

**Enfield Board of Selectmen
Public Works Facility
Enfield, New Hampshire**

MINUTES of December 19, 2016

Board of Selectmen: John W. Kluge; B. Fred Cummings, Meredith C. Smith

Administrative Staff: Steven Schneider, Town Manager; Alisa Bonnette, Assistant Town Manager; Jim Taylor, Director of Public Works; Richard Crate, Police Chief; Karol Hammer, Recording Secretary

Others: James Bonner (video); Bob Cusick, Retired Lebanon Police Chief Randy Chapman, Lebanon Police Chief Richard Mello, Enfield FAST Squad members, John Kelly, Mr. Kelly's wife and son, Phil Vermeer, Charlie DePuy, Kim Quirk, Wendell Smith, Kurt Gotthardt, Rick Barrow, Dan Kiley, Leslie Barrow, and others.

BUSINESS MEETING

I. CALL TO ORDER

The Chairman called the meeting to order at 6:00 PM.

II. APPROVAL OF MINUTES

Mr. Cummings made and Mrs. Smith seconded the motion to accept the December 5 Public and Non-Public minutes as presented. The motion passed unanimously.

III. COMMUNICATIONS

Mr. Schneider referred the Board to the Tax Collector's Report for November 2016, and an accompanying memo with updated information as of December 16, 2016 showing taxes at 93% collected.

Mr. Schneider also noted that the Town Clerk's report through November showed revenues nearly \$40,000 above 2015.

IV. BOARD REPORTS

Heritage Commission:

Mrs. Smith said that the Heritage Commission had been tasked by the UVLRSP to present an advisory board. The suggested slate of members to be discussed later in the meeting.

Planning Board:

Mr. Kluge said the Planning Board met the previous Wednesday. It reviewed zoning amendments for Town Meeting and site plan changes. The amendments would include an item to bring the Town's codes in line with the State, which says that anywhere a residential building is allowed, the Town must allow an accessory unit. He noted that the owner of the property wouldn't have to live in the primary unit, they could live in the accessory.

Another amendment would involve timber harvesting. According to the State, the Town's specific regulations would not be enforceable. The Board asked Mr. Osgood to review the issue before recommending changes.

V. TOWN MANAGER'S REPORT

Mr. Schneider proposed to shift the January Board meetings to be held the second and fourth Mondays instead of the first and third. The Board agreed.

VI. PUBLIC COMMENTS

None

VII. BUSINESS

Police Presentation:

Chief Crate called the Enfield Fire Chief David Crate, Enfield FAST Squad, Lebanon Police Chief Richard Mello and Mr. Kelly to stand with him.

On July 30, he said, Mr. Kelly suffered a medical emergency at his home. Chief Crate said that, were it not for the actions of retired Lebanon Police Chief Randy Chapman, Mr. Kelly would not have survived.

On behalf of Mr. Kelly, the Enfield Police Department, and the Town of Enfield, Chief Crate presented Chief Chapman with a medal and certificate in recognition of his quick action performing life-saving CPR.

Mr. Kelly also thanked Chief Chapman, saying he, his wife and his son (both also in attendance) would never be able to express their appreciation.

All in attendance rose and applauded Chief Chapman.

Chief Chapman stated that he has just the one who put everything in motion. The Enfield crew took over upon their arrival and kept Mr. Kelly alive to go to the hospital.

Chief Crate also recognized the Enfield Fire Department and FAST Squad. Fire Chief Crate recognized his staff, saying they all enjoyed their relationship with the city and that all were glad Mr. Kelly was okay.

Mr. Kelly said he had had conversations with members of the FAST Squad, thanking them personally. He addressed the audience saying, you don't realize the heroes that are living in your community.

They all were very professional and very competent – he then acknowledged that this was from his wife, as he had been unconscious at the time.

Chief Chapman took that opportunity to note that Mrs. Kelly, a nurse, had played a big part, too.

Chairman Kluge said, "The Town thanks all of you, deeply."

