



TOWN OF
NEW LONDON, NEW HAMPSHIRE

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**BOARD OF SELECTMEN
MEETING MINUTES
November 30, 2015**

PRESENT:

Nancy Rollins, Chairman
Peter Bianchi, Selectman
Janet Kidder, Selectman
Kim Hallquist, Town Administrator
Wendy Johnson, Finance Officer

ALSO PRESENT:

Rob Prohl, Budget Committee Chair
Richard Lee, Public Works Director
Phyllis Piotrow, Budget Committee member
Bill Helm, Planning Board Chair
Tina Helm, New London Resident
Mark Kaplan, New London Resident
Jay Lyon, Fire Chief
Steve Ensign, Board of Firewards Chair
Minette Sweeny, *Intertown Record*
Linda Hardy, Town Clerk/Tax Collector
Bruce Hudson, Budget Committee member

Chair Rollins called the meeting to order at 6:00PM.

Capital Improvement Program (CIP) Presentation to the Selectmen – Bill Helm, Planning Board Chair

Mr. Helm was there to present the 2016 Capital Improvement Program to the Selectmen. Mr. Helm explained that the Planning Board focused only on those items costing more than \$75,000, according to the benchmark that was established last year. With the use of a subcommittee, the Planning Board came up with the final plan.

Mr. Helm explained that the CIP includes Whipple Hall as a high priority and recommendation that the dispatch function needs to be expanded and modernized. It is thought the reasonable solution would be to expand dispatch into the Recreation office area. The closure of the sewer lagoons is also a high priority for capital expenditures. The Planning Board also believes it is important to complete the tax map correction project (GIS Mapping). The cost of this project went up almost \$40,000 since they first started setting aside funds for it. Another priority is to continue to invest in the large vehicle and equipment needs for highway and fire departments. Lastly, the Town has severe storage needs everywhere and one outlet for this is to continue a dialogue with the college about the possibility of merging the archives for both entities. This makes sense because there is a lot of similar history between the college and the town.

Mr. Helm said the Planning Board feels its highest priority is to get another site for future town needs and the logical location for this is the 1941 building and site. A recent meeting of the School District brought many interested people to it to discuss the future of the 1941 building. He recommends getting a plan to carve out a couple acres of land and the building and present it to the school district. Once the Town gets

control of the site and building, town officials can then ask the voters what they want the Town to do with it: options include paying to have it torn down, turn it into a recreation facility, housing, etc. The Town doesn't have to decide at this moment what to do with the site, but he feels it imperative to get control of this area to get it under governmental control. If this solution does not work, town officials must find another site that will meet the needs of the Town for space and parking.

Selectman Bianchi noted that not only does the Town have to have the desire to follow this plan, but the other six towns do as well. He wasn't sure the School District knew what they wanted to do as far as the 1941 building was concerned. Mr. Helm believes the School District would love it if the Town came forward with a plan that would work for the both of them. Selectman Bianchi said he recalls the School District did not want to give up the space and access to it. Many people in the town see a lot of possibilities for that building and some of the land surrounding it. He recognizes the Outing Club's need for playing fields, and for the busses to get in and out every day, and all the other safety issues that go with this. He feels that the Town of New London needs to make their wants known.

Mr. Ensign said a number who attended the recent meeting at the School Board when the 1941 building was discussed, expressed to him that they feel it is time for the Town to move forward and negotiate. Whether by deed or land lease for 99 years, renewable for another 99 years, having the opportunity to get control is important. Once the Town has control there are resources (Preservation Alliance: 7 to Save), but nothing can move forward until a plan is presented to the District. Whether it is quietly or publically, they should move forward. The building deserves to come back to the Town.

Mr. Kaplan asked if the Board would consider making a motion to negotiate to see what kind of a deal can be made. Selectman Kidder said she was in favor of saving the building and the property for the Town of New London. Selectman Bianchi said he is not in favor of saving the building, however, if the School District would give the Town use of the land the building is on and around it, he would be interested. He didn't want to spend a lot of time on this if the School Board doesn't want to subdivide and give the land/building to the Town for \$1. Mr. Kaplan asked if Selectman Bianchi wanted to at least go and find out. Selectman Bianchi said the subcommittee he has met with twice has said they don't want to give up the land. Mr. Kaplan said they haven't discussed the option to use a portion of the land and the building for a 99-year lease before. Perhaps this plan would be appealing to the School District.

