

BOARD OF SELECTMEN'S MEETING

Selectmen present: David Petry (arrived at 7:15pm), Frank Cadwell, Vahrij Manoukian and Peter Band
Selectmen absent: Mark Le Doux
Staff present: Troy Brown, Town Administrator and Paul Armstrong, Volunteer Camera Operator.

COMMUNITY ROOM

Selectman Manoukian convened the May 18, 2015, Selectmen's meeting at 7:00 PM in the Town Hall Community Room. Vice Chairman David Petry arrived at 7:15 and chaired the meeting moving forward.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AGENDA REVIEW

Troy Brown reviewed the Selectmen's agenda.

PUBLIC COMMENT

None

MEETINGS**1. Energy Committee, Wood Pellet Heating System Bids**

Venu Rao, Mike Leavitt and Christine Furman were in the audience to represent the Hollis Energy Commission (HEC). M. Leavitt stood to make his presentation via PowerPoint to review the proposals for the Town Hall and Police Station Heating Systems. Back in February the Committee drafted a Request for Qualifications. The HEC requested proposals for wood pellet systems in several configurations with the goal of reducing cost and also becoming fossil fuel free.

The HEC received three responses from Froling Energy, Sandri Energy and 2K Earth. M. Leavitt stated that Froling has the simplest and least costly proposal. 2K Earth is inexperienced and their solution was more costly than the others. Sandri's had more complicated designs and were also more costly than Froling.

P. Band asked about the process. T. Brown stated that they directly mailed the RFQ to fifteen qualified companies. They posted a public notice as well as sending an e-mail via the Construction Summary list serve. P. Band asked if these were the only three vendors that submitted a proposal. T. Brown stated yes. M. Leavitt stated that he spoke to a few vendors but once they realized that Froling was submitting a bid, they did not. They felt that Froling was the biggest and best at this type of project.

M. Leavitt reviewed all three bids with the Board highlighting the cost and system designs recommended by each company.

The HEC recommended accepting the bid by Froling of \$84,760.00 for the Police Station and \$70,000.00 for Town Hall. The total project cost is \$154,760.00.

The Public Utilities Commission (PUC) rebate at 30% reduces the project cost by \$46,428.00. The total project cost after rebate is \$108,332.00.

The Committee's approved funding is \$125,000.00. Town Hall was approved for \$50,000 and the Police Department \$70,000.

The Energy Committee will only recommend one contractor even though there are two separate buildings. M. Leavitt stated that the current fuel and maintenance costs are approximately \$50,000.00 per year for both Town Hall and the Police Station. F. Cadwell asked for the account numbers that reflect the \$50,000 per year fuel and maintenance cost. M. Leavitt believed the funds were budgeted in a few different accounts.

F. Cadwell questioned how much propane the Police Department used. M. Leavitt read from his notes. He stated that the Police Department spent \$11,000.00 on fuel and \$17,000.00 at Town Hall. Maintenance cost at the Police Department was \$15,000.00 and \$7,000.00 at Town Hall. F. Cadwell felt that the Town Hall might have even been a little more than \$7,000.00 over the last few years.

The yearly fuel and maintenance savings will be \$30,790.00. M. Leavitt noted that the savings does not include the renewable energy credits (\$3,330.00) that the Town will accrue because of the pellet system. The total average yearly savings will be \$34,120.00.

• Current Fuel & Maint. Costs/yr.	\$ 50,000
• New Pellet & Maint. Costs/yr.	<u>\$ -19,210</u>
• Yearly Fuel & Maint. Savings	\$ 30,790
• Yearly REC's	<u>\$ 3,330</u>
Total Yearly Savings	\$ 34,120

F. Cadwell questioned how the New Pellet & Maintenance Costs/yr. was calculated. M. Leavitt estimated the cost of the wood pellets and system maintenance. F. Cadwell questioned the fuel cost. At Town Hall it is estimated that 35 pounds of pellets at \$240 per ton will be used. The price includes delivery. Currently, Town Hall uses 5,156 gallons of oil at the cost at \$3.30 per gallon.

