

APPROVED
MINUTES OF THE BUDGET & BOND PUBLIC HEARING
January 14, 2019

PRESENT: Kevin Federico, Chairman Mark Bender, Town Administrator
Gary Daniels, Vice Chairman Tina Philbrick, Recording Secretary
Mike Putnam, Member Hazen Soucy, Videographer
Laura Dudziak, Member Department Heads
Paul Dargie, Member Members of the Public

BUDGET ADVISORY COMMITTEE MEMBERS

Chris Pank	Peggy Seward
Karen Mitchell	Paul Bartolomucci
Bob Courage	Chris Labonte
Chris Skinner	Wade Campbell

WATER COMMISSIONERS PRESENT:

Robert Courage
Mike Putnam
Dale White

Chairman Federico opened the public hearing at 6:30 p.m. thanking everyone in attendance. All in attendance were invited to join in the Pledge of Allegiance. Chairman Federico introduced members of the Board of Selectmen. Chairman Federico then introduced, Dale White – Water Commissioner, Mike Putnam, Water Commissioner, and Bob Courage, Water Commissioner. Chairman Federico thanked members of the Budget Advisory Committee and the Town Moderator Pete Basiliere.

Chairman Federico indicated that tonight's hearing is for the Town Budget and Bond Hearing, but the warrant articles will also be reviewed in order for the public to voice their opinion on all items. Chairman Federico explained if any members of the public wish to comment or have questions, they should please use a microphone in order to be heard on the PEG Access Live broadcast. Chairman Federico opened up the Bond Hearing and turned the meeting over to Kevin Stetson, Water Utilities Director to review the three Water Utilities Bonds.

Bond Hearings

WARRANT ARTICLE 4 - WASTE WATER TREATMENT FACILITY SLUDGE DEWATERING UPGRADE - \$502,635 BOND

Shall the Town vote to raise and appropriate the sum of \$502,635 for the purpose of new sludge dewatering equipment, in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the Selectmen to issue and negotiate such bonds or notes to determine the rate of interest and other conditions in their judgement? This will replace the existing belt filter press dewatering unit as parts for the existing equipment are becoming less available. Note: As this is for issuance of long term debt, this vote requires, under State law, sixty percent (60%) affirmative vote to pass. This is a Special Warrant Article in accordance with RSA 32 and is paid for by the wastewater user fees. **The Board of Commissioners support this Article (3-0). The Budget Advisory Committee has not voted on this article.**

Kevin Stetson gave a brief overview: The project was recommended in the 2015 Waste Water Facilities Plan. It will replace 30 year old equipment, and make our sludge process more efficient.

Bob Courage said the project was actually \$764,000 and they will be using \$261,000 from the Sewer Capital Reserve to offset the cost. Selectman Dargie said they have to put the total amount to be spent on the project in the warrant article. The way you finance it is up to you. He recommends talking to Town Council for clarification. Dale White said he doesn't feel we need to add the total number in the warrant when we are using some Capital Reserve money to offset. Administrator Bender said they would check the process.

There were no other comments.

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WARRANT ARTICLE 5– WATER SYSTEM WATER MAIN IMPROVEMENTS - \$983,705 BOND

Shall the Town vote to raise and appropriate the sum of \$983,705 for the purpose of improving several water main connections in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the Selectmen to issue and negotiate such bonds or notes to determine the rate of interest and other conditions in their judgement? This project consists of replacing sections of Town water mains for improved flow and capacity. Note: As this is for issuance of long term debt, this vote requires, under State law, sixty percent (60%) affirmative vote to pass. This is a Special Warrant Article in accordance with RSA 32 and is paid for by the water user fees. **The Board of Commissioners support this Article (3-0). The Budget Advisory Committee has not voted on this article.**

Kevin Stetson gave a brief overview: The project was recommended in the 2017 ten year Waste System Plan. It will remove areas of smaller diameter piping to improve water flow and capacity for fire event.

Michael Homola, Lewis St. asked about the impact on water user fees with these two warrant articles. Kevin said in 2019 the sewer fee will increase 25% in April. This will offset the projected a decrease in customer usage due to water conservation efforts. It will increase the sewer bill to \$5.33 per month. The water calculation increase will be about 15% and take effect at the end of 2019.

There were no other comments.

WARRANT ARTICLE 7 - SEWER COLLECTION SYSTEM ASSET MANAGEMENT PROGRAM-\$30,000 - BOND

Shall the Town vote to raise and appropriate the sum of \$30,000 for the purpose of developing an Asset Management Program for the wastewater collection system, in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the Selectmen to issue and negotiate such bonds or notes to determine the rate of interest and other conditions in their judgement? The Selectmen may apply for and accept grants or other funds that may reduce the amount to be repaid and participate in the State Revolving Fund (SRF) RSA 486:14 established for this purpose, and to allow the Town to expend such monies as become available from the federal and state governments and pass any vote relating thereto. It is anticipated that the Town will receive up to \$30,000 in principal forgiveness, with no impact on the sewer user rate or tax rate. Note: As this is for issuance of long term debt, this vote requires, under State law, sixty percent (60%) affirmative vote to pass. This is a Special Warrant Article in accordance with RSA 32 and is paid for by the wastewater user fees. **The Board of Commissioners support this Article (3-0). The Budget Advisory Committee has not voted on this article.**

Peter Basiliere, Spaulding St. asked why we are bonding \$30,000 and paying interest on it if we are able to reduce the cost of the previous bond warrant. Kevin said the requirement through the approved state revolving fund requires us to fund the project to be awarded loan forgiveness. Jack Sheehy, Finance Director said you have to be authorized to spend the money. It's unlikely we will borrow anything. The state revolving fund will reimburse us as we spend the money. As they complete their paperwork, the forgiveness will come in and we won't make any payment. It's a technicality. If the town doesn't authorize it we won't be able to get the funds from the state revolving funds.

WARRANT ARTICLE 3 - MILFORD DISPATCH EQUIPMENT - \$2,500,000 BOND

Chairman Federico read the bond wording as follows:

Shall the town vote to raise and appropriate the sum of \$2,500,000 to replace the Town emergency dispatch equipment and infrastructure in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the Selectmen to issue and negotiate such bonds or notes, with a term not to exceed 15 years, and to determine the rate of interest and other conditions in their judgment? This is a Special Warrant Article in accordance with RSA 32. Note: As this is for issuance of long-term debt, this vote requires, under State law, sixty percent (60%) affirmative vote to pass. **Board of Selectmen support this Article (3-2). The Budget Advisory Committee has not voted on this article. This Article has no tax impact this year.**

Chairman Federico said this topic has been ongoing for the past eight years. We've documented issues with Milford PD of them having inability to communicate back and forth with each other. In 1986 several towns entered into an inter-municipal agreement which formed MACC Base. Towns have come and gone over the years. Remaining are Milford, Wilton, Mont Vernon and Lyndeborough is a customer to the three partner towns. The

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equipment is old and needs to be replaced. This warrant article means that after the 2 year extension that was just signed, the Town of Milford will be going out on their own for dispatch and this equipment will fulfill that need.

