MINUTES OF THE
BOARD OF SELECTMEN

Regular Meeting of
February 29, 2016

The Board of Selectmen held a meeting on Monday, February 29, 2016 at Salem Town Hall, 33 Geremonty Drive, Salem, NH.

PRESENT: Chairman Jim Keller, Selectman Everett P. McBride Jr., Selectman Stephen Campbell, Selectman Pat Hargreaves Selectman Michael J. Lyons, and Leon Goodwin III (Town Manager).

CALL TO ORDER:
Chairman Keller began by calling the meeting to order at 7:03 p.m. He joined the Board in the Pledge of Allegiance.

1. Meeting Minutes:
MOTION: by Selectman McBride
Move to approve the sealed Board of Selectmen Meeting Nonpublic Session #1 Minutes from February 1, 2016 as written.
SECOND: by Selectman Hargreaves
VOTE: 5-0-0. The motion passed unanimously.

MOTION: by Selectman McBride
Move to approve the Board of Selectmen Meeting Minutes from February 1, 2016 as written.
SECOND: by Selectman Hargreaves
VOTE: 5-0-0. The motion passed unanimously.

2. Chairman Comments:
Chairman Keller stated that the Board had conducted interviews to fill two vacancies on the Conservation Commission. He stated that Regina Andler had been appointed to be a Regular member for a term expiring in April of 2018 and David Blake had been appointed to be an Alternate member for a term expiring in April of 2017.

3. Additions and/or Requests by Public or Board by Vote:
Selectman Hargreaves stated that it was his last meeting. He thanked everyone who had made his past nine years very enjoyable. Even though they had a bunch of rollercoasters they conducted themselves with respect to each other on and off the Board. He thanked everyone he met while a member of the Board of Selectmen. It was great meeting new people. He would still be active in the community and hoped to still be on the Recreation Advisory Committee. It was a great time between the Budget Committee and the Board of Selectmen and the other opportunities really were enlightening. He wished the three candidates running for the seat good luck along with the candidates running for the other openings. Selectman Hargreaves thanked Chairman Keller and said it was an enlightening year serving as his Vice-Chairman.
Chairman Keller thanked Selectman Hargreaves for his service. He had a gift from the Board of Selectmen and the staff. He read the plaque: “This is to Patrick M. Hargreaves in recognition of over twenty years of dedicated public service to the Town of Salem, New Hampshire by serving on and being a member of many boards and committees with a particular emphasis on your true passions: the Holiday Parade, Salem Veterans, Recreation, and the Boy Scouts and being involved in many other civic events and efforts too numerous to mention. The Town of Salem, NH 2016 thanks you for your service.” He personally thanked Selectman Hargreaves for his service as well. Selectman Hargreaves thanked them for the plaque.

4. MHF Design – Proposed Extension of Water Main on Lowell Road

Manager Goodwin stated that David Jordan from MHF Design Consultants would make a presentation on the request. The Town sent a letter to the abutters asking them to let the Town know if they are interested in connecting to the water line. One person has contacted the Town to express an interest in connecting. The project has not been approved by the Planning Board yet.

David Jordan, MHF Design, introduced the property owner, Scott Aiken. He spoke about the proposal for putting three self-storage facilities on the property at 95 Lowell Road. Two of the buildings were two story buildings. The plan is pending before the Planning Board. They had filed for State Permit approvals. The Wetlands Permit was expected to be issued later in the week. They had obtained an Alteration of Terrain Permit and Septic System approval from the State. They were requesting permission to extend the water main. Part of the reason that the water main extension was being requested was primarily to provide for fire protection. There would only be water usage for the main office. The fire protection requirements for the building led to the request for Town water because it was the most cost effective option. He covered where the water main is currently. The extension would have three hydrants installed to Town specifications. There were three properties on the south side that it passed and one on the opposite side. It would have hydrants and connections for the abutters passed. He covered what would be on the property for service and hydrants. The request was to extend the water main at the owner’s cost. He expected to have final conditional approval from the Planning Board in early April once the Wetlands Permit was issued.

