

TOWN OF LITCHFIELD BOARD OF SELECTMEN

August 10, 2015

Selectmen's Meeting

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

Absent: Kevin C. Bourque - Excused

Also Present: Jason Hoch, Town Administrator

5:00 p.m. Paperwork review

6:00 p.m. Call to Order

Pledge of Allegiance

Review of Items for Consent:

1. Minutes of July 27
2. Approval of Account Payable Manifest (\$47,907.47)
3. Approval of Payroll Manifest (\$45,459.13)
4. Application For Reimbursement For Forest Lands
5. MS 535 - Auditor's Financial Report
6. NRPC Commissioner Appointment - Thomas Young & Michael Croteau
Term Through June 2019

Selectman F. Byron would like to know if the two positions are to serve on the Board or Commission, and do they take them from the Commission position to serve on the Board. J. Hoch states no the Town gets two Commissioner Appointments. There is an Executive Board that the Commissioners serve on as a small group. He states that currently Tom Young serves on the Executive Board for NRPC. Jason states that the Town's appointments have always been indefinite, the State is now cleaning up paperwork and appointing positions for specific terms.

Approval of Consent Items

Selectman S. Perry reads aloud the Items for Consent

Selectman F. Byron **motioned** for the Board of Selectmen to approve the Items for Consent

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

Request for Items - Other Business - None

Administrator Report

Old Business

Request To Purchase Tax Deeded Property - Lamper Drive

Administrator J. Hoch mentions that at the last Board of Selectmen's meeting the Board opted to offer the sale of the tax deeded property on Lamper Drive to Mr. Benoit for the 3 years (2006-2008), which was to include all the taxes/penalties/fees that the Town had it on the books for this time period. Jason states that the Tax Collector reminded him that when the Town takes a property for taxes, the tax deed shows the original tax amount for that year, not the penalties attributed to it. So when they tallied up all the actual taxes and penalties for these 3 years, the total came to \$4,607.99.

Jason states this didn't make any sense the property is on the Town's books for an assessed value of \$7,500. He mentions that in going back through the records, the taxes for the years in question (2006-2009) were based on a property value of \$67,800, which is almost 9 times the current value. Administrator J. Hoch states that of course with an unknown owner, there would not be anyone to challenge this assessment. He tells the Board that at today's tax rate, a year of taxes based on the current valuation would be \$155.25.

Jason mentions that using the theory that the property was over assessed by a factor of 9.04 (67800 divided by 7500), the adjusted total should have been \$510.82 to cover a more realistic three years of taxes. He reminds the Board that the tax deeded amount the Town took the property for was \$1,148.99. The value using the over assessed taxes/penalties totals \$4,607.79, which he feels is unreasonable.

So he states that the Board's challenge is to pick what number they think is the most reasonable given these circumstances.

Selectman S. Perry states that this was a found piece of land, so when an "unknown owner" is mentioned, there has never been an owner or taxes paid for on this piece of property.

Jason states no, it is put on the books as "unknown" and runs through the system for three years in order to have a tax deed in order to claim ownership of the land.

Selectman S. Perry, so is it an unknown owner who was never worried, or an unknown piece of land.

J. Hoch states that from what he could see (only going back to 2006) it was never assigned to anyone. It existed before 2006, however only got on the books in 2006.

Selectman F. Byron states that the assessed value of the property should be \$7,500, and with Jason's calculations the adjusted outstanding total per year should be \$510.82. He feels that the amount should be \$7,500 (value of land) plus the \$510.82.

Jason states this amount would be worse than originally offered.

Board discusses calculated amount of \$510.82 being too low and \$1,148.99 for one year being too high. They also discuss adding the allowed 15% penalty which has been added in for auctioned property previously, which would be another \$1,125 based on the land value of \$7,500.

Selectman J. Brunelle asks if the Town has any other small unbuildable landlocked properties such as this or is this the only one on the books.

Selectman S. Perry states that if people knew they could receive a $\frac{1}{3}$ acre piece of land for

\$510.82 there would be a line out the door, feels this figure is to low.

Selectman F. Byron agrees this figure is to low.

Selectman S. Perry mentions again adding in the 15% penalty (\$1,125 on a value of \$7,500) as has been previously done, which would bring the total to \$1,625.82. Board discusses that this has been done on auctioned properties, this parcel is not being auctioned.

