

HUDSON, NEW HAMPSHIRE BOARD OF SELECTMEN

Minutes of the April 08, 2025 Meeting

1. CALL TO ORDER – by Chairman Dumont the meeting of April 8, 2025 at 7:00 p.m. in the Selectmen Meeting Room at Town Hall.
2. PLEDGE OF ALLEGIANCE – Police Chief, Tad Dionne.
3. ATTENDANCE

Board of Selectmen: Dillon Dumont, Bob Guessferd, Dave Morin, Xen Vurgaropulos and Heidi Jakoby.

Staff/Others: Town Administrator – Roy Sorenson; Town Engineer – Elvis Dhima; Police Chief – Tad Dionne and Captain Cayot; Public Works Director – Jay Twardosky; IT Director – Doug Bosteels; Executive Assistant – Lorrie Weissgarber; Benson Park Committee – Jack Madden; Plodzik & Sanderson Auditors – Mike Campo and Ryan Gibbons; CPCNH – Henry Herndon; School Board Liaison, absent.

4. PUBLIC INPUT

Katherine Nardoni – 20 Maple Avenue

I would like to address the Board in regards to the election of the Chair and Vice-Chair last meeting. I was confused and disappointed what I saw take place at the meeting on March 25th. From what I saw there was several instances where a point of order should have been called and where normal election procedures were not followed. In a normal election people are nominated, they may or may not be seconded, that's normal. When there are no further nominations, the nominations are closed, there may be a discussion and a vote is taken. If there's only one nominee, sometimes the vote is not even necessary. And most of this was followed for the Chairman position, although there seem to be some confusion about whether it was a nomination or a motion. When the Vice-Chair position came up, Guessferd was nominated and somehow it became a motion and the Committee decided to vote on the motion. It should have been a nomination. When Selectman Jakoby nominated herself, the Chair completely ignored her and never had a vote on the full slate of nominees. She and Guessferd should have been put forward. A question to whether or not there were further nominations and then a closing of the nominations should have been happened, any discussion and then the vote should have taken place. By dismissing the nomination of Jakoby, not only was the procedure violated, but the Board seemed to disrespect a duly elected member of this Board. As a voter in Hudson that makes me feel disrespected as well. I would like that the election, I'd like to ask that the election of the Vice-Chair be redone and that Selectman Jakoby be treated with the respect that each member of this Board deserves. Thank you.

James Crowley – 4 Fairway Drive

Don't worry I'm not doing a Senate filibuster. I have lived at 4 Fairway Drive for over 37 years. I'm here to address BOS regarding New Business item 8C. During the BOS review of New Business item 8C I doubt public comments will be allowed during this exploratory meeting on the subject. First I need to give some verbal history before I make any suggestions to the BOS. Audit Report Findings, the Auditor reported deficiencies in fiscal year ending June 30, 2024, Hudson Annual Report. Members of the public who are more experienced in accounting methods than me have already contacted the BOS with their concerns in writing and I wanted to bring some of those to your attention verbally again tonight. Deficiencies noted in the audit 1) failure to record capital assets. In the audit report there it was noted that there was a failure to record all of the capital assets related, accumulated depreciation in government activities and accordingly has not recorded depreciation expense for those assets. According to generally accepted accounting principles this is required. 2) Unknown extent of effect. The audit also indicates that the extent of the effect on assets that position and expenses of governmental activities is currently unknown. 3) Omission of management discussion and analysis. The audit reports states that the town omitted the management discussion and analysis, which is required by general accepted accounting principles. The audit notes this is an

essential part of natural reporting for placing the basic financial statements and appropriate operational economic course historical contents. Now I request to the BOS. Therefore after an initial BOS examination discussion of New Business item 8C, I request that the BOS address the following in the future. 1) Investigate the auditors issues in more detail possibly by forming a BOS member sub-committee knowledgeable in accounting practices with needed guidance and input from the Town Administrator. 2) Discuss the allocation of funds for independent more forensic detail audit if deemed necessary. 3) Explore authorizing the Town Administrator to use his knowledge and experience to oversee a final supplemental management discussion analysis overview report that is currently lacking for the audit report. Future public meeting. I hope that BOS also holds a future public meeting on their findings and on the Hudson finance department corrective action plan for audit finding reference 2024 – 002 managements response and planned corrective action with an anticipated completion date of June 30, 2025. This is shown in packet materials for item 8C. I hope some future meetings after BOS investigations allow public questions concerning any additional findings on their current town financial audit. Future budgeting under BOS control and impossible impact adjustments to Hudson property tax rates depend on clear, transparent and acceptable accounting practices both past and future. And thank you for your work this Board does and the time you've given me. Thank you.

Peggy Huard – 13 David Drive

Good evening, I wanted to first of all welcome and thank Plodzick and Sanderson for coming tonight to clear up the many questions myself and other taxpayers have on the audited financial statements. I know all too well better than most taxpayers what these findings mean. And I also know that the Board of Selectmen had the responsibility for the internal controls under New Hampshire RSA 419. So I'm not going to say too much tonight, I want to hear what Plodzick and Sanderson has to say and I will be back to comment in the future. Thank you.

Kate Messner: I just wanted to say I'm Kate Messner and I'm the other Hudson Community CPCNH rep for Hudson, and I'm here.

Todd Boyer – 2 Merrill Street

A few things that I wanted to bring to the Board's attention. The first thing is, in regards to, elected officials and appointments, liaison positions. I'm not looking for rotation. I'm not looking for people to be able to have a title. I want the best person sitting in that seat. So, if you take for instance, Zoning Board or you take Planning Board, they need to know laws, they need to be able to apply those laws, they need to be able to hear what is going on and they need to be able to apply those laws. So I don't necessarily want a rotation, I want somebody that understands it and somebody that can do the job efficiently. In regards to the Community Power that's going to be coming up, I will take responsibility myself for actually not paying attention to what goes on in town previously. I just started getting excited about it, maybe about a year ago, and I've been paying attention. When I hear about what Community Power was I went back and did some serious research and I found some very interesting things, to myself. I'm not sure if the Board ever took it into consideration. But the whole opt-out fact, I know it's been beaten to death, but, I truly don't think that that is the right thing to do. Me, myself, believe it or not, I have 10 electric meters in my name. It took me about maybe 15, 20 minutes to opt-out of all of them. Now it's not a major deal, but the fact that my initial choice to decide whether or not I wanted to be in it was taken away. Something was put onto me to make me get out of it. So I didn't really think that was quite right. I didn't find the agreement that was actually signed between the Town of Hudson and Community Power. But what I did find was I found the draft. I actually read every single page of that draft and there was quite a few things in there that as a business owner, I would have red-lined immediately. There are things in there as far as people's private, personal information. They are allowed to have security that they feel is appropriate. OK. What do they feel is appropriate? You definition of appropriate and mine may be two different things. They're third-party associates, they're allowed to have it. So, one question I would have is, does the Town have, you know, the coverage to take of third-party people having private information that our citizens have? In addition to that, if the price of the electricity does go up, it is going to be on the burden of the people. If enough people get wind of what is taking place, and they do opt out, and the price of electricity goes up. The people that are unaware of the fact that Community Power is in place are going to be paying the burden. So to that point, the flyer that went out, again I'll take responsibility, I don't know if I got one or not. I don't remember seeing it. And I only knew that my electric bill had Community Power after coming to a meeting. With that all being said, my last point is,

as a business owner, I have distributors, I have purchasing people and I have myself. If I have a purchasing agent who works with one of my distributors, he is working on my behalf to get me the best price possible for whatever I am buying. If that purchasing agent all of a sudden becomes an agent for the distributor that I am purchasing items from, that instantly, in my mind, becomes a conflict of interest because now how do I know my purchasing agent is working for the best interest of me? It's a double standard. So, I instantly would believe that that would be a conflict of interest and I would be calling out my purchasing agent for that. There was also some talk about temperature in the room. If that's a problem, what I would suggest is just hold people accountable. You don't have to do anything more but hold people accountable. That's all I have to say. Thank you.

Chairman Dumont: Anybody else like to come up and offer public input? With that I will close public input at 7:15. We will move onto item number 5. We have a nomination, we have a citizen who's looking for looks like maybe some guidance on choosing a board or committee. Brendon Sullivan, if you could please come on up.

5. RECOGNITION, NOMINATIONS & APPOINTMENTS

A. Nomination

1) Brendon Sullivan – Choosing a Board/Committee

Brendon Sullivan: Hi, I'm Brendon Sullivan. I have lived on Bruce Street for almost three years now and I've never addressed a committee like this and I'm a little nervous, so bear with me please.

Chairman Dumont: Take your time.

Brendon Sullivan: Like I said, I'm still fairly new to the community. But, I've been getting to know it more and to enjoy it a lot more and I'm also an aspiring social worker, I'm in school right now, in graduate school. And I've been learning a lot about policies and procedures and getting more involved in the community and one of my assignments was to figure out who was in charge of the town that I live in. When I started researching and looking into it, it seemed like a great way to get more active to help out where I'm needed. Like you said, I don't, I'll say the Benson Park Committee was the one that caught my eye because I utilize Benson's Park a lot and I just think it's a great space. But, the more I dug deeper, I think that I could contribute in so many different ways. And you know, the more I read about it the more I could see myself maybe in a few other places. But, with that being said I want to be used where I'm needed most, where I can contribute the most, where I can help. So maybe with a little guidance and I can go home and do a little research. Roy, he introduced himself and addressed me before the meeting, I'll let you guys know exactly what it is that I want and we can work together and hopefully figure something out.

Chairman Dumont: I just want to say thank you very much for putting yourself out there and taking this opportunity to volunteer. All of our Boards are in dire need of volunteers so we really need people like you to step up and do this so thank you very much for coming forward. If anybody doesn't have any specific questions...

