

BOS Meeting

October 30<sup>th</sup>, 2017

Draft Minutes

1. Call Meeting to Order

Present are Dan Chartrand, Anne Surman, Don Clement, Kathy Corson, Julie Gilman, and Russ Dean. Chairman Clement called the meeting to order at 6:45pm.

2. Board Interviews – Heritage Commission, Energy Committee

The board went downstairs to conduct interviews for the heritage commission and for the Energy Committee. Amy Farnham was interviewed for a position on the Energy Committee. Jay Myers was interviewed for a position on the Heritage Commission.

3. Water-Sewer Abatements

Bob McGrath, the owner of 5 Auburn Street, a 6-unit apartment building spoke about his unusually high water bill that he had received in the summer. There had been a water break underneath the slab that the building sits on. He had the pipe repaired, but had to do so inside of the walls instead of excavating the property, and now there are water pipes running through the apartment. He was concerned about how a pipe could have broken in the slab in the summer. He sought the opinion of FW Webb, who said that there had been spikes in water pressure in Exeter that season.

Selectwoman Corson was concerned about the surge in water pressure. Chairman Clement said that the department did not have any evidence of the water pressure. Selectwoman Surman asked if there was any way to track pressure, and Mr. Dean said that there was not. Chairman Clement said that public works had stated that the abatement would only be for the sewer portion of the bill.

**MOTION:** Selectman Chartrand moved to grant an abatement for the sewer portion of the bill of 5 Auburn Street, in the amount of 203.10 dollars. Selectwoman Surman seconded the motion, and it passed unanimously.

Mr. McGraff emphasized that he thought it was a town issue because of the water pressure. Chairman Clement stated that their policy says that any pipe on the customer's property is the customer's issue.

Rick Russman, of 14 Center Street, spoke next about his water bill. He said he has received the water bill for the first time in 10 years, because it usually goes to his son who rents the property. His son paid the bill. They got a second bill that was very high due to a water leak from a toilet. They had the toilet replaced.

**MOTION:** Selectman Chartrand moved to deny the abatement for 14 Center Street. Selectwoman Gilman seconded, and the motion passed unanimously.

**MOTION:** Selectman Chartrand moved to grant the abatement for the sewer portion for 2 Hillside Avenue, in the amount of 372.81 dollars. Selectwoman Corson seconded the motion, and it passed unanimously.

**MOTION:** Selectman Chartrand moved to grant the abatement for the sewer portion for 15 Exeter Farms Road, in the amount of 128.56 dollars. Selectwoman Gilman seconded the motion, and it passed unanimously.

**MOTION:** Selectman Chartrand moved to grant the abatement for the sewer portion for 1 High Street, in the amount of 111.71 dollars. Selectwoman Corson seconded the motion, and it passed unanimously.

#### 4. Public Comment

There was no public comment.

#### 5. Minutes & Proclamations

##### a. Proclamations/Recognitions

There were no proclamations.

#### 6. Approval of Minutes

##### a. October 16th, 2017

Chairman Clement suggested that on page 9, the word “blind” be changed to “vision impaired”. He also said that in the Correspondence section, it should be changed to “the town to identify its wants and needs” and that “they” be changed to “the attorneys”. Finally, he said that under the calendar section, the budget meeting was on a Friday and not a Saturday.

**MOTION:** Selectman Chartrand moved to accept the minutes as amended. Selectwoman Surman seconded the motion, and it passed 4-0-1, with Selectwoman Corson abstaining.

#### 7. Appointments – Energy Committee

**MOTION:** Selectwoman Surman moved that Lew Hitzrot be appointed to the Energy Committee for an undefined term. Selectman Chartrand seconded the motion, and it passed unanimously.

**MOTION:** Selectwoman Surman moved that Renay Allen be appointed to the Energy Committee for an undefined term. Selectman Chartrand seconded the motion, and it passed unanimously.

