

**MINUTES OF THE
Town Council**

**Budget Review Meeting of
October 12, 2023**

The Town Council held a meeting on Thursday, October 12, 2023, at the Media Center at Salem High School Salem, NH.

PRESENT: Chairman Robert Bryant, Councilor Joe Sweeney, Councilor Cathy Stacey, Councilor Keith Stramaglia, Councilor D.J. Bettencourt, Councilor Lisa Withrow, Councilor Paul Pelletier, Councilor Bonnie Wright, and Chris Dillon (Town Manager).

ABSENT: Councilor Jim Keller

CALL TO ORDER:

Chairman Bryant began by calling the meeting to order at 6:30 p.m.

1. Pledge of Allegiance

Chairman Bryant led the Town Council in the Pledge of Allegiance.

2. Budget Review

Chairman Bryant stated that they would start with Municipal Services.

Municipal Services Administration

Chairman Bryant asked about the reduction in Line 4098 - Overtime Pay.

Roy Sorenson, Municipal Services Director, stated that the positions in this budget did not have overtime so he did not know why there was overtime there.

Councilor Bettencourt stated that the money must have shifted from this budget to another one. He was confused about how the overtime line went from \$44,000 to \$0.

Nicole McGee, Finance Director, stated that it was an error regarding the overtime. The other items were just reductions.

Mr. Sorenson stated that the engineering money for the dam was removed, which was an \$18,000 decrease.

Chairman Bryant stated that they also had a \$25,000 reduction in the healthcare line.

Garage

Chairman Bryant asked about Line 4400 - Contracted Services.

Mr. Sorenson stated that this line was to break out the alarm system cost from the building maintenance items. The other new item was money for netting to address the birds in the cold storage building.

1 Councilor Pelletier asked about Line 4497 - Other Utilities.

2
3 Mr. Sorenson stated that was for water and the septic pumping.

4
5 Councilor Stacey asked about the alarm system upgrade which was shown in the backup but not
6 in the funding for the Contracted Services line.

7
8 Mr. Sorenson stated that money should be there because they were planning to do the alarm
9 upgrade. It was an error.

10
11 **Fleet**

12 Chairman Bryant stated that it was a 2.04% increase. Line 4176 – Health Insurance was
13 increasing.

14
15 Ms. McGee stated that when they had an open position, they budgeted for a family plan so that
16 was probably where the increase came from.

17
18 Councilor Sweeney asked about the decrease in Line 4237 - Gas and Oil.

19
20 Mr. Sorenson stated that it was a one-year contract. The estimate was based off the three-year
21 weighted average.

22
23 Ms. McGee stated that they were unsure what the prices would come in at last year when they
24 went out to bid and the price was more favorable than they had expected.

25
26 Mr. Sorenson gave the prices as \$2.88 per gallon for gas and \$2.78 per gallon for diesel.

27
28 **Streets and Shops**

29 Chairman Bryant asked about the increase in pay for the Working Foremen.

30
31 Mr. Sorenson stated that the raises were contractual.

32
33 Chairman Bryant asked about the decrease in the Heavy Equipment Operator pay.

34
35 Manager Dillon stated that they had vacancies in this position and the new hires would be at a
36 lower step than the people who left.

37
38 Councilor Sweeney asked if those vacancies were driving the increase in Line 4098 – Overtime
39 Pay.

40
41 Mr. Sorenson answered yes. They were making headway with filling vacancies.

42
43 **Winter Weather Operations**

44 Mr. Sorenson stated that salt prices actually went down a little this year from \$79.22 to \$76.90
45 per ton. Two years ago it was \$49.50 per ton. They were already in the red for the current year
46 under Winter Weather Operations.

1 Councilor Sweeney asked about the increase in Line 4400 - Contracted Services.

2
3 Mr. Sorenson stated that had to adjust rates last year to keep contractors. With the new rates they
4 were even able to gain a few new contractors.

5
6 Councilor Wright asked about the difference between the request and the Town Manager's
7 number for this line.

8
9 Mr. Sorenson stated that they tried to balance the line with the increases elsewhere when
10 reviewing the budget with the Town Manager.

11
12 Councilor Wright asked if Mr. Sorenson was ok with the number in the line.

13
14 Mr. Sorenson answered yes. They had money in the trust fund to cover if they went over.