Mr. Prohl said that Dan Wolf, former School Board Chair, told him he waited for six years for the Town to come forward with a solid plan for that building and the land. Selectman Bianchi said he would be happy to go again to meet with the School District, but he is not interested in the building.

Ms. Piotrow said the difference in this new idea and what they have always had in mind was that only a small portion of the land is what is being suggested going with the building, not the entire 23 acres.

Mr. Ensign said Mr. Kaplan has been a successful negotiator for the Town for years, and Mr. Helm has a strong desire to work on this project. He suggests appointing the two to negotiate with the School Board and find out what the concerns from the school board are and what would be allowable by them. He feels as a town, they need to move forward. As a neighbor of the property, he would love to see the Town have control of it. They need to define the piece of land, define the conditions, and move forward.

Chair Rollins said she doesn't think they have compromised their relationship with the School District. At a meeting she attended, they made it very clear that they were not interested in a transfer of ownership. That being said, she was not opposed to going back to them with a new proposal. She added that town officials need to have a plan ready for what they propose doing with the carved out piece of land. She was

adamant that a written recording of the meeting be provided to the Board concluding that the issue of the 1941 building needs to be resolved.

Selectman Kidder said it is difficult to meet with the School District when the Board of Selectmen has not all agreed on the direction to go with the 1941 building. She feels it best to allow two other individuals to feel this out and see if they could move forward. The School District was once in favor of a project Mr. Kaplan had shown them so she wasn't sure why they would not be interested now.

Mr. Ensign said that questions about the Town's plans for the land and building should be addressed back to the School District as "what *can't* we do with the land?"

Selectman Kidder said she was willing to appoint Bill Helm and Mark Kaplan to work with the School Board, should her colleagues agree.

Selectman Bianchi feels uncomfortable fighting for something when he doesn't really know what he is fighting for. The CIP report mentions using the 1941 building/property for recreation; what does this mean? Will they build a new building? What are the plans? If the Town of New London is going to get involved in this, they (the Board of Selectmen) will need to get involved. Everyone agreed that the Selectmen would be involved; right now they are looking to just find out the possibilities with the School District.

IT WAS MOVED (Janet Kidder) AND SECONDED (Nancy Rollins) to allow Bill Helm and Mark Kaplan to represent the Selectmen in speaking with the School Board about carving out a portion of the land and building for the future use by the Town, and to report back to the Selectmen. THE MOTION WAS APPROVED UNANIMOUSLY.

Chair Rollins wondered if there was a square footage in mind needed for archive space. It was estimated that the space used by archives in the Academy Building was less than 2,500 square feet (currently located in the basement of the building). Selectman Kidder said it seemed to be a sensible idea to join the two as they are two institutions that have remained close over the years and they could share the space.

Mr. Helm said on behalf of the Planning Board, he encouraged the Selectmen to put money in the budget for an Enforcement Officer. He pointed out that the Town has lakes, a college, a hospital, lots of land for development, and the quantity of complex building permits for additions and renovations and new construction is getting larger. The two towns they compare themselves with are Newbury and Sunapee. Both have a Zoning Administrator and a Planning Administrator. Lake Sunapee Protective Association would like better coordination between the three towns with regard to zoning enforcement. The Town of Meredith is a bit bigger than New London and has a staff of five performing the functions that one person does in New London. He meets with Lucy St. John (Planning and Zoning Administrator) every two weeks and he usually has to wait to speak with her because of people who walk in to speak with her or others who call on the phone. She has constant interruptions. He feels 15-20 hours more a week dedicated to enforcement issues would be helpful.

