

TOWN OF SEABROOK

SELECTMEN'S BUDGET MEETING

NOVEMBER 1, 2023

Harold F. Eaton
Theresa A. Kyle
Srinivasa "Ravi" Ravikumar
William M. Manzi, III

Mr. Eaton opened the meeting at 9:08AM.

520 - Water

Curtis Slayton was present for his budgets. There was discussion on the line items that increased. Currently the electricity is at \$172K with 2 months left in the year. Mr. Slayton said they are not doing more they are just trying to stay within the budget. There was discussion on the sludge line as they have found a new way to get rid of sludge which has had a cost savings to the town.

MOTION: Theresa A. Kyle To approve department head's request for budget 520 at \$1,618,815

There was discussion on the electricity cost. Mr. Slayton said when the budget was prepared, he used the rates currently receiving but after speaking with the town manager he is comfortable with his recommendation. He is also fine with the town manager's recommendation on chemicals.

Mr. Eaton is comfortable with the recommended electricity but would like to keep the department head's number for the chemicals as he doesn't want to be in a position where they cannot treat water. He is not trying to undercut the town manager but feels the chemicals need to be budgeted for. Mrs. Kyle is not looking to undercut the town manager either, but he was given the task of cutting the budget by 10% and she feels the department head knows best what is needed in the department.

No second, motion failed.

MOTION: Harold F. Eaton To approve the 520
Second: Ravi budget at \$1,603,815
Opposed: Theresa A. Kyle and leave the increase to line 615 at \$54K.

~~Revenues -- Water Department~~

Ravi commented on the motion being done on Monday in regard to the water & sewer operation to make them an enterprise account where they are fully funded by the rates rather than the taxpayers. This change will occur in next year's bill and will

bring fairness to those who use the water & sewer rather than being subsidized in the tax base. Mr. Eaton said the capital improvements take place and are no longer needed as the rates can be adjusted to cover the operational costs. Rates will be based on the operation as well as the capital improvements in the departments.

Mrs. Kyle asked how the use of the water & sewer is used to run the facility. Mr. Manzi said when they look at the sewer budget, they will see the operation cost and those costs will need to be what is raised with rates. This would be the same for the water department plus any capital expenditure for those departments will be from the rate payers rather than taxpayers.

MOTION: Theresa A. Kyle To approve the revenues
Second: Ravi at \$2,070,215.
Unanimous

521 - Sewer Department

There was discussion on the phones/communication line and why it has increased. Ravi said there should be a corresponding decrease in that budget. Mr. Manzi will look and see what budget it was in previously. Electricity increased as they are at 80% of the budget this year. There was discussion on where they will be at the year end and why they have asked for an increase.

The sludge line increased, and Mr. Slayton explained the rates they have been receiving to get rid of solid waste. There was discussion on how they are getting rid of the sludge and why the rates are increasing. Chemicals have increased by \$17,200 and the town manager is recommending that amount.

MOTION: Ravi To approve the town
Second: Harold F. Eaton manager's request at
Unanimous \$2,154,868 for budget
521 with the change in
Electricity to \$292,500.

Revenues - Sewer Department

MOTION: Theresa A. Kyle To approve the revenues
Second: Harold F. Eaton at \$1,216,717.
Unanimous

720 & 721 - Water & Sewer Health Insurance

MOTION: Ravi To approve the Town

Second: Harold F. Eaton
Unanimous

Manager's request for
budget 720 at \$515,035.

There was discussion on the sewer medical numbers as they represent a 29% increase. This was due to an open position that we calculate as a family plan when it is vacant. It should actually be \$350,608 for the bottom line and \$287,653 for just the health insurance line.

MOTION: Ravi
Second: Harold F. Eaton
Unanimous

To approve the 721
budget at \$350,608.

Carrie Fowler said her bottom line for the 521 Sewer budget should be \$2,155,068 which does not reconcile with the numbers of the town manager.

Board took a break at 10:20AM. Board reconvened at 10:27AM.

MOTION: Ravi
Second: Harold F. Eaton
Unanimous

To rescind the previous
motion for 521 budget
which was for an
incorrect number.

MOTION: Ravi
Second: Harold F. Eaton
Unanimous

To approve the 521
budget at \$2,155,068
with the change in
electricity to \$292,500.

Warrant Articles - Water Department

Meter Replacement - \$30K AARPA Funding

Mr. Slayton spoke to what would be happening with replacing the meters as the older meters can no longer get parts for them. There was discussion on the testing of these new meters and that it will be done by town employees.

MOTION: Ravi
Second: Theresa A. Kyle
Unanimous

To approve the \$30K in
AARPA funds for the
meter replacement.

