

1,2. Convene Regular Meeting, Introduce Members of Board of Selectmen

Chairman Binette convened the Board at 7:00 PM in the Nowak Room of the Town Office and introduced other members of the Board: Mr. Joe Pace, Mr. William Campbell, Mr. Robert Eastman, Mr. Lionel Ingram, and Mr. Russell Dean, Town Manager.

3. Minutes: December 18th, 2006

Mr. Pace moved to waive the reading of the minutes of December 18th, 2006 and accept the minutes as presented; second by Mr. Eastman. VOTE: Unanimous.

4. Public Hearing: 2007 Budget & Warrant Articles

Mr. Dean began by stating this is the final leg of the public review process. The budget has been posted on the web for public review, and Mr. Dean reviewed what is included in the budget. The total budget comes to \$18,229,800. Mr. Dean then gave an overview of this year's Warrant Articles. He pointed out that this year the budget includes two items that were Warrant Articles last year (paving and mosquito control).

Mr. Eastman asked if we have received any response from the School Board regarding the use of the Talbot Gym for the election. Chairman Binette stated that he signed the letter today and they have not heard back yet. Mr. Dean added that he has had conversations with representatives from the school and they have not discussed any reason that would prohibit them from using the gymnasium.

Chairman Binette asked the public to ask questions at the time it's discussed versus waiting until later in the meeting. Mr. Dean felt it made sense to begin with Warrant Article #5, since Articles 1 is for elected officials and Articles 2 – 4 are Zoning Articles.

Mr. Pace read Warrant Article #5 (see attachment). There were no questions on this Article. He continued on to Warrant Article #6, and again there were no questions.

Mr. Pace then read Warrant Article #7 for the Public Works Collective Bargaining Agreement. Mr. Pace felt the reference to the health insurance did not accurately represent how the contributions will be implemented. He also felt the way it was worded regarding the appropriation for \$82,608 sounds as though it's being raised twice, versus explaining that this amount covers a two-year period. Mr. Campbell agreed.

Mr. Ingram asked if how it could be better represented that some of this would be coming from the Water & Sewer Funds. Mr. Dean explained since it's a bottom-line budget, he did not know if it was necessary to break it down.

Mr. Pace added that it should be noted that past FY07, we cannot guarantee the dollar figures for the future years.

Mr. Robert Aldrich of Court Street asked how long the employees have been without a contract. Mr. Eastman stated it has been one year because the contract expired on December 31st, 2005. Mr. Aldrich asked why FY07 was so much higher than the future years, and Chairman Binette explained it covers retroactive payments due to employees.

Mr. Pace read Warrant Article #8. Mr. Ingram thought there would be those who are unaware of what is being referenced in this article. He felt it would be helpful to define exactly what public safety details are.

After comparing versions of the Warrant Articles being read, the Board realized they were looking at older versions that had been distributed last week. The most recent version was distributed to all members of the Board, and they reviewed the previously read Warrant Articles to ensure the proper version was read.

Next Mr. Pace read Warrant Article #9. There were no questions on this article.

Mr. Pace read Warrant Article #10. Mr. Arthur Baillargeon asked if the amount requested, \$90,000, would cover the entire project. Mr. Campbell clarified that this amount would only cover the engineering costs associated with the project. Mr. Baillargeon asked if they knew how many phases they anticipated before the project is complete, and if they had a rough estimate of the total cost for the project. Mr. Campbell said he believed it would be a total of three phases and that he believed they estimated it would be between \$800,000 and \$900,000.

Mr. Pace read Warrant Article #11, and he questioned what it meant to pass the 50 year flood. He felt it would be more appropriate to say it meets the 50 year flood standards. The Board agreed with this recommendation.

Mr. Pace then read Warrant Article #12. Mr. Baillargeon asked if it could be broken down, by bike path, to show how much each will cost. Mr. Pace thought there would be supporting documentation by the deliberative session to outline where the money would go. Mr. Dean said he believed they were for Front Street and Court Street, plus Kingston Road, Epping Road, and Brentwood Road. Mr. Baillargeon also asked if they would be for both sides of the street or just one, and Chairman Binette believed it was for one side only.

