

Board members present: Chairman Brown, Selectman Bugbee and Selectman LaCourse

Others present: Caren Rossi, Sue Caswell, Denise Day, Brian Cisneros, Patrick Hotaling, Todd Allen, Paul and Annie Gasowski, John and Anne Tappan, Ruth Eifert, Jana Petrikova, Peg Dolan, Erick Sawtelle, Deborah Schanda, Dr. Jim Morse, Patricia Jenkins, Bill Humm, Town Administrator Julie Glover and Town Secretary Denise Duval.

1. Chairman Brown calls the meeting to order at **6:31 pm**.
2. Chairman Brown opens the meeting up to public comment. There is none.
3. Chairman Brown opens the 2nd Budget Public Hearing at 6:32pm and turns it over to TA Glover.

TA Glover points out that after the changes from the last meeting the increase is down to 1.95% from almost a 9% increase in the operating budget.

The TA proceeds through the proposed budget. There are no comments on the BOS and Elections. The TC/TC postage line has been increased slightly after Selectman Bugbee's comments at the last hearing. TA is concerned with the Office Supplies being under budgeted. The Financial Administration postage line is increased slightly as well due to the upcoming US Postal increases. No other comments there. No comments on Assessing or Legal Expenses. In the Personnel Budget the TA requests that the \$24,000 be restored to the Health Insurance line. This is to cover if an employee changes from the buyout to a family plan. Selectman Bugbee says no. Selectman LaCourse agrees. TA Glover states that the Town will have trouble finding money if someone changes their health insurance. Selectman Bugbee thinks they have a bigger problem with the bottom line than that. Caren Rossi asks that if the Board agrees with her recommendation to not renew with SRPC again then would the Board agree to reinstate the \$300 that they cut out of the Outside Consulting line since she would need that to cover costs associated with planning, etc. The Board is ok with this. TA Glover is concerned going forward about increased costs to maintain and repair the things that are breaking in the Town's buildings. No Comments on this budget. No comment on Cemetery budget. Police Chief Dronsfield submitted a memo with regards to what the police department has spent to date on training to date. He is requesting that the Training line remain at \$7500. Selectman Bugbee does not want to give it all back. Selectman LaCourse and Chairman Brown approve the Chief's request to remain at \$7500. There are no comments on the UNH Dispatch for Fire, Strafford County Dispatch for Police, Fire Department, Code Enforcement or EOC Budgets. Steve Bullek requests that the Police Detail line be reinstated to \$3000. He needs 2 officers on details while his men are working on the roads for safety reasons. \$1000 is not going to get him very far when it is \$58 per hour per police officer. He is also requesting that the Paving & Asphalt Products line be reinstated to \$210,000. The paving schedule is finally getting back on track. He has a plan and is afraid that if they start cutting from the pavement they will start losing the roads again and it will cost more in the long run to get caught back up. The schedule he has will show the paving budget going down in 3 years to almost \$143k. It is a cycle and how the roads are wearing. There will be high points in the cycle. Selectman Bugbee and Selectman LaCourse will not agree to increase the police detail or the paving lines at all. There

are no comments on the Transfer Station, Solid Waste Disposal, South East Watershed Alliance or Animal Control budgets. TA Glover revisits the cuts to the 3 social service agencies. Chairman Brown thinks they should reconsider this. Selectman Bugbee notices that the Great Bay Rotary in Durham is still in the budget. This was cut at the last meeting. It will be zeroed out. Selectman Bugbee and Selectman LaCourse have no interest in reinstating the money they cut from the 3 agencies. There are no comments on the General Assistance, Parks & Rec and Ag Commission budgets. There are no comments on the Capital Reserve Funds.

Selectman Bugbee states that last year they subsidized the tax rate by \$523,000. The Operating Budget is up less than 2% but the net Town appropriation is going to be up 19.39%. Based on the information from the county the Town's tax rate will go up 5.39% or about \$1.65. This includes the \$100k for the proposed Town Hall Capital Reserve Fund and the amount for the first year's Bond interest payment. He cannot support this much of an increase. He wants to cut more. He would like to take another look at it and present suggestions at the next meeting.

TA Glover moves on to review the Warrant. There were changes made to Article 2 which is the proposed Zoning Ordinance Amendment. There is going to be a public hearing on this matter on January 24th. Caren Rossi states that the only things that can happen with the warrant articles is grammatical changes or withdraw. They can't change the substance of any of these. There would have to be yet another public hearing and the timeframe is up.

