

HUDSON, NH BOARD OF SELECTMEN
Minutes of the October 19, 2010 2012 Budget Hearings

1. CALL TO ORDER by Chairman Massey the meeting of October 19, 2010 at 7:02 p.m. in the Selectmen's Meeting Room at Town Hall.
2. PLEDGE OF ALLEGIANCE, led by Selectman Nadeau.
3. ATTENDANCE

Board of Selectmen: Roger Coutu, Benjamin Nadeau, Richard Maddox, Shawn Jasper, and Ken Massey

Staff/Others: Town Administrator Stephen Malizia, Finance Director Kathy Carpentier, Executive Assistant Donna Graham, Road Agent Kevin Burns, Assistant Town Administrator Mark Pearson, Building Inspector/Health Officer William Oleksak, Town Engineer Gary Webster, IT Director Lisa Nute, Vin Guarino, Howard Dilworth, William Abbott, and Leo Bernard

4. BUDGET PRESENTATIONS

Highway (5515, 5551 to 5556)

Chairman Massey recognized Road Agent Kevin Burns.

Very briefly. Mr. Burns lost track on how many years he made this presentation. His budget would have been zero percent increased in the 200, 300 and 400 line items. If you look at the spreadsheet that Kathy prepared, it's up 2 percent. That is with the additional money put in to Benson's and it came out in his run. It would have been zero percent as directed. He's there to answer any questions.

Selectman Maddox asked where Benson's was. He couldn't find the breakdown. Ms. Carpentier said it was 5063 and 5563. They'll be presented she believed by the Benson's Committee. Chairman Massey said he saw the money in the Highway Department's line items. *Ms. Carpentier was speaking – inaudible.* Chairman Massey said that \$27,000 was going to be when the Benson's Committee comes and that's on next Thursday.

Selectman Coutu referred the Board to 5515-207 water and sewer and also the next line, facility telephones. Can you explain the increases in both of those line items from 11 to 12. There's \$1,500 in water and sewer and there's an increase of \$2,200 on the telephone. He thought they changed their phone service to save money. Mr. Burns said they haven't saved any money. A zero percent increase all he basically did in the whole account was he moved money to where he thought it was more appropriate or needed but there's no additional money in the account. Selectman Coutu said that Mr. Burns was basing it on his FY2010 actuals. What you're saying is you may be underfunded in 2011 in those line items as they appear. Mr. Burns said correct. Selectman Coutu was satisfied with that.

Selectman Coutu said he has a serious concern relative to line item 5552-295 on page 7 of the Highway budget. He thought it was time that we bite the bullet and he was going to render an opinion. Mr. Burns has a line item for \$25,000 for streets and winter maintenance for the School Department. He believed the School Department should pay for it.

Selectman Jasper gave Selectman Coutu a little history. Kevin can go into more if he misses but they've long done this but it was a matter of billing. Then they would bill us for all the custodial time in all of the gymnasiums when they have Rec. or anything else that was going on there. A number of years ago they talked about it and said that it was foolish. It's all coming out of the same pocket instead of spending time billing back and forth. It's the same cost to the taxpayers less the bookkeeping. We don't get charged for the custodial and they don't get charged for this. He would encourage the Board to stick with that

agreement. Whether it's a wash or not is really irrelevant. It's just a bookkeeping nightmare that they didn't need to deal with.

Chairman Massey said Selectman Jasper was correct. This would have been about 3 or 4 years ago. He remembered the conversations and the cross billing was kind of counter productive. This way we can identify all of the money that's involved and Kevin can control it. It's under his management. That's why it was decided to not charge the School Department for it but to just keep it inside the town budget.

If we can get down to the tax bill, Mr. Burns said no one is going to do it cheaper than they do. The School District tried as an experiment probably 15 years ago to hire out the high school and they spent more on just that school than he did on all the other schools put together. They're equipped to do it so they would definitely do it more economically than hiring it out.

On page 24, item 264 – Solid Waste Management/water quality. Selectman Coutu noticed a trend. In 2009 it was \$13,600; in 2010 it went up to \$39,600. We're anticipating both the same in 2011 and 2012 and he understood that they were forecasting out 9 months away to \$50,000. He didn't know if an explanation was asked for last year, but can you explain why the cost increases each year.

Mr. Burns said he couldn't. He yielded to Gary Webster. For the record, Chairman Massey introduced Gary Webster the Town Engineer. This is the GZA contract for the landfills.

Mr. Webster said we have a contract with GZA on Burns Hill Road and the West Road Landfills. They monitor the water quality out there on a regular basis. We're permitted every year and every year they go out there. Mr. Webster gets the reports and he passes them on to make sure that they're not going outside the boundary with groundwater. They go out there and take a look at the landfill to make sure there are no problems out there. They have one little problem with some erosion. But they do check that and contact him and take care of the problem. That's what that money is for – the two landfills.

Just so they can refresh their memories, Chairman Massey's recollection was it was either a State or a federal mandate. Mr. Webster said it was mandated by the State Solid Waste. They have to do that on an annual basis. Selectman Coutu said Mr. Webster didn't answer his question – why the increase? Mr. Webster said he didn't know. Mr. Burns said it has historically been budgeted at \$50,000. Selectman Coutu said just for the past 2 years. Mr. Burns said those were the actual before that. What was actually spent was \$39,000 but \$50,000 was budgeted. Selectman Coutu was concerned about the increase from 2009 to 2010 from \$13,000 to \$39,000 and in anticipation of \$50,000 this year and again \$50,000 next year. He knows they're budgeting out 9 months but is it anticipated that they're going to spend \$50,000 this year and if so, why the surge every year.

Just to refresh, Chairman Massey said the actual budget that was submitted for the fiscal 2010 budget was \$50,000 but they only spent \$39,000. Selectman Coutu has a thing with over budgeting. He's said this a lot of times. Chairman Massey asked if he wished to make a motion. Selectman Coutu said he didn't know what the anticipated costs are. He didn't want to just potshot it and take \$10,000 out. If it's going to cost \$41,000 and they have some evidence of that, then.

To follow up to that, Selectman Maddox thought there was something a year and a half ago, two years ago, that they were going to plant some sort of bushes on Burns Hill to the landfill out there. He thought they received something from them saying that they would be reducing the amount of monitoring required when that was done. He was curious on the same question is why such a huge increase from \$13,000 to \$39,000 and now to \$50,000. Mr. Webster said he didn't have the actual contract with him. They do have a contract with them but he didn't know the total amount. He wasn't sure if it was for those 2 landfills or not. They have tested wells around the neighborhoods and actually into Litchfield because that's another way for the groundwater – they actually go out and test the water. Like he said, he didn't have the actual contract with him. He knows they did sign one with Burns Hill but he wasn't sure if it were those 2 things or not that they were monitoring, but he believed it was.

Selectman Maddox thought that unfortunately they weren't going to get an answer tonight because he thought they both have the same question. What is the contract and was there a reduction? He could have sworn that there was something saying that because it had been so long at Burns Hill that it was going into almost a standby monitoring. He was wondering how they get up to \$50,000.

Chairman Massey was going to recommend they do is having Gary take it as an action item. He thought it would be sufficient, Gary, if he just put together documentation and provide it to the Board. Mr. Webster said he could find out the actual spent.

The fax lines. Selectman Maddox asked how many fax lines were at the Highway Department. Mr. Burns said one.

Salary overtime and administration, page 3. Selectman Maddox said that would be for the full or part time to come in on overtime. Mr. Burns said on overtime if they have a bad storm, he'd like to have somebody on the phones until at least rush hour is over. Once they get to 7 or 8 o'clock and people are off the road, he sends them home. He's not comfortable when the roads are terrible and its rush hour, people are calling for help, and they're getting the answering machine. That's what that little bit covers.

Page 7, 5552-206 – street lights. Selectman Maddox said Mr. Burns was going up \$10,000 expecting...Mr. Burns said its not only street lights it's also the traffic lights at intersections and lighting. They spent 143 the last fiscal year. Selectman Maddox asked if there were some that they could turn off. Do they need to have the kind of monies that they're going to spend? As they discovered last year Chairman Massey believed, it cost \$300 to turn the light off. Then if you ever want to turn it back on again, you're faced with much the same cost. If you're going to turn them off, you have to make the decision that they're probably going to be...Again, Selectman Maddox was just asking the questions because they're just looking to see if they can save some money. He yielded to Selectman Jasper.

Selectman Jasper was going to say that this issue of turning off lights may be something that he wanted to look into for legislation. This is ridiculous. They've made their money back at some point. If you want to turn off the light, you should be able to turn off the light with perhaps what their actual costs is. But to say \$300 just to turn off a light is ridiculous. Mr. Burns said they really have them over a barrel on those. Then the PUC went along with it and said well now you own the light, you're only renting the electricity so now when the bulbs burn out, he's paying for light bulb replacement. If he doesn't fix the light it doesn't matter. He pays the electrical costs anyway. It's unmetered. If you say well never mind just take it down, they're like okay here's your \$350 bill for taking it down. Selectman Jasper said he would look into some legislation. That is ridiculous.

Selectman Coutu asked when PUC just had a rate increase of approximately 3 or 4 months ago, are we affected by rate increases? If they have an overall rate increase are streets lights and all of that affected by that or is that a legislative standard rate? Selectman Jasper said that would be part of their tariff going to the PUC and asking. They probably have a separate charge per light. So they may give a kilowatt increase but those aren't metered so they may or may not increase them on a regular basis. If he were a betting man, he'd say they probably go up on those every time they go up on them.

Selectman Maddox, Selectman Coutu's wife told him to tell Selectman Maddox that if he suggested that they shut off lights because the budget was so high in that line item she'd be very upset at him. She thought for \$144,000 the streets aren't well lit at all. Even the bulbs we have do very little to a lot of our streets. So don't shut off any streets.

To that end Mr. Chairman, Selectman Maddox asked if they were replacing bulbs, are they giving them free money because the bulb burns out and they have to pay for the bulb, where does that line item does bulbs for this come out of. Mr. Burns said from that. Selectman Maddox said the light at the gas pump that isn't on, we need to replace that. We're paying for the electricity to a light that's not lit. Again this sounds like such a unique situation.

Mr. Burns said he recently did a survey of all the main roads in town and gave Public Service a list of the lights that are burnt out. He figured if he was paying the rent might as well have the light. Selectman Maddox said at least they were getting something for it.

Next item. Street overlay, page 7, line 248. Selectman Maddox asked how Mr. Burns came up with the \$350. Mr. Burns said it was a scientific juggle. It had to come in level funded. That was his biggest flexible piece of pie unfortunately. Thank you Mr. Chairman.

Selectman Jasper thought at least by the end of the process they needed to revisit this because they do have to bite the bullet here. They know that the number they should be using is \$1 million, and they're not even at a third of that. Luckily they had some money they were able to put into it this last year which hence he thought the \$482,000. That didn't even quite them to the half million. He thought they seriously needed to consider where they're going to go on here. He was not prepared to do it at this time, but he thought they ought to do it at the wrap-up night and just ask that be added. Chairman Massey said it was so noted.

Chairman Massey said to Mr. Burns that they were now going into the fourth year of the solid waste disposal contract. Mr. Burns said they were in the fourth year right now. This will be the fifth and final year. Chairman Massey said they would be putting out to bid some time next fall for a new contract. Mr. Burns said yes unless an extension is offered. Chairman Massey asked if it had a cost escalator clause in it correct. Mr. Burns said it did. Chairman Massey asked how it could be level funded then if it has a cost escalator clause in it. Mr. Burns said he's gone over it and over it and he could never quite understand it. Maybe Kathy could explain it. FY2010 it shows they spent \$1,650,000 but they actually didn't. They actually spent \$1,534,000. *Ms. Carpentier was speaking – inaudible.* Chairman Massey asked if that was the right number for next year. Mr. Burns said it would be tight. They may have to throw a few bags out of people's barrels come the end of the year, but it will be close. Chairman Massey said to Mr. Burns that he didn't know what the actual number is going to be until after the CPI for Boston...Ms. Carpentier said she didn't know what month. Chairman Massey said it's usually February. It's usually just around the time they do the Deliberative Session. Is that something Board that they should revisit at the same time they look at the overlay for streets?

Selectman Jasper said in fiscal 2010 they actually spent \$1,500,000 and something. What was the escalator for FY2011? Ms. Carpentier said 700. Selectman Jasper said 2.7. If they had 2 percent this year, Selectman Maddox said that would be a \$32,000 increase. Assuming the volume doesn't change, Selectman Jasper said they should still be in the ballpark. Mr. Burns said their tonnage is pretty flat. They've been hovering right around 7,000 tons a year for the last 3 years. Chairman Massey said the problem with the recyclers is that there are several organizations in town that have their own recycling bins. For every pound they put into those recycling units, it takes away from the amount the Town's doing. Mr. Burns said it might take away from their tonnage, but its not costing. They don't make anything on recycling. They don't pay for recycling. Chairman Massey said today we don't. If we get up to the 30 percent, he thought the change in the tonnage costs changed. Mr. Burns said there was no cutoff. In this market, they're very fortunate that they're getting rid of their recyclables for free.