Tricia Shea, Stable Rd. questioned the tax impact for next year. Administrator Bender replied, on a 15 year bond it would be \$0.172 on a valuation of \$100,000. Tricia asked about the infrastructure plan for the \$2,500,000, she has concerns with this amount and the current 2 year contract. Why raise the money without a solid plan. Chairman Federico said we have a plan and need to raise the money now because it's an 18 to 24 month process to get licenses and build out the infrastructure for a communications center. Trish asked about the plan for the build out. Chairman Federico said the RFP from 2-Way Communications is on the web site. Administrator Bender said they planned to meet with 2-Way Communications and Motorola later this week to review the RFP in more detail.

Rodny Richey, Ball Hill Rd., asked the Board's impression of the bids that were received. Chairman Federico we didn't write a detailed RFP per the recommendation of staff and other Dispatch Centers. We made clear that we were looking for a compressive complete solution for radio communication for all four emergency services, Police, Fire, Ambulance and Public Works. We didn't write it by spec. because we are not qualified, they are, and we wanted a complete solution. Rodny said it sounded like you were looking for a cost plus contract and the RFP asked for a fixed price contract. He doesn't feel they received a fixed price. Chairman Federico said they asked for a price that wouldn't be going over. Rodny said in his interpretation of the RFP, it didn't include all the cost that they would expect us to incur and he's questioning our \$2,500,000 number when they gave us a different number. Chairman Federico said RFP broke it down in two different ways; \$2,090,623 is for the infrastructure of a new dispatch center, \$1,057,262 is the regional add on cost for other towns. Rodny asked if it included construction cost. Chairman Federico said no on the building side. Additional money would be needed for renovations of the current Police Facility in the amount of \$400,000. Rodny wanted clarification of the renovations. Chairman Federico said the renovations are to push out a wall and use existing space. Rodney clarified that they've used other Dispatch Centers as a model for this. Chairman Federico yes, it wasn't pinned down to just one.

Rodny summarized that they asked for but didn't really receive a here's everything you asked for price of \$2,500,000 that can be turned into a contract, but they don't really have that in hand. Chairman Federico said there are factors that come into play. The \$400,000 is a set construction cost. We are looking at space on the Crown Castle Tower. By leasing that space we would save money. More will be known when we get into the construction and planning. Short of paying someone to do an engineering study, we are working off quotes and the RFP. Rodny suggest having it done right then to do it over. He asked what the Board would do if the warrant doesn't pass. Chairman Federico replied that this is plan B. It's been an ongoing issue for years and we are trying to resolve the issue. If it didn't pass we would stay with the existing MACC Base. We are currently under a two year agreement and would most likely re-negotiate the agreement. Rodny asked if we should consider using a firm to see if we have everything. We don't want to pay someone \$100,000 for someone to design a system for us when we are going to be paying someone to build and an install something for us.

Tricia Shea, asked if we knew what the operating cost would be once we get the Communication Center up and running. How did you come up with the plan on what the communication system would look like? She's looking for a bigger picture.

Ted Bartlett, Union St., works in telecommunications; he was instrumental in putting the tower on the Town Hall. The original system operates at 100 watts and grandfathered. Any changes in licenses will put it down to 50 watts. He feels that the RFQ from 2-Way provided isn't anything more than a bunch of boxes. He feels we are paying too much for a system that doesn't need that much work. We might have construction cost on Crown Castle. A renter will have to pay for any upgrades. An RF survey should have been done.

Peter Basiliere, Spaulding St. suggests we put a purpose in the body of the warrant article. He asked if we are actually replacing town owned equipment or are we purchasing new equipment. Chairman Federico said we would be purchasing new equipment. If the bond passes and we implement it, what will happen to the remaining equipment? Chairman Federico said if a town withdraws from the inter-municipal agreement, they forego the equipment.

Chris Labonte, Marcey's Way if Belltronics would be given more information so they can submit a bid. What is the town's purchasing policy on the number of bids we should have on \$2,500,000. Chairman Federico said we are past the bid process. Administrator Bender said we tried to get more than one response to the RFP, since we only have one, that the direction we will go in. There isn't anything to prevent us from moving forward. You can't force companies to respond to your RFP. Chris asked if the RFP includes everything needed to move forward.

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Chairman Federico said it is after combining the \$400,000. It doesn't include portables and radios in the vehicles. Chris said then they didn't give us a complete proposal of what we were looking for. Selectman Putnam said he thinks the towers, construction and permitting and licensing for the frequencies are our responsibility. Rodney said Selectman Putnam was correct. Chris asked if we've discussed an upgrade with MACC Base over the last five years. Chairman Federico said they've tried.

Jon Hall, West Street wants to know what we are getting for \$2,500,000 because it isn't spelled out in the bid. Captain Frye said it's all covered in the \$2,500,000. Jon disagreed. Chairman Federico said this number is going to work. Captain Frye said he has an e-mail from 2-Way that states both project sections include antennas, towers and shelters etc., to go along with the radio systems and dispatch center equipment. The Town is responsible for making the sites available by gaining land owner permission for new sites, obtaining permitting etc., but all necessary equipment is included. Jon said that may be what their e-mail said, but it isn't what their RFP said. He asked if in 2015 the Board of Selectmen received an upgraded plan from the Director of MACC Base for \$1,300,000 to fix the hardware issues? Selectman Putnam said yes. Jon asked why it wasn't acceptable. Chairman Federico replied it was only going to fix one portion of the problem, the Police Department. Jason Johnson, MACC Base Director disagreed. Jon said asking him to pay 70% of \$1,300,000 to fix what we have now, and keep our existing agreement instead of 100% of probably \$3,500,000 doesn't make sense.

Jason Johnson said his plan was for all services, Police, Fire, EMS and Public Works, for all four of our customer towns. Our \$1,300,000 plan covered everything. It didn't include radios in the cars or on the hips, that's out of our scope. We also presented the Board with a Police only plan. One was a \$58,000 plan to do one town at a time on a repeaterized system similar to what the Fire Department uses. The other plan was a \$200,000 to \$250,000 police only plan which would have fixed the officer safety concerns that have been brought up. We also sought and received funding of a \$200,000 grant for the microwave system to link our existing antenna sites. This was done with the Town of Mont Vernon through Homeland Security. That is a number that would be shaved off of the total cost which is why our number came in much lower. Selectman Putnam said it was at 95% coverage on the \$250,000 for the Police. Jason replied that it was 95.5%. We also had an RF study done for \$3,000 it's been made available to the public and Budget Advisory Committee. Ted said 95% is considered the minimum accepted coverage so 95.5% exceeded it.

Selectmen Daniels clarified for legal purposes, the article reads; \$2,500,000 to replace the town emergency dispatch equipment and infrastructure. Legally, could we use the \$2,500,000 for anything other than replacing it like construction or anything else. Does the wording need to be reformed to incorporate the full intent?

