

**Minutes
Nottingham Select Board Meeting
January 9, 2017**

6:30 PM Chair Danis opened the meeting and asked all those present to stand for the Pledge of Allegiance.

Members Present: Donna Danis, Tiler Eaton, Charlene Andersen

Others: Town Administrator Chris Sterndale, Secretary Dawn Calley-Murdough,

Approval of Manifest:

Motion: by Ms. Andersen, second by Mr. Eaton to approve the January 2, 2017 accounts payable and January 3, 2017 payroll manifests.

Vote: 3 – 0 in favor.

Approval of Minutes:

Motion: by Ms. Andersen, second by Mr. Eaton to approve the minutes of the December 19, 2016 meeting as written.

Vote: 2 in favor. 1 abstained

Select Board Department/Board/Committee Reports:

Budget: Mr. Eaton reported the final draft of the 2017/2018 school budget was presented. Mr. Sterndale reported the town final draft will be presented on January 26th and the public hearing for the Town Budget will be on February 9, 2017 at 7:00 pm

Planning: The board continued review of active cases, and received a new case from the car dealership on Route 4/Old Turnpike Road, at the end of Route 152, for a change use to include car repairs.

The board is waiting to receive the changes to the impact fee report, as previously requested; there is plenty of time to receive the changes and approve the final reports and the requested changes.

Marston: Chair Danis reported the final designs plans should be received by the town soon, and because the design was completed by free labor minimal funds were used from the money appropriated in 2015. Mr. Sterndale reported there should be a February meeting with the Select Board to present the information to the public.

Town Administrator Reports, Mail, Signature Items:

Police: The two new trainees have started the Police Academy training in Concord, which should be completed in March.

Highway: The highway crew has been very busy with the last couple of storms, as well as the miscellaneous dustings of snow and residual icing. They are doing their best to keep up with the amount of work while being short staffed.

The department still has a temporary vacancy for a full time position; a CDL-B license is required.

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The Select Board thanked the department and expressed their appreciation for staff doing a great job keeping roads cleared while being one man down.

Recycling Center: Chair Danis reported high praise was received about Brianne at the recycling center for the all the work and help she gave. Mr. Sterndale reported the disposal contract is being updated, and he doesn't expect a price increase for 2017, but does expect one in 2018.

Fire: The Fire Marshall report regarding the recent house fire and resulting passing of Mrs. Baker should be received soon. The Fire crews also responded to two other calls directly before the house fire, which attributed to the quick response to the Stage Road home.

The Fire Department personnel and volunteers do receive continued training to help them address some of the feelings and emotions that are typically felt by members after such incidents.

Chair Danis reported the Police Chief also is cognizant about the residual emotions felt by police officers after such/similar accidents and makes an effort to spend some one-on-one time with the officers who attended such an event.

Meeting Timeline: Mr. Sterndale reviewed the upcoming meeting dates and known agenda items; the board has a busy upcoming schedule with completion of the draft 2017 town budget, possible sale of USA Springs, finalizing warrant articles, town elections, and town meeting.

The board members reviewed the need to attend the March Town Elections. Chair Danis stated she would not be able to help on the Tuesday, March 14th election day, as she will be on the ballot, and she may also be unable to attend Town Meeting on Saturday, March 18th because she will be out of town. Ms. Andersen and Mr. Eaton would establish a schedule for their attendance at the town election at a future meeting.

Fire Department Chief Appointment: The board received and signed the re-appointment of Jaye Vilchock as the Fire Rescue Chief, as voted by the department officers.

Motion: by Ms. Andersen, second by Mr. Eaton to appoint Jaye Vilchock as the Fire Chief.

Vote: 3 - 0 in favor.

General Business:

Solar Proposal: Mr. Sterndale reported he is waiting on the answer regarding the previously asked questions about subordination of a mortgage.

Discussion took place about the information provided in the contracts, including the estimated cumulative savings and the fact that the town will start earning, or paying for their electric use with solar power, by year 14 at the Fire Department and year 19 at the Community Center; when the town starts to see some return on investment will be determined on when the installation costs are paid off, through installment payments or fully funded up front. The estimated cost of the solar installation at the Community Center is \$88,442.00 and \$50,092.00 at the Fire Department. The

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town could see renewable energy credits, depending on the installation date and can run a risk of losing the credits if installation isn't completed during 2017.

