

Final Minutes

Exeter Board of Selectmen

January 20, 2015

Call Meeting to Order

Chairwoman Julie Gilman called the meeting to order at 7:00 pm in the Nowak Room of the Exeter Town Offices building. Other members present were Vice Chair Dan Chartrand, Selectwoman Nancy Belanger, and Selectwoman Anne Surman. Town Manager Russell Dean was also present. Selectman Don Clement was absent.

Chairwoman Gilman laid out how she would like the meeting to go. First, they would have public hearing on the bonds. After that is closed they would discuss the budget, and then move on to warrant articles.

A Motion was made by Selectwoman Surman and seconded by Vice Chair Chartrand to open public hearing on the bond issues. Motion carried – all in favor.

Article 11: Mr. Dean said the first bond article is Article 11. He read the article, which is to raise and appropriate the sum of \$6,845,312 for the design and construction of roads, water and sewer improvements in the Epping Road Tax Increment District, and to authorize the issuance of not more than (\$6,845,312) of bonds or notes in accordance with provisions of the Municipal Finance Act and to authorize the BOS to negotiate such bonds or notes and to determine the rate of interest thereon. Chairwoman Gilman said they have discussed this at past meetings. Vice Chair Chartrand said he is fully in favor of this. He commented that Darren Windham said this was going to be a priority, and it was. Chairwoman Gilman said she would like to see Epping Road have some growth. She said this is a fair game for everyone. Selectwoman Surman wanted to recognize the hard work done by Mr. Windham. Mr. Dean said there is a zoning amendment being proposed on Thursday, which is sister to this. The Development Program and Financing Plan that was handed out is required by law and needs to be adopted. Mr. Windham estimated this TIF program could bring in \$100 million.

Chairwoman Gilman opened the discussion to the public for comment.

Harry Thayer encouraged voters to vote for this article.

Michael Schidlovsky, President of the Exeter Chamber of Commerce, said the Chamber is in support of the TIF.

Frank Ferraro said he is in general support of the TIF concepts. He thinks Mr. Windham did a great job. He said when looking at developing around town, the developer should have to pay. He asked why the town is paying for a public road and water/sewer across private land for

the benefit of one property owner. Mr. Windham said this is a good point, but it will not just benefit one property owner. It will benefit all taxpayers of the town. He said they know they cannot build it until they have the money to do it. He said it has worked in the past and he is confident this will work now. Mr. Ferraro thinks they should not be paying \$3.2 million for a road.

Mr. Ferraro also questioned the wording in the article. It says "It is anticipated that no bonds will be issued". He wondered if it was "anticipated" or if no bonds will be issued. Vice Chair Chartrand said they should not get into the wordsmithing of the article.

Mr. Dean said one thing they know about this district is that the property has been sitting in the same fashion for years and years. This is a different dynamic. This instrument will spur development.

Mr. Ferraro said he supports this – he thinks it will work- but the article is not as clear cut as he hoped it would be.

Mr. Windham said they are not anticipating building it all out at once.

Mr. Dean said they are seeking is bonding authority. Estimates have to be made because that is what is required.

Vice Chair Chartrand said they should be taking a very conservative approach with this tool. He said this is not a "blank check"; it's a very specific project.

Harry Thayer said this has been done before, it's just a new plan.

Bill Campbell asked if the money for water/sewer will be loaned from the town to the developers before building starts. Mr. Windham said no.

Mike Dolly is in favor of this project, but has some concerns.

Brian Griset said he is also in favor, but the Plan didn't come out until two hours prior. He has lots of issues. He thought the Board was doing the meeting backwards. Vice Chair Chartrand said they should stick with the plan they road mapped. The Board discussed the order of the meeting.

Brian Griset has an issue with the \$6.2 million. He said approximately half of that will go towards the road. Mr. Windham said the landowners want the road in there. Mr. Griset said this is a big project. It is tax money. He recommended reducing to just water/sewer and do the private road later on. He also said wetlands need to be addressed.

Mr. Dean said the bond would not be added to the town's net debt. This needs to be posted Monday, so he needs the recommendations. Vice Chair asked if they need to

recommend this tonight. Chairwoman Gilman said either that or have a special meeting later on in the week. Vice Chair Chartrand suggested giving some sort of recommendation tonight and possibly revising when Selectman Clement is available.

Mr. Ferraro suggested putting language in the article to use Current Use Tax for debt service. Vice Chair Chartrand said the Town Manager should look into that. Mr. Dean said the first step is to check with DRA. He said he can't envision language like that going into the article because it is statutory. Mr. Thayer suggested another warrant article. Mr. Griset said he thinks they need something. He said the article says "fund", but not what can go into the fund.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 11 to the voters. Motion carried – all in favor.

