

**BOARD OF SELECTMEN
MEETING MINUTES**

February 7, 2005

PRESENT:

Ruth I. Clough, Chair, Board of Selectmen
Douglas W. Lyon, Selectman
Mark Kaplan, Selectman
Jessie Levine, Town Administrator

OTHERS PRESENT:

Randy Foose, Representative to NH House
Sarah Foster, student at Colby-Sawyer College and legislative intern
Ben Holley, student at Colby-Sawyer College and legislative intern
Thomas Brennan Jr., Superintendent, Kearsarge Regional School District
Barbara Brown, School Board, Kearsarge Regional School District
DJ Lavoie, New London resident
Terry Dancy, Representative to Lake Sunapee Watershed Committee
Les Norman, Chair, Conservation Commission
Carolyn Dube, Argus Champion
Debbie Cross, Intertown Record

Chair Clough called the meeting to order at 8:00 AM and welcomed Representative Randy Foose and his interns, Sarah Foster and Ben Holley. Chair Clough ask Ms. Foster and Mr. Holley how they became interns. Mr. Holley said that he met Rep. Foose during the Kerry-Edwards campaign and the internship made sense because of his interest in politics. Ms. Foster also met Rep. Foose during the presidential campaign, and is interested in the political system.

Rep. Foose said that he had agreed to be a Democratic sponsor of the Portsmouth Coalition's education funding bill, an updated version of the bill that passed in the House two years ago before being killed in the Senate. It is probably going to be similar to the Governor's bill; at the core, both bills repeal the statewide property tax (SWPT). The Coalition's bill also redefines the cost of an adequate education, at close to \$7800 per pupil. Rep. Foose could not reconcile the current law, which sets adequacy at \$3000-3500. The current cost was generated by the task force that advised the legislators, and tries to deal with the fact that some students are more difficult to educate than others. The new bill also takes into consideration the wealth of various communities in an elaborate formula.

For the next two weeks, the Coalition will do a side by side analysis of their bill and the Governor's, and political activity will focus on tweaking the bills to bring benefits to the various communities in New Hampshire. Both bills will get aid to communities that need it, such as Claremont and Berlin, and will take the responsibility to provide donor funds away from towns like New London. He anticipates that there will be sufficient support in the house from moderate Democrats and Republicans to ultimately pass a bill with a similar structure. He handed the Selectmen a packet of material about the Coalition's bill.

Mr. Kaplan asked if the Supreme Court will agree with the targeted aid concept, and how the bill manager plan to overcome the Supreme Court's objection. Rep. Foose said that every legal mind that has participated in this bill and the governor's bill has considered that, and believe that this bill will pass all tests because of its use of accurate student data from across the country. Mr. Kaplan said that

nonetheless, it will have to be justified to court. Mr. Lyon pointed out that it will only have to be justified if it is brought to court in the first place. Rep. Foose said that the governor will follow the advice of his legal advisors, and the logic in the hallways at the state house is that no one will come after the bill.

Mr. Kaplan then asked if the bill addressed the inequity in cooperative districts. He said that New London currently loses twice – once in the cooperative school district and once as a donor town – while the other towns in the district get two breaks. Rep. Foose said that he is aware of that concern, and believes that this bill indicates the funds should go to the district, not the individual towns, but he will have to check on that. He cautioned that distribution is a very political issue. Mr. Holley said that he has closely reviewed the formulas, and that the cost of education is calculated on a town by town basis. Under the proposed bill, if New London generated excess funds beyond the cost of adequate education, it would use those funds towards its payment to the school district. Towns that cannot raise the funds for an adequate education would receive additional funds from the state.

Rep. Foose said that he hears and sees Mr. Kaplan's frustrations, and wants to move the ball forward. He said that eliminating the statewide property tax and donor towns will not solve all of the problems, but hopes that there will be progress.

Chair Clough asked about the other education funding bills that have been proposed. Rep. Foose said that six bills have been proposed so far, and the Governor's bill will go to the top of the list. The Coalition's bill has no hearing date yet. The bills will be collected by the Education Committee, and at the end there will be one bill for education funding. Chair Clough said that the Coalition's bill has her support. Rep. Foose said that he is happy to answer any questions, and that his interns are available five days a week. Ms. Levine asked if the interns were working solely on education funding or if they were involved with other legislative activity as well. Rep. Foose said that they are working on everything. Chair Clough asked them to be the Town's eyes and ears in the legislature. Mr. Holley said that he plans to do a weekly newsletter summarizing their activities.

