

SELECT BOARD PUBLIC HEARING & MEETING MINUTES

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

Others present: Caren Rossi, Jim Griswold, Pat Barbour, Bill Humm, Cary Brown, Katrinka Pellecchia, Roger Rice, Paul and Annie Gasowski, Peg Dolan, Chuck and Laurel Cox, Catherine Fisher, Antoinette Hartgerink, John and Anne Tappan, David and Sharon Meeker, Amanda Gourgue, Richard Weyrick, Randy Stevens, Lou Ann Griswold, Bill Henze, Chief Dronsfield, Chief Nemet, Town Secretary Denise Duval and Town Administrator Julie Glover.

1. Chairwoman Dennis calls the meeting to order at 6:00 pm and asks if the Select Board accepts the Agenda as presented. It does.
2. Chairwoman Dennis opens the meeting up to general public comment.
3. Chairwoman Dennis asks TA Glover to begin the Budget Public Hearing. TA Glover opens with highlighting a few things from the proposed operating budget. The total operating budget being presented by the department heads is \$3,788,597.00 which is a .21% decrease from the current operating budget. \$7812.00 was moved from the IT budget to the TC/TC budget. Had that not happened that budget would have been \$6100 less than last year. Financial Administration's budget is down. The IT budget is going down. Assessing is slightly up. Personnel Administration's budget is being reduced by \$18,000 which includes a reduction in the health insurance premiums due to a change in the plan. Planning and Zoning and Government Buildings budgets are slightly down. The Cemetery Trustees recommended a budget that is \$7000 less; however, we won't be getting the transfer of the interest from those trust funds which the Town has gotten in the past. The proposed police department budget is increased because the Police Chief is proposing \$36,200 for a police cruiser to be in the operating budget. The fire department budget is increasing. The Transfer Station Manager is proposing an increase in wages for one employee at the TS. The solid waste disposal costs are significantly reduced due to a new agreement between the Lamprey Association and Waste Management. The Recreation Commission is proposing a \$15,000 increase to fund a part-time program coordinator and that \$1800 be spent to purchase BBQ grills at the new pavilion. The Library budget is down significantly because in FY16 they budgeted \$24,000 for health insurance for the new Library Director and the health insurance option was not chosen. The overall operating budget is down by \$8,000.

Chairman Dennis opens the Budget Public Hearing up to public comment.

Chuck Cox, Captain Smith Emerson Road, comes forward to speak on the proposed Warrant Article to change the way the funds are dispersed from current use. He does not think that this WA is in the best interest of the town and hopes that the Board removes it.

Ann Tappan, Stepping Stones Road, would like to speak on Warrant Article #5 which proposes changes to the land use change tax fund. RSA 79-A is the Chapter on current use taxation and it opens with the declaration of public interest which reads in part 'It is in the public interest to encourage the preservation of open space thus providing a healthful and attractive outdoor environment for work and recreation of a state's citizens, maintaining the character of the state's landscape and conserving the land, water, forest, agricultural and water life resources. Open space land imposes few if any costs on local government and is therefore an economic

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benefit to its citizens.” In 1989 Lee took advantage of RSA 79-A:25 and voted to place 50% of the revenues raised from the land use change tax into a Conservation Fund and 50% into the general fund. With this fund, land can be kept open with no additional taxes being paid by citizens. The recent Master Plan survey dramatically shows that citizens consider the natural resources aspect of Lee to be important including protecting and acquiring open space. The current 50/50 split between land conservation and the general fund has served the citizens and tax payers well. She urges the Board to leave it at 50/50 and remove Article #5 from the Warrant.

John Tappan, Stepping Stones Road, has 4 reasons against Article #5. First, he went through all the Town Reports from 1989 to today, to find out how much had been deposited into the land use change fund by the 50% split. Second, the average amount deposited over the 26 years was \$28,000. The median annual deposit was just under \$15,000. The largest annual deposit was \$181,000. The next largest was \$126,000 and the third largest was \$54,000. In 8 of the 26 years there were no deposits made into the fund. Third, the land use change tax is usually an indicator of additional expenses to come. Fourth, as written the Warrant Article might deceive many voters. The existing arrangement is not mentioned in the wording; therefore, voters might not know how this article will change the present arrangement. The present article reads as if there is money available to the tax payers.

