

FINAL

BOARD OF SELECTMEN'S MEETING

April 25, 2011

7:30 P.M. – MUNICIPAL OFFICE BUILDING – HANOVER, NH

The meeting of the Board of Selectmen was called to order at 7:30 p.m. by Chairman Brian Walsh. Present were: Brian Walsh, Chairman; Katherine Connolly, Vice Chairman; Peter Christie, Selectman; Judy Doherty, Selectman and Julia Griffin, Town Manager. Absent: Athos Rassias, Selectman.

1. PUBLIC COMMENT.

Chairman Walsh called the meeting to order and asked for any Public Comment. There were no comments from the public.

2. DISCUSSION REGARDING IMPENDING EPA ENFORCEMENT OF NEW PHOSPHOROUS LIMITS IN WASTEWATER DISCHARGE.

Ms. Griffin stated that she asked Kevin MacLean, Water Reclamation Facility Superintendent, to be here to speak to this issue. She noted that Mr. MacLean alerted her to this issue about a year ago but it is now to the point where the Board needs to be informed. Chairman Walsh invited Mr. MacLean to approach the Board to speak to this issue. Ms. Griffin stated that the Town may be facing the need to battle with the Environmental Protection Agency (EPA) regarding the possible phosphorous limits.

Mr. MacLean stated that Hanover's Department of Environmental Services (DES) permit is currently "in limbo" awaiting approval and they are waiting to hear about permit limits. The last permit was a General Permit which was issued five years ago and as part of discussions with the DES at that time, there were some discussions about the fact that the Town's nitrogen limit might bring the Town out of the General Permit status and into the category of nitrogen limits from pushback coming up the river.

Mr. MacLean stated that they have been looking for this information for over a year and now they are now hearing that the Town of Charlestown now has a monitoring requirement for nitrogen; they are the first template for the Connecticut River basin. The basis for the limits being proposed do not make scientific sense.

Mr. MacLean stated that the City of Concord was blindsided with a phosphorus limit of .24 and there are a bunch of petitions going out to Region 1 on behalf of the City of Concord to try to defend the limit requirements. The new limits are going to cost a huge amount of money to the communities.

Selectman Christie asked about the possible magnitude of costs. Mr. MacLean stated that it is potentially possible, depending on the nitrogen limit, that it could cost \$700,000 to \$1 million but this is without knowing what the limit would be.

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Selectman Christie asked which part of the plant would be most affected. Mr. MacLean stated that it would affect primarily aeration basins. If the Town is told to tighten up on pH levels, they might need to do some additional chemical additions. If the Town is required to remove phosphorus, it could cost the Town \$30 million.

Selectman Christie clarified that the Town just invested over \$6 million at the facility. Mr. MacLean stated that this work was to replace the existing facility and would not address nutrients.

Ms. Griffin stated that her initial thought was to hand the keys to the treatment facility over to the EPA; this is terrible timing for communities. Hartford and the State of Vermont are battling with the EPA over this very issue. Ms. Griffin stated that they will have to watch very carefully what happens with these communities. She suggested reaching out to the Federal delegation and reach out to Congressman Bass and Senator Shaheen to ask for help.

Vice Chairman Connolly stated that there doesn't seem like there's any scientific basis or any scientific remedy to achieve those required levels. Mr. MacLean stated that other communities have hired a former EPA official who is now petitioning and trying to get the basis rescinded for establishing the permit limits.

Vice Chairman Connolly stated that Concord is claiming that the Merrimack River is a NH State River and therefore not under review by the EPA and felt that this would also apply to the Connecticut River. Mr. MacLean stated that he didn't know for sure but that his first reaction would be that it would also apply. Vice Chairman Connolly stated that the Connecticut River is wholly owned by the State of New Hampshire which may change its status with the EPA.

Chairman Walsh stated that the Board can offer to lend the Town's voice to the debate and if the number really is \$30 million for phosphorus, make sure they have the right background for it. Chairman Walsh asked whether the Town needs to stop what they are doing with the amount of money that is already in the bank until they understand more about the potential impacts with the nitrogen limit requirements.

Mr. MacLean stated that the work that the Town is undertaking will not address the nutrient levels but will keep the facility within permit range. Chairman Walsh stated that he is not ready to go back to the voters with the uncertainty of what the Town may be facing. He would rather keep money in the bank if the nitrogen issue becomes real.