Selectman Maddox asked Mr. Burns what he used in his crystal ball for the price for gasoline. Mr. Burns said \$2.40. Selectman Maddox said for diesel. Mr. Burns indicated \$2.40.

Selectman Nadeau asked if everybody else used the same crystal ball. Mr. Burns said there were some communications about it. He didn't know. Chairman Massey said they could check those when they came in. Ms. Carpentier thought they were all around the same. Some used \$2.41, 2.45. Mr. Burns said just today, and the crystal ball was going to be tight. Just today he paid \$2.35 for gas and \$2.43 for diesel.

Selectman Jasper said he's talked to Kevin about this but for the rest of the Board, he thought it would be helpful when they get into the discussion about Benson Park. They put in money for part-time labor and he thought it might be appropriate for him to tell them how that went. Mr. Burns said it went very well. They were very helpful. They budgeted for 12 weeks. He only used 8 of the weeks so that he could hire them back this summer starting in June, use up that 4 weeks, and the 8 weeks from the next budget so he would have them 12 weeks every summer. It was good. They did a lot of menial tasks that he didn't have to put a

truck driver on Benson for watering. They spent a lot of hours watering. It did save a lot of man hours for him.

Just for clarification, Chairman Massey said the fiscal 2012 has 12 weeks worth of labor so you're going to use 8 of it in the summer and 4 of it the following June. Mr. Burns said yes. At this point, Selectman Jasper said that seemed to be the appropriate amount of time to make things work. Mr. Burns wouldn't think unless somebody throws a lot more at him that they would need more than what they have.

One thing while Selectman Maddox had Mr. Burns here. One of the things that he and Mr. Burns talked about was trying to correct the intersection at Pelham Road and Lowell Road. Mr. Burns believes he can do that if they allocate time for it at the end of snow plowing and before all the lawn mowing. They have monies in a couple of funds from offsite impact fees to not do all the things that everybody designed a number of years ago but at least bring that to a 90 degree intersection, narrow the throat of the intersection so that there's not 6 cars lined trying to get in and out of that intersection. Fifteen years when Meineke was a site plan, the town got like 20 feet off that side right next to Pelham Road that will facilitate, again, making it more of a 90 degree. He wanted to make people there aware that that was where Community Development, Engineering and through the Highway Department, again depending up on the season, but that's what they were gearing up for and they'd be able to spend the monies that they have. He says he can do it within that budget and put down the pipes for traffic lights if that ever so happens but at the very least, try to make that intersection safer. While he's here its not a budget item per say but as they're looking at projects, manpower, and all of that he wanted to make that issue brought to light.

In light of the new construction that's going down there for that rental facility, Selectman Coutu remembered there was some discussion about them not doing something or the curb cuts – are we going to be safe with them building there? Are the curb cuts going to be such that they can manipulate that corner or are they going to do something that's going to create a problem for them to have to correct the situation on Pelham and Lowell? Selectman Maddox thought what they're about to do – what he just talked about – will help tremendously. The problem with Pelham Road as they all know is it's so wide that today he was going home at 3:30 and there were 3 cars trying to take a left out of it. Now you have people trying to turn left in from Lowell Road. It is a mess. Narrowing that throat having dedicated turn lanes, it will take some of that rolling traffic from coming out and going right into that project. It will in a very small way make it safer and to take that driveway down further from the intersection. Chairman Massey said the developer granted an easement to the Town to widen that section so that when you come around with it, they'll have enough room to do what Selectman Maddox was talking about. There is an easement that was part of the site plan approval.

Mr. Burns does need to point this out in good conscience – 5552-404 on page 8. He wanted to make the Board aware that the funding mechanism he used was a 75/25 split with Sewer Utility, they do not support it. He thought he should make the Board aware of that. Selectman Coutu said he had that on page 12 under explanation.

Chairman Massey said it was for the replacement of 3 dump trucks. This was the memo that the Board received from the Sewer Utility Committee that they're recommending that the additional \$28,750 come out of the Highway Department and not sewer is that correct? Mr. Burns said that was their recommendation.

Selectman Jasper asked for Mr. Burns' rationale for the split. Mr. Burns said they do an awful lot of sewer in town. The sewer town is maintained fabulously. Sewer Utility pays a \$40,000 a year administrative fee which he supposed was to cover some of his salary, Kathy Carpentier's salary, and Gary Webster's salary, fuel, gasoline, vehicle storage, and whatever else expenses he has up at the facility. He thought \$40,000 was a fabulous deal. He thought for what they get for contributing towards the equipment was very fair. They have access to their entire fleet whenever they need with no charge back. He was asking them to pay 25 percent of the trucks that are going to last between 20 and 25 years that they can use for the next 20 to 25 years. They pay for all the fuel even if it's doing a sewer line; his mechanics. The tax rate pays for the mechanics that fix all those trucks. The tax rate pays for all their paving, which they don't do for any other utility, including Water Utility. He thought they got a good deal. They do a lot of work for them that's

very cost effective that if they hired out they could not get it done for anywhere near what they get it done for. He thought it was fair to have them help with the overhead of the equipment.

Selectman Jasper asked if they paid a percentage of any of the other dump trucks in the fleet. Mr. Burns said that was how they've done it with the other dump truck replacements. Selectman Jasper said that was a continuation. Selectman Maddox said that line item says \$84,000 for the last 3 years on the book. Selectman Jasper said right but this was in the Highway Department. So that didn't tell him what sewer's paid. He knows they did buy the sewer vactor 100 percent. They've contributed to what other pieces of equipment besides the dump trucks? Mr. Burns said they do contribute a percentage to the heavy equipment that they use – the excavator and the front end loader. For the record Selectman Maddox, Chairman Massey said the Sewer Utility has paid for fiscal 2008, 2009, and 2010 \$28,105. It's ongoing that they've paid 25 percent of the costs. Mr. Burns wasn't arguing that \$40,000 is low but as long as they continue to contribute towards the purchase of the equipment, it benefits all. He thought that was fair. Chairman Massey said the \$40,000 has been that same \$40,000 for at least the last 6 or 7 years. It has not changed. They have not indexed that for any kind of cost adjustment. It's been \$40,000 for all those years. Mr. Burns said he knows if called the Gas Company and said, "Help me pay for a dump truck and you can use it for the next 25 years and I'll fix it and fuel it up for you at the end of the day." He thought they'd probably send him a check.

Chairman Massey thanked Mr. Burns. They just have two items that they need to revisit. One is the overlay and the other one is the GZA contract. For the record, Gary Webster.

Gary Webster, Town Engineer. There was an audit. There are some other costs that go on it, but an estimated cost of \$29,000 every year for monitoring both landfills. It goes to 2021. There are other costs from DES of \$8,000. So he knows there are other costs. He doesn't have a copy of the contract. It must be up in the Town Administrator's office. Once they see that, you'll see the total. That was what they estimated since 1991 the closure, which was part of the audit. So its \$18,000 for one and \$11,000 for the other. It's a total of \$29,000 for both landfills. There is other work and what you said Mr. Maddox, the permitting is still the same but it's more lax with the new permitting. It's not like it was 10 years ago. They're still doing the same thing.

Sewer Utility (5561 and 5564)

For the record, Bill Abbot, Chairman of the Sewer Utility Committee. Joining him is Howard Dilworth. Generally the sewer utility is in reasonably good shape. They've had some postal increases; increases for looking up mortgages and things which goes along with the lien process which in this economy has reared its ugly head just a bit. That has caused some increase in their costs. The big thing he will get to it if they can go through it individually is the Nashua Treatment Plant. They're going to hit the Town with about a \$1.1 million bill for 2012. To put that into perspective a little bit, they had been putting in more or less \$500,000 to \$600,000 towards it. Their estimate for 2011 is only about \$31,000. It's as if they kind of took a breather and hit us to catch up in one big hit. That's probably the biggest item that would be an eye catcher on this.

[Bill Abbott] They've had small items that they've looked at that they've taken out of the budget that really don't amount to too much.

On page 8, 239 – operations and maintenance/sewerage treatment. Selectman Maddox asked if that was the one that was going to go to \$1 million. Mr. Abbott said no. It would be in 5564 on page 16. The actuals have fluctuated up and down a bit - \$400,000, \$150,000, \$175,000. In the 2011 budget, they had budgeted \$600,000 but they're actually going to come in at almost \$31,000. Selectman Maddox's question was that FY2011 \$600,000 was going to be turned to \$14,000. Mr. Abbott said no. They didn't expend. They only expended the \$31,000. Selectman Maddox said \$31,000 then this year it's going to be \$1.1 million. It's not like its \$1.8 million.

Howard Dilworth said they were changing their billing process. They used to bill the Town as they went along but now they're going to wait until they complete projects and figure out exactly what it is and then

they're going to bill us. The money that was budgeted for the current fiscal year which would normally have come from reserve just stays in reserve. They would use it the following year. What he will mention was that there are two big projects. One of which is they are doing some work on their secondary clarifier system. Those are great big tanks where it's basically water at that point settles out. That's the one just before it goes into the river.

Mr. Dilworth said the big piece is the dewatering process. That's a great big (size of the Selectmen's meeting room) series of two belts that are used for squeezing water out of treated sludge. They're looking to get the amount of water that is removed to be more than what it is now. The reason they're doing this is the current system is 23 years old and is showing signs of failure. They're replacing equipment and when they're all done, they're going to bill us, and it's going to be about \$1.2 million.

Selectman Maddox said he was sure they were staying on top of this but are they looking to get any type of stimulus money. Anything that would reduce that price down to Nashua and ultimately down to Hudson. He would think that that was something that's shovel ready and if something goes on with the stimulus too, it would be...Mr. Dilworth was not sure about where it's a replacement of an existing piece of equipment. He wasn't that sure that that would qualify. They are doing a lot of work over there. If they do get a grant, that does get deducted off the total cost. The remaining net cost is what they pay the 12.58 percent on. If they were able to get something, he didn't believe that for replacing equipment – they are doing combined storm overflow separation over there. They have a plant they have built for handling high water and treating that before it goes into the river. They have a lot of work they're doing on the system over there.

When Selectman Jasper goes to the revenue, you're showing a big increase in the sewer revenue from \$1.765 million to almost \$2.4 million. Chairman Massey said that was because they were going to take from the capital reserve the \$1.2 million. Selectman Jasper asked if that shouldn't show up as a transfer from the capital reserve account or just showing up as revenue. Chairman Massey said it was on page 1. It has the revenue offset there. While we're on that, this says the capital assessment reserve fund. He believed the appropriate fund is the Nashua Wastewater Trust Fund. Mr. Dilworth questioned that also but they've not had an opportunity to look into that. They just received this packet last Thursday evening. Chairman Massey said the capital reserve fund is for improvements to the town system. The Nashua Wastewater Trust Fund is for work that's being done over there. This line item just has to be changed from the capital reserve account to the Nashua Wastewater Trust. Mr. Dilworth said it would be one or the other. Chairman Massey said it didn't matter because there's enough money in both of them. There's \$1.9 million in the wastewater treatment fund and about \$5 million in the sewer capital assessments. He didn't want them to wind up when they go to get the money from the Trustees that they say that's the wrong fund. They can say no.

Selectman Maddox asked why they didn't reduce that \$1.1 million down to the \$670,000 because you already have \$600,000 in this year's budget. He knows they're not going to need that money until...Chairman Massey just heard Bill say it's about \$14,000 that they're going to spend this year out of that \$600,000. Mr. Abbott said it was only \$31,000. Chairman Massey said it was going to go back into the sewer surplus. In effect for next year, they're really only going to be drawing down out of the surplus another \$700,000. Ms. Carpentier said the spending in fiscal 2011 will be decreased by the same \$500,000 in revenues will be decreased so they'll both be technically short by the \$500,000.

Chairman Massey also has a request from the Sewer Utility Committee that they are recommending some changes to the budget. The first one that they've been talking about is the trucks. They recommend that that money be solely in the operating budget of the Highway Department and that it be zero in the sewer budget. What is the Board's pleasure? Right now it's in the sewer budget under 5562-404 which is on page 9. So the Board's pleasure on the Sewer Utilities recommendation? Selectman Maddox thought the other 3 were fine but to take the trucks by the time they get done trying to cross charge for everything and anything; he thought this was counter productive. You buy the trucks – yes they have a 25 percent but if we charged them for all the gas, maintenance, and all that stuff he thought it was going to be a logistical nightmare that's not worth the paperwork its going to be written on.