P. Band asked for the cost for backup propane. M. Leavitt stated that the cost for propane and oil is included in the New Pellet & Maintenance Costs/yr calculation along with the wood pellets. P. Band asked for a cost breakdown of the estimated fuel cost. M. Leavitt stated at Town Hall it will cost \$8,520.00 for pellets and \$1,650.00 for oil. He also stated at the Police Station it will cost \$5,000.00 for pellets and \$1,000.00 for propane.

M. Leavitt stated that the Town will break even in a little more than three years. He reviewed a few operation and maintenance issues. M. Leavitt stated that a ton of pellets creates about a milk jug of ashes.

- No special maintenance or extra manpower required:
 - In-house operation and maintenance training will be provided
 - Hollis personnel can also be provided visits to operating pellet system sites
- Recurring maintenance :
 - Compacted ash removal every week or two based on usage
 - Check level in pellet containers once a month
- Contracted maintenance : (after 1st year warranty period)
 - Yearly boiler cleaning

- 24 hour emergency support
- System has automatic off site (internet) data review & alarm capability
- No on site repair parts are required

M. Leavitt stated that installation will take 2-5 weeks. The HEC has identified the locations for the pellet silos. P. Band asked the Police Chief if he approved of the proposed site of the silo. The Police Chief approved of the proposed site. F. Cadwell asked about Town Hall. The silo will be located inside of Town Hall.

F. Cadwell stated that there was a shortage of wood pellets over the winter. He asked if the Board should be concerned about a wood pellet shortage. M. Leavitt stated that the shortage was for retail customers and not commercial customers. The industry is growing and the major supplier in this area will be storing more pellets in a storage facility moving forward. V. Rao further explained the shortage. Companies like Home Depot and Lowe's order 10 lb bags of pellets and they run out. The bulk of the pellets are still available but the 10 lb bags at Home Depot may not be.

M. Leavitt gave an overview of the reasons to support installation of a wood pellet system.

- Saves Hollis Tax payers \$\$\$
 - BTU to BTU, wood pellets are 50% cheaper than oil
- Keeps fuel dollars in local economy & helps create jobs in New Hampshire
 - Over 80% of heating in NH is supplied by imported fossil fuels
 - NH is second most dependent state in the country on heating oil (Maine is #1)
 - NH exports about \$1 Billion annually to import fossil heating fuels
- Renewable and Sustainable
 - 84% of NH is forest

M. Leavitt presented charts and graphs provided by the Office of Energy and Planning (OEP) spanning from 1998 to 2013. The cost is based on one million BTU of heat. V. Rao pointed out that wood chips have been stable between \$5.00 and \$6.00. Wood pellets increased from \$7.00 to \$15.00 and oil increased 10 times. Wood chips and pellets are increasing at a much more gradual rate. Many people are concerned that if everyone changes to wood burning systems too many trees will need to be cut down. V. Rao explained that the amount of trees grown and used each year is about equal.

M. Leavitt gave an overview of the boiler technology.

The Maine Energy Sys. - Model PES-56 automatic pellet boiler:

- This technology has been in use for over a decade
- Over 40,000 are in operation in the US and Canada
- They have a design life of 30 years
- Design allows automatic restarts after cool down
- Automatic ash removal and compaction in a small disposal bin
- Includes automatic off site data review & alarm capability

M. Leavitt stated that this is a proven technology and manufacturers continue to make additional improvements such automatic ash removal, alarm capability and data review. The furnace technology is stable and been in use for a long time.

D. Petry questioned if a service contract is required to receive the benefit of off-site data review and the alarm capability. M. Leavitt stated no. V. Rao stated that the person who manages the system will receive e-mails and can easily log onto the website to retrieve the information. D. Petry asked who is going to manage the systems. V. Rao asked who currently manages the system. D. Petry understood his point but a new more technology savvy system is being installed and should be managed. V. Rao stated that this system is much simpler.

