

HUDSON, NH BOARD OF SELECTMEN  
Minutes of the June 3, 2014 Meeting

1. CALL TO ORDER - by Chairman Coutu the meeting of June 3, 2014 at p.m. in the Selectmen's Meeting Room at Town Hall.
2. PLEDGE OF ALLEGIANCE - led by Firefighter Greg Rich.
3. ATTENDANCE

Board of Selectmen: Rick Maddox, Roger Coutu, Ben Nadeau, Nancy Brucker, Pat Nichols

Staff/Others: Steve Malizia, Town Administrator; Kathy Carpentier, Finance Director; Fire Chief Rob Buxton; Police Chief Jay Lavoie

4. NEW BUSINESS

A) MDA Boot Drive

Chairman Coutu recognized Firefighter Greg Rich.

Firefighter Rich told the Board once again as we come into summer, the Professional Firefighters of Hudson is looking to conduct our 3 annual boot drives. This year we'll be doing one on June 7<sup>th</sup>, July 12<sup>th</sup>, and August 2<sup>nd</sup>. Those dates fortunately getting away from graduations, holidays, and Old Home Days in the end. We did not come in first last year. We raised a total of \$9,126. We were beat out by Nashua who ran a boot drive and sat outside front of the Christmas Tree shop and raised \$17,000. They had some pretty good luck last year.

Over the past year, one our dispatchers got robbed and was given an award by the National MDA for going above and beyond for her working with MDA doing the bike with rides that she's done. She told me last night that we are very close to a cure for MDA for kids. Apparently some of the kids that were stuck in wheelchairs that haven't been able to walk are now actually being able to get out of the wheelchair and walk around.

Considering the millions of dollars that firefighters raise nationally, Chairman Coutu was not the least bit surprised.

Greg Rich indicated this actually marks our 60<sup>th</sup> year between IAFF and MDA to raise money for kids with MDA.

Chairman Coutu stated outstanding job and it was great to see the International President in Boston. You guys do a great job. Let's come in first this year.

*Motion by Selectman Nichols, seconded by Selectman Nadeau, to approve the Professional Firefighters of Hudson's request to conduct MDA Boot Drives on June 7<sup>th</sup>, July 12<sup>th</sup>, and August 2<sup>nd</sup>, 2014 with stipulations previously placed by the Board of Selectmen, carried 5-0.*

B) Recommendation to Readopt Fund Balance Policy

Chairman Coutu recognized Finance Director Kathy Carpentier.

Kathy Carpentier stated I'm here again. This is one of the annual things that the Board needs to look at and readopt. I've been notified of no changes that need to be made. So it is just the same policy that was adopted last year. It is the fund balance reporting and government and fund type definition is recommended by the Government Accounting Standards Board Issue No. 54.

Chairman Coutu asked could you tell me how close in reading those documents this weekend how close are we to being 100 percent GASB complaint or are we. Kathy Carpentier stated we will never be GASB compliant because they keep creating new standards. If you're saying GASB 34, we're probably about 75 percent there because we haven't gone out and capitalized the infrastructure. That would be a big undertaking of expense. I don't believe this Board is in the past has wanted to go that route.

*Motion by Selectman Brucker, seconded by Selectman Nadeau, readopt the Fund Balance Policy as recommended by the Finance Director, carried 5-0.*

C) Recommendation to Readopt Investment Policy

Chairman Coutu recognized Finance Director Kathy Carpentier.

Kathy Carpentier indicated this is another annual policy. This one is required by the RSA for the Board to re-adopt. Again, I have not been notified of any changes that need to be made so this is the same policy. I did also run it by the Treasurer and she was good with it. I'm asking you to re-adopt the Investment Policy again this year.

Motion by Selectman Nichols, seconded by Selectman Brucker, readopt the Investment Policy as recommended by the Finance Director, carried 5-0.

5. DISCUSSION ITEMS

A) Fire Department Overview

Chairman Coutu stated if you remember I had asked the Fire Chief as a result of a conversation I had with the Board to come in and present us with his plan for 24/7 operation at Robinson Road. We'll implement that and I believe his plan was to implement that July 1<sup>st</sup> and in light of the fact that there were some concerns expressed to me, I asked him to come in and to go over the plan with us so that he can answer satisfactorily any questions we may have. Chief Buxton welcome this evening.

Good evening Mr. Chairman and members of the Board. Chief Buxton said I'm happy to be with you this evening to review the station 1 staffing model. As with every workshop, the package I prepared for you starts with our mission statement and reviews what we do as an organization and then gives you a breakdown for who we are and what we do. If you remember correctly, two weeks ago we adopted a new organizational chart. This information has been updated to show the four new divisions of the organization - the Administration, the Operations Division, the Building and Life Safety Division, along with the Training and EMS Services Division. That brings our total staff when we're fully staffed to 46. That is effective July 1<sup>st</sup> of 2014.

The next page is the organizational chart. Chief Buxton said the organizational chart that you adopted on May 13<sup>th</sup> we talked about during the presentation that this would also support the station 1 staffing that we had discussed during the FY15 budget process. Once again, we go through and we see the department budget. It's been fairly flat since 2010. The asterisk on the year 2010 indicates the first of 3 default budgets over the last few years and where we've grown.

The next page that you see is the revenue line. Chief Buxton indicated this is the revenue for the same 4 years. You see our revenue continuing to go up. We're estimating that our revenue is going to go up even more next year and I have a 2014 revenue projection for you. Obviously we still have a couple weeks left of the fiscal year to go but this shows what we're anticipating our revenues to be in 2014. As of today, we're 180 percent collected. So that has worked out certainly in our favor with our total revenue collection to this point of \$930,659 - \$676,000 of that to be EMS; \$262,000 to be inspectional services driven.

The next page that you see is our review of our emergency call, our request for service over the last 4 years are the same 4 years. Chief Buxton stated we continue to see a 2 percent growth in the EMS Division and that shows a change in landscape of our response and our service calls. I've also given you a breakdown of calls per district just to make sure that everybody understands District 1 is the Robinson Road area. District 2 is the area directly around the Lenny Smith Central Fire Station, and District 4 is the area in the south end of town covered by the Burns Hill Station.

In July when we open up the Robinson Road Station 24/7, Chief Buxton is estimating that we are going to move the Litchfield contracted EMS emergency response to that station. That I will pass out an updated call volume prediction of the 3 stations. It will give us a new total per station - the Robinson Road Station will have 757 incidents per year. The Central Fire Station will answer 1,039 incidents per year, and the Burns Hill Station will have an incident volume of 669 incidents per year.

The next page you see is our facilities that we respond out of. Chief Buxton stated obviously the Administration works out of the Fire Administration building located at 39 Ferry. Inspectional Services works out of Town Hall or a section of Town Hall which is part of Community Development and then you have Lenny Smith which is located at 15 Library Street. The Robinson Road Station is 52 Robinson Road and the Burns Hill Station responds out of 88 Burns Hill.

What is the goal of our objectives of our emergency deployment? Chief Buxton said we look to remain to be cost effective to the citizens of Hudson. If you remember back to our budgets, we've been very flat over the last 4 years and we look to continue to do that. We need to find new ways to deliver our services in an efficient manner. We want to accomplish this through the utilization of the decentralized plan with response teams broken down into smaller units town wide and specifically this is for the ability for us to answer a different type of call volume that we're seeing us response to being EMS driven and service call related.

When we looked at how to develop this decentralized plan staff, Chief Buxton means all of staff that would be inclusive of the Deputy Fire Chief, myself, the 4 Suppression Captains, and Lieutenants looked at several areas for us to examine. That was town demographics, service demand, response time, deployment policies, and goals and objectives in our plan. Currently we have a centralized plan which brings everything into the Central Fire Station. So one of the challenges that we have in a centralized response plan is that we need to keep Central Station staffed in a more regular basis. So we have attempted to develop a situation where we spread ourselves out and have one station backing up another station creating a neighborhood fire station approach. In 2010, we added an emergency call back overtime of 604 hours. In 2013, we have approximately 403 hours. When you divide that out over the year, we're approximately expending 1.1194 hours per day in emergency call back. We have spread ourselves out. We've gone to smaller response teams using our personnel more efficiently.

When we look at benchmarks and how we respond to incidents, we do several things. We look at call processing, we look at access to the system, we look at our pre alerting to deploy programs, and we look at our response times. NFPA1710 and OSHA have consensus standards that give us some guidelines to provide our response models. NFPA1710 would like to see us respond to any fire incident 4 minutes 90 percents of the time. We understand that in Hudson, New Hampshire, with our access pathways and infrastructure issues being Route 111 being a major thoroughfare, Route 111, and then the topographically challenges getting through the neighborhoods that we need to deploy out of several locations and not just one central location to achieve those objectives. Our response time out of the Central Fire District is approximately 6 minutes. The response to most incidents in the south end of town is approximately 6 minutes and then we jump to a response time on average out of the Robinson Road area currently of 10 minutes. Under this new plan, we estimate that we will receive a response time that will follow in line with the other two districts and approximately the 5 to 6 minute range allowing us to provide a better, faster, more efficient response to the customer.

