

# Town of Hampton



## TOWN OF HAMPTON MINUTES OF THE BOARD OF SELECTMEN MONDAY, APRIL 20, 2009

PRESENT: Richard Griffin, Chairman  
Richard Nichols, Vice Chairman  
William Lally  
Richard Bateman  
Gerald Znoj  
Frederick Welch, Town Manager  
Mark Gearreald, Town Attorney

6:30 PM Non-Meeting with Legal Counsel - RSA 91-A:2., I., (c)

7:00 PM Board of Selectmen Meeting

Chairman Griffin called the meeting to order at 7:11 PM and introduced the members of the Board.

### SALUTE TO THE FLAG

#### I. Public Comment Period

Art Gopalan, 20 Windmill Lane, would like to talk about his favorite subject the Retirement System. For the people at home he would like to talk about some of the components of HB1645. He started with HB223 which postpones the anti spiking provision kicking to July 2010. HB532 this removes special duty pay from the pension calculation has passed the House but is waiting action in the Senate and he asks that Martha Fuller Clark support this bill. HB590 this raises the retirement age from 45 to 50 and additionally state annuity is modified to 2% per year of service this bill has also passed the house and needs Martha Fuller Clark to support it in the Senate. HB591 places a limitation on retirement benefit to 100% of base pay for employees starting after June 30, 2009. HB641 this modifies the anti spiking calculation has passed the house and waiting action in the Senate. HB401 which is composition of Trustees reduces the 14 employees to 8 employees. This is the breakdown of HB1645. All of these can impact the tax payer in Hampton.

Maurice Friedman, 30 Hampton Meadows. Mr. Friedman asked a question about an item on the March 23<sup>rd</sup> agenda. The Selectmen priorities and he wonders if there is a list of these priorities somewhere.

In regards to tonight's agenda everyone keeps talking about this year and next year but maybe they should look out further like 5 or 10 years. Chairman Griffin read off the list of Selectmen's priorities.

John Gephardt, 4 Bailey Ave. Mr. Gephardt would like to make some comments on the redevelopment at the Hampton State Beach Park. The people that were proposing this did an economic study and some of the conclusions were that it would bring in approximately 2.5 million additional dollars to the State in taxes and fees, approximately \$31 million to the business' in Hampton and an increase of \$100,000 in rooms and meals tax which is not stated. He wants everyone to realize that this is an investment in the future.

Mike Pierce, 16 Hedman Ave. Mr. Pierce agrees with John Gephardt that we all need to support the redevelopment project at the beach. However he is here tonight to thank the state reps and senator for coming. He is especially interested in HB 532, 590 and 591. He thinks that all of these bills are moving in the right direction to fix the pension plan. He would like to know why Mr. Cushing voted the way he did on HB 532 and 591.

Atty. Gearreald commented that if HB641 passes then the anti spiking provision will have no impact on the Town.

## II. Announcements and Community Calendar

Mr. Znoj attended the Earth Week Fair on Saturday and also attended the Earth Walk on Sunday and enjoyed them both. The exhibits at the fair were very interesting and the event was moderately attended.

Mr. Bateman mentioned the ceremonial opening of the tennis courts on May 1<sup>st</sup>.

Mr. Nichols heard that there might be a little comedy act associated with the tennis court dedication. A former ranked NE player who happens to be on this Board and has not picked up a racket in 18 years might pick one up and look foolish.

## III. Appointments

1. Discussion with the Town's State Representatives and State Senator with Board on current legislative matters. Several of the State Reps provided packets to the members of the Board containing information they are currently working on.

Senator Martha Fuller Clark talked about the following items: The Senator sits on the executive council and administrative committee which will be hearing all the bills on retirement, knows the retirement bills are very important, need to be mindful of our retirees, better protections in place for the future, different ways of calculating retirees pensions. Dick Ingram of North Hampton is now filling the job of Executive Director for the retirement board and this will be an enormous benefit for us, as bills that will come forward to protect the Town's from the burden of the anti spiking provision. The Senator hopes to see the Town Manager, Selectmen or other management employees present to testify on items pertaining to retirement, as they take the concerns extremely seriously that will impact the tax rate. Revenues for the State plummeted at the same time that the Country's economy was plummeting, taxes across the board are down, a projected increase in unemployment rate, more than 50% of budget goes to health and

human services, HB1 and HB2 have just come over to the Senate, nobody is happy that the school building aid has disappeared from the budget, need to move forward on improvements like the one for Hampton Beach, looking at combining some state agencies and don't have current IT needed.