Mr. Pace read Warrant Article #13. There were no questions on this article.

Mr. Pace read Warrant Article #14. Mr. Dean noted that the language in this article was suggested by the Department of Revenue Administration.

Chairman Binette asked for clarification of "equipment." He asked if this included everything that's on the truck or if it was just the major parts on the vehicle. Mr. Campbell thought the department would have to go to them to expend money regardless so they would be able to monitor these expenditures. Mr. Ingram also felt it needed further clarification, and Mr. Eastman recommended using "construction equipment."

Mr. Pace also questioned the word "replacement" and asked what would happen if a new vehicle was needed. Mr. Campbell felt he would rather have the public vote on an additional vehicle. The Board felt comfortable with this.

Mr. Pace read Warrant Article #15. Mr. Campbell asked if it should be noted that these amounts are half of the actual cost of the items. Mr. Pace added that he thought each item would have a separate article for each line item. He also believed there was value in stating that each figure represented 50% of the total cost.

Chairman Binette wondered how they would know what the cost will be for a new truck next year. Mr. Ingram felt they could add to the article that it would cover approximately 50%. Mr.

Berkenbush, Assistant Fire Chief, was present and he explained that the Fire Department has checked with their vendors, who can project out at least a year or so with accuracy.

Mr. Baillargeon asked when the Fire Department is actually looking to purchase these vehicles, and Chairman Binette stated that it would be in 2008.

Mr. Aldrich stated that he disagreed with Mr. Pace on breaking the article out into multiple articles. He stated he would rather see less Warrant Articles and thought it would be more beneficial to tie them together. He wondered what would happen if the funds were approved but the creating of the reserve fund was not, or if the reserve fund was approved and the funds were not. He thought it would have a higher likelihood of being approved if they were in the same article.

Mr. Pace then read Warrant Article #16. There were no questions on this article.

Mr. Ingram went back to Mr. Aldrich's comment. He added that he would rather have a fund created with no money appropriated than vice-versa. Mr. Brian Griset noted that it appears that there are three Warrant Articles to create reserve funds, which appears to be a change in philosophy. It was his opinion that by breaking items down into smaller annual payment, it transferred authority to the Board of Selectmen versus giving the voters the authority to approve these items. Mr. Eastman replied that the voters still have their options to approve or disapprove by voting either to deposit the money into the reserve funds or not.

Mr. Griset asked if the Board has the authority to transfer money to put towards other items or projects once the funds are approved. Mr. Eastman said they cannot do that. Mr. Griset said the reason he asked was because the Board can transfer money in the budget. Mr. Eastman clarified that funds can be transferred within the budget but they cannot transfer funds once they are in a capital reserve fund.

Mr. Pace read Warrant Article #17. Mr. Ingram felt articles 16 and 17 should mirror article 14 and 15. Chairman Binette asked if they had decided which year they will be using these funds.

Mr. Pace felt it would be helpful to note in the article that this is the first of two appropriations for approximately 50% of the total fund, with intent to use these funds in 2008.

Mr. Campbell asked why we are putting money for two projects so closely priced. He wondered why we did not try to do one project this year and the other project next year. Mr. Jay Perkins, Highway Superintendent, explained that these projects are more rehabilitation of existing culverts, and he was unsure if the roads would need to be closed or not. Due to the construction for the Squamscott Block project, he felt it would be better to wait until 2008 for any further construction in that area.

Mr. Pace read Warrant Article # 18. Mr. Aldrich asked if the Sportsman's Club is paying for any of the assessment, to which Chairman Binette replied at this time they are not. Mr. Aldrich asked what would happen if this article is voted down. Mr. Berkenbush said that the Town is being mandated to conduct this assessment, so if it is voted down, the Town will have to find the money to fund this somewhere.