Chief Buxton indicated I've provided you with a couple of pictures per say. One is the fire response versus fire growth. One of the things 20 years ago when I decided to get into this business we used to say that fire doubled every minute. We no longer can say that through the synthetic processes that we have that make our wears every day and the plastics that are utilized in our furnitures and so forth. Fires double at a much faster rate today. So we want to try to make sure that we're interrupting that process in a quicker more fast response plan. How do we achieve this? NFPA has attempted to look at the life safety plans and has actually talked about smoke detectors in our homes to give us early detection. We also now need to do our part and look at our response plan to make sure that we're providing that efficient delivery of services to all of our citizens. We would like to see a goal to interrupt that process prior to flashover which is just under the 9 minute mark in most residential structure fires.

The next piece that you'll see is the chain of survival. Chief Buxton thought that everybody that has been around a couple of days have seen this flash by the American Heart Association. The Town of Hudson employs dual role employees in the Operational Division. That means that they respond to both a full EMS system and a full fire system throughout town. The American Heart Association talks about 4 specific things that we can do to help you be more successful in the event that you have some sort of a cardiac event or stroke type event. Early access to the system, the State of New Hampshire has developed a State 911 system which allows us to deploy resources more efficiently. Early access to CPR. A few years ago I believe it was probably 2010, Chairman Coutu was fortunate enough to be Chairman back then and we became a heart safe community. That was done through the hard work of several members of the Fire Department who actually went out and taught members within this community, community CPR. We had several other establishments in town that have taken that one step further and actually purchased the automatic defibrillators and put them in their places of employment. Such places would be T-Bones, Valentino's, all the Hudson schools, all the Hudson town complexes, the senior center, Nashua Subaru just to name a few. Those places are trained. We continue to provide CPR support to them and each and every month throughout the year.

Chief Buxton also wanted to make sure that we're deploying our paramedics and our ALS service quickly and efficiently throughout town. So our goal is to spread the paramedics out and get them access to the advanced life support skills that the paramedics can bring forward each day to give them the best survivability rate. We look to do that within the 4 to 6 minute period. It is amazing - I was speaking to I believe it was Selectman Brucker the other day. One of the things that I had mentioned to her was the skills that the paramedics in 2014 bring to the table are just amazing what they have the ability to do in the back of the ambulance. There are several times that we get report cards from the hospital. I know Chief Murray at the time sent them out to you guys so you could see them. We had somebody that was having a heart attack and needed to go to the catheterization lab. The time from home to the catheterization lab, they didn't even stop at the ER sometimes. They went straight up to the cath. lab because of the skills that these folks are bringing to the table, the equipment we carry on board in the ambulances, and the deployment that we try to put in place. The same goes for the stroke team. We try to get the early access to the stroke team and try to give you the best chances possible.

Chief Buxton indicated that in a nutshell Mr. Chairman is my presentation. I certainly would be open to any questions that you may have or the selectmen may have.

As you may recall Chief, Chairman Coutu stated when you first discussed implementing a plan of going 24/7 at Robinson Road, I voted against it. Since then you and I have had many conversations. I've had a lot of questions and we've had a lot of discussion. Beyond that, I took the time to have in front of me at my home a map with all of the streets of the Town of Hudson. I posted and did the geography around the 3 fire stations that we have in town. I tried to assess on the basis of time estimates that were given to me in the past the response time to the furthest north eastern portions of the town as well as to Litchfield without having - I'm just looking at weekend response time in the event of a catastrophe but factoring in weekday traffic. There's a difference in traffic in both. I did a lot of riding around this weekend on the northern end of town and there's not as much traffic as there is during the weekday with schools and everything else ongoing. I'm more than satisfied of the not necessarily the urgency in doing it but the urgency in providing critical care as quickly as we possibly can get to a home. I for one have utilized the service. My condition was not critical but had it been, I appreciate the fact that they were there very quickly. Mrs. Brucker you've had experience with the service and I'm sure you can attest to how you felt about it because we talked about it when you husband was ill and then you had the service for yourself too as well. We're a couple of veterans of fire EMS services. My questions have been satisfactorily answered. I think that you've certainly changed my view and convinced me that this isn't a part of your wish list. This is a necessity for the Town. I know that Selectman Nadeau for one had been one that thought my position wasn't correct at the time. I think he hoped that I had studied it a little more carefully. I

said to him at the time and regrettably I should not have said that is yeah well it's because it's your end of town. Because I feel secure at my end of town because I have an ambulance readily available to me, so should the people at the north end of town. You were right Selectman Nadeau and I publicly apologize for making that statement. In the heat of the moment, I'm sure you understand. You've said a few things that pissed me off too.

Chief Buxton said this all comes to conclusion because of a good foundation. When we talk about the good foundation, we talk about our roots, and we talk about a history, and we talk about Lenny Smith and Frank Nutting sitting around a table taking on a map and making sure that there was a fire station within 3 miles of every resident in this community. This goal actually achieve that on a 24 hour basis. I truly believe that that was the goal over time. Steve Dube - just a little historical value here - was actually hired in 1985. He was hired off of a warrant article originally that was set up to open the Robinson Road station. Unfortunately he never made it there. He now works in Fire Prevention. This has been a struggle. We've identified ways to get this accomplished and I believe that this is an efficient delivery method that will work out for the Fire Department.

Selectman Maddox guessed I'm the one that's not on the bus yet. I have some questions for the Chief as far as you were utilizing the monies that will be saved with the reduction of the Training Captain's position approximately \$120,000. Chief Buxton indicated correct. Selectman Maddox stated and you believe that you can hire two firefighters/EMTs with benefits for that money. Chief Buxton indicated the presentation that I made last week was in regards to utilizing the money from the Training Captain's position rolling that down to bring on two firefighter EMTs. That is correct. Dependent on the hiring of the Deputy Fire Chief when that rolls in and when we lay out the entire process because this is a huge change for us organizationally, there may be a delta that will need to be absorbed by the department. That is dependent upon whether the candidate comes from inside the Fire Department or external to the Fire Department because we have posted it for both for the Deputy Fire Chief. This position will be funded from that salary line to bring forward. That is correct. Again, Selectman Maddox stated without knowing who will be hired there is the possibility that there could be a \$40,000 delta between outfitting, training, hiring, overtime...Chief Buxton said I would tell you that I believe that your number of \$40,000 is incorrect by my avenue.

Let's move on to another thing. You're expecting to make this the same as Burns Hill so it will have a Lieutenant? Chief Buxton said no. We did not make any changes organizationally to up staff supervision. We are maintaining one Lieutenant, 1 Captain on duty at all times. Selectman Maddox asked the truck that you're going to put there is not a front line fire truck. It's not a rescue pumper so that will be coming in the next budget. I'm just trying to look at the long-term costs here. I think that it looks good Mr. Chairman and I know we all want to get on this bus but I have some concerns that there are more costs here than we are expecting. I'm just asking the Chief if that's...Chief Buxton said the rotation of equipment and the utilization of equipment, we have a piece of fire apparatus that responds out of the Robinson Road station by staff personnel Tuesday through Friday today. The utilization of the squad vehicle and the purpose behind the squad vehicle was to allow our rescue equipment to be utilized on a smaller vehicle which was to actually reduce the need for the rescue pumper. So we'll have some ability to rotate equipment around and make sure that that's factual.

Selectman Maddox asked to go to the vehicles. Right now at the Lenny Smith Central Station there are 7 vehicles and at this new plan there will be 3 people. I just see that and Chief we've talked about this. I have a concern I guess would be the word I will use that with 3 people in that station, a lot of that equipment can't roll. I know that you have a solution but again I think not only I but I think the people that are watching need to hear how that's going. Chief Buxton said each of the substations will have an ambulance, an engine, and a forestry unit within the building for rapid response for brush work. We will be staffing an ambulance, the squad vehicle, the ladder truck, and tanker out of Central Fire Station. One of the pieces that was part of the plan when we purchased the squad vehicle was to take one of the front line engines and put it into reserve. We will be doing that when the squad vehicle arrives in September or early October and we will continue to do that. We're spreading our equipment out to make sure that when we deploy from one building, the other building can back another station up. The equipment that we have at Central and the 7 vehicles that you reference will be redeployed to make sure that we're covering our needs and getting the equipment we need necessary to emergency incidents across town. That's going to be achieved.

Again, Selectman Maddox stated some of this is theoretical and I know I'm asking questions that are fraught with what ifs. As you lay this out, the Captain will be at Central Station with two firefighters. Chief Buxton said correct. Selectman Maddox stated with the agreement that we'll go to Nashua because you have an agreement they're going to come here if need be. The Captain could be in Nashua with that scenario. Chief Buxton stated no different than it is today. We have that ability today. Selectman Maddox said he's answered my questions.

Selectman Nadeau thought with all the medical calls that we're having up at the Robinson Road area having it staffed with an ambulance is a great plan for the residence at that end of town. Even though it's not my area anymore but they could come from either way to get to my house. I think this is a long time coming and like you said seeing the history of Hudson, I think this is a great thing.