Rep. Foose, Ms. Foster, and Mr. Holley departed at 8:30 AM.

Kearsarge Regional School District: At 8:30 AM, the Selectmen were joined by Tom Brennan, superintendent of the KRSD, and Barbara Brown, New London's representative on the school board. Mr. Brennan handed out a copy of the 2005 ballot and an explanation of the middle school building project. Mr. Brennan said that the 2005-2006 proposed budget reflects a 7.8% increase over the previous year mostly driven by salaries and benefits. He walked the Selectmen through the warrant articles on the ballot.

The first warrant article is the request for the \$22,921,000 bond for the new middle school. After consideration, the building committee did not end up altering the structure from last year's proposal. The project is still eligible for 55% state aid. If the 20-year capital appreciation bond passes, the first year's cost of about \$650,000 would add about 10 cents to New London's local school tax rate. Mr. Brennan said that at the deliberative session on January 15, Mr. Conway of the school Budget Committee presented enrollment projections that spoke to the need for a school that could handle growth in the student body.

Mr. Brennan said that the Selectmen are probably interested in knowing what the school district proposes for the current middle school. The school board has received a pre-planning grant to research the idea of creating a business/technical/vocational public charter school in that location. The concept is to look at the building as-is, and to tap into the need within the school district. For instance, the district currently offers a preschool for ages 3-5, but the preschool is moved all over the district because there is no space. The school district has students at all ends of the spectrum, including students who are interested in

engineering and architecture who could work on the feasibility and design for the old building, and other students could work on the renovation and rehabilitation portion of the project. Ms. Levine said that it sounds like it would be vocational in nature before the school even opened, and Mr. Brennan agreed. He said that they plan to start with 20-25 students, then increase up to 100 students, and then open it up even more. He also speculated that this use could ease the need for space at the high school and turn this into a valuable piece of property in terms of brick and mortar but also in terms of the value of learning. The school district plans to finish the pre-planning report by September. Chair Clough asked what age groups would be involved, and Mr. Brennan said that initially it would include juniors and seniors, but would eventually start with 9th graders. Chair Clough said that the agricultural schools in Massachusetts operate on the same principle, and it seems to work well because students can study what interests them. Mr. Brennan said that he wants to start small and grow into it. He does not see this as a revenue stream for the school district; they do not plan to take kids from outside the district.

Mr. Kaplan asked if this is going to be a public charter school, and Mr. Brennan confirmed that it would be. He likes the idea because they do not have to follow all of the rules of the education department. Chair Clough asked where public charter schools have met with success in New Hampshire, and Mr. Brennan said that there have been none, yet, primarily because of funding. KRS D would be the first to go for approval as a public charter school.

Chair Clough asked what the timetable for construction would be for the new middle school. Mr. Brennan said that the timetable is to have students in the school in September 2007. The building should be complete by January 2007, but the building needs time to "outgas" before students use it. They are starting to work on the new bus routes now.

Warrant article #2 is the overall operating budget for the school district, showing the 7.8% increase up to \$24,971,420. The technology budget is tied to the new middle school; the new school will be the hub of the district's technology operations and will receive 55% reimbursement from the state. The administration was asked to level fund as much as possible, in part because it is unknown what the state education grant will be.

Article #3 is to place \$75,000 into the special education expendable trust fund, which will reach the school board's goal of \$225,000 this year. The trust fund can only be used if someone needs care who was not included in the budget, such as a new student or newly diagnosed student. The school board will have to approve an expenditure out of this fund; it cannot be used to offset the existent special education program.

Article #4 is to fund the district school building capital reserve account with unencumbered surplus of \$10,000. Article #5 asks for \$75,000 for the roof replacement capital reserve fund. If the article passes, the fund will have \$335,022 towards a target of \$1,300,000. In two years, the district will start to draw down the account. Mr. Brennan referred to the report summarizing the capital reserve accounts, on the last page of the ballot handout.

Article #6 is a citizen's petition article to change the supermajority required to approve bonds and notes to 60%. If passed, it would take effect in 2006. Chair Clough asked if the school board has taken a position, and Barbara Brown replied that it had not.