Representative Chris Nevins talked about the following items: HB1 and HB2, stimulus money that will be available, what's going to happen in two years, has same feelings on retirement issues as others, capital gains tax raised 5%, rooms and meals raised from 8% to 8.75%, insurance premium tax reduced, tobacco tax up 35 cents, state inheritance tax, gambling tax any winnings over \$600 10% will go to charities, all agree that we have problems and a lot of talk about income tax and sales tax.

Representative Susan Kepner talked about the following items: SB168 which establishes a coastal watershed alliance, first annual local energy committee conference, aid for catastrophic illnesses, people making the least are going to be paying the most for things like medical and need to find a better balance and everyone in the state needs to have the conversation about revenue sources.

Representative Robert Cushing talked about the following items: rooms and meals tax will be coming back to the Town's, stimulus funds that will be available, budget process incredibly painful, cut 385 positions from the State, shut down a state prison, completely supports making changes to the pension system going forward, cut retirement benefits in the budget, made some tough cuts in the budget and he is not happy with all of them but they did what they had to do and increased demands on the state in these hard economic times.

Representative Nancy Stiles talked about the following items: paper she gave to the Board was prepared by Mr. Ingram, HB2 known as the trailer bill state portion of retirement is going from 30 to 25 to 20% and will be split between employer and employee, employee contribution going up 2%. It makes a huge difference for the committee members when someone from the community comes in and testifies about their concerns about the school building aid being removed from the budget.

They all thanked the Board for having them tonight to talk about all of the things happening at the State level. They encourage anyone who has questions to contact them.

#### Discussion

Mr. Nichols clarified with Senator Martha Fuller Clark that she is in full support of HB641 and she believes that the bill will be passed through. He also added that a lot of the items in HB641 are thanks to Atty. Gearreald and Mr. Schwotzer's testimony.

Chairman Griffin wonders if Martha Fuller Clark feels that the Beach Project will move forward this year. She feels that it has a good chance since it is shovel ready project and will be a revenue producer.

Chairman Griffin asked about the stimulus funds that are available for fire stations. Mr. Cushing explained funds that will be available for fire stations will be on a first come first serve basis. Mr. Cushing is not sure who has submitted plans at this time. He believes that a few million dollars are supposed to be available.

Mr. Nichols one of his concerns is that you have these special interest groups throwing their opinions out and then you have the average Joe tax payer who sits quietly not being heard. He feels a good example of this is HB591 which deals with retirement pension being capped at 100% of base pay and it was not able to pass the house. He has a really hard time understanding this since it does not affect any current retirees or employees it only affects individuals hired after June 30, 2009. He feels the only reason this bill did not pass was due to the influence of a special interest group.

Mr. Bateman spoke about how the Beach Project dropped off the scope for awhile and how Mr. Cushing came in and brought it back to life with a very creative means of funding the project. He thanks Mr. Cushing for showing people the vitality that will come from this project and thinking outside of the box.

Mr. Bateman asked Ms. Clark about the innovative bonding she spoke of in reference to some school items. She does not know the exact conversations that Representative David Campbell is having but she does know that he is speaking with the Treasury. She is sure that our legislature will not pass anything that is extreme or risky. There are some opportunities and she wonders if the Town is doing anything or looking at things in regards to municipal bonds. Mr. Welch commented that the Town has a \$10 million limit.

Mr. Znoj is very concerned with the step back by the retirement system from 35 to 30 to 25% and the burden that is being put back on the Town. This is being put on to the backs of the taxpayers. He also feels that one reason people are not supportive of an income or sales tax is because no one knows where the money goes. He worked long past 50 and long past 20 and 30 years with one company and never did he think that he should be able to retire at 50. He is making nowhere near 100% of his base pay. He is in favor of increasing the retirement age. We need cross functional, objective and independent representation on the Retirement Board. We are going to get the point that we have more people retired than we have working. He encourages them all too please remember the tax payer.

