



TOWN OF NEW LONDON, NEW HAMPSHIRE

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BOARD OF SELECTMEN MEETING MINUTES November 16, 2009

PRESENT:

Larry Ballin, Chair
Mark Kaplan, Selectman
Tina Helm, Selectman
Jessie Levine, Town Administrator

ALSO PRESENT:

Richard Lee, Public works Director
Jim Presher, Concord Regional Solid Waste & Recycling Cooperative
Howard Hoke, Solid Waste Committee
Bob & DJ Lavoie, New London residents
Terry Dancy, Conservation Commission
Bob Meck, Budget Committee
Ann Bedard, Budget Committee
Celeste Cook, Budget Committee
Jim Wheeler, Budget Committee
Pat Remick, City of Portsmouth
William Roach, Sunapee Board of Selectmen
Charlotte Brown, Sunapee Board of Selectmen
Donna Nashawaty, Sunapee Town Manager
Jim Powell, Newbury Board of Selectmen
Dennis Pavlicek, Newbury Town Administrator,
Chris McKee, Solid Waste Committee

Chair Ballin called the meeting to order at 8:00 AM.

Single Stream Recycling: Chair Ballin welcomed Jim Presher of the Concord Regional Solid Waste & Recycling Cooperative, who was present to talk about single-stream recycling. Mr. Presher showed a PowerPoint presentation and Chair Ballin invited people to ask questions during the presentation.

Mr. Presher explained that single-stream recycling means that homeowners would have two containers to take to the Transfer Station: one for all recyclables and one for trash only. Single-stream means a property owner can take all tin cans, glass, steel, cardboard, newsprint, plastic, etc. -- anything that is recyclable can go into the same container and does not have to be separated. This is easier for the homeowner and for businesses. He differentiated this from a single-stream of trash in which all trash and recycling can be mixed; in this case, trash still has to be separated from recyclables.

Mr. Presher showed a picture of a facility in Liverpool, New York, showing recyclables on a conveyor belt after cardboard has been removed. He described the process of removing the paper from the remainder of the containers (the lighter material goes over the top and the containers go through).

Mr. Presher said that he has been the director of the Concord Regional Solid Waste Coop for 18 years. He explained that the Coop plans to build a \$15 million single-stream facility in Penacook, but needs

another 10,000 tons of committed recycling in addition to the 15,000 tons that the Coop communities (27 in total, but not all participating) provide. The Coop is therefore looking for towns for the recycling portion of the project. This will be a publicly-owned (the Coop) but privately operated facility for at least the first three years, and then ideally self-operation will occur. The Coop has secured all permits and completed the cost estimates. This project has been ongoing for about 4-5 years now. Mr. Presher said that the Coop has purchased 43 acres in Penacook, off I-93 (via Route 4 from New London), next to the Coop's incinerator. The site is centrally located in the state, with very easy access from all directions.

Bob Lavoie asked if the Coop was only interested in recyclables or would consider trash as well. Mr. Presher said that the Coop is full for trash – the 27 communities provide all that the facility can handle. The facility has had tipping fees from \$37-45 per ton in the past but now thinks they will be in the \$60-range by the end of the year.

Terry Dancy asked if this project will include more types of plastic than we currently recycle. Mr. Presher said that it will take plastics #1-7. Chair Ballin asked if all of that product would be recycled at all times, and Mr. Presher said that there are some residuals but the plan is that all plastics will be recycled. Mr. Presher said that 1-7 will be recycled; #s 1, 2 & 3 has a lot of value, and the higher numbers do not have as much value, but they will be bailed and sent to India, where there is a market. Mr. Presher said that foam and Styrofoam are not currently recyclable.

Mr. Presher said that he hopes the facility will be the recycling facility for the state of NH. The facility could handle a capacity of 70,000 tons but needs a minimum of 25,000 to break even on the project. Mr. Presher went on to show a slide of the internal process of the facility, showing how the various materials are sorted out on conveyor belts. Mr. Presher also noted that the site for the facility is next to rail, so in the event that rail operations return, the Coop could take advantage of it.

Mr. Presher explained that the Coop is basically a municipality and does not have a profit motive. He described the potential benefits to towns that join this project, which would be called associated members. Mr. Hoke asked what the Town's commitment would be, and Mr. Presher explained that the Coop would ask the Town to sign an agreement. The associate members would not have to come up with capital funds to construct the facility, but would have to agree to bring their recyclables to the facility for 15 years, with two "out" options. Mr. Presher went on to describe the other benefits to associate members:

- 1) There would be payment (or charge) for recycled material at the actual market place. The associate members would share in the actual cost or revenue of the facility.
- 2) The concept should increase local recycling rates a minimum of 20% and in some cases as much as 30%, which results in cost avoidance at the landfill.
- 3) Reduced cost and streamline operations at the transfer station (and curbside if offered), allowing reassignment or re-designation of staff.
- 4) No capital investment required.
- 5) The Coop is a public entity and is not-for-profit.
- 6) Associate Members would have voting rights on the facility board; the board of selectmen would appoint a town representative to the facility board, which would operate like any other public entity, with annual meeting, public hearing on the budget, etc. A community would get one vote for every 500 in population.
- 7) Educational program is included; there will be a professionally produced educational program for public access TV, tax bill stuffers, etc. He noted the importance of education, and gave the example of the City of Salem.
- 8) Guaranteed acceptance of recyclables.

