

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
January 11, 2010**

A meeting of the Municipal Budget Committee was called to order at 7:02 PM in the Meeting Room at the Conway Town Hall with the following members present: Chairperson Jim LeFebvre, Bob Drinkhall, Karen Umberger, Doug Swett, Pat Libby, Daniel Bacon, Shirley Renahan, David Jensen, Bill Aughton and John Edgerton (arriving at 7:43 PM). Members excused from meeting: Ben Kane, Bill Masters, Raymond Shakir, Sheryl Kovalik and David Sordi. Members absent from meeting: Betty Boucher. Also present: Lucy Philbrick, Earl Sires, Paul Pinkham, John Eastman and Paul DegliAngeli.

Chairman LeFebvre asked Bill Aughton to lead the members in the Pledge of Allegiance.

Chairman LeFebvre advised the members that the approval of the Minutes for the January 4, 2010 meeting would be postponed until the next meeting as members without e-mail had just received a copy of same.

CONSERVATION COMMISSION

Paul Pinkham made the presentation for the Conservation Commission. Mr. Pinkham stated they are right on budget and are having a good year. They have proposed a budget of \$17,250.00 which matches last year; they thought it was an appropriate thing to level fund. The year before they had reduced their request which was further reduced by the Board of Selectmen. The fortunate thing about their work is that it can be timed to what God decides to have them do depending on the seed drop, regeneration and the weather. Basically their budget is predicated on forest and wetlands management and recreation. Each of their major conservation areas has a management plan. Management Plans are essentially an assessment of what the properties are, what their best uses are and how to keep them healthy and working well.

Karen Umberger stated on the Hubbard-Davis Abenaki site, that particular site needs a tremendous amount of work. Mr. Pinkham stated that was precisely why it is a separate item. Karen asked if there was an actual plan for getting it together and Mr. Pinkham stated they have a plan for stabilizing it for the moment. The Abenaki piece is an interesting piece of property in that the Indians have right to it and its use and are responsible for its management. They haven't done the best work in that area which is obvious if you should travel up there. Their intent is to stabilize and preserve it; they are investigating the historical value of the place and it has cultural attributes. They don't just want to tear down, saw up and cart away. Long term, if they can stabilize it and work with the Indians that have the rights to the place, they can come up with a plan that is suitable for both the Town and them; if not, then it would revert to Town property.

Earl Sires stated the overall plan is to stabilize it and there are two things involved with that. They have gone up with the Parks crew and stabilized the buildings themselves, not in a particularly attractive way

but in a way to keep people out and keep the buildings from further damage. Basically they have taken recycled material from the landfill and boarded it up so the buildings are sort of stabilized. Paul and the Conservation Commission are going to be involved in some tree cutting; one of the biggest problems they have had is trees falling and damaging the cabin and they want to get the old trees out as much as they can so there is not a danger ongoing to what's there; then work towards stabilizing in a better way the actual buildings. They've met with the State Archaeologist and historical people and they are very excited about it; they have pointed the Town towards lots of funding sources where they might get some money, but don't particularly have any themselves.

Karen Umberger asked if an organization was interested in helping to restore this area, who would they contact. Paul Pinkham stated contact us because when it comes to the safety stabilization out there, that's professional work. There are some huge trees out there that need more than just a chain saw and an interested volunteer; that's our \$7,500.00 budget item and that is to remove the unsafe limbs and trees themselves. They do have a management plan, it's a very modest one pager, but that is for the rejuvenation of the place, the reforestation of it maintaining particular types of trees versus some things that might be in there. It immediately abuts Cathedral Pines which is specifically a conservation area that is self-funded, our responsibility there is to maintain the appearance of the place. We have done some timber harvesting and some good regeneration. Mr. Pinkham stated at one point there was a teepee built in there and it was burnt by vandals. Well intended people removed the remains of the teepee much to the chagrin of the Indian folks who found value in what was left of the teepee, they would have salvaged or done something different with it.

Karen Umberger stated that was why she wanted to know who to contact; her issue is the common lands at Hurricane Mountain and Black Cap; she knew that in the past some work was done on clearing the damage from the ice storm, has that been completed and this is new work. Mr. Pinkham stated this is a follow up of that work. They had 6 compartments up there, there were small clear cuts they put in place to salvage the downed trees and restore the wildlife to it. What they've tried to do in some of those clear cuts is maintain them as a place for wildlife. For example, Compartment 2, the ambition there is to clear the permanent wildlife openings and the Vista; there's an overlook on the Redtail Trail which is a very popular hiking and mountain biking trail; it's 4 acres, then 7 acres and they cleared that in 2005 and 2006 manually. They have the ambition to bring in the "brontosaurus" that devours vegetation of various sizes and they can potentially can get a Grant from Fish and Game to offset the expense of that. They take these places one at a time; they want to regenerate the White Pines in some places and the hardwoods in another and maintain it for deer, moose and black bear. There are a variety of tasks that are performed up there for more than one reason.

Dan Bacon asked on the Hubbard-Davis Abenaki, how many trees needed to be removed. Mr. Pinkham stated they have an 8 inch or 12 inch Blue Spruce near the Gift Shop, a double White Pine, White Pines with the wires on them in the cabin areas, numerous limbs, 28 White Pine, 19 White Pine with insulators on them. There are a couple of trees up there that are as

big around as a Volkswagen and it's not just a simple get in with a chain saw and knock it down; they will probably have to get a climber. It's an interesting site and could be made more interesting for not only environmental but also from a historical and cultural perspective; it does have some merit.

Doug Swett asked how big an area it was and Mr. Pinkham stated 5+ acres. Doug stated there is a gentleman in North Fryeburg that has a bucket truck that goes up 65 feet. He took a tree down for Doug that was 75 feet tall and his rates are alright. Mr. Pinkham stated they endeavor to get the best prices for the specialized work and would welcome any opportunity to get a better price. Mr. Pinkham asked Doug to forward his name and phone number to him.

Paul Pinkham stated the Nature Conservancy does a lot of work for them in the Black Cap area, work they would end up doing themselves.

Bill Aughton stated he noticed there is a lot of work going on in Whitaker Woods, but no income. Mr. Pinkham stated that was separated from the Conservation Commission and he didn't think there was any revenue derived from it. Bill stated that is one of your biggest items, you are spending \$3,000.00. Paul stated they had nothing to do with the ski touring business.

Chairman LeFebvre thanks Mr. Pinkham for coming in.

PARKS AND RECREATION

John Eastman gave the presentation for the Recreation Department. Mr. Eastman stated what he does every year is go through every single category that he has, line by line, and anyone can stop him for questions.

Earl Sires stated before John starts so that everyone is on the same page, what John is going to do is give you his total budget of \$342,758.00. Earl wanted to make sure that everyone remembers that we are dealing with both the Revolving Fund and the General Fund and how that is going to work. You will see \$342,758.00 under the 2010 request and if you look at 2009 you will see \$341,305.00, the total for the 2009 budget; both years they planned to use \$50,000.00 from the Rec Revolving Fund which is a fee income streamed to offset and pay for many of the expenses in the Rec budget; so when you look at the General Fund budget sheet, you will see a total of \$292,758.00 which is the Rec budget total. If you want to compare apples to apples, its \$342,758.00 total this year and \$341,305.00 total last year and if you minus the \$50,000.00 it will be \$292,758.00 for this year and \$291,305.00 for last year.

Karen Umberger asked if the fees were changing for the summer program this year or are they remaining the same. Earl Sires stated they haven't gotten there yet to be honest; that's a question that is out there. This budget is not built on any changes at this point so currently they are flat. Karen stated if there are changes, you will let us know. Earl stated they will.

