

Town of Rye Budget Committee  
Budget Review  
Town Budget Public Hearing 1/10/19

Attendees: Chair Jaci Grote, Peter Crawford, Alternate Shawn Crapo for the Beach Village District, Doug Abrams (by telephone for a portion of the meeting, as indicated), Mae Bradshaw, Phil Winslow, Randy Crapo, Ralph Hickson, Peggy Balboni, Kevin Brandon, Scott Marion.

5:30 p.m. work session followed by the 6:30 p.m. public hearing

Chair Grote called the meeting to order with the pledge of allegiance. As the meeting started, Doug Abrams had not yet been conferenced in by telephone. Randy Crapo arrived during discussion about the minutes. The other members were all present throughout the meeting.

Jaci Grote: We will approve the minutes of the December 12<sup>th</sup> meeting. We will go over some unfinished business for the budget and then we will go over the warrant articles. We will wait to approve the warrant articles for the pumper fire truck, the salt shed and the town hall until 6:30.

Approval of 12/12/18 minutes

Chair Grote; So let's look to approve the minutes of the 12/12/18 meeting.

Mae: I have a correction, top of page 5. Where it says each increase of taxes, it should say expenses.

There was discussion about the minutes and how it should read. Peter thought it was said as stated in the minutes and that that was accurate.

Motion to approve the minutes without the change by Scott, seconded by Kevin. All were in favor, except Phil and Randy who abstained, Randy because he arrived after the discussion of the minutes had commenced, and Phil because he had not been present at the 12/12/18 meeting.

**Vote 8-0-2.**

Deletion of \$1200 for Porta Potty from operating budget

Chair Grote: Now we have the town departmental budget. Mr. Crapo has a concern he would like to bring up.

Shawn: Yes during several trips to the Post Office, I was asked by several residents to change my vote as a Rye Beach representative on the inclusion of the \$1200 for the Porta Potties, which is Fund 12.

Chair Grote: You can make a motion to reduce that line item by \$1200.

Shawn made a motion to reduce account 12-4520-51-487 and the Fund 12 total budget by \$1200, making the Fund 12 budget \$32,272. Second by Randy. All in favor, except Phil abstained.

**Vote 9-0-1.**

#### Discussion of level of detail provided at school budget public hearing

Peter Crawford spoke about RSA 32:5 and his disappointment at the level of detail regarding the budget that was provided to the public. Chair Grote said that she had spoken with Miss Ransom at the end of the last meeting. Miss Ransom will prepare something for next year with more detail as well as a brief Power Point presentation that will have a brief explanation of the changes to the budget, as we have had in the past.

Chair Grote reminded everyone that the minutes and the videos are online for everyone to review.

#### Fire and Ambulance Vehicle Capital Reserve Fund, \$100,000

Chair Grote: The first warrant article that we did not vote on is the second article. This is a routine warrant article.

There was discussion about how to handle the warrant articles and petitioned warrant articles. It was decided that the warrant articles would not be re-voted.

To see if the Town will vote to raise and appropriate the sum of one hundred thousand dollars (\$100,000) to be added to the Fire and Ambulance Vehicle Capital Reserve Fund the purpose of which was amended by Article 15 of the 2018 Town Meeting. This appropriation is in addition to the operating budget.

Peter Crawford: This was tabled due to the name of the fund being incorrect.

It was agreed that the warrant article need not be reread.

Motion to recommend by Ralph, seconded by Scott. All in favor. **Vote 10-0.**

#### Salt shed, \$700,000

Chair Grote: Okay the next one to vote on is on page 2, the \$700,000 salt shed. She read the warrant article:

To see if the Town will vote to raise and appropriate the sum of seven hundred thousand dollars (\$700,000) to replace the existing salt shed with a larger more efficient salt storage facility to allow all salt operations to be under cover, and authorize the withdrawal of eighty thousand dollars (\$80,000) from the Salt/Shed Storage Building Capital Reserve Fund created in 2005 for this purpose, and authorize the borrowing of up to six hundred twenty thousand dollars (\$620,000) through the issuance of not more than six hundred twenty thousand dollars (\$620,000) of bonds or notes in accordance with the provisions of the Municipal Finance Act (N.H. RSA Chapter 33 as amended) and to authorize the Selectmen to issue, negotiate, sell and deliver such bonds or notes, to determine the rate of interest thereon and the maturity and other terms thereof, and to take such actions or to pass any vote relative thereto as may be necessary to effect the issuance, negotiation, sale and delivery of such bonds or notes as shall be in the best interest of the Town of Rye, and further, to apply for, obtain, accept and expend Federal and State Grants or other aid and any private donations that may be available towards this purpose and to comply with all laws applicable to said project. (3/5 ballot vote required.)

