

**MINUTES**  
**SELECT BOARD**  
**TOWN OF PETERBOROUGH**  
Tuesday, February 19, 2019 – 5:00pm  
1 Grove Street, Peterborough, New Hampshire

**Present:** Barbara Miller, Karen Hatcher, Tyler Ward

**Also Present:** Rodney Bartlett, Alison Kreutz

Budget Committee: Ronald Patten (chair), Richard Clark, Ronnie McIntire, Paul Sullivan, Carl Mabbs-Zeno, Bob Hanson, Mandy Sliver, Ed Henault, Donald Parkhurst

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Chair Miller called the meeting to order at 5:00 PM

Chair Miller read the Public Hearings Notice for the Community Development Block Grant Project.

### **Appointments**

*Jack Dugan, MEDC – Community Development Block Grant Application (First of Three Public Hearings)*

Mr. Jack Dugan, President, with the Monadnock Economic Development Corporation (MEDC) explained that Community Development Block Grant (CDBG) funds are available to municipalities for economic development, public facility and housing rehabilitation projects that primarily benefit low- and moderate-income persons. The Town of Peterborough is eligible to receive up to \$500,000 a year for public facility/housing rehabilitation, up to \$500,000 a year for economic development projects, as well as up to \$500,000 a year in emergency funds. Feasibility Study funds are available for up to \$12,000. Mr. Dugan provided a handout describing the NH Community Development Block Grant Program eligible activities that included the area HUD income limits.

The proposed application to the Community Development Finance Authority (CDFA) is for \$500,000 in CDBG Economic Development funds. The CDBG would be sub-granted to Monadnock Economic Development Corporation (MEDC) which would use the funds to make a loan to Lucci Corp. DBA Northeast Products (NEP) of 375 Jaffrey Road in Peterborough for working capital and equipment purchases. NEP will create up to 25 new jobs as a result of this project, the majority of which will be filled by persons from low-to-moderate income families. The total project is anticipated to exceed \$1 million of investment in Peterborough NH.

If the Town receives this CDBG grant award, there will be a requirement of a Subrecipient Agreement involving MEDC, and a Business and Employment Commitment Agreement with Northeast Products, which provides a contractual obligation to meet low-moderate income household targets.

Northeast Products representative Joe Luccisano spoke about the history of NEP, which was started by his father Peter Luccisano in the mid-80's. Products are designed, developed and manufactured at 375 Jaffrey Road in Peterborough: "Everything is done in-house, from start to finish." Mr. Luccisano said NEP has been able to add more products to the line in the last decade, and the Block Grant would help them out tremendously.

Chair Miller asked what distinguished NEP's seat cushions from others on the market.

Mr. Luccisano replied that they use only the best high-quality materials, are a family business based in the USA, and reuse foam that would otherwise go into landfills.

Chair Miller opened the floor for public comment.

Audience member and resident Judy Furstenberg asked why the CDFFA stands between the State and block grant funding, and asked if the CDFFA keeps any interest that's generated. Mr. Dugan explained that the

Community Development Finance Authority and MEDC are 501c3 non-profit organizations. The origin of the funds are from HUD in Washington, and then funds go to the State, and then to regional non-profits, like MEDC. MEDC makes loans to businesses, and as the businesses repays the money, the principal goes into a revolving loan fund while the interest helps support the operations of the non-profit, and the principal is loaned out again.

Ms. Furstenberg asked if NEP would be required to hire local people. Mr. Dugan replied no, but they would be required to hire people from low-to-moderate income households, and offer a competitive benefits package.

Ms. Hatcher asked how many people are employed currently at NEP. Mr. Luccisano said there are 17 year-round employees, and 30-40% of those are from Peterborough or surrounding towns. NEP hires 40-50 seasonal laborers annually, and there is a goal to bring more of those seasonal laborers on full-time. Mr. Luccisano: "We will do our best to hire local people."

Audience member and resident Mr. Andrew Dunbar expressed that the recent article in the Monadnock Ledger Transcript about the project made it seem like a vehicle to bring in zoning initiative from the Planning Board, and he asked if it authorized the Town to take homes by eminent domain. Mr. Dugan replied that addressing the details of the Residential Anti-Displacement and Relocation Assistance Plan is required for the public hearing process, but there will be no displacement as a result of this project with NEP.