TA Glover discusses the numbers to plug into Article #3. She recommends changing the planned withdrawal from the Town Building Capital Reserve Fund to \$127,335 then the numbers will balance. She also suggests using the figure of \$90,300 as the raise and appropriate for interest in the first year's payment on the bond. She did receive an estimated bond schedule from the NH Municipal Bond Bank and the numbers were the same as the numbers that Mr. Tappan had prepared.

Selectman Bugbee states that he will be asking permission from the Board to spend money on additional estimates on the Town Center Project. He will have updated numbers on the project by or on January 22nd so we will have to recalculate the final numbers for the bond after the Board meets on the night of the 22nd.

TA Glover reminds the Board that the Warrant must be posted by 1/28/19.

TA Glover reads the new Article #4:

To see if the municipality will vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the purposes of Renovating Town Hall and to raise and appropriate the sum of One Hundred Thousand Dollars (\$100,000) to be placed in this fund. The Select Board shall be the agent to expend this fund. The Select Board does/does not recommend this appropriation. (Majority vote required).

The amounts for Article #6 and #7 may change by the Fire Chief.

There are no comments on Article #8 and #9.

Articles #10-15 have no changes and the previous Article #16 is replaced with the following:

Shall the town suspend efforts to remove or demolish the Lee Parish House until July 1, 2020 to allow the Lee Heritage Commission sufficient time to explore options for its preservation and future use and to submit a proposal for the March 2020 ballot? (Recommendation needed) Majority vote required).

Patricia Jenkins, Harvey Hill Road, thinks that the town's people should know what could be done with the Parish House. In order for this to happen the Heritage Commission needs time. She speaks in favor of putting this article on the warrant.

TA Glover reminds the Board that at the last budget hearing they took out the deposit of \$6000 into the Recreational Capital Reserve Fund. She asks if there is any desire to revisit this. There is none.

Article #18 was submitted via petition in a timely fashion and with the appropriate number of signatures of registered voters; therefore, it needs to be placed on the warrant. It is relative to a resolution related to nuclear war.

The Board does not have any other articles to add at this time. TA Glover suggests continuing this public hearing to the meeting on January 22nd.

Chairman Brown moves to continue this public hearing to January 22, 2019. Selectman LaCourse, seconds. **Motion Carries.** Chairman Brown closes the public hearing at 7:06 pm.

4. Jim Morse, Superintendent, give an update on the ORCSD FY20 Budget. Mr. Morse states that the School Board set a budget goal not to exceed 3.75%. The budget was to include any negotiated contracts which they did do with their custodians and their secretaries. They ended up at 3.49%.

The Board's Goals for FY20 are #1 a new middle school; #2 transition to a newly adopted 2019-2024 Strategic Plan; #3 diversity in employment recruitment; #4 keep reports on various initiatives underway.

The district's current total enrollment by school as of October 1st is 2186. This includes 24 preschool students. Mast Way has 365; Moharimet has 316; the Middle School has 669 and the High School has 812 and this includes 167 tuition students. Dr. Morse goes over the District's 5 Year Projected Enrollment and the enrollment by town since 2013. According to the projection, Mast Way is holding steady in the 2100's. In 2018 Lee had 691, Durham 940, Madbury 364 and Barrington 165.

Dr. Morse shows the renovations and addition to Mast Way School and the proposed addition to Moharimet School. The total budget for the school district is \$45,981,838. Dr. Morse reviews the major increase drivers and expenditures. This leads to his estimated FY20 impact to the 3 towns. Dr. Morse hands out a work sheet to go with his update information which illustrates how he and Sue Caswell came to this number. He reminds everyone that this number is not accurate but an estimate and the real number does not get established until next fall. There is no new estimated assessment in this number. Dr. Morse admits this number is shocking. The worksheet shows that Durham had a small decrease in students and a 5.9%

increase in equalized value. Madbury had a significant decrease in students of 4.31% and a 6.1% increase in equalized value. These are healthy increases in value. Lee's equalized value increased 12% with a 2.24% increase in students. Even though Durham's budget is up 3.49% the impact on the Town of Lee is \$1.91 per thousand.

Selectman Bugbee asks about the existence of an emergency fund balance that each town has access to and asks they can use those funds to lessen the increase. Dr. Morse states that was brought to zero 2 years ago and replaced this year.

Jana Petrikova, Old Mill Road, states that just up her street there is going to be 35 new houses with new families but the 5 year projected enrollment is going down. Please explain. Dr. Morse says this is largely because Durham and Madbury aren't growing as much as Lee is growing and the long range planning committee calculates in live births which are on an upswing and they calculate in the number of kids who move in over the course of the 13 years. They are projecting that our native students will go down a little during that time period.