Chairman Keller thanked him for the presentation.

Selectman McBride asked about the request going before the Conservation Commission.

Mr. Jordan answered that they had gone before the Conservation Commission. He explained that they went before the Commission on the Wetlands Permit that went to the State. MHF Design had also sought a conditional use permit for impacts to the wetlands behind Building 3 which was not approved. They had changed the plan and they expected to go back before the Conservation Commission for approval at their April Meeting.

Selectman McBride asked about the extension of the water line along the road.

Mr. Jordan answered that they had worked closely with the Engineering Division on the location of the water line and the spacing of the hydrants. It would run along the edge of the pavement. It was a State highway that was slated for resurfacing this year.
Selectman McBride stated that he was in favor of the request.

Selectman Hargreaves asked how many properties the extension went by.

Mr. Jordan stated that there were six properties that they would pass with the extension.

Selectman Hargreaves asked if they had to connect to the line.

Selectman McBride stated that sewer was mandatory and water was optional.

Chairman Keller stated it was either water or sewer that was optional.

Manager Goodwin stated that it was optional to connect to the water line. They would have to pay the DBA if the line went past. That could be delayed until the connected.

Selectman Hargreaves asked if the people were aware of the change.

Manager Goodwin stated that they sent out letters last week to the property owners informing them of the meeting. The letters indicated that the line might be extended and asked them to express whether or not they were in favor of connecting. They heard from a half-owner of one of the duplexes who was in favor.

Selectman McBride suggested having the applicant pay the DBA. They had done it before.

Manager Goodwin stated that there was a residential DBA and a commercial DBA which depended on usage so it was hard to estimate. Generally people connected to the water because it was a reliable source.

Selectman Campbell asked about the letters and if they included the potential costs for connecting.

Manager Goodwin stated that they sent out letters with the costs.

Selectman Campbell stated that his concern was about forcing people to spend money. He also asked about capacity. They had issues there. Had anyone looked to see if they could handle the extension?

Manager Goodwin stated that they had looked into it. It was part of the Master Plan to extend water on Lowell Road. The Engineering Department reviewed it and provided some comments.

Selectman Campbell asked for the comments.

Roy Sorenson, Municipal Services Director congratulated Selectman Hargreaves on his service. He stated that this proposal was to install a twelve inch main which adequate for what they needed for the area.
Chairman Keller asked if it would create a capacity issue.

Selectman Campbell asked about the Master Plan because it also expected that the West Side Interceptor would be built.

Mr. Sorenson stated that it was last done in 2013.

Selectman Campbell asked if we had the water that the facilities would demand.

Manager Goodwin stated that this was a water line while the West Side Interceptor was for sewer service. It had been vetted by the Engineering Department before this came forward.

Selectman Campbell stated that it should have given more time until they had answers from all six of the people who received letters. He did not want to force costs on people who did not want to connect to the water line because a developer was putting a water line in next to their property.

Manager Goodwin stated that the code does allow for a delay in the payment of the DBA.

Chairman Keller stated that the Town does not have the expense of extending the water line in this case.

Selectman McBride stated that he would have the applicant pay the DBA for the residential users in the motion he made. The commercial users would not use much water so they would not have much of a DBA to pay.

Selectman Lyons stated that he would support deferring the DBA until hookup. He thought they should look into the DBA. It was having the opposite effect of deterring people from connecting to the system. Selectman Lyons stated that they did not have a water crisis in Town.

Selectman Campbell stated that they had a problem getting anything passed before the DBA was implemented. The reason there was an issue here was because the letter went out to the abutters last week. Things seemed to be rushed. There was no reason that people could not have been notified when the project first came forward. They would have given their answers by now. Without the DBA, the water and sewer lines would not get extended.

Selectman Hargreaves asked about the traffic flow.

Mr. Jordan stated that it would have to be discussed with the Town but they should be able to keep two lanes open because the work would be done in the shoulder out of the travel lanes.

