

FINAL MINUTES

BOARD OF SELECTMEN MEETING

MINUTES

August 1, 2011

**1. Call Meeting to Order / Non Public Session**

Chairman Robert Aldrich called the Board to order at 6:30 pm in the Wheelwright Room of the Town Office Building. Selectman Quandt moved to enter a Non Public Session for the purposes of a fee waiver, ongoing litigation and a potential land purchase. Selectwoman Gilman seconded. Roll call is: Selectman Clement aye, Selectman Aldrich aye, Selectwoman Gilman aye, Selectman Quandt aye, Selectman Ferraro: aye. The Board then reconvened at 7:00 pm in the Nowak Room of the Town Office Building.

**2. Public Comment - None**

**3. Minutes & Proclamations**

**a. Regular Session Minutes of July 25, 2011**

**Mr. Quandt moved to approve the Regular Session Minutes of July 25, 2011 as presented. Ms. Gilman seconded. Vote: Unanimous**

**4. Appointments**

**Mr. Quandt moved to appoint Rick Thielbar as an alternate to the Zoning Board. Ms. Gilman seconded. Vote: Unanimous**

**Ms. Gilman motioned to appoint Gerry Hamel to the Cable TV Advisory Committee. Mr. Quandt seconded. Vote: 3-1 Mr. Ferraro opposed. Motion carries.**

**5. Departments Reports – Human Resources**

Donna Cisewski, Human Resources, said that the Town of Exeter currently has 129 full time employees and 31 part time employees. She meets regularly with department managers on employee issues and assists employees with benefit changes and questions about their benefits. She recently attended a Department of Labor annual meeting to get updates on changes. She is still currently attending leadership classes and workshops at the Local Government Center. They recently passed out the new safety handbook to all employees. There will be an upcoming flu clinic this year that will be open to all employees and their family members 18 years of age and older. The date has not yet been set but it will be sometime in the Fall. The Town's health insurance covers the flu clinic. The annual Employee Benefits Fair will be held on October 19<sup>th</sup>. The fair gives employees a chance to ask questions and get information about their benefits.

Ms. Cisewski read the names of 34 employees receiving anniversary acknowledgments in 2011 for their years of service to the Town of Exeter as follows:

**30 years of service:** Police Chief Richard Kane, James Boland (Public Works)

**25 years of service:** Peter Wasiewski (Fire Dept)

**20 years of service:** Donald Matheson (Fire Dept)

**15 years of service:** Jeff Liporto (Fire Dept), Jason Greene (Fire Dept), Lee Dawson (Fire Dept),

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Arthur McEvoy (Public Works), George Sturgis (Public Works), Grace Rogers (Public Works)

**10 years of service:** Eve Quinn (Town Clerk), Maurice Gagnon (Police), John Kelly (Police), Kristie Carrigan (Fire), Phyllis Duffy (Public Works), George McAllister (Public Works), Cynthia Lundberg (Parks & Rec), Carol Guba (Library)

**5 years of service:** Andrea Kohler (Town Clerk), Linda Christie (Police), Joseph Byron (Police), Melissa Fowler (Police), Patrick Robicheau (Fire), Jason Fritz (Fire), Kevin St. James (Fire), Ryan Booth (Fire), Michael Avellino (Fire), Andrew Martin (Fire), Douglas Fisher (Public Works), Scott Cook (Public Works), Michael Cheever (Public Works), Nancy Bugbee (Parks & Rec), Theresa Fyler (Library), Jill Bourdelais (Library)

Chairman Aldrich stated that they still need recording secretaries for Town boards and committees and Ms. Cisewski confirmed that they continue to actively seek people for this.

### 6. Discussion/Action Items

#### a. New Business

##### i. DRED Presentation by Michael Bergeron

Michael Bergeron from the State of New Hampshire Department of Resources and Economic Development was present to report on economic activity in New Hampshire and provide helpful suggestions for economic development in Exeter. Christine Davis from his office, who focuses on in state retention, was also present. Mr. Bergeron does out of state business recruitment.

Michael Bergeron said that the New Hampshire economy is doing relatively well compared to other states. Historically our economy is one of the last to go into recession and one of the first to come out. New Hampshire has an economy that is resilient and growing and is currently one of the top four economies in the U.S. The unemployment rate is currently 9% for the U.S. as a whole, 8% for the Northeast, 7.9% for New England and 4.9% for New Hampshire. Some examples of New Hampshire companies that are expanding and doing very well include Hypertherm in Lebanon, Nanocomm in Concord, Lonza and FlexEnergy.

