

1,4. Convene the regular meeting, Introduce Members of the Board.

Chairman Binette reconvened the Board at 7:03 PM in the Nowak Room of the Town Office and introduced other members of the Board: Mr. Lionel Ingram, Mr. Bob Eastman, Mr. Joe Pace, and Mr. Russell Dean, Town Manager.

5. Minutes: May 11th, 2006 and May 22nd, 2006.

Mr. Ingram moved to waive the reading of the minutes of May 11th, 2006 and accept the minutes as presented; second by Mr. Eastman. VOTE: 3-0 (Mr. Pace abstained since he was not present at this meeting)

Mr. Pace moved to waive the reading of the minutes of May 22nd, 2006 and accept the minutes as presented; second by Mr. Eastman. VOTE: Unanimous.

Chairman Binette asked Mr. Pace, Clerk of the Board, to read the names of tonight's interviews. Mr. Pace stated that they interviewed Ms. Anna Hardy-Evans for the Historic District Commission, then they met with Ms. Marcy Dovholuk for the Arts Committee.

Mr. Pace moved to appoint Anna Hardy-Evans as a full member of the Historic District Commission; second by Mr. Eastman. VOTE: Unanimous.

Mr. Pace moved to appoint Marcy Dovholuk as a full member of the Arts Committee; second by Mr. Eastman. VOTE: Unanimous.

6. Bid Award: Sportsmen's Club Site Characterization.

Mr. Dean explained that this was a lengthy process coordinated primarily through Mr. Ken Berkenbush, Assistant Fire Chief and Health Officer. They worked closely with the New Hampshire Department of Environmental Services and were able to get their input on the situation. Mr. Dean and Mr. Berkenbush interviewed three consultants that submitted bids and are recommending URS, Inc. of Salem, New Hampshire.

Mr. Berkenbush was present to speak to the recommendation as well. Mr. Berkenbush stated they were impressed with all three consultants but URS stood out because they have very good experience with the type of needs of this project. In addition, URS has worked with the State of New Hampshire on similar projects.

The cost will be \$30,000, and URS will conduct XRF Screening to take soil samples to be confident they can build on this site. Mr. Binette asked if, during the interview process, they stated how long this project would take. Mr. Dean believed the work would continue through September, and Mr. Berkenbush confirmed this.

Mr. Ingram asked Mr. Dean to explain what 'site characterization' is, and Mr. Dean stated doing a 'site characterization' meant they would be testing the site to see what chemicals are present in the land, and once they do this analysis on the land and understand what the soil is made of, they can determine if the Exeter Gun Club can continue on this site.

Mr. Eastman asked if \$30,000 is allocated in the budget, and Mr. Dean clarified that this money had been approved for this project.

Mr. Eastman moved the Board of Selectmen approve the award of bid for the Sportsmen's Club Site Characterization to URS, Inc. of Salem, New Hampshire; second by Mr. Ingram. VOTE: Unanimous.

7. Third Reading: Amend Water/Sewer Ordinance: Meter Replacements.

Mr. Dean explained that there were no changes from the first and second readings. Amending this ordinance would allow the Water/Sewer department to send certified letters to non-responders and will help give them more "teeth" to proceed with turning off service for non-responders. Mr. Ingram stated there are currently about 100 non-responders out of the 3500 meters in town.

Chairman Binette asked if there was any public comment or questions regarding this amendment.

Mr. Ingra moved the Board of Selectmen amend Town Ordinance, Chapter 16, Water Service Regulations, Section 1604.6, by adding the following subsection 1: Failure to respond to meter replacement requests of any nature will result in a notice by certified mail notifying customers of a water shut off date in accordance with Public Works Operating Guidelines Section 5-501; second by Mr. Eastman. VOTE: Unanimous.

8. Third Reading: Amend Parking Regulations: Epping Road Extension.

Mr. Dean stated this would designate the Epping Road Extension as a 'No Parking' road. This is a proactive measure to avoid future zoning complaints down the line.