Mr. Abbott wanted to preference something here. The Committee did discuss this last Thursday. He was the lone descender on this item. He didn't vote for it. He will let Howard make the argument because he has a hard time arguing for something he didn't believe in.

First off as Mr. Dilworth has said here in past years, all of a sudden this winds up in their budget. No one asked them if they wanted to pay for more trucks or even what the apportionment should be. They very graciously have gone along and said yes we need to replace and we've replaced two sets of dump trucks, a grader, and pickup trucks. They're still paying for the pickup trucks and grader. He thought this was the last year coming up for the grader.

[Howard Dilworth] When they went out and bought the vacuum truck this year, he knows even though he wasn't involved in the process at the time, he asked people who were. What's the Town going to pony up for their share? We're going to figure that out later. He's been doing this long enough to know that we'll figure out later means we'll never do it at all. Apparently some people have now developed forgetful memories. When he looked at the number and he said \$28,000, that's almost \$30,000 and in 5 years that would be \$150,000. That would be about the equivalent of what the Town should have put up for the tractor and didn't and still at the moment has no plans to.

Mr. Dilworth also notes in the drains division budget – he took a quick peek the other day. There is no corresponding amount recommended for the next VacCon truck. As he had said in July that they should put of \$15,000, the tax rate should put of \$15,000 and after 10 years we'll have enough to buy a new truck cash, which is always a nice way to buy trucks. He made the motion at the Committee meeting, they talked about it, and that's what the Committee decided. Because the Town had not put up anything towards the current VacCon truck, they figured that would be one way to pay for it. They also know that the Board is going to do what they believe to be in the best interest of the Town. Relative to the apportionment, that's something that did come up in July. He didn't think anyone has done anything on it since July. Yes it's something they probably ought to look at.

When you say apportionment, Chairman Massey asked what Mr. Dilworth was referring to. Mr. Dilworth said the \$40,000 administrative fee. That's what they did, why they did, and they wanted to call the Board's attention to the fact that they in the Sewer Utility would still like to be paid for the half use of the VacCon truck. To not accept the fact that that truck is being used for cleaning drains and that they have a Tsunami of regulations coming down from EPA on storm water is like burying your head in the sand. It's something they have to accept is coming. This was one way to call attention to the fact that they paid for the whole thing. They would like to get reimbursed, and they would like the Town to put up a small amount each year to help pay for the next one.

Selectman Jasper agreed that they should be putting money into the capital reserve account for the next truck. This was a situation where they couldn't get the voters to pony up the money and now is when they should start putting in the \$15,000 if that's what the number is. Selectman Maddox asked if there was already something in the budget for that. Chairman Massey said there's \$15,000 in sewer but nothing in highway. Selectman Jasper said it should be in the drains. They should do that. Mr. Dilworth said that would be 5554-450. Ms. Carpentier said on page 19, highway drains. Mr. Dilworth said they previous had \$50,000 for each year and then lowered it to \$15,000 because they were trying to play catch up. Chairman Massey said it wasn't there for 5554. Ms. Carpentier said they never funded that capital reserve fund. Chairman Massey asked if there was in fact a capital reserve fund. Ms. Carpentier said yes.

Motion by Selectman Jasper, seconded by Selectman Nadeau, that the Board fund the 5554-450, Capital Reserve Account, for the sewer and drains account at \$15,000.

Selectman Nadeau has always been a pretty big fan of capital reserve funds. Like Mr. Dilworth said, it's always better to pay cash for your trucks when you can. If you put \$15,000 away now and you keep adding it up, if you have a bad year you only put \$10,000 in, you catch up 2 or 3 years later, you have money there. When it comes time to buy the new truck if its \$350,000 and you have \$300,000, you only have to come up with \$50,000. It's a lot easier to come up with \$50,000 than \$350,000 as they just saw with the last truck purchase. He would definitely be in favor of that motion.

Vote: Motion carried 5-0.

Just to the issue of the 25 percent on the trucks, Selectman Jasper thought that was a fair deal when you take everything into consideration. If you look at it strictly from do they use the trucks 25 percent of the time, perhaps not. If you look at it from what would the Sewer Utility have to pay if they were to go out and contract this separately, you'd be paying huge dollars per hour to get the jobs done. He thought this was a fair way of doing it. Fair to the taxpayers and fair to the sewer rate payers as a result of good management and the fact that we have a Highway Department that actually does construction. Unlike a lot of highway departments out there, we have about the lowest if not the lowest sewer rate in the State. We're in the lowest quartile in the State. He thought this was more than fair.

Chairman Massey asked if it was a consensus to leave it as part of the sewer cost structure. As Selectman Maddox said earlier, he understood that \$30,000 times 5 is \$150,000 but those trucks are expected to last over 20 years. You're talking \$7,500 a year over the life of those trucks to facilitate whatever is necessary for the Sewer Department. He didn't want to get into this – you use the truck 10 times rather than only 11. The gasoline for them, the maintenance of them. The older they get the further down their life. There's more maintenance put into them. You're paying a fixed price to use those and as a sewer user and a taxpayer, he didn't want to have somebody spending a large amount of time keeping track of the nickels and dimes. He would leave it right the way it is.

Selectman Coutu has always been a strong advocate. He would really have to sit down and analyze. He didn't have enough information basically to make an intelligent decision. He's always felt that the Town should pay its fair share for that vehicle in light of the fact that on the basis of what he sees, they use it perhaps 50 percent of the time. He could be wrong. He sees it out there doing drains quite frequently. Selectman Jasper said Selectman Coutu was on the wrong subject right. They're talking about the \$28,000 for the trucks. This was for the 3 new trucks. Selectman Coutu thought they were talking about the VacCon truck. Selectman Jasper said the vacuum they put in their \$15,000. On the basis of the trucks, Selectman Coutu would support leaving it as it is. Selectman Nadeau would leave it as it is at 25 percent.

The next item that the Sewer Utility has recommended is the Infiltration and In Flow Account, 5564-625. Chairman Massey deferred to Mr. Abbott. They are recommending that it be changed from \$25,000 to \$15,000, a reduction of \$10,000. Chairman Massey recognized the Town Engineer Gary Webster.

After the Sewer Utility meeting on Thursday night, Mr. Webster sat down with Jessie on Monday. What the I&I program is they go out and hire outside specialty contractors. You get lines to seal any cracks. We've had some problems in one area of town with a clay pipe. We've had to put what they call a "slip" for it. It's plastic and they don't have to dig up the road. They use that money for the I & I and he has spent that money. When he was with him on Monday, he was actually mapping out the areas that they have to start I & I. You can't predict it because last spring they had a lot of water and some serious I & I problems last year. When this spring comes up if its dry, you're rolling the dice. If we bring it down to \$15,000 and we need \$25,000, then what do we do? We have to come back and try to find some place for the money. In talking with Jess, his suggestion was to leave it as is because its there. If they don't use it, it's there. You better have it in hand than come back and put your hand out asking for more money if there's a problem. Like you said, he's working out. They've had a meeting with CLD, Jess, Heidi Marshall, and himself about the program. They have taken money out of that to pay. They're going to get updated again a little bit more but they are making a map of the areas that they have to start doing the I & I. A lot of times they use their own people up there with the TV camera but if they have to do anything at night time, they would have to outside hire. That's where this would come in.

Mr. Dilworth said when they looked at the actuals for the last several years, they really didn't see any money spent and \$25,000 had been appropriated this year. He asked the Town Engineer if he was going to do \$25,000 worth of work. He wasn't sure, probably not. Mr. Dilworth asked about next year are you going to do \$25,000. Again it was probably not. He asked if 15 was a number that would be okay. Again as Selectman Coutu said earlier that they shouldn't be raising money to spend if they're not going to spend it. He asked if it could be lowered to 15 and that's where the number came from.

However in this case, Selectman Jasper said they were not actually raising the money. It's an enterprise fund. So the money comes in and whatever is not budgeted or isn't used stays in the fund. The only thing that happens here is as the Town Engineer says if something does come up, if you don't have it budgeted even though you may have millions sitting in the bank, you really don't have the ability to spend it. There's no harm in leaving the money here if the Town Engineer feels there is the possibility of being spent. In fact, we are not raising it. This is not like the general fund budget.

Chairman Massey asked the consensus of the Board to leave it in or to take it out. Selectman Coutu said he'd leave it in only because it serves as an insurance police. We don't know what's going to happen in the future. He may not spend the \$25,000 this year but god forbid we should need it and they're running around at the last minute looking to the Board to give them permission to spend. If it's an insurance policy, he would recommend that they leave it in. Selectman Nadeau agreed with leaving it in. Selectman Maddox said it was all semantics. They're going to have \$550,000 in that account they're not spending. This 10 isn't going to make a dime's worth of difference. Leave it in. Chairman Massey said the key point that Selectman Jasper has made is that unlike the general fund, we don't have to raise and appropriate this money. So if you don't spend it, it just stays in the surplus for sewer and has no impact at all on the tax rate. So they'll leave that one.

Chairman Massey said there were two other items that the Sewer Utility Committee recommended. One was 5561-233. They are recommending that the mileage reimbursement be zero. Mr. Abbott said they talked about it. The one for training, the Committee agreed that \$100 for training doesn't buy much these days. In talking with the Sewer Utility Clerk, she said that the reason that might of wound up there in the first place was just to show that if there was training that was required by the Town or by the State that it would be available and the individual wouldn't have to pay for the training. That's why it was in there. In the philosophy of not having money in there that you're never going to spend, they decided to take it out. Similarly with the reimbursement of mileage (237), on 233 they decided the same thing. She rarely uses her car for official business. Apparently it isn't worth the trouble to put the chit in for reimbursement. She was okay with that.

Selectman Jasper had a question. You can't spend money if you don't have a purpose for it. He wasn't sure how it applied to this fund. Mr. Malizia said you have a sewer purpose, you have an administration purpose. It doesn't really matter for these little sub accounts. Those are their accounts. If they wanted to take money from one bucket to another in this account, they could do it. They have it as a general purpose. Selectman Jasper said it wouldn't be a problem. If they play around with this \$125, we also need another motion because there's some place else that's got a balance. Chairman Massey said it would be on the revenue side. Mr. Malizia said they could take it out of the consumption piece. Chairman Massey said you'd have to true up the budget to the revenues. Selectman Jasper didn't know if there was no money this year going into surplus or reserves. Chairman Massey said if they were going to do this, he believed they'd take the money out of the sewer consumption charges. Is that correct? Mr. Malizia said that was one place to take it. Selectman Jasper said usually there are transfers this year because of the other so they just reduce the revenue. The numbers are nice and rounded - \$526,000 he didn't think they wanted to go down - for \$125 let's leave it alone this year and if you don't want it next year don't put it in there. It's not worth changing all the numbers and printing the pages. Again, it's the same thing. If you don't use it, it goes back in. To now have your revenue lowered by \$125...Selectman Coutu said it would cost them to move it. Selectman Maddox said they've spent \$125 in electricity and labor to talk about it. Mr. Chairman, Selectman Maddox asked that next year they consider that in their formal presentation to the Board to their budget they remove them to zero. That way there it will resolve itself next year.

Understand when this budget was submitted, Chairman Massey said it was submitted before they had a chance to review it. Perhaps the message to the Sewer Utility Committee was to work with the Sewer Utility people to get the budget so you see it earlier. Mr. Dilworth said they've already talked about that. Ms. Carpentier said that all committees are told sometime in August when budgets are due and when schedules are due. For them to say that they just got it last week, she found that was unfair. Everybody has been working on budgets. Kevin submitted his two weeks ago. If you need to coordinate with Kevin who's running the drains department, then that needs to happen prior to the last minute and also the same

with the revenues. She thought that plenty opportunities were given to all committees. She didn't feel that they were given the budget at the last minute.

Chairman Massey thanked the Committee and in no small part they are proud that they are in the lowest quartile in the State. In fact, they've had at least in the last 5 years two reductions in the rate. Is that true? Mr. Abbott said that was true. Chairman Massey asked if they were anticipating this year that it would be...Selectman Jasper said they had an increase and then a decrease. Chairman Massey asked if they were anticipating any change in the rates this year. Mr. Abbott said not right now. The Committee gets together once a month. Kevin Burns and his crew – Jessie and the gang – they're the ones who are really saving money. The Committee is just taking the equipment. Chairman Massey thanked him and the Committee.

Community Development (5571, 5572, 5581, 5582, 5583)

Chairman Massey recognized Assistant Town Administrator Mark Pearson. Good evening Mark. They'll begin with account 5571.

Thank you Mr. Chairman and members of the Board. Mr. Pearson also has the Zoning Administrator Mr. Oleksak here because part of his presentation he wanted him available to answer any of the Board's questions specific to one item that he'll be talking about a little bit later.