Ms. Griffin stated that they have awarded the bid for the last large component of the project but they could have conversations with Underwood Engineers and the construction firm to talk about whether the Town would save any money by changing the project as opposed to waiting and having the other shoe drop and having the nitrogen piece come into play. She noted that the Town has awarded the contract so there may be some legal issues in terms of trying to pull back from it at this point.

Mr. MacLean stated that the reality of the way the permitting process goes is that it is on a 5 year permit cycle. There is a good chance that the Town will have nitrogen monitoring and then

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during the next permit cycle, the Town will get a look at the limit. They have 5 years to run the facility at the level that it currently runs.

Chairman Walsh felt that it sounds like there is nothing that the Town can do at this time. Ms. Griffin stated that they should continue to do the work that is already planned since they received a very good bid price for that project. She felt it was worth continuing to fight this issue and hope that other communities join the fight and question the science behind the limits. She feels that the Town will most likely have 5 years of monitoring

Chairman Walsh confirmed that there are no decisions that the Board can take or actions that they can make relative to this issue at this time. Ms. Griffin and Mr. MacLean agreed and stated that this issue is too preliminary. She wanted to Board to be aware of this issue looming over the horizon.

Selectman Doherty asked about the Town's contribution to the problem on Long Island Sound. Mr. MacLean stated that they have been tracking the data in-house regarding nitrogen and phosphorus for over a year. Another piece of this is to look at the flow that is taken in from Lebanon. Mr. MacLean stated that right now with the average flow, they would be able to meet the nitrogen limit 81% of the time. If the nitrogen limit is changed to the new anticipated level for the General Permit, the Town would miss that limit 91% of the time.

Selectman Doherty asked whether the Town is contributing to an environmental problem and if they are, they need to be part of the solution.

Ms. Griffin read part of a letter provided by Underwood Engineers:

“In presentations made in technical sessions of the New England Water Environment Association conferences, detailed evaluations of the impact of Nitrogen on Long Island Sound indicate that point source contributions to the Connecticut River from New Hampshire constitute approximately 3% of the total nitrogen load delivered to Long Island Sound. Given the number of New Hampshire treatment facilities that discharge to the Connecticut River, the Hanover facility therefore contributes no more than 1 to 2% of the total nitrogen load to the Long Island Sound. The cost effectiveness of such a limit being applied to Hanover is clearly questionable.”

Selectman Doherty confirmed that Hanover is a point source.

Chairman Walsh stated that this information was not clear. The way the information reads, Hanover is responsible for 1 to 2% of the impact on Long Island Sound when in fact they are responsible for 1 to 2% of the 3% total impact. Mr. MacLean stated that the capital costs to bring the levels down will not make an impact when the contribution level is currently 1 to 2% of the 3%.

Chairman Walsh wanted an addendum to the memo from Underwood clarifying that the percentage is out of the total of 3% and that the Town of Hanover is not contributing 1-2% of the impact on Long Island Sound. Ms. Griffin stated that the EPA is well aware of the contributory load coming from the Town. Selectman Doherty stated that agencies concerned with

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environmental impacts could read this information wrong and back what the EPA is doing in a way that they perhaps didn't intend to. She feels it's very important for the community to understand the impact Hanover is having on this problem. Ms. Griffin stated that a fact sheet could be created about this issue.

Vice Chairman Connolly stated that the public should be informed that the EPA is averaging loads and are not differentiating the Town of Hanover's load versus other contributing towns.

Chairman Walsh felt that at a price of around \$700,000 for the nitrogen problem, if Hanover was responsible for 1 to 2% of the nitrogen load in Long Island Sound, that amount sounds like a relatively small number to deal with it. He felt this was really different from \$30 million for phosphorus where there has not been a demonstrated need for those limits.

Ms. Griffin stated that she talked with Peter Kulbacki and if the Town receives the new permit and are in the 5 year monitoring phase, she would like to see cost estimates for nitrogen reduction so the Town can start reserving for it. If the costs is \$750,000 they can handle that but the bigger issue would be the \$30 million cost. Chairman Walsh is not concerned about the \$30 million number because in comparison with other Towns and Cities, Hanover is going to be a smaller factor. Mr. MacLean stated that this initiative will cost billions.