Ms. Hallquist agreed with Mr. Helm's assessment and noted that many towns pay for enforcement officers using fees from building permits, and she suggested the Board look at the current fees to see if increases are in order. Ms. Hallquist observed that with over one billion dollars of assessed valuation for the town, dedicating 60 hours a week to supporting planning and zoning would not seem unreasonable. She also noted that citizens have indicated to her that enforcement of the zoning regulations is important to them and in her opinion, current staffing will not allow adequate support to the land use boards and a

proactive enforcement program. Chair Rollins asked for information on current building permit fees and suggestions on new fees so that the Board could consider whether they will change the fees.

Old Business

US EPA Complaint – Sunapee Wastewater Treatment – Noncompliance with Clean Water Act

Ms. Hallquist said that the Town of Sunapee agreed to pay the \$15,000 fine and settle the case, and her understanding is that the Wastewater Treatment Plant operating budget will be used to pay the fine, so New London will share in the expense. Ms. Hallquist noted that she has been told that Sunapee will be trying to get the contractor to pay all or part of the fine since the contractor was responsible for disconnecting the alarms that lead to illegal discharge. Selectman Bianchi said he has a hard time paying for something Sunapee did. The Board asked that the Sewer Commissioners be contacted and asked to explain their reasoning for how they intend to pay the fine, if in fact they expect New London to pay for part of it.

Christina Murray McKee – Request to hook onto the New London Sewer Main

The Selectmen were in favor of the hook-up as explained in Mr. Lee's memo.

IT WAS MOVED (Janet Kidder) AND SECONDED (Peter Bianchi) to allow Christina Murray-McKee to hook up to the sewer main, per Mr. Lee's memo. THE MOTION WAS APPROVED UNANIMOUSLY.

Request for Abatement of Interest in Property Taxes by Kathleen Mulhern

Ms. Mulhern requested an abatement of interest on the late payment of her property taxes because she did not get the tax bills in question, and thus did not pay them until a late notice was sent to her from the tax office. Ms. Hardy said it is the taxpayer's responsibility to pay their taxes and therefore these requests are generally not granted.

IT WAS MOVED (Peter Bianchi) AND SECONDED (Janet Kidder) to deny the abatement request for Kathleen Mulhern. THE MOTION WAS APPROVED UNANIMOUSLY.

Notice of Receipt of Announcement that Property Liability Trust will No Longer be offering Insurance

Ms. Hallquist noted that the options available to the town are Primex, pooled insurance like PLT, or the private insurance market, for the town's insurance. Davis & Towle is currently working on a quote and a quote have been received from Primex.

Finance Officer Request Permission to Transfer Funds to Capital Reserve Accounts

Ms. Johnson, Finance Officer, would like permission from the Board of Selectmen to transfer funds to the following Capital Reserve Accounts:

Fire Department floor: \$13,610

Engineering for bridge at Brookside Road: They have paid \$10,400 so far. It is \$17,100 for the contract. She would like to take the entire \$17,100 to reimburse the account.

Sewer Lagoon Engineering: \$20,857 has been spent so far.

IT WAS MOVED (Peter Bianchi) AND SECONDED (Janet Kidder) to authorize the Finance Officer to transfer the funds to the appropriate capital reserve funds, as presented. THE MOTION WAS APPROVED UNANIMOUSLY.

FY2017 Budget Preparation

Bonded Debt

Ms. Johnson said a payment schedule is set for the Sunapee Sewer for 20 years. They are making their first payment this week. The 2017 principal payment is \$55,590 and interest next year will be \$34,140. The total is \$121,181 and \$69,582 for Edmunds Road and Sunapee. Ms. Johnson said the amortization schedule interest is \$6,159 instead of \$6,143.

Capital Reserve Funds (CRF)

The Board reviewed the list of CRF as recommended by the CRF Subcommittee. Selectman Kidder asked about the Highway Department Building. Mr. Lee said it is for the new sand shed; funds are to be spent in 2018 or 2019, \$23,000 is needed to be put in. This funding was not recommended by the CRF Subcommittee. Mr. Prohl said they decided on this because they envisioned bonding for some larger things and would include the funds for the sand shed. Selectman Kidder felt it unwise to not put some funding in as no bond has been discussed as of yet. She feels \$23,000 should be put into the fund. Mr. Lee said like anything else, the longer this expense is pushed off, the more it will cost.