Mr. Presher said that right now 25 communities have signed up (not all Coop communities will participate to begin with), and they hope to get upwards of 40 communities by the time this process is over. Ms. Helm asked about the "facility operating committee," referenced in the handouts, and Mr. Presher explained that there are representatives from the three coop cities, three coop towns, and three recycling facility associate members, which would be elected by the associate members. To provide incentive for early inclusion, the Coop has said that associate members will not be allowed in at this pricing level after construction (most likely it will be the spot market after construction).

Mr. Dancy asked what the revenue will be to the Town for recyclables. He asked if we doubled our recycling, do we have an estimate in relation to the Coop's cost as to what will be the amount remaining. Mr. Kaplan referred him to the cost estimate prepared by Richard Lee, and said that if the costs were exactly the same as the revenue, we would receive nothing. Mr. Dancy said that is the key question that needs to be answered. Mr. Presher agreed and said that he runs spreadsheets and estimates all the time, and even with the market coming back, they are at \$0 net revenue. Each community will have to do that analysis to see what works for that community; there may be some local revenue now, and that has to be balanced with a number of things: the advantage of going single stream, cost avoidance, improved waste disposal, etc. Mr. Hoke said it sounds like there is the opportunity for revenue from the Coop, and Ms. Levine said that depends on the market. Chair Ballin said that if we had been doing this two years ago, we would have received a check back, but this year would have received nothing.

Mr. Presher said that as a municipality, the Coop understands that it is important to know what costs will be since budgets are set a year in advance. This year, communities lost revenue from recycling and even had to start paying to get rid of material, although still at a cost lower than a tipping fee. What this project will do is establish a budget on an annual basis, predicting its cost or revenue for that year, and members will not have to worry about spikes. If the market gets better and revenue is due to members during the year, then the project will reconcile quarterly and will give a credit or cut a check to members. On the other hand, if there are unanticipated costs during the year, those will be placed into the following year's budget so that the unexpected expenses are not seen in the current year.

Mr. Kaplan noted that with this project, every single pound will have a cost to be hauled, which differs from our current operations in which we do not have a cost to get rid of all recyclables. Mr. Presher agreed that there is always a cost for hauling trash and recyclables.

Mr. Presher said that his board has spent approximately \$3 million to purchase the property and do design and engineering. The project has met with potential municipal associate members, and has about 21,000-22,000 tons of committed material for 15 years at this point. They have not gotten into institutional (schools and colleges) or commercial recyclables at this point. The project has completed the building and site design and received the City of Concord's Planning Board approval on May 20, 2009. The building permit application has been started. The DES Solid Waste permit is in hand and the archaeological studies have been completed with no issues, although the State does want to see a Phase 2 study. The equipment vendor has been selected (C.P. for \$6.8 million). Casella has been selected as the operator for the first three years at a great price, and the requests for bids for road and site work are under review. The building will be a LEED silver-certified building. The project is pursuing other funding opportunities, such as federal grants, that it hopes will reduce costs. The final decision to go forward will be made when the tonnage is secured.

Chair Ballin asked if it is a requirement for the material to come to the plant compacted and Mr. Presher said that it is not, although it would be more economical to us to haul compacted trash. Mr. Hoke asked for clarification of the grant, and how that will reduce capital costs if there is no capital investment required by the associate members. Mr. Presher clarified that there could be some cost-recovery over the 15 years for the Coop's capital investment of \$15 million. His Coop Board has said that they do not need

to recover all of that investment, but would like to recover some of it. Chair Ballin said that there should be more clarification about the benefits or responsibilities of the associate members. He recalled that part of the reason New London decided not to join this effort sooner was that we could not also become members of the trash Coop. Ms. Levine said that we also had strong market revenue at the time that this proposal was reviewed before, and that market has changed significantly. Ms. Levine suggested that the presentation should be more clear that although there are no up front capital costs to the associate members, there is the possibility that the Board will seek to recover all or a portion of the investment from the associate members in its annual operating budget.

Richard Lee referred to his memo of November 9 regarding the pros and cons of joining the project. Ms. Helm asked about the probability of selling our balers if society in general is going toward single-stream recycling. Mr. Lee said that he does not know for sure, but he thinks there are communities that are still selling their own product that might be interested in a baler. Mr. Lee said the balers are around \$10,000 new, but unlike other used equipment, he does not know what the used market is for balers. Mr. Hoke said there are industrial applications for balers; for instance, printers often have use for them. With respect to going to Penacook, Mr. Lee said that there would be some trucking involved, but we could use one of our existing trailers to haul the recyclables. We would need to buy a smaller compactor (about \$11,000) to pack recyclables into the trailer, which cost could be offset by selling the balers. We are not looking to pack in 20-tons, but if we could pack 15-tons of recyclables to take to Penacook, that would be appropriate. He has looked at using the Transfer Station with as little modification as possible, and suggested that the far right-hand bay would become the depository for all recycling, and the left hand portion of the building could be converted to a swap shop.

Chair Ballin asked how we would operate if we started both single-stream and pay-as-you-throw. Mr. Lee said that he would think it would be difficult to educate people on both projects at the same time. However, he thinks it would be easier to sell pay-per-bag with single-stream recycling than sell pay-per-bag with our existing recycling operations. He thinks the two would go hand-in-hand very well, and it would speed the traffic flow through the Transfer Station.

