

**Enfield Board of Selectmen
Public Works Facility
Enfield, New Hampshire**

MINUTES of May 8, 2017

Board of Selectmen: B. Fred Cummings, John W. Kluge, Meredith C. Smith.

Administrative Staff: Alisa Bonnette, Interim Town Manager; Jim Taylor, Director of Public Works; Karol Hammer, Recording Secretary

Others: James Bonner (video), Rod Finley of Pathways Consulting, Kevin DelMastro, Sandy Orr, Bob Sletten, Beverly Sletten, Heath Blier, Linda Meltzer and others.

BUSINESS MEETING

I. CALL TO ORDER

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

II. BUSINESS

Public Hearing – Resolution and Sewer Ordinance Amendment:

Mr. Cummings read the Public Hearing Notice as follows: The Board of Selectmen will hold a public hearing May 8, 2017 at 6:00 PM, Public Works Facility, 74 Lockehaven Road, Enfield, NH, to discuss the adoption of a resolution and amendment to the Municipal Sewer Ordinance to permit the creation of an assessment for the purpose of securing the funds necessary to underwrite the borrowing associated with the NH Route 4A sewer project. Public Hearings may start later, but not earlier than the posted time.

Mrs. Smith made and Mr. Kluge seconded the motion to open the Public Hearing at 6:02 PM. The motion passed unanimously.

Mr. Cummings opened the discussion to the floor. Upon receiving no comments, he asked Ms. Bonnette to provide a summary.

Ms. Bonnette said the Board needed to approve a resolution and amend the Town's sewer ordinance, by adding Article 17, to accommodate the funding of the NH Route 4A sewer project. The resolution and amendment would allow the Town to assess the cost of the project to the Lakeview property owners. She requested that the Board amend the draft resolution to set a repayment term of up to 30 years, instead of the 20 years cited in the draft. The requested amendment would bring the resolution in line with the term of the financing of the project. The specific amount to be assessed would be determined after project completion, when actual costs were known.

Ms. Bonnette added that the Board could include, up front, a \$1,000 deposit with the first year's assessment to property owners as an assurance against slow or skipped payments, providing the Town some security against the debt.

Should property owners not make their payments, they would be subject to the same lien process as for late taxes, where the Town could take their property after three (3) years.

The specific amount to be assessed would be up to the Board; Ms. Bonnette referred to a sample assessment notice in the evening's informational packet. The notice would be distributed to property owners, mortgage holders and lienholders.

Heath Blier, a Lakeview homeowner, asked for clarification on the discussion within the proposed documents of the interest rate to be charged to the homeowners. He said the proposed language was vague enough to let the Town change the rate at any time.

Ms. Bonnette said the interest rate was expected to match that of the financing. She added that the Town could include in the assessed amounts any administrative costs the Town had in managing the financing, the project and the billing of residents. That decision would be up to the Board.

Mr. Blier responded that he understood those things, but that he was uncomfortable with the seeming lack of protection for Lakeview property owners; that they were vulnerable to a Board deciding to change the interest rate.

Mr. Cummings said he didn't know why any Board would do that.

Ms. Bonnette said the language was written to protect the Town and not as a way to increase interest rates charged to property owners without reason.

Bob Cusick asked if the scope of the project had changed since Town Meeting approval. He said the Townspeople had felt bad for the people of Lakeview and so supported the Warrant article, but that recent discussions had some believing the project scope had changed. He asked if the Shaker Landing portion were different, saying it seemed something had changed.

Ms. Bonnette said that Shaker Landing was not part of the main project. They were a separate project that, for convenience, was put out to bid in the same bid package. The purpose of the current meeting was to discuss Lakeview.

Mr. Cusick asked for clarification on what was happening with Shaker Landing.

Mr. Cummings said the Board had asked the Shaker Landing Homeowners Association to go back and decide what they wanted to do, since the bids came in much higher than expected. They had the option to put the project out for rebid. He added that the Town was also waiting and hoping for the Shaker Landing HOA to return with approval of the requested easement.