The two wildcards are the housing market and the deficit. Nationally there has been a high rate of foreclosures since 2006. One out of 800 homes in NH is going into foreclosure, mostly in Hillsborough County. Exeter only had 13 foreclosures last month. Home values are continuing to fall. The deficit is an ongoing issue that needs to be addressed. The interest alone on the deficit is 450 billion dollars per month! It is not business as usual anymore and that means that the Town of Exeter has to view themselves somewhat differently in light of the current environment.

Mr. Bergeron had a list of helpful ideas. It is important to always remember to cover your current customer base. The leadership should pay attention to the largest employers and then work its way down. Leadership should meet with them and talk about the things that are important to them and find out what they like or don't like about Exeter. Mr. Bergeron's office would be happy to help facilitate this for Exeter. It is much harder to fill a vacancy once you lose it.

Site consultants and people representing companies are looking for an understanding of a Town's strengths and weaknesses and community profile. Prompt responses and good customer service are very important, as well as confidentiality. A town can be taken off the list for consideration if it does not have available real estate or water/sewer/ natural gas. The Town should have shovel ready sites up to 200,000 square feet. Some towns, such as Hudson, use tax credit programs called Economic

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Revitalization Zones. He recommended that Exeter set up Economic Revitalization Zones and advertise that it has them. Exeter should encourage real estate owners to advertise on the wider market. He commented that Exeter's grey sign coming in from Route 101 is rather drab and not easy to see, especially in the daytime. He recommended spicing it up somehow, perhaps by adding another more colorful sign to it.

There should be a checklist of the approval process that is easily accessible from the Town's website. Town government should be friendly and committees should work well together. Exeter should work with the media to highlight good things happening in Town and partner with local companies that provide services to attract companies. Mr. Bergeron recommended that the Town invest some time to upgrade its website to include a bit more of a business/marketing approach. He feels that the current website is rather busy and has a stiff government feel. It needs some focus on economic development, as well as images of smiling people to establish a human connection.

Board members thanked Mr. Bergeron for his presentation. Ms. Gilman said that the EDC recently had a similar presentation from a developer in the area who reiterated many of the same things that Mr. Bergeron has included in his report. Mr. Dean said that he appreciated many of Mr. Bergeron's comments and that DRED does great work. Exeter has a few small ER zones right now and would like to get more. The tax credit programs that go with them are all State credits. The EDC is looking into ER zones and will likely have something to bring before the Board of Selectmen soon. They also recently discovered that Pease has some sort of agreement where they can attract businesses in and not have them pay school tax. This is something that they will look further into.

Mr. Dean asked Mr. Bergeron why New Hampshire's unemployment rate is so much lower than other states. Michael Bergeron said that there are many factors. New Hampshire has the highest per capita income in the United States. We are close to Boston's metro market and have good schools, safe communities and good medical care. We are close to the mountains as well as the ocean. New Hampshire is attracting a lot of productive, smart people because of its consistent long term tax policy and the proximity of infrastructure in education and healthcare. Chairman Aldrich said that he expects that they will see the website project come to fruition sometime in the near future.

Barry Sandberg, EDC Chairman, was happy to hear that many of the things on Mr. Bergeron's checklist are items that the EDC is currently working on. He appreciates DRED's work and is thankful that the Town can continue to partner with them.

Mr. Ferraro volunteered to help take on the website issue. Chairman Aldrich will put this on an agenda in the near future to discuss and talk about gathering volunteers.

### **b. Old Business**

#### **i. BCC Policy**

The Board discussed proposed revisions to BCC Policy # 92-13 Appointments to Boards and Commissions and BCC Policy # 89-19 Appointed Town Boards and Committees, based on the conversation they had last month. Ms. Gilman commented that most land use boards have their own rules and procedures which may have some differences. Terms of office and consecutive terms may be a little bit different than state statute because they can do that internally. Chairman Aldrich said that once the Board modifies this policy the hope is that the other boards, committees and commissions will adopt similar procedures and get everyone on the same page.

Mr. Clement had some issues with some of the procedures in Policy # 89-19. Some committees have

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written charges set by state statute which do not require approval by the Board of Selectmen. Chairman Aldrich will add in language that says “unless defined by state statute” to section 5.0 item # 2. Some committees are not bound to give a recommendation or act as advisor to the Board of Selectmen and so language will be changed to reflect this. A differentiation will be made between a committee and commission. Chairman Aldrich will revise these policies to reflect the comments and edits made tonight and bring it back for another review on August 15<sup>th</sup>.

Renee O’Barton clarified that an individual can serve on up to two Town Boards and Committees but only one land use board as detailed in Policy # 92-13.