Any new construction has to pay for the first meter and then the town is responsible for maintaining the water bills.

Water Source Development Cost - \$8,200,000 Bond Warrant Article
They will explore a 25-year bond, but the town manager guesses it will be 20 years. Mr. Slayton explained what the warrant article will do to complete the Fogg property and the Weare

property wells. If this article does not pass, then this project will end. This project will add 800-900 GPM to the water supply.

There was discussion on having the town loan money to the enterprise account and it was legal to do this. There was discussion on separating out the project, but Mr. Slayton is hesitant about doing that and losing the funds, he would prefer once they start the project to continue on and complete both. Ravi would like to explore keeping this in house if it is doable before going out to bond the project. Mr. Manzi said they can explore this option and the answers for the board. Mrs. Kyle asked where the money would come from if they did it this way. Mr. Manzi said they wouldn't be raising and appropriating the \$8.2M it would be just the annualized payments.

Mr. Eaton asked where they stood with Hampton Falls on these 2 well projects. Mr. Slayton explained they had a public hearing for comments and those have been taken under advisement. The project is moving forward with the permitting process.

MOTION: Theresa A. Kyle To approve \$8.2M for
Second: Ravi the bond warrant article
Unanimous for water source
development and to be
amended as required.

Water Well Cleaning - \$65K Warrant Article

Mr. Slayton said he has \$55K in queue as there are times when the project is large enough that they need two articles to complete. The article has a 2-year life span for utilizing funds.

MOTION: Ravi To approve \$65K for the
Second: Theresa A. Kyle warrant article for
Unanimous water well cleaning.

Water Capital Reserve Fund - \$75K Warrant Article

The water exploration money has been taken from this account. The current balance in the account is about \$500K including last year's approval.

MOTION: Ravi To approve \$75K for the
Second: Harold F. Eaton warrant article for
Unanimous water capital reserve
fund.

There was discussion on this capital fund and when it becomes an enterprise account there could be a surplus, but it would be a separate account as retained water funds or retained sewer funds. Under the enterprise account Mr. Manzi believes the board can use the surplus money and apply it towards future rates, capital expenditures and possibly to the capital reserve fund that exists today but will need to get further information on this.

Warrant Articles - Sewer Department

Transformer - \$95K AARPA Funding

Mr. Slayton said this is the main transformer to the WWTP and provides power to the whole facility and the town owns it. He explained we received \$1M from the coastal resiliency grant and our portion to get this money is to replace the transformer.

MOTION: Ravi To approve \$95K for the
Second: Theresa A. Kyle warrant article for
Unanimous the transformer using
AARPA funds.

Loader/Backhoe - \$175K AARPA Funding

Mr. Slayton explained they have a 1989 for the sewer department that has a laundry list of issues. They have only done enough maintenance to keep it going. This one would be a surplus if they get the new one and that money would go to the enterprise fund. Mr. Slayton said this is used about 3 times per week. Ravi was questioning whether or not this is something that should go on as a warrant article where Mr. Slayton has good support from the taxpayers.

MOTION: Ravi To approve \$175K for the
Second: Theresa A. Kyle warrant article for
Unanimous the loader/backhoe using
AARPA funds.

WWTP Upgrade Phase 2 - \$6M Bond Warrant Article

Ravi asked what the expected life span is of the plant where he is doing all of the maintenance and upgrades. Mr. Slayton said the life span is about 30 years and lots of areas need improvements and/or repairs including the roofs. He said depending on the equipment they are looking at 30-50 years for the plant and can keep it online as long as they continue to do maintenance and upgrades. Ravi said if they continue to take of it then you can extend the life span of the plant.

Ravi said the same applies to this article in regard to funding this article through bond or the town itself after the option is explored on the legality and costs associated.

MOTION: Ravi To approve the \$6M bond
Second: Theresa A. Kyle warrant article for the
Unanimous WWTP upgrades phase 2.

Sewer Pump Station Upgrades - \$4M Bond Warrant Article

Mr. Slayton explained this would be for 2 pump stations (Route 1A and Ledge Road) that are outside stations and the larger of the stations. Ravi asked what the total value of the assets for the sewer plant. Mr. Slayton said it cost \$55M back in the 80's when it was built so possibly looking at a value of over \$100M.

Ravi said the same applies to this article in regard to funding this article through bond or the town itself after the option is explored on legality and costs associated.

MOTION: Ravi To approve the \$4M bond
Second: Theresa A. Kyle warrant article for the
Unanimous sewer pump station
upgrades.

Board took a break at 11:27AM. Board reconvened at 11:45AM.