Selectman Brucker stated when I was first introducing myself to different groups in town, one of the groups was out in the Robinson Road area. A friend of mine came up to me and said you know we don't have fire coverage up here except for 4 days a week...Chief Buxton said yes Tuesday through Friday 7:30 to 6. Selectman Brucker noted and not in the evening. I said oh I didn't know that. The more I thought about it, the more I thought it would be wonderful if we could have the same kind of coverage up there that we have in the Central area and out on Burns Hill. I think it's really a great move.

Chairman Coutu said one of the questions that Selectman Maddox asked is one of the questions that I had and I think that just for the sake of clarification for the general public who happened to be watching this evening, Selectman Maddox brought up the fact that we were going to have quite a bit of equipment at Central Station. I think one of the things that was an oversight on my part and you brought to my attention and realized later with that when our staff is deployed and there's a need to call in extra duty and they get a call we need to have equipment, all of those calls come through the Lenny Smith Station. We need to have equipment for them to be able to hope on and go out. We get that quite a bit where we have to send and deploy equipment. I was listening this morning as a matter of fact monitoring what was going on this morning between a flip over, and what was going on in Nashua, so it's on any given day at any given time we may run out of equipment let alone have too much at the station. I would like to think that a lot of the equipment is sitting there and not moving because then we know we're not having a lot of accidents and fires in town. Like I said, I had a lot of questions. I had a lot of the same questions that Selectman Maddox had. I was satisfied with the answers and looking forward to seeing you implement the program on July 1<sup>st</sup>.

Selectman Maddox stated it pains me as the Fire Department Liaison that I am not in favor of this maneuver. As much as I think that it's a nice idea, I think that the questions outweigh the answers at this point in my mind. I understand it's going forward but I have deep concerns about the staffing, the multiple projects that the Fire Department is taking on this year with a second Deputy, the squad, all of these items and now you're going to put 5 new firefighters on a very short period of time. I just think this is the wrong time for this. The 3 that we already hired and the 2 that we're going to bring on board with this. Chairman Coutu thought a lot of people are thinking we're hiring 5 firefighters. We're not increasing the load by 5. We're replacing 5 firefighters. Selectman Maddox did not say that. I said we will have 5 new firefighters. In all deference to the Chief, I cannot get behind this at this point. I hope he proves me wrong. I certainly don't want to be in a default next year and we're doing something in the other direction. It's going where it's going.

Selectman Nichols was in favor of the fire house being manned. I think all areas of our town need to be protected and I think it's overdue in that area. If something drastic happened up that way and we didn't have the coverage, I wouldn't sleep at night. I don't know about anybody else but I wouldn't sleep. I like the idea of that being covered.

For Chairman Coutu it's not a nice idea. After having gone through the mapping process and having my questions answered by the Chief, I think it's a necessity and not just a nice idea. Hopefully Selectman Maddox is not correct and you'll be reporting back to us in the next fiscal year saying things are going well. I expect nothing less. Thank you Chief. I appreciate the presentation.

B) Fiscal Year 2015 Default Budget

Chairman Coutu recognized Town Administrator Steve Malizia.

Steve Malizia asked if the Board could have the Finance Director come to the table. She's an integral part of the conversation. As you all recall the voters this year handed the Town of Hudson a default budget - actually for all 3 of our primary budgets which is the general fund, the sewer fund, and the water fund. Sewer and water are really not very big budgets so they're not really a concern right now. We'll just make do with that. This Board in March had a conversation about how we might accomplish some of the things the Board set out to do in the FY15 budget. Some of the things include a new senior center, we had some other projects - there was an HVAC project as you recall over at the fire station and there were some other various and sundry tasks that the Board determined were important. The Board had a conversation in March. Obviously that was still fairly early. The Board wanted to deliberate and think about maybe possibly going to another Town Meeting. So in April we had another conversation looking at the same information and at that point the Board decided not to go forward, not to have another Town Meeting. We're going to stick with the budget that the voters gave us. At that meeting, the Board deferred or asked to put this on the June workshop so that we could more carefully look at what might be left this fiscal year which is also a default budget year to see what tasks we might be able to accomplish this year in lieu of doing them next year.

As you're well aware earlier, we moved the HVAC project for the fire station into this fiscal year. Mr. Malizia noted there's a little bit of an update in this package but we'll get to that in a little bit. So to set the scenario, that's why we're back here in June looking at our default budget for next year. As part of that or as some of the documents you've got in your packet you had what we looked at back in March which was basically the department heads getting together and looking at what we thought were the Board's priorities and how we might best fund those. If we look at this, we are about a half a million dollars short on our budget and we took about \$200,000 of expenses and moved them around to accomplish what we thought were the major tasks that the Board wanted to prioritize. These are things that had come up during the budget process that were critical and important. One little caveat, contracts were not included in here. Contracts were all voted on separately so they're already figured into the budget. Not an issue. We don't have to worry about that if anybody out there was worried about that.

In order to look at this appropriately, Steve Malizia indicated the Finance Director and I sat down again with department heads last week, two weeks ago to review where we thought we were going to end up this fiscal year. In order to do that what the Finance Director was able to produce was the expenditure and revenues report that you normally see the first regular meeting of the month. She accelerated that to tonight's meeting so that you could at least take a look at and get an idea you normally do of where we're at. Again this was just a simple report of what we spent, what we pulled in for revenue. It's pretty typical nothing different report that you get all the time. She was just able to produce it a little quicker. From that report, we sat with department heads. We also sat down and looked line by line in some cases at each department to see where the opportunities

where or where we thought we would under spend. Granted we're in a default budget but default budgets do strange things. They put money in departments you don't need it. One prime example we all recall is the Assistant Town Administrator job. So what we tried to look at was what we thought would be available after taking into consideration overruns. We all know we heard earlier this year that the Road Agent expressed that the Highway Department was going to have a shortfall. Some of it would be made up by his landfill savings - his trash savings. In his case for example, his bottom line we're looking at about \$60,000 of an overrun in the Highway Department but we think we're going to save \$30,000 on the trash disposal. That's a net of -30. So we can certainly look at this report first as we normally do. When we look at this report, we can see for example that the automobile registrations are great. We're going to exceed the budgeted number but that doesn't give us more to spend. We looked at this with an eye towards where are we going to under spend. Where are we going to not spend the funds. When we did that, we came up with the second document which is going in this direction - portrait as opposed to landscape. If you took the portrait document, you really see the labor that we went through to try to figure out where we think we're going to have money and granted it's rounded. I'm not going to get down to \$782. It's \$1,000; it's \$500.

The Finance Director and I (Steve Malizia) in conjunction with departments looked at where we thought we would have money and we would have opportunities. If you're all looking at that particular report, we would orientate you to the top which is where we think we're going to have approximately \$311,000 of unspent cash. Let me qualify that a little bit. That also includes the \$59,000 we moved in for the HVAC system. So we put that in because it's in his budget now. We moved the money and that's there. If we look at the next column or the next section, we looked at some departments that had some over expenditures - Highway we all knew about; the solid waste monitoring we had to install a new observation well at one of the sites and that cost money and we look at insurance. Insurance - we've gotten a tremendous amount of rebates back for our insurance. Our insurance is property liability and worker's comp. There's been all kinds of news out there and refunds. Great we took them all. We booked them but they're in different fiscal years so I can't net it against the insurance expense. One of the reasons why we went out to bid for insurance is so we could lower that cost. Next year we're not going to have an overrun on insurance. It truly will be lower which is what the whole goal was providing the same coverage and protection for the town. When we look at that, that's about \$95,000 worth of overruns in those departments. So we have \$311,000 positive, \$95,000 negative, so we could see how that's working.

Steve Malizia indicated we then looked at items for consideration. What does that mean? These are some of the opportunities we want to present to the Board to say do you want to go forward with this? Do you want to not go forward with this? How do you want to deal with this? The bids for the HVAC system closed yesterday I believe and instead of the \$59,400 bids we were expecting, it came in at \$86,500. One bid. I don't know if you want to do it or not but if you want to do it, that seems to be the number and if you want to do it, we need to plan accordingly. I don't know what \$59,400 is going to do for us. I don't know we got one bid. You competitively bid it twice. The first time we had no bids. The second time you got one bid. Again, we have not awarded this. We have not deliberated this. I'm just making the point that it's out there. If we need to do it, that's the number or some approximation of that number. I know the Chief hasn't done an analysis but again that's something we need to discuss. We've already put \$59,000 into this year's budget from next year. How do we want to go forward?

Selectman Maddox questioned from next year. Mr. Malizia said we lost if next year but we moved it up this year with the monies that we had left over. I'm not trying not trying to be confusing.

Steve Malizia stated we also looked at the train station. We all know we have a commitment there. Guess what, Shepherd's Hill isn't building anything. There's no money in that account. If we want to make sure that our portion is pledged, we need to look at our budget. We have a capital reserve fund which we've got \$30,000 something dollars in.

