEL JURANTY		
MAUREEN HIGHAM, SELECT BOARD REP		
KRIS RAYMOND, SCHOOL BOARD REP		