

Town of Hopkinton
Budget Committee Meeting Minutes
Wednesday, January 6, 2016
APPROVED

CALL TO ORDER:

Chairwoman Janet Krzyzaniak called the meeting to order at 5:30p.m. at the Town Hall.

Attendees: Janet Krzyzaniak, Don Houston, Ken Traum, Richard Horner, Amy Bogart, Virginia Haines, Deborah Norris, Richard Houston, Diana Wieland, and Bill Chapin, Jr.

Also present: Scott Zipke, Chair Sports Complex Committee; Select Board member Sue Strickford, Road Committee Members Lester Cressy, Dave White & John Chandler; Jodie Russell, Public Works Director Dan Blanchette, Arnold Coda and other members of the Public; and Finance Director Deb Gallant, Minute Taker.

Chair Krzyzaniak welcomed the Public in attendance.

Chair Krzyzaniak informed everyone that a citizen petition has been submitted to the Select Board for a \$3 million+ bond Warrant Article to build a sports complex at George's Park and she has asked the Chair of the Committee to conduct a presentation to the Budget Committee this evening.

SPORTS COMPLEX GEORGE'S PARK-CITIZEN PETITION WARRANT ARTICLE

Committee Chair, Scott Zipke introduced himself as a Hopkinton High School Math Teacher and coaches sports at the High School. He stated there is a need for improved fields and he is here tonight to present what the Committee is proposing in a Warrant Article for the March Town Meeting. He stated currently, the fields are insufficient, in poor shape, have flooding issues, are substandard and there is no track.

If approved at Town Meeting (3/12/2016), the Select Board would be responsible to get an actual design moving forward.

He presented a power point showing the design to date, reflecting the track on the outside and the turf fields located on the inside.

Baseball, softball, tennis, and basketball would also be located outside the track.

It was noted the construction costs would be \$2,854,500 and soft costs \$571,725; for a total of \$3,426,225.

Discussion ensued, regarding the tax impact. It was noted for a 20 year bond at 4.5%; the cost on a \$200,000 home the first year would be \$107.00 and the last year \$58.00.

He believes it would be a "community asset" and used by both students and residents. He added the Town would add to the operating budget annually, \$50,000 for maintenance costs for any repairs or replacements of the turf.

He added the Committee's hope would be to bring night games to the Town for more parents and residents to attend; therefore, there would be night lighting.

It was noted with a 20 year Note, at 4.5% interest, the principal payment would be \$170,000 per year and the interest payment would fluctuate from \$158,000 the first year to \$7,650 the last year. Year one principal & interest would be \$328,000 (\$170,000 + \$158,000). The first year would be a .54 cent increase on the tax rate, and the last year .29 cents.

Mr. Traum inquired about the additional cost for lighting and Mr. Zipke responded he did not have that info at this time. It would depend on how many hours and how many nights the lights are used.

Mr. Horner inquired about how long typically the turf lasts. Mr. Zipke responded 15-20 years, but all agreed they would want a guarantee from the company, as it could be less.

Mr. Richard Houston stated the cost per day would be very high, and Hopkinton is already at the top tax rate for the State. Mr. Zipke responded he does not think proposing a 3 million dollar bond is irresponsible; it would serve the community well and it is badly needed; he believes it is necessary.

Mr. Chapin added the \$50,000 annual maintenance cost is for capital costs, and does not include lighting costs.

Chair Krzyzaniak inquired about replacement costs and concerns/issues with parking.

Mrs. Bogart inquired about the estimated time of completion, if it is approved at March 2016 Town Meeting. Mr. Zipke responded he thought it would take a year for the Select Board to get an architectural design, and would hope to start building in spring 2017, with a ready to use date fall 2017.

Mrs. Norris asked Mr. Zipke to speak to the artificial turf versus regular grass in regards to injuries. He responded turf materials have improved and the injury rates are now lower.

Mr. Don Houston thanked Mr. Zipke and noted he gave a great presentation and appreciates his passion, but mentioned when he had looked into it years ago, he went to Phillips Exeter Academy and noted several negatives (i.e. turf does not last 20 years, more like 10-15; they can't use it if it over 85 degrees etc.).

