

FINAL

BOARD OF SELECTMEN'S MEETING

February 27, 2012

7:00 P.M. – MUNICIPAL OFFICE BUILDING – HANOVER, NH

The meeting of the Board of Selectmen was called to order at 7:00 p.m. by Chairman Peter Christie. Present were: Peter Christie, Chairman; Katherine Connolly, Vice Chairman; Athos Rassias, Selectman; Judith Doherty, Selectman; Bill Geraghty, Selectman; Julia Griffin, Town Manager; Jessie Levine, Assistant Town Manager and Betsy McClain, Finance Director.

1. PUBLIC COMMENT.

Chairman Christie asked for Public Comment. There were no comments from the public.

2. RECOMMENDATION TO ADOPT SUPPLEMENTAL TAX WARRANT FOR TAX YEAR 2011 RELATED TO CHANGE IN TAXABLE STATUS OF TELECOMMUNICATIONS INDUSTRY'S USE OF THE PUBLIC RIGHT-OF-WAY.

Chairman Christie invited Mike Ryan, Town Assessor, to speak to the Board regarding this item. Mr. Ryan stated that this item relates to the poles and conduits belonging to FairPoint. He noted that the local electric company pays taxes on its poles and conduits but FairPoint has not. The Legislature changed the law and FairPoint's poles and conduits became taxable as of April, 2011. There is a supplemental billing warrant for 2011 for the Selectmen to sign this evening, and FairPoint will be part of the Grand List for 2012.

Ms. Griffin stated that there are 4 different documents that the Select Board needs to sign on the supplemental warrant. One warrant is for an assessment of \$3,430,000 attributed to the poles and conduits within the Town right-of-way; the second is for \$550,000 to Comcast for their attachment to the poles; \$275,000 to SegTel for their attachment to the poles; and \$220,000 in value to VTel (or VT Telephone Company) for their attachment to the poles. Mr. Ryan noted that they asked each company to provide information about their poles and attachments back in December and the only one to come forth with the information was FairPoint.

Selectman Doherty MOVED to Adopt the Supplemental Tax Warrant for Tax Year 2011 Related to Change in Taxable Status of Telecommunications Industry's Use of the Public Right-of-Way. Vice Chairman Connolly SECONDED the motion.

THE BOARD VOTED UNANIMOUSLY TO ADOPT THE SUPPLEMENTAL TAX WARRANT FOR TAX YEAR 2011 RELATED TO CHANGE IN TAXABLE STATUS OF TELECOMMUNICATIONS INDUSTRY'S USE OF THE PUBLIC RIGHT-OF-WAY.

3. RECOMMENDATION TO ADOPT ABATEMENTS AS RECOMMENDED BY THE ADVISORY BOARD OF ASSESSORS.

Mr. Ryan stated that the Advisory Board of Assessors met on February 15th and 23rd and heard the abatement requests. The Board of Assessors is making the recommendation to the Board of Selectmen to accept the abatements.

Chairman Christie asked about the periodic assessments which are done every 5 years. He stated that they hope at the time that each resident has an assessment that is close to market value. If someone comes in asking for an abatement in year 3 claiming that their house isn't at market value, then no one else's is either. Chairman Christie asked Mr. Ryan how the Assessors know that this property is out of line and not just part of the 5 year cycle.

Mr. Ryan stated that his office handles property specific requests with the evidence available at that time. Even though they did the revaluation in 2008, certain properties have certainly decreased more than others. When people file for appeals, the Assessors need to look at each one individually because the market has changed. Chairman Christie stated that it changes for everybody. Chairman Christie stated that the judgment call is when a person's evaluation is disproportionately changed. Mr. Ryan stated that different parts of the market move at different rates but they need to address issues as they arise. Chairman Christie asked about someone who chooses not to correct damage to a property. Mr. Ryan stated that the target date is April 1st so it is evaluated by what is there in the current condition at that date and time.

Selectman Doherty MOVED to Accept the Abatement Requests as Presented. Selectman Geraghty SECONDED the motion.

THE BOARD VOTED UNANIMOUSLY TO ACCEPT THE ABATEMENT REQUESTS AS PRESENTED.

4. RECOMMENDATION TO AUTHORIZE TOWN MANAGER TO EXECUTE ALL DOCUMENTS RELATED TO THE CONTRACT AGREEMENT BETWEEN THE TOWN OF HANOVER AND NHDOT FOR ENGINEERING, PERMITTING, DESIGN AND CONSTRUCTION OF IMPROVEMENTS TO THE BUS TRANSFER FACILITY ON EAST WHEELOCK STREET, WHICH INCLUDES FEDERAL TRANSIT ADMINISTRATION SECTION 5309 CAPITAL PROGRAM FUNDS.

Ms. Griffin stated that there is a lot of paperwork that comes with accepting federal money. The acceptance of the federal funds requires that the Board of Selectmen authorize the Town Manager to execute all documents related to the agreement.

Vice Chairman Connolly MOVED to Authorize the Town Manager to Execute All Documents Related to the Contract Agreement Between the Town of Hanover and NHDOT for Engineering, Permitting, Design and Construction of Improvements to the Bus Transfer Facility on East Wheelock Street, which includes Federal Transit Administration Section 5309 Capital Program Funds. Selectman Rassias SECONDED the motion.