A Motion was made by Selectwoman Surman and seconded by Vice Chair Chartrand to put a vote count on each article. Motion carried – all in favor.

Article 12: Chairwoman Gilman went on to read Article 12, which will see if the town will vote to raise and appropriate the sum of \$711,000 for the replacement of culverts and associated bridge reconstruction on Linden Street, and to authorize the issuance of not more than (\$711,000) of bonds or notes in accordance with the provisions of the Municipal Finance Act; and further to authorize the BOS to issue and negotiate such bonds or notes and to determine the rate of interest thereon.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 12 to the voters. Motion carried – all in favor.

Article 13: Chairwoman Gilman read Article 13, which is to see if the town will raise and appropriate the sum of \$580,000 for the design and construction of town sidewalks and curbing, bumpouts, stormwater management structures, and installation of street trees in the greater downtown including Water Street from Great Bridge to Swasey Parkway, and Front Street from the Bandstand to Spring and Elm Streets, and to authorize the issuance of not more than (\$580,000) of bonds or notes in accordance with the provisions of the Municipal Finance Act; and further to authorize the BOS to issue and negotiate such bonds or notes and to determine the rate of interest thereon.

The Board said they have had multiple conversations on this article. A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 13 to the voters. Motion carried – all in favor.

Article 14: Chairwoman Gilman read Article 14, which is to see if the town will vote to raise and appropriate the sum of \$175,000 to add brick style enhancements to the downtown area sidewalk project in addition to concrete provided for in Article 11 of this Town Warrant and to authorize the issuance of not more than (\$175,000) of bonds or notes in accordance with the provisions of the Municipal Finance Act; and further to authorize the BOS to issue and

negotiate such bonds or notes and to determine the rate of interest thereon; debt service will be paid from the general fund (\$175,000). This article will only become effective subject to the passage of Article 13 of the 2015 Town Warrant.

Mr. Dean said the first article referenced in his Article is supposed to be Article 13, not Article 11.

An Exeter resident asked what “brick style enhancements” are. Chairwoman Gilman explained they are bricks used in a certain pattern.

Doug Flockhard said Article 13 doesn’t identify what material the sidewalks will be made of.

Mr. Dean reminded that this was the last bond article.

In regards to this article, Chairwoman Gilman asked if they could just use the word “brick” instead of “brick style”. Ms. Perry cautioned using just “brick”, and said maybe using “brick pavers” instead.

Bill Campbell suggested adding the word “concrete” into Article 13. Mr. Dean agreed.

Vice Chair Chartrand said he thinks Article 13 is essential. He said he has no opinion on Article 14, and all his efforts are on Article 13.

Selectwoman Surman said she likes Article 14 because it gives voters a choice. A Motion was made by Selectwoman Surman and seconded by Selectwoman Belanger that Article 14 be put on the ballot, as edited, and as recommended by the Board of Selectmen. Motion granted – with a 3-0-1 vote, Chartrand abstaining.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Surman to close the bond hearing. Motion carried – all in favor.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger to open the 2015 budget hearing of the Selectboard. Motion carried – all in favor.

Articles 16, 17 & 18: Mr. Dean went through the town budget process. He went through the FY15 budget format, what is included in the FY15 general fund budget proposal, and the general fund budget town operations. He said Article 16 on the 2015 Town Warrant is budget. The FY15 proposed budget and default budget is very close. The budget is at a .84% increase coming in at \$17,225,406. The default budget is \$17,215,345. He went through the FY15 budget components for the general fund. All of this information is in the packets passed out at the meeting.

Next, Mr. Dean talked about the water fund budget town operations. He said Article 17 of the 2015 Town Warrant is for the water fund. The proposed budget is \$2,791,462. The default is \$2,786,400. The budget is up 9.97% from FY14. There is no water rate impact charge.

Mr. Dean went on to sewer. The proposed budget is \$2,496,266. The default is \$2,428,175. The budget is up 3.48% over FY14. There is no sewer rate impact charge.

The packet also included the proposed 2015 budgets; percentages of the funds over the default. The general fund proposed over the default is .06%, the water fund proposed over the default is .18%, and the sewer fund proposed over the default is 2.82%.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 16 to the voters. Motion carried – all in favor.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 17 to the voters. Motion carried – all in favor.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger to reconsider Article 16. Motion carried – all in favor.

