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September 30, 2013

PRESENT: Richard Nichols, Chairman
Michael Pierce, Vice-Chairman
Philip Bean, Selectman
Mary-Louise Woolsey, Selectman
Michael Plouffe, Selectman
Frederick Welch, Town Manager

SALUTE TO THE FLAG

I. Public Hearing RSA 41:14-a (3:23)

1. Acceptance of Drainage Easement on Lot #2 of Prevost 3-lot Subdivision at 35 Huckleberry Lane

Atty. Gearreald made comments as follows: described the RSA in detail for the Board on how the Board can acquire property, in this case a drainage easement; input they sought from the Planning Board and Conservation Commission other departments; number of public hearings that must be held; when the vote can be taken; described the location of the easement; the work he has done with the Counsel for the Mr. Prevost; the developer of the subdivision; on the language for easement and the maintenance manual for the maintenance of on the easement; explained the maintenance of the easement that will done in detail for the Board; the costs of the maintenance of easement and swale will fall on the owner of lot 2; the Town is reserving the right and the ability to jet water through the pipe to the other side of Huckleberry Lane; the Town is in a backup role if the maintenance is not done and will be able to recover the cost; keeps within what the Planning Board called for; going through the process as quickly as possible; Board saw this last on August 5th.

Selectman Woolsey inquired about this segment of the road, its classification and it is currently an unaccepted road, and it is an unaccepted road.

Selectman Pierce asked if there is any other action besides taking lot 2 owners to court if the maintenance duties are not performed. Atty. Gearreald went through the courses of action the Town will have if maintenance is not performed.

Selectman Plouffe questioned what happens if the developer were to sell the lot and Atty. Gearreald addressed this concern, that any new owner would be responsible for the maintenance.

No comments from the public.

Chairman Nichols asked about the statutory requirement in regards to the second public hearing. The second public hearing must be held no less then 10 and no more than 14 days...

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The Board agreed to meet on October 11th at 3 pm to hold the second public hearing, and the vote will occur on the 21.

II. Public Comment Period (14:22)

David Lang, 66 Park Ave, he is here before the Board as a taxpayer, former employee and retiree; he is disappointment in the lack of Boards decision to go after LGC board reorganization; disagrees with Boards decision to hold back the refund from LGC; money belongs to employees and retirees; concerns with money being owed back in regards to court cases pending; decision may not be made until 2014; motion to stay filed by LGC and how the motion to stay was denied; the Boards concerns with coalitions of communities, and they have not requested any pass through liability to any the communities; the Boards decision to hold the money not supported by what the facts he believes to be or the position believe the Court case is in; and more troubling than that is the real reason was for holding the money, it was so that it would not be reported to the Dept. of Revenue, so it is would not be considered as revenue on this years' tax rate; what this means to the taxpayer, it is about ten cents on the tax rate; asking them to reconsider their decision and return the money to the employees and retirees.

Arthur Moody, 3 Thomsen Road, made comments as follows: discussed in detail the stop sign on Consent Agenda; crosswalks not being part of ordinance; street naming process; location of street signs.

John Grella, 20 Dearborn Ave, made comments as follows: event that occurred at his house on Friday afternoon; pleased to live in Town and work with the Town; discussed how two trees were taken down in front of his property; trees over 100 years old and part of the character of his home; was told that the sidewalk plow cannot fit between his stone wall and the trees; after talking to DPW employee found out the second large tree in front of his house would be coming down; phone calls he made to Town Manager's officer and appreciates the discussions he had with both Kristina and Chris Jacobs; not here to cause any trouble or get anyone in trouble; just wants to make sure that something like this does not happen again; the impact taking these two trees has had on the character of his house; healthy prime trees; Mr. Noyes came by this morning and thanks him for his attention to this matter; Mr. Noyes stated that they will rectify the matter; stumps will be ground down and new trees planted; wish the Town would have notified him and events would have been different; talked about all the snow removal he takes care of himself in front of his property; these were two healthy trees; discussed how a sidewalk plow got stuck last year and that he feels that is why these trees were taken down. Chairman Nichols stated that he has put this on the pending item list and it will be on a future agenda. Selectman Pierce expressed real concern on why the trees were taken down.

