



BUDGET COMMITTEE
Town of Hollis
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 Tel. 465-2209 Fax. 465-3701

Minutes of June 21, 2018

Meeting was held in the Community Room, Hollis Town Hall. The Budget Committee was called to order by Tom Gehan at 7:00 PM.

Members present: Tom Gehan, Mike Harris, Tom Jambard, Mike Leavitt, Darlene Mann, and Tammy Fareed – School Board Rep

Others present: Deb Padykula – Finance Officer, Kelly Seely – SAU Business Administrator, Dick Henry – Energy Project Advisor

Pledge of Allegiance was recited.

Approval of Minutes:

Tammy F. moved to accept the minutes of 5/8/18 as presented. Tom J. seconded. Motion passed. Vote was 6-0-0

Public Input: No members of the public were present.

Energy Project Update:

Dick Henry reviewed the history of the project's approval, analysis, organization, and phases of construction. Below are charts he presented outlining the financial status of the project so far for Hollis Primary and Upper Elementary schools.

Summary To Date - Hollis Primary School

Description	Priorities	Original Estimated Cost	Year 1 Actual	Year 2		Total Expected Cost	Difference
				Actual	Expected		
Building Wrap	1	\$522,508	\$0	\$0	\$1,010,013	\$1,010,013	-\$487,505
Air Source Heat Pumps	1	\$204,172	\$0	\$0	\$279,000	\$279,000	-\$74,828
Solar Installation	1	\$360,100	\$236,086	\$0	\$0	\$236,086	\$124,014
LED Lighting Replacement	1	\$21,750	\$0	\$0	\$0	\$0	\$21,750
Heat Recovery Ventilation/Controls	2	\$140,200	\$0	\$0	Included in ASHP above	\$0	\$140,200
Phase Change Materials	3	\$97,657	\$0	\$0	\$0	\$0	\$97,657
Electrical Work		\$300,000	\$143,121	\$0	\$47,925	\$191,046	\$108,954
Design Work/Construction Mgmt.		\$201,895	\$131,235	\$96,718	\$204,411	\$432,364	-\$230,469
Miscellaneous*		\$0	\$17,587	\$163	\$0	\$17,750	-\$17,750
		\$1,848,282	\$528,029	\$96,881	\$1,541,349	\$2,166,259	-\$317,977

Summary To Date - Hollis Upper Elementary School

Description	Priorities	Original Estimated Cost	Year 1 Actual	Year 2		Total Expected Cost	Difference
				Actual	Expected		
Propane Boilers/Fuel Tanks	1	\$245,000	\$222,005	\$0	\$0	\$222,005	\$22,995
Solar Installation	1	\$360,100	\$236,690	\$0	\$0	\$236,690	\$123,410
Roof Replacement		0	\$140,000	\$0	\$0	\$140,000	-\$140,000
LED Lighting Replacement	1	\$31,425	\$0	\$0	\$0	\$0	\$31,425
Foam Insulate "Gap"	2	\$20,000	\$0	\$0	\$7,500	\$7,500	\$12,500
Control Systems Retrofit	2	\$97,200	\$51,157	\$0	\$0	\$51,157	\$46,043
Phase Change Materials in Classrooms	3	\$93,435	\$0	\$0	\$0	\$0	\$93,435
Design Work/Construction Mgmt.		\$127,074	\$130,410	\$16,715	\$0	\$147,125	-\$20,051
Miscellaneous*		\$0	\$16,988	\$163	\$0	\$17,151	-\$17,151
		\$974,234	\$797,209	\$16,878	\$7,500	\$821,587	\$152,647

Tom G. asked if these numbers are final.

Dick H. replied that they are what is known and inevitable changes would be kept to a minimum.

Tom J. asked why the expected cost of the building wrap is much higher than the original estimated cost.

Dick H. replied that the estimate is from 2 years ago and was based on limited information available at that time. He explained that unforeseen complications arose due to the age and architecture of the building which added to the cost of the project. There was a discussion of the benefits of the new windows at HPS which are more energy efficient, allow more natural light, and provide better security.

Dick H. reviewed changes in the project which include scaling back air source heat pumps and reducing the building wrap at HPS, and postponing phase change materials and LED lighting at both HPS and HUES.

Dick H. projected net costs savings of \$109K which is \$29K lower than the initial projection. He added that heating cost savings are little lower than projected due the increase in propane prices but electricity savings are a little higher than projected due to increased Eversource rates.

Tom J. asked if electricity demand charges would be diversified.

Dick H. replied that he is in the process of obtaining historical demand charges from Eversource to determine peak demand times so they can then make adjustments to the timing of running equipment as needed.

Tom G. asked for the time of completion.

Dick H. replied that August 24, 2018 is the target completion date.

Tom G. asked if this presentation is available online for public consumption.

Tammy F. replied that it will be once the numbers are finalized.

Tom G. asked why oil is considered less expensive when the price per gallon is higher.

Dick H. explained that a gallon of oil generates more energy than a gallon of propane.

Mike H. stated that over time LED lighting could utilize the Maintenance Trust Fund and the heat pumps for 13 remaining classrooms may require a warrant article.

Tammy F. stated that the cost of remaining heat pumps is still unknown.

Town Report:

Deb P. stated that expenditures are on track at 36% spent through May 31, 2018 with overtime for police, fire and DPW trending a little higher due to open positions. She added that both police positions have been filled, there is an open position at the DPW and at the library, and the search for a new receptionist at Town Hall is ongoing. The new DPW Director, Todd Croteau formerly from Portsmouth, will begin on July 9.

Mike H. asked for an update on the athletic field proposal.

Deb P. stated that there is no new information at this time.

School Report:

Kelly S. reviewed the school district revenue cycle. The cycle begins in April when the Report of Appropriations as Voted and Appropriations and Estimates of Revenue are reported to the NH Department of Revenue. She stated that local, state

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and federal sources of revenue, a portion of the fund balance, and the adequacy grant are used to offset taxation. In October, a revised revenue number is calculated to generate the final district assessment/net local school appropriation.

New Business

There was a discussion about the schedule of meetings for the next budget cycle.

Tom G. stated that Tammy F. and Kelly S. had addressed Mark Ledoux's questions pertaining to the HSD audit and there may not be a need to have a formal presentation from the auditors.

There was a discussion regarding the upcoming school collective bargaining agreement negotiations.

Motion to adjourn was made by Mike H. Tammy F. seconded. Meeting was adjourned at 8:16 PM.

Respectfully submitted,

Christina Winsor, Tax Collector