

Town of Swanzey, New Hampshire
Board of Selectmen
Meeting – January 6, 2015
Swanzey Town Hall, 620 Old Homestead Highway, Swanzey, NH

CALL TO ORDER

Present were Selectmen W. William Hutwelker III, Deborah J. Davis, and Kenneth P. Colby, Jr. The meeting was called to order by Chair Kenneth P. Colby, Jr. at 6:00 p.m. at the Swanzey Town Hall. Also present were Town Administrator Shane O’Keefe and Recording Secretary Beverly Bernard.

OTHERS PRESENT

State Representative Ben Tilton, Conservation Commission member Wally Smith, Resident Michael Goldschmidt, Trustee of Trust Funds Steven Bittel, Fire Chief Norm Skantze, and Interim Carpenter Home Administrator Judy Bohannon

MINUTES

- The regular meeting Minutes of December 30, 2014 were considered. There was a **motion** by Hutwelker to accept the regular meeting minutes of December 30, 2014. The motion was seconded by Davis with no further discussion. All were in favor. ***Motion passed.***
- The Non-Public meeting Minutes #1 of December 30, 2014 were considered. There was a **motion** by Davis to accept the Non-Public meeting Minutes #1 of December 30, 2014. The motion was seconded by Hutwelker with no further discussion. All were in favor. ***Motion passed.***
- The Non-Public meeting Minutes #2 of December 30, 2014 were considered. There was a **motion** by Davis to accept the Non-Public meeting Minutes #2 of December 30, 2014. The motion was seconded by Hutwelker with no further discussion. All were in favor. ***Motion passed.***

FINANCIAL MATTERS

Selectmen reviewed and approved accounts payable and payroll manifests.

NEW BUSINESS

Trustees of Trust Funds Warrant Article

The Trustees of Trust Funds requested that the Board include in the 2015 Town Meeting Warrant an article that allows the Trustees to pay for capital reserve and expendable trust investment management services, and any other related expenses, to come from the their respective income funds, instead of from the General Fund. To this end Trustee Steve Bittel met with the Board to obtain their approval. He passed out copies of a Memorandum which explained the rationale of the Trustees for this action. Bittel noted that public assets have experienced low yields vis-à-vis inflation. Interest rates have been near zero while inflation rate has been one to three percent, depending on one’s measure. Resolution of the problem is to further diversify where the money is placed according to Bittel. Bittel said that in order to do this with the capital reserve funds, an independent investment advisor must be engaged, which would cost a half a point or less. The funds themselves will pay for this service because newly adopted State law HB 297 now permits management fees to be paid out of investment income, rather than Town budgets. Bittel said that the Trustees recommend using the Vanguard Institutional Advisory Services.

The Board reviewed the following RSA:

RSA 35:9-a Professional Banking or Brokerage Assistance. –

I. Any trustee or trustees of trust funds having custody of capital reserve funds authorized by this chapter may contract with the trust department or departments of a bank, a brokerage firm, a portfolio management department, or investment advisor in the same manner and for the same purposes as described in RSA 31:38-a, III. They may also place securities in the nominee name of a trust department of a bank, or departments, a brokerage firm, a portfolio management department, or investment advisor, to facilitate transfers for such securities. Capital reserve fund records maintained by any bank, brokerage firm, portfolio management department, or investment advisor shall be available at all times for examination by local auditors, by independent accountants or auditors retained by a municipality, or by the auditors of the department of revenue administration; and such records shall be municipal records and property. In employing such trust departments of banks, brokerage firms, portfolio management departments, or investment advisor, the trustees may enter into contracts or agreements delegating the management of such capital reserve funds to those departments or brokerage firms subject to investment guidelines adopted by the trustees under applicable statutes and subject to at least quarterly review and approval of such management by the trustees. For purposes of this section, the terms "bank," "brokerage firm," "portfolio management department" and "investment advisor" shall have the definitions set forth in RSA 31:38-a.

