

TOWN OF LITCHFIELD BOARD OF SELECTMEN

March 23, 2015

Selectmen's Meeting - Held in the Campbell High School Auditorium

Members Present: Steven D. Perry, Chairman
John R. Brunelle, Vice Chairman
Frank A. Byron
Brent T. Lemire
Kevin C. Bourque

Also Present: Jason Hoch, Town Administrator

5:00 p.m. Paperwork review

6:00 p.m. Call to Order

Pledge of Allegiance

Presentation by Kinder Morgan regarding proposed gas pipeline Followed by a Question & Answer period with residents and Kinder Morgan

Representatives from Kinder Morgan came to Litchfield to present information on the proposed gas pipeline, know as the NorthEast Energy Direct Project (NED) which will be developing and upgrading the infrastructure in Pennsylvania, New York, Massachusetts, New Hampshire and Connecticut to help meet the increased demand for natural gas.

As well as engage in a question and answer session with the residents of Litchfield and surrounding areas.

Selectman John Brunelle announced the members of the Litchfield Board of Selectmen, Senator Donna Soucy and NRPC Representative Tom Young.

He then turned the meeting over to the VP of Public Affairs for Kinder Morgan, Alan Fore.

Mr. Fore introduced his team from Kinder Morgan, Curtis Cole (Commercial Business), Mark Hemrick (Project Manager/Engineer) and Jim Hartman (Land Manager).

Alan Fore started the evening by stating that the Tennessee Gas Pipeline Company is a subsidiary of Kinder Morgan. They are in the transportation business, they transport natural gas through pipelines. Their company does not own or sell they just transport their product. He states that they are one of the largest energy infrastructures in North America, and the current Tennessee pipeline system has approximately 13 thousand miles of pipe.

Mr Fore tells the audience that this will be a right of way buried pipeline (horizontal drilling method) with valves, meter stations and a compressor station. It will consist of approximately 71 miles of 36 inch pipe, (29 miles in Cheshire County, 37 in Hillsborough County and 5 in Rockingham County). He mentions that there are currently about 50 miles of pipe in the State of New Hampshire. Some of their current customers are National Grid and Liberty Utilities.

Curtis Cole informs the audience that the demand in New England for natural gas and the pressure on an already constrained natural gas infrastructure is one of the most pressing challenges. He mentions that New England remains the most oil-reliant region in the Nation. Since fuel oil is currently one of the primary fuels used to heat New Hampshire homes, residents would greatly benefit from the cost advantage of natural gas. He mentions that Liberty Utilities has stated "An average residential customer who switches to natural gas from a competing fuel would possibly save 40-65% on their heating bills". Mr. Cole states that the availability of low cost natural gas will attract new business and encourage expansion in the State. He also mentions that in addition to NED lowering natural gas prices, it will also lower electric prices since 53% of the New England electric grid is currently fueled by natural gas. Curtis Cole states that Kinder Morgan is in the pre-filing state of the project, they have not filed for permits yet. They will be holding open house meeting like this through the summer. Kinder Morgan expects to apply with the Federal Energy Regulatory Commission (FERC) this fall. The proposed construction start date could be in early 2017 with an expected in-service date of November 2018.

Mark Hemrick states that Kinder Morgan is looking for survey permissions from the roughly 67 landowners that will be impacted by the project. Most are within the (100 ft. right of way in the powerline corridor). He tells the audience that it is a "Horizontal Drilling Method" that will be coming across the Merrimack River into Litchfield. It will be a buried 36 inch carrier pipe with a resource pipe put through, it will affect approximately 2.6 miles in Litchfield. One compression station will be in New Hampshire and is planned to be located in New Ipswich, it will be housed on 22 acres of fenced in land with 100-150 acres being used as a buffer zone.

