

**TOWN OF ATKINSON
BUDGET COMMITTEE MEETING
Thursday, December 28, 2017**

Members Present:

Bill Smith, Chair
Wendy Barker, Vice Chair
Sue Carroll
Bob Worden
Peter Torosian
Bob Malo
Jason Grosky, Selectman Ex Officio

Others Present:

Alan Phair, Town Administrator
Diane Heer, Library Director
James, Cobb, Library Trustee
Barbara Snicer, Asst. Town Admin

Agenda:

Trash Contract:

Selectman Ex Officio Grosky explained that the trash contract with Northside is ending in April. The Town requested 4 bids which were narrowed to two. Last night, the Select Board looked over proposals from Casella and JRM and have narrowed their focus to Casella. There are a couple of issues to consider. First, the Town wanted a three to five year contract. Casella wants a 10-year contract. The way the trash business changes, it offers some stability but on the other hand, the Town is locked in if prices drop.

The other issue is how trash will be picked up. At present, residents put out barrels and someone drops off the truck and throws the trash in. The alternative is a cart service. For year one the cost of trash collection looks like \$570,900 whether it's a cart service or the current service. A cart service would cost less 6-10 years from now. Carts would have an initial cost of \$300,000 whether the cost is rolled into a contract or if the carts are purchased from a third party. A cart system would cost about \$60,000 less per year for trash pick up. Years one through five the trash service cost would be flat. The savings would occur in the years after the carts are paid off. There were also some escalators which the Town brought down. The contract will increase 2.5% each year. The original contract increase was 3.5% yearly.

The Town has not reached a contract and the Select Board has not made a decision.

Chair Smith asked where the savings in years 6-10 would come from. Selectman Ex Officio Grosky explained that if the Town switched to carts, it would cost \$60,000 a year for five years for the carts, but the cost of trash pick-up would be less. The total cost would be approximately the same for the cart system or for our current system the first five years. Once the carts are paid for, the cost of trash collection using the carts would be less. The carts can be purchased separately from the contract with Casella. There are only two companies that sell carts, Cascade and Casella. One of the things the Town negotiated with the company, because of the volatility of recycling most companies have an escalating scale. Mr. Phair was able to negotiate that the cost of solid waste will be capped at \$55 per ton.

Mr. Phair explained that the Town has an annualized rate with the current trash company at about 2%. The carts will cost about \$50 each. There will be two carts, a sixty-five gallon for trash and a 90 gallon for recycling. The carts will be tagged and labeled Town of Atkinson. The carts are warranted for ten years.

Vice Chair Barker asked about large families and if they could have larger trash cans. There is no provision for overflow if the trash barrel is full. Selectman Ex Officio Grosky stated that it is a concern for him and of residents in the Town and the trash company will make exceptions on a case by case basis. Mr. Malo asked if there was somewhere else trash can be brought if you have more than a barrel and Mr.

Phair explained that there is not. There is no provision for large items. Selectman Ex Officio stated that limiting the amount of trash that can be put on the curb weekly will encourage recycling.

Mr. Phair expressed that the cart system will save the Town a lot of money over time. The average cost of about \$612,000 with the lease versus the cost without the lease of \$579,000. The total cost over ten years would go from \$6.127 million to \$5.79 million. Overall savings would be \$400,000 - \$500,000. Mr. Malo asked if the companies have experience in Towns and finding trash on the side of the road. Mr. Phair explained that Casella is very well known and have a strong marketplace.

Member Torosian stated that it has been his experience that the barrels are much cleaner and easier to use. Mr. Worden asked about a five-year contract. Selectman Ex Officio Grosky explained that the 10-year contract locks in the rate for the Town. Member Worden asked what would happen if there were problems with the company. Mr. Phair explained that if the Town wanted out early, there would have to be a buy out for the carts. Casella prefers the carts. Vice Chair Barker asked about bulk items. Selectman Ex Officio Grosky explained that Casella will not be as generous with bulk items as the current contractor.

Member Torosian asked what the cost for a five-year contract would be. Selectman Ex Officio Grosky explained that the advantage of the 10-year contract is the rate is locked in. Selectman Ex Officio Grosky also explained that there would be a clause in the contract allowing it to be broken, but breaking it would be expensive. Casella would prefer the automated system.

Vice Chair Barker asked about bulk item pick up. Selectman Ex Officio Grosky informed the Committee that bulk item pick up has not been negotiated. One option would be to allow bulk item pick up once a quarter for a fee. Residents may also have to dispose of bulk items on their own.