#### 8. Discussion/Action Items

##### a. Library Presentation – Library Renovation/Addition

Some of the library trustees, including Barbara Young, Jim Peschel, Lisa Wilson, Denise Leonard, and Hope Godino spoke about the library’s potential renovation project. Ms. Young said that they will send out the annual appeal letter in November. They have been planning the library expansion since 2010, and there is a long-range planning committee. Some of the problems in the current library are that the children’s room is too small for the number of programs and people they have, there is no quiet study/meeting rooms, the heating and HVAC units are very old, and the current building is not energy efficient or ADA accessible. She showed the board diagrams of the library exterior and what the interior would look like, floor by floor. The expansion area would cost 22,000 dollars, and they are asking a little over 5 million dollars for the project. They handed out a project breakdown of the costs to the board.

The board was concerned that the 22,000 dollars figure seemed wrong. It was clarified by Ms. Godino that they could have meant 220,000 dollars. The addition would only be 4,000 square feet and part of the addition is already there. The point of the addition is to cover three areas that leak. Most of the project would be involving renovation and not the addition. The cost of the addition also includes furnishings. Ms. Young said that the building was built in 1987.

Chairman Clement said that they should revisit the construction costs because they seem too low, and suggested that they should break it down better. Selectwoman Gilman said that it might help to pull the addition costs out, and that they could also shade in the new area on the diagrams. Selectwoman Corson suggested that the riverwalk portion of the project should be broken out because it is also a new addition, and that some other areas like the balconies are new spaces as well. She asked if people would be able to use the meeting rooms after the library was closed. Ms. Godino said that the second floor would have two meeting rooms, and that very few people stay after 8pm. However, she said that they could have a staff member stay and lock the library after closing, and that they could charge people money for access after closing.

Chairman Clement asked where the book stacks in the mezzanine would go. Ms. Young said they would go onto other floors. Selectwoman Surman suggested cutting down the information to layman's terms about the insulation and energy efficiency. Selectman Chartrand liked the modernist design as he thought it might contrast well with the brick in downtown Exeter. He was concerned about staff, and thought that the trustees should make a commitment to time library staff increases with non-union staff increases. Chairman Clement asked if they would be looking for two articles, one for design and one for cost. Ms. Young said that there will be one article. He also suggested that they firm up the numbers.

#### b. Parks/Recreation: Activity Report and Van Replacement Request

Greg Bisson, the assistant parks and recreation director, talked about the recent activities at the department. They had a successful 2017 summer season, and had 280 in summer camp and 75 on the waitlist. There were 210 children participating in swim lessons, about 10,000 visits to the pool, and 23,000 visits overall throughout the summer. The aquatics lessons have expanded to include aerobics. One challenge with the aquatics program is finding lifeguards.

They also just concluded flag football and soccer with 408 kids participating. They are currently accepting registrations for basketball. One challenge with that is finding gym space, which they share with other towns. They are trying to find new spaces. Coyote Club is at an all-time high for numbers, and the age groups have been expanded up to 9<sup>th</sup> grade. Karate is also doing very well, although they had some scheduling challenges. They also offer free Zumba each week and have a successful music program.

The Powder keg Beer and Chili festival had almost 4,000 people attending, an all-time high. People came from numerous states. The date for next year's event has not yet been set. The Halloween parade had about 500 people. Mr. Bisson also attended a national conference in New Orleans recently. For the recreation park project, they have potentially secured a significant funding source for the project which has not yet been confirmed. They are applying for LWCF and have almost 200,000 in impact fees that could go towards the project. Chairman Clement asked for a log of activities that are occurring in the recreation buildings. Doreen Chester asked why the pool program revenue had gone down this year

compared to years past. Mr. Bisson said that the weather could have had an influence, as it was a very rainy summer.

Mr. Bisson continued to talk about the van that the recreation department wants. He said that the current van did not meet the needs, and that they use it to transport senior citizens to various events and activities. A new van would be more accessible for them and would be able to be filled to capacity. The new van would also have an area for walkers, luggage, and other items. Having a navigation and back up camera would also be very useful. They could get municipal pricing for the van. They received a quote of about 37,000 dollars for a 2018 Ford Transit 15 Passenger XL van.

