

TOWN OF NEWPORT, NEW HAMPSHIRE
Board of Selectmen
Minutes for Meeting of June 17, 2019 6:30 pm
Public Hearing and Regular Business Meeting, Municipal Building
15 Sunapee Street, Newport, NH 03773

SELECTMEN PRESENT: Jeffrey Kessler, Chairman; Todd Fratzel, Vice Chairman; Barry Connell

SELECTMEN ABSENT: John Hooper II; William Wilmot, Jr.

STAFF PRESENT: Hunter Rieseberg, Town Manager; Paul J. Brown, Finance Director

COMMUNITY MEMBERS PRESENT: Ed Karr, Bert Spaulding, Sr.; Gloria and David Kibbey, Dick Wentzell and John Lunn

NCTV: Louis Cassorla

CALL TO ORDER: Chairman Kessler called the meeting of the BOS to order at 6:30 p.m. followed by the Pledge of Allegiance.

AGENDA REVIEW: Move Action Item: Set Water & Sewer Rates to after Public Hearing (Kessler)

PUBLIC HEARING: Chairman Kessler opened the Public Hearing on Water and Sewer Rates and read aloud the posted Public Hearing Notice:

WATER AND SEWER RATES

The Town of Newport Board of Selectmen will hold a public hearing at 6:30 p.m. on Monday, June 17, 2019 to discuss the following proposed increases to the Town's water and sewer rates which may become effective in July 2019 and utilized for the November 2019 billing. The rate study supporting the increases is available on the Town's website, www.newportnh.gov

	<u>Rates per 1000 gallons</u>	
	<u>Current</u>	<u>Proposed</u>
Water	\$7.84	\$9.41
High Volume Water (+5 million gals)	\$5.29	\$6.35
Sewer	\$10.71	\$12.85

Chairman Kessler acknowledged Finance Director Brown and asked him to review how the Town decided on the proposed increases and to explain the impact on the water and sewer fund balances.

Finance Director Brown reviewed the water and sewer rate proposals for the Board and public present. He stated the first billing of 2019 showed an increase of water usage. The proposed water increases are greater than the projections in 2018.

Finance Director Brown then went through the Water and Sewer Rate Proposal Overview PowerPoint presentation. For the full presentation go to the NCTV website at: www.nctv-nh.org.

Chairman Kessler explained that Finance Director Brown was presenting proposed rate increases for multiple years. The Board would only be voting and approving an increase on the 2019-2020 water billing year. The BOS was not going to commit to a multi-year increase. They would check annually to see if the proposed increases were correct, too high or too low.

Questions asked by the public present on the water rate proposal were:

- The projection percentages? Finance Director Brown explained the two projections (water and sewer).
- What are the driving costs on the water side? Salaries and benefits, supplies, insurances, debt service, Capital Outlay and Projects.
- Savings? Proposed positions have been eliminated.
- Why the increase in cost with less usage? The reduction in usage is the driving factor in the rates (expenses).

Selectman Fratzel explained to public members that the operating costs are not significantly impacted (lowered) by our decrease in usage.

Finance Director Brown listed the steps being taken to reduce costs:

- ❖ Decreased scope of well development to permitting only.
- ❖ Increased investment in infrastructure to \$600,000 every two years (Water Asset Management Plan previously proposed \$1 million annually)

Finance Director Brown stated the Town has tried to keep the tax rate at 2%; therefore, they would try to maintain a 2% water rate increase.

Recommended projections of rates:

Water rate increases

2019- 20%

2020-20%

2021- 2%

2022- 2%

2023- 2%

2024- 2%

Finance Director Brown explained:

- ❖ The settlement for the WWTP Upgrade lawsuit
- ❖ Accelerating repayment of the WWTP interim financing, delaying repayment of 1/3 of the project costs
- ❖ Increase cost estimate for the new WWTP Phosphorous Project
- ❖ Annual capital appropriation for Manhole/Service line rehabilitation
- ❖ Accelerating the replacement of the Riverbend Sewer Pump Station
- ❖ Increased investment in infrastructure of \$600,000 every two years (less than recommended)

Questions asked by the public present on the sewer rate proposal were:

- Couldn't the percentages be spread out to make the impact less for consumers? Selectman Fratzel explained that the Town tried to lower the percentages (especially the sewer) but without the initial percentages the working capital is too low.