Mr. Kluge added that he felt Shaker Landing should approve the easement.

Mr. Cusick asked about the cost of Shaker Landing – was it really between \$200,000 and \$300,000?

Mr. Kluge cautioned that the Town would not be spending any money in conjunction with either project.

Mr. Cusick asked who was signing the contracts.

Mr. Cummings said the Town would sign.

Mr. Cusick said that meant the Town would be on the hook for the debts. He added that he wasn't saying the Town shouldn't do the Shaker Landing project, but that it should go through some sort of process before the Town committed to it – similar to the Town Meeting Warrant Article that the Lakeview project went through.

The way things stood, there was no money approved or allocated, and the Lakeview approval didn't allow for the Shaker Landing effort. He reiterated that he had no problem with Lakeview, but that the interest rate didn't cover Town costs. He said administrative costs should be added to the property owners' assessments, as the Town shouldn't be out of pocket for the project.

He referred to the proposed Resolution Authorizing Sewer Assessment, specifically item #3(c) on page two, saying its language resolved the question of interest charges. The item read:

“Interest on the assessment shall be charged from the date of the assessment to the date of full payment thereof. The Board of Selectmen shall determine, annually, the rate of interest on installments not yet due and payable based upon the annual cost of borrowing funds by the Town. Interest shall accrue on any payment not made when due at the annual rate provided in RSA 76:13 and RSA 80:69.”

Mr. Blier agreed that this reading satisfied his concern.

Mr. Cummings noted that, at its last meeting, the Board was very clear that it wanted to move ahead with the Lakeview project.

Mr. Cusick said that the Town Attorney should be consulted.

Ms. Bonnette stated that the Town Attorney had been involved all along.

Mr. Cummings said that Shaker Landing was discussed at Town Meeting – it was added before the Warrant Article came before the Town, so it was included in those discussions.

Mr. Cusick agreed, but said there wasn't approval at Town Meeting for the Shaker Landing effort.

Mr. Blier said that, at one of the meetings at Lakeview, he thought it was stated that Shaker Landing had received approval for the Federal grant funding. He wanted to know if this was off base.

Ms. Bonnette said No, he was correct that the USDA originally indicated that both projects were eligible for its grant funding, provided the Town owned the property until project completion. The USDA since changed its position and now requires the Town to own the Shaker Landing property for the duration of the funding period (30 years), not just the duration of the construction project.

The State Revolving Loan financing was still available for both projects.

Keith Thomas asked if a decision had yet been made for the Shaker Landing distribution box.

Mr. Cummings said that if the Lakeview project couldn't hook up at Shaker Landing, its project cost would increase by about \$100,000.

Mr. Taylor confirmed this, saying that, without an easement through Shaker Landing, the Lakeview project would have to extend past LaSalette, 1,500 feet more along the Route 4A right of way.

Beverly Sletten, a Shaker Landing resident, asked if this meant the Town was not putting up the cost of Lakeview.

It was clarified that the Town would hold ownership of the pump station and gravity sewer lines at Lakeview, but not the service lines to the individual properties. The construction cost would be paid by the Lakeview owners, and maintenance of the main system would be up to the town.

Mrs. Sletten asked what was the difference with Shaker Landing.

Mr. Taylor said that Shaker Landing was a service line project. The Lakeview project was far more extensive, involving a pumping station that would be available to surrounding property owners to hook onto. Pumping station maintenance required special licensing.

Mrs. Sletten asked if Shaker Landing gave the easement for the Lakeview project, then the sewer would run through Shaker Landing. She wondered why it couldn't then just hook on.

Mr. Taylor clarified that Shaker Landing was already on the Town sewer system. Lakeview needed to establish another main trunk line.

Mrs. Sletten asked why the easement was needed if sewage wouldn't be going through Shaker Landing.

Mr. Taylor said it would go through Shaker Landing. The difference between the projects was that Shaker Landing needed to replace what it already had, but Lakeview needed a whole system.

Mr. Kluge said that the right of way through Shaker Landing was needed to get to the connection point for Lakeview.