Selectman Morin: I just wanted to say all our Boards need help, so what are you interested in? Because we can use you anywhere.

Brendon Sullivan: I think the Zoning Board of Adjustment is something that I'm definitely interested in. I think that's really important and that's all encompassing. The Recreation Committee is, you know just as somebody who likes to play pickleball, likes to shoot hoops, likes Benson's Park to get out, that's an area I could definitely see myself in. And, when I was looking this afternoon, you know just reviewing my notes and figuring out what I was going to say tonight, the Nashua Regional Planning Commission, I thought kind of gives me a chance to get involved in so many different things and so many different areas. So, I would say those are three that I could definitely see myself on. But, like I said, I want to be where I'm needed and where I'm wanted.

Selectman Morin: Every one of them.

Brendon Sullivan: That makes it easy.

Selectman Jakoby: I just want to comment, and this is great for anyone who's watching as well, I think it's also important to look at their meeting schedules as well as take a look at some of their meetings to see what they're covering. But, as Selectman Morin said, it's, we need people many places. And I don't think we want to tell you where to go, but, just really thank you for having this conversation in public with us so that we can encourage others as well.

Chairman Dumont: One question I did have, you touched on it a little bit, but could you maybe talk a little bit more about your background? I know a lot of these committees, they vary in what they do, have you run into any of these in the past? Have you dealt with issues as far as land use goes? Or, you mentioned Benson Park, Conservation Commission, things of that nature.

Brandon Sullivan: I would say on like a town level it's not something that I necessarily have a lot of experience with. But, as far as pressure or following rules or working on a time limit, I have a really good background in that. I'm a maintenance worker right now at the VA hospital in Bedford, we're always on a tight schedule. Sometimes we're understaffed, sometimes we're underfunded but we always find a way to get the job done for whatever it calls for. I'm also a Navy veteran with five year's experience on the flight lines so I know all about following the rules but getting the job done quickly and things changing and things coming up. I have that experience and I am also open to learning and figuring out how different things operate so, I'm a sponge. I'm ready to be taught and utilized.

Chairman Dumont: Well first off, thank you for your service. I would say what Selectman Jakoby offered is probably your best bet. I don't think any of us want to exactly tell you where to go and find your seat. Because all the boards are actually important, they all do a very specific task that's important to the town. So if you find any of those, and you can do a little bit of research on just the meetings, maybe review some of the minutes. What I would suggest, they that I started out was with an alternate position in Land Use. That way I wasn't directly making motions or voting on issues, but I was participating in conversation, was getting exposed to the information, and then work my way up from there. Not saying that's what you have to do. If you want to choose a different route, but that's just a suggestion.

Brendon Sullivan: Yes, thank you.

Chairman Dumont: Anybody else?

Roy Sorenson: Feel free to reach out to our office as well and we'll try to help you through that, we'll point you in the right direction. OK?

Brendon Sullivan: OK.

Chairman Dumont: Thank you very much for coming forward, we look forward to hearing from you.

B. Appointments

- 1) Conservation Commission – Kathryn M. Griswold, seeking member position
 - One (1) member vacancy to expire December 2027
 - One (1) alternate vacancy to expire December 2025

Selectman Morin made a motion, seconded by Selectman Jakoby, to appoint Kathryn Griswold as a member of the Conservation Commission with a term to expire December 2027. Motion carried, 4-0.

- 2) Benson Park Committee – Sarah Petkiewicz, incumbent seeking member position
 - Two (1) member vacancy to expire April 2028
 - Two (2) member vacancies to expire April 2026
 - One (1) member vacancy to expire April 2027
 - One (1) alternate vacancy to expire April 2028

Chairman Dumont: Anybody to speak to that? I know I had gotten to work with Sarah briefly when I was on there. She did a good job, she was very attentive, showed up to the meetings. If maybe Mr. Madden could come up and speak to that? Just offer some information, if anybody has any questions.

Jack Madden: Sarah has been a member for three years, she's a solid individual. She has served as our secretary for most of that time. She does a good job keeping us all on track, much better job that I actually did when I was secretary. I definitely support re-nominating her for another term.

Chairman Dumont: Thank you Mr. Madden, we're looking for a motion.

Selectman Vurgaropulos made a motion, seconded by Selectman Morin, to appoint Sarah Petkiewicz as a member of the Benson Park Committee with a term to expire April 2028. Motion carried, 4-0.

Selectman Vurgaropoulos made a motion, seconded by Selectman Jakoby, to remove consent item 6A for separate consideration. Motion carried, 4-0.

Chairman Dumont: Is there a motion on the remainder of the consent items?

Selectman Jakoby made a motion, seconded by Selectman Morin, to remove consent items 6C1, 6C2 and 6E for separate consideration. Motion carried, 4-0.

Selectman Morin made a motion, seconded by Selectman Jakoby, to approve the rest of the consent items. Motion carried, 4-0.

Chairman Dumont: So we have for separate consideration 6A1, I think would be the easiest one to handle.

Selectman Jakoby made a motion, seconded by Selectman Morin, to accept consent item 6A1. Motion carried, 3-0-1. Selectman Vurgaropoulos abstained.

Chairman Dumont: So first up would be 6C1, readopt the Fund Balance Policy.

Selectman Jakoby: Yes. So the only thing that I would like to see on 6C1 and 6C2 is today's date as last reviewed or as the revision date. I mean we're not revising it, I don't have any concerns about it, but I want today's date somewhere on the policy. So we know the date it was reviewed.

Chairman Dumont: Yes, I think that would be appropriate. I don't see it making obviously any significant changes to it but just to say this was the last time the Board had seen it.

Roy Sorenson: You will see these every year, so we can do that. We'll just keep changing that date if it makes sense, or the year.

Chairman Dumont: Based on the meeting that the Selectmen review it.

Selectman Jakoby: So will you just add reviewed on 4/08/25?

Roy Sorenson: We could probably because we're not revising it. So, maybe instead of review frequency, we'll change that to the actual review date.

Selectman Jakoby: OK. I just think it's important, just in case we miss it a year that the other Selectmen would know when it was last done.

Roy Sorenson: And that's for both items?

Selectman Jakoby: I would suggest that as well for item 6C2.

Selectman Jakoby made a motion, seconded by Selectman Morin, to accept consent items 6C1 and 6C2 with changes. Motion carried, 4-0.

Chairman Dumont: So next up we have item...

Selectman Morin: Item B is what? Old Business?

Chairman Dumont: Yes, we're on item E right now, acceptance of minutes because that was pulled out by Selectman Jakoby.

Selectman Morin: Oh, alright. We have one more.

Selectman Jakoby: I had just pulled that out. I had sent some minor corrections to Mr. Sorenson. He has made those with Ms. Weissgarber, has made some corrections. So just so people know they were amended. So we're approving them as amended. And just to note to the public that the charts that were used in the conversation are now up on the packet for those minutes. And that the referenced letter in the nonpublic item will also be up, it's not currently up. We just checked it but that will also go up. So, check the packet, check the new minutes.

Selectman Jakoby made a motion, seconded by Selectman Morin, to accept consent item 6E1 as amended. Motion carried, 4-0.

Selectman Morin made a motion, seconded by Selectman Vurgaropoulos, to change the order of business and move Old Business, 7, behind New Business, 8. Motion carried, 4-0.

6. CONSENT ITEMS

A. Assessing Items

- 1) Solar Exemptions: 29B Lund Dr. – map 162/lot 031/sub 002; 33 Cedar St. – map 197/lot 099; 8 Madison Dr. – map 168/lot 012; 18 St. Francis Pl. – map 217/lot 042; 52 Adelaide St. – map 175/lot 153/sub 004; 10 Applewood Dr. – map 248/lot 084; 141 Highland St. – map 167/lot 049; 155 Barretts Hill Rd. – map 160/lot 006; 41 Dracut Rd. – map 241/lot 007; 7 Blackstone St. – map 183/lot 067; 149 Wason Rd. – map 200/lot 033; 33 Ferry St. – map 182/lot 098; 4 Paula Cir. – map 191/lot 024/sub 001; 5 Muldoon Dr. – map 246/lot 054; 15 Federal St. – map 165/lot 058/sub 001.
- 2) Current Use Lien Releases: Map 115 Lot 002 Sublot 007 – 3 A & B Acadia Drive; Map 115 Lot 002 Sublot 003 – 6 A & B Acadia Drive; Map 115 Lot 002 Sublot 004 – 8 A & B Acadia Drive; Map 110 Lot 053 Sublot 000 – 5 A & B Hampton Lane.
- 3) Current Use Lien Release: Map 177 Lot 065 Sublot 000 – 53 Kimball Hill Road.
- 4) Elderly Exemptions: 4 Madeleine Ct. – map 156/lot 008/sub 019.
- 5) Disabled Veteran Tax Credit: 12 East Hill Dr. – map 205/lot 008.
- 6) Veteran Tax Credits: 3 Lorraine St. – map 198/lot 121; 10 Lexington Ct. – map 147/lot 017/sub 027.
- 7) Disabled Veteran and Regular Veteran Tax Credits: 32 Copeland Dr. – map 152/lot 044; 21 Circle Dr. – map 122/lot 026.

