

Selectmen's Meeting Minutes

Tuesday, January 24, 2006

Present: Selectman Maxfield, Bowles, and Little.

Also present: Road Agent David Rice, Fire Chief Jeff Burr,

Chairman Maxfield called the meeting to order at 6:30 PM.

- I. Selectman Bowles moved to approve the Selectmen's Meeting Minutes of Tuesday January 17, 2006 as presented. Seconded by Selectman Little. All in favor. Motion carried.

- II. The Board met with Road Agent David Rice.
 - a. Mr. Rice advised the Board his new employee was working out just fine.
 - b. Mr. Rice advised the Board he was involved in a motor vehicle accident this morning. He stated a car tried to pass him on Chichester Road and she hit the plow. He advised the Board the car sustained a blown tire and broke the rim. The police were able to track the driver down and all the reports have been filed.
 - c. Discussion began regarding the bridge abutment and proposal from The Turner Group.
 - d. Selectman Bowles discussed roads that need to be cold patched or gravel placed. Discussion ensued regarding Keyspan possibly being responsible to fix the road area where they had been performing work.
 - e. Selectman Bowles discussed having the John Deere Tractor do brushing if the weather and manpower permits. He stated there are many projects planned for the upcoming year and he would like to see this addressed.

- III. The Board met with Fire Chief Jeff Burr.
 - a. Chief Burr advised the Board that he went and met with the State Labor Department last week to address the payroll issues. He stated he would be working with them to be sure that all the issues are addressed and to see they do not happen in the future.
 - b. Chief Burr stated he has a meeting with Capital Area Public Health Network on Wednesday, January 25, 2006.
 - c. Chief Burr discussed the dry hydrant for Greenview Drive. He stated Ms. Crowley has not moved forward regarding the fire protection issues. Chief Burr stated Ms. Crowley had stated she would be taking care of the first pond this at the beginning of this past summer and would address the pond at the turnaround in place now. Selectman

Bowles questioned what bonds were in place regarding the fire ponds/dry hydrants. Chairman Maxfield advised Chief Burr to contact Ms. Crowley to determine the status of this project. Discussion ensued. Tom McCue stated Ms. Crowley was aware of her obligations and has a plan to begin working on it this spring.

- IV. The Board began their review of weekly correspondence.
- a. Chairman Maxfield stated for the record that one pistol permit was submitted for signature and approval.
 - b. The Board received a copy of a letter from Bob Phillips regarding Fire Department concerns.
 - c. The Board received a letter from Gary Beaton.
 - d. The Board received a copy of a letter from Town Council regarding Tax Map issues to Lee Eddins.
 - e. The Board received a copy of a memo from Town Engineer Tony Puntin regarding the fire pond inspection contract for DJP Realty Trust.
 - f. The Board received a letter from Bob Fiske regarding making School Street a one-way street heading easterly from 8:15 AM – to 9:15 AM and again from 3:00 PM – 4:00 PM based on the addition to the Loudon Elementary School.
 - g. The Board received the revenue totals for the Transfer Station for 20005 from Steve Bennett.
 - h. Selectman Little stated he has been able to secure a reduced price of \$60.00 for Broadband cable for the Fire Department so they can utilize the NH TEMSIS program. He stated the reduced rate of \$60.00 per month versus \$100.00 per month they quoted Chief Burr applies to all Town Facilities. Selectman Little went on to discuss the wireless access needed for the Supervisors of the Checklist due to the new statewide voter registration program. Selectman Bowles asked if the Broadband would be setup at both fire stations. Chief Burr stated it would only be at the Village Station until such time as Station #2 was fully staffed. The Board discussed holding the first session of Town Meeting at Station #2. Selectman Little discussed the need for internet access for the Supervisors of the Checklist. Discussion ensued regarding what requirements the Supervisors of the Checklist would need for this Town Meeting. Chairman Maxfield stated the Town would be utilizing the portable voting booths from Merrimack Valley School District for use at the first session of Town Meeting.
- V. Chairman Maxfield opened the Public Hearing on the 2006 proposed Town Budget at 7:00 PM.
- a. Chairman Maxfield stated the proposed budget is for the Town's operating expenses only. It does not include the local school, State school, or County expenses. Chairman Maxfield explained how the budget process works. He stated the Selectmen meet with the

Department Heads and Committee members, review their requests, and then decide on any cuts needed. Chairman Maxfield stated the proposed budget is up by 1.84% over last year's budget for an increase of \$73,205.00. He went on to say the 2006 – 2007 proposed operating budget would be \$4,046,899.00.