Mrs. Sletten said that meant the Town would be using lines through the Shaker Landing owners' property whether they did their project or not.

Mrs. Sletten wondered why [USDA] had that requirement. If [USDA] thought the Town should own it, then the Town should own it.

Ms. Bonnette said it wasn't that the Town should or should not have ownership of the Shaker Landing system, it was the USDA's requirement that the Town own the system in order for the project to receive USDA funding.

Mr. Taylor said that it seemed some NH field staff had established a workaround in order to make more projects eligible for the grant funding. Then, perhaps after it had been reviewed, someone higher up decided the workaround wasn't in the spirit of the program and cut it off.

The Town never intended on long term ownership, he said.

Mrs. Sletten asked if anyone knew what would be the cost for the Town to take ownership of the pump.

Mr. Taylor did not know.

Mr. Blier asked if having more properties connect in future would reduce the cost to Lakeview property owners. He didn't see anything in the proposed documents to cover that.

Mr. Kluge said that was still being worked on. It was the Town's intent to do just that, he said, and added that the Town Attorney would lead the Board through establishing the rules for that.

Bob Sletten, another Shaker Landing property owner, said it seemed the Town wanted the easement through Shaker Landing, and that the Lakeview project cost would go up \$100,000 without it.

Mr. Kluge said that was true.

Mrs. Sletten said Shaker Landing could choose to simply continue as it had been.

Mr. Kluge said the Town normally declined to pay for expansions to private property.

Mrs. Sletten said many private properties already had sewer.

Mr. Cummings said the easement would be to get to the line to do the work. The goal was to get Shaker Landing's lower back fields hooked onto the system. The easement wouldn't change the Shaker Landing project. The difference would be that it would cost more to figure out the Lakeview project.

He added that the Town would not hold up the Lakeview project for the easement.

Mrs. Sletten asked what the Shaker Landing's incentive was.

Mr. Kluge said that haste was necessary for the Lakeview project, and it had been discussed at the previous meeting and that there was no action from Shaker Landing on the easement since then. He said to the Shaker Landing people in attendance please don't be disappointed if the project goes on without you.

Mr. Orr, of the Shaker Landing HOA, said their board wasn't slacking. They had lost 45% of their project costs (the USDA grant for which the project was deemed ineligible without long-term Town ownership) because you (the Town) wouldn't take ownership. He said they'd taken out loans and lines of credit and now were being hit with 45% more because of an arbitrary decision.

Mr. Taylor said the incentive to Shaker Landing should be to get Lakeview solved, get ancient systems dealt with so the lake wouldn't be damaged.

The Town spent \$150,000 annually to maintain its current five (5) pumping stations and sewer system. The costs were in staff, testing, odor control and other such things, and so it was significant to talk about adding another pumping station. It would be a significant cost to the Town.

If the Town took on this one, there were other private ones in Enfield whose owners would expect the same, and then the Town costs would go up, in personnel, trucks, electricity, etc.

Mr. Orr said that the Shaker Landing system was older than Lakeview's.

Mr. Cummings said that may be.

Mr. Orr said they were trying to do the project, trying to get answers so they could afford to do the project. They hadn't been sitting doing nothing, and don't want their neighbors hurting more.

Ms. Bonnette said the Lakeview project needed the easement to proceed.

Mr. Kluge added that the Town wouldn't wait.

Mr. Taylor said the Lakeview leach beds were failing. Shaker Landing didn't have leach fields – they had sewer. The 17 leach beds at Lakeview were all circa 1986.

Mr. Cummings stressed that he would not give up on Shaker Landing.

Mr. Orr asked where were the Town's current pumping stations?

Mr. Taylor said they were at Shaker Village, Shaker Bridge, Route 4A, McConnell, and Wells Street. All were gravity collection from Town-owned systems.

Mr. Cummings suggested that perhaps the Town and Shaker Landing attorneys could come up with something, but that the Lakeview project needed to move forward.

Ed McLaughlin said it would be good to understand the cost of maintaining a pumping station.