Article 16 was opened for discussion. Brian Griset asked if COAST funding is in the budget. Chairwoman Gilman said yes. Brian Griset asked for a breakdown. Chairwoman Gilman said it is level funded. Don Woodward said \$6800 of the appropriated \$20,000 is paid through the Transportation fund. Frank Ferraro said the total amount to COAST is \$29,000. Chairwoman Gilman said that is their total request. Brian Griset requested that there be a reduction in the amount to match with other towns. He can't see subsidizing other towns. Selectwoman Surman agreed they should not be subsidizing other towns. She is not in favor of level funding. She is in favor of cutting. Mr. Ferraro said he is in support of what COAST is there for. He said the town has a small amount of people who need it. Don Woodward explained that the bus is not stopping in other towns very often. Nelson Lorenzo wanted to voice his support of reducing funds.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 16 to the voters. Motion carried – all in favor.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger to reopen Article 17 for discussion. Motion carried – all in favor.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 17 to the voters. Motion carried – all in favor.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 18 to the voters. Motion carried – all in favor.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger to close the 2015 budget hearing. Motion carried – all in favor.

Article 19: Chairwoman Gilman read Article 19, which is to see if the town will vote to approve the cost items recommended in the fact finders report dated December 31, 2014, and subsequently accepted by the BOS and the Exeter Police Association – NEPBA which calls for certain salaries and benefits at the current staffing levels. And further, to raise and appropriate the sum of \$3,575 for the 2015 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits over those of the appropriate at current staffing levels. A complete copy of the fact finders report can be found at exeternh.gov.

Mr. Dean said this is a three year contract. He said they are seeing estimated costs as submitted by the fact finder report. Vice Chair Chartrand said this is a good deal for the town and the police union. Harry Thayer said they did an excellent job on Article 19.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 19 to the voters. Motion carried – all in favor.

Article 20: Chairwoman Gilman read Article 20, which is to see if the town will vote to raise and appropriate the sum of \$750,000 for the purpose of constructing widened shoulders (bike paths) and sidewalks on Kingston Road, and further to authorize the withdrawal of \$150,000 from the Arterial Shoulder Widening capital reserve fund with the remaining \$600,000 to be funded through a NHDOT grant; furthermore to authorize the BOS to accept any state, federal and other grants and gifts related to the project.

Vice Chair Chartrand said this is an article that will only happen if the funding comes through.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 20 to the voters. Motion carried – all in favor.

Article 21: Chairwoman Gilman read Article 21, which is to see if the town will vote to raise and appropriate the sum of \$122,100 for the purpose of mechanical design, engineering, and replacement of 1999 twin gas-fired boilers at the Exeter Public Safety Complex.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 21 to the voters. Motion carried – all in favor.

Article 22: Chairwoman Gilman read Article 22, which is to see if the town will vote to raise and appropriate, through special warrant article, the sum of \$113,895 for the support of various human service agencies that will serve Exeter residents in 2015.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 22 to the voters. Motion carried – all in favor.

Article 23: Chairwoman Gilman read Article 23, which is to see if the town will vote to raise and appropriate the sum of \$100,000 for the purpose of making improvements to the public safety communications system, to enhance emergency radio communications throughout Exeter. This will be a non-lapsing appropriation and will not lapse until the project is completed or December 31, 2016, whichever comes first.

Brian Griset asked if the \$100,000 includes handheld walkie-talkies. Brian Comeau, Fire Chief, said no. He said this is basically just for dispatch. It is for infrastructure for day to day communications.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 23 for the voters. Motion carried – all in favor.

Article 24: Chairwoman Gilman read Article 24, which is to see if the town will vote to authorize the BOS to enter into an agreement for \$267,677 for the purpose of lease/purchasing a replacement for the 2005 Street Sweeper for the Exeter Public Works Department; and to raise and appropriate the sum of \$56,482, which represents the first of five annual payments for that purpose.

Frank Ferraro said this was a two year old machine, as stated by Ms. Perry two years ago, making it a four year old machine. Ms. Perry said it is a 2005, making it 10 years old. Mr. Ferraro argued her testimony was that it was a two year old machine, two years ago.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 24 to the voters. Motion carried – with a 3-1 vote. Surman votes nay.

Article 25: Chairwoman Gilman read Article 25, which is to see if the town will vote to raise and appropriate the sum of \$50,000 to be added to the Snow and Ice Deficit Non-Capital Reserve Fund previously established. The sum to come from general fund surplus.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 25 to the voters. Motion carried – all in favor.

Article 26: Chairwoman Gilman read Article 26, which is to see if the town will vote to raise and appropriate the sum of \$50,000 to be added to the Sick Leave Expendable Trust Fund previously established. This sum to come from general fund surplus.

Mr. Dean said this is an obligation they have when someone retires. He said it is time to put some money in there. It is an obligation that has to be fulfilled.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 26 to the voters. Motion carried – all in favor.

Article 27: Chairwoman Gilman read Article 27, which is to see if the town will vote to authorize the BOS to enter into a lease/purchase agreement for \$154,561 for a replacement for the 1990 Sno-Go snow blower for the Exeter Public Works Department, and to raise and appropriate the sum of \$32,614 which represents the first of five annual payments for that purpose.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 27 to the voters. Motion carried – all in favor.