II. The town meeting may adopt an article authorizing the trustees of trust funds, without further action of the town meeting, to charge any expenses incurred pursuant to paragraph I against the capital reserve funds involved. Such authority shall remain in effect until rescinded by a vote of the town meeting. No vote by the town to rescind such authority shall occur within 5 years of the original adoption of such article. In a town that has a town council, such authority may be granted by the town council and shall remain in effect until rescinded by the town council. No vote by the town council to rescind such authority shall occur within 5 years of the original adoption of such article. Any professional banking and brokerage fees incurred shall be reported in the annual report of the trustees of trust funds as expenditures out of capital reserve funds.

Davis **moved** to include in the 2015 Town Meeting Warrant the article as proposed by the Trustees of Trust Funds that allows for investment management and related expenses to be paid for from the capital reserve and expendable trust funds pursuant to RSA 35:9-a,II. There was a second to the motion by Hutwelker and brief discussion. All were in favor. **Motion passed.**

Bittel left the meeting at 6:15 p.m.

OLD BUSINESS

Bond Vote Process – Proposed Safford Drive Fire Station

Chief Skantze and O'Keefe updated the Board on some of their efforts to inform citizens of the town about the proposal since the last meeting. Approximately thirty fire fighters attended the first focus group and Skantze said it went well. He said the folks who attended left the meeting with more knowledge about the process that has occurred up until now. Skantze thanked Hutwelker for being present at the meeting. Skantze also spoke about photos that he would like to post on the Town's website.

Skantze said he has spent a great amount of time working on a PowerPoint presentation which will list key points and answers to Frequently Asked Questions (FAQs). O'Keefe suggested that the impact on the budget needs to be communicated to taxpayers, including impact on taxes for particular assessed values of homes. He said this information is being prepared for the Bond Hearing. Davis noted that some citizens have asked for a boilerplate architectural plan in order to save architectural costs, but she also noted those plans are costly as well.

Skantze suggested some of the Board members attend the focus group meetings and also suggested that members of the Capital Improvements Program (CIP) Committee attend as well.

There was a brief discussion about the question of building a second story for the fire station to purportedly save costs. O'Keefe said that based on research and discussion with Bob Mitchell architects, who design fire stations, a second story would actually cost more money because of the extra work needed for preparing the ground and foundation and added structural components to support the additional loading of a second story.

The Board asked Skantze when they could expect confirmed numbers regarding the anticipated costs associated with the proposal. Skantze said that final numbers should be available soon from architect Mitchell. He mentioned that construction should be less costly in New Hampshire than in more urban states. A brief discussion occurred regarding including equipment in the total cost of the facility, which had not been included in previous project construction estimates.

Discuss Bond Hearing – January 13, 2015 (7:30 PM)

There was a discussion about preparing for the Bond Hearing. Hutwelker suggested Skantze create a short PowerPoint presentation for 8-10 minutes as an educational tool at the Hearing. Skantze asked to place posters on the wall in Town Hall and the Board agreed.

Skantze left the meeting at 6:48 p.m.

Acquisition by the Town of land and any other property interests related to the possible location of a fire station on Safford Drive (Map 19, Lot 97-6 (formerly 97-5)) per RSA 41:14-a.

The Board was asked to consider the acquisition of property proposed for donation by 234 Old Homestead Highway Realty, LLC for use as a fire station on Safford Drive. O'Keefe noted that a Charitable Gift Agreement for the conveyance between donor and receiver is awaiting approval by Mr. John Burk, the property owner's representative. The Board was asked to accept the donation of the land.

In support of the proposed siting of a new public safety facility on Safford Drive, Davis **moved** to acquire by way of donation an approximately 3 acre portion of existing Tax Map 19, Lot 97-6 owned by 234 Old Homestead Highway Realty, LLC, and any necessary interests related thereto, and to execute a Charitable Gift Agreement with the owner, that sets forth the conditions of the conveyance, and to authorize the Chair or the Town Administrator to execute any documents necessary to acquire or convey the specified properties and rights on behalf of the Town. There was a second to the motion by Hutwelker and no further discussion. **Motion passed.**

Hutwelker mentioned that there are citizens who are interested in having the Town acquiring the land if the bond is not passed.