Karen Mitchell, Clark Rd asked the Chairman if he's heard back about the lease. Could we have a lease agreement and constant upgrades going forward with the equipment and not have to ask the town for more money. Chairman Federico replied that Motorola said it wasn't cost effective because we didn't have the volume of equipment.

Gil Archambault, Savage Rd. said this has been going on for 10 and nothings been done yet. We should have put money away each year to bring the cost down. He agrees with Jason. He hope the warrant article is removed or it gets voted down.

Peggy Seward, High St. she would like clarification on MACC Base being unable to bond at the moment. Chairman Federico said she was correct. Peggy said then it wasn't their fault the upgrades weren't done, it was the Towns. Why didn't you vote on it? Chairman Federico replied that they couldn't come to a solution until now. Peggy said she and Chris Pank got as much information as they could about this situation. You don't have a program with MACC Base. They have a good system. She doesn't see that the Town is working with them to get them the equipment they need. Who wrote the RFP? Captain Frye said he wrote it based on a couple of other RFP that he found on line. He doesn't have an engineering degree so he kept it plain and simple. We've been talking to Motorola and Belltronics for a couple of years. Belltronics answer to us was to spend between \$50,000 and \$75,000 for a 200 page engineering study which Motorola said they would do anyway for us. They didn't tell him that until after he received his answer from Belltronics. Peggy asked how many companies in this area could have been used. Chairman Federico said the RFP was sent to four. Peggy clarified that it doesn't include vehicle equipment. Chairman Federico said correct. Peggy asked, if they need to change their equipment in their vehicles, that would be on the town. Captain Frye said it's all computerized and Motorola would do it. The truck radios for Public Works are not built in. Peggy said she wishes the Board would spend some time and work with MACC Base.

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Chris Labonte asked if in the future could the fact that MACC Base can't bond money be changed between them and the town? Chairman Federico said Town Council said no, but there is nothing to say it can be changed in the inter-municipal agreement He will check again with Town Council. Chris asked if they knew what the cost would be to run the communications center. Chairman Federico said he would have it for the Deliberative session. Jason said there was a revised inter-municipal agreement presented for renewal that would allow MACC Base to bond. Wilton and Mont Vernon signed it, Milford did not. Milford voted to extend the existing agreement for two years which doesn't allow us to bond for two more years.

Ron Carvell, Stable Rd. is concerned because this is a public safety matter for our emergency services. Our equipment isn't working and we need to spend money to replace it. The RFP is missing things and he would rather see one with the full cost and picture. It would be beneficial to spend \$100,000 for an engineering firm to tell us exactly what we need versus spending \$2,500,000 and maybe needing more when we get into it. It should be the Boards priority to do it right.

There were no other comments.

WARRANT ARTICLE 6 - TOWN HALL HVAC REPLACEMENT - \$450,000 BOND

Shall the Town vote to raise and appropriate the sum of \$450,000 for the purchase of a New Town Hall HVAC Replacement in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the Selectmen to issue and negotiate such bonds or notes, to determine the rate of interest and other conditions in their judgment? This project request is to update the HVAC system in the town hall. Work includes replacement of HVAC chiller, new controls, heat recovery, and new fan coil units. The existing system is 30 years old and does not heat/cool effectively. The new system should address existing issues and provide significant energy savings. Note: As this is for issuance of long-term debt, this vote requires, under State law, sixty percent (60%) affirmative vote to pass. This is a Special Warrant Article in accordance with RSA 32. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has no tax impact this year.**

Administrator Bender there are four parts to the HVAC System Replacement; the Chiller Unit is \$111,000, the Direct Digital Control System which replaces the nomadic control system in the existing system is \$160,000, Installation is \$115,000 and there is a System Engineering and contingency because we are in a 150 year old building is \$64,000. The tax impact starting next year on a 10 year bond will be \$4.09 on a \$100,000 valuation and if we did a 15 year bond it would be \$3.10 on a \$100,000 valuation. Selectmen Putnam asked what the percentage rate was on the contingency. Administrator Bender said he didn't have it.

There were no other comments. At this time Chairman Federico closed the Bond Hearing and Opened up the Budget Hearing.

Town Budget Hearing

Chairman Federico read the budget article as follows, and turned the hearing over to Town Administrator Mark Bender.

WARRANT ARTICLE 8 - TOWN OPERATING BUDGET - \$ 14,717,252

Shall the Town vote to raise and appropriate an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth in the budget for the purposes set forth herein, totaling \$14,717,252? Should this Article be defeated, the default budget shall be **\$14,587,073**, which is the same as last year with certain adjustments required by previous actions of the Town, or by law; or the governing body may hold one special meeting in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only. This operating budget warrant article does not include appropriations contained in ANY other Warrant Article. **The Board of Selectmen support this Article (4-1). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.086 over the 2018 Budget or (\$8.60 on a home value of \$100,000)**

Town Administrator Mark Bender thanked everyone for their work on the 2019 budget. He referenced handouts. The proposed budget is an increase of \$635,409 or 4.5% from last year. The significant cost increases include debt service of \$318,087 which includes the Fire Station upgrade, and road bond that voters approved last year.

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It represents 50% of the overall budget increase. Other significant cost include Transfer Station disposal cost slightly over \$100,000 driven by tons that we dispose of as well as a rate increase from our supplier. We are currently reviewing our fees and processes at the Transfer Station to see how we compare to other times. We also included a 3% wage increase for Town employees for \$96,500 which is based on the COLA published by the Federal Government which is 2.8% and the wage survey with a number of neighboring towns that also averaged 3%. We need to remain competitive; we've lost several employees to neighboring towns because of pay rates. Health insurance increased by \$76,000, a 13.5% rate increase from HealthTrust. We also added two full-time positions to the Milford Fire Department the balance for the full year increase was \$46,000. Considering the debt service that voters had already approved, the real budget increase is \$317,000 or 2.25%. The default budget at \$14,587,000 is \$130,000 less than the proposed budget which is 9/10 of 1 percentage point. The handout chart of the tax comparison shows the municipal portion of the tax rate has decreased 3 consecutive years. The 2019 budget is manageable. It's 8.6 cents on the tax rate when you factor in our non property tax revenue and the growth driven increase in property valuations. Overall our property valuations are projecting \$23,000,000 of which \$18,000,000 or roughly 77% is growth driven.

Chris Pank, Berry Ct. Budget Advisory Committee Chair said the BAC would like to amend the warrant article to add an additional \$50,000 for a 2nd Police Cruiser bringing the total operating budget to \$14,767,252. The Police has a fleet of 19 vehicles, seven have more than 100,000 miles and one has 178,000 miles as of September. They have three with 90,000 miles they need up to date vehicles. Over the past several years they've requested two vehicles each year. This year they requested only one and we feel it was done as a cost saving mechanism to the town. We feel that this isn't a place to save money.