Mr. Lee said there are some minor capital costs involved with switching to single-stream, but less than if we went straight to pay-per-bag. We are paying right now to get rid of our newspaper and cardboard; we are charged \$225 for trucking every time they come in and remove the trailer, and we received \$61 of revenue in exchange. Mr. Lee said that if we increase our recycling by 30%, that would be less trash to haul to Berlin, and he thinks that we could make it to Penacook and back quicker than going to Meredith with our trash. Mr. Lee said that the market is coming back but is still down; last year we were paying for paper removal.

As far as cons, Mr. Lee said that the biggest con is that we would lose our revenue. Two years ago, the Coop was talking about a \$10 tipping fee to join. He is not sure that would still apply but he used that fee in his analysis. Also, he pointed out, the last time we talked to the Coop we were just being considered a member and not an associate member, and now we would be given a vote on the board. So he thinks the proposal from the Coop is more attractive than it was two years ago.

Chair Ballin asked about the staffing and whether single-stream would reduce labor costs at the Transfer Station. Ms. Levine said that it probably would reduce labor needs at the Transfer Station, but she thinks that the third position should be reallocated and not eliminated completely. For one thing, the Transfer Station always needs two people to operate, so a third person would have to be trained and ready to fill in as needed. Additionally, there are part-time positions in the Public Works Department that could be filled by this floating position, including mowing at the cemeteries, working at the Stump Dump, and plowing sidewalks. She thinks that we could look at it over time, but currently is leaning towards reallocating rather than removing that position. She added that is her position if only switching to single-stream; if we

do pay-as-you-throw at the same time, that third position may still be necessary at the Transfer Station for some time. Mr. Lee agreed and said that employees will be needed to monitor the trash and monitor that people are recycling the right things, at least at the outset.

Chair Ballin asked if the recyclables must be loose or could be contained in a big plastic bag. Mr. Presher said that he would prefer it loose so that it can be handled less at the facility. Mr. Lee said that the Transfer Station could offer recycle bins or property owners could use a cardboard box to contain the recyclables and throw it all in.

Mr. Lee said that another advantage to the single-stream is that we do not have a market right now to get rid of the other plastics even if we had room to store it, which we don't. This facility would be able to put together an industrial overseas bale, which would open it up to some markets that we don't have the capability to get into on our own. Mr. Lee referred to the cost analysis portion of his memo, noting that we would lose the revenue but improve on cost avoidance.

Ms. Levine asked Mr. Presher to explain the Coop's glass operations, and said that in previous discussions he had said that the Town could keep its glass if it wanted to. Mr. Presher said that the Coop facility would take glass, and if there is revenue, we would be paid for it, but if there is a cost, we would be charged. It is okay for the Town to separate glass, but any cherry-picking beyond glass cannot be done. Mr. Presher complimented Richard Lee on his track record for recycling glass, and said that he looks forward to working with him on that. Mr. Lee said that glass is one of the biggest problems with these facilities because it gets broken, so pulling the glass out might be a benefit to the facility as well.

Mr. Dancy said that when we're talking about recycle bales, we're talking about taking metal, plastic and paper and dumping it into a single place. He said this means that there should be some kind of recyclable container provided by the Town. Mr. Lee agreed and said that could be done.

Ms. Levine said that she would bump this discussion to the November 30 Board of Selectmen meeting, and asked the Selectmen what other information they would like to see in order to make a decision. Mr. Kaplan noted that Richard Lee's estimate includes doubling recycling, but Mr. Presher said the average increase is 25%, so he would like to see a cost analysis using a more modest recycling figure. Mr. Kaplan also asked what the benefits would be if we simply do a better job on our current operations, and whether that would be a more worthwhile investment.

Chair Ballin asked Jim Presher for his timeframe. Mr. Presher noted that he is at about 22,000 tons and there are some bigger communities on the horizon. The final decision probably won't happen until next spring and it would then take a year before the operation opened (probably spring of 2011). Ms. Levine noted that if we do not get in on the project prior to construction, we would not get the same deal (i.e., we would have to pay spot tonnage after the facility opens). Chair Ballin asked if the communities are being estimated on assumed tonnage or existing tonnage, and Mr. Presher said that it is assumed tonnage.

Chair Ballin thanked Mr. Presher and Mr. Lee for coming this morning. Mr. Lee distributed a copy of an article from Wastage regarding the benefits of single-stream, and both departed at 8:55 AM.

Coalition Communities: Chair Ballin welcomed Pat Remick from the City of Portsmouth, who is here today to talk about New London's participation in the Portsmouth Coalition, which is an ongoing attempt to eliminate donor town taxation. Chair Ballin recognized that there are a number of people in the audience and asked for introductions.

Pat Remick thanked the Selectmen for the opportunity to speak and said she would start by providing a brief overview of the situation, which she has been working on since June 2000. The City of Portsmouth

pays half of her salary and benefits and the remainder is paid by contributions from the participating towns in the Coalition, and she thanked New London for its recent contribution.

Ms. Remick explained that following the Claremont decision, in 1999 the State instituted a statewide property tax that was supposed to cover the "State's portion" of education costs. For many communities in NH, that meant that once the State established the cost of an adequate education, they said that any town that raised more in statewide property tax than the cost of adequate education in its community had to send the excess to Concord and essentially donate it to communities that could not do as well. In other words, the State would take that money and give it back to the towns that could not raise enough money, so what happened is that towns with a low median income but high property values, such as Lincoln, was sending money to towns like Windham, which has high incomes but also more students. Every few years, the formula changed somewhat and the lawsuits continued, and our coalition of 34 towns pointed out that the towns receiving the funds were buying fire trucks, renovating opera houses, etc., and not necessarily using the funds to pay more for education. And in the meantime, she said, towns like Claremont complained that they still were not getting enough money.