Legal Services – Proposed Safford Drive fire station

In addition to the need for Bond Counsel for the fire station project (approved on December 16, 2014), there has been and will continue to be the need to employ the Town Attorney for this project. At this time O’Keefe asked that the Board to authorize the expenditure of funds from the Future Fire Station Capital Reserve Fund to pay the cost of all attorney fees related to the project, including those already billed for negotiating the acquisition of land on Safford Drive.

Hutwelker **moved** to authorize expenditure of up to \$5,000 for Town Attorney legal services related to the proposed Safford Drive fire station project, to be paid from the Future Fire Station Capital Reserve Fund. There was a second to the motion by Davis and no further discussion. All were in favor. ***Motion passed.***

Election of Library Trustees

Town Meeting Warrant is proposed to include the election of three Library Trustees; there are supposed to be three with three year terms according to O’Keefe, instead of the one Trustee elected each year for a one year term. The Board agreed.

OTHER BUSINESS

Discuss 2015 Budget

O’Keefe presented to the Board the 12th draft of the 2015 Town Budget at the meeting. O’Keefe also provided information to the Board in regard to converting from a 37.5 hour work week to a 40 hour work week for a number of Town Hall staff.

Discussion occurred regarding ICMA Retirement Contributions being changed to a lower figure due to calculation changes. Total proposed operating Budget is up by 1.1% and the amount to be raised by taxes up by 1.3%

Davis asked a question regarding funding for Land Use Boards item LU Full Time Salaries and whether or not the Board had actually formally agreed to it. O’Keefe pointed out full-time hours for the Code Enforcement Officer would not go into effect until April 2015, assuming the voters approved the budget. Hutwelker said he felt Code Enforcement should be a full-time position. The Board agreed.

There was a discussion regarding 37.5 hours versus 40 hours per week and the impact on the budget. All at Town Hall staff except for O’Keefe would be affected. There was a discussion on how a change would impact on Town Hall open hours. The cost for this would be approximately \$29,000 according to O’Keefe, and the Operating Budget would go to an increase of \$90,000+, which would be a 1.6% increase in the proposed operating budget over the preceding year. Hutwelker suggested that the Board hold off on a decision on this subject. He said he is struggling with the fact that job descriptions and workloads have not been addressed. He said he wasn’t easily seeing any gain for the community to increase the hours. Davis said she agreed with Hutwelker. The Board agreed to defer a decision on this topic.

O’Keefe spoke of the default budget and said he was working on it and would have it as soon as possible. Colby asked how contractual obligations would be addressed should the voters opt for the default budget and O’Keefe said that certain contracts state that if funds are not appropriated, equipment must be returned.

The Board reviewed the Capital Reserves & Expendable Trust Accounts and the amounts proposed.

Discuss Budget Hearing

The Board discussed preparations for the budget hearing, which is scheduled for January 13, 2015 at 6:30 PM in the Monadnock Regional High School (MRHS) Auditorium. O'Keefe passed out an example for a handout that would be distributed at the Budget Hearing based on the 2014 design. Hutwelker asked for current balances for the budget through December 31, 2014 and O'Keefe said he would provide that for the Hearing. Colby noted that Department Heads will be present to address any questions. The Board agreed to meet at 6:00 p.m. to handle business before the Hearing begins. There was a brief discussion about asking citizens to sit toward the front of the auditorium for ease of communication.

Tilton, Smith, and Goldschmidt left the meeting at 7:24 p.m.

Non-public session(s) per RSA 91-A:3II(b) Hiring of Public Employee(s)

Motion by Hutwelker to enter Non-public session pursuant to RSA 91-A:3II(b) Hiring of a Public Employee(s). The motion was seconded by Davis. The Selectmen voted unanimously by roll call to go into non-public session at 7:24 p.m. **Motion passed.** Present were the Board members Kenneth P. Colby, Jr., Deborah J. Davis, W. William Hutwelker, III, Town Administrator Shane O'Keefe, Interim Carpenter Home Administrator Judy Bohannon and Recording Secretary Beverly Bernard.

