

Auburn Budget Committee Meeting
January 11, 2018
Auburn Town Hall

Members Present: Peter Miles, Chairman; Mary Beth Lufkin, Vice Chairman; Kevin Downing, David Wesche, Paula Marzloff, Dan Carpenter, Keith Leclair and James Headd

Others Present: Rick Eaton, Selectman; David Nye, Parks & Recreation Commission Chairman; Detective Sergeant Charles Chabot, Alan Villeneuve, School Board; Margaret Polak, Assistant Superintendent of Schools; Russell Sullivan, Finance Director Adele Frisella and Town Administrator Bill Herman

Chairman Miles called the meeting to order at 6:00 pm

Garage / Storage Building Warrant Article

Chairman Miles noted Mr. Eaton had requested to meet with the Budget Committee to discuss its decision to “Not Recommend” the proposed warrant article to build a garage / storage building on the grounds of the Safety Complex property. He indicated he would turn the floor over to Mr. Eaton and the Committee would consider whether it wanted to reconsider its previous decision after the discussion.

Mr. Eaton thanked the Committee for meeting on this issue and felt he should provide a brief history of how various efforts evolved to where we are today. He noted in 2016 the Town sold the former Fire Station for \$141,000 and then in 2017 sold three lots of land for a total of \$311,000. Also in 2017, the Town received \$137,000 in additional highway funds from the State of New Hampshire that had to be spent on road-related items not already budgeted. So combined, the Town had approximately \$590,000 in funds available that did not necessitate raising any new funds by taxation.

He noted when the old fire station property was sold, the Town had no significant storage space left, which established a need to be addressed.

With the available funds, the Board of Selectmen looked to address as many issues as possible for the Town. They determined the \$137,000 in highway funds would be used to build a salt storage shed for the Highway Department, provide a temporary road access due to the closure of the Griffin Mill Bridge, commenced the planning and engineering for the proposed multi-use trail through the center of Auburn, and deal with drainage problems on Dartmouth Drive.

The Selectmen then reviewed three potential warrant articles to provide a replacement for the Fire Department’s rescue vehicle (\$100,000 in 2018); purchase nearly two-acres of land adjacent to the Griffin Free Public Library on Hooksett Road (\$200,000) and fund the proposed garage / storage building (\$300,000). He indicated of the \$600,000 for these three projects, \$452,000 is coming from the proceeds of the sale of the former fire station

and the three parcels of land with the remaining \$148,000 coming from the Town's undesignated fund balance.

Mr. Eaton indicated the Town would be accomplishing a lot – nearly \$732,000 in projects – without raising any funds by property taxes. He felt the Board of Selectmen had worked to spread the funding around to meet the needs of five different departments and that this was overall a package of all projects.

For the garage / storage building, Mr. Eaton indicated the warrant article funding was rounded to \$300,000, but the estimated cost developed for the project was \$294,270.36. Of that amount, a contingency fund of \$26,752 (10%) was budgeted and likely would not be needed, so he felt the project would end up costing in the \$255,000 to \$265,000 range. He indicated as presented the Town will serve as the general contractor and he would supervise the project. He indicated that was a cost savings of \$50,000 to \$60,000 which may not be achieved at a later date. He also felt construction inflation would become a factor should the project be delayed.

Kevin Downing suggested the Committee's recommendation was not so much due to the cost, but a lack of information on what was the plan. He felt there was more concern for how the building was to be used, what it was to be used for, etc., noting the Committee had heard various concerns from different entities during the budget presentations.

Mr. Eaton reported the plan for the building initially started out as a two-story design, but began to get out of hand in terms of cost due to the codes and regulations for commercial construction. So over time, it was pared back to the 36' x 72' single-story proposal. He felt this plan identifies and addresses nearly 90% of the storage needs for the police and parks & recreation. He felt they could address the records storage with a small adjustment to the plan. Concerning the inclusion of bathrooms, he indicated parks & recreation will be working in the facility during the winter months, and at a minimum it was important to have a slop sink and possibly an eye wash station. The step up to include bathrooms was fairly minor from there. He noted the police storage was inclusive of a motorcycle, radar trailer, ATV unit, cruisers, tires and large items of evidence. Occasionally, the vehicles could be removed from the bays and the open area could be used for training. He indicated parks & recreation had performed year round maintenance work in the former fire station and they had identified a need for 1,000 square feet of space. This plan provides them with 1,040-square-feet.