Bill Humm, Birch Hill Road, wants to answer any questions or concerns regarding Article #2 (the acquisition of a conservation easement on Powder Major Farm). There are none. He wants to stress two points. One is that the Conservation Commission voted unanimously to support this measure and secondly, they will be able to acquire this Conservation Easement with no amount from general taxation. We are only in this position because they have had the 50% allocation of the land use change tax. With regard to Article #5, he believes that the results of the Master Plan survey cast this Article in a very different light. The number one priority was to reduce the tax burden. The number two priority was to protect open space and natural resources. Essentially the only way to do that is with the availability of the funds that have been saved in the land use change tax trust fund. If you take away that tool they will be left with basically very limited ability to achieve the town’s residents number two objective of protecting open space and natural resources. He hopes that the Board will remove this Article from the Warrant.

David Meeker, Wadleigh Falls Road, supports the previous comments. He believes that Article #5 should be removed from the Warrant.

Ann Marie Gasowski, Lamprey Lane, urges the Board to withdraw Articles #3 and #4. She says it is discouraging to learn of the intent of the Select Board to remove the funds of the Lee Public Library Community Center Capital Reserve Fund. These funds were saved for the Library Community Center by the voters for a number of years. For the past few years the Library Trustees, the Library Building Committee and Town Center Committees have spent many hours to take steps toward a solution to the town’s space needs and building refurbishment. Communication among the committees and with residents has remained a problem. Misinformation distributed by small groups to bring forth the agenda to Lee in the no new taxes, no new projects realm have maligned the work of the volunteers and elected officials. It has led to a schism within the town which makes volunteers uncomfortable and

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unwilling to invest more time and energy. It is disappointing that there has been little effort by the Select Board to debrief on the past bond vote concerning the Library Community Center. The bond vote was inconclusive. Was it a vote for no new taxes or against the LCC? The Library Trustees have indicated their willingness to work towards a mutually agreeable solution. As a resident and volunteer of this town, Ms. Gasowski urges the Select Board to look closely at the details and past history of the Town Center Committees and withdraw Warrant Articles #3 and #4. The Library Community Center Capital Reserve Funds should be used for completing phase #1 of the plan. Past voting records on these funds should be honored.

Katrinka Pellecchia, Wiswall Road and Library Trustee, is also asking that Articles #3 and #4 be removed from the Warrant. A plan to address all the town buildings was developed in 2009 and again in 2010. The Town has voted 5 times to set aside monies for the express purpose of building a new Library Community Center which is the first phase of the plan that was developed. The bond was defeated in March, but the Trustees believe that was a vote against higher taxes not necessarily the project itself. Ms. Pellecchia adds that it is very rare for library bonds to pass on the first vote. One no vote does not necessarily mean the project is dead. The Trustees were not notified of these Warrant Articles and the decision to include these articles is not only disrespectful to the Trustees but to the many volunteers who have put in countless hours on this project starting as far back as 2004. Ms. Pellecchia hopes the Board will rethink this decision and remove these Articles. Selectwoman Dennis asks why the Trustees have not brought forward the Library project again this year. She thinks that this is confusing to people. Ms. Pellecchia said that they did not think that the climate was good and since the Town Center was meeting they were hopeful that a report from them would give some clear direction on what the plans were. For example, if the Town Hall moves then there would be room possibly for the Library to expand there. They have wanted to have a work session with the Board all year but it never happened.

Peg Dolan, Library Trustee, feels discouraged that the Select Board and the Trustees are not working more collaboratively. She has been a Trustee since 2004 and they have been talking about building a new Library since then. They are not going to give up. Ms. Dolan says that presenting these Warrant Articles without any discussion is discouraging to volunteers when they have worked so hard. She states that no one from the Select Board has said no to the Library happening.

Sharon Meeker states that she was gratified by the results from the Master Plan. People always want lower taxes but they also want to protect open space. She says that the Select Board has been a wonderful partner with the Lamprey River in protecting land in Lee. The LRAC appreciates their partnership and hopes it continues.

Jim Griswold, Wednesday Hill Road, states that Article #3 and #4 should be considered for withdrawal. He thinks they are premature and they are fraught with the potential for unintended consequences. Mr. Griswold says that it is premature because the LCC has been an idea that's been around for a decade or more, multiple votes, a certain groundswell for support and there has been a plan. Moving the money with no plan is not a good idea. He asks what happens if #3 passes and #4 doesn't and it all goes into the general fund. The likelihood of getting \$300,000 or \$400,000 out for anything is really tough. He would like to see them pulled off.

Chairwoman Dennis closes the public hearing at 6:33pm.

4. a) TA Glover briefly points out some minor changes, highlights and/or explanations in the FY17 Operating Budget.

Selectwoman Dennis goes through the budget by each department, committee and commission for approval, discussion and/or changes.

