

**Town of Northumberland
Board of Selectmen
Meeting Minutes
Date: Monday, March 6th, 2017
Place: Town Meeting Room – 10 Station Square
Time: 6:00 P.M.**

Board Members present: J. Tierney, Jim Weagle, Michael Phillips
Others: Glenn Cassady, Joseph Kennett, Nancy Mellow, Al Rossetto, Ed Mellet, Robin Irving, Jesse Hern, Julie Haas, Nicholas Vangelli, Peter Pelletier, Sandy, Becky Craggy, Elaine Gray, Skip Sansoucy, Rebecca St. Cyr - Recorder

1. Chairman opens the meeting:

J. Weagle opened the meeting at 6:00 pm.

2. Acceptance of Minutes:

Motion to approve the February 21, 2017 minutes by: J. Tierney
2nd by: M. Phillips, All in Favor 3-0

3. Selectmen Business:

a. Dept. Head Business: Highway and Water/Sewer

Glenn Cassady – Highway

The crew was out 12 times in the first 2 ½ weeks of February. The snow was wet, so we used not quite half of the salt that we recently bought. He thought the budget would look worse than it is. There was a lot of snow to remove after the storms, but we got it cleaned up. We then did some cold patching and will be doing it again. When it warms up, we will be working on the dirt roads. Randy Potter has been busy with maintenance. He has been doing oil changes, which usually aren't until summer. Since the first of the year (on his truck) we've put on approx. 3,600 miles just on Town Roads. If it warms up will start doing clean-up of the excess sand on the sidewalks, etc.

Cassady ordered 13 cord of fire wood for the shop from Larry Gray. The cost is \$100.00 per cord, which is reasonable. He will deliver or we have the option to pick it up ourselves. Cassady said there has only been 2 minor complaints (lawn issues) during the last storms.

J. Tierney reviewed the budget and the approx. amount remaining, as of the end of February. Over-time - 31%, Payroll - 30%, which is normal. The overall budget for Highway is approx. 78.5%; normal is 83.33%. Cassady will need to keep an eye on it. If things change at Town Meeting, the percentages could be worse.

Reggie Charron – Water/Sewer

R. Charron wasn't available for tonight's meeting, J. Weagle reviewed his report.

Water – Prima America update – we could get a pressure switch added to our system for extra parts. Keith & Winston have been busy cleaning all the hydrants and replacing water meters.

Water in February – Groveton 6,669,870 gallons pumped. Lost Nation – 477,700 gallons pumped. They are thinking there is a leak, it's averaging 13,000 gallons per day, they think it should be lower. Charron is looking in to it.

Other – there is training coming up for the Sewer Dept. – 4 classes, keeping an eye on trouble spots, doing the end of the month reports and working with Hoyle & Tanner on the mill project.

R. Irving commented about dove tailing the mill project that Hoyle and Tanner is doing and the directional drilling for the sewer that we are planning for the spring with CMA. Hoyle & Tanner has talked to CMA. They would like CMA to have DBU (while doing the drilling from Chapmans land to behind the monuments) is to do another drill at the same time and put a sleeve in and leave it there until we finish the rest of the installation. Then they will hook up to the T that CMA put in on Chapmans land next to the river and then we'll run the line under Route 3.

There are lots of logistical problems, one being we wouldn't have gone out to bid for the EDA, so it wouldn't have gone through the proper procurement process. If we asked DBU to do this, we can't pull the money from the EDA award, it's non-reimbursable. CMA has offered to write a change order on the bond issue and use the contingency money to go underneath the river. Whether DES and USDA would approve is a separate issue. Irving feels the Board needs to think about how we would want to proceed. If we don't drill, we really don't have a way to get under or across Route 3 until probably 2018 or 2019.

J. Tierney said there currently is a waste water line (from the mill) that runs under Route 3. It got cut on Chapman's property (on the mill side), but the pipe is still there. He asked if that could be used as the sleeve. R. Irving further discussed the line and problems.

- b. Informative discussion with Sansoucy regarding agreements with Eversource and Northern Pass. Discussion of notices received from DRA – See item g.
- c. Discussion/Approval of Hoyle & Tanner Engineering Contract and quote R. Irving reviewed, on page 5 there is a concern from J. Tierney regarding auto insurance, which has been addressed. Everything else that Irving and Michelle needed as administrators have been completed. She feels the contract is good to go. She suggested voting to sign it and wait for approval from EDA before doing anything.