*Motion:* As there were no more public comments, Chair Miller motioned to approve the submittal of the application and vote to authorize Town Administrator Rodney Bartlett as the Authorized Official to sign and submit the CDBG application, and upon approval of the CDBG application, authorize the Authorized Official to execute any documents which may be necessary to effectuate the CDBG contract.

*Vote:* Seconded by Ms. Karen Hatcher. All in favor. Motion passed.

Chair Miller closed the Public Hearing on the Project portion of the CDBG Block Grant Hearing.

*Motion:* Chair Miller motioned to open the second public hearing for discussion of the proposed Housing & Community Development Plan.

*Vote:* Seconded by Ms. Hatcher. All in favor. Motion passed.

Mr. Dugan explained that the H&CD Plan is one that the Town of Peterborough adopted last in July 2014, and it is required to be reviewed and re-adopted every three years to qualify for CDBG funds. The plan is developed directly from the Town's Master Plan goals, and has been updated to reflect the current goals of the Master Plan. The Housing and Community Development Plan will need to be readopted for this application.

This project conforms with the Town of Peterborough's Housing and Community Development Plan Goal to promote economic vitality by encouraging new businesses and retaining established businesses in Town.

Chair Miller opened the floor for public comment. Mr. Ward said that the Town's Master Plan was available on the Town website for anyone who was interested.

Chair Miller closed the second public hearing for discussion of the proposed Housing & Community Development Plan.

*Motion:* Mr. Tyler Ward motioned to adopt the February 2019 Housing and Community Development Plan.

*Vote:* Seconded by Ms. Hatcher. All in favor. Motion passed.

Chair Miller opened the third public hearing regarding the Residential Anti-Displacement and Relocation Assistance Plan.

Mr. Dugan explained that if any permanent displacement takes place as a result of this project, the Uniform Relocation Act must be followed, which requires that any permanently displaced household or business in a project using federal funds must be found comparable housing in a comparable neighborhood at a comparable price. He noted that no permanent displacement is planned at this time. Under the certification section of the application, the Town will certify that the Residential Anti-Displacement and Relocation Assistance (RARA) Plan is in place, and in the event that it is discovered that this specific project does permanently displace persons or households, a displacement implementation plan must be submitted to CDFA prior to obligating or expending funds.

Chair Miller called for public comment.

Mr. Dunbar asked if decisions made at these hearings applied to only this project or to any project moving forward. Mr. Dugan explained that the decisions made at the evening's hearings apply only to this specific project, and future projects would require the same hearings process and a separate set of decisions.

Chair Miller closed the third public hearing for discussion of the proposed RARA Plan.

*Motion:* Ms. Hatcher motioned to adopt the February 2019 Residential Anti-displacement and Relocation Assistance Plan.

*Vote:* Seconded by Mr. Ward. All in favor. Motion passed.

Chair Miller wished MEDC and Northeast Products all the best with this project and invited them to come to future meetings.

## **Review and Approval of Select Board Minutes of January 29, 2019**

*Motion:* Ms. Hatcher made a motion to accept the minutes from Select Board Meeting held January 29<sup>th</sup>, 2019, with a single correction changing 'Chair Hatcher' to 'Chair Miller.'

*Vote:* Mr. Ward seconded. All in favor. Motion passed.

## **Other Business**

### *School Funding*

Ms. Hatcher shared that on Thursday, February 21<sup>st</sup>, she will be attending the Selectmen's Advisory Committee to the Board of Education. The group will be discussing warrant articles on School Board warrant, and will be asking for each town's position on the budget. Ms. Hatcher shared that the school budget this year is about \$800,000 above last year's budget, mostly because voters approved the Fact Finders' report that recommended an increase in teacher benefits and salaries in order to "level the playing field." Those expenses had to be absorbed in this year's budget. If not approved, the default budget is \$1.25 million less, which would mean significant cuts to many school programs, faculty salaries, etc. Ms. Hatcher's personal recommendation is that Peterborough votes to approve the budget, as the voters spoke last year and supported teachers: "This is the bill come due."

Chair Miller and Mr. Ward agreed with Ms. Hatcher, and supported the decision the voters had made last year.