Mae asked about the rate, term and cost. The response was that the information is in our packets: \$620,000 in principal at a 3.5 % rate over 10 years.

Shawn made a motion to recommend, which was seconded by Scott.

Mae asked how much is in the reserve.

Becky Bergeron said that \$5000 would be left.

Peggy asked why it was not being taken down to zero.

Peter Crawford read from the town annual reports for 1980 and 1982. The first indicated that Wright-Pierce engineer Craig Musselman had recommended that the salt shed be relocated to a tidal basin. The second indicated that the current salt shed was nonetheless constructed on its current site. It is 36 years old.

Mr. McCarthy said that 120 tons is the capacity currently and the new one proposed will have 600 tons of capacity.

Peter also shared the cost of some other salt sheds in the United States, including one that had several times the capacity for a lower cost than the one proposed for Rye.

Mae asks whether the lease arrangement for the pumper is correct, noting a higher interest rate for that than the salt shed, despite the former being five years and the latter ten.

Peter noted that leases are more expensive.

Following up on Peggy's suggestion, Chair Grote suggested that \$85,000 should be used from the reserve and only \$615,000 borrowed. This appeared to be agreed.

Town Administrator Magnant said that it could be voted on now with the recommendation that the Selectmen look at decreasing the amount of borrowing.

Scott Marion said that all had agreed to the reduction in the borrowing.

All were in favor of the motion to recommend the article except Peter. **Vote 9-1.**

Peter said that he nevertheless supported Peggy's idea to increase the amount coming from the reserve.

#### Shoals View paving, \$200,000

Chair Grote read the warrant article:

To see if the Town will vote to raise and appropriate the sum of two hundred thousand dollars (\$200,000) for the reconstruction and paving of Shoals View Drive, a town-maintained road, between Parsons Road and Ocean Boulevard, and accept and expend Federal and State Grants or other aid and any private donations that may be available towards this purpose and to comply with all laws applicable to said project. This appropriation is in addition to the operating budget. (Majority vote required)

Scott moved to recommend, Ralph seconded.

Peter had a comment about public roads that are unpaved, saying that if we do this, we will need a plan to do for the others. He thinks that there are seven unpaved town roads that may need to be done. He said that these are:

Shoals View  
Pulpit Rock  
Cole Noyes  
Davis

Neptune  
Vin Mar  
West Atlantic

A number of members agreed that this needs to be looked at.

Mr. McCarthy said that this has been on the ballot for three years and it has been approved but last year it did not get the three-fifths vote to approve it as a bond article.

It is voted on to recommend. All were in favor, except Peter and Kevin. **Vote 8-2.**

Pumper/ladder truck, \$992,000

Chair Grote started to read the warrant article, but then it was realized that it was now 6:30 p.m. and that the public hearing could now be opened.

Shawn moved to continue the work session. Randy seconded. All were in favor.

Scott moved to open the public hearing. Kevin seconded. All were in favor.

Chair Grote announced that the Budget Committee would proceed with the warrant articles and then go back and provide an opportunity for public comment on the warrant articles that had already been addressed.

Chair Grote opened the public hearing and gave details of the warrant articles in the handouts. The last page is the budget that we have not gotten to yet. She read the warrant article again for the fire truck:

To see if the Town will authorize the selectmen to enter into a long-term lease/purchase agreement in the amount of five hundred thousand dollars (\$500,000) payable over a term of five (5) years for a new pumper/ladder truck for the Fire Department with the first payment due in 2020 and to raise and appropriate the sum of four hundred and ninety-two thousand dollars (\$492,000) for the down payment on the lease-purchase due in 2019 with \$123,000 to come from the Ambulance and Fire Vehicle Special Revenue Fund and to authorize the withdrawal of \$369,000 from the Fire and Ambulance Vehicle Capital Reserve Fund (total of \$492,00). The total cost of the pumper/ladder truck is \$992,000. This article is in addition to the operating budget. (3/5 vote required).