Chairman Keller stated that he would make his decision based on whether or not he thought it was a suitable expansion of the system.
MOTION: by Selectman McBride
Move to approve the proposed extension of approximately 1,570 feet of 12-inch water main on Lowell Road as presented this evening with the condition that the developer pay for the DBAs for the two residential connections.

SECOND: by Selectman Hargreaves

Chairman Keller stated that the residences could connect whenever they choose.

Selectman Lyons stated that he did not think it was legal to require the developer to pay the DBAs for the residences.

Manager Goodwin stated that they had done it before on School Street.

VOTE: 3-2-0. The motion passed with Selectman Lyons and Selectman Campbell opposed.

5. Discussion on Amendment to Non-Affiliates Benefits Guide
Manager Goodwin stated that this was about the policy regarding the health insurance for the non-affiliated employees and the incentive to switch to an HSA plan. Current employees were eligible for the stipend in the first year. The Board had requested to review the policy and give staff guidance.

Selectman McBride asked about the other contracts having language that employees would get the stipend.

Manager Goodwin answered yes.

Selectman McBride stated that employees who switched last year got the stipend. He asked if employees who switched this year could get the stipend.

Manager Goodwin answered that for the union contracts they could get it either year.

Selectman McBride stated that that was not what the Board thought but that is what the contract said. He stated that he understood the issue now.

Ms. McKean stated that the intent was to do the stipend for one year. Due to the timeframe issues, the two contracts, the SEA and Fire unions, got two years. She stated that it was different for the nonaffiliated employees. They did not get the stipend and there was a small number of employees who did not move. They did offer a stipend for the new employees who had not worked for the Town before which was consistent with the union contracts.

Selectman Campbell stated that the Board had said that the unaffiliated employees would not get the stipend. It came to his attention when he saw the stipend went into payroll for a new person. He thought the Board had been pretty clear that they were not doing that. He kept being told it would save money. The new enrollees who took the non-HSA plans would be paying more and more as fewer people joined the plan. He understood that they missed the two years in the
contracts that passed a year ago. He asked about the two contracts up for approval at Town Meeting.

Ms. McKean stated that the contracts had different language. There was a one-time payment in exchange for everyone switching. The only contracts were the Fire and SEA contracts.

Selectman Campbell stated that some of the Board were surprised by the language in the contracts from last year. He wanted to eliminate the one-time stipend for the non-affiliated employees. If people were going to switch, then the stipend should not be a factor in the decision. He thought they had done that.

Chairman Keller asked if anyone agreed with that direction.

Manager Goodwin stated he apologized for the confusion. He stated that only three non-affiliated employees did not have employment agreements that controlled their cost share. The employees with the agreements were dis-incentivized to switch. The only way to do it would be to eliminate the plan.

Ms. McKean stated that employees would pay a greater cost share if they switched to the HSA plan. Their current HMO plan was changing to a new HMO plan. She suggested using the stipend to get the three employees to switch.

Selectman Campbell stated that the cost would go up on the other plans so that at some point the costs would cross. He wanted to look at eliminating the most expensive plan.

Ms. McKean stated that the most expensive plan would eventually go away. They would always need an alternative plan. Currently the non-affiliated plan would contribute 2.5% on the HMO plan

Selectman Campbell asked why they had to offer two plans.

Ms. McKean stated that it was for the pro-rating of the HSA match contributions while the deductible was not pro-rated.

Selectman Campbell stated that it was only an issue for the first partial year. A lot of companies only offered one plan. These were the highest paid employees.

Manager Goodwin suggested allowing them to incentivize the three to switch. Implement a new policy that new employees would not get the stipend. They did need a second plan for IRS reasons.

Chairman Keller summarized the proposals that the three existing employees would be grandfathered, new employees after the effective date picked by the Board would not be eligible for the stipend.

Ms. McKean stated that they could eliminate the POS plan for new employees.
Selectman Campbell asked about a time limit on making an offer to the three employees to get them to switch. If they say no then it would be no longer offered.

