

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
September 23, 2015**

A meeting of the Municipal Budget Committee was called to order at 6:32 PM in the Professional Development Room at Kennett Middle School with the following members present: Chairman Joe Mosca, Doug Swett, Dick Klement, Danielle Santuccio, Mark Hounsell, John Edgerton, Pat Swett, Pat Kittle, Bill Marvel, Frank McCarthy, Bill Masters and Terry McCarthy. Excused: Greydon Turner, Peter Donohoe, Jim LeFebvre and John Colbath. Absent: Christopher DeVries. Also present: Andy Grigel, Jim Hill and Damon Steer of the Conway Daily Sun.

John Edgerton led those present in the Pledge of Allegiance.

SCHOOL HEATING UPDATE

Jim Hill and Andy Grigel gave a presentation on the School Heating Update. Jim explained that Andy had gone to get the plans in case anybody had specific questions.

Jim Hill stated that he worked at the SAU Office and that Andy Grigel was the Maintenance Director for the Conway School District.

Jim Hill stated that last year the Board had requested almost \$300,000.00 to do the engineering work to basically upgrade the mechanical and electrical systems for Conway's three Elementary Schools. This Board supported that Warrant Article 14 to 1 and it is their intention, and he thought in the 20 years that he has worked here, he didn't know if anybody had voluntarily asked to come to this Board. The intention is to keep the members informed and to hopefully maintain the members' support for the project and if there are questions or concerns that they be addressed early in the process versus getting to the end of the process and then having the members say "hey, why did you do this versus why did you do that".

Jim Hill further stated that the members had received the Board Report. He didn't want to insult anyone's ability to read, so he was going to hit the highlights. They have been meeting every other week for approximately 2 months with the engineering folks to go over what it is exactly that they need to have done. The concept is that the newest of the facilities is 25 years old and they don't want the Schools to end up like what they ended up with next door which required them to build a new facility. The main thrust of this, and Andy (Grigel) has been a main proponent of this, is to get continuity across the three Elementary Schools so if you have a particular pump at John Fuller that dies, then Andy knows that he has a spare pump on the shelf down here that not only fits John Fuller, but it fits Conway Elementary and it fits Pine Tree. That goes as well with the types of systems that they are doing.

Jim Hill further stated that basically they are going to be removing each of the existing boilers. They will be installing new boilers with 100% redundancy so that if a boiler were to die in the middle of February, the School doesn't go as Andy (Grigel) calls it the slide of death, that you get into a freeze situation that each boiler will be able to handle the building on its own. They are going into several of the classrooms, all of Pine Tree, but several of the newer classrooms at John Fuller and Conway Elementary as they have unit ventilators. For those members that don't know, they are like a cabinet, they bring in fresh outside air, they have a fan, there's a coil in there. Those are an ongoing maintenance issue and part of that is in order to work on them, you physically have to go into the classroom and either get the classroom relocated to another space somehow or work on it when class is in session.

Jim Hill further stated the main push of this is that they are going to have roof top type air handling systems, like they have at Kennett and like they have at the Middle School. They can go up on the roof and do all of the lubrication, changing of the belt, change filters, replace any pumps, etc. without disrupting the classrooms. Also there will be one unit that serves multiple classrooms versus that unit ventilator that only serves that room. In terms of efficiency, it will help his (Andy Grigel) staff.

Jim Hill further stated they are looking at converting to propane from #2 fuel. Number of reasons: cost efficiency, the environmental issues that go with it. Every year the government is getting stricter and stricter on cleaning, maintaining and monitoring the fuel tanks, the fuel lines and the oil burners that we have at those Schools. Andy (Grigel) and his assistant have recently gone to their 3-year mandatory training that they have to be sent to just to run these boilers. It's just getting more and more costly to run the #2 fuel.

Jim Hill further stated they had, as the members will recall, maybe 5, 7, 10 years ago (Andy Grigel stated 7 years ago), a tank failed at Conway Elementary and that was at about a \$125,000.00 cost. The tank at John Fuller is the exact twin as that tank and the exact same type of environment. The tank at Pine Tree, a little bit newer, but it's still a quarter of a century old and due for replacement anyways.