Chair Grote asked if anyone would like to speak about the fire truck.

The Fire Chief was asked to give some background to the status of the fire truck.

Chief Mark Cotreau said that Rye has three class A pumper trucks, one of which is a pumper/ladder. We respond with a pumper truck to building fires. The two additional pumpers are staffed by recall individuals. These are off duty firefighters and call personnel who are called back to the station.

The Chief explained the chimney fire back in October. Our pumper/ladder was out of service. Portsmouth responded for us and this is mutual aid. The Chief explained surge capacity. Our current pumper/ladder is a 1988. In 1993 there was significant improvements made to fire trucks.

There is a problem with the main lift piston that would cost \$10,000 to \$20,000 to repair. The existing pumper/ladder truck is only worth about \$5000. We can't reach above second-floor sills without this truck. The existing pumper/ladder cannot be used as a primary piece of equipment. He explained why such a truck is needed by the town of Rye. Why do we need a ladder truck if we don't have big buildings? We use this for the reach not necessarily the height, to get up to the building.

Chair Grote: We have Doug Abrams on the phone to add to the meeting.

After some adjustments to the phone, Mr. Abrams spoke and it was ascertained that he could hear everyone and that everyone could hear him.

Chief Cotreau brought Mr. Abrams up to date.

Mae: I worked on the CIP this year with the Chief and it was a great honor. I want to thank you.

Ralph: What are the balances in those two funds.

Finance Director Becky Bergeron: \$630,000 total in the two funds.

Peter reviewed the CIP plan for fire trucks:

2019	Pumper ladder	\$992,000
2021	Mini pumper	\$300,000
2023/24	Pumper	<u>\$760,000</u>
	Total	\$2,052,000

Peter asked whether the reason that not all of the \$630,000 is being applied towards the pumper/ladder is that money is being retained to fund the other fire trucks.

The Chief confirmed. He added that two five year leases are planned. He wants to get to the point where leases are no longer needed, he said.

Peter asked when the pumper/ladder would arrive if the voters approve the warrant article. The Chief said that they would look at demo units that would be less expensive and could be obtained earlier. If not, the truck would arrive late this year or early next year.

Peter said that, in the meantime they have a ladder that they don't want to use. He asked why it shouldn't be repaired, given the life safety issue.

The Chief said that they had had this discussion, and are very cautious with the aerial ladder.

Scott moved to recommend and Kevin seconded. A roll call vote was taken:

Mae	yes
Scott	yes
Kevin	yes
Peter	no
Jaci	yes
Doug	yes
Peggy	yes
Phil	yes
Shawn	yes
Ralph	yes
Randy	yes

#### **Vote 10-1.**

Peter said that he felt that he would be buying into the entire plan by voting to recommend the article. There is only staff to man one truck. The fact that the cylinder is not being replaced is almost an admission that the truck is not that important. He said that he would have voted for this but there are way more trucks than firefighters to man them.

Doug: I was a part-time firefighter, I was at the tip of that ladder many times. I feel that this equipment is important.

Peter agreed.

There was discussion about call backs providing additional staff.

Peter pointed out that it would be half an hour before any Rye firefighter arrived on the scene. They have to come in to the station, suit up, get on a truck and go to the fire. The second piece of apparatus to arrive is likely to be from mutual aid.

The Chief said that that was very true, however firefighting is not conducted in 20 minutes to half an hour. Often, they are there before a half hour, he added.

#### Operating budget, \$9,718,146

Chair Grote: The next warrant article is for the operating budget. Before the public arrived, the budget was reduced by \$1200. The woman who originally asked for the Porta Potty has withdrawn this request. Chair Grote read the warrant article with the \$1200 reduction to \$9,718,146.

Shall the Town raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein totaling nine million seven hundred eighteen thousand one hundred forty-six dollars (\$9,718,146)? Should this article be defeated, the default budget shall be nine million one hundred fifty-two thousand ninety-one dollars (\$9,152,091) which is the same as last year, with certain adjustments required by previous action of the Town or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. (Majority vote required.)

**NOTE: This operating budget warrant article does not include appropriations in any other warrant articles.**

Chair Grote: In Fund 12 we had funds for Porta Potties at Sawyer's Beach. Shawn Crapo moved to reduce the meeting by \$1200 and Mr. Winslow said the women have rescinded their request for the Porta Potties. That's why we are voting on a different amount.