John Eastman started with Recreational. Though the dollars are the same from last year, they have re-categorized one thing in the Parks Department to make it simple; it was more shifting money, it wasn't making it go up or down, it was to breakdown what is actually expended in the Parks portion of the budget as well as Recreation. With that being said, Personnel is obviously the biggest thing they do as far as people and management of the whole program. He has them in categories from A to F. He has himself listed in there and he tried to break down everyone's salary or hourly wage based on the number of hours they work; if they are a full-time employee it is based on 80 hours times 26 weeks. In "A" there is his salary, the Assistant Director and the Teen Coordinator which are 3 full-time employees. In "B", the bus driver is the same position but he broke it down so you can understand they use the bus in the summer time and during the school year as transportation of children from Conway Elementary and Pine Tree to our building for programs. For example, part of the \$8,580.00 is during the school year that they pay a part-time bus driver and hire a driver for 8 weeks during their summer program. In "C" it is the Teen Center employees; there's three total employees and the reason we break it down into two categories is because we need different numbers of staff on different days; on Wednesday and Thursday they have 2 staff plus the Coordinator; on a Friday and Saturday they have 3 staff plus the Coordinator because the numbers are usually larger on the weekends. "D" is the Administrative Assistant; "E" is a part-time High School student that assists with the T-Ball Program. Summer Staff - they have 11 Senior Counselors all over the age of 18; they strictly work on summer program and though the Summer Program is 8 weeks, they always contract for 9 weeks because the week before they start they have a 40 hour job training; so whether they come back or not they continue to train them with First Aid, CPR, AED; go to the Police Department and get police training, they have liability training from the local government center on everything they need to know when it comes to the Town of Conway and they prep for the summer by getting everything ready, doing projects and that kind of thing. Mr. Eastman proceeded with Swim Instructors for the Swim Program and Life Guards for the Conway Town Beach.

Karen Umberger stated at one time were they not providing Life Guards at Echo Lake. John Eastman stated no, they only provide a Life Guard when they have swim lessons there. It's a State Park and the State Park is responsible for that; any given year, depending on the work force, he knows that the State Parks have difficulty some years finding Life Guards. When the Swim Program is over, their Swim Instructors and Life Guards go with them.

Chairman LeFebvre asked if the summer program was self-sustaining on a fees basis. John Eastman stated no. As Earl said, the Board hasn't talked about it yet or he hasn't been asked about it yet; from a prospective of where we are when we're charging fees, we base it on the number of scholarships and did not think it was designed to be self-sufficient. It brings in about \$15,000.00 to \$16,000.00 in the summer time. Earl Sires stated that is the minority of the expense; he didn't believe the fees charged cover half of the program. Chairman stated he would appreciate those numbers.

Karen Umberger stated she happened to be on the Board of Selectmen when they established the fees and the goal at that time was not to charge fees to cover the entire program but rather to offset some of the costs associated with the summer program. They never looked at it as a total cost but rather a way to eliminate some of the cost. John Eastman stated the fees have gone up gradually since 2007; if you came for the entire summer in 2007 it was \$100; 2008 was \$110.00; 2009 was \$125.00. Where we go from here is still to be determined.

John Eastman proceeded with Miscellaneous Labor which is mostly officials; like the Girls Softball Program, the two teams that they have when they have home games they obviously pay for the officials but they have other participating communities such as the North Conway Community Center, Fryeburg, Lovell, Denmark and Brownfield but the Town of Conway doesn't supplement their cost to that; when there is an official, they pay for that game, he then bills through the Rec Department for reimbursement to the Town and that comes back to the Town. Although they have to show everything expended, they do take revenue in from the other Towns; same thing with the Men's Softball and Over 40 Softball. They expend those dollars but all of those come back because all of the adult leagues that they run are completely 100% self-sufficient; that's everything from equipment to officials to even lights that are used at the local ball fields, all expended out and they all pay a league fee, that's the deal if they're going to do that; plus the Town charges 10% over as an admin fee because there is some work that needs to be done when you manage leagues.

John Eastman proceeded with Programs which is fairly simple; basically it's everything they expend in regards to running the programs. Arts and Crafts Supplies/All Seasons: they do things during the year such as Halloween parties and the Turkey Trot Race; a good portion of it is for the Summer Program; they average over 105 kids per day so in the course of a week for 8 weeks they do quite a few Arts and Crafts Programs. That's a fairly small number and they keep it small because they work with a lot of merchants in the Valley who donate things to them. Just today, Staples donated a bunch of sticky pads and dry erase markers and things like that they get to write off. Sports Equipment at \$3,800.00 is everything from playground balls to softballs, footballs, basketballs; again that's a relatively small number but they really try to manage that and be pretty fiscally responsible; they don't buy 10 basketballs every year just for the sake of buying 10 basketballs; they try to manage that and see what they need and get what they need. Karen Umberger asked if the Easter Egg Hunt was included as well and John Eastman stated yes.

John Eastman proceeded with Uniform Replacement, all of the teams they have, have uniforms. The \$550.00 kept there is more or less a back up. Our community is wonderful in being sponsors; they've been able to secure sponsorships from businesses who say "How can we help?" They had an anonymous business who just this year purchased brand new travel basketball team uniforms at a cost of about \$700.00. Anytime they get approached, they say this is what we can use. He believes that number is 8 to 9 years old, it doesn't go up usually because they are very fortunate with the community that we live in. Rec Staff Shirts for Summer Counselors, Swim Instructors; all employees have 3 or 4 t-shirts to

identify them; that's something that they've always done, we keep them looking sharp so that people know they are in the community. Ribbons and Awards: those are just things that they do throughout the year with the sports teams; they may give out ribbons, they may bring out certificates from the Turkey Trot Race, to all of the basketball leagues and softball. Registration Fees: they have the New Hampshire State Park Pass, Carroll County Rec dues which involves Conway in the Carroll County Director's Association; they pay dues but those go to 3 events during the year in the Winter, Spring and Fall; the dues cover the programs for whenever they all get together, they have a big Track Meet, they have Soccer and all of the Departments in Carroll County meet and that's what helps pay the fees for the officials.

Chairman LeFebvre asked if donations like the uniforms are approved by the Board of Selectmen before accepting them officially. Earl Sires stated it all depends on what happens; if we get an outright gift, either donation to the Town or a set of uniforms gifted to the Town that should be accepted as a gift under State Statute. If it comes from the Friends of Rec, they don't have to worry about it.

John Eastman proceeded with Park Admissions for summer and seasonal trips; mostly summer and it is mostly admissions into everything that they do when it comes to taking kids on trips because they have to pay to get the staff in there too; that amount for as many people as we have is as reduced as it possibly can be; they get group discounts and group rates for bringing kids in there. Swim Lessons: the Red Cross charges \$4.00 for the card and for the certification because they use official Red Cross Certified Swim Instructors. Volunteer Training Background Checks is pretty self-explanatory; all volunteers are run through a background check through a company called SSI which only criminally background checks Recreation employees in the country; it's been very successful for them. Good news is that they have never had anything come back negative; if somebody has something, it will find it; it's a good data base and it's better than the one that the State does. This does it in all 50 states, Puerto Rico and the Virgin Islands. Fuel is hit or miss, try to get as close as they can to it but that's roughly 1,132 gallons being estimated for fuel use this year. The fuel rate right now seems a little large compared to what it is but at the time doing it all things being equal what he put in last year was similar to that. T-Shirts at \$3,900.00 is what they get for the kids through a program registration fee, more or less a t-shirt fee. Kids pay \$10.00 if they play basketball, but that shirt that they get has Conway Rec and their number on the back and get to keep it; it's a wash for them. Food for the Teen Center is \$1,000.00; they have a Food Pantry; it's not a constant revolving door, they're not getting fed every single night; they do have Thursday night as movie and a meal night; they don't require anyone to pay anything, it is real low key, it's pasta and that kind of thing. Every now and then the get food donated.

