



**TOWN OF NORTH HAMPTON, NEW HAMPSHIRE  
SELECT BOARD  
APPROVED MINUTES**

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**REGULAR MEETING – SEPTEMBER 24, 2012 –7PM  
NORTH HAMPTON TOWN HALL**

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**1. Non-Public Session Pursuant to RSA 91:A-3 II (a,b,d) 6:00 PM– Executive Conference Room**

**2. Call to Order**

Chair Maggiore called the meeting to order at 7:00 PM. Those in attendance were Selectman Wilson, Selectman Miller and Interim Town Administrator Caron.

Chair Maggiore asked those in attendance to join in the Pledge of Allegiance.

**Motion by Selectman Wilson to seal the minutes of the Non-Public Session pursuant to RSA 91:A-3 II (a,b,d) Seconded by Selectman Miller. Motion carries 3-0.**

**3. Approval of Minutes of Previous Meetings**

3.1 Select Board Minutes of September 10, 2012

**Motion by Selectman Wilson to approve the minutes of September 10, 2012 as presented. Seconded by Selectman Miller. Motion carries 3-0.**

**4. Consent Calendar**

**Motion by Selectman Wilson to remove the Deed Waiver request for David and Naomi Lariviere from the Consent Calendar and move to New Business item number 7.7. Seconded by Selectman Miller. Motion carries 3-0.**

**Motion by Selectman Wilson to approve the Consent Calendar with the exception of the item that was moved to New Business. Seconded by Selectman Miller. Motion carries 3-0.**

**5. Communications to the Select Board**

5.1 Correspondence from the New England Aquarium

Chair Maggiore summarized a letter received from the New England Aquarium regarding the disposal of marine mammal carcasses. A copy of the letter is attached to these minutes.

**6. Report of the Town Administrator**

Interim Town Administrator Caron stated that the town has been served with an appeal of the 2011 property assessment on 19 Atlantic Avenue, 25 Willow Avenue, and Fairpoint Communications.

Interim Town Administrator Caron stated he had spoken with Jay Somers from Comcast, and Mr. Somers explained that New Hampshire Public Television is collaborating with WGBH Boston to further focus its resources on producing and presenting local and PBS television programs. Following the loss of state funding, this collaboration will allow NHPTV's continued success. As part of the NHPTV-WGBH collaboration,

NHPTV will contract for services in areas such as broadcast technologies, membership services and financial administration. Broadcast operations can be shared through digital technology and the combined services will enable financial resources to be redirected to programming.

New program schedules for NPPTV Prime and NHPTV Explore are available at [NHPTV.org/updates](http://NHPTV.org/updates).

Interim Town Administrator Caron stated that \$300 had been raised toward the \$900 needed for the Memorial Bench for Jane Palmer.

A representative from the Department of Labor visited the town offices to review the town's documents relative to the Joint Loss Management Committee. In response to the Department of Labor's regulations, the Joint Loss Management Committee is being reconstituted with five members. The town's Worker's Compensation carrier, Primex, will be assisting in the development of a Safety Plan which must be updated every two years.

The town's contracted assessor has completed the MS-1 form which is necessary to set the town's tax rate. The town's auditing firm is finalizing the FY12 audit and will then complete the MS-5. The town will then request a date from the Department of Revenue Administration to establish a tax rate prior to the next Select Board meeting.

Bob Landman, 34 Post Road stated that as a former member of the Cable Advisory Committee, he is very concerned that Comcast is going to drop channel 2, and felt that NHPTV will not parallel the programming.

Selectman Wilson stated that the situation with NHPTV and WGBH has been misunderstood. He stated that NHPTV would go out of business if they didn't cut a deal. The fundamental decision to drop Channel 2 is not a Comcast decision.

Selectman Wilson stated that NHPTV lost its funding from the State of New Hampshire because the University system lost it. What has happened is NHPTV has cut a deal with WGBH so essentially they will run WGBH programming, but will get some local programming as well.