Mr. Aldrich followed up and asked if there has been any attempt to have the Sportsman's Club pay for a portion of this. He said he hates to see the taxpayers paying for problems they were not involved in creating. Mr. Ingram explained that this issue goes back a long time, and the Town purchased this property and allowed the Sportsmen's Club to continue shooting on this property and

did not do anything to stop them. The Sportsmen's Club has since voluntarily stopped shooting lead bullets, but ultimately he believes it is the Town's responsibility to resolve this issue.

Mr. Pace read Warrant Article #19. Mr. Baillargeon asked how much money was currently in the fund. Mr. Dean said the fund currently has \$144,177 in it. Mr. Baillargeon asked if this amount could be lowered, and Chairman Binette explained that this fund is based on projected retirement of Town employees. The fund needs to maintain a balance that would cover the cost of all employees eligible for retirement chose to do so, since many times we are unaware of who is choosing to retire during any given year.

Mr. Pace continued to read Warrant Articles #20, 21, 22, 23, 24, 25 and 26, all of which are for Human Service Agencies. Mr. Pace explained that the Town has set up a three-year rotating cycle for Human Service Agencies. Every three years, an agency receiving funding from the Town will be put on the warrant so voters can decide if they wish to continue supporting these agencies. During the budget review process, the sub-committee assigned to these agencies go through a thorough review of their financials and their operations to ensure the funds are being spent responsibly.

Mr. Pace read Warrant Article #27, the first of the petition articles. Mr. Dean added that the Board will not be voting on these articles. Mr. Campbell thought they had in the past, and Mr. Eastman said they only voted on petition articles when there's a tax impact and when it involves raising and appropriating funds.

Mr. Ingram is concerned because this was a petition article in 2001, and now the issue has been raised again, but it has not gone through the standard budget process. He feels this issue of elderly exemptions should be addressed by the Board of Selectmen, as he feels there are a number of people in town who do not have these incomes and who do not meet the criteria for these exemptions. He feels they need to come up with a solution that does not pit the elderly against the younger residents; he believes we need to find a neutral solution to this shift. Mr. Campbell agrees and thought Mr. DeVittori, the Town's Assessor, should start working on a more systematic solution. Mr. Pace feels our current system is means-blind. The Board continued to discuss the challenges the Town has been facing in this area.

Mr. Ingram asked Mr. Dean to speak with Mr. DeVittori to see what types of options he could put together for the Board to discuss.

Mr. Pace read Warrant Article #28. Mr. Aldrich asked if this article is approved, where the money for this project would come from if it is not appropriated. Mr. Eastman said he did not believe the intent is for anything to happen this year.

Mr. Ingram asked how much it would cost to do a full revaluation by an outside real estate appraisal firm, and Mr. Dean said that Mr. DeVittori estimated a cost of \$400,000.

Mr. Michael Lambert said he thought they were revaluated this year. Mr. Eastman explained that Mr. DeVittori goes out and checks the tax cards to ensure the data is still accurate. He currently splits the Town into three sections and updates each section every three years. Mr. Pace added that if a Town-wide revaluation was done, changes would only impact taxes every five years versus on an on-going basis.

Mr. Pace read Warrant Article #29. Mr. Ingram said the Board of Selectmen was initially opposed to funding the Swasey Parkway Pavilion because they wanted it to be a citizen's project. Since that time, there has been a major effort on the part of the citizens and they have raised a considerable

amount of money. He felt this would be a good time to come forward and have the Town support this article. Mrs. Dawn Perkins, Trustee of Swasey Parkway, added that they will continue to fundraise both to finish the pavilion and also to help support maintenance down the line.

Mr. Lambert said that years ago the Recreation Advisory Committee did a survey and found many people were unaware that this parkway is separate from other parks and that they have their own Trustees handling the parkway. He added that many new residents do not know that the Swasey Parkway used to be a landfill, and he felt it was important for residents to be aware of these items.

Mr. Pace read Warrant Article #30. Mr. Pace added that AIDS Response Seacoast has been in the Human Services budget in the past, and they were dropped because they did not submit proper paperwork. He wanted to clarify that this is their attempt at getting back in the budget.

