

**MINUTES OF THE SALISBURY BOARD OF SELECTMEN MEETING  
MONDAY, AUGUST 14, 2017 – 7:00 PM  
SALISBURY TOWN HALL, 5 BEACH ROAD  
COLCHESTER ROOM**

**PRESENT:** Selectmen Chuck Takesian Chairman; Wilma McDonald, Henry Richenburg,  
Freeman J. Condon, and Ronalee Ray-Parrott

**ALSO PRESENT:** Neil J. Harrington, Town Manager and Janet Flannery, Secretary

**I. Call to Order/Salute to the Flag**

Chairman Takesian called the meeting to order at 7:00 PM in the Colchester Room, Salisbury Town Hall. She then announced, per the Open Meeting Law, that this meeting is being recorded and broadcast live.

**II. Acceptance of Minutes**

**Minutes of Special Meeting of July 10, 2017, Regular Meeting of July 17, 2017 and 2**

**Special Meetings of July 19, 2017 and August 9, 2017**

Motion by Selectman Richenburg, Second by Selectman Ray-Parrott; unanimously voted to approve the Minutes of Special Meeting of July 10, 2017, Regular Meeting of July 17, 2017 and 2 Special Meetings of July 19, 2017 and August 9, 2017, as written.

**III. Old Business - none**

**IV. New Business**

**a. License Renewals - none**

**b. New Licenses**

Motion by Selectman Richenburg, Second by Selectman Ray-Parrott; unanimously voted to approve a **General** license for Royal Blendz Barber Shop – 183 No. End. Blvd.

Motion by Selectman Ray-Parrott, Second by Selectman Richenburg; unanimously voted to approve a **General** license for Curdoo, LLC – 141 Bridge Rd., Suite 108

**Special Event Permits:**

Motion by Selectman Richenburg, Second by Selectman Condon; unanimously voted to approve a Special Event Permit to the Salisbury Fire Department for their MDA Annual Boot Drive on August 25, 2017 with a rain date of September 1, 2017.

Motion by Selectman Richenburg, Second by Selectman McDonald; unanimously voted to approve a Special Event Permit to the Winner's Circle Running Club for the 5<sup>th</sup> Annual Cassidy's run on September 17, 2017 from 10AM – 2PM

**c. License Amendments/Renewal with Amendment**

Motion by Selectman Ray-Parrott, Second by Selectman McDonald; unanimously voted to renew a General License with the change of address for Stand by Me – 66 Elm Street (previously located at 111 Elm St.)

**d. Committee Appointments**

**Council on Aging** – 3 openings for 3 years and 1 for 2 years - 1 applicant: Susan Raiche

Motion by Selectman McDonald, Second by Selectman Ray-Parrott; unanimously voted to appoint Susan Raiche to the Council on Aging for a 3 year term to expire June 30, 2020.

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**Historical Commission** – 2 openings for 3 years and 1 for 2 years – 1 applicant: James Moghabghab  
Motion by Selectman McDonald, Second by Selectmen Richenburg; unanimously voted to appoint James Moghabghab to the Historical Commission for a 3 year term to expire June 30, 2020.

**e. Update/Presentations: Building Inspector/ZBA**

**Scott Vanderwalle, Building Inspector**, reported that his department continues to be very busy and he expects it to be busier since his Administrative Assistant, Christine DiRuzza, retired last week. A new permitting system has been up and running for 2-3 weeks and about 100 permits have come through; on-line payments can now be done as well. Total revenue for the last quarter is \$166,000, which includes electrical permits, plumbing and building. Solar permits have been down a bit, but will start to pick up again. In relation to last year, he believes that permit fees are up but can't say for sure.

**Susan Pawlisheck, ZBA Chair**, reported that from January through July the ZBA received 13 applications for variances, 6 of which have been approved; there was also one denial and the remaining are pending. They received two appeals of the Building Inspector's decisions and the ZBA upheld his decisions. In closing, she appealed to the public to seek appointment to the ZBA.