Motion to sign when it's EDA approved by: J. Tierney
2nd by: M. Phillips, All in Favor 3-0

This is the mill installation of the Water/Sewer on the river side of the property. J. Tierney said since the Town got the grants, we are in-charge of doing it, we will get the approvals back from EDA and NBRC and we will be running the project. Irving said Hoyle and Tanner has hired a resident engineer to be on site, which is required by the EDA.

Motion for the Chairman to sign after EDA and NBRC approval by: J. Tierney
2nd by: M. Phillips, All in Favor 3-0

d. Discussion/signing of Assessing Services Contract – not ready for discussion – passed over

e. Discussion of TAN

M. Phillips addressed. Last year we took the TAN out in February. There is \$175,000 in the account. In March, April and May; there is a \$175,000 School payment, payroll and accounts payables, which is approx. \$40,000/week. Phillips suggested doing 2 payments of \$350,000 each.

Motion to give the Board the authority to go up to \$700,000 on the TAN as necessary by: J. Tierney

R. Irving – later in the year (August) is when the EDA project will get started. The way it's structured, she needs to pay them, submit the proof of payment and then get the reimbursement. She expects by then she will need some big money. J. Tierney said the Towns share needs to come out first, which is the bond that was passed last year. Hopefully there will be enough revenues coming in, but Union Bank doesn't have a problem going up to \$1.5 million on the TAN if necessary. M. Phillips will keep everyone informed.

2nd by: M. Phillips, All in Favor 3-0

Phillips asked what the time line is for the \$1,000,000; she hasn't submitted for a bond yet. J. Tierney said GREAT has a USDA grant, they have submitted for the last payment in August 2016, they haven't received payment yet.

M. Phillips asked if \$200,000 is spent in August and we pay from the Town's money, is it then reimbursed or is it the whole thing. R. Irving said it's in pieces and then reimbursed. It might work, if not, we would need to look at other options. Nancy Mellow asked if that could affect the project – Yes it would.

f. Discussion of ICS Service Proposal - J. Weagle said we used to do this but stopped due to service charges. Weagle said this would be through Mascoma Bank. He explained that we could take \$500,000 and put in the bank; they offer it at night to several different banks that pay interest on it and then comes back in during the day. The current interest rate is .15%; this would be at .65%. ICS stands for: Insured Cash Sweep. M. Phillips wasn't sure why we would sweep money into a bank instead of paying on the TAN, which is at a lower rate. J. Tierney further reviewed. It gives us a chance at some extra income and could be used

instead of the TAN. This money is our money. When we are not using the TAN, it might make sense. A. Rossetto discussed and thought it would make sense to pay the TAN note down also. We wouldn't be making any money if we are into the TAN.

Motion to table for discussion later by: J. Tierney
2nd by: M. Phillips, All in Favor 3-0

- g. Informative discussion with Sansoucy regarding agreements with Eversource and Northern Pass. Discussion of notices received from DRA

Skip Sansoucy reviewed information. The question regarding the 2 hydro-electric plants - the State & DRA is required to value and tax utility property. You get to tax 3 of the 4 legs, to like Eversource & the hydro's. This is the County, local school tax, town & precinct. The State has taken a literal interpretation of the State school law, they are potentially looking to reduce their revenue. What they have done with the hydro plants that have opted for the new law, which allows those under 1000 kw to do net metering. Sansoucy further explained net metering. The result is that they give up a renewable energy credit, the balance between the two right now, it's better to deal with the wholesale. On the evaluation side, we need to find out how to monitor the amount of electricity being sold.

The company (Ampersand & Power House) have elected to become net metering providers. Sunny Brook doesn't sell, they use it all. We are faced with taxing all 4 components. It moves onto the industrial, not the utility side of the ledger. Sansoucy said they will work with the Town's team on this.

It effects the PILT with Power House, because you don't have a visible mechanism to audit to amount of electricity being sold. To calculate the amount of money on the PILT. You need to amend the PILT, because they have changed their method of operation. If you want to keep PILT, it needs to be amended so that we can get the appropriate information. J. Tierney wants to get it from PSNH and not the small dam owners. Sansoucy further discussed, he hasn't thought it through and doesn't have the best solution. The amendment of one will lay out the language for a potential PILT for Ampersand. Now, you don't have a PILT with them.