Peter pointed that the "Operating Budget -- All Funds" line on the budget sheet is up 5.8%, which is a very large increase. That works out to 25 cents on the tax rate. We just approved the school budget after being told by the SAU that that would result in a 22 cent increase in the tax rate. That's 47 cents total and on top of that we have \$1.624 million in warrant articles, some of which are bonds. We are looking at a big tax rate increase if this goes through.

Peter made a motion to reduce the custodial budget by \$36,000. He pointed out that the additional staff person added had narrowly been approved by the committee, by about 7-4, as he recalled. The \$36,000 is the cost of that additional position. Normally, employee additions are separate warrant articles, as was the case with the additional police officer.

There was no second.

Mae moved approval of the warrant article, Ralph seconded.

Roll call vote:

Mae	yes
Scott	yes
Kevin	yes
Peter	no
Jaci	yes
Doug	yes
Peggy	yes
Phil	yes
Shawn	yes
Ralph	yes
Randy	yes

**Vote 10-1.**



Starboard Way cell tower access road damages, \$4000

Chair Grote read the warrant article:

If Article \_\_ above is approved, to see if the Town will vote to raise and appropriate the sum of up to four thousand dollars (\$4000) for payment of any damages sustained by each owner of land taken for such road as required by RSA 231:15 which may be assessed because of the road layout approved by Article \_\_\_\_\_. This article is in addition to the operating budget. (Majority vote required).

There was discussion about the reference to “each owner” suggesting that the payment might be a multiple of \$4000 if there are multiple owners.

Shawn made a motion to recommend contingent on the language being changed to make it clear that the maximum payment to all homeowners would be \$4000. Mae seconded.

Peter pointed out that the layout involves only half the road. He said that Mr. Knapp, the abutter on the other side of the road, came before the Planning Board and said that he wants to go in on the deal with the other owners. He asked whether the article needed to be changed to provide compensation to Mr. Knapp.

Mr. Magnant said that none of the easement holders would be receiving compensation. This involves a taking, he said.

Peter said that that seemed a bit unfair, but that he would vote for the article anyway.

Roll call vote:

Mae	yes
Scott	yes
Kevin	yes
Peter	yes
Jaci	yes
Doug	yes
Peggy	yes
Phil	yes
Shawn	yes
Ralph	yes
Randy	yes

**Vote: 11-0.**

Fire and Ambulance fund, \$11,714.37

Chair Grote read the next article:

To see if the Town will vote to discontinue the Ambulance Capital Reserve Fund established by Article 13 of the 1995 Town Meeting. Said funds with accumulated interest to date of withdrawal are to be transferred to the town's general fund.

Mr. Magnant pointed out that this article is in conjunction with the next one, and suggested that that be read. Chair Grote read the next article:

If Article \_\_ is adopted, to see if the Town will vote to raise and appropriate the sum of eleven thousand seven hundred fourteen and 37/100 dollars (\$11,714.37) to the Fire and Ambulance Vehicle Capital Reserve Fund, which was re-established under a change of purpose by Article 15 of the 2018 Town Meeting. Note: This is the amount transferred to the General Fund by Article \_\_, so there is no net impact on the tax rate if Articles \_\_ and \_\_ are adopted. (Majority vote required).

Mae moved to recommend, Phil seconded. Roll call vote:

Mae	yes
Scott	yes
Kevin	yes
Peter	yes
Jaci	yes
Doug	yes
Peggy	yes
Phil	yes
Shawn	yes
Ralph	yes
Randy	yes

**Vote: 11-0.**

In response to a question from Shawn, it was made clear that the vote was on the second of the two articles.

#### Town Hall teardown/rebuild, \$3,500,000

Jaci Grote noted that the next article did not say "by petition." She read the article with those words added:

(By Petition) To see if the Town of Rye will vote to authorize the Rye Selectmen to raise and appropriate the sum of three million five hundred thousand dollars (\$3,500,000) gross budget for building a new Town Hall Structure on its current site, along with equipment and furnishings, with some changes to foundation location, and to raze the old Town Hall building. Passage of this article shall override the 10% limitation imposed on this appropriation if not recommended by the Budget Committee.