Mr. Lyon said that he still hears comments that the school board did not give adequate consideration to the two school option, and asked if there are studies available to people who had this concern. Mr. Brennan said that the studies and other information are available through his office. Chair Clough asked if this school packet would be going to the voters, and Mr. Brennan said that it would likely be mailed to postal patrons and left at schools for parents to pick up.

Mr. Lyon asked about the demographics of the school district and the potential for growth. Mr. Brennan said that the projection is solid; there will be maintenance or a dip in elementary ages, but the middle and high school students will continue to increase because parents can afford to move into the district at that time. Dartmouth-Hitchcock estimates that it will generate the need for 4000-4500 housing units in the Upper Valley, and Concord Hospital estimates the need for 1000 units. The KRSD is in between the two. For every 100 people who move into the district, 14 are children. Sutton has increased from 80 to 107 students in four years, and a teaching position has been added in Warner.

Mr. Lyon asked for extra copies of the handouts to be available at the Town Offices.

Chair Clough asked for an update on the progress of the kindergarten program. Mr. Brennan said that this year's third grade class will be the first third grade class that went through kindergarten in the district. The third grade testing will help identify the success of the program, and it is already apparent to first and second grade teachers.

Mr. Brennan and Ms. Brown departed at 9:10 AM.

Veterans' Credits: Chair Clough recognized DJ Lavoie. Ms. Levine said that Ms. Lavoie had delivered the petitioned warrant article to increase the veterans' credit to \$500, so that question will go on the warrant. Her question for the Selectmen is whether they also want to place their recommended increase to \$200 on the ballot. Mr. Kaplan said that if both articles are not on the warrant, there is the risk that the petitioned article could be voted down, and then veterans would receive no increase credit. Since the Selectmen think that they should receive an increase to \$200, he would favor keeping that question on the warrant. The other two Selectmen agreed, and after further discussion, decided that the Selectmen's question should go first, followed by the petitioned warrant article.

Ms. Lavoie asked if there were a way to make it clear to voters that the end result could be between the two. Ms. Levine said that she would include that information in the warrant article handout for Town Meeting. Chair Clough said that it could also be stated aloud during discussion of the first article. Ms. Lavoie said that she would just like it to be made clear up front that there is a choice.

Ms. Lavoie asked what kind of a vote was required for these questions. Ms. Levine said that they both require a majority vote, and that voters may call for a secret ballot if they desire. The questions will be towards the end of the warrant.

Meeting Minutes: The Board of Selectmen approved the minutes of January 31, 2005.

Personnel Policy: Ms. Levine said that an employee had raised two questions that are not directly addressed in the personnel policy, and she asked the Selectmen to give the questions some consideration, especially as the current policy will be revised soon. The first question relates to consecutive employment. The personnel policy gives employees two weeks of vacation during the first five years of employment, three weeks of vacation after five years of employment, and four weeks after 15 years. Currently, an employee who leaves employment with New London and returns to work at a later time is considered to be a new employee, and does not pick up where he or she left off. She asked whether the Selectmen could clarify the policy in this respect.

Mr. Kaplan said that in business, vacation is one of the rewards for longevity. It would not make sense to reward someone who leaves employment in the same manner as someone who has stayed employed for consecutive years. Mr. Lyon said that Colby-Sawyer currently allows people to return to their previous status. He suggested that Ms. Levine poll the town manager list serve to see what other towns do. Chair Clough said that she would lean toward a collegial approach, but is interested in what other towns do.

Ms. Levine said that the second question relates to holidays. Currently, employees who are not scheduled to work on holidays receive eight hours of holiday pay for that day. This mostly happens at the Transfer Station, which is already closed on Mondays. She asked the Selectmen if an employee who preferred to take the holiday on another day could do so, rather than receive eight hours of pay. Mr. Kaplan said that he would have concerns about administrative details and staffing coverage. Ms. Levine said that coverage would operate the same as other days off; it would have to be approved by the department head and the finance officer would have to be aware of the time for payroll purposes. Mr. Lyon suggested that this question should be posed to other towns as well.