Chairman Coutu asked did I not just ask the question last week of the Town Engineer did we have sufficient monies to cover our share of the train depot and they said yes. Now you're saying there's a \$46,000 shortfall? Steve Malizia was saying is that when we look at the Shepherd's Hill account, I have no money in there. I have 30 something dollars that's in a capital reserve fund. In order to make up the rest, the money has to come from somewhere. Chairman Coutu was told it was there. I believed that's what she reported to us. Kathy Carpentier said you're right but I've worked with the Town Engineer the last month or two. I do not believe that that's what she said. I do not know your conversation that you had but I've been working with her and ever since 2012 the last change to the train station project, we haven't been 100 percent funded for our portion. Right now you only have about \$35,000 in the capital reserve fund. You pledged like \$97,000 and you've spent some so far. Your shortfall is the \$47,000. Besides these things, Chairman Coutu indicated we have to prioritize.

Steve Malizia stated we're just looking at what's on the table. One of the projects that you have in next year's list which we looked at previously was the security system for the police station. We believe there would be sufficient funds to move that out of next year into this year and then putting more money back into the police budget so that he could prioritize differently when you get to the police. We also looked at something we've been trying to do piecemeal is carpeting. There's about \$16,000 or \$17,000 worth of carpeting that remains. Some of it is actually in dire need. If you go into the sewer office, it's a trip hazard. So we just tried to look at something that we've been proposing and trying to nibble away at. There's about \$10,000 which would accomplish the sewer office, Town Clerk's office, and this room leaving just the Finance office. Chairman Coutu indicated we could do this one later. Mr. Malizia stated of course you could. Chairman Coutu asked what was the other office that needed. Mr. Malizia said Finance at some point. Chairman Coutu indicated I'd rather do that one first. Mr. Malizia said the problem is if we do it sooner rather than later, she's going to have the auditors in and it will be difficult to have her stuff all ripped up in the summer time. That's up to her.

At some point, we'll have a second batch of earned time payouts that comes in June. Steve Malizia stated they can do it in December and June. You're going to have at least one heavy hitter retire from the Town at the end of this month so there's going to be some sum of money that has to come from DC up at the PD. Dorothy Carey is retiring. She's been here many years. She has a fair amount of earned time on the books. Coupled with the requests that we've received, we're looking at paying out some earned time that I would recommend that we take some of it out of the budget and take some of it out of the fund. When I say out of the fund if you go to the last page, we have about \$459,000 in the fund. Taking some out there would not cripple that fund. In other words, it would be a request to the Trustees to get those funds. We've tried to absorb it in the past but when you're in a default budget, you can only absorb so much. Chairman Coutu noted that is woefully shot of our...Mr. Malizia stated you don't need your whole liability...Chairman Coutu said I know but the liability is...Mr. Malizia said you're trying to get there but again...Ms. Carpentier said it's \$1.5 million as of last June. We won't do it again until this summer when we figure out how much it is. It's been running around \$1.4, \$1.5 million. We used to be in the teens so to have 31 percent, we're better off than we've ever been. Mr. Malizia indicated the percentage was much lower in the past. What we're saying is there's some flexibility there. Again, we're just trying to look at what we could possibly do this year that we could move from next year. That's trying to set that scenario.

That being the case, Steve Malizia said the last report we prepared was just looking at the document we gave you in the first place revised and it's a very simple document. It just basically takes the police security system off of next year and prioritizes and puts the money back into the Police Department so that the Police Chief could then deploy that money different. As you are well aware, he had a shortage and he had some ideas on how he was going to make up that shortage. This would make his shortage less acute. You'd have more money in this budget. Again if we look at the things that we were moving around unless we were planning on hiring an Assistant Town Administrator, it's not going to hurt us. Chairman Coutu said no, it's not going to happen. Again, Steve Malizia stated we don't expect to do collective bargaining with more than one unit. So we don't need all of that money. We talked about the assessing capital reserve fund. We didn't need to finance that next year. We talked about the town-wide paving taking a dip on that. It's a consequence sometimes of the budget. We looked at Robinson Pond and the skate park. We've closed or not staffing those things. That's the scenario we started with and that's the information if there's any for discussion. So we are here to discuss that and to see what the Board would like to do.

Chairman Coutu indicated obviously we're either going to adopt a plan in total or we're going to piecemeal it. Chief Buxton if you would, obviously the number that...Chief Buxton indicated I didn't know what we were talking about. Mr. Malizia stated page 3 on the portrait package was the actual bid that was opened by the Town Clerk. Just so you know, that's the number. Chairman Coutu asked have we ever done business with this company before. This is a new name to me. Selectman Nadeau stated yes we have. They did the vocational center when that was built in '93. They did the school. They've done work for the town.

Selectman Maddox hoped that we would start at the top. How rock solid is the \$311,700 number? Before we go start taking out of this, we should at least know you're confident base...based on our analysis of looking at department by department and talking to the department heads, Steve Malizia stated the Finance Director and I are confident that that's a good number. When I say good number, we believe that number will be available for the Board to redeploy. We're conservative people to start with. So we're trying to be careful. Chairman Coutu asked would you bet within \$.10. Selectman Maddox was going to ask within 10 percent. Again, Steve Malizia stated we are conservative people. The Finance Director is very detailed oriented, look at payroll run rates. We ran through the payroll run rates. We looked at what people had left in their operating budgets. We looked at the tasks that we had outstanding, the purchase orders. We're confident with this number. I'm confident.

On the expenditure side, Chairman Coutu said the only unknown is the earned time payments and what they're going to be. Kathy Carpentier stated and overtime but I think that the Chiefs are managing to that. If there was big things happening in town in the next month, we might run into an issue but those are unforeseen things and we don't think that they're going to happen. Chairman Coutu said unforeseen we can do unforeseen things to - as long as it's unforeseen. Give the Board a little bit of history of just where are we with the HVAC unit at the fire station.

Chief Buxton said during the FY15 budget, we brought in an outside the budget request to replace the heating and cooling system at Central Fire Station. The second floor of Central Fire Station currently is maintained by 5 residential heating hot air furnaces with residential grade condensers on the outside of the building. The first floor of that building which consists of the dispatch center and the office on the first floor is maintained by one residential hot air furnace and residential grade air conditioning condenser on the outside. All of these units were put in the late '80s early '90s by Brian Mason at the time and are well in their 20 year life cycle, 20<sup>th</sup> year of service for the Fire Department. We consistently have started to lose blower motors, igniters, cooling systems, and have been trying to band-aid that project. We've actually sat down with our service vendor which is Pru Heating and Cooling out of Epsom, New Hampshire. They've been working on the station for several years. We came to the conclusion that it was time for us to look at re-engineering and trying to make us more efficient with a reliable heating and cooling system. We made it through the heating season this year. We are entering into the cooling season and that is really the bigger challenge of all. You're talking about a building that was built in 1952. It's block. So you get a week of 90 plus degree temperatures and it becomes unbearable on that second floor. We're looking to do something with that. We went out we brought in an engineering firm from one of the manufacturing companies, came up with some solutions, and bid it out. We received an estimate of \$59,400. We put that in the budget. That was our budgeted number. In March when we went to the default, we were thrown a curve ball. We approached you and said we want to take this off of the FY15 budget and get this out there now. That also puts us out there bidding an HVAC replacement in the high demand season for these companies. Denron Heating and Cooling out of Manchester is a very reputable company but they are a very large

company. I'm sure their needs are needed in a lot of places and it drives the market place unfortunately. That's what I know today. I have not had an opportunity to do a full review of their bid package. The bid price came back a lot higher than I expected. The Town Administrator told you before this is the second bidding process that we do for this. We received zero bids the first time. I'm not positive if it's the time of the year which we did hear from a couple of vendors that were very interested in the project and then didn't want to deal with the attic space in the summer time.

Chairman Coutu stated you said you didn't have an opportunity to look at the bid package. To your knowledge does this include - we're obviously going to get rid of all of the antiquated single window units that we have. So there's going to be an electrical efficiency factor here that we're going to save some electricity. Chief Buxton said correct. We bid a 90 percent efficient unit. We're replacing not only the units on the second floor and the first floor but all of the duct work to make sure that our returns are appropriately sized, fresh air intake is appropriately brought into the system to make this system as efficient as possible. Chairman Coutu asked now this is going to take care of all of the upstairs and downstairs. Chief Buxton noted for dispatch and the first floor office. Chairman Coutu stated this includes new duct work that was one of my questions. Electrical? Chief Buxton stated electrical is separate. Low voltage is included. The electrical is determined that we will be able to utilize some of the existing circuitry that is up there because we're changing the equipment out. Chairman Coutu asked what about the cost of doing the electrical. Chief Buxton said we would bring somebody in to do that. That would come out of the maintenance budget in FY15.

Selectman Maddox asked how many of the units are running today. Chief Buxton indicated we have 3 units that are cooling on the second floor of the fire station out of 5. What you run into when you start with the hot weather settling in, one becomes a slave to the other. Then we run into freezing issues and then the system becomes inoperable. I don't have a price for you this evening in regards to repair of the other two units to see if there's a band-aid approach to get through. I don't have that information tonight.

