

Select Board Meeting
Monday November 25, 2024
7 PM
Nowak Room, Town Offices
Final Minutes

1. Call Meeting to Order

Members present: Chair Niko Papakonstantis, Dan Chartrand, Nancy Belanger

Members Absent: Vice-Chair Molly Cowan, Clerk Julie Gilman

Town Manager Russ Dean was also present at this meeting. The meeting was called to order by Mr. Papakonstantis at 7 PM.

2. Police Department - Swearing In

Police Chief Stephan Poulin introduced Michael Leno and Aaron Hurlburt, and Town Clerk Andie Kohler swore them in as Police Officers.

3. Proclamations/Recognitions

- a. Mr. Papakonstantis recognized the Exeter Fire Department, and the FDs of the surrounding towns, for their work on the Brentwood brush fire this week.

4. Public Comment

- a. There was no public comment at this time.

5. Approval of Minutes

- a. Regular Meeting: November 12, 2024

Corrections: Mr. Chartrand said the Board also interviewed C. Julie Gaunt for the Sustainability Advisory Committee

MOTION: Mr. Chartrand moved to approve the minutes of November 12, 2024 as amended. Ms. Belanger seconded. The motion passed 3-0.

6. Appointments

MOTION: Ms. Belanger moved to appoint alternate Bill Campbell as a regular voting member of the Pairpoint Park Committee, with no term. Mr. Chartrand seconded. The motion passed 3-0.

7. Discussion/Action Items

- a. Plodzik & Sanderson Audit Report

Finance Director Corey Stevens introduced Director Cheryl Pratt and Senior Manager Ashley Miller-Clem of Plodzik and Sanderson, who were present to discuss the audit.

Ms. Pratt said the staff was very helpful in getting this audit done. She discussed the opinion letter, which is based on various tests and samples of the financial statements. The audit rendered a clean or unmodified opinion for the

town in the year ending 12/31/2023. There are also two additional opinions, which are unmodified opinions, based on the Federal statements. There were no findings, material weaknesses, or significant deficiencies. They will prepare a governance letter where we lay out areas that should be considered to help the efficiencies of the town and the Finance Department, mainly related to policy. Most of those Mr. Stevens is working on or has already resolved.

Mr. Papakonstantis asked how the town compares to other towns that are roughly the same size. Ms. Miller-Clem said the Finance Department here is on top of things and attempting to make improvements. The questions Mr. Stevens is asking us are important questions. We pointed out in the letter things that could be improved upon, such as the ambulance write-off process.

Ms. Pratt said we had a comment about cybersecurity. You should make sure you have controls in place for preventing cyber attacks. We have some additional questions for the next audit on this subject.

b. Valuation Update

Finance Director Corey Stevens was present to discuss the valuation update. Mr. Stevens said our second installment property tax bills went out last Monday, November 18. Staff in tax and assessing have been extremely busy with calls and emails from residents. Many property owners saw a significant rise in their values and have questions. The State of NH requires that towns conduct a revaluation every 5 years to keep up with local fair market values. Market values have increased dramatically since the last revaluation in 2019. The average increase is 55%, but some mobile home properties went up 146%. These represent some of our most affordable starter homes, so it's not surprising to see this set of properties go up. The increase in the assessments resulted in a decrease in the tax rate, dropping to \$17.79 per thousand. This ensures that the town collects no more in taxes than what the voters approved in March. Some property owners saw a decrease in their property bills, and some saw an increase. Appropriations in March 2024 were higher than in 2023. Revised assessments create a shift in the cost share of the budget. If mobile homes went up 146%, they will share more of the cost than previously. Residents should confirm that the data of their bill is accurate. They can check recent solds in their area to see if they are similar or lower than the assessment. If residents disagree with the assessment, they can go through the abatement process. Those applications are due by March 1, 2025. Residents should still pay their bill while they go through this process.

Mr. Papakonstantis asked for public comment.

Nicholas Metz of 1 Tilton Avenue said he saw a substantial increase in his tax bill, around 20% over last year. How much is the increase in burden based on what we voted on, and what is based on averages as a whole? For residential vs commercial, can we see what the revaluation compared? Mr. Dean said there was an average 37% increase to the valuation for commercial property. Mr. Chartrand asked if they would have seen a decrease in their

financial obligation. Mr. Dean said he would defer answering that to another meeting. He added that town taxes increased 4.2% YOY, based on what the voters decided.

Mr. Stevens offered to attend Select Board meetings through the end of the year to address any resident concerns.