John Eastman proceeded with the Trail Grooming for Whitaker Woods which was talked about earlier for \$3,000.00 and that goes to the grooming of Whitaker Woods. Karen Umberger asked if that was still being split with the School and Earl Sires stated our amount is \$3,000.00 and the School

pays \$4,500.00; they pay a little bit more because they have some specific grooming that happens for some of their races.

John Eastman proceeded with Facilities which he tried to detail out as to where they are and what they do for them. Portable toilets, have general supplies, beach equipment, dock repair, anything that they would use at the beach. All swim areas are tested twice a summer by the State and they get reports and they get billed for that. Last summer they didn't have to close any of the beaches because of any bacteria. They have Conway Lake; Davis Park has Tennis Courts, Basketball Courts, the beach and they water test that because it is a swim area; most of the General Supplies have to do with the Tennis Courts and the Basketball Courts that they have maintenance like filling the cracks, fixing the tennis nets and the fencing; last year had to do some repair to the fence due to vandalism. Washington Street Park is pretty small but they have a fountain there.

Chairman LeFebvre asked if First River Bridge was going to have some construction this summer and Earl Sires stated supposed to have some work done on the pilings, on the supports underneath the bridge. Chairman asked if that was going to have any impact on the Rec Center this summer. John Eastman stated he didn't think so. Earl stated it might be more trouble for the Police Department. John stated one of the things that they do at First River Bridge is maintain Hussey Field. If you go by there on a nice sunny July day, it's very busy; they supply a Portable Toilet, do trash removal, the Parks guys check it out to make sure that everything is fine; it is probably the highest visibility Park; extra trash gets dumped there and it is what it is; they make sure they go by every day.

John Eastman proceeded with Schouler Park has Toilet rentals and he broke that down to try to keep it simple because July through September there are different events that go on and they have more units and they back it back down for the other 6 months. Electrical Services/Contracted Events: when anyone contracts Schouler Park through the permit process, they pay for the Units; if electrical service is needed, they contract out an electrician and the Town bills them for that. The Town isn't subsidizing any event; whatever the event uses and whatever it costs, they (users) pay for it. Nasby King Field may be a reduction; they don't really use that field any more; with the addition of the Elementary and some other fields, they don't use it any more and that could reduce it \$600.00. Karen Umberger asked where the field is and John Eastman stated at the American Legion. Karen asked for the status of the agreement with them and Earl Sires stated it looks like it is not going to be renewed.

John Eastman proceeded with the Smith Eastman Recreation which is the general area behind the Police Station; there are picnic tables down there and a map which has part of the walking trails along the river. Whitaker Property has 2 toilet rentals and general supplies, ball field equipment, dog receptacle bags, just everything that they do for the maintenance of that field; that field gets hit pretty hard. They do replace fencing and replace some of the screen.

Chairman LeFebvre asked Earl Sires or Bob Drinkhall to discuss in some detail the re-seeding of Schouler Park and the ice rink last year and

what's being planned for this year's situation. Earl Sires stated last December 2008 they had some pretty rough conditions, had a lot of ice sitting in fields and had a lot of winter kill come Spring; the School fields were pretty heavily burned and died off along with Schouler Park. With the cooperation of the Country Club, some of their equipment and expertise and some of our staff, they basically seeded and re-seeded the field, worked on it, irrigated it and got it to looking pretty good through the Summer. If you walked around on it, you noticed that it wasn't in the greatest of shape. Some of the kill happened where the ice rink was and some happened where it wasn't. This Fall they met with the Outing Club representatives and they've shifted the rink, made it a little smaller and shifted it more on to the ball field; it's kind of a trial to get that off the grass. The general idea is to impact the grass less with the ice rink. What they plan to do in the Spring is overseed it with what they hope is a hardier mix; it's going to be a wait and see issue. They estimated 40% of the problem was the ice rink and 60% was just conditions of the rest of the Park. There are really two issues: what does Mother Nature do to the grass and what does the rink do to the grass. The Outing Club and many people in the community want to see the rink stay there. They did a lot of research around the country and just about any where there is a rink that goes up in the Winter, it's on a specific surface like gravel and even a paved surface, not many do it on grass.

Karen Umberger asked how much the Outing Club paid to redo the area that was damaged. Earl Sires stated 2 years ago they paid about \$5,000.00; the Selectmen did not require them this last year to put up that bond or guarantee. The Town spent about \$2,000.00 so they figured some percentage was the ice rink and some percentage was Mother Nature. They figured it cost between \$900.00 and \$1,100.00 to rehab the field; it didn't come back 100%, the story is still unfolding as the years go on. Karen stated the Town has no desire to stop the skating rink. Earl stated the Selectmen have not expressed an interest in the rink moving. They have a verbal agreement with the Outing Club that this is a trial to see how it works. Karen stated basically the Outing Club picks up all of the costs associated with the skating rink operation and the Town pays nothing for the skating rink operation. Earl stated that was correct.

John Eastman proceeded with Office Expense which is the smallest and probably easiest to go through, that hasn't changed in 3 seasons; it is self-explanatory. Printing Program Information/All Seasons is for making photocopies when we do it on large scales from any of the programs especially the Summer Program, they go and get it printed at a local print shop. Equipment Maintenance is just the copier and the computer. Teen Center Supply is basically the same thing, calendars and printing and photocopies we get charged for on a mass scale; other things from paper to any kind of things they do, they make a lot of posters and handouts, flyers and that type of thing.

John Eastman stated that his next portion was the Parks Budget and it's different than last year in one respect, they took the 3 Parks personnel employees out of the personnel side of Recreation and put it in Parks. They did that just to make it easier for people who see this to understand what is expended on Recreation services and what is spent on

Parks and Maintenance. The personnel that is there is not new and there really isn't anything new on the Parks side of the budget other than the shift of the 3 people over so that it is a true budget of what they spend in taking care of the 54 Parks and Cemeteries during the time that it is not snowing.

Karen Umberger asked if any of the costs were reduced by fees that we collect. John Eastman stated yes, the ball field lights for Whitaker Home Site; the O'Brien Field is a small percentage because we don't use them a lot, a lot of the use at O'Brien Field with the lights are from our own programs. They do get some reimbursement during the Cal Ripken baseball season. Washington Street they don't get reimbursed for. Schouler Park is the same kind of thing with night games, they will bill for some of those fees. So far it has worked pretty good breaking it down this way because it really gives you a true look at exactly what is really being spent to maintain all of the Parks and Cemeteries. Karen stated the Cemeteries that the Town takes care of are the abandoned Cemeteries.

Dan Bacon stated you are requesting the same amount of funding for the Park Programs; what is the difference between last year where you took \$7,000.00 out of the Revolving Fund to offset what the difference is, why \$13,000.00 this year. Earl Sires stated just an arbitrary way to distribute the dollars. Dan stated he didn't quite understand that; what increased in the program itself for \$13,000.00. John Eastman stated he doesn't pick what gets taken out of the Revolving Fund, that is through Lucy, Earl and the Board of Selectmen. Earl asked Dan to rephrase his question. Dan stated took \$7,000.00 last year to offset \$24,170.00. Earl stated in all honesty, they just make a decision on where it is going to happen as the year goes on; the \$30,000.00 and \$20,000.00 really is a kind of projection for 2010 because they know that they want to use \$50,000.00, that's what the Selectmen have directed us to put in there, and right now they are parking \$30,000.00 in Personnel and \$20,000.00 Programs, they will move it around a little bit more as the year goes on. Dan stated it's in anticipation and Earl stated it is fairly arbitrary, they have to pick a place to offset and they could just as easily offset other expenses with that. Dan stated on the Narrative impact, the budget narrative impact on personnel, that's all increases to include one more Teen Coordinator who was authorized by the Town Meetings for \$16,963.00 in pay increases. John stated last year they didn't have the Teen Coordinator, wasn't employed from January until almost the end of April. Dan stated he could see the \$23,944.00 which is the increase as a result of the position being reinstated by the Town; what he was looking at is the Rec Director, Assistant Director, the Teen Center part-time staff, the Administrative Assistant, T-Ball staff, 11 staff members and flag football, these are all pay increases. John stated correct. Dan stated he was a stickler when times are tough for increases happening on salaries and personally he was having a tough time with that.