Selectwoman Surman asked about the mileage of the current van. Mr. Bisson said it was a little under 39,000 miles. They would most likely keep the current van and use it to transport items for events. The newer van would have the benefit of better gas mileage. Chairman Clement asked where the van would be stored. Mr. Bisson said it would go in the parking lot. Chairman Clement asked if anything would be gained by buying the van outright, instead of financing it. Mr. Dean said he thought there is enough money in the revolving fund, but that would be a conversation for later. Selectwoman Surman asked if vehicles were typically done through the budget process. Mr. Dean said it was out of the revolving fund, so the process is different.

**MOTION:** Selectman Chartrand moved that the board of selectmen expend up to 37,600 dollars from the parks and recreation revolving fund for a new 2018 Ford Transit 15 passenger XL van. Selectwoman Surman seconded the motion, and it passed unanimously.

c. Quarterly Financial Report/2016 Audit Management Letter

Doreen Chester spoke about the quarterly financial report. She said that payroll was started in Munis a few months ago, the revenue cycle is getting into full swing for property taxes, and then will come utility billing. The audit reports have been received, the audit was started in February this year and concluded in April. They did not receive the report until September. The town got a new audit manager from the auditors.

For the 3<sup>rd</sup> quarter report, this is generally a rough time of year because they have not set the tax rate. This year there was a problem with utility pole taxes. Things generally look typical for this quarter. Motor vehicles is up 181,000 dollars. Building permits and fees continue to increase and are at 476,000 dollars. She talked about a couple of projects of note. They are in a deficit for the sick leave fund, and they have about 1,000-2,000 dollars left. Retirements are generally unplanned for Finance. There is also a deficit in the snow and ice fund of 38,000. There is a balance in the trust fund of 101,000 dollars.

Chairman Clement asked if the welfare department showed up in the revenue stream. Ms. Chester answered that it shows up in the income from departments, and it's around 30,000 dollars. Mr. Dean added that they have always received money from the Wentworth trust, and the way they've decided to disperse money has been changed to being reimbursed by the fund instead of direct pay.

Ms. Chester continued to the general fund expenditures, which are 71% spent against the budget. Election and legal expenses are down from last year. The finance administration group expenditures are 69% spent, or 563,000 dollars. This is an increase from the previous year due to the replacement of three servers in the IT department, which was 23,000 dollars in August. For planning and

building, where expenses have increased because of the hiring of a planning director. The conservation commission's expenses are lower this year, because last year they had a forestry project and Raynes Barn assessment.

The police department is 67% spent, at 2.6 million dollars. This is comparable due to last year. There has been some turnover with part-time staff. The police staff division went up because of promotions from patrol. The fire department is 70% spent, at 2.6 million dollars. There is some overspend in sick replacement and vacation replacement. They are working to defer other items in the budget to offset this. The health department is 77% spent. The previous health officer retired, and a new one was hired. The snow and ice budget is 38,000 over budget.

The welfare department, they have paid 75,000 from the human services budget line, as was approved by the human services committee and board of selectmen. The overall general fund deficit is 1.7 million dollars at this time. Chairman Clement asked about the payroll benefits and taxes category. He asked why the variance is so large. Ms. Chester said that there is more buyout this year. There is a total variance of 16,789 dollars, the buyout is up by 8,800 dollars. People who don't take the insurance opt out. Sick leave is only 716 dollars different. Worker's compensation is up by about 12,000 dollars. She said the variance is because they don't know who's going to retire or how many. Mr. Dean said that they appropriate 50,000-75,000 dollars from the fund balance every year for sick leave buyout, based on what they forecast.

Ms. Chester then moved on to the water fund. The revenues are 75% collected, which is 2.5 million dollars. Last year it was only 2.1 million dollars. The increase is due to water rate increases in January. The expenses are 2.6 million dollars. The distribution expenses are 71% spent against the budget. Water treatment has increased by 58,000 dollars. The water service debt is 1.1 million dollars, which is paid to date. There is a net deficit of 173,000 dollars, but this is a decrease from last year.

The sewer fund revenues are 2.2 million dollars or 92% collected mostly due to new sewer rates. Expenses are 2.1 million dollars. The biggest increase was due to the sewer main break on High Street, as well as manhole maintenance and overtime wages. The sewer debt service has decreased by 27,000 dollars. The sewer net income is 143,000 dollars and has increased over the last year. The EMS revolving fund revenues are down by 34,000 dollars. The ambulance run volume increased but more of the runs are not billable. The revolving fund expenses are 68% spent against the budget. They also have one dispatcher that gets paid out of the fund.

