

Board of Selectmen

January 8<sup>th</sup>, 2018

Draft Minutes

1. Call Meeting to Order

Present at tonight's meeting are Dan Chartrand, Anne Surman, Don Clement, Kathy Corson, Julie Gilman, town manager Russ Dean, and finance director Doreen Chester. Chairman Clement called the meeting to order at about 7:05pm.

2. Board Interviews – Planning Board

The board went downstairs to interview David McGilvray a potential member for the planning board at 6:50pm. They reconvened at 7:05pm.

3. Public Comment

Beth Dupell, a member of the holiday lights committee, explained that the town had not removed their holiday light decorations from the downtown area because of the extremely cold weather. They also wanted to leave the lights on to make downtown look more festive for the Small Business Revolution meeting. She emphasized the importance of the town's support to the Small Business Revolution selection process, and said that citizens should show their community spirit. The Small Business Revolution will have a meeting on January 25<sup>th</sup> from 7-9pm at the Town Hall.

Selectwoman Surman updated everybody on Swasey Parkway. The road is officially closed to all vehicles. They dug test pits and found not contamination as of yet. They are starting to seam the pipe together. Some trees will be removed soon.

4. Minutes & Proclamations

There were no proclamations at tonight's meeting.

5. Approval of Minutes

a. December 18<sup>th</sup>, 2017

Chairman Clement had one change, where on page 7 he suggested clarifying that Chief Shupe was the one who said that a signboard would be more useful.

**MOTION:** Selectman Chartrand moved to approve the 12/18/17 minutes as amended. Selectwoman Surman seconded the motion, and it passed 4-0-1 with Selectwoman Gilman abstaining.

b. December 28<sup>th</sup>, 2017

**MOTION:** Selectman Chartrand moved to approve the 12/28/17 minutes as submitted by Russ Dean. Selectwoman Surman seconded the motion, and it passed unanimously.

6. Appointments

There were no appointments at tonight's meeting.

7. Action Items

a. Epping Road TIF District Proposed Amendment

Mr. Dean briefly introduced the topic, and said that the proposal includes infrastructure work within the TIF, which includes some water and sewer improvements and also part of the TIF road, which is also known as Willey Creek Road. There are also some signalization improvements, which may include a potential warrant article of an additional 1.1 million dollars. The first topic is the proposed TIF amendment.

Darren Winham, the town's economic development director, said that they are looking to take the TIF finance district and improve it with several projects. One is a 116,000-square foot light industry distribution facility, for which the planning board has deemed their application complete. There was a traffic study that showed that if that facility was built, there would need to be a traffic light at the intersection of Epping Road and Continental Drive. Also, Mike Lampert was approved for a 30,000-square foot warehouse and office building, the planning board put in a conditional approval for an exaction of \$6,000 which would be voided if the additional TIF funds were approved.

The corner of Continental Drive and Epping Road has reached a critical situation if they are to continue developing properties on Continental Drive. New projects may be financially unfeasible if the situation is not addressed. Using TIF funds would be more palatable for taxpayers and would be timelier. The TIF advisory board would like to amend the TIF as follows. First, they would like to subtract the Epping Road utility extensions north of the King parcel. They would also like to increase the TIF funds by 1.1 million dollars for intersection improvements. Finally, they would like to increase this amount without increasing the length of the term. This amount is meant to serve as a buffer. He showed the board the diagram where these improvements would take place, and introduced Tom Monahan, the owner of 90 acres on Continental Drive, and Terry Anderton, the owner of WAGZ.

Selectwoman Corson asked if they will be responsible for a future intersection, or if the development will be responsible. Mr. Winham said it would be the responsibility of whoever bought the property and that it was not part of the TIF. Selectwoman Corson also asked about the 25% contingency on the TIF. Mr. Winham said that if there was a windfall from the 25%, they may not have to use the 1.1 million dollars in extra funds. The goal is to use as little as the money as possible. Mr. Dean also pointed out that the 1.1 million will be paid back as TIF funds and would not be paid off directly with general tax dollars. Chairman Clement asked who generated the numbers for the 1.1 million estimate. Mr. Winham said that they have come through an engineering firm, specifically VHB engineering.