Manager Goodwin stated it could be during open enrollment in April.

Ms. McKean stated that they had open enrollment only if the contracts pass. Otherwise the next open enrollment would be in January.

Selectman Hargreaves stated that they should give them three weeks to decide if the contracts pass so that they had until April 1st to make a decision on switching.

Chairman Keller asked Manager Goodwin about the contents of a motion. He proposed making a motion to eliminate the stipend and the POS plan for new employees and the three current nonaffiliated employees had until April 1st to decide about switching plans.

**MOTION:** by Selectman Hargreaves

*Move to amend the Non-Affiliated Benefits Guide to remove the POS plan as an option for new Non-Affiliated employees and to eliminate the $750 stipend for new employees. The three Non-Affiliated employees without employment agreements would be given until April 1st to decide on switching to the HSA plan and receiving the $750 stipend or keeping their current plan and being ineligible to receive the $750 stipend in the future.*

**SECOND:** by Selectman McBride

Chairman Keller asked if Ms. McKean understood.

Ms. McKean answered yes.

**VOTE:** 5-0-0. The motion passed unanimously.

6. **Authorize Town Manager to Sign Resolution for Leasing of Police Department Vehicles**

Selectman Hargreaves asked if they were buying the vehicles before getting approval from Town Meeting.

Manager Goodwin stated that they needed these vehicles so they were ordered at some point in the past. They were obligated to pay for the vehicles now. He would find a way to pay for the vehicles in the budget. This item was a requirement of the leasing company that the terms would be that they would have to use the lease funds to reimburse the General Fund. They had done this before.

Selectman Campbell stated that he had never seen an agreement like this before. He asked if this was because we ordered them before the budget passed.

Manager Goodwin stated that it was a cash flow because the Town ordered the vehicles before the lease agreements were signed.
Selectman Campbell stated that this was more than a cash flow issue because lease agreements always had an opt-out provision. This agreement would mean that they could not make a decision to opt-out. If the Default Budget were to pass, the Board would not be able to defer the cruiser purchases in order to get the proposed budget down to the default number.

Manager Goodwin answered that that was correct.

Selectman Campbell asked when the decision was made to make the purchase before the budget item went before the voters.

Manager Goodwin stated that it happened sometime in the fall.

Selectman Campbell asked if the Board of Selectmen was informed of the decision at any time whether at a Board meeting or in a memo.

Manager Goodwin stated that he did not know. He would have made the same decision because they needed to get the order placed because of the significant lead time on the cars.

Selectman Campbell stated that it should have come before the Board. They should have been told of the commitment that was made. He stated that he was not interested in signing it because they were not informed that this was happening.

Manager Goodwin stated that the point was taken.

Chairman Keller asked about deferring this until after the Town Meeting happened.

Manager Goodwin stated that it would not create a problem.

Chairman Keller proposed deferring a vote until the first meeting after the Town election.

Selectman McBride proposed giving contingent approval.

MOTION: by Selectman Hargreaves

*Move that the Board of Selectmen does hereby authorize the Town Manager to sign a Resolution on behalf on the Town of Salem as described declaring the Town’s official intent to reimburse expenditures made from the proceeds of the lease-agreement or other obligations issued by or on behalf of the Town of Salem, NH for the purchase of vehicles for the Police Department contingent upon approval of the 2016 Operating Budget.*

SECOND: by Selectman McBride

VOTE: 5-0-0. The motion passed unanimously.

7. Review of Deliberative Session Results

Chairman Keller stated they had 82 registered voters attend in addition to the Board of Selectmen. The Garabedian Drive Article was reduced to a $1 so that it was null even if it passed.
Selectman Hargreaves spoke about the aerator for Hedgehog Park going into the budget.

Selectman Campbell stated that the geese had a whirlpool. He asked about the spending on the snow removal so far this year.

Manager Goodwin answered that they had spent $97,000 so far.