In 2005, the Coalition said that it knows how to take the money from the Education Trust Fund and target it to the communities that needed the money, and that bill lost. In 2005, the version that finally passed said that the donor towns could take the excess taxes and put it back into their own school systems, and for most towns that worked okay because the State had a very low figure of adequate education and we were paying more, so it was just money being moved around.

Then, after another series of lawsuit and a threat that the courts were going to take over the education funding issue, and because the court said that the State had not defined an adequate education, and after a lot of meetings and calculations, the final amount came out coincidentally at the number that had been thrown into the air. Now that the formula was established, they said they are going to figure out how to allocate the money (for example, extra for schools with higher numbers of students who speak English as a second language or had more students in special education). She said the next element is the one she wants to emphasize because it plays a big part of our future, and that is the use of free and reduced lunches as an indicator of poverty. After much discussion, there was an agreement that no town would gain or lose more than 15% based on a change to the formula, which was called the "collar" effect. When they ran the numbers, there was still the same problem that Claremont did not have enough money, so they added a "fiscal disparity factor" to even this out. However, every element has been based on the 1999 census, so there will be changes when the new census comes through.

So, Ms. Remick said that where we are now is that the towns of Newbury, New London and Sunapee are looking at becoming donor towns in 2011 (a total of \$17 million for all the donor towns in New Hampshire) because the statewide property tax is scheduled to go up to \$2.19 on July 1, 2010. Ms. Remick distributed a handout on why towns had to be concerned about this.

Ms. Remick said that the Legislature authorized the use of stimulus funds to cover the deficit until 2011, at which time there will be an \$80 million deficit, which would require an increase in the statewide property tax (SWPT) to \$2.675, which means the donor town contributions would go up to \$31 million with 56 municipalities becoming donor towns (she clarified that a number of them are not even municipalities – they are unincorporated areas that do not have representatives in the Legislature). Ms. Remick passed out a spreadsheet showing the impact if the Legislature made certain other changes to make up the deficit.

Ms. Remick said that if the Legislature decides to raise the property tax to cover the gap, there will be a major push in the Legislature to institute a homestead exemption, which would go along with an increase in the SWPT to \$5.50 while removing the first \$150,000 of equalized valuation from residential

properties. This would hurt businesses and second homes, as well as those communities with high property values. If this goes forward, the Coalition will push for the State to collect the funds directly from the taxpayers so as not to place another burden on the towns.

Ms. Remick said the reality is that as long as there is a SWPT, we are all at risk. The Coalition came up with a formula that did not use the SWPT, and the Governor has said he wants the SWPT to be gone, but the state legislature is looking at it as "their portion" of funding, and if they take that out, and the court has said that the same base amount has to go to every child, who will the state pay for its contribution? Ms. Remick said that another factor that is impacting us is that a lot of legislatures think the education funding problem has been solved now and they are more worried about the State's budget issues and their own reelections. She thinks that if citizens make enough noise, this can become an election issue. Ms. Remick looked at how many representatives we have and noted that Nashua, which will gain \$11 million in the coming years, has 28 state representatives, and Manchester and Dover will also receive more money and have a lot of representatives. Ms. Remick passed out another handout that shows what towns are winners and losers if nothing changes in the existing formula. She showed that some towns will lose money that are not donor towns and could become our allies in this fight.

Looking ahead, Ms. Remick said there will not be a constitutional amendment, as the Legislature thinks this problem has been solved. She said that our best ally in this fight is the Governor, because he has said that he does not want donor towns or the statewide property tax, but she is not sure that he will be able to stop that from happening. Ms. Remick said the current house speaker is from Portsmouth and she does not want to see donor towns return, but when the stimulus money goes away, the Legislature is going to be in a bind. She thinks the homestead amendment has to be looked at carefully to analyze what it will do to our residents. She questioned whether we should be looking at slot machines or other sources of revenue, but knows there is a wide disparity of opinions on that subject. She asked if property assessments should be evaluated more frequently, or current use reevaluated, but it seems like the most attractive option is to extend the collar under which a community cannot gain or lose more than 15%.

Ms. Remick said the Coalition Communities will be meeting on January 15 at the Local Government Center in Concord. There are 80 state representatives of these communities (43 Republicans, 37 Democrats). She noted that some representatives represent more than one town and sometimes represent both donor and receiver towns, and sometimes the reps do not live in the towns that are going to become donors. Most of our communities do not have more than two representatives, so there is not a lot of strength in numbers on our side. Ms. Remick lamented that representatives of the larger cities are voting for what's good for their communities and not what's good for the State of NH.

Mr. Kaplan said that from his point of view, it seems like the Legislature looks at the SWPT as a money spigot, and all of the major cities are running to get their share and that seems to be the political issue. In other words, if there were another money stream, they would go for that, but currently they have the political power to go after this money stream. Mr. Kaplan heard very clearly from the Governor that the Coalition Communities have to get together, and if we don't get together, then those major cities are going to eat us up and claim that the money is for the children. Mr. Kaplan said they are not going to look for other alternatives because the money is there. He thinks the only way it will be changed is by constitutional amendment, which is not in the cards, or by having votes in sufficient numbers that people will listen to us.