J. Tierney said they started producing last year, when talking with Greg Cloutier it was acceptable and was close enough for a full year. The taxes for 2016 on the Weston Dam were calculated on what they sold in 2015. In negotiations with Cloutier, Ampersand was going to get the same PILT. Sansoucy said to remember that legislation requires you to offer the same PILT. You may offer it, but doesn't have to be the same. M. Phillips said the PILT was a long process, so now that PILT needs to be amended or do we start over. Sansoucy said it can be amended. They will fight it no matter what we do.

Sansoucy said we will absorb this in more detail and then come back to the Board. J. Tierney said this takes effect April 1, 2017, if we don't have a response or

answer what do we do. Sansoucy said you will use last years. We will need to notify Weston Dam the PILT needs to be amended.

Public Service – re-evaluation is coming up in 2018, it will be an important year to do the utilities, but you will be dealing with the PILT's at the same time. There has been a significant amount of money put into the distribution for pickups throughout the State. You will want to do pickups in 2018. There was a PSNH appeal in 2012, 2013, 2014 nothing in 2015, now they can appeal in 2016. The 2013 & 2014 appeals are in abeyance at BTLA, because they are part on the group of 69 towns & cites. We won the case, but the company is taking it to the Supreme court. The decision is expected to come down by the end of the year. It will take the 2013 & 14 out of abeyance and put them onto track. Sansoucy further discussed. It's most cost effective to keep in the group.

The 2018 re-evaluation will be critical because of the changes being made. There will be appeals right behind it.

The danger of Forward NH is there is so much money on the table. They are asking you to agree to a level of tax. It's the same form of taxation that they just lost at the BTLA. J. Weagle and J. Tierney discussed the Forward NH plan. Sansoucy reviewed a graph showing what they are proposing. Looking at Northumberland, they started at \$23,200,000, which is the reduction shown in the letter. That is less than \$4,000,000/mile. The original facility was \$6,000,000/mile. Sansoucy revised the cost to show what it should be - \$36,600,000. If we agree to it, it's a number that's low.

One element of the Forward NH plan is a lower cost based on the original estimates. They are asking you to essentially go to book value (original cost less depreciation at 2.5%) and go down to "0", which is what they lost at BTLA. Sansoucy reviewed what they are proposing for the Town over 40 years. Over time you lose a tremendous amount of money.

Sansoucy said the Board doesn't need to make any decisions now and suggested waiting to see what happens.

- h. Discussion of mandatory "set aside" of funds for assets – J. Tierney said in the USDA bond for the Winter St/Roaring Brook project - \$25,545 must be put into it yearly; if we don't, we are in violation of the USDA Bond agreement.

R. Irving said the USDA has been including this clause in the contracts for the past 5 years. We are the first one in the North Country they will be enforcing it on. There has been some communication since we found out about it. They said we need to set aside the \$25,545 for short lived assets. Irving further discussed. Per the Feds a truck is a 5-year asset. If we are already putting money into CRF's with the purpose of paying off these short-lived assets, we can deduct it from the \$25,545. The backup the accountants are doing is great, Irving feels we are complying. We don't have anything on the warrant for this year, but will need to decide on it for next year. We are changing the name of the CRF to Public Works

Equipment Fund, which should suffice. The goal for it is \$25,000. J. Tierney said we will probably put 51% into Water and 49% into Sewer or vice versa; it's too late to add a warrant. We can't change the warrant but can change the dollar amounts, which covers us for 2017. Then we can go back to the way it was being done with money going into the CRF.

Irving said a CR can be voted down, we could create a fund (PDIP) account. It still raising money, but moves it to a different line. N. Merrow asked if the Trustee accounts are covered under the PDIP. J. Tierney said we would only need to create a PDIP, we wouldn't need an expendable trust fund.

- i. Discussion of rescheduling of 3/20/17 BOS Mgt –
The next BOS meeting is being re-scheduled to 3/21/17 at 6:00 pm.
- j. Discussion of vendor invoice/statement received –
Re: Senior Meals – the store sent in their bill for the balance of 2016 - \$363.98, which we received yesterday. We have closed 2016. They were made aware of the time line for submitting 2016 invoices.

We have 2 choices, tell them it's too late or we can pay it. Senior Meals can charge at the store, but we don't control what they buy. They are required to submit a slip to the Town Office within 48 hours. They have a request for funds in the Charity Warrant. We don't give them the money, they submit the bills and the Town pays. The money is still there from last year. Becky Craggy commented that the other charitable organizations must request the funds approved within the tax year. We expect the vendors to submit the bills timely.