Mr. Zipke added he is not aware of any negative health or ground water concerns.

At 6:15PM, Chair Krzyzaniak opened the meeting to the public for comment.

Mr. Arnold Coda asked if this plan is to improve the facilities for the students at the High School, why isn't the School Board bringing this forward? He added is this really a necessary undertaking? There are additional costs to sweep and take care of the fields. He added generally the turf fields need repairs within 5-7 years, not 20 years.

Mr. Chapin added the Town would need to get guarantees and costs up front for repairs and replacement costs.

Mr. Coda also added that School enrollment is declining and the projected number of students to use the fields will be less than what has been projected.

Public Works Director Dan Blanchette inquired whether or not a drainage study had been done and was informed no.

Mrs. Russell asked if the original committee of six had expanded and do they know if the general public is interested in doing this or just a small group of people.

PW Director Blanchette asked about any safety measures considered for using two fields at the same time and the answer was no.

Select Board member Sue Strickford stated this is a want and \$3.4 million is a lot for the residents to absorb. She stated people just can't afford this and asked if they had looked into a benefactor or other ways to raise the funds? Mr. Zipke responded they did look at alternatives and determined this would be the best way to go.

At 6:30PM, Chair Kryzaniak closed the public comment.

It was noted Mr. Zipke will conduct the same presentation at the Public Hearing on 2/8/16 at 6:30PM.

ROAD COMMITTEE-PENACOOK RD. WARRANT ARTICLE

Lester Cressy of the Road Committee met to discuss the change from \$250,000 to \$300,000 to \$600,000 for the Warrant Article to repair Penacook Road to be voted on at Town Meeting, March 2016.

Mr. Cressy stated they have been discussing road improvements to Penacook Rd. since 1986. He added the costs of repairs are increasing every year. We are still talking about it in 2016. He understands that the Select Board every year try to keep the budget level, therefore, every year the Highway Department budget gets cut and can't do the road repairs. He suggested the School hold back and let the Town move forward with the full cost to do the repairs in 2016 at \$600,000. He would like the Town to bid the project prior to Town Meeting, so they have a definite figure for Town Meeting.

He added in 2015, the Warrant Article to repair East Penacook Bridge was at \$225,000 and the cost came in at \$136,000. He also noted culverts need to be upgraded, and roads have been neglected or not maintained to a good standard, over the last 20 years. Roads are used by everyone, not just students, like the prior presentation.

Mr. Traum informed the Budget Committee that the Select Board did revisit the Committee's request to change the Warrant Article from \$300,000 this year and \$300,000 next year, as the Budget Committee requested; to \$250,000 this year and \$350,000 next year and with the additional information from the Road Committee, they re-voted (3-2) to change the Warrant Article to fully fund it in 2016 at \$600,000.

Mr. Traum read a prior statement from Don Houston to the Budget Committee, regarding how every year the Select Board has reduced road maintenance funding and that the Town cannot continue to defer costs to improve roads.

It was noted within the 2016 operating budget, the Highway Dept. has allocated \$351,000 for shimming and paving of roads. The Warrant Article, after reexamining concerns, the Select Board voted to fund the full \$600,000 to repair Penacook Rd.

The additional \$300,000 would add .49 cents to the tax rate, for a total of .76 cents or 10.98%.

It was noted the School is coming in at a \$29,000 increase for 2016. School & Town = \$.81.

Mr. Don Houston added he is in favor of road repair funding, but doing \$250,000 in 2016 and \$300,000 in 2017, he preferred in order to keep the tax rate from going out of sight. He added the Town has been neglected and the School is finally not putting in a big increase. We need to stop the tax rate from continuing to go up. He urged reconsideration to keep the tax rate flat with the \$250,000 this year and to wait just one more year.

Mr. Cressy responded he understands Don's point, but feels the roads and culverts need to be addressed and can't be put off another year. Mr. Don Houston added we are living beyond our means. Mr. Cressy added he has liability concerns if roads are not fixed.

Mrs. Bogart stated if the roads must be done, then we need to cut the operating budget –period.