220 - Police Department

Police Chief Brett Walker was present for his budgets. There was discussion on the increase in the lines. Mr. Manzi said he cut the OT which just makes the department head work a little harder. The difference in the FT employee line is a discrepancy between the chief and Carrie and they will need to work that out.

Chief Walker said he has about \$100K left in the OT line for this year. He said he is not trying to grow the OT budget just to maintain what he has with contractual obligations. Other professional services were discussed and what is charged to this line and why the additional expense was requested. Chief Walker explained the total amount spent from this line in 2022 & 2023 and trying to get the lines to where they should be otherwise his budget is spot on.

The fleet is relatively new as they recycle out patrol units every 2 years. Occasionally, they do get unmarked vehicles, so they are better manageable. Mr. Manzi said they do surplus the vehicles but sometimes another department can use the vehicle and they will make the transfer to that department. There was

discussion on outfitting the vehicles and the body style will be changing in 2024-25. When that happens, they will not be able to reuse the equipment in the current vehicles as right now they reuse the equipment.

Other contract services were discussed, and Chief Walker explained that the bulk is for outsourcing prosecution and also the other items that are under this line item. Chief Walker explained why they outsource the prosecutor position versus having it in-house and it was previous to him becoming chief. He feels they should have an attorney representing but you could train someone to do this position. Mrs. Kyle said with routine type cases they could have someone in-house but for more criminal activity she sees the need for an attorney. Felonies are handled by the county attorney, so the prosecutor handles all misdemeanor cases.

Mr. Eaton is comfortable with the town manager's recommendation. Mrs. Kyle said they could split it and add \$20K to the town manager's request. Legally they are allowed to use a police officer as a prosecutor. There was discussion on what needs to happen if they were not to outsource the prosecutor. Mrs. Kyle feels if they need to take a police officer off patrol it could cost the town more money.

Mr. Manzi said he doesn't agree and there is no edge between the outsource prosecutor or an in-house prosecutor other than the fact the outsources person is an attorney. Once that person retires you will be back to having someone who isn't an attorney. Mr. Eaton said based on the information provided and what the town manager has indicated he is comfortable withstanding by his recommendation. Chief Walker commented that this line is not just for the prosecutor there are other subscription type services included here such as code red.

Mr. Eaton is in favor of supporting line 140 OT at the department head's recommendation.

MOTION: Ravi To keep department
Second: Harold F. Eaton head's recommendation
Unanimous for line 140 OT.

MOTION: Ravi To keep department
head's recommendation of
\$35K on line 390.

No second, motion failed.

MOTION: Ravi To keep department

head's recommendation of \$120K on line 510.

No second, motion failed.

MOTION: Harold F. Eaton
Second: Theresa A. Kyle
Opposed: Ravi

To keep department head's recommendation of \$30K on line 432.

MOTION: Harold F. Eaton

To move line 390 at an increase to \$25K.

No second, motion failed.

MOTION: Harold F. Eaton

To move line 390 at an increase to \$30K.

No second, motion failed.

MOTION: Ravi
Second: Theresa A. Kyle
Unanimous

To keep department head's recommendation of \$35K on line 390.

Mr. Manzi said with the cost increases there is a possibility that his recommendation of \$140K on line 442 will be over.

MOTION: Theresa A. Kyle
Second: Harold F. Eaton
Unanimous

To increase line 442 to \$150K.

MOTION: Ravi
Second: Harold F. Eaton
Unanimous

To increase line 220 to \$92,250.

MOTION: Ravi
Second: Harold F. Eaton
Unanimous

To increase line 230 to \$1,076,859.

MOTION: Ravi
Second: Harold F. Eaton
Unanimous

To approve new bottom line of \$5,731,763 with all recommended changes.

REVENUES - POLICE DEPARTMENT

The parking fines are currently at \$23,748 and the unpaid is \$8,800. Ravi feels this amount of \$15K could be increased to \$30K.

MOTION: Ravi
Second: Theresa A. Kyle
Unanimous

To increase the parking fine revenue to \$30K.

MOTION: Ravi To approve the revenues
Second: Theresa A. Kyle at \$89,700.
 Unanimous

225 - POLICE STATION

Board took a lunch break at 1:04PM. Board reconvened at 1:30PM.

The increase in line 510 is due to the outsourcing of the custodial services. They also use an outside company for the landscape. This is all done rather than replacing the previous full-time employee.

MOTION: Ravi To approve the town
Second: Theresa A. Kyle manager's recommendation
 Unanimous of \$115,500 budget 225.

420 - ANIMAL CONTROL

There was discussion on dogs being on a leash and the state law.

