

Finance Committee Minutes

March 24th 2016

The minutes were distributed at 6:30PM. Meeting was called to order at 6:40PM. Present were Mr. John Pshenishny, Mr. David Herrick, Mr. Mark Carson, Mr. Thomas Stalker, and Mrs. Prudence Spaulding. Guests were Ms. Tara White, Mrs. Marsha Pshenishny, Mrs. Michele Shalaby, and Mr. Chuck Loring, Highway Superintendent.

The minutes for March 17th were Accepted as read, Mr. Pshenishny 1st, Mr. Stalker 2nd passed unanimously.

Mr. Herrick invited Mr. Loring to come to the table and explain his request for the three capital items, namely the excavator the new truck and the hotbox. Mr. Loring brought a written article which explained in some detail the proposed use of the excavator (both items of which the selectmen had decided to pay for out of Free Cash). In essence the excavator would be used to rebuild the dirt roads by refining the ditching, cutting and sloping high shoulders, installing culverts and drainage, removal of tree and stumps so that the dirt roads would not require constant repair and the additional of large quantities of gravel each year. He would also use the excavator on the black topped roads (mostly for ditch digging). For the smaller jobs he maintained the Town could save as much as \$15,000 per year. He provided two examples where he stated that the savings would be impressive, one was Canaan Valley Road, which would need widening, ditch digging and grading, and with the projected annual cost of \$2,500, once done would only cost only \$300 yearly maintenance. Similar savings would be expected on East Hill Road.

Mr. Loring state that the backhoe is now 15 years old (with 7000 hours) and is starting to show its age. The excavator could extend its life expectancy. Six other neighboring towns have and use an excavator with great results. Some years past, he said Mr. Marks who was the Highway Superintendent, rented an excavator for

three months and was able to accomplish a great deal fixing the roads. An excavator can be rented for about \$5,000 per month, but Mr. Loring stated that these machines do not come always with all the necessary attachments. The moving of the excavator will not be a problem since the town has a trailer and two trucks that are capable of towing it. There are two men that work for the town who have the appropriate licenses and skills to use it. Mr. Loring did not bring any material to from the company from which he would like to buy the excavator (He stated it might be a Volvo). When asked about the repair bills since Mr. Stalker had heard that the repair of these machines was very expensive Mr. Loring stated that they rarely needed any repairs. It might need about \$5,000 per year maintenance, and perhaps \$1,000 cost a year of servicing it. He added that the 15 year old backhoe was showing its age and is need of repair now. Mr. Loring added that he expected to use the excavator for all but the winter months, and since this winter had been so gentle, he expects to have a sizable amount of money not used in the different highway accounts which will turn into Free Cash in the coming year.

Mr. Loring was requesting a new truck for \$47,000 to replace the four door 2008 truck which is showing wear. However, he stated that if the truck was a deciding factor he would forgo that and get the excavator.

The third item that Mr. Loring discussed was the "shared" hotbox (for \$25,000). This piece of equipment which can be installed or removed in 15 minutes so it's sharing with Sheffield was possible. It is able to maintain the temperature of black top from the supplier (in either Lenox or Hudson) till it reaches New Marlborough and thus makes the black top more useable. The hot box can keep 5 or 6 tons of black top hot and save money on black top that used to cool during the trip and was wasted.

Reviewing briefly the planned road repairs statement for the next 5 year, Mr. Loring stated that he planned to repair the Corashire Road and the Norfolk Road (from the bridge to East Hill). When asked he stated that the work will not reduce the cost of the Roads and Bridges budget, however the roads will be better.

With no other questions Mr. Loring left. Mrs. Shalaby presented the present issues confronting the town with the 2017 budget. With the 36.55% increase in the Group Insurance, the 11.97% increase in Social Security and Medicare, the 9.59% increase in Berkshire County Retirement, the 6.21% increase in the SBRSD Operating and Transportation, with 28.46% increase in the SBRSD Capital and the increases in the other towns budgets with the cola of 2 ½ % raises for the staff, the town's budget is 7% over the levy limit. The total makes up an increase of \$159,878. The selectmen have decided to ask for a \$300,000 over ride which will allow the present budget to be passed and raise our levy limit for the next few years.

When questioned about the school increases, Mrs. Shalaby stated that because there is an increase in our school population New Marlborough is responsible for a larger percentage of the cost of running the school. She added that she was looking into this to be sure that there as in fact an increase in our school population.

Mrs. Shalaby reminded the Committee that a public meeting was scheduled for April 30th when the Board of Selectmen will present the budget to the town's citizens. She is hoping that all the members of the Committee will be present for that meeting as well as the Town Meeting scheduled for May 2nd.

The next meeting will be on March 31st at 6:30PM, when the Board of Selectmen will come and present the 2017 budget, and discuss the proposed over ride and the proposed capital items.

A motion to adjourn at 8:00 was made, Mrs. Spaulding 1st, Mr. Stalker 2nd passed unanimously.

Respectfully submitted,

Prudence Spaulding, Secretary.