Selectman F. Byron states that this property does not have to be sold or auctioned off now Town can continue to hold on to it.

Selectman B. Lemire feels that no matter what is decided a statement that this decision is being made by the Board to sell this property and is a one time situation and made without prejudice.

Selectman J. Brunelle **motioned** for the property on Lamper Drive be sold for \$1,636 plus any associated legal and transfer fees.

Selectman B. Lemire **seconds** the motion.

Selectman B. Lemire **amends** the motion to state that this action by the Board is done without prejudice for any situations that may be similar that occur in the future.

Selectman J. Brunelle **seconds** the amendment.

Selectman S. Perry calls the **amendment** to the motion to a vote. **Vote carries 4-0-0.**

Selectman F. Byron states he can not support selling a piece of land worth \$7,500 for \$1,600. He mentions that there is nothing making the Board sell this land today (it is a landlocked piece), and there is nothing stopping the Board from auctioning off this parcel of land.

Selectman S. Perry calls the **amended main motion** to a vote. **Vote carries 2-1-1.**

New Business

Prosecutor Contract Renewal

J. Hoch mentions that Police Chief O'Brien recommends renewing the Prosecutor contract for another year, it currently does not expire until October (just working on budget now). He states that the rate is unchanged from the current contract, and all other terms will also remain the same. Term of contact will be from October 2015 to September 2016.

Selectman S. Perry asks if legal has reviewed this. Jason states yes.

Selectman B. Lemire **motioned** for the Board of Selectmen to approve the renewal of the Prosecutor contract for another year, term October 2015 to September 2016.

Selectman J. Brunelle **seconds** the motion.

Selectman F. Byron states there is an error in the contract listing him as Vice Chairman.

J. Hoch states that upon approval he will have the contract corrected and put in the file for the Board's signatures. **Vote carries 4-0-0.**

Sale of Tax Deeded Property - 17 Darlene Lane & 10 Bradford Drive

Administrator J. Hoch states that the Town took two mobile homes by tax deed in June. The appropriate notice period has expired, clearing the Town to sell them. Larry Olsen the owner of the mobile home park has offered \$1,500 each, for a total of \$3,000. Jason states that the combined three year write off is \$3,501.92. Also that Mr. Olsen has not charge the Town lot rent for the three months it has held the properties, this would have been \$500 per month per property. Jason is recommending executing this transfer of the two mobile homes and getting them out from the Town's ownership, this has been done in the past for other properties taken

by his park.

Board discusses that these homes are not in great shape, and it is to Mr. Olsen's advantage to rehab and resell them easier and faster than the Town could.

Selectman F. Byron asks if the \$3,000 includes the execution of all documents and fees.

Jason states no, but the cost is minimal (around \$40) and Mr. Olsen is also not charging the Town lot rent on the two homes which would of been \$1,000 a month for the three months.

Selectman B. Lemire **motioned** for the Board of Selectmen to approve and execute the sale of 17 Darlene Land and 10 Bradford Drive to Larry Olsen in the amount of \$3,000.

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

Old Business - Continued

Avitar Contract Renewal

Administrator J. Hoch states that he has shared the Avitar contract for 2016-2020 with the Board of Selectmen. It is similar to the current contract, with data verification in years 2-4 (skips 2016). Jason mentions that the level funding for the budget is \$47,410 per year, with a total 5 year contract of \$237,050 (slightly less than the previous 5 year contract).

J. Hoch states that the operations and approach will be similar. However, it is worth noting that utility work will be billed at \$125 per hour (other than the update year). He points this out to the Board due to the ongoing issues with Fairpoint, recalling that the settlement agreement with Pennichuck was through 2015 and if the pipeline is built, it will need to be valued in this timeframe.

Selectman F. Byron would like Jason to state the comparison cost of the last contract verses this contract for the public

J. Hoch states that this 5 year contract is \$1,560 less than the previous.

Selectman F. Byron **motioned** for the Board of Selectmen to approve the Avitar contract renewal for the 5 years from 2016-2020.