The estimate is \$570,900 for solid waste for two thirds of FY18. Selectman Ex Officio Grosky stated that the estimate would be the same with or without carts. With carts, the cost for trash removal will be \$515,000 - \$520,000. Selectman Ex Officio Grosky explained that trash removal with the cart system would be about \$520,000 with a 2.5% escalator yearly. The carts can be purchased through a warrant as a one time expense or be paid for over 5 years at \$60,000 per year. The total cost of the carts would be \$300,000.

Mr. Torosian asked if the contractor would reduce the cost of the carts. Mr. Phair explained that if the Town negotiates to lease carts, there would be minimal negation. If the Town negotiates with Casella, the carts will be marked up because Casella would have to purchase them from Cascade. Chair Smith suggested a warrant to purchase the carts. Chair Smith read a chart given to him by the Assistant Town Manager. The chart showed that the contract would start at a lower rate if the carts were purchased separately. Chair Smith stated he thought it would be less expensive to purchase the carts through a warrant and save money on the trash contract. Selectman Ex Officio Grosky explained that there would be the danger of the warrant not passing.

Selectman Ex Officio Grosky stated in his opinion and the other Selectmen, there is a lot more openness to the idea of shifting to a cart system. Chair Smith stated that his concern is there is only one trash barrel for each household and it might not be enough. Chair Smith is also concerned about forcing people to limit their trash.

Member Malo asked about the size of the carts, and Mr. Phair informed the Committee that there are different sizes, thirty-five, sixty-five and ninety-six. Atkinson plans to use the sixty-five gallon cans. Vice Chair Barker asked about giving residents the option of choosing a size barrel.

Vice Chair Barker asked if it was possible for the Town to start with manual trash pick up with the option of switching to a cart system. Selectman Ex Officio Grosky explained that it is an option, but in the

meantime, the Town will have to pay the rate for manual trash pick-up. The cart system probably not start until September. Another question is, what rate will the Town pay until trash pick up switches to the cart system.

Mr. Phair explained that Casella will have to purchase new trucks.

Member Worden commented that the Town's present form of trash removal is antiquated, it is labor intensive and has high workers comp costs. Most companies will be switching to cart pick up. It is also harder to get workers to pick up trash. Member Carroll remarked that the automated system is taking out entry level positions. Member Carroll asked who would be responsible if something happens to the trash barrel. Mr. Phair informed the Committee that the barrels are chipped. The carts are also warrantied for ten years.

The carts are warrantied for ten years.

Chair Smith made a motion to make the recommendation for the solid waste disposal at 2/3 of the year with an annual rate of approximately \$575,000 and one third of the year at the average 2017 rate through November, equaling \$511,634. Member Torosian seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 7/0/0.

Discussion: Mr. Phair explained that he believes the amount should be \$521,634. Chair Smith explained how he arrived at the figure.

Cable Operations – Staff Salary – Line Number – 458892.110.00: Mr. Williams appeared before the Committee to ask why the Budget Committee removed \$2,000 from this line. Vice Chair Barker informed Mr. Williams that the Committee is concerned about the savings for the robotic cameras. Also, if additional staff is hired, it will not be until mid-March. Mr. Williams explained that he is ready to hire now. At present, the only station personnel are Mr. Williams and Mr. Wolff. Mr. Williams also explained that Mr. Wolfe has two other jobs and his hours with Atkinson Cable Television are capped at 10 per week. Mr. Williams' hours are capped at 30 per week. He needs camera operators for the deliberative session. Vice Chair Barker asked why Mr. Williams did not hire staff in FY17. Mr. Williams explained that he has been working on automating Atkinson Cable Television and writing policy and job descriptions. He has done a survey of pay rates for directors in surrounding towns. Mr. Williams explained that it has taken time to make adjustments in policy and pay rates and he is ready to hire. He would like to start hiring now. The \$2,000 would take away 40 meetings that he could hire for.

Member Torosian asked about 2016 and 2017. Mr. Williams explained that \$7,000 is for the assistant director. The rest of the line is for camera operators and show directors. The number is based on where the meetings are being held and how many meetings will be held. The robotic cameras are not supposed to leave Town Hall, they are made for permanent installation.