N. Merrow asked whose responsibility is it to get the bills in, J. Tierney said the vendor has the slips and is responsible to get the bill submitted. J. Kennett asked if there is anyone at Senior Meals that's held responsible for this? J. Weagle said someone should be following up, we shouldn't have to babysit the management of the program. G. Cassidy commented that's why we have purchase orders.

B. Craggy said 2017 bills may not be paid until after Town Meeting. Craggy will look back to see how the deadline was communicated to them last year. It's budgeted and in the account – the Board agreed not pay 2017 bills until after Town Meeting.

Motion to pay the 2016 invoice by: J. Tierney
2nd by: M. Phillips, All in Favor 3-0

J. Tierney will hand deliver when ready.

4. Applications/Permits and Warrants:

a. Abatement Applications (4)

1. Michael and Nancy Phillips – assessed value - \$114,166; market value – \$104,783

Motion to send to CMP by: J. Tierney

2nd by: J. Weagle, 2 in Favor – 1 - Abstained.

2. John & Amanda King – assessed value - \$108,500; market value - \$83,400

Motion to send to CMP by: J. Tierney

2nd by: M. Phillips, All in Favor 3-0

3. & 4. Eversource and Fair Point –

Motion to send to Skip Sansoucy by: J. Tierney

2nd by: M. Phillips, All in Favor 3-0

R. Irving - if you are trying to abatement something to a lower value, aren't you inflating the tax base. J. Tierney said when the 2016 tax rate was set \$30,000 was put in for overlay, which covers this type of abatements.

b. Building Permit Application (1)

1. Nicholas Vangelli, Pine Tree Motel, Lancaster Rd. T. Bedell hasn't signed, the fees have been paid.

Motion to sign, subject to T. Bedell signing by: J. Tierney

2nd by: M. Phillips, All in Favor 3-0

c. Recommendation from Assessors on Abatement application

1. Keith & Sam Young – previous assessment - \$101,100 (before renovations); revised - \$60,800.

Motion to sign and grant the abatement by: J. Tierney

2nd by: M. Phillips, All in Favor 3-0

E. Gray said there has been a pick up done on the renovations.

d. Non-Resident Transfer Station Permit Application 2017-2018 –

1. Mailhot Trust, Brooklyn St. & Rich St., Renewal

Motion to approve by: J. Tierney

2nd by: M. Phillips, All in Favor 3-0

e. Meeting Room application – Kids Go Karts –

For a meeting to review the rules, etc. Non-profit, asked for fee to be waived.

Motion to approve and waive the fee by: J. Tierney

2nd by: M. Phillips, All in Favor 3-0

f. Parade Permit and to close State St. – Speedway 51 – May 6, 2017 - 10:00 am – 1:00 pm. The State will need to approve closing the street.

Motion for the Chairman to sign by: J. Tierney

2nd by: M. Phillips, All in Favor 3-0

5. Public Matters to Be Addressed by The Board:

- a. Announce 2017-2018 Dump Stickers available at the Town Office and Transfer Station.
- b. Announce Town Report availability schedule – should have copies by Wednesday and it's available on-line also.
- c. The Board thanked J. Tierney for his service to the Select Board and Town. This is his last official meeting, but will be doing Town Meeting. Thank-you Jim, your service has been very much appreciated!!
- d. Nicholas Vangelli asked about his abatement application. It has been sent to the accessors and hasn't come back yet.

6. Non-Public Session: (Pursuant to RSA'S 91-A:3,II (b), ©, (d): a.

Motion to go into Non-Public Session by: J. Tierney
2nd by: M. Phillips, All in Favor 3-0

Into Non-Public Session at 7:34 pm.

No further Non-Public business was discussed.

Non-Public Session adjourned at 7:49 pm.

Motion to adjourn the Non-Public Session by: J. Tierney
2nd by: M. Phillips, All in Favor 3-0

Into regular session at 7:49 pm.

During Non-Public session, the Board discussed a personnel issue. We have hired Peter Pelletier as Police Chief. He will be part time, has signed a contract with a termination clause. He has a brother that works for the force, but only as a training officer. He's looking forward to rebuilding the Department and will start on Wednesday, March 8th. He lives in Berlin. He will only work 32 hours. He is highly recommended and has an extensive background. Pelletier will be hiring the force, currently we have 2 applicants for full time, which he will be reviewing to start the hiring process.

Talked about a proposal on property the Town has for sale and will make a counter offer.

7. Adjournment:

Motion to adjourn by: J. Tierney, 2nd by: M. Phillips, All in Favor 3-0

Meeting adjourned at 7:55 pm.