15
16 **Solid Waste**

17 Chairman Bryant stated that there was a \$178,000 increase in Line 4400 – Contracted Services.
18 He asked if that was based on tonnage.

19
20 Mr. Sorenson answered that it was based on usage. They were paying more for recyclables
21 disposal now than they were for trash disposal.

22
23 Chairman Bryant asked if there was an alternative.

24
25 Mr. Sorenson stated that they would have to go back to sorting everything by type. China
26 stopped accepting dirty recyclables so now the contractors had to sort everything to get clean
27 recyclables where they used to have just a single-stream recycling process.

28
29 Councilor Withrow asked about sorting them at the Transfer Station and if that would get a better
30 rate.

31
32 Mr. Sorenson answered yes. He stated that they would have to realign the layout of the Transfer
33 Station in order to handle that process given the added time it would take people to dispose of
34 their recyclables.

35
36 Councilor Withrow stated that she just wanted to know what that difference might be.

37
38 Mr. Sorenson stated that he did not know but it would be a little less.

39
40 Ms. McGee stated that they were also charged a hefty when non-recyclables were found mixed
41 in with the recyclables.

42 Councilor Withrow stated that was probably a discussion for another night.

43
44 Councilor Pelletier asked about the decrease in Line 4459 - Equipment Maintenance.

1 Mr. Sorenson stated that they had been doing restoration of the scale the past few years which
2 was what caused the line to increase. The project was done so the line was being brought down
3 to the historical level of funding.

4
5 Councilor Bettencourt stated that they had to wonder if recycling was worth it based on the costs.
6 There had to be a better way to do the recycling.

7
8 Councilor Wright asked about having a tour of the facility and putting together a video to show
9 people what to do when they go to the Transfer Station.

10
11 Mr. Sorenson stated that they could do that. There were issues with items not being cleaned
12 properly or the wrong things being put in. A lot of communities had stopped recycling or
13 changed their operations. The people at the facility were contracted so they could not simply
14 change the duties without changing the contract.

15 16 **Parks/Property**

17 Chairman Bryant stated that there was an increase in Line 4402 - Engineered Services.

18
19 Mr. Sorenson stated that it was for Depot Village Master Plan. The other new item was in Line
20 4465 – Expansion & Development for a gate at the back of the cemetery. It would allow for an
21 exit onto Johnson Road if there was a large funeral happening.

22
23 Councilor Bettencourt asked if the Depot Village Master Plan was related to the Town's Master
24 Plan.

25
26 Mr. Sorenson answered no.

27 28 **Engineering**

29 Chairman Bryant stated that the Junior Engineer position was going to a full year in this budget.

30
31 Mr. Sorenson stated that it was in the Budget for three months currently. He was looking to fill
32 the position and have someone onboard soon. The other big issue was under Line 4402 –
33 Engineering Services for engineering for the Main Street Culvert project.

34
35 Councilor Stacey asked if there was grant money for that work.

36
37 Mr. Sorenson answered no, they lost the grant because they did not have the easement. The
38 intent was to get the preliminary engineering done and the easement in place then go after the
39 FEMA grant again.

40
41 Councilor Bettencourt asked about the chances of getting that grant again.

42
43 Mr. Sorenson stated that FEMA went through the environmental review and told the Town that
44 they liked the project. If the Federal money was there then the chances were good that Salem
45 could get the grant again.

Lighting/Traffic

Chairman Bryant asked about the status of the Lighting Conversion Project.

Mr. Sorenson answered that it would be completed this year. They did the LED conversion at the District Court House last year.

Councilor Withrow asked departmentwide how many positions were empty and had been empty for more than two years.

Mr. Sorenson stated that they had hired two people for the Fleet section, leaving one vacancy. The Junior Engineer position was open. They had three positions open in the Street/Shops section. He had four interviews tomorrow for the Street section positions.

Councilor Withrow asked how long those positions had been open.

Mr. Sorenson stated that they went back and forth with openings and it peaked last summer with nine openings.