Currently, the Police Department leases two storage trailers which are on the Safety Complex property for their storage needs, while parks & recreation has one 10' x 15' storage unit at Castlerock Self Storage for some items, and then is using the Nye barn, McEvoy barn and garage and the Dobmeier basement for the storage of everything else at no cost to the Town. He felt that was unfair to expect these individuals to provide the Town the use of their personal property in this manner.

Sergeant Chabot echoed Mr. Eaton's comments noting there were upwards of 50 tires, records from the 1980s and 1990s, vehicle parts, extra vehicle seats, large items of evidence, an ATV, bicycles, speed trailer, motorcycle, car door panels and more currently contained in the leased storage trailers. He noted the MRI review of the department cited

the need for large evidence storage, in addition to the need for an area to process evidence. This building would meet those needs.

Mr. Eaton noted as designed the building would provide 1,512-square-feet for the police department and 1,044-square-feet for parks & recreation.

Mary Beth Lufkin noted she missed the first discussion of this project, but thought the cost per square foot for what is being proposed seems like a lot of money. Kevin Downing reported the current average cost is about \$115 per square foot for garage quality construction, while \$60 per square foot is more to open post construction. At \$300,000, this proposal was coming in around \$117 per square foot.

Mary Beth Lufkin felt the proposal of this type of project makes a statement that is disappointing about what are the priorities of the Town leaders when we make the school scrape by, but can provide these other type of facilities.

Mr. Eaton suggested both the Town and the School District should have been setting aside funds all along for future expenses. He indicated he felt the Town had been pro-active in the area of road reconstruction for the past several decades and we are within a few years of being completed. He understood Mrs. Lufkin's comments concerning the condition of the school, but he also suggested the Town shouldn't suffer because of the school needs.

David Wesche noted the use of the undesignated fund balance to fund these various projects and Mr. Eaton's representation that no taxes are raised to pay for these projects. He disagreed with that representation because the taxpayers paid it forward in order to build up the undesignated fund balance. He understood as presented these would not be raising new taxes, but we are still spending Town funds and he felt they should be treated as if they were raising taxes.

Keith Leclair asked who served on the building committee, and Mr. Eaton indicated the three Selectmen, Sergeant Chabot, Parks & Recreation Chair Nye, Building Inspector Carrie Rouleau-Cote, Planning Board member Tom Lacroix and Alan Villeneuve. He noted Mr. Eaton had suggested the project would cost \$50,000 to \$60,000 more if not completed in 2018, and he asked why that would be. Mr. Eaton indicated we know who is available to provide assistance in 2018, and that nothing has been looked at beyond then. He said it may not be possible for him to provide the level of service he anticipates he can in 2018 after that. He wasn't saying he wouldn't, but he wasn't certain he could. Alan Villeneuve commented he had felt the warrant article needed to contain the \$50,000 to \$60,000 amount as that was the true cost of the project. The project should not be dependent upon whether someone is able to provide volunteer service or not. Mr. Villeneuve generally agreed the cost of the project has been fairly well detailed out. He was tasked to secure estimates from two additional contractors to help verify the number the Town was working with.

Paula Marzloff felt shared space in general is not feasible. She felt Parks and recreation should have their own space in another location, most likely on the Eddows Fields property. And she felt the police department was trying to make-up for inadequate planning of the Safety Complex. She had a concern calling it a storage building when it

was really going to be an adjunct office and was meeting the growing pains of the department. She felt the project should be developed further and should wait a year.

Keith Leclair asked if all Town departments were surveyed about their storage needs, and Mr. Eaton indicated only the police and parks & recreation were involved.