Ms. Remick said the donor towns have made their voices heard since 1999, but on the other hand, there are those in the Legislature who say that we're all donors and some people get it and some don't, and we should be helping the poor towns. Mr. Kaplan said that for New London to raise \$1 million costs \$1 on the tax rate, and in Manchester it may only cost \$0.05 on the tax rate, which does not seem fair at all.

Tina Helm noted that we should not use the term “fair,” but should use the term “equitable” instead. Ms. Helm said that she was interested in Governor Lynch’s comments that there are certain representatives who go across the aisle and are collegial, and he specifically mentioned our own representative, David Kidder, as well as Senator Martha Fuller Clark. Ms. Helm said that she would be interested to hear what Ms. Remick feels about the possibility of working to get some of these representatives who are more of team-building nature to work across the aisle. Ms. Remick agreed that there are reps who will work for this situation, but stridently urged boards of selectmen to talk to their state reps. She said she cannot tell the Selectmen how many times she has heard that reps have not heard from their towns. She thinks that towns need to bring the reps in and make them accountable. She noted that Representative Foose voted for the formula that is going to hurt New London. She suggested that towns write letters to the editors and make this a public battle so the reps are held accountable on Election Day, and when the citizens get the increased bills they could go to the reps and not to the towns.

Chair Ballin said that Ms. Remick mentioned gambling, and noted that there is a gambling coalition. He asked if that money is perceived as helping this situation directly or as a general fund inflow that might or might not be available to help this issue. Ms. Remick said she thinks it could go either way, and those who support gambling see it to help education with the excess going somewhere else. Mr. Kaplan noted that the Legislature could change it. Chair Ballin said that we should insist that if gambling gets passed, then that money is used for education.

Mr. Hoke asked if the debate over the income tax is establishing the rate of tax or the law permitting it in the first place. Ms. Remick said that in her view, she thinks it’s the law itself and the idea of losing the New Hampshire Advantage. Mr. Hoke said that he was the chairman of a group that did a lot of research on school funding across the country, and he found a law that established an income tax in New Hampshire but set the rate at 0, and he said that the law seems to still be on the books and he could not find any proof that it had been repealed. While he is generally in favor of property tax and opposed to sales and income tax because the legislature controls the rate, when it comes to a statewide tax for education, he thinks perhaps an income tax would be appropriate. If there were an income tax on the books with the rate being 0, it might be simpler to establish a tax rate than pass an entire law to establish an income tax. He recalled that Steve Merrill was highly agitated by this news. Mr. Hoke encouraged examining this issue and noted it wouldn’t eliminate the money grab or formula, but might make it more equitable if people of means in Manchester paid as much as people of means in other towns.

Ms. Helm said that she subscribes to looking more into the nature of the school lunch program and said that she is shocked by the waste that is part of the program. She asked if there could be challenges as to the way it’s administered. Ms. Remick said that the legislature has done work on accountability, which she has not followed closely, but she will look into that. Chair Ballin said that bussing, transportation, special needs, etc., are all unfunded mandates and if we’re in a corner perhaps we need to fight against those, even in the courts if we have to.

Jim Powell, Newbury Selectman, said that it is his opinion that the purpose of schools has changed dramatically in the last 30-40 years, and in the wrong direction. Schools should focus on educating students; the other services, lunch programs, bussing, etc., are beyond the services that should be provided and increase the spending costs. He asked if there is discussion about school spending and what the schools are doing that aren’t directly related to educating students. Ms. Remick said that an education commission has looked at the amount of money spent and test scores, and she has not followed it closely but she does think there is a recognition of that. She added that a lot of what is being pushed onto the schools is coming from the federal level. She queried whether we are getting a higher level of education as we spend more.

Mr. Powell also said that history shows that many states have gone to a sales or income tax to fund education and sold it on the basis that it would be earmarked only for education, and several years later the legislature changed that and the money started to be used for other purposes. He would oppose that as a revenue solution. Ms. Remick added that some states that added that source had not removed the statewide property tax.

Ms. Remick said that one of the questions we need to evaluate is whether we should support a homestead exemption. Mr. Ballin said he thinks it's a terrible idea and would be a punishing prospect for most of the property owners in the three towns in this room today. Ann Bedard said it would move the demographics around. Ms. Remick agreed it would be a huge problem and needs to be addressed. Chair Ballin said that Andy Peterson is the proponent of this bill, and people should keep their eyes on this. Ms. Levine asked if there is an analysis that can be done to help us oppose the bill, and Ms. Remick relied that she is waiting to see what the Ways & Means Committee does with the bill; she thinks there are holes in it at this point and it does not stand a good chance. Ms. Remick said that we should also evaluate what the difference would be in our towns if the free & reduced lunch costs were removed from the formula.

Donna Nashawaty, Sunapee Town Manager, said that the City of Portsmouth has been very generous in funding Ms. Remick's office. She said that the Town of Sunapee raised a warrant article a few years ago and raised the money to contribute, and is out of money now, so Sunapee has to return to the town to ask for the funding. Chair Ballin said that New London just contributed \$5,500 out of the town's legal budget, which had been under-expended. He encouraged the neighboring towns to do the same. Ms. Remick said that she is willing to write letters to help people talk to their citizens about this, as she is concerned about where this is heading. Ms. Remick said that even though Portsmouth is currently out of the donor column, they will continue to support the fight on this subject.

Chair Ballin thanked Ms. Remick for attending the meeting, and she departed at 9:50 AM.