Chair Smith asked which meetings in Town are televised. Mr. Williams informed him that the only two meetings are not televised, the recreation committee and the energy commission. Chair Smith also asked if the Town is required by law to televise meetings. Mr. Williams explained that the Library Board of Trustees and the Conservation Commission are required by Town warrant to be televised. The Select Board is also required. Mr. Williams also explained that only two meetings have been missed. Chair Smith asked if Mr. Williams knew how many people watch each meeting. Mr. Williams explained that he does not have statistics for live watching but he can get statistics for the number of times a meeting is watched on VIMEO. Chair Smith stated that some meetings are watched more than others and maybe not all meetings need to be televised. Mr. Williams explained that he reduced the pay rate to \$50 after the pay survey. Chair Smith asked if Mr. Williams expected to spend the entire \$13,800 requested. Mr.

Williams explained that he has one or two people ready to start already. Chair Barker asked how many people Mr. Williams expected to hire. Mr. Williams explained that the amount is per diem so the number of people hired does not matter. Mr. Williams is planning on 131 events, including all the government meetings that Atkinson Television currently covers and other Select Board sponsored events such as Election Results and Candidates Night. At present, Atkinson Public Television is required to cover the Select Board meetings, Conservation Commission and the Library Trustees.

Vice Chair Barker stated that her figures are different. Mr. Williams explained that the cost of a director is \$50 and \$40 for a camera operator. Vice Chair Barker stated that \$6,550 were the figures she has. Mr. Williams explained that there are 131 meetings and 151 man-hour slots. It is \$50 for a show director. Camera personnel are \$40.00.

Mr. Williams stated that he does not agree with the math. His figures do not reflect COLA increases. Mr. Williams gave the Committee a spreadsheet of

Selectman Grosky Ex Officio made a motion for the Budget Committee to propose \$15,295, for Cable Operations – Staff Salary, Line Number 458892.110.00, the same as the Select Board. Member Worden seconded the motion.

Discussion: Ms. Barbara Snicer informed the Committee that many of the public hearings televised are extremely important to voters, especially ZBA and the Planning Board. Also, if the Committee is considering cutting production, there is a relation to revenue. People do watch Channel 20. Mr. Williams explained that there are more people with cable than with satellite dish. Ms. Carroll asked how many Conflict of Interest meetings were televised. Mr. Williams explained that they do not always meet but they have to be scheduled for every month. It is the same with the ZBA. The ZBA is required to meet if there is an appeal, if there is no appeal they do not meet.

Member Torosian remarked that some departments go up more than others. Elder Services is up 150%. The Police Department is up 81%. The biggest increase for the Police Department is the contract. Member Torosian asked how the contracts are negotiated. Departments that go up more than others have union contracts. The Atkinson Town budget increases faster than most people's salaries.

Member Carroll asked about the Conflict of Interest Committee. Mr. Williams explained that he has to plan for 12 meetings a year. The number of meetings depends on the number of complaints. The same is true for the ZBA, the ZBA is required to be available monthly, but they do not meet unless there is a petition. Also, he has three public events at the Community Center or the Library in his budget in case there is a large public event such as the EPA meetings.

Chair Smith requested a vote.

The Atkinson Budget Committee voted four members in favor, with Vice Chair Barker and Member Torosian opposed and Chair Smith abstaining. Vote: 4/2/1.

Member Torosian commented that departments going to other Towns for wage surveys and it is a circular argument.

Library: Ms. Heer appeared before the Committee.

Materials of Trade, Line Number 45501.670.00: Member Carroll asked Ms. Heer about dropping this line \$5,000 from \$35,000 to \$30,000. Ms. Heer explained that she has cut a lot of expenses. She cut heat. The Materials of Trade line has not increased in seven years and the cost of materials has gone up. The Library is using different, more expensive formats such as audio books and large print books. In 2014, the Library Trustees went to the floor and the voters agreed to the increase. Member Carroll explained that without cuts, people will get a tax increase. She feels that Materials of Trade can safely be reduced. Member Torosian asked if the line could be reduced \$1,000. Ms. Heer stated no, it has not increased in years. Member Carroll explained that not everyone uses the library. Police, Fire and Highway are the three priorities. Ms. Heer stated that \$5,000 is a big cut from \$35,000. Member Carroll stated that the Budget Committee has to have priorities. Member Torosian stated that the Town just had a tax increase and would not like another one. There are several major expenses coming up. Selectman Ex Officio Grosky asked where else she could cut.

Vice Chair Barker informed the Committee that the Library self-finances a lot of their programs. She would hate to take money away from a department that pays for a lot of its own programs and has already cut several lines. Member Torosian asked about revenue. Ms. Heer explained that all DVDs are paid through fines. The money from fines is put in the Town Report. Friends of the Library give the Library about \$10,000-\$12,000. They also fund all the Library programs. Museum passes were in the Library budget, but the Friends of the Library pay for them now. The Friends of the Library also got a 50-50 grant for a generator and also paid \$16,000 for LED lights.