- b. Chairman Maxfield began highlighting the lines in the proposed budget that have had a substantial increase as follows:
1. Selectmen's Office: Chairman Maxfield stated the Selectmen have included a 4% COLA across the board for employees. He stated the data processing line in the Selectmen's budget is increased to \$32,000.00 due to upgrading the accounting software to a windows based program. The current software program utilized is a DOS based program installed in 1989. This new software program will allow the Town to be more efficient in processing all phases of fund accounting, including general ledger, budgeting, accounts payable, payroll, purchase orders, and fixed assets. This software will interface with the Treasurer. Chairman Maxfield stated the Selectmen had the option of leasing this software over several years; however, it was more feasible and economical to pay the total amount of \$32,000.00.
 2. Landfill Testing line: The increase from \$25,000.00 to \$30,800.00 due to the Town's Engineering contract.
 3. Conservation Commission: The increase is due to mill foil issues in water sources in Loudon. Julie Robinson explained the issue with mill foil.
 4. Election line: The increase in expenses is due to the purchase of a laptop computer for access to the State of NH Voter Registration database.
 5. Assessment line: The increase in assessments is due to the increase in property values over the past few years and the Assessors have recommended that the Town perform a Statistical Update and Sales Ratio Analysis. The cost for this is \$65,000.00 and the projected appropriation required to maintain annual pickups of new subdivisions, lot line adjustments, new construction, and current use assessments etc, is to be \$33,500.00 for a total in this line of \$98,500.00.
 6. Planning Board: Registry of Deeds line has an increase of 30%, which is a \$300.00 increase over last year. Tom McCue asked about this line item. He stated the applicants are required to pay the recording fees for their subdivisions, lot lines, etc and does not understand why this is in the budget. It was stated it is an offsetting revenue.
 7. ZBA: The increase in the computer line was discussed.

8. Town Office: The increase to the repairs line was discussed. Chairman Maxfield stated while the issue of a new Town Office Building has not been resolved; the current Town Office Building is in need of repairs. The State Fire Marshall has given the Town a list of 21 items that must be addressed, and the Town Engineer has found structural problems with the building and have to be addressed.
9. Police Department: The increase in County Dispatch has increased by 50%, which is dictated to the Town. Selectman Bowles stated the County Dispatch fiscal year does not run the same as the Town, and technically, we are six months behind our commitment. He stated this is a onetime increase to catch up. John Plummer asked if the 50% was for the six-month payment. The Board stated it was.
10. Special Events: These lines show an increase but this is an offsetting revenue account.
11. Ambulance wages standby: This line shows an increase due to increasing the standby coverage (nights and weekends) to have two EMT's on standby during the weeks Chichester is covering.
12. Ambulance OT wages FF/EMT: This is a new line that has been created to show the overtime hours. Currently any overtime is paid from the Ambulance wage line, which is why there is a -12.94% decrease in the ambulance wage line.
13. Fire Department: Fire Department Secretary line is a new line that has been created. Rodney Phillips asked for a justification for this new line. Chief Burr stated it is due to the increase in paperwork and data processing. Chairman Maxfield stated the Board discussed that this position should be filled by someone very knowledgeable in payroll, accountability, and processing.
14. Fire Department protective clothing: This increase is due to the replacement of protective gear that is outdated and it would be replaced by a higher protection gear. There would be five sets per year replaced.
15. Fire Department water supply: This is a new line created to upgrade some of the water supply areas in Town.
16. Fire Department emergency food: This is increased based on mutual aid incidences.
17. Emergency Management: This increase is due to increased participation in seminars and trainings.
18. Highway Department overtime wages: This increase is due to the increase in demand on personnel due to projects and weather.