Selectmen's Office – 41301 – Board accepts ABC recommendation.

Elections & Registrations – 41401 – Board accepts ABC recommendation.

Town Clerk/Tax Collector – 41411 – Board accepts ABC recommendation.

Financial Administration – 41501 – Board accepts ABC recommendation.

IT Expenses – 41502 – Board accepts ABC recommendation.

Assessing – 41521 – Board accepts ABC recommendation.

Legal Fees – 41531 – Board accepts ABC recommendation.

Personnel Administration – 41551 – Selectman Bugbee wants to remove Pay in Lieu of Vacation completely and change the Personnel Policy to remove this benefit. Selectman LaCourse thinks that the policy change should come first before the budgetary change. Selectman Bugbee states that it can be done at the next meeting. The Board agrees to discuss this again at the next meeting on January 11th. Selectman Bugbee proposes that the budgetary change become effective July 1st.

Planning & Zoning – 41911 – Board accepts ABC recommendation.

Government Buildings – 41941 – Board accepts ABC recommendation.

Cemetery – 41951 – Board accepts ABC recommendation.

Insurance – 41961 – Board accepts ABC recommendation.

Other General Government – 41991 – Now in a Warrant Article.

Police Department – 42101 – There is discussion surrounding the proposed purchase of two new police cruisers. The Police Chief explains that the vehicles that are no longer at the PD are the Dodge pickup truck, the motorcycle and the 2010 Ford F150 pick up is now Chief Nemet's operation vehicle. Selectman LaCourse would like to leave one cruiser in the operating budget and one as a Warrant Article. He would like to see a planned purchase of a cruiser every year. Selectman Bugbee would like to see both as Warrant Articles to be paid out of the unassigned fund balance which is what the ABC recommended as well. Chairwoman Dennis cannot imagine that anyone would want a cruiser with over 200,000 miles on it to be in an emergency situation. She understands Selectman Bugbee's concern, but agrees that one should be in the budget and one as a Warrant Article.

Police Dispatch – 42121 – Board accepts ABC recommendation.

Ambulance – 42151 – Board accepts ABC recommendation.

Fire Department – 42201 – There is a 2% merit increase proposed for the full-time lieutenant and the part-time firefighter. Chairwoman Dennis states that the Board directed the department heads to bring a flat budget to the Board. There are a few departments that are bringing increases for personnel and she thinks that there are other departments that didn't do that understanding that they were directed to bring a flat budget. Board accepts ABC recommendation.

Code Enforcement – 42401 – Board accepts ABC recommendation.

Emergency Management – 42901 – Board accepts ABC recommendation.

Highway Department -43111 – Board accepts ABC recommendation.

Transfer Station – 43211 – There is a proposed 9.8% increase in a full-time wage. Selectman Bugbee and Selectman LaCourse do not have any objection. Chairwoman Dennis will not agree

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to a 10% increase. She understands he is underpaid, but it is not what should be done in relation to the way the other employees have been treated in this round. Board accepts ABC recommendation.

Solid Waste Disposal – 43241 – Board accepts ABC recommendation.

Animal Control – 44141 – Board accepts ABC recommendation.

Health Service Agencies – 44151 – Board accepts ABC recommendation.

General Assistance Administration – 44411 – TA Glover informs the Board that the Welfare Director's last day was in the end in the December. TA Glover has an interview tomorrow with a highly recommended candidate. She recommends an increase to \$10,000 for the wages. Board accepts ABC recommendation with Ms. Glover's suggestion.

Direct Welfare Assistance – 44421 – Board accepts ABC recommendation.

Parks & Recreation – 45201 – TA Glover clarifies that the part-time person that the Rec Commission is looking for is a Town employee. There are concerns and/or issues with an employee answering to a volunteer commission. This positions needs to report to the TA or another town department head. Chairwoman Dennis believes that there needs to be a deeper discussion regarding the duties, supervision and what will the Rec Commission be doing if they are not doing programming which is what they are directed to do. The Town is still waiting for the slide structure to be completed by the Rec Commission and there seems to be a problem with maintaining a quorum for their meetings. Selectman LaCourse agrees and states that he would like to pull it and make it zero. Board agrees to eliminate the program coordinator funding and keep the \$900.00 for the 3 grills.

Library – 45501 – Board accepts ABC recommendation.

Patriotic Purposes – 45831 – Board accepts ABC recommendation.

Culture & Recreation – 45891 – Board accepts ABC recommendation.

Conservation – 46191 – Board accepts ABC recommendation.