Chairman LeFebvre stated the Teen Center came up last year as an area of controversy; for the members who were not on the Committee last year, could you give us the historical background as you understand it and what happened with the increase in the Teen Center and do the numbers that you have seen using the Center that seems to justify what you have as being spent there. John Eastman stated it is about 12 years old; it first

arrived from a Grant called a Substance Abuse Grant and Juvenile Justice from the State of New Hampshire and with that as it evolved they were also able to retain it as a full-time position with the 21st Century Grant which went through Project Succeed at the time. Chairman stated initially it was fully funded by a Grant. John stated when the Grant ran out, it wasn't automatically moved into the budget; what was done is similar to this, it was basically show that this program works and it was brought to the Board of Selectmen and the Budget Committee and it was voted on by a number over 4 to 1 first time around. Earl Sires stated one point of clarification when the Grant funds ran out, based on a Warrant Article passed by the Budget Committee which said any Grant funded positions where the Grants run out, those positions, if they are going to be added to the Operating Budget, have to be approved at Town Meeting. The Teen Center and the School Resource Officer ran out the same year and both were approved by the voters to be added to the Operating Budget and that's how it got to be a solely Operating Budget function. The unfortunate part was that they had been getting about \$15,000.00 or \$20,000.00 from a granting organization through the County until the year the voters agreed to pay for it and they said if your voters have agreed to pay for it, we're not going to give you any Grant money; it kind of backfired on us in that sense.

John Eastman continued with that was at least 7 years ago where they got to last year where cuts were made and they cut back in the month of December to make sure with rising fuel costs and the economy and backed it down to 2 days. The Board of Selectmen decided to cut that back and obviously we know that story and it was reduced where they were just operating on real bare bones of one night a week; the Teen Coordinator, who was full-time, was laid off temporarily; went through the process and it went to Town meeting in March and the money was put back in and approved in April; they proceeded to have the Teen Coordinator come back to work and that's kind of where we are today. The Teen Coordinator retired in September and they hired a new Coordinator. Chairman asked if they brought the new Coordinator in at the same rate as the old Coordinator and John stated he didn't believe so. Earl Sires stated he was hired at 87.5% of the mean which would be less than what he was making. John stated the new person started in September and it was quite a process. Jim, the Coordinator decided to stay on through the Summer to help out because in the midst of a busy summer season with all of the kids that they had, it just wasn't going to be feasible to interview and go through that process, which was roughly a 3 week process. In September, they hired a new Coordinator who is doing a pretty good job; their total enrollment numbers are around 67 kids total. Chairman asked how that compared to last year. John stated it is down between 18 to 19 kids as far as total enrollment; their averages are about 3 kids lower from 27 to 24. John did a little research; every Town doesn't have a Teen Center; in Dover there are 80 kids total enrolled, average 20 kids per night; most of the Teen Centers that they reviewed were Grades 7 through 12, ours is Grade 6 to 8. They did that because they believe that the Middle School population is the one that needs the most guidance and the most interaction; what he has found is that you get a few requests but would High School students come; some might but in light of everything that they can do in their free time, he didn't think it would be that responsible to spend the money on the older kids. It seemed that the

Middle School age kids have no driver's license; too old to be in the Elementary School crowd but not old enough; seems to be a perfect setting. John continued with Rochester has about 75 kids enrolled, averaging about 15 kids per night; Wolfeboro has a night program for after school and a night program with 65 kids enrolled in evening and 35 to 40 kids in the after school program, averaging 20 in the evening and about 22 in the after school. Exeter has about 95 kids in their program, averaging about 26 kids a night, they've had as many as 45 kids in a night; Portsmouth has the biggest numbers, they have over 120 kids enrolled with as many as 40 to 45 kids per night, they are a much larger community.

John Eastman continued with some things the Coordinator has done, which John has challenged him to do, is to really think outside the box and offer things that kids need. One of the things that they're beginning to understand is that they have kids from different portions of Town that seem to have trouble getting there and they're trying to work through that; they do have a van, they have had a pick-up program that goes to the Community Center to pick kids up. The Coordinator, Evan Delano, has been working with Mark Zangari to try to find a better way to get kids from North Conway to Center Conway because they are all part of the Town. They have also set up a Teen Council and it is similar to the Student Council in School. They are trying to get input from the kids. The things that they have is a Gym, a Game Room with Ping Pong Tables and Pool Tables, an Audio/Video Room; have a kitchen and obviously they have dances. John thinks they are moving in a good direction; there's a lot of kids. Have they reached every kid, no; trying to, yes. The Coordinator is doing a good job by being active; he has lunch with the Middle School kids once a week and he is in 2 of 3 Elementary Schools once a week. Part of their focus is to have lunch with them, do things with them, network with them and try to find out what they like to do. They have some trips planned; going to some hockey games and that's always a popular thing and could make the numbers go up. Can they do better, John thought they could always do better; in this field if you have some kids that you know need help, they're always trying to strive to do as much as they can. John believes in it and the proof is in what other people say about it, he thinks it's money well spent and that the new person is working real hard and that John has challenged him by saying that this has to be successful; if it isn't, then we can't spend money on it. He is a big proponent on being fiscally responsible and spending the money where it should be spent and spending it right.

Karen Umberger stated there is a total of 67 enrolled, what is the average attendance. John Eastman stated 23 or 24 and we are open on Wednesday. Here is another thing, we've tweaked it a little bit and one of the things is that in year's past they were open Tuesday, Wednesday, Friday and Saturday. The former Coordinator, and you can beg to differ about different things, but what was happening was enrollment was dropping off on Saturday nights and we experimented with changing the days to try to increase the numbers. Saturdays are tough days in the Fall due to sports and they may not get back from a game until 5:00 PM or 5:30 PM but what they did was go away from Saturdays for awhile. After researching and really trying to get into the nuts and bolts of this, he personally believes the Teen Center needs to be open on Saturdays because

there are a lot of kids looking for things to do and the idea and premise behind it is to provide something for kids where they're supervised, they're in a safe place because there's no drugs or alcohol, they can still have fun and hang out with their friends and still get away from their parents in a good way. They have changed it and are getting back into Saturdays; trying to reorganize the kids so that they are being consistent. John thought that last year, and it's not an excuse, but last year they were a little bit inconsistent with the budget and not knowing what was going to happen and so they had to make a choice and went with the two most popular days which were Thursdays and Fridays; now they are back to Saturday and trying to turn the corner on that by offering different things at the Center on Saturday.

Dan Bacon asked what the hours were on Saturday and John Eastman stated 5:30 PM to 9:30 PM; they are open Wednesdays, Thursdays, Fridays and Saturdays and special events. Dan asked when was the transition when you went back to Saturdays and John stated the second week in October; attendance is higher on a Wednesday than it is on a Saturday but that's starting to turn the corner. A lot of kids in the Valley need something to do or they are looking for something to do and we are just trying to find out what the niche is.

John Eastman proceeded with Dues and Seminars: With the exception of the Carroll County Annual Dues which went up \$25.00 last year, everything else is the same. The New Hampshire Parks and Rec Association: John, Teen Coordinator and the Assistant are members of that; they get to go to meetings, get a monthly Newsletter and everything that comes with the Association as far as meetings and networking with other professionals. The New England Conference: they attended that last week, they don't stay overnight, just go for the day sessions. The New Hampshire Training Seminar: he and Mike have been fortunate over the last couple of years to pick up Rec training through the LGC which is free; as part of the membership, they go to Open Water Liability Seminars and the LGC actually comes to them for their staff training when it comes to liability training.