P. Band asked T. Brown if parking in the back lot will be an issue for the delivery driver and employees. T. Brown stated that this was discussed and the chute will be installed on the road so it is easily accessible from the road and will not interfere with parking. The product will only need to be delivered 2-3 times per year.

P. Armstrong asked how many tons the Police Station silo will hold. V. Rao stated 13 tons. P. Armstrong asked how many tons they will use. V. Rao stated about 35 tons. P. Armstrong asked how the pellets will get from the silo to the boiler. M. Leavitt stated that it will travel by pneumatic tube. The same way the pellets get from the truck to the silo. J. Sartell stated that he does not have time to devote any more time to facilities management. He would not agree to install this system if it created any more work than the already overwhelming amount of time he and his secretary spend on facilities management. J. Sartell approved of the silo. The system will still run on the generator. P. Armstrong asked if the wood pellet boiler could be converted if it failed. The answer was no. J. Sartell stated that a new propane boiler will be installed at the same time.

V. Manoukian asked if the wood pellets will be a yearly contract. V. Rao stated yes. D. Petry thanked the HEC for all of the time and effort put into this project. D. Petry asked if the Town Hall boilers will be replaced. T. Brown stated that the oldest boiler will be removed and the newer boiler will remain and used for the peak load times. D. Petry asked if the maintenance cost for the boiler remaining at Town Hall was taken into account. V. Rao stated yes.

F. Cadwell asked M. Leavitt to break down the proposed \$19,210.00 estimated New Pellet & Maintenance Cost. M. Leavitt stated at Town Hall it will cost \$8,520.00 for pellets and \$1,650.00 for oil. He also stated at the Police Station it will cost \$5,000.00 for pellets and \$1,000.00 for propane. The remaining \$3,040.00 is estimated for maintenance for the four units.

P. Band asked M. Leavitt if he would explain how the renewable energy credits worked. M. Leavitt explained that a gadget is attached to the system. The gadget calculates how many BTU's are generated. The PUC reviews the numbers and credits are assigned based on the numbers. Everyone discussed the possibilities of the credits being eliminated.

D. Petry asked if it will be a fixed contract. V. Rao said it will be. D. Petry asked if contract language existed to protect the Town from unexpected expenses. V. Rao believes so because the submitted bid met the specifications outlined by the Town in the RFQ. T. Brown stated that Froling has visited the buildings twice to make sure their bid was thorough.

V. Manoukian asked if the Board could visit a facility that already has this system running. V. Rao stated that he would like to set up an appointment for the Board to visit the High

Mowing School in Wilton, NH or Peterborough Town Hall. V. Rao agreed to coordinate with the Town Administrator to schedule a site visit for the Board members.

D. Petry asked when the HEC would like to execute a contract. V. Rao said as soon as possible. D. Petry thanked the Energy Committee for their effort. Everyone discussed how long the project will take. The Board agreed to discuss this at their next meeting and make a decision after the site visit.

V. Manoukian asked James Sartell, Police Chief what he thought of the system. J. Sartell felt it was a no brainer. The existing heating system at the police station is being replaced and a pellet system is being installed as well. The Chief felt that having an additional fuel source that significantly reduces BTU usage is a huge benefit.

J. Sartell informed the Board that he is still having air conditioning issues. There is \$30,000 budgeted for the air conditioning project in the trust fund. J. Sartell has explored many options including geothermal but he can't wait any longer. He is in the bid process but there was a catastrophic occurrence on one of the units earlier in the day. He is unsure if he will have the time to go through the three bid process. P. Band asked for the project cost. J. Sartell stated not more than \$35,000.00.

J. Sartell will be unable to present three bids to the Board for review and approval as the normal process dictates. He requested a waiver from this process. He does have one bid in hand and has scheduled two companies to bid the project. J. Sartell believes he will review three bids prior to executing a contract.