Kim Cibrowski, Post Road stated she is appalled at Comcast's decision to remove WGBH from the town, and would like to see this issue pursued further. She further stated that she is disheartened to learn that Comcast has "cut this deal" without regard to subscribers that pay a lot of money for cable services.

Selectman Wilson stated that the point that is being missed, is that it is not something that Comcast is doing to the residents. This is something that WGBH and NHPTV have worked out and Comcast is agnostic to this situation.

Ms. Cibrowski insisted that there must be something that can be done, and Selectman Wilson stated the only way something can be done is to "write a large check" to NHPTV.

Selectman Wilson stated that his interpretation of everything he has read is that NHPTV lost its funding; without the funding the station would not survive; NHPTV managed to make a deal with WGBH in order to continue to survive; Comcast has facilitated that.

## **7. New Business**

### **7.1 Acceptance of Unanticipated Grant Per RSA 31:95-b – Chief Brian Page**

Chief Page stated that Police Department had received a grant for the purchase of four Ballistic Vests with a 50% reimbursement from the Ballistic Vest Program of the United States Department of Justice.

Chief Page stated that the grant award is under \$5,000 therefore there was no need to advertise for a public hearing to accept the funding. He further explained that the police budget and the approved NEPBA Labor Agreement Warrant Article from 2012 contain funding for vests and uniform purchases. The grant will help reduce expenditures by paying 50% towards the cost of replacing the vests.

**Motion by Selectman Wilson to accept \$1,394 in funding from the Department of Justice so that the grant can be used by the police department to offset the costs of four ballistic vests. Seconded by Selectman Miller. Motion carries 3-0.**

#### 7.2 Appointment of Police Officer Kyle Willett – Deputy Chief Michael Maddocks

Deputy Chief Maddocks introduced the Select Board to North Hampton's newest Police Officer, Kyle Willett.

Deputy Maddocks stated that Kyle has gone through an extensive testing process with the North Hampton Police Department. Mr. Willett's many years of customer service experience will benefit the town when dealing with its residents and the community.

**Motion by Selectman Miller to have an appointment created by the Police Chief and the Town Clerk to include the State and Federal Oath of Office, and to subsequently swear in Kyle Willett to the police officers position on or around October 1, 2012. Seconded by Selectman Wilson. Motion carries 3-0.**

#### 7.3 Department of Revenue Administration MS-1 (Summary Inventory of Valuation) Review

Interim Town Administrator Caron explained that the Department of Revenue Administration is now encouraging towns and cities to submit their MS-1 forms electronically as opposed to prior years where signatures were needed by the Select Board, and then submitted via mail.

Interim Town Administrator Caron stated that Town Assessor Scott Marsh predicts that with changes occurring in the economy, and excluding an assessment valuation update, he is predicting that the town's taxable valuation will increase in the .5% range for the upcoming 2013 tax year.

Selectman Wilson stated that his interpretation of an increase in value of the town of 0.63%, is that the town has had enough new construction in town that adds to the tax base to offset the decline in value over the town, not that the market has recovered.

Selectman Wilson pointed out the total town value is now \$1,050,546,200, and when math is computed, it is often heard that \$10,000 in expense for the town is one penny on the tax rate.

Selectman Wilson stated the town handles administrative work for Little Boar's Head, and it is an expense for the town. He noted that according to the MS-1, the total value in properties in the Little Boar's Head district is \$208,232,800. Selectman Wilson stated that his point in mentioning this is that for the size of Little Boar's Head they make a significant contribution to support the operations of the town, and does not feel it is an unacceptable burden for the town to provide services to them.

Chair Maggiore stated that the Select Board have not set the tax rate, and they do not know whether there will be an increase or a decrease, but the residents will be made aware as soon as the State confirms the rate.