Mr. Chapin stated if the job needs to be done, if this is an important piece, why not do it in one year and then take a break.

Chair Krzyaniak stated the CIP Committee met and recommended the \$250,000/\$300,000 split and the Road Committee is recommending \$600,000 in one year.

Mr. Don Houston reiterated again, he is recommending the \$250,000/\$300,000 split to keep the tax rate increase minimal.

Mrs. Haines suggested not using the \$300,000 in the highway operating budget for paving & shimming E. Penacook Rd. and Kearsarge Rd. and use that \$300,000 for Penacook Rd. and the Warrant Article be for \$300,000.

Chair Krzyaniak asked how long can we keep increasing the tax rate. We have to stop somewhere; we can't keep going this way.

Select Board member Sue Strickford stated it is time to get the roads fixed.

Mrs. Bogart inquired whether or not the Budget Committee can request the Select Board ask all Department Heads to reduce their budgets 10%? Chair Krzyaniak responded they do not have power or authority over the Warrant Article; it is not recommended per NHMA.

Mrs. Russell suggested they ask the School Board to decrease their budget, not the Town. The Town needs to get money to fix the roads and the burden should go to the school to decrease, as the enrollment is decreasing.

Mr. Don Houston noted over the past several years, the School has increased \$2,438,000 or 20% and the Town \$968,000 or 29%. The School portion of the tax rate is over 70%.

Mr. Richard Houston added in 2017, the School will be proposing a large bond of \$400,000 and suggested that the School delay it one year, so the Town could expend funds on the roads.

Mr. Don Houston added the Town infrastructure is stable now and when several bonds are paid off over the next couple years (for open space and landfill); then there will be money that can be used to maintain the roads.

Mrs. Russell again stated she supports the Town taking care of the roads and the School not increasing. Arnold Coda responded we are not here to discuss the School budget.

In response to the question of how long is Penacook Rd., the response was one half mile.

It was also noted the Town of Hopkinton currently has one the highest tax rates in NH.

MINUTES-12/09/15

Mr. Traum MOTIONED to approve the Budget Committee Meeting Minutes dated 12/09/15. Mr. Richard Houston seconded. Deb Norris asked that 3 of her questions be included in the minutes (Sewer Prof. Services, Transfer Station & Recreation Budget).

Mr. Don Houston also asked to tweak the minutes slightly.

Mr. Traum MOTIONED to approve the 12/09/15 Meeting Minutes as amended. Mr. Richard Houston seconded. Motion passed 10-0.

TOWN BUDGET-12/31/15

Mr. Traum informed the Budget Committee of the preliminary figures for the 2015 Budget (12/31/15). He stated the estimated actual revenues will be slightly above what was projected and the Expenses will be slightly below what was appropriated. The Fund Balance will be slightly below the DRA recommended 5%. Overall, he felt we budgeted well for 2015.

SCHOOL BUDGET

Mr. Bill Chapin noted in reviewing the School Budget figures, he did not see anything alarming for 2015 and noted they are working on the 2016-2017 budgets for presentation to the Budget Committee next week.

HOPKINTON VILLAGE PRECINCT-12/31/15

Mrs. Diana Wieland provided a year end statement for the Hopkinton Village Precinct, noting the ending balance, as of 12/31/15, is \$10,024.

CONTOOCCOOK VILLAGE PRECINCT-12/31/15

Mr. Don Houston provided a handout noting at the end of 2015, the Contoocook Village Precinct, was \$967 under Budget. He added the \$750,000 Project for 2015, has been completed and the system is up and running and they are on budget.

He also provided the proposed 2016 Budget, for the Contoocook Village Precinct, noting the amount to be raised by taxes is \$275,000. (Budget \$239,050 + Warrant Article \$250,000 less Revenues \$214,050=\$275,000).

Chair Krzyaniak reminded the Committee members the School Budget Presentation is scheduled for next Wednesday, January 13, 2016 at 5:30PM at the Town Hall.

ADJOURN:

Mr. Traum MOTIONED to adjourn this meeting at 7:51PM. Mr. Don Houston seconded. Motion carried 10-0.

Respectfully submitted,

Deborah Gallant

BudComMin-01-06-16