III. Announcements and Community Calendar (36:23)

Selectman Bean made comments as follows: information gathering at Marelli's Square this past weekend in regards to the 2.4 billion Medicaid expenditure in NH for NH residents; the median income per household is \$54,000 in Hampton; These are Federal funds and NH is consistently in the bottom 10% of States on return of equity for tax dollars that come back to NH for this; all of our money goes out the door and none of it comes back; the need to vote positive on expanding Medicare to care for NH residents; contact your legislators to support

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this read the information on the Affordable Care Act; tremendous cost shifting; we should get the benefits back.

Selectman Woolsey made comments as follows: agrees with comments made by Selectman Bean and the real need to support Medicaid; viewers will notice the second channel 13 Government and Education; to save money on taxes make every effort to recycle.

Chairman Nichols announced an opening on the Energy Committee and anyone interested should write or email Kristina in the Town Manager's Office.

IV. Appointments (41:07)

1. Legislative Delegation

a. HB 672 Property Tax Exemption for Water and Air Pollution Control Facilities

Chairman Nichols made comments as follows: background on this for the public; Seabrook Nuclear Plant has filed an appeal of Hampton property tax assessment; if the appeal is successful it could reduce the Seabrook's Plant Hampton tax bill by 80% shifting roughly ½ million dollars annually on to the remaining taxpayers of Hampton; appeal provides their interpretation of RSA 72:12A the pollution control exemption; HB 672 seeks to mitigate the impact of this exemption; mitigation or repeal of this exemption has been rejected in the past; some discussion on amendments to HB 672; discussion Board had at their last meeting and decision made to invite the Legislators to come tonight; objective is to understand the status of direction the House is taking with HB 672; highlight the importance of this issue to Hampton; keep the public informed; like to clarify that there are two related but very distinctive parts to this subject; first is tax years 2011, 2012 and 2013 will be decided at the BLTA; the Legislators can effect 2014 and future years by HB 672 or other legislation.

Representative Cushing made comments as follows: does go back a long while in fact back into the 50's; talked about what industrial facilities were doing back then; amendment made so it was not just for industrial but also water and air pollution; 1971 law was recertified; sometime in the 80's started to use this pollution control device; talked about the clean water act; provision to exempt certain properties; comes into Town of Hampton because the cooling tanks from Seabrook Station come through Hampton; specific category for this specific piece of property; the State mandates that a local community cannot attempt to collect taxes on certain pieces of property that the State has declared would be used solely for water and pollution control; in 1988 provision was removed that allowed this exemption for 25 years; under current law you are allowed to deduct from your taxes forever; legislature has tried to wrestle with this on multiple occasions which he went through for the Board; bill that was defeated in 2006; in 2012 the legislation was designed so it would step down; meeting that discussed this last year; cost Hampton about ½ Million Dollars; \$14B company does not have to pay ½ million in taxes instead the other taxpayers do; discussion they had last year and where HB 672 came from; bill designed to pay down the note; how they came up with how they will deal with depreciation; a lot of discussion back and forth; thought there was going to be subcommittee formed; what the Town of Seabrook thinks of all this; what the utility company has said and how they have threatened to raise utility cost; this cost every Town and explained why; every property tax payer is subsidizing these properties on whom taxes should be collected; why does the State mandate this instead of allowing the communities to have the power; if State really wants this pollution control exemption then

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they should pay for it and the amendment that has been prepared in regards to this; not sure what this committee is going to do but shared some feelings he has gotten from talking to others; why not go back to the original way the law was written; he has filed two legislative service request to have bills drafted for next year, one to just go back to 25 years and the other goes to whether or not the Town can decide for itself if they want to have this exemption; would like to see the communities have the right to decide; the other bill goes back to reinstate the right of the Town to challenge a decision.

Senator Stiles added the following: Rep. Cushing has done a lot of work on this bill; bill is in the House; people she has spoken with and their thoughts; if it makes it to Senate she will work it through.

Representative Muns made comments as follows: timeframe needs to be amended; number of Representatives that mentioned private businesses in their communities that they were concerned with.