Mr. Monahan, who owns land off of Continental Drive, and also developed Gourmet Gift Baskets, explained why the TIF amendment would be beneficial. He said that the traffic study showed that the Epping Road and Continental Drive intersection will not suffice when the new building is built. He said that he has lost some ability to bring in new tenants due to traffic issues, especially at peak hours between 4-6pm. He said that there is an urgency to the issue, because some tenants want to be in the building by the end of 2018. He is negotiating with a worldwide, major tenant which would bring in a lot of employment opportunity of about 200 possible jobs.

Selectman Chartrand expressed his support for the amendment. Selectwoman Corson asked what types of jobs would be available. Mr. Monahan said that many of them are manufacturing and warehouse jobs, but that there are also office spaces including management positions. There will be a

diverse mix. Chairmen Clement mentioned that the board has a sample draft warrant, and that Mr. Dean drafted a potential warrant article for the bond.

Selectwoman Corson asked if they would need another light near Route 101, and if any other infrastructure was needed. Mr. Winham said that the recommendation would be to increase the fund by 1.1 million, and then be done with the TIF. He said that the specific area by Route 101 would be up to the state.

b. Epping Road TIF Developer Agreement

Selectwoman Corson recused herself from the discussion of this topic, because her company is going to be involved although she herself would not be.

Mr. Winham introduced John Schaffmaster, who is seeking to develop the property with an active adult community. He asked that the town considers reimbursing the infrastructure cost using TIF funds for the cost of the access road. They would be putting in water/sewer, electric, and a pump station. He showed on the diagram exactly where these improvements would go. Mr. Monahan has been working with the economic development department to attract tenants to the King parcel. Currently there are three users negotiating to occupy the site, where at least two buildings would be built.

Mr. Schaffmaster is eager to get the project underway because he believes it is time-sensitive. Also, construction costs would be cheaper the sooner they begin, largely due to the discount provided to winter labor. Mr. Monahan shares similar concerns of time-sensitivity. Mr. Schaffmaster could do the work for engineering the TIF road infrastructure for 2.33 million dollars. He also can construct the water-sewer extension to Cronin road from the TIF road for 1.005 million dollars. The authorized bonding amount for the TIF is 6.845 million. Contracting with Mr. Schaffmaster would leave a TIF balance of 3.51 million dollars. The estimated building values for the active adult community will be about \$10 million. For the King parcel buildings would be about \$4.33 million each.

Selectman Chartrand asked if the proposed amendment to the TIF needed to be approved by the voters. Mr. Winham said it did, and the development agreement needs to be approved by the TIF advisory board and the board of selectmen. The TIF advisory board has unanimously voted yes to the agreement. The issue now is mostly timing. The other way to do these improvements are to do the engineering next year and to install on town funding. The developers need to build now. Selectwoman Surman asked if a contract would be the next step. Mr. Winham said that it would need to be set up, and they are speaking to the town's attorney for that. They are looking for an approval to go forward tonight.

Mr. Dean said that if they were to move forward to obtain a bond, the town would not be borrowing money until spring 2018. They would start working on it now to get ready. Chairman Clement clarified that they would be hiring Mr. Schaffmaster to do the work instead of going through the normally lengthy process of going out to bid. They would deal with Mr. Schaffmaster directly.

