

**LINCOLN BOARD OF SELECTMEN'S
BUDGET WORK SESSION & MEETING MINUTES**

APPROVED

MONDAY, DECEMBER 18, 2023 – 4:00PM

LINCOLN TOWN HALL - 148 MAIN STREET, LINCOLN, NH

(THE RECORDING OF THIS MEETING CAN BE FOUND ON YOUTUBE)

Lincoln Board of Selectmen Present: Chairman, OJ Robinson, Vice Chair, Tamra Ham (arrived to meeting at 5:15pm) and Selectman Jack Daly

Staff Present: Executive Assistant, Jane Leslie.

Public Present via Zoom: Carina Park, Town Manager

Public Present: Wayne Baltzer, Debbie Celino and Jim Welsh

I. BOARD OF SELECTMEN'S BUDGET WORK SESSION *cont'd*

The Selectmen continued their 2024 budget review work session with the following highlights:

The Board discussed optional medical plans for town employees (Non-Union) who would like to obtain medical coverage for a family member(s) (e.g., 2-people and Family Plans). The current plan offered to town employees has an annual cost of \$362,455.84 and is covered 100% by the Town. The Board reviewed several optional Plans:

Optional Plan 1: Town pays 100% for single/2-person & Family Plans (Total cost=\$670,330.76)

Optional Plan 2: Reduced Rate (\$1k deductible) Town pays 100% (Total cost=\$547,453.40)

Optional Plan 3: Reduced Rate (\$3k deductible) Town pays 100% (Total cost=\$407,623.76)

Optional Plan 4: Reduced Rate (\$1k deductible) Town pays 85% & Employee pays 15% (Total cost=\$458,535.39)

Optional Plan 5: Reduced Rate (\$3k deductible) Town pays 85% & Employee pays 15% (Total cost=\$339,680.20)

Optional Plan 6: Reduced Rate (\$1k deductible) Town pays 80% & Employee pays 20% (Total cost=\$431,562.72)

The Board also discussed a Health Reimbursement Arrangement (HRA's) which are employer-funded group health plans from which employees are reimbursed tax-free for qualified medical expenses up to a fixed dollar amount per year (unused amounts may be rolled over to be used in subsequent years).

Jack questioned the purpose of exploring optional plans when the current plan's annual costs are \$362,455.84? Carina explained that currently, the plan that the Town offers to employees is what some would consider a "Cadillac Plan", and this limits the employee's ability to add additional family members to their coverage due to the high cost (could cost upwards of \$30k-\$40k annually).

OJ commented that as the Town faces increasing competition in the hiring and retention of employees, it must remain competitive with the wages and benefit packages that it offers. Carina pointed out that there are currently inconsistencies with the town's medical coverage, as there are long-term employees that were grandfathered years ago when the Town transitioned from paying 100% medical coverage for employee/spouse/family to only the individual employee. **Note:* according to a municipal survey earlier in 2023, Towns were asked to submit their health insurance data (what percentages the town contributed & type of plans/options they offered to employees) and the Town of Lincoln was the *only* Town out of 50+ municipalities that did *not* offer insurance to employee's spouses/dependents.

OJ commented that he is in favor of the Town paying 100% of the premium and going with the optional plan with the \$3k deductible, and the Town paying 50% (or another percentage) of the deductible when needed (HRA), and the employee paying the remaining percentage; and to also offer a second option with the \$1k deductible plan (total cost differential between the \$1k deductible option & \$3k deductible option = \$140k).

Note: Currently employees do not pay any deductible.

Jack questioned whether it would be feasible to have a Representative from Health Trust come meet with all non-union benefited employees to discuss how this future benefit change will impact the employees, their families and paychecks. Carina responded that this will happen regardless, as it is going to be a change for town employees, however, they still need a bottom-line figure at this time for the budget.

Carina shared Tammy's thoughts on the plan (Tammy arrived to meeting after this discussion) that she was most in favor of the \$3k deductible with the 50% reimbursement (HRA) for deductible costs, and employee paying the remaining 50%.

OJ recommended budgeting for the \$3k deductible plan (\$407,623.76); and to also budget \$43k to cover the deductibles (Total = \$450,623.76), and to make the second plan available (at no cost to the Town) for the employee to decide which is more practicable for their personal situation. Note: Open enrollment for benefit changes does not begin until June 1, 2024, and benefit plan is effective July 1, 2024.

The Board continued their budget discussion with the CIP and warrant articles.

Chairman Robinson called for a 10-minute recess at 5:20 p.m.