Selectman Maddox had a follow up question. Is the bid scaring them away? With all the HVAC contractors and a bid of \$60,000, it is \$29,000 over what we thought it was going to be. That's a hell of a delta because it's hot in the attic. That's the business that we're in. I know the business of being in hot attics...Chief Buxton said we're in the busy season for the HVAC contractors on the cooling side of the house at this point. We walk through no less than a dozen contractors. Three contractors within the last week came back multiple times and invested hours into examining what the project was and then never putting a bid in. I don't know if it was the scheduling because we were obviously looking at encumbering the money looking for this to happen in the first quarter. I'm not exactly sure how that rolls out. I do know that to make the encumbrance we need to make sure that we award something to secure goods. To go out for a third bid or look at scheduling that out into the next year, the \$59,000 that we put on the table is not available after June 30<sup>th</sup>.

To the Town Administrator, Selectman Maddox said that is not true. If we have a purpose...Steve Malizia indicated you have to have a purchase order or some sort of contractual commitment. Just because you want to do something or need to do something, I don't believe qualifies to encumber. When you're talking warrant articles, those are a little bit different but if you're talking a project of this magnitude, you either have to have it under contract or a purchase order unless you can somehow buy stuff and store it somewhere. Selectman Maddox was having a tough time. We had an estimate of 60 and we're up to 89. There's something wrong with our spec. or our original estimate. Maybe again it should have been a \$90,000 job to begin with. When you're almost 50 percent over, it's tough for us to find those monies. I guess it has to be done it's just a matter of how we get there. I'm not a big fan of a single bidder.

Chairman Coutu stated I read 3 newspapers weekly faithfully - Hudson/Litchfield News, the Lowell Sun daily, and the Nashua Telegraph daily. Outside of LPNs and RNs, the most sought after employees that I read in the paper is HVAC technicians. They just can't find them. I don't know what the problem is. Either the salary demands are getting higher and higher or they're just kids in school today don't want to go to college go into HVAC. There's a lot of jobs out there. I see ads all the time for HVAC technicians. I know that my son just bought a brand new home right down the street from you in Pelham and he's having his HVAC unit done. He's been 3 weeks trying to find somebody to come and do it. Money is no object for him. He'll just get it done. I don't care if it costs me \$3,000 or \$20,000, just get this thing fixed. I need it for the summer. He's having a difficult time with air conditioning.

Chief Buxton asked to add onto that. The service contractor that we have that works on our system today and knows the building actually went through that. He had all the intentions of bidding on this project and didn't end up putting in a bid on his own. He would have had two employees in the process of training and so forth. They jumped ship and went somewhere else. It becomes a salary thing across the board. Technicians are very well sought after and they're being grabbed from all areas.

Chairman Coutu said in this plan looking at this sheet again on the estimated funds remaining page 2 if we were to do all of these items without knowing the estimated earned time payouts, we could still end up - well we have a \$33,000 balance before the earned time if we did all 4 of these items. If we were to do those items, Steve Malizia said you would have \$33,000 after you did all those items. Chairman Coutu asked this sheet other than giving us numbers which is the second sheet on the default has nothing to do with other than showing us numbers are you saying that these are the 4 priorities. When we looked at what was outstanding to do, Steve Malizia realized, again, I didn't mean to blindside anybody we got this bid. We saw this bid for the HVAC and we realized we are \$27,000 short. I said I better alert somebody because we already moved \$59,000. Then as I go down the list, again, looking at the municipal share of the train station, looking at the police security which was on this list - that's why you see it blocked out, you're taking it off the list and then just dedicating the funds down to police pretty



much down in the Patrol Division. So he can redeploy that money. Then we looked at the carpeting. Why? We've talked about that for years and it's an easily done project. You can commit it, we can get the money, we can get it going because we've already been out and had these things bid, and rebid, bid, and rebid. That's why we looked at those projects. If there's something else the Board wishes to do, we can certainly go get information, data, research, whatever you'd like. We just looked at things that we could accomplish that's a good or a service you could get on a contract.

Chairman Coutu asked what about when I look at the original list that we talked about originally, I'm just going to throw one out there - senior center operating expense \$38,956. Where are we going to get that money? If you look at the bottom, Steve Malizia indicated the money is being transferred from these items up to these items. These two are equal. This minus this is zero. Chairman Coutu noted that this is taken care of...in a proposal we made back in March, Mr. Malizia said we iterated in April and now representing, yes. All these items at the top of this sheet which are things we'd like to do are covered by the items in the middle of the sheet which is where we get the money for activities we are not going to do. I know we had that conversation but we can have it again if we'd like. Chairman Coutu just wanted to make sure that when I look at these 4 items if this is what the Board wishes to entertain, these 4 items, I have the same concern that Selectman Maddox has. I want to make sure the \$311,000 number is going to cover this. It will cover the first 4 and we have 336 left over. You're suggesting that if estimated earned time payouts exceeds that, that we can go to the trust. You're looking at it historically. We're looking at maybe \$30,000 more. Steve Malizia said no more like \$100,000. Chairman Coutu said wow. We're going to deplete that fund by another \$100,000. Mr. Malizia said possibly. Chairman Coutu said that's dangerous. What is the lowest we've ever been? Selectman Maddox said 16 percent. Selectman Nadeau said zero. Kathy Carpentier indicated I'm only capturing 4 or 5 years here. Mr. Malizia said we were at 1.12 percent, 11 percent. Over time, it's been built up because it's not been touched. We've been absorbing it. No offense but when you get in a default budget, I can only absorb so many things before you start not doing operational things. That's all we're saying. Chairman Coutu said 3 years in a default; we got to take what we can wherever we can get it.

Selectman Maddox told the Chairman if we're going to have to make some decisions I think that number two the train depot municipal share we should reduce that by \$40,000 and leave in \$6,000 in there because at the rate that the State is moving on this, it will probably be in FY17. I'm being optimistic. Why should we hold \$46,000 aside when this thing has dragged forever. If we don't have the money, we'll deal with it then. Chairman Coutu was in accord. Selectman Maddox said to scratch out 46 and put in 6.

Kathy Carpentier asked to give the Board a tidbit. If you were -I'm going back to the conversation you were just having. If you were to take \$100,000 out of the capital reserve fund for earned time, we'd be approximately 24 percent funded. So you're going from 31 to 24 if 100 was the right number. It could be more, it could be less. We're thinking it's going to be more unfortunately.

Chairman Coutu indicated now we're up to \$73,660. Mr. Malizia said which would then necessitate even less out of the earned time trust fund or finding some other opportunity. I don't know what other opportunities there are. Chairman Coutu said you're not trying to convince us Mrs. Carpentier to keep the \$40,000 in the train depot. Kathy Carpentier said no. If Selectmen Maddox why are we putting anything in there if that's your rationale. Selectman Maddox said we did put money in there and I can say that with a some eyed straight face. Kathy Carpentier just wanted to understand.

Selectman Maddox had a question on IT switches - \$11,000. Steve Malizia said you can pull them into this year if you'd like. Selectman Maddox asked do we not have a fund for that. Chairman Coutu asked are you talking about her capital reserve fund. She committee all of that. Kathy Carpentier was not prepared to answer your question. I know she does have a capital reserve fund. I know it has purposes. I couldn't speak to those purposes. Not to throw too many more pieces of paper, Steve Malizia noted if you went to the third package which we gave you tonight, there are 2 lines on there. One is call IT switches and the other is pervasive software. Those are tangible things you could procure this year if you so chose to do so just so you know. They're not a service. They're something you can buy. Chairman Coutu indicated but she has it in next year's budget. Steve Malizia said we've put it in next year's budget. It got taken out of the budget. We put it in here because we prioritized down here. If you wanted to reduce this even more, maybe put more here, you could take that out.

Selectman Maddox stated if there is a reserve fund Mr. Chairman, here's the time when you should be using it. We're counting every nickel and there's a fund there to fund this need, then why are we not using it? Steve Malizia didn't have it in front of me. I'm sure the reserve fund has language that articulates what it can and can't be used for. I don't know off the top of my head exactly what it says. Selectman Maddox didn't think it got down into whether it's switches or routers. Mr. Malizia said it didn't say that but it might have said either software, new equipment, or something like that. Kathy Carpentier thought the IT Director came forward because she still really would like an appropriation. The capital reserve fund you're supposed to budget for appropriations out of the capital reserve fund unless it's a repair item or that type of thing. We'd still need an appropriation. We'd have an offsetting revenue of \$11,000 coming from the capital reserve fund. Chairman Coutu thought he capital reserve fund was for the wiring. Ms. Carpentier didn't believe it's that. I know she's bought software out of it so I know it's more than one.