Audience member and resident Ms. Judy Furstenberg said she was under the impression that after-school activities for children in New Hampshire were free (she is previously a resident of Massachusetts), and Mr. Ward told her that is generally not the case, and there are many factors involved in school funding. Ms. Hatcher said there is currently a major problem with school funding at the State level, which has put more financial stress on towns. Ms. Hatcher invited Ms. Furstenberg to attend school board meetings, and said she would be happy to have a conversation with her about the issue.

Ms. Hatcher explained there was a warrant article that would shift the current 50/50 formula of Average Daily Membership and Property Valuation to 40/60, respectively. It would reduce Peterborough's portion by about \$800,000. She said this would pit smaller towns against larger towns at a time when the focus should be

SEE AMENDMENT

on issue of inadequate funding from the State. She said, having been part of the meetings, there is a lot of divisiveness between townspeople and, were it approved, it would not solve much and could potentially further drive a wedge between towns. Her recommendation is not to endorse the warrant.

Mr. Ward asked if this was a Petition Warrant Article. Ms. Hatcher said no, that it was put forth by the School Board; it was a split vote, though the majority were for it, and so it went forward.

Chair Miller said it could encourage small towns to vote to consolidate and close their small schools, as they would need to pay more to keep them open.

Mr. Dunbar asked about an idea that was previously put forward regarding the closing of the middle school. Chair Miller said she was in favor of the private school model of consolidating grades K-8. The Town could then sell the middle school property to the benefit of the remaining schools. She explained that in order to make it work there would need to be "soft boarders" so that children could attend schools in neighboring towns. Ms. Hatcher said that it is a complicated issue and encouraged all to attend school board meetings and get involved in the process.

Mr. Ronnie McIntire said he had found an excellent report prepared by the Sharon School Board that outlines in detail how the current system works, and how it would work under the two scenarios. Ms. Hatcher said Mr. Jim Fredrickson had put the report together and it was available at the deliberative session. The report and all other reports from the deliberative session are available on the ConVal website.

Mr. Roland Patten asked what it costs to educate a student in the smaller towns versus in Peterborough, and said the information should be available to the public. Ms. Hatcher replied that the information was public and could be found on the ConVal website. She briefly explained how the cooperative school district functions and how financial and educational needs of different towns can vary from year to year.

Chair Miller said she would vote for the warrant article as she respects the decision of the School Board. Mr. Ward expressed he didn't know if the passing of the warrant article would make a noticeable impact, but he would also support the decision of the School Board. Ms. Hatcher recognized the Board's support of the warrant article was 2-1.

#### *Other Updates*

Chair Miller shared that Our Town Capital was New Hampshire Business Review's Editor's Pick for "Best Community Effort to Encourage Entrepreneurship."

A housing seminar "Building Housing for All" will be taking place at the Jaffrey Civic Center on Thursday, February 21<sup>st</sup> at 8:00 AM.

Ms. Hatcher said the next Welcome Team Meet & Greet will take place on Thursday, April 11<sup>th</sup> at Bass Hall in the Monadnock Center at 7:00 PM. All are welcome.

Chair Miller said the Library's 'Cast of Thousands' fundraising effort is going well. Tim Brezovec is offering Drop-In Tech Help every Wednesday from 12:00-1:00 PM, and runs an ongoing Classroom Tech series. The classes are free for members of the Library and are highly recommended. Classes and events can be found on the Library calendar.

The next Conservation Commission meeting will be on Thursday, February 21<sup>st</sup> at 6:00 PM, and they will be discussing the edible plantings to be done around the Stone Barn.

The next Select Board meeting, which will be a joint meeting with the Budget Committee, is scheduled for Tuesday, February 26<sup>th</sup>.

**Joint Budget Committee/Select Board Meeting**

Chair Patten called the meeting to order at 6:00 PM and introduced present members of the Budget Committee.

Mr. Bartlett introduced Mr. Eddie Gomez from the Peterborough Recycling Center Advisory Committee.

*Funding Request from Peterborough Recycling Center Advisory Committee to support Green Star Program*

Mr. Eddie Gomez provided an overview of the Peterborough Recycling Center Advisory Committee (PRCAC), which has four members (they are looking to increase membership) and meets monthly at the Recycling Center.

The Green Star Program promotes improved environmental stewardship within the local economy and recognition of waste reduction and environmental education practices of businesses and non-profits. Interested businesses perform a self-audit using a sheet provided by the PRCAC and, if they believe they've passed, they submit the audit to the PRCAC, which then verifies the audit. If approved, PRCAC provides them with a Green Star Program plaque which the business can display to let visitors/customers know they have green business practices.