Mr. Cummings said that may be the solution – he stressed that he wasn't saying it was the solution, but that it was a broader discussion the DPW and attorneys should have. He said Mr. Taylor had been clear all along that the Town should not be interested in owning the pumping stations. That was what the Board expected from him; his expertise. If he could be convinced otherwise, there might be something to discuss.

Ms. Bonnette added that the Shaker Landing rebidding may come in with more affordable bids.

Mrs. Sletten said yes, but even then, without the 45% the Shaker Landing property owners would have trouble thinking it would be affordable.

Mrs. Sletten asked if reluctance was the precedent. They paid for both sewer and pumping. If the Town could figure out the cost of a pumping station, the cost could be put onto the 32 units at Shaker Landing.

Mr. Cummings said his biggest concern was that there be no cost to the Town and that whatever the solution, it was a win-win for both sides.

Mr. Kluge said it may not work, and the Lakeview project needed to go forward.

Mrs. Sletten said she didn't want to be obstructionist. She said it seemed a good opportunity for the Shaker Landing system to get off septic tanks before they leak.

Linda Meltzer, a new resident on Route 4A, said she thought the Lakeview project was a wonderful opportunity and hoped to connect her property to the new infrastructure someday. She wondered if the Shaker Landing owners might benefit from having some faith in the process.

Kevin DelMastro, the Lakeview HOA president, said it didn't sound like any commitment for an easement was going to be granted, and felt the project was being held hostage so the Town would agree to own a pumping station.

There was no response from Shaker Landing people in attendance, to which Mr. DelMastro stated the silence was deafening.

Mr. Kluge said that he assumed that the project would go ahead down 4A if there was no easement.

Mrs. Smith asked if that wasn't the original plan for the project.

Mr. Taylor said it was.

Mr. DeMastro added that the cost would then go up \$100,000 and the project would be delayed another year.

Mr. Cummings asked why.

Rod Finley, of Pathways Consulting (the project engineer), said that 4A was an option, but that the Governor's Council would need to approve a Finding of No Significant Impact (FoNSI), and there were many more hurdles that would have to be cleared, like an amended environmental impact report that would have to be resubmitted to all organizations and the Governor's Council before going to the Governor for signature.

A new corridor survey also would be needed, as well as wetlands study/soil borings, etc., that would have to go to the USDA for approval and comments, and the project likely would have to go out for rebid.

He estimated the delay presented by not having the easement at four (4) months.

Mr. Cummings asked if the project could proceed up to Shaker Landing in the meantime.

Mr. Finley said that couldn't happen without awarding the contract, which could be done, and differences could be handled through change orders, but the contract couldn't be awarded without title to all the property involved.

Mr. Orr asked if things could work if the Shaker Landing board could decide by Monday.

Mr. Finley said they had until 60 days after bid opening to award the contract, and that was fast approaching. Everything was now very tight on time.

Mr. Cusick stated this meant that, with no easement, it would cause more delays.

Mr. Finley confirmed this.

Mr. Cusick said that meant no construction until November. He suggested that cooler heads prevail, reminding everyone they were all citizens of the same town and all wanted the lake and their neighbors to be fine.

Mrs. Sletten asked what assurance the Shaker Landing residents had.

Mr. Cummings said you had a commitment from the Town to work with you.

Mr. Sletten said he didn't know what that meant.

Mr. Cummings said the Board wanted to work with Shaker Landing. There was no hope of sewer ever coming to his own house, but he saw the value in both projects.

Mrs. Sletten said that Mr. Taylor had said no way.

Mr. Taylor said he had recommended the Town not get into owning private pumping stations. It was never in the cards and would set dangerous precedent.

Mr. Cummings said the Board's sole focus was to not cost the Town money.

Mr. Orr asked if the Town would be willing to listen to ideas.

Mr. Taylor said it would cost a lot of money to run the pumping stations; just as much to maintain a small one as a large one.

Mr. Kluge asked if it would be possible to determine the cost.

Mr. Cummings said for 20 or 30 years.

Mr. Kluge said then, after the 20 or 30 years, they'd assume ownership.