**f. Bartholomew & Company Re: Investments**

Karen Snow, Finance Director, stated that she and Treasurer/Collector Christine Caron have met with representatives of Bartholomew & Company, which works with several communities in Massachusetts, and talked about taking some of the Town's money that is currently deposited in local banks and investing it professionally. She then introduced Brian Jamros, Vice President and Chuck Patterson, Vice President/Chief Operations Officer, of Bartholomew and Co., who made a presentation to the Board.

Mr. Jamros briefly covered the Company's portfolio, which had been previously given to the Board. Mr. Patterson then went into more depth, detailing how the company invests trust fund monies, stabilization funds, affordable housing trust funds, OPEB funds, earning higher returns for communities throughout the state. He explained that if the Town were to invest with them, it would likely earn a much greater return on these types of funds, net of the company's fee.

Ms. Snow reported that at this time the Town doesn't have any investments and she would like the Town to look at the possibility of earning a better rate of interest and having an accomplished firm advising her and the Treasurer/Collector. If the Town does decide to go with Bartholomew, they would also recommend that the Town adopt certain financial policies, especially an investment policy.

The Board thanked Mr. Jamros and Mr. Patterson for coming and said they would take the matter under advisement.

**g. Vote Re: Exercising Right of First Refusal on Property Located at 135 Beach Road Unit 304**

Motion by Selectman Ray-Parrott, Second by Selectman McDonald; unanimously voted to not exercise the Town's right of first refusal to purchase the property at 135 Beach Road, Unit 304.

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**h. Vote to Issue Statement of Reasons for Preliminary Assessment of Denial of Cable Television Renewal License to Comcast**

Mr. Harrington explained that the Town of Salisbury and Comcast have not been able to come to terms on a renewal licensing agreement and the Board has already taken action to issue a preliminary denial of Comcast's renewal proposal. He stated that he had been trying to negotiate the best deal for the Town of Salisbury and its cable TV subscribers, but that the former license has expired and the Town needed to take action. He noted that negotiations will continue, but that the Board is required to issue a list of reasons for its denial of the renewal license. The Statement of Reasons for Preliminary Assessment of Denial was prepared by Attorney Epstein and, once approved by the Board, will be sent to the Dept. of Telecommunications and posted on the Town's website.

Motion by Selectmen McDonald, Second by Selectman Ray-Parrott; unanimously voted that the Board of Selectmen, in its role as statutory Issuing Authority for the Town of Salisbury, hereby issues a written statement, in accordance with 207 CMR 3.06(3), detailing the reasons for its preliminary assessment of denial of Comcast's renewal proposal to the Town, dated April 14, 2017. A copy of the Statement of Reasons is attached to these Minutes.

**V. Comments by Visitors**

Mr. Stephen Comley, Sr., founder of "We the People," addressed the Board and stated that he founded his organization in 1987 to bring knowledge about his findings at the nuclear station in Seabrook to the public. He outlined information that he had provided prior to this evening. He stated that he has been meeting with surrounding cities and towns, asking Selectmen and City Council members to endorse his request to have the NRC have a public hearing for first responders to see if the communities within 10 miles of the Seabrook plant can be evacuated during the summer months if the plant were to have a nuclear incident. Chairman Takesian thanked him for coming and said the Board will take his request under advisement.

**VI. Sewer/Water**

**a. Vote to Approve Contract with Pennichuck Water Services, Corp. for Operation and Maintenance of the Town's Water Supply System**

Mr. Harrington reported that he had met with representatives from Pennichuck Water Services and had provided information to the Board that they had requested following the meeting between the Board and representatives of Pennichuck in July. He reminded the Board that Pennichuck was operating under a 60-day extension of its previous contract that expires August 30<sup>th</sup> and the Board needs to decide if they want to approve a new five-year contract or not.

Motion by Selectman McDonald, Second by Selectman Condon; unanimously voted, with reluctance, to renew the Contract with Pennichuck Water Services, Corp. for the O&M of the Town's water supply system.