Enfield Shaker Scenic Byway:

Mrs. Smith said that a scenic byway existed, but the Town was not aware of it until last year. Upon learning about it, Mrs. Smith had called the State and was informed that it was about to be decommissioned.

The Heritage Commission had been working with Megan Butts, the Town's liaison at the UVLSRP, in an effort to retain the byway.

An Advisory Board would need to be created for the byway, and there were specific requirements for its membership, including representatives of various area municipal entities. For Enfield, Mrs. Smith proposed the following people:

Mary Ann Haagen (Shaker Scholar)
Dolores Struckhoff (Shaker Museum Director)
Marjorie Carr (Town Historian)
Meredith Smith (Selectman and Chair, Heritage Commission)
Scott Osgood (Town Planner)
Kim Quirk (EVA President)
Kati Lary Jopek (Recreation Department)

Mr. Cummings made and Mrs. Smith seconded the motion to appoint the suggested people to the Enfield Shaker Scenic Byway Advisory Board. The motion passed unanimously.

Energy Committee – C-Pace Program (Commercial Property Assessed Clean Energy):

Phil Vermeer, representing the Town's Energy Committee, reviewed a program called C-Pace (Commercial Property Assessed Clean Energy) that was being recommended by the Committee.

In preface, he said that the Energy Committee had been researching ways to help the Town, businesses and residents to find ways to finance energy improvements. Last year, the Committee had helped bring the Solarize program to Town. It was well received, but non-profit entities couldn't take advantage of its tax breaks. For businesses, a block to energy improvements was the initial capital outlay involved in making those improvements.

The Energy Committee proposed making the Town a C-Pace District. Doing so would allow the repayment of energy improvement loans as part of property taxes. With the energy improvement loans tied to property taxes, that would mean that the loan would 'go with a property' if sold.

Mr. Vermeer said the Energy Committee was asking the Board to establish a C-Pace District, in accordance with RSA 53-F, to help businesses implement energy efficiency upgrades to their properties.

He stressed that he was not asking the Town for money. The Committee was only asking that the Town be willing to be a C-Pace district to make the program available to local businesses. The Committee's next step would be to figure out which businesses might be interested.

With the Selectboard's approval, he said, the next step would be to include the creation of the district on the Town Meeting Warrant.

Mr. Kluge asked if there were questions from the Board.

Mr. Vermeer noted that the creation of a C-Pace District would be on Hanover's Town Meeting Warrant in the spring.

Mr. Schneider reiterated Mr. Vermeer's point that there should be no cost to the Town.

Mr. Kluge asked about the level of bookkeeping the Town would have to perform.

Mr. Schneider said it would be similar to what would be involved with the Lakeview sewer extension project; an extra line on the tax bills of those who participate.

Mr. Vermeer said the Town also would have to have a way to pay the investor who would front the funds for the improvements.

Mrs. Smith asked about the program's track record.

Mr. Vermeer said it was a new program, and so there was no track record yet. The biggest benefit to adopting early, he said, was to show that the Town was trying.

Mrs. Smith observed that the Town would be a bit of a guinea pig.

Mr. Kluge asked for confirmation that this program would be purely for commercial, for-profit businesses. Mr. Vermeer nodded.

Mr. Cusick asked if the funding was tax exempt and would it be in loans or investments?

Mr. Vermeer said that one part of the implementation was to figure that out.

Mr. Cusick said that to get it to work, the lender would have to have some position in the property, so in the event of foreclosure, they wouldn't lose their investment.

Mr. Vermeer said that in other states, it was allowed the senior lien position, but that NH required it to be a junior lien.

Mr. Cusick said it would be good to get going and that one thing to do would be to go to legislators.

Wendell Smith said that was not a problem for the Town.

Mr. Vermeer agreed, saying that the Town would not be an investor. The question for the Board was to decide whether to be a district.

Mr. Kluge said he was hesitant to jump in before more details became available.