Capital

Mr. Sorenson stated that Line 4402 – Engineering Services was for the MS4 work. The Line was down a little this year. They had received grants in the past but did not anticipate one this year. There was a J Hook dump truck under Line 4729 – MS Equipment Replacement. They had one and it was working well. The J Hook was replacing two vehicles that were no longer operable, one of which was going to auction tomorrow. They had two vehicles in Line 4730 – Fleet Replacement. One was from 2007 and the other was from 2010. The new vehicles were a utility body and a pickup, and both would be used in plowing as well. The last item was Line 4773 - Utility Undergrounding for the Main Street and Pleasant Street intersection to put all of the utilities underground.

Chairman Bryant asked how far the undergrounding would go.

Mr. Sorenson stated that it would go from by the Tuscan to down by St. Joe's on Main Street.

Human Services Administration

Councilor Withrow asked about the second set of dues in Line 4453 – Meetings and Trainings.

Ms. McGee stated that the Right to Know Specialist was training to be the backup for the Human Services Director so this would allow them to attend the conference as well.

Outside Agencies

Councilor Stacey asked about CART usage.

Joe Devine, Assistant Town Manager gave the figures for the number of riders in the Fiscal Year 2023 period. There was a 19.6% increase in ridership for the On Demand Shuttle. The Smart Shopper Shuttle had a 19.5% increase in ridership.

Chairman Bryant stated that ridership was counted separately for each way that was travelled.

1 Councilor Wright asked about funding for Isiaih because she did not see it in this section.

2
3 Manager Dillon stated that the practice has been that agency requests were moved into the
4 Budget after being an approved Warrant Article for three years. Isiaih 58 had been the budget in
5 the past, but they had gone years without requesting funding. Last year was the first year that
6 they had requested funding in a while so they would have to receive approval two more times
7 before getting put back in the budget.

8
9 **Direct Assistance**

10 Councilor Bettencourt asked about the budget staying the same even though only \$500 had been
11 expended so far.

12
13 Ms. McGee stated that they kept the budget request flat when they did not receive changes from
14 the Department Head. They had been busy recently.

15
16 Manager Dillon stated that in the past few years there had been money from COVID resources.
17 The Director had done a good job at using those resources before using the Town funding. That
18 money had gone away. There were other agencies which helped people in need, but this money
19 would be used more going forward.

20
21 Councilor Bettencourt stated that response explained what happened in the past years. He asked
22 where money went at the end of the year.

23
24 Manager Dillon answered that it went in the undesignated fund balance.

25
26 Councilor Stacey stated that the County had been given rental assistance funds from COVID
27 funding and there was a lot of usage from Salem residents.

28
29 **Community Services – Administration**

30 Chairman Bryant asked about the increase in the Community Services Director's salary.

31
32 Mr. Devine stated that was a contractual increase.

33
34 Chairman Bryant asked about posting to fill the Recreation Coordinator position.

35
36 Mr. Devine stated that the position was posted yesterday. It was in Line 4092 – Overtime Pay.

37
38 Councilor Sweeney asked about the decrease in the Custodian pay.

39
40 Mr. Devine stated that they had changed custodians and the new custodian who had worked there
41 before was at a lower rate than the person who left.

42
43 Chairman Bryant asked about the hours for the Recreation Coordinator.

44
45 Mr. Devine stated that the hours increased for the summer while the summer programs were
46 happening.

1 Ms. McGee stated that hours were twenty-five for most of the year and 37.5 during the summer
2 program. The summer program ran eleven weeks, mainly in July and August.

3
4 Chairman Bryant asked if the position did not have benefits.

5
6 Ms. McGee stated that was correct.

7
8 **Ingram Senior Center**

9 Chairman Bryant asked about the increase in Line 4452 – Building Maintenance.

10
11 Mr. Devine stated that there was money for a facility audit.

12
13 Chairman Bryant stated that they kept doing audits without doing anything about the
14 recommendations. There needed to be a purpose for the audit. He asked if there was a reason that
15 they were doing a facility audit now.

16
17 Mr. Devine stated that it would provide a road map for repairs. They needed to identify the
18 issues before they happened. The HVAC was at a point where it would need to be replaced so
19 they were looking for grants to help with it. The HVAC could not cover the building properly
20 because of the addition that had been put on. This study would help with planning for the future
21 repairs.

22
23 Chairman Bryant stated that they needed to follow the advice. The HVAC should have been part
24 of the addition design.

25
26 Councilor Withrow asked how much the HVAC would cost.