To construct, pursuant to the design for a new Town Hall, as developed by Rye resident John Loftus, and licensed New Hampshire Architect Robert A. Schaefer, AIA, LEED BD+C from the firm of R.A. SCHAEFER & D. M. WHITE ARCHITECTS.

To authorize The Rye Selectmen, to go forward with the completion of “contract documents”, including required and necessary engineering, by licensed New Hampshire Architect Robert A. Schaefer, AIA, LEED BD+C from the firm of R.A. SCHAEFER & D. M. WHITE ARCHITECTS, and with further project design input by Rye resident John Loftus. The “contract documents” will consider all applicable codes and ADA requirements. (Please note: Mr. Loftus has not been offered, has not asked for, and will NOT accept any remuneration for any of his design work.)

To authorize The Rye Selectmen, to seek competitive bidding for the physical construction of a new Town Hall, as per the prepared contract documents, and to choose the best bid.

To authorize the borrowing of up to three million five hundred thousand dollars (\$3,500,000) through the issuance of not more than three million five hundred thousand dollars (\$3,500,000) of bonds or notes, for a 30-year term only, in accordance with the provisions of the Municipal Finance Act (N.H. RSA Chapter 33 as amended).

To authorize the Selectmen to issue and negotiate such bonds or notes, for a thirty-year term only, to determine the rate of interest thereon, and to take such actions as may be necessary to effect issuance, negotiation, sale and delivery of such bonds or notes as shall be in the best interest of the Town of Rye, and further, to apply for and accept and expend Federal and State Grants and any private donations toward this purpose.

(60% vote required) This appropriation is in addition to the operating budget.

Chair Grote opened the floor to John Loftus.

Mr. Loftus said that he had sent the general specifications to Jaci Grote. He reviewed how he came up to the design of the new Town Hall and what the design and process entailed. This will provide a full basement for mechanical, HVAC, electrical and plumbing and storage. The fire pump will be in the basement. The building will have a 200 year expected economic life with routine maintenance. New construction would satisfy the space needs and provide town hall functionality. It will be 8532 sq. ft. vs. 6178 sq. ft. currently. The new building would have a meeting room larger than this one and two smaller conference rooms. The ceilings would be of conventional height, compared to eight foot ceilings on the first floor and nineteen foot ceilings on the second floor. Offices with ceilings and climate control vs. offices with eight foot walls and no ceilings. High energy efficiency vs. slab construction and low efficiency. Working with new materials vs. labor intensive undo and redo.

Doug moved to recommend the warrant article, saying that he was frustrated that it did not pass last year. Ralph seconded.

Peter pointed out that Doug had voted not to recommend the article the prior year, but he and Kevin had been absent when the recommendation was re-voted after the Deliberative Session. Thus a 6-5 vote against recommending became a 5-4 vote in favor of recommending.

Mike Coutu spoke about the bond. He thanked the Budget Committee for the opportunity to speak. He passed out a two page document with figures and explained how the financing would work, pointing out that, with level payments, the total cost with interest would be about \$6.5 million, but with level principal payment, the total cost would be about \$5.9 million. However, the tax rate impact in the former case would be \$.10 for all years, and in the latter case \$.14 in the first year and declining thereafter. The difference is due to the compounding of interest.

Chair Grote opened it up to the public.

Bev Giblin, Chairman of the Heritage Commission: I am in favor of keeping this building. She is flabbergasted that we are doing this again. We have been doing this for 9 years. She feels most people want to save the old building. A study was done and showed this would last another century.

Chair Grote explained how petitioners may proceed with warrant articles at any time.

Shawn asked if there is a statue that requires a waiting period before resubmitting a warrant article that does not pass.

Frances Erlebacher pointed out that, two years earlier there had been a teardown article that got only 21 percent. At the time, Mr. Loftus had gone around saying that the building should not cost more than \$2 million, and that the cost of over \$3 million was “highway robbery.” Now, the \$3.5 million is more than that.

Frank Dibble, 106 Harbor Road: I have congratulated John for being a volunteer on this project. I do continue to hear about defects in the building. The Groundroot report says that the building is sound, has no carcinogens or mold, and is usable for the next century.