Peg Dolan, Lamprey Lane, states that Lee doesn't have as many students as Durham does but Lee is paying more and Lee's real estate value isn't more than Durham. Please explain. Dr. Morse states that in 1954 our ancestor's decided that the funding formula for the district was going to be based on 50% enrollment and 50% valuation. That formula survives to this day. If there is an increase in students and an increase in valuation then the funding increases. He states that it changes from town to town. This is just the first time it has hit Lee so dramatically.

Selectman Bugbee asks if the movement between schools has stabilized or not. Dr. Morse explains that since the School Board has tried to adhere to the policy of smaller classrooms and not be guided by geography it has stabilized the movement of students between schools.

Brian Cisneros, Wadleigh Falls Road, states that as a Lee resident he looks at why Lee is being affected so much. When he meets new people in town he asks why they move to Lee and they usually say because of the school system. He looked at what Durham and Madbury has done to offset this over the last few years. According to Mr. Cisneros, Durham has been doing impact fees since 2005. He suggests that if these new people moving into town are putting that need onto our school district then we need to find a way to offset that. He states that impact fees are passed on to the owners and not the existing tax payers. The new families moving in are averaging 2 kids per house per Mr. Cisneros. He suggests implementing impact fees. Dr. Morse states that last year the Town of Durham released about \$100,000 of impact fee money which lowered their contribution to the school system by about \$100,000.

The Board will explore what the actual increase will be further in September.

5. Steve Bullek, Highway Supervisor requests permission to create a sand pit on town-owned land which is located at the end of Clay Lane for the purpose of retrieving road sand and material for use out of it. The town is running out of the road sand that they got for free from Old Mill Road. He has about 2 years of free sand left and then he's going to have to start buying it. He will need about 1400 tons of sand per year. He would have to ask for an increase in 2 years of \$19-24k in the budget in addition to the costs for delivery. 14 test pits were done in 1988. Mr. Bullek states he would be able to get sand and gravel out of there and it should last for 15-20

years. The pit would have snow fences and signs would be put up. There are pit maintenance rules to follow. Caren Rossi points out that there is a buffer of land and trees in between the houses and where the pit is to be located. The access would be via Clay Lane. There hasn't been any conversation with the neighborhood surrounding this land. Ms. Rossi states that there is nothing that concerns her with regards to starting a pit in this location. Chairman Brown asks Bill Humm, Conservation Chairman if he has any concerns; he states that he does not.


6. Jana Petrikova says that Pinkham Road already has a sand pit and she is concerned that they are extending commercial zone and they are building 35 new houses off Pinkham Road and she feels like the Planning Board is not really thinking about overall development plan for next 5-10 years. There is a lot of traffic being added to this area and there already is so much traffic. From Old Mill Road to the Lee Circle the traffic is backed up in the morning. She just wants to comment on all of this.
7. Chairman Brown moves to authorize the Highway Supervisor to move forward with plans to excavate on the Town-owned property identified as Tax Map/Lot 3-5-00 for the purpose of obtaining sand for Highway operations, including winter sand applications. Selectman LaCourse, seconds. All in favor. **Motion Carries.**
8. TA Glover presents the Board with a Revised Engagement Letter from Devine Millimet and proposes that the Town uses them as Bond counsel if the proposed Warrant Article for the Town Center Project goes forward. The Board agrees and executes the document.
9. Chairman Brown moves to accept the Consent Agenda as presented. Selectman LaCourse, seconds. All in favor. **Motion Carries.**
10. Selectman Bugbee asks on behalf of the TCVC to expend funds on getting new costing numbers from 2 different firms. The costs they received from Lavallee have gotten too high. They should have the new numbers by 1/22/19 from one gentleman who will charge \$4875 and the other who will charge \$4500. Selectman Bugbee moves to expend up to \$5000 for Mr. Michael Castagna and up to \$5000 for Mr. Richard Burke for doing cost estimates for the Town Center Project. Selectman LaCourse, seconds. All in favor. **Motion Carries.**
11. Selectman Bugbee moves to adjourn at **8:10pm**. Selectman LaCourse, seconds. All in favor. **Motion Carries.**

Minutes transcribed by:

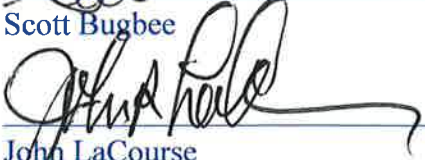

Denise Duval, Town Secretary

1/28/19
Date

Minutes accepted by The Lee Select Board:


Cary Brown, Chairman


Scott Bugbee


John LaCourse