

**Durham Budget Committee  
Meeting Minutes  
February 23<sup>rd</sup> 2016**

**Call to Order:** Chairman Milton Simon called the third and final meeting of the Budget Committee to order at 6:59 p.m.

**Members Present:** Chairman Milton Simon, Vice Chairman Kevin Nadeau, Terry Kirk, William Morrill, Benjamin Love, Kevin Nadeau, Michael Fitzpatrick, Cori Holt, Christina Libby, Leigh Fisher arrived at 8:15 p.m.

**Selectmen Present:** Chairman Jeffrey Wakeman, Vice Chairman Sarah Hall, Mark Blake, Michael Stewart. Joshua Libby excused.

**Also Present:** AA/TA Ruth Glaeser, Road Commissioner Calvin Beaumier, Meetings Secretary Jill Toher.

**DPW Budget Discussion, continued from 2-16-2016:**

Road Commissioner Beaumier continued reviewing his budget requests with Culverts. He stated the DPW spent \$7,162.39 last year and is requesting \$7,000.00 which is the same amount he requested last year.

Erosion Control encompasses the following: Grass Seed, Jute Mat, Mulch Hay, Silt Fencing and Fabric. He is requesting \$2,500.00, which is half of last year's \$5,000.00 request.

He stated his request for Street Signs is \$1,500.00 which is just about double last year's actual expenditure of \$701.96. His request for the increase is due to new Codes regulations for private road signs.

The Road Commissioner stated he has separated Safety Equipment into Work Area Signs for \$1,000.00 and Personal Protective Equipment for \$1,000.00, which covers replacement of items such as safety glasses, hard hats, chaps and gloves that wear out frequently.

The Road Commissioner stated he changed the name of Supplies to Administrative and broke out the items it covers. He is requesting \$1,200.00 for office supplies, \$1,000.00 for publications and advertising, \$630.00 for Concentra drug testing which is mandatory, for a total request of \$2,830.00.

A question was raised about Concentra. The Road Commissioner stated he is budgeting ten (10) random drug tests at a cost of \$63.00 each, as random drug testing is mandatory by the State.

For Minor Equipment which consists of construction tools, he is requesting \$4,000.00, the same as last year. The amount actually spent last year was \$3,158.59.

Paving is for preventative Maintenance. He is requesting \$225,000.00 which is the same as last year. He stated his request is based on a total of two miles of shim and overlay work at approximately \$116,000.00 per mile.

The Road Commissioner stated he removed heating oil from the Fuel line. Now Fuel represents monies spent for fuel for vehicle operation. Last year, he requested \$70,000.00 and spent \$48,972.80 for that portion of the year that the DPW was up and running. He has lowered his request for this year to \$60,000.00 due to lower fuel costs and moving the heating fuel line to Utilities.

The Road Commissioner moved the Dumpster Service line to Facility Maintenance.

Road Commissioner Beaumier stated he broke out the Surface Treatment budget line into two categories: Chip Seal and Crack Seal, both of which are used for preventative road maintenance. The Road Commissioner stated the actual expense for both Chip Seal and Crack Seal was \$68,328.25, and is requesting \$60,000.00 this year.

Road Commissioner Beaumier stated he separated the Uniform/Clothing Allowance line into one category for Clothing and one for Steel Boots. His total request for these lines is \$3,500.00, the same as last year. Last year's actual expenditure was \$1,674.30.

The question was raised as to why the actual expenditure was half of the \$3,500.00 he requested last year. The Road Commissioner stated that employees are required to make their purchases, turn in their purchase receipt and then get reimbursed. He continued that the employees generally can not afford to pre-pay then wait for reimbursement. He advised he will look into other options to make the purchase of these items more available to employees.