Selectman Geraghty wanted to clarify the timeline for the project. Ms. Griffin stated that they are looking at starting in the spring/summer of 2013. It doesn't make sense to get started until the Hanover Inn renovations are complete.

THE BOARD UNANIMOUSLY AGREED TO AUTHORIZE THE TOWN MANAGER TO EXECUTE ALL DOCUMENTS RELATED TO THE CONTRACT AGREEMENT BETWEEN THE TOWN OF HANOVER AND NHDOT FOR ENGINEERING, PERMITTING, DESIGN AND CONSTRUCTION OF IMPROVEMENTS TO THE BUS TRANSFER FACILITY ON EAST WHEELOCK STREET, WHICH INCLUDES FEDERAL TRANSIT ADMINISTRATION SECTION 5309 CAPITAL PROGRAM FUNDS.

5. 1ST BUDGET HEARING:

- Town Manager's Presentation of Proposed FY 2012-2013 Budget
- Police
- Parking
- Fire
- Ambulance

Chairman Christie gave the audience an overview of the process for the budget hearings. He noted that the process starts in November when the Board sets a tax rate target. For the next few nights, the Board will review the budget completely and they will determine those items that will require further review.

Ms. Griffin stated that again this year, the budget has been challenging and the news is bleak. There are some improvements in the region based on the leading economic indicators and there was some relief in this Legislative session because the financial impacts imposed by the State House are felt every other year. The Town continues to see some impacts of downshifting costs to the Town. The Town has absorbed the impact of the significant reductions in State support for the Retirement System for Group II employees. The previous 35% contribution that was made to the Town has been absorbed in the amount of \$177,000; the Town is seeing little if any revenue from short term interest rates which went from \$350,000 in previous years but is down to \$70,000. The Town realized a \$40,000 reduction in State Highway Block funding and this money was previously targeted to supplement the paving budget.

Ms. Griffin stated that staff put together a series of recommendations to the Board that will result in a 3.5% tax rate increase in the General Fund but they also provided the

Board with options for further reductions and items that could be reinstated. If the Board wanted to proceed with the Etna Library project this summer, they could borrow the funds rather than spend money for that project in the Operating Budget. Built into the budget is the cost for Town staff to construct the parking lot and the playing field/outdoor skating rink improvements and assumes that the Etna Library Trustees would need to work with staff on a fundraising campaign for improvements to the Library building.

Ms. Griffin stated that there are modest increases on the salary/benefits line item: 1.5% Cost of Living Adjustment (COLA) and 1% or 2% merit increases. Ms. Griffin stated that there is an 8.4% increase in the BC/BS Blue Choice health insurance package. Ms. Griffin stated that they are assuming that the total impact of the Retirement System contributions are still in question because a move the Legislature made regarding employees who are vested is being called into question. It is unclear how this will impact employers. There may be shorter term increases in costs but in terms of the next rate increase, they won't see an employer mandated increase until July 1, 2013. Chairman Christie confirmed that the budget is based on what is known and not what they are speculating.

Ms. Griffin stated that they recommended a reduction to CATV by \$5,000. There are increased technology costs in the budget this year due to the need to replace desktops at the library and several software recommendations in different departments. Ms. Griffin stated that the Town has seen significant reductions in the fuel consumption for Town buildings as a result of the energy efficiency work that was done but because fuel prices are impacting the budget, it results in a 20% to 30% increase. Chairman Christie would like to note that if they hadn't made the improvements, the fuel increases would be even larger.

Ms. Griffin stated that she has budgeted \$125,000 in this budget for Town staff to construct the parking lot and playing field/outside ice rink behind the Etna Fire Station. She wanted to try to make this part of the project happen this summer. She was unable to put in the cost for the improvements to the building itself. The Etna Library needs new windows, insulation, and a concrete foundation to replace the old stone foundation. One important change in the proposed budget is that the \$700,000 budgeted in the current year budget for the undergrounding of the electrical systems on Lebanon Street has been eliminated. Ms. Griffin stated that they are dealing with the final North Park Street improvements with bike paths and repaving South Park Street at the same time and this came to \$11,900. Ms. Griffin stated that they are still able to fund \$50,000 for energy efficiency improvements.

Ms. Griffin stated that two social service agencies that requested funding are not being recommended for funding because they do not fit within the social service agency funding policy: HIV/HCV Resource Center and the Mascoma Valley Health Initiative.

Ms. Griffin stated that the afterschool program, Kids After School Time (KAST), budget shows an increase but it is fully offset by revenues.

Ms. Griffin stated that Jessie Levine has overhauled the Capital Reserve Budget and the Board will see the schedules she has prepared.

Ms. Griffin gave an overview of the Fire and Ambulance Fund highlights. There is a significant recommendation that came about after residents came forward asking why they are being charged for private fire hydrants when they are already paying the Fire District Tax. These situations would be eliminated and this would reduce the revenue stream into the Fire Fund but also the payment to the Water Utility. Ms. Griffin stated that they will see this change played out in both the Fire Department and the Water Utility proposed budgets.

Ms. Griffin stated that one area that the Board will want to review is the recommended use of Undesignated Fund Balance from the Fire Fund. The recommendation is to use \$192,000 out of that Fund.