Jim Hill further stated another major thing is if you go into a lot of the 1950's/1970's classrooms at Conway Elementary and John Fuller, they were built prior to the day of overhead projectors and computers. There is basically one circuit for the entire classroom and two or three outlets in those classrooms. They are going to be upgrading those rooms; bringing them up to the current Code in terms of electrical. They will be transferring the telecommunications, some of these panels are in non-secured areas where wires can be grabbed, touched, whatever.

Jim Hill further stated another major part, and the members have heard them talk about this before, Pine Tree is on its own well, it's on its own septic system and it's on single phase power. That single phase power limits them to 5-horsepower motors which explains why they have the unit

ventilators because they didn't have the juice to put roof top units on that school. So part of this plan is to run 3-phase power down Mill Street so that they can in fact get lower cost for electricity as well as power those commercial type air handling units. Hand in hand with that is to remove the diesel powered sprinkler pump that is there now, which has been a maintenance issue since the day it was installed as well as install a LP powered generator at Pine Tree. The generator at Pine Tree versus the other schools, all of the other schools are on municipal water and sewer, Pine Tree is not. So at 10:00 AM if the power goes out, we're the squirrel on the yellow line, do you continue to have school with no flushing, no washing of hands, no water in the kitchen and hope that the power comes back on or do they wait and then at noon time they try to get a hold of some bus drivers, start calling up 250 parents and hopefully some of them will be home and start delivering kids home because they don't have the facilities for kids to use the bathroom or wash their hands, etc. So, that's why the generator at Pine Tree.

Jim Hill further stated he thought he had hit the high points and asked the members if they had any questions or comments.

Bill Marvel questioned the switching from oil to propane. He has propane and wished that he had oil now, it seems to be a good deal more expensive. How is that more efficient and isn't it more dangerous. Jim Hill stated to answer the first part first, right now heating oil is \$2.30 per gallon. His last delivery of propane back in Julyish was \$1.10, he believes and yes, it's that much difference. Bill asked where did Jim get it. Jim stated it's a big account; it's not like filling up your 500 gallon tank. It's considerably less expensive. Andy (Grigel) has a program one can go in and put in your price per gallon and one can fiddle with all of the numbers and say "well, 3 years from now, what if propane goes up to \$1.90 and heating oil stays, what's the difference", but right now it is considerably less expensive. Also, it is, even though we don't have it here, the nozzles from propane can be changed out to accept natural gas which, and he thought Plymouth had changed to natural gas, that even though it may not be piped here it can be trucked here. Again, those are lower cost fuels.

Bill Marvel stated one thing he worries about is propane build up, explosions. Jim Hill stated all of these tanks are going to be buried underground, just like the tank right here. Every single school right now already has a LP tank and they've had no issues. All you would have is just the underground tanks that you've seen a million times, you'll have a fill up and probably have bollards around it and then it's piped into the school. In the school, there is obviously going to be sensors so that if there was any issue, there would be shut-offs.

Doug Swett stated the last time he checked, which was recently, both oil and propane were less than \$2.00 per gallon and he's not buying 10,000 gallons either.

Dick Klement stated you (Jim Hill) are trying to get this ready for the vote in April. At some point, the Conway School Board may in fact have a Strategic Plan that includes facilities. If that Strategic Plan isn't

harmonized with this, then where are we? Are we jumping the gun or are we ignoring something. He was not quite sure.

Jim Hill stated this was his take on it. It's the exact same thing that happened over here. The Conway School District owns these facilities. Dick Klement stated he thought the Town owned the facilities. Jim stated whatever you want to call it, the taxpayers of the Town of Conway own these facilities, they are stewards of those facilities. It is incumbent upon them as staff to make sure that those facilities are properly maintained. Whether this Board, the voters, the School Board want to do something to change that, that's a decision that is not within their purview. Their job is to make sure that those facilities are maintained and that's what this is going to do.

Dick Klement stated he didn't disagree with that because the Plan is to assume 3 buildings are there, assume 3 buildings go forward, properly maintain those 3 buildings. He has no problem with that. The problem he has is that there is another effort underway by the Conway School District to determine what facilities they need. So to have one go forward without harmonizing with the other, he's just wondering where we are.