Chairman Nichols wonders if anyone has offered up just how much these property taxes are and specifically the subset that is a portion the exemption as a percentage of the operating expenses of these entities and Representative Muns has not heard anyone bring this up yet. There was a discussion on Franklin Pierce College and concerns they have since they had a sewer system installed.

Senator Stiles commented on going back to the 25 years and two scenarios that could happen when doing this.

Selectman Woolsey made comments as follows: thanked them for all they have done; trouble figuring out the rationale for this; clean water act; if talking strictly pollution; talking about 3 years in her opinion.

Selectman Pierce made comments as follows: once written off depreciation phase then there is no question after that; timeframe that it was 25 years; how they came up with 25 years; who determines what is a pollution device and what is a pollution control.

Selectman Bean made comments as follows: attended hearing in Concord in regards to Aquarion; how Mr. Welch got to speak but he did not; watched SB121; not impressed in how the NH Finance Committee treated the Town of Hampton in regards to the simple request regarding Rooms & Meals; thanked them for the work they are doing; discussed the balance sheet of NextEra in detail for the Board and public; this is a ½ million burden to the working class in Hampton; inequities with the State up to 7 figure number; labor negotiations going on with employees; what role lobbying plays in this effort; encourages all to go to followthemoney.org; requests anyone representing his district to return any campaign contribution they may have received from this large corporation.

Selectman Plouffe thanked them for their work and whatever they can do to limit, restrict this and or get it back to the 25 years would be appreciated.

Senator Stiles reminded everyone they have the opportunity to speak on Park rules on October 10th down at the Sea Shell at 6 o'clock, anything to do on transportation on 10 year plan.

Chairman Nichols asked questions which were addressed by Representative Cushing: is bill still in its written state; things that have popped up in the past few weeks; the HB672 fiscal

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impact note stating that there will be no impact on local revenue and how this is not true; methodology statement from DRA and concerns with it not being accurate; April 1st is absolutely critical date if they can get something done; how things happen in the House and even when it is about fairness things still do not happen because it does not affect everyone; discussion on why other communities are not coming forward with similar concerns; all the communities that have this pollution exemption; went through some of these communities and amounts involved; unusual situation here with NextEra and explained why he feels this way; interesting talking about fairness and how these two companies are worth more than the State of NH.

Senator Stiles pointed out that Rep. Cushing has a few amendments to bring forward regarding this matter.

2. Ed Tinker, Chief Assessor (1:34:33)
 - a. 79-D Barn Preservation 10-yr Easement 2013 Renewals
 - i. Diane R. Riley 1987 Trust / 641 Exeter Road
 - ii. Ansell W. Palmer Revocable Trust / 206 Winnacunnet Road
 - iii. Marsha L. Skoglund / 271 Winnacunnet Road

Mr. Tinker made comments as follows: history on when Hampton entered into this easement; 7 original applications; 3 have reapplied; provided the Board with detailed information on this.

Selectman Pierce commented that he did a nice job on all of this and Selectman Woolsey agreed.

Chairman Nichols pointed out the total tax impact is \$1,755.

Chairman Nichols MOTIONED to ACCEPT the Assessor's recommendation for the 2013 renewal applications on property owned by: Diane R. Riley 1987 Trust / 641 Exeter Road that will result in a tax impact of \$1,044; Ansell W. Palmer Revocable Trust / 206 Winnacunnet Road estimated tax impact of \$225; Dave and Marsha L. Skoglund / 271 Winnacunnet Road with a tax impact of \$485 and to sign the agreements presented SECONDED by Selectman Woolsey.

VOTE: 5-0-0

V. Budget Reviews (1:38:24)

Chairman Nichols confirmed that there was a consensus amongst the Board that they agreed with Mr. Schwotzer's Sept. 25th adjustments with one change in the \$26,000 that was moved into paving and reconstruction; this should be 26,700 according to the motion. Chairman Nichols pointed out that the Board will be making a motion tonight on the final budget.

1. Revenues

Mr. Schwotzer made comments as follows, total revenues of \$6,419,825 which is an increase of \$249,904; only estimated revenues; goes onto budget for State; actual revenues are what is used to set tax rate; went through large increase in Motor Vehicles, Highway Subsidy, 3 State pollution grants they expect to receive.

Selectman Woolsey questioned whether the parking lot revenue should be increased and shown here.