Karen Umberger asked how much was taken in last year on the Revolving Fund for Rec; she knew it was given at one of the recent meetings. Lucy Philbrick stated doesn't show how much they took in. Earl Sires stated we can get for you if you would like. Karen stated that would be fine.

Chairman LeFebvre thanked John Eastman for coming in.

Karen Umberger stated your increase was primarily for salaries and health insurance is not reflected in your budget; so it is just the salaries, otherwise you were pretty flat and John Eastman stated yes. Lucy Philbrick stated they took in \$52,642.00.

PUBLIC WORKS

Paul DegliAngeli made the presentation for Public Works. Mr. DegliAngeli stated he traditionally presents Section 9: Government Buildings, Section 15: Highways, Section 16: Solid Waste and Section 24: Capital Reserves. Mr. DegliAngeli started with Section 9: Government Buildings and

requested the members to keep in mind that there is a separate Capital Reserve Account for major repairs. As you look over the individual line items for Government Buildings, you will see that these things are Supplies, Utilities and the repairs are not capital improvements but by comparison relatively small items. Bottom line comparing 2010 with 2009 budget you will see a request increase of 0.00%. That concludes his presentation of Government Buildings.

Chairman LeFebvre questioned the age of the Town Garage and Mr. DegliAngeli stated about 60 years old. Chairman asked that he address the current state of its repair and what it would take to bring it up to minimum Code and what that would be estimated to cost. Mr. DegliAngeli stated he is happy to address the first, the second he has some of the information, doesn't have all of it at his fingertips. The codes are broken down into what they call life safety looking at employee issues; they recently requested some quotations for life safety.

Karen Umberger asked if the Selectmen were going to bring forth a Garage Warrant Article. Bob Drinkhall stated yes and no; there is already an Article written, it is different than what the original plan was. Just two weeks ago, due to the fact there is stimulus money possibly available, the new bond is written but it has not been passed by the Garage Committee which upset him to no end. When he brought up that it should go before the Garage Committee, several people were sitting a little off their seat but it finally came around to the fact that he would speak to everyone, get their opinion and get back to the Board tomorrow. The entire Garage Committee is adamant about being involved. Earl Sires stated his task has been from the Selectmen to proceed with scheduling bond hearings, preparing Warrant Articles and getting the process going to present a Bond Article. The intent of the Board is to do that; how that is going to work out and what it is going to look at remains to be seen. Karen stated her only comment she wanted to make is if they are going to bring forward a bond or an Article then that's when we should discuss the difference between the bond and updating all of the life safety things; in other words, it doesn't mean anything this evening because we haven't seen what the Bond is and so she was suggesting that we wait on that until the Bond comes in. Bob stated he didn't think he could stress enough the need for a new garage, it's only the cost of a new garage that might be up in the air and they can't stress enough to the public the importance, in his opinion and the opinion of most of the Selectmen, it would be a shame to have to put anything into the old garage because it would be simply spending good money after bad.

Chairman LeFebvre stated the number that he has heard being bantered about is \$60,000.00 and he agrees with Bob's assessment of the situation which is why he is trying to get this of record tonight for reasons of his own. Earl Sires stated he would agree with Bob that it would be a shame to put money into the existing building; however, they can't stress enough the fact that we can't have our staff working in that building any longer without addressing these life safety issues. Not to be demanding or anything, but we are going to have to do something with the building to create a new structure or we need to do something with the old building to make sure that it is safe.

Chairman LeFebvre stated one of the things that all of us have to do is educate the public and this is part of that education in his opinion. Doug Swett stated at the Selectmen's Meeting they were talking about this stimulus money of \$200,000.00 and then he heard the term Davis-Bacon thing; if we accept that money is that what that means. Chairman stated for the purposes of our audience and members of our Board that may not understand Davis-Bacon, would you care to address that. Earl Sires stated when you receive federal money like everything else there are strings attached and one of them is certain levels of wages have to be paid to those involved in the project. Davis-Bacon is the federal law that was passed mandating this. Oddly enough it doesn't effect us as much here as it might elsewhere because our wage rates tend to be much closer to Davis-Bacon. We would anticipate some upping of the cost but are pretty confident the total project cost would be reduced significantly if we were to get this stimulus money.

John Edgerton stated with the new Garage he will not recommend a generator; the study with the School to find out that the municipality's maximum time out even during the ice storm was 3 hours and he did not think that justified a generator. Earl Sires stated the generator at this point is an alternative and they would have the option of not doing any of it. Paul DegliAngeli stated theirs was only \$23,000.00. John Edgerton stated even \$23,000.00 is not justified for 3 hours. Mr. DegliAngeli stated we should sell the generator at the PD because its not justified. His point is that you are using, just for the sake of the argument, whether you put the generator in or not and it is an alternate so you can get a bid and make a financial decision; but you used the ice storm as an example for when we were without power in this area. The Public Works Department is our emergency responders and imagine any of our snowstorms, the Police, Fire and Rescue couldn't get anywhere because this crew wasn't doing what they do. There are examples of other kinds of disaster besides the ice storm which caused people to lose power; granted we have not suffered greatly from hurricanes in this area but we did 11 miles south of here see a tornado last year go through Freedom; a tornado, hurricane or earthquake, these kinds of things could really put Police, Fire, Rescue, Food Services, Hospital all on overtime, 24 hour alert; having lived through the Blizzard of 78, the question is your analogy is based on the amount of time, the percentage, it sort of sounds like a business or manufacturing analogy. We are providers of emergency and essential services; when you need them, you need them. The question is whether you think we need them here. Statistically, we've operated 60 years without it. An emergency is an emergency. In full disclosure so that the people can make a decision, you're building a new facility, they apply for funds for emergency generators.

Paul DegliAngeli stated there are life safety items the Selectmen have an interest moving forward with and the life safety and electrical code items quotations from contractors this Winter total \$85,000.00. The next items they looked at was those parts of the building that would require maintenance within the next 5 years. If you're going to put \$85,000.00 into a building, you'd like to get some return on that; so they identified the Garage Doors, the Roof and the heaters as items that would have to be repaired within the next 5 years. Those items are broken down into doors \$4,600.00; mechanical, the heating system, etc. we had to go

to 2 different places there because one-third of our heating is the waste oil furnace, we have waste oil recycling at the Transfer Station so we enjoy burning waste oil which is a savings, the quotation for the waste oil furnace came in at \$8,277.00 and for the other two heaters we would look at another \$13,000.00.

Chairman LeFebvre stated your best estimate for 5 years is spending at least \$110,000.00 for those items. Paul DegliAngeli stated it does not do anything about the structure or the insulation so for the next how many years we have a completely uninsulated building which we have operated for 60 years. If you go beyond that, they hired a structural engineer to say what if we wanted to comply with current Energy Code because we are proposing that in the new building. We asked them to inventory the building and see what it would cost to reconstruct it and insulate it. They used figures and then used a 20% contingency; let's take out the 20% contingency of \$35,000.00; \$232,000.00 take out the contingency it's \$200,000.00 add \$100,000.00 it's \$300,000.00. Chairman asked what that would accomplish, in general terms. Mr. DegliAngeli stated in general terms you would insulate walls, replace the windows, address the failing concrete and extend the life of the building a bit longer than 5 years, 20 years for the roof. A new roof, other than just the repairs talked about earlier is 20 years; in fact, the roof that they put on was done in his administration and it's been there 16 years; they are expecting to get another 4 years; they've patched a few leaks. A new roof, new steel, this calls for pointing the masonry, re-pointing the masonry, repairing over the windows, repairing the windows themselves, sand blasting the concrete block and re-painting it. How much longer is that block going to last, don't know so in this Report the Engineer recommended we do destructive testing, hire a company, take core samples of the block and send it out for testing to answer that question. We have not done that yet because suddenly without doing that we've just spent \$300,000.00 on the building. With the current estimates because we don't have bids yet, the current estimates on our existing project of a new energy efficient facility is \$550,000.00 with up to \$200,000.00 coming from the stimulus money. Chairman LeFebvre stated the \$550,000.00 does not address the generator and Mr. DegliAngeli stated that was correct, that's an alternate. Suddenly it doesn't seem like something you want to pursue. Doug Swett stated if fool enough to go that route, they're crazy. Chairman LeFebvre stated he agreed with Doug; part of the process here is to educate the public and he hoped that the folks watching on Channel 3 are getting educated because that's the purpose of this question.