Mr. Schaffmaster spoke about his project, the active adult community. He said that his problem was that he needs to get water/sewer up to the TIF road from Continental Drive. He showed on the diagram where he would be installing these functions. All of the approvals he needed are in place except for one condition of approval. The estimates for the TIF were done about three years ago, and prices

have gone up since then. The original site bids would not have allowed him to do the project. He went to other site work companies with the proposal of doing winter work. One of the costs of engineering included the entire engineering of the TIF road and the pump station, which would be included in the first half of the project. He mentioned a bottleneck effect with engineering firms, where there is a long wait for engineering projects. The town and state do not allow work on state roads until March 15<sup>th</sup> or April 15<sup>th</sup>, depending on frost. They could do the TIF road and the site work on the adult community, then do the work on Continental Drive and Cronin Road. They will also be working at night. The bids are fully bonded.

Selectman Chartrand expressed his support of this project. Mr. Shafmaster also mentioned that there would be a project plan done with DPW, and it will be approved by the town. Selectwoman Surman asked if there would be a project plan or any kind of contract. Chairman Clement said that there would be a site inspector to oversee the project, and said that the town is working on a legal agreement.

Mr. Shafmaster said that there is a letter of understanding in existence outlining where the process is. He said that putting together a contract and getting all parties to agree should not be complicated. Mr. Dean said the contract would lay out budget, the scope and type of work, and they would bring it to the board to approve. Everything would meet town specifications. Mr. Winham said that the third-party review is important so that the town's interests can be protected. Mr. Dean said that they need to make sure that there are provisions in it for the TIF bonds.

Mr. Winham introduced Terry Anderton, the owner of WAGZ, who is in negotiations with Mr. Monahan to get a property on the King property. He would like to be operational in the fall, and so needs water and sewer this year. Mr. Anderton said that his company introduced a new technology for pets, because 12.5% of dogs go missing or are killed each year. This technology includes a dog collar with features like geofencing, bark alerts, video streaming, and two-way audio. The collar also links with compatible food systems and access doors. They also have a technology for cats to prevent furniture damage so that they do not get declawed. These technologies combine with a mobile app into one access point. They have partnered with Black and Decker, and are in discussion with Rachel Ray.

Mr. Anderton said that WAGZ would like to employ 100 people by the time they open the building. They are growing quickly and adding about 10 people a month. Many jobs are engineering, but there are some manufacturing jobs too. They are initially looking at 60,000-square feet, but may want to expand the building. He is concerned mostly about timing, and also making sure that the area has enough affordable housing.

Selectman Chartrand thanked Mr. Winham and Mr. Anderton. He said he is in favor of this project. Mr. Monahan said he is also negotiation with another company that wants to move into Exeter, and another company already in Exeter that is looking to expand. The King property is 65 acres in total, and the three buildings would be about 12 acres. He was not sure how much more development the site could have due to environmental factors such as the soil type. A lot of land will also be designated into conservation. His goal as a developer is to pay the TIF off.

Mike Donahue said that the developers are looking for a green light from the board of selectmen. He said they need the board to request the town manager and the economic developer to bring an agreement. They will also be at the planning board meeting on Thursday, and have conditions for approval for that. The board decided to have Mr. Dean and Mr. Winham put together an agreement.

c. 79-E Application: 163 Water Street, Unit C-1

The board discussed a 79-E application for a new wine bar downtown. It is in a condo building, and the budget would be \$104,000. The property is at 163 Water Street Unit C-1. The board would need to hold a public hearing, then decide if public benefits are met and the period of tax relief to be granted from 1-9 years. The covenant to protect the public benefit will be decided on after, and will be reviewed by the legal counsel.

Tony Callendrello, the owner of the proposed wine bar, said that he would like to restore the vintage character of the property. He has a contractor working on architectural drawings, and would like to be open around the end of May or early June. Selectman Chartrand said that he thought it was a great project and that it fit within 79-E guidelines. Chairman Clement suggested January 29<sup>th</sup> for the public hearing.

d. FY18 Budget & Warrant Articles

Chairman Clement said that the meeting on January 16<sup>th</sup> would be a public hearing for the budget and warrant articles. Ms. Chester said that she had prepared a preliminary default budget. Mr. Dean said that they were at a 1.93% increase over FY17, with appropriations it is a 1.82% increase.

Chairman Clement said that he wanted to move forward to add two additional firefighter paramedics to the budget for an 8-month period, Monday-Friday work schedule. This would equal an additional \$122,693 to the fire department's budget. Selectman Chartrand expressed his concern that this was premature, and that money would be better spent on a study to target where calls are coming from. He thought more data was needed. He also pointed out that the budget recommendation committee suggested the study as well.

Chairman Clement disagreed, and pointed out the data from the fire department showing that they are understaffed and do not have enough personnel to respond to calls efficiently. Selectwoman Surman agreed, saying that additional data is not needed because they've known about understaffing for a while. Selectwoman Gilman asked what would happen if they did not come to an agreement on the collective bargaining. Chief Comeau said that he could assign people to different shifts as fire chief. He said the precedent for alternative shifts has already been set.

Selectwoman Corson asked why Exeter's numbers were more than other communities. She said that the current software should be able to give more information. Chief Comeau said that they have been working with the police department to produce software, and thinks the data given is accurate. He mentioned the aging population. 72% of EMS calls are 55+. Also, the number of calls per firefighter has increased, and the population has also gone up.

**MOTION:** Chairman Clement moved to add \$122,693 to the fire budget for personnel increases. Selectwoman Surman seconded the motion, and it passed 3-2-0, with Selectman Chartrand and Selectwoman Gilman voting nay.

Mr. Dean pointed out that the study would not be just for the fire department, but for EMS, dispatch, and the police department as well. It would also look at dispatching overall and not purely staffing. Selectwoman Surman expressed her opinion that the study should not be a budget line item, and should instead be a warrant article. Selectwoman Corson agreed and said it would fit into the CIP.

**MOTION:** Selectwoman Surman moved to zero out account number 01419401187455, public safety study, and to move \$50,000 to a warrant article for the purposes of a public safety study. Selectwoman Gilman seconded the motion, and it passed unanimously.

Chairman Clement brought up the town buildings use of natural gas. Ms. Chester said that she took a look at it, and has a variance report of the 12 bills versus what they had budgeted. She said she would like the Department of Public Works to provide input on the issue.

Selectwoman Surman suggested adding an additional \$1,400 to the budget for the purposes of a donation to the NHSPCA. Selectman Chartrand brought up that it would go against the human services committee's suggestion. Selectwoman Gilman said that they should take the issue up at the deliberative session as part of the budget discussion.

**MOTION:** Selectwoman Surman moved to add a line item of \$1,400 designated as a donation to the NHSPCA under human services. Selectwoman Gilman seconded the motion, and it failed 2-3-0, with Selectman Chartrand, Selectwoman Corson, and Selectwoman Gilman voting nay.

Selectwoman Surman brought up the highway grant from the state. There is some confusion about what that money can be used for and its limitations. Mr. Dean said that he had not heard back from the town of Hampton about what they are doing. Selectwoman Surman asked if it could go towards the purchase of a vehicle. Selectwoman Gilman said that her interpretation is that it cannot be used for anything that is already planned to do. Chairman Clement said that it would be use for particular projects. Mr. Dean said it can be used for roads, sidewalks, buildings, and bridges at the minimum and other projects seem up to interpretation.

Chairman Clement said that the board had received a citizen's petition for the recreation park project. Selectwoman Corson brought up a comparison of the debt service between FY15 and FY23. She said that between those dates, the town would be 6.5 million dollars more into obligations. She wondered if the recreation park project would put an undue burden on the citizens, particularly on the town's young population.

Selectman Chartrand said that the town manager thinks about the debt obligation strategically, and that the town has controlled the tax rate well. He thought the board should discuss the library project. Selectwoman Gilman suggested that they amend the number of the warrant article. Mr. Dean said that they could also decide to not put it on the warrant, because the citizen's petition needs to be. Selectman Chartrand said that he didn't think having a competing warrant article with the citizen's petition would be transparent. Selectwoman Gilman said that the citizen's petition can be changed as part of the deliberative session.

**MOTION:** Selectman Chartrand moved to not have a warrant article from the board of selectmen addressing the recreation park project. Selectwoman Surman seconded the motion, and it passed 4-1-0, with Chairman Clement voting nay.

**MOTION:** Selectman Chartrand moved that no article funding mitigation on town land that is currently being leased by the sportsmen's club be put on the warrant article. Selectwoman Gilman seconded the motion, and it passed unanimously.

**MOTION:** Selectman Chartrand moved that the town manager develop a warrant for the fire department radios and not engine 4. Selectwoman Gilman seconded the motion, and it failed 2-3-0 with Selectwoman Surman, Selectwoman Corson, and Chairman Clement voting nay.

Chairman Clement said that he would like to have a better discussion, and wants the fire department and the public to weigh in. He would like the have draft warrant articles for each.

Selectwoman Corson brought up the library bond, and said she would like to have a discussion about it. Chairman Clement said that they could talk about it more at the next meeting.

8. Regular Business

a. Tax, Water/Sewer Abatements & Exemptions

Mr. Dean brought up a request from the collector for an abatement based on a defective lien for a mobile home. This is an old lien that was recorded late. The board decided to hold off on this issue until a later date.

**MOTION:** Selectwoman Corson moved to approve the veteran credit for map 68, lot 6, unit 824 for \$500. Selectwoman Gilman seconded the motion, and it passed unanimously.

**MOTION:** Selectwoman Corson moved to accept disability veteran credit for map 68, lot 6, unit 824 for \$2,000. Selectwoman Gilman seconded the motion, and it passed unanimously.

**MOTION:** Selectwoman Corson moved to accept veteran credit for map 95, lot 64, unit 256 for \$500. Selectwoman Gilman seconded the motion, and it passed unanimously.

**MOTION:** Selectwoman Corson moved to approve veteran credit for map 62, lot 22 for \$500. Selectwoman Gilman seconded the motion, and it passed unanimously.

b. Permits & Approvals

**MOTION:** Selectman Chartrand moved to approve the use of the town hall by Julie LaBranche of the Rockingham Planning Commission on 2/1/18 for an open house climate change and adaptation. Selectwoman Surman seconded the motion, and it passed unanimously.

**MOTION:** Selectman Chartrand moved to approve the use of the town hall by Acorn School for 2/9/18 for a bake sale. Selectwoman Surman seconded the motion, and it passed unanimously.

There was also a request from the Prescott Park Arts Festival to use the town hall from 11/5/18-12/16/18 for rehearsals, but they did not include times with their request, so more information is needed.

c. Town Manager's Report

There will be snow removal downtown on January 9<sup>th</sup>. The town calendar is now featured on the town's website. Chairman Clement mentioned that some fire hydrants had not been dug out. Assistant Chief Pizon from the fire department said that it is a work in progress, and that some had already been dug out and the others will be soon.

d. Selectboard Committee Reports

The board decided to hold off on these, but Selectwoman Gilman quickly updated the board on some state issues. She said that the bill to provide student freedom savings account was passed by the house. On Tuesday, the energy bills will be decided on by the house. Also, the municipal and county government committee is hearing a bill about firearm usage and carrying laws.

e. Correspondence

There was a letter from UNH that Jen Mates had achieved the status of Roads Scholar I. Also, George McCallister had achieved the status of Roads Scholar II. They received a letter from the EPA saying that the has received the long-range plan on overflow.

9. Review Calendar

The next meeting will be on January 16<sup>th</sup> at 7:00pm.

10. Non-public session

There was no non-public session at tonight's meeting.

11. Adjournment

**MOTION:** Selectwoman Surman moved to adjourn the meeting at 10:45pm. Selectwoman Gilman seconded the motion, and it passed unanimously.

Respectfully submitted by recording secretary Samantha Cave.