Minutes:

- October 19: Larry Ballin reminded the board that these are the minutes that were reviewed at the last meeting and needed clarification. They have now been amended. Mr. Kaplan further clarified his statement about Manchester by inserting the word "may". Mr. Kaplan moved to approve the minutes as amended, seconded by Tina Helm and approved 3-0.
- October 24, CAC meeting: Ms. Helm made minor grammatical corrections. Mr. Kaplan moved to approve the minutes as amended, seconded by Tina Helm and approved 3-0.
- November 3: Ms. Helm made one grammatical correction and moved to approve the minutes as amended, seconded by Mr. Kaplan and approved 3-0.

2010 Budget Process: Ms. Levine said that going into tonight's Budget Committee meeting, she would like to ask the Budget Committee to not zero out a particular line item but to reduce the line item to \$1 to allow Town Meeting to take up the question of whether it would like to amend a budget item on the floor. Ms. Levine explained that if the Budget Committee does not include an item in the budget at all, then it cannot be amended on the floor of Town Meeting. Mr. Kaplan said he was opposed to the idea, and the Budget Committee will do what it will do. He does not think that Town Meeting should end up going line-by-line to amend the budget, and thinks that if people object to the Budget Committee's decisions, then they could file for a petitioned warrant article. Ms. Helm said that she is in favor of letting the voters at Town Meeting make the final decision, and this process would allow them to do that. A discussion

ensued regarding reasonable solutions. Jim Wheeler asked if every line item would go to \$1, and Ms. Levine said that no, she is not talking about every line item, but the larger more controversial items, such as the Conservation Commission Land Fund or merit raises for employees. Chair Ballin said that if there is a budget item that the townspeople should discuss further, then the Budget Committee and Board of Selectmen could discuss leaving that line at \$1. He said that this is a way that certain controversial items could be amended on the floor.

Bob Meck said that it was his thought that by doing the line-by-line review a month earlier than what had been planned at the last budget meeting, it would give both department heads and other interested parties like the Conservation Commission a month to come back in December and have some sort of discussion on the line item that may have been zeroed or reduced. It gave an extra month of deliberation and review on both sides. He said that whatever happened at the meeting tonight should not force us into the \$1 discussion, but thinks there would be an opportunity for that discussion further down the line.

Ms. Levine noted that any amendments to the budget at Town Meeting could not exceed the Budget Committee's budget by more than 10% cumulative, so there is a cap on what Town Meeting can do to the budget. Jim Wheeler asked if they could spend that 10% in one warrant article, and Ms. Levine said that they could but the money could not be spent on something that had been zeroed out by the Budget Committee. Jim Wheeler asked how this "second guessing" of the Budget Committee would take place. He said that in the past, those items have always been done by petition, and Ms. Levine said that this hypothetical has never happened in the past. Mr. Wheeler asked how this process would be publicized, and Ms. Levine said that she supposes she would publicize the differing opinions and department heads would mention the disparity in their town reports. Ms. Helm said that she took issue with term "second guess" by Town Meeting because that forum is a place for townspeople to be participative. Jim Wheeler agreed but said "we all know Town Meeting is so poorly attended that a small coalition can prevail," and added that the Budget Committee has been elected to serve the voters in their best interests. Chair Ballin gave the example of Recreation Department supporters packing the room the year the Recreation Department was created, and Ms. Levine replied that if the room was packed that year, then in the ten years since the Recreation Department was established no one at Town Meeting has moved to undo that decision.

New London Skatepark: Mr. Wheeler asked the Selectmen for their opinions about the possibility of a skatepark in New London. Chair Ballin said that his opinion of the skatepark is that it's a good movement, although he wants to see the fundraising arm that has been created to be 100% successful plus have money as an endowment to maintain the facility itself. Tina Helm said that she feels that the funds should be privately raised at this point, but if there was strong confidence that they can raise the majority of the money themselves, then the Selectmen should entertain the conversation of helping them get over the goal. Ms. Helm said that she is not as concerned about having a huge endowment because if the correct skatepark is installed, particularly the cement bowl, then there should be very little maintenance required. She hopes that in collaboration between the Town and a private group, it could be made to work. Mr. Kaplan said that from the long-range point of view, he does not see this sport to be like baseball, football, or soccer, where kids grow up and definitely play these games. He said that this is something that seems like there are always a few kids who are interested in it, so it seems like a lot of money, time and effort would be spent on only a few kids.

Ms. Levine said that she disagrees that only a few kids skateboard, and said that this subject was brought up in New London about five years ago and has persisted. She said that not everyone has interest in or access to baseball, football and soccer, but skateboarding is something that anyone can do. She said that there are 75 parents on the e-mail list, and there were 20 parents and numerous kids in the room for the first meeting. As far as the fundraising, Ms. Levine said that the money in the Recreation Facilities Fund

is the taxpayers' money, and she felt that they should have the option of asking voters for that money if they need it.

Ms. Helm said that the days are gone when kids played in the sandlot, and this is something that kids can do without being driven to a field to play an organized sport, and they would be safe. Ms. Helm said that after nearly hitting a skateboarder going down Main Street in the middle of the night, she thinks this is something that kids should be able to do in a safe venue. She thinks this is the least we can do for the kids.

Mr. Wheeler said he had been e-mailing back and forth with Sophie Tyler, and he has realized that all of these committees have to be connected from the get-go because in order to do private fundraising, they have to be presented with a plan and have a place for the funds to go, etc. Mr. Wheeler said that for the Ste & Design Committee meeting Wednesday night, he will be leading a discussion on whether to have something larger that would be a regional attraction or something smaller and cheaper that would be just for our own kids. Mr. Wheeler will also suggest that it should be 100% privately funded, as he does not think that funds should be appropriated this year.