#### 7.4 Request for Proposals on Statistical Revaluation of North Hampton

Chair Maggiore stated that the town is obligated to perform a revaluation every five years. Within the five year period, the assessor's perform "quarterly pickups" throughout different sections of the town. He further stated that the Select Board wanted to send out the Requests for Proposals early to ensure there is sufficient time to do a complete and thorough job, and are not up against a deadline imposed by the State.

Interim Town Administrator Caron stated that the Request for Proposals (RFP) was developed by the town's contracted assessor, Municipal Resources Incorporated, and is a standard form. He stated that the successful

applicant will review sales data, and visit each property that has applied for a building permit or had a sale in the past two years to be certain that the data is “fresh.”

Interim Town Administrator Caron stated that the plan is to direct solicit the Request for Proposals to all 23 firms that are licensed with the State to conduct this type of work. The goal is to complete the revaluation by August 15, 2013 so that the MS-1 can be completed by September 1, 2013.

Interim Town Administrator Caron stated that there would have to be an education process for residents because some in the community are anticipating a reduction in their assessment, but a reduction in their assessment does not necessarily translate into a reduction in taxes. Therefore, it is important that the proposer has a very clear public relations plan to make sure that the residents understand the process, as well as the results of the process.

Selectman Wilson stated that the Select Board wanted to do a full measure and list because of some of the problems from the last revaluation, but they didn't feel \$250,000 or .25 cents on the tax rate would be something the voters would want to see. The Select Board chose to go with a statistical revaluation at a cost of approximately \$80,000.

Selectman Miller stated that the town is required by the State of New Hampshire to complete this process, and that it should be done the best way possible without spending a quarter of a million dollars. He further stated that it is important to be fair in the process as well.

Selectman Wilson stated that this process may lower the tax bills for some, and may increase the tax bills for some, however the purpose of the revaluation is to make sure there is an equitable spread of taxes across the town. The reason why this process is required by the State every five years, is because they want to be sure that North Hampton is taxing equitably compared to other towns in New Hampshire.

Chair Maggiore stated that the Select Board was in concurrence, and asked Interim Town Administrator Caron to move forward with the Request for Proposals.

#### 7.5 FY14 Budget Guidelines

Interim Town Administrator Caron stated that with a change to a March Town Meeting date for this year, the Budget Committee is expecting a Select Board's recommended FY2014 budget at their October 24, 2012 meeting. Mr. Caron stated that his goal is to get a budget to the Select Board for their October 15, 2012 Select Board meeting.

Interim Town Administrator Caron stated there are several financial impacts for the FY2014 budget. Some of the impacts will be as follows:

- The New Hampshire Retirement System recently announced rates for FY2014 and FY2015, resulting in an increase in employer's rates of between 21.2% and 26.8%. The system is funded from three sources: employee contributions which are set by state law; investment earnings and the employer portion (which is established biannually by the Trustees and pays the difference between the amount necessary to operate the system after employee contributions and investment earnings are considered.)

The significant rate increase results from the Trustees reducing the anticipated rate of return on investments. The rate was reduced from 8.5% to 7.75%, as the Trustees felt that the former 8.5% annual rate of return was unsustainable over the long term.

Effective July 1, 2013 the following rates will be in effect:

<i>Group</i>	<i>Employee</i>	<i>Employer</i>
Municipal Employees	7.0%	10.77%
Police	11.55%	25.30%
Fire	11.80%	27.74%

An anticipated impact upon North Hampton's budget in FY14 will be approximately \$105,000 or 1.7% of the current budget.

- Wage Adjustments – With the implementation of the collective bargaining agreements approved by the voters at the last Town Meeting, there will be an increase of \$45,000 or 0.8% in the FY2014 budget. The Select Board have not discussed the administration of any wage adjustments for non-represented employees in FY2014.
- Health Insurance - The Town does not anticipate receiving its Guaranteed Maximum Rate for FY2014 until mid-October. A recommendation of planning for an 8% increase was suggested for budgeting purposes. Individual HRA balances which were established and approved as part of the collective bargaining agreements are required to be replenished and the estimated cost thus far is \$55,000. This amount could vary significantly dependent upon the actual rate and state of the employees' HRA accounts. This amount would equate to a 1.0% increase of the current budget.
- Workers' Compensation/Property Liability – The town currently has multiyear agreements with PRIMEX for these coverages, with increases capped at 7% and 8% translating into a potential increase of \$8,800 or 0.15% of the current budget.