Selectman Campbell commented about his amendment to cut the snow budget probably having been safe to have enacted.

Selectman Hargreaves commented on the attendance at the Deliberative Session. He asked if they would consider moving the meeting to a week night. He thought it might have a better turnout. He asked if there was an RSA that prohibited changing it.

Manager Goodwin stated that they had a ten-day window to hold the meeting. They could look into the date. They had also discussed moving to a fiscal year which would change the dates.

Selectman Hargreaves stated that a candidate had said they came to Town Hall and could not get the budget. He did not understand where the person went because people could get it online or in the Town Hall. The website was user-friendly. The Board had moved it ahead in order to handle bill payments. He was proud that they had moved the website to be user-friendly.

Chairman Keller stated that people have asked to have things posted on the website.

Selectman Campbell stated that it was easier for people who were involved to know where to get information. They tended to think it was easier than it was for people who were not involved. He spoke about how difficult it was to find the list of candidates on the Town website. For someone who was new, it was harder to understand.

Selectman McBride stated that they had tried to be transparent and be accessible to the public. There were some issues on the transmission of water but the Town had plenty of water. He stated that he wanted people to have the facts. They had fewer students and the newer appliances use less water. Consumption has gone down. The State lifted the Order on the water system because of the improvements.

8. Announce Polling Hours For March 8, 2016 Election/Ballot Voting and Assign Inspection of Polls

Chairman Keller stated that he would give Selectman Hargreaves the first shot at picking a polling station to inspect.

Selectman Hargreaves stated that he would take the Barron School and the Senior Center.

Selectman McBride stated that he would take the North Salem School.

Selectman Campbell stated that he would take the Senior Center.
Selectman Lyons stated that he would take the Fisk School.

Chairman Keller stated that he would take the Soule School.

Selectman Hargreaves thanked candidates for avoiding putting signs on the Veterans Markers.

9. **Town Manager’s Report/Questions from Board of Selectmen**

Manager Goodwin stated that they were coming up on the Committee assignments. They would be doing a call for candidates. He asked for the Board to decide about the EDAC appointments because the terms all expired in April. There would not be a call for candidates for that committee. The Town had signed a construction contract for Phase I of the bike path. They had a notice to proceed for Phase II. They were looking for an engineering consultant now.

Selectman McBride asked when Phase I would be finished.

Manager Goodwin answered this year.

Selectman Hargreaves asked if the Town would hire people to pick up trash.

Chairman Keller spoke about having a town clean-up. He thought they needed to do more collectively.

Selectman Hargreaves stated that they should invite him because the Scouts would do it.

10. **Selectmen Reports/Correspondence/Tabled and Pending Issues:**

Selectman Hargreaves spoke about the Recreation Department having a contest to design a Logo. It went out to the Elementary Schools.

Manager Goodwin stated that he had not seen it but he was sure it was coming his way.

Selectman Hargreaves stated that the Field of Dreams would be setting up their concert series which would start in July. They would have a clean-up in April. He would be coming in to give updates.

Selectman Campbell stated that CART met next week. They may have to look at a replacement for Manager Goodwin on the committee. He stated that the first meeting was March 8th for the Salem Historical Society. He spoke about the program. It was at 7PM. They were educational and fun.

Selectman Lyons stated that the project at the racetrack will add to Town and it would only be a blip on the water usage.

11. **Additions and/or Requests by Public or Board by Vote:**

Paul Pelletier asked about the new water line having key connections for the residences.
Manager Goodwin stated that it was required to have curb stops installed as part of the extending the line on Lowell Road.

12. Upcoming Meetings
- March 14, 2016
- March 28, 2016
- April 4, 2016

13. Upcoming Events

ADJOURNMENT AT 8:08 P.M.
MOTION: by Selectman Hargreaves
Move to adjourn.
SECOND: Selectman McBride
VOTE: 5-0-0
The motion passed unanimously.

Notes/minutes taken by: Jeremiah Lamson
Approved: Board of Selectmen
Date Approved: March 14, 2016