B. Water/Sewer Items

- 1) Betterment Assessment – 2 Clement Road
- 2) Betterment Assessment – 6 Clement Road

C. Licenses & Permits & Policies

- 1) Re-adopt Fund Balance Policy
- 2) Re-adopt Investment Policy
- 3) Places of Assembly Permit – Lynn's 102 Tavern
- 4) Scrap Metal Permit – Granite State Salvage
- 5) Outdoor Gathering Permit – Block Party, 1 Federal Street
- 6) Outdoor Gathering Permit – Motorcycle Show; Hudson Speedway
- 7) Outdoor Gathering Permit – Midget Wrestling; Hudson Speedway

D. Donations - None

E. Acceptance of Minutes

- 1) March 25, 2025

F. Calendar

4/8	7:00	Board of Selectmen	BOS Meeting Room
4/9	7:00	Planning Board	Buxton Meeting room
4/14	7:00	Cable Utility Committee	Hudson Cable Access Center
4/14	7:00	Conservation Commission	Buxton Meeting room
4/15	7:00	Municipal Utility Committee	BOS Meeting Room
4/16	6:00	Library Trustees	Hills Memorial Library
4/17	7:00	Benson Park Committee	Hudson Cable Access Center
4/22	7:00	Board of Selectmen	BOS Meeting Room

7. OLD BUSINESS

A. Votes taken after Nonpublic Session on March 25, 2025

- 1) Selectman Morin made a motion, seconded by Selectman Guessferd, to accept the resignation of Beth McKee, Town Accountant, moreover Interim Finance Supervisor, effective March 28, 2025, with Board's thanks and appreciation. Motion carried, 5-0.

- 2) Selectman Morin made a motion, seconded by Selectman Guessferd, for the Hudson, New Hampshire, Board of Selectmen, accept the resignation of Traffic Technician John Dowgos from the Department of Public Works effective immediately. Motion carried, 5-0.
- 3) Selectman Morin made a motion, seconded by Selectman Jakoby, to authorize the Director of Public Works to hire Christopher Alers as a full-time Truck Driver/Laborer at \$24.25 per hour (Grade 8, Step 1) in accordance with the Teamsters Local #633 agreement, effective March 31, 2025. Motion carried, 5-0.
- 4) Selectman Morin made a motion, seconded by selectman Guessferd, to authorize the Director of Public Works to post for the Traffic Technician position in accordance with the Teamsters Local 633.
- 5) Selectman Jakoby made a motion, seconded by Selectman Guessferd, to hire Marissa McDaniel for the position of Dispatcher in the Fire Department at the contracted salary of \$21.47 per hour Step 1. This assignment will be a non-exempt position in accordance with the International Association of Firefighters Local #3154, as recommended by the Fire Chief. Motion carried, 5-0.
- 6) Selectman Jakoby made a motion, seconded by Selectman Vurgaropoulos, to authorize the Fire Chief to hire Jeremy Zelanis and Alex Bergeron as Part-Time Provisional Call Firefighters, an unpaid position with no benefits, as recommended by the Fire Chief. Motion carried, 5-0.
- 7) Selectman Guessferd made a motion, seconded by Selectman Morin, to enter into a contract for legal services, exclusive to those services currently provided, moreover exclusive to and with the law firm of Tarbell & Brodich, PA, for the period of July 1, 2025, through June 30, 2028, for the terms as specified in the Proposal for Legal Services 2025-2028 letter as prepared by Attorney David LeFevre. Motion carried, 4-1, Jakoby opposed.
- 8) Selectman Morin made a motion, seconded by Selectman Vurgaropoulos, to retain the services of former Town Administrator Steve Malizia for up to three (3) months starting April 1, 2025 at the rate of \$100.00 per hour without benefits to assist with the Finance Department. Further, it shall be the purview of Town Administrator, Roy E. Sorenson, to terminate such services within that three month period as applicable once proper staffing is in place for effective daily operation. Motion carried, 5-0.
- 9) Selectman Morin made a motion, seconded by Selectman Guessferd, to remove item #8 from the Non-Public agenda and to take no action. Motion carried, 5-0.
- 10) Selectman Morin made a motion, seconded by Selectman Guessferd, to adjourn at 11:20 p.m. Motion carried, 5-0.

8. NEW BUSINESS

A. Capstone Project/Alexander Taylor – Administration/Decision Chairman Dumont recognizes Town Administrator, Roy Sorenson.

Thank you Mr. Chair. Unfortunately Alexander could not be here tonight so I'll present this. As the Board may recall back in September of '23, if you're on the Board, that Alex was here to present a project at Robinson Pond Recreation Area. He completed that project which is a fire ring and earned his Eagle Scout. He has since continued on in his path and he has a new Capstone Project, its part of his Capstone Project, was to build two picnic tables again back to the Robinson Pond Recreation Area. These are pretty hardy tables, you can see those in the picture attached with his letter as well. And, I know that he's been communicating with Jay Twardosky, our DPW Director, to get these tables located in the field. So, at that point I would ask the Board to make a motion to accept the tables. You can see the value in the motion as well. And certainly just congratulate Alex on his achievement for his Capstone Project.

Chairman Dumont: Yes definitely the motion should be made with thanks and appreciation.

Selectman Vurgaropoulos made a motion, seconded by Selectman Jakoby, for the Board of Selectmen to hereby graciously accept a donation of two picnic tables from local resident Alexander Taylor, valued at \$270.34, as part of his Capstone Project, to be located at the Robinson Pond Recreation Area. Motion carried 4-0.

Selectman Jakoby: I just wanted to say that having serving on the School Board, these Capstone Projects are amazing and it's so wonderful to see how they affect our community. So, I just want to commend all the Capstone students and I'm thankful for this one as well.

Chairman Dumont: I appreciate mentioning that. Community outreach is very important.

B. Train Station Lead & Mold-Moisture Bid – Benson Park Committee/Decision

Chairman Dumont recognizes Benson Park Committee Chairman, Jack Madden.

I come before you this evening to ask your approval of New England Restorations LLC as the low bidder to perform the lead hazard reduction to state standards and mold mitigation in the Hudson Center Train Station building in Benson Park. The low bid was \$31,243. Town Accountant, Beth McKee, had advised me that the Benson Park capital reserve fund balance as of January 31, 2025 was \$100,817.62. So that is the fund ultimately from which we would pay for the removal of the lead and the mold. Asbestos remediation was previously completed on this building on September 23, 2022 under a different contract. Also under a different contract the inspection for the lead paint and mold moisture was performed by American Environmental Testing Services LLC and four reports were issued on March 28, 2024. The work items contained in those reports were the basis upon which the bidders were provided information to bid. So that was their target. The project intent in the near term here is to, the remediation project is to render the interior of the building free from lead and mold/moisture contamination so that volunteers can work in the building. Work by volunteers would be initially to remove the modifications made to convert the building into an apartment and eventually remove all the subsequent non-standard modifications so we could return the interior of the building to the 1916 design as documented in reports by the B&M Railroad to the Interstate Commerce Commission. Longer term after the rehabilitation of the building, members of the public could visit the building and observe any Boston or main railroad artifacts from the Boston Main Railroad Historic Society which may be on the display inside. The building is not, and will never again, be used as a residence. Most of the lead paint contamination will be physically removed from the inside of the building and all the mold will be removed. The removal of the lead paint contamination will include the wainscoting from the chair rail down to the floor. And for the eventual interior rehabilitation we will preserve the wainscoting encased in plastic bags and we'll place them in the basement. Because they could be used at the direction of the Division of Historical Resources to strip all the lead paint off of it and then reuse them. That would be very expensive to do each individual board of the wainscoting. But, I'm not recommending that, that's for a future decision but at least we will have them. The plaster on the lath and plaster walls above the wainscoting will be removed. The lath will remain as it does not absorb lead from the plaster. This will also preserve the ability during a future rehabilitation to have a craftsman place new plaster over the existing lath, or, if we put wall board over it, plaster board, we have a surface over which the plaster board. So at that point anything that's lead including the ceiling, will be taken down and disposed of properly. Now there are three doors in the building which will have the surface encapsulized with a coating to seal the lead contamination. This includes the two four panel exterior doors which everybody can see from the outside. We'll do, obviously, both sides. And one five panel interior door which has got two decorative metal grape features and that's in the larger waiting room to the storage room. The capsulation is planned to last 20 years so the next future step for that would be somebody else's issue to have to deal with. We'll get 20 years out of it. Now there will have to be some selective demolition of feature within the building in order to gain access to the lead and mold contamination that is in the walls. Now much of the original walls are covered with sheets of hardboard wall panels and they will need to be removed in order to expose the lead-containing original walls. And particularly in the kitchen and the bathroom area it'll expose the mold. And particularly in the bathroom the walls are covered with hardboard and some plastic or fiberglass panels, it's like replicated bathroom tiles, will need to be removed as well. The tub in the bathroom will need to be removed to gain access to the lead and mold in the walls behind them. And we all agree that the harvest gold tub is not an original 1916 feature of the train station. I mentioned the suspended ceiling will be removed. Other miscellaneous shelving wood trim around the windows and doors will need to be removed to access the walls underneath. Now the future discussions will be held with the staff of the New Hampshire Division of Historical Resources concerning rehabilitation of the (inaudible) of the train station and the context of the 1995 addition of the U.S. Secretary of Interior Standards for the treatment of historical properties. Any future rehabilitations completely outside the scope, this is just to get the lead and the mold out of the building to make it safe so volunteers can take out the panels that were put in to turn the freight

room into the two bedrooms and so forth. So, if you don't have any additional, any questions, that concludes my request and I stand ready to answer any questions that you might have.

Chairman Dumont: Looks like the Town Engineer might may have a question for you. I acknowledge Elvis Dhima.

Elvis Dhima: So you have a tall order there right, from what I can tell? From what you just stated. We want to make sure that we have the department of, DHR on board, correct? So we need something in writing from them to make sure that we're not changing the character of the building. For the ones that were involved with process when we did the exterior work, it was very thorough process. They can be very challenging to work with. I will say some of you were involved with the Hazelton Barn roof. You also know we tried multiple times to do some exterior work there, as you know, and we were not successful. I want to make sure that you and the Town do not get in trouble because I think your intention is to do the right thing and it needs the work. But we want to make sure we're not getting anyone upset up there at the state because they're very sensitive when it comes to buildings.