Mr. Lally appreciates them coming in and he learns something new each time they do. Mr. Lally understands that cuts are cuts but that some cuts need to be monitored like the prison cuts Mr. Cushing mentioned.

Atty. Gearreald asked Ms. Stiles to give an update on the Exeter Hampton District Court. She explained that she put forward the courthouse as an amendment to the budget but she lost. The reason she lost was because they had not actually purchased the property off of exit 13. Mr. Welch thinks it is a shame that we have to purchase property from ourselves for the courthouse. Ms. Stiles explained that the \$163,000 for site work is still in the budget.

Mr. Welch commented that one thing that has been troubling the Town is that we have a \$30 million liability that keeps on growing every year and that the state has by legislation put upon us under RSA229:5 The Urban Compact Era. Almost all the State roads in Hampton are the responsibility of the tax payers. It used to be that the State paid at least 20% of the cost however now the Town pays 100% with the exception of 1A, 101 and the far end of route 1. These roads are deteriorating and something needs to be done. Mr. Nevins commented that

he might have a solution with some stimulus funds since there is a portion available for transportation.

Mr. Welch stated that we have already been turned down because it has to go through the Regional Planning Commission (RPC) first, and the Technical Advisory Committee of the RPC, has to put in a ten-year plan and until that happens we cannot get a penny.

Senator Clark feels that the Urban Compact Era was in a different time and they will be willing to work with the Town on this. Nobody wants the roads and bridges to fall apart.

Chairman Griffin has a question about the letter written to the editor from Governor Lynch in the Hampton Union. Mr. Nevins the most important thing is that we have to protect the retirement system. Ms. Clark thinks that it is true there is an extremely large amount of money coming from the stimulus to the schools.

Mr. Nichols commented that as of June 30, 2008 the retirement system was 67/68% funded. The director of NHRS put out a letter on the website and as of November the assets were down 30%.

Chairman Griffin thinks that the State needs to come up with more ways to raise revenue. He does not agree with the 10% gambling tax and he is not sure why the State feels that they have the right to take a percentage of someone's winning in Las Vegas when they return to NH. Ms. Clark thinks that maybe individuals should make some suggestions to the legislatures in regards to ways to raise revenues. Mr. Nichols recommends they discipline their spending. Ms. Clark questioned where the public sees this excess spending. Mr. Nichols answered in retirement and the audience agreed.

Ms. Kepner commented that if anyone is interested in seeing how the government works she would be happy to have someone shadow her or arrange tours.

There was an additional discussion in regards to gambling and Ms. Stiles believes at this time the advocacy against it is higher than the advocacy for it. Ms. Clark said the concern with allowing gambling into the State we will lose the families who come here to vacation. There are many pros and cons. Ms. Clark does not believe that this is the right way for the State to go.

Mr. Welch said that if you are really trying to help the people of this State sunset the RSA's. Ms. Clark stated that they are doing performance audits. Ms. Stiles would like to see efficiency audits.

The State Reps and Senator will be coming back to the Board on June 8<sup>th</sup>.

## 2. Norm Silberdick - Discussion on opening the Gates on Tide Mill Road.

Mr. Silberdick is here tonight as a citizen of Tide Mill Road and not as a member of the School Board. He has been contacted by the School Board about having a bus come down the road to pick up students since they currently have to walk to the corner of Tide Mill and Landing Road. He feels that this is a safety issue and the only place the bus could possibly turnaround is at the Mason Lodge however, do to the events held there it is not consistently available to turn around. This is why he would like the gates open.

## Discussion

Chairman Griffin asked for comments from Mr. Welch. Mr. Welch explained that there is a portion of the roadway that is on private property running from the end of the road over to the gate. It would need to go to Town Meeting again to make it a public highway.

Mr. Silberdick has not been able to find out who owns that private land. Mr. Welch explained that we do not tax roadways but we would need to find out whose property this roadway is on.

Mr. Nichols would like to request that Atty. Gearreald look at ways to make this happen as opposed to looking for ways to not do it.

Mr. Welch stated the way to make this happen is very simple, this Board under RSA 231 can lay a road out. They can order the public works director to hire a surveyor to lay out where the road is going to go. They would then need to hold a public hearing and take the road by eminent domain. Lastly, there would be an appraisal of the land and they would pay it.