Mr. Campbell felt uncomfortable supporting this article because they did not go through the proper process. The Board discussed the importance of agencies going through the scrutiny of the budget process.

Mr. Baillargeon asked a question on the Warrant Article for the Swasey Parkway Pavilion. He asked if they were asking for \$40,000 or if they were asking for \$80,000, as the wording did not make it clear. Chairman Binette stated that it was for \$40,000.

Mr. Campbell added that he has a slight problem that the Trustees of Swasey Parkway did not go before the Budget Recommendations Committee with their Warrant Article. He also stated that there is \$10,000 set aside with no strings attached, and he feels that the Board of Selectmen should have more understanding of where these funds are being spent.

There were no further questions or comments from neither the public nor the Board, so Chairman Binette ended the Public Hearing on the 2007 Budget and Warrant Articles.

5. Bid Award: Water and Wastewater Chemicals

Mr. Dean explained that the chemical bid was done as an a-la-carte bid, and the Water & Sewer Department is recommending that the Town go with the lowest bid in each category:

- Bid Item #1 – Sodium Hypochlorite 15% solution to Borden Remington for \$0.6654/gallon
- Bid Item #2 – Activated Carbon to Coyne Chemical for \$0.8039/pound
- Bid Item #3 – Potassium Permanganate to Coyne Chemical for \$1.60/pound
- Bid Item #4 – Sodium Hydroxide to Univar USA for \$0.5890/gallon
- Bid Item #5 – Liquid Sodium Bisulfite to Univar USA for \$0.9762/gallon

Mr. Campbell moved the Board of Selectmen approve the award of bid as presented for water and wastewater chemicals for calendar year 2007; second by Mr. Pace. VOTE: Unanimous.

6. Acceptance of Mosquito Control Grant Funds from NHDHHS

Mr. Dean noted that last year a House bill passed, offering Town's financial assistance for mosquito control programs. Thanks to Assistant Fire Chief Ken Berkenbush, the Town was awarded \$2,505.92 for reimbursement.

Mr. Campbell asked Mr. Berkenbush about a line in the award letter that references any additional eligible expenses. Mr. Berkenbush assured him that he waited until he had all of his receipts before submitting the application.

Mr. Campbell moved the Board of Selectmen accept the amount of \$2,505.92 from the State of New Hampshire Department of Health and Human Services for 2006 mosquito control financial assistance; second by Mr. Eastman. VOTE: Unanimous.

7. Appointments: Conservation Commission

Mr. Pace moved the Board of Selectmen appoint Sean Lyons as an alternate member on the Conservation Commission with a term to expire April 30, 2009; second by Mr. Eastman. VOTE: Unanimous.

8. Third Reading: Parking Ordinance Amendments

Mr. Dean noted this is the third and final reading for the parking ordinance amendments originally submitted on November 27, 2006, with the second reading held on December 11, 2006. Mr. Dean reviewed the proposed changes, which includes amending Section 103.2 by deleting the entire section (Two-Hour Parking Limit School Hours), and also amending Section 103.4, One-Hour Parking Limit School Hours, by deleting Front Street, Grove Court, Lincoln Street, Nelson Drive and Pine Street.

Mr. Eastman moved the Board of Selectmen approve the parking ordinance amendments as presented; second by Mr. Campbell. VOTE: Unanimous.

Before Mr. Dean moved on to the Town Manager's Report, Chairman Binette presented Mr. Dean with an engraved baby cup as a gift on behalf of the entire Board of Selectmen for the recent birth of his son Troy. Mr. Dean thanked Chairman Binette and the Board.