Interim Town Administrator Caron stated that the projected and/or known adjustments would result in a 3.65% increase over the Town's FY13 budget.

Selectman Miller stated that Mr. Caron has already provided this information to the Budget Committee so they are aware of the challenges ahead to come in with a reasonable budget.

Selectman Wilson stated he felt it would be worthwhile to the viewing audience to elaborate on the increased costs associated with the New Hampshire Retirement System.

Selectman Wilson stated the anticipated rate of return on invested assets of the New Hampshire Retirement System was reduced from 8.5% to 7.75%. He further stated that everyone needs to be aware that when the Retirement System said they were planning for the liabilities, which accrue every day at 8.5%, and then dropped the rate to 7.75%, it is a significant amount of money. When the rate is reduced, the money has to be made up, because the liability has to be funded.

Interim Town Administrator Caron stated that currently the New Hampshire Retirement System is well underfunded at approximately 50%.

Selectman Wilson stated that he also wanted the residents to understand the increased obligation that the town has to provide for the retirement benefits of its employees is \$105,000, or roughly half of the proposed increased budget of 3.65%.

Selectman Wilson stated that the only way to control the costs of the New Hampshire Retirement System would be reducing head count, as this is a benefit that is received by employees. He further stated it is an increasing, unavoidable expense without taking draconian measures.

Chair Maggiore stated that the Department Heads would be putting together their budgets and submitting them to the Interim Town Administrator. The Interim Town Administrator will then put everything together and present to the Select Board for their review. Once the Select Board approves the budget it will then go to the Budget Committee.

#### 7.6 Update on Proposed Aquarion Water Rate Increase and Hydrant Costs – North Hampton Water Commissioners

Water Commissioner Bob Landman spoke about a notice of a temporary 8.8% rate increase by the Public Utilities Commission. Mr. Landman stated that Aquarion noted that much of the decline on the rate of return is due to the steady increase in operating expenses, and in particular the increases in property taxes assessed by the communities it serves. Mr. Landman noted that Aquarion also stated that due to a decrease in sales volume the rates would be increasing. Mr. Landman stated that because customers are trying to conserve water, they are now be charged a higher price.

Mr. Landman stated that the North Hampton Water Commission were not made aware of rate hearings that were being conducted in Concord, and were left off of the notify list.

Mr. Landman notified the Select Board that water hydrant costs are going up 8.8%, which needs to be taken into consideration when preparing the annual budget. Mr. Landman stated that in 1995 the hydrant costs were \$113,747, with each hydrant costing \$767. In 2007, the cost for hydrants rose to \$187,940, or \$1,278 per hydrant.

Mr. Landman stated Aquarion was asked how they calculate the cost of each hydrant when the town only has a minimum of six structure fires per year, it does not equate to a lot of gallons used. Aquarion brought in a consultant that stated they calculate the cost for 3,500 gallons per minute for three hours, which is the flow rate that is acceptable.

Mr. Landman stated that costs for hydrants in Hampton, Rye, Portsmouth and Seabrook are much lower than what North Hampton is paying, and most of the water comes from North Hampton to begin with.

Selectman Wilson stated it is important to understand the water company is a monopoly, as well as a regulated utility, and it is not a competitive enterprise.

Mr. Landman asked the Select Board to approve hiring an expert consultant to provide rate of return testimony that would contest the testimony presented by Aquarion. He stated Hampton and North Hampton would share the cost, although he did not know what the cost will be at this time.

Henry Fuller, North Hampton Water Commissioner, stated he thought it would be a good idea to have an expert do an assessment of the well sites that are located on Lovering and Mill Roads, as some sites have more than one production well on them, and could increase the valuation of the property resulting in a higher property tax bill.