Mr. Vermeer said that Lebanon and Plainfield, along with some other area towns, were working on it as well.

Mr. Kluge said the legislature would be a key piece, because without investors...

Mr. Vermeer said that it would be years before everyone would know for sure if it would get off the ground.

Energy Committee – PPA (Power Purchase Agreements):

Charlie DePuy described the Power Purchase Agreements (PPA) program that the Energy Committee also proposed.

The Committee proposed entering into a PPA with an investor to install 175 solar panels on the DPW sand shed to generate power to cover 85-90% of DPW's power consumption. This would not be to export energy anywhere else, he stressed, but to be used by the DPW.

Any excess production would be net-metered for use in winter months.

The sand shed exists, so no structure needed to be built.

An investor would purchase the equipment and meter, and sell the produced energy to the Town at a rate that would be two to three cents (\$.02 to \$.03) lower than the current rate.

It would be like ownership without the investment, he said.

Mrs. Smith asked if it was like Solar City.

Mr. DePuy said in addition, the State offered one-to-one net metering until March 2017, making the program attractive to investors. The installer often would be the investor, but not necessarily.

Schools in the area were doing this, he said. The program offered price stability – a benefit since there was no good notion of what the utilities would be doing in future. They probably would be charging more because of distribution modernization.

Mr. Vermeer added that it would present a 15% reduction in cost for the DPW. Up front, there would be no cost to the Town. The Town could solicit bids and once an investor was selected, they would recoup their investment after five (5) years. After seven (7) years, the investment would be fully depreciated and the Town might have the opportunity to purchase at reduced cost. After twenty (20) years, the investor might even just give it to the Town at value.

Mr. Vermeer stressed that the 1-1 net metering might not be permitted after February.

Mr. DePuy said the 30% tax credit would go to 2019. It would be wise, he said, for the Town to move now.

The Energy Committee was inviting proposals from a small group of investor/installers in order to find out where the price point was and to see who'd give the biggest power cost discount to the Town.

Mr. Vermeer said they already had two (2) interested parties.

Kim Quirk said the Energy Emporium was one of those parties.

Mr. Vermeer said the Town only needed to give a 20-year lease and it would have solar power at the shed.

Mr. DePuy said that could be part of the package.

Mr. Vermeer said he knew the Town already was looking into getting power to the Sand Shed.

Mr. DePuy said the investor would install the meter. There also were other technical details to work out. The Town would have to hire a lawyer to make sure the purchase would be to its benefit.

Mrs. Smith asked if the Sand Shed would support the weight of the solar panels.

Mr. DePuy noted that the load would be comparable to a load of snow.

Mr. Taylor said it was pretty rugged, but that he'd check. He thought it would be a good roof to put the panels on; the main DPW roof would be trickier because of ice dams.

Mr. DePuy said the least expensive way would be to have collectors flat to the roof and seamless. The Shed roof is not the best angle (15% is best at this latitude), but it would be good.

Mr. Cusick asked if it would have to be done before the Public Utilities Commission (PUC) meets, or could they get approval and be on net metering.

Mr. DePuy said the hookup agreement would have to be in place with Liberty Utilities; once that happens, there would be a 12-month timeline.

Ms. Quirk said there also would have to be a PPA agreement.

Mr. Schneider asked if Town Meeting approval would be required.

Mr. DePuy said not for the PPA, because it did not involve an investment by the Town. The Energy Committee asked for a sense of whether the Town would want to pursue the effort.

Mr. Kluge said with no cost, it was interesting.

Mr. DePuy noted that there would be legal costs. Insurance, he noted, would be paid by the investors.

Mr. Cummings said he'd like to see a sample agreement.

Mr. DePuy offered to provide a template agreement to the Board and the Town Attorney.

Mr. Kluge asked for confirmation that the Energy Committee would spearhead the effort.

Mr. DePuy said the Committee would stand by the process and do what needed to be done. The Town couldn't go out and find the investors; they would have to step forward.