Mr. Papakonstantis asked how residents should communicate if they are having trouble meeting their tax burden. Mr. Dean said they should review the exemption and abatement program with the Assessing Office. If that is not a fit, the tax office may do a payment plan based on need. A payment plan doesn't halt the lien process; there can still be liens put on the property if the bill is not fully paid.

Mr. Papakonstantis asked Mr. Dean to utilize the website and Exeter TV to let residents know who to contact to get answers. There were some folks who took a big hit, and it's stressful. He appreciates that folks that have come in here have been respectful and patient, although upset.

c. 2025 Payroll Update

Finance Director Corey Stevens was present to discuss the 2025 payroll "27 Pay" issue. Every 11 years, the town has a 27th pay date, where typically there are 26. This presents a budget challenge because we budgeted for 26 pays. There are three options which are the most viable. We're separating the approaches for hourly staff and salaried staff. The hourly non-union and union staff are going to be paid a day early, on December 31, to avoid this issue. These options are to deal with the impact of salaried non-union staff. We have a 2% COLA and 3% Step, so a 5% wage increase built into the budget. The first option is to give them a 2% COLA and pay the extra 27th pay, which would add \$155K to the overall budget. It would change the General Fund increase from 5.7% to 6.2%. We've identified some areas where we could make around \$20,000 in cuts that would reduce the increase. Mr. Chartrand asked if option 1 as presented includes the \$20,000 of cutbacks. Mr. Stevens said no. Option 2 would be to eliminate the COLA and pay the 27th pay, which would be a \$90,000 impact to the overall budget. The General Fund would go from a 5.7% to 6.0% increase. The third option would be to maintain the increases in the FY25 budget, but divide the wages between the 27 pays. For a \$75,000 employee, they'd see a reduction of \$70 at the mid-year in July. We also have significant health care increases in FY25, which will take effect January 1. If the employee is on a family plan, there will already be a \$37 reduction in each pay period. Mr. Papakonstantis said the health increase this year was significant, almost 19%.

Mr. Stevens said if we choose option 2, we are in effect freezing wages at FY24 levels. Mr. Chartrand asked if the impact in FY26 would be mitigated under Option 3, because the increases would be maintained. Mr. Stevens said that's true. Mr. Papakonstantis said they're not getting a reduction in salary in Option 3, it's just a reduction in each paycheck. Mr. Stevens said that's correct, you're made whole by the end of the year.

Mr. Chartrand said we've put a lot of effort into finding and retaining employees. Which of these options harms retention the least? Mr. Dean said the Executive Team felt that Option 1 presents the least amount of disruption to the employee base and doesn't threaten any progress we've made with retention. It maintains the COLA and avoids freezing the pay grid for 2026. Mr. Chartrand said Option 3 also has that feature. Mr. Dean said Option 3 had a practical impact on people's checks, and it combines with the increase in health insurance. Mr. Stevens said he was initially convinced Option 3 would have been the answer, but he reached out to other towns and groups and has not found one town that has gone with Option 3. Each town was budgeting for additional funds.

Mr. Stevens said Option 1, the 2% COLA plus the 27 pay, is the least impactful. Mr. Chartrand asked if this is the option that is the most prevalent. Mr. Dean said most towns were looking at it as budgeting an extra pay period, but we're maneuvering to get something more palatable for the 2025 budget.

Mr. Chartrand asked if we could wait for the full Board to be present. Mr. Stevens said we're trying to button up the budgets so his preference is to move forward tonight.

Mr. Chartrand said we've worked so hard to retain employees in the post-pandemic landscape. If Option 1 gives us the best chance to maintain that, that's the option he would be in favor of. Mr. Papakonstantis said he stands behind Option 1. These weren't the original options, the Executive Team worked hard to refine them and try to find a way to be fair to our employees. What it costs to recruit and retrain far outweighs a small increase in wages.

MOTION: Ms. Belanger moved to authorize Option 1 as outlined in the Finance Director's November 25, 2024 memo to the Board, where employees receive a 2% cost of living increase and are paid 27 times in FY25. Mr. Chartrand seconded. The motion passed 3-0.