Rodny Richey asked the Board to address the line that would be part of the budget situation regarding the use of the unreserved fund balance. Administrator Bender said the Selectman proposed using \$200,000 from the fund balance to be applied to reduce taxes. In 2006 our fund balance was \$2,800,000 and represented 8%. NH Department of Revenue Administration guidelines recommends municipalities retain 5 to 15 percent of total town & school appropriations. We've improved our percentage from a low of 4.8% in 2013 and 2014 that was under the state guideline. Over the past few years we've not used any of the portion balance to reduce taxes choosing instead to build it back up a level within those guidelines. We ended 2017 with a fund balance of 7.9%. We feel that we will end 2018 with a balance of 8.3%. We are comfortable with the \$200,000 number. From 2006 to 2014 various Boards and staff used just over \$1,400,000 from the fund balance to reduce taxes from that time period. The most was \$250,000 and the least was \$100,000. The projected increase from 7.9% to 8.3% is based on non property revenue that we've seen increase during the year. Jack Sheehy said it would also include underspending some of the appropriations. Rodny replied that the town said we don't really need all the money that we are asking for to pay in taxes. Jack replied, how close do you want us to get, \$200,000 isn't a lot on a \$14,000,000 budget and we can't overspend. Administrator Bender said he does a yearly analysis at the deliberative session that shows what our actual spending is compared to budget and he will do it again this year. It's been in the 98% to 99% range for the past 4 or 5 years. It's a tight budget. Rodny asked what would the impact be if this money was not pulled from the reserve to buy down the tax rate. Administrator Bender said it would be about .14 higher.

Gil Archambault feels that if we raise the demo charges at the Transfer Station it would make up some of the \$100,000. Other towns know what we charge and they are using our Transfer Station. He doesn't feel town employees need a 3% pay raise. The price index is only 1.9. He said we only lost two people last year. He said town employees have secure positions. He questioned the Administrative budget increase of 13.2% approved in November. He asked if the \$96,000 included overtime. Administrator Bender said it includes all salaries and wages with the exception of the people in the AFSCME Union and Teamsters Union and it includes overtime. He asked if the 13% Administration increase and the \$10,000 for the Administrator salary is included in the \$96,000. Chairman Federico said yes.

Ron Carvell asked what the \$14,408 reduction in Welfare represents. Susan Drew, Welfare Director said direct assistance has been going down for several years and we anticipate that we will need to spend that much less the following year. More people are working so they're not asking for as much. Ron said he wanted to make sure it wasn't being cut. Susan said that welfare is unusual in that if you qualify we have to spend it even if we over spend the budget.

Mike Homola asked for clarification that the \$300,000 of the \$600,000 increase of long term debt is the long term debt warrant articles that we vote on each year. Administrator Bender said correct. Mike asked how many have been paid off and what type of interest do we get on bonds. Administrator Bender said two of the bond items would affect long term debt, the Communications Center and the HVAC System, the others three are Water Utili-

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ty items and are paid for by water users. Jack Sheehy said we are getting 2.5% to 3% it could go up to 3.5% the longer the bond is and Milford doesn't have a bond rating. Chairman Federico told Mike that he could see the retirement of debt service in the CIP which is on the web site. Selectman Dargie said we go through the NH Bond Bank to get bonds and it's a collective group. Milford doesn't have an individual bond rating, it's a state rating. The state has an AA rating. The bond bank has a higher rating than the state.

Peggy Seward asked the Town Administrator for clarification on wage adjustments made with the Board for the Finance Director, Assessor, Human Resources, Fire Chief, and Highway Manager. This year you made wage adjustments for yourself and the Administrative Assistant. You also implied to the Budget Committee that you are going to be looking at other employees in town to give them wage adjustments, is that correct? Administrator Bender said no. Chairman Federico said that he implied that we would be doing a survey to gather data on the Public Works department.

There were no other comments.

Water/Wastewater Budget Hearing

Chairman Federico read the warrant articles as follows, and turned the hearing over to the Water Utilities Director Kevin Stetson

WARRANT ARTICLE 9 - WATER DEPARTMENT OPERATING BUDGET - \$ 1,526,251

Shall the Town vote to raise and appropriate the sum \$1,526,251 to operate and maintain the Water Department, said appropriation to be offset by income received from the water user charges or to take any other action relative thereto? Should this article be defeated, the default budget shall be \$1,518,112, which is the same as last year, with certain adjustments required by previous actions of the Town, or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only. This warrant article is paid for by the water user fees. **The Board of Commissioners support this Article (3-0). The Budget Advisory Committee has not voted on this article.**

Kevin Stetson gave a brief overview: There will be an increase of 0.3% for 2019, a 3% salary projection, and an increase in overtime as we are adding on-call water operator coverage for after hours and emergencies. We are expecting some parts inventory replacement, additional wages for part-time seasonal labor for fire hydrant maintenance and additional cost for the Phase III water source exploration project.

There were no other comments.

WARRANT ARTICLE 10 - WASTEWATER DEPARTMENT OPERATING BUDGET - \$ 2,161,107

Shall the Town vote to raise and appropriate the sum of \$2,161,107 to operate and maintain the Wastewater Treatment Facility and the Sanitary Sewer Collection System, said appropriation to be offset by income received from wastewater user charges or to take any other action relative thereto? Should this Article be defeated, the default budget shall be \$ 2,070,610, which is the same as last year, with certain adjustments required by previous actions of the Town, or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only. This warrant article is paid for by the wastewater user fees. **The Board of Commissioners support this Article (3-0). The Budget Advisory Committee has not voted on this article.**

Kevin Stetson gave a brief overview: There will be a 4.4% increase for 2019 which includes a 3% salary projection, a waste water treatment control room air conditioning project, an automation project for some of our processes, expected plant equipment preventative maintenance cost, a \$10,000 monthly increase to the sewer capital reserve to bring it up to \$240,000 annually, replacement of UV System replacement bulbs and a rear mount mower purchase for cross country sewer main vegetation upkeep.

There were no other comments. At this time Chairman Federico closed the Budget Public Hearing and move on to Appropriations.

Appropriation Warrant Articles

Chairman Federico read the warrant articles as follows:

WARRANT ARTICLE 11 - BRIDGE REPAIR AND/OR REPLACEMENT CAPITAL RESERVE - \$ 75,000

Shall the town vote to raise and appropriate the sum of \$75,000 to be placed in the Bridge Replacement Capital Reserve Fund? This fund was identified in the May 2014 Hoyle, Tanner Associates, Inc. study that identified needed rehabilitation for 18 Town bridges. Expenditures from this fund would be authorized by the Board of Selectmen. The \$75,000 builds upon the Bridge Replacement Capital Reserve approved by voters in 2014. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.053 or (\$5.30 on a home value of \$100,000).**

Administrator Bender said they are projecting a balance in the Bridge Capital Reserve Fund of about \$500,000 for the end of 2018. Activity for 2019 includes replacing a culvert on Joslin Road for \$90,000 and on Hartshorn Road for \$150,000. In the past we've requested \$175,000 yearly and we felt it could be reduced to \$75,000 for tax payers this year. This would leave us with a projected balance of \$369,000 for 2019. We have big bridge projects to go, Mason Road over Great Brook for \$685,000 which we would like to include as part of the state bridge program so that we are only paying 20% of that. The balance at the end of 2019 is still a healthy balance and gives us room should issues arise.