Selectman Kidder said she feels the \$15,000 should be put back into the Recreation Van Fund as the subcommittee's idea to use funds from the Revolving Fund would deplete it. The Budget Committee has asked Mr. Blewitt to reduce the amount of funding in the revolving fund, which he has done. The fund is meant to have money available to purchase things like blocks of game tickets, etc. If funds come from the revolving fund for the van, he won't have enough money left to do anything else.

Mr. Prohl said they did ask Mr. Blewitt about the availability to use the funds for a lease. He found that this is an option but more information is needed. Selectman Bianchi said the committee didn't want to *not* put money into the fund, they just felt like more information was needed.

Chair Rollins agrees that funds should be put in for the sand shed this year.

With regards to the GIS map updating, Mr. Prohl said he spoke with Norm Bernaiche, Chief Assessor, who said funds did not all need to be provided the first year of work. The process takes a couple of years and it is fine to start but deliverables will not be made available until the final payment is made. This makes it so \$30,000 can be put in this year and then \$35,000 the following year.

IT WAS MOVED (Peter Bianchi) AND SECONDED (Janet Kidder) to approve \$730,510 for the capital reserve fund contributions as recommended by the Capital Reserve Subcommittee. THE MOTION WAS APPROVED UNANIMOUSLY.

IT WAS MOVED (Janet Kidder) AND SECONDED (Nancy Rollins) to approve \$23,000 for the sand shed. THE MOTION PASSED. Peter Bianchi was opposed.

The Board will wait for more information on the Recreation Van before taking a vote.

Chair Rollins suggests asking the company doing the GIS map update work (CAI Technologies) how much money they would require to get started and then they can put that much into the fund.

Sidewalks: Ms. Johnson said the amount was reduced to \$25,000. It was on the schedule to spend \$120,000. This would be pushed to the next year.

Highway Department: Ms. Johnson said \$192,694 was requested for a loader and \$60,000 for a sweeper. There will be enough in the CRF to cover this.

Pleasant Lake Dam Engineering: Ms. Hallquist said they should know before the Budget Public Hearing what the cost for the engineering will be since the deadline for proposals is December 31, 2015.

Library: They are looking to spend \$38,000 for library drainage.
Elkins Beach Dock Replacement: \$12,500

Selectman Bianchi asked about the Town vehicle and repair fund. It was recommended by the Subcommittee that the Selectmen include a warrant article to change the name and purpose and who can spend it. Putting \$12,000 into the fund would bring it to \$24,000. The idea is to get it up to \$36,000 and leave it there. They will replenish it each year to get it to keep it at this level. The Subcommittee chose \$36,000 as a best guess and it was a reasonable figure to others.

Selectman Bianchi said the transfers to Capital Reserves increases the budget by \$172,000 which is almost 30%.

Salaries

Selectman Bianchi said \$3 million dollars is spent on personnel. There are 38 full-time employees and a variety of part-time employees. He is against across the board raises, like last year's raise of 4% for all employees. He doesn't think the Town's health insurance/compensation is indicative of what other people are paying for insurance. He noted that in the past the Board discussed getting all employees to contribute 15% for insurance, like the new employees are required to contribute, and he felt that by making this change the Town could save money in the budget. He stressed that they need to cut somewhere and it has to be somewhere big. He noted that Ms. Hallquist sent a memo to the Board about providing a Cost of Living Adjustment (COLA) and a merit raise system. If they gave a 1% COLA across the board, it would cost about \$20,400. He didn't figure out the FICA/retirement costs associated with this. Another \$20,000 could be set aside for merit raises/bonus compensation. He thinks they should talk about this idea. Chair Rollins wondered about criteria for the merit raises/bonuses. Selectman Bianchi said the Department Heads know who of their staff go above and beyond and deserves a bonus so it should not be hard to implement.

Chair Rollins said it has become clear while working in the compensation study group that they need an updated salary study. Ms. Hallquist has been vocal, appropriately so, that a performance based merit raise/bonus can backfire if it is not done well and people don't understand the criteria by which they are considered for a raise/bonus. It can create a serious morale problem. That is not to say they couldn't do something in the interim. She feels that a 1% COLA is fair. The CPI is less than that and Social Security is not going up. She recommends a 1% COLA contingent on having a salary study done. In the meantime, department heads could make recommendations about bonuses but they need to be judicious about it.