Ms. Griffin stated that staff is recommending very modest increases in the charges from the Ambulance Fund; the recommendation is 1.2% increases to Norwich and Lyme.

Ms. Griffin stated that with regard to the Parking Fund, this was the most challenging because they are seeing the impact of the economy. Staff wrestled with the need to reduce expenditures and increase revenue to deal with a deficit of \$50,000. Ms. Griffin stated that in previous years, the Town used to assess an annual parking fund tax. Staff had contemplated reinstating this in the upcoming year but the Parking & Transportation Board (PTB) felt strongly that this was not the way to go and that the Town should look at increasing parking fines. Ms. Griffin stated that staff felt that it would make sense to wait until the downtown parking study was done to look at metered parking rates and parking fines. Staff may recommend increases in parking fines in the future.

Chairman Christie clarified for the viewing audience that a 1% change to the tax rate equals approximately \$80,000. Vice Chairman Connolly stated that with regard to the General Fund Undesignated Fund Balance, she suggested that rather than taking a loan for the Etna Library improvements, the Town could use some of the Undesignated Fund Balance to tackle that project. She felt that perhaps there should be fundraising done for the skating rink piece of the project but because the Undesignated Fund Balance is so large, she felt that this would be an appropriate use for the funds. Chairman Christie stated that the other side of that coin was the discussion whether to increase the level at which they hold the Undesignated Fund Balance. Chairman Christie further stated that the Finance Committee had a chance to discuss the funding levels and there was some consensus that maintaining the Undesignated Fund Balance at the 10% to 15% range (vs. the current 5% to 10% range) might be more appropriate based on the natural disaster that occurred last summer.

POLICE

Chief Nicholas Giaccone introduced himself. Chairman Christie asked the Chief to give the Board his perspective about this year's budget and relay any of his concerns. Chief Giaccone stated that the total budget is 0.3% less than the prior year's budget. The Union agreement for pay raises is included in this budget. The changes are driven by the fact that in the current budget cycle, \$193,000 was set aside for the cruiser replacement. Chief Giaccone stated that the department is in the replacement cycle for cruisers this year but they haven't received their new cruisers yet because of production delays by the manufacturer. Because they are still running the cruisers that should have already been replaced, it is taking a toll on the repairs and maintenance line item. Chief Giaccone stated that depending on when the department is able to put their new cruisers into service, it may mean that they could gain an extra year of use for the cruisers.

Ms. Griffin asked about the reason for the delay in getting the cruisers. Chief Giaccone stated that the vehicles are in production. The department ordered the smaller Ford vehicles which may be more economical to run with regard to fuel. Ms. Griffin stated that they are 75% through year 4 using the current cruiser fleet which may buy them some extra time 3 years from now.

The Chief welcomed questions of the Board.

Chief Giaccone noted that the overseeing board chose to use some of the accumulated fund balance in the Lower Grafton County Prosecutorial Association (LGCPA) to bring down costs charged to each participating community, including Hanover. Each town that is a member of the Association will see less of an expenditure to run the Prosecutor program. The decrease for Hanover is in the amount of \$4,142. Selectman Rassias asked if it will go up next year. Chief Giaccone stated that it would most likely go up but hopefully not at the rate that it was decreased. Chairman Christie clarified that this was the Association's Fund Balance that was used and not the Town's. Ms. Griffin stated that this was true and that the Town contributes funds to the Association, as do other member communities based on approximate historic caseload allocation among participants. Chief Giaccone stated that they try to maintain between 5% to 10% in fund balance.

Chief Giaccone noted that there was a decrease for the purchase of computers. This year they are replacing 3 CPUs versus 7 CPUs last year. Chief Giaccone noted that each year they try to decrease the amount of overtime but with the increases in salaries, it increases the average overtime rate. The officers jokingly refer to this as the "Overtime Budget Reduction Act." He noted that they are trying to live within the budget parameters but it is very hard and the department is down by 2 officers. Chief Giaccone stated that with almost 66% of the year gone, there is only 25% of the money left out of the \$45,000 budgeted Overtime funds.

Chief Giaccone reported that the Special Detail line-item refers to situations when officers are assigned to work at construction sites at the cost of the developer. The

department is way ahead in this year's budget because some details are 8 hours a day and some are 16 hours a day. He doesn't expect to see the same amounts of revenue to continue into next year's budget.

Chief Giaccone stated that in this year's budget is a transfer to capital reserve and they are trying to get back into their cycle for cruiser replacement. The next replacement cycle will be larger than the one they are in now. Every 3 years they replace the "main cruiser stock" and then every 6 years they replace the other vehicles (2 unmarked cruisers and the Ridgeline). He stated that the department may be able to get an extra year out of the Ridgeline.

Chairman Christie noted for the public that the way that the Capital Reserve Program works is that each year the Town puts a certain amount of money into the reserve based on the long term expectation and depreciation of equipment. When the money gets spent, there is a spike in year-to-year expenditures, but this is offset by a transfer in from the fund that is supporting the expense.

Chairman Christie noted that ammunition funds are down. Ms. Griffin stated that she took \$5,000 out of that fund. She noted that staff checked with Rick Paulsen who had ordered ammunition last year and they felt they could work within that limit.