Jack Madden: I do have the point of contact that I can deal with up there.

Elvis Dhima: So, when you get something in writing by them it's going to be to the Town, because obviously it's under our jurisdiction. Once we get that writing and we make sure that we're on the same page, then you will move forward with the work. But we want to make sure we're on the same board because they do like to visit once in a while and see what's going on. So, that's it. I want to make sure we're on the same page.

Jack Madden: I concur.

Elvis Dhima: Thank you. Thank you for all you're doing, it's a lot of work.

Jack Madden: One thing I did forget to mention is that the contractor who's going to do the lead and mold removal, under the laws of the state, they can certify that the mold has been removed, but they can't self-certify the removal of the lead. So, the thought is what we'll do is we'll go back to the American Testing Services who actually did the original inspection, and we use them. Take the report and go through the building and inspect and verify that all the stuff they said needed to be done has in fact been done. So that'll be a separate contract from the removal. I will come up with a value of that once we know what we're going to be looking at it after the first contractor completes his work. So again, I ask for the Board of Selectmen to approve the low bidder with the contingency as Mr. Dhima said and I'll get that letter out to DHR.

Selectman Jakoby: I just want to thank you for giving us the bid sheet to see that you did go out for five bids and clearly there's a lot of work out there. You did receive two bids and you're asking us to accept the lower bid. So I do thank you for that research and that information. And to Mr. Dhima's question, is there any need to modify this motion or this motion appropriate? If we need to add something to it.

Jack Madden: Yes, that was the motion that they officially...

Selectman Jakoby: I just wanted to make sure we covered it.

Elvis Dhima: Selectman Jakoby I would just state with pending DHR's approval for such work. That way we're on the same page.

Selectman Jakoby made a motion, seconded by Selectman Morin, to award the lead paint abatement and the mold/moisture abatement contract for the Train Station Building to New England Restorations, LLC in the amount of \$31,243, pending New Hampshire Division of Historical Resources' approval for such work. Motion carried, 4-0.

C. Town Audit – Administration/Informational

Chairman Dumont recognizes Town Administrator, Roy Sorenson.

Thank you Mr. Chair. So for this item here we have Mike Campo and Ryan Gibbins of Plodzick and Sanderson. They are the ones who perform the town audit and they have been doing this for the past, I believe, 20 years. And Mike, you can correct me on that if I'm wrong. So they're very familiar with the town, the finances and how the audit works and what has to be covered in it and what to pay attention to. So they're here tonight to present. This traditionally hasn't been done using this platform which is at a BOS meeting. I know we talked in length about this from my past experience, this is kind of how it's always been handled. So with that I'm going to turn it over to Mike and Ryan.

Mike Campo: I appreciate that. I'm Mike Campo, I'm the partner in charge of the job. Plodzick may have been doing it for 20 years, I don't know that for sure. I have not been doing it for 20 years, I'm not that old. I believe I've had it

for the last five years. What we try to do is rotate partners on a five to seven year basis, sooner if requested by the account. Or, if it's just not working out with one partner and government. So, with that in addition to my five years, I would say probably in my time here you've probably had close to 20 different individuals work on your account. Which sounds like we're just running people in and out, we actually have an excellent retention rate of staff. I believe that we're double digits for our staff of governmental only, they spend their entire year working on government. A lot of firms who do this, do this part time to fill in between tax season. Our firm only does, I'm sorry, my side of the firm only does governmental audits. My personal ledger is about 110 government audits across the state of New Hampshire including Nashua Planning Commission, which I heard mentioned earlier tonight. Town of Merrimack, Merrimack Water, so we do quite a few in the area. So with that, what I'd like to do is go through the audit, review it. There was some points made up by the public. Actually, before I get into that, on your policies you should absolutely date it. The state statute in particular for investment policies says you should be reviewing it, revising it if necessary, and adopting it on an annual basis. If you don't we'll actually comment on that. So you're pretty good about it. What I would say is that there's no question on dating it and it should be adoption. It's OK to have the budget dates on there. That's alright, no problem. But going forward for any policy of that nature, financial significance, you should be, you should absolutely make sure that you're each reading it, understand it. And, if you think it's time for a revision, it's time for a revision. A lot has changed in the time I've been here in terms of technology, processes, what the bank does, all of those things. State law, state statutes, you want to make sure what you're using is current. And we do review it on an annual basis so it's not just lip service. So with that, in front of you, you have your audit. We're going to start right on page one. Ultimately this is why any of our clients bring us in. They want us to be able to render an opinion on whether or not the pages that follow this can be relied on by the stakeholders of the government. Stakeholders include your public, it includes the federal state governments. It also includes your financial institutions that you do business with. If you're looking for a bond the first thing they say is we need to see your last three audits. Standard practice. When you have a bond, an active borrowing, particularly with whether it's TD Bank or the bond bank, they're expecting that audit to be in their hands within nine months of the close of fiscal year. We have some clients who really push this and we have to really hustle to make sure it gets done at the end. I'm pleased to say that's not the case with Hudson. So, as you go down, we're going to go right to that first summary of opinions, Governmental Activities Adverse. The town of Hudson does not, has not inventoried their infrastructure, their roadways. They have not inventoried in the history of my time here. I know at one time we had talked about it, I think you may have even brought in MRI as a consultant to discuss the project. I'm not sure what happened, I don't know if it became too much of an undertaking, but it was never followed through on it. So, one thing that I've suggested to other clients in your position is, revisit your capital asset policy. What does it say? A lot of times when we look at a capital asset policy they date back to the establishment of Gasby 34 that brought the capital asset into the financial statements. As they currently stand now, and the guidelines were so vague back then we were using things like 150 years for buildings and 200 years for infrastructure. Make it reasonable. Make it reasonable. If you do nothing else, visit your capital asset policy and locate your infrastructure category and make it something reasonable and start inventorying it. At the very least within that window you're able to catch up. I'd like to see it done before that. One thing I will say, a town the size on Hudson, with the resources of Hudson, this shouldn't be a comment in your report. I've talked to a few Board members, I've talked to your Town Administrator, it's not being harsh. I do like I said, I do a lot of (inaudible). If you were a smaller community, maybe in a more remote place, it wouldn't be as big a deal. You guys are right on the Mass. border, you're one of the biggest communities in the state of New Hampshire. It's time to get this corrected. But, start with the capital asset policy. And then when you review it and adopt it, date it and put the date right on there. We also, and that's outlined in the matters getting rise to the adverse opinion of Governmental Activities. We also had reference to a comment on the Management Discussion and Analysis. I'll start by saying it doesn't impact your opinion and our disclosure says that. But as I just told you with the Capital Assets, you're too big not to be doing the MD&A. I will give you the fact that this past year you had transition as we closed out the audit. The MD&A is typically completed as part of the finalization of the audit. We didn't really have a point person at the end of the audit process. I know you had the financial assistant helping us out, finish it out, but they, one thing you really need to complete that MD&A is the actual experience throughout the year so that you can speak to why those variances occurred. What occurred in the year. I know we have clients who will say can you guys just do it for us? We really can't. We're here, we're observing the end product. And we really aren't analyzing how you got there, we're looking at numbers and saying, is what you're putting in front of us reasonable and can we substantiate that? So to ask us to do an MD&A, and not that you guys did, we have clients that ask us to do it. We just can't. We don't have the institutional knowledge to be able to

complete that. We can give guidance, we can certainly, and we actually do. When we get an MD&A from a client we will review it, we will take and tie it to the report and make sure there is no conflicting information and we'll ask and answer any questions that they may have. So with that, I'm going to take you to, people always laugh at me, this is my favorite schedule in the entire report, every time. We're going to go to page 10, Statement of Revenues, Expenditure and Changes in Fund Balance. One thing you'll notice when you read our reports, you have three different variations of what we'll call unassigned, unrestricted fund balance. This is the one that the IRA cares about the most. This is the one that they're going to use to set your tax rate. So really this is just your general fund. So Gasby 54 which blends those special revenue funds that don't stand alone on their own. And what I mean by that is if you have special revenue funds that are primarily funded by the general fund transfers to them, Gasby looks at them and says they're really just a subdivision of the general fund. State of New Hampshire doesn't want to see them in there. Most tax payers don't want to see them in there because it does cloud it. Really what you're looking for is to have usable data they can compare year over year. This report here does a nice job of that, very quick and clean. So you look at the top you've got your revenues, you've got your expenditures, you've got your other finance uses, sources and uses, which is transfers in and out. Typically that involves your Trust Funds. And you have different changes in categories of your fund balance that are below the line there. All in all you had a decrease in fund balance of just shy \$424,000. When you consider the fact that the town put up \$1.125 million dollars, you performed pretty well. Because basically when you're using that fund balance you're saying you're willing to accept a reduction in fund balance of that amount. I'm going to now have you go to pages 49, 50 and 51. This is the same information but it gives you a little more detail. So it breaks down each of the sub-accounts, or sub-(inaudible) with more account detail. So you can see how you performed. The reason I'm bringing this year attention is I was recently at a School Board meeting where the public was very upset that they kept returning so much fund balance. And I referred to a previous and these three schedules and said the information is in front of you. We're post COVID now, we're three years out. Here's the last three years and look and see how your budget is performing against actual. Is there areas where you could be doing better? Is there areas where you're bringing in too much money? And obviously you're going to have those outliers from year to year. But this is a nice by-product of the audit to be able to evaluate how did our budget do? So many times we'll go into a government and that line is always that lines about no matter what. Doesn't matter what the activity for that year is. What I would implore your Board to do or your management to do is look at what the results are. Obviously you have much more detailed reports than these. You go down to the actual account number, look and see how things are performing. Is something under performing? Is something over performing? Is there time for a change? Using information as you build your budget based on past historical records. And I think that if you look at the period of '22, '23, '24, post COVID where you kind of get all of that extra funding out or at least the majority of it, it gives you a really good sample of how you're performing. Obviously, if you have a major project or a major incident in there you'd have to qualify that area and take that into consideration. Any questions on any of that? Taking it easy on me. I'm going to go to page 62. So I will remind everyone that we did a financial state audit and not a forensic audit. We have an obligation that when we are informed of something that is out of that usual, or we detect it, we need to report it to management and to governance. And as you can see we've done that here. We had an issue with specifically the remote payroll processing. And it really comes down to internal controls and consistency of how those are being applied. So, you're Police Department was involved, we're limited in what we can say here just because of the nature of it. But, it's something that you as a Board need to look at and say are our internal controls operating effectively? In this area, at that time, they were not. So, my understanding is that this has been corrected and resolved going forward. But it's a good lesson to be able to look and say alright, we should be looking at all our significant policies and saying, are they still effective? As I said, technology has changed, people change. One of the number on things I say to any of my clients, is never build a policy or procedure based on the person, build it on the seat. These people come and go, you need to make sure that you have continuity in the processes. And document it. An accounting manual is a very powerful tool as you guys are finding out with. You had turnover in your Finance Department. The more documentation you have the easier it is for the next person to come in and continue. They may want to make changes, those changes have to go through you, though. Page 63. We did notice that there was no formalized written policies and procedures related to federal awards as required under Uniform Guidance. This is simple, you need to make sure your documenting that. When you take out, when you receive a federal grant it comes with basic rules of the road. What the rules are for that grant, make sure you're following them. So I'm going to move to the Governance Letter now. It's important to distinguish the difference between the Governance Letter and the Management Letter. So when we look at the Management Letter which you find included in your financial