Chairman Kessler reminded the public that last year (2018) Finance Director Brown proposed the following increases: 20% water; 30% sewer. The BOS approved half: 10% water; 10% sewer. There was a general discussion on the handout stating the cost for two and four-person family on the five-year increase between Selectman Fratzel, Finance Director Brown and members of the public.

Finance Director Brown also explained the potential State Aid (through the Disadvantaged System Assistance Program) Newport might be eligible for. He also showed an interactive graph showing other increases in user rates and how they would not work (capital wise).

Sewer rate increases

2019-20%
2020-25%
2021-30%
2022-30%
2023-20%
2024- 2%
2025- 2%

Mr. Karr asked when the Board of Selectmen would look at the rates again. Would it be before June 2020? Finance Director Brown stated it has been looked at in the spring for a rate increase at the July water/sewer readings. It could be looked at any time during the year (at the Board's discretion).

Mr. Karr asked when the Town would begin reading meters for the July billing. Finance Director Brown said the meter readers would be out the second week of July 2019. That reading will be using the old rates.

There was a lengthy discussion between Board members and the public present on the Public Hearing information. The BOS and Finance Director Brown were thanked for their diligence, getting on top of the problem and developing a plan for the future.

Chairman Kessler asked for additional comments or questions. There being none, he closed the Public Hearing.

ACTION ITEM: Set Water & Sewer Rates: A motion was made by Selectman Fratzel *to increase the water rate from \$7.84 to \$9.41 per 1,000 gallons, the High-Volume Water Rate from \$5.29 to \$6.35 per 1,000 gallons and the Sewer Rate from \$10.71 to \$12.85 per 1,000 gallons effective with the November 2019 billing.* It was seconded by Selectman Connell. *The motion passed 3-0-0.*

MINUTES FROM PREVIOUS MEETING(S): Minutes of June 3, 2019: On a motion by Selectman Fratzel, seconded by Selectman Connell; *the Board voted to approve the BOS minutes of the June 3, 2019 meeting as presented. The motion passed 3-0-0.*

NPS Minutes of June 3, 2019: On a motion by Selectman Fratzel, seconded by Selectman Connell; *the Board voted to approve the NPS minutes of the June 3, 2019 BOS meeting as presented. The motion passed 3-0-0.*

CONSENT AGENDA: On a motion by Selectman Fratzel, seconded by Selectman Connell; *the Board voted to approve the Consent Agenda of June 17, 2019 as presented. The motion passed 3-0-0.*

OPEN FORUM: Mr. Dick Wentzell addressed the Board and asked if they had looked into the Town Assessor. There was a discussion between the BOS and Mr. Wentzell on his complaints. Mr. Wentzell stated he had been addressing the Board at several meetings and had not received answers to his questions. Chairman Kessler told Mr. Wentzell that when Town Manager Rieseberg presented information to the BOS of action to be taken, they would.

Mr. John Lunn addressed the BOS and gave an update on NCTV.

- Channels 8 & 10 are up and running.
- Live streaming is currently in place.
- He also informed the Board and the public that a recent Supreme Court decision has ruled that cable access is considered a governmental entity and have to observe the same rules to protect First Amendment rights. Mr. Lunn wanted to ensure everyone that programs are not edited in any way.

Mr. Lunn addressed the viewing audience and requested that if there are any problems with home television reception, to please contact the station by phone or email.

COMMUNICATIONS: Selectman Fratzel had nothing to share at this time.

Selectman Connell had nothing to share at this time.

Chairman Kessler stated:

- Chamber Day went very well.
- Friday night before Chamber Day the LAC had a bird painting project on the Common under the tent. There were 200 birds painted. They will be displayed in trees down the center of Main Street beginning next week.

Town Manager Rieseberg had nothing to share at this time.

Agenda Items were taken out of order.