Mr. Gotthardt said that names needed to be identified, and then the Town could request proposals from them.

Mr. Vermeer said the two proposals (PPA and C-Pace) were the culmination of seven (7) years' work by the Energy Committee. They were, he said, very well organized and had done a lot of hard work.

Mr. Cummings said he was okay with the PPA, he just wanted solidified information. With C-PACE, he wanted to see it proven before committing.

Mr. Vermeer asked if information from another state would be sufficient.

Mr. Cummings said he'd love that.

Town Manager Search:

Mr. Schneider introduced Rick Alpers, the Town's primary contact at Primex (from which the Town already purchases certain insurances/risk management services).

Mr. Alpers reviewed the ways in which Primex would support the Town's search for a new Manager. They included:

- 90-120 minute identification meeting to understand what the Town wanted in a new Manager
- Prepare draft ads (the Town would have to place them)
- The Town would collect and screen resumes to determine a short list of candidates for interview
- Draft questions and scoring sheets for candidate interviews
- Support during interviews
- Facilitate post-interview review discussions
- Support during and after final interviews
- Transition meeting
- Follow-up after new Manager in place

There would be no cost to the Town.

Mr. Kluge asked if Mr. Alpers would be the person from Primex to work with the Town. Mr. Alpers said he would and summarized his qualifications as a former town administrator, 12-year Selectboard member in Bristol, and well versed in recruitment/selection.

Mrs. Smith asked where ads should be placed. Mr. Alpers said that part of the process was difficult and expensive. The NHMA got the most traction in his experience; the Union Leader might be good but expensive, other states and manager associations, and the ICMA.

Mr. Schneider said he responded to an ad in ICMA when he applied.

The Board thanked Mr. Alpers, who then left.

PUBLIC HEARING #1
Monday, December 19, 2016
6:30 PM
Public Works Facility, Enfield

Mr. Kluge read the Public Hearing Warrant, as follows: The Board of Selectmen will conduct a Public Hearing Monday, December 19, 2016 6:30 PM Public Works Facility, 74 Lockehaven Road, Enfield to discuss the expenditure of funds, in the amount of \$35,000, from the Sewer Capital Reserve Fund.

Mr. Cummings made and Mrs. Smith seconded the motion to open the hearing at 6:30 PM. The motion passed unanimously.

Mr. Cummings asked for confirmation that the transfer was simply to replenish expended funds.

Mr. Schneider said that this would take money out of the capital reserve to take care of issues and repairs that had been needed during the year.

Mr. Kluge asked for discussion from the floor. There was none.

Mr. Cummings made and Mrs. Smith seconded the motion to close the Public Hearing at 6:35 PM. The motion passed unanimously.

Mr. Cummings made and Mrs. Smith seconded the motion to expend the funds as requested from the Sewer Capital Reserve Fund. The motion passed unanimously.

PUBLIC HEARING #2
Monday, December 19, 2016
6:35 PM
Public Works Facility, Enfield

Mr. Kluge read the Public Hearing Warrant, as follows: The Board of Selectmen will hold a public hearing on December 19, 2016, 6:35 PM, Public Works Facility, 74 Lockehaven Road, Enfield, NH to discuss the setting of Municipal Water & Sewer Rates.

Mr. Cummings made and Mrs. Smith seconded the motion to open the hearing at 6:36 PM. The motion passed unanimously.

Mr. Schneider referred the Board to a memo in their packets, with background information that he summarized. Town Water Rates hadn't changed since 2007. There were upcoming projects that needed to be done; over 40% of the system was older than 100 years. The upgrade costs needed to be incorporated into the rate.

Finally, he noted, the Town still had a 7-tier rate structure for Water. For Sewer, the old 7-tier system had been reduced to a 2-tier system. He hoped the Board would reduce the structure for Water. Half of the water usage in Enfield fell into the first four (4) classes. The remaining three classes were commercial. A 5% increase for the first four (4) classes would represent about \$.60 per quarter. For the remaining three (3) classes, it would be around \$140 to \$350.