statements. These are the areas that we've identified as significant risks or material weaknesses. Basically, what we're saying is that they have an impact on how likely it is that the government, the auditors, others and going to detect in this statement. Material in this statement, whether intentional or by accident. So, that's why those show up here. This Governance Letter what we're identifying is conditions, deficiencies that we feel need to be communicated to management and to governance. So, first one is Sewer balance. Not necessarily deficiency but more of an observation that what we've noticed is that the Sewer balance has been declining. We believe that has a lot to do with the rate and we think that maybe the town may want to consider that. Beyond that it's really just us observing what we're seeing, comparing you to other governments of similar size, similar organization and what they have. Just a recommendation for you as the Board and manager to consider. The next item is Review and Reaffirm Town Policy. So, we kind of covered this. We didn't go into, I really think it's important when you're looking at significant financial policies that a Board look at them every three to five years. I prefer three years because your term is three years. So, if you're on a rotation of three years for every policy that you're going to see them, break them up over the three year period. Every sitting Board member is going to be familiar with the policies that they're supposed to be overseeing here at the Town. You guys are the ones who set the tone for the community so this is a great way for you to really understand what they are. And if you don't like them, if you don't think they're right, that's when you guys can sit down and decide, let's make some adjustments. So with that I open it up to questions.

Chairman Dumont: Alright, me and Selectman Jakoby had some time to ask some questions. So, first I'd like to see if Selectman Morin and Selectman Vurgaropulos had any questions.

Selectman Morin: Not at this point.

Selectman Vurgaropulos: I'm still digesting this. Like I've read this three times now and I'm still trying to figure it out.

Mike Campo: I mean long and short, you're in good financial position. That said, there's always room for improvement. You've had a lot of turnover in the management positions. So, you have a great opportunity to use that and say alright, let's start making sure that we're doing things completely right. Your Town Administrator came from the Town of Salem, I can tell you that they are very, very organized there. We've worked with them for years. He's somebody who's coming in with a wealth of knowledge. I would rely on that. I would rely on that. As you're going through and you're filling some of the vacancies, make sure that you're holding those people accountable to the responsibilities of their job. It might be a time to look at the job descriptions and say do the job descriptions make sense? And then again, hold to that.

Roy Sorenson: So, if you can Mike, can you just talk a little bit about OPEB just so the public kind of understands what that is?

Mike Campo: Yes, so, net pension and OPEB. We did talk about this the other day and I shared with them. Let's hope Gasby's not watching, but, I have such a tough time with these two pronouncements. Because what they do is they put the two biggest numbers in your report and you as a government have no way to offset them. It's basically the difference between what's been obligated to the retirees vs. what they currently have in assets to meet those obligations. When it comes to the OPEB, it has to do with the fact that if you have, for example, retirees on your health insurance, they're impacting your rate that you're paying. So they're trying to quantify that. So as you have the local single employer version, you also have the state version. So the state version you're taking on New Hampshire Retirements allocated portion for you directly. And I know we've had some clients who say well let's just take a bond out and pay it off. You can't. If you were to do that and give them those funds they'll distribute the funds equally to the same proportions you were allocated the liability. So, you would see a fraction of that benefit.

Selectman Morin: Just I know this audit has caused a lot of interest in our residents so some of the things that he's addressed we've already started working on and I just wanted to get that out so they know that some of this we've already taken on. As they've stated, we've already started on the policy reference to the time clocks and things to that nature and we can't get into that much more. The rates reference, the water and sewer, we've already raised those rates to get that corrected. I know the Town Administrator and Selectman Jakoby have been working on policies. So a lot of this we are taking it serious, it does take time. We need to get our new Finance Director in here to take some of the other stuff. But, we are moving forward as a Board to get a lot of this corrected. So, it's not, it's there we know we've got to fix some things but, we're working to get that done as we speak.

Chairman Dumont: I appreciate that clarification. And yes, we started that obviously last week myself, Mr. Sorenson, Selectman Jakoby had the meeting to really try to spearhead that and get a one on one conversation to see how we can move that forward and obviously the Board intends on doing that. I appreciate you pointing out the water and sewer discrepancies as well as the payroll issue that we've already addressed. I appreciate you for answering the questions that a couple of the citizens had brought up. I just wanted to kind of touch base on a couple of basics that we had talked about in the meeting that I think would be helpful. And I think the biggest thing that I look at when I see an audit, is I would like to know how does Hudson compare to other communities in New Hampshire?

Mike Campo: I would say you're very comparable to communities your size. You perform well, you have good staff, when they're still employed. So, when we come in and do an audit what we do is, we do our planning phase is we'll look at all your meeting minutes. So, when you say something about us in the next meeting, we'll see it. We'll see it, we're well aware of it. But, we're also looking for did you enter into capital leases? Did you have personnel matters you had to go into multiple non-publics? And we try to get an understanding of the environment that we're walking into. So, we'll also then document each of your controls and each year they're documented from scratch. We start again and say, what is your policy? And then what we'll do is take a transaction and walk them through that. Because often what we'll have is somebody will say we do everything, it sounds great, right? It's perfectly canned process and we go through and say you've missed seven steps out of eight. I mean this isn't good. So, what we do with those results is then we can then tailor the audit to what the response is. So, if we're looking saying you're a high risk, your internal controls that you're documented are actually being performed or they're ineffective, we're going to up an area. Or, we don't typically hold back. It's a nice concept but the very least you need a certain level of confidence in no matter what area you do. So, when we come in here it's not as though we're extending procedures left and right. I will say that the payroll thing at the end, that is something where we said no, we need to, I think we had actually stopped the audit and then went back in and addressed that area to make sure there wasn't more that we needed to know. So, I would say you're very comparable to the surrounding communities.

Chairman Dumont: I appreciate that. Now one thing that helped that you explained in that initial meeting, the difference between a government audit and a private audit. I think it would be helpful for the public.

Mike Campo: I think the biggest difference is when you're dealing with a business they have a profit motive. A government is a public interest. When you're collecting tax dollars they're expecting, the taxpayers expecting them to be used for of said purpose and not just squandered or misused. So that to me is what the biggest difference between the two is that a profit motive compared to a service motive, providing services to the community.

Chairman Dumont: And then the other thing that I wanted bring up, so we've touched bases on all the issues that was raised in the audit. In your experience and dealing with other communities, while these need to be taken care of and we're making steps to address them, how major are they? I know a lot of times when you start looking through and the explanation that you had given us was that the deeper you get into the weeds, the more highlighted some of these become. And I think that explanation that you offered at that meeting would be good.

Mike Campo: Yes, so specifically when you look at the ND&A and the infrastructure capital assets, nobody wants an adverse opinion. It's not going to impact your ability to borrow. You know, but it's something that a community this size needs to address. So in general the comments need to be in there because you didn't comply with GAP. That said, it doesn't impact the opinion.

Chairman Dumont: Any questions from the other Board members? Selectman Jakoby.

Selectman Jakoby: I just, I want to thank you. Those were the points that I wanted to make sure that were raised and you covered them. So, thank you.

Selectman Vurgaropulos: Does your firm at any point ever extend an opinion of requiring a forensic audit? Because I know you do financial....

Mike Campo: What we would do is if we had a situation where we think there's something wrong, we would inform management and then it would be on them to make that decision. Management and governance. We can't necessarily say you need a forensic audit but, we can look and say something's not right here it's beyond the scope of the audit. We're going to document it, it's going to be in your results. But we can't, we wouldn't just say yes, you need a forensic. A forensic audit is a very expensive engagement and it can be very broad. When you get into those you really need to define what are you looking to achieve from it? What is your concern? Just a wide spread look for everything is going to be a very expensive endeavor.

Selectman Vurgaropulos: OK, thank you.

Chairman Dumont: Any other questions? Mr. Sorenson did you have anything else to add?