INFORMATIONAL: none

ACTION ITEMS: Recreation Advisory Council Resignation – Kassy Matz-Helie: Selectman Fratzel made a motion *that the Board accept Kassy Matz-Helie's resignation with regret*. It was seconded by Selectman Connell. *The motion passed 3-0-0.*

Recreation Advisory Council Resignation – Amanda Kraft: Selectman Fratzel made a motion *that the Board accept Amanda Kraft's resignation with regret*. It was seconded by Selectman Connell. *The motion passed 3-0-0.*

Conservation Commission-Kristen Kilfoyle Boffo: Selectman Fratzel made a motion *that the Board accept Kristen Kilfoyle Boffo's resignation with regret*. It was seconded by Selectman Connell. *The motion passed 3-0-0.*

Heritage Commission-Cathryn Baird: Selectman Fratzel made a motion *that the Board accept Cathryn Baird's resignation with regret*. It was seconded by Selectman Connell. *The motion passed 3-0-0.*

Community Center Committee-Jeffrey North: Selectman Fratzel made a motion *that the Board accept Jeffrey North's resignation with regret*. It was seconded by Selectman Connell. *The motion passed 3-0-0.*

Selectman Fratzel requested that the Town Manager send them a thank you for their efforts to the Town of Newport.

APPOINTMENTS: On a motion by Selectman Fratzel, seconded by Selectman Connell; *the Board voted to appoint Mr. Harold Yanofsky and Mr. John Merriman as full board members of the Airport Advisory Board for a length of 3 years, with their term to expire in June of 2022. The motion passed 3-0-0.*

On a motion by Selectman Fratzel, seconded by Selectman Connell; *the Board voted to appoint Mr. Kenneth Dennis as a full board member of the Conservation Commission for a length of 3 years, with his term to expire in June of 2022. The motion passed 3-0-0.*

On a motion by Selectman Fratzel, seconded by Selectman Connell; *the Board voted to appoint Mrs. Jacqueline Cote as a full board member of the Heritage Commission for a length of 3 years, with her term to expire in June of 2022. The motion passed 3-0-0.*

On a motion by Selectman Fratzel, seconded by Selectman Connell; *the Board voted to appoint Mr. Raymond Kibbey and Mr. Kenneth Merrow as full board members of the Planning Board for a length of 3 years, with their term to expire in June of 2022 and Mr. David Kibbey as an alternate board member of the Planning Board, with his term to expire in June of 2022. The motion passed 3-0-0.*

On a motion by Selectman Fratzel, seconded by Selectman Connell; *the Board voted to appoint Ms. Agatha Barreca as a full board member of the Rec Advisory Council for a length of 3 years, with her term to expire in June of 2022. The motion passed 3-0-0.*

On a motion by Selectman Fratzel, seconded by Selectman Connell; *the Board voted to appoint Mrs. Elizabeth Cassorla as a full board member of the Zoning Board of Adjustment for a length of 3 years, with her term to expire in June of 2022. The motion passed 3-0-0.*

Chairman Kessler then read aloud the vacancies in the following committees:

Airport Advisory Board
Capital Improvements Program (CIP)
Conservation Commission
Heritage Commission
Planning Board
Recreation Advisory Council

For more information or to obtain a nomination form, contact the Selectman's Office by phone at (603) 863-1877 or email at jdufour@newportnh.gov or www.newportnh.gov

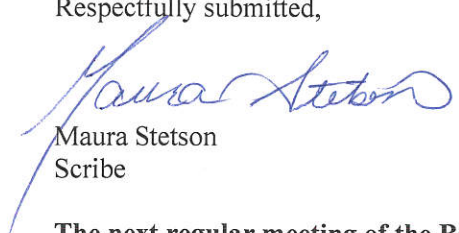
On a motion by Selectman Fratzel, seconded by Selectman Connell; *the Board voted by roll call vote to enter into NPS pursuant to RSA 91-A:3 II (d) Real Estate at 7:40 p.m. The motion passed 3-0-0.*

The Board exited NPS at 8:14 pm.

No action was taken.

The Board voted unanimously to adjourn at 8:14 p.m.

Respectfully submitted,



Maura Stetson
Scribe

The next regular meeting of the Board of Selectmen is scheduled for July 1, 2019 at 6:30 p.m.

Approved on: July 15, 2019