Road Commissioner Beaumier is requesting \$18,000.00 for De-icing Agents compared to the \$12,275.62 spent last year. The Road Commissioner stated he intends to do more deicing with Ice-B-Gone, which is EPA Approved and saves on the cost of sand, salt and brine. He stated that by making this type of change, it will cut down on the amount of brine and sand/salt mix used which he expects will cut down the overall winter road expense. A lengthy discussion followed.

The Road Commissioner also broke down the Professional Services line into the following categories: Engineering and Surveying. He is requesting \$25,000.00 for Engineering and \$2,000.00 for surveying. Monies will be used to help determine costs on future road projects.

For Winter Roads, the Road Commissioner has broken the requests down into the following categories: Winter Sand - \$9,000.00 compared to his request last year of \$12,000.00; Winter Salt - \$100,000.00. The amount actually spent last year was \$111,131.73; Winter Plow Blades – the request is \$14,000.00, which is in line with the \$13,059.39 spent last year; Winter Equipment and Maintenance – the request is \$12,000.00 compared to \$9,914.61 spent last year. The Road Commissioner stated that since the trucks and plows are now older, he is anticipating more repairs will be needed.

Road Commissioner Beaumier stated he will be looking for new bids for sand and gravel this year and intends to look towards those facilities that are in close proximity to Town in order to help hold down the hauling costs.

For Weather Technology, the Road Commissioner is requesting \$1,000.00. He also stated his request is for one new unit and the replacement of one existing unit.

Road Commissioner Beaumier is requesting \$495.00 for Weather Meteorology which provides detailed early planning information pertaining to storms including anticipated road conditions.

**DPW Budget Discussion:** Terry Kirk asked where we are on paying the Building and Equipment Bonds, pointing out that in the draft, both bonds are listed as fifteen (15) year Bonds. Chairman Wakeman stated that we are on the second payment of fifteen for the Building. The Equipment Bond has been corrected from the second of fifteen to the second of ten payments.

Chairman Simon asked how much having a DPW is saving the Town. Selectman Blake stated that the amount of work performed has increased. It was pointed out by Terry Kirk, that the snow contract was three quarters of a million. Plowing by the DPW is costing considerably less. Selectmen Blake stated that the Town is getting “more bang for the buck” with the DPW. A brief discussion followed regarding areas where the Town is saving and the savings is applied to the ability to get more work done.

Chairman Simon requested a more accurate and definitive analysis of costs be presented by the Road Commissioner next year, as a full year will be “under the belt.” The Road Commissioner agreed and will provide this next year. Chairman Simon called for a Motion.

**Kevin Nadeau Moves** that the Budget Committee accepts the Selectmen's recommendation of \$1,055,439.00 for the DPW operating budget including transferring \$787,759.00 from the Designated Fund Balance (Auto Excise \$733,847.99; URIP \$53,912.00) and raising \$267,680.00. **Kevin Nadeau Withdraws his Motion.** A discussion followed

Chairman Wakeman stated that the Building and Equipment bonds are separate articles.

Terry Kirk questioned the amount for the raise in the draft article. Chairman Wakeman stated there was a calculation error made in draft Article #23.

**Kevin Nadeau Moves** the Budget Committee go with the Selectmen's recommendation for the Operating Budget without including the Building and Equipment Bonds, for a total of \$1,055,439.00.00 by transferring \$787,759.00 from Designated Fund balances from URIP and Auto Excise and to Raise \$267,680.00 allocated as previously mentioned. Michael Fitzpatrick Second. Motion Carried with Terry Kirk Abstaining.

**Kevin Nadeau Moves** to Raise \$141,524.00 for the second of ten bond payments for the Public Works Equipment Bond. Michael Fitzpatrick Second. Motion Carried Unanimously.

**Kevin Nadeau Moves** to Raise \$91,120.00 for the second of fifteen bond payments for the Public Works Building Bond. Michael Fitzpatrick Second. Motion Carried Unanimously.