Mr. Pace moved the Board of Selectmen amend Town Ordinance, Chapter 1, Section 101.2, Parking Prohibited on Specific Streets, by adding the Epping Road Extension to the table of streets where parking is prohibited, both sides of the street for the length of the Epping Road Extension; second by Mr. Eastman. VOTE: Unanimous.

9. Second Reading: Amend Water and Sewer Rates.

Mr. Dean acknowledged this was discussed at the last meeting. The water and sewer rate structure will change from our current fee structure to a flat fee base and will be based more on actual usage within a 3-tier step system. Mr. Kelly, Chairman of the Water/Sewer Committee, was present for questions.

Mr. Brian Fieldsend of Blue Ribbon Cleaners approached the microphone. He stated in March, voters passed Article 12 which was going to be funded by a \$0.95 raise in water rates. Under the proposed 3-tier fee structure, Mr. Fieldsend's water bill would go from \$8,100 last year to over \$12,000 this year. Mr. Fieldsend wondered how many other businesses will be affected by this, and he also wondered why they needed so much extra money and why it wasn't included in the budget.

Mr. Kelly agreed that in the warrant article, it did state a \$0.95 increase, but that number was an estimated average increase across the board. Mr. Kelly felt they were up-front from the beginning that some customers would see their bills increase, depending on their usage. Mr. Kelly also stated

that the Water/Sewer Committee told Mr. Fieldsend at their last meeting that they would work with him to try making something that will work for his business. Mr. Kelly said 99% of the Town will benefit from this change, and the Water/Sewer Committee will do their best to get as close to 100% as possible.

Mr. Fieldsend still did not feel this justified such an increase that would raise his bill by \$4000 a year. Mr. Dean said that one thing the Water/Sewer Committee came across was they were in the process of a rate analysis, and the \$0.95 increase was based on initial information received. Another thing to consider is the sewer department has been operating in the red over the last few years and has about a \$100,000 deficit to overcome.

Mr. Ingram said we have been talking about “pay as you go” which will encourage people to conserve, but certain clients, such as Blue Ribbon Cleaners, are not *not* conserving and he wonders how this falls into the lines of fairness.

Mr. Kelly agreed that was a valid point, but he pointed out that the ultimate goal is to eliminate the inequity that has lower users paying for 6% more than what they actually use. Due to fixed costs, there needs to be a service charge to cover these fixed costs. A three-tiered system is an attempt to get each class as close as possible to paying for what they actually use.

Mr. Kelly also emphasized that this is a starting point. He and the members of the Water/Sewer Committee will be monitoring this as it is implemented to ensure it is working.

Mr. Ingram went back to Mr. Kelly’s comment that the Committee said they would work with customers such as Blue Ribbon Cleaners, and Mr. Ingram wondered what their plan was to work with them fairly. If they find a resolution with Blue Ribbon Cleaners, another customer will come along, and he wondered what the process would be.

Mr. Fieldsend commented regarding different charges for meters. If a building wants a 6” meter, they should pay the 6” fee. If they want a 2” meter, they should be able to downgrade to a 2” meter. Mr. Fieldsend believes conserving is great, and his business is not wasting water, they simply use a lot of it. Mr. Fieldsend feels every gallon of water should be sold at the same rate, and he sees no reason the price should increase the more you use. Mr. Fieldsend also did not think it is fair that high users are being held responsible for previous deficits. He also did not agree with information listed on the Town’s web site saying they want to make sure lower users are helped so they can afford it, which in turn passes it along to the higher users because they would be more apt to afford it.

Mr. Kelly feels they’ve attempted to treat everyone the same. Going back to Mr. Ingram’s question, he said the Water/Sewer Committee will make every effort to meet with each specific case as it arises to find a solution. If it makes sense to tweak the rates down the line, they will make that recommendation. Mr. Kelly reiterated that there are certain fixed costs, and if we eliminated the service fees, it would almost allow the lower users to have a “free ride” and would make it unfair in other ways.