David Jensen stated he would like to urge the staff when we get to the point of doing the presentation on the proposal for the garage to include not just the costs associated but if there are going to be any operational savings, that the full cost, if there are any savings, should be part of the consideration. Paul DegliAngeli stated Mr. Drinkhall is the Chairman of the Garage Committee, that discussion took place at one of the meetings and he asked Mr. DegliAngeli to look at some of those numbers. First of all, the new building is designed with a R30 overhead and a R19 wall section, not theoretical but actual, because it's a solid foam insulation throughout, not a building wrap and not an insulation that is going to deteriorate in its first 2 years because of moisture retention. As a result, they did a heat loss calculation for that

building compared to the existing building; keep in mind that the square footage of both buildings is the same. The existing building heating calculation is 850 mbh, the new building is 475 mbh. The old building operates with 3 hot air furnaces, all of them burning oil, 2 of them burning oil that we purchase and one of them burning waste oil. They've measured the gallons used, they've compared that to the nozzle size and how much heat they get out of it and they are putting an efficient number on that of about .74 so for the btu's in you're getting back out three-quarters of that in heat. The new building is designed to also be oil fired to use a boiler, not a furnace, to heat hot water which they are only going to plan to heat to 110 degrees because it is designed as a radiant in slab system. The efficiency rating there is 88. Take that and the heating degrees days and make a projection; make all sorts of conservative assessments so you are not trying to be too much of a salesman and at the absolute minimum it looks like they'll spend less; the difference will be \$3,000.00 a year in oil; there is a good argument it will be closer to \$6,000.00 a year but they wanted to be ultra conservative.

Paul DegliAngeli stated the life cycle of that equipment is 60 years and they wanted to be conservative so they said 50; \$3,000.00 times 50 is a \$150,000.00 savings over the operating expense; then you take the initial cost of the radiant system currently estimated to be \$53,000.00; keep in mind everyone said these estimates are too high, the building will cost less and he hoped they were right. He just read what it will cost to replace that equipment, they have a lot of experience with that equipment because they use it in that garage and in the garage across the street. That equipment, in this garage, they change every 10 years and the garage across the street they have to change it every 7 to 8 years because in that garage across the street those vehicles have salt on them.

Bob Drinkhall stated also need to mention the fact that they can utilize the waste oil in the Storage Garage. Paul DegliAngeli stated one more time for the public, we call this the Service Garage because one of the many departments of Public Works is the Service Department; this is a mechanics garage and it is no different than bringing your car to Crest or MacDonald Motors or Subaru for service, this is a full service garage. They service the vehicles and heavy equipment for the departments of the Highway, Buildings and Grounds, Recreation, Solid Waste, the School Department, the Police Department and some miscellaneous rescue equipment for the Precincts; that's what the building does. During an emergency when the guys are out and there's damage to the trucks, i.e. plows, wings, breakdown, suspension goes, they haul it in. That driver is off route and he helps the mechanic and they start welding and working through the night to get that truck back on the road. That's an emergency situation; otherwise it's just regular maintenance of the vehicles and equipment.

Bill Aughton stated the need for a new garage is clearly there, the logic is there, the amount of money is not. What isn't there is good PR for the public. Last year we were battling inappropriate comments on the public sector on closing the Teen Center, having kids not being able to do this and even though it was disapproved eventually, we were balancing a real

need against an emotional need. When the School wanted more money for the High School, there were leaflets which he didn't think told the whole story and that offended him, in every post office box in this Town. He didn't know if they had enough money to do something like that on the garage. Chairman LeFebvre stated that was not done by the School Department or the School Board, it was done by a local PTA. Bill further stated that sold a lot of that Bond because it wasn't quite what it was and he would like to see a lot of work done to tell the public the need and what it costs so that it's not battling or pushing kids out on the street. Paul DegliAngeli stated it used to be we all filed in to the Meeting Hall for Town Meeting, the purest form of democracy that he has every participated in or witnessed, and they could talk about that garage for 3 hours until everyone was satisfied that they had enough information and they voted. Now we have SB2 and government staff is in a unique position as it's illegal for this "PR", doesn't matter if the information is correct, but they can't go on a PR campaign. It's a new age; the people don't participate because they don't come to the Deliberative portion and then they go to the poles and it is difficult to know. The folks on the Garage Committee have a different understanding than they did when the Committee started, but that's taken how many meetings and how many hours. They try to use the media, the television and the newspaper, but still it is a busy life and perhaps it's time for something different.

Karen Umberger stated she had a couple of things but would hold off until we have the information presented on the bond issue that still gripe's her to no end, but she was not going to say anything more than that at this point. Paul DegliAngeli stated maybe we should talk about it. Karen stated she was talking about the fact that there was a plan for the Capital Reserve to pay for this and now all of a sudden she is faced with a \$500,000.00 bond, that's all; never mind, she didn't want to discuss it now, we will talk about it when we get to the Bond hearing as to where all this money went and that will be fine; she didn't want to hear it now. Earl Sires stated the only thing that he wanted to say at this point was that the money has gone to places that have been approved by the Selectmen; they are legal and the Selectmen have authorized it and much of it is still sitting in the account; there's \$250,000.00 and if the Selectmen wanted to use that towards the bond then they can use it. Earl did not want anyone to think there was something going on that wasn't; Karen may not like what happened but there was nothing inappropriate or illegal about it.

Karen Umberger stated she realizes that the Town provides free of charge water to several people in the area and she wondered if there was any thought about charging the people that you provide the water to under some sort of situation rather than having the Town pick up the cost. Earl Sires stated they had talked about it and it is probably time. It is one of these historical things where back in the mist of time there was a deal made that in exchange for the fact that there had been some damage and the Town began providing water; now it is 50 or 60 years later and maybe it makes sense to do something different. Unfortunately, like everything else, they need to invest money in the system to get it to where they can manage it with metering and that kind of stuff. Karen

stated she thought that it was probably time that the Town stopped funding the water.

Karen Umberger stated the Rec Building Electric shows about a \$500.00 increase and she wondered why that was as all others remained constant. Paul DegliAngeli stated if you look at the actual 2008 Budget, \$8,900.00 was requested and \$10,000.00 was actually spent; go to 2009 and we have the history. Lucy Philbrick stated it is currently at \$9,722.00. Karen asked if that was for the end of December and Lucy stated she did not know if there was another electric bill coming in. Karen stated what we're saying is that the Rec's electric bill is more and has been consistently more than what has been projected; has anybody looked at what they do with their electricity down there or do we just accept it. Earl Sires stated probably one of the things going on is the exterior lighting driving up the cost and some of that is recouped through the fees to the league users; he can visit with John about conservation of it. Karen stated that the money that is recouped from that, doesn't that go into the Revolving Fund and so it would never come back. Earl stated the money recouped from the fees would go to the Revolving Fund so then it offsets the Rec Budget itself. Karen stated there is nothing that would come back for this and Earl stated no.