Rodny Richie asked if those balances for capital reserve could be on the ballot. Administrator said it can't be on the ballot but it will be in the voter's guide, the town report and at the deliberative session. All capital reserve amounts are on the web site except for the bridge one because it isn't completed for 2018 yet. It will also go on the web site soon.

There were no other comments.

WARRANT ARTICLE 12 - DPW VEHICLES AND HEAVY EQUIPMENT CAPITAL RESERVE - \$40,000

Shall the Town vote to raise and appropriate the sum of \$40,000 to be placed in the DPW Vehicles and Heavy Equipment Capital Reserve Fund? Expenditures from this fund will require a vote at town meeting. The \$40,000 builds upon the DPW Vehicles and Heavy Equipment Capital Reserve approved by voters in 2018. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.029 or (\$2.90 on a home value of \$100,000).**

Administrator Bender said this capital reserve fund was started in 2018 and it has a balance of \$40,042. This fund will eventually offset equipment purchase once it's built up to a workable balance.

There were no other comments.

WARRANT ARTICLE 13 - FIRE APPARATUS REPLACEMENT CAPITAL RESERVE - \$25,000

Shall the Town vote to raise and appropriate the sum of \$25,000 to be placed in the Fire Apparatus Replacement Capital Reserve Fund? Expenditures from this fund will require a vote at town meeting. The \$25,000 builds upon the Fire Apparatus Replacement Capital Reserve approved by voters in 2017. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.018 or (\$1.80 on a home value of \$100,000).**

Administrator Bender said this capital reserve fund is just over \$50,000. This fund will eventually offset equipment purchase's once it's built up to a workable balance.

There were no other comments.

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WARRANT ARTICLE 14 - TOWN FACILITIES RENOVATION AND MAJOR REPAIR REPLACEMENT CAPITAL RESERVE - \$25,000

Shall the Town vote to raise and appropriate the sum of \$25,000 to be placed in the Town Facilities Renovation and Major Repair Replacement Capital Reserve Fund? Expenditures from this fund will require a vote at town meeting. The \$25,000 builds upon the Town Facilities Renovation and Major Repair Replacement Capital Reserve approved by voters in 2017. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.018 or (\$1.80 on a home value of \$100,000).**

Administrator Bender said this capital reserve fund is just over \$50,000. This fund will eventually offset renovations and repairs once it's built up to a workable balance.

There were no other comments.

WARRANT ARTICLE 15 - AMBULANCE VEHICLE REPLACEMENT CAPITAL RESERVE - \$25,000

Shall the Town vote to raise and appropriate the sum of \$25,000 to be placed in the Ambulance Vehicle Replacement Capital Reserve Fund? Expenditures from this fund will require a vote at town meeting. The \$25,000 builds upon the Ambulance Vehicle Replacement Capital Reserve approved by voters in 2017. **The Board of Selectmen support this Article (4-1). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.018 or (\$1.80 on a home value of \$100,000).**

Administrator Bender said this capital reserve fund is just over \$50,000. This fund will eventually offset equipment purchase once it's built up to a workable balance.

There were no other comments.

WARRANT ARTICLE 16 - KEYES PARK EXPANSION COMMITTEE PROJECT CAPITAL RESERVE - \$25,000

Shall the town vote to raise and appropriate the sum of \$25,000 to be placed in the Keyes Park Expansion Committee Project Capital Reserve Fund? The purpose of this fund is for the design, development and construction of improvements to Keyes Memorial Park, as outlined in the Keyes Memorial Park Expansion Committee Report, (December 20, 2016 and as amended). The Board of Selectmen has authority to expend from this fund. The \$25,000 builds upon the Keyes Park Expansion Committee Project Capital Reserve approved by voters in 2017. **The Board of Selectmen support this Article (4-1). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.018 or (\$1.80 on a home value of \$100,000).**

Administrator Bender said this capital reserve fund is just over \$50,000. This fund will eventually offset the Keyes Park Expansion once it's built up to a workable balance.

Paul Bartolomucci, Stable Road said that balance is less than \$50,000 some expenses are not on the books yet. We did the survey to incorporate all three parcels of land into Keyes Park. Jack Sheehy said technically that's correct, the money's been spent out of the general fund and hasn't been reimbursed by the Trustees from the capital reserve account yet. Our information is as of the November. Administrator Bender said there will be updates by the Deliberative Session.

There were no other comments.

WARRANT ARTICLE 17 - PUBLIC SAFETY COMMUNICATION EQUIPMENT REPLACEMENT CAPITAL RESERVE - \$20,000

Shall the Town vote to raise and appropriate the sum of \$20,000 to be placed in the Public Safety Communication Equipment Capital Reserve Fund? Expenditures from this fund will require a vote at town meeting. The \$20,000 builds upon the Public Safety Communication Equipment Replacement Capital Reserve approved by voters in 2017. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not**

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voted on this article. This Article has an estimated tax impact of \$0.014 or (\$1.40 on a home value of \$100,000).

Chris Pank said the Budget Advisory Committee would like to amend this warrant article for an additional \$40,000 to cover the Public Safety Communication Equipment having uncertainties taking place with the new Dispatch Center. Administrator Bender asked if Chris wanted to add an additional \$40,000 or bring it to \$40,000. Chris said to bring it to bring it to a total of \$60,000.

Administrator Bender said this capital reserve fund is just over \$40,000. This fund will eventually offset equipment purchase once it's built up to a workable balance. After some confusion, Mr. Pank said he would like the warrant article to go from \$20,000 to \$40,000.

There were no other comments.

WARRANT ARTICLE 18 - ASSESSING REVALUATION CAPITAL RESERVE - \$15,000

Shall the Town vote to raise and appropriate the sum of \$15,000 to be placed in the Assessing Revaluation Capital Reserve Fund? The purpose of Revaluation of Real Estate Assessment is to meet our constitutional and statutory requirement that periodically these assessments are at full and true value. The Board of Selectmen has authority to expend from this fund. The \$15,000 builds upon the Assessing Revaluation Capital Reserve approved by voters in 2017. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.011 or (\$1.10 on a home value of \$100,000).**

Administrator Bender said this capital reserve fund is just over \$30,000. This fund will pay for future revaluations of real estate once it's built up to a workable balance.

There were no other comments.