Chief Giaccone noted the number of towns that the Dispatch Center serves. Ms. Griffin stated that she got a full appreciation for the Dispatch Center workings with all of the various towns when she sat in Dispatch for 12 hours during Hurricane Irene.

Chief Giaccone stated that there is a 51.6% increase in equipment purchases which includes the Fire Voter System of which \$42,000 will be funded out of the Fire Fund.

Doug Hackett, Communications Coordinator, stated that with regard to the Fire Voter System, in order to cover the geographical area there are 5 voter receiver sites: Town Hall, Hanover Police Department, Lyme Fire Department, Wright's Mountain in Bradford, VT and Hayes Hill. The Fire Voter picks up the best signal, best audio and sends it to the Dispatch Center. If they didn't have the voter system, they would hear 5 different people talking at various levels of quality. The FCC changed the guidelines and requires that the Dispatch Center switch to narrow band and they need to replace this equipment no later than December, 2012. In the past few budgets, Mr. Hackett has tried to find a funding opportunity to replace the narrow band at a lower cost but he hasn't been completely successful in doing that. Mr. Hackett stated that they have budgeted the full amount of \$42,000+ to replace this in the next operating budget. Mr. Hackett will have to order this equipment immediately after July 1 in order to get it installed by the deadline.

Chief Giaccone stated that with regard to Hanover Juvenile Diversion, because there is no monetary impact on the budget, the perception may be that there are no cases. He

clarified that there are still cases that are being handled but again, there is no monetary impact on the budget, as these cases are now all being handled through the Court system.

Chairman Christie asked if the Chief has noted any trends. Chief Giaccone stated that the value of stolen property has significantly increased. There has been a decrease in the number of liquor violations and protective custody. Ms. Griffin stated that she would like to think that this was in part due to the work that was being done with the College. Chairman Christie stated that in 2010 the liquor violations were 205 and in 2011 the number dropped to 131. Vice Chairman Connolly asked if the increase in the value of property has to do with the type of property being stolen. Chief Giaccone noted that the police department is currently investigating a rash of high-end laptop thefts (\$1,000 to \$1,500).

Chairman Christie asked about the Land Violations. Ms. Griffin stated that occasionally the Police Department needs to support the Town on zoning-related violations. Chief Giaccone reported that this is mostly due to property owners having excess unregistered vehicles on their property, junkyard issues, etc.

Chief Giaccone stated that the motor vehicle enforcement work is down and sometimes it is a reflection of the reduction in staffing. He is not asking for an increase in staffing but the Police Department is currently in the process of trying to replace staffing levels.

Selectman Geraghty noted that staffing levels haven't changed since 2003 and asked how often they are at full staff. Chief Giaccone stated that each year they have periods where they may be up to full staff. Most recently there were two officers that left the department; one with a disability and one that wanted to head to a warmer climate. The officers give two weeks' notice and are gone but replacing them is a much longer process. The next patrol testing process takes place March 10th. Chief Giaccone stated that because of the amount of overtime and outside details, everyone has stepped up to cover but they are also building up vacation time. April seems to be a time when people are trying to take vacation and if anyone is out sick or at training, the department needs to keep 2 cars on the road 24/7 and it becomes difficult to maintain.

Chairman Christie asked Chief Giaccone what his biggest concerns are. Chief Giaccone stated that staffing is always a concern. The young officers may be wondering what the NH Retirement System is going to look like in 20 years. The officers have to work longer to reach 50% and this is going to affect attracting good candidates. Chief Giaccone noted that in order to remain competitive they need to bring experienced officers in at a higher rate of pay along the Town's salary scale.

The Board thanked Chief Giaccone for his presentation.

John Ruth, Hanover resident and Finance Committee member, asked Chief Giaccone why the Police Department needs to keep 2 cars on the road at all times. It seemed like at 6 a.m. on a Sunday they wouldn't need it. Chief Giaccone stated that part of it is for

safety reasons. There is no way to gauge at what time, day or night, an incident may arise. If there is a domestic, they cannot send just one officer. Chief Giaccone stated that when he started 38 years ago they had 1 officer on Sunday nights until the burglars figured this out. It is hard to measure the patrol function with regard to prevention and the effectiveness of having a visible presence.

Ms. Griffin reiterated that they never know when they are going to need more than one officer to respond to an incident. It's not unlike the Fire Department in terms of staffing for emergency response. Chief Giaccone also stated that it is interesting to see the spillover from activities on campus, specifically intoxicated individuals, that have affected the dayshift on Sunday morning; dealing with an intoxicated person Sunday morning that places a demand on the department and usually requires the response of two officers. The majority of the population is in the downtown area but their area does expand out to the other side of Moose Mountain near Canaan and Enfield. If you send an officer out there that leaves one in town and he would never go with less than 2 officers.

PARKING

Lt. O'Neill introduced himself to the Board. He read a prepared statement to the Board:

“As Julia mentioned in the budget book ‘Parking Fund Highlights,’ operating and revenue accounts were adjusted in order to balance the fund to this year’s anticipated budget number of \$1,589,599. This overall budget number is down 4.5% (or \$74,000) primarily due to fewer maintenance items in the garage this year.

The Parking & Transportation Board (PTB) at their January 24th meeting voted in their advisory capacity to recommend that Town staff’s proposed budget should not include a reinstated Downtown Parking District Tax in order to reach a balanced budget.