Chairman Mosca stated that in the event the School District does say that a facility isn't required, it's still going to take several years before the building is not occupied and in that time frame, something could happen. The boiler work has to be done one way or the other; whether the Facilities Committee comes up and says we're going to close a school in 5 years or not because we can't take the risk that something isn't going to work and by bundling it all together you're going to get a better price than doing 2 of them and then a couple years down the road saying "oh, c--p we need to fix this". He hears where Dick (Klement) is coming from, but he thought no matter what happens, we are still going to have to do all three schools.

Jim Hill stated one thing he did not mention, and thanked Dick (Klement) for prompting him to do this, this is scheduled to be a 3-phase process. First year, next summer, is to do John Fuller School. It has the oldest fuel tank, it's the twin to the one that failed, it's relatively accessible in terms of getting to the areas where they need to work. That also includes running the 3-phase power to Pine Tree that first year. The second year the work would be done at Pine Tree School and the third year would be Conway Elementary School. So because this is a 3 year process, he would hope that within that amount of time, whatever is being done with those other entities is done.

Mark Hounsell stated he just wanted to report to this Committee that by unanimous vote the School Board has taken the position to move forward from conceptual plan to final bid and bond ready documents.

Chairman Mosca stated first, the generator at Pine Tree. The first question is: how many days has school been missed due to power outages in the past 5 years, 10 years, since the school has been built. Jim Hill stated he couldn't answer that, but he knew of at least one day that

they've had to make the phone calls. Chairman asked one day in 25 years? Jim stated no, in the last 5 years; but they have had a number of scares of "are we going to send the kids home", "are we going to have them at a school where they can't go to the bathroom". Chairman stated his issue with the generator is in 2013 there was a generator for the Town on the Warrant and the people voted - 63% to 37% - against putting a generator down that end of town. Unless someone can show him that we really need it, that's something he has an issue with. Jim stated okay, that's why we're here.

Chairman Mosca stated his second comment is on the proposed LP Bus Fueling Station. Can the current buses be retrofitted to LP or would we need to buy a new fleet. Jim Hill stated as they replaced buses, they would replace them with LP buses. Chairman stated so over time we would have both gas and LP. Jim stated you would continue to fill your diesel buses down at the Town Garage and then you would fill your LP buses where it is planned to be behind Conway Elementary School. Talking to the bus contractors as well as the maintenance staff, it's coming and what they've said is that they are starting to see the bus contractors, the private contractors, buying LP buses and they're in the business to make money and if they're going and buying LP buses, then it has to be cost effective. Chairman asked what the cost would be to put in a LP Station and how long is the pay back going to be to do that because he's been involved with some L&G fueling stations and he knows there is a good cost associated with putting that stuff in and converting over the fleet. He wants to see a pay back period on how much it is going to cost, where the break even point is going to be because if it's 30 or 40 years down the road is it really cost effective to do it. That's something he would like to have more information on.

Dick Klement stated piggybacking on that, if the School thinks that the future lies with propane, where is the Town going to go. The School can't consider any of these things in isolation of the Town, so for a propane fueling station, if the Town puts their vehicles on propane then it should be thought through to maybe have only one propane fueling station in the town. He was just saying that the School and the Town, and he knows they have different Boards, but we're all operating together and we all have to harmonize together and that plays off of it to some degree too. He didn't know what the Town's plans are. Jim Hill stated he didn't either and that was a good point.

Jim Hill stated on both of those items, those are not deal breakers, they are obviously not integral to upgrading the electrical and mechanical or whatever and he thought would be part of the discussion saying if these things are going to be a deal breaker, these two relatively small portions of it are going to torpedo the entire project. Chairman Mosca stated he didn't want to say they were deal breakers, he just wanted more information to make an informed decision, for himself anyway.

Chairman Mosca asked if you go to a LP bus, what about maintenance; what's the difference in maintenance. Jim Hill stated they love it, there's no wear and tear, there's no plugging them in because they congeal. They basically are a modified gasoline engine except for the spark ignites LP gas instead of gasoline.

Chairman Mosca stated he had one last question. We convert to all LP buses and they are on a field trip some where and they need fuel. Jim Hill stated they've thought of that and they might keep a couple.

Frank McCarthy stated he didn't have a question, but going to back what was brought up and very tactfully tried to get it across, he thought by going full speed ahead on this project and updating all of the facilities, it is his opinion it will virtually guarantee that all facilities will remain open for the foreseeable future. They are not going to close a school after we've spent all of that money updating everything. It's not going to happen, so we might as well get it in our heads that if we're going to do this, all of the facilities, regardless of enrollment, will stay open.