Mr. Gomez says PRCAC members have been doing their own amateur graphic design for the marketing materials/audit sheets, and would like the design to be more professional. PRCAC is asking \$750 in total funding: A designer in Harrisville quoted them \$550 for design and printing of 200 sheet, they are requesting \$75 for paint and wood (which would be enough for about 10 awards) and \$125 for tabling fee for Greenerborough.

Chair Miller asked for clarification if PRCAC was requesting funds or permission from the Select Board to seek private grants. Mr. Gomez said they were looking for both. If funds were not granted from the Town, they would like permission to seek funds from outside sources.

Ms. Hatcher asked for clarification about the cost of printing and what would be handed out: "Why are we not working digitally?" Mr. Gomez replied it's a "cost/benefit thing." He said they will have a digital component they can email as well, but for events and face-to-face interactions, having the details of the program on paper is helpful.

Mr. Ward asked if the EDA has paid money towards Greenerborough. Ms. Hatcher said she believed there had been discussion, but she wasn't presently sure about the status. Mr. Ward asked why the Town didn't have a free table at Greenerborough. Mr. Gomez said they were hoping to get a discounted or free spot, in which case the funds would go towards making the table attractive to visitors.

Chair Miller asked if they had inquired if Recycling Superintendent Scott Bradford could find room in his budget. Mr. Gomez said Mr. Bradford was in support of the project, and he had recommended that PRCAC bring it to the Select Board.

Chair Miller suggested they go the grant route first, and then return to the Town if needed.

Ms. Hatcher said that C&S Wholesalers offers a printing grant for community efforts. Chair Miller recommended Mr. Gomez reach out to foundation manager Gina Goff to see if it was an option. Mr. Gomez then asked for confirmation that the Board was in favor of the PRCAC seeking outside funding.

*Motion:* Chair Miller made a motion to grant permission to the Peterborough Recycling Advisory Committee to seek outside grant funding for the Green Star Program.

*Vote:* Ms. Hatcher seconded. All in favor. Motion passed.

PRCAC member Mr. Bill Kennedy clarified that the majority of the budget requested is for design, and not printing. PRCAC feels they need professional services to design materials, and if at least the design element could be supported, they could then address the more minimal costs of getting it printed.

Ms. Hatcher asked if the EDA had been approached to see if there was any room in their marketing budget. Chair Miller said they were in process of creating a procedure for handling the many requests of non-profits seeking support. Ms. Hatcher said there needs to be a process to validate and allocate support to volunteer-run committees.

Chair Miller thanked the PRCAC and said it's "a good initiative." Mr. Kennedy said they had been struggling to promote the Green Star Program, but they didn't have the materials to support that effort. Chair Miller said she had access to a grant database, and would do some research on behalf of PRCAC for grant funding.

#### *Overall Budget Analysis*

Mr. Bartlett handed out a list of potential reductions which reflect a 1% reduction on the overall budget, taking it from a 3% increase to a 2.1-2.2% increase. Mr. Bartlett added it would also affect the final calculations on tax rate impact, if the Budget Committee and Board voted to implement all changes. There were still a few items that need to be resolved administratively relative to operating budget; the CIP Budget has some additional potential reductions. Mr. Bartlett asked the Board and Budget Committee to review the reductions so they could be implemented into the final Budget Package which would be presented next Tuesday, February 26th, and would be the draft that goes to Public Hearing on March 5<sup>th</sup>.

Ms. Hatcher asked Mr. Bartlett if there anything on the list of reductions that he found problematic, and Mr. Bartlett said no.

Mr. Hanson inquired about the \$10,000 that were cut from Outside Services in the Administration budget. Mr. Bartlett said those were the funds for a new town website, but as a new website is not critical, it was cut.

Mr. Henault asked about seeing the numbers for actual expenditures from years past, and Mr. Bartlett said he would look into that.

Ms. Sliver noted that there were no cuts from the Town Clerk Budget. Mr. Bartlett said that comparative details about staffing in other New Hampshire towns had been send to the Budget Committee previously, and he passed out additional documents that had been provided by Town Clerk Linda Guyette regarding similar details.