Rick Barrow said that Mr. Schneider had mentioned doing away with the 7-tier system.

Mr. Schneider said yes, the Town would do two (2).

Mr. Barrow said that meant people who couldn't afford to live in a one-family home would pay a higher rate.

Mr. Schneider said he wasn't making assumptions of...

Mr. Barrow said people using less water would pay a higher rate.

Mr. Kluge said Mr. Barrow was comparing apples to oranges.

Mr. Barrow said that where there were more people in a house, they would be paying a higher rate. They were the people who couldn't afford a washer/dryer on their own.

Mr. Schneider said that sewer rates were no different.

Mr. Cummings said that Mr. Barrow was saying a gallon of water should cost the same.

Mr. Barrow agreed.

Mr. Cummings said he couldn't argue with that. It would cost the same to make a gallon of water safe for one house as for a laundromat.

Mr. Cusick asked what everybody else was doing.

Mr. Schneider said each municipality was different. Some even had just one rate.

Mr. Barrow said Lebanon had one rate.

Mr. Cusick asked if it were one rate, what would the increase be.

Mr. Kiley said he agreed that his water shouldn't be cheaper.

Mr. Schneider said going to a single rate system would mean that single users' rates would go up but commercial users' rates would go down.

Mrs. Smith asked what was the justification for all the different rates.

Mr. Schneider said it was a way to identify costs for specific levels of users. He said he had worked in places where the highest user paid the lowest rate and the lowest user paid the highest rate. Either way he said, with one rate someone would pay more and someone would pay less.

Mr. Kluge asked if commercial users place more stress on the system.

Mr. Taylor said that depends.

Mr. Schneider said the topic was water, not sewer.

Mr. Kluge asked if the Town was trying to discourage more use.

Mr. Taylor said there had been a time when the Town worried about that, but not so much now.

Mr. Barrow said the laundromat was one of the most efficient water users, that his equipment was the most efficient he could buy. He said they used more water because there were more people. If the water rate went up, his rates would have to go up. When the Town made these increases, the people paying more have a bigger dollar increase.

Mr. Schneider said the proposed percentage of the increase was the same for all users.

Mr. Cusick said all factors had to be considered. The Town spent a lot of money putting in water and sewer lines. What the Town was trying to do had to be considered. The water rate should be simple, he said. He had looked into building a car wash and decided it would be kind of ridiculous in our town. Say someone wanted to open a restaurant...

Mr. Cummings said they shouldn't be penalized for doing it.

Mr. Cusick said it should be uniform.

Mr. Kluge said the rate had to be raised.

Mr. Cummings said the Town should charge one (1) rate – what it costs us – for water and what it costs for one gallon of sewage.

Mr. Gotthardt asked if the DPW could cite five (5)-year averages.

Mr. Cummings said that they were talking about the rates and also talking about what increase would be needed to do what the Town needed to do.

Mr. Schneider said that going to a single rate on water would not cause the issues it would cause on sewer. To change to a single rate all at once would be a major change and would be difficult not to have some folks pay significantly more.

Percent-wise, it looked the same. Water, because the rates were lower, would be easier to change. Changing sewer would take more work and more analysis on the Town's part.

Mr. Kluge asked if the Town knew what the rate would have to be if it went to a single rate.

Mr. Taylor offered go to his office to do some calculations and come back to the meeting.

Mr. Cummings said he also wanted to see rough numbers of what that'd be for infrastructure improvements.

Mr. Barrow said that it seemed a single rate would be easier. The people paying \$12 might go up to \$14 or \$15. They weren't using as much, so it wouldn't hit them as hard as it would hit him. He said he'd been subsidizing them.

Mr. Cummings agreed that people shouldn't be penalized.