Mr. Nichols asked that if we knew the owners would that change things. Mr. Welch said it would if they wanted to donate the road to the Town and then it would become a public highway.

Mr. Bateman commented it's been discussed, and a the vote was taken and that was a year ago.

Mr. Znoj is also in favor of trying to find out who owns the road.

Mr. Lally would like to see this come to rest. It has been voted for and against at two different times.

Chairman Griffin believes that there is a consensus to have Atty. Gearreald look into who owns the land.

### 3. Public Works Director - Departmental Update

Mr. Price spoke about the following: annual spring yard waste collection the week of April 27, 2009, material in either biodegradable paper bags or loose in trash barrels and free of any trash or paper products because this material will be composted, twigs, branches, or brush may only be taken to the transfer station and will not be picked up at the curb.

Highway Activities included: hot top patching, plow damage repairs started, polling set up and take down, dismantled gate in Town office foyer, sprayed concrete rubbish containers with bleach to disinfect and put 20 in service on Ocean Blvd, moved candy machine from Town Office to Tuck Field, polling setup and breakdown for precinct, brush cleanup and tree removal at Tuck, completed brush pickup from December storm and cleaned up at the Grist Mill.

Sewer & Drain activities included: cleaned catch basins and sewer lines at the beach, cleaned catch basins on Exeter Road, assisted with brush pick up and attended pre-construction meeting for CVS.

WWTP activities included: performed spring maintenance on clarifiers and thickeners, changed hours of WWTP as of today to cut back on overtime and plant operation will be full days on Saturday and Sunday.

Transfer Station activities included: solid waste amounts down approximately 20%.

Lastly he reminded everyone that the hazardous waste cleanup will be on May 9<sup>th</sup> from 9 AM to 12 noon.

#### Discussion

Mr. Nichols asked about the plow damage repairs and if that is to property or equipment. Mr. Price explained that it is damage to property and if anyone has any damage to report it to him and if it is on Town property it will be fixed.

Mr. Lally commented about Landing Road from about Malek Circle down to the lights is awful. Mr. Price responded that they are planning to grind that area out.

Mr. Znoj asked why we do not extend the salt shed that is already located at the Transfer Station. Mr. Price expressed some concerns with space and getting closer to the Marsh but he will look into it.

Chairman Griffin complimented Mr. Price on doing a superior job.

#### 4. Ellen Lavin - Town Treasurer

##### a. Tax Anticipated Note (TAN)

Town Treasurer Ellen Lavin explained that at the current time the Town is in good shape with approximately \$4 million in the bank. She does not anticipate having to borrow at this time but if she does the Town will be borrowing from Provident Bank as opposed to Citizens Bank. The reason for the change was that Citizens is no longer offering a line of credit she would have had to borrow the whole amount.

The Town will be borrowing \$6.85 million from Provident but it is a non revolving line which means she will not be able to borrow more than the \$6.85 million. Mrs. Lavin gave the example that if she borrows \$3 million in May and pays that back and borrows \$3.85 million in October that would be all that she could borrow even though she has paid the \$3 million back. She has for the Board to sign tonight the following documents: the certificate that says we are allowed to borrow, the note that we sign every year and tax anticipation note line of credit rider. She and Mr. Schwotzer will work together this year to decide when to borrow and when to pay back since he knows about the cash flow for the Town.

Mr. Schwotzer agreed that he and Mrs. Lavin will work closely and although we did not have to borrow in the second half of 2008 he does not believe that will be true this year.

#### Discussion

Mr. Nichols questioned what the rate is going to be.

Mrs. Lavin said that the rate is 2.5% above Federal Home Loan Bank rate, which today is 0.25 so we would be paying 2.75%. However, the rate is not fixed as it is set monthly.

Mr. Nichols added that he thinks that they have both done an exceptional job at keeping the TAN amounts down over the last year.

Mr. Lally MOTIONED to approve and sign the Tax Anticipation Note (TAN). Mr. Nichols SECONDED.

VOTE: 5-0-0

b. Investment policy

Mr. Schwotzer explained that last year they brought forward to the Board an investment policy as required by RSA in regards to the monies that the Town is holding and what we can do with them. Tonight he has presented to the Board the investment policy for 2009 which is basically the same as last year. The objective is basically to be prudent and safe with the Town's investments.