### **ii. Tax Liens / Deed Process Update**

Chairman Aldrich said that the Board of Selectmen met with counsel in May to talk about the legal process that is required under tax deeding for properties that have failed to pay property taxes for more than 2 years from the date of the first lien. At that time there were approximately 90 properties in Town owing a total of about 1.4 million dollars that were eligible to be deeded. The Board decided to move forward with the process that is very clearly spelled out in law as to what the Town is required to do under the tax deeding process. The owners of those approximately 90 properties received letters on June 1<sup>st</sup> advising that if they didn’t clear the liens on their property that had been placed by the Town for the 2009 or earlier tax years, the Town would be given the Tax Collector’s Deed on October 31<sup>st</sup>. Some property owners have come in and paid. Others have come in to discuss their situation with the Board of Selectmen. The issue remains that on October 31<sup>st</sup> the Board is going to be presented with a large number of tax deeds which they are going to have to take action on. They need to start talking about a plan for what happens on November 1<sup>st</sup> when the Town potentially becomes the owner of 70 or 80+ properties.

Mr. Quandt asked how many of these properties have lot rents or condo fees that the Town would become responsible for. Chairman Aldrich said this is a question that needs to be answered. They would look at working with the parks to mitigate that.

Mr. Dean said that when the notification process began in June there were 103 properties that were reviewed for potential deeding. The Town’s attorneys performed a due diligence review of the properties. Two were deemed ineligible due to bankruptcy which stops the process. Fourteen property owners have paid their liens in full for the deed years in the aggregate amount of \$ 33,199. Currently the balance of the eligible properties that remain uncollected is \$ 241,762 or 76% of what is outstanding. Eighty-seven properties remain on the list and will be eligible for deeding on October 31<sup>st</sup>.

Mr. Dean explained some of the options once the tax deeds are presented to the Selectmen. The Selectmen have to make the determination to execute those deeds. Once they do that and the Town becomes the primary owner of the property, there is a statutory right of repurchase process that would commence. The owners would be notified of the tax deed being executed and the Town would pursue alternatives available under the RSA’s for conducting a tax sale of the properties. The owners have certain rights of repurchase under that process. They can buy it back but after the tax deed is executed the repurchase is far more expensive. It is not just the outstanding taxes but also 15% of the current assessed value plus any fees that the Town incurs in marketing and selling the property.

Mr. Ferraro said that it would be good if some departments could assist in looking at exclusion criteria as detailed in section 3a & 3b of the tax deeding process so they can know the potential ramifications of each property before they have to vote on whether or not to take them. Ms. Gilman said that the building inspector has looked at all of the properties.

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Chairman Aldrich said that another thing the Board should be considering is that in theory by law they have to keep the property for 2-3 years but they do have the option to sell it back with notice to the owner within 90 days. They will need to decide if they are going to hold these properties or notice the owners.

Gerry Hamel asked if the Town becomes the legal owner of the properties does it need to pay up all of the taxes and it does not get transferred to a new buyer. Chairman Aldrich said that when the Town resells the property, it resells it for the back taxes, penalties, interest and all costs associated with the sale. If there is profit left after that, it goes to probate court who decides who gets it.

### **iii. Personnel Plan**

Chairman Aldrich said that five remaining points had been identified for the Board of Selectmen to decide on so that Human Resources can finish a final draft of the Personnel Policy Manual. The five outstanding items are:

- 1) The concept of swapping sick days for additional vacation days.
- 2) The issue of granting the benefit of paid vacation days to part time employees.
- 3) The addition of Civil Rights Day as a recognized Town holiday.
- 4) The concept of extending the “sick leave bank” to all town employees.
- 5) The accelerated schedule of awarding vacation days to department heads and salaried employees (adding one day/per year after 5 years of employment).

After some discussion, the Board decided not to adopt the concept of swapping sick days for additional vacation days because they felt that it sends the wrong message. They decided not to grant paid vacation days to part time employees. It was noted that the private sector does not provide paid vacation time to part time employees. There was board consensus to add Civil Rights Day as a recognized Town holiday and extend the sick leave bank program to all town employees. They decided not to support an accelerated schedule of awarding vacation days to department heads and salaried employees in today’s current financial climate. These changes will be incorporated into the Manual and it will come back to the Board for a final review on a future agenda.