MOTION: Ravi To approve the town
Second: Theresa A. Kyle manager's recommendation
 Unanimous of \$86,791 budget 420.

REVOLVING ACCOUNT - FUND 17

MOTION: Ravi To approve the town
Second: Harold F. Eaton manager's recommendation
 Unanimous of \$131,780 fund 17
 expenditures.

MOTION: Ravi To approve the revenues
Second: Harold F. Eaton at \$140K for fund 17.
 Unanimous

700 - HEALTH

There is an overall increase of 6.1% due to the insurance plan the employee chooses and/or the buyout option.

MOTION: Ravi To approve the town
Second: Theresa A. Kyle manager's recommendation
 Unanimous of \$4,434,562 budget 700

WARRANT ARTICLES - POLICE

Women's Locker Area - \$40K AARPA FUNDING

This was put on the warrant but not passed by the voters. The men's locker room was renovated 3 years ago. At that time there were no female officers, but the men's locker room was heavily utilized. This project also included an expansion to the existing area. The women's area is not quite extensive, but it does need some repairs.

MOTION: Harold F. Eaton To approve the \$40K in
Second: Ravi AARPA funds for the
Unanimous women's locker area.

Ravi said he has asked for money from AARPA to be used on the beach walkways, but the other board members would like to wait until they go through all of the recommended projects. Ravi mentioned an article that was to update the workout room that has been on the warrant but has not passed. Mr. Manzi said they have identified other sources of money for this project, and he would be coming to the board with it in the near future.

POLICE CAPITAL FUND - \$35K WARRANT ARTICLE

This was on the ballot last year and did not pass. They are using this as a tool to finance the computer equipment in the cruisers in 2025. The board asked if there was any grant money for these types of projects. Chief Walker said they do look for grants, but it is not a guarantee. The \$35K doesn't get them to the \$205K so there was discussion on increasing this number. Mr. Manzi agrees it needs more in order to get to the \$205K.

MOTION: Ravi To approve the \$50K for
Second: Theresa A. Kyle the police capital fund
Unanimous as a warrant article.

Mrs. Kyle recommended adding a note as to the reason why they are requesting \$50K.

480 - LIBRARY

Susan Schtavet and Eric Small were present for this budget. There was discussion on the increases. Adjustments were made in the part-time line item to attract new employees. Ms. Schtavet moved money from the book line to the programming line as this year was a fantastic year for programs.

MOTION: Ravi To approve the library
Second: Theresa A. Kyle budget at \$550,049.
Unanimous

180 - COMPUTER TECHNOLOGY

Ravi read the memo from Brian Murphy.

MOTION: Ravi To approve the town
Second: Theresa A. Kyle manager's recommendation
 Unanimous of \$290,136 budget 180.

181 - CHANNEL 22

Mr. Manzi explained the Comcast renewal that addresses moving channel 22 to HD. He said the numbers are reflected in this budget. The town is responsible for providing the equipment in order to broadcast in HD. Comcast incurs the expense of providing this service to the town. Mr. Manzi said the revenue from Comcast is about \$140K in franchise fees annually.

There was discussion on the hosted services line and what is included.

MOTION: Ravi To approve the town
Second: Theresa A. Kyle manager's recommendation
 Unanimous of \$156,941 budget 181.

REVENUES - CHANNEL 22

MOTION: Ravi To approve the revenues
Second: Theresa A. Kyle at \$140K.
 Unanimous

Mr. Manzi said the bottom line for the total budget is \$31,273,342. Once the water and sewer become full enterprise accounts those amounts would come out of this bottom-line budget.

MOTION: Theresa A. Kyle To approve the bottom
Second: Harold F. Eaton line budget amount of
 Unanimous \$31,273,342.

Ravi asked where they were at with the AARPA funds. Mr. Manzi reiterated the projects under AARPA funding and said it totals \$815K so that leaves about \$65K. Ravi would like to put aside \$50K for the beach walkways. Mr. Eaton said those are not the final numbers for the projects.

MOTION: Ravi To allocate \$50K for
 beach walkways out of
 the AARPA funding.

No second, motion failed.

Mr. Eaton said he has not changed his mind in a day, and he needs concrete costs in order to put that money aside. The pricing came for some of the projects a while ago and those

amounts could change. Once the costs are set, he would have no problem setting aside funds.

Mrs. Kyle said she wants to see concrete costs before making that decision. She said if there is money left over then she would vote to put money aside for the walkways. She said if he wants to get rid of anything let's take out the tennis courts which is a recreational item.

