

1. Convene the meeting.

Chairman Ingram convened the meeting at 7:03PM in the Nowak Room on the above date.

2. Introduce Members of the Board of Selectmen.

Chairman Ingram introduced the Board present: Joseph Pace, William Campbell, Paul Binette and Town Manager Russell Dean. Selectman Robert Eastman was absent.

3. Minutes: December 5, 12, 2005.

Mr. Binette moved to accept the minutes of both the December 5 and December 12, 2005 meetings as submitted; second by Mr. Pace. VOTE: Unanimous.

4. Bid Award: Chemicals for Water Treatment Plant.

Mr. Dean reported there is yet no recommendation but he would have at the January 9th meeting.

5. Warrant Article: Heritage Commission.

John Merkle, 63 Park Street, was present representing interested residents of Town, to discuss the formation of a Heritage Commission. This stems from a workshop held this past summer, sponsored by the Exeter Historical Society, State Historical Society and NH Preservation of Antiquities, dealing with where Exeter has been and where it is going in regards to historic preservation. The Heritage Commission would be similar to that of our Conservation Commission: providing research and advice to Boards and Committees dealing with cultural and historical resources. The Commission would not be regulatory but advisory. The Commission can hold property, grant easements and accept and disperse funds per Board of Selectmen approval.

Mr. Merkle provided information to the Board concerning description of the Commission, enabling legislation on how to prepare warrant articles and appoint members (Board of Selectmen appoint the 3-7 members, similar to how they currently appoint members of other boards and commissions), and the powers of the Commission, if adopted.

Mr. Campbell asked if the Historical Society was supportive of this commission. Mr. Merkle replied they were. Mr. Campbell asked about the Historic District. Mr. Merkle noted the HDC is defined by zoning regulations and the particular district itself; the Heritage Commission looks at the whole town. The Historical Society is an independent entity. Carol Aten, Trustee and Treasurer of the Historical Society, stated they voted unanimously to support the formation of a Heritage Commission. The Commission would supply them with support on research as well as assist with more education throughout the community – as a true partnership.

Mr. Campbell asked about the Heritage ‘Fund’ and what the sources would be, noting occasionally the Conservation Commission requests funds through warrant articles and has a minimal amount within the budget for operating expenses. Mr. Merkle stated they were not looking for public funding but if they required any they would go through the Board of Selectmen and Town Meeting vote. They

would seek grants and private funding. He noted the focus of the HDC, now, is the downtown area and possible expansion up High Street. There is not much documentation for the rest of the town and noted, in some towns with a Heritage Commission, a barn may have been dismantled and moved vs. discarded and demolished. A survey of the Town's assets would identify what is historic and expand protection to outlying farms and lands.

Mr. Binette expressed concerns: 1) no explanation of what the actual reason for a commission would be; 2) "can acquire property" but the Selectmen are already allowed to do that and is this duplicating what the Conservation Commission now does; c) who appoints the members and how many get appointed. He noted it has been tough to find members to appoint on other committees, and feels 7 would be difficult. Mr. Merkle noted that other communities have started with 3 members, which the regulations allow, realizing they have difficulty finding residents.

Mr. Campbell stated this would provide a nice balance with the Conservation Commission as they would seek historical spots within the town vs. conservation land within the town (i.e. the Raynes' property would have fit both situations, with land and historical barn).

Mr. Ingram recommended the Town Manager and Mr. Merkle work on language for the warrant article to be discussed for Board support (or not) on the January 9th meeting.

Green Street issue (tree/move of hours): Chairman Ingram noted an issue has arisen concerning the move of the Merrill House from Water to Green Street and a tree at the corner that warranted discussion at tonight's meeting.

Mr. Dean stated the Board has given approval for the closure of Green Street beginning Wednesday, December 21st for the house move. The tree at the corner of Water and Green Street is the concern of property owners. The Town has discussed the issue with both parties and it is the opinion of Town Counsel that the tree is the Town's. With that established, the issue should be resolved and the move should go forward.

Dawn Huebner, 26 Green Street, contested the Town's right to declare the tree belonging to the Town. She noted that for 9 months, DPW told her the tree was theirs and now it's declared the Town's. Chairman Ingram stated he does not consider Town Counsel's word as final, and feels they should meet with the Town Manager and resolve the issue. If a survey is needed, then one should be conducted. If the issue continues, then all should return to the January 9th meeting.