My second consideration is that we are taking a large undertaking to understand our space needs. Everyone who is involved with the schools knows that we have excess space. There is also the Old Police Station and the Parsonage may be coming online. I think it is premature to create new construction until we understand how we are going to use what we have properly. He does not think, however, that the equipment bay will ever be available due to security issues.

Mr. Dibble pointed out that the Groundroot report estimates \$800,000, including resolving ADA issues and an elevator. The painting portion of that has already been expended, so the renovation cost would be less than \$800,000.

Mr. Dibble spoke about the Friends of Rye Town Hall which has raised \$26,000 in grants and pledges. With the efforts of volunteers, the \$800,000 can be reduced. He is asking that the Committee not recommend this article.

Elizabeth Sanborn, 16 Dow Ln., Volunteer for the Portsmouth Historical Society and an alternate on the Heritage Commission, implored the Committee not to recommend this.

Alex Herlihy: I have been trying to make my way through this for the last eight years. I must agree that we should stay with the current town building. I feel that we can add to and maintain this building to be a part of the town, and for this reason I ask that you not recommend this warrant article. I feel that it functions for the current needs of the workforce. Thank you for your consideration.

Phil Walsh, Wayside Lane, if you read the Historic Structure Report, the building is safe and sound. Rye has a lot of character and charm, I would not like to see the things that make it our town taken away. I implore you to vote against this warrant article.

Shirley Sullivan, 42 Liberty Common: I have been here all my life. I came home to vote as my Dad told me I had to. It was that important. I was very torn for most of this but I feel that this building has served us and we need to get the most efficient building. I think the environment is not right to serve the purpose. Did they cut holes in the building and see if there were carcinogens? I did not see anything in that report that said we should renovate this building. I feel that John's approach is better to serve the needs going forward for the town and the community.

Mr. Loftus said that the \$800,000 is not apples to apples, as that option does not provide for an increase in the square footage. The elevator shaft outside the building would look terrible. No intrusive study was done to see if mold is in the building. We need more space.

Bev Giblin said that this is an argument that could go on forever. Once the building is gone it is gone forever. We have a huge celebration coming up in four years.

Joe Cummings said that he thinks that the proponents of this building do themselves a disservice by rushing back to propose this again. Regarding the fees and fines related to the ADA, he asked the Town Manager whether we have ever been contacted about this.

Mr. Magnant: We have not been contacted or fined, but towns in New Hampshire have been required to make modifications.

Dennis Lipman: The town of Rye and this building are not just unique to NH. Rye is one of the most historic towns in the U.S. We are functioning in these buildings. I heard that someone said we could not use the stage then we should tear the building down. If that's the case, we can't use the top of the Tower of London so let us tear that down.

Mae Bradshaw: you have some useful information on page 5 of the CIP Plan. If you add the next six years together, we are looking at \$19,604,700 of anticipated, vetted needs. I can't in good conscience ask the citizens to pay more than \$6 million for something that the experts say we don't need.

Peter Crawford read from the Groundroot report that says the building is structurally sound and safe to be added to. He does not feel that we should go for the new building.

Scott: I credit Mr. Loftus and thank him, but I will vote against this. The voters spoke convincingly against this last year.

Kevin Brandon: I will compound Mr. Marion's comment. Regardless of how you feel, the townspeople have spoken unequivocally against capital expenditures of this size on either side.

Shawn Crapo: We can't not just do nothing. We are going to have to spend \$800,000 and it may be closer to \$1 million. The voters will most likely have to decide on either spending \$1 million or \$3.5 million.

Roll call vote on the motion to recommend this article:

Mae	no
Scott	no
Kevin	no
Peter	no
Jaci	no
Peggy	yes
Phil	no
Shawn	yes
Ralph	yes
Randy	yes

**Vote: 4-6.**

During the roll call vote, when it came time for Doug Abrams to vote nothing was heard. It appeared that the line had become disconnected. He did not thereafter call in or participate in the meeting.

Peter then made a motion to not recommend the article, which was seconded by Kevin. Mr. Abrams no longer participating by phone, the vote, and all later votes during the meeting, were taken by show of hands. All but Peggy, Shawn, Ralph and Randy were in favor of the motion to not recommend. **Vote 6-4.**

#### Highway equipment capital reserve, \$100,000

Chair Grote read the warrant article:

To see if the Town will vote to raise and appropriate the sum of one hundred thousand dollars (\$100,000) to be added to the Highway Equipment Capital Reserve Fund created in 1994. This appropriation is in addition to the operating budget. (Majority vote required.)