27
28 Mr. Devine stated that he had a cost estimate of \$8,000 but they would need an engineer to
29 review it to make sure that the new system met their needs.

30
31 Councilor Withrow stated that she would rather do the repairs first and then do the audit so that
32 things were getting done.

33
34 Councilor Pelletier spoke about the ramp icing up every winter and that a study was done but
35 nothing happened.

36
37 Manager Dillon stated that no study was done but the issue was addressed. They had multiple
38 companies look at the problem and they provided similar answers. He explained how the ice
39 issues happened with the area around the heat exchanges above the second floor being poorly
40 insulated so it would cause the snow to melt. The snow would then refreeze in the area where the
41 two roofs met and then it would slide off when it got warmer, or the pressure pushed it off. They
42 ended up putting spray insulation over the heat exchanges and put guards around the areas where
43 the ice built up to keep it from sliding off. They did still have issues with the access ramp, but it
44 was a fraction of what the old issue was.

45
46 Councilor Bettencourt asked about the \$6,500 for HVAC repairs. He asked if they would have
47 enough money for the project if they took the repair money and money from the study.

1 Mr. Devine stated that they did not have the full cost yet.

2
3 Councilor Bettencourt stated that they were just looking into it for the future then.

4
5 **Facilities**

6 Chairman Bryant stated that under Line 4452 – Building Maintenance, there was a facility
7 assessment. He asked what facility they were looking to assess.

8
9 Mr. Devine stated that it was to get an idea of the space that they had at their parks and other
10 property such as around Millville and figuring out what could be done with the land.

11
12 Chairman Bryant asked about Millville Lake and if the Town land had frontage on the lake.

13
14 Manager Dillon answered yes. There were multiple properties that abutted each other around the
15 lake that the Town owned totaling 33 acres.

16
17 Councilor Withrow stated that she did not want to do facility studies that they would not be able
18 to something about for a while. They had other priorities, and she would rather spend money on
19 maintenance first.

20
21 **Library**

22 Kate Norton, Kelley Library Trustee, stated that they were there to answer questions.

23
24 Chairman Bryant stated that the increase was very small at .22%. They did a good job with their
25 budget.

26
27 **Community Contributions**

28 Councilor Withrow asked if the Town was still paying for details even though the Tuscan was
29 doing the fireworks.

30
31 Chairman Bryant answered yes. The Town covered the details, and the Tuscan covered the
32 fireworks.

33
34 Councilor Bettencourt stated that they were way over on the amount spent on details this year, so
35 he asked why the amount was almost the same for next year.

36
37 Ms. McGee stated that the budget submission was done before the final totals were known.

38
39 Chairman Bryant asked how many officers were used this year.

40
41 Manager Dillon stated that he could get that number. There was a road that had to be shut down
42 while the fireworks were happening, which was different from normal.

43
44 Ms. McGee stated that there were 26 police officers and 6 firefighters present.

45
46 Councilor Bettencourt asked what the number was when they last had it at the high school and if
47 they were still under what that number was.

1 Manager Dillon stated that there was no exact amount. It was typically \$10,000 and the detail
2 rate fluctuated with some money for things like a dunk tank. It was around \$20,000 including the
3 fireworks.

4
5 Councilor Bettencourt stated that it seemed like the current process is still less expensive.

6
7 Councilor Sweeney asked if they would need fewer officers next year because 26 officers in one
8 place was a lot of officers.

9
10 Manager Dillon stated that these events were details not the on-duty officers. They had a lot of
11 special officers who helped out at these events. The details would not impact service to the rest
12 of the community.

13
14 Chairman Bryant stated that the Tuscan would probably still have an event even if the Town
15 resumed doing the fireworks by the High School.

16 17 **Capital**

18 Chairman Bryant asked about a software upgrade instead of new computers.

19
20 Manager Dillon stated that this was the software for the Police Department that had been pulled
21 from the budget. The money for the new PCs and switches was now part of the IT budget
22 because they were below the threshold for capital.

23
24 Councilor Sweeney asked about rolling the cost of the software into the Police Station bond. If
25 funding did not come through at the Federal level, then this could be an alternative.

26
27 Ms. McGee stated that they could look into it. If it was the software, then they potentially could
28 add it to the bond but any money for training on the software could not be included with a bond.
29 She would check with the bond counsel.