As long as Selectman Maddox was on that, is the police security system - it's operational. It's getting old. Is it time to gamble? Good evening. Chief Lavoie said it would be a gamble. They're no longer making the parts for it to support it should things break down. This is the things that are being replaced a lot of that is the original system when we moved into the place. Again, Selectman Maddox noted I just moved into a building. The wire is there. If we bought the main circuit card for \$4,000

and gambled to replace the whole system for 39 would be a nice thing to do but if our concern is the controller might fail, why not just buy a controller and have it on the shelf so if it did fail. Just again, looking for every dollar we can squeeze Mr. Chairman - \$39,000 when it's not broken but there's a potential that it could and there's a potential it could not. Again, I'm trying to see if there's another way to go to the vendor and say what does it cost to buy the guts because the fob readers don't break for the most part. Those kinds of things. I don't want to get into all your security system but I'm saying that here's a case where with a default budget, we kind of gamble with it Mr. Chairman. We do have contingency if it did out and out fail, we'd have money to replace it. Just to replace the whole system because it's getting old would eliminate most of us on this board. We need to look at what our options are.

Steve Malizia asked are you doing any enhancements with this. Are you improving anything with this do you recall? Chief Lavoie said this would be more...Chairman Coutu indicated I know they were looking for some parts and they were no longer available. We had nothing to back it up with. Chief Lavoie stated yes this would be moving up to a digital system. The one that we currently have now is the analog but it oversees - it keeps track of the evidence. People coming and going through there in that area. It deals with the employee doors areas as well. The whole security of the building it monitors. The fobs we had to replace those already. Those already went when they said that those were obsolete. We had to change out all those card readers. That's already been done. The camera system - were in the same predicament that we've been in before when they said stuff is going to go. Stuff starts going and that's what we're trying to prevent. We have some money now that we can take care of that problem. It's money that's within our budget and that's what we're trying to do is take care of is probably what we're going to try to deal with next year to take care of it now. Selectman Maddox said you just put it back into patrol. Now I'm confused. You have money in your budget to be able to do this but it's on our list here of taking it out of the extra money yet there's money put back into patrol for the same \$39,000.

Steve Malizia indicated if you took it out next year, in other words, originally we thought we were going to do it next year. That was one of the priorities. Next year it got removed in the default process. If we do it now, we don't have to do it next year. That's why we took it out next year. Instead of doing that, we just said put the money back into patrol so he can make some other decisions and other choices. We've heard some conversation here about some of the other options he might have to make his budget next year and the Board didn't find all the options palatable. So all we're saying is if you do this project this year in 2014, he doesn't have to do it in 2015. I can take it off this list and just move the money back into patrols so maybe he has some other choices with the rest of his operation.

Chairman Coutu asked if there were any other questions or comments relative to how we're going to solve the dilemma of having a default budget and meeting our needs for the new fiscal year. What would the Board like to do? We want to accept the plan as its been proposed to us with cutting \$40,000 out of the train depot municipal share thus increasing the balance from 33660 to 73660 and whatever monies in excess of that 73660 that is going to be needed for the earned time payouts we will take out of the reserve. Is that the will of the Board and who would entertain a motion to do so? Apparently it's not the will of the Board. Are there any other suggestions or comments, bring them forward. What we're trying to do is address the need of balancing the budget with next year.

Selectman Nichols asked Chairman Coutu to repeat that again. I really don't know if I got what you were saying. Chairman Coutu stated for the past 3 or 4 months since the election, we knew we were going into default. Default means that we needed X number of dollars to operate the budget in the new fiscal year and there were certain needs that were addressed by various department heads and those needs were put into the budget equates to money. The voters said no you're going to live with the budget you had last year. Since that time, and the Town Administrator stated at the last meeting, as a matter of fact since after the election day I know I was in communication with both he and the Finance Director to see how they could address a plan to resolve the shortfall. The shortfall is going to be \$500,000 less money than what we requested. So they began and they worked on the plan and the plan with some modifications addressed a lot of that. This was the original plan under the default budget FY2015 revised. That was the original plan that was adopted. I had a worksheet that I was working from. You kept feeding me numbers and we were working from that worksheet. What they did was they synopsisized all of that under this document - edit estimated funds remaining. They did an assessment in the past week because she was asked to do this last Tuesday to try to get to us an accounting of how much money if the history of spending continues through the last month of the year, which we're into the last month now of the year. Our books close on June 30<sup>th</sup>. It is estimated and the term that was used was "conservatively" that from the item under department Trustees all the way down to solid waste, we should have \$311,700 of unexpended funds this year. We have some needs that some departments have said to us were critical. We vetted their budgets. We agreed. The Budget Committee vetted the budget. They agreed. The voters said no on the basis of the final number. So what they've done here is they've addressed some of the problems, some of the shortfalls. We know that even though we have \$311,700, we could have extra. The Highway Department overspent their budget by \$60,000 because it was a rough winter. They didn't overspend. The costs were \$60,000 and excess of what he anticipated. The solid waste monitoring because there was a...

Steve Malizia said one of our monitoring sites had to be redone. It was into the bedrock. Chairman Coutu indicated that was a \$4,000 expense that was unanticipated. The insurance enunciated by the Finance Director, our insurance went up. We had to pay \$31,688 more than what we had anticipated it would cost. We have no control over insurances and then the Town Administrator told us we think that now with the new contracts in place, new hires coming in are not going to come in at the Cadillac plans. We should be able to not have this problem in the future. So you take the \$95,688 which were costs that we didn't anticipate against the \$311,000, we have \$216,012. It is anticipated that we will have \$216,012 in revenue left over on June 30<sup>th</sup> in unexpended appropriations. Mr. Malizia said we will not have spent those monies.

Under items for consideration, Chairman Coutu indicated we had stated that we wanted to address the problem of the HVAC unit at the Lenny Smith Fire Station. We anticipated that it would cost \$59,000. Obviously we now realize that there's only one bid, its \$86,500. We can either band-aid these air conditioners and hope they don't all kick out at once or we're going to take care of the problem once and for all. That's the \$86,500. So we can do that out of the 216. Selectman Maddox recommended that instead of having \$46,852 in reserve for the train depot, we take \$40,000 out of that. So that number would decrease. It would be 6852 and then if we went along with the Police Chief's request, we could redo the security system. That's \$39,000. Then we could do the carpeting. This will leave just a small portion after this to be done which would be the Finance office. So this would take care of everything except for that. We would have redone all the carpeting in the building. We don't know exactly what the earned time payout is going to be to the employees that are retiring or they can also put in a request to buy some earned time as well. We know we have one major retirement. She'll get all her money and then we don't know how many requests we're going to have. Assuming that we were to do the first four things, we would have \$73,660 towards the earned time and then we were going to need more than that. They have a reserve fund that we can go to to take the balance out. That addresses what department heads addressed to us. There's two primary in here which is the request from the Fire Chief for the HVAC unit and the Police Chief for the security system. The security system isn't just sliding a card through. It's your whole camera network Chief. It's also the monitoring for the cells is included in that. Those were there to request that we vet it in the budget and thought that it was necessary to get done. Aside from that of course we have the Town Hall carpeting and the train station but the train station we can cut that back. I certainly would be in favor of doing that - a recommendation from Selectman Maddox. So you need anything further clarified.

Selectman Nichols indicated that was very well done. Thank you very much. That really explained things to me. I'm in favor of the way you just said it. I think that...Chairman Coutu indicated I'm just laying out what's in front of me which you would support the plan as it was just presented. Selectman Nichols said yes I would support that plan as it's presented right now.

Selectman Brucker would like to say the same thing. What is the value defense - \$25,000? As you're well aware, Steve Malizia stated our town property valuation is somewhat shifted the last couple of years from the residential to the commercial industrial folks. Commercial industrial folks have deeper pockets and they challenged their valuations more frequently. So we end up in court cases particularly we know we have Fairpoint; we have PSNH; we have the gas company. They've all appealed their valuations. Well you don't just look at each other and say okay. You have to go through a whole process and we generally defend our values. The less they are valued; it's got to be made up from somebody. Only two pools of people. It's all of us. I'm not being unfair. We're trying to fairly value the town. When we're looking at that, it's not an exact science. There are some assumptions you make and there are formulas and all that that get applied. Bottom line is they basically can take you into court and challenge their value. We can roll over and play dead and just go with whatever they want but we try to defend our value. Selectman Brucker indicated it's a legal expense.

Selectman Brucker said the other thing is the senior center operating expense. Is that the part time salary? Mr. Malizia indicated that is to operate the senior center - the overhead type of expenses for 3 days a week plus the Senior Services Coordinator position. Chairman Coutu indicated for half a year because we have half a year in the budget. Ms. Carpentier indicated we do not. Chairman Coutu said we had no budget. Ms. Carpentier indicated we did transfer half a year in for FY14. You have zero right now in FY15. Mr. Malizia indicated after the grand opening it would be a disappointment to unopen it. I don't even know how you'd do that. Selectman Brucker indicated I'm in support of it.