There was no public comment.

#### Fire and Ambulance Vehicle Capital Reserve Fund, \$100,000

Chair Grote read the warrant article:

To see if the Town will vote to raise and appropriate the sum of one hundred thousand dollars (\$100,000) to be added to the Fire and Ambulance Vehicle Capital Reserve Fund the purpose of which was amended by Article 15 of the 2018 Town Meeting. This appropriation is in addition to the operating budget.

There was no public comment.

Employee accumulated leave fund, \$50,000

Chair Grote read the warrant article:

To see if the Town will vote to raise and appropriate the sum of Fifty Thousand Dollars (\$50,000) to be placed in the expendable general trust fund known as the Town Employees' Accumulated Leave Fund, established pursuant to RSA 31:91-a by Article 14 of the 1990 Rye Town Meeting for the purpose of funding Town Employees' accumulated leave accounts. This appropriation is in addition to the operating budget. (Majority vote required.)

There was no public comment.

Municipal Buildings Expendable Trust, \$35,000

Chair Grote read the warrant article:

To see if the Town will raise and appropriate the sum of thirty-five thousand dollars (\$35,000) to be added to The Municipal Buildings Maintenance Expendable Trust Fund established by Article 11 at the 2007 Town Meeting under the provisions of RSA 31:19-a, for the purpose of major repairs to municipal buildings. This appropriation is in addition to the operating budget. (Majority vote required.)

There was no public comment.

Peter suggested that copies of the draft warrant articles be provided to the two members of the public remaining, as well as the employee who is a Rye resident so that the readings of the articles could be dispensed with. Shawn suggested that the members rotate, and said that he would read the next article.

Library accumulated leave fund, \$10,000

Shawn read the warrant article:

To see if the Town will vote to raise and appropriate the sum of ten thousand (\$10,000) to be added to the Library Employees' Accumulated Leave Fund established by Article 22 at the 2018 Town Meeting under the provisions of RSA 31:19-1, for the purpose of funding Library

Employees' accumulated leave. This appropriation is in addition to the operating budget. (Majority vote required.)

There was no public comment.

Library maintenance expendable trust, \$5000

Phil read the warrant article:

To see if the Town will vote to raise and appropriate the sum of five thousand dollars (\$5,000) to be added to the Rye Public Library Building Maintenance Expendable Trust Fund established by Article 14 at the 2005 Town Meeting under the provisions of RSA 31:19-a, as a maintenance fund for the Rye Public Library building. This appropriation is in addition to the Library's operating budget. (Majority vote required.)

There was no public comment.

Salt shed, \$700,000

Peggy read the warrant article:

To see if the Town will vote to raise and appropriate the sum of seven hundred thousand dollars (\$700,000) to replace the existing salt shed with a larger more efficient salt storage facility to allow all salt operations to be under cover, and authorize the withdrawal of eighty thousand dollars (\$80,000) from the Salt/Shed Storage Building Capital Reserve Fund created in 2005 for this purpose, and authorize the borrowing of up to six hundred twenty thousand dollars (\$620,000) through the issuance of not more than six hundred twenty thousand dollars (\$620,000) of bonds or notes in accordance with the provisions of the Municipal Finance Act (N.H. RSA Chapter 33 as amended) and to authorize the Selectmen to issue, negotiate, sell and deliver such bonds or notes, to determine the rate of interest thereon and the maturity and other terms thereof, and to take such actions or to pass any vote relative thereto as may be necessary to effect the issuance, negotiation, sale and delivery of such bonds or notes as shall be in the best interest of the Town of Rye, and further, to apply for, obtain, accept and expend Federal and State Grants or other aid and any private donations that may be available towards this purpose and to comply with all laws applicable to said project. (3/5) ballot vote required.)

The recommendation that the Selectmen drain the reserve to decrease the amount being borrowed was noted.

There was no public comment until after Peter had read the Shoals View paving article. Following that Joe Cummings wished to make a comment regarding the salt shed. He said that he is not satisfied that we are spending as little as we can realistically. I think another town spent a lot less. What fraction of the cost is due to special Rye considerations?