The cable revolving fund is up by 5,000 dollars over the prior year. The wages went up because of a new employee that is full time. There were also increased part-time wages. There were also some equipment purchases. There is a net deficit of 23,000 dollars because of the timing of Comcast revenues paid to the town. For the recreation revolving fund, the trip and program revenues have increased. A big influence is the impact fees of 70,000 from the McKay Drive project.

The board then moved on to the audit report. Mr. Dean said that if there is any desire to bring the auditors to a meeting, they can do that, although they will charge. Selectman Chartrand said that for him, the most important item is monitoring water and sewer issues. He emphasized the importance of resetting the rates each year and pointed out that water usage is dropping. Chairman Clement asked about the receipt procedures. Ms. Chester said there is a new software they are using, but the library and town clerk have their own procedures. Mr. Dean said that the town clerk's office was recently

reviewed by the auditors, and they do have RSAs they need to follow. Ms. Chester said hopefully it will be more uniform with the new software.

Chairman Clement mentioned that the auditors recommended that the town implement a plan to fund all deficit fund balances. Mr. Dean said that there are a couple of capital projects going back several years. They will need to create a plan to fund those. The liabilities are not counted against the unassigned fund balance, they are held in reserve. Chairman Clement talked about the new requirements for federal procurement rules. He asked if the town has a current policy, and if it needs to be in line with that. Ms. Chester said that the town does have a policy, and it does not have to be in line. It was mostly meant as a reminder. Mr. Dean pointed out that it is a current year recommendation. The procurement applies towards anything made with federal grant funds.

Chairman Clement asked who USI is in the audit for OPEB compliance. Ms. Chester said that they have done the compliance before, and now it's a triennial evaluation. They were the ones who came in with the best bid. It costs about 6,500 dollars every time they evaluate. Selectman Chartrand asked where they show up in the budget. Ms. Chester said it is under "other contracted services".

#### d. CATV Franchise Agreement Extension

Chairman Clement started the discussion off by saying that the board had talked about this last meeting, to approve an extension of the current cable franchise agreement. The discussion was that the extension should reference the current contract. Selectwoman Surman said that if they were to extend the contract, they would need to commit to due diligence. Chairman Clement said that the motion to approve the extension should be able to stand on its own. Selectman Chartrand thought that the board should leave it in the hands of the town attorney.

Chairman Clement's main concern was that in the past, there was a lot of public engagement about this through a committee. He was also concerned that there was no reference to the old agreement. Mr. Dean reminded everyone that when a cable contract is negotiated, rates of cable and internet are not negotiable. Selectwoman Gilman said that another concern was that the board did not have the current contract.

**MOTION:** Selectman Chartrand moved that the board of selectmen approve an extension of the cable franchise agreement through October 24<sup>th</sup>, 2018. Selectwoman Surman seconded the motion, and it passed unanimously.

Chairman Clement brought up the topic of establishing a cable committee. If they did that, they would need to re-write the charge of the committee. He asked the members of the board to submit suggestions to Mr. Dean.

#### e. NHDES SRF Application: TTHM/Surface Water Treatment Plant

Mr. Dean began by saying that the board needs to read the resolution from NH DES. There is a total of two forms. It certifies the ability to borrow from the drinking water revolving fund, and was approved by voters back in March. It puts the town in the queue and allows them to address the TTHM issue. They were thinking about a 10-year authorization.

Selectwoman Corson read the resolution. It stated that the town of Exeter stated that it was necessary to apply for assistance from the state, and that they have considered the RSA and codes

relating to loans to the state and find it in the interest of the town to apply for a loan. The board of selectmen designated Mr. Dean as the representative of the town to file the loan. If the loan is made, it must be paid as stipulated. And, a copy of the loan application resolution will be included, and the town manager must sign it.