[Mark Pearson] The Community Development Department which includes Planning, Zoning, Building, and Engineering Departments respectively brings forward a proposed 2012 budget with a 1.4 percent increase over the FY2011 budget. Primarily the increase comes from the salary and benefits.

With respect to the 5571, Planning operating budget, Mr. Pearson reduced that by 4.7 percent or \$1,582. One of the items that was reduced was association dues relative to the Nashua Regional Planning Commission. The dues actually went down by \$705. That was pretty significant. Basically the review of Planning is that it was reduced 4.7 percent and the salaries and benefits increased by 3.6 percent. All the increases that Mr. Pearson was going to talk about tonight are primarily on the salary and benefit side not the operating. That's all he has for Planning.

Gasoline. Selectman Maddox asked what number Mr. Pearson used. Mr. Pearson said he didn't use any number because it's billed to the Community Development Department by the Police Department. They actually just bill on their usage. Selectman Maddox said they used \$3,700 last year and \$3,700 the year before yet you're budgeting the same as you did last year at \$5,500. Are you driving somewhere a lot more? If you've been consistent at \$3,700 for the last two years, we budgeted \$5,590 and you're budgeting it again. Selectman Jasper said they used \$5,672 in 2008. Selectman Maddox said because they had 3 vehicles and one of them got 2 miles to the gallon. Mr. Pearson said the answer is based on the usage he's seeing of the vehicles by having a part time Building Inspector 4 days a week, a contracted part time Electrical Inspector 2 days a week, and a full time Zoning Administrator. Those 3 vehicles are out on the road almost every day of the week in some capacity. There's been an uptick in activity primarily due to the Zoning Administrator and Building Inspector because of the code enforcement issues. As you know, there's been an expediential increase in code enforcement activity including inspecting, reinspecting, and following up on all those complaints. So primarily those vehicles are on the road more than they have been in the past. He'll need a little more time to refine that number exactly on how much consumption of gasoline. He believed they are using them more this year than they were last year.

Just for some perspective, Chairman Massey did a quick calculation and at \$2.40 a gallon, that turns out to be 2,329 gallons. If you get 10 miles to the gallon, you're about 23,000 miles which translates to about 2,000 miles a month approximately.

That was not Selectman Maddox's question. He was saying that in years FY 2009 and FY2010 actuals was \$3,700 for both years which are probably busier years. Chairman Massey said 2009 and 2010 would have been low points. Selectman Maddox said they might as well move on. We're driving no where so let's just get on the bus.

Association dues. Selectman Coutu said this was one of Selectman Maddox's and one of his favorites. You said the dues for NRPC went down \$750. He says big deal. We joined Rockingham County and they've done more work for us than he's been sitting here for the past 3 years seen anything in a...he guessed you have to belong to it but what is the benefit? Mr. Pearson told him from his experience in the short time that he's been there. The Tompkins field. They actually used money that they had from a grant to facilitate and pay for the Phase I of the Tompkins. That was an immediate benefit. They didn't have to contribute anything. Some of the other benefits since he's been here is they've taken a project here at the intersection in the tune of about \$300,000 and spearheaded the effort to bring that grant to the State at probably an 80/20 split to reconfigure that intersection as far as new controls and new lights. A benefit might be \$240 – 250,000 right there. Mr. Malizia said CMAC through mitigation. Mr. Pearson said there were a lot of benefits that happen in the course of a year for that \$18,000 fee.

If Chairman Massey was not mistaken, they funded the cost of what it would take to build the Maddox parkway. Selectman Maddox said no. That was done by DOT and CTAP money and not CMAC money. Chairman Massey thought they had done that work. Selectman Maddox said they did the work but it was funded through CMAC.

Selectman Coutu's favorite subject, page 14, line item 303. How much of the \$5,700 is the rental of water coolers and water bottles. Ms. Carpentier said 5581-303 is office supplies. Mr. Pearson said the monthly bills range between \$20 and \$30 a month depending on the amount of gallons of water. Selectman Coutu asked why they needed water coolers in the office. Mr. Pearson said they were here when he was hired and there's a couple different water coolers in the building. The employees use them to consume water, fill up their bottles. There's a little bit of a supply.

Before Selectman Coutu makes a motion, what do they need for furniture that you're budgeting \$500? Mr. Pearson said in the recent past they have used it to purchase a used desk, and they would probably use it to purchase either a chair or a desk if it came to their attention that they needed to replace a desk or a chair. Selectman Coutu asked if they qualified for surplus furniture from the federal furniture reserve that they can just go pick up and get for nothing. Mr. Malizia said he was not aware of any free repository of furniture unless it's on the junk heap. Selectman Coutu said they always got them in the City of Lowell. He didn't know why the Town of Hudson can't get them. Has anybody every researched it? Selectman Nadeau hoped he was working on their new chairs. Chairman Massey said, "He who proposes disposes Selectman Coutu." Selectman Coutu said it wasn't his department. He didn't ask for new chairs like Selectman Nadeau just asked for. He's asking for potentially a new desk.

Mr. Pearson said if one was to break or a chair was to break and they had to replace it, that's what he would use that for. He can tell the Board that the conference table and chairs that are there were surplus within the Town of Hudson. Just putting out an e-mail, he ended up grabbing that conference table that was over at the building across the street from the Police Department because it was no longer being used by them. We're not going out buying any office furniture – conference tables and chairs. They do trade things back and forth. They put out e-mails constantly to advertise some file cabinets they had that somebody else could use – the library, school, other departments.

On page 18, line item 221 equipment rental. Selectman Coutu asked Mr. Pearson to explain why 4 cell phones and 3 laptop air cards have increased by 12 percent. Mr. Pearson said that they have acquired the technology for the inspectors in the field where they have a laptop in the field. In order to run the laptop, they need an air card so that they can access the database here at Town Hall. What that enables them to do is to stay in the field and work more efficiently with respect to production. They can look up files themselves instead of having to come in and do that. There's 2 air cards. One for the Zoning Administrator and one for the part time Building Inspector. The third air card is for the Town Engineer. If you remember, the Town Engineer is using his own personal laptop and the Board agreed to supply him with an air card.

Selectman Coutu asked who had the 4 cell phone in the department. Mr. Pearson said the Zoning Administrator has one. The Building Inspector has another. The part time Electrical Inspector has another, and the Town Engineer has the 4th one. Selectman Coutu asked if it was a good practice to let a part timer

have a cell phone. Mr. Pearson said that was a phone that was left in his care and custody when he came on board. He chose not to use that phone. That's a phone that can be shared by people in the office. For instance if the Planning Director had to go out on the road and it was a day off for the part time Building Inspector, that phone is left here. He only uses it when he shows up for work primarily on Tuesdays and Thursdays. He doesn't take it home with him. So that phone can be used by anybody in the office should they have an emergency. They can lend that phone out to whoever might need a phone for a purpose that day.

On page 19, the automobiles 402. Selectman Coutu asked what would be the impact on his department if he made a motion right now to eliminate that line item of \$6,250. Mr. Pearson deferred to the Zoning Administrator because he is the one that oversees the fleet of the 3 vehicles and uses them every day.

Mr. Oleksak said the Explorer he currently uses has about 104,000 miles on it. Its age is starting to show. The back upper window lift – not the window itself but the trim below it, 6 inches has a big crack in it. He believes its fiberglass. It doesn't impede his driving at all. It's starting to show its wear. He goes to start it and he has to hold the gear shift lever up, turn the key and it will start then. It's not an every turn occurrence but it will happen 2 or 3 times a day when he stops and goes. Selectman Coutu asked who spends the most amount of time on the road with those 3 vehicles. Mr. Oleksak says the part time Building Inspector and himself. Selectman Coutu asked if he was using the junkiest vehicle. When he looks at Mr. Oleksak's work product, it would seem to him that he's on the road almost every day. Mr. Oleksak is on the road every day. Selectman Coutu thought he would want to use that for the part timer. Because of all of the stuff that Mr. Oleksak carries for the different hats that he wears, the back of the vehicle is loaded up with various items that he could use at whatever the call may be. Selectman Coutu asked how the vehicle ran. Mr. Oleksak said it runs okay but for a vehicle that's 9 years old...Selectman Coutu asked if that was the worst one in his fleet. Based on what he could see here, yes. Mr. Oleksak said she's got some rust over the rear wheels that's starting to show through. It's going in for an oil change and a look see this week. He didn't know what they're going to find when they go through it. Selectman Nadeau asked where it was going for the oil change. Mr. Oleksak said up to Highway.

Selectman Jasper asked if Mr. Oleksak could tell them what the second vehicle he'd be replacing was and what vehicles he'd be getting from the Police Department would be. Mr. Pearson said he's been in touch with Chief Lavoie. Last year he did not come to the Board and ask for 2 vehicles because of the financial situation. In fact this year at the budget review he told the Board that in his opinion they needed to replace 2 vehicles. Based on the guidance that the Board gave them about trying to keep the number at a zero or keeping at zero, he even reduced that down to 1. That's why he gave that sheet of information to show the miles of the vehicles, the years of the vehicles, and the values of the vehicles. The proposal would be to replace it with one of the Police Department's older vehicles, the 2006 vehicle to keep the costs down and use that to replace the Explorer that Bill just talked about. If Mr. Pearson could, he'd like to digress a minute to tell the Board that they've had to send that vehicle to forward for some repairs. We're starting to see a lot more expensive repairs to that vehicle. We're talking about the budget starting next July. That's assuming we can keep this vehicle on the road running at a low cost until next July. So we're talking about almost 8 or 9 months out before they do make a transition with that vehicle.

Selectman Jasper was confused. The narrative said purchase 2 vehicles for the Police Department. Mr. Pearson said it was a typo because he didn't change that down to 1 vehicle. He didn't revise that. That needs to be changed and he did change it in his book but obviously not in his copy. Selectman Jasper indicated that Mr. Pearson would be getting the 2002 Ford Explorer from the Police Department. On page 21, Selectman Coutu thought Selectman Jasper was getting the 2006 Trail Blazer which has a value of \$9,025. If you subtract the value of the Ford Explorer, which he was to exchange at \$2,275, the bottom number, the net, would be the \$6,250. Chairman Massey said the only thing that was different was in the quantity was one and not two.

Mr. Pearson apologized for the confusion. He had option A, B, and C but he dropped it to the one vehicle in the spirit of trying to keep the numbers as small as possible. Selectman Jasper saw 4 different vehicles but he understands it now.

Selectman Maddox asked what would they lose in the association dues, 217 – the American Planning Association for \$475. What do you get for it? As you know, Mr. Pearson said the Town Planner belongs to that and he attends those conferences and being a member reduces his rate to attend those conferences. The Town Planner just attended one in Portsmouth, New Hampshire. He knows that he can't send him half way across the country and so forth. He just attended one in state last week, a 2-day conference. Being a member of that reduces the rate for his expenses at those conferences, especially when it's held locally it provides an opportunity for the Planner to keep current with other planners and other planning techniques in the area.

Motion by Selectman Maddox to reduce 5571-217 Planning, Assoc. Dues/Fees, by \$475.00.

Selectman Maddox thought they needed to find some cuts somewhere. He knows this isn't the periphery but they need to start somewhere. The American Planning Association can miss us for a year.

Motion by Selectman Maddox, seconded by Selectman Coutu, to reduce 5571-217 Planning, Assoc. Dues/Fees, by \$475.00.

Selectman Coutu said he would like to hear from the Town Planner in all fairness. (Mr. Oleksak was in the audience and not Mr. Cashell.)

Vote: Motion carried 3-1. Selectman Massey in opposition.

Motion by Selectman Maddox, seconded by Selectman Nadeau, to reduce 5571-304 Planning, gasoline, from \$5,590.00 to \$4,590.00, a reduction of \$1,000.00.

Mr. Chairman, Selectman Maddox said they're getting a new vehicle. Hopefully better gas mileage and they haven't gotten close to that number. He thought this was one of those cases where we've put more in than they needed and here's a chance to take some out.

Vote: Motion carried 4-0.

Motion by Selectman Coutu to reduce 5582-221 Building, Equipment Rental, from \$3,348.00 to \$3,048.00.

Selectman Coutu said the reduction was on the basis that Mr. Pearson said he spends \$25 for equipment rental and for water. He would like also with his that the item be removed from the office at the end of this fiscal year. They'll also save on electricity. Chairman Massey wasn't certain that was the right account. He thought he was talking about office supplies. Ms. Carpentier said it was in 5581-303 Zoning, office supplies, page 12, is where most of the department supplies come from.

Motion by Selectman Coutu to reduce 5581-303 Zoning, Office Supplies, from \$5,700.00 to \$5,400.00 and that the water cooler be removed from the office at the end of fiscal year 2011.

