

Select Board Meeting
Monday July 29th, 2019
Town Offices, Nowak Room
Final Minutes

1. Call Meeting to Order

Members present: Anne Surman, Kathy Corson, Julie Gilman, Molly Cowan, Niko Papakonstantis, and Russ Dean were present at this meeting. The meeting was called to order by Ms. Corson at 7 PM.

2. Public Comment

- a. There was no public comment at this meeting.

3. Proclamations/Recognitions

- a. Ms. Cowan commended Ms. Corson for her appropriate and diligent response to concerns about racial profiling and the horrible things being said to students and people of color. Ms. Corson forwarded concerns expressed on social media to the Chief of Police, which is moving the community forward. Having a Police Chief who takes young people's concerns seriously is encouraging. Hate and injustice have no place in our community.
- b. Ms. Corson read the op ed on this issue from Chief Poulin:

Recently, the Exeter Police have been made aware of some disturbing reports in which people have alleged to have been treated in a completely unacceptable manner. The reports stem from interactions that some students of Phillips Exeter Academy have alleged to have occurred during their travels in Exeter. Students of varying races and religions have come forth and talked of people reportedly driving by them and shouting racial epithets, insults, taunts, swears, or even so far as to throw cigarettes near them.

No one should have to endure this type of treatment which appears to have been directed at degrading one's civil rights-especially our high school aged children. Are we finding or suggesting that there is a systematic problem or a culture of hate within our community of Exeter? Absolutely not. However, we can all agree that just one of these reports is too many. These interactions can be far reaching and also affects the victim's families and friends, as well as the entire Exeter community.

Nationally, it is widely estimated that hate crimes are in fact under reported. Reporting hate crimes can lead to their prevention by identifying those prone to these activities and sending a message that these crimes will not be ignored. The Exeter Police Department urges people to report incidents as victims (or as witnesses) and to be assured that we will take every report of this nature very seriously and investigate it to the fullest.

Depending on the actions, offenders could be faced with several serious charges. In addition, the Exeter Police Department is prepared to work in coordination with the New Hampshire attorney general's office and seek an enhanced hate crime penalty to be attached to any

chargeable misdemeanors or felonies as applicable. A hate crime may be defined as crimes (often violent) which are substantially motivated because of hostility towards a person or group's race, ethnicity, religion, national origin or immigration status, gender, and/or sexual orientation.

There are several ways which as a community we can help stop hate and promote safety and inclusion. One such local resource in Exeter is the Racial Unity Team, whose mission is to advance relationships among people of different racial identities, increase understanding and reduce bias in our community. Another national resource can be found at the Not in Our Town movement at niot.org/about-us.

4. Approval of Minutes

a. Regular Meeting: July 15th, 2019

MOTION: Ms. Surman moved to approve the minutes of the Select Board meeting of July 15 2019 as submitted. Mr. Papakonstantis seconded. All were in favor.

5. Appointments - Water/Sewer Advisory Committee, Local River Management Advisory Committee

MOTION: Ms. Cowan moved to appoint Mark Fabian to the Water/Sewer Advisory Committee for a term ending 4/30/22. Mr. Papakonstantis seconded. All were in favor.

MOTION: Ms. Cowan moved to nominate Don Clement and David Ahearn to the Exeter Local River Management Advisory Committee for three-year terms. Mr. Papakonstantis seconded. All were in favor.

6. Discussion/Action Items

a. Water/Sewer Rates Public Hearing

MOTION: Ms. Gilman moved to open the public hearing on Water and Sewer rates. Mr. Papakonstantis seconded. All were in favor.

Bob Kelly, the Chair of the Water/Sewer Advisory Committee, spoke about the Committee's proposal to adjust the rates for both Water and Sewer for the upcoming fiscal year. The town has added \$75 million of infrastructure in the last five years, and maintenance and upkeep on this investment are critical. The bond for the Wastewater Plan was approved by the town in 2015 by a 70% margin. Public Works had been using a spreadsheet-based model for the rates, but then they hired MFSG to conduct tests, and came up with a 10-year rate structuring plan. Last year, the town deviated from the plan on the water rates because of capital projects in the CIP process, but Sewer rates were on track. Debt payments start in 2020, and will require a sizable increase to sewer rates. The interest-only payment in early 2020 will be around \$1.6 million, and the bond payment starts in 2021 at \$4 million. Currently the Sewer account has \$3 million.