J. Sartell agreed to forward the bids to the Board prior to executing a contract. The Board was okay with the plan under the circumstances.

NEW /OLD BUSINESS

1. Resignation – Stephen Jambard, Agricultural Commission

The Board received a resignation from Stephen Jambard, Agricultural Commission. The Board thanked Mr. Jambard for his eight years of service to the Town of Hollis. He has served on the Commission since its inception and was a valuable asset.

MOVED by Vahrij Manoukian, seconded by Peter Band that the Selectmen accept the resignation of Stephen Jambard as presented. Voting in favor of the motion were Petry, Cadwell, Manoukian and Band. No one was opposed. The motion PASSED 4-0-0.

2. Special License – American Cancer Society

The special license was approved and signed by both the Fire and Police Chief.

MOVED by Vahrij Manoukian, seconded by Frank Cadwell that the Selectmen approve and authorize the Chairman to sign the special license for the American Cancer Society event on Sunday, June 7, 2015 from 8:30am-12:00pm., as presented. Voting in favor of the motion were Petry, Cadwell, Manoukian and Band. No one was opposed. The motion PASSED 4-0-0.

3. Transfer Station and Stump Dump – Independence Day Closure

Joan Cudworth requested permission to close the Hollis Transfer Station and Stump Dump on Saturday, July 4, 2015 in recognition of Independence Day. There will not be a make-up day.

MOVED by Vahrij Manoukian, seconded by Frank Cadwell that the Selectmen approve the request to close the Hollis Transfer Station and Stump Dump, as presented. Voting in favor of the motion were Petry, Cadwell, Manoukian and Band. No one was opposed. The motion PASSED 4-0-0.

4. 2015 Tax Warrant

MOVED by Vahrij Manoukian, seconded by Frank Cadwell that the Selectmen approve the first 2015 property tax warrant in the sum of thirteen million, seven hundred thirty thousand, eight hundred and ninety eight dollars (\$13,730,898.00) with interest at twelve percent (12%) from the 1st day of July 2015 for all sums not paid on or before that day. Voting in favor of the motion were Petry, Cadwell, Band and Manoukian. No one was opposed. The motion PASSED 4-0-0.

5. Pole License(s)

MOVED by Vahrij Manoukian, seconded by Frank Cadwell that the Selectmen approve the pole license #21-1183, dated 04/27/2015. Voting in favor of the motion were Petry, Cadwell, Band and Manoukian. No one was opposed. The motion PASSED 4-0-0.

MOVED by Vahrij Manoukian, seconded by Frank Cadwell that the Selectmen approve the pole license #21-1185, dated 05/04/2015. Voting in favor of the motion were Petry, Cadwell, Band and Manoukian. No one was opposed. The motion PASSED 4-0-0.

6. Committee Reports

Select Committee on Educational Review was scheduled to meet Thursday, May 14, 2015 but the meeting was cancelled. The next meeting will be held on Thursday, May 28, 2015 at 7pm in the Upper Town Hall meeting room of Town Hall.

Recreation Commission is looking for funding to purchase soccer nets for North and South Hardy fields. They have \$4,000.00 of discretionary funds available but they have had field work earmarked with the funds. They need to hydro-seed. F. Cadwell asked on behalf of the Commission if the Board could fund any portion of the cost for the new soccer nets. F. Cadwell stated the purchase is overdue.

D. Petry asked about the fees generated for that use. F. Cadwell stated that the fees are generated and deposited into the Recreation Commission Revolving Fund. F. Cadwell was unsure if those funds are available to them for this purchase. F. Cadwell agreed to contact the Finance Officer for the financial details of the fund. D. Petry felt the fee structure should be revisited.