Discussion: **Selectman McDonald** said she feels there's no other choice but to sign the new contract, but she is not happy with some of the provisions.

**Selectmen Richenburg** stated that he feels the Town is "over a barrel" and doesn't have any choice but to sign the new contract. He agrees with the Town Manager that the DPW Director and Finance

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Director need to scrutinize how monies for unplanned expenses have been spent in the past and get this item under control.

**Selectman Ray-Parrott** said she was concerned because it looks like more work will be put on the DPW and they already do a lot. She said the Town may have an opportunity to sub-contract out certain water-related work without going through Pennichuck.

**Chairman Takesian** said he echoes the thoughts of the other members and now that Board members and the Town administration are more aware of some of the costs associated with unplanned maintenance, perhaps we can focus on better controlling costs.

Mr. Harrington said the Town has already adopted its budget for 2018 and in order for us to absorb the increased base services cost, he will need to submit a revised Water Enterprise Fund Budget at the Fall Town Meeting. He will continue discussions with the DPW Director and Finance Director on ways the Town can pro-actively manage spending in the enterprise fund.

**b. Discussion re: Billing for Water & Sewer Services at Town-Owned Properties**

Mr. Harrington noted that he had provided a memorandum to the Board regarding this issue. It came to his attention recently that the Town might not have been billed for water consumption recently at Town-owned buildings. He checked with Pennichuck to see if this was the case and found out that, since January of 2015, the Town has not been billed for water. He also discovered that the Town has never been billed for sewer. Water consumption at Town-owned properties is not very high, so if the Town were to change its policy, the cost would not be a significant amount of money. He said he believes that Board should adopt a policy requiring that the Town will be charged for water and sewer provided to the Town's buildings. He also found out that Triton has been billed for water but never for sewer and he doesn't know why. He has brought this to the attention of Triton and they said they will be glad to pay. If this is the will of the Board to adopt changes to the Town's water and sewer regulations to change these practices, then a hearing must be advertised and held prior to any vote of the Board.

**c. Discussion re: Moratorium on Private Fire Protection Fee**

Mr. Harrington reported that this particular issue has to do with a fee known by many as the "hydrant fee." When the Town bought its water assets from American Water Works it also adopted the same procedures and policies. However, it was never envisioned that the fee for private fire protection services would apply to large condominium developments. As several of these projects were developed over the past decade, the fee remained in place and bills were sent to condo developers, but several of them went unpaid and remain unpaid after the developers turned the properties over to new condo management companies. There is about \$150,000 in unpaid private fire protection fees, mostly from 5 major condo projects.

Mr. Harrington noted that he has had several meetings with representatives of owners of units in these larger condo associations, who are upset about the fee and are particularly unhappy about the prospect of potentially having to pay for the existing delinquencies, which they did not know about until recently. He has told this group that the Selectmen believe there is an issue of equity involved re: those who have paid the fees over the years and those who have not. He stated that the Town will likely have to engage Town Counsel to get the matter resolved. In the meantime, however, since the Town

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has continued to send bills out and the delinquency issue is getting worse, he strongly suggested that the Board consider putting a moratorium on the private fire protection fee as it applies to residential properties until a course of action for resolving the issues of unpaid fees can be determined. He said he would recommend that the Board take such a vote in the near future.

**VII. Correspondence**

Notification from Comcast re: their agreement for residential services.

**VIII. Hearings – none scheduled**

**IX. Town Manager's Report**

Mr. Harrington gave a brief overview of his written report, a copy of which is available in the Selectmen's office.

**X. Selectmen's Report**

**a. Ratification of Signing of Weekly Warrants:**

Motion by Selectman Richenburg, Second by Selectman Ray-Parrott; unanimously voted to ratify the signing of the following weekly warrants: W18-10 through W18-15, W18-16 skipped, and W18-17 through W18-27.

**b. Subcommittee Reports**

**Lafayette Corridor Sewer Extension:** Mr. Richenburg reported that the situation remains the same. The Town is looking for additional funding through grants.