There was discussion on getting the bids out so they would have concrete pricing. Some of the bids may come in less than what they have put aside. Ravi said there is no urgency in repairing the beach walkways. Mrs. Kyle doesn't feel a priority is to repair the tennis courts/pickle ball courts. Mr. Manzi said they could put this item on the warrant. Ravi commented he is willing to reverse the order and if money remains, they can put it towards the tennis courts.

There was discussion on the amount of money allocated to the walkways and what is remaining after all of the projects. Ravi would like it to go to \$50K on the walkways. Mrs. Kyle said she is willing to do the \$40K but she will not support the \$50K.

There was discussion on having 3 motions - 1 for \$40K for the beach walkways, 1 for \$40K on the tennis courts if the funds are available and 1 for \$20K additional funds for beach walkways if available.

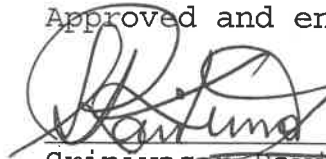
MOTION: Theresa A. Kyle To remove the \$40K in
Second: Ravi AARPA funds for the
Unanimous tennis courts/pickle
ball courts and to use
this \$40K for the beach
walkways.

MOTION: Ravi To allocate \$40K in
Second: Theresa A. Kyle AARPA funds that are
Unanimous remaining for the tennis
courts/pickle ball court

MOTION: Ravi To adjourn the meeting
Second: Theresa A. Kyle at 3:07PM.
Unanimous

Minutes taken by Kelly J. O'Connor.

Approved and endorsed:



Srinivasan Ravikumar,
Clerk

Date: Feb-5-2024

Town of Seabrook

Memorandum

To: Board of Selectmen

From: Town Manager

CC: Kelly O'Connor

Capital Requests Wednesday Session

October 31, 2023

I have drafted a tentative Warrant and further reviewed capital requests with the Department Heads. For the Departments coming in today we have:

Water

1. Meter Replacement Estimated Cost \$30,000 **ARPA.**
2. Water Source Development Cost \$8,200,000 **Warrant Article** (Bond Request)
3. Water Well Cleaning Cost \$65,000 **Warrant Article**
4. Add to Water Capital Reserve Account \$75,000 **Warrant Article**

Sewer

1. Transformer Purchase Estimated Cost \$95,000 **ARPA**
2. Purchase Loader Backhoe Estimated Cost \$175,000 **ARPA**

3. Wastewater Plant Upgrade Phase 2. Cost \$6,000,000 **Warrant Article** (Bond)

4. Sewer Pump Stations Upgrade Cost \$4,000,000 **Warrant Article** (Bond)

Police

1. Repair Women's Locker Area Estimated Cost \$40,000 **ARPA**

2. Add to Police Capital Fund \$35,000 **Warrant Article**

There are two major things driving my budget request amounts for 2024. Namely, these are our increasing growth into externally hosted services and critical hardware elements that have aged beyond useful limits.

At the risk of expressing bias, the Town of Seabrook has a marvelous suite of online services. Seabrooknh.org allows for the planning and recording of meetings, document management, and ready for other internal communication tools; Seabrooknh.info and Seabrookpd.com supply a large amount of information to our residents, and the means to ask about things they are looking for, even when they travel out of state. The three site domains share information accurately, and with a strong record of up-time and a stronger record of remaining un-hacked. The site design, maintenance, and hosting costs have and will continue to increase. Even if we were to somehow not produce and preserve new information for the sites every week, the costs would continue to rise.

At the same time, our need for Microsoft Office (Word/Excel/Outlook, etc.) grew dramatically. Our staff managed to continue using an old and already paid-for version of Microsoft office for many years past its end-of support date in 2017. Alas, that product is no longer functional. That change forced us into a relationship with Microsoft that costs a few dollars per month, per employee, in order to have these basic tools available.

Our Town Government has 4 datacenters, 4 networking closets, and about 175 desktop computers spread throughout its buildings. All of these devices have a warranty period, for some of the bigger ones we can buy warranty extensions. But eventually those run out, and devices need to be scheduled for replacements. I try to replace all these various devices regularly, and on different schedules, in order to stabilize the costs year-to-year. Also, due to financial reality, I often have to take measured risks, trusting and repairing most devices to function for a time outside of warranty support

In 2021, I suddenly needed to upgrade almost all of our desktops at once, due to software changes. Over the next year and in 2023, We have done the vast majority of those. But with limits of both funds, and time, that project has pushed the server equipment upgrades more off schedule that I will tolerate. We now have dangerously outdated server equipment simultaneously in both the Police Dept, and Fire Dept. If I were to choose only one of them for refresh in 2024, I would merely move the problem to 2025; taking the same unacceptable risk with whichever server I did not address, and add Town Hall server equipment, that will have worked into replacement age.