WARRANT ARTICLE 19 - OSGOOD POND PHASE II - \$ 350,000

Shall the Town vote to raise and appropriate the sum of \$350,000, to complete the final phase of the Osgood Pond Restoration Project? This is an ongoing effort to restore Town-owned Osgood Pond, a significant local water body adjacent to a Town-owned public recreation facility (Adams Field) and a small municipal park known as Hazel Adams Burns Park. The Town has received a Land and Water Conservation Fund Grant, (LWCF) for \$175,000 and would be responsible for the remaining \$175,000. This is a Special Warrant Article in accordance with RSA 32. **The Board of Selectmen does not support this Article (4-1). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.125 or (\$12.50 on a home value of \$100,000).**

Suzanne Fournier, Woodward Dr. had several points in opposition of Phase II on Osgood Pond. It would be wrong to drain of the pond and associated wetland areas for a second time. This isn't really a fish restoration project. She feels it isn't about conservation, but nostalgia for an old fishing pond. She said Fish and Game told Field Stone Land Consultants, the company hired by the town to engineer the project that Phase I dredging would not benefit the rare banded sunfish found in the pond. Dredging the pond would harm the fish during all seasons. Dredging of any pond in that area is devastating to the Blandings turtles and other species. It would also decline in the food source for the fish. Even though the Fish and Game gave a \$50,000 grant for the project, she feels they were not in favor of it. They were under pressure politically and socially to provide the funds. She also fees there are additional cost not being talked about to the town. The first cost is about invasive plant species control, she referenced the purple loosestrife. The town can't truck the live purple loosestrife to other parts of the town. The second cost is a requirement from DES to have the town survey the site for the endangered animals and their nesting sites. Previous spoils from the pond were dumped in the pit at the BROX property and made a mess. Although they won't be using the pit, disposal elsewhere may be expensive. She said she asked the Town Administrator and he wouldn't discuss it with her. He would rather roll the cost into the bidding process. She doesn't think it's a good idea. She would encourage one to vote no on this warrant article.

There were no other comments.

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WARRANT ARTICLE 20 - KEYES MEMORIAL PARK POOL AND MAINTENANCE PUMP - \$200,000

Shall the Town vote to raise and appropriate the sum of \$200,000, for purchase of a pool circulating pump and general maintenance? The new pump will replace the 50-year-old pump, motor and chlorinator. Maintenance also includes sandblasting and repainting of the pool to address the degrading surface that is clogging the filters. This is a Special Warrant Article in accordance with RSA 32. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.143 or (\$14.30 on a home value of \$100,000).**

There were no other comments.

WARRANT ARTICLE 21 - SNOW PLOW TRUCK, 36K GVW, 8 CY, W/PLOW, SANDER, WET SYSTEM – 5-YEAR LEASE/PURCHASE - \$38,200 (Annual Payment \$38,200/Total Purchase Price \$180,000)

Shall the Town vote to authorize the Board of Selectmen to enter into a 5-year lease/purchase agreement, subject to a fiscal funding clause which will protect the Town in the event of non-appropriation, for the purpose of lease/purchasing a plow truck, with the appropriate equipment for Highway Department operation (it will replace a 2002 International truck that will be 17 years old at its replacement), and to raise and appropriate the sum of \$38,200 for the first year's payment for this purpose? This trucks primary purpose will be for maintenance of Town roadways, particularly for winter maintenance and snow removal. If this article passes, future years' payments will be included in the operating budget. This is a Special Warrant Article in accordance with RSA 32. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.027 or (\$2.70 on a home value of \$100,000).**

Chairman Federico said the Board of Selectmen had a work session at Public Works in October to sit with our DPW Director and our Highway Foreman. We walked the garage and checked out all the equipment to have a better understanding of what they were talking about overall. We were able see the use, abuse, and wear and tear on all the vehicles. The town has needed to step up their responsiveness at DPW for their equipment for a while, which is why the Board supports this article 5/0.

Selectman Putnam noted that on the warrants we compare the price increase to \$100,000 and there are no houses out there for that price. He feels we should be worded differently. The average house is \$250,000 and we should change it to that.

Peter Basiliere, Town Moderator understands Selectman Putnam's concerns but the advantage of the \$100,000 number is that it's easier to multiply. He suggests that instead of "home value" we use "assessed valuation".

There were no other comments.

WARRANT ARTICLE 22 - SOCIAL SERVICES - \$40,000

Shall the Town vote to raise and appropriate the sum of \$40,000 for the purpose of providing funding to Social Service agencies for Milford residents as proposed by the Social Services Committee and submitted to the Board of Selectmen? This is a Special Warrant Article in accordance with RSA 32. **The Board of Selectmen support this Article (4-1). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.029 or (\$2.90 on a home value of \$100,000).**

Gil Archambault referenced a comment that Selectman Dargie made about too many warrant articles. Every time we put a warrant article into the budget it takes an act of congress to remove it. Selectman Dargie said he point was for warrant articles that pass all the time like the parades and summer band concerts that come up every year. Gil said when it rains, we are paying for nothing. We can change the numbers to lower or higher, we should work on this.

There were no other comments.

WARRANT ARTICLE 23 - AFSCME CONTRACT - \$39,146

Shall the Town vote to approve the cost items included in the Police Officers' Collective Bargaining Agreement (CBA) reached between the Board of Selectmen and Local 3657 of the American Federation of State, County

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and Municipal Employees (AFSCME) for contract years 2019, 2020, 2021, 2022 (1 April – 31 March) which calls for the following increases in salaries and benefits, and to further raise and appropriate the sum of \$39,146 for fiscal year 2019? Said sum represents the additional costs over those of the current appropriation at current staffing levels paid in the expiring Agreement. Upon approval of this Article, said cost allocation is to be transferred to the General Operating Budget or take any other action relative thereto. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.028 or (\$2.80 on a home value of \$100,000).**

There were no other comments.

WARRANT ARTICLE 24 - NON-EMERGENCY COMMUNITY TRANSPORTATION BUS SERVICES – \$30,000

Shall the Town vote to raise and appropriate the sum of \$30,000 for the purpose of providing the Town's share of funding to the Souhegan Valley Transportation Collaborative (SVTC) in order to continue operating a regional, non-emergency, wheelchair-accessible transportation service providing rides within the designated service area to seniors, people with disabilities, and the general public? This is a Special Warrant Article in accordance with RSA 32. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.021 or (\$2.10 on a home value of \$100,000).**

There were no other comments.

WARRANT ARTICLE 25 - PUMPKIN FESTIVAL - \$23,000

Shall the Town vote to raise and appropriate the sum of \$23,000 for purposes of Pumpkin Festival support by Public Works, Police, Fire, and Ambulance Departments and to take any other action relative thereto? This is a Special Warrant Article in accordance with RSA 32. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.016 or (\$1.60 on a home value of \$100,000).**

Peggy Seward said she made an amendment last year that added "or to take any other action relative thereto", previously Chairman Federico said that he thought it has to do with the details, not the total cost. She said it was meant to offset the total cost. Chairman Federico said every other warrant article that we are appropriating funds for has that legal line in it. The first line in the Pumpkin Festival is to "raise and appropriate the sum of \$23,000 for purposes of Pumpkin Festival support by Public Works, Police, Fire, and Ambulance Departments. The \$23,000 can only go those services. Peg said it should be looked at and clarified to include any extra of the \$23,000 to go to the committee who's running it. If you only spend \$21,000 on details, the committee can use the extra \$2,000. Chairman Federico said he would discuss it with the Board.