Selectman Chairman Wakeman stated that the Town of Durham received monies for labor from FEMA for Disaster Relief due to the January 27<sup>th</sup> 2015 blizzard in the amount of \$14,241.00 and are recommending that amount be transferred from the Undesignated Fund Balance into the Public Works Capital Reserve Fund. The total in this fund, not including the proposed \$14,241.00, is \$235,516.16.

**Terry Kirk Moves** to Transfer \$14,241.00 from the Undesignated Fund Balance into the DPW Capital Reserve Fund. Kevin Nadeau Second. Motion Carried Unanimously.

Chairman Wakeman stated that the Selectmen decided to remove the proposed Article for \$25,000.00 to go to the Freeport High School Turf request. The proposed Warrant also includes \$50,000.00 for the proposed Article to Withdraw from the RSU#5, the outcome of which is unknown at this time.

**DPW Capital Projects:** Road Commissioner Beaumier explained the intention is to do Runaround Pond Road and Rabbit Road. The request is to approve a \$1,100,000.00 Bond with a ten year term..

Chairman Wakeman stated Runaround Pond Road, part two is from the Pownal Town Line to the big culvert with an estimated cost of \$386,695.00 for 1.16 miles; from the big culvert to Route #9 for reclaim, liquid injections and paving work, including the final coat and completing the shoulders the following year; \$312,891.00 for 1.16 miles; and from the Rabbit Road to Route #136, \$366,592.00 for 1.4 miles. The current total estimated cost is \$1,060,000.00.

A discussion regarding the semantics followed, including detailed explanations of the process from the Road Commissioner. Also discussed was getting figures for an eight year term. AA/TA Glaeser will look into getting that figure. The discussion continued regarding Bonding terms and how the costs of all requested bonding would relate to proposed property tax increases.

Terry Kirk wants the Selectmen to include information on the fixed payment amount for the proposed term of ten years for the Road Project be included in the 2016 Annual Town Meeting. The Road Commissioner estimated that only using \$225,000.00 for paving, the proposed project would take at least five years and leave no monies for other road maintenance or repairs. .

**Terry Kirk Moves** to Approve the Selectmen's Recommendation for the \$1,100,000.00 Bond for a term of ten years at an estimated interest rate of 3.2%. Michael Fitzpatrick Second. Motion Carried Unanimously.

**Terry Kirk Moves** to Approve the Selectmen's Recommendation for the purpose of the purchase of a new snowplow truck package by Transferring \$102,000.00 from Designated Fund Balance - Public Works Capital Fund and Raise \$102,000.00. Michael Fitzpatrick Second.

A discussion with the Road Commissioner pertaining to the type of truck, necessity of the dual axles and trading in the old truck followed. Terry Kirk suggested re-wording the article to include "Truck and Snowplow Package". Both the Selectmen and the remainder of the Budget Committee concurred.

A lengthy discussion regarding the effects on the median property tax increase was revisited.

**Motion Carried Unanimously.**

**Fire Department Bond for New Fire Engine:** The Budget Committee discussed in detail whether to approve an Article requesting a seven year bond in the amount not to exceed \$474,000.00 for a new fire truck to replace Engine #22.

Chief St. Michel stated Engine #22 was built and purchased in 1994. He added that the first bond payment not to be due until 2017. Chief St. Michel stated Engine #22 had extensive body work in 2006. The Fire Chief added that a refurbish of Engine #22 would cost somewhere in the vicinity of \$300,000.00 and that during the refurbish, the Town would not have use of the apparatus.

The Fire Chief stated that the cost for the Apparatus would be borne by the Department's

Capital Fund by transferring monies from that account to make payments. The estimated payment would be about \$74,400.00 per year. The Fire Chief answered in detail a variety of questions posed by Budget Committee members including what monies received are deposited into the Fire Capital Improvement Account. Chief St. Michel provided a detailed summary of figures added this year. He also explained in detail how Mutual Aid works. He stated fire insurance rates are at a Nine (9) for homeowner's insurance and is based on the fact that no homeowner, with Mutual Aid, is no further than five (5) miles from a fire station..