The solar panels will be maintained by IGS Solar, while they are under IGS Solar ownership, but maintenance costs will shift to the town once the systems have been fully paid.

Variables that will change when the town start seeing a return on investment will be when the town pays the installation costs in full, the unknown future electricity rates, and maintenance needs and/or deterioration of panels once the town takes ownership, among other possible unknowns.

Chair Danis asked if there was any future negative to the installation of solar. Mr. Eaton reported there shouldn't be few negatives, and anticipates more growth, possibly greater returns, and a desire for installation of other solar panels; revenue/savings could be seen sooner if the panels are paid off more quickly.

Mr. Sterndale stated the biggest unknown is the currently offered tax credits, would they be eliminated or will they expire, as they are a big portion of the installation savings the town could see. Mr. Sterndale recommended the Fire Department because the savings will be seen more quickly, but depending on what happens with the tax credits and/or energy pricing will determine if the town should have acted on panels for the Community Center. The Select Board will need to review their value to

Ms. Andersen reported she agreed with the installation at the Fire Department, depending on the answer about the mortgage. Not doing the Community Center will be a gamble with the possible loss of the tax credits and energy prices; it will be an unknown. Prior investment has been placed in the Community Center, it will continue to be used.

Mr. Eaton stated he has seen contractors push to complete projects because of the possible end of tax credits, but does expect long term savings and would eventually like to see panels on the school and in other locations.

Chair Danis, and the other members agreed to submit the installation for the Fire Department and Community Center as two separate warrant articles. Chair Danis felt it was important for the voters to weigh in on the two different scenarios.

Town Report Dedications/Select Board Report: The members reviewed the list of recommended people for the 2016 Town Report dedications and/or a possible In Memoriam page.

After discussion the board decided to include have an In Recognition and In Memory sections, rather than a Dedication page, and to recognize some in the Fire Department section.

Chair Danis would review the prior Select Board Report for the 2016 Report. Ms. Andersen suggested to include information about USA Springs, current Marston property activity, the fiscal health of the town and maybe the challenge of finding board/committee volunteers.

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Budget/Warrant Articles: Mr. Sterndale reviewed the 2nd draft of the town budget has changed little from the 1st draft; small changes are made throughout the budget periodically as more information is received.

Executive Equipment was reduced with the purchase of a PC completed in 2016. The Election budget has been approved and finalized. The Select Board will need to make a decision on the amount for Legal Fees in 2017. Mr. Sterndale reported he is uncomfortable with reducing the current amount listed in the Legal account, if the sale of USA Springs hasn't closed by the time the budget hearing.

There is an expectation to reduce the amount needed for Town Hall and Other Building Miscellaneous accounts, with changes in plans for the Old Town Hall. Workers Comp is still a high number, but slightly less than the 1st draft. The Police Department accounts have some small reductions because of 2016 purchases.

Discussion took place about Fire Department Training and recommended changes to the Ambulance Special Revenue Fund purpose, transitioning those training and other expenses to the special revenue fund. There is the intent to purchase an ambulance in 2017, and change the purpose to include training and licensing from the fund as well; proposed language was provided to the Select Board. There is a possibility in the future to take monies from the fund to offset taxes, but isn't a decision for now.

The Historical Society was reduced with the purchase of a fire proof cabinet in 2016.

The Select Board will need to consider changes/upgrade to the fire and safety alarm system; recent power spikes have caused issues to the approximately 20 year old system. Mr. Sterndale stated it is operating, but malfunctions when the power goes out; Mr. Sterndale reported he has an appointment with the alarm company and Police Department. The Dame School will need to be painted and a quote is expected soon.

Mr. Sterndale reviewed the warrant articles, including those that are recur annually that are funded in the same amounts as 2016. The list includes Road Reconstruction, Revaluation CRF, Highway CRF, Tri-Centennial Fund, HVAC ETF, Ambulance SRF, Invasive Species Fund, and the newer Contingency Fund for possible employee retirement/separation expenses.