30
31 Chairman Bryant asked if the document scanning was for all departments.

32
33 Manager Dillon stated that it was. They rented space in a number of places to store documents. It
34 made more sense to scan the documents into an electronic format versus paying for the storage
35 space.

36
37 Chairman Bryant agreed.

38 39 **Sewer Administration**

40 Chairman Bryant stated that Line 4646 - GLSD Operating Costs increased substantially.

41
42 Ms. McGee stated that the GLSD debt was added to this line from the Debt Service Budget
43 because it fit better here.

44
45 Chairman Bryant stated that the health insurance cost was down. He asked about the increase in
46 Line 4488 – Admin Service Charge.

1 Ms. McGee stated that it was the overhead for the Sewer Fund's portion of the management
2 costs for personnel such as the billing clerk.

3
4 **Sewer - Debt Services**

5 Councilor Sweeney asked about the amount reduced from Line 4500 – GLSD-Debt not matching
6 the increase in the previous GLSD line.

7
8 Ms. McGee stated that they also anticipated an increase in the GLSD costs.

9
10 **Capital Projects**

11 Mr. Sorenson stated that the vehicle here was replacing an existing 2011 vehicle with 120,000
12 miles. The money for the Butler Street pump station improvement in Line 4723 was originally
13 earmarked for 2021. It was the pump station in the worst shape. They were pushed out because
14 of the cleanup at the former wastewater treatment plant. This pump station was the first one of
15 the ten that was ready to go out to bid. The Inflow & Infiltration money was a standard item.

16
17 Chairman Bryant asked if they had seen a decrease in flows as a result of the I&I work.

18
19 Mr. Sorenson answered yes although it was hard to tell this year with all of the rain.

20
21 Councilor Withrow asked if they were planning to one pump station a year.

22
23 Mr. Sorenson stated that they had two pump stations ready to go for projects. They would look at
24 the future to plan out when the other pump stations would be done and what the rates should be.

25
26 Chairman Bryant asked about the cleanup at the former treatment plant.

27
28 Mr. Sorenson answered that the project was 85% complete. They were sampling tomorrow for
29 the last 15%. They still had to deal with some PFOS and PFAS sludge.

30
31 Councilor Withrow asked what happened if they did not do the pump station now.

32 Mr. Sorenson stated that they could have components fail. It was twenty-five or thirty years old
33 and in rough shape. It would be an emergency replacement at that time.

34
35 Councilor Withrow asked if it was likely to have a problem.

36
37 Mr. Sorenson answered yes.

38
39 Councilor Bettencourt asked about the I&I amount since it had not appeared in the past few
40 budgets.

41
42 Mr. Sorenson stated that they had gotten grants in previous years, but they did not get one this
43 year.

44
45 Councilor Bettencourt stated that nothing appeared in the budget line for previous years.

1 Ms. McGee stated that it may have been under the Warrant Articles last year because they had
2 been getting grants for it.

3
4 Mr. Sorenson stated that he would look into it.

5
6 Councilor Bettencourt asked if \$200,000 was a good number.

7
8 Ms. McGee answered yes. It had been \$200,000 for a number of years until they started getting
9 grants to cover the cost.

10
11 **Water Administration**

12 Chairman Bryant asked about the figure in Line 4098 – Overtime.

13
14 Mr. Sorenson stated that they had a lot of water quality issues this year leading to more overtime.
15 He did not expect it to continue next year.

16
17 Councilor Pelletier asked if Line 4112 - Stand-By Pay was for someone who was on call.

18
19 Mr. Sorenson answered yes.

20
21 **Water – Operations**

22 Chairman Bryant asked about the increase in Line 4482 – Purchase of Water.

23
24 Mr. Sorenson stated that it was tied to the regional water line. They used about 250,000 gallons
25 per day which included water for Windham and Pennichuck. HAWC also took 250,000 gallons
26 per day.

27
28 Councilor Bettencourt asked if the decrease in water usage was due to the amount of rain they
29 had received this year.

30
31 Mr. Sorenson stated that they did not use as much water this year because of the rain.

32 Ms. McGee stated that they had to budget for HAWC's water usage as well when preparing the
33 estimate.

34
35 Councilor Sweeney asked about the increase in Line 4481 – Water Samples/Lab Expenses. There
36 seemed to be new items for UCMR5 testing and a coliform analyzer.