The PTB recommended that along with expenditure reductions, staff look at increased fees or a draw from undesignated funds in order to balance the budget. This balanced budget reflects that recommendation, with cuts made to several line items in both enforcement and at the garage. Increased revenue is achieved after eliminating free parking periods in the garage and raising central business district leased parking rates by 10%.

We looked at several other ways to increase revenue but felt options such as increased fines and meter rates should be put off until our planned parking study is complete. The Parking Study Committee is set to meet at the end of this week to discuss 4 proposals that they received.”

Lt. O'Neill stated that under the General Parking Operations in looking at choices to increase revenues, one item affected is that the parking leases are currently charged \$75/month and this was raised by 10% to \$82.50/month in the proposed budget; approximately 30 spaces are affected. Selectman Geraghty asked when the last increase

was. Lt. O'Neill stated that they have not been increased in the last 16 years that he's been managing the Parking Division.

Lt. O'Neill stated that three expenditures were cut: advertising was reduced by \$1,250; a request for a third software license to be used with their tracking system was reduced resulting in savings of \$7,500; and a reduction in the transfer to the capital reserve for multi-meter replacement by \$3,450.

Ms. Griffin stated that one of the issues was that they had to absorb was the 10% increase in fixed route fees from Advance Transit. Van Chesnut, Executive Director of Advance Transit (AT), was present and stated that this was not necessarily due to fuel price increases. He stated that there are two separate AT programs that they are talking about. There is a fixed route operation and then there are the shuttles to Dartmouth downtown and DHMC. For the shuttles, they look for sponsors to underwrite the costs for that service. Advance Transit uses Federal Transit Administration grants to purchase the buses at 80% Federal money and sometimes 10% from the State. On the operating side, in the case of the Dartmouth/Downtown Shuttle, they ask the College and the Town to share the cost of the fixed route operation and it's up for a 5% increase. If something happens with Federal funding, that service won't be immediately affected. The 10% increase is for the fixed route and they haven't asked for an increase in the last couple of years. Mr. Chesnut stated that in order to request an increase in funding from Hartford/Norwich, it requires that they get 5% of the voters to sign a petition just to get on the warrant and then it goes to a Town vote. This involves getting 500 people to sign which is why they don't ask for annual increases. Mr. Chesnut noted that ridership is up by 9% from the previous year and the shuttle ridership has increased as well.

The Board thanked Mr. Chesnut for his comments.

Lt. O'Neill stated that on the revenue side, the 10% increase in the garage is where they are realizing a fair amount and will probably result in \$24,000 by increasing leased parking rates on the two levels. Eliminating the first 30 minutes free would bring in an additional \$5,800 and eliminating the 3-hour free periods on Saturday would result in an additional \$10,400. Ms. Griffin stated that these were the incentives offered in the beginning to encourage people to use to the parking garage. Ms. Griffin noted that before doing a significant round of changes given the economy, they were hoping that making these changes at the edges might buy one more year.

Vice Chairman Connolly asked if the leased spaces are available at night. Lt. O'Neill stated that most of the people that lease the spaces vacate them at night. Selectman Geraghty asked how the public would know these spaces are available to them as he recently took a chance and parked in a leased space when the parking garage was full but a lot of people were turning around. Lt. O'Neill stated that there are some signs that tell people to use lower leased levels which are put out by the cashiers and they have been instructed to tell people to use those lower levels. Selectman Geraghty asked when the

rates were last increased. Lt. O'Neill stated that they have increased the rates a couple of times since 2003.

Chairman Christie asked about Capital Expenditures transfer to Capital Reserve. He was having trouble following the ins and outs of the capital items for the Capital Reserve. Ms. McClain stated that the transfer from Capital Reserve Fund listed is \$63,650 to pay for the brick ceiling and replacement of 911 call boxes in the garage pending Town Meeting approval. Chairman Christie stated that he was trying to find where this number is located within the spreadsheet. Ms. Levine stated that she has a breakdown of the capital items that the Board will see in the upcoming discussions.

Chairman Christie noted the loss of spaces on East Wheelock Street. Lt. O'Neill stated that there was a change in front of the Hopkins Center when making space for the buses and some of the spaces were moved to the other side. Ms. Griffin noted that people are surprised to hear that Hanover has 1,196 public parking spaces in its downtown parking inventory.

Lt. O'Neill noted that they collect their metered revenue in zones. Occupancy on Main Street has been in the high 80% and low 90% range for a long time. Overall, the meter occupancy has always been in the 60% range. The Town began accepting credit cards for parking-related items in 2007 and in the first year they had 7.4% of their transactions processed by credit card and now it is at just over 23%.

Selectman Rassias asked about the parking facility and noted that it appears that occupancy is stable. Lt. O'Neill stated that it is stable and generally they see a full facility around 1 p.m. and surrounding Hopkins Center events at night.

Lt. O'Neill stated that he is looking forward to the end of the parking study with whatever recommendations may be made by the Parking Consultant. This may help to resolve some of the parking stress. Ms. Griffin stated that she is particularly interested in options to better manage the parking for employees who work in the downtown.