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Chairman Nichols MOTIONED to approve the revenue budget presented by Mr. Schwotzer in the amount of \$6,419,825 SECONDED by Selectman Plouffe.

VOTE: 5-0-0

2. Default Budget Final Review (1:43:41)

Mr. Schwotzer made comments as follows: explained the calculation used to come up with the Default Budget; provides comments as to why certain numbers have gone through; email sent on the 22nd in regards to changes he has made; reduced cost of FICA, Social Security and retirement after doing an analysis of all the salaries that are in the default; suggest the new default number be \$25,686,799.

Selectman Pierce MOTIONED to move the Default Budget of \$25,686,799 SECONDED by Selectman Plouffe.

Chairman Nichols commented that he received an excel version of this budget and he spent some time looking it over and could not find any problems with this Default Budget.

VOTE: 5-0-0

3. Adjustments and Final Approval (1:46:16)

Chairman Nichols asked if anyone has any comments.

Selectman Woolsey made comments as follows: in the DPW budget left the paving and reconstruction line naked; highway maintenance had a \$100,000; Chairman Nichols clarified that they put \$26,700 on the paving and reconstruction line item; need \$86,000 for the Fairfield area paving; recommends taking \$60,000 from highway maintenance and moving it onto this line item; \$5,000 that has been cut from the tree line item.

Selectman Pierce made comments as follows: like to look at the Fire Inspector position and making it part time; went through the reason why mostly because of the rush in the spring; like to give it a shot as a part time position; cut the cost in half if it done this way.

Selectman Pierce MOTIONED to modify the amount of the line item for the Fire Inspector from \$117,473 to \$98,000 SECONDED by Chairman Nichols.

Mr. Schwotzer pointed out that the actual amount for a part time Inspector would be \$99,300.

Chairman Nichols made comments as follows: how he came up with the \$98,000; how with a part time position you do not have NHRS or health insurance cost; salary based on 35 hours per week.

Selectman Woolsey made comments as follows: service providing to make sure buildings are adequately inspected for public safety; Building Inspection and Fire Inspection work hand in hand; large projects that are coming up; re-zoning article that the Planning Board is working on for an area at the beach; position that never should have been discontinued; fees are assessed with these permits.

Chairman Nichols made comments as follows: no problem with what Selectman Woolsey has said but they are all words; there is no analytical data available; do not see the impact of doubling; increase by 60% when go with a part time position; dramatic difference in cost when you go with a fulltime position because of NHRS and health insurance; not prevented from turning a part time position fulltime in a future year; will have to work this with the

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Selectman Bean asked for a point of order in terms of discussion, and less dialogue with comments like “piggy” and that the Board to stick to the numbers, to not editorialize.

Motion Failed VOTE: 2(Pierce, Nichols)-3(Woolsey, Plouffe, Bean)-0

Chairman Nichols made comments as follows in regards to merit pay line item: originally had an amount of \$14,618; some analysis done by Mr. Schwotzer; including a 1.5% increase; health insurance concessions made in order for non-union personnel to receive a raise; 5 non-union employees did not make the change and would like to offer this again; would need to raise this line item to fund this.

Chairman Nichols MOTIONED to increase the Merit Pay line in Personnel from \$14,618 to \$25,000 SECONDED by Selectman Pierce.

Selectman Pierce made comments as follows: like giving employees the option; in his company, here is the health insurance and you took it, at some point would like to see something done to encourage employees to make the change. It was stated that there are contractual obligations that prevent the Town from doing that.

VOTE: 5-0-0

Board Members Pierce, Woolsey and Nichols made comments in regards to paving budget: sidewalk maintenance money has never been used; highway maintenance some money can be taken out of this line; possibility of moving money from highway maintenance to the paving line item; would have been willing to add money to this line item if we had made some changes in Fire tonight; not happy that work has not been completed in the Fairfield area; past history of streets that did not get paved in the past even though they were included in the warrant article; tax rates of comparable communities; have to meet the needs of the public; good job of keeping taxes flat since 2006; amounts for paving in the past few years; how much the budget was and how much was spent; we are not meeting the needs of the public, we need to tell the public what we need to do to keep the services in this Town;. Mr. Welch shared his thoughts on moving money and concerns with work that must be done under highway maintenance account.