HIGHWAY

Paul DegliAngeli stated this year's request is for a 2.5% increase.

Karen Umberger stated she noticed that asphalt was down, is there a plan attached to this for what you are not going to asphalt or what you are going to; are we anticipating asphalt will be cheaper. Paul DegliAngeli stated the plan was created and the higher number was used because of the asphalt increase. They learned that the North Conway Water Precinct and the Conway Village Fire District were both going to benefit from stimulus money and in making their applications to RD for their water and sewer projects, they were well funded and they have accelerated their schedules. North Conway just finished Contract 7 and plans to be starting Contract 8 right away and we were able to enjoy some of that money because our arrangement is if they are going to tear up the roads for infrastructure, then they put down the base and the first pavement and we come back with the second and the dollars went a little further. Yes, asphalt went up but because of the federal contribution, our outlay to keep pace with their projects was able to go down. The response to the second part of Karen's question on schedule and do you know what you are going to do and you will see that on your infrastructure; the paving/maintenance schedule is the second half of that sheet.

Chairman LeFebvre stated on the Highway Labor Account, looking at 2008 you budgeted for \$514,000.00 and came in at \$494,000.00; last year you budgeted for \$489,700.00 and it looks like right now at \$396,000.00; the differential here is approximately \$20,000.00 the first year and \$93,000.00 for 2009. Paul DegliAngeli stated go to the back up sheets and look at Overtime, that is a percentage of the subtotal; this is a historical percentage now 18 years in the making; last year the winter started strong and ended in the light; the winter before that started strong and built and we actually went to Town Meeting and asked for money

on the floor; that's where the difference is. At this time of the year, it's throw a dart at the Board. Fortunately, we do it at this time of the year and have the ability to adjust before Town Meeting. Karen Umberger stated the Labor line has both labor and overtime and Paul DegliAngeli stated yes.

Karen Umberger stated on the asphalt laying, the only roads that you are going to do this year are those that are related to Contract 7 in North Conway Precinct; Depot was a different contract; Tasker Hill is the only one you are doing an overlay on other than up in North Conway. Paul DegliAngeli stated Depot was not a part of Contract 7; last year they were asked to save \$100,000.00 in paving because of the unknowns with the State revenues so it got put on hold and is now planned for next year. Tasker Hill Road is in Conway Village; Eastern Slope Terrace is in Conway Village and they did that with Wastewater Phase I this year and our obligation was for the overlay for next year which is 2010; Kearsarge Street. Keep in mind that Mechanic Street was originally scheduled for 2010 but the North Conway Water Precinct's contractor was ahead of schedule and we evaluated our workload and made an operational decision to accelerate that and that allows them to get to Kearsarge Street earlier. Karen asked if this was for the entire Kearsarge or just the end that was done last year. Mr. DegliAngeli stated if you look at Kearsarge in the Capital Reconstruction Section, the section that they built this year was Section 1 so from Route 16 to the North-South Road which they built and is complete is Section 1; Section 2 is in Capital Reconstruction because it needs to be rebuilt, it's not just pavement maintenance it needs to be physically rebuilt, the drainage, curbing, sidewalks, etc. and that will be from the North-South Road up to the top of the hill, turn the corner and to Skimobile Road so it will tie in with the top of Mechanic Street, that is Section 2. Section 3 is the overlay from Skimobile Road to Intervale Crossroads which the Precinct installed last year plus the Crossroads to the four corners at Hurricane Mountain Road which they plan to install this year. The work sequence when the project went to bid dictates that the Contractor do this portion first. Karen stated this is the entire Kearsarge Road and Mr. DegliAngeli stated by the end of 2010 the entire Kearsarge Road will be done. Karen further stated Intervale was done last year and Mr. DegliAngeli agreed.

Chairman LeFebvre stated in the General Fund, Highway Striping, why do you want to increase it to \$27,680.00. Paul DegliAngeli stated this year there was so much construction and, as he alluded to earlier, they were asked to cut back on expenses, that they put this on hold. Chairman asked about the split between the Town's responsibility and the State regarding highways in this area. Mr. DegliAngeli stated they only line stripe Town roads, do provide striping for parking on the State roads; so double yellow and single edge white are only done on Town roads; pedestrian crosswalks and parking stalls are the Town's responsibility.

Bob Drinkhall stated might want to add if we hit 10,000 in any given point in time, that will change. Paul DegliAngeli stated what Bob was referring to is a section in the statute referring to "Compacts". There are these milestones that you have to hit and once you hit a certain population that is one of the switches, that alone won't designate us as a Compact but it will start people looking at us. Chairman LeFebvre

stated the upcoming consensus could have some impact on the Town. Paul DegliAngeli stated you could say historically the State did not give up its right to a highway until it had a parallel corridor. In this neck of the woods there is but one corridor. We could argue once they build the Bypass and we hit this number and a few other things fall into place, they might give up Route 16 and Main Street; without the Bypass, they might not because they otherwise have no corridor through.

Karen Umberger stated on the Street Lights, we were briefed that there was a Street Light Committee looking at all of the lights in Town trying to come to grips with what ones could be turned off and yet she sees a \$3,000.00 increase in Street Light costs and was curious about that; you are going from \$87,000.00 to \$90,000.00. Mr. DegliAngeli stated in 08 it was \$96,000.00 and 09's actual is \$89,861.00 and are asking for \$90,000.00. Karen asked if there was an estimate of when the Street Light Committee is going to get back with Earl to make a decision on that. Earl Sires stated the Committee has met off and on, mostly off, over the last couple of months; it is a volunteer committee and there has been some difficulty rounding everybody up. Earl thought there would be some other things that will come out of that committee other than just turning off lights. His prediction is that there won't be a ton of lights to be recommended to be turned off, some probably but there are some other things, i.e. re-lamping and some programs like that which may in the long run save some money, also looked at technology improvements; they do need to get the committee going; the original idea was to have some recommendations for the budget this year and that didn't happen.

SOLID WASTE

Paul DegliAngeli stated this year's bottom line budget request is a 1.5% increase.

Karen Umberger asked if it was mostly wages and Paul DegliAngeli stated the Wages increase, the request of \$239,000.00, the 09 Budget was \$227,000.00. Karen asked what percentage of Solid Waste does Eaton and Albany account for and Mr. DegliAngeli stated 5% each.

David Jensen stated last year you talked about the difficulty in moving some of the recyclables; has that market shifted at all. Paul DegliAngeli stated it has, they only had extreme difficulty for about a 6 week period; values are down but material is moving.

John Edgerton asked where is the income from the recyclables and Paul DegliAngeli stated it is not in the Operating Budget, it is provided separately. Lucy Philbrick stated they gave the Revenues last week. Mr. DegliAngeli stated if you would like more detail, let him know.

CAPITAL RESERVE

Paul DegliAngeli started with Infrastructure. This is a 5 year plan, 2010 through 2014. You will note that they are showing a negative fund balance in 2012, 2013 and 2014 and the balance for those 3 years doesn't exceed roughly 10% of the projected project estimate, so since it is within the contingency they've left it as is and will have to keep a close eye on

actual construction costs to see whether this has to be adjusted. They've endeavored to keep the annual allotment throughout all the years. There's been no adjustment for inflation or deflation. It is real, the bids they opened for Phase I Conway Water and bids will be opening next week for Contract 7 North Conway will give them a good indication; they are expecting those to be down. They haven't asked for a bigger increase because its within the contingency and because the economy has its ups and downs and right now it is down and typically they would enjoy lower construction costs.