Bill Baschnagel, Hanover Resident and member of the Parking & Transportation Board, spoke to the Board. He understands the logic behind eliminating the 3 hour Saturday fees and the first half hour to raise revenue, but the business community in this town uses both of those elements to attract customers. If the Board chooses to change the policy by charging for the first half hour and the 3 hours on Saturdays, these changes will affect the business community. The initial suggestion was to put in the \$25,000 Downtown Parking Tax which was unpopular but the businesses may not be aware of the changes being proposed in this budget. Fines haven't been raised in over 10 years and this might be preferable to the changes being proposed.

John Ruth stated that the metered spaces on South Main Street are always full and wondered why they wouldn't raise the rates in that area. The average parking facility is half full at peak times. He stated that would have done this two years ago. If the fines

were higher, it would support businesses because people would park there for a shorter period of time and allow a variety of customers to pop in and pop out.

Chairman Christie confirmed that Mr. Ruth was suggesting selectively increasing the rates on the Main Street. Ms. Griffin stated that Lt. O'Neill could model what this would look like. Vice Chairman Connolly noted that the actual amount that they are talking about is \$15,000 in revenue that needs to be generated.

Ms. Griffin stated that they are always in a no win situation with regard to the issue of increasing Parking Fund revenues. Ms. McClain stated that the \$15,000 would be what they would earn if they took away the free time in the parking garage with the 10% permit fees would stay in place. Ms. Griffin stated that there was around \$16,500 in revenue boosting for this budget. One option to fill this gap is to eliminate the 30 minute free parking which would result in \$5,823 and the other is to eliminate the 3 free hours of parking on Saturdays which is \$10,000+.

Chairman Christie stated that there were a couple of different options and creative solutions being offered. Ms. Griffin stated that Lt. O'Neill could model on the Main Street side what raising the rates would look like on the revenue projection.

Bill Baschnagel stated that the suggestion to raise the rates on Main Street is exactly what they did for Main Street and Lebanon Street for two or three years and then raised the others to match. They have done it before and it's not a bad way to go.

FIRE/AMBULANCE

Fire Chief Roger Bradley approached the Board and introduced himself, Captain Bert Hennessey, Captain Jeremy Thibault, Captain Michael Hinsley and Captain Michael Gilbert. Chief Bradley stated that his Captains are his "A Team" and he relies heavily on each of his Captains to keep the department running and they do an excellent job. Organizationally, each of them has a specific area of functional responsibility at the department.

Chief Bradley noted that the Police Department budget is down and part of this is due to the fact that they are charging the Fire Department \$42,000. Chief Bradley stated that he has concerns about the draw of \$192,000 to keep the tax rate at a certain level; he is concerned that going forward, this is going to be a problem. Chairman Christie agreed that this is a valid concern and when they go above 10%, the perception is that they overtaxed the residents and the underlying costs have not gone away.

Chief Bradley stated that as previously reported, the \$42,000 charge for the Fire Voter is one of the highlights and this will help them maintain their radio coverage. There are very few increases in the budget. There are some minor ones, specifically the replacement of the Firefighter turnout gear. They are proposing that \$25,000 be taken out

of the equipment reserve account to offset the \$50,000 expenditure. This would be for 22 sets of gear which includes all of the career firefighters.

Chairman Christie asked about the \$49,000 capital expense and questioned why only half is being funded from the reserve. Ms. Griffin stated that they needed to take some out of the operating budget and half out of the capital reserve. The equipment needed to be replaced all at once and this was not something that they could do out of the operating budget alone.

Chief Bradley stated that most of the line items are within current budget levels with the exception of Fire Training in which there is \$6,000 appropriated for the continuation of the training program which is cost effective to maintain the program. There are also replacement parts and equipment for the AEDs in this budget.

Chairman Christie asked about the revenue impact with the change in policy of the private hydrants. Ms. McClain stated that in looking at the charge from the Water Fund for the hydrant system is at \$588,459 which has been reduced by 6.7%. Ms. McClain stated that this is not a total savings because the billings were used to offset the charge to the Fire Fund from the Water Fund and were sent to people who have private hydrants. Last year there was \$146,000 in billings and this year it would be around \$70,000. Ms. McClain will put this on the list for further review.

Chief Bradley stated that the line item for Professional Development has an amount of \$4,800 set aside. This is for a course in managing emergency radiological transport incidents. This is a federally funded training course fully supported by a grant for the transportation of radiological materials in small quantities. The Town does see incidents of these types of materials travelling through Town. Vice Chairman Connolly confirmed that this is a pass-through where the funds are given to the Town and then spent on the training.

Ms. McClain noted that there is understandable confusion about the calculation of the individual Fire District Tax Rates so she included the calculation worksheet to illustrate how these rates are derived. Chairman Christie stated that they finally made it through the 5 year transition.

Chairman Christie asked about the call category pertaining to spills and leaks on the Fire Department Call Statistics schedule. Chief Bradley stated that it could be anything from a leak of propane to a gas spill at the gas pumps to radiator fluid in an automobile accident.

Chairman Christie asked about water evacuations. Chief Bradley stated that there was a leak today at the Etna Library which would fall into that category. Ms. Griffin stated that HFD responded to the Hanover High School and removed water after the sprinkler system was activated. Captain Gilbert stated that a door was propped open and a sprinkler head froze and burst.