#### 7.7 Deed Waiver for David M. Lariviere and Naomi Kay

*(Secretary's Note: This item was removed from the Consent Calendar and placed under New Business by unanimous vote of the Select Board.)*

Selectman Wilson stated that this is a three acre parcel of land on the Hampton/North Hampton border, south of South Road in a wetlands area behind the old town dump.

Selectman Wilson stated that the property taxes have consistently not been paid and the value of the property is De Minimis because the total taxes on it were \$85 in 2012. This property is adjacent to other properties that are wetlands and is part of a large wetland system that forms the headwaters of the Winnicut River.

Selectman Wilson stated instead of granting a deed waiver again, perhaps it would be time to acknowledge that the owners of the property do not value it enough to pay the property taxes, and maybe the town should accept title to the land.

Selectman Miller stated that he concurred. He further stated that there is no loss to the tax rate, and the property is valuable as wetlands but not anything else.

Chair Maggiore agreed that it made sense for the town to accept this piece of property.

**Motion by Selectman Wilson to deny the deed waiver request for property owned by David M. Lariviere and Naomi Kay located at South Road Rear, Map 009, Lot 052, and the town accept the deed for said property. Seconded by Selectman Miller. Motion carries 3-0.**

#### 7.8 Motion to Allow Attorney Joseph McKittrick to File a Motion of Reconsideration to the Supreme Court of the State of New Hampshire

**Motion by Selectman Wilson to authorize Attorney Joseph McKittrick to represent the town and file an appeal to the Supreme Court of the State of New Hampshire with respect to IAFF 3211 v. Town of North Hampton PELRB Decision #2012-209. Seconded by Selectman Miller.**

Discussion: Chair Maggiore stated that the North Hampton Firefighters filed a grievance regarding the creation of the paramedic position within the fire department. The town attorney feels that based on the facts that were presented in court, the information is not 100% accurate. The court said the position of paramedic existed in the fire department. He further stated that the defined position of paramedic within the fire department has never existed, and that while the fire department has employed firefighters that are paramedic trained, that does not mean there is a paramedic position. The court's decision was that the town did not have a right to create this position, because there was already a position in place, but as stated previously, there was never a position created to begin with, there were only people in the fire department that had the qualifications.

Selectman Wilson added that the Select Board is not just arguing about this specific point, they are arguing about a fundamental difference between management rights and collective bargaining unit rights going forward in perpetuity.

**Motion carries 3-0.**

The Select Board discussed dates and times when they could meet to go over the budget during a workshop session. It was decided that they would check their calendars for dates and email dates and times that would work for each member.

**8. Closing Comments**

**8.1. Closing Comments by Visitors**

Paul Powers, addressed the Select Board and stated that he was in attendance to discuss Map 002, Lot 051, a 45 acre parcel of land located off of Woodland Road that abuts approximately 200 acres of conservation land. Mr. Powers stated that the land was acquired by the Town of North Hampton and has been posted "No Hunting." Mr. Powers asked if the Select Board would give permission for him to hunt on the property.

Mr. Powers presented the Select Board with a copy of map 002 and pointed out lot 051.

Selectman Wilson stated the property was formerly owned by the Boies family, and the land is governed by conservation restrictions that were placed on it by the donor to the town, and the Select Board have no authorization to change the restrictions. He further stated that someone could go through an incredible legal battle to try and change the restrictions on the conservation easement.

Selectman Wilson advised Mr. Powers visit the Office of the Registry of Deeds and research the deed on the property to see what restrictions were recorded. Selectman Wilson further stated that he believed that the conservation easement on the property is held by the Society for the Protection of New Hampshire Forests, in which case it would be next to impossible to break a deed restriction.

**8.2. Closing Comments by Select Board Member**

**9. Adjournment**

Chair Maggiore adjourned the meeting at 9:00 P.M.

Respectfully submitted,

*Janet L. Facella*