While Selectman Jasper doesn't necessarily think that they should have bottled water, he thought the alternative should be that they should have a water fountain that is easily accessible to the people who work in that office. People have the right to get water, and he didn't think it was very productive. They're talking \$300 a year. He didn't think it was very productive to be sending staff outside of the office to get the water. This was something they've had. He didn't think they needed to have it, but he thought they needed to have a water supply in that office. Since this does not address that need, he will not support the motion.

Selectman Maddox said its 50 feet to the water bubbler by the Selectmen's office. Its exercise and getting water. He's going to support it.

Vote: Motion carried 4-1. Selectman Jasper in opposition.

5581, full-time employees. Selectman Maddox said they have a vacancy with \$1 in there. Is it the Board's intention to continue that \$1? Chairman Massey said if they don't put the \$1 in there, the position may be not able to be filled. They'd have to go back to the voters.

Selectman Jasper wasn't sure that they would necessarily have to do that, but they would have to establish to the Budget Committee that it had been approved and that they had not eliminated it. He thought that was hard to do if they take the \$1 out of there. He thought they ought to leave the \$1 in there. It doesn't do any harm. It could do harm if they take it out unless it's the Board's intent to say no they're never going to need that position again. He reminded the Board that it's not just a position there; it's a position that is available to the Board because at the end of the day it's the total body count for the Town that matters and not what department they were in. They've moved positions around from the Fire Department to the Assessor's office for instance. He urged them to leave that \$1 in.

Selectman Maddox didn't want to do nothing more than make people aware that it was sitting there with \$1. It probably didn't stand out to anybody. He didn't disagree with Selectman Jasper. He wanted to make this Board as well as the patrons watching this exciting riveting television to make them aware of that same fact.

Selectman Jasper had a comment to the Board. When he had to step out for a couple of minutes and missed the first motion about taking the money out for the dues for the Planner. He didn't disagree with that philosophy. For a long time he felt that people who were professionals ought to pay their own dues. That's a common problem in State government and town government. He would, however, say to the Board to be consistent. He didn't think that this was the only one in town that they pay association dues for. It would be wrong of this Board, in his opinion, to take something away from one employee and leave it in other places. That's singling out an employee. Chairman Massey asked if there was a motion there. Selectman Jasper said there was not a motion there. He wasn't sure how he would have voted on the motion. He didn't know where the others were. He has a remembrance that there are others. He would ask those who brought this forward to be diligent and make sure they do this the same.

Chairman Massey thanked Mark Pearson and Bill Oleksak. Again, this has been a roller coaster year he thought. We certainly can see in the work that the department has been doing this year. He thought a substantive change in community service that they department has provided. Thank you and all of your staff.

Chairman Massey declared a 5 minute recess at 8:38 p.m. The Board reconvened at 8:48 p.m.

Engineering (5585)

Chairman Massey recognized the Town Engineer Gary Webster.

Like every other budget that was presented tonight, Mr. Webster's budget stayed at zero except for salary and benefits which was the big kicker on their budget.

Just so Selectman Maddox has it right, we're up 5 percent. Chairman Massey said that was correct. He's up 6 percent on his salary.

5585- 225 Engineering, Engineering Fees. Because they only have a single engineer in the office today, Chairman Massey said that money was to be used for consulting support in lieu of another engineering staff person. That was the reason for the \$26,000 last year. That represented the first year without 2 engineers in the office. Selectman Maddox said they spent \$349. Chairman Massey said this current year is the first year that they've not had 2 engineers in the office. Selectman Maddox said Mr. Sommers was gone a year before that. Mr. Webster said February of 2008. Selectman Maddox was just asking the question. Can that number be reduced to bring his total number percentage down somewhat?

Mr. Webster said he didn't have a problem with that because like he said, they did put it in there last year and it was when he was getting busy. Luckily his interns off set some of that this year. They are going to

use some of it but like he said, it gives him a chance if he has to hire someone outside if he can't do everything himself, especially in the off season like the fall and spring. It's good to have. He took the burden on himself with the interns and he probably should have used some of it. He had a person in line that he could have used on some of the projects. They just threw that in there last year. Maybe that's not the way. If they want to cut some of that, he didn't have a problem with it.

Selectman Maddox deferred to Selectman Jasper. Selectman Jasper was just looking for a good number because it does seem a little high. How much \$10,000 out? Selectman Maddox was going to \$16,000 in that budget line item.

Motion by Selectman Jasper, seconded by Selectman Maddox, to reduce 5585-225 Engineering, Engineering Fees by \$11,000 for a new budget of \$15,000.

Chairman Massey said it was going to represent an \$11,000 reduction in that line item. Mr. Webster said they do the storm water. They do that every year at CLD, storm water, \$4,000. They do a class up there for the Highway Department. It doesn't come out of their budget; it comes out of engineering for the storm water. He was trying to get it down to \$15,000 but they're doing the whole total. That \$4,000 they spend every year for storm water. Selectman Jasper said it wasn't coming out of there. Ms. Carpentier said his backup has \$4,200. Chairman Massey said they'd basically be taking \$11,000 out of his \$20,000. Selectman Jasper wanted it to be a number Mr. Webster was comfortable with. Selectman Maddox asked Ms. Carpentier if they could explain how come it says \$349 last year and \$1,204 the year before. Ms. Carpentier said she could follow up on that. Mr. Webster thought they paid CLD \$2,200 or \$2,500 every year for them to come down. Chairman Massey said most of the stuff they paid CLD for is covered by Planning Board fees. Mr. Webster said not on storm water. He has \$4,000. Chairman Massey said he has \$2,000 for on-call services. The question that Selectman Jasper was asking on the \$20,000 what would be an appropriate reduction. To Mr. Webster if they could keep the storm water at 2 and then on-services at 2. You're trying to cut down \$11,000 out of that \$26,000. So that would leave him \$15,000.

Chairman Massey said Mr. Webster would have \$4,000 for storm water, \$2,000 for on call, and for the engineering services you would have \$9,000. Mr. Webster asked if they could round it off to \$10,000. He thought that was fair. That's what Selectman Jasper was going to do. Originally it was \$16,000 was going to be his motion.

Amended Motion by Selectman Jasper, seconded by Selectman Maddox, to reduce 5585-225 Engineering, Engineering Fees, by \$10,000 to \$16,000.

Selectman Nadeau's only concern with that was what happened out on 102 this year with DOT where they had to get outside services. Is that where that would have come from the outside services? Mr. Malizia said it came from the impact fees, the corridor accounts. Selectman Nadeau said if they were doing something else. Mr. Malizia said Mr. Webster wasn't a P.E. There may be occasions where they need to hire professional engineers. Mr. Sommers used to be. Mr. Webster is a civil engineer. What he's basically saying is there may be some projects internal to the town that they may need to do that don't come from a corridor or an impact account. If they should happen to arise and they need to get a P.E. involved, that would allow us or him to get that P.E. The 102 came out of a corridor account.

Selectman Jasper thought the real answer to his question was they would budget for that when they're doing a project. Selectman Nadeau wanted to make sure that wasn't the account. Selectman Jasper said they didn't even have anything like that even budgeted.

Vote: Motion carried 5-0.

Selectman Maddox said Mr. Webster was at zero so he was happy.

5585-217 Engineering, Association Dues/Fees. Selectman Coutu said he could understand the licenses. They have to have those licenses. Mr. Webster said the other one is the Association of Civil Engineers. Those were there before he came. Selectman Coutu said they're paying dues every year and he doesn't

benefit from that. What's the NHPWA. Mr. Webster said that was NH Public Works Association. APWA gives him stuff on line and so forth.

Motion by Selectman Coutu, seconded by Selectman Jasper, to reduce line item 5585-217 Engineering Association dues & Licenses, by \$452.00.

To the Motion in light of the fact that Mr. Webster in essence said that those were just items that were sitting there and they were just sending them the money and he gets real no value from it, Selectman Coutu said it was minimal but it's a savings. If they're not going to use it, why are they just throwing money away? That's just taking \$452 and throwing it out the window.

Selectman Nadeau said Mr. Webster does get stuff from some of those. Mr. Webster said the Public Works Association is the local association in the State. Chairman Massey said that was the one that wasn't being cut. Selectman Nadeau said the Septic Design License they're keeping. Mr. Webster said it was more than that now. Selectman Nadeau said the Professional License their keeping. The only thing he didn't like was the abbreviations. Exactly which two are they cutting and what do we get from them? Mr. Webster said they're cutting the first two – American Society of Civil Engineers and the American Public Works Association. Selectman Nadeau asked if there was any benefit to that one. Mr. Webster said he gets some stuff. He gets a nice piece of paper on his wall. That's about it.

Vote: Motion carried 5-0.

Selectman Coutu said he wanted to show Selectman Jasper that they are being consistent. Chairman Massey said they're not. Selectman Coutu asked if there was another one. If there's another one tell him and he'll cut it. Chairman Massey said if they were going to be consistent with what was done, it would be 236 Education. Selectman Coutu asked Mr. Webster what engineering education reimbursement was. Mr. Webster said they haven't taken advantage of it. Selectman Coutu asked if they had taken education reimbursement from anybody. Chairman Massey said it was to go to a seminar. Mr. Webster said he was a member of the UNH T-Square. Chairman Massey said if he was going to do it then it would be 235. Mr. Webster said there are a lot of programs that he uses that for. Selectman Coutu said he wasn't going to begrudge him that.

Engineering registration fees line item 235. Mr. Webster said that's the t-square. He uses seminars and meetings. He wasn't sure if Betty has gone to any computer classes. He thought a couple years ago they sent her to some computer classes. She went through a day's class and so forth. He really does need a computer class.

Selectman Coutu asked what the educational reimbursement was for. Selectman Coutu said computer classes were offered for free at the local library.

Chairman Massey told Selectman Coutu that he might want to take a look at item 233 mileage reimbursement. Selectman Coutu asked Mr. Webster what he used that for. Mr. Webster said what happened this summer he had his 2 interns and 2 vehicles. So he had to use his vehicle this year for the first time to meetings in Concord and everywhere else. It was the first time he ever turned anything in on mileage. He didn't think he used all the \$250. He has another reimbursement and it's only \$70. That was for the summer when the interns were here. He didn't have a vehicle to use so he used his own.

Selectman Jasper thought what he heard was the educational reimbursement isn't going to be used. It hasn't been used. He didn't necessarily want to take it all out. If something that comes up money can be transferred around. This is another case where it's a purpose for the town.

Motion by Selectman Jasper, seconded by Selectman Coutu, that 5585-236, Engineering Education Reimbursement, be reduced to zero, a reduction of \$500.00, carried 5-0.

Selectman Coutu wanted to revisit line item 233, mileage reimbursement. Mr. Webster you said that this past summer as a result of the interns being on board that he had to use his vehicle and we reimburse our

employees for that when you use your vehicle. You used \$79? Mr. Webster said yes something like that and he has one more in there for another for \$40. He hasn't turned it in yet. Probably a total of \$125.

Motion by Selectman Coutu, seconded by Selectman Nadeau, to reduce line item 5585-233, Mileage Reimbursement, by \$100, reducing the amount to \$150.00.

Selectman Coutu said the justification was just rendered Mr. Chairman on the basis of having two interns, Mr. Webster said that at maximum he'll probably have \$115 to \$150 total reimbursement necessary this year. He didn't anticipate he'd have any more than that next year. If he does, a simple request to the Town Administration and he was sure we'd make him whole. We're not talking thousands of dollars here.

Vote: Motion carried 5-0.

Water Utility 5591 to 5596

Mr. Webster said the water administration was at 4 percent. The total operations were at minus 2 percent. There was one item that's been brought up, and he brought it to the Selectmen's attention. One of their wells, the Weinstein Well, when they did the cleaning last year at this time they found out that casing is in pretty bad shape. They've been holding off. They finally got Weston & Sampson to give Mr. Webster a couple of ideas on what they could do on how to repair it. The problem is they could put in another 18 inch casing. Their concern was that they lose a lot of capacity because the 24 inch goes down to 18 inches. They lose the capacity in the wells. Mr. Webster didn't think that made any sense. He sent something to Weston & Sampson. It's what they call a "slip form" just like the sewer. They form the existing casing so you don't lose all that volume. Instead of being 24 inches it's probably 22 or something. He wasn't sure what the thickness was. They put that in the budget.

Mr. Malizia said it was under 5593-252, Water-Supply, Professional Services. You'll see 3 items. One is to redevelop and clean the Dame Well. As you'll recall, they've been going to the cycle they did Ducharme and Weinstein. Two, they're still going to do some groundwater exploration for additional well sites in Hudson. The ones at Alvirne as you've probably seen some information, they're not yielding what they thought they might yield would not be sufficient to really go any further with that. You've got some money in to continue that effort in Hudson's borders. The project Mr. Webster was talking about was the rehabilitation, realigning of the Weinstein Well to make sure that they don't lose any additional draw or capacity from that, which is one of their workhorse wells. They don't want to lose any more capacity. Those 3 items are budgeted in that basic cost center in that line. Mr. Webster said everything kind of stayed the same.