### **iv. Surplus Vehicles Bid Award**

**Mr. Quandt moved to award the bid for the surplus vehicles to Chicago Motors in the amount of \$ 4,514.00. Ms. Gilman seconded. Vote: Unanimous**

### **v. Water Street Interceptor Bid Award**

Town Engineer Paul Vlasich said that the department started the sewer replacement project in 2008 on Water Street. They started planning for a potential ARRA funded / stimulus funded project. This part of the project was eligible for stimulus funding. In 2009 they had a special town meeting that awarded some funds for this project. It went out to bid but they did not have enough money for that project. In 2010 the Town awarded additional funds for the project and the first phase of ARRA funded projects were under construction. There was a second round of ARRA funding and the State was able to fund a total of 50% forgiveness in the ARRA package through the SRF funds for this project. Public Works advertised a bid for this project a couple of months ago and is recommending that the bid be awarded to Jamco Excavators, LLC of South Hampton, NH in the amount of \$ 539, 955. One other bid was opened that was about \$ 40,000 higher and another bid was received late and returned unopened.

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Mr. Ferraro asked how much money was approved at Town meetings and how much is stimulus money. Mr. Vlasich replied that \$ 380,000 was approved at the first town meeting and \$ 320,000 was approved at the 2010 town meeting. Mr. Vlasich gave a short description of the project. There is an undersized sewer before a diversion structure and this project increases the size of that pipe. Just downstream from it, that pipe goes under the Exeter Housing Authority. If they are going to be reconstructing the sewer they thought it would be best to go around the Exeter Housing Authority, replace the diversion structure and tie into the pump station behind the Exeter Housing Authority.

Mr. Clement pointed out that as a town, they have funded this project for \$ 700,000. The project total according to this most recent memo is \$ 759,565. It would thus appear that they are over budget by \$59,565.00. Paul Vlasich said that there is a 5% contingency equivalent to \$ 43,475 included in the itemization of costs. That contingency is just in case there is a change order in the project. Right now there are no change orders and they are hoping that there won't be any. Also, the \$ 59,565 cost for design phase engineering has already been spent and paid for in preparation for the stimulus funds and that was through the I/I mitigation project in 2009. The remaining \$ 700,000 cost of the project is the sum of the two warrant articles. Costs are estimated as it is a bid. In addition to the contingency, there is a portion for contract administration and resident inspection from a consultant, as well as environmental monitoring. If all of those costs do not get expended exactly as they are assuming, the cost will be less than the \$ 700,000. The way that they have structured their previous design cost with the consultant they can go back and ask for reimbursement up to \$ 700,000. Chairman Aldrich asked if the \$ 350,000 is set in stone and Mr. Dean confirmed that it has been approved that the Town will get back 50% of whatever the total cost is. ARRA funding is administered by the State. The Town can submit bills to the State and get reimbursed. Selectman Ferraro commented that a 5% contingency seems low compared to that of other DPW projects.

**Ms. Gilman moved to award the bid for the construction costs for the Water Street interceptor improvements to Jamco Excavators of South Hampton in the amount of \$ 539,955. Mr. Quandt seconded. Vote: Unanimous**

### 7. Regular Business

#### a. Bid Openings – SCBA Equipment

Chairman Aldrich opened two bids received for SCBA Equipment for the Fire Department. This was a 2011 warrant article that passed. It is a lease purchase with a total projected cost with interest over 5 years of \$ 291,000.

1) Industrial Protection Services, Wilmington, MA	\$ 256,064
Less trade in option of old air bags	<u>- 39,795</u>
Total Sales Price:	\$ 216,269
2) Fire Maddox Supply, Bolton, MA	\$ 251,525
Less trade in option	<u>- 20,000</u>
Net Cost:	\$ 231,525

**Mr. Quandt moved to forward the bids to the Fire Department for review. Mr. Clement seconded. Vote: Unanimous**

#### b. A/P and Payroll Manifests - None

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### **c. Budget Updates**

Mr. Dean said that with regard to retirement, the Town has just received word that the retirement system board if they have a quorum will meet on August 4<sup>th</sup> and set the rates.

### **d. Tax Abatements & Exemptions - None**

### **e. Water/Sewer Abatements - None**

### **f. Permits - None**

### **g. Town Manager's report**

The auditors will be back in tomorrow to continue their field work on the 2010 audit. He had a follow up conversation with Comcast based on an issue that was raised last week about Channel 22. At this time Comcast has no issues leaving Exeter's current channel setup as is. They would like to pursue having Channel 22 be the education channel for the other SAU towns. Board members had no issues with this.

### **h. Legislative Update – None**

### **i. Selectmen's Committee Reports**

Selectman Ferraro has not heard anything from Brentwood, its applicant or the applicant's consultant regarding Pine Road. He stopped by their Planning Office today which advised that the consultant for the applicant is supposedly reaching out to people to set dates, but no one from Exeter has heard from him. Mr. Ferraro suggested that they might want to speed up the process because the Exeter Board of Selectmen will have a third reading of the proposed town ordinance change on August 15<sup>th</sup>. They want someone done before high school starts.

