

FINAL

BOARD OF SELECTMEN'S MEETING

May 20, 2013

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 Peter Christie. Present were: Peter Christie, Chairman; Athos Rassias, Selectman; Bill Geraghty, Selectman; Jay Buckey, Selectman; and Julia Griffin, Town Manager. Absent: Nancy Carter, Selectman.

1. PUBLIC COMMENT.

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

2. ORGANIZATIONAL MEETING OF THE 2013/2014 BOARD OF SELECTMEN.

Ms. Griffin stated that the Board needs to elect a Chairman, Vice Chairman and Secretary in addition to assigning the liaison appointments.

Selectman Geraghty MOVED to Nominate Peter Christie as Chairman. Vice Chairman Rassias SECONDED the Motion.

Selectman Geraghty MOVED to Nominate Athos Rassias as Vice Chairman. Selectman Buckey SECONDED the Motion.

Selectman Geraghty MOVED to Nominate Nancy Carter as Secretary. Selectman Buckey SECONDED the Motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSENT TO APPROVE THE NOMINATIONS.

Chairman Christie stated that there were a couple of changes to the liaison assignments to the various Boards and Committees. Vice Chairman Rassias would step down from the Conservation Commission and Chairman Christie would be the new liaison. Chairman Christie noted that he would be an alternate for the Finance Committee but Selectman Buckey would be the primary liaison. Chairman Christie stated that he would be the alternate to the Advisory Board of Assessors with Vice Chairman Rassias as the primary liaison.

Chairman Christie stated that everyone else expressed a desire to continue on the Committees that they were previously assigned to. Vice Chairman Rassias noted that the person assigned to the Planning Board is a representative because they are a voting member.

Chairman Christie named the Committees and their liaison or representatives:

Advisory Board of Assessors – Vice Chairman Rassias (Chairman Christie – alternate)
Bike & Pedestrian Committee – Vice Chairman Rassias
Chamber of Commerce – Selectman Geraghty & Julia Griffin
Conservation Commission – Chairman Christie
Hanover Finance Committee – Selectman Buckey (Chairman Christie – alternate)
Sister Cities – Kate Connolly (on behalf of the Select Board)
Hanover Improvement Society – Selectman Geraghty
Howe Library – Selectman Carter
Parking & Transportation Board – Bill Baschnagel (on behalf of the Select Board)
Parks & Recreation – Selectman Geraghty
Planning Board – Selectman Carter (Selectman Buckey – alternate)
Trescott Company – Chairman Christie & Selectman Buckey
Upper Valley Lake Sunapee Regional Planning Commission – Kate Connolly, Joanna Whitcomb and Jonathan Edwards (on behalf of the Select Board.)

**3. RECOMMENDATION TO ACCEPT ABATEMENT
RECOMMENDATIONS OF THE ADVISORY BOARD OF ASSESSORS.**

Mike Ryan, Director of Assessing, was present to speak to the Board.

Vice Chairman Rassias asked Mr. Ryan about the difference between an appraisal for re-financing and how this compares with the valuation of the Assessing office. Mr. Ryan stated that the Board of Assessors view refinancing appraisals as being very conservative. This information is provided to the Board as evidence but it's not the final deciding factor.

Chairman Christie noted that none of the requests fall into his area of concern regarding abatements. Mr. Ryan stated that a lot of properties came on the market at the worst time.

Mr. Ryan noted that the last abatement was not included in the last set of Advisory Board of Assessors' Minutes but should have been included; he noted that there was one more appeal coming.

Chairman Christie MOVED to ACCEPT the Abatement Recommendations of the Advisory Board of Assessors. Selectman Buckey SECONDED the Motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSENT TO ACCEPT THE ABATEMENT RECOMMENDATIONS OF THE ADVISORY BOARD OF ASSESSORS.

**4. INITIAL DISCUSSION REGARDING ACCEPTANCE OF CREDIT
CARDS FOR TOWN SERVICES.**

Ms. Griffin stated that Betsy McClain did the legwork on this but Mary White, Library Director; Patrick O'Neill, Parking Lieutenant; Liz Burdette and Hank Tenney, Parks and Recreation; were present as the first users of this new service.

Ms. Griffin stated that there will be two meetings in June to discuss changes to the Rate and Fee Schedule. There will be suggested changes for Parking and Planning & Zoning and she wanted to get this information before the Board prior to those discussions.

Ms. McClain, Finance Director and newly elected Town Clerk, was present to speak to the Board. Ms. McClain noted that her report is also available on the web. She noted that Town Meeting has discussed the acceptance of credit cards twice; first in 2001 when Town Meeting authorized the acceptance of credit cards with a stipulation that any associated fee be passed along to the customer and the second time in 2006 when they added that the Town could absorb the processing fees except for property taxes and utilities. Ms. Griffin stated that this has generated interest and expectation that the Town will start accepting credit card payments.

Ms. McClain stated that The Howe Library accepts credit cards but the Howe Library Corporation absorbs the fees. She stated that The Howe accepts credit card payments for non-resident fees.

Ms. McClain reported that the Parking Fund accepts credit cards and absorbs the fees. She noted that the Parking Fund is a separate enterprise fund and there are no General Fund taxes raised that support the parking operations. The funds that go into the Parking Fund are generated solely by users of the parking system which offsets any credit card processing fees.

Ms. McClain stated that the Town Clerk tax collector's office does not take credit cards over the counter but there is a 3rd party site on-line named "official payments" used by many municipalities although it doesn't make their operation more efficient. She stated that there are few users of this service because there is a 2.75% or 3.0% fee added to the payment.

Ms. McClain reported that the Parks & Recreation Department has transitioned to administrative software that they can use to track all of the recreational activities and they have been able to accept credit cards as of March 1st. She noted that they pass along the convenience fees to the user. As of now, there are no tax dollars being used to underwrite the acceptance of tax dollars.

Selectman Buckey asked about the fees and whether in addition to the 2.75% transaction charge there is a one-time fee per transaction depending on the card. Ms. McClain responded that the 2.75% fee is blended to account for all of the other fixed fees such as monthly charges for reporting and a per transaction fee. She noted that this is similar to the banking fees for the number of deposits made. Selectman Buckey stated that these amounts could add up over time with multiple small charges which would be particularly relevant for the parking operation.

Ms. McClain felt that if they look at the real cost of collecting coin, processing many \$10 checks, collecting many \$10 bills, all of those have costs associated with depositing them. She noted that with a credit card there is one credit to the account so the bank fees are lower. If a person goes through the credit card process, the information is aggregated so there aren't several items crediting the account. She noted that each credit has a cost associated with it since the Town changed banking relationships.

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Ms. Griffin stated that pickup of coins for the Parking operation includes loading several bags of coin to be taken for processing elsewhere. There is definitely a cost associated with handling the money and processing it through the accounts so there is a question as to whether they would save money by having credit card transactions.

Selectman Geraghty stated that the background information was very helpful. He felt that if the credit card charge would save labor then it's worth it but they would only see the savings if they decrease staff hours. If customers want the convenience of a credit card, they should pay the extra fee until the Town can prove that there is a savings. The Recreation Department has simplified the process and the customer is paying the fee but they have a choice although it's not saving staff time yet. Selectman Geraghty felt that the parking operation is the most obvious area for the use of credit cards but he's not sure how many people will change over from paying quarters.

Ms. Griffin stated that for the upcoming discussions about the Rate and Fee Schedule there is a proposal to increase the parking fee rates but with the recommendation that the Town upgrade the meter heads to accept credit cards.

Selectman Buckey stated that his question about the parking meters was to determine who has control of the software and the setting of the rates. For example, if they wanted to provide a cash discount or different parking rates at different times, is that possible with the software or are there things that cannot be changed.

Lt. Patrick O'Neill stated that his understanding in talking to the parking meter companies is that the Town holds the management software and in addition to creating reports to see how many coins are being entered, they can also use the connectivity to increase rates. The area of the parking meter decision that becomes difficult is determining how to make the customer pay additional money. There are a few ways to do this; 1) have one charge for folks that use coin 2) absorb the fee by charging a higher rate for a credit card charge or 3) they could charge a minimum charge for a certain amount of time on the meter.

Selectman Buckey reported that he did talk to a parking meter vendor and they advised that they do not have the ability to charge a different rate based on the type of payment. He noted that another company may offer this. Lt. O'Neill felt that they may be reluctant to do that because it may cause confusion to the customer.

Chairman Christie stated that he came at this from a different perspective. Instead of charging customers for a convenience fee, add a cost for those who pay with cash or check an "inconvenience fee." He stated that there is a cost to processing those payments which may be larger than credit cards and in 10 years there may be no cash or checks and everything will be electronic. He would encourage the Town to maximize credit card usage for services but he wouldn't prejudice the system against credit cards but instead move in the opposite direction.

Selectman Buckey stated that if credit cards were a more cost efficient way to transact business, then credit card companies would be encouraging payments to them via credit card. If you pay a credit card company, they want to have you do it through a bank transaction because that's the

cheapest transaction for them and they don't want to pay a transaction fee to another credit card company. Selectman Buckey also noted that most retailers choose a bank or cash transaction because it is cheaper for them as well.

Ms. Griffin stated that if there was a straightforward way to compare the cash transaction vs. credit card transaction vs. check handling vs. bank transfer, they would hope to identify that one option would be better than another. She agreed with Chairman Christie that in a few short years, there will be less and less cash and check transactions but the Town isn't at the point where they can absorb the transaction fees as a cost of doing business.

Selectman Buckey asked about the cash management fees that are associated with transactions. Ms. McClain stated that the bank fees per item are very low but the issue she sees is the labor issue; staffing a counter to be open from 8:30 to 4:30. She noted that charting out the activity does not add up to 35 hours of collection activity. She stated that they should be batching the activity and once they transfer over, they are not going to eliminate a full position but instead they could scale a position back to a 60% position. That 60% position could be further reduced when they start absorbing fees, if the proposal is accepted.

Selectman Buckey stated that his credit card company has made it pretty easy to do a bank transfer so if the Town could go that route, it would eliminate a lot of time and expense in processing checks. Ms. McClain agreed that they would look into this.

Ms. McClain stated that the Town services employees at parking meters which they want to discourage and there are also regular customers downtown that feed the meters but there are visitors to the area that are used to paying by credit card. She noted that any big city provides the credit card option.

Selectman Buckey wanted it to be clear about who controls the pricing structure and certainly having more ways to take money is better than fewer.

Chairman Christie wanted the Town to make sure that it always behaves in a way that makes it the most efficient possible. Although they can't put a figure on it today, ultimately they will find ways to make it efficient down the road.

Ms. Griffin stated that as they look at making the transactions more efficient, they need to determine who pays the convenience fee as an alternative to paying for the staff time. She stated another issue would be to look at changing their hours of operation at the Town Offices.

Selectman Buckey asked about the ability to pay by phone for parking. He stated that this is very common overseas. Lt. O'Neill stated that he spoke with a company who charges \$0.25 or \$0.35 to the customer. If the customer registers their credit card number with the company, they would charge based on the rate structure. There have to be a lot of stickers added to the meter housing so that customers are aware of how this works and there are some downsides. Lt. O'Neill stated that he will have more information about this in their future discussions.

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Ms. McClain suggested that there may be a phone app that would allow for them to sell a pass in advance, etc.

Ms. Griffin stated that Town Meeting didn't seem to understand why anyone would want to pay for parking meters with credit cards and it appears to be partly a generational issue and urban versus rural issue. Chairman Christie felt that the Town needs to keep in mind what the customers want and if they need to build an overall rate increase to cover the costs in the short term, he felt that this was a way to handle that. Ms. Griffin reported that the Board will see some increases in the proposal for the Parking Rate and Fee Schedule in order to fund the credit card transition for the meters.

Mr. Tenney thinks it's a great idea but they need to determine who is going to absorb the fees and whether they need to increase the costs. He felt that the Select Board should provide some guidance on that eventually.

Ms. Griffin stated that right now the Parks and Recreation Department is passing along the 2.75% fee to the customer. Ms. Burdette stated that she felt that these transactions made up about 1/3 of their revenue.

Ms. McClain stated that when families register on-line they are inputting their information directly into the database which saves a staff person from having to enter it. She stated that it's like the Town is charging people more to do staff work.

Selectman Buckey noted that if they could offer an on-line option to do a bank transfer transaction, maybe the Town could offer a discount and for customers that want to use a credit card, the customer could cover the convenience charge. Ms. McClain stated that she wasn't sure if the new software would have the ability to do this.

Chairman Christie stated that all of this is the cost of doing business; whether it's taking a check or taking a credit card and the Town needs to figure out a way to cover their expenses. He didn't feel that they should charge the customer. Selectman Buckey stated that he would disagree with that.

Vice Chairman Rassias asked about the cost of the Recreation programs. Mr. Tenney stated that most are around \$50 or \$60 but the summer camps are more expensive.

Ms. Griffin noted that if there were no additional fees, she felt that more people would use the credit card approach. Ms. McClain stated that this is also her experience in the Town office but currently they do not have Town Meeting authority to absorb the fees for the big ticket items. Chairman Christie felt that there is a big difference between the big ticket items and the other small transactions.

Chairman Christie felt that maybe they need to look at smaller changes to the Rate and Fee Schedule every year versus taking them on every 5 years or so. The Board thanked staff for their report and input.

5. BANNER REQUEST:

Ms. Griffin noted that the Board wanted to have the opportunity to review the banner layout and that the original banner request was approved subject to approval of the design layout. There were no concerns about the banner.

6. APPOINTMENT:
- Deputy Town Clerk

Ms. Griffin stated that Charlie Garipay stepped down as Town Clerk but would like to be appointed as Deputy Town Clerk. She noted that Charlie is instrumental at Town Meeting and Town Meeting wouldn't be the same without his involvement.

Vice Chairman Rassias MOVED to APPOINT Charlie Garipay as Deputy Town Clerk. Selectman Buckey SECONDED the Motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSENT TO APPOINT CHARLIE GARIPAY AS DEPUTY TOWN CLERK.

The Board wanted to thank Mr. Garipay for his continued involvement in Town Meeting.

7. APPROVAL OF MINUTES:
- May 6, 2013

Elizabeth Rathburn noted one typo in the Minutes of May 6th that would be corrected.

Selectman Geraghty MOVED to APPROVE the Minutes of May 6, 2013 as corrected. Selectman Buckey SECONDED the Motion.

THE BOARD VOTED 3 IN FAVOR, 0 OPPOSED AND 1 ABSTAINED TO APPROVE THE MINUTES OF MAY 6, 2013. (Vice Chairman Rassias abstained from the vote).

8. ADMINISTRATIVE REPORTS.

Ms. Griffin reported that on Wednesday the House of Representatives will be voting on the gambling casino issue in Concord and felt that it could be a close vote. The Senate tabled the gas tax discussion which means that it may not go anywhere until next year.

Ms. Griffin stated that staff is working on closing up the fiscal year so they are reviewing encumbrances which is unspent money that may be pending an outstanding purchase order. She noted that there is \$250,000 in under realized revenue due to the lack of projects from Dartmouth. There will be very few encumbrances because the Town can't afford to spend the money that hasn't been brought in through permit fees. She stated that things are pretty tight at year end which means that there are certain things that they might have encumbered money for that they won't be able to do now.

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Ms. Griffin stated that they are also in the process of planning all of the Capital Improvement Projects for the summer months including bridge and road repairs and equipment purchases while the weather's nice.

9. SELECTMEN'S REPORTS.

Jay Buckey

Selectman Buckey stated that he had nothing new to report.

Bill Geraghty

Selectman Geraghty wanted to make a clarification for the public. He stated that with the Town Meeting vote to accept the gift to purchase the property at 44 Lebanon Street there will be a process to discuss the pros and cons for that property in the future. Ms. Griffin stated that the Town closes on the property on Friday.

Chairman Christie announced that Selectman Geraghty has generously offered to take the lead from the Selectmen's point of view on that project.

Athos Rassias

Vice Chairman Rassias had nothing new to report.

Peter Christie

Chairman Christie reported that Julia Griffin, Betsy McClain, Jay Buckey and he will meet with the Finance Committee on June 17th to discuss in more detail the draft budgeting guidelines. At some point in the future they will meet with the Select Board for a public discussion.

Chairman Christie stated that he received many comments relative to Town Meeting and in general people appreciated the Board's ability to disagree in a professional way.

10. OTHER BUSINESS.

Ms. Griffin read a memo from Willy Black regarding her desire to resign from the position of Town Moderator:

To: Board of Selectmen
From: Willy Black
Re: Town Moderator Position

Dear Selectmen,

Board of Selectmen
May 20, 2013

It has been a privilege for me to serve as the Town's Moderator for many years, but the time has come for me to step down. It's time for a younger moderator who is more in touch with the comings and goings of the Town.

Please accept this note as my official resignation from the position of Town Moderator. It has been quite a ride!

Sincerely,

Willy Black

Ms. Griffin stated that Willy agreed to run last year because they wanted her to help them get through the national primary and election and she is now ready to step aside.

Ms. Griffin stated that Steven Fowler would like to serve as interim moderator and then run at next year's warrant for a 2 year term. Chairman Christie noted that Mr. Fowler was in attendance at Town Meeting last week and he stated that he was looking forward to taking on that position.

Chairman Christie MOVED to NOMINATE Steven Fowler as Interim Town Moderator to serve through Town Meeting of 2014. Selectman Geraghty SECONDED the Motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSENT TO ACCEPT THE NOMINATION OF STEVEN FOWLER AS INTERIM TOWN MODERATOR TO SERVE THROUGH TOWN MEETING OF 2014.

Chairman Christie stated that Willy Black is an institution in this Town and thanked her for her many, many years of service. He also wished Steven Fowler the best of luck.

Chairman Christie MOVED to Follow the Request for a Non-Public Session to Discuss Items Pursuant to RSA 91-a: 3, II (e).

SELECTMAN BUCKEY VOTED YES; CHAIRMAN CHRISTIE VOTED YES; VICE CHAIRMAN RASSIAS VOTED YES; AND SELECTMAN GERAGHTY VOTED YES. THE BOARD WENT INTO NON-PUBLIC SESSION AT 8:24 P.M.

Vice Chairman Rassias MOVED to Exit the Non-Public Session. Selectman Geraghty SECONDED the Motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSENT TO EXIT THE NON-PUBLIC SESSION AT 9:20 P.M.

11. ADJOURNMENT.

Vice Chairman Rassias MOVED to Adjourn the Meeting. Selectman Geraghty SECONDED the Motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSENT TO ADJOURN THE MEETING AT 9:20 P.M.

Respectfully Submitted,

Athos Rassias, Secretary

Minutes prepared by Elizabeth S. Rathburn.

SUMMARY

- 1. Selectman Geraghty MOVED to Nominate Peter Christie as Chairman. Vice Chairman Rassias SECONDED the Motion.**

Selectman Geraghty MOVED to Nominate Athos Rassias as Vice Chairman. Selectman Buckey SECONDED the Motion.

Selectman Geraghty MOVED to Nominate Nancy Carter as Secretary. Selectman Buckey SECONDED the Motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSENT TO APPROVE THE NOMINATIONS.

- 2. Chairman Christie MOVED to ACCEPT the Abatement Recommendations of the Advisory Board of Assessors. Selectman Buckey SECONDED the Motion.**

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSENT TO ACCEPT THE ABATEMENT RECOMMENDATIONS OF THE ADVISORY BOARD OF ASSESSORS.

- 3. Vice Chairman Rassias MOVED to APPOINT Charlie Garipay as Deputy Town Clerk. Selectman Buckey SECONDED the Motion.**

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSENT TO APPOINT CHARLIE GARIPAY AS DEPUTY TOWN CLERK.

- 4. Selectman Geraghty MOVED to APPROVE the Minutes of May 6, 2013 as corrected. Selectman Buckey SECONDED the Motion.**

THE BOARD VOTED 3 IN FAVOR, 0 OPPOSED AND 1 ABSTAINED TO APPROVE THE MINUTES OF MAY 6, 2013. (Vice Chairman Rassias abstained from the vote).

5. **Chairman Christie MOVED to NOMINATE Steven Fowler as Interim Town Moderator to serve through Town Meeting of 2014. Selectman Geraghty SECONDED the Motion.**

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSENT TO ACCEPT THE NOMINATION OF STEVEN FOWLER AS INTERIM TOWN MODERATOR TO SERVE THROUGH TOWN MEETING OF 2014.

6. **Chairman Christie MOVED to Follow the Request for a Non-Public Session to Discuss Items Pursuant to RSA 91-a: 3, II (e).**

SELECTMAN BUCKEY VOTED YES; CHAIRMAN CHRISTIE VOTED YES; VICE CHAIRMAN RASSIAS VOTED YES; AND SELECTMAN GERAGHTY VOTED YES. THE BOARD WENT INTO NON-PUBLIC SESSION AT 8:24 P.M.

7. **Vice Chairman Rassias MOVED to Exit the Non-Public Session. Selectman Geraghty SECONDED the Motion.**

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSENT TO EXIT THE NON-PUBLIC SESSION AT 9:20 P.M.

8. **Vice Chairman Rassias MOVED to Adjourn the Meeting. Selectman Geraghty SECONDED the Motion.**

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSENT TO ADJOURN THE MEETING AT 9:20 P.M.