Motion was made by Hutwelker to leave non-public session and return to public session. The motion was seconded by Davis, with all in favor. **Motion passed.** Non-public session ended at 7:37 p.m.

Motion was made by Hutwelker to seal the minutes of the non-public session. The motion was seconded by Davis. The Selectmen voted unanimously by roll call to seal the minutes. **Motion passed.**

Non-public session(s) per RSA 91-A:3II(a) Personnel Matter(s)

Motion by Hutwelker to enter Non-public session pursuant to RSA 91-A:3II(a) Personnel Matter(s). The motion was seconded by Davis. The Selectmen voted unanimously by roll call to go into nonpublic session at 7:38 p.m. **Motion passed.** Present were the Board members Kenneth P. Colby, Jr., Deborah J. Davis, W. William Hutwelker, III, Town Administrator Shane O'Keefe, Interim Carpenter Home Administrator Judy Bohannon and Recording Secretary Beverly Bernard.

Motion was made by Hutwelker to leave non-public session and return to public session. The motion was seconded by Davis, with all in favor. **Motion passed.** Non-public session ended at 7:50 p.m.

Motion was made by Hutwelker to seal the minutes of the non-public session. The motion was seconded by Davis. The Selectmen voted unanimously by roll call to seal the minutes. **Motion passed.**

Non-public session(s) per RSA 91-A:3II(b) Hiring of Public Employee(s)

Motion by Davis to enter Non-public session pursuant to RSA 91-A:3II(b) Hiring of a Public Employee(s). The motion was seconded by Hutwelker. The Selectmen voted unanimously by roll call to go into non-public session at 7:50 p.m. **Motion passed.** Present were the Board members Kenneth P. Colby, Jr., Deborah J. Davis, W. William Hutwelker, III, Town Administrator Shane O'Keefe, Interim Carpenter Home Administrator Judy Bohannon and Recording Secretary Beverly Bernard.

Motion was made by Hutwelker to leave non-public session and return to public session. The motion was seconded by Davis, with all in favor. **Motion passed.** Non-public session ended at 7:54 p.m.

Motion was made by Hutwelker to seal the minutes of the non-public session. The motion was seconded by Davis. The Selectmen voted unanimously by roll call to seal the minutes. **Motion passed.**

Bohannon left the meeting at 7:55 p.m.

Interim Healthcare Termination

O'Keefe mentioned the letter of termination with Interim Healthcare was sent out on December 31, 2014 and no response has been forthcoming.

Capital Improvements Program Committee (CIP) Information

Colby asked O'Keefe for a timeline of the CIP meetings and a list of the Committee members and O'Keefe said he would gather that information for the Board and provide it at the next meeting.

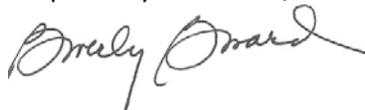
In addition to items discussed as part of the agenda, the Board received the following documents:

- Copy of letter to Interim HealthCare, December 31, 2014, terminating Health Care Staffing Agreement
- Invitation/Notice of MRSD legislative meeting scheduled for January 28, 2015
- Notice of Hearing for BTLA case #27580-14LC, scheduled for March 25, 2015. Appeal of Arnie Filipi on Selectboard decision on LUCT abatement request
- Copy of public notice of the January 13, 2015 Budget Hearing, posted on January 2, 2015
- Copy of public notice of the January 13, 2015 Bond Hearing, posted on January 2, 2015

ADJOURNMENT

Motion to adjourn was made by Hutwelker, second by Davis. No further discussion. All were in favor. **Motion passed.** Adjournment occurred at 8:05 p.m.

Respectfully Submitted,



Beverly Bernard, Recording Secretary

Approved on January 13, 2015