Ms. Levine said the Aspen Park is 17,000 SF, so it's not gigantic but was part of a bigger park. Mr. Wheeler said a cement bowl will cost about \$200,000, whereas an above-ground park is about \$30,000. Mr. Kaplan asked if the Outing Club would be included in the project. Mr. Wheeler said that the decision basically comes down to town property or private property, and the options that have been discussed include the Pizza Chef property, the former middle school, the Town Common behind the Information Booth, the area behind the skating rink, and the Outing Club. He said that the committee has to think about noise impact, police surveillance, and that most of the kids want to be close to food & drink. Chair Ballin said kids also want to be visible because there is a potential audience at all times. Mr. Wheeler said that police like the idea of it being centralized for visibility, and parents are concerned about abduction, pot-smoking, etc. He's getting the consensus of central, open, nothing fancy, and near food & beverage. Chair Ballin said he does not mind seeing kids on skateboards on the street because that's their form of transportation.

Tina Helm said that she is personally opposed to Mr. Souliotis's location because she can see a safety issue with kids coming down Main Street from the Baptist Church, and then going into the parking lot and into the skate park. Ms. Helm said that she would like to look into the idea of the Little Common behind the Information Booth, but understands that there might be conditions on the use of that property.

Jim Wheeler asked for clarification about liability insurance. Ms. Levine said that she has spoken to the Local Government Center, and the skatepark would be covered at no added cost as long as it is either on Town land or land leased to the Town, but the Town's insurance would not cover a private facility.

The Selectmen encouraged discussion with the Outing Club about the possibility of using their land. Jim Wheeler asked if the Town cared if this was done, and Mr. Kaplan said he has no problem with it. Ms. Helm said she'd love to see the project as a collaboration between the Town and Outing Club. Chair Ballin said he does not care; either way it goes would be fine. He said that if the Outing Club wanted to take on the responsibility and remove it from the Town's jurisdiction, that would be fine with him.

Jim Wheeler departed the meeting at 10:30 AM.

Dispatch Fees: Ms. Levine presented the proposed 2010 dispatch budget and the fee schedule to customer towns using our current schedule. She said that the budget includes the 16.7% health insurance increase as a worst-case scenario, and also shows the increase due to the Code Red reverse notification system. She said that Sunapee's calls have increased drastically in the last year, which resulted in a significant

increase in their fee and a decrease to the other towns, whose proportionate share of calls went down. Ms. Levine asked the Selectmen if they would approve New London increasing its share from 62 to 63% to minimize the impact on Sunapee, and after some discussion the Selectmen decided that New London's portion should remain at 62%. Chair Ballin congratulated Sunapee on their diligence in pulling people over, which has resulted in more calls.

Ms. Levine referred the Selectmen to the fee schedule using 62% share for New London, as follows:

TOWN	2007 calls for service	2008 calls for service	2009 calls for service as of 10/31	3-year avg	% of total	User Fee	call allotment	2010 fee
Croydon (1307)	807	847	745	800	8%	\$3,000	\$8,666	\$11,666
Goshen (770)	562	421	498	494	5%	\$3,000	\$5,350	\$8,350
Grantham FAST (500)	202	132	132	155	2%	\$3,000	\$1,683	\$4,683
Newbury (180)	1,998	1,911	1,563	1,824	19%	\$3,000	\$19,766	\$22,766
Sunapee (600)	3,766	4,065	4,629	4,153	43%	\$3,000	\$45,008	\$48,008
Sutton (650)	1,530	1,612	1,302	1,481	15%	\$3,000	\$16,052	\$19,052
Wilmot (700)	769	814	791	791	8%	\$3,000	\$8,575	\$11,575
	8,827	9,802	8,915	9,699	1	\$21,000	\$105,100	\$126,100

Mr. Kaplan moved to approve the existing formula and the proposed fees to the towns that use our dispatch service. Ms. Helm seconded and there being no discussion, the motion was approved 3-0

Bucklin Septic: Chair Ballin referred to proposals received to pump the holding tank at Bucklin Beach and noted that the proposals range from \$125 per pump to \$367 per pump. Ms. Levine said that she does not recommend the lowest bidder (New London Septic), who has received a fine from DES, and noted that the second lowest bidder (Abbott) did not provide a certificate of insurance. Chair Ballin said that with respect to the second lowest bidder, he does not think the Town should encourage the spreading of septic on his property to that volume. Mr. Kaplan asked about Byron's Septic, the third lowest bidder. Ms. Levine said she did not know much other than that they list other towns as among their references. Chair Ballin said that he has seen their trucks around, there are no citations, and these seem to be good references that we could easily contact. Mr. Kaplan said as long as he gets some sort of reassurance, he has no problem. Ms. Helm agreed that the references should be contacted.

Mr. Kaplan moved to award the septic pumping contract to Byron's Septic contingent on receiving favorable references, seconded by Ms. Helm. After minimal discussion, the motion was approved 3-0.