Mr. Brian Griset, member of the Water/Sewer Committee, approached the microphone and told how they looked at 27 different models to ensure they recommended a model that was as fair as they could. They tried a number of options, and if they went to a model with no service fee, it would be a

true 'pay as you go' system but all of the accounting and billing costs would then be transferred to the higher users, and the Committee did not feel it would be fair to put that burden on the businesses.

Mr. Griset also explained that across the country, studies showed that the size of the pipe does not necessarily impact how much you use.

Mr. Pace asked for clarification of the Warrant Article. Mr. Pace wanted to ensure everyone understood that there are two separate situations happening concurrently and that they are not directly related. Mr. Dean agreed that it is fair to say the rate setting process is independent of the capital gains process, and that the rate setting will not impact the cost of the new water tower.

Mr. Fieldsend then handed Chairman Binette a copy of what he printed off from the Town web site, which he used when he went to the polls. Mr. Fieldsend felt this information contradicted this being separate issues and he commented that if this information is not accurate, residents may question every item at the deliberative session before it's time to vote.

Mr. Griset added that Mr. Pace has a good understanding, and there is actually three simultaneous changes occurring – first is a \$0.95 increase, second is a deficit recapturing effort, and third is a change to the current rate structure. Mr. Griset reminded the audience that the Water/Sewer Committee is trying to create a more equitable system. Some users were being subsidized, others were being overcharged. It's not commercial versus residential, it's an attempt to equalize based on usage.

Mr. Ingram noted that this proposed increase would go into effect on July 3rd. He feels Mr. Fieldsend has not had a chance to respond to this increase and adjust his rates accordingly. Mr. Ingram wondered if there was a problem putting the date off to give businesses an opportunity to make appropriate adjustments so we don't hit customers such as Mr. Fieldsend without giving him a chance to deal with the increase.

Mr. Eastman said this increase has been posted for quite some time and he felt the public has had plenty of time to respond. Mr. Ingram felt it's one thing to post that the topic will be discussed, but it's another subject altogether to say it's been approved and that he's had time to respond to the vote and implementation of the new rates.

Mr. Pace felt it was only fair to have it be effective July 3rd and then have the new rates take effect in the billing for the period beginning July 3rd and not the billing that would start during that timeframe.

Mr. Kelly had two reasons he felt this would be a problem. First, the Town is losing \$100,000 a year on the sewer side that they will continue to lose if they do not do this, and second, although he feels for Mr. Fieldsend, over 30% of residents will see reductions in their bills and he wondered if it was fair to deny them a more equitable, attractive rate when in the past they've been overpaying for their services.

Mr. Eastman asked Mr. Sheehy, Finance Director, if the rates took effect on July 1, when would the next billing cycle be? Mr. Sheehy stated it would begin in October. Mr. Pace thought it was fair to have a July 1st effective date with residents actually seeing the change in their October billing.

Mr. Kelly also noted that we did not necessarily have to wait until the end of the quarter, since there are three districts in town, so each district would have one quarter in the new billing rates. Mr. Eastman clarified that if the rates are effective July 1st, we can then bill as we would for each of the three districts. Mr. Sheehy reminded them that for 2006 we will only recapture ¼ of the proposed revenue if we choose to do this.

Mr. Pace moved the Board of Selectmen approve the water and sewer rates for Fiscal Year 2006, effective July 1, 2006, as follows: Service charge for water and sewer: \$26.00 each per quarter. Water: Step 1, \$4.75 per 1,000 gallons; Step 2, \$5.15 per 1,000 gallons; and Step 3, \$5.54 per 1,000 gallons. Sewer: Step 1, \$3.52 per 1,000 gallons; Step 2, \$4.15 per 1,000 gallons; and Step 3, \$4.46 per 1,000 gallons. The following consumption tiers are established for these rates: Step 1, up to 29,999 gallons per quarter; Step 2, from 30,000 to 194,999 gallons per quarter; and Step 3, 195,000 gallons per quarter and up. Further, the Water/Sewer Committee and the Board of Selectmen agree to review progress no later than December 31, 2006; second by Mr. Ingram. VOTE: Unanimous.