Long Term Debt – 47111 – Board accepts ABC recommendation.

Interest on Long Term Debt – 47211 – Board accepts ABC recommendation.

b) TA Glover gives a few procedural comments with regards to Articles 3 and 4. In order to discontinue a Capital Reserve Fund, you cannot in one Warrant Article transfer funds from one Capital Reserve Fund to another. That is why there are 2 in this situation. The purpose of the warrant article adopted in 2011 was to build a new library community center on the Bricker property. If the proposal is to now renovate and expand the existing library then you would not be able to use those funds for this because they had a specific purpose to use on the Bricker property. The TA would defer to the Trustees of Trust Funds but she believes that if these two warrant articles were to go forward and pass then if the money was moved into the Town Buildings Capital Reserve Fund then one could use these funds to either build a new building or renovate an existing one. In order to repurpose a Capital Reserve Fund or a Trust Fund it takes a 2/3 vote. Discontinuing one is a simple majority.

TA Glover comments on Warrant Article #5 by saying that we could add language to explain what is happening now and what the changes would be. Right now the funds are split 50% between the Conservation fund and the General fund. This language could go into the Article if need be.

The Board decides that tonight will be just a discussion of the Articles not a vote. The Board agrees with Article #1 and #2. The Board would like to see what the Town Center Committee

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Memorandum has to report before they decide on Article #3 and #4. The Board agrees to pull Article #5. Skip Article #6. TA reviewed Article #7 with the Energy Committee. Selectman Bugbee proposes taking all the money that is to be deposited into the Reserve or Trust funds (not necessarily all of them) to come from the unassigned fund balance.

TA Glover asks the Board to consider keeping the revaluation at \$10,000 and not reducing to \$5000. Selectman Bugbee thought that based on the money that is in the trust fund now and the money that is going to be taken out, that there would be sufficient funds in there after a \$5000 deposit. TA Glover states that there is \$62,282 in there right now, the contract with CNP is \$49,000 and the money that will be owed to MRI for overseeing the work will be between \$9000 and \$10,000. This leaves zero. Selectman Bugbee says that he did not know about the MRI money. TA Glover is only asking that it remain at the \$10,000. The Board agrees.

TA Glover asks if the Board wants to fund all the Reserve and Trust funds with the unassigned fund balance money. Selectman LaCourse says yes. TA Glover asks if the Board wants them to be one Article or separate. Selectman LaCourse says yes to one, Selectman Bugbee wants them separate. Chairwoman Dennis agrees to list them as separate Articles. The proposal is to fund Articles 8, 9, 10, 11, 12, 13, 14, 16 and 17 (all of the deposits to CRFs and the cruiser) from Unassigned Fund Balance. The total will be \$400,000. The total of the Unassigned Fund Balance is approximately \$2.1 million. That would reduce the Unassigned Fund Balance to \$1.7 million. Chairwoman Dennis is not comfortable with this and it is lower than what the Treasurer is recommending as well. Selectman Bugbee and LaCourse are in agreement however to move forward with this.

Chief Dronsfield speaks on Article #15. In 2005 the police department purchased a finger print scanning system with money from the drug task forfeiture money with no cost to the town at all. This system is now out dated and out of warranty. The new one will come with a maintenance contract. The Board is ok with Article #15, #18 and #19.

Selectman Bugbee would like to see a grants committee created. Chief Dronsfield states that Officer Laliberte is well versed in grant writing and is more than willing to do it. Selectman Bugbee wants to see a committee and not just a few people.

c) TA Glover states that because we are an SB2 Town, DRA requires us to have a Default Budget which is essentially the operating budget for this FY with some changes that are allowed by law. For example, there is extra money in there to pay for the elections. The Default Budget is more than the proposed FY17 Operating Budget. The bond interest payments have been reduced and the increased contract cost with MRI has been added. The proposed Default Budget is \$3,817,135.00. Chairwoman Dennis moves to accept the Default Budget for FY17 as presented. Selectman LaCourse, seconds. All in favor. **Motion Carries.**

d) TA Glover presents the Commerford, Neider, Perkins contract for the 2016 Town-wide Statistical update aka revaluation. This contract also has to be approved by the DRA even though it is their contract. It is \$49,000 and since CNP did the last re-valuation this is a good price. Selectman Bugbee asks about the MRI contract for \$9000. TA Glover states that that is a separate contract that the Board approved with MRI which will come out of the Reval Capital Reserve Fund. Chairwoman Dennis moves to accept the 2016 Town-wide Statistical update contract submitted by Commerford, Neider and Perkins, LLC. Selectman Bugbee, seconds. All in favor. **Motion Carries.**

e) There is no miscellaneous.

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5. Chairwoman Dennis moves to accept the Consent Agenda as presented. Selectman LaCourse, seconds. All in favor. **Motion Carries.**
6. Chairwoman Dennis moves to accept the Select Board Public Meeting Minutes from December 21, 2015. Selectman Bugbee, seconds. All in favor. **Motion Carries.** The Board approves an amended version of the Non Public Meeting Minutes from December 7, 2015 which were ultimately released.
7. Chairwoman Dennis moves to accept Manifest #13 and Weeks Payroll ending January 3, 2016. Selectman Bugbee, seconds. All in favor. **Motion Carries.**
8. Selectman LaCourse wants to revisit the pay in lieu of vacation benefit. He would like to know what employees it would affect if they were to change the policy this next fiscal year. The Board asks the TA to bring a list to the next meeting on who is eligible and who has used it during the last 5 years. There is a discussion surrounding the logistics of sometimes being able to take vacation. Chairwoman Dennis says it is not a reality in this town for everyone to be able to take their vacation. For example, the highway department employees can't all take a vacation during the winter due to plowing. There needs to be a greater discussion. Selectman Bugbee wants the employees to have to take a certain amount of vacation time before they can use the benefit of pay in lieu of vacation. Selectman LaCourse says the issue is not the money. He wants to discuss the policy first. Selectman Bugbee asks that it be put on the agenda for January 11th to discuss further.

Selectman Bugbee asks Chairwoman Dennis to join him and Selectman LaCourse at the 250th Celebration on January 16th at 1:00pm and to read the Governor's Proclamation. The Fire Department will be included and displaying their new truck.

Chairwoman Dennis does not recall hearing from a Trustee regarding any other option other than a new building for the Library. She asks the Board if they remember. They do not. She also confirmed that the funding as it stands now cannot be used for renovations at the Library.

Chairwoman Dennis revisits the 10% raise to the transfer station employee. The department heads were directed to present flat budgets. The Board did not follow through on this directive. This could be a problem in the future. There are other employees in this town who are not paid the correct amount. Now the Board has chosen one employee to give 10% to but at the same time the Board wouldn't even allow a 1% increase COLA to the rest. Chairwoman Dennis does not think this was well thought through. She thinks that this will be difficult for the employees to swallow. Selectman LaCourse states that he looks at this differently. COLA's are across the board and this is a readjustment of equity. In fairness other department heads should be able to come forward with their equity adjustments. TA Glover suggests a salary survey. Selectman LaCourse states that they did one awhile back maybe in 2007. Selectman Bugbee states that cost of living is totally separate for him and according to him cost of living didn't go up. He adds that one of the things that the department heads were told was if they thought that one of their employees deserves a merit increase then they should bring it forward and that is what two of them did. The one out of the transfer station is an equity increase. Based on what the ABC saw this employee is way underpaid and "shame on us for underpaying him for all those years".

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Chairwoman Dennis does not recall this Board saying that. TA Glover points out that a salary survey will cost some money.

Selectman Bugbee states that he wants to look at all the positions that are elected and what they get for stipends. Some are elected and get nothing, some get a whole bunch. It does not seem to be equitable according to Selectman Bugbee. He adds that the Town Treasurer gets \$5200 when he signs weekly checks and does some online transfers. He says that's expensive. Selectman Bugbee states that he gets \$2000 and he's here every two weeks and does all sorts of other stuff. He thinks this is way overstated. The ABC would like to take a look at this and the Town employees. The Supervisors of the Checklist get paid but the Trustees of the Trust Funds get nothing, why?

The Highway Department has never been looked at. We may save some money doing the research ourselves. The duties should be paid attention to not just the job title. The Board asks the TA what the cost would be to do a salary survey. Chairwoman Dennis would advocate doing the salary survey on the employee before the volunteers because they are a priority and more important. The Town of Lee does not have a merit increase at this time. TA Glover reminded the Board that the Town had adopted a step system but never used it because they never funded it. The Board agrees that a salary survey is needed. TA Glover will email what was completed in 2007/2008.

9. Chairwoman Dennis motions to adjourn at 8:22 pm. Selectman LaCourse, seconds. All in favor. **Motion Carries.**

Minutes transcribed by:


Denise Duval, Town Secretary

1/19/16
Date

Minutes accepted by The Lee Select Board:


Carole Dennis, Chairwoman


Scott Bugbee


John LaCourse