Mr. Campbell noted Attorney Morse's letter did the research, including review at the Registry of Deeds, and he feels it shows evidence enough to rely upon. He also noted the move of the house is to take place Wednesday. Chairman Ingram stated the movers should be concerned with no more damage to the tree in questions and should continue with the move of the house. As long as they meet the standards to not disturb the tree it should continue. Mr. Dean noted the moving company expects no major impact to the tree.

Mr. Binette stated that if the house is moved, and the tree is of concern, if the house shifts and hits the tree and there is damage to the house, the Town should not be responsible for any damages from either and all parties, and he requests paperwork signed prior to any move taking place.

Carol Cord, Executive Director of 'Save-a-House', was present and noted she has asked the movers to refigure the move in order to not disturb the offending limbs. They have agreed to jack the house higher, shift the direction of the move to the left of the street by going closer and over the stone wall of the Park thereby barely touching the limb. This will incur more damage to the house and more costs with the move but she is willing to hold harmless IF it is a Town tree. If it is determined it is not a Town tree, she will seek damages from the owner. She is more than willing to sign the appropriate paperwork with the Town. Mr. Pace asked how anyone could be held responsible if the tree hits the house, when it's actually the house hitting the tree. He noted Attorney Morse's letter puts the pressure on the Huebner's to prove ownership otherwise. He does not want the preservation of the house derailed and feels this is an opportunity to settle ownership of the tree. Whatever the Town can do to help get the project completed should be done.

Chairman Ingram suggested the following:

- The Town Manager prepare a document to be signed by Ms. Cord to resolve the issue of holding the Town harmless in case the house causes damage. Mr. Pace noted there is already damage and may need repair. Ms. Cord stated she will assume costs to repair with an arborist, if it's a Town tree.
- Work with the parties to determine ownership of the tree;
- Resolution of the current damage caused by 'attacks' to the tree. Ms. Cord offered to pay for any damages but to not make the assumption any damage was done by her.

He stated the house must be moved and the tree issue must also be resolved but the tree issue should not be used as a way to hold up the house move.

Ms. Huebner asked about loss of utilities, requesting notification if that is to happen. Ms. Cord stated lines will be dropped vs. cut, so no service will be loss - electricity, phone, cable.

Donna Schlachmann, 2 Langdon Avenue, expressed concern that if the tree is not the Town's, the residents would now incur expenses because the agreement is between the Town and Save-a-House, and shouldn't the Town also protect the homeowner. Mr. Pace stated the Board protects the Town's interests – individuals protect their own. Chairman Ingram stated if damage is between a private tree and a private house, the Town is not involved – they work it out together.

6. FY06 Budget & warrant articles.

Mr. Dean reviewed that, based on votes taken at the December 12th meeting, the total budget now stands at \$17,053,784. This amount is 2.3% above the FY06 default budget. The impact of moving articles into the budget from individual warrant articles increased the percentage over the FY06 default budget from 1.3% to 2.3%, a difference of 1%. The Board reviewed the articles in their second draft form (attached, along with Mr. Dean's recap memo) [Note: article numbers may not be the final number on the posted warrant and residents should review via topic while in draft, not article number).

It was noted that Article 12 (Water Tank) was not voted on by the Board, so the recommendation should be removed. Articles 17 & 18 (Collective Bargaining agreements) have no figures listed as negotiations continue. Article 19 was unanimously agreed to by the Board (Lease/purchase of Fire Engine 3) and #34 (Discontinue bus replacement) was not voted by the Board on the 12th. **Mr. Pace moved to place the discontinuance of the Bus Replacement Capital Reserve Fund on the warrant for a total of \$452.22 to be transferred to the general fund; second by Mr. Campbell. VOTE: 4-0.**

Mr. Pace moved the Town's operating budget be placed on the Town warrant in the amount of \$17,053,784; second by Mr. Campbell. VOTE: 4-0.

In addition to the budget recap, Mr. Dean noted the Adult Tutorial funding was not included nor was the New Outlook one-time 'additional' funding of \$4000. If the Board wishes to include them, they would become part of the regular budget. Mr. Pace stated he feels the 'additional' funding for New Outlook (over the \$2,000 placed in the budget) was a one-time vote and should not be included. He also stated Adult Tutorial doesn't belong in the Town portion of the budget but in that of the school. Chairman Ingram stated the school feels otherwise.