Roy Sorenson: I don't think so. I think I'm very familiar with Plodzik & Sanderson. As Mike mentioned I think there's somethings in here from my perspective started before I got here. And I think we'll continue to work. I don't think there's a lot of heavy lifting here. There might be some financial impact, I don't think it's going to be overwhelming. And I think it's something that we can certainly accomplish within the next year. Pretty sound with that.

Chairman Dumont: I agree. With that I appreciate you guys coming and answering questions in front of the Board.

Mike Campo: Thank you for having us.

D. VFW Post 5791 Loyalty Day Award Nomination – Administration/Decision

Chairman Dumont recognizes Town Administrator, Roy Sorenson.

Thank you again, Mr. Chair. So this is obviously a special nomination and this is something that this Board is familiar with as it comes annually as well. This year I think it's more than appropriate to nominate Jim Michaud for this award, he's our Chief Assessor. He's been here 30 years and I think as the Board understands he kind of filled a pretty urgent gap last year for a point of time sitting in this seat and he took that on willingly. With that his accomplishments are listed here and it would probably take me probably an hour to read all these but you can see them in your backup. I think it's a worthy award for a worthy candidate and that's my recommendation tonight if the pleasure of the Board to make that nomination.

Chairman Dumont: I was just going to say, I just appreciate the nomination of the award and I just want to clarify the motion in the packet is to read, "to nominate Jim Michaud, Chief Assessor, for the 2025 Hudson VFW Post 5791 Loyalty Day Award."

Selectman Morin made a motion, seconded by Selectman Vurgaropulos, to nominate Jim Michaud, Chief Assessor, for the 2025 Hudson VFW Post 5791 Loyalty Day Award. Motion carried, 4-0.

E. Town Hall Renovations/Design Phase Contract – Engineering/Decision

Chairman Dumont recognizes Town Engineer, Elvis Dhima.

Elvis Dhima: Thank you Mr. Chairman, good evening everyone. I'm going to see if I can get this up and running real quick. [preparing slide show] I have a presentation for everyone. I think it will be very helpful, everyone to kind of understand what we went through, this whole thing started, the steps, because it's been awhile I think it'll be a good catchup for you. Selectman V, we'll go with that. It's going to take me awhile to get your last name but I'll get there eventually but for now I was going to go with Selectman V. So, I think it's kind of actually be helpful for everyone else on the Board as well, to understand kind of where we're at. Let me see if I can fire this think up real quick. So Hudson Town Hall Renovations. Basically the Town Hall is as you probably all know, is most visited building in town by Hudson tax payers. We've got the Town Clerk, we've got the Town Tax Collector, we've got Water and Sewer clerks, got the Board of Selectmen, Administration. We've got Engineering, Planning, Zoning, Building Department, Inspectional Services, Assessing Department, meeting place for most of the Boards here as well. Basically, like to call it Town Hall is the peoples building after all, it's the most visited building in town. In 2022 the Board of Selectmen had a special meeting at the Community Center regarding the needs for a possible new Town Hall. Approximately 45 residents showed up, which is most what we get usually in our Town meetings. The feedback across the board was that we need to concentrate on renovating and expanding existing building before we look for a new building or new locations. So with that said, in April of 2024 town advertised for assessing the existing Town Hall and the following: Improvements to the existing building, evaluate building addition, improve flow and functionality through the building, address handicap access throughout the building. This was basically all the feedback we got from that meeting. In May 2024, North Point Construction from Hudson, was hired to perform the services. In September of 2024 the report and findings are complete and as follows. It was a very long report but I'm just going to get into what really matters. Our existing bathrooms don't comply with current handicap requirements. There's a lack of handicap access on lower level of the building to the Board of Selectmen are and the Planning Board on the other side. ADA noncompliance throughout the building, including customer's countertops. Lifting station is in need of repairs as you all know. Inadequate working space and customer/reception area in the Land Use/Inspectional Services Department. Inadequate working space for the Sewer Department clerk. Inadequate

working space for the Town Clerk's Office service window, their working area, and their vault area which houses sensitive material. October 2024 Board of Selectmen evaluated the following options, there were four of them presented. The first one was to renovate the building for about \$165/square foot for a total value of \$1 to \$1.7 million dollars for the entire Town Hall. Option two was the renovation throughout the building, which is option one, and include an addition of 1,000/square feet per floor for approximately \$1.5 to \$2.3 million dollars. Now going through this a little bit further to the presentation. Option three was the complete demolition of the entire building and install a new building, bigger and nicer too, obviously, for about \$7 million dollars. And option four was to lease another building for approximately \$168,000/year and spend about \$1.8 million for the retrofit it to the needs of the Town Hall. Board of Selectmen selected option two. It's the most cost effective at the time and that was moved forward to a warrant article for the amount of \$54,800. That warrant article was approved by the voters in March of 2025 and it brings us to what the layout should look like based on option two if we move forward. [referencing PowerPoint presentation] As you can see right here is administration, this is Mr. Sorenson's building which is going to be cut in half by the time we're done with renovations. Very awkward, he's still dealing with it right now. We got the side entrance, as you're familiar with it. We've got the Town Clerk and the Tax Collector. We've got Assessing. And then on the addition between the Central and the main old Town Hall building, we've got Engineering, Planning, Zoning and we've got Building/Inspectional Services right here. The addition in question under option two will be right over here and it will be extended basically alongside of the front of the existing Town Hall. And we're hoping to get about 1,000/square feet on the front in the top level and the lower level. The lower level right now, we are right over here as you can tell, Board of Selectmen. We've got the Finance right over here, we've got Water Clerks, we've got the IT Department. We've got the lunch room, got the Buxton Room. And then this is the addition we're talking about under option two. This will create a bigger meeting area if we decide to that way. But that's basically the nutshell. Which brings us to the memo which you have in front of you tonight. Before I jump into that, are there any questions about the timeline or kind of how we got from A to B, before I jump into this?

Selectman Morin: Just for clarification, if we did another addition that would be the third addition we've put on this building?

Elvis Dhima: It appears so. It appears so, yes. Because the original building I think was a brick building. As you come in you kind of see the main building. And then I think there was an addition between the main building and the Fire Station. So from the flow, you're seeing that there's been addition after addition and then there's been renovations within the additions. So, I think you've gutted this place out probably three, four, five times from what I can tell at least based on the history that I'm aware of. With that said, we are looking at option two. We were successful in raising about \$54,800 through the warrant article. Mr. Sorenson and myself met with NorthPoint, which is basically the company that did the last, and after some back and forth it highlighted the point that they had an advantage by knowing already the building and the benefits. Doing the work and being a community member and all that, they've agreed to do this work for \$50,000 and \$54,800 if you choose to go forward with suspending the rules. In addition to that, they also have agreed to provide two additional public meetings at 50% design and 75% (inaudible). To give everyone an idea to kind of what we're doing and putting presentations along this line to kind of see what we're getting for these services. With that said you have two options in front of you tonight. The first option and the second option. But in a nutshell, you have \$54,800 available from the warrant article and if you go with NorthPoint you'll be able to make these services, complete these services for \$50,000 so, you'll be saving about 10%. In addition to that, you'll be getting additional work from them because the two meetings were not included in the original scope of work. Which I think will be very beneficial for everyone to understand what we're getting out of it. This is going to be pretty thorough and it's going to be pretty significant. Trying to all agree to what this is going to look like by the time we're done.

Chairman Dumont: So two things you touched on if you could speak to them a little more. One if you had to do a ballpark for the public, what the value of those two meetings would be. I know we're obviously bringing in specialized people like that there's a cost to it.

Elvis Dhima: Thousands of dollars I would say, Mr. Chairman. For something like that when I was in the private sector you can be putting renderings together, you can be preparing for it, you'll be doing dry runs and you would be coming here for, I would say for a minimum of an hour or two. Or, you could have a special meeting for that matter depending what the feedback from the public will be. You might have a difference between the first meeting, 50% vs. 75%, depending on what the people's input will be on it. You're talking probably an additional I

would say another \$5,000 between the two meetings that you're getting at no value. In addition to that I think it's important to state that the quote we got from them, the value for that is about \$59,000. So you're actually doing this for about \$10,000 less. So, page two they're talking about scope of work, what it'll be today. Because as you all know, we come in with these numbers in October 2024. But, by the time we execute the contract it's July of 2025. So you have a significant discrepancy in cost over eight, nine months and we all know how that changes. We deal with that all the time in construction obviously, especially with the tariffs now. But there is a benefit, there's always been a benefit to us to hold the cost of what we came up with in the warrant article. But to actually go in and try to save 10% it's even, it's a no brainer basically. So, we're presenting to you what we think is a good deal and it's for you to decide which way we'd like to go.

Chairman Dumont: And one other thing before I get to questions. I want to make mention of, and you brought it up again, is the study that was previously done by NorthPoint, obviously, they will utilize that information, there's a savings there as well that they're carrying into this.

Elvis Dhima: There is institutional knowledge as well. You don't have to bring new people now starting all over again. That is correct.

Chairman Dumont: So seeing where they're coming in at and they've been through a couple of our bid processes, we have an understanding of where their numbers tend to lie with. Knowing that they're using that study you could almost say, most likely, that the bid would come in higher than the \$54,000 if they didn't have access to that information.

Elvis Dhima: That is correct. And even their number knowing and understanding the building and the needs, their original scope of work or the cost for the scope of work was about \$59,000. So anyone else that comes in not being familiar with it will be higher than that. So to be able to lock this in and try to save \$10,000 in addition to getting additional services such as the two meetings, which I think will be very important for everyone to understand what we're trying to do.

Chairman Dumont: I agree.

Elvis Dhima: You're looking at \$15,000 in savings.