Chief Bradley reported that the unintentional alarms number is on track and they still have contractors and careless individuals who set off alarms so this puts their resources on the road. Chairman Christie noted that the number of these alarms came to 266 last year and it looks like they are on pace for that this year. Selectman Rassias noted that when you add the alarm malfunctions, false alarms and unintentional alarms it averages out to about 1 a day. Ms. Griffin noted that they have had a few structure fires involving dormitories. Captain Gilbert advised that there was a recent fire call where there was a fire in the ceiling of one dorm and the alarm hadn't gone off but the resident heard an alarm from the neighboring building that the Fire Department was responding to and found the fire and evacuated everyone safely.

AMBULANCE

Chief Bradley stated that there is nothing of note with regard to the Ambulance Fund. There is a slight increase proposed in community contributions being proposed for the Hanover General Fund and the Towns of Norwich and Lyme.

In preparing the new Capital Improvements Plan presentation format, Ms. Levine wanted to move the discussion from funding for a specific item to looking at the Ambulance Equipment Capital Reserve Fund as a whole and what it is being used for. She prepared schedules to look at the equipment and the expenditure tied to the balance in the fund projecting future contributions and planned future expenditures.

Ms. Levine noted that this schedule shows the equipment, the replacement year and the cost. She noted that the radio repeater unit is the only equipment to come out of the Reserve Fund for the Ambulance Fund this year. The Fire Department has some large upcoming expenses and future discussions about CIP might include deciding whether to bond for those larger expenses. With the Fire Truck that needs to be replaced in 2014, the balance of the fund will be at a deficit by 2020 at the current funding levels. Ms. Levine also scheduled the dry hydrant replacement/installation schedule.

Ms. Griffin stated that this is partly in response to the Insurance Services Office (ISO) report issued several years ago. Vice Chairman Connolly asked about the dry hydrant program. Captain Hennessey stated that a dry hydrant is essentially a pipe that is connected to a pond that they can connect to in order to draw water to fight a fire. Ms. Griffin stated that this summer, they will focus on the CIP in general, and on the 2020 projection when the account goes negative, in particular. Chairman Christie liked this revised CIP format and felt that this is going to generate productive policy discussions.

HEALTH AND WELFARE

Ms. Levine stated that this budget has not changed significantly. In the Welfare category, the biggest change is to drop the budgeted amount for general assistance. At the time the budget was developed, they had spent only \$400 on general assistance this year due to

Dena Romero's work and knowledge of grants available and other sources of funding. This year because they have been relying so heavily on Dena's services, they are funding a minor increase for the Social Service part-time salary. There is no change in the Health Officers and Food Inspector line items.

Ms. Levine stated that they are recommending that the Board not fund the HIV/HCV Center and Mascoma Valley Health Initiative but recommended to continue funding the other Social Service Agencies that meet the Town's policy and criteria.

Chairman Christie would like the Board to have a future discussion regarding percentage increases year to year. He doesn't want to request a significant change but some are asking for increases at different levels and he would like to consider increasing the contributions by the same amount that the overall Town budget is going up. He would like to be consistent between the agencies.

Ms. Levine noted that Tri County Cap is an agency that the Town relies on heavily when there is a situation where someone is homeless. Chairman Christie wanted to keep this item for discussion. Selectman Geraghty asked if there should be a "but for" additional information in that discussion. Chairman Christie stated that many agencies aren't asking for an increase and others have asked for one and he would like to be consistent for those agencies that provide the same services.

Vice Chairman Connolly stated that she would like to find out why Tri County needs a 20% increase. It is also a small amount of money in comparison to the other agencies.

Ms. Griffin asked whether they would relay to the agencies that if they needed an increase above a rate similar to CPI they would need to articulate why they would need an increase of that amount. Chairman Christie stated that this was the direction that he was moving in.

Selectman Rassias stated that he agrees in principal but he wasn't sure that the Board could understand what each agencies funding situation is. Chairman Christie clarified that the agencies may not be asking for additional funding because they are polite and are not trying to overreach with their request.

Chairman Christie trusts that the staff has done work on this and the Board would need to be able to speak to the agencies that they did not fund.

Selectman Geraghty stated that with regard to the Mascoma Valley Health Initiative, he listened to the discussion about new State districting and the concepts of working together and wants to make sure that the Board is knowledgeable about this going forward. Chairman Christie wanted to make sure that they could articulate why these agencies did not meet the criteria.

EXECUTIVE BUDGET – BOARD OF SELECTMEN & TOWN MANAGER

Ms. Griffin recommended reducing the amount for Nihonmatsu (the Town's sister city in Japan) because they have never spent over \$1,000. She noted that for Joigny (the Town's sister city in France) they cut a check to the Committee in the amount of \$2,000. Vice Chairman Connolly wanted to maintain the same amount for Nihonmatsu because they may spend it in the next year. Ms. Griffin isn't sure that they are coming this summer. This item was put on the list for future discussion.

Ms. Griffin stated that the contribution to CATV was reduced by \$5,000 to \$50,000. There has been some indication that things are financially good at CATV. There were no real significant changes to the Board of Selectmen's or the Town Manager's budgets.