Mr. Kelly explained that the cost of the \$75 million in infrastructure must be shared among the 3,400 accounts in town. They have an upgraded main pumping station and a new forcemain running out to Newfields Road. The operating costs are going up significantly. The

plant is at the cutting edge of technology, and that is expensive. The plant discharges into the river, so they have very rigorous standards from the EPA. Even with the rate increase, they're not projected to be the highest rates in the state; Portsmouth and others are higher. Exeter does not have a huge retail, commercial, or industrial base, it's 95% residential. The rates are going up by 3.2% for Water and 86.7% for Sewer. The average quarterly bill is now \$234, and will be \$303, an average increase of about \$70 a quarter. There may be more increases in the next 18 months, after the first bond payment. If the new rates begin October 1 with the new billing cycle, the savings account should look good for another couple of years.

Ms. Corson opened the discussion to the public.

Brian Fieldsend, a business partner at Blue Ribbon Laundromat and Dry Cleaning, complained that because of the tier system his business pays 50% more for Water and Sewer than a homeowner. The town has shifted the economic burden onto businesses. With the new rates, his Water bill will be over \$30,000, up \$170 a week, which will be passed on to the citizens of Exeter. He argued that the state's cost to provide water is the same regardless of usage. He asked that the Select Board revisit the rate, as the town could be in violation of RSA 362:4 section 6, which entails that utility rates are cost-based and not discriminatory.

Mr. Dean said the town uses an increasing block rate, so the more you use the more you pay. Outside agencies have looked into this issue and there are no legal concerns.

Ms. Surman said she would like to see more data on what businesses pay, since she doesn't want to overly burden business or commercial development. Mr. Dean said it's not uncommon to have residents picking up the lion's share of Water/Sewer revenues. Most accounts are residential. PEA is one of the largest customers, but there is diversity in their accounts, it's not one big account.

Mr. Kelly said 95% of the total accounts are residential, but that probably only generates 80% of the income. He added that Public Works and the Water/Sewer Committee spent a lot of time trying to balance the rates so no sector was unduly burdened. He said that this model has been working very well for three years, and should stay the way it is.

Bob Halfenstein, an Exeter resident, said he's interested in the status of the repairs to the water supply system to meet EPA requirements.

Jennifer Perry, the Public Works Director, said that the conversion to a new disinfection process will bring them back into compliance with THM regulation by the end of the year. They have to sample at four sites and average the past three quarters with the current quarter, so it will take two or three more sampling periods before the official results reflect the change. The water now is lower in total trihalomethanes than previously.

Ms. Gilman said she would also like to see a more detailed version of the rate data. Mr. Dean said that the town has to cover its costs. Ms. Surman said she knows the town has to pay for the plant, but they also have to be equitable and sensitive to businesses.

Ms. Cowan wanted to alert customers to the change before the beginning of October when rates rise. She asked Mr. Dean how the vetoed State budget plan would have affected this discussion. Mr. Dean said the overall impact would have been \$14 million total, spread over 20 years, so \$700,000 per year for Exeter. They would be looking at a better overall financial situation and would not have to raise rates as much.

Mr. Kelly said that they don't know what the operation of this new plant will entail; their projections could be off by 10-15%. He suggested approving the rates, since costs won't go down, and they can tweak them over the next year if necessary.

Mr. Papakonstantis said they need to make a decision quickly. He would like to see more data, but he presumed that Mr. Kelly had already reviewed all the pertinent information.

Mr. Kelly said they looked at it very closely. The Committee looked at the issue from the perspective of ratepayers, Public Works from an operations perspective, and the consultants from their expertise. The Board might be able to fine-tune things, but he doubts it. He added that they haven't heard a lot of complaints about the rate model, just a few.

Mr. Papakonstantis said that Water/Sewer has done a thorough review, and the financial situation is dire. He would like to move these increases now and next year the Committee could try to massage the numbers again. Ms. Surman said the model is the model, she's familiar with how they got here, she just wants to make sure it's equitable. Mr. Kelly said that next year would be five years since adopting the rate structure, so it would be a good time to revisit. He believes the way it is now is the most equitable to everyone, but he's happy to review that next year. He did not recommend spending that time now, since pushing the rate increase to January 1 increases the likelihood of raising the rates again within a year. Mr. Dean emphasized that the town must have enough cash to pay that \$4 million bill on January 1 of 2021.