Member Worden commented that the Library budget increase is only 2.03% and the Library is a tremendous asset to the community. The programs are great and the Library has tremendous community support. Member Torosian stated that the budget is going up, and taxes are going up. This is not personal.

Mr. Cobb, Library Trustee, stated that the Materials of Trade line is more valuable to poor people, because they can't afford books for themselves. The Library circulates 50,000 books per year.

Ms. Snicer commented that people on limited incomes use the library more because they cannot afford to buy books or a newspaper subscription. Also, looking at the comparison over the last three years, the Town portion of the tax increase has gone down.

There was no motion on Materials of Trade, Line Number 45501.670.00.

Computers:

Software Maintenance – Line Number 41506.430.00: Mr. Wolff appeared before the Committee and explained that \$8,360 is the total line increase. Chair Smith informed the Committee that at the December 21, 2017 meeting, the Budget Committee proposed \$41,000 and \$45,000 was proposed. Mr. Wolff explained that \$7,380 is the cost for Office 365. Half of the cost for Office 365 is \$3,780. Mr. Wolfe is requesting the Budget Committee to increase the amount recommended for the line by \$650, partly for Office 365 and also for the over expenditure, to \$41,650.

Member Worden made a motion for the Atkinson Budget Committee to recommend \$41,650 for Software Maintenance, Line Number 41506.430.00. Vice Chair Barker seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 7/0/0.

Workers Comp – Line Number 41552.260.00: no change

Police Legal Services - Line Number 42101.320.00: no change

Tax Collector, Education and Conferences – Line Number 41504.850.00: The Tax Collector has not responded.

Conservation – Account Number 46111: There has been no response regarding the cuts to the Conservation budget.

Warrants: Barbara Snicer, Assistant Town Manager, gave a copy of the proposed 2018 Warrant Articles to the Committee.

Selectman Ex Officio Grosky informed the Committee that the Selectmen did not recommend a warrant for putting \$30,000 in the Cable Capital Reserve, the warrant for the Fire Department Staffing changes were not recommended, and lastly, a warrant to add \$5,000 to the recreation capital reserve was not recommended.

Ms. Snicer explained that if the Selectmen recommend a warrant it goes into the warrant, if not, the warrant has to be put on by a citizen's petition. The deadline for petitions is January 9, 2018. Ms. Snicer explained that it takes 25 registered voters for a citizen's petition.

Article #2018-12 – police vehicle: Ms. Snicer explained that having the vehicle go to Elder Services is one option. Vice Chair Barker would prefer that the old vehicle not go to Elder Services. She would prefer to have it disposed of by sale, trade or bid.

Chair Smith recommended the Budget Committee review the draft articles and vote at the January 2, 2018 meeting.

Selectman Ex Officio Grosky informed the Committee that the Select Board questioned each department head regarding the Warrant Articles. Aside from the Articles that the Select Board did not recommend, the only other issue is the Fire Department building repairs and how to pay for it. They would like to take half from the undesignated fund balance and half from appropriations.

There was also discussion about reducing the police vehicle request from \$41,000 to \$21,000. It is a revolving fund that did not come up at the 12/27 Select Board meeting. Vice Chair Barker suggested that Chief appear at the next budget hearing meeting.

Selectman Ex Officio Grosky informed the Committee that the Department Heads appeared before the Select Board two weeks ago and suggested that the Budget Committee watch the meeting on Vimeo.

The Select Board is not meeting the first week of January. Ms. Snicer explained that Mr. Grosky is referring to the Police Revolving account. The first year the police chief buys a vehicle through taxes and the next year through the Police Revolving Account.

Chair Smith asked about road repairs and Selectman Ex Officio Grosky informed him that it is in the Culvert Repair Warrant.

Minutes: December 19, 2017 and December 21, 2017

Chair Smith made a motion to accept the minutes of the December 19, 2017 meeting of the Atkinson Budget Committee as amended. Member Torosian seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 7/0/0.

Chair Smith made a motion to accept the minutes of the December 21, 2017 meeting of the Atkinson Budget Committee as amended. Member Carroll seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 7/0/1 with Selectman Ex Officio Grosky abstaining.

The next meeting of the Atkinson Budget Committee will be Tuesday, January 2, 2017 at 7:30 PM. Warrant Articles will be discussed.

Member Torosian made a motion to adjourn the Thursday, December 28, 2017 meeting of the Atkinson Budget Committee at 10:00 PM. Chair Smith seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 7/0/0.