

TOWN OF NEW LONDON
BUDGET COMMITTEE
JULY 20, 2006

PRESENT: Barry Wright (Chair), Connie Appel, Doug Baxter, Pat Blanchard, Carol Fraley (Finance Officer),
Jessie Levine (Town Administrator), Bob Meck, Noel Weinstein, Jim Wheeler

ABSENT: Jack Diemar, Mark Kaplan (Selectmen's Rep), John Wilson

Barry Wright called the meeting to order at 7 p.m. Prior to the meeting, Budget Committee members received the current budget, a list of over-expenditures to date, a spreadsheet outlining the Town's options for hauling solid waste upon expiration of the contract with Claremont in July, and copies of the April *Town & City* article on Retiree Health Benefits. During the meeting, the Budget Committee addressed 8 items of business. Jessie Levine reported that all the subcommittees have met with their departments at least once so far.

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Noel Weinstein moved to approve. Bob Meck amended "John Wheeler" in the second paragraph on page two to read "John Wilson." Motion seconded and unanimously approved to accept the minutes as amended.

Public Safety

Bob Meck and Jim Wheeler reported on their meeting with these departments. After reviewing its needs for detective vehicle, and doing exhaustive research, the Police Department has made a decision on the vehicle that will be purchased – a Dodge Caravan -- and it is projected that that will come in under budget. Doug Baxter commended the Police Department's due diligence in researching the right vehicle for its purposes, and its preparedness in presenting the information, and subcommittee members agreed.

In addition, the subcommittee received a report on the Car 54 project which will provide the equipment for completely compatible radio communications both within the state, and state to state. The equipment will be installed at no cost to the Town; however, the Town will be responsible for replacement costs in the future. In response to Noel Weinstein's question, Bob Meck said he thinks this idea was born at UNH after the Colebrook crisis in which NH State troopers were unable to communicate with Vermont State troopers. Some of the funding has come from Homeland Security. He added that one suggestion he has is that the communication be improved to include the National Guard in event of a natural disaster.

Highway, Sewer, Transfer Station

Barry Wright reported that some question has been raised regarding the warranties on the engines, should the department switch to bio-diesel, so that change is temporarily on the back burner until the issue can be determined.

The sidewalk project scheduled for the stretches from C.B. Coburn to the Village Green, and from Tracy Library to Everett House is still on the agenda, though only the former is likely to be done this year, as New London Mini-Mart is paying for the curbing there, and is waiting for that to complete their project. Barry Wright said there may be some concern on the part of some property owners regarding the reduction in parking that will result from installation of sidewalks, and future reduction in value of their property. Jessie Levine agreed that that may be the concern of owners on the stretch toward the college, but less so in the other direction.

Barry Wright went on to report that the increase in equipment life span that is anticipated as a result of having everything under cover will not be realized immediately. The older trucks and equipment that have not been under cover until this year will not see the projected two year increase in life span.

He reported that Richard Lee anticipates the possibility of needing an additional trailer and perhaps a new tractor for hauling refuse from the transfer station, if the Town has to haul long-distances to dispose of trash. The Budget

Committee understands that the Town's contract with Claremont expires in July, and members turned to the spread sheet of options. Claremont has offered a renewed five-year contract, but has raised their tipping fee to \$92/ton. The Town estimates 3100 tons per year, and with mileage, equipments costs, and labor for the 3.5 hour round trip three times a week, and assuming no escalator, that would be \$1,531,300 for the five years. Haverhill's tipping fee is \$78. That would be a 5 hour round trip three days a week, but there is also indication that there is a five hour wait once there, thus increasing the labor (and lost labor time) cost to the Town. Mark Kaplan has arranged for one of New London's employees to take a load to Haverhill this week, to see how accurate that is. To haul trash there, the estimated cost for five years is \$1,507,350. Milan's tipping fee is \$45, but would involve a long round trip (8 hours three days a week) over mountainous and difficult roads in all weather, and would probably result in an increase in both labor and equipment costs. It is estimated that over five years, the cost would be \$1,118,700. Gobin/Newport's tipping fee is \$86, but they would require the Town to switch from a tractor-trailer to a roll-off container. Five year cost: \$1,385,650. Gobin also offers a five year plan for hauling trash to Colebrook in 2007 (\$35 tipping fee), Bethlehem in 2008-2009 (\$55), and Biddeford in 2009 to 2012 (\$62), with a total cost of \$1,310,273 over the five years. The Town hauls trash out of the recycling center three days a week, and the above figures do not include the value of lost labor while one employee is doing that. Connie Appel asked about places in Vermont. Jessie Levine said Vermont will not take out of state trash.

Barry Wright reported that there was some discussion at the subcommittee meeting regarding purchase of a ten-wheeler. At the subcommittee meeting, Richard Lee pointed out that this past March, the department hauled 163 loads of gravel. With a ten-wheeler that could have been reduced to 60. The issue is labor. At this meeting, Jim Wheeler raised the question of whether the purchase of the ten-wheeler and its resultant savings would imply a reduction of other line items in the operating budget, or would it mean acceleration of the current projects. Barry Wright said that is a decision which the Town must make. Would this large purchase which anticipates a savings in labor, result in reductions in other items, or would it mean that some of those projects which have been put off for so long, such as bringing all the gravel roads up to standard, be accomplished sooner. Would the rotation of that work be accelerated?