ADMINISTRATIVE BUSINESS

1. Assessing/ Tax Collection

NOTICE OF INTENT TO CUT WOOD OR TIMBER

Operation #	MBLU	Owner	Location
15-223-06	016-001,016-005 & 022-048	Beaver Brook Assoc.	South of Rocky Pond Road

MOVED by Vahrij Manoukian, seconded by Frank Cadwell that the Selectmen sign and approve the Notice of Intent to Cut Wood or Timber as presented. Voting in favor of the motion were Petry, Manoukian, Cadwell and Band. No one was opposed. The motion PASSED 4-0-0.

REPORT OF TIMBER CUT & TIMBER TAX LEVY

Operation #	MBLU	Owner	Amount of Timber Tax
14-223-13	008-048	Etchstone Properties Inc.	\$13.80
14-223-17	019-029 & 015-015	Hollis Conservation Commission	\$0.00 (Exempt)
14-223-19	016-009 & others	Beaver Brook Assoc.	\$518.68
14-223-20	019-031	Mary Ann Wesoly	\$1,270.41
TOTAL TIMBER LEVY:			\$1,802.89

MOVED by Vahrij Manoukian, seconded by Frank Cadwell that the Selectmen sign the Certification of Timber Cut and authorize the Tax Collector to collect \$1,802.89 in Timber Tax, as presented. Voting in favor of the motion were Petry, Cadwell, Manoukian and Band. No one was opposed. The motion PASSED 4-0-0.

ABATEMENT

Case #	MBLU	Owner	Refund + Interest
2014-008	036-014-001	Alexander Cherkassky	\$1,421.88
2014-009	059-014	Meznik Family Revoc. Trust	\$0.00 (To be denied)
TOTAL TO BE REFUNDED:			\$1,421.88

MOVED by Vahrij Manoukian, seconded by Frank Cadwell that the Selectmen approve the abatement for Case #2014-008, as presented, for a total refunded amount of \$1,421.88, as recommended by Municipal Resources Inc. Voting in favor of the motion were Petry, Cadwell, Band and Manoukian. No one was opposed. The motion PASSED 4-0-0.

MOVED by Vahrij Manoukian, seconded by Frank Cadwell that the Selectmen deny the abatement for Case #2014-009, as presented, for a total refunded amount \$0.00, as recommended by Municipal Resources Inc. Voting in favor of the motion were Petry, Cadwell, Band and Manoukian. No one was opposed. The motion PASSED 4-0-0.

Current Use Releases and Land Use Change Tax

MBLU	Location	Owner	Acres to be Removed	LUCT Amount
014-037-001	12 Lovejoy Lane	Chad Letendre & Jennifer Chittick	5.94	\$19,500.00
046-046-001	Fletcher Ln	Fletcher Farm Family Trust	0.52	\$500.00
TOTAL LUCT TO BE ISSUED:				\$20,000.00

MOVED by Vahrij Manoukian, seconded by Frank Cadwell that the Selectmen sign and approve the Land Use Change Tax and Current Use Releases as presented. Voting in favor of the motion were Petry, Cadwell, Band and Manoukian. No one was opposed. The motion PASSED 4-0-0.

Case #2015-001W

The Board reviewed the Elderly Exemption application and documentation provided by the applicant, along with the MRI and Assessing Staff memos. The Board unanimously moved to approve the recommendation made by staff. Formal approval of the matter will occur after the setting of the 2015 Tax Rate.

Elderly Exemption Waiver

An Elderly Exemption applicant failed to meet the April 15th deadline, and was able to prove to the satisfaction of the Assessing Office that accident, mistake or misfortune had occurred. MRI has reviewed the application, and determined that the applicant would qualify if the application had been submitted in a timely manner. At this time, Assessing Staff is respectfully requesting that the Board approve the application for the 2015 Tax Year, as per RSA 72:33, I-a which states, in part: "If any person, otherwise qualified to receive an exemption or credit, shall satisfy the selectmen or assessors that he or she was prevented by accident, mistake, or misfortune from filing a permanent application or amended permanent application on or before April 15 of the year in which he or she desires the exemption to begin..."