Selectman Kidder agrees a study could be done by a professional group and then they could set aside a certain amount of money for salary adjustments once the study is completed.

Chair Rollins said they should do a study similar to what the Hay Group does to compare base salaries to insure competitiveness. There is also a consideration of a step process. She wasn't sure how long it would take an entity to do this work. Ms. Hallquist said it may be possible to pay for a study out of the current year's budget, or if not, money could be put in the Board of Selectmen's contingency fund to be used in

FY2017. If a study found some positions were not being competitively compensated, those positions could be addressed with the pool of money set aside for that purpose.

There was discussion about how long such a study would take. It was noted that this would depend on how in-depth the Town wanted the study to be. Mr. Lee recalled that the last time a study was done it took six months. Selectman Bianchi suggested that the necessary information could be gathered by town staff. Chair Rollins said the information is not readily available and the Town does not have the expertise to assemble this information on their own. They need to hire out for this study.

Mr. Ensign suggests it unlikely that a salary study would yield a lower compensation. He supports the study but they have to be prepared to deal with the information they get. Maybe having a bonus plan, properly introduced, will end up being part of the solution going forward. If they were to put a pool of money together without a designated purpose, the town would know that it would be to increase compensation should that be necessary. People need to know that a segment going forward is going to be bonus-based. The employee needs to know what their targets are so they know what to work towards in the next year. They will only use what they need to out of that pool of money.

When asked, Ms. Hallquist said she wasn't sure on how much to put in pool to be used to address what a salary study might find; her earlier recommendation for across the board raises was 2%. Ms. Johnson said their payroll for full-timers is about \$2 million dollars; 2% of that is \$40,000.

Mr. Lee said if they are going to spend \$10,000 - \$15,000 on a salary study, they should use the information provided and not put it up on a shelf. The last three studies that have been done, nothing was done with the information. He has worked for the Town for 43 years and he feels that town officials see him as maxed out and never getting a raise again. He noted that the Town of Sunapee has added steps to their system because they have 7 or 8 employees at the top of their range.

Selectman Bianchi said an across the board raise of 4% is unheard of. Even with the down-turn of the economy, the Town of New London has always given the employees a raise. Considering the employee compensation package they offer, New London is unrealistic compared with what other people are paying for insurance, etc. Selectman Bianchi said the purpose of the Town of New London is not to provide employment to people. Ms. Hardy disagreed that a 4% raise is not unheard of as she is aware of other towns who have done it as well. Selectman Bianchi noted that his comments were not about what other towns have done.

Ms. Hardy said Selectman Bianchi said twice that going to 85%/15% (town/employee contribution) would save the taxpayers money. How much? Selectman Bianchi said he doesn't have it calculated entirely, but he believed the savings would be more than \$20,000. From a management point of view it is unheard of to have this kind of conversation. Ms. Hardy disagreed. Selectman Bianchi said he pays over \$4,000 for his own health insurance. Ms. Hardy replied that this is different in that he isn't expecting insurance as part of an employee compensation package.

Chair Rollins thinks the idea of the pool of money set aside is a good one. Selectman Bianchi said there has to be a limit on the money the deep pockets of New London can spend.

IT WAS MOVED (Janet Kidder) AND SECONDED (Nancy Rollins) to put \$100,000 in a pool to compensate employees based on the employee salary study to be done. THE MOTION PASSED. Peter Bianchi voted no.

Selectman Kidder said after the study is done, they will use the funds to compensate employees as needed.

Chair Rollins said they need to have the discussion about the details of the study. Ms. Hallquist said they may be able to find funding in this year's budget for the study.

Academy Building Update – Frank Anzalone

Mr. Anzalone said the weather is cooperating and he feels Trumble-Nelson is doing a good job. They will have to wait for Spring to put the final coat of paint on and they are waiting for a roofer for the cupola. They want to get the building buttoned up before it starts to snow. Selectman Bianchi thinks they are doing a good job but feels a few more people helping with the siding would make it go quicker. Mr. Anzalone said they only have two lifts which limits the number of people who can do the work. Chair Rollins asked Mr. Anzalone to find out a time frame for the completion of their work for this year.

