

FINAL

BOARD OF SELECTMEN'S MEETING

January 27, 2014

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, Vice Chairman; Bill Geraghty, Selectman; Nancy Carter, Selectman; Jay Buckey, Selectman; and Julia Griffin, Town Manager.

1. PUBLIC COMMENT.

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

2. RECOMMENDATION TO RATIFY ONE YEAR EXTENSION OF CONTRACT WITH NEW ENGLAND POLICE BENEVOLENT ASSOCIATION (NEPBA) LOCAL 27 FROM JULY 1, 2014 – JUNE 30, 2015.

Selectman Carter MOVED to Ratify One Year Extension of Contract with the New England Police Benevolent Association (NEPBA) Local 27 from July 1, 2014 – June 30, 2015; and to Ratify One Year Extension of Contract with AFSCME Local 1348 from July 1, 2014 – June 30, 2015. Selectman Buckey SECONDED the Motion.

Ms. Griffin stated that there were discussions with two of the bargaining units about a potential one year extension of the current 3 year contract which expires on June 30, 2014. The last year of the contract included a 2% cost of living adjustment (COLA) but this extension stipulated a 1% COLA effective July 1, 2014 through June 30, 2015. There were a number of reasons that staff recommends the one year extension; one is the uncertainty about the impact of healthcare reform on the municipal level. Another is the fact that the Town is in the process of hiring a Fire and Police Chief and they are usually part of the negotiation process. She stated that AFSCME covers the Public Works employees and the NEPBA covers the Police Department staff and both unions agreed to extend the contract for one year. With the Select Board's approval, they will go on the warrant as separate warrant articles for Town Meeting approval.

Chairman Christie stated that the Board has had a chance to review these extensions in detail prior to this meeting.

THE BOARD VOTED UNANIMOUSLY TO APPROVE A ONE YEAR EXTENSION OF CONTRACT WITH NEPBA LOCAL 27 AND AFSCME LOCAL 1348 FROM JULY 1, 2014 THROUGH JUNE 30, 2015.

3. RECOMMENDATION TO RATIFY ONE YEAR EXTENSION OF CONTRACT WITH AFSCME LOCAL 1348 FROM JULY 1, 2014 – JUNE 30, 2015.

This item was discussed and approved in conjunction with Item #2.

4. UPDATE ON HANOVER'S INVOLVEMENT IN THE EPA GREEN POWER PARTNER PROGRAM.

Chairman Christie invited Peter Kulbacki to speak to the Board about this program. Ms. Griffin introduced David McManus and Yolanda Baumgartner who serve on the Sustainable Hanover Committee.

Mr. Kulbacki stated that they approached the Board about the possibility of purchasing Renewable Energy Credits (RECs) last fall and the goal was to look at how the Town could purchase RECs in order to become a Green Power Community. The intent of purchasing RECs is to offset the added cost for renewable energy which typically costs more to develop. This would provide a longer term, sustainable, more reliable power source.

Mr. Kulbacki stated that in order to qualify for the EPA Green Community Program, the Town would need to purchase 10% of its use as RECs or generate that amount. The Town uses 3,000,000 kWh (3,000 MWh) annually so they would need to purchase 300 RECs to become a Green Power Partner; 1 REC equals 1 MWh hour.

Mr. Kulbacki reported that they did a Request for Proposal (RFP) and found that they could purchase 10% RECs for around \$400; currently there are funds in savings that could be used toward this purchase. He noted that Hypertherm has offset 100% of their consumption (purchasing 100% RECs) in all of their facilities. He noted that they have spoken with some of the larger users in Hanover including Dartmouth Printing, Kendal, and the Co-Op Food Stores in order to see about becoming partners to reach the 4% community-wide threshold. Hanover would be the very first Town in New Hampshire to become a Green Power Community. He noted that there are other entities in NH that are Green Power Partners because they provided the 10% needed.

Mr. Kulbacki stated that the next goal would be to find other entities to partner with the Town. Mr. Kulbacki reviewed the Town's use of power from July 1, 2009 through July 1, 2013 referring to a graph which depicted a big jump in energy use after Hurricane Sandy; he also noted the difference in what the Town paid and what they would have paid if they had been in the wholesale market.

Mr. Kulbacki noted the default rate on the graph which is the market rate through a broker. Ms. Griffin noted that this would be the rate that the individual homeowners would pay. Mr. Kulbacki noted that the purple line on the graph to indicate the wholesale market. The wholesale market will have spikes that go over what the Town pays but a lot of time is below the rates the Town would pay. The red line on the chart indicates the accumulated savings the Town would have experienced if they had been in the wholesale market.

Selectman Buckey asked if the green line is the default cost and whether this is the negotiated cost that the Town had. Mr. Kulbacki stated that part of it is the negotiated rates and there were fixed rates. Ms. McClain stated that the first agreement was for 5 years which expired in '09 and then they went to the default rates. The Town then signed another agreement last December which will expire next month.

Ms. Griffin stated that one reason to go for the contract with a fixed rate is the hope that there will be savings over the seasonal fluctuations in an energy market.

Mr. Kulbacki noted the dramatic spike during Hurricane Sandy and the wholesale market was above the fixed rate. Mr. Kulbacki stated that even if they had been in the wholesale market they would have seen increases but they would have recovered the difference by the end of the year.

Mr. Kulbacki explained the process for the wholesale markets. He stated that they can go in on a daily basis to buy at the daily rates for a portion of the power that will be consumed tomorrow. They can go directly into the pool or they can negotiate with the generators of power; in that instance they wouldn't pay the mark-ups and overhead costs. Brokers are required to have a certain percentage as renewable energy and the Town would not have to buy that in the rate but they can voluntarily purchase the RECs being discussed at a drastically reduced rate.

Mr. Kulbacki stated that to get into the market requires filing an application with ISO New England which is the entity that looks at the Town's power grid to ensure that it's reliable and that the wholesale market is resilient. To become a member and a wholesale purchaser, there is an upfront application fee of \$12,000 and an annual \$500 fee to be in the market. They can get out of the market during any month and revert back to the default rate; they could then go back to the wholesale market rates so there is some ability to go back and forth.

Mr. Kulbacki stated that he would like to purchase the RECs this year with the savings that exist in the current budget and then as soon as possible, before the end of the year, file the application fee. He felt that they should save enough to pay off that fee and save on average \$20,000 to \$30,000 annually in energy costs. He would then take those savings to further other renewable energy projects.

Chairman Christie asked if these two ideas are independent of each other. Mr. Kulbacki stated that they are; you could purchase the RECs without becoming a member of the wholesale market.

Chairman Christie stated that if history is a guide with regard to the wholesale market, there is a strong financial incentive to do this. He asked if this is a new program. Mr. Kulbacki stated that it's not a new program but the paperwork to apply is daunting and requires someone who knows how to do this. He noted that Dartmouth Printing has done this and have been purchasing wholesale and have saved over \$400,000 in the past couple of years.

Selectman Carter asked if the filing of the paperwork is going to take a lot of time as it requires someone who knows how to do this. She noted that this sounds like a day trader type set up and

didn't know who would be handling this. She also asked whether any of the other big entities in town have chosen to go this route.

Mr. Kulbacki stated that he hasn't asked the Sustainable Committee members whether they would want to take this on. He felt that they would look at brokering with Freedom Energy Logistics who brought this idea to the Town regarding managing the day to day piece. They would charge a small fee to watch the market on the Town's behalf. Selectman Carter asked if this company had history with this. Mr. Kulbacki stated that they do.

Ms. Griffin stated that Freedom Energy Logistics brought the power purchasing options to the Town and in discussions Dartmouth Printing sent a representative to meet with the Town to provide a better understanding of the work involved. Staff doesn't have time to become a day trader on the energy market. Ms. Griffin reported that the Town has the ability to purchase 10% RECs from Renewable Choice for \$403.20.

Selectman Carter asked if the Town would receive any kind of recognition for the Hanover Sustainable Committee taking on this initiative. Ms. Baumgartner stated that they have a robust program and there would be recognition plaques for the Town and press releases, etc. She stated that nationally there are under 100 communities that are Green Power Communities.

Selectman Carter wondered if there were other financial benefits that the Town might receive by taking this initiative on. Ms. Griffin stated that this is a great thing to be a part of and the Town has always been about walking the talk with energy efficiencies by implementing solar crosswalks, solar pay stations, solar panels on buildings and when looking at purchasing electricity, this is a small investment and they didn't feel they could approach other entities in Town unless they were willing to do this first. Hypertherm spends \$5,000 to \$6,000/year on energy costs and use 18,000,000 kwh/year.

Ms. Baumgartner stated that when the Town takes the lead, it will be translated in a much larger impact. She felt that once the Town obtains partnership status, they could go back to the largest users and get 10% community wide; she felt that they could get to 20% which would greatly reduce the community's carbon footprint which would be the same as eliminating 3,000 cars or providing electricity for 2100 homes. If they spend \$4,000 to get the Town to 100%, this will leverage into a huge impact.

Selectman Buckey noted that there are three parts to consider; the credits, wholesale power and then generating power. Mr. Kulbacki stated that the efforts to generate their own power will take some time as there are some limits regulated by the Public Utilities Commission (PUC) but they have spoken with some solar power contractors.

Mr. McManus stated that there are different ways of deploying solar and other renewable technologies. He noted that there are 3rd party providers that invest and then develop projects for Towns to sign power purchase agreements for 10 to 20 years at or below current rates. This will be part of a future discussion.

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Chairman Christie wanted to summarize the discussion and focus on the fact that the Town has found a smarter way to purchase electricity independent of the discussion about RECs. On the REC side, the community has made a commitment to reduce its carbon footprint and the Town is at a point now where they could get more for their money by purchasing RECs.

Mr. Kulbacki stated that this was accurate. It's not just about buying RECs, it offsets the energy improvements that the Town has already committed to. Chairman Christie stated that by taking leadership in this they can help encourage larger entities to join in this effort and reduce the carbon footprint regionally and nationally. He asked whether individuals would have the ability to purchase RECs.

Ms. Griffin stated that they spoke with Renewable Choice Energy and they help organize a community REC purchasing opportunity. The first step is to approach the big consumers and then reach out to homeowners.

Ms. Griffin stated that they have money in the budget to purchase the RECs for \$403.20 and if they can find enough savings in the current budget they could go ahead and file the application without budgeting any more money in the energy budget.

Chairman Christie thanked the Committee members and Mr. Kulbacki for their efforts on this exciting venture.

5. BUDGET UPDATE AND REVIEW OF BUDGET REVIEW SCHEDULE.

Ms. Griffin reported that the budget is pretty much complete. She worked to reduce the General Fund budget by an additional \$225,000 to keep the tax rate at 1.3%. They tweaked some of the revenues after learning that the Rooms & Meals Tax revenue is up a little bit and Mike Ryan thinks that they can get up to \$17 million in increased total assessed value this year. She noted that they made the adjustments without huge painful cuts. They are also trying to keep the Fire Fund at no more than a 1.3% increase.

Ms. Griffin reported that the Social Service Agencies will be coming to the next meeting on Monday night to make their brief presentations to the Board. She noted that there are 3 additional agencies requesting funding. She will also have Mr. Kulbacki provide the CIP update next Monday as well.

Ms. Griffin asked the Board to look over their calendars to determine the budget meeting schedule. The Board set the budget hearings for Tuesday, February 25th at 5 p.m.; Wednesday, February 26th at 5 p.m.; and March 4th starting at 7:00 p.m.

6. ACCEPTANCE OF DONATIONS:

- Donation to the Police Department
- Donation to the Fire Department

Ms. Griffin reported that there are three donations for the Board's consideration. There are two donations to the Hanover Fire Department; one in the amount of \$500 and one in the amount of \$100. She noted that one was for a birthday party and one from a grateful user of the Fire Department's services. The Hanover Police Department received \$500 from a Dartmouth family and those funds would be used to buy a new headset for the Dispatch Center. The Fire Department funds have not been earmarked yet.

Vice Chairman Rassias MOVED to Accept the Donations. Selectman Buckey SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO ACCEPT THE DONATIONS TO THE HANOVER POLICE AND FIRE DEPARTMENTS.

7. BANNER REQUEST:

- Parks and Recreation – Main Street Banner
- Revels North – Main Street Banner
- CHaD – Light Pole Banners
- Montshire Museum of Science – Light Pole Banners
- Farmer's Market – Main Street & Light Pole Banners
- The Prouty – Main Street & Light Pole Banners

Ms. Griffin reported that they are now seeing requests for banners one year in advance of events. Ms. Griffin gave an overview of the requests and all of the requests can be accommodated with some negotiations. Ms. Griffin noted that the corporate logos would be removed from the banners per policy.

Selectman Buckey MOVED to Accept the Banner Requests as Presented with the Corporate Logos Removed per Policy. Selectman Geraghty SECONDED the Motion.

THE BOARD VOTED UNANIMOUSLY TO ACCEPT THE BANNER REQUESTS AS PRESENTED WITH THE CORPORATE LOGOS REMOVED PER POLICY.

8. APPROVAL OF MINUTES:

- December 16, 2013

Selectman Geraghty MOVED to Approve the Minutes of December 16, 2013. Selectman Carter SECONDED the Motion.

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSTAINED TO APPROVE THE MINUTES OF DECEMBER 16, 2013. (Selectman Rassias abstained from the vote.)

9. ADMINISTRATIVE REPORTS.

Ms. Griffin reported that there was a wonderful open house for the newly renovated Etna Library yesterday noting that the Hayes sisters were present who sold the property to the Town to make this happen. She reported that people were so appreciative of the new facility. The timber frame was made locally and then Ed and Ross from the building division did the finish work and it is beautiful. Bob Keane and Mark McPeck built the beautiful bookcases in the library. She stated that when the old carpet was removed they discovered wood floors underneath that have since been refinished. The ice skating rink is done behind the building and there were kids skating as the open house took place.

Ms. Griffin reported that the Pond Party is happening on Saturday, February 8th from 12 p.m. to 3 p.m.

Ms. Griffin reported that she attended the Chamber Annual Meeting at Collis last Thursday which was very well attended.

Ms. Griffin reported that she has been busy working on the budget.

10. SELECTMEN'S REPORTS.

Jay Buckey

Selectman Buckey reported that he attended the Finance Committee meeting and votes were taken on the Dresden School Budget and the Hanover Budget. The Committee approved the Dresden Budget as well as the article to improve the fields. The Finance Committee voted to approve the Hanover budget as well. The Committee was not in favor of the Ray School Bond because it was too much for one year.

Nancy Carter

Selectman Carter reported that she serves on the Howe Library Literacy Committee which is chaired by Sarah Buckey. They have an event taking place on Sunday, February 9th from 2 p.m. to 4 p.m. focusing on children with an emphasis on children discovering and donating their favorite book in support of the CLiF Children's Literacy Foundation. There will be a magician and a variety of art projects and reading.

Selectman Carter reported that the Planning Board met on January 21st. They reviewed zoning amendments which include lot coverage, height measurements, side/rear setbacks which will be crafted for consideration at Town Meeting. The first hearing on the amendments will be held on February 4th.

Peter Christie

Chairman Christie reported that the Open House at the Etna Library was a great time and it was clear that Ed and Ross took pride in that project. He felt that this is typical of all of the activity in this Town and the results were exceptional.

Chairman Christie reported that they had a chance to celebrate Ed Chamberlain's contribution to the Land Trust of his farmstead in Hanover Center which was a fun event.

Athos Rassias

Vice Chairman Rassias reported that the Hanover Bike & Pedestrian Committee prepared a letter with regards to looking toward the future. Ms. Griffin noted that this was distributed to the Board in a previous mailing. She stated that they are looking for additional funding sources to support some of their efforts. This will be discussed in greater detail at the next meeting.

Bill Geraghty

Selectman Geraghty announced that the Parks & Recreation Board staff encourages volunteers for the Pond Party on Saturday, February 8th.

11. OTHER BUSINESS.

David Vincelette stated that he spoke at the Town Meeting about the Town's use of asphalt waste. He was told by Julia Griffin that this was decided by Peter Kulbacki and was supposed to be a good idea that would save the Town a lot of money. Mr. Vincelette claimed that this practice is illegal because you are not allowed to pollute the water. Mr. Vincelette stated that medical waste has been filtering into his property's water. Mr. Vincelette stated that he asked for an apology and an alternate water system but the Town refused. Mr. Vincelette stated that he was threatened with arrest. He stated that the Town placed a \$35,000 lien on his property in Etna and claimed that he was running a junk yard. He stated that this was where he hoped to retire. Mr. Vincelette stated that the Town bulldozed his home and that he is being treated like a criminal. Mr. Vincelette stated that the asphalt waste was being placed directly into the brook across from his property. Mr. Vincelette stated that he wondered how this program was approved. He stated that there are 6500 tons of asphalt waste being dumped every year.

Mr. Vincelette stated that Dr. Seuss was an idiot when he wrote *The Cat in the Hat*, which claimed that you could throw materials around and then someone will come and throw everything back into the box. Later Dr. Seuss wrote a book called *The Lorax*, which Mr. Vincelette stated is about stupid people doing stupid things thinking it's not going to hurt anybody. Mr. Vincelette continued to discuss the merits of *The Lorax* and the preservation of nature. Mr. Vincelette noted the importance of water and its uses.

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

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SELECTMAN BUCKEY VOTED YES; SELECTMAN CARTER VOTED YES; CHAIRMAN CHRISTIE VOTED YES; VICE CHAIRMAN RASSIAS VOTED YES AND SELECTMAN GERAGHTY VOTED YES. THE BOARD WENT INTO NON-PUBLIC SESSION AT 8:40 P.M.

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

THE BOARD VOTED UNANIMOUSLY TO EXIT THE NON-PUBLIC SESSION AT 9:30 P.M.

12. ADJOURNMENT.

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

THE BOARD VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 9:31 P.M.

Respectfully Submitted,

Nancy A. Carter, Secretary

Minutes prepared by Elizabeth S. Rathburn.

SUMMARY

- 1. Selectman Carter MOVED to Ratify One Year Extension of Contract with the New England Police Benevolent Association (NEPBA) Local 27 from July 1, 2014 – June 30, 2015; and to Ratify One Year Extension of Contract with AFSCME Local 1348 from July 1, 2014 – June 30, 2015. Selectman Buckey SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO APPROVE A ONE YEAR EXTENSION OF CONTRACT WITH NEPBA LOCAL 27 AND AFSCME LOCAL 1348 FROM JULY 1, 2014 THROUGH JUNE 30, 2015.

- 2. Vice Chairman Rassias MOVED to Accept the Donations. Selectman Buckey SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO ACCEPT THE DONATIONS TO THE HANOVER POLICE AND FIRE DEPARTMENTS.

3. **Selectman Buckey MOVED to Accept the Banner Requests as Presented with the Corporate Logos Removed per Policy. Selectman Geraghty SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO ACCEPT THE BANNER REQUESTS AS PRESENTED WITH THE CORPORATE LOGOS REMOVED PER POLICY.

4. **Selectman Geraghty MOVED to Approve the Minutes of December 16, 2013. Selectman Carter SECONDED the Motion.**

THE BOARD VOTED 4 IN FAVOR, 0 OPPOSED, 1 ABSTAINED TO APPROVE THE MINUTES OF DECEMBER 16, 2013. (Selectman Rassias abstained from the vote.)

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

SELECTMAN BUCKEY VOTED YES; SELECTMAN CARTER VOTED YES; CHAIRMAN CHRISTIE VOTED YES; VICE CHAIRMAN RASSIAS VOTED YES AND SELECTMAN GERAGHTY VOTED YES. THE BOARD WENT INTO NON-PUBLIC SESSION AT 8:40 P.M.

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

THE BOARD VOTED UNANIMOUSLY TO EXIT THE NON-PUBLIC SESSION AT 9:30 P.M.

7. **Vice Chairman Rassias MOVED to Adjourn the Meeting. Selectman Buckey SECONDED the Motion.**

THE BOARD VOTED UNANIMOUSLY TO ADJOURN THE MEETING AT 9:31 P.M.