Selectman J. Brunelle **seconds** the motion. **Vote carries 4-0-0.**

Public Input

Chris Pascucci 12 Colonial Drive, comments on the Board's decision to deed the property on Lamper Drive. He mentions that according to the policy for deeded property the Board is allowed to sell the land if it is in the "best" interest to the taxpayer. He feels that the best approach for the taxpayer would of been to put it up for auction. Allowing anyone the ability to purchase that land (not just the current abutter) with the possibility the Town could of made additional money based on the assessed value. He states in the future the fair and right choice would be to list the property and put it up for public auction.

Chris mentions that he listened to a previous BOS meeting discussing the Avitar contract renewal. He states that the Board's policy is the contract should of gone out to open bids, due to it being well over the threshold of the purchasing policy (over a quarter million dollars). The BOS does have the right to waive that policy. Chris mentions that Selectmen S. Perry and K. Bourque stated at the previous meeting that the Board waiving this policy would not be right, and RFP's should be done. He states the Board knew it should follow their own policy and create an RFP, this was not a single source vendor and not an emergency. So he feels there was no rationale

for this behavior, except a disregard for the Board's own policy. It may be legal for the Board to do so, but it is not what was right. He feels Avitar got a "freebie" by coming in a few dollars cheaper (\$1,560 on a ¼ million dollar contract) the Board just handed them the renewal contract. Chris states that the Board had a choice to follow the policy in the best interest of the tax payers and made a choice not to do so.

Stop Signs

J. Hoch mentions that he has shared with the Board of Selectmen the Police Department's roster of recognized stop signs, which need the Board's approval.

Selectman F. Byron states that there is a stop sign missing on Liberty Way, there are 3 and only 2 are listed. Upon review and discussion the Board finds a few signs missing from the list, and a few street names that have been changed. Jason will review with the Police Chief and make any necessary corrections to the list for the Board to approve. He defers this until the Board's next meeting.

Projected Expenses 2015

J. Hoch tells the Boar that he completed an updated projection for spending this year. And as usual he tended to anticipate more of the "worst case" type scenarios. With everything appearing in place, he does see the Town finishing the year with a very small surplus. So his takeaway message is that thing are ok, the major departments know the revised numbers and feel they are generally appropriate.

Administrator J. Hoch shared a summary with the Board which shows that the General Fund numbers need to be adjusted by some of the Unanticipated Revenues (to be formally accepted & appropriated at the end of the month). There is nothing unusual, FEMA reimbursement and labor costs for the Highway Building. He mentions that winter (February) really killed the Highway Budget, and he anticipates running about \$83,000 over in winter maintenance costs. FEMA brings back \$27,000 with the reimbursement, he applied the IT savings to cover a portion of the rest. Jason states that they have not spent or committed any of the \$25,000 Pavement Maintenance Budget (the items above the Block Grant and Warrant Article). He states that his projection anticipates using/encumbering this money. If that is not done, there is an additional \$25,000 for unexpected costs in the last quarter of the year. Jason also did not apply any portion of the \$25,000 available from the Capital Reserve Fund for winter maintenance. He tells the Board that no action has to be taken at this point, he is just informing the Board that there are options for the last quarter of the year if something should happen.

Pipeline Update

Administrator J. Hoch states that he and the Pipeline Coalition met with a FERC Representative who outlined what they see as the next upcoming part of the process. Jason recaps some of this upcoming process:

- Comments received by the end of August need to be answered by Kinder Morgan to FERC
- FERC develops their own Environmental Impact Statement (EIS) based on Kinder Morgans information and public comments.

- Kinder Morgan continues to update Resource Reports, expecting the final Reports to be filed in October
- Sometime shortly thereafter, FERC will issue a draft EIS, This will be followed by another comment period and public meetings regarding this draft.
- FERC then develops and issues a final EIS, and responds individually to each comment received on the draft.
- FERC Commissioners review EIS and “other data” to determine whether the project should proceed.

Administrator J. Hoch states that he attended the Nasha Scoping Meeting, which drew about 500 people, as well as the Milford meeting which drew a large crowd also. He tells the Board that a Coalition member but together a good summary of the discussions which he has shared. He states that the process is continuing and he has another Coalition meeting tomorrow and will continue to update the Board and public.