Selectman Kidder asked about the insulating of the attic. Mr. Anzalone said he is working on an estimate for this. It is complicated to figure out because it is an old building and there are several factors to consider. He would have the time frames for completion of the Academy Building by the following Monday morning meeting.

Revenues

Ms. Johnson said this is a figure that is always changing but is part of the budget so they need it for the warrant; she presented her preliminary estimates of revenues.

Town Administrator's Report – Kim Hallquist, Town Administrator

The shoreland and wetlands applications are in from Mr. Breed. She spoke with Bart Mayer (Town Counsel) about the board's request for his opinion to bring Mr. Breed to court. Ms. Hallquist stated that Attorney Mayer recommending starting court action if the property owner refuses to take steps to come into compliance; since Mr. Breed appears to be coming into compliance by applying for state permits, the Board should hold off and see if full compliance with state and local permits is achieved. If Mr. Breed does not get all of the local and state permits, then court action should be considered.

Ms. Hallquist noted that the upcoming Friday is the employee Holiday Party. Chair Rollins has been provided information about awarding of service pins; the other Selectmen may address the group if they wish.

Ms. Hallquist noted that a petitioned zoning amendment has been submitted from Mr. Stahlman to change the zoning district abutting the Stahlman building on Pleasant Street. Town Clerk Hardy has verified the signers are registered voters. The petition has been forwarded to the Planning Board for inclusion in its public hearing.

Committee Meetings & Reports

Planning Board – Selectman Kidder said there were tree cutting applications, Mountain View Shopping Center/Crosspoint Associates has added two parking lot islands at the shopping center, which was approved. Bob Stahlman wanted to continue the discussion of his property even though he was denied a variance by the zoning board (for additional parking). He wanted to change residential (R1) to commercial but no one wanted to do that. They discussed off-street parking regulations and revised them so they are clearer. A letter from the Town of Croydon was received noting that they are happy to be part of New London dispatch. She plans to meet with Chiefs Andersen and Lyon and the Town of Sunapee on Monday, December 14th.

Meeting Minutes of November 16, 2015

These would be reviewed at the next Selectmen's meeting.

Upcoming Meetings & Special Events

Board of Selectmen's Meeting – December 7, 8:00AM

Planning Board – Tuesday, December 1, 6:30PM

Recreation Commission – Tuesday, December 1, 5:00PM

Budget Committee – Wednesday, December 2, 7:00PM

Signatures

Building Permits

Sue Jamback & Jeff Nintzel, 53 Elkins Road, (087-006-000). Replace 4 exterior doors, rebuild front door landing and remodel kitchen. BP# 15-136 APPROVED.

Gary Stanhope & Laura Kiefer, 35 Sparrowhawk Road, (052-019-000). Installation of 20 solar panels to roof. BP# 15-137 APPROVED.

Temporary Sign Permit Application

Wildot Community Association (WCA Holiday Craft Fair) at the Outing Club on Sandwich Board displayed at Information Booth on Saturday, December 5, 2015 APPROVED

Other Items to be Signed

Tax Abatement Form for Cindy J H Daley Revocable Trust/Cindy J H Daley, Trustee, of 269 Burpee Hill Road (070-044-001) for amount of \$17,500.00 for tax year 2015.

Certificates of Recognition for years of service to Judy Fech (5 yrs.) Andrew Guptill (5 yrs.) Kim Lavin (5 yrs.) Sam Cahan (10 yrs.) Melissa Carroll (10 yrs.) Donna Larrow (10 yrs.) Matthew McClay (10 yrs. & 15 yrs.) Marshall Osgood (15 yrs.)

IT WAS MOVED (Peter Bianchi) AND SECONDED (Janet Kidder) to adjourn the meeting. THE MOTION WAS APPROVED UNANIMOUSLY.

The meeting adjourned at 8:30pm.

Respectfully submitted,

Kristy Heath, Recording Secretary
Town of New London