Given that the Town's run this utility since 1998, Mr. Malizia said they have a pretty good idea of the costs and some of the things that they need to be looking out to do. He believed for the most part they've captured that. As you're well aware, there's some north end projects they had talked about at some point a few years ago, which may be putting another water tank over at Barretts Hill, doing some additional work over there. Given that they had split that off of a bond they had proposed one year and given that that's in the \$2 million plus range, given today's economic climate, give our needs, given the ballot, given a lot of factors when Chairman Massey, Mr. Webster and himself met, they realized that could probably wait another year before they contemplated some of those larger bondable capital projects. For now, they don't have anything of that significance but they do have things that are important for the day-to-day water utility and how they run that and provide that drinking water to the residents.

Selectman Coutu wanted to make a statement. In light of the fact that we have all in the past year expressed their sincere desire to want to explore other water availabilities within our community and that line item does increase significantly by 130 percent. When he looks at the overall water fund budget as compared to fiscal 2011 to fiscal 2012 and considering the amount of money they're going to expend over and above which was requested from last year which would be \$52,000, for their budget to only increase by 1 percent, Selectman Coutu thought was very reasonable and he could support the budget in its present and existing form considering as well that it is a separate profit making entity.

Mr. Malizia said one of the things that does assist them is they are all aware they have a 30 year bond for the purchase. Every year those interest payments go down. What that allows them to do as they go down is to do this kind of effort and still keep it within a reasonable boundary. Again Mr. Webster, the Highway folks, the Water Utility Department try to work as efficiently as possible. If you think about it, you haven't had a rate increase since you took it over in 1998. Not many utilities can make that claim.

Thank you Mr. Chairman. First a question. 5593-206, Electricity. Selectman Maddox knows they've been doing a lot with the Green Team. These big users of electricity. Is there anything that the utilities are doing for rebates for any type of changes to the pumps, their controllers, that would reduce that electrical usage down? Mr. Webster said the one thing on the Windham station, Weston & Sampson their consultants, they did look at the cost of electricity out there. Eventually when they do the upgrades to the pump station, they'll have more efficient pumps. The pumps are old out there. That's one of them. All the other pumps are more efficient. That's one thing that did discuss with Ms. Carpentier. He got the bill in as well. They didn't realize how much they were spending out there on a monthly basis. They checked into the peak time and the winter time. There is a difference. When it comes time when they have the money to upgrade the station, which they have to do eventually to make the CIP as far as the tank and so forth, then they'll find out. The new pumps today are more efficient than they were years ago. The pumps have been in there for quite a while. Hopefully that will be one of them. He hasn't really gone into the pump stations as far as the pump. Anything they try to replace today, they try to get more efficient pumps.

Again, Selectman Maddox said it was great that they put in more efficient light bulbs and turned off the lights. Those are the kind of things that chew up electricity at \$100,000. Taking a look at some of those bigger draw items, is there something that they can do overtime? Again looking at what options they have, will the utility give them a break like they did with the Town lighting program to facilitate reducing that number?

Secondly before Selectman Maddox surrenders the floor, he thought this was our chance to take our shot at the cartoon in the paper the other day that said that the water rates and how they're going up. He thought that paper has 6 towns that they cover. Where's the cartoon? You must have missed it. In the HLN about the water rates and how they're going up. Selectman Coutu said it wasn't what the cartoon was about. Selectman Maddox said it was guys in a rowboat saying the rates are going up. Mr. Malizia didn't assume that was Hudson though. Selectman Maddox was just saying its not. They have kept the rates the same as they were...Chairman Massey said since 1998 when they took over the water utility. Selectman Maddox said they dropped them 10 percent. They have not gone up. We must be doing something right was where he was going. That cartoon was a regional cartoon not realizing Hudson was unique in that application.

Chairman Massey thought two pieces. Number one, they absolutely are doing something right with the water utility. It's pretty clear from the evidence that Southern NH Water or Consumers, whatever they were when they bought them, were taking a lot of profit out of this town. They know for certain that \$400,000 every year was going to some water company in Ohio. That water company was under water sort to speak. We truly have done magnificently with both of our utilities. He thought that any municipality in the State should have the same record that Hudson has.

Selectman Jasper asked if the Town was still purchasing their power from PSNH, correct. Chairman Massey indicated yes. Selectman Jasper said there were other companies. He didn't understand how they did it because it's all generated by PSNH. He believed the county has done some of this. He even got something in the mail. Have they looked into getting another supplier, particular for – we may not be able to do it here because we're paying off the upgrades for the wells, they could look into a different power supplier.

Selectman Coutu asked the Town Administrator if he got a visit from a company that he sent. He changed his. Its not the power you're paying for, it's the cost of production. Chairman Massey said it was the distribution and the production. The companies that you can do business with are the production companies. As a result of Selectman Coutu making a switch at his store, he's saving \$300 a month and he has been for the past year. His bill is not \$100,000. He'd be out of business the second day he was in business. Mr. Malizia said it would generate millions and millions of gallons of water with those pumps.

Selectman Jasper said that's why there may be an opportunity for a significant savings. If on \$1,000 bill Selectman Coutu is saving \$300. What are we going to save on \$100,000? Selectman Maddox said \$30,000. Chairman Massey said it would be worth looking into. Mr. Malizia said he'd be careful. Selectman Coutu said it was worth exploring. As he said, Selectman Jasper believed the County did that at the jail and maybe the nursing home.

Ms. Carpentier said they're also paying electricity in 5592-206 for the booster stations of \$66,000. Its \$166,000. Chairman Massey said between the 3 of them, it's probably something they should look into. When he reviewed the Water Utility operations with the Town Administrator and the Town Engineer, he wasn't thinking about this. Now that he is looking at, he would like to call attention to this. Right now the Town has 2 capital reserve funds for water. One for pump repair and the other one for utility improvements. The pump repair fund as of this fiscal year has \$373,000. The rule of thumb in the industry right now is that you should have in your reserves 3 percent of your operating - you should be setting aside 3 percent of your operating revenues every year for your reserves, and they're not coming anywhere near that. They only have at the moment \$1,300,000 in the capital fund. Right now the budget says to transfer \$175,000 to the capital reserve fund and \$10,000 to the pump repair. It strikes him that they don't need to put much more money into the pump repair. Mr. Malizia said that's why it was reduced to 10 from 25. Chairman Massey suggesting that maybe they reduce it to zero this year and put \$200,000 into the capital reserve fund. The Board's thoughts on that. They'd have to change the revenue item if they're going to do it. Be aware of that too.

Selectman Jasper wanted to know what the cost of the pump replacement is. Chairman Massey said typically they've been spending somewhere between \$25,000 and \$30,000 for pump replacements. Mr. Webster said they just replaced the pump at the Ducharme Well. It was \$6,500 for the submersible pump they changed. That was just that one. They do get a lot of pump repairs. Selectman Jasper asked if they took that out of the capital reserve. To Mr. Malizia's knowledge, they haven't tapped it yet. Selectman Jasper said they didn't even have \$335,000 worth of pumps. Mr. Malizia said no. Selectman Jasper would agree with Selectman Massey. Mr. Malizia said that they have a \$135,000 balance. Chairman Massey said it was \$375,000 in the repair account. In both cases by the way, the Board of Selectmen are the agents to expend. They basically have been taking care of pump repairs out of the operations budget.

Selectman Maddox said to fix that. From now on, all pump repairs will come out of this fund. Chairman Massey said at the moment it's kind of a wash because you just put more money into your operating circle. They're running a fairly good surplus right now. About \$1 million he thought it was. Ultimately, Selectman Jasper asked where that \$1 million surplus going right now. We're just leaving it in cash. Chairman Massey said there's cash and there's also a short term investment. Selectman Jasper said there was only 1 line for capital reserve and it's the break down in there on the 450 that says 10,000 is going there. We ought to just take that line out and put the 185 all into the capital improvement reserve. Mr. Malizia said it was certainly easy to do. Selectman Jasper didn't think they needed a motion because that was in the detail as long as they have a consensus.

Chairman Massey was asking the Board to consider increasing. The year before they put \$210,000 into the capital reserve fund. In order to do that, Selectman Jasper said they'd have to take money out of the cash reserves and do that. He didn't know that that makes any difference. The cash can be used for anything. If there's a consensus, they won't put anything in the water repairs. Chairman Massey said the pump repair. Selectman Maddox said it says water utility. Chairman Massey said the actual wording of the capital reserve fund was for pump repair.

Mr. Malizia said there are 2 reserve funds that they established some number of years ago. One of them was for the water utility for improvements to the system. Last year and this year, they're proposing to put \$175,000 in there. On the pump side of things, which are basically for pumps not just at the wells but there's pumps around town. Water gets pumped around all through the system. We've been putting \$35,000 a year in. Now that we're up to 335, we decided to scale that back to 10. If you want to make it zero, that's fine. Put that 10 back into the other one.

Just for clarification. Selectman Maddox said they were saying pumps but it says water utility repair. Is it water repair or is it just pumps? Chairman Massey said it was a water utility pump repair account. Mr. Malizia said they have a similar one in the sewer. Pumps are the biggest dollar ticket item in that. Chairman Massey said you could not repair a pipe with it. Selectman Maddox was thinking the sub station if there was an issue with...Mr. Malizia said if the building got blown over or something...no it has to be the pumps. Selectman Maddox said they should change the name of that at the very least so that...Chairman Massey said that was the language that the Trustees of the Trust Funds use. He can assure the Board that the language when the fund was created was for pump repair. When we go to take that out, Selectman Maddox said that would be quite evident.

Ms. Carpenter said she would make the recommendation to them to add the word in it that's the same purpose. Chairman Massey said they'd now put \$185,000 into the capital reserve fund but they didn't need to change anything on the budget. Mr. Malizia said he'd probably change it back up to the Budget Committee's edification just because if you look at it, they'll be confused if they don't change it. They'll just change the backup.

Just to reiterate something the Town Administrator said. Chairman Massey believed next year would be the year that they need to take a real serious look at the capital improvements which include a tank on Marsh Road, a replacement of a booster station and a new water main line. Between those 3, it might then be able to take the Gordon Street tank off line. At some point, the Gordon Street tank is going to be required to be rehabbed. At the last estimate they had, it was in the 6 figures to rehab that - \$400,000. It's something that needs to be really looked at carefully next year for a warrant article for the capital improvements.

One thing Mr. Webster wanted to quickly mention. They still left Weston & Sampson's contract for \$15,000 in there. That was still in there. They used them every year for their water. It's still in there for engineering services. Just to let you know that's been the same. They've been very good with them with all the stuff they do in town with wells and everything else. For the Board's update, Chairman Massey believed that the test wells that they drilled came up as an insufficient flow to warrant put a well. There's still one other possibility that they're going to ask Weston & Sampson to look at. Basically those wells if they drilled them over there behind Garrison, they're going to be 20 or 30 gallons max. Mr. Webster said that was 40 gallons. It was a 4 hour test. They only had one. They didn't have the gravel for the water to go through. It was sand all the way down to 56 feet when they hit ledge. The other alternative is to go someplace else or try to do a well in the ledge in the fracture. That was one of the things they talked about. Try to go in another area to find another well. Hopefully by the map, it says right in here and he figured they'd be hitting it.

Chairman Massey thanked Mr. Webster and another good year.

Information Technology (5330)

Chairman Massey recognized IT Director Lisa Nute and Vin Guarino. Good evening.

Ms. Nute wanted to start out by saying she does not have a town vehicle. She brought her own water tonight and she hoped they got it out of their systems. She did all the cutting ahead of time. Ms. Nute introduced Vin Guarino for those who don't know him on camera. He is one of their 2 IT Specialists. John Beike is their second IT Specialist and she's Lisa Nute the IT Director. They plan, procure, implement and manage all IT for municipal government. That means everything but the school and the library. They support over 300 users both volunteer and elected officials that use Town resources. They have a fleet of laptops in emergency vehicles for both police and fire and in the field. They take care of 2 emergency dispatch centers 24/7; three phone systems throughout the town; all servers and a virtualized environment; work stations; and a multitude of software applications, etc. They manage IT in 11 buildings and 7 remote sites, which includes the Nashua District Court office, school resource officers, and neighborhood offices.