Mr. Taylor said it would be harder to explain the difference in sewer bills to potential new property owners coming to town over the years, and to keep track of the reason for the differences.

Mr. Blier asked for clarification on what would happen without the easement.

Mr. Cummings responded that the Lakeview project would be delayed until next year.

Mr. Blier asked if that meant that if Shaker Landing decided not to grant the easement and then went to do their project later, their project could cost more.

Mr. Orr said it would be good to know the cost of a pumping station.

Mr. Cummings said the Board was asking Mr. Taylor to determine the cost. It was common sense, he said. If Shaker Landing didn't grant the easement, regardless of the outcome, their own project would cost a lot more. There was no disadvantage to them in granting the easement.

Mr. Cusick agreed and said everyone needed to consider whether the Federal Government was going to allow these kinds of loans in the future. He said Shaker Landing should get in as quick as possible. It would be important for the Town and for Shaker Landing to get it done. There would be a no-win situation if Shaker Landing didn't grant the easement, and it would aggravate a lot of people.

He said we wanted to be a cooperative community, that was what we liked to tell people so we could get them to come to town. Having septic problems all the time wasn't good. We all had to cooperate to get this done, he said. Sure, the Town should talk about Shaker Landing, but it needed to get Lakeview done.

Mr. Cummings reminded the audience that it had been the same Selectboard that had agreed to do both projects.

Mr. McLaughlin wanted the Board to direct Mr. Taylor, through a vote, to determine the costs, saying Mr. Taylor might move forward with more pressure from the Board.

Mr. Taylor said he was willing to put the costs together and would do it quickly.

He said the reason there was an argument was that the USDA made a false offer in the first place and someone higher up then said no, you can't do that. He was concerned because the hope for that 45% never should have existed in the first place.

A woman identified as June said she supported everything. She said if the Town looked long-term (say 5 years), this was where we wanted to go. The sooner and quicker and better we can do it, the better for the Town. The people had to carry the cost, though, she said.

Mr. Kluge agreed, reiterating that the Board had promised at Town Meeting that there'd be no cost to the Town.

June said if Shaker Landing could pay their own costs, then it would be the most sensible thing to do.

Mr. Cummings said he felt all were saying the same things. The Board wanted to work with everyone, but not at the cost of stonewalling Lakeview. If that project wasn't done this year, it wouldn't be good for the lake. As a Board member and as a citizen, he said he would like to see Shaker Landing approve the easement – it was in the best interest of Lakeview and the Town.

Mrs. Smith agreed, saying it also was in the best interest of Shaker Landing, so they could save money when they hooked in.

Mr. Cummings said all were in the same community. Everybody wanted to work together to make something happen. He promised the Board would have Mr. Taylor look into costs, but he asked that Shaker Landing go ahead and grant the easement because another year's delay would not be good.

Mr. Kluge made and Mrs. Smith seconded the motion to close the Public Hearing at 6:57 PM. The motion passed unanimously.

Ms. Bonnette suggested the Board amend the proposed Resolution to a repayment period of up to 30 years to match the term of financing.

Mrs. Smith made and Mr. Kluge seconded the motion to accept the proposed Resolution with language amended to cover the 30-year financing term. The motion passed unanimously.

Mr. Kluge made and Mrs. Smith seconded the motion to accept the proposed Article 17 Sewer Assessment amendment to the Town Ordinances. The motion passed unanimously.

Public Comments: Bob Cusick – School Apportionment Study Committee:

Mr. Cusick reminded the Board that the School Board would be choosing the membership of its Apportionment Study Committee the following evening. He said it could come out that Enfield would have \$600,000 more in school taxes to pay; he didn't know, but the membership of the committee was important.

He said it seemed Enfield would have a good representative on the committee, though he could not identify the candidates.

Mr. Cusick also encouraged the Board to think about austerity measures to address the budget shortfalls. He encouraged recommitting to undesignated funds and suggested that the Board work very closely with the Budget Committee.