37
38 Mr. Sorenson stated that the UCMR5 was a metals test that was done every five years. They sent
39 samples out for coliform testing, but this equipment would allow them to do the test in-house at
40 any time. Coliform was the first sign that there was an issue with the water. They would still
41 have to send samples to the State.

42
43 Chairman Bryant asked about when the increase in the water allotment would happen.

44
45 Mr. Sorenson stated that they could get more water once Derry upgraded their water line. The
46 new water plant in Manchester was now online.

1 Ms. McGee stated that the final bond payment for Phase 1 of the water purchase was made
2 today.

3
4 **Water - Buildings**

5 Councilor Bettencourt asked about the boiler under Line 4452 – Building Maintenance.

6
7 Mr. Sorenson stated that it was the original boiler and needed to be replaced.

8
9 **Water - Debt Services**

10 Chairman Bryant stated that the Debt Services Budget was down 8.33%.

11
12 Mr. Sorenson stated that there was a lot of debt coming off in the next few years.

13
14 **Water – Capital Projects**

15 Mr. Sorenson spoke about the water treatment system analysis under Line 4402 – Engineering
16 Services to look at the distribution system, the water sources, and the plant to improve the water
17 system.

18
19 Councilor Bettencourt stated that he had heard a lot about needs over the past two nights. The
20 Council had to think about priorities and what they needed now versus what could wait. He felt
21 that the last two nights had presented some good information. The Revenues were an issue. He
22 would have to look carefully at the budget lines. This was the first time they had a decrease in
23 health insurance and that was a credit to everyone who worked on it. The Warrant Articles would
24 increase the tax rate hit.

25
26 Ms. McGee stated that the tax rate estimate did include Warrant Articles.

27
28 Councilor Bettencourt asked about the Road Program.

29
30 Manager Dillon stated that the Road Program was included with a \$3.8 million number for the
31 estimate.

32
33 Councilor Bettencourt stated that would have to be looked it. It could be thrown off by a citizen
34 petition as well. He stated that the Budget Committee was pretty conservative and would have an
35 issue with an 8% increase. The Town Council needed to make some tough decisions. He would
36 have some proposals and encouraged everyone to sharpen their pencils.

37
38 Councilor Stacey asked the Town Manager to explain why the Road Program was not in the
39 Budget because the intention of the Charter Commission was that it would be part of the budget.

40
41 Manager Dillon stated that statutorily there were things that they were required to be done as
42 Warrant Articles. The money for the Road Program went into the Roadway Capital Reserve
43 Fund so by Statute it had to be a Warrant Article. They had put the ambulance and the J Hook
44 truck in the budget where they might have been Warrant Articles in the past.

45
46 Councilor Stacey asked about the reduction in Sewer Revenues.

1 Ms. McGee stated that the Bond Anticipation Note was the biggest item because it had to be
 2 reported as a revenue last year even though they were borrowing the money for the former
 3 wastewater treatment plant cleanup. That was the biggest reason for the decrease.

4
 5 Manager Dillon stated that the money went into the Roadway Capital Reserve Fund because it
 6 ensured that the money went to roads. The Council could put it in the Operating Budget, but it
 7 was a bottom-line budget, and the money could then be available for other uses at that point.

8
 9 Chairman Bryant stated that they would have to think about.

10
 11 Councilor Bettencourt asked if they could factor in the updated meals and rooms figure that
 12 Councilor Sweeney had presented.

13
 14 Manager Dillon thanked Councilor Sweeney for his efforts to get that figure.

15
 16 Chairman Bryant asked for budget questions to go through him and then he would forward them
 17 on to the Town Manager.

18
 19 **3. Upcoming Meetings**

20 October 16, 2023 (Budget Votes/Regular Meeting – 6:30 p.m.)

21
 22 **ADJOURNMENT AT 8:08 P.M.**

23 **MOTION:** by Councilor Bettencourt

24 ***Move to adjourn at 8:08 PM.***

25 **SECOND:** by Councilor Sweeney

26 **VOTE:** 8-0-0

27 **The motion passed unanimously.**

28
 29 Notes/minutes taken by: Jeremiah Lamson

30
 31 Approved: Board of Selectmen

32
 33 Date Approved: November 6, 2023