Mr. Chartrand said he loves the fact that Mr. Papakonstantis meets with the Executive Team on a regular basis to represent the Board and the citizens of the town. It makes the process of the Select Board work much better.

d. Construction Manager for new Police Station/Fire Sub-Station

Town Planner Dave Sharples said at the last meeting, we requested to execute a contract with TGAS. We took the conceptual floor plan in the LVA documents and the square footage to meet their needs, and TGAS started refining that. They've been excellent to work with; they're very good at problem solving. We're at a point where we have a solid floor plan. Police and Fire seem very happy with the layout. Net Zero was also in the warrant, and has been a consistent discussion point. We've now started the MEPF [Mechanical, Electrical, Plumbing, and Fire Protection] design and net zero is an important part of that. They hired a green engineer and we'll have a meeting with them to refine the net zero component. Another issue is addressing the elevation change on the site and whether it's huge rocks or ledge. There are two wetlands on the site. The siting is going to impact the ability to put the solar panels on the roof. We're able

to avoid the installation of a radio tower and microwave link on the site, which would have cost several hundred thousand dollars. Running fiber from the existing Police Station downtown to the new site would be more cost-effective.

We issued an RFQ for Construction Manager, and received about 10 proposals. We assembled an interview panel. We requested a contract for pre-construction services, from now until construction. The quote we selected was \$20,000 from Eckman Construction. By mid-January, we'll have a cost estimate. We'll bid it out to the subcontractors in the spring and start construction mid-July. They anticipate a 14-to-16-month construction schedule, so we're targeting Fall 2026. The pre-construction contract is simple and straightforward. Ms. Belanger asked if a motion is needed, and Mr. Dean said no, there's a \$25,000 threshold for what we bring to you, but wanted to let you know that Eckman was selected and we're going forward with them.

e. Amend Sustainability Advisory Committee Membership

Mr. Papakonstantis said we had an opening on the Sustainability Advisory Committee and had two very qualified applicants. It currently has 7 voting members with no alternates. Mr. Chartrand said Kristen Murphy, our staff support for the Sustainability Advisory Committee, reached out to him and asked if SB is considering expanding the committee, to please add additional members as alternates so it does not affect the quorum threshold. He suggests appointing one applicant to the full member slot that's open, and create two alternate positions. Ms. Murphy will look into whether there is a regular member having trouble attending that would like to move to an alternate.

MOTION: Mr. Chartrand moved to amend the Sustainability Advisory Committee membership from 7 voting members to 7 voting members and 2 alternate positions. Ms. Belanger seconded. The motion passed 3-0.

MOTION: Mr. Chartrand moved to appoint Jim Breeling as the regular voting member, term ending April 2027. Ms. Belanger seconded. The motion passed 3-0.

MOTION: Mr. Chartrand moved to appoint Julie Gaunt to one of the new alternate positions we just created, term to expire April 2027. Ms. Belanger seconded. Mr. Chartrand said she may move to be a regular member if a current member would like to be an alternate. The motion passed 3-0.

8. Regular Business

a. Tax Abatements, Veterans Credits and Exemptions

MOTION: Ms. Belanger moved to approve a solar exemption for 104/48 in the amount of \$1,000 for tax year 2025. Mr. Chartrand seconded. The motion passed 3-0.

MOTION: Ms. Belanger moved to accept the 2024 Municipal Data Certification of the DRA sales ratio information and memo. Mr. Chartrand seconded. The motion passed 3-0.

MOTION: Ms. Belanger moved to approve a land use change tax for 47/7 in the amount of \$500,000 for tax year 2024. Mr. Chartrand seconded. The motion passed 3-0.

MOTION: Ms. Belanger moved to approve a land use change tax for 47/6 in the amount of \$100,000 for tax year 2024. Mr. Chartrand seconded. The motion passed 3-0.

MOTION: Ms. Belanger moved to approve 54/6, 54/5/35, and 54/5/40 in the amount of \$100 each for tax year 2024. Mr. Chartrand seconded. The motion passed 3-0.

MOTION: Ms. Belanger moved to approve 54/5/20, 54/5/21, 54/5/22, 54/5/23, 54/5/24, 54/5/25, 54/5/26, 54/5/27, 54/5/28, 54/5/29, 54/5/30, 54/5/31, 54/5/32, 54/5/33, 54/5/9, and 54/5/10 in the amount of \$7,500 each for tax year 2024. Mr. Chartrand seconded. The motion passed 3-0.

MOTION: Ms. Belanger moved to approve 54/5 in the amount of \$50 for tax year 2024. Mr. Chartrand seconded. The motion passed 3-0.

Mr. Dean said there was a printer error where Unitil was billed at both a residential and utility tax rate. A corrected bill will be sent. There will be no refund, since we caught it before sending, but it will be processed as an abatement for bookkeeping purposes.