Meeting schedule: The Board of Selectmen reviewed a proposed meeting schedule until March 2010 and agreed on the following meeting dates:

Monday, January 4, 2010	8:00 AM
Tuesday, January 19, 2010	6:00 PM (Tina Helm will be absent)
Monday, February 1, 2010	6:00 PM (Mark Kaplan will be absent)
Monday, February 8, 2010	8:00 AM
Monday, February 22, 2010	6:00 PM
Monday, March 8, 2010	8:00 AM
Monday, March 22, 2010	6:00 PM

The Selectmen discussed the December 5 Citizen's Advisory Committee meeting and agreed to invite the legislators to the meeting to talk about the statewide property tax and other budget issues.

Holidays: The Board of Selectmen approved the following holidays in 2010:

Friday, January 1 -- New Year's Day
Monday, January 18 -- Martin Luther King, Jr. Day
Monday, February 15 -- President's Day
Monday, May 31 -- Memorial Day
Monday, July 5 -- Independence Day
Monday, September 6 -- Labor Day
Thursday, November 11 -- Veterans Day
Thursday, November 25 -- Thanksgiving Day
Friday, November 26 -- Day after Thanksgiving
Friday, December 24 -- Day before Christmas
Friday, December 31 -- Day before New Years

Elkins: Ms. Levine said that in light of the coming grant for Elkins, she thinks that more planning work needs to be done. She is especially concerned that the grant may be vulnerable from the building standpoint, and she would like more professional advice prior to the February presentation in the event that more detailed questions are asked about the use of the building. Chair Ballin suggested that she talk to Clough, Harbour & Associates for a proposal to evaluate gutting 75% of building and leaving façade and determine the useable floor space. The Board of Selectmen authorized Ms. Levine to seek a proposal for design advice.

Main Street letter: Ms. Levine said that she had drafted and circulated a letter to GACIT from the regional Selectmen regarding Route 114, and noted the advice of Nate Miller of the UVLSRPC that perhaps Main Street would be lost if we pushed for the larger Route 114 project. Chair Ballin said that the estimate for Route 114 regionally is \$30 million, and his fear is that if we start talking about a \$30 million project, that may water down our ability to get our portion taken care of. He sympathizes with the other towns but said his concern is what New London needs, and he thinks we should stay focused in on our specific need. Additionally, he said, our Main Street is on the top of the Regional Planning Commission's B-list for road work, and he would hate to have the State throw out our project. Tina Helm asked about adding our support of the tolls on I93 to increase highway fund revenue, and ultimately the Selectmen concluded that would be a complicated argument to make. The Selectmen asked Ms. Levine to revise the letter to just come from the New London Selectmen, and Larry Ballin will hand-deliver it to the GACIT hearing on November 18. Mr. Kaplan asked Ms. Levine to notify the other towns and send them a copy of the letter so they can do something similar on their own.

Committee meetings & reports: Due to time constraints, committee reports were postponed to the next meeting.

Glacial Energy – Ms. Levine said that the Town had received a proposal from an energy reseller – Glacial Energy – that would reduce the Town's electricity costs. The Selectmen authorized Ms. Levine to negotiate with Glacial and sign the contract and other documents on behalf of the Town.

There being no further public business, Chair Ballin moved to go into non-public session pursuant to RSA 91-A:3 II (a) to discuss the hiring of an employee and employee compensation. Seconded by Mr. Kaplan. Roll call: Kaplan – yes; Helm – yes; Ballin – yes.

Upon returning to public session, the Selectmen signed the following documents:

Application for Building Permits:

- John & Ruth Clough, 44 Moyah's Lane (Map & Lot 103-013-000) replace septic system – Permit #09-126 – Approved.
- Richard L. Green, 848 County Road (Map & Lot 093-017-000) enclose walls of carport with siding – Permit #09-127 – Approved.
- Slope 'n Shore, 836 Pleasant Street (Map & Lot 036-018-000) reconstruct 2 tennis courts and improve drainage – Permit #09-128 – Approved.
- Kenneth Muller, 267 Main Street (Map & Lot 084-070-000) add gambrel overhang to front of building – Permit #09-129 – Approved.

Abatement Recommendation:

- Kathleen Hunter & Alan Deale, 90 Hilltop Place (Map & Lot 144-001-090) **DENIED**

Application for use of Whipple Hall:

- Tiger Mountain Shotokan Karate – every Wednesday – 6:00 PM-8:00PM – Approved.

Application for Sign Permit:

- Temporary sign at Information Booth -- St. Andrews Church St. Nicholas Fair – Dec. 5, 2009 9 AM-2 PM – Approved.
- Temporary sign at Information Booth –LSVNA Craft Fair Nov. 21, 9 AM-2 PM – Approved.
- Temporary sign at Presbyterian Church–LSVNA Craft Fair Nov. 21, 9 AM-2 PM – Approved.
- Temporary sign at Information Booth –Ladies Benevolent Society of Elkins – Dec. 5, 10 AM – 1 PM – Approved.
- Temporary sign in front of Elkins Lodge –Ladies Benevolent Society of Elkins – Dec. 5 10 AM – 1 PM – Approved.
- Temporary sign at Information Booth –NL Historical Society Holiday Open House – Dec. 6 – 11 AM – 3 PM – Approved.
- Temporary sign at driveway of school – OCIC – Movie night – 12/5/09 7:00 PM

Other:

- Disbursement & payroll voucher weeks of November 9 & 16, 2009 - Approved.
- NL Historical Society Silent Auction – Dec. 6, 2009 11 AM-3 PM – Approved.
- Health officer nomination for Donald Bent – Approved.

There being no further business, the meeting adjourned at 12:05 PM.

Respectfully submitted,

Jessie Levine, Town Administrator