Alan Fore speaks to the benefits of this project to the State and Communities. He states that the construction of this project will bring an influx of temporary and permanent jobs to the State of New Hampshire. It is estimated that a total of 520 temporary jobs will be needed to construct the New Hampshire portion of NED. This includes construction contractors, pipeline traffic control, security, and local businesses, among others. It is expected to benefit local restaurants and hotels which will see an increase in revenue due to the large number of workers that will be present in the area. He mentions that local fuel sales, entertainment, goods and services would flourish as well. Mr. Fore also states that in the first year the project goes into service it is estimated that \$11.1 Million will be paid in taxes to the Towns (Litchfield is expected to receive \$280,000 per year). Taxes paid to the State for local School taxes \$5.7 Million (distributed back to local school districts by the State). With an estimated total State wide tax of 16.8 Million paid.

The floor was then turned over to the public for a question and answer session with Kinder Morgan Representatives.

Some of the questions were - Who regulates and what are the right of way and buffer zone footages for how close to a home, septic or leach field is allowed? Answer was that there are currently no regulations specifically for this issue.

Many questions were regarding the pressure loads on the system, and can the demand and pressure be handled by the already strained system. Also questions on the safety records and complaints of the existing gas pipelines in other States. Mr. Fore told the audience for accurate information (not just newspaper/magazine article quotes) to go on the Federal Regulatory Commissions government website, or the US Department of Safety (Transportation - Pipeline)

sites for any safety/violation information that has been reported and documented for possible answers and concerns.

There were questions regarding property being “taken” for this project, even if Litchfield or the landowner say “no”. Alan Fore stated that Kinder Morgan is a private company, they would not “take” any land. It would be up to the State and Federal Regulators, this would be a Federally Regulated Project that would be based on the Government feeling this project would be in the best interest of the public and moving forward accordingly.

He mentions that this is the time for Towns and landowners to express their opinions, and also to allow surveyors on properties so they can possibly address and answer concerns that each individual land/homeowner might have. He mentions that landowner compensation is on an individual case, it is based on many factors some of which is the impact to the property, real estate values, will it restrict usage of the land etc.

There were questions regarding access to the pipeline in open areas in Litchfield, they wanted to know could it be accessed by the public, harmed by vandalism or terrorism, or accessed in case of a catastrophic failure. Mr. Fore stated this would all be regulated by the Federal Government not Kinder Morgan.

One person from the audience addressed the group as a business owner’s perspective in Litchfield. He stated that 2 years ago he spent \$2.5 Million to bring natural gas into Litchfield for his Company. He agrees with Kinder Morgan’s estimate of a 65% savings, which he has seen within his Company savings. He spoke to the usage demands discussed on the existing system, stating that his carrier (Liberty Utilities) will call him to schedule or shut down his Company’s usage during peak hours. He spoke in favor of bringing natural gas to the area for the growth of Business and Industry. Meeting ended at 8:00 pm

8:05 p.m. Board of Selectmen’s Meeting

Review of Items for Consent:

1. Minutes of March 9, 2015
2. Approval of Accounts Payable Manifest (\$42,867.74)
3. Approval of Payroll Manifest (\$48,016.39)
4. Abatement Map 5, Lots 261-267
5. Abatement Map 22, Lot 30
6. Notice of Intent to Excavate - Map 21, Lot 18
7. Permit - LMS Cross Country Race, April 19, 2015
8. Reappointment of Richard Husband and Marion Godzik to Conservation Commission
9. Reappointment of Laura Gandia to Zoning Board of Adjustment
10. Reappointment of Thomas Cooney and Gregory Lepine as Alternates to the Zoning Board of Adjustment
11. Reappointment of Sharon Harding-Reed as Treasurer
12. Reappointment of Debra Hogencamp as Deputy Treasurer
13. Reappointment of Thomas Young to Planning Board
14. Elderly Exemption Application Approvals (4)

Approval of Consent Items

Selectman J. Brunelle reads aloud the Items for Consent

Selectman B. Lemire **motioned** for the Board of Selectmen to approve the items for consent

Selectman K. Bourque **seconds** the motion.

Selectman F. Byron had a question regarding the town's policy on background checks and wished to know before the reappointment of the Treasurer and Deputy Treasurer if they had background checks completed.