Newer/One time warrant articles for 2017 include modifying the purpose of the Ambulance Special Revenue Fund, a new Ambulance Purchase, Trustees of the Trust Fund Investment plan, two Solar Power agreements, Road Acceptance by the town, debt reduction, and Groundwater Protection options.

Mr. Sterndale reported the Fire Chief is looking for purchase a more durable diesel Ambulance, which might cost slightly more but would provide other benefits and possibly a longer life use.

Chair Danis stated she felt the proposed budget is frugal and responsible and approved of the list of warrant articles as presented, and expects there will be a lot of discussion regarding the solar power requests.

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Ms. Andersen asked to research information about whether an association was part of the development plan for the submitted request for town acceptance of Rocky Hill Road.

Mr. Sterndale reported with the proposed budget and warrant articles the grand total appropriation is expected to go down, with a lower tax impact.

USA Springs: Mr. Sterndale reported the sale of the property is expected to close this week; the Buyer and Seller have agreed to a deadline of January 13, 2017. The Buyer was looking for a possible extension beyond the 13th, with negative responses from the creditors; a portion of the delay is the sale of the cell tower easement.

Mr. Sterndale asked the Board if they want to file paperwork to take the property by tax deed if the sale doesn't close by the deadline. The Select Board members agreed with the recommendation.

If the sale is approved and closed the town should receive payment fairly quickly.

Chair Danis asked if there will be a closing of the bankruptcy case with the court. Mr. Sterndale reported there would be a final closing by the court; once the property has sold, the cell tower easement agreement, and beyond that the town has no decision regarding the remaining pieces.

Mr. Sterndale asked the board how they might want to proceed with the anticipated closing of the sale of the property and what decisions they will want to make with the received funds. The Board will need to decide on the allocation of proceeds once the funds are received, between the property tax portion and the Land Use Change Tax portion; in regards to the settlement the town will not receive the full amount owed and the shortfall is driven by complications with the claim against the LUCT, leaving more funds for the property tax first.

Discussion took place about how the board might decide on the allocation of the amount received, for the full amount of property taxes, some property tax interest and some of the Land Use Change Tax (LUCT) for the Conservation fund. Discussion took place about the questionable LUCT lien and objections expressed by the property owner.

The Select Board considered uses of the funds, options included some payment towards town debts, a groundwater protection fund and for possible trust fund for future legal purposes.

Chair Danis stated she agrees with the proposed distribution and the plan to pay off debt, for a possible future legal fund, as well as providing monies to the Conservation Fund.

Ms. Andersen asked about the legal and technical assistance and the history of spending, thinking \$100,000.00 might be appropriate. Mr. Sterndale reported he believes it is an approximate grand total \$400,000.00, but that is a partial guesstimate from the prior legal expenses, as all legal expenses are grouped together in the accounting software.

Mr. Eaton stated if the sale is completed he has the expectation that citizens will want the board to provide/set aside funds for future legal expenses.

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The board agreed on a proposed allocation plan, as well as with the presented ideas of what to do with the received funds. Mr. Sterndale reported once the sale is complete he will present a final allocation and expense plan for Select Board review, as well as update the Conservation Commission Fund on the amount they would receive.

Chair Danis asked to reach out to the buyer once the sale is complete. The other members agreed and Mr. Sterndale would send a letter.

Other Business: Ms. Andersen asked to include board/committee structural change options on an upcoming agenda.

Ms. Andersen stated a resident set a request that the Board review 2017 proposed HB173 to expand the authority of the Select Board to prevent watering of lawns in the case of drought and asked the other members to review it for possible comments on the bill. Mr. Sterndale recommended reading the weekly Friday NHMA Legislative e-newsletter.

Appointments: NONE

ADJOURNMENT: Having no further business,

8:29 PM Motion: by Mr. Eaton, second by Ms. Andersen to adjourn.

Vote: 3 – 0 in favor.

Respectfully Submitted,

Dawn Calley-Murdough