He also encouraged the Board to not give exemptions for water/sewer hookups. It had recently gone to a lot of effort to balance water rates. People who use, must pay for both sewer and water, he said.

Finally, he pointed out that he and Lee Carrier didn't want the TIF to become a slush fund. There should be no appropriations there without planned spending. The sooner the Town closed it down, that money would come straight back into Town.

Mrs. Smith said the Board agreed. Mr. Cummings said the Town would have made an unscheduled payment at its last meeting, but couldn't.

Mr. Cusick stressed that austerity measures should be taken. He said the Town should over budget so that money would go into the Undesignated Fund. Having it at zero was the Damocles of budgeting he said.

Mr. Cummings suggested that Mr. Cusick address the Budget Committee at one of its meetings. He felt it would be instructive.

TIF Membership Extension:

Ms. Bonnette said that Holly West had asked that her membership on the TIF Committee be extended by one (1) meeting (through the June TIF meeting), after which she'll determine whether she'd like to be reappointed.

Mrs. Smith made and Mr. Kluge seconded the motion to extend Mrs. West's appointment by one (1) meeting. The motion passed unanimously.

Charitable Exemptions:

The Board considered several requests for charitable exemptions, receiving Ms. Bonnette's information regarding recommendations from Mr. Bernaiche and Ms. Huntley as follows:

- NE Forestry Association. Mr. Bernaiche recommended denial.
Mr. Kluge made and Mrs. Smith seconded the motion to deny the exemption. The motion passed unanimously.
- Grafton Pond Land Trust. Mr. Bernaiche recommended denial.
Mrs. Smith made and Mr. Kluge seconded the motion to deny the request. The motion passed unanimously.
- Union Church of Enfield Center. Mr. Bernaiche recommended approving this request.
Mrs. Smith made and Mr. Kluge seconded the motion to approve the request. The motion passed unanimously.
- Living Waters Church. Mr. Bernaiche recommended taxing the additional land, as it was not reasonable to the charitable purpose.
Mrs. Smith made and Mr. Kluge seconded the motion to grant the exemption but excluding the additional land, per Mr. Bernaiche's recommendation. The motion passed unanimously.
- Ski Whaleback. Mr. Bernaiche recommended denial.
Mr. Kluge made and Mrs. Smith seconded the motion to grant the request. The motion passed unanimously.

- Chosen Vale. Mr. Bernaiche recommended a partial exemption. Mr. Kluge made and Mrs. Smith seconded the motion to grant the request in full. The motion passed unanimously.
- Enfield Village Association – Greeley House. Mr. Bernaiche recommended taxing the apartment portion of the building only. Mrs. Smith made and Mr. Kluge seconded the motion to grant the request in full. The motion passed unanimously.
- Disabled exemption. Ms. Huntley recommended against the request, as the individual's assets exceeded the limits of the regulations by \$3,000. The Board took a few minutes so that each member could examine the request documentation. Mr. Cummings expressed misgivings when he noted that among the excessive assets was an older model vehicle. Mr. Kluge made and Mrs. Smith seconded the motion to deny the request. The motion passed unanimously.

Ms. Bonnette said there was one other request, to be discussed in non-public session.

Other Business:

The Board needed to discuss the new Town Manager contract in non-Public session.

Mr. Kluge made and Mrs. Smith seconded the motion to enter Non-Public session at 7:27 PM, RSA 91-A:3 (a) (b) and (c). Roll call vote: Mr. Cummings – aye, Mr. Kluge – aye, Mrs. Smith – aye. The motion passed unanimously.

Mr. Kluge moved and Mrs. seconded a motion to come out of Non-Public Session at 7:48 PM, vote unanimous in favor of the motion.

III. NEXT MEETING

Monday, May 15, 2017, 6:00 PM Public Works Facility Training Room

IV. ADJOURNMENT

Mr. Kluge moved to adjourn at 7:48 PM, Mrs. Smith seconded, vote unanimous in favor of the motion, meeting adjourned.

B. Fred Cummings, Chairman

Meredith C. Smith

John W. Kluge
Enfield Board of Selectmen