Trisha Shea suggests making sure that using remaining monies from the warrant article is allowable since they are public funds and GTF because it's a non-profit. Chairman Federico said that anything altered here will be given to Town Council. Trisha said previously holiday decorations were included in the warrant article, is that being looked at somewhere else in the budget? Selectman Dargie said it was originally it was \$20,000 for pumpkin festival support and \$3,000 for decorations, it was removed last year. He would like to have the \$3,000 back someplace. Trisha said currently, no town funds are used towards decorating the oval. It's done by private and not profit organizations.

Chris Labonte said he thought there were discussions that the \$3,000 could be absorbed in the budget. Administrator Bender said we could probably do that this year. If the Board decided to spend \$3,000 on decorations, we would find it in the budget.

There were no other comments.

WARRANT ARTICLE 26 - CONSERVATION LAND FUND - \$20,000

Shall the town vote to raise and appropriate the sum of \$20,000 for the purpose of adding it to the Conservation Land Fund created in accordance with RSA 36-A, said land fund being allowed to accumulate from year to year and to be available for the acquisition of property, conservation easements and other RSA 36-A allowable purposes or to take any other action relative thereto? Contribution furthers the protection of the town's natural resources. **The Board of Selectmen support this Article (3-2). The Budget Advisory Committee has not vot-**

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ed on this article. This Article has an estimated tax impact of \$0.014 or (\$1.40 on a home value of \$100,000).

Audrey Fraizer, Summer St. clarified that the remaining balance in the Conservation Land Fund was roughly \$110,000 and they have additional expenditures of about \$20,000 that will be paid out in the next three months.

There were no other comments.

WARRANT ARTICLE 27 - TEAMSTERS UNION COLLECTIVE BARGAINING AGREEMENT (2019 — 2020) — \$10,983

Shall the Town vote to approve the cost items included in the Teamsters Collective Bargaining Agreement (CBA) reached between the Board of Selectmen and the International Brotherhood of Teamsters, Local 633 for contract years 2019, 2020 and 2021 (1 April 2019 – 31 March 2022) which calls for the following increases in salaries and benefits, and to further raise and appropriate the sum of \$10,983 for fiscal year 2019? Said sum represents the additional costs over those of the current appropriation at current staffing levels paid in the expiring Agreement. Upon approval of this Article, said cost allocation is to be transferred to the General Operating Budgets of the appropriate departments. \$7,775 is to be raised by general taxation, \$1,774 is to be raised by Water User Fees, and \$1,434 to be raised by Sewer User Fees. **The Board of Selectmen support this Article (5-0). The Water & Sewer Commissioners _____ this Article (0-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.006 or (\$.60 on a home value of \$100,000).**

Administrator Bender said the Water Commissioners will be voting on this at their next meeting.

There were no other comments.

WARRANT ARTICLE 28 - FUNDING OF THE ANNUAL LABOR DAY PARADE – \$10,000

Shall the Town vote to raise and appropriate the sum of \$10,000 for the purpose of funding bands, musicians and other allied expenses directly attributed to the annual Labor Day Parade? This is a Special Warrant Article in accordance with RSA 32. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.007 or (\$.70 on a home value of \$100,000).**

Karen Mitchell asked if the full \$10,000 from the 2018 warrant article was used last year, she thought there was some left. Jack Sheehy, Finance Director said the whole \$10,000 was used for the Labor Day Parade. It's used to fund the band and things and we went into the donations portion of it as well. He didn't have the donations remaining balance with him tonight. Karen asked if we should be asking for another \$10,000?

Chris Labonte thought the balance was about \$12,000 to \$14,000. Selectman Dargie said it's much less than that. Administrator Bender said the Labor Day Committee asked us to continue the warrant article at this level for one more year.

There were no other comments.

WARRANT ARTICLE 29 - SUMMER BAND CONCERTS - \$9,000

Shall the Town vote to raise and appropriate the sum of \$9,000 for the purpose of holding the annual summer evening Band Concerts (bands, sound system, crossing detail)? This is a Special Warrant Article in accordance with RSA 32. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.006 or (\$.60 on a home value of \$100,000).**

There were no other comments.

WARRANT ARTICLE 30 - FIREWORKS - \$8,500

Shall the Town vote to raise and appropriate the sum of \$8,500 for the purpose of providing the Independence Day celebration fireworks display at a time and location to be determined by the Board of Selectmen? This is a

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Special Warrant Article in accordance with RSA 32. **The Board of Selectmen support this Article (4-1). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.006 or (\$.60 on a home value of \$100,000).**

There were no other comments.

WARRANT ARTICLE 31 - MEMORIAL, VETERANS & LABOR DAY PARADES AND RECOGNITION - TOWN SUPPORT - \$6,500

Shall the Town vote to raise and appropriate the sum of \$6,500 for the purpose of town support relative to the observance of Memorial, Veterans and Labor Day Parades? These funds shall be used to cover parade costs incurred by Public Works, Police Department and other Town departments, and to purchase flags to be placed on the graves of veterans on Memorial Day. Departmental support costs and materials associated with the provision of these services will be charged against this appropriation. This is a Special Warrant Article in accordance with RSA 32. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has an estimated tax impact of \$0.005 or (\$.50 on a home value of \$100,000).**

There were no other comments.

WARRANT ARTICLE 32 - MULTI-YEAR LEASE OF TOWN PROPERTY FOR A SOLAR FARM - \$0

Shall the Town vote to authorize the Board of Selectmen according to RSA 41:11-a, to lease 120 +/- acres of Town owned property in the Commercial & Industrial Lands (Brox Property) and to enter into long-term contracts with a developer for the construction of a solar farm? Primary term of the lease would be twenty five (25) years. Annual lease payments would start at \$1,000 per acre for the first five years and increase to \$1,300 per acre for the final five years. The lease could be renewed for three additional five year terms at \$1,600 per acre annually. Permitted use is for solar energy generation and directly related uses. The parties also agree to negotiate a Payment in Lieu of Taxes (PILOT) agreement for the payment of personal and real property taxes. These PILOT payments will be in addition to the lease payments. Terms also include a decommissioning security for removing the solar infrastructure and restoring the premises at the end of the lease. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has no tax impact this year.**

Administrator Bender gave a brief overview: We entered into a letter of intent in November, 2018. The lease revenue over the 25 year initial term will be \$3,468,980. The lease revenue over the three five year renewal or the 15 years will be \$2,870,880 plus the revenue to the Town for the PILOT program. The timeline on this is years, it doesn't happen quickly because of the design, engineering, permitting and the overall construction. He referred to a map that showed the commercial/industrial land near the bypass, Perry Road and the service road. There is quite a buffer between the residential properties. The Town acquired the property over 20 years ago, we've made a number of attempts to recruit businesses there and this is the best option that we've had, considering that there is no infrastructure there. Electricity is close because of the Eversource 314 line. One of the first things we talked about with the developer was the presence of the rare threatened and endangered species. They understand that and know they will have to work through the permitting process.

Audrey Fraizer supports solar and always thought the gravel pit would be a good spot for it. The industrial section is a wetland and has hills. She thinks they should choose another area because cutting down trees which are needed for air, and we are also looking for a potential water site there. She recommends the community lands instead.