Karol Hammer noted that she agreed with and supported the single rate idea in concept, but to make the change all at once could be crippling for some people. She asked that the Board consider phasing toward a single-rate system. Making the change all at once would cripple the budget of people like her, a single mother living in a single-family home.

Mr. Schneider noted that the Barrows' laundromat represented five percent (5%) of the Town's water usage.

Mr. Kluge said people would say they were being asked to subsidize the higher rate users.

Mr. Cummings said people should pay for what they use.

Mr. Schneider said the Town had talked about phasing in a single-rate system.

Mr. Cummings asked if his house drank a gallon of milk and your house drank seven (7), should you pay more for the milk.

Mr. Kiley said Lebanon charged \$16 for its water. If somebody used less and paid \$14, the people paying \$19 would be subsidizing them.

Mr. Cusick said it sounded like everyone was in favor of the single rate. He suggested a five-year plan for bringing the rates closer together.

Mr. Schneider said that could be accomplished by setting different rates of increase.

Mr. Taylor returned to the room with his computations. He said it was complicated because there also were seven (7) levels of fixed rate costs. He said the lower rate would more than double.

Mr. Cummings asked if it would be too late to have rates by the first January meeting.

Mr. Taylor said rates should be established before the start of the quarter.

Mr. Schneider said water could wait until January, but sewer needed to be set. Sewer could have varied increases.

Mr. Taylor agreed, saying that would start bringing the rates closer together. The sewer rates had 50% of the Town's users in each class.

Could do 15% on lower and 7% on higher, he suggested.

Mr. Cummings said it would have to equate to 7% across the board. The lower up 15%.

Mr. Cummings made and Mrs. Smith seconded the motion to close the public hearing. The motion passed unanimously.

Mr. Cummings made and Mrs. Smith seconded the motion to postpone water rate decision until the Town comes up with numbers. The motion passed unanimously.

Mr. Smith made and Mrs. Smith seconded the motion to increase high volume sewer users' rate by seven percent (7%) and low volume users' rate by 15% to move the Town toward the single rate we want to have. The motion passed unanimously.

Mr. Barrow said the Board hadn't brought them any closer. Mr. Schneider said the Board had; the low volume rate would increase by \$1.90 and the high volume rate would increase \$1.40.

Mr. Cummings said the goal was a single rate system.

Visions for Creative Housing Solutions – Request for PILOT Program:

Mr. Cummings made and Mrs. Smith seconded the motion to approve the pilot for one year. The motion passed with two aye votes, and one abstention (Mr. Kluge).

Town Manager Search (Continuation of earlier discussion):

Mr. Cummings made and Mrs. Smith seconded the motion to hire MRI to assist with the Town's search for a new Manager. The motion passed unanimously.

Mr. Cummings noted that the Town had used MRI in the past, was familiar with their services, and had had good luck with them. He said he wanted a firm that would be more directly involved in the process.

He noted that he had offered to spearhead the process, and that the Board had decided in its previous non-Public Session that there would be only one member of the Selectboard on the Search Committee.

Mr. Kluge agreed, saying the cost would be between \$6,000 and \$16,000.

Mr. Schneider said it probably would fall around \$10,000.

Mr. Cusick said the Board would have to get a committee together.

Administrative Items:

None

Other Business:

None

Next Meeting: Monday, January 9, 2016, 6:00 PM Public Works Facility Conference Room

CONFERENCE

I. NON-PUBLIC SESSION

Mr. Cummings made and Mrs. Smith seconded the motion to enter into Non-Public session at 7:40 PM, RSA 91-A:3 II (b). Roll call vote: Mr. Cummings – aye, Mr. Kluge – aye, Mrs. Smith – aye. The motion passed unanimously.

Mr. Cummings moved to come out of Non-Public Session at 7:50 PM, Mrs. Smith seconded; vote unanimous in favor of the motion.

II. ADJOURNMENT

The meeting was adjourned at 7:50 PM.

John W. Kluge, Chairman

B. Fred Cummings

Meredith C. Smith
Enfield Board of Selectmen