[Lisa Nute] This is IT's fourth budget that they're putting together as a consolidated department. Their accomplishments in the last 3 years have been immense. They as the Board knows brought the Town side

fire and highway up by 20 years in technology in just the past 2 ½ to 3 years. This department has had the opportunity to save the Town money. They've taken advantage of everything they could possible do and are continuing to do that, and you'll see that in this budget.

To offset rising costs because maintenance continues to go up, supplies goes up, freight is going up, Ms. Nute said there's always something that has to offset that. There isn't a whole lot left in their budget. What they did manage to do is find a supplier who's new to the business for their cartridges. They're genuine cartridges but substantially cheaper. She's banking on that to help out with some of those departments so that they could keep it the same as last year. She doesn't have a full year to see yet, but they'll find out as they're getting through this FY2011 budget as to how close she is on her estimate for FY2012.

Ms. Nute continues to look for projects that provide us a return on our investment. She has a couple of those in her budget too. In their first year they could show a direct savings of at a minimum \$8,000 just by reducing points of failure when they got to Town Hall and things they saw. The second year they started laying down town-owned fiber optic and reducing leased lines. They saved \$16,000 off the bat in 2010. When that paid for itself and they swapped out the phone system with an upgrade, it was in excess of \$40,000 they saw in year 3. They continue to save money on their phones. They've now looked at their long distance and found a cheaper carrier there. Ms. Nute gave credit to their diligent Payroll Clerk Jen Riel as well. She's keeping Ms. Nute informed when they find phone lines that are not on his list, she'll flag her. Sure enough they still find lines that have been out there for decades and going no where and they're paying for them. You should still see a little bit of a reduction in somebody's phone account out there.

Ms. Nute brought up one thing while she was thinking about it on that same note. She had the Rec. Director call her out of concern when he was putting his budget together. His phone costs seemed to have gone up this year. She noticed she mentioned that about Kevin's and she didn't know what the situation was on his. She thought that there was a difference that has nothing to do with their phone system. Like she said, they should still be saving the Rec. Department. He actually made a change in his wireless which should have saved him a little. Ms. Nute thought that the billing is being done just a little bit differently. So you may see that and that's certainly what the issue was with Rec. She did look into with Jen. She thought Jen was billing more to the departments that should have been going to all along. There's just been an adjustment. Again, it's just being offset somewhere else. Maybe Ms. Carpentier can talk to that better than her. Ms. Carpentier said there's been a decrease of \$11,000 in fiscal 2008 to 2009; \$11,000 from 2009 to 2010 in the general phones other expenses. Their efforts have paid off and as Lisa alluded to, some of that has been allocated out if was a dedicated line to Rec. They definitely are seeing a savings overall.

Ms. Nute's bottom line is under slightly. Not that she doesn't need things, there's a whole wish list that they just passed out to the Board members and she'd like to get to that in a moment. The reason that she came in under is because she's hoping the Board will take her seriously on what she really feels is a priority. She directed the Board's attention to 5530-252, IT Outside Service. It's where she had previously had an intern just for some web work as you know a couple of years ago. That's where she put it back. It's specifically for some additional help because their work load is not going any where. The amount of time that employees have to wait is quite frankly an embarrassment. She really didn't want to tell them some of the things and how long people have waited for things that are not a crucial fire. It gets pushed. She has to thank the department heads for their patience. She knows that the Fire Chief gets very frustrated as do others. There's a lot to do. She really feels it's a disservice to them as things slip by because they can't get to things fast enough.

Ideally, Ms. Nute said they really should have a part time, low end tech. who like our past intern that they did have from UNH for just a short time, she really wished she could have held him longer. Jeff Lavoie was their intern. He did a tremendous job. She would have hired him on the spot if she had a position for him. Ideally that is really what the IT Department needs to benefit all of the department's service to their customers, the public, and to get through some of the mundane things that take them from not only just big projects. Vin for instance will be focused on an exchange or something to solve a problem and then you get these interruptions. It's a constant interruption. You have to then gear back up and go back to it. It's a

constant thing. Having at a minimum an intern, which was her compromise to a part time employee would be helpful. What she budgeted for was 12 weeks. That would be for the portion of the summer about the same time they get the engineer interns in.

Chairman Massey wanted to add to that. We have had only one resume send to us from the Able Network for a part time person to help in the IT Department. Unfortunately the individual would not have been a good fit for the type of work that the department needs to have done. They're still waiting for the Able Network to send them another one. Quite honestly, he's been a little surprised at how few referrals they have. He just got for the first time a referral for the Senior Program Director. He had to send it back because the qualification were totally off the mark. There wasn't a single skill set that the individual brought to the table that applied to that position. Chairman Massey thought in the case of the IT person, he didn't have enough background. Was that correct Ms. Nute? Ms. Nute said it was a totally different area than they really needed. He was already working. Chairman Massey said they were still trying to see if they could get that kind of help through the Able Network.

As Ms. Nute has said, Selectman Jasper said that was really top of her wish list. She didn't attach a dollar amount to it. Ms. Nute said she didn't have the intern in her wish list. She has it budgeted in 5330-252 and in the justifications. Chairman Massey said on page 4 Ms. Nute had it identified as a budget item. The reason Ms. Nute did want to come here with this wish list and actually discuss it tonight was because with the bottom line staying where it was, and slightly under as she brought it in, the Board needed to see what is not being done. This is an important thing in this department because it's going to be easy to slip back right where they came from if they let upgrades go and you don't take care of things. Over the long run, it starts to creep up and then you're either forced to do something at the bigger costs instead of trying to keep things even, or handle things as they come.

Under A. New Technology to save time, improve services or show return on investment. Ms. Nute said as you know the engineering laptop is Mr. Webster's own personal PC. She thought that was great. A laptop for field work is keeping redundancy down and definitely necessary. The IT staff has no control over antivirus on his system. They have no control over town information that's on someone's personal system. Chairman Massey asked if the computer that's currently on the desk one of the 12 that she's going to be replacing this year. His thinking was perhaps if that wasn't one to be replaced that they take that computer and put it in where one of the others is to be replaced and use that one to put a laptop for that position so that it can be used both in house and on the road. He didn't think it had to be a rugged machine does it? Can it be just a standard laptop? Ms. Nute said yes. They also have semi-rugged. Chairman Massey asked if she could do it with the \$850 cost or is it going to be a little bit more? Mr. Guarino said it would be a little bit more. The real concern that Chairman Massey said the Board should be thinking about is because you have no control over the internet connections that this machine has, they can't guarantee that the machine won't infect the rest of the network. To his way of thinking, it would be a high priority in his mind to replace the machine that's on the desk right now with a laptop and use that computer for one of the other replacements.

Selectman Maddox asked what the price was for antivirus for that machine. Chairman Massey said the issues weren't the price. The issue is control. He thought it would be inappropriate to have town employees using personal computers for their work. If they can fix it, they should. Selectman Maddox was wondering what the cost was but Chairman Massey is going in a completely different direction. He's going to stop right there.

Selectman Jasper agreed with the Chairman and he agreed relative to the potential for infecting the town system. He thought that they really shouldn't be waiting until July 1st if that's a real concern, they should take care of it now and find a way to do it now. If you're concerned about something like that, you shouldn't say but we can wait 8 months. Chairman Massey asked if IT could make the swap now. Ms. Nute said yes. They'll put it on the "to do list". Selectman Jasper said that was something that probably would be appropriate to come out of contingency if she didn't have the funds in her budget. Ms. Carpentier said they just cut money out of engineering fees. So he has the money. He can pay for it. Chairman Massey said one way or another, they can pay for it. His recommendation would be let's do it now.

Selectman Jasper was right. Let's do it now and use that desktop computer somewhere else in the town inventory.

Selectman Maddox said now you have to get them a docking station. Ms. Nute said no. Selectman Maddox asked if they were going to have him plug into all the ports. Chairman Massey said he didn't need a docking station. Mr. Guarino said there was nothing for him to plug into other than a keyboard, a mouse, and a network. Selectman Maddox said he was using CAD. Chairman Massey said no he wasn't. Just so everybody understands. There are 3 computers in the Engineering Department right now. There's the one that the secretary uses; there's the one that the Town Engineer uses; and the other one was the one that was used by the other engineering person. That machine is the only one that has the CAD software on it. Even if you put a laptop in there, you will not be able to run the CAD software on the laptop because the license is such that it only is a one CPU license.

Selectman Maddox said that AutoCAD for free you can download the viewer. He can look at all the AutoCAD drawings he wants on a free viewer that he would think he would want to have, especially if you have them out in the field. What's the sense of having them out in the field if he can't look at the very drawings that you're trying to have him look at out in the field. Ms. Nute said they could do that. Mr. Guarino said Mr. Webster does have the AutoCAD viewer on his system. He didn't know if he had it on his personal laptop though. Selectman Maddox thought they were making an elephant pile here out of dust. Mr. Guarino said Mr. Webster does use the AutoCAD system to update some of the drawings. Right but if he's not doing it from the field, again, Selectman Maddox didn't see Mr. Webster having the ability to infect our system from what little he probably does from the field. If this is the big rush, he guessed they were going from engineering funds and he has the money in his budget this year. Thank you.

Selectman Coutu said he had no comprehension of this at all. It's been muddied to the point where he doesn't understand it. Chairman Massey asked him what was being muddied. Selectman Coutu said right from the very beginning. As a point of information Mr. Chairman, he's looking at a line item on 5330, Information Services, and he heard Ms. Nute say that her budget went down. He added it up and it went up approximately 1 percent. You said you were coming in under. Chairman Massey said her operating budget is down 1 percent. The labor associated is up 2 percent. So the net increase is 1 percent. Selectman Coutu said when somebody says to him that their budget is lower than last year's, he's looking at the total number. Operations may be down, but if everything else is up. Selectman Jasper agreed but he made the same assumption when Kevin Burns came in. Two and a half hours ago he said the same thing he just said and it was explained. Selectman Coutu said that the numbers were there and he was adding them up. The total budget is higher than what she had for last year.

Ms. Nute apologized that she didn't say operating budget. The operating expenses that she has control over. She's looking at the second page of her justification. Another thing Selectman Coutu got confused about is that Ms. Nute said something about replacing a computer on a desk. You never said what desk or where until near the end and he said they must be talking about engineering.

Chairman Massey said right now the Town Engineer has 2 computers. He has a computer that's sitting on his desk, and he has a laptop that he takes out in the field with him. That laptop is not a town computer. His suggestion was that you take the computer that's on his desk and reassign it elsewhere and replace it with a laptop that could be used both in house and on the road. Selectman Coutu said he got that part. His secretary doesn't have a computer. Ms. Nute said yes she does. Chairman Massey said there's 3 computers in that room. There's one on Gary Webster's desk, one on the intern's desk, and there's one on Betty Holt's desk. He's suggesting that having a town employee use their personal computer for town business is not a good policy. The way you fix it is you replace the computer that's on the desk for the engineer with a laptop that can be used both in house and on the road. Take the computer that's there, because it's not one of the ones that are scheduled for replacement, and reassign it to another facility.

Selectman Coutu gets all that so far but explain to him again about the potential security problem. Ms. Nute said it Mr. Webster's laptop was not a town owned system. Selectman Coutu said that answered his questions. So whatever they're going to do, they're going to do it in this year's budget as opposed to wait

if they're going to do this. Chairman Massey said that Selectman Jasper makes a good point. If it is an issue, we should do it now and not wait until next July. Selectman Coutu's consensus is do it now.

The only thing that Selectman Jasper would say is that if they do it this year, they may not need to take his desktop away. He didn't know how he might feel about that. Personally he can work on a laptop but he absolutely hates it. He wouldn't want to have to spend his whole day working on a laptop. That computer is already there. The Town Engineer ought to have a laptop to take out into the field. He didn't think that ought to be a trade off if he's not comfortable spending his whole day working on a laptop. He couldn't do it. He can work on one if he has to but he absolutely hates it.

Chairman Massey said he would work with IT and come up with the best solution for the Town and Gary Webster.

May I continue with my "Wish List". Ms. Nute said other things that weren't being done. She had suggested that Assessing also have a laptop out in the field. They're doing redundant work for basically the same reason. They're not using their own personal laptop or anything but you'll see this on the Assessor's wish list as well. Chairman Massey thought they had one. Ms. Nute said no. Community Development. Chairman Massey said that was the whole thing about being able for the assessor to go out into the field and have all the data on the system when they went in it. That's what Ms. Nute had wanted but they haven't done it. Selectman Nadeau asked if it was budgeted. Chairman Massey said it wasn't budgeted. Ms. Nute said it was the default year and it got thrown out. That's what happened.

[Lisa Nute] Number 3 is they really should have additional licenses for building permits. The Engineer's secretary generally cannot get in when she wants to and she had to go upstairs or ask somebody to get off so she can. Unfortunately you can't just buy one license. You have to get a chunk. So we're talking about \$1,000, just under \$1,200.