Selectman Maddox told the Chairman that I'm not ready to jump on this bus either. I think we have to make some hard decisions. Just saying yes is easy but I'm not into easy Mr. Chairman. Do we have a quote for the \$39,000 to replace the security system? Is that a fixed number Chief or is that another estimate that could go up by 50 percent? Chief Lavoie said the quote on the cameras is accurate. There is some new recording system stuff that would have to be purchased to handle the volume of what's actually captured. To my knowledge, Lisa has not been able to get a firm price on that from our last conversation that we had and that was approximately - we're ball parking that about \$10,000 for that. Selectman Maddox asked above the 39? Chief Lavoie said correct. Steve Malizia indicated which you had absorbed in your budget I'm assuming. Chief Lavoie indicated this year yes. The money is there this year to do what we had planned on doing next year.

Selectman Maddox asked Chief Buxton the quote is not the bid spec. Chief Buxton said correct. Selectman Maddox was assuming that they're doing it based off your bid spec. It's replacing all the duct work and I guess in a perfect world I'd replace all the duct work. This is a building you keep on telling us it was built in 1952. We're probably not going to keep it as a fire station for much longer depending upon how all that rolls out. Is that something if we took out of there what is that part of the quote eating up? You're right during the summer time replacing all the duct work it's probably going to take some time. Do we at least change the units this year as part of this year's budget and if it needs to be replaced then we do it down stream when it's off season. All I'm trying to do Mr. Chairman is to get that number down and to get the security number down to where we have considerable monies. I would vote to take \$4,000 out of the carpeting. The carpeting in here is just as good as the chairs we sit on and they're the same chairs that have been here for multiple years. Again, we have to make the tough decisions. I think we need to cut where we can.

Chief Buxton indicated it's a two-part answer to that. First part is we're going from 5 handling units in the attic at Central Station down to 3. So the replacement of the duct work needs to be accomplished because the trunk lines will all be a different size because you're going down to less air handling units in the attic space. So there'll be a combination of systems that will be taking place. We received that quote at approximately 3 o'clock yesterday afternoon. We got it out and we haven't had a

chance to vet it through the bid spec. process yet. The Town Administrator and the Finance Director and I had a conversation today. It ended up on the list this evening. That's your worst case scenario as you sit there. I have not had any conversation with Denron as of yet in regards to an evaluation of that versus the bid spec. but that is your worst case scenario as you sit there in my eyes. We have not negotiated down any monies across the board.

Selectman Maddox asked is one of the 5 the one for the first floor server room. Chief Buxton said yes. Selectman Maddox noted so that one is ductless anyway. Chief Buxton said no. When they call the first floor server room, they're talking about the dispatch center. They didn't differentiate server room versus...Selectman Maddox asked but it is a ductless unit right? It's a split? Chief Buxton said no it is not. It is a duct system out of the cellar. Again, Selectman Maddox said what they're saying here is a one ton ductless split system. Chief Buxton said that may what they're proposing and I haven't...Selectman Maddox stated if we offered them to get in there in off hours. It started whatever time in the morning when it's much cooler. If that's the issue with the heat, does that benefit us. Like Chief Buxton said, I have not even had a phone call to them to say they were the only bidder yet. I would attempt tomorrow to begin to start the evaluation and have a conversation with them to see if there's...Chairman Coutu asked we won't tell them they're the only bidder will we? Selectman Maddox noted they already know that. Chief Buxton said they already know. It's public information. That doesn't mean that we're not going to take the bid spec. and...Steve Malizia indicated you have the right to reject any bid or you have the right to deal with it. Chief Buxton may look at it and say that it's not worth doing. I haven't done that evaluation yet. To that point, Mr. Malizia said we try to put it on here as a worse case. We're talking conservative, that's conservative. If we didn't say it and then you found out two weeks from now and you couldn't do anything where would we be. We're trying to at least look at it to see where are we.

Selectman Maddox's comment at the end Mr. Chairman is I think we still have some time here for the Chiefs to get firm numbers to get a question answered as far as the IT switches can be taken out of the capital reserve. Before we just say we're going to take this money and end up having to take out of the earned time fund, let's do all we can to keep that number as low as possible.

Selectman Nadeau agreed with Selectman Maddox. I think there's a little bit of fine tuning that we can do. We're not under the gun to have it done this week. I think we should wait for the answers that we've asked the Chiefs for and the IT Director so that we can probably move forward at our next meeting.

Chairman Coutu asked Chief Buxton how much time do you think you'll need to consult with the bidder on the HVAC unit. Chief Buxton stated Dave Hebert and myself are scheduled to look over the big package in the morning and then I would anticipate making a phone call to them tomorrow to start opening that process to see if we can get an appointment so before the end of the week. Chairman Coutu asked do you think you could have an answer to us by next Tuesday. Chief Buxton certainly could put my earnest into it. Steve Malizia stated you may not get it in as much of an answer as you'd like. You'll have to qualify that. Chief Buxton stated one of the challenges may be is having it for agenda deadline for noon time. Selectman Maddox said an e-mail even Monday would be...Chief Buxton said we can attempt to bring that...Chairman Coutu said we will put it on the agenda. This is an item we have to address. Can you try and do that for us this week. If for any unforeseen reason that the bidder cannot find the time to meet with you this week and he wants to schedule it next Tuesday or Wednesday and that's all he has available, we'll put it off an additional week. You have the whole month of June. Being the only bidder, Chief Buxton still believed that we'll be able to turn that screw to get them up here.

Selectman Brucker asked to clarify something. I thought we were just approving the ideas here not necessarily are we approving the exact amounts. Chairman Coutu stated those are the numbers we have yes. It wouldn't be the exact amounts. It would be pretty darn close unless - if we approved it and then Fire Chief Buxton came in and said look I talked to the contractor and he has some extras in there we don't need, I can get that down to 72, he's certainly not going to tell him well spend the \$86,500 because we approved it. He's going to spend 72. I agree with Selectman Maddox and Selectman Nadeau that certainly we can get an answer from the IT Director I'm sure between now and next Tuesday. The Fire Chief those are the two main areas of concern. The Fire Chief can look at the \$86,500 bid, talk to the vendor, and see if we can fine tune that. If that's the going rate for what he's going to do, then that will be it. He may find things that they put into the bid that were not requested and maybe luxuries that we can ill afford and not find it necessary because as Selectman Maddox said 2, 3 years down the road who knows. We may not be operating out of that fire station. We may be looking to another one. We can't get our budget passed, I don't know how we're going to get a \$6 -7 million fire station passed but we can give it a shot.

Selectman Nadeau asked will the Finance Director be able to give us a better number by then for the earned time by next week. Chairman Coutu asked they have until what day to file for their earned time. Kathy Carpentier said the contracts say the first day in June. So we determine that to be June 7<sup>th</sup> holding it open until June 9<sup>th</sup>. So I, too, could not make your agenda deadline but possibly give you good information on Tuesday night. I can't give it to you on Thursday. Selectman Nadeau said that would be okay. Chairman Coutu noted this is not an item that requires formality to be put on the agenda. This is something that we need to deal with in a timely fashion at the same time having available to us as accurate numbers as we can get our hands on. If you don't get it until next Monday, we'll put it on the agenda for Tuesday. If you get it Tuesday at noon, we'll have it on the agenda that Tuesday night. It's just a simple request at the table. Steve Malizia said we'll put this information back on and it more than likely will be refreshed is what you're looking at.

Chairman Coutu thought what we accomplished tonight is that everybody had an opportunity to have a clearer understanding of the budget process, what we're up against relative to the default budget, the implications of having to operate from a default budget, and at the same time trying to accommodate the needs of our various department heads. Certainly the biggest one

was the Highway Department with the bad winter that we had. At the same time addressing our Fire Chief's request on the HVAC which we had approved and the Police Chief's request for the security system. If there's no objection, we will defer this to the next meeting.

Kathy Carpentier had one comment. I just want to make sure that if you decide to make any changes to the default presentation -for example if you took the \$11,000 off, you also have to put it back on. This is only a transfer of funds. If by chance you're taking \$11,000 off, \$11,000 needs to go somewhere else. Whatever changes you make to this need to be offset. Chairman Coutu reiterated that the upper portion would be offset at the bottom. Ms. Carpentier indicated you could give more to police patrol. It just has to be an equal - if you change negative...Mr. Malizia said we're not creating any more money or any more budget. We're just trying to work within the constraints of what we got voted transferring. Selectman Maddox said we could put it in our contingency Mr. Chairman and have it to do whatever we need to do. Kathy Carpentier wanted to make the point that if you take from somewhere, you have to put it somewhere else. Chairman Coutu said we're not going to spend everything. There's going to be some money left over at least the \$12 I can guarantee you that. It doesn't necessarily mean you have to spend it all. If there's money left over, we will put it in contingency. Ms. Carpentier wanted to respect that if we had extra money you wanted to...Chairman Coutu understood that process. For me this is just a working document for you. For me, the actual document that I want to work from is this one here now which was the items that we identified. Other than this, there was nothing else correct that we say...Mr. Malizia said we didn't see any other effort that the Board prioritized, or made as a priority, or that we felt that we could accomplish. Chairman Coutu stated not being able to accomplish it is more important. These things I think we thought were critical and we should get them done. Let's where we end up. Without objection, I'll defer it to the next meeting for consideration at that time.