9. Town Manager's Report.

- Next Board of Selectmen Meeting will be held on January 22nd.
- The Public Hearing and Bid Opening for the Water Tank Project will be held at this meeting as well.
- He met with the Meadowwood Homeowner's Association and they are in the process of closing out FY06. They agreed to have an engineering firm review the former plans to see if they are still useable in an attempt to save money on additional engineering costs.
- A reminder that Christmas Tree pickup will be on your normally scheduled trash day this week.
- One final reminder – filing period for Exeter Town Officials' positions is January 24th through February 2nd. Candidates must be registered voters in the town, and apply with a photo ID at the Town Clerk's Office. Positions open for the March 13, 2007 ballot are two Selectmen, 3 Trustees of the Library Committee, 1 Trustee of Town Trust Funds, one Trustee of the Robinson Fund, and one Trustee of Swasey Parkway. He reminded residents that Exeter School District and Co-Operative District candidates must apply at the SAU 16 office located at 24 Front Street.

10. Permits.

Mr. Dean presented the following for action:

- New Outlook requested to use the Town Hall Main Floor with stage use on February 3rd from 4 pm – 11:30 pm for a rock show for local acts.
- Exeter Lions Club requested to put a banner across Water Street from March 26th – April 7th to advertise for their Annual Lions Club Auction being held on April 7th at the Talbot Gym.

- RCA – Head Start requested to use the Wheelwright Room on February 21st, March 21st, May 16th, June 20th and August 15th for Head Start Policy Council Meetings, from 8:45 am to noon each day.
- Permits issued after the December 12th Meeting:
 - Jeff Turner of the Green Bean requested to put a structure on the sidewalk to remove trees on December 29th from 8 am to 5 pm.
 - Peter Goodrich Carpentry requested to put a structure on the sidewalk to replace a window at the Masonic Temple on January 4th
 - Ron-Bet Company requested to put a structure on the sidewalk to replace an awning at 11 Water Street on January 4th

Mr. Pace moved to approve all permits as advised; second by Mr. Campbell. VOTE: Unanimous.

11. Selectmen’s Committee Reports.

Mr. Ingram: The Heritage Commission is meeting tomorrow and is still in the process of getting organized.

Mr. Eastman: Nothing to report at this time.

Mr. Pace: The Cable Television Committee is meeting one week from Wednesday. The Historic District met and reviewed proposals to change the façade of the Ioka.

Mr. Campbell: Conservation Commission is meeting tomorrow, and the Planning Board is meeting Thursday.

Mr. Binette: Exeter Development Commission is meeting tomorrow.

12. Public Comments: Mr. Lambert requested that the Water & Sewer Advisory Committee meetings be televised. He feels there is a lot going on in that department right now and he believes residents of the town would benefit from watching these meetings. He also mentioned he speaks with Mr. Sam Bruno frequently about frozen screens and poor quality of broadcasting of the meetings that are televised. Mr. Lambert would like to see these issues addressed, as he feels this is how the public stays informed.

Mr. Lambert also commented on the Meadow Woods lift station. He was under the impression that this was a trailer park, when in reality it is actually a condo complex with a homeowner’s association. He said there were many different perspectives on this issue when it was presented to the Water & Sewer Advisory Committee. Mr. Lambert did not feel these other perspectives on the issue were represented or relayed to the Board prior to their decision. He felt the Board agreed too easily to spend up to \$15,000 for this project. He added that in the past, these projects would come forward as Warrant Articles and the voters would decide if they would like to spend the money.

Mr. Don Clement addressed the Board next. He understands there are a number of issues within the Public Works Department. He feels these issues are overshadowing a much larger issue. He recently went on the Town’s web site and after much digging, he found a turbidity notice saying that we violated turbidity levels in the months of November and December. Mr. Clement did some research on the internet and read some of the information that he found. He added that it isn’t noted in the Public Notice how elevated turbidity levels affect the elderly and young children. He also noted that in 2005, there were six documented sewage overflows. He does not feel the citizens should be made to tolerate this. He thinks if we are not currently at a crisis point, we are quickly approaching it. Mr.

Clement does not feel the Water and Sewer Department is producing a quality product. In addition, he recently received his water bill with the new rates implemented, and as many other residents are seeing, he's paying more per month for brown water. He hopes that other issues can be put aside so that management can focus on solving these problems.