J. Hoch states that they are required every two years, and they are due to have them completed again in 2016. **Vote carries 5-0-0.**

Request for Items - Other Business

Selectman F. Byron would like to discuss some information from the Kinder Morgan presentation with the Board of Selectmen

Board Reorganization

Selectman J. Brunelle states that it is the time of year after Town meeting and elections to re-vote the appointment of the Chairman and Vice-Chairman for the Board of Selectmen, as well as BOS members being assigned to Committees.

Selectman J. Brunelle asks if there are any nominations for the Chairman.

Selectman K. Bourque **motioned** to nominate Selectman S. Perry for the position of Chairman

Selectman F. Byron **seconds** the nomination. **Vote carries 4-0-1.**

Chairman S. Perry takes over the meeting

Selectman S. Perry asks if there are any nominations for the Vice-Chairman

Selectman B. Lemire **motioned** to nominate Selectman F. Byron.

Selectman F. Byron **declined** the nomination, however **motioned** to nominate Selectman J. Brunelle for the Vice-Chairman

Selectman B. Lemire **seconds** the nomination. **Vote carries 4-0-1.**

Board Member Committee Assignments

Selectman S. Perry states the **Ex-Officio Committee Assignments** are next and is looking for any volunteers or nominations:

Conservation Commission	Selectman B. Lemire
Planning Board	Selectman S. Perry
Recreation Commission	Selectman J. Brunelle
Budget Committee	Selectman F. Byron
Capital Improvement Committee	Selectman J. Brunelle

Selectman B. Lemire **motioned** for the Board of Selectmen to approve the nominations for the Committee Assignments as discussed.

Selectman J. Brunelle **seconds** the motion. **Vote carries 5-0-0.**

Selectman S. Perry moves to the **Other Committee Assignments** for volunteers or

nominations

Wastewater Study

Selectman S. Perry

Recreation Facility Planning

Selectman S. Perry

Union Contract (Police)

Pending till later date

Regional Hazardous Materials Response Administrator J. Hoch

District

Selectman B. Lemire - Alternate

Administrator Report

New Business

Impact Fee Schedule Update

Administrator J. Hoch mentions to the Board of Selectmen that he has shared the recommendations from the Planning Board for adjustments to Impact Fees for 2015. They held a hearing on February 5th regarding these changes. Town Meeting approved the related article changes to update the Impact Fee Ordinance. The Planning Board has shared reports and information looking to adopt these fee schedules accordingly. Jason asks if the Board has any questions regarding the information he and the Planning Board have shared.

Selectman F. Byron states that the Planning Board is required to update their documents by August, so will they not be submitting any changes from now until August. J. Hoch states that is correct.

Selectman F. Byron also asks if these are the fees given from the consultant from Maine. Jason states that they are and are based from the new data analysis.

Selectman F. Byron **motioned** for the Board to table this discussion until the members have a chance to review the documents and prepare any questions they may have. He would also like to invite the Chairman of the Planning Board or their designee to come in front of the BOS and present their proposed changes to the Impact Fees.

Selectman B. Lemire **seconds** the motion. **Vote carries 5-0-0.**

Old Business

Conversion of Cable Operators to Part-Time Employees

Administrator J. Hoch reminds the Board about a brief discussion at the last meeting that the Department of Labor received a complaint about cable operators being considered independent contractors instead of employees. He provided the information as requested by the DOL Inspector. Jason received the Departments report stating that the cable operators (employees) should be classified as part-time employees of the Town. Their view was that there was no artificial separation because of a separate committee, no written contract with contractual recourse if work is not completed and basically being paid by timesheet for specific hours worked.

Administrator J. Hoch tells the Board that they have initiated the process to convert them to part-time employees. He has shared a note from Dick Pentheny to his cable operators. Jason will review all timesheets as appropriate on a weekly basis to ensure that payroll happens in a timely manner. He will need to have all the new hire paperwork organized in separate copies to provide to the Department of Labor to demonstrate the Town's compliance and to avoid fines.

Selectman F. Byron asks if these new Town employees will be participating in the New

Hampshire Retirement Program. J. Hoch states no because they will not be meeting the required threshold of hours needed, they will only be part-time.