Rodny Richie is concerned about long term contracts that say they would restore it to their original structure. If a solar farm stays there for twenty years and then left, are they going to put the trees back in. He asked who the developer is and needs additional information.

Administrator Bender said the developer is Granite Apollo, Inc. out of Manchester. They evolved from another solar company. They currently have arrangements with two or three municipalities in New Hampshire to develop solar projects. As far as the decommissioning, the language in the warrant article says "decommissioning security for removing the solar infrastructure and restoring the premises. He would say that it means restoring it to its original condition. They will remove the entire infrastructure, and regrade the property. Rodney said it will give the

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town a piece of wasteland. He asked that it be addressed in more detail. It questioned the words "This Article has no tax impact" if it's going to have a positive tax impact, he would like it addressed in the information provided. It will require some management and activity with the Town Administrator and hopefully some other department overseeing it. Having money come in on this should have some tax impact.

Administrator Bender said the revenue coming in would go to the general fund and be accounted for in our revenue projections. The Selectman could decide every year to use a portion of that for reduction of taxes. There would be a tax impact only if the Selectmen decide to use some of it. It would not be allocated to offset something else. When we project revenue, a portion of that is used in the tax rate calculation.

Rodny said he doesn't understand the payment of "real and personal property taxes". Administrator Bender said it should only say real taxes. Rodny asked what effect would this have on the revenue stream. Administrator Bender said it would be positive on the revenue stream. When you negotiate these types of agreements with utility companies they have an assessed valuation. Because telephone poles, conduits and solar panels don't result in more children going to school an adjustment is made on the property tax rate taking that into consideration. It's a lower rate than what you would have for a residence or manufacturing firm. Rodny asked how many acres of the 120 would be covered by solar panels. Administrator Bender said it's too early to tell, they will have to complete the wetland surveys and other things before we know. The lease payments will be on the full 120 acres even though they would use something smaller than that.

Bob Grogan, Old Wilton Rd. said he hunts on that property and it's isn't just about the exotic species, there are rabbits and deer as well. You wipe out the trees and you will displace all those animals. He asked about the hazardous waste in solar panels, if they break, they spill on the ground. He is concerned about the hiking and mountain bike trails in that area, and the noise from the solar panels. The paper stated that a 25 year lease would give the town a potential of \$3,400,000 and additional renewals could add another \$2,800,000. What do you mean by could or potential, he doesn't want to vote on a potential thing. Londonderry is a 10 megawatts and the revenue will be \$200,000. Ours will be 20 megawatts does that mean we will get \$400,000? Chairman Federico said he doesn't know what Londonderry has for their figures so he can't make that comparison. The primary term of the lease would be for 25 years. The potential would be if they were to renew the lease. They guaranteed us 25 years. Administrator Bender said it could be potential because it only becomes reality if the voters approve it. He looked at Londonderry project and talked to their Town Administrator and the revenue plans are similar. Theirs is a little different because part of it is being built in a ground water management zone and the lease payments on that are lower. We are leasing land; we are not constructing the solar project. It's being done by someone else. We are going to get revenue for every acre of land that we lease. He doesn't remember how many acres Londonderry has, but there were two parts to it. Bob asked who would get the money from cutting all the trees. Administrator Bender said the town does.

Selectman Putnam said the primary term of the lease would be twenty five (25) years. Annual lease payments would start at \$1,000 per acre for the first five years and increase to \$1,300 per acre for the final five years. What goes on in between? Administrator Bender said it goes from \$1,000, to \$1,100 to \$1,200 and finally to \$1,300 per acre. Selectman Putnam said they may want to explain that out a little more to be less confusing.

Susan Smith, Helene Dr. said she checked Granite Apollo's web site and there isn't any information there. She asked if we could provide more information it would be helpful. Administrator Bender said they are planning to attend the Deliberative Session as out of town speakers and they can address that.

Suzanne Fournier there are a couple of abutting properties that will be aware of the solar farm. Granit Apollo's predecessor is Ranger Solar who was bought out by a bigger company. She feels we need an information session for the citizens of Milford to explain the solar article in detail. Her concerns are some of the trails would be lost or disconnected. She commented on trails that were already lost next to the power lines because of the Gravel Operation. This project would make it harder to get around without a car. Another concern is the trees being cut down. The habit of the small animals would be gone and we would lose the endangered species. She doesn't understand why Granite Apollo and the Town of Milford chose, in her opinion, this unsuitable site. She feels the town would make only a small amount of money on this project. She quoted incorrect amounts and Administrator Bender corrected her. Suzanne figures it would be approximately \$125,000 a year for 25 years which in her opinion, is a small amount. She is going to vote no on this warrant article.

There were no other comments.

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WARRANT ARTICLE 33 - VIETNAM MEMORIAL - \$0

Shall the town vote to establish a special revenue fund under the provisions of RSA 31:19 to accept donations, for a period not to exceed 25 years, for the design, construction and maintenance of a War in Vietnam War Memorial on town property? The purpose of this fund is to support the plan proposed by the Vietnam Memorial Committee. Expenditures from this fund shall be authorized by the Board of Selectmen. The estimated cost for design and construction of the memorial is \$125,000 with all funding from donations and no tax impact to the Town of Milford. **The Board of Selectmen support this Article (5-0). The Budget Advisory Committee has not voted on this article. This Article has no tax impact.**

Rodny Richie feels that this memorial is out of character with the other memorials in town. Conflicts are indicative of failures. This memorial loses that and glorifies the conflict which was one of the worse that we've participated in. It's needs to be simple with a piece of granite with a bench next to it.

Selectman Daniels said that this article only establishes a special revenue fund, not the construction of a memorial. He asked Mr. Richie if he was against the establishment of the fund, or the memorial that has been proposed. Rodny said he would rather see the taxpayers of Milford provide a memorial of recognition similar to the ones that are in town for the other conflicts. He would support that. When it's handed over to a donation situation, you tend to lose control. You should maintain control of it. He objects to the support and the handoff of the responsibility.

There were no other comments.

WARRANT ARTICLE 34 - FREEDOM MEMORIAL - \$0

Shall the town vote to establish a special revenue fund under the provisions of RSA 31:19 to accept donations for a period not to exceed 25 years, for the design, construction and maintenance of a Freedom Memorial on town property? The purpose of this fund is to support the plan proposed by the Vietnam Memorial Committee to recognize citizens lost on 911 and those lost through subsequent military actions. Expenditures from this fund shall be authorized by the Board of Selectmen. The estimated cost for design and construction of the memorial is \$95,000 with all funding from donations and no tax impact to the Town of Milford. **The Board of Selectmen support this Article (4-1). The Budget Advisory Committee has not voted on this article. This Article has no tax impact.**

There were no other comments. Chairman Federico said at this time we have concluded the Budget and Bond Public Hearing at 9:45 and moved back into the regular public meeting.

Chairman, Kevin Federico

Member, Laura Dudziak

Vice Chairman, Gary Daniels

Member, Paul Dargie

Member, Mike Putnam