**XI. Executive Session - none**

**XII. Adjournment**

Motion by Selectman Richenburg, Second by Selectman Ray-Parrott; unanimously voted to adjourn at 8:56 PM.

Documents provided at the meeting and on file in the Selectmen's Office:

Minutes of as listed in item II.

Copies of licenses as listed

Appointment Request letters

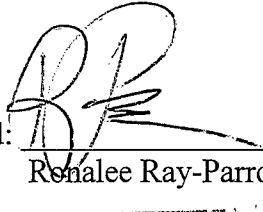
Copy of the Issue Statement under item IV.h

Town Manager's Report

Respectfully submitted:


Janet E. Flannery, Secretary

Approved: \_\_\_\_\_

  
Renalee Ray-Parrott, Clerk

## MEMORANDUM

To: Members of the Board of Selectmen

From: Neil J. Harrington, Town Manager 

Date: August 14, 2017

Re: August 14<sup>th</sup> Report to the Board

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Outlined below is a summary of activities over the past four weeks. Please let me know if you have questions about any of these items.

1) CDBG Grant Award

On July 20, I attended a formal announcement by the Governor and Economic Development Secretary Jay Ash of the communities that have been awarded Community Development Block Grants (CDBG) for this fiscal year. Salisbury was among 80 communities to receive awards, in the amount of \$800,000. Funds from this grant will go toward the long-awaited infrastructure upgrades planned for the so-called “presidents’ streets” neighborhood, as well as grants to local social service agencies. Once again, Planning Director Lisa Pearson and his staff did an outstanding job in preparing this year’s grant application and should be commended.

2) Vacant Positions

I am pleased to report that the DPW Business Manager’s position has been filled with the promotion of Angelica Medina, who previously served as the DPW’s Administrative Assistant. She assumed her new duties today. Her previous position will now be advertised. I have also selected the person I would like to appoint as my next Chief Aide, and I have reached agreement on contract terms with him. This contract needs to be ratified by the BOS, and since the Board does not hold its next regular meeting until mid-September, I am hoping that a special meeting can be held shortly to ratify the contract.

Two other positions are also open – a newly-created Confidential Administrative Assistant to the Fire Chief and an Administrative Assistant in the Building/Health Department. Both positions have been advertised, and I will keep the Board informed of who is chosen for these two positions.

3) Comcast Negotiations

As you know, there have been several negotiations sessions between the Town and Comcast since May re: an attempt to reach agreement on the terms of a new 10-year cable operator’s license. Unfortunately, we did not reach an agreement before the current license expired this past weekend, so the Town’s attorney suggested that the Board vote to issue a “Preliminary Assessment of Denial” for a new license and a “Statement of Reasons” for such denial. The matter will now be referred to the Mass. Dept. of Telecommunications and Cable, which will

attempt to settle the matter. In the meantime, Comcast will continue to provide cable TV and other services to residents of the Town.

#### 4) Town to Resume Sewer Billing

Effective in October of 2017, the Town will resume responsibility for sewer billing. A few years ago, we reached an agreement with Pennichuck to provide this service, but for a variety of reasons, it has not worked out as planned. Starting this fall, the Tax Collector's office will be responsible for sewer billing, collections and customer service. Also, all sewer bills will be mailed to the assessed property owner. Sewer bills will no longer be mailed to tenants.

As of September 1, all sewer payments should be made payable to the Town of Salisbury and mailed to Town Hall. Customers may also use the drop box outside Town Hall, but not the drop box outside of the DPW building, as that will be reserved for water payments only. Online payments may also be made to the Town, but not before Oct. 15. A mailing is going out to all sewer customers this week and notices will be posted on the Town's website and SCTV. Anyone with questions about sewer billing, should call the Tax Collector's office at 978-465-0331.

#### 5) Upgrade to Wastewater Treatment Plant

As a result of the EPA agreeing to the Town's proposed solution for meeting federal effluent standards, I have signed a contract with our consulting engineers, Weston & Sampson, to provide final design and permitting engineering services for the bidding and construction of a 30-inch diameter effluent outfall diffuser at the wastewater treatment plant, as well as contract for final design, permitting and bidding assistance for the replacement and upgrade of the ultraviolet disinfection equipment and controls at the plant.