MOTION: Mr. Papakonstantis moved to close the public hearing on the Water/Sewer increase. Ms. Cowan seconded. All were in favor.

MOTION: Mr. Papakonstantis moved the Select Board approve the Water/Sewer rate changes for bills issued after September 30, 2019, as follows: for Water, service fee \$42 per quarter, Tier 1 usage \$8.38 per 1,000 gallons of usage, Tier 2 usage \$10.48 per 1,000 gallons of usage, and Tier 3 usage \$12.57 per 1,000 gallons of usage. In Sewer, service fee \$41 per quarter, Tier 1 usage \$13.63 per 1,000 gallons of usage, Tier 2 usage, \$17.04 per 1,000 gallons of usage, Tier 3 usage, \$20.45 per 1,000 gallons of usage. Ms. Cowan seconded. Ms. Gilman abstained and the motion passed 4-0-1.

MOTION: Mr. Papakonstantis moved to approve the sewer flat rates at \$188.20 per quarter. Ms. Cowan seconded. All were in favor.

b. Conflict of Interest Policy

Ms. Surman said she'd redrafted the Conflict of Interest Policy. Ms. Cowan said the new draft incorporated her concerns. Ms. Gilman liked that the opening is more positive in support of not having conflicts of interest. She added that some paragraphs refer to "public servants" and some to "town officials," but "town officials" is not defined; she suggested they just use "public servant." In Section 2, whether someone on a Board couldn't comment on behalf of someone, they should say "a town official, Board member, or employee, shall not act on any matter in their official capacity in which they or any family member has a personal interest. In such instances, they shall request recusal from any action on the matter."

Ms. Corson was concerned about Section 3, Number 1; in her reading, a civil engineer could not serve on the Planning Board if his company were to ever come in front of that Board.

Ms. Surman said that's not what she meant, and she can expand it to be more clear. Ms. Gilman said this also comes up in definitions, under conflict of interest. Ms. Corson said they have to send the draft to town counsel, so perhaps they could say they're struggling with the language in this part. Ms. Surman said she could also try to redraft it.

Ms. Cowan asked about the enforcement mechanisms for the policy, and whether there had been buy-in from others who would be affected by it. Ms. Surman said that some towns have an oversight review committee. Once the policy is an ordinance, it could be brought to court. She's happy to present this to other committees. Ms. Cowan suggested each rep go to their own committee with it instead. Ms. Gilman said she would prefer not to have an Ethics Committee, and Ms. Surman agreed. Ms. Gilman asked if other towns defined consequences, and Ms. Surman said she can look for examples.

Mr. Dean said that town employees are currently covered under the conflict of interest policy in the personnel manual, and will need to understand how this fits. He felt that volunteers play a fundamentally different role than staff, so may not need the same standard, but he doesn't know if the public would see it the same way. Mr. Papakonstantis asked if the employees sign something acknowledging the conflict of interest policy. Mr. Dean said that there is a process to receive the handbook, but not specifically related to the conflict of interest policy. They could do that in the future. Mr. Papakonstantis suggested keeping the current version of the policy for employees but having them sign something periodically.

Ms. Corson opened the discussion to the public, but there were no comments.

Ms. Surman will create another draft.

7. Regular Business

a. Tax, Water/Sewer Abatements and Exemptions

MOTION: Mr. Papakonstantis moved to approve an abatement of \$352 for 39/4. Ms. Cowan seconded. All were in favor.

b. Permits & Approvals

- i. There were no permits or approvals at this meeting.

c. Town Manager's Report

- i. Mr. Dean said the Sustainability grant discussed at the last meeting was submitted July 26th.
- ii. Exeter still has 175 delinquent dogs. There is a police officer administering the process, as the town has not yet hired a new ACO.
- iii. He's scheduling a night August 8th with the Planning Board. They're working on the CIP and that is the first hearing.
- iv. On Lincoln Street the work continues, with a tentative completion date of August 15th. They are maintaining the same amount of parking spaces on Lincoln Street, but it has a new look which is throwing people off.
- v. The Hook Lift truck which was approved in the Town Warrant is delayed due to manufacturing demands.
- vi. Paving is mostly complete for the year.