Mr. Brian Griset, a member of the Water & Sewer Advisory Committee, noted that the current water problems are not just facility related. He said there has been a lot of talk that if the \$18 Million Water Treatment Plant had been approved, the town wouldn't be having these issues. The Water & Sewer Advisory Committee has been looking into alternatives and progress is being made in this area. He recommended that all water users should flush their water heaters annually to remove sediments.

Mr. Lambert also added that the Water & Sewer Superintendent couldn't help but chide the residents of the town for not approving the project, but the reason it wasn't approved was due to a confidence crisis. He feels we are years into this problem and he thinks the Board needs to take action fast.

Mr. Griset had three items he wanted to discuss. He noted that he also felt the minutes of the previous Board of Selectmen's meeting reflect inaccurate comments regarding the position of the Water & Sewer Advisory Committee regarding the proposed \$624,000 interim improvements for the water treatment plant. Concerns were raised by the members regarding the commitment to include all projects in the 2007 budget and that these funds be taken from the reserves. Mr. Ingram wondered why, if that was not what the department wanted, it was presented that way. Mr. Griset pointed out that while there are monies incorporated into future projected budgets for interim plant improvements, the amount proposed would deplete the debt reserve set aside to balance rate increases, based upon the water and sewer rate modeling just approved.

Mr. Griset next recalled that two and a half months ago, he requested that the Selectmen solicit a letter of opinion from the State Attorney General regarding the issue of liability of State Fish and Game for flood damage and dam corrections. Mr. Griset said that on December 8th Mr. Dean verbally contacted the Attorney General's office. Mr. Dean told the Board that the Attorney General's position was that they do not issue letters of opinion in these cases. Mr. Griset also spoke with the Attorney General's office and he feels Mr. Dean inaccurately portrayed their position. Mr. Griset learned that the Attorney General's office will issue an opinion but it must be requested by a State official such as DES Dam Safety, Fish and Game, Coastal, Senator Maggie Hanson, or our State Representatives. These officials, which have stated they are partners in solving the pending dam/flooding issues, may share that opinion with the town.

Finally, Mr. Griset felt citizens should be aware that Warrant Article #11, as written, provides funding only to study and design protection of the Great Dam itself; it does not address flooding issues affecting the town. Mr. Griset believes the River Study Committee minutes reflect that the Chairman will not address flowage and private property rights violations due to flooding, and thus the report by Wright-Pierce does not address these issues. He believes the Mother's Day Flood would have been two feet lower had no changes been made to the dam. He said one problem he's found is that they've taken the position that they refuse to address property damages. Mr. Griset feels there is no room for dissension at the River Study Committee, and because of his he has decided he will no longer represent the Water & Sewer Advisory Committee at these meetings.

Mr. Ingram interjected and noted that he believes Mr. Griset has misrepresented some of the findings of the report. Mr. Ingram did not feel the Board of Selectmen Meeting was the appropriate place to discuss the specifics of the River, since he did not have all of his information with him and other

members of the committee were not present. Mr. Ingram explained that the River Study Committee Meeting lasted over three hours, and members of the committee have other jobs and obligations to attend to and they needed to leave. Mr. Ingram said he tried to limit the discussion in an attempt to move the meeting along, and he apologized to Mr. Griset.

Mr. Griset responded and stated that the report shows increases in flood levels at Carol and Eric's campground in excess of one foot and also it states it cannot comment on the areas upstream of Court Street as they are outside the scope of work.

Mr. Griset wanted to make the Board aware that he has informed the Water & Sewer Advisory Committee that he has resigned as the representative to the River Study Committee due to the actions of the committee and its chair, and he feels the actions create a liability issue for the Town and creates a conflict of interest for him to sit on this committee.

13. Adjourn.

Mr. Pace made a motion to adjourn; second by Mr. Eastman. VOTE: Unanimous. Time: 9:45.

Respectfully submitted,

Julie A Lund
AA/HR Director