6. OTHER BUSINESS/REMARKS BY THE SELECTMEN

Selectman Maddox - I received an e-mail from someone concerning sewer and their allocation. I'm going to send it over to the Liaison for Community Development and Sewer Selectman Brucker. Maybe you and the Town Engineer can answer the questions. I'll send that off to you tonight.

Other than that Mr. Chairman, Selectman Maddox was unfortunately unable to attend the grand opening of the senior center but by all accounts, it was a wonderful afternoon. That's all I have tonight Mr. Chairman.

Selectman Nadeau - I'd just like to thank everybody for putting in a lot of time and effort into the opening of the senior center. All the efforts that went into the grant opening. It was well attended. There was a lot of seats put out and a lot of people standing around. So it was a real good time. I met a lot of nice people that are interested in joining the seniors because of the availability and the new things that they have to offer there. I think that was a very good night. After that I went to the park and walked around there and looked at the fine the DPW did with the overlook area to the park from the top where the red barn is looking down - took out all the scrub brush. It looks really, really nice. They did a great job there. Very, very nice view. Just a reminder that the fishing tournament is coming up this weekend and all the information is available at lastcast.com. It's posted here at Town Hall and it is on the...Steve Malizia said it was for the kids right? Selectman Nadeau indicated it's a fishing tournament for the kids and it is free. It's a very fun time. I look forward to seeing a lot of kids from Hudson in the area over there. I want to say the time is 10 to 2 but I'm not 100 percent sure on that. It's posted here in Town Hall and posted at the park entrances too. That's all I have this evening.

Selectman Nichols - I also attended the senior center/Hudson community TV ribbon cutting on Saturday. Our Town Administrator Steve Malizia was the perfect MC for this event. He introduced honored guests and town officials. It was a beautiful day and many were in attendance downstairs and upstairs. Food was great, sun was shining, and then I went to the senior center today along with a lot of others to sign up and get my picture taken and my little badge. I'm all set now. They wouldn't take any money yet but that may come later. That's all I have. There was no meeting information. That's all I have today.

Selectman Brucker - I also want to thank everyone who put together the grand opening. It really was a pretty spectacular event. It's just such a beautiful facility. I think the Town has really done a great job with that and all of the senior groups. I got to chat with some of the senior and hear about some of the interesting things they've done with the groups, a lot of people who take the trips - really enjoyable trips. Anyone who's been thinking about joining I think they should go in there and sign up because I think there's a lot of wonderful things there to access.

Selectman Brucker noted the other thing is just to remind people about the Rodger's Library 5<sup>th</sup> anniversary is Saturday 10 to 3. They'll have lots of cupcakes. They already have over 200 that are coming in for their birthday celebration. Eighteen authors are going to be there signing books, selling books. Just a fun event. If people have thoughts about going there, it's Saturday 10 to 3. Steve Malizia stated it's also amnesty day so if you have an overdue book, you can bring it back without incurring the fine. If you bring your books back and you had a fine, they will waive the fines. Selectman Maddox indicated the fines go to the general fund don't they? Mr. Malizia said no. They have their own appropriation and their own revenues from that. How do you think they paid for all the cupcakes. Chairman Coutu noted they did return money last year. Mr. Malizia said yes when they have it at the end of the year, there would give money back. I don't want to imply that they don't do that but their money goes to their revenues.

Selectman Coutu - I want to echo your comments relative to the opening of the senior center/Hudson community television center. Mike O'Keefe and his staff did an outstanding job. Very impressed. It was all cleaned up. It really looks spiffy down there and they had the cameras operating. Lori, Dave - Recreation Director - did an outstanding job preparing the upstairs inside and a lot of senior volunteers. I couldn't get over how many seniors have come forward and offered to volunteer to work in the halls to assist her with cleaning and the like. I was very, very impressed. That went exceptionally well and I was very pleased that former Selectman Massey and former Selectman Jasper agreed to come and speak. Selectman Luszey was unavailable as you were Selectman Maddox because Selectman Luszey was busy putting together packages Saturday morning for shipping overseas to Afghanistan. I forget what the number was. I thought I read in the paper 10,000 package they did last Saturday. Kudos to them for doing that.

Selectman Coutu wanted to remind everybody its kind of late in the day but today is typically the day that we celebrate D-Day - the invasion at Normandy Beach. I want all the Veterans out there to know that you certainly were in my thoughts and prayers.

I want to wish the folks at the Rodger's Memorial Library a very happy 5<sup>th</sup> birthday. It's a beautiful building. The staff is doing an outstanding job introducing new programs each and every day. I know you go to all of them Ben but I like Selectman Nadeau will be unable to attend. I had a prior commitment to be out of town. I would be out of town all day Saturday for a special 70<sup>th</sup> birthday.

I want to remind everybody that there's a hazardous waste - I watch the Recycling/Energy Committee meeting last week. Boy Leo has his hands full. I've got to compliment their passion. These people are passionate about recycling and energy conservation. I applaud them for that. That's the task that they've been given. Hazardous waste - Selectman Coutu wanted to bring this to everybody's attention and I thought you would bring this up Selectman Maddox as this was in an NRPC bulletin. Hazardous waste and electronics disposal will be this Thursday, June 5<sup>th</sup>, from 3 to 7. That would be hazardous waste and electronic disposal. It will be held at the Nashua Public Works garage at 9 Stadium Drive in Nashua. There's a \$10 user fee per vehicle which covers up to 10 gallons or 20 pounds. There will be an extra charge for electronic recycling. You can call for information. The number is in New Hampshire 424-2240 or you can go to their website: [www.nashuarpc.org/hhw](http://www.nashuarpc.org/hhw). So that's hazardous waste and electronic disposal.

Selectman Coutu asked to state a couple of things publicly. Number one I want to thank our Police Department for doing an outstanding job. I mean outstanding. I kept all of your abreast with whatever information I was able to provide you. There was a lot of things I was not able to provide you because it was an ongoing investigation with the incident at the high school. People say that these things can't happen in our community. They can happen in any community. That was the threat made to students in the school system. The Police Chief advised me within minutes of the incident occurring and what they were doing. I advised you on a timely fashion what was going on and the following day the Chief called me and gave me a pretty good synopsis of where they were. Our Police Department is definitely one to be proud of. They did an outstanding job.

Number two - the other thing Selectman Coutu had communicated with all of you and I had expressed a desire to want to allow the family of Nicole Jacques to use the Community Center. At the time things weren't going well. She since has gone into hospice care and she passed away this week. She lost her battle with cancer. The family had a private funeral. My wife's cousin was the Funeral Director. You're aware of who he is. Your wife's family uses him as well. They will be using the Community Center this Saturday. Again, I feel so bad because I'm going to be out of town. From 6 to 8 they will be at the Community Center for a memorial service in memory of Nicole who was a 14 year old student. A very popular, well liked, was a cheerleader with the Hudson/Litchfield Bears. As a matter of fact, I think she came in here for a presentation when we gave out certificates of accomplishments when they went down to Florida when the national cheerleading for their division. I've been in communication with a friend of the family - a spokesman for the family and we've offered to do whatever we could town wise to accommodate the family. The Community Center is the very least we can do for a student in our schools. I want the family to know that the Board of Selectmen extends our deepest sympathy and if there's anything we can do and continue to do for you, don't hesitate to get a hold of any one of us. I appreciate the fact that you reached out and I appreciate the fact that the fellow members of the Board consented with me to allow them to use the Community Center.

7. NONPUBLIC SESSION

*Motion by Selectman Brucker, seconded by Selectman Maddox, to enter Nonpublic Session pursuant to: RSA 91-A:3 II (c) Matters which, if discussed in public, would likely affect adversely the reputation of any person, other than a member of the public body itself, unless such person requests an open meeting. This exemption shall extend to any application for assistance or tax abatement or waiver of a fee, fine, or other levy, if based on inability to pay or poverty of the applicant; and (e) Consideration or negotiation of pending claims or litigation which has been threatened in writing or filed against the public body or any subdivision thereof, or against any member thereof because of his or her membership in such public body, until the claim or litigation has been fully adjudicated or otherwise settled. Any application filed for tax abatement, pursuant to law, with any body or board shall not constitute a threatened or filed litigation against any public body for the purposes of this subparagraph, carried 5-0 by roll call.*

Chairman Coutu stated that Nonpublic Session is being entered at 8:47 p.m., thus ending the televised portion of the meeting. Any votes taken upon entering open session will be listed on the Board's next agenda. The public is asked to leave the room.

Open session is being entered at 9:36 p.m.

8. ADJOURNMENT

*Motion to adjourn at 9:27 p.m. by Selectman Maddox, seconded by Selectman Nadeau, carried 5-0.*

Recorded by HCTV and transcribed by Donna Graham, Recorder.

HUDSON BOARD OF SELECTMEN

\_\_\_\_\_  
Roger E. Coutu, Chairman

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Benjamin Nadeau, Selectman

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Richard J. Maddox, Selectman

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Nancy Brucker, Selectman

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Pat Nichols, Selectman