Vice Chairman Connolly asked if the Town has been monitoring phosphorus and whether there has been a drop. Mr. MacLean stated that they have been monitoring it for over a year and they average at 5.28 ml per liter with a minimum of .26 and a max of 17. The permit limit that they are trying to put through is 2.4.

Chairman Walsh felt that this was why they have the industrial pre-treatment program; fundamentally they should have a sense of what their sources of phosphorus are and go back upstream and talk to the other sources of phosphorus and charge more to the contributors.

Selectman Doherty stated that if there are things that residents and businesses can do to bring the numbers down, they should start getting that information out to the public. Five years is a good amount of time to effect change.

Ms. Griffin just wanted to get this on the Board's radar screen. As this issue began to take hold in surrounding communities, she wanted the Board to know.

Chairman Walsh would like to have a graph regarding the phosphorus and nitrogen limits included in the fact sheet which would be useful. Selectman Doherty wanted to make sure that any other issues that Mr. MacLean has concerns about should be brought to the Board. The Board thanked Kevin MacLean for speaking to the Board.

3. TOWN MEETING UPDATE.

Ms. Griffin noted that Brian Walsh and Peter Christie are up for re-election and won't be eligible to work the polls at Town Meeting which is scheduled for May 10th. The Board worked out the schedule for poll coverage.

Ms. Griffin will review the motions that the Board will be presented.

Selectman Doherty confirmed that the information about Town Meeting is up and on the new website. She offered her congratulations to Corey Stevens and Virtual Town Hall staff for getting this information up on the website.

- 4. APPOINTMENTS:**
 - Senior Citizens Advisory Committee

Vice Chairman Connolly MOVED to appoint Marcie Ann Kennedy to the Senior Citizens Advisory Committee. Selectman Doherty SECONDED the motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED TO APPOINT MARCIE ANN KENNEDY TO THE SENIOR CITIZENS ADVISORY COMMITTEE.

- 5. RECOMMENDATION TO SET POLLING HOURS FOR TOWN MEETING ON MAY 10, 2011.**

Chairman Walsh MOVED to set the polling hours for Town Meeting on May 10, 2011 from 7 a.m. to 7 p.m. Selectman Doherty SECONDED the motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED TO SET THE POLLING HOURS FOR TOWN MEETING ON MAY 10, 2011 FROM 7 A.M. TO 7 P.M.

- 6. BANNER REQUESTS:**
 - Fourth of July
 - Open Air Summer Family Concerts
 - Cape Air
 - ILead

Chairman Walsh MOVED to approve the Banner Requests for the Fourth of July, Open Air Summer Family Concerts and ILead. Selectman Doherty SECONDED the motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED TO APPROVE THE BANNER REQUESTS FOR THE FOURTH OF JULY, OPEN AIR SUMMER FAMILY CONCERTS AND ILEAD.

Vice Chairman Connolly stated that Cape Air is a commercial enterprise which falls outside of the Town's policy for banner display. Ms. Griffin stated that she included this request to the Board because it came before them but she was also of the opinion that this is a private business venture versus a community event and therefore it would not apply.

Chairman Walsh asked about the written policy regarding banner requests and recommended sending Cape Air a letter respectfully denying their request but including a copy of the policy so they understand why.

Chairman Walsh MOVED to approve the Parade Ground historical plaque and to thank Tom Byrne and Ed Chamberlain for their leadership in organizing this commemorative effort. Selectman Doherty SECONDED the motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED TO APPROVE THE PARADE GROUND HISTORICAL PLAQUE AND TO THANK TOM BYRNE AND ED CHAMBERLAIN FOR THEIR LEADERSHIP IN ORGANIZING THIS COMMEMORATIVE EFFORT.

7. APPROVAL OF MINUTES:
- April 4, 2011

Vice Chairman Connolly MOVED to approve the Minutes of April 4, 2011. Chairman Walsh SECONDED the motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED TO APPROVE THE MINUTES OF APRIL 4, 2011.

8. ADMINISTRATIVE REPORTS.

Ms. Griffin stated that the legislative session in Concord continues to be intriguing and she has not had to go to Concord to testify. She noted that there is a tremendous amount still in jeopardy with regarding to municipal funding the Town receives from the State. If everything comes to pass, the Town could potentially see a 22% decrease in revenue this year after seeing a 26% decrease in the last biennium – the cumulative impact would be a 48% reduction in revenue.

Ms. Griffin stated that there have been residents coming into Town Hall asking what the Town thinks the impact will be. She advised that she had Betsy McClain look at the amount of taxes liened for the last 5 years which is another indicator that people are experiencing financial strain.

Chairman Walsh stated that when discussing the percent reduction in State revenue, the Town should put it in perspective of the percent on tax rate. Ms. Griffin stated that she's asked Betsy to put a graph together to show the impact on the tax rate on both the municipal side and the school district side in percentage terms.

Vice Chairman Connolly confirmed that the New Hampshire Retirement System contribution from the State is at 25% and not funded at the 35% level. Ms. Griffin stated that in order for the State to keep the rate at 25%, this legislature would need to reverse last year's legislation which would bring the contribution amount back to 35% as of July 1, 2011. The Senate is opting for remaining at 25% and the Local Government Center (LGC) is asking for at least a 25% State subsidy for Group II and Teachers.

Chairman Walsh stated that the Town should also talk about the amount of dollars that they are going to be asked by the State to raise from the citizens via property taxes to fill the deficit in Concord.

Ms. Griffin stated that Selectman Christie will be presenting the budget at Town Meeting and felt that he may or may not want to talk about possible tax rate increases due to the potential State impact; although they will not really know this until the summer. Ms. Griffin stated that she has received the updated numbers from the County with the projected increases in the County tax over the next 5 years due to the County Jail project. The final costs was \$33 million versus \$38 million.

Selectman Christie stated that he will need to talk about this at Town Meeting and he will be needing a number indicating what number or percentage of the tax rate is attributable to the State downshifting. He is also going to restate the Board's philosophy that they budget regardless of the State's future actions.

Vice Chairman Connolly wanted to make sure that the School Tax is included in this information. Selectman Christie stated that he is going to talk about the Town budget and doesn't feel that the Board should address the School budget. Vice Chairman Connolly felt that there is merit in providing the Town percentage and the School percentage as it relates to the tax bills. Ms. Griffin stated that while it is true that the Town can only defend the Town's budget, the perception at times is that the Town somehow controls the rate that actually comes from the School District.

Chairman Walsh stated that the Board can inform the Town but the time that it matters most is when the November tax bills go out with an explanation as to the increases attributable to the State, County and School.

9. SELECTMEN'S REPORTS.

Peter Christie

Selectman Christie reported that it is a quiet period for the Finance Committee. He noted that the Committee is in full support of the Town's Budget as shown in the Town Report.

Kate Connolly

Vice Chairman Connolly reported that at the last Planning Board meeting, they had some site plan reviews for small additions for Dartmouth College. She noted that there will be a meeting tomorrow night to review the Master Plan for the Dartmouth Riverside development.

Judy Doherty

Selectman Doherty had nothing new to report.

Brian Walsh

Chairman Walsh had nothing new to report.

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10. OTHER BUSINESS.

There was no Other Business reported.

11. ADJOURNMENT.

Selectman Doherty MOVED to adjourn the meeting. Vice Chairman Connolly SECONDED the motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED TO ADJOURN THE MEETING AT 8:23 P.M.

Respectfully Submitted,

Judith A. Doherty, Secretary

Minutes prepared by Elizabeth S. Rathburn.

SUMMARY

1. **Vice Chairman Connolly MOVED to appoint Marcie Ann Kennedy to the Senior Citizens Advisory Committee. Selectman Doherty SECONDED the motion.**

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED TO APPOINT MARCIE ANN KENNEDY TO THE SENIOR CITIZENS ADVISORY COMMITTEE.

2. **Chairman Walsh MOVED to set the polling hours for Town Meeting on May 10, 2011 from 7 a.m. to 7 p.m. Selectman Doherty SECONDED the motion.**

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5. **Vice Chairman Connolly MOVED to approve the Minutes of April 4, 2011. Chairman Walsh SECONDED the motion.**

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED TO APPROVE THE MINUTES OF APRIL 4, 2011.

6. **Selectman Doherty MOVED to adjourn the meeting. Vice Chairman Connolly SECONDED the motion.**

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED TO ADJOURN THE MEETING AT 8:23 P.M.