**MOTION:** Selectwoman Corson moved that the town enter into a loan agreement with the NH DES for up to 1.5 million dollars to the town of Exeter, and to authorize Russ Dean to sign paperwork on behalf of the town. Selectman Chartrand seconded the motion, and it passed unanimously.

## 9. Regular Business

### a. Tax, Water/Sewer Abatements & Exemptions

There were none that needed to be covered.

### b. Permits & Approvals

**MOTION:** Selectman Chartrand moved to approve the permit for Tonry Farm for a sign on Route 88. Selectwoman Surman seconded the motion, and it passed unanimously.

**MOTION:** Selectman Chartrand moved to approve the change of address from 3 ½ Spruce Street to 2 Spruce Street. Selectwoman Surman seconded the motion, and it passed unanimously.

### c. Town Manager's Report

Mr. Dean said that he had recently attended the ICMA conference, which had a lot of good seminars and they also talked about the evolution of technology. There was a lot of discussion about new localism. The biggest issues for towns seems to be recruiting and retaining people into towns and cities.

He gave an update on the recent rainstorm, which had caused 680 people in Exeter to lose power and a lot of high winds. He thanked public works, EMS and the police for clearing debris. There were no roads closed and no flooding to report. He also talked about the tax rate setting, and said that the MS-1 was submitted to the DRA. The budget committee has a meeting on Wednesday night for police and fire.

In-stream flow rules are beginning to ramp up and could have an impact on drinking water, because the Exeter River is designated as a river of concern. The master plan steering committee continues to work. Part of the last year's town meeting involved the ballot issues with the visually impaired. He met with the same group this week to prepare earlier for next year. Finally, he reported that the town was live in the MUNIS systems and that Trick or Treat would be on the 31<sup>st</sup> from 4-7pm.

### d. Selectboard Committee Reports

Selectman Chartrand participated in a joint ZBA and planning board meeting, where the ZBA denied a cell phone tower. He also stated that he participated in a housing charrette, where a lively discussion occurred. He also attended the first hour of the all-day budget recommendation committee. And, he attended the last meeting of the budget recommendation committee.

Selectwoman Surman talked about the rocks that are purposely placed there by people at Swasey Parkway which are dangerous for the mowers to hit. She stressed the importance of not leaving

the rocks where the mowers run. She attended an arts committee meeting on the 18<sup>th</sup>, and the Seacoast Artist Association will be there in November. She was also part of the hazardous waste day collection, which was successful.

Selectwoman Corson attended a planning board meeting last Thursday, where they approved a 30,000-square foot building on Continental Drive, a site off of Linden Street, and a permit for the dugouts at the PEA softball field. There is an upcoming clean water committee meeting soon, where they will revise the fertilizer ordinance.

Selectwoman Gilman had an HDC meeting, where they amended a zoning ordinance for projects of minimum impact such as signage or changing a door. She will also help vote on state activity, and will decide on overriding the Governor's veto on a bill about zoning boards. At the end of the month, they will vote for a new speaker of the house because the current one will become the new commissioner of agriculture.

Chairman Clement joined the housing charrette, and said that getting to affordable housing is challenging but can be done. All of the proposals are in the town's planning office. The river meeting discussed a new law about coast risk hazard zones, which would allow for tax relief. The town had a right to know training last week, and about 25 members of different board and committees attended.

#### e. Correspondence

There was a letter from CASA (Court Appointed Special Advocates) thanking the town for their donation. There was also a similar letter from Seacoast Family Promise, and one from New Generations.

#### 10. Review Board Calendar

The next meeting will be on the 13<sup>th</sup> of November.

#### 11. Non-Public Session

**MOTION:** Selectwoman Surman moved that the board enter into a non-public session under RSA 91-A 3 2 C. Selectwoman Corson seconded the motion. The motion passed 3-2-0 by a roll call vote, with Selectwoman Gilman and Selectman Chartrand voting nay.

The Board emerged from non-public session. Selectman Chartrand moved to seal the minutes, seconded by Selectwoman Surman. Motion carried unanimously.

Selectman Chartrand moved to adjourn, seconded by Selectwoman Surman. Motion carries. The Board stood adjourned at 10:32 p.m.

Respectfully submitted by recording secretary Samantha Cave