II. CALL TO ORDER

Chairman Robinson called the regularly scheduled meeting to order at 5:35 p.m.

III. APPROVAL OF MEETING MINUTES FROM PREVIOUS MEETING

MOTION: "To approve the joint BOS meeting minutes of December 1, 2023 as presented."

Motion: Tamra Ham Second: Jack Daly All in favor.

MOTION: "To approve the BOS meeting minutes of December 4, 2023 as presented."

Motion: Jack Daly Second: Tamra Ham All in favor.

MOTION: "To approve the BOS meeting minutes of December 11, 2023 as amended."

Motion: Tamra Ham Second: Jack Daly All in favor.

IV. BUSINESS PARK LAND SALE *Discussion*

OJ explained that during the December 11th Selectmen's meeting they met with Tom Tremblay (Coldwell Banker Lifestyles agent for Kurt O'Connell d/b/a O'Connell Builders) to discuss the Purchase & Sales Agreement for Lot 2 (Map 109, Lot 018) in the Business Park, and the results of the appraisal that was conducted by Milne-Allen Appraisal Company (Franconia, NH). The appraisal came in at \$167,000.00 (contracted sale price is \$68,200.00). OJ explained that during the December 11th meeting they discussed the comparable sales that were used in the appraisal, and all had agreed that they were relatively out-of-line with the parcels that the Town is selling. A discussion ensued on another land sale up on Route 3 (9 Kinsman Ridge Rd.) that has a structure on it which is on 0.35 acres and was purchased in 2012 for \$63k, and the land at the Business Park that was sold to Sully & Sons (Kevin Sullivan- Map 109 Lot 020) which is on .37 acres (relatively the same size) and was sold to Mr. Sullivan in 2012 for \$68k. In 2020, the land on Route 3 was sold to Jake Belanger for \$59,530 (price decrease of \$3,470.00 from 2012). OJ also noted that due to the sizes of the commercial lots and the restrictions in the Business Park, there are limitations for commercial uses of these lots, and his feelings are that they should proceed with the sale to O'Connell Builders (\$68,200).

Jack commented that these lots have been vacant for 18+ years, and this sale could be a catalyst for other lot sales in the Business Park.

MOTION: “To move forward with the sale as agreed to in the Purchase and Sales Agreement.”
Motion: Tamra Ham Second: Jack Daly All in favor.

OJ opened the discussion up for public comment.

Jim Welsh asked if they could put a restriction on the sale of this lot that the buyer cannot sell or rent parts of the building to another person/business to pay for the building, and that the Buyer is the only contractor that can be onsite. OJ did not think they could put this restriction on the parcel, and due to the nature of O’Connell Builders, he may have other contractors working on the same project that may need to store their equipment/belongings onsite for the term of the project.

V. ENCUMBRANCE OF COMMUNITY BUILDING FUNDS

The Board discussed encumbering funds allocated to the Community Building budget for the reconstruction of the entranceway (air-lock entryway). The funds encumbered last year have been expended, however, the project is not completed due to changes in the design (unable to find a concrete contractor). The remaining balance on the Three Rivers proposal is \$40,800.00 which is currently in the Community Building’s budget (contracted services). Woodstock Selectmen voted to encumber their share at \$20,400.00 (Lincoln will encumber the full amount of \$40,800.00 because Lincoln is paying the bill, and Woodstock will reimburse Lincoln \$20,400.00).

MOTION: “To encumber \$40,800.00 from the Community Building budget to pay for the reconstruction of the Community Building entranceway.”
Motion: OJ Robinson Second: Tamra Ham All in favor

VI. OLD/NEW BUSINESS

Town Manager Report:

Communications Tower – New Police Department Building:

The Town received an invoice from OME (Ossipee Mountain Electronics) for the communication tower being proposed at the new Police Department (quote is for the tower, antenna mounts, climbing ladder, waveguide cable support ladder, hardware, tower freight & installation) for a total of \$99,950.00. The Board discussed encumbering the funds from the Police Department’s operating budget for payment next year, or to vote to reallocate the surplus from the wage line to the contracted services and make payment in 2023 (PD surplus = \$289k). The Board was in agreement to pay the OME invoice in full at this time.

South Peak Water Storage Tank:

The Town received its final invoice for 2023 from Weston & Sampson (W&S) for \$10,000. Carina asked the Board if they were comfortable paying this bill out of the Water Department’s surplus (\$32,000.00). The Board was in agreement to pay the final 2023 \$10k invoice with the Water Department’s surplus.