19. Highway Department parts lines: The increase in each of those lines is due to the increase in repair parts for older vehicles.
20. Highway Department road maintenance and repairs: This increase is due to the increased cost in asphalt.
21. Highway Block Grant: Chairman Maxfield explained the Highway Block Grant and stated the amount this year is about \$200.00 less than last year.
22. Transfer Station Landfill Maintenance: This increase is due to the need for a concrete wall so the containers for demolition can be placed on a new base that will be more user friendly to the operator.
23. Welfare: The increase in the fuel line is due to increased fuel costs, rental costs, and maintenance costs.
24. Library Children's Librarian: This increase is due to the Children's Librarian position going to fulltime.
25. Library Cleaning Services: This increase is due to the additional space with the Children's Room.
26. Library Non-Print Material: This line is for video's and CD's which has become popular.
27. Library Technology: The Library Trustees had requested \$6,000.00 for this line originally. The Selectmen cut it to \$4,500.00. Rodney Phillips asked if the Library was anticipating the Children's Room would be opened this year. Selectman Little stated the Library Trustees advised the Board they would be working on carpet installation, etc around the first of the year. He stated they are working on raising funds for the millwork etc., but they are planning on opening with the bare essentials. Selectman Little stated the Board advised the Trustees if they were planning on coming to Town Meeting asking for money to fund this they had better have it running. Brenda Pearl asked if all of the Library staff would be getting the 4% COLA as when the Library Trustees were in to meet with the Selectmen they stated not everyone would be getting the COLA increase. Selectman Bowels stated he felt it was pertaining to the students who work limited hours. Selectman Little stated he felt it had to do with Child Labor Laws. He stated he felt that with a Municipality if there is an across the board COLA everyone should be getting that percentage.
28. Economic Development: This had been decreased, as this line has consistently not utilized all of its funding.
29. Chairman Maxfield explained that the Tax Anticipated Notes line is in there in case there was ever a need.
30. Loudon Communications Council: This line has gone from \$20,000.00 down to \$12,000.00. Tom McCue stated he was

the one that submitted the budgets for Economic Development, Loudon Communications Council, and Trustees of the Trust Funds and he was never contacted to go over the budget submissions with the Board. He stated he is now finding out that the Board has cut the budgets. Mr. McCue went on to say the Loudon Economic Development Corporation is now reforming. He stated two members have moved out of Town, two members had property tax dispute issues with the Town and therefore they were not active, and one member retired. Mr. McCue stated he wished he had the opportunity to explain that to the Board. He stated that with the Communications Council budget he did not have a chance to discuss the budget requests. Mr. McCue stated the reason they requested the \$20,000.00 was that figure guarantees they can publish the Ledger for the year. He went on to say the Communications Council works on getting donations and ad sales which helps keep the budget expenditures down. Mr. McCue stated the Communications Council is required to have at least one third of its support publicly funded in order to remain tax exempt, non-profit, 501-C-3. Selectman Little asked if the \$12,000.00 figure in the proposed budget was sufficient to be the one third funding needed to remain tax exempt. Mr. McCue stated if the operating cost was \$36,000.00 one third would be \$12,000.00. Selectman Little stated that in 2004-2005 the Communications Council utilized \$8,233.21 for Town funds. He asked Mr. McCue what percentage of the costs to produce the Ledger was the \$8,233.21. Mr. McCue stated he would have to look into that but he thought it was about half of the cost. Selectman Little stated even if it were to cost \$2,000.00 per issue to produce, by placing \$12,000.00 in the proposed budget the Town would be funding half of the cost. Mr. McCue stated that the Committee asked for the full funding in case ad sales and donations do not cover the costs. He stated that the Communications Council is working on a calendar year and the Town works on a Fiscal Year. Mr. McCue stated the Communications Council received a generous anonymous donation this past year, which helped with the cost. Selectman Little asked if utilizing this money would affect the tax-exempt status because they are not getting one third of third contributions from the Town. Mr. McCue stated the way this donation came through it would count as a charitable donation. Mr. McCue stated the Communications Council has been fortunate that Rodney Phillips has donated a huge amount of time and energy getting the website up and running and has been covering the

hosting fee. He went on to say the time would come where the Communications Council will be responsible for those fees. Mr. McCue stated the Communications Council asked for the full amount knowing they would utilize any donations and ad sales they had available and would try and not use all the money budgeted. Deb Kardaseski stated Chairman Maxfield stated at the beginning of the public hearing the Board had met with all department heads and committees who submitted budgets. She stated the Communications Council was never contacted to meet with the Selectmen to discuss their budget. Ms. Kardaseski stated the first time the Communications Council was aware the Board had cut their budget by \$8,000.00 was tonight when they got the budget handout. She stated they were three committees that the Selectmen never met with. Chairman Maxfield stated that was correct. Selectman Little stated he recalled that when the Communications Council started their intent was that they would become self sufficient but he now understands under the tax exempt status they can no longer become self sufficient as they always have to have one third of their operating expenses provided by the Town. Mr. McCue stated that at least one third has to come from a governmental unit, private donations, etc. He stated it cannot come from ad sales. Mr. McCue stated the Communications Council went to become tax exempt so that private donations would be tax deductible. He explained that if the Communications Council were to operate on just ad revenue, they would not qualify for non-profit status and they would have to get involved in paying the taxes, etc. Ms. Kardaseski stated that while the original intent was to become self-sufficient they were also under the impression they would be eligible for many grants that could be applied for. She stated there was a person who was supposed to be investigating grants and she left the Committee without obtaining any grant information. Ms. Kardaseski went on to say that the Communications Council went investigating grant information and found out there were none. She went on to say one of the biggest advantages to having the Loudon Ledger is by being Town funded they watch very closely the content that goes into the paper. Chairman Maxfield questioned the requirement of the one third funding. He asked Mr. McCue to clarify this issue. Mr. McCue stated the one third funding had to come from public sources. Governmental or private individuals. Chairman Maxfield stated if he misspoke, he apologized. He stated the