MOTION: Ms. Belanger moved to approve the correction of the incorrect billing for 46/3 as presented by the Deputy Tax Collector in the memo of November 13, 2024. Mr. Chartrand seconded. The motion passed 3-0.

b. Permits & Approvals

Mr. Papakonstantis said we had one bid that we opened for the downtown mobile food vending agreement., from Clyde's Cupcakes. Mr. Dean said everything looks good on our end.

MOTION: Ms. Belanger moved to offer the 2025 downtown mobile food vending license agreement to Clyde's Cupcakes upon receipt of payment of the license fee of \$5,000 and current certificates of insurance for use of the downtown space from Jan 1, 2025, to December 31 2025, and to grant the Town Manager or their designee the authority to sign said license agreement. Mr. Chartrand seconded. He said in our packet, there's approval from all the relevant department heads. The motion passed 3-0.

c. Town Manager's Report

- i. The Swasey Parkway turnaround has been paved and the handicapped spaces have been installed. The posts for the gates were installed today and the gates will be installed in the next couple of days. We've been talking about how to get the word out that the Parkway will be reopened. We can use EXTV and possibly the trailer. Mr. Papakonstantis said Mr. Cronin will make sure that the gates are open for the Holiday parade.
- ii. Regarding 10 Hampton Road, a contract with Hampshire Development Corp is signed and the project is moving forward.

- iii. He participated in the Police Department's CALEA certification process.
 - iv. The Westside Drive project bid will be advertised in December. The project will be underway in the springtime.
 - v. Regarding Pickpocket Dam, we got an assessor list from Brentwood to notify their residents about the December 10 meeting. We've also asked Brentwood for a letter of support for removing the dam.
 - vi. The lead service line program continues. We have a form for those with unknown services for the Department to get in touch with you.
 - vii. We're continuing with Fire and Police union negotiations. We've wrapped up Public Works.
 - viii. He thanked the Board on behalf of the staff for approving the staff appreciation days.
 - ix. There's a donation box downstairs from the Boy Scouts for the NHSPCA.
 - x. We got the parking permits out to the developer of the Ioka. He and Darren visited many businesses and let them know what the circumstances are. The general reaction was very positive.
- d. Select Board Committee Reports
- i. Ms. Belanger attended a Planning Board meeting. They heard an application from Willey Creek for 9 Ray Farmstead Road, which was continued to Feb 27, 2025. Riverwoods was on the agenda and there was a lot of public comment; it was tabled to December 19. There will be a public sitewalk December 5 at 8 AM. The Arts and Culture meeting tomorrow was cancelled. The next meeting is January 28.
 - ii. Mr. Chartrand attended the BRC CIP discussion. There was a lot of good back and forth. He attended a meeting of the business owners and citizens regarding a train station. Mr. Papakonstantis asked Mr. Dean to look into bringing that committee back to the town. Mr. Chartrand asked Mr. Papakonstantis to reach out to Darren Winham on this topic.
 - iii. Mr. Papakonstantis attended CIP night. The Swasey Parkway Trustees met to award a bid for the landscape contract, which went to the incumbent. The Pairpoint Park Committee talked about fundraising next year. He offered to be the liaison between the committee and Mr. Stevens. The new fence is up. He met with the assessor for the CALEA certification and she said that she's bringing back proposed changes for her own Police Department based on what we're doing.
 - iv. Ms. Belanger asked about details of the parade this year. Mr. Papakonstantis said it's December 7th. Mr. Dean said he hasn't received any details yet.
- e. Correspondence
- i. A letter of support for two CIP projects: a public EV charging and styrofoam recycling, from SAC Chair Chris Zigmont and one of the owners of our businesses downtown.

- ii. A letter from NH DRA with the 2023 Town of Exeter cyclical monitoring. Mr. Dean said this is a benchmark for our valuation process and we passed and are certified.
- iii. A letter of thanks from the Board of Trustees of the Historical Society for a donation.
- iv. A notice from Comcast Xfinity about a change in service.
- v. A note about a Holiday Block Party on Thursday December 5 from 4-7 PM. The Parade will be December 7.
- vi. A "Save the date" for a public information session on Pickpocket Dam removal Tuesday, December 10 at the Public Library.

9. Review Board Calendar

- a. The next meetings are December 9, December 23, January 6, and the Budget Hearing on Tuesday January 21.

10. Non-Public Session

- a. There was no non-public session at this time.
Adjournment

MOTION: Ms. Belanger moved to adjourn. Mr. Chartrand seconded. The motion passed 3-0 and the meeting was adjourned at 9:15 PM.

Respectfully Submitted,
Joanna Bartell
Recording Secretary