The Town has been notified by Sam Kenney, Weston & Samson (W&S) Engineer that after reviewing the grading and stormwater management requirements for the access road, there is not a viable path to minimizing the impact beneath the AoT (Alteration of Terrain) threshold, and an AoT permit will be required through NHDES. This is outside of the scope of the initial proposal from W&S, and an amendment to the contract will be required. The expected level of effort for the AoT permit will cost \$34,600 which will cover the following items:

- Labor time to prepare the application and supporting materials.
- Hiring a sub-consultant to complete the site-specific soil screening work that is required (the goal will be to coordinate this effort at the same time as Caulder’s work).
- Paying the permit fee (up to \$4,500 depending on final impact numbers).

- Coordination with DES/AoT permit reviewers
- Response to questions and RFIs (requests for information) from DES.

The Town will need to expedite this process to minimize or eliminate any potential scheduling impacts. The sub-consultant can complete the work the last week of December or early January, and in an effort to capitalize on that window, W&S has been given verbal approval to engage the subcontractor with a more formal amendment to the contract to follow.

The Board agreed to use some of the 2023 encumbered funds to begin paying for these additional costs at this time.

New Police Station Construction:

The preconstruction meeting was held last week, and the subcontractors have started the site work. The PVC fittings that were previously stored on-site have been moved to the DPW building. The next step is to coordinate getting the utilities on to the property. Carina has reached out to NH Electric Coop to get a transformer on order, and temporary service to the property. The next step will be propane and phone/internet. BPS (Architects, Bonnette Page & Stone) is also reaching out to NHDOT to ask if they can set up the construction trailer on the triangle parcel owned by the State. The Town will need to hire a third-party to conduct the independent specialized inspections (of the concrete, masonry & steel work), and Carina has reached out to S.W. Cole (engineering firm that conducted the geotechnical work) who has submitted a quote of \$15k for this inspection work which must take place prior to the foundation being poured. The Board agreed to proceed with S.W. Cole.

2023 Trial Ratio Study Report:

The Board reviewed the 2023 Trial Equalization Ratio Study Report which came in at 63.2. The Town's Assessors explained that this is not an anomaly and other towns are experiencing the same thing, and did not feel that the Town needed to do a reval at this time because a reval will be required in 2026. A discussion ensued, and Jack and OJ agreed to wait for the 2026 reval (Tammy was not comfortable not doing anything further at this time).

OLD BUSINESS:

Town Holiday Party:

The Board commented that the Town Holiday Party was awesome. The Board of Selectmen recognized and thanked several long-term employees:

- Ron Beard – Lincoln Fire Department – 25+ Years of Service (1995-2023)
- Dave Beaudin – Water Plant Operator – 25 Years of Service (1998-2023)
- JJ Bujeaud – Lincoln Police Department Dispatch – 25+ Years of Service (1997-2023)
- Carol Riley – Lincoln Public Library Director – 30+ Years of Service (1991-2023)
- Tara Tower - Lincoln Recreation Department – 25 Years of Service (1998-2023)

Letter to Realtors Regarding Business Park:

OJ will be modifying a letter that he has drafted to be sent out to local Real Estate Agencies regarding the vacant lots for sale at the Business Park.

New Town Benches:

Jack asked if the recently purchased bench on Connector Road will be put away for the winter months. Public Works will be storing the bench indoors until spring.

NEW BUSINESS:

BOS Budget Work Session:

OJ updated the public on tonight's budget discussion and explained that the Board had to come up with a dollar amount for the Personnel Administration budget, and noted the following:

The current non-union employee's health insurance plan that the Town offers is considered a top-of-the-line insurance plan that comes with a \$0 deductible, and only covers *most* of the town's employees (long-term employees were grandfathered years ago when the Board of Selectmen at that time made this change, and the Town continues to pay 100% of their medical plan regardless if a 2-person or family plan). The Board had decided to look into covering/offering 1-person, 2-person and family plans (based on employee's needs) in an effort to be more competitive with other municipalities and employers, and to attract and retain good qualified employees to work for the Town of Lincoln. As a result of these discussions, the Board has decided to go with a plan that comes with a \$3k deductible; the Town will pay 100% of the premium for whoever needs to be covered in the employee's family, and of the \$3k deductible, the town will be setting up a Health Reimbursement Arrangement (HRA) that will pay for half of the employee's deductible. The total cost of transitioning to this insurance plan from the current health plan offered is approximately \$40k more for the annual premium; if everything stayed the same, the cost to the family would increase from \$360 to over \$400. Employees will also have the option of participating in a Plan with a lower deductible, which will cost more, however, the Town will pay the rate of the \$3k deductible Plan, and the employee will pay the difference for the upgrade (employee's choice).