Discussion

The Board signed the Investment Policy for 2009.

5. Garry Myer of American Service Corp of Experienced Executives

Mr. Myer would like to talk about eliminating waste. By doing this you can provide services and not have to increase taxes. Mr. Myer told the Board about himself including work experience and certifications. He is here today as a resident and member of American Service Corp of Experienced Executives. If there is service than there is a process and when there is a process there is a way to eliminate waste. Even when you have restraints you can still eliminate waste. The mission is to support state and local government and schools to be more efficient and effective. The services they provide are provided based on a fee that is tied to performance. If they do not perform and save money than they do not get paid. Again it is eliminating waste and helping Town's to do more with less. His proposal is to provide up to two weeks onsite performing an assessment of a specific agreed upon function and then in week three, provide the analysis and written report to the Board detailing the specific opportunities and the potential impact on the service levels and the long term cost savings. He would like the Board to consider his proposal and then decide on one or two specific areas of opportunities where the Board thinks there is potential to eliminate waste.

Discussion

Mr. Nichols feels that if this is to go anywhere he would suggest that Mr. Myer sit down with Mr. Welch.

Chairman Griffin stated that the Board will take this under advisement.

Mr. Lally thinks that it is very interesting and gave out the website [ascee.org](http://ascee.org).

Mr. Znoj is very familiar with this and has worked with this type of lean initiatives before. He thanked Mr. Myer for coming in.

IV. Minutes of April 13, 2009 -Postponed to April 27, 2009

V. Town Manager's Report

A bid was awarded to Urban Tree, the only responder to our advertisement for miscellaneous tree work for 2009.

A bid was awarded to Professional Profiles, as the lowest bidder of the four proposals for mowing work during 2009, the amount of the bid is \$13,660.

Bids were awarded to the following low bidders for aggregate materials:

Crushed Stone to Pike Industries at \$11.10/ton delivered;

Bank Run Gravel to Concord Sand & Gravel at \$9.30 per ton delivered;

Screened Winter Sand to Concord Sand & Gravel for \$9.65 per ton delivered;

¾ inch Crushed Stone to Plouffe Sand & Gravel at \$13.50 per ton delivered.

For those who have not heard, the Governor has signed into law the bill that removed the spiking charge of \$650,000 that had been imposed on the Town by the Retirement System. These funds will not be raised and are not part of your tax bill for 2009.

The Parks & Recreation Department will be holding a formal dedication of the rebuilt Town Tennis Courts at Tuck Field on Friday, May 1, 2009 from 5:30 to 7:30 PM.

Please remember to license your dog before May 1<sup>st</sup>. Effective on that date, the fines and penalties will begin to accumulate for all dogs that are not licensed.

The Household Hazardous Collection Day is May 9<sup>th</sup> and will be held behind the Old Town Hall on Winnacunnet Road from 9 AM to 12 noon.

Public Works will conduct its annual curbside pickup of leaves, grass clippings, and pine needles the week of April 27<sup>th</sup>. Materials can be placed in biodegradable bags or loose in trash barrels free from other wastes, as the material collected will be composted. Twigs, branches or brush will not be picked up but may be taken to the Transfer Station during normal operational hours.

We recommend that the Board of Selectmen authorize us to prepare the list of budget cuts totaling \$450,000 and have this amount removed from the Town budget and not expended during this calendar year. He would like direction from the Board to proceed to do this and on May 5<sup>th</sup> there will be signed sheets and formal motion sheets available for the Board.

#### Discussion

Mr. Nichols thinks that the \$450,000 is a good number but he would like to see where the cuts are being made before he approves anything.

Mr. Znoj would like to know where the 450 came from. Mr. Welch said it is a composite of the funds that have been identified in the House budget that will not be coming to the Town plus there is approximately a \$200,000 shortfall in revenues from motor vehicle registrations.

Mr. Nichols wonders about the contributions from the Trust Fund. Mr. Welch does not know at this time.

Mr. Znoj wonders what the \$250,000 shortfall from the State consist of. Mr. Welch commented that it is mostly from Revenue Sharing and a few other small items.

Mr. Nichols also pointed out that the Town is still due to receive money from the December Ice Storm which he believes to be in the \$100,000 range. Mr. Welch commented that this has not been taken into consideration since they do not know what they will be getting back.