Karen Umberger asked in 2013 you have Seavey Street listed, which part and Mr. DegliAngeli stated from the North-South Road to the intersection with Kearsarge. Karen asked where is Prospect Road and Paul DegliAngeli stated Conway Village just off Tasker Hill. Karen stated Pine Street is in North Conway and Mr. DegliAngeli stated yes, by John Fuller School. Karen stated these are projects that hadn't been on before and Mr. DegliAngeli stated they've been there, they've just gotten reshuffled; Prospect used to be on the right and Pine Street has been rearranged, shuffled.

Paul DegliAngeli stated not listed on Capital Reserve Funds because every year it is a Special Article is the Buildings Capital Reserve Funds. Earl Sires stated typically talk about it with the Warrant Articles, not part of the Operating Budget.

Paul DegliAngeli stated in Vehicle Replacement accounts, they have Solid Waste which lists the vehicles by number and by description and can see the projected life of each vehicle; you can see what they are asking on an annual basis and what they project the balance to be if they spend the cost estimates; the request actually goes down.

Karen Umberger stated this is just Highway Equipment and Mr. DegliAngeli stated no, Solid Waste. Karen stated if she was reading it correctly, all that they are going to buy for Solid Waste this year is a three-quarter Ton Truck and Mr. DegliAngeli stated that was correct.

Dan Bacon asked when you buy a new vehicle, do you trade and Mr. DegliAngeli stated in this case, this one will get sold outright because of what it is, a light duty truck. Dan asked if they got an estimate for what they can sell it for and Mr. DegliAngeli stated they advertise it in the paper in sealed bids. When they do this with the Police cruisers which when they retire them we get them here as our Admin Fleet and we put another 50,000 to 60,000 miles on them so when they are just broken in at around 225,000, we usually get about \$200.00 for them. Our bigger trucks usually trade in for the \$3,000.00 to \$5,000.00 range.

Paul DegliAngeli proceeded with Highway: The request in 2009 was for \$94,500.00, in 2010 it's \$155,000.00, 2011 it's \$205,000.00. The Highway request in 2009 was higher than \$94,500.00 but it was reduced, a lot of things were reduced last year, it was reduced every year for 5 consecutive years making the negative number grow. This year, the Highway request was \$205,000.00; it was reduced to \$155,000.00 and in order to make this work and only be short by that number, he had to change the life expectancy of vehicles from 10 to 12 years. When he first came to

work for the Town, they were replacing vehicles on 7, went to 10, then went to 12, then back to 10 because of the figures they were getting in that 10th, 11th and 12th year for costs. In order to make this work, they've bumped these back out to 12; it wasn't their recommendation but times were difficult. It's likely they might be back asking for \$205,000.00 next year because that is what is shown.

Chairman LeFebvre stated the historical data on the maintenance increase between the 10th and the 12th year would be of interest. Paul DegliAngeli stated what you would find to simplify the analysis is that they are exceeding our trade-in values; generally not a good plan. You can see there are other items 15 years, 30 years, that's heavy equipment or equipment that's only used seasonally.

Karen Umberger asked which vehicles did you change the life to 12 years and Paul DegliAngeli stated vehicle number 23, vehicle number 17 and vehicle number 2. Karen stated the Wheeler was always 12 years and Mr. DegliAngeli stated Wheelers are new to the fleet, a Wheeler comes through as a heavier truck to begin with; these other trucks are the little single axle 7 yard dumps; they are not really used by contractors and we use them because of plowing. As the Town has grown, we've created routes like the North-South Road and those trucks are heavier. The experience with the single axle truck with the 7 yard dumps, those are the ones they were having significant trouble with. Karen stated the Ford 4x4 that's costing \$115,000.00, what's special about it. Mr. DegliAngeli stated what's special about it is that you don't typically see large trucks of this type as a 4 wheel drive. Karen stated it's not your normal 4x4 and Mr. DegliAngeli stated it's 3 ladder steps up to get in; they don't put a dump cart on these, they direct mount the sanders right to the chassis because we have no use for them in the Summer. There are 3 of them; they plow all of the gravel roads in South Conway and roads that by today's road standards, would not be built, too steep.

Karen stated we are not done with the Landfill Closure and Landfill Expansion. Paul DegliAngeli stated a few years back they reduced those; we are coming out of this down turn in the economy where we saw such a problem with handling recyclables and we are seeing some new market conditions emerge and some new opportunities emerge so by next budget season they should have more to say on that; they are evaluating the way they are doing business in Solid Waste and may not be making the same contribution in subsequent years.

Karen Umberger stated that would really be wonderful but she had thought that the reason we were still contributing was because the State said we had to. Paul DegliAngeli stated on the closure that's correct; by the State's Rules, we have to have 100% of the closure cost in our pocket at any one time. We have argued with the State to say we have a facility permit for 5 phases and to this date we have only constructed 2 phases; Phase 1 is full and Phase 2 is currently half capacity so why should we have in the bank 100% of the fee when we don't have that exposure at any time because we haven't built that. Further, we are putting away money in Expansion and doesn't expect to close if he keeps putting away money for expansion. Lastly, if they don't expand and have all that money there, then the combination of the money in Expansion and Closure is enough and

they have not liked that; they've argued with us but we have prevailed. Earl Sires stated they have pushed the use life out given the current contributions to the landfill so far that, for us anyway, this is almost on a horizon that is so far out there that they feel very comfortable with the amounts of money we have; we just have to convince the State that. Mr. DegliAngeli stated currently there is about \$3 Million in the combined accounts. Remember, under Closure the money that they are obliged to have in Closure is not only to close it and cap it, but for post-closing monitoring for 30 years.

Dan Bacon asked if the money is paid into the State and put into the Fund and Paul DegliAngeli stated no; the State requested that and we said absolutely not; it's in our own accounts. This money is in Capital Reserve and is probably as secure as it's going to get. Earl Sires stated it is on deposit where we have to have it; it's very, very secure and we make very, very little on it.

Karen Umberger stated she knew historically that we have kept our Capital Reserves as part of the budget and also realize that last year the Selectmen recommended a significant cut of about half in the Capital Reserve and now this year it appears we are going back to where we had been in the past. Her only thought process on this is whether or not we should put in an Article to determine if in fact our Capital Reserve requests should remain at this level as we had stated or should we see if the Town on a regular basis wants to contribute "x" dollars per year. For any time we've had Capital Reserves or have come in with a new Capital Reserve, we've put it in as a Warrant Article and historically, she didn't know when that started, they were in the budget and we have just never taken them out. Earl Sires stated when the original Warrant Articles were approved; it was approved by the voters to actually put them in the Operating Budget. Karen stated she was not suggesting they come out of the Operating Budget, she is just suggesting that we somehow identify to the voters that this is what we're doing because it is almost \$300,000.00 which, as Earl pointed out in his Budget Overview, is one of the things that was driving the increase in the budget. It also becomes a question when we get to the Default Budget as to, and she hadn't looked at the figuring for the Default Budget, whatever money was put in here should be part of the Default Budget that says we should go back to last year's figure on this. She knows the Selectmen made a decision and it would not have been her decision to make last year if she had been a Selectmen. She feels that the reason that we've done this is so that they don't jerk us around from year to year and that was the whole philosophical thing but since the Selectmen did that we now, in her opinion, need to arrive at some sort of decision; are we going to continue in this vein and next year when the bottom really falls out, are we going to go back to our other numbers; how are we going to handle this. She was not looking for a solution she was just presenting something that she thinks we seriously need to consider as to how we are going to handle this in the future. She would appreciate it if you can go back to find out, although we talked about this being in the budget, she didn't remember that we've ever actually found the Warrant Article where it was in there. Earl Sires stated they were presented as being directed to be in the Operating Budget.

Chairman LeFebvre thanked Paul DegliAngeli for coming in.

Karen Umberger moved, seconded by Dan Bacon, to adjourn the meeting at 9:45 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary