

Town of Alton
Budget Committee Meeting
Town Hall Meeting Room
April 15, 2015
Minutes
Approved July 15, 2015

I. Call to Order 6:35pm

II. Pledge of Allegiance

III. Roll Call

Andy McLeod, Chairman
Roger Nelson, Vice Chairman
Terence O'Rourke, Member
Steve Miller, School Board Representative
Lou LaCourse, Selectmen's representative

IV. Approval of Agenda

S. Miller requested to add Item 3 under New Business on how the Committee will approach adding new members. The Committee is currently short 2 members.

S. Miller motioned to accept the agenda as amended and T. O'Rourke seconded the motion with all in favor.

V. Public Input I

None
Public Input I closed

VI. New Business

1. & 2 Seat New Committee/Select New Chair and Vice Chair

R. Nelson motioned to nominate A. McLeod as Chairman and was seconded by T. O'Rourke and passed with all in favor.

A. McLeod motioned to nominate Roger Nelson as Vice Chairman and was seconded by T. O'Rourke and passed with all in favor.

3. A. McLeod proposed that on August 1st, 2015 we advertise for new members and provide 2-3 weeks of advertisement. L. LaCourse, A. McLeod, and S. Miller suggested several residents that may be interested and they will contact them.

VII. Public Input II

None
Public Input II closed

VIII. Old Business

1. Approval of meeting minutes of February 11, 2015

A. McLeod motioned to accept the Meeting Minutes of February 11, 2015 as presented and was seconded by L. LaCourse. The vote was 3-2 in favor with R. Nelson and S. Miller abstaining.

2. Expenditure Reports Review

S. Miller gave an overview on the school construction, which is under budget, and on time. A test on the surrounding fire hydrants by the Alton Water Department and Carter Fire Suppression was performed and it was determined that there was no flow on 6 of the hydrants surrounding the school, and possibly more.

S. Miller continued that they are going to have to build a cistern and a pump house, at a cost to the Town of between \$200,000.00 and \$300,000.00. L. LaCourse asked if they could connect the line on Route 140 and S. Miller responded they can't do that because there is not enough flow. He continued that there is not enough flow in the hydrant in front of the Fire Station to put out a fire at the fire station. There is also another issue with the neighborhoods because now the State Fire Marshall is aware of this and there may be insurance issues that have to be rated.

S. Miller stated that the hope was there would at least be one hydrant that they could tap into and they cannot.

L. LaCourse asked what is the position of the Water Department. S. Miller responded that the hydrants weren't designed to put out a fire according to the Fire Chief. L. LaCourse stated he thought that the Fire Chief was stating that the hydrants were not designed to put out a fire on a building as big as the school and were designed for homes. L. LaCourse asked is there anything the Water Department can do. S. Miller responded they need to find where the leak is or find what valve is closed. You would have to hire a firm that has the ability to locate the leak and follow it all the way to the source which is the reservoir. His understanding is that the Water Department does not have the funds or where with all to do that. S. Miller stated that it is frustrating that as the number one or the number two largest customer of the Water Department the school is entitled to have water.

R. Nelson stated the issue he has is that if you are going to spend \$500,000.00 to put a water suppression system in the school shouldn't we look at what should be done to make the hydrants and water flow to the ones already in place for a lot less than \$500,000.00. You haven't analyzed if there is a break in the system that we could fix for a lot less than \$500,000.00.

S. Miller responded by stating he agrees 100% with him. As a member of the School Board it is not our job to fix the infrastructure of the Town the Water Department has to do that.

R. Nelson stated I did not ask you to fix the job all I am asking is that before you to do that but before you spend the \$500,000.00 from the School Board shouldn't we at least analyze what might be done via the Water Department to get water down the street to the hydrants and to the school? It is a separate issue. If you go ahead and spend \$500,000.00 on a system for the school and the Water Department supplies it for \$100,000.00 for what they think the problem is, what have we done here? S. Miller corrected R. Nelson and told him it was \$300,000.00.

There was a discussion on ways that the problems could be fixed and be fiscally responsible to ensure the water system works.

S. Miller stated the Water Department is independent from the town.

A. McLeod asked who owns the water system. S. Miller responded the Water Department. A. McLeod disagreed and said no it's the people who pay for the water. S. Miller replied they pay revenue to get water. They are not the owners. They do not have any equity in the Water Department or the utility. They don't have shares, there is no ownership. A. McLeod asked how does the system get repaired and who gets billed when a repair is needed.

S. Miller responded that if there is \$100,000.00 in the expendable trust for emergencies. The Water Department decides what they want to fix and how much of the \$100,000.00 they want to spend. At any meeting they can choose not to spend it and they can choose not to fix anything. They can choose not to deliver water to a customer. That is their prerogative.

A. McLeod stated the school is a customer and they have been paying their bills and not getting the product they paid for. R. Nelson stated they were getting product for the system they had. The school has just added a big addition. A. McLeod stated whether the addition is there or not they are not getting the product they are paying for.

S. Miller stated there is currently a partial fire suppression system in the school now and because there is a partial fire suppression system in place, the Fire Marshall states that if you are adding an addition you have to have a full fire suppression system. If there had never a fire suppression system we would not have to have one.

S. Miller stated the last time the flow was checked was in 2008-2009. Based on the last time they were checked we had enough flow to put out a fire. Now that we have new construction we needed to retest to ensure there is enough flow for the new addition. We found out that where we are supposed to have 130 gallons per minute we have 10.

A. McLeod stated historically when repairs needed to be made they pulled from the Trust Fund or went to the Town and asked for effectively a loan.

S. Miller stated that the Water Commission had a vote and 2 of the three Water Commissioners voted to do nothing.

L. LaCourse stated with the leak that was down by the Bay this winter he believed they spent a lot of their funds. R. Nelson replied they spent \$6,000.00 for the repair. There is now a leak on the other side of the bridge that they had originally thought was under the bridge and that they are going to fix that.

S. Miller stated the politics is they look at the school as having deep pockets. As long as the school has a deep pocket they don't have to do anything because the school is under the gun to do it no matter what.

L. LaCourse stated that there has to be a way to deal with the Water Department. R. Nelson stated the issue here is that the Selectmen have to step up to the table and talk to

the Water Department and figure it out. I would like to know what it will take to put water through the current system we have to each and every hydrant to the school before we just go ahead and spend \$200,000.00 that has already been approved and then look for another \$300,000.00 to put a whole system into the school. Now you are looking at \$500,000.00. S. Miller stated the total to put in a cistern and a pump and get a CO is about \$316,000.00. There was a \$216,000.00 warrant article and we are using \$100,000.00 of contingency money out of the construction fund. There is not a \$500,000.00 bill.

R. Nelson stated you alluded earlier tonight that there was another couple of hundred thousand dollars needed to be spent to put this whole system in.

S. Miller responded that he misspoke. When I said \$200,000.00 I meant we have to use the \$200,000.00 warrant article money.

A. McLeod asked if the 300 plus thousand dollars that is available to build the cistern was instead put into the water system so that the water system is delivering water to the school and also delivering to the houses around that aren't getting any. There are a lot more people that benefit from it rather than building a cistern which is acknowledged will cost high maintenance fees down the road.

R. Nelson stated it is the Water Department's responsibility to supply the water to the 700 customers they have on the books which includes the houses and hydrants and the portion of the school that was in place. The school added a big addition and now we are looking at \$320,000.00. I think just before we spend that could we take a look and see what it might cost if the pipes have to be roto-routed out to put pressure in. What is the cost of that versus the 316,000.00?

S. Miller stated there are scheduling constraints, the construction people say they can fix this by opening school day of next year, after the summer. They can't if they are held up because of a water issue. Then if they have additional expenses they will charge the school. They have to keep the subcontractors available and they have to stop things in the middle and restart again. There are huge expenses involved. We had to make a decision this week of whether to go with the cistern or not after we got the flow information because we are under the gun to open on the first day of school next year. Otherwise it gets really expensive to keep a contractor busy when he has another job.

R. Nelson commented he can't believe this isn't an opportunity and enough of a time-frame to check into it and fix it.

A. McLeod stated we have four months to get it working.

S. Miller responded it takes a long time to dig a cistern and put this in. It is 20,000 gallons. It is a big deal.

R. Nelson states I believe there is a time period if it was stated tonight that we have four weeks to get the water checked out. You have had an enormous amount of frost this year and that could have some bearing on the flow. I'm not sure the frost is totally out of the ground yet. S. Miller responded it is. It is called mushy frost right now. You can dig it out. R. Nelson stated you have a couple of streets that are involved.

S. Miller stated another legal question is can we use money for our fire suppression system to dig up Main Street to the reservoir because that is where the problem is. R. Nelson responded we don't know where the problem is.

S. Miller responded the problem is not Pines, Barnes, Depot, Church or anywhere on that section or 140. It has to be starting with Church and heading to the reservoir.

A. McLeod asked is there an annual maintenance for every single hydrant? S. Miller responded no. S. Miller stated during his first meeting with the Water Department he asked if he could see a list of the work that has been done for the last year and was told that they don't keep a record of daily work. He also asked how do you know when something is fixed and the Superintendent said I know. It is in his head. They said that they could have valves in there that they don't know about. There are no records. He also asked if there was any record of any significant decreases in water volume, pressure or electricity. The Water Commission stated they don't do that regularly.

R. Nelson stated we should not be debating as a Budget Committee what the Water Department does or doesn't do in terms of the flow of water. Our only concern should be the \$325,000.00 the school wants to spend on a cistern system when in fact another system has not been fully checked out to find out if there is a problem there.

S. Miller continued and said you have to remember that we have a warrant article that passed for us to get water into the school by use of any means including a cistern, pump, etc. We don't have to ask permission and S. Miller apologized and said he wasn't being belligerent. They want to open on day one. He does not want to dig the cistern but there is no Plan B. unless we have a Plan B we are digging the cistern within the next ten days.

A. McLeod asked why they have to move so fast. S. Miller responded because we have to open, we have construction points that have to be met and there are penalties involved. If something is delayed you can't have a subcontractor on hold until we are ready to use them. He has already bid on the project.

A. McLeod asked if there are records on how much it would cost to run the new lines to Hannaford and the new medical center. S. Miller stated he is sure that Hannaford's and the medical center have the records. R. Nelson added I'm sure the Water Department has as well.

There was a discussion on whether the Selectmen should take over the Water Department.

T. O'Rourke asked you have the money to put the water in there by any means possible, what if the school decided they wanted to spend the money to run the diagnostic test on the system to see what the problem is, would the Water Commission stop you. S. Miller said no. T. O'Rourke asked is this an option. S. Miller responded we are not sure if legally we can spend money to fix and diagnose the infrastructure of the town. We don't know if it is legal to spend school district funds to fix a problem that the town has.

R. Nelson stated you said that according to the warrant article that you had at your disposable via the bond that you could spend it any way to get the water to the school.

S. Miller stated that is correct. He stated it is one thing to jump the line to School Street but it is another thing to jump the line to the reservoir.

Review of the expenditure reports will be put on hold until the Committee members can review

The next meeting will be held on July 15, 2015, at the Town Hall Meeting Room, 6:30pm.

R. Nelson stated that he wanted it on record that he is not arguing with S. Miller he is just trying to minimize the financial burden to the best possible lowest number we can get regardless of who fixes it or who makes it happen.

S. Miller added the Selectmen rent the fire hydrants including the one located outside the school. It seems to me that they should have a concern that what you are renting doesn't work.

T. O'Rourke stated he believes that the Water Commission could probably be sued.

There was a discussion on suing the Water Commission.

X. Other Business

None

X. Adjourn

T. O'Rourke made a motion to adjourn and was seconded by L. LaCourse and passed with all in favor.

The meeting adjourned at 7:15pm.

Respectfully submitted,



Peggy Hawksley,
Budget Committee Secretary

Approved July 15, 2015