Other Items

Post-Town Meeting Filings

J. Hoch states that Terri Briand and he have posted the various forms for DRA that are required after Town Meeting. The new web filing system is making the process much faster. Jason mentions that the MS 2 (now 232) which is the report of appropriations actually voted, is shared and in the signature folder for the Board Members to sign.

Jason states that the first set of his recommendations regarding the Wage Plan implementation he will be sharing with the Board at the next few BOS meetings. He mentions that the article for funding passed at Town Meeting, and when the Board passed the policy there were different time lines for phasing in areas of the Plan. So he is hoping that the Board agrees with the first wave of adjustments and they can be implemented for June 1, 2015.

Agricultural Commission

J. Hoch tells the Board they will also be discussing the steps necessary to form an Agricultural Commission at a future meeting. This was an article which also passed at Town Meeting.

J. Hoch would like to mention that they will be looking for members for this commission, as well as a vacancy on the Mosquito District, and a position for an alternate on the Planning Board. He and the Board discuss posting these openings on the Town websites.

Talent Hall Water

Administrator J. Hoch states that at the end of last week, it was discovered that no water was reaching Talent Hall. Of course, Comedy Night was scheduled for the following evening. He mentions that Pennichuck identified that there was a frozen service main (buried only 3 feet), and that digging this up was not recommended. Kevin worked with Pennichuck to identify a way to provide basic water service through a temporary re-routing, dependent upon the cooperation of a neighbor through who's connection which allowed water to be re-routed and re-metered back to Town Hall allowing them to open Saturday evening for Comedy Night. The plan was to then have the repair work done in the Spring, however, Pennichuck ended up digging up the frozen service main on March 17th and fixed the problem.

Selectman Reports

Selectman S. Perry mentions that there will be a Recreation Commission meeting Tuesday March 24th at 6:00.

Selectman K. Bourque mentions that the Planning Board has nominated Tom Young as their new Chairman.

Items moved from consent - None

Other Business

Selectman F. Byron mentions that after listening to the speakers from Kinder Morgan this evening, he felt it would be a good idea to direct the Town Assessor to try and furnish the Board of Selectmen with information on how this may impact property values if this project is approved. He understands that each property will be different, but in general terms there is a way for the Assessor to come up with information, he mentions they did this when the cell towers were built (behind the church).

J. Hoch states that Merrimack has already starting putting together some of this information, and will be sharing this with him and he will add it to the Boards information. He also mentions that this evening he heard that they use the States approach to valuing the pipeline, which is lower for Utility Company's. Also DRA figures are 20% lower for Utilities. He also would like to know if the Assessor's have any existing pipeline in other Towns now, and how do they calculate and compare.

Selectman J. Brunelle mentions that if the pipeline will be running down the corridor of the powerline's there should not be much impact to surrounding areas. Selectman S. Perry states that it will not be running thru, it will be running next to the powerline's creating a larger impact to some areas.

Selectman F Byron would also like to ask the Emergency Management Director, Chief Fraitzl to provide an analysis of what impact this infrastructure would have on the Departments and the Town and its Citizens.

Selectman F. Byron also mentions that within the next few weeks the BOS will have to decide what their position on this will be. He mentions that there will be testimony heard at agencies involved (PUC, State, FERC Etc.) and the Town will possibly need to be involved.

J. Hoch also mentions that the Board will have to have a discussion regarding allowing access to survey, because there are two Town parcels of land (Map 10, Lot 20 & Map 14, Lot 125) which are affected by this project. One borders Londonderry and is Conservation Land and they would need to give permission, and there might be an issue with access due to wetlands.

Selectman S. Perry motioned for the Board of Selectmen to adjourn the public portion of the meeting to go into a non-public session per RSA 91-A:3,II(a) - Compensation.

Roll call vote - Selectman B. Lemire (yes), Selectmen K. Bourque (yes), Selectman F. Byron (yes), Selectman J. Brunelle (yes), Selectman S. Perry (yes). Board will come out of non-public to adjourn.

The next Board of Selectmen's meeting will be on April 13, 2015 at 6:00pm at Town Hall

Approved April 13, 2015