Section B, upgrades. Ms. Nute said they really should look at an exchange upgrade to 2010. That requires a 2008 server license as well. So that's the approximate cost of \$8,000. Chairman Massey asked what she was currently running for exchange. Ms. Nute said 2007. It won't happen in FY2012. Now we're looking at FY2013. She just wanted to make them aware of those things. They can't let them slip for too many years. Chairman Massey asked what the servers were currently running. Mr. Guarino said the servers were running 2003 on the mail server. Chairman Massey said it would be equivalent of Windows 7 for the servers. Where are we with that? Mr. Guarino said the servers were 2008. Right now Chairman Massey said they're 7 years behind on the servers. Mr. Guarino said just on a couple of servers. They've been migrating to 2008 over the last year.

Section C. Facility Improvements which Ms. Nute did speak on at their workshop. Computer floor tiles and a security cage to separate the servers and phone equipment from people and vendors when they go in there to work. That would entail some renovation in the room because they did not do that as well. If Chairman Massey understood correctly, that's a safety issue. Ms. Nute said the tiles that they have are mats. The problem is when they want to pull the server cabinet out, they need to move the mat. They're tripping on things when they have to get around to the back of their racks. Chairman Massey asked if it was something the Board would consider taking out of the contingency fee. Selectman Maddox thought that it would be a wonderful thing to do at the end of the year when they have money left over in their budget. Again, they're nice to have but that's his opinion.

Selectman Jasper said whether they have it left over in their budget or not, he thought they were things they ought to look at. He thought the laptop for the Assistant Assessor they ought to look at his budget and talk to him about it and make the decision. There were other things he thought they could look at the end of this fiscal year that are relatively small dollars. He didn't see anything with the security cage so he didn't know how much that was.

Chairman Massey said Ms. Nute didn't put a price tag on the security cage. Ms. Nute said she did not because bottom line she's got some work to do in there. You have to be drilling into the brick, an installation, and they have to rearrange that whole room. It has to be moved. They have to take shelving

down. It's not a simple quick little thing. She didn't even bother but if they'd like her to actually get a cost, she will. Selectman Jasper said not right now. The other things he thought they could look at.

Line item 5334-403 small equipment. In your explanation on page 4, the thing that jumps out at Selectman Coutu at first sight is the projector and screen for the Board of Selectmen meeting room networked to HCTV. Do we really need that down here? Ms. Nute said it has been a request on more than one occasion by HCTV. It's been an inconvenience to when they have meetings going on in both places. It would be beneficial to have something here. Chairman Massey asked why wouldn't the Cable Television pay for it. Ms. Nute said they've had that out with them. This does not include the connectivity. She told him that he would be responsible for that. She would do the installation here that would be a town device. They would need a screen. Then he would have to be responsible from getting it from the Board of Selectmen's meeting room over to his equipment. The other thing that would be ideal is, and what she budgeted for, a port on the wall so that when you get people that go in there like Benson Park Committee as they've requested in the past, Energy Committee – they all want to be looking to use that one in there. That requires a Town employee to log in and you can't just go plug a laptop into it. You have to use that system. They've had to e-mail her the files. This would be set up a little differently where they could go in, bring in their own laptop and PowerPoint, and plug in and it's now accessible. It's not on their network. It's just assessable to them to use the overhead. So it would be ideal for their committees as well.

Board members it seemed to Chairman Massey that that should be taken out of the cable budget. They certainly have the money. Selectman Coutu said he could attest that the money is there. Chairman Massey said he knew the money was there. Right now with their budget they're talking about transferring to the capital reserve fund \$12,000. He certainly thought there was room in that budget to do all that work and it shouldn't be an IT project. It's a cable related item. A projector and a screen for being able to show on cable TV is not a...Selectman Maddox said that was kind of a stretch. The projector and the screen are for people to make a presentation to the Board of Selectmen. Yes the interconnection to get to cable may be their responsibility.

Selectman Jasper agreed with the Chairman. This isn't something that they need to even justify. Until a few years ago all the money from the franchise fee just went into the general fund. They're talking about \$1,200. They can say yes the \$1,200 is coming out of cable. It certainly would be a benefit.

Motion by Selectman Coutu, seconded by Selectman Nadeau, that line item 5330-403, IT small equipment, be reduced by \$1,200.00, carried 5-0.

Ms. Nute asked if they could do number 3. on the Wish List for the exact same amount so that the engineers can use the building permits when they need to get in there for the driveway purposes and permits so she doesn't have to keep running upstairs or kicking somebody out? Selectman Coutu said you no sooner save money and they have to spend it. They're trying to bring their budget below. Ms. Nute said it was already below.

Selectman Maddox saw the Assistant Town Administrator in the back of the room. He was thinking that that was something that he could work out. He was sure that everybody upstairs leaves their machines on and that software has X amount of licenses. Again, a better control of not just leaving them on all the time. Betty could get in there at some point. Ms. Nute said not everybody upstairs has a license. So when there is somebody who wants to get in, they'll ask to get in. When you have to do that and then somebody who's not even in the office to take somebody down – the reason they keep it up too is because you never know when you're going to get a customer. It's nice to have it accessible and ready and its there to go. They do all their work in their. It's way too tight when you have to do that.

Selectman Jasper said the biggest expense they have in the Town is labor. Having somebody have to call up and ask to get on. If she wants to get on and even if nobody is leaving it on and the other person is on there, this is just crazy. He didn't think they ought to wait to July for something like this. He thought the Board ought to find a way to make it happen this year. When you're delaying people, you're wasting time. That's the most expensive commodity that we have. Selectman Coutu was agreeing with Selectman Jasper. He's just saying that there are a lot of things that are coming out, particularly in this budget. Those are

things that should have been rectified some time ago. This shouldn't be something that they're putting off until next July. If they're going to have this woman running up and down for the next 7 months because they have to wait for next July – he's envisioning her running up and down the stairs for 7 months and he thought that was funny. Chairman Massey said since they were going to be talking to the Town Engineer about the laptop issue, they'll also roll that into the same thing. Selectman Jasper said they can find a lousy \$1,200.

Ms. Carpentier said they made the motion to cut \$1,200 but are you increasing cable. Chairman Massey said what's going to have to happen is a motion to add money to the line item in the cable and take money away from the capital reserve transfer. Ms. Carpentier asked if they were doing that tonight or when they visit cable. Chairman Massey said the courtesy would be to have it when they're there so that they see what it is. Selectman Coutu said they ought to bring up too is if they didn't budget for the connectivity, maybe they'll also look at that over and above the \$1,200 where they have \$7,500 in capital reserve anyway.

Mr. Chairman while they're doing that, Selectman Maddox and Ms. Nute went down to the Community Development room and because cable needed some connection into the projection, that's why the Planning Board has been getting wobbly eyed looking at that screen as it was so unfocused. Now she's changed it back. If they're going to do something in the Board of Selectmen's meeting room, they need to have some communication with them so that either they buy the right piece of equipment on their end but the Planning Board was literally backing up trying to make the prime wetlands come into focus because somebody had set it up to be able to function with the equipment that cable had available. Is that a correct statement?

Ms. Nute said there were two things going on. The reason it was so bad suddenly was because a cable came loose. They've been doing some air conditioning work and it got moved. That took care of the color problem and the ghosting. All along they've not been able to take advantage of the better resolution back there because it's not compatible with video – the HCTV. You've got that green box that's converting so that they can use it and view it on TV. It's only capable at the lowest resolution on that projector. When she did modify it, they made it crisper. Vin got in there and changed the settings to make it brighter. John Cashell thought it was a whole lot better. HCTV is about to find out and they need to remember to e-mail him. They will get just lines when they go to show it through the camera. They will have to zoom in on the screen itself. She was hoping that might work for them. When they do the Board of Selectmen's room, Selectman Maddox wanted to make sure they were compatible so they don't have 2 rooms. It's the people that are sitting in the room that needs to see it and not people on television unfortunately. He thought if they shot a screen with a camera, that's the best it's going to be. Thank you.

Selectman Maddox asked to go to page 1, 5530-208. Ms. Nute you said you didn't have any telephones but there's 16. Ms. Nute said they have 3 cell phones for her staff. What this is the leased line for an actual line to be able to call out and receive calls in using their phone system. It's what's called a PRI line. It's a T1 line for their phones. That's actually a leased line that they're paying. Selectman Maddox asked if any of the fax lines were on that budget. Ms. Nute said they didn't have any fax lines in IT. On the return on investment in the left column, the bottom line is down but she's requesting that they return some money next year by reducing the phone costs at the Rec. Center with the \$6,200 to run fiber optic down there. They could then bring them on their phone system and that would reduce their fax line and hopefully one other copper line as well.

Mr. Chairman earlier you said that he was still finding phone lines. Selectman Maddox thought if you get a bill from a number of vendors, somebody needs to find out if there are lines that they're just not using any more. They went to a connection 5 years ago and we're still getting a bill for them. Ms. Nute you said your billing clerk is finding those. Ms. Nute said she put a lot of time and energy in doing that. When Fairpoint took over, they actually helped us out a lot. They didn't help themselves, but Verizon used to give them one lump number and you had no idea. It is understandable that for many years we were paying things and had no clue. Fairpoint started itemizing and we could actually see phone lines and phone numbers and started tracing things back – who's using this and what is this for. She went back as far as they could and found things like on the corner of Lowell and Fox Hollow, she thought there was something they did with a light there once upon a time and it was still hidden out there. They saved a substantial

amount and it's thanks to Fairpoint for helping them out on that itemization that they were able to do so. They are down to just wireless with Verizon, Fairpoint with now long distance and distance, and then Baying for the digital piece of this phone. That's what this lease is here.

Selectman Maddox said things like fax lines. Everybody had a fax line or two and now that's pretty much gone away but the lines are still connected somewhere. People are paying business rates for those lines. If you're confident that we don't have any more of those surprise lines...Ms. Nute thought they had a very good handle on it now thanks to Jen.

Ms. Nute said that she was unable to come on Thursday night's this month. So she was hoping if they had any other questions on the other IT budgets, which have pretty much stayed stable. It's basically just their cartridges. Are you opposed to them quickly going through there if she had the Board go back and forth on that one page per department? Selectman Maddox said if they had any problems they'd get back to her. Selectman Coutu said he read them all and they were all the same. Ms. Nute said that fire was actually down \$1,000 plus. If you don't need the explanation other than what the department head will give you, that's fine.

Chairman Massey thanked Ms. Nute.

Chairman Massey asked Ms. Carpentier with everything that the Board's tonight, what's the change. Ms. Carpentier said they've increased the general fund \$973.00. Chairman Massey asked how could they increase it when they took \$10,000 out. Ms. Carpentier said their first motion was to put \$15,000 into a capital reserve fund for the VacCon.

Chairman Massey said the next meeting would be on Thursday night, October 21. For those out in the audience on the 21st they're going to be doing Assessing, Town Clerk, Fire Department, Board of Selectmen, Town Poor, Legal, Insurance, Patriotic Purchases, and Other Expenses. So we'll see you at 7 p.m.

Ms. Carpentier wanted to also tell the Board that the insurance rates that we used for health insurance were estimated at a 10 percent increase and that's what she put into the budget based on what she was told by their carrier and also a 5 year average. They've received anywhere from 19 percent to 8 percent increase in their insurance. Unfortunately she has to run the numbers and they'll probably be increasing the health insurance in the budgets that are before the Board. Selectman Coutu said at the rate they're cutting, the budget is going to go up 20 percent.

Selectman Jasper had a question on insurance. Do they only have one option? Mr. Malizia said they're negotiated contracts with 5 unions. They're trying to negotiate those contracts for that. They can't change the options but the short answer is yes you do. Their contracts say what they get. They are working diligently, as the Board is well aware, to change that. Selectman Jasper asked in terms of carriers...Mr. Malizia said it was pretty specific in there. Ms. Carpentier said that there are options within the carrier such as Matthew Thornton, Blue Cross Blue Shield and CIGNA. She was surprised at the increases and they are trying to inquire they've gone up as drastically as they have. They're pending answers from both of them. Selectman Jasper said that the State uses Anthem and he was wondering. Mr. Malizia said that's who the Local Government Center goes through to (inaudible). Ms. Carpentier said unfortunately at some point on Thursday night she'll probably be bringing a motion to increase the budgets.

5. ADJOURNMENT

Motion by Selectman Maddox, seconded by Selectman Coutu, to adjourn at 10:12 p.m., carried 5-0.

Recorded by HCTV and transcribed by Donna Graham, Recorder

Hudson Board of Selectmen

Kenneth J. Massey, Chairman

Richard J. Maddox, Vice-Chairman

Shawn N. Jasper, Selectman

Benjamin J. Nadeau, Selectman

Roger E. Coutu, Selectman