Town Hall Maintenance Budget:

Tammy noted that the Town Hall Building Maintenance Budget had not been increased, and noted that there are several repairs that need to be made to the building (bathrooms are old/outdated-running toilets, vanity detaching from the wall, sinks need repair; building entrance doorway facing Main Street needs to be repaired or replaced-giant gap under doorway letting cold air in/heat out) and questioned if more money should be added to this line item. Carina explained if the entire entranceway door needs to be replaced, that should come out of the CIP, if it's a matter of repairing, that would come out of the Operating Budget (same with the bathrooms). Note: Bathrooms are 35-years old.

Town Employee's - CDL Licenses:

The Board had previously discussed the idea of the Town paying for Public Works employee's CDL licensing (Due to new Federal Requirements, CDL License applicants are required to attend a federally approved Entry-Level Driver Training) in an effort to fill vacant positions within the department (7-12-week courses ranging from approx. \$4,950-\$5,200+). OJ questioned whether there was money added to the budget to cover these potential costs. Carina explained that they did not add funding to the budget specific to obtaining/renewing CDL licenses, however, there is a line item in the Personnel Administration called *Educational Incentives* which carries \$5k every year for employee's ongoing education, and if the Board would like to add additional funding for this purpose, that would be the line that they would add it to. OJ suggested that they leave this line item as is, although he supports this policy if an employee is to drive a town commercial vehicle (currently all DPW employees carry CDL Licenses).

Lincoln Water Works:

Water Treatment Plant employee, Tyler Jones passed his Water Works Operator Grade II training. The Board congratulated Tyler Jones on this accomplishment.

Sale of DPW 2011 Dump Truck:

The Town recently put its 2011 Dump Truck (with plow and sander) out to bid (minimum bid \$15k) and it was sold for \$28k.

Upper Pemigewasset Historical Society:

Tammy commented that the Historical Society has been recently updating their Facebook page (<https://m.facebook.com/uphsnh/>) with local Lincoln & Woodstock historical information/stories and photographs, and encouraged everyone to take the time to visit this page (Lisa Riley, Library Director, Carol Riley's daughter is spearheading this effort).

Upcoming Public Hearings:

There will be two (2) public hearings scheduled for January 2, 2024 at 4:00pm: 1) To discuss revising the dog registration fees (increasing dog fees by \$1.00; the fee for Senior dog registration will remain the same at \$2.00) and, 2) Unanticipated acceptance of funds more than \$10k (a one-time Bridge Payment in the amount of \$33,418.53).

Proposed Warrant Article regarding Short-Term Rentals:

The Board of Selectmen are proposing a warrant article regarding short-term rentals (will be on Town Meeting Warrant). The Planning Board will be holding a Public Hearing regarding a proposed amendment(s) to the Zoning Ordinance on January 10th. If there are any proposed changes by the Planning Board, a second Public Hearing will be held on January 24th. OJ noted that he had received feedback from a member of the community that gave him cause to rethink the wording of this article. OJ questioned if the Board of Selectmen were able to revise the language of the article prior to the public hearing? Carina explained that the town is still awaiting legal confirmation on procedural protocols from Town Counsel, however, the answer is yes (the deadline to accept petitioned zoning amendments was Wednesday, December 13th), however, the RSA (675:4) reads that the Selectmen will give their petitions and amendments to the Planning Board in a "timely fashion". OJ noted that he will present his two (2) proposed changes to the warrant article at the January 10th Planning Board meeting (OJ is the Selectmen's Rep for Planning Board) so that it is incorporated into the meeting minutes.

MOTION: "To present the Board of Selectmen's two (2) proposed changes to the warrant article at the January 10th Planning Board meeting as follows: 1) Section 5.3 Parking – add "*Any unit that requires more than two (2) spaces can request using shared overflow parking areas within a Homeowners Association or offsite/off-street parking. No street parking will be allowed as approved parking for guests/tenants*" and, 2) 5.8 Grandfathered Short-Term Rentals - "*Additionally, any residential unit that is part of a Homeowners Association (HOA) that is registered with the State of New Hampshire, and there is one (1) or more units in that HOA that are currently registered with the Town of Lincoln as a short-term rental unit, then, all of the units of that Homeowners Association will be grandfathered to allow short-term rentals.*"

Motion: OJ Robinson

Second:

OJ explained that the reasoning for these changes is because there are several condo developments that are in Rural Residential (RR) zones where the Town is not allowing short-term rentals; what these amendments are stating (for example): If there is a unit in Forest Ridge (for example) that is *not currently* a short-term rental, however, they eventually decide to turn it into a short-term rental, they can still do this knowing that there are already dozens of other short-term rentals within Forest Ridge (this is not changing the neighborhood as it would local town streets such as West St., School St. etc.). OJ explained that there are numerous condo developments that are actively participating in the Town's Short-Term Rental program, and these are the two (2) changes that they are adding. OJ further explained that if an HOA's Guidelines prohibits short-term rentals, that is their right and this amendment would *not* affect them (these units should *not* be registered with the Town & therefore would not be grandfathered) now or after March 14th (Town Meeting). Consequently, if an Association such as Forest Ridge that *does allow* short-term rentals, and someone buys a unit, they would be able to operate their unit as a short-term rental. Tammy commented that she disagrees with this because the primary goal of implementing these changes was to help create and bring back "local housing." For example, if there is one (1) unit in the Village at Loon that is a short-term rental, that means that *all* of the units at the Village at Loon can be short-term rentals forever, or for however long as they

want, yet, if there is one (1) unit on Pleasant Street that is a short-term rental, the rest of them will not be allowed, and this is why she disagrees with this amendment. Tammy feels that if you are a short-term rental property when/if this amendment passes, and your neighbor is not, then your neighbor will never be allowed to be a short-term rental (regardless if it's a condo or a single-family home).

OJ responded that this has been a great discussion to have, and the current (original) wording of the warrant article "any unit that's currently not a short-term rental in the Village at Loon, Clearbrook, Coolidge Falls, Forest Ridge or Lincoln Station will *not* be allowed to use it for a short-term rental (the same as West St., Labrecque St., Franklin, Pleasant Streets etc.). Tammy reiterated that the purpose of this ordinance is to get "desperately needed local housing back on the market".

Jack commented that this decision should be entirely up to the property owner who pays their property taxes, although he agrees with Tammy regarding the shortage of local housing, he still believes this should be the decision of the property owner.

OJ concluded that he sees three (3) options: 1) leave the article the way it is; 2) vote in this exclusion, or, 3) leave it the way it is, and bring it to a public hearing to see what kind of feedback they receive. Tammy suggested that they still amend **Section 5.3 Parking** – add "*Any unit that requires more than two (2) spaces can request using shared overflow parking areas within a Homeowners Association or offsite/off-street parking. No street parking will be allowed as approved parking for guests/tenants,*" and to let the rest of it go to public hearing. The Board was in unanimous agreement to change **Section 5.3 Parking** and to leave the rest of the article as written.

MOTION: "To present the Board of Selectmen's one (1) proposed change to the warrant article at the January 10th Planning Board meeting as follows: 1) Section 5.3 Parking – add "*Any unit that requires more than two (2) spaces can request using shared overflow parking areas within a Homeowners Association or offsite/off-street parking. No street parking will be allowed as approved parking for guests/tenants*"

Motion: OJ Robinson

Second: Tamra Ham

All in favor.

Public Participation:

Jim Welsh questioned how qualified the contractors are who are doing the dirt work at the new Police Department building site. Tammy explained that Bonnette, Page & Stone (BPS) was hired to do the overall construction of the PD building project, however, some of the work is being sub-contracted out. Note: BPS built the addition on Linwood School and also the new Hampton Inn. Jim explained that he has some concerns with the dirt work and tree clearing that is being done and the equipment that is being used to do the same, and would hate to see this turn into another "West Street". OJ responded that BPS has done some major projects, and it is their sub-contractors that is doing the work. Jack noted that Carina can bring Jim's concerns up during a construction meeting with the involved parties.

VII. NON-PUBLIC Session Pursuant to RSA 91-A:3:(III) (c)

MOTION: "To go into Non-public session pursuant to RSA 91-A:3 (III) (c) Personnel"

Motion: OJ Robinson

Second: Tamra Ham

All in favor.

The BOS went into Non-public session at 7:00 p.m.

MOTION: "To re-enter public session."

Motion: Tamra Ham

Second: Jack Daly

All in favor.

The Board reconvened public session at 7:15 p.m.

VIII. ADJOURNMENT

After review of the weekly payables and with no further business to attend to, the Board made the following motion:

MOTION: "To adjourn."

Motion: OJ Robinson

Second: Tamra Ham

All in favor.

The meeting adjourned at 7:15 p.m.


Respectfully Submitted,
Jane Leslie

Approval Date: January 17, 2024


Chairman O.J. Robinson


Tamra Ham


Jack Daly