- Board did not meet with Treasurer Melanie Kiley and possibly one or two others.
31. CRF - Fire Department Apparatus: This line had been increased to try to keep up the pace of replacing the cost of this equipment.
 32. CRF – Town Office Building: This line has been increased to try to be ready when the new building comes up.
- c. Chairman Maxfield began review of the estimated revenues for 2006 – 2007. He stated the bottom line on the estimated revenue is \$6,885,058.00.
1. Motor Vehicle Permits: Chairman Maxfield stated the expected revenue is \$932,000.00.
 2. Property Taxes: Chairman Maxfield stated the expected revenue is \$4,490,315.00.
 3. Selectman Little stated with landfill revenues between septage, tires, white goods, demo, oil, and bulbs totaled out at \$51,766.00 according to the documentation provided by Road Agent David Rice.
 4. Ambulance revenue is anticipated to be \$120,000.00.
 5. Special Events Police and Fire: Chairman Maxfield explained this is revenue is attached to the expenditures for these categories that have already been addressed.
 6. Deb Kardaseski asked about the “Sale of Town Property” line regarding the possible sale of the Foster Road property. She stated this subject has come up several times during discussion of the new Town Office Building and asked if the Selectmen had made a decision regarding this possibility. Chairman Maxfield stated the Town could sell the property and put the profits into the Town Office Building Capital Reserve Fund or they could wait until they felt there was a better plan. He stated the Selectmen have not decided to do that yet.
- c. Selectman Bowles read the proposed Warrant Article regarding the purchase and equipping of a truck with sander body, plow, and wing for the Highway Department. The funds would be withdrawn from the Highway Department Capital Reserve Fund and would not affect the tax rate. Selectman Bowles stated this purchase if part of the replacement cycle.
- d. Selectman Little read the proposed Warrant Article regarding the purchase of a packer trailer for the Transfer Station. The funds would be withdrawn from the Transfer Station Capital Reserve Fund and would not affect the tax rate. Selectman Little stated the bottom of one of the trailers used for hauling is rotting out and if a new one is purchased it will allow for repairs to the existing one as well as be available if there is an influx at the Transfer Station.

- e. Chairman Maxfield read the proposed Warrant Article regarding reclaiming, repairing, and paving Clough Pond Road from Route 106 to Berry Road, and resurfacing Clough Pond Road from Berry Road to the Town line as well as reclaim, repair, and repave Old Shaker Road from Clough Pond Road to Shaker Road. Chairman Maxfield stated the plan is to withdraw \$130,000.00 from the CRF and to raise and appropriate \$170,000.00, which would affect the tax rate by 0.42 cents. Chairman Maxfield stated this would complete the three-year plan.
- f. Selectman Little read the proposed Warrant Article relative to initiating a Mosquito Control Program within the Town of Loudon and treating the breeding habitat of those species of Mosquitoes known to transmit Eastern Equine Encephalitis and West Nile Virus. This article would affect the tax rate by 0.12 cents. Selectman Little explained the process for dealing with this issue. He stated once the citizens have gotten the information pertaining to this issue they will have the opportunity to determine if they feel it is a significant threat to the community or not. Julie Robinson discussed the need for education on this subject and have citizens remove all stagnant water on their property in places such as birdbaths and tires. Selectman Little agreed and added that there are other significant breeding areas that need to be addressed.
- g. Selectman Bowles read the proposed Warrant Article relative to building a garage for the J. O. Cate Memorial Van. Tom McCue asked if this building were going to be built at the Transfer Station and if there would be an issue with access issues for the Van. Selectman Bowles stated the access issues are being addressed. Deb Kardaseski asked if the building would be heated. Selectman Bowles stated it would be insulated and heated with enough room for a desk if needed. He said there would be enough room in the building for the lift to be down and ample room for repairs. Dick Wright asked why this article stated, "majority vote required". Chairman Maxfield stated every Warrant Article is by majority vote unless it is required to be a 2/3 vote. Mr. Wright asked why the other articles did not have this on them. The Selectmen stated they thought it was an oversight.
- h. Chairman Maxfield read the proposed Warrant Article relative to replacing the insulation over the bay are of the Fire Department side of the Safety Building. Chief Burr explained the history with the moisture problems and the insulation and discussed the recommendations of the Engineer. Tom McCue asked if there were other responsible parties who could be accountable for the costs associated with this. Chief Burr stated the builder has gone out of business and the insurance company paid for the engineer to review the problems but have determined it is a problem with the building construction issue and they would not cover this problem. He stated it was the engineers recommendations to go with the spray insulation.

Mr. McCue asked why this expense is not coming out of the Unreserved Fund Balance. Chairman Maxfield explained the Unreserved Fund Balance is for catastrophic purposes and DRA recommends the Town keep at least 5% of the total budget in the Unreserved Fund Balance. He stated that this year the Selectmen used \$200,000.00 from the Unreserved Fund Balance to reduce taxes. Chairman Maxfield stated he does not recommend tapping into this fund. He stated the Unreserved Fund Balance is money that has built up over the years that is left over from the budget and the Selectmen use some of it to reduce taxes. Chairman Maxfield stated the Selectmen are opposed to using this money to cover the Warrant Articles. Discussion ensued regarding the possibility that a portion of the Unreserved Fund Balance was used to build the Safety Complex as well as the Landfill Closure Capital Reserve Fund. Selectman Little discussed the insulation issues.

- i. Selectman Little read the proposed Warrant Article regarding the purchase of a tanker truck for the Fire Department. Chief Burr stated he received three bids and the truck that would be replaced is 20 years old. Dick Wright stated he felt the Warrant Article needed to be written to be more specific in the description of the fire apparatus.
- j. Chairman Maxfield read the proposed Warrant Article regarding the bridge on Village Road. Chairman Maxfield discussed the issues with the bridge abutment and the training wall. Selectman Little discussed the block wall issues and safety concerns regarding the flooding that occurred last fall. Selectman Bowles stated the new proposed wall would be taller than the existing walls. Discussion ensued regarding the plan provided by The Turner Group and the possible ways to cut costs. Deb Kardaseski asked how much dredging would need to be done and asked if it would make sense to do the millpond at the same time. Selectman Bowles stated the problem the Board had was if they presented the whole project to include the dredging at a cost of \$315,000.00 and it was voted down at Town Meeting then the safety issues with the dam would not be addressed. Discussion ensued regarding the dam and the bridge. Steve Ives asked if a dry hydrant had been included in this plan. The Selectmen stated a dry hydrant had been included in the \$315,000.00 proposal and they would need to review the information and find out if it were included in this one as well. The Selectmen agreed it would make sense to include it in the plan. Tom McCue stated he thought it would be helpful if the balances of the Capital Reserve Funds that are addressed in the Warrant Articles were available to the voters. Discussion ensued regarding how much money is to be removed from the CRF's as well as how much money is going in to the CRF's. Discussion ensued regarding the height of the new wall relative to the Fire Department accessing water. Bob Phillips asked about the condition of the rest of the dam. Chairman Maxfield stated the bridge reports indicate that it is much better shape.

Selectman Bowles discussed the purpose of replacing the twelve feet. Raymond Cummings asked how much the Turner Group charged the Town for this information. Selectman Bowles stated the information comes from the study done a few years ago.

- k. Raymond Cummings asked when the last day to submit petitioned Warrant Articles was. Chairman Maxfield stated February 7, 2006 was the last day. He stated February 9, 2006 would be the next and final budget hearing.
- l. John Plummer asked about the Mosquito issue. Selectman Little explained that the process was not done by spraying; it is done by spreading a granular substance by a group of professionals in certain areas.
- m. Deb Kardaseski asked if the Town Hall repairs would be covered by the insurance or if money would need to be raised. Selectman Bowles stated there are areas that were found that need repair due to deterioration and structural problems that will have to come out of the budget. He stated those repairs are not extensive at this point. Ms. Kardaseski asked if there would be enough money to put in the plumbing. Chairman Maxfield stated the do not have that answer at this point. Selectman Bowles stated they would need to be meeting with the Church Trustees again. Selectman Little discussed the items like the pews and stated he felt the Church's insurance would be responsible for items like those.

Chairman Maxfield closed the budget hearing. Selectman Bowles stated there were proposed Zoning Amendment changes for review if anyone was interested.

Selectman Little moved to adjourn the meeting at 8:58 PM. Seconded by Selectman Bowles. All in favor. Meeting adjourned.

THE LOUDON BOARD OF SELECTMEN

Roger A. Maxfield, Chairman

Dustin J. Bowles, Selectman

David M. Little, Selectman