This question led to a discussion about \$350,000 of the \$700,000 being site preparation costs. Public Works Director Dennis McCarthy said that a similar site in a different town would have the same cost, but acknowledged that the need to have a flat undisturbed location was driving up the cost.



Mr. Cummins said that he had looked at other salt sheds last year. The salt shed in Newfields has the same dimensions and only cost about \$300,000.

Shoals View paving, \$200,000

Peter read the warrant article:

To see if the Town will vote to raise and appropriate the sum of two hundred thousand dollars (\$200,000) for the reconstruction and paving of Shoals View Drive, a town-maintained road, between Parsons Road and Ocean Boulevard, and accept and expend Federal and State Grants or other aid and any private donations that may be available towards this purpose and to comply with all laws applicable to said project. This appropriation is in addition to the operating budget. (Majority vote required)

There was no public comment. However, after this was read, Mr. Cummins asked a question about the salt shed which is reflected in the section above.

Further discussion of Town Hall, including the second warrant article

Frank Dibble asked whether the Budget Committee had considered the second warrant article from Mr. Loftus.

Phil said that there was no funding in it.

Mae said that it does relate to spending.

Peter said that it was an “iffy” issue as it negates appropriations.

Jaci said that she wanted to read the article as she was quite disturbed. She thinks that it is inappropriate.

Mae said that she thinks it is illegal.

Peter said that he was also very disturbed because it holds the town workers and taxpayers hostage. He passed out copies of the article. The members read it and there was further discussion.

Peter moved to not recommend the article. He said that the Board of Selectmen can then decide whether the recommendation may appear on the warrant. Mae seconded.

Mr. Magnant said that he believes that the answer is going to be that the recommendation cannot appear on the ballot. However, the Budget Committee can vote on this.

Shawn said that it serves as a negative appropriation by saying that regular maintenance cannot be done.

Mr. Magnant read from RSA 32:5, VI.

All were in favor of the motion, except Peggy, who abstained. **Vote 9-0-1.**

There was then discussion about whether, if the first article from Mr. Loftus is turned down, that would infer a need to make the building ADA compliant.

Kevin said that the town is required to be ADA compliant, but is not required to spend \$3 million to address to phantom lawsuits.

Peter reminded everyone to show up for the Deliberative Session, as close votes can shift, as they did last year. Jaci said that the Deliberative Session is February 2.

Peter said that the Groundroot report provides for ADA compliance. The Selectmen have not said that this is their plan, however. He encouraged them to say what their plan would be in the event that the new Town Hall article is voted down.

#### Wrap up

Mr. Magnant suggested that the Committee move to place the budget and its recommendations on the warrant. Mae so moved. Scott seconded. All were in favor.

Shawn moved to adjourn the work session. Scott seconded. All were in favor.

Shawn moved to close the public hearing. Scott seconded. All were in favor.

Peter said that the town budget forms would be handled in the same way as the school budget forms. That was agreed.

Whereupon the meeting adjourned at approximately 9:15 pm.

TOWN OF RYE, NEW HAMPSHIRE

BUDGET COMMITTEE

PUBLIC HEARING - 2019 TOWN BUDGET

THURSDAY, JANUARY 10, 2019, 6:30 P.M., RYE TOWN HALL

The purpose of the Hearing is to consider the Town's proposed Operating Budget for 2019 and Warrant Articles.

Name (please print)

Address

Signature

Kimberly Reed	10 Central Rd P&Z Admin	KR
Mike Steinberg	17 Sea Glass Lane	Mike Steinberg
BLAIR NELSON	5 South Rd	Blair Nelson
Shirley Sullivan	42 Liberty Cmn	Shirley Sullivan
Frank Dibble	106 Harbor Rd	Frank Dibble
Peter E. Rowan	Building Inspector	Peter E. Rowan
LEE ARTHUR	RECREATION CENTER 10 CENTRAL	Lee Arthur
JOHN LOFTUS	108 STRAWS POINT RD	John Loftus
MIKE COUTU	805 CENTRAL RD	Mike Coutu
Gail Hargrave	6 Green Creek	Gail Hargrave
Dona DeCotis	2410 Central Rd	Dona DeCotis
Phil Weber	21 Weymouth Lane	Phil Weber
Beverly Giblin	120 LOCKE ROAD	Beverly Giblin
ELIZABETH SANBORN	16 Dow Lane	Elizabeth Sanborn