There was a discussion of the reasons Ms. Guyette had previously regarding the need for a full-time deputy clerk.

Chair Miller asked about potential for cutting hours and Mr. Bartlett explained that that was discussed last year, and changes were implemented.

Mr. Parkhurst asked if the Town has gotten a lot of negative feedback when Town Clerk hours were cut in the past, and Mr. Bartlett confirmed.

Audience member and resident Ms. Judy Furstenberg said the Town Clerk is the face of the Town and should be a priority.

There was a discussion about the costs of bringing on a new full-time employee. Mr. Bartlett said a family plan for health insurance (for a full-time employee working 40 hours a week) is roughly \$24,000 annually, 80% of which is paid for by the Town. Full-time employees are required to pay into the New Hampshire retirement system.

Mr. Ward asked if revenue-generating activities could be done online, rather than at the Town Clerk's office. Mr. Bartlett said it was potentially possible for some of them to be. Ms. Hatcher said the website needs to be improved if the Town wants to consider doing more online.

Mr. Richard Clark asked for clarification about the 2.2% increase for the operating budget.

Mr. Bartlett said the increase for the operating budget would be between 2.1% and 2.2%. Overall budget, including all potential warrant articles, is at 2.3%, but that's before the potential reductions, so it will be closer to 2% if those reductions are made. Those numbers will be made available for next week's meeting.

Chair Miller said it's important to look at inflation rate. She said she was comfortable with a 2% increase, and felt it was a good budget. Mr. Patten agreed.

Mr. Clark asked if employees have been getting COLA (Cost-of-Living Adjustment) increases every year. Mr. Bartlett said no, it's been strictly merit for the past 10 years, but that put employee pay out-of-sync with pay scales, as the merit was less than COLA and the pay scales were adjusted by COLA each year. Recently the Town has started matching COLA as closely as can be anticipated, and merit, which used to be up to 3%, is this year only up to 1.5%, so if an employee received both the 2% COLA and the full merit increase, their pay would increase a total of 3.5%. He clarified that all employees receive COLA, but not all would receive merit increases.

Mr. Clark voiced he was still worried about the debt problem: "Debt load could really hurt the Town if there was a downturn."

Mr. Bartlett said that, within the proposed FY20 budget, the principal and interest payments for every bond article that has been passed are included in the debt load and, if no other bond issues were passed, there would be no surprises for the following years.

Mr. Bartlett said adjusted budgets will be sent out to Select Board and Budget Committee members on Friday, February 22nd.

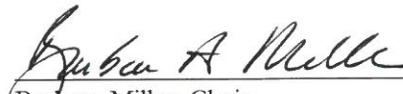
Chair Miller said the next Joint Select Board and Budget Committee meeting will be on Tuesday, February 26th.

*Motion:* Bob Hanson made a motion to adjourn the meeting.

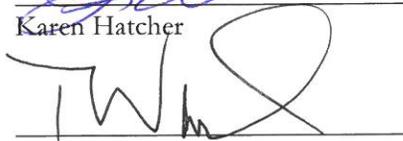
*Vote:* Mr. Clark seconded. All in favor. Motion carried. Meeting adjourned at 6:40 PM.

Respectfully Submitted,  
Alison Kreutz, Administrative Assistant

PETERBOROUGH  
SELECT BOARD:

  
Barbara Miller, Chair

  
Karen Hatcher

  
Tyler Ward

**ACTION ITEM PENDING LIST**



AMENDMENT TO THE MINUTES OF THE SELECT BOARD MEETING HELD  
FEBRUARY 19<sup>th</sup>, 2019

At the Select Board Meeting held on Tuesday, March 5<sup>th</sup>, Ms. Karen Hatcher explained that at the meeting on February 19<sup>th</sup>, she had misspoken regarding the amount of money that Peterborough's portion would be reduced by if a warrant article shifting the current 50/50 formula to 40/60 passed (in regards to school district funding - please see pages 4 and 5 of the February 19<sup>th</sup> minutes for full context).

Ms. Hatcher requested it be on the record that Peterborough's portion would be reduced by only \$90,000 if the warrant passed, and not \$800,000 as was previously stated at the February 19<sup>th</sup> meeting.

A handwritten signature in cursive script, appearing to read "Alison Kreutz".

Alison Kreutz

Administrative Assistant