There was a consensus from the Board for the Manager to move forward with drafting a list of proposed budget cuts for the Board.

Mr. Nichols asked about the lawn bid of \$13,000 and the fact that it appeared to be low like last year and if there is any concerns of whether the work will be done at that rate. Mr. Welch said that the company was questioned about the low number and the Town was informed that the company needs work. Mr. Nichols also wonders if the Town has received any prices for salt. Mr. Welch does not know at this time.

## VI. Old Business

### 1. Acceptance of Warranty Deed for Pawnees, Dacotah, and Mohawk Streets

Atty. Gearreald explained that at Town Meeting last year the Town voted to accept these streets with no damages to be paid by the Town. The important things when you get a vote like this is that a warranty deed come to the Town, draft a deed that will correspond with recorded plans and releases from any interested parties.

Atty. Gearreald stated that this process is at a conclusion and he would recommend an acceptance of the warranty deed. This same process will have to be done for Manchester Street.

#### Discussion

Mr. Znoj questioned if we have all the signatures of the abutters. Atty. Gearreald explained that we have received all the necessary signatures releasing the Town from any liability and damages.

Mr. Bateman wonders if these property owners were surprised to find out that they own a part of the street.

Mr. Bateman MOTIONED to Accept the Warranty Deed for Pawnees, Dacotah, and Mohawk Streets. Mr. Lally SECONDED.

VOTE: 5-00

## Other Old Business

Mr. Lally pointed out that Hampton Falls has voted to allow the cleanup work to be started on their side of the Old Stage Road Bridge Project as this Board did last week. Anyone interested in volunteering should call either Nathan Page or Judy Wilson.

Chairman Griffin wonders where we are at with the barricade on Dow Ave. Mr. Welch commented that we are currently waiting for a surveyor to come out. Mr. Welch added that we are not looking to make this a thru way.

## VII. New Business

Mr. Nichols feels that there should be a formal escalation policy in place when the Town loses power and a timeframe as to when someone in a position of authority is notified.

Mr. Lally agrees that this is a good idea. He also pointed out that the fire department does have the list of residents in Town that have medical needs at their homes.

Mr. Welch said that one thing we have asked Unitil to do is have some of their managers in dispatch trained in NIMS protocols so that they know when we need to be called and what we need to be told. Mr. Welch thinks that what Mr. Nichols is saying is that we need some kind of written protocol in place.

All Mr. Nichols is looking for is that dispatch has it defined for them at what point they need to notify the person in charge who ever that person might be.

Consensus of the Board that there is a need for an escalation policy for the Town.

Mr. Nichols also expressed some other concerns with Unitil and the answers that one receives when they call in about a problem.

Mr. Welch explained that part of the problem lies in the fact that one week there is a problem and the call in person is from Chichester and the next week there is the same problem and the call in person is from North Hampton. Hence for the worker there is no knowledge of the issue the week before. There is no communication between the employees.

Mr. Znoj has received a few phone calls about the beach playground. Chairman Griffin stated that the playground is maintained by the Beach Precinct. Well Mr. Znoj would ask that a cruiser go by in the evening since the playground is supposed to be closed at 8 PM and remove anyone on the property. Mr. Welch and Atty. Gearreald stated that they would need to see the regulation since it is not Town property. If the regulation allowed than he would be able to send a cruiser down. Chairman Griffin added that the precinct is in communication with the police department. Mr. Bateman commented that the police have been inviting people to leave. Mr. Znoj asked if the precinct put up no trespassing signs than the police would be able act upon this situation and it was confirmed that yes the police would.

#### VIII. Consent Agenda

1. Hampton Rotary Club - Parade and Public Gathering License

Mr. Bateman MOTIONED to move the Consent Agenda. Mr. Lally SECONDED.

VOTE: 5-0-0

#### IX. Closing Comments

Chairman Griffin would like to bring it up once again about the gambling tax.

#### X. Adjournment

Mr. Lally MOTIONED to adjourn. Mr. Nichols SECONDED.

VOTE: 5-0-0

Meeting adjourned at 10:07 PM

  
Chairman

Non-Meeting with Legal Counsel - RSA 91-A:2., I., (c)