Vice Chairman Connolly asked how much money is taken in from Comcast. Ms. McClain stated that they budgeted \$88,000 this year. Ms. Griffin stated that they take in more in Franchise Fees than they allocate to CATV. The Town levies a 5.0% Franchise Fee on all cable television services provided by Comcast; the Franchise Fee is not assessed on Internet, Voice or other related services. There has been discussion about reducing the amount received in Franchise Fees by reducing the percentage from 5.0% to 3.0% to make it even with the allocation to CATV. Ms. Griffin stated that in a good economy, it might make sense but this year, they could lose \$33,000 in revenue. Ms. Griffin stated that with the changes in technology she's not sure how much longer this line-item would be a viable revenue source for the Town.

6. BANNER REQUESTS:

- Hopkins Center
- Special Olympics Summer Games

Ms. Griffin reported that the Town can accommodate these requests.

Vice Chairman Connolly MOVED to Approve the Banner Requests of the Hopkins Center and the Special Olympics Summer Games. Selectman Doherty SECONDED the motion.

THE BOARD VOTED UNANIMOUSLY TO APPROVE THE BANNER REQUESTS OF THE HOPKINS CENTER AND THE SPECIAL OLYMPICS SUMMER GAMES.

7. APPROVAL OF MINUTES:

- February 13, 2012

Vice Chairman Connolly had one change to the draft Minutes of February 13, 2012.

Selectman Doherty MOVED to Approve the Minutes of February 13, 2012, as Amended. Vice Chairman Connolly SECONDED the motion.

THE BOARD VOTED UNANIMOUSLY TO APPROVE THE MINUTES OF FEBRUARY 13, 2012, AS AMENDED.

8. ADMINISTRATIVE REPORTS.

Ms. Griffin stated that she's been working on the budget and FastRoads with trying to line up funding and this has been an active area of focus for the past couple of weeks.

9. SELECTMEN'S REPORTS.

Athos Rassias

Selectman Rassias has nothing new to report.

Judy Doherty

Selectman Doherty had nothing new to report.

Kate Connolly

Vice Chairman Connolly reported that the Planning Board will hear Zoning amendments at the Black Center tomorrow night.

Bill Geraghty

Selectman Geraghty had nothing new to report.

Peter Christie

Chairman Christie reported that the Finance Committee met today and they saw a preview of the Town budget. They had a lively discussion and he will forward any feedback from the Committee to the Board in the future.

10. OTHER BUSINESS.

There was no Other Business reported.

11. ADJOURNMENT.

Vice Chairman Connolly MOVED to Adjourn the Meeting. Selectman Doherty SECONDED the motion.

THE BOARD VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 9:28 P.M.

Respectfully Submitted,

Judith A. Doherty, Secretary

Minutes prepared by Elizabeth S. Rathburn.

SUMMARY

- 1. Selectman Doherty MOVED to Adopt the Supplemental Tax Warrant for Tax Year 2011 Related to Change in Taxable Status of Telecommunications Industry's Use of the Public Right-of-Way. Vice Chairman Connolly SECONDED the motion.**

THE BOARD VOTED UNANIMOUSLY TO ADOPT THE SUPPLEMENTAL TAX WARRANT FOR TAX YEAR 2011 RELATED TO CHANGE IN TAXABLE STATUS OF TELECOMMUNICATIONS INDUSTRY'S USE OF THE PUBLIC RIGHT-OF-WAY.

- 2. Selectman Doherty MOVED to Accept the Abatement Requests as Presented. Selectman Geraghty SECONDED the motion.**

THE BOARD VOTED UNANIMOUSLY TO ACCEPT THE ABATEMENT REQUESTS AS PRESENTED.

- 3. Vice Chairman Connolly MOVED to Authorize the Town Manager to Execute All Documents Related to the Contract Agreement Between the Town of Hanover and NHDOT for Engineering, Permitting, Design and Construction of Improvements to the Bus Transfer Facility on East Wheelock Street, which includes Federal Transit Administration Section 5309 Capital Program Funds. Selectman Rassias SECONDED the motion.**

THE BOARD UNANIMOUSLY AGREED TO AUTHORIZE THE TOWN MANAGER TO EXECUTE ALL DOCUMENTS RELATED TO THE CONTRACT AGREEMENT BETWEEN THE TOWN OF HANOVER AND NHDOT FOR ENGINEERING, PERMITTING, DESIGN AND CONSTRUCTION OF IMPROVEMENTS TO THE BUS TRANSFER FACILITY ON EAST WHEELOCK STREET, WHICH INCLUDES FEDERAL TRANSIT ADMINISTRATION SECTION 5309 CAPITAL PROGRAM FUNDS.

4. **Vice Chairman Connolly MOVED to Approve the Banner Requests of the Hopkins Center and the Special Olympics Summer Games. Selectman Doherty SECONDED the motion.**

THE BOARD VOTED UNANIMOUSLY TO APPROVE THE BANNER REQUESTS OF THE HOPKINS CENTER AND THE SPECIAL OLYMPICS SUMMER GAMES.

5. **Selectman Doherty MOVED to Approve the Minutes of February 13, 2012, as Amended. Vice Chairman Connolly SECONDED the motion.**

THE BOARD VOTED UNANIMOUSLY TO APPROVE THE MINUTES OF FEBRUARY 13, 2012, AS AMENDED.

6. **Vice Chairman Connolly MOVED to Adjourn the Meeting. Selectman Doherty SECONDED the motion.**

THE BOARD VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 9:28 P.M.