Chairman Binette thanked Mr. Fieldsend for his work in bringing some of the issues to the table. Chairman Binette said that unfortunately we are not always able to make everyone happy but he hopes the Water/Sewer Committee will be able to work with Mr. Fieldsend with this matter.

10. Request for Crosswalk Approval: Philips Exeter Academy.

Mr. Dean explained a request had been received from Philips Exeter Academy requested to add two crosswalks on Gilman Street. The Department of Public Works and the Police Department have both reviewed it and have no problems with this request

Mr. Carbonneau, Safety Coordinator for PEA, was present for the discussion. Mr. Carbonneau stated this request was born out of safety issues both for school kids and visitors. The first crosswalk would help direct pedestrians from the Tennis Courts to Love Gymnasium, and the second would help control pedestrian traffic to and from the playing fields, for both home and away teams and spectators. Both crosswalks would be maintained by the Academy and would be similar to the other crosswalks in town (red bricks with white paint outlining them).

Chairman Binette said that Mr. Gilmore took Chairman Binette on a tour of the recommended site to show him it is a safety issue.

Mr. Arthur Baillargeon approached the microphone and asked if students would be required to use the crosswalks. He pointed out on Tan Lane they do not use the crosswalks. Mr. Ingram noted this is a problem that periodically occurs, that Fire or Police will be trying to get through and is unable due to people crossing. Mr. Ingram reiterated if pedestrians hear a siren, please do not use the crosswalks. He asked Mr. Carbonneau if he could continue discussions with the students it would be appreciated.

Mr. Pace moved the Board of Selectmen approve the installation of crosswalks at the entrance to Gilman Street and on Gilman Street, as submitted by Phillips Exeter Academy; second by Mr. Eastman. VOTE: Unanimous.

11. Public Hearing: Winterfest Funds.

Chairman Binette moved the Board of Selectmen open the public hearing on the disposition of the Winterfest Funds.

Chairman Binette explained the public hearing was being held to discuss how the disbursement of the Winterfest Funds should be handled.

Mr. Pace thought if it were up to him, this would not be the direction he would go, but he also doesn't feel he needs to make a big deal about it. Chairman Binette asked if there was anyone who wanted to speak to this matter, to which there was not. ***Chairman Binette moved the Board of Selectmen close the public hearing; second by Mr. Eastman. VOTE: Unanimous.***

Mr. Ingram move the Board of Selectmen disburse the Winterfest Funds according to the recommendation by Mr. Bob Spoerl; second by Mr. Eastman. VOTE: Unanimous.

12. Town Manager's Report.

- Next Board of Selectmen Meeting will be held on June 26th.
- Mr. Dean recognized three recently retired employees:
 - Mr. Joe Goss, Water Treatment Plant Operator after 19 years of employment
 - Mr. Neil Therrien, Transfer Station Attendant who is moving to Florida
 - Mr. Gary Chamberlain of the Highway Department
- Also wanted to point out that Mr. Ken Berkenbush is present and wanted to give an update on mosquitoes and the potential pandemic flu. Mr. Berkenbush began with an update on fire permits. For the first time in a long time we are up-to-date on our fire permits. 152 multi-unit houses have been inspected and tested and the currently only have four outstanding. Regarding mosquitoes, there is good news and bad news. Good news, before the drought we were in a 138 year drought. Bad news, due to the floods there are a number of water areas lying around, and some marshes have had water to help mosquitoes breed. Previously the State would not allow conservation land to be treated, but due to current conditions they are reconsidering. He will keep us posted on this issue. As for a potential pandemic, Exeter is the Point of Contact for 17 other communities and is responsible for 8 points of distribution. We will have 48 hours to give medications to those near these pods, and we have received \$62,000 in grant money that will be heading to the Exeter region. At this point they are unsure how the money will be divided. There are many different components to this emergency plan, and we are currently looking for volunteers to form CERT teams. It will be 6 months or so before we can have a tabletop exercise, and the grant money is available for training purposes only. The second round of grant money will help with necessary supplies. Mr. Berkenbush pointed out there are still no confirmed cases of human-to-human cases of the avian flu, and no one is sure if it will ever happen but if it does, we will be prepared. This plan is technically an All-Hazards plan which would also go into effect for other emergencies including hurricanes, etc.