Roy Sorenson: Thanks, Mr. Chair. I can't stress that, that's really important that they have come in, they've done space needs, they talked to staff. Even if you got another firm to come in, that information has to be verified so you're starting the process over. Enough can't be stated on that as far as having that leg up and they did a lot of space diagrams, bubble diagrams and things to that nature as well.

Selectman Morin: I get it, we've got a warrant article and we've got to live within our budget. But, how long is this addition going to last us?

Elvis Dhima: It will have to meet current needs and then you're probably looking at, I'd say 10 years down the road. That's about it.

Selectman Morin: Ten years. So, we're three additions and we're throwing money at for 10 years.

Elvis Dhima: The fourth addition.

Selectman Morin: Right.

Elvis Dhima: Maybe the fifth one will be it.

Selectman Morin: That just bothers me. I mean we've seen what we've done in the past, when we had the Friary land, the Police station. Could have had a second floor then we wouldn't have had to deal with the addition we got this year. I just see this wasting more money. Instead of just building a building that we need and getting it done. But, I understand that's what the voters said.

Selectman Jakoby: I agree with Selectman Morin. When this came before us I was more for the whole building than to renovate. But, the Board decided that we were going with this option. And moving forward with this, my question and my request is the request for proposal and bid checklist. You know, orally it's really clear but, I think part of this checklist is to really put here a better paragraph as to why we're not going out to bid on the form. I'm doing this, Selectman Guessferd isn't here and he's the one who's usually like, it's not on here very well. And some of it...

Elvis Dhima: But we all have this, right? We all have this, right? We're referring to this form.

Selectman Jakoby: Yes, the form. We have the request for proposal bid checklist. So, just that the department, was this advertised? No, because you had, you had this already in place. And I just want to reiterate that the reason it's not going out to bid, from what I understand from the conversation is that, they were the ones who did the original assessment so that they have an inside understanding. So, what we would say a special circumstance where they've spoken to all the people, they were heavily involved and they created the last report. And more so, after further negotiation they were even willing to do it at a lesser amount.

Elvis Dhima: 10%, correct.

Selectman Jakoby: And so for those reasons we did not go to bid and this is a special circumstance for not going out for bid. Would that be accurate?

Elvis Dhima: I believe so, yes.

Chairman Dumont: And I would say that that's correct, the fact that there's definitely a special circumstance here. I mean that I would tell you that I'm along the same lines as Selectman Guessferd, very big proponent of going out to bid. However, we've chose to broke this up and break this up into several different pieces and so there for each one of these pieces then comes back in front of that Board. If we were then to say that each one of those individual pieces makes us go back out to a separate contractor, most likely you're going to be spending more money. I don't think it would be worth it, personally, just for that. If this was three different projects, you're talking about three different items, it's a different story. It's the same project that we've chosen to break up into different phases.

Roy Sorenson: To Selectman Jakoby's point in, you've got a good point. We are actually working on this actual form, you'll see this in the DPW request tonight. To get better explanation into this, because I think that's important as well. So, already working on it and you're going to see it as far as DPW's request goes. And we'll start to work these in and get this form up to speed.

Elvis Dhima: And we can revise this as well.

Roy Sorenson: We will.

Elvis Dhima: I mean we can add the comments made tonight and update this check list per comments tonight. That's not a problem at all.

Selectman Jakoby: Thank you.

Chairman Dumont: Any other questions? All set with that, I'll be looking for a motion of the Board. What is the will?

Selectman Jakoby made a motion, seconded by Selectman Morin, for the Board of Selectmen to waive the competitive bid process, thereby utilizing NorthPoint Construction for preliminary design of Town hall renovations as noted in the Town Engineers memo further with funding thereof as follows: Warrant Article 11 – Town Hall Renovations, the amount not to exceed \$50,000, as passed via the Fiscal Year 2026 Town Warrant. Further, the Town Engineer shall have full authority to effectuate all items thereof as the principal for the Town. Motion carried, 4-0.

Elvis Dhima: If it's OK with the Board I'd like to give a quick update on a significant size work that's going to take place on Lowell Road relating to Target of site improvements. I want to let everyone know that's watching that there's going to be a lot of information that's going to be put on Facebook and the Town website tomorrow. We've got all the maps, we've got the description to who is going to be responsible for what. So that's going to be put out tomorrow. But, we're looking at a significant construction phase starting on Lowell Road in about two weeks and it's going to take about a year to complete. So, we're going to go late April until about late October, mid-November and then the season is going start again. So, it's going to be a rough year, that's what we're looking at. So, everyone just heads-up be careful out there with all the (inaudible) are going to be showing in. You're going to see a lot of orange trucks out there, Continental will be doing the work. Local contractors, so.

Chairman Dumont: It looks like they've already Dig-Safed out there, that's all the markings along that intersection over there. You've got Continental mobilized to the state portion of the highway over there.

Elvis Dhima: That is correct. Yes, and they're doing exploratory digging right now to make sure that all the utilities have been verified. Which is an extra step, it's not something we do, we kind of figure out as we start digging. But, these guys are very safety first. So, it's going to be coming up and it's going to be quite a bit of work including the ramp to Sagamore Bridge. Just be careful out there, take your time and look for information on the Town website and Facebook. There's going to be a lot coming in.

Selectman Vurgaropulos: Mr. Dhima, can you, is this going to be seven days a week? Or, is this going to be weekdays for construction?

Elvis Dhima: So, our code allows Monday through Saturday. 7:00 a.m. through 7:00 p.m. As of now there is nothing scheduled for the weekends, trying to give everyone a break before the week starts again.

Selectman Vurgaropulos: I think the residents would appreciate that.

Elvis Dhima: Yes, and we probably won't see you until next year. The crews like to start early so it's going to be interesting. We might make some adjustments based on what we experience out there. But, I just kind of want to give everyone a heads-up it's coming, it's here and it's starting soon so we're going to try to feed as much information as we can.

Chairman Dumont: And I would keep in mind too that with the hours of operation obviously, there'll be going within that seven to seven window. But, the quicker that they're in and out of there, the better off for everybody. Six in one hand, half dozen in the other. While you're here I did have a question about the Melendy Bridge if you could just update the public on that since you're doing this.

Elvis Dhima: So there was a delay of two weeks based on the pre-cast structure. So, we made a decision, instead of starting and closing the bridge and waiting for the structure, we basically said let's confirm that the structure is on its way and its going to get delivered before we started. That's going to minimize the time that we're going to have to close the road. A decision was made to put it off two weeks, so that's already out there. But you're going to see I think signs saying that April 14th vs. April 1st. There was a bit of adjustment there and there's a lot of moving pieces. But, we're going to try and get in and out of there as soon as possible. And then as you all know, we're already starting work on the Twin Bridges here, so be aware of that.

Selectman Morin: I was going to comment, that is a special kind of ride coming into Hudson in the afternoon.

Chairman Dumont: Yes, it is.

Elvis Dhima: There's been a lot of complaints about it and I give them the Nashua Engineering Department's phone number. It's awesome and how come it wasn't like this last year, I said I don't know.

Selectman Morin: I can tell you why, because you've got Bridge Street and Hollis Street coming together to one lane.

Elvis Dhima: There's some discussion about that, I've not said anything because I'm trying to stay out of it, it's for them to figure out. But, it appears the merging is not working out that well. So there some discussions about how we can make that better. But, I'm going to let them decide what they think works best for them because it's on their end now. We are going to have to close our side for a little bit because we have to finish some work. But, I don't think you will see that kind of pain that we're seeing on the other side. So, don't go to Nashua and if you do take Sagamore Bridge. I got you all, thank you.

F. 2024-2025 New Hampshire Clean Diesel (DERA) Grant Program – Public Works/Decision

Chairman Dumont recognizes Public Works Director, Jay Twardosky.

Jay Twardosky: Good evening Board. So, late last fall, early winter, you tasked me with looking into this grant. I looked into it, filled out quite a bit of information for it. Got a lot of preliminary prices for trucks. We just got a letter the other day stating that we were a selectee for the grant. Based on the numbers I gave them we could see a reimbursement, this is a reimbursement grant so we pay up front, they reimburse. Up to \$307,197 or 25% of the actual cost, of eligible cost of the trucks. There's a bunch more paperwork we have to fill out if you choose to have me move forward with this grant. It has to go through the Governor and the Executive Council before we actually get approved for it, but we are one of the selectees for it.

Chairman Dumont: Well thank you very much for looking into that. I know that when we talked back then it was kind of slim to none whether or not we'd fit into that little window but it seems like it's at least worthwhile to push for. That's my thoughts. Any other questions from the Board?

Selectman Jakoby: Congratulations. Let's celebrate it. It was a push, you did ask for an extension, it happened and I'm really excited to support this.

Jay Twardosky: I was pretty surprised because of the amount of money we were asking because they only have a half a million total. So, to even select us for it is a pretty good deal.

Chairman Dumont: One thing, the only question I did have, just to clarify for it, could you just speak to what the eligible cost is of the project? What is that?

Jay Twardosky: The eligible cost are the truck and any associated equipment that you're using to replace an existing truck. So, we're actually going to get reimbursed not only for the truck, dump body, plows, sander, you know 25% of everything. As long as we're replacing what we had.

Chairman Dumont: Perfect. Any other questions? Looking for a motion.

Selectman Jakoby made a motion, seconded by Selectman Vurgaropulos, to authorize the Public Works Director to develop a grant agreement with the New Hampshire Department of Environmental Services to be approved by the NH Governor & Executive Council (G&C), for funding in support of large capital equipment replacements. Further, the Public Works Director shall have full authority to effectuate all items thereof as the principal for the Town. Motion carried, 4-0.

G. 10-Wheel Dump Truck Replacement – Public Works/Informational

Chairman Dumont recognizes Public Works Director, Jay Twardosky.