- vii. The LED streetlights are mostly installed.
- viii. Traffic light installation at Epping and Continental will take place next month.
- ix. Tonight is the last night of the Brass Band concerts downtown.
- x. National Night out is August 6th from 5 - 8:30 PM. This is a community building campaign for law enforcement, with music, face painting, and games.
- xi. They're hearing from DES regarding the Sportsman's Club; there's an action in progress and they should hear more soon.
- xii. They are continuing their search for a replacement Deputy Tax Collector, but they have four or five good candidates.

d. Select Board Committee Reports

- i. Ms. Gilman said the Heritage Commission meeting did not have a quorum, so they could not discuss the budget or grants. She also went on a Waterkeeper boat ride on Great Bay, where she heard about the different estuaries coming into the bay. The Historic District Commission heard and approved small cases at their meeting: a one year extension for work on Kimball Island and the new door at Citizen's Bank.
- ii. Mr. Papakonstantis thanked Officer Bruce Page for promoting National Night Out and doing traffic control at the Rec Park. The Facilities Committee had a presentation from Sightlines, and they will continue working on the RFP. The Planning Board met last Thursday. The meeting started with a presentation by Horsley Witten, and they also heard a continued public hearing on the application for Sparkle Street Realty which is looking to put a dentist's office on Westside Drive, which was approved. They also approved the bond release request from Garrison Lane subdivision. There was a reopening of the hearing on Willey Creek; the judge remanded the issue to the Planning Board, they discussed it again, and moved to grant the requested 100% waiver of public school impact fees contingent on no school-age children under the age of 18 residing there.
- iii. Ms. Cowan had a meeting of the Rec Advisory Board where they discussed how to fix the signup for the Rec Camp and came up with a workable solution. Legacy campers will have an early signup opportunity, after which registration will be open to new students and families, to prevent a mad rush. At the Communications Committee, they formed different groups to engage with the community and figure out how people want to find out information.
- iv. Ms. Surman said she had no meetings, but she went to the Governor's budget meeting last Friday, and felt that everyone had the best interest of the state at heart. She added that it's nice to have that level of access to the Governor.

- v. Ms. Corson had an Exeter River Advisory meeting, where they discussed the dam at Pickpocket, and they will continue to discuss it. At the Swasey Parkway Trustees meeting, there was a discussion on property use fees, and they would like to have a joint meeting. When Melissa Roy comes back with changes they'll schedule that.

e. Correspondence

- i. A letter from the Rockingham County Finance Office, Mr. Dean said the Exeter apportionment has been established, which will translate to the county portion of the tax rate, which is around \$67,000, a 3.27% increase. With the town's value increase, the rate will drop.
- ii. A list of Wastewater State Aid grant projects. Mr. Dean said the public hearing is coming up Thursday, and he or Ms. Perry will likely attend. Exeter's project is still on the list.
- iii. Officer swearing in ceremony, Aug 5th 2 Pm at town hall, officer Brian Hanna will become a Sergeant, Sargent Steve Bolduc a Lieutenant, and Captain Michael Munck will become a Deputy Chief.
- iv. A list of a number of bills that have been vetoed by the governor and whether they've been acted on for overriding.
- v. A letter from the Senate President and Speaker of the House describing the budget process and the differences of opinion.

8. Review Board Calendar

- a. November 4th there is a budget committee meeting on the same night as a Select Board meeting. Ms. Cowan has a conflict September 9th; if possible, she'd like to move the meeting, but the week before is Labor Day. Mr. Papakonstantis has a conflict August 26th, and won't be able to call in. Ms. Corson said they'll leave these meetings as scheduled. Ms. Surman will be unavailable November 18th. Ms. Corson suggested meeting on the 11th and 25th because of the Budget meeting, but the 11th is Veterans Day. Ms. Corson will think about how they can change the meeting on the 4th.

9. Non-Public Session

MOTION: Mr. Papakonstantis moved to enter into nonpublic session pursuant to 91:A3 subsection 2 b and c. Ms. Cowan seconded. By a roll call vote, all were in favor.

10. Adjournment

Selectwoman Gilman moved to adjourn, seconded by Selectman Papakonstantis. The Board stood adjourned at 8:50 PM.

Respectfully Submitted,
Joanna Bartell
Recording Secretary