Main Street Sidewalk: Ms. Levine said that she had written to property owners on the south side of Main Street to gauge their interest in participating in a sidewalk improvement project similar to that done in 2004 in front of CB Coburn, Country Houses, and Woodcrest. In that project, the property owners paid for the granite curbing, and the town paid for the remainder of materials and installed the sidewalk. Ms. Levine said that the owners of the Gourmet Garden building agreed immediately, and she thinks that the owners of the Lemon Twist may agree. However, agreement has been spotty from Tracy Library to Hayes Road. Some owners have agreed, others are concerned about the layout of the sidewalk and the effect on their parking and utility of their project, some owners have not responded, and one did not want to participate. She said that she would be inclined to put off the project until 2006, and spend 2005 planning and designing the sidewalk in the hopes of winning over all of the property owners. The Selectmen agreed that it would make sense to go slowly and give people more time to understand the project. Ms. Levine said that she has reduced the budget to reflect the smaller scope of the project.

Castle Lane: Ms. Levine reminded the Selectmen that their meeting next Monday night includes the public hearing on whether to accept Castle Lane as a town road. Mr. Kaplan said that the Planning Board is concerned about the planting plan to restore the buffer that was cut during construction.

Budget Hearing: Ms. Levine said that the public hearing on the budget is scheduled for February 10, and referred the Selectmen to the list of changes in their budget packet. She said that these changes reduced the projected tax rate from 4.02 to 3.99.

Watershed Committee: At 10:00 AM, the Selectmen welcomed Terry Dancy and Les Norman. Mr. Dancy said that last week, he had attended the first meeting of the Sunapee Area Watershed Coalition as New London's representative. About 30 people attended the meeting, which was held at Colby-Sawyer College. He is here today to follow-up on his request to Town Moderator Cotton Cleveland that Town Meeting include mention of the Coalition's work. The Lake Sunapee Protective Association has issued a brief press release, and the next meeting of the Coalition is on February 24, 2005. Given the Selectmen's recent work in developing cooperative relationships with neighboring towns, he thinks it would be appropriate for the Selectmen to comment on this form of intertown cooperation. Ms. Levine suggested that the Selectmen talk to Moderator Cleveland about this at their meeting on February 28.

Mr. Dancy said that this is the Sunapee Area Watershed Coalition, but that watersheds are not limited by town boundaries or by water resources because of underground water. He said that the Coalition has a long-term program to improve water quality in the region. Chair Clough asked if the Coalition was going to work closely with towns' Planning Boards during the master plan process, and Mr. Dancy agreed that they would. They would also receive assistance from the Upper Valley Lake Sunapee Region Planning Commission. The Lake Sunapee Protective Association has received a grant, and they believe that UVLSRPC will as well. They also think that they will receive assistance from the state Department of Environmental Services for planning activities.

Mr. Dancy said that he will report to the Selectmen from time-to-time. Chair Clough thanked him for his work. Mr. Lyon agreed that Town Meeting would be a good time to share the Coalition's work with the voters.

SIGNATURES:

Building Permits:

- Richard J. and Michele Harrison, 3 Buker Way (Map 111, Lot 30), extension of building permit 02-140 - Approved (02-140)
- Lakeside Lodge, Inc., Route 103A (Map 80, Lot 15), permit to construct new home and garage – Approved (Permit 05-007)
- Harry M. Snow III, Old Main Street (Map 121, Lot 002), amendment to building permit #04-142 to add exercise/bedroom to attic (3rd floor), convert bedroom on second floor to office, add roof over deck at rear – Approved (Permit 04-142)

Sign Permits:

- NONE

Other Items for Signature:

- Disbursement & Payroll Vouchers for the week of February 7, 2005
- 2004 Appropriation Transfers
- Application for Use of Whipple Memorial Town hall by New London Barn Playhouse on February 23-24 from 7-9 PM – Approved
- Application for Use of Town Office Conference Rooms by American Red Cross Concord Area Chapter, for CPR, First Aid and Babysitting classes in March-May – Approved
- Settlement Agreement with Amy S. Putnam Revocable Trust for 2002-2004 Tax Years – Approved

There being no further public business, the Board of Selectmen voted to convene a non-public meeting to discuss two personnel matters per RSA 91:A-3 II(a). Roll call vote: Clough – yes; Kaplan – yes; Lyon – yes. Upon returning from non-public session, the Selectmen voted to seal the minutes of the non-public meeting. The Selectmen adjourned the meeting at 11:00 AM.

Respectfully submitted,

Jessie Levine
Town Administrator