Barry Wright said the information from the sewer department is a mixed bag right now. The Town does not yet have access to their books. He referred to the recent finding of e-coli in Pleasant Lake, and suggested that it behooves the Town to start planning for increases in the sewer services in its CIP. Jessie Levine said they think the recent event was caused by run-off after the recent rains. Barry Wright said this can happen as a result of weather or from the fact that many of those formerly seasonal homes are now used year-round. He said that the health of the lakes is closely tied to the health of the Town.

Barry Wright said the subcommittee was impressed with Richard Lee's handle on the departments' functions. The open question is one of philosophy, as raised in the above discussion about the ten-wheeler. Should the town do more (or aim for level-budgeting)?

Administrative

Noel Weinstein reported on the subcommittee's meeting with Recreation Director Chad Denning. The latter reported installation of four new docks—two at Pleasant Lake and two at Little Sunapee—to replace the decrepit ones that were there. The new docks are aluminum below but wood on top, so that only the tops will need to be replaced in future. Those cost \$1100 each. Chad Denning would also like to purchase a boat motor for \$800, for rescues, or for getting to people who are stranded when the wind has gone out of their sails. Chad Denning feels that as the Town has a boat program, it has some responsibility to that effect. Also, he would like to provide electrical grounding for the equipment building at Bucklin Beach, at an estimated cost of \$850. The Department plans to expand the Elkins Beach and the retaining wall there. Jessie Levine said that has been on the books for two years, and its cost is in the current budget. Noel reported that the Recreation Department is going to benefit from the Outing Club's purchase of RecTrack, a software program that will allow users to register on line, and will generate some revenues in fees for the Outing Club and the Town. The Recreation Department will be responsible for the annual license fee of between \$2500 and \$4500.

Pat Blanchard said Chad Denning is in discussion with John Schlosser regarding improvements to 20 kilo of cross country ski trails (those not on the Country Club grounds) for use by New London residents for free. Some of the

winter costs could be offset by opening the trails to mountain bikers in the summer, as long as care is taken to obviate bike damage to the trails. Jessie Levine said the sticking point is that last year Pine Hill generated about \$8000 in membership fees and donations, and it cost \$8000 to operate. The concern is that if this is offered to the Town for free, the club will lose some of its members. There is a possibility that the Town could donate \$5000 for insurance costs or some other offset. Also, Wilmot and Sutton should be brought into the loop.

Also, under Administrative, the Committee touched upon retirees' benefits, and Noel Weinstein has volunteered to research options.

Garden Club

Jessie Levine reported that Kathy Pfann and Emma Crane representing the Civic Beautification Committee, have asked about submitting a request for \$3000 to \$5000 to offset the Garden Club's cost of maintaining the Town's 16 public gardens. That would include the cost of hiring someone with a tractor to dig out some of the old gardens before replanting. Jessie Levine said they have already used some of the tree relief money left over from the ice storm to cover costs of the gardens at the Fire Department, the town hall, and the transfer station. The Garden Club has asked about getting some of the Care of Trees budget. Jessie Levine suggested they submit a letter to the Selectmen, and to get in touch with Tree Warden David Carey regarding the tree budget. Also, some inquiry will be made into recruiting volunteer labor with tractor.

CIP

The CIP Committee meetings are scheduled for August 8, 14 and 30. Pat Blanchard, Bob Meck and John Wilson will attend. Jessie Levine said the Fire Department has discovered that repairs to the ladder truck will exceed the original estimate by \$8000. Bob Meck said he thought the estimate on that had been exact. Jessie Levine agreed, but they found more things required as they began working.

Current Year Budget, and Over-expenditures to Date

Jessie Levine reported that so far, there is nothing unusual to report. Noel Weinstein expressed concern about the over expenditures, and the fact that the Budget Committee is learning of those too late to do anything. Jessie Levine and Carol Fraley pointed out that once a budget is voted on at Town Meeting, the Budget Committee's job for that budget is done. The Budget Committee can look at the over expenditures with an eye to adjusting next year's budget. They noted that it is alright for individual line items to be over spent during the year, as long as the bottom line is not exceeded. Departments do give Jessie Levine and the Selectmen notice when an item is going to be overspent. Jessie noted that the last three items: the Public Works Study, new computer software and computer replacement already have money in reserve, and the Selectmen are agents to spend that capital outlay. The Town Meeting expense was higher this year because the Selectmen decided to have it video-taped. The over expenditure in Workers Comp is the result of the larger payroll and more overtime. Pat Blanchard asked if the larger payroll is due to the reclassification of some positions. Carol Fraley said yes, in part.

Doug Baxter asked about the status of the street light projects. Jessie Levine and Mark Vernon have met with a representative from PSNH. That company needs more explicit confirmation regarding billing, and Jessie will get that to them. The street light project will be done this year, except for Main Street. Pat Blanchard asked about the Main Street Committee. Jessie Levine said it met on June 28, and is looking for a style of lamp to be installed on Main Street within a year of the project beginning as required by PSNH, but which can be used elsewhere later if people decide they want something different on Main Street. The change in street lights on Main Street will not be done this year, but will be done within a year of the project's start.

Selectmen's Update

Jessie Levine reported that the Selectmen have hired a new transfer station operator: John Early, and he does have a tractor trailer license.

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Also, the email newsletter is back! The new service allows the Town to send out 10,000 emails a month, more than adequate for both her and Chad Denning's needs, at a cost of \$20 month.

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Meeting adjourned at 7:50 p.m.

Respectfully submitted,

S.A. Denz

Recording Secretary