Selectman Quandt announced that there will be a Cable Committee meeting on August 11<sup>th</sup> at 5:30 pm in the Wheelwright Room.

Selectman Aldrich said that Conservation meets next Tuesday night.

Selectwoman Gilman said that the EDC had a presentation from a local developer who made many of the same points that Mr. Bergeron made in his report this evening. The bids for the Winter Street cemetery historical survey for the Heritage Commission are due on August 8<sup>th</sup>. Heritage Commission meets next week. They had one more demolition review this week for a small garage that had no impact on anything.

Selectman Clement had nothing to report.

### **j. Correspondence**

1. Letter from Buxton Oil on Charter Street that is talking about truck traffic and ability for their tractor trailer truck to make a left hand turn around the bandstand. They are looking for a variance to use a side street but do not indicate which one. The Board will refer this back to them to find out what their preferred route is and get more information.

2. Letter from Seacoast Family Promise thanking the Town for its donation

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3. Letter from Rockingham Nutrition and Meals on Wheels thanking the Town for its recent payment
4. Letter from Seacoast Mental Health thanking the Town for its recent payment
5. Letter to Chief Comeau from the Department of Homeland Security and Emergency Management talking about our annual Radiological Emergency Response Plan. The Town has been granted \$ 27,800 for its efforts in preparing for an incident at Seabrook.
6. Order from the Board of Tax and Land Appeals regarding the Gary Blake versus Town of Exeter tax case
7. Letter from Richie McFarland thanking the Town for its donation
8. Letter from Sexual Assault Support Services that is looking for funding next year and is requesting level funding for 2012 in the amount of \$3,000
9. Letter from Seacoast Family Promise regarding their annual report and thanking the Town for its support
10. Letter from Families First thanking the Town for its support

### **8. Review Board Calendar**

The next regular Board of Selectmen meeting will be Monday, August 15<sup>th</sup> at 7:00 pm. There will be no regular meeting on Monday, August 8<sup>th</sup>.

### **9. Public Comment**

Timothy Heiyl, Exeter native, shared his ideas for economic development in Exeter and proposed changing the name of Exeter to Reynault. Mr. Aldrich advised that the specific details of his plans would be discussion items for Planning and Zoning and he explained the process for a referendum vote which is run through the Town Clerk's office.

Paul Vlasich referred back to the cost itemization for the Water Street Interceptor Improvement project discussed earlier on in the meeting. There is a \$ 98,700 line item for construction phase engineering for Underwood Engineers. DPW has a proposal from them which has gone through a couple of iterations. The \$ 98,700 is comprised of construction administration, resident engineering, startup services, special services, environmental coordination, allowance for an environmental sub consultant, and help with record drawings. They have to award a contract to a company for these engineering services before the State will give the Town the OK to award the overall contract to Jamco. It is a condition from New Hampshire DES which will not approve the SRF money for Jamco until the Town has a contract with an engineering firm.

Chairman Aldrich asked what other engineering companies they have spoken to about this besides Underwood Engineers. Mr. Vlasich said that Underwood is the only company that they have spoken to about this and they are definitely the company to go with. Mr. Dean explained that this is the project engineering and not the design. The design is already complete. Several Board members expressed concerns about sole source awarding a \$100,000 contract without competitive bidding. Selectman Quandt pointed out that it is policy that anything over \$ 25,000 in cost must be sent out to bid. Selectman Clement suggested waiting until it can be discussed as a regular meeting agenda item so he and other Board members can have time to review and digest the details of this proposal.



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Mr. Vlasich said that if they do not award the contract to Underwood, the department would put together a proposal for other engineering companies to come in and perform this work. These other companies would have to review the previous documents to bring themselves up to speed with what is going on with the project. The department may have to fast track some other proposals in order to accomplish this.

Chairman Aldrich said that they have 3 options for tonight:

- 1) Award this \$ 98,700 contract to Underwood Engineers.
- 2) Let it sit until the next meeting when there is more information and backup and it is an agenda item. This would allow the Board members time to consider and digest it before making a decision.
- 3) Give Mr. Vlasich some direction that the Board is not going with Option 1 or 2 and ask the dept to fast track something else.

**Mr. Ferraro moved to go with Option # 3 and ask the department to go and fast track bid proposals. Mr. Quandt seconded. Vote: Unanimous**

### **10. Adjournment**

**Mr. Quandt moved to adjourn, seconded by Ms. Gilman. Vote: Unanimous**

The Board stood adjourned at 9:25 pm.

Respectfully submitted,

Jennifer Mancinelli  
Recording Secretary

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