Jay Twardosky: So, back on the 10-wheel dump trucks we had a finance release purchase in the budget for one of them and then a warrant article passed to do the same thing for two more. So, we looked into a couple of different options. Instead of going out to bid we looked at Sourcwell which we do on a regular basis. We tend to get the best prices that way, sour sourcing. You can get the truck you actually need and tend to get a much better price than going low bid. We looked into a couple of different options and the one that we feel is going to work best for us is the Western Star 10-Wheel. Very, very heavy duty truck and it's, as you can see, quite a bit cheaper than the Macs. We looked into Macs and we looked into Freightliner, too, and the durability of the truck we just didn't feel was going to meet our needs. So there's a couple of motions here. One for the truck that's in the budget and then another motions for the two that are part of the warrant article. So, if you choose to let me source this, this is the route we'd like to go. And as for the trucks and the associated equipment to go with them.

Chairman Dumont: Just a couple questions concerning the fleet now. The majority of the vehicles or the trucks are made up of?

Jay Twardosky: Macs.

Chairman Dumont: I remember when we initially talked about this the thought process behind that or leading towards Macs was because of part availability possibly keeping stuff in-house. And then obviously, more parts on the self, help prepare us go through the winter time. Can you speak to that a little bit and what the change was?

Jay Twardosky: So, most of the parts like chassis parts aren't proprietary. All the brakes, brake ends, suspensions, they're all interchangeable. Only the electronics which we wouldn't have in stock anyways, would be different. You know and obviously the body panels and what not of the truck, if there was an accident. But, that's stuff we wouldn't have in stock to begin with. We just didn't feel that the added cost of the truck warranted staying with that truck vs. going with the Western Star's because most of the parts that we would have in stock are going to be interchangeable anyways.

Chairman Dumont: And then looking, I don't know if that was a typo, oh no that was OK. So, about \$24,000 on just the cab and chassis is the difference, obviously. The outfit is the same?

Jay Twardosky: Correct.

Chairman Dumont: And you're comfortable with the Western Star? Does DPW have any Western Star's currently?

Jay Twardosky: We don't. There's a number of municipalities that have been buying Western Stars and using them for plowing purposes. In New England and country-wide they've become a pretty descent, a very good plow truck. Western Star has come a long way with making heavy-duty trucks, they will fit our purpose. They brought one down for us to look at. My supervisors looked at it, the mechanics looked at it, we went over it with the sales rep. and they're a very functional truck. They're heavy-duty, everything is more open to work on. Everything is, I think it's better set up. A lot of the stuff that gets caught under the trucks is actually lifted up under the frame rails now so that it doesn't catch as much road salt, doesn't build up as much ice, doesn't have a chance to get taken out during storms. I think they're a much better set up.

Selectman Jakoby: Yes, just for the public. I just wanted to read the definition of Sourcewell. So, Sourcewell is cooperative purchasing organization that helps schools, government agencies and non-profits save time and money. But what exactly makes Sourcewell stand out? This is their words. Sourcewell offers a wide range of competitively, solicited contracts ensuring that members get the best deals without the hassle of traditional procurement processes. And I know when we looked at the Police Department that there was a municipal place where they got a lot of their vehicles again, that place where a whole bunch of assets come together in order to be its own multiple bidding process. So, Sourcewell is like that, it's a company that does many things.

Jay Twardosky: Correct. They do the competitive bidding for us. And a lot of your manufacturers are more apt to go that route because they can sell more vehicles in volume. So, rather than dealing with each municipality separately in possibly getting a truck, they're dealing with a place that deals with many municipalities and have a much better chance at selling more trucks in volume. They're more apt to give you a better price. You know a lot of competitive bidding they're not necessarily working in your favor, they just want to be that much lower than the next guy so they get the price. So they want to be as high as they can but still get the price. This actually gives you a better deal.

Selectman Jakoby: Yes. And for that reason I'm in support of waiving the competitive bid process.

Chairman Dumont: I appreciate you bringing that up, that was going to be my next thing. Mr. Sorenson can speak to this.

Roy Sorenson: Sure. So a couple things, the new form is actually in there that we created. The other thing is our purchasing guidelines per our municipal code, they only honor the New Hampshire state bid. I will tell the Board this that in other communities including the one I came from, anything that is procured through a contract, Sourcewell will be one of them. I know PD looks at some other police contracts, those were always avenues. When you're talking about policies and procedures I think that's something we need to look at in the future is to identify that specifically other than just the New Hampshire state bid.

Chairman Dumont: I appreciate that. With that any other questions?

Jay Twardosky: One more thing. Also using Western Star their parent company is Daimler Trucks. The financing through Daimler Trucks vs. the bank that we would go through before, we're actually saving another half a point.

Chairman Dumont: Thank you for that.

Roy Sorenson: Delivery, too. Doesn't delivery favor you Western Star vs. Mac right now?

Jay Twardosky: Absolutely.

Chairman Dumont: If no other questions I'll be looking for a motion from a member.

Selectman Jakoby made a motion, seconded by Selectman Morin, to waive the competitive bid process, thereby utilizing the Sourcewell Government Purchasing Contract #032824-DAI to purchase one (1) Western Star 47X ten-wheel dump truck, dump body, plows, and spreader from Advantage Truck Group. Further to enter into a five (5) year finance lease agreement with Daimler Trucks funding thereof as follows: \$33,073.38 from account 5552-401 large operating equipment, \$16,536.68 from account 5554-401 large operating equipment, and \$16,536.68 from account 5562-401 large operating equipment. Motion carried, 4-0.

Chairman Dumont: I do have one thing I just want to point out. I really appreciate the work that went into this with Mr. Twardosky and Mr. Sorenson. The information that was provided was very much in-depth and in detail. The data that we have to look at, in my mind, outweighs the bidding process and for that reason I'm in support of it. I think that by doing it this way we're actually saving ourselves some money instead of taking the time to go out and put together a bidding package. And again, I would agree with Mr. Twardosky that by going through Sourcewell you're actually opening up your avenues to a much cheaper product at the same quality. So, for that I just want to say thank you guys and I really appreciate the new form I think that looks great.

Selectman Morin: When we approve this tonight does that give you the option to at least get an order for July?

Jay Twardosky: What we're trying to do is get them locked in before the tariffs start bringing prices up. As soon as we lock them in tonight, tomorrow morning he's ordering the trucks. And as soon as the trucks are ordered and Fairfield will order the equipment. All be done tomorrow.

Selectman Morin: OK, so we won't be ordering later on? Excellent.

Selectman Vurgaropoulos: I just had a correction. Where it says form it should edited and changed to from.

Chairman Dumont: Friendly amendment to the motion maker and the seconder.

Selectman Jakoby made a motion, seconded by Selectman Morin, to waive the competitive bid process, thereby utilizing the Sourcewell Government Purchasing Contract #032824-DAI to purchase tow (2) Western Star 47X ten-wheel dump trucks outfitted with dump body, plows, and spreaders from Advantage Truck Group. Further to enter into a five (5) year finance lease agreement with Daimler Trucks with Year 1 funding thereof as follows: Warrant Article 8 – Public Works Dump Truck Replacement, in the amount of \$145,399, as passed via the Fiscal Year 2026 Town Warrant. Further, years 2-5 to be included debt service in respective future operating budgets. Motion carried, 4-0.

H. Library Park Trolley Stop Replacement Update – Public Works/ Informational

Chairman Dumont recognizes Public Works Director, Jay Twardosky.

Jay Twardosky: Yes. So I'm sure a lot of people have been wondering about that. The insurance company got back to us with everything that we needed. And they figured it was right around \$20,000 almost \$25,000 but, with depreciation brings it to \$17,000 and some change. I looked into a local contractor, we talked about it, we've been working on it quite a bit. We couldn't do anything before winter especially with Christmas decorations and what not. So, we're right we're working with Peter Ripaldi and we're going to get started on that very shortly.

Chairman Dumont: So, how will it look when it's done? Because for me that's always been a staple of Hudson.

Jay Twardosky: It's going to be as close to what it was, just newer. So he's taking the roof structure that...

Chairman Dumont: That was saved, right?

Jay Twardosky: Yes, there was minimal damage. He's going to actually be reworking just the damaged parts of it. He's going to keep that as original as possible and we've already devised a plan on how to make the concrete piers again. So, we will be digging up the existing pad and footings, putting new footings down. He's going to pre-cast the piers, we'll set the piers in place, pour a new footing, new pad. Set the roof on it after it's already refurbished and build a new bench on it.

Chairman Dumont: And as far as the insurance goes, have they, how are the funds being dispersed? Are they looking, are we going to be reimbursed or are they going to be sending you a check then you're just handling it from there?

Jay Twardosky: We're getting, they're sending the Town a check. So, we're creating a PO out of the account and they're just reimbursing us for the \$17,119.11. With the possibility if they collect from the other insurance, we're going to get the depreciated value so we'll get \$24,455.88 as long as they can collect it from the other insurance company.

Chairman Dumont: That was going to be my follow up to that. With that extra money, plans, improvements that would need to be made that you didn't think that you would be able to do. Is there anything, what would happen with that?

Jay Twardosky: I really haven't been looking at it because I don't count on that money. I count on what they say they're definitely giving us. And we were able to do everything we needed underneath what they're giving us. So, if there is extra, we can look into something with it.

Selectman Morin: Guard rail.

Jay Twardosky: They took the cannon out, now they took that out. Who knows what's next.

Chairman Dumont: The house across the street over the weekend, right?

Jay Twardosky: Yes, now that's a couple of times now on that house I believe.

Selectman Morin: While we're on that subject, what do you think the possibility is of putting one of those flashing lights somewhere down Library Street that says, when the light turns red it flashes a red light. That intersection? Last night we had a car crash into