Mr. Schwotzer commented that changes tonight total \$7,682 for a new total budget amount of \$26,109,500.

Selectman Pierce MOTIONED to APPROVE the total Operating Budget of \$26,109,500 and forward to the Municipal Budget Committee SECONDED by Selectman Woolsey.

Motion Passed VOTE: 4(Pierce, Bean, Plouffe, Woolsey)-1(Nichols)-0

VI. Approval of Minutes (2:34:54)

1. September 16, 2013

Page 7; delete “Discussion no Municipal Sanitation part on DPW Budget”

Page 7; 7th paragraph change “wash” to “reduction”

Selectman Pierce MOTIONED to approve the minutes of September 16, 2013 as amended SECONDED by Chairman Nichols.

VOTE: 5-0-0

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2. September 23, 2013 Non-Public

Chairman Nichols MOTIONED to approve the minutes of September 23 2013 Non-Public SECONDED by Selectman Pierce.

VOTE:

5-0-0

VII. Town Managers Report (2:40:34)

1. The West Side Streets Sewer completion costs for Auburn Street extension requires an additional \$18,453 that will be taken from Sewer Maintenance line according to DPW. The will provide sufficient funds to complete the work under the contract as bed.
2. High Street, Exeter Road and Lafayette Road traffic Lights. I have requested of the Fire Chief before I left on vacation to schedule a face to face meeting with the Traffic Engineer and Mrs. Woolsey and Mr. Rice to clearly hear their concerns regarding the sequence of lighting control. He indicated that he would arrange the same as soon as the Engineer is available in October.
3. The FEMA Grant Application for the Gristmill has been completely vetted by Town Counsel in response to the Boards questions. He is satisfied that the application can be approved by the Selectmen.

Chairman Nichols commented that the Board has seen Atty. Gearreald's memo and there was a consensus amongst the Board to hold a public hearing for this application.

Mr. Welch made comments on the following: update on Church Street Pump Station; reviewed the Engineers report; construction on the main structure proceeding; received from the Federal Government through the State \$41,745.51 for March 18th storm.

VIII. Old Business (2:45:53)

1. Discussion on names for future streets

Chairman Nichols commented as follows: put this on the agenda to assure everyone knows where they stand on this issue; how are they going to come up with names when they hit this topic again; all the names of Hampton residents going back to the Revolutionary War; who had lost their life defending the US have been exhausted; did address the issue of the Firefighter that had died; read article in 2007 in regards to naming a street; given we have exhausted people who have served and public service how far back do they go; King Phillips War; and then begin with the historical figures.

Selectman Bean thinks that we need to complete an examination of the list from wars prior to the Revolutionary War and use the names from King Phillips War and other pre Revolutionary War.

Other Old Business

Chairman Nichols confirmed with the Board that they had agreed to remove the warrant article to rescind the administrative enforcement ordinance. He also shared a discussion that he had with Chief Sullivan in regards to the entertainment ordinance amendments.

Selectman Woolsey would like to make a motion that they reverse the decision that they made last week to hold back on the LGC refund the Town received

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Chairman Nichols thinks that the Board should get the opinion of the Town Attorney before making a decision on this.

Selectman Pierce expressed concern with vote taken on the budget earlier in the meeting and would like to change his vote to not in favor.

Discussion on the motion of Selectman Pierce to revisit his vote on the Budget. Chairman Nichols suggested that they leave the vote the way it is for tonight and Selectman Pierce will have a chance to vote again when the budget comes back to them from the Budget Committee.

IX. New Business (2:55:15) - None

X. Consent Agenda (2:55:19)

1. Stop Sign - Approval of installation at North Shore Rd northeasterly approaching Woodland Rd

Selectman Woolsey MOTIONED to MOVE the Consent Agenda with the change in language to northwesterly SECONDED by Selectman Plouffe.

VOTE: 5-0-0

XI. Closing Comments (2:56:16) – None

XII. Adjournment (2:56:19)

Chairman Nichols MOTIONED to adjourn at 9:55 PM SECONDED by Selectman Pierce.

VOTE: 5-0-0

Chairman