MOVED by Vahrij Manoukian seconded by Peter Band that the Selectmen approve the elderly exemption application for the 2015 tax year, as discussed and submitted. Voting in favor of the motion were Petry, Cadwell, Manoukian and Band. No one was opposed. The motion PASSED 4-0-0.

2. Approval of Warrants**a. Employee Reimbursements - 05/05/2015 (\$3,809.28)**

MOVED by Frank Cadwell seconded by Vahrij Manoukian that the Selectmen approve the employee reimbursement warrant as submitted. Voting in favor of the motion were Petry, Cadwell, Manoukian and Band. No one was opposed. The motion PASSED 4-0-0.

b. Accounts Payable - 05/06/2015 (\$121,776.11)

MOVED by Frank Cadwell seconded by Vahrij Manoukian that the Selectmen approve the accounts payable warrant, as submitted. Voting in favor of the motion were Petry, Cadwell, Manoukian and Band. No one was opposed. The motion PASSED 4-0-0.

c. Wages - 05/05/2015 (\$149,280.36)

MOVED by Frank Cadwell seconded by Vahrij Manoukian that the Selectmen approve the wages as submitted. Voting in favor of the motion were Petry, Cadwell, Manoukian and Band. No one was opposed. The motion PASSED 4-0-0.

3. Approval Public Minutes 05/04/15

MOVED by Vahrij Manoukian seconded by Frank Cadwell that the Selectmen approve the public minutes of Monday, May 4, 2015 as submitted. Voting in favor of the motion were Petry, Cadwell, Band and Manoukian. No one was opposed. The motion PASSED 4-0-0.

4. Approval Non - Public Minutes 05/04/15

MOVED by Vahrij Manoukian seconded by Frank Cadwell that the Selectmen approve the non public minutes of Monday, May 4, 2015 as submitted and keep them sealed. Voting in favor of the motion were Petry, Cadwell, Band and Manoukian. No one was opposed. The motion PASSED 4-0-0.

5. Weekly Meetings and Announcements

D. Petry announced the board and committee meetings for the week of May 17, 2015 – May 23, 2015.

There will be a Memorial Day Celebration on the Town Common on Monday, May 25, 2015 at 5:00pm. The Lawrence Barn Community Center is the rain location.

NON-PUBLIC SESSION

MOVED by Vahrij Manoukian seconded by Peter Band that the Selectmen enter NON-public session in accordance with RSA 91-A:3-II (a) compensation, (b) hiring and (c) reputation. Voting in favor of the motion were Petry, Cadwell, Manoukian and Band. No one was opposed. The motion PASSED 4-0-0.

The Board entered non-public session at 8:11PM.

CONCLUSION OF NON-PUBLIC SESSION

MOVED by Vahrij Manoukian seconded by Frank Cadwell that the Selectmen come out of NON public session in accordance with RSA 91-A:3-II (a) compensation, (b) hiring and (c) reputation. Voting in favor of the motion were Petry, Cadwell, Manoukian and Band. No one was opposed. The motion PASSED 4-0-0.

MOVED by Vahrij Manoukian seconded by Frank Cadwell that the Selectmen seal the minutes of the NON-public session in accordance with RSA 91-A:3-II (a) compensation, (b) hiring and (c) reputation. Voting in favor of the motion were Petry, Cadwell, Manoukian and Band. No one was opposed. The motion PASSED 4-0-0.

The Board came out of non-public session and entered into public session at 9:15PM.

ADJOURNMENT:

MOVED by Peter Band seconded by Frank Cadwell that the Selectmen adjourn. Voting in favor of the motion were Petry, Cadwell, Manoukian and Band. No one was opposed. The motion PASSED 4-0-0.

The Board adjourned at 9:15PM.

Respectfully submitted,
Kimberly Dogherty, Asst. Town Administrator