7. Board discussion: change of fiscal year, Town election date.

Mr. Dean noted a couple of issues have arisen this year and suggests the Board consider a change to the Town's fiscal year from a January 1 – December 31 fiscal year to a July 1 – June 30 fiscal year. The conversion would improve the Town's cash flow; synchronize the budget process with the State and the local schools (both operate on a July 1-June 30 fiscal year) and possibly end the need to budget for tax anticipation notes. Also, the Town would be rated in a different health insurance pool and be able to more accurately budget for increases in the State Retirement Assessment, which is calculated on a July to June scenario. The Town vote on the budget in the spring would also reflect a budget to be implemented July 1st instead of being 3-4 months in arrears. Changing the fiscal year would, however require a single 18-month budget. Mr. Pace noted the employees also step on July 1st.

Mr. Binette asked if this would change when the Budget Committee meets to review the budget and would it change Town Meeting and the warrant articles. Mr. Dean noted those are driven by the Town election dates and deliberative session, not by fiscal year, but suggests these could both change. Mr. Campbell noted a change in the date of the election may get more voters out in better weather. Mr. Pace suggested reviewing area towns on when their fiscal year runs and also when elections/town meetings are held.

8. Transfer of Revenues from Ambulance Trust Fund to General Fund.

Jack Sheehy, Finance Director, requested the Board vote to transfer the revenue of \$210,290 from the Fund to the general fund to offset the anticipated amount of ambulance operating expenditures for 2005. This is done by the Board each year.

Mr. Pace moved the Board of Selectmen approve the transfer of \$210,290 from the Ambulance Fund to the General Fund, to be used to offset the 2005 EMS budget; second by Mr. Campbell. VOTE: 4-0.

9. 2005 Warrant Article Encumbrances.

Mr. Sheehy noted each year the Board must approve the encumbrance of certain warrant articles, otherwise the articles 'lapse' with the balance to the fund balance. Two articles from 2005 Town Warrant are in need of the encumbrance as both are for on-going projects expected to be completed in 2006.

- Fire Station land purchase \$100,000: Mr. Dean stated discussion is on-going and a decision is expected to be within the year. He noted this should also include the wording "other municipal uses".
- Town Office/Hall design \$93,886.71: Mr. Dean stated this is approximately 80% complete and he will be sitting with SMRT within the next 45 days to view this report. Mr. Sheehy noted the encumbrance will only include the balance, as more will be paid out prior to the end of the year.

Mr. Campbell moved to approve the following encumbrances for 2005 warrant articles to 2006: Fire Station Land Purchase, \$100,000; and Town Office/Hall design, \$93,886.71 for a maximum of one year; second by Mr. Pace. VOTE: Unanimous.

10. Second Reading: Police Detail Administrative Fee.

Chairman Ingram read the proposed amendment to the Fee Schedule to increase the police detail from \$35.62 to \$40.00, allowing for \$35 per hour to be paid to the officer assigned.

Mr. Campbell moved to approve the increase to the Fee Schedule for the Police Detail pay effective January 1, 2006; second by Mr. Pace. VOTE: Unanimous.

11. Town Manager's Report:

Next meeting is scheduled for January 9th. Discussion followed concerning the public hearing scheduled for January 16th for bond issues and the budget. The Board proposed holding it on January 11th – use of room will be verified.

12. Selectmen Committee reports

Mr. Pace: Planning and HDC both met last Thursday evening.

Mr. Campbell: None.

Mr. Ingram: 2 meetings were held last Thursday: River Study and Planning Board.

Mr. Binette: None.

13. Permits:

One received for a charity auction and banner across the street but was unavailable at the meeting. Time allows for discussion on January 9th.

14. Public Comment: None.

Mr. Binette noted this is the last meeting of 2005 and he, on behalf of the Board, wished all residents and employees a very Merry Christmas and happy new year.

Mr. Pace moved to adjourn; second by Mr. Campbell. VOTE: 4-0. Time: 8:50PM.

Respectfully submitted,

Barbara A. Blenk
Admin. Asst/H. R. Dir.

attach