This project, which will take place over the next two fiscal years, will cost an estimated \$3.5 million, as opposed to a multi-million-dollar upgrade of the existing plant that would have been likely had the Town not reached an agreement with the DEP. This first phase of the project will be paid for with a 42 million Bond Anticipation note, the authorization for which was approved at the spring Town Meeting. I will keep the Board informed of the progress of this project.

#### 6) Appeal of State-Owned Land Values

As we have in years past, the Town has appealed the latest valuation of State-Owned Land by the Dept. of Revenue to the Appellate Tax Board. I will hand out a more complete summary of the process to Board members this evening, written by Chief Assessor Cheryl Gorniewicz. For the benefit of public, I will summarize the issue and the Town's position below.

The State values the land it owns in each community, which is exempt from taxation, every four years. On June 1, the Commissioner of Revenue issued the State's preliminary State-Owned Land (SOL) values and, once again, SOL in Salisbury was de-valued to \$5,492,000, with only \$2,196,900 attributed to the Salisbury State Reservation. For purposes of comparison, the most recent value of SOL in Salisbury, which was reached by a negotiated settlement with DOR in 2013, was \$27,111,900. The importance of SOL values lies in the fact that the State pays each community a certain amount of State Aid based on the value of SOL in that community. In some circles, this is known as a Payment-in-Lieu-of-Taxes. The lower the value of our SOL, the less money that Salisbury will receive from the State in lieu of taxes.

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We have always considered our SOL position to be one where equity is paramount. In other communities with waterfront SOL, the DOR has valued such property much higher than they have in Salisbury; thus, we have had to appeal our values. In each case over the past 12 years, Salisbury appeals and the State settles with us on a reasonable value for our SOL. Why this exercise is repeated every 4 years makes no sense. Going forward, however, the State will be implementing a new valuation methodology, so it is very important for Salisbury to achieve a fair value for our SOL in this fiscal year, as that number will be the benchmark going forward. The Appellate Tax Board must hear all appeals and decide on each case by Jan. 20, 2018. The Chief Assessor and I will keep the Board and the community updated on the result of our appeal.

#### 7) Private Fire Protection Fees

On August 3, I held another meeting with about 20 owners of condominiums who are objecting to the Town's private fire protection fee. The meeting focused on the issue of how the Town can resolve the matter of delinquent fees and who is responsible for paying them. I made it clear to the residents that there is an issue of equity involved, as some condo associations have paid their fees to date and some have not. The residents understand that a resolution to the larger issue of whether the fees should continue will hinge in part on whether a solution to the unpaid fees can be agreed upon.

It was also brought to my attention that several of the current condo associations were never notified by the developers of their complexes or the companies that manage the current condo associations of the existence of the fees. I am attempting to gather information on the billing history of the fees and the dates when the legal ownership of the condo complexes transferred to the current associations. Resolving the issue of delinquent fees may involve the Town taking legal action against developers who were notified of the fees and were billed for them, but who ignored paying the fees. In the meantime, I am recommending that the BOS consider imposing a moratorium on charging private fire protection fees to residential developments.

#### 8) Sewer Billing Methodology

On July 26, I held another meeting with Tom Saab and Atty. Paul Magliochetti regarding the issue of whether the Town can/should move from a sewer billing system based upon EQRs to one based upon water consumption. Additional analysis of the Town's water and sewer billing database, which is managed by Pennichuck, needs to take place, but I believe that changing the current sewer billing system could be accomplished, if the Board desires to do so, provided that any new sewer user rate contain a fixed cost factor, similar to the one built into the Town's water user rate, that the Board considers equitable and guarantees that the revenue from such a new system does not fall short of the revenue realized from all current sewer users. Over the next few months, additional study will be done, with an eye toward making a recommendation to the BOS before the end of the calendar year.