18. Permits.

Mr. Dean presented the following for action:

- Tufts & Demers Painting, LLC, requested to put a structure on the sidewalk starting June 13th for one month to pain the McReel Building.

- Chamber of Commerce requested to use the Bandstand during the month of July for placement of bunting on the Bandstand.
- RCA Head Start requested use of the Wheelwright Room on July 19, Aug. 16, Sept. 20, Oct. 18, Nov. 15 and Dec. 20. for policy council meetings.
- Parks & Recreation requested to use the Bandstand on June 15th, 22nd and 29th for their summer concert series.
- Parks & Recreation also requested to block off the streets on June 15th, 22nd and 29th from 5:00 – 8:30 on these dates for the summer concert series.
- Northway Builders, Inc. requested to block off 2 parking spaces for a dumpster on June 19th through July 3rd to remodel 84 Front St.
- David Barrows Adventure requested to put a banner across Water St. from June 13th through June 27th for the Seacoast Criterium on June 27th.
- Rockingham Planning Commission requested to use the Nowak Room on June 28th from 6:15 – 9:15 for an educational workshop for new planning board members.
- NH PIRG (Public Interest Research Group) requested to do a door-to-door membership drive from June 13th – 16th.

Mr. Pace moved to approve all permits as stated; second by Mr. Eastman. VOTE: Unanimous.

19. Selectmen's Committee Reports.

Mr. Pace: Tomorrow evening the new CATV committee will be meeting. Also, the Statewide/County/National filings go through the end of this week.

Mr. Ingram: Council on Aging is currently testing the new Senior Transportation Program. Check out the web site under Parks and Recreation for further details. Also, the River Committee met last Thursday and they are discussing 'lessons learned' from the flood. PEA students came forward and offered their services to help with biological surveys, so this is something they may be taking advantage of.

Mr. Eastman: Nothing to report at this time.

Mr. Binette: Saturday is the Parks Discovery Days, starting at 8:30 with the 5K road race. At 10:00 am they will unveiling the new spray pads, at 11:00 am Wally from the Red Sox will be here, and at 11:30 am the cookout begins. At 1:00 they will have a free concert as well. They still need volunteers for this event so anyone interested can contact Mr. Mike Favreau, Parks & Rec Director, for further information.

Public Comments: Mr. Sandy Mitchell Winter of I.S. Realty Trust asked the Board to check on the progress of the problem he brought forth at the last meeting. Mr. Mitchell said a letter has been sent but nothing has been done. Chairman Binette suggested Mr. Mitchell contact Mr. Doug Eastman, building inspector and code enforcement officer, for resolution. Mr. Mitchell stated he is just looking for enforcement of the permit issued.

Mr. Eastman made a motion to move to non-public session under RSA 91:A to discuss a personnel issue; second by Mr. Pace. VOTE: Unanimous. Time: 8:32PM.

Mr. Pace did roll call. Mr. Ingram – Yes. Mr. Eastman – Yes. Chairman Binette – Yes. Mr. Pace – Yes. The Board then moved to non-public session.

Respectfully submitted,

Julie A Lund
AA/HR Director