Other Items

Energy Aggregation

J. Hoch states that he wanted to update the Board about the electricity aggregation purchased as a group with NRPC. The current contracts with Constellation (formally Integrys) expire in October of 2015. They are reviewing and sorting through information and pricing over the next few weeks, to decide if the group should move forward with a bid process or simply renew contracts with Constellation. Jason mentions this should be in progress before he leaves, if not he will make sure someone is setup and in place to follow through on this.

NHRS Audit

Jason tells the Board that the New Hampshire Retirement System (NHRS) has informed him that they have not audited Litchfield since 2002, and it is our turn for an internal audit. They have sent all of their initial information requests to Karen White and she is compiling all the necessary information. He hopes it will be wrapped up by the end of the month.

He mentions that he has shared with the Board the MS4 the Town’s Report on Revenues. These are revised revenues for the year that are a part of the tax rate setting. Good news is projected revenues are \$105,000 higher than anticipated at Budget time (due to increased vehicle registrations up by 7%). Jason states once reviewed the form will be submitted to DRA via their portal.

Administrator J. Hoch states that the last document the Town has to generate for the State is the MS1 which is the report on evaluations. Avitar is gathering the final data for this and will have it available for the Board’s signatures at the next meeting. He states that a new software patch is coming soon, which will allow the information to be exported into the State form. This will complete everything due for September 1st completed.

Selectman F. Byron discusses the impact of the Governor’s veto of the Budget (had a 5% increase). There are three Joint Committees from the House and Senate, he is serving on one. There was a hearing held last week to hear about this issue as well as other issues related to Municipal Government. He anticipates the House being back in session September/October to vote to see if there is an overturn of the Governor’s budget veto.

School Supply Collection

Jason mentions that Pat Jewett would once again like to host a collection box for people to donate school supplies for families in need. He advised her that it was ok to put a box in the lobby of the Town Hall as should as possible rather than wait until the next Board meeting. Board totally agreed.

Selectman Reports

Selectman J. Brunelle states that there is a Recreation Committee meeting tomorrow evening.

Selectman B. Lemire mentions he attended a Planning Board meeting on Tuesday. They finished reviewing chapter 7 on Land Use.

Also mentions that negotiations have started with the Police Union, and will continue on Friday morning at 8:00am.

He was unable to attend the Conservation meeting Thursday evening (they were made aware) and Joan will update him on the meeting discussions.

Selectman S. Perry states that there is a meeting Wednesday at 7:00pm at Town Hall with the land group for Cutler/Page Road development discussions.

Selectman F. Byron states that the next Budget Committee meeting will be held on August 27th.

Jason states that he has shared a draft budget with the Board, he has flagged and made notes explaining some items. He would like the Board to review and make any comments. Also he would like the Board to let him know the approach they would like him to take (line by line or a general abbreviated overview). J. Hoch tells the Board that he shows a slight increase of about \$65,000, caused by the 3 year renewals and wage plan. He mentions that the Police Budget is showing a decrease for next year (even with 2 cruisers included). Board discusses the purchasing of police vehicles for next year. Jason states that he will have a discussion/review on this topic and others at the next Board of Selectmen's meeting. He mentions that the Fire Chief will also be at the next meeting to answer questions the Board had regarding the Fire Departments equipment and vehicles.

Items moved from consent - None

Other Business

Personnel Policy Potential Revision

Selectman F. Byron states that he was approached by Mr. Pinciario who wanted to discuss the difficulty in recruiting for a part-time employee due to the policy change in 2013, which does not allow benefits for part-time employees. Also the Recycling Center states they are having the same issue.

Jason tells the Board that by benefits they do not mean insurance, they are referring to accruing earned time and holiday pay. He states when the change went into effect, it grandfathered

part-time employees hired before January 1, 2013. Allowing them to accrue earned time on a pro-rated basis, and anyone hired after that date receives no holiday or earned time. Board discusses this matter, but due to not having all the necessary information as to why the decision was made, they decide to do some research and continue the discussion at the next Board meeting.

Selectman B. Lemire **motioned** for the Board of Selectmen to adjourn
Selectman F. Byron **seconds** the motion. **Vote carries 4-0-0.**

The next Board of Selectmen's meeting will be on August 24, 2015 at 6:00pm at Town Hall

Steven D. Perry, Chairman

John R. Brunelle, Vice Chairman

Brent T. Lemire

Frank A. Byron

Kevin C. Bourque