Bill Masters stated he thought that by upgrading all of the schools themselves, there is obviously some advantage to that. If, in fact, they decide to close a school, the Town could go in and take that over and it has already been refurbished. In the event the School should ever need that back, in other words the attendance grows to the point where we need a new school, then it would be far cheaper to build a new Town Hall than it would be to build a new school and it's consistent with the mechanical aspects that has central monitoring. The one thing that it doesn't have is that it isn't tied into sewer and water. That's the basic reason for breaking it up into 3 phases. There is no question about it that the Town might be using that. That makes some sense to go ahead with the upgrade, straight across the board. It increases the value, it increases the alternative ways in which the building can be used. We own it, no matter how you look at it and it could go back to the School system if needed and in the interim, it could serve as a Town Hall. It's as simple as that.

Pat Kittle stated he did not get the handout. Chairman Mosca stated he had emailed it to everybody. Pat stated if the decision is to proceed with this, are we contractually committing to do all of the work or is there some point we can say we've done one or two and we're stopping and doing nothing further. Jim Hill stated he thought that would be a discussion for the Board and how the bid documents are put together. Part of this is probably, and he's probably speculating, you're not going to get a fixed price for a project that's 3 years in the future. So, there's probably going to be for the Warrant Article, there's going to be some type of an escalator that's going to be put in there to try to come up with a cost estimate, but in terms of the actual Contract, he can't answer that.

Pat Kittle further stated that he did agree with what Frank (McCarthy) said that if you put the money into the facilities, it's certainly less likely that people will be inclined to close one of them to consolidate it. That's kind of the direction if that happens and he would not be all that in favor of putting money into a facility that we don't plan to use on a long term basis.

Mark Hounsell stated it was his desire and hope and expectation that the pricing we receive will be sufficiently identified as to be able to deduct anything that might include even to the degree of not needing a building.

He thought the decision to proceed at this point was a wise one, as long as they have those identifiable cost items.

John Edgerton stated he would like to see Conway Elementary done first and there are probably reasons not to. Pat Swett stated she could not hear John. Chairman Mosca stated that John stated that he would like to have Conway Elementary done first over John Fuller, but he thought Jim (Hill) had explained why they want to do John Fuller first because of the age of the tank and the possibility of rupture and leakage and the clean up costs would be far more than to let it go for a year or two.

Bill Masters stated if possible he would like to see the maintenance records for each one of the Elementary Schools over the past 5 years so that he could get a handle on the problems that they have had to deal with in terms of understanding whether this will address the abilities to keep these facilities in decent condition over a period of time. That's one of the things he would really like to see: problems they have had with each facility including the High School. Jim Hill stated to Bill, if Bill didn't mind, Bill knew how to get to Andy's (Grigel) Office because Andy keeps a folder and if it was okay with Chairman Mosca, for Bill to just come down and Andy would be more than happy to go through it. Chairman stated he had no objection.

Jim Hill stated that he guessed what he was hoping to do was to keep the members informed from a facilities standpoint. Joe (Mosca) has brought up some good points and maybe they need to go back and say that they will put in the switching mechanism for the generator and maybe, like Mark (Hounsell) said, maybe that's an add on. What he sincerely hopes, and he understands the members' purview is different than his purview, that the politics of keeping a school open or closing a school doesn't sink or swim with what they need to do. Chairman Mosca stated he heard what Jim was saying.

Chairman Mosca thanked Jim Hill and Andy Grigel for coming out and for their presentation and that the Committee would look forward to more information as it comes. Jim stated they would keep the Committee posted.

SCHEDULE REVIEW

Chairman Mosca asked if all of the members had received a copy of the proposed Schedule which he had handed out and hoped that each member had a copy. Chairman stated that it is basically the same schedule that the Committee has had for the past 3 years.

John Edgerton moved, seconded by Dick Klement, to accept the proposed Schedule dated September 23, 2015 of the Budget Committee for the year 2015/16. In favor: 11; Opposed: 0; Abstain: 1 - Pat Kittle.