Selectmen Blake brought up the fact that this year is the final payment for the Fire Station.

Chairman Wakeman stated that currently, the Selectmen have made no recommendation due to all the other things going on this year.

**Terry Kirk Moves** to make No Recommendation. William Morrill Second.

Chairman Simon opined that the Townspeople look to the Budget Committee for recommendations, and making no recommendation is inappropriate. Kevin Nadeau concurred.

The discussion regarding funding continued. In particular, the roll-over of funds, including the long term impact of holding off making the apparatus purchase this year.

**Motion Fails unanimously with Terry Kirk Abstaining.**

**William Morrill Moves** to recommend authorizing the purchase for a new fire truck by transferring monies from the Fire Department Capital Improvement Account with the first payment due in 2017. Kevin Nadeau Second.

Leigh Fisher posed a number of questions regarding Chief St. Michel's amortization schedule for Capital Improvements. Chief St. Michel provided a detailed explanation line by line.

**Motion Carried with Terry Kirk Opposed.**

**PARKS and RECREATION – revisited;** Selectman Chairman Wakeman stated that the Town is able to use the full amount for Runaround Pond Park received from State Park Fees can be applied to the entire Parks and Recreation budget. In addition, the Codes Official requested that \$800.00 be added for permitting the new privy. Changes to the proposed allocations have been made. The Raise line remains at zero..

**Chairman Simon Moves** to Transfer from Designated Funds – Park Fees \$4,547.00, Transfer \$11,473.00 from the Recreation Fund and Raise zero dollars for a Total Appropriation of \$16,020.00. William Morrill Second. Motion Carried Unanimously.

**Telecommunications – revisited**; Selectmen Wakeman referred the group to break down of amounts requested received from Geoff Leighton per previous request.

Leigh Fisher wanted to know how active the use of the Eureka Center has become. Chairman Wakeman discussed the pros and cons of further utilizing the Eureka Center for other proposed amenities. Making the Eureka Center more attractive using WI-Fi and internet, might spur additional uses as well as spur additional requests for rentals. A general discussion followed regarding the planned use of franchise fees and exactly to what extent the Town's buildings are covered by the new Franchise Agreement.

It was noted all monies requested for the Telecommunications budget request is totally funded by the receipt of Franchise Fees. Milt Simon suggested the Telecommunications Committee should think about holding a meeting in the near future.

**Kevin Nadeau Moves** to accept the Selectmen's Recommendation for the Telecommunications Committee Budget using \$52,658.00 from Designated Fund – Franchise Fees and Raise zero dollars for a total Appropriation of \$52,658.00. Motion Carried Unanimously.

**Other Business**: Budget Committee members discussed possible dates to meet with the Selectmen for an update on the 2016 budget. It was decided to meet with the Selectmen after the Tax Commitment has been done. Selectman Chairman Wakeman suggested setting this meeting for Tuesday, July 12<sup>th</sup> 2016 when the Selectmen meet at the Town Office at 6:30 p.m. All agreed.

Fire Chief St. Michel invited the Selectmen and Budget Committee members to the Fire Department to view a presentation on Monday evening March 14<sup>th</sup> 2016.

Selectman Vice Chairman Hall stated that a proposal to properly archive Town records was presented by a resident. The resident estimated it would cost around \$12,500.00 for her to accomplish this. Vice Chairman Hall further stated that it was the decision of the Selectmen not to consider a Warrant Article for the costs of archiving this year and further investigate other possible options.

**Adjournment**: **Chairman Simon Moves** to Adjourn at 10:05 p.m., and reconvene on Saturday, April 2<sup>nd</sup> 2016 at the Durham Community School for the 2016 Annual Town Meeting at 9:00 a.m. Kevin Nadeau Second. Motion Carried Unanimously.

Respectfully submitted,



---

Jill S. Toher  
Meetings Secretary