Dan Carpenter noted a year ago we didn't have a plan, but we knew needed an expanded evidence room. Today he felt we have a plan, but no evidence room.

Chairman Miles asked if there were any further questions. Not seeing any, he said he would pose the following question to the Committee: "Does the Committee want to reconsider its "Not Recommended" vote for funding the proposed garage / storage building" Voting Yes to reconsider: Jim Headd and Kevin Downing. Voting No to reconsider: Dan Carpenter, Keith Leclair, David Wesche, Paula Marzloff and Mary Beth Lufkin. The Committee will not reconsider their previous decision.

Auburn School District

School Addition / Renovation Warrant Article

Shall the Auburn School District vote to raise and appropriate the sum of \$14,300,000 for the purpose of financing the addition/renovation to the Auburn Village School, and authorize the issuance of not more than \$14,300,000 of bonds or notes under and in compliance with the provisions of the Municipal Finance Act, (RSA 33:1, et seq, as amended); to authorize the Auburn School Board to apply for, obtain and accept federal, state or other aid, if any, which may be available for said project and to comply with all laws applicable to said project; to authorize the Auburn School Board to issue, negotiate, sell and deliver such bonds or notes and to determine the rate of interest thereon and the maturity and other terms thereof; and to authorize the Auburn School Board to take any other action or to pass any other vote relative thereto; and further to raise and appropriate an additional sum of \$357,500 for the first year's interest payment on the bond? (3/5 ballot vote required) (Recommended by the School Board)

The Committee members felt they have fully discussed the project in past meetings and are familiar with the proposed project moving forward in March.

Mary Beth Lufkin moved for the Budget Committee to recommend the approval of the proposed warrant article for an addition/renovation to the Auburn Village School for \$14,300,000 to be financed through the issuance of bonds or notes. Seconded by Keith Leclair. A vote was taken; all were in favor, the motion carried unanimously.

Proposed Operating Budget for 2018-2019

Keith Leclair provided the Budget Committee with the final proposed operating budget totaling \$13,915,116. He noted it was everything as previously approved by the Budget Committee at their meeting on December 2, 2017, plus the finalized account lines involved tuition rates associated with Pinkerton Academy and the completion of negotiations over a new school bus transportation contract. He indicated the total of those numbers were lower than the Committee had seen when they met on December 2nd.

The Committee members had no further questions concerning the proposed operating budget for the Auburn School District.

Mary Beth Lufkin moved to approve the proposed operating budget of the Auburn School District totaling \$13,915,116. Seconded by Keith Leclair. A vote was taken; all were in favor, the motion carried unanimously.

Approval of Meeting Minutes

David Wesche moved to accept the minutes of the December 21, 2017 meeting as printed. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

William Herman noted at the meeting of December 27th, a question was raised concerning the health insurance benefits offered by the Town and the cost sharing with employees. He noted he did not fully answer the issue when he noted the Town did not have to negotiate the insurance plan, but was required to provide advance notice of changes. He indicated that was true about the plan, the vendor, the levels of coverage, etc. However, the cost sharing with employees is an item contained within the collective bargaining agreement of the Auburn Police Union and would have to be negotiated if that is the direction Town officials chose. He noted the current contract will be up for negotiation in 2018, so it is something for Town officials to consider.

The Chairman recessed the meeting at 6:52 pm to wait for the 7:00 PM start of the public hearing on the Town and School District budgets and warrants.

Public Hearing

The Chairman convened the public hearing on the proposed 2018 Town budget and warrant articles and the 2018-2019 School District budget and warrant articles.

There were no members of the public present.

Alan Villeneuve provided the Committee members an update on the January 10th presentation meeting held by the Auburn School Improvement Committee and the general proposed addition/renovation project.

The Chairman closed the public hearing at 7:05 PM.

The School District and Town budget forms were circulated among the Committee members for their signature.

Adjourn

Paula Marzloff moved to adjourn the meeting at 7:05 PM. Seconded by David Wesche. A vote was taken; all were in agreement, the motion carried unanimously.