ETHICS POLICY

Chairman Mosca stated the next item on the Agenda was the Ethics Policy which, at this point in time, is not put all together yet. Basically,

there is an Ethics Policy that the Town has which is part of the Selectmen's Rules and Procedures. What he has obtained is a copy of the Selectmen's Rules and Procedures, the Planning Board's By-Laws and the Zoning Board of Adjustment's Procedures. Basically he has three documents and he is going to make one document for this Committee out of these three documents and present it at the next meeting. Members will have it a few weeks before the next meeting. He is going to give it to Danielle (Santuccio) to look at and he is going to send it to Town Hall in case there is any legal questions that may need to be answered, but basically he's going to be stealing from these three documents to make one document. He guarantees that it will not be 18 pages long like the Selectmen's one is. That's all he is going to say about the Ethics Policy right now.

APPROVAL OF MINUTES

Pat Swett moved, seconded by John Edgerton, to accept the Minutes of June 3, 2015, as amended. In favor: 11; Opposed: 0; Abstain: 1 -Bill Masters.

Bill Marvel stated on page 17, second paragraph, "hand tire" should be "hand tyer" and on page 26, second paragraph, "its" should be "it's".

NEW BUSINESS

Dick Klement stated this Committee sent a letter to the School Board with a recommendation. The School had a response to that which was read during the meeting and then took a vote and then, of course, opted to say that they didn't want to do that. Is it possible since that letter was written that it could be sent to the Budget Committee. Mark Hounsell stated sure and he will see that it happens. Chairman Mosca stated it's part of the public record and has to be available to anybody who wants it actually. Chairman thanked Mark for taking care of that.

Chairman Mosca stated the only item that he had for New Business is, as most people may have seen in the paper, the Selectmen established a Committee to look at the feasibility of a new Town Hall. The Committee will be made up of 2 Selectmen, 1 Budget Committee member, 1 Planning Board member and 3 members of the general public. Chairman asked if any member would like to be on that Committee for the Town Hall. After discussion it was decided that Bill Masters would be the 1 Budget Committee member and Terry McCarthy would be the back-up Budget Committee member. Chairman will let the Selectmen know tomorrow that Bill Masters will be the Committee member and they'll notify Bill directly when they are going to have meetings.

PUBLIC COMMENT

Damon Steer of the Conway Daily Sun stated a very civic minded person asked him to ask Chairman Mosca if this Committee is looking at or interested in alternative energy sources like solar. Chairman stated this Committee does not have the purview to do that. All this Committee can do is look at financial impacts on anything that the Town or the Schools might be doing. It's not the purview of this Board to recommend solar or any other energy sources.

Damon Steer asked what LP stands for. Chairman Mosca stated Liquid Propane. Danielle Santuccio stated she didn't know either and was glad that Mr. Steer asked.

Damon Steer asked if it gets the same bang for your buck as a gallon of oil or a gallon of propane. Chairman Mosca stated that depends on whether you are a government entity or a public consumer.

Mark Hounsell stated one of the things that they have charged the engineer with is to come up with the cost by BTU's per hour and that's an important number to know because then you can calculate what it is. The engineers are working on that information for us and, of course, they have schedules and he didn't have that to report, but that's something that has been asked at the School Board level.

Pat Kittle stated to Damon Steer that to answer his question, different fuels have different BTU ratings, so one fuel may not provide the same amount of heat when it's burned as another fuel.

Mark Hounsell stated anticipating another question that might come up requiring either fuel is by switching from oil to LP they will be reducing carbon emissions, so there is that green piece to it we should all be aware of.

Dick Klement stated he knows the gas stations in town and throughout the State have had to go to double wall tanks. What about in-ground fuel tanks, like Conway Elementary which is new, he assumes is a double wall but he didn't recall. He was sure that John Fuller was a single. Mark Hounsell stated the last time he installed an oil tank for a School System was down in Canterbury and it was a 10,000/double walled tank with sensors. He would be surprised to find anyone installing single wall tanks without sensors these days. Dick stated his question was: what's in the ground at John Fuller. Mark stated he didn't know. Chairman Mosca stated it's probably single wall because it was installed 30+ years ago. Mark stated he thought 1940's or 1950's; he didn't know how original John Fuller's is.

Danielle Santuccio moved, seconded by Mark Hounsell, to adjourn the meeting at 7:15 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary