

Board members present: Chairwoman Dennis, Selectman Bugbee and Selectman LaCourse

Others present: Cary Brown, Tom Loureiro, Joe Hannon, James Lonano, Mark Kustra, Larry Kindberg, Bill Callen, Todd Selig, Steve Hinchman, Wayne Burton, Richard Uchida, Paul Gasowski, Joe Bassett, John and Judy MacDonald, Randy Stevens, Roger Rice, Town Secretary Denise Duval and Town Administrator Julie Glover.

1. Chairwoman Dennis calls the meeting to order at 7:00 pm and asks if the Select Board accepts the Agenda as presented. It does.
2. Chairwoman Dennis opens the meeting up to public comment.

Paul Gasowski, Lamprey Lane, wants to comment on the solar proposals including both the Durham proposals and the anticipated private proposals coming forth in Lee. The bottom line for him is the Town needs to become more resilient with infrastructure, living habits and energy independence. He thinks this is the first time that the Town is looking at energy. He is hopeful that the Town will find common ground with Durham and that the Town will find a way to establish parameters that allow private entrepreneurs in Town to go into solar. He says 'we can't continue to cower to the threat that goes along with taxation'. The Town needs to get out from under fossil fuels and become a more self-contained community. He hopes that the Town can work its way through these issues and make this project happen.

3. Richard Uchida is present on behalf of the law firm Hinckley Allen representing the University of New Hampshire to discuss the discontinuance of Tibbetts Road which runs through the parcel of land that UNH owns on Route 4. Tibbetts Road remains a Class VI road subject to gates and bars. Mr. Uchida hands out a plan for the Board to look at. They would like to finish off what appears to have been started in previous warrant articles to discontinue Tibbetts Road. Nobody uses this road to obtain access to their property at this point. They would like to see this go to Town meeting and to be discontinued once and for all if that is the will of the Board and the people of Lee. The Board is ok with moving forward with a Warrant Article in the spring.
4. TA Glover reminds the audience of what transpired at the last meeting with regards to the Durham/ReVision Energy's Solar Project. Durham's offer of \$1 was rejected by the Board. Todd Selig states that they are very interested in moving this project forward and that their initial offer was an effort to recognize the thin margins that they are working with in term of cash flow. They circled back to ReVision and IGS Energy and they are open to making a payment that is equivalent to the municipal tax rate x the value of the array that is being created. The value is not definitive. Durham is providing an estimate which is at the top end of the market at \$1.8 million according to Mr. Selig. The Town tax rate is \$5.19 per thousand. This would generate a payment of \$9800. Once the solar array is built it depreciates over time so Durham has built a depreciation schedule to the payment of 5% a year over the course of 20 years which is the life span of the power purchase agreement. The Town of Durham anticipates in year 7 buying out the array which means at that time it would no longer be taxable. Durham is proposing that they establish now what the fixed payment rate will be over that 20 year period of time. From a project specific point of view, the partners need to know what the payment schedule is so that they can calculate all of the payment. From a Town point of view,

where there is not a definitive methodology on establishing a value for these types of arrays, they would avoid a lot of challenges long term if the value and depreciation schedule is determined now. Mr. Selig thinks that coming in at the high end of estimated market value works well for Lee. Durham's goal is to be green. Durham has spoken to ORCSD about taking the additional 10% in power that Durham would not use and they are interested.

Selectman Bugbee points out that in the RSA it does state that if there is a PILOT and there is a school district involved, the school district gets a proportionate of the PILOT. TA Glover states that after speaking to a number of people at DRA, they do not know what that language means and they assured her that a PILOT only goes to a Town's general fund. It is not distributed to the school or county. Todd Selig states that they have been told the same information. TA Glover states that if there is lingering concern then she would recommend putting language in the agreement to protect the Town of Lee should there be any changes in the State law or to clarify the understanding that the money goes right into the general fund.

Mr. Selig states that if the Town of Lee is looking for the full rate it just cannot work. Durham will be paying a building permit fee of approximately \$10,000 as well. The project will not be demanding many Town services. Chairwoman Dennis states that the Town tax rate changes yearly. Most likely going up, not going down. She would entertain a PILOT based on the tax rate at what it happens to be every year. She wants to confirm that this is not what Durham is offering. Mr. Selig indicates that she is correct. They would lock in what the payment would be based upon today's municipal rate over 20 years while taking 5% off the value every year for depreciation before assessing the tax.

Steve Hinchman from ReVision states that to make this work they cannot offer any more.

Chairwoman Dennis is not happy with being put in this position of town pitting against town especially with the short amount of time Lee was given notice about this. There is no precedent and if the State of NH really supported renewable energy then they would be doing something.

Selectman LaCourse thinks that this is a good use of the property but at the same time he has a fiduciary responsibility to the Town. He is feeling more comfortable about this project now and would favor moving forward with a Public Hearing.

Selectman Bugbee thinks that renewable energy is a good idea; however, he does not see what this has to offer the Town of Lee. The first year Lee would get \$9800 and the last year would be a little over \$300. He is not in favor of going forward with this project at this particular time.

Chairwoman Dennis confirms that going forward would mean holding a public hearing and then make a final decision. She is in favor of moving forward with a public hearing. She adds that she is having a hard time swallowing \$5.19 for 20 years.

Mr. Selig adds that this is new territory for the State as well. There is a provision in the Statute that allows for a PILOT so he thinks that the legislature just wanted to let the communities work it out. In terms of the pilot, Durham's attorney has provided a template for the Town of Lee to consider. Mr. Selig informs the Board that Durham will start paying Lee for the land portion at the pit now that the well is online. He suggests that the Lee municipal tax rate will

stay about the same. Mr. Hinchman asks that the Board also put on the table a second proposal that does multiply the value by the tax rate in any given year. He asks if the Town believes that they will double their tax rate in the next ten years. Chairwoman Dennis mentions that if the Dover school suit goes through that Lee would lose \$267,000 in one year. Mr. Hinchman states that small differences in the mil rate will not kill the project. They do not want to kill the project over dollars.

Wayne Burton, Durham Town Council, apologizes for not getting this to Lee sooner. He is in the legislature along with Joe Hannon and some of them are fighting to get more solar in the State, but they are up against the biggest lobbyist in the State – Eversource. Mr. Burton states that the State really wants this to succeed. This is the last approved project. Mr. Burton says that the Durham Town Council did an independent study and what “they” are telling the Board is the truth; there is a very slim margin on this project. He hopes this project will work out.

Chairwoman Dennis moves to schedule a public hearing relative to entering into a PILOT agreement with IGS for the proposed Solar Photovoltaic project to be constructed on Packers Falls Road in Lee. Selectman LaCourse, seconds. All in favor. Selectman Bugbee opposed.

**Motion Carries.**

5. Tom Loureiro, Ad Hoc Race Track Committee Chair, presents the Board with an update on the sound measurement process with Reuter Associates at the race track. They have spent \$6k of the \$10k that they have allotted to them to spend on this project. Mr. Reuter has created a broad model on how sound moves in the Town and then did some focused monitoring on a few locations and came up with some interesting results. As it stands right now they have a possible location to test from, but need to do more work to make sure that it works. They want to pinpoint a single monitoring location at the site where he and the committee are comfortable. Reuter needs to go out and complete a little more data gathering, firm up his model and then structure the ordinance with the Committee. Once this is all completed then the Committee will return to the Board with a concrete proposal for restructuring the ordinance to make it enforceable.

Selectman LaCourse asks if they envision in the future if there will be automatic recordings. Mr. Loureiro says they have talked about that, but they haven't gotten that far in their thinking. Mr. Reuter has said there is no reason why we can't do that. Their goal is to get this on the March meeting.

6. Roger Rice is present to answer any questions that the Board may have concerning the Lamprey Regional Coop and Waste Management Joinder Agreement. There are no questions. Chairwoman Dennis moves to approve the Joinder Agreement presented by the Lamprey Regional Coop and Waste Management. Selectman Bugbee, seconds. All in favor. **Motion Carries.**
7. Selectman LaCourse would like to have a budget discussion prior to the start of CIP meetings so to be able to give the CIP guidance at their first meeting in October. Chairwoman Dennis agrees and adds that the last meeting will not go until midnight again like last year. A lot of changes were made to the CIP at the very end. Selectman Bugbee states that based upon the meeting with the school board, the budget proposal should be next to nothing. The Board

decides to have this discussion at the September 28<sup>th</sup> meeting. Selectman LaCourse asks for the latest CIP information to be sent to him.

8. a) TA Glover informs the Board that there was only one proposal submitted for the Pavilion RFP and that was from Excel Construction for \$74,520. There is only \$60k in the Warrant Article for this project. The instruction from the Select Board was to meet with the contractor to talk about ways to achieve cost savings. Unfortunately in order to have that meeting last week, we were unable to have a member of the Rec Commission present. Selectman Bugbee and Highway Supervisor Stevens were able to attend. They discussed various ways to make the budget less expensive. Mike Todd was going to see what he could come up with. Late today TA Glover received an email from Mr. Todd who was able to get a better labor price and build the 30' by 60' for \$57,800. This would eliminate the stone, town volunteers would need to stain the structure, no porta potty, and eliminated the dumpster. Mr. Todd would be able to start the project next week. The roof is going to be a metal corrugated panel and concrete "big feet" will be used under the posts.

Larry Kindberg, the Rec Commission Chair and speaking on behalf of the commission, would like to see a smaller pavilion such as a 20 by 40. TA Glover suggests charging for the use of the Pavilion in the future. There is not much of a cost savings (\$6,000) to go smaller.

Randy Stevens thinks that there are several details that are missing. He is also concerned with not using pressure treated lumber although it does sound really rugged. The one in Greenland is rugged. Mr. Stevens does have questions about the roof. It does not look as if you save a lot going smaller.

Selectman Bugbee would like to meet with him again. Chairwoman Dennis points out that we are running out of time. Chairwoman Dennis suggests moving forward as soon as possible and letting Selectman Bugbee and the Town Administrator meet with Mr. Todd to work out the details.

Mr. Kindberg states that the Warrant Article money was to build the Pavilion and money left over was to be used for fencing between the basketball court and the new field. It had nothing to do with the rail fencing down by the entrance. He requests that the Pavilion be built first and then what is left can be used for the guard rails. Selectman Bugbee and LaCourse do not have a problem with this.

Mr. Kindberg states that they got the posts up yesterday for the slides. They are hoping to get more done next weekend.

d) Randy Stevens states that back when the PSC was built, the State would not allow extra accesses. The Town voted at Town Meeting to build a driveway for the Pascales out to George Bennett Road. Both roads from the Pascales were classified Class VI and should not be maintained by the Town. Class VI means the Town still owns the right of way but does no maintenance on it. At the 2003 Town Meeting their driveway was changed from Class V to Class VI. Class V is Town maintained. The Board agrees that more research needs to be done before a decision can be made as to how to proceed. Mr. Stevens will find out who owns the property in question.

b) TA Glover informs the Board that the recommended CPA is Mr. Vachon. There is a tentative meeting set for Wednesday morning for her and the finance officer to meet with Mr. Vachon. The Board is ok with proceeding with this.

c) TA Glover informs the Board that the security system at Town Hall, the Library and the Annex has been switched over to Hackworth Security. The stemmed from the County telling us that they will no longer be handling such calls and DM Burns was going to quadruple the annual cost to monitor.

9. Chairwoman Dennis moves to accept the Consent Agenda as presented. Selectman LaCourse, seconds. All in favor. **Motion Carries.**
10. Chairwoman Dennis moves to the Select Board Public Meeting Minutes from August 30<sup>th</sup>. Selectman Bugbee, seconds. All in favor. **Motion Carries.**
11. Chairwoman Dennis moves to accept Manifest #5 and Weeks Payroll Ending September 13, 2015. Selectman Bugbee, seconds. All in favor. **Motion Carries.**
12. September 21<sup>st</sup> – Workshop with Randy; September 28<sup>th</sup> – Regular Select Board Meeting; October 12<sup>th</sup> – CIP. Selectman LaCourse asks for an email with all the meeting dates that were discussed tonight.

TA Glover is going to a Budget Workshop tomorrow and will get information with regards to when the municipal association is putting together the budget calendar.

Chairwoman Dennis thanks Caren Rossi for putting together tonight's event for Bob Moynihan and also for taking care of her father-in-law at the fair.

Chairwoman Dennis states that her sense with regards to the Recreation Commission is that they are responsible for programming. The Board agrees. She reminds the Board that this is their main function unless the Board wishes to change that. She gets concerned when the Town Administrator is expected to change everybody's schedule because one person cannot attend.

Selectman Bugbee asks the TA to try to schedule a meeting with Mr. Todd with regards to the pavilion.

13. Chairwoman Dennis motions to adjourn at 8:43 pm. Selectman LaCourse, seconds. All in favor. **Motion Carries.**

SELECT BOARD MEETING MINUTES

September 14, 2015

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Minutes transcribed by:

  
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Denise Duval, Town Secretary

9/28/15  
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Date

Minutes accepted by The Lee Select Board:

  
\_\_\_\_\_  
Carole Dennis, Chairwoman

  
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Scott Bugbee

  
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John LaCourse