Article 28: Chairwoman Gilman read Article 28, which is to see if the town will vote to authorize the BOS to enter into a lease/purchase agreement for \$102,434 for a replacement for the 1993 Fire Alarm Truck for the Exeter Fire Department, and to raise and appropriate the sum of \$21,573 which represents the first of five annual payments for that purpose.

Brian Griset named times when the truck is used, which is not very much. He said they should pass on this one.

Selectwoman Surman said she was never fully convinced on this. She was not in support of this one.

Brian Comeau said the truck is used by all departments in the community. He said the current truck does have some value for trade-in.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 28 to the voters. Motion carried with Chartrand and Belanger voting aye, Surman voting nay, and Gilman abstaining.

The Board took a 5 minute recess.

Article 29: Chairwoman Gilman read Article 29, which is to see if the town will vote to adopt Chapter 162-K of the New Hampshire Revised Statutes, which if adopted will grant the town authority to establish tax increment financing districts.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 29 to the voters. Motion carried – all in favor.

Article 30: Chairwoman Gilman read Article 30, which is to see if the town will vote to establish a municipal economic development and revitalization district as shown on a map entitled Proposed Epping Road Tax Increment District (dated January 20, 2015) and which generally encompasses portions of Epping Road east and west of Epping Road. The district will have the name of the Epping Road Tax Increment Financing District. Also, to authorize the BOS to appoint a District Administrator in accordance with RSA 162-K:13 and create a five member advisory board in accordance with RSA 162-K:14 with membership to be determined by the Selectboard. Also, to adopt the provisions of the Epping Road Tax Increment District Plan in

accordance with RSA 162-K:9, which allocates the use of tax increments for retirement of bonds and notes as outline in the plan.

She explained the mechanics behind the article. Darren Windham showed a map of the TIF district. He is looking to develop this district. The property owners want to develop. He said the problem is there is no infrastructure and there are some wetlands. He said they will not build unless they know they have developers and incremental tax to pay off the bond. There are 145 parcels on 587 acres of land in the district. He explained what tax increment is.

Mike Dolly had some questions concerning Current Use. Mr. Dean said he could not answer them off the top of his head. He did mention that the town has not gotten any Current Use Tax in 8 years. Mike Dolly proposed taking out the road. He said there is one lot in the whole district that won't have water/sewer if the road is not put in. There was discussion about the accuracy of that. Mr. Windham reminded the town is not paying until there is development.

Mr. Ferraro talked about the advisory board. He recommended adding two more people, one being a plain ordinary taxpayer. His other recommendation was removing Exhibit A. Mr. Dean said the reason the chart was constructed was to show the breakeven point.

Vice Chair Chartrand reminded that they may not get the bond directly after this article is approved.

Mr. Ferraro said in order to generate the \$555,660 in revenue the first year, there would have to be \$23.5 million worth of development, which he said will not happen. Mr. Windham said they have to have a budget in there. The RSA requires it. Mr. Ferraro said this is not what the RSA requires.

Brian Griset asked if Item 2 is stating that construction will not begin until the developer signs an agreement saying if they do not guarantee the value, then they are responsible for the difference. Mr. Windham said yes.

Kevin King said that Exeter tried doing this a few years ago. He said you need money to run a town. He said Exeter needs to get stuff done. He is happy the town hired Mr. Windham. He said you need 12 eggs to make a dozen. Stop plucking eggs out of the dozen; i.e. the private road. He said there are a bunch of land owners that want to do something with their land. He thinks people should be more positive about this.

Brian Griset went through a few revisions he had to the Plan. He said this TIF vote only allows for water/sewer and the road. He said if more money comes in, the TIF Advisory Board can make suggestions, but it has to go to public vote. He asked when the bond will get paid off so the money comes to offset taxes. He said that is the question everyone has. He would like to see specific language about this. Mr. Dean said their plan is to pay down the debt early if more money comes in.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 30 to the voters. Motion carried – all in favor.

Article 31: Chairwoman Gilman read Article 31, which is to see if the town will authorize the BOS to negotiate and enter into a long term lease of up to 99 years on town owned land described as Tax Map 98 Lot 3, for the purpose of installing a cellular tower on the property, a portion of which will benefit the Town of Exeter communications systems.

Mr. Dean gave a brief description of the article.

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Belanger that the Selectboard recommend Article 31 to the voters. Motion carried – all in favor.

A Motion was made to appoint Selectwoman Surman as Alternate for the Planning Board meeting. Motion carried – all in favor

Adjournment

A Motion was made by Vice Chair Chartrand and seconded by Selectwoman Surman to adjourn the meeting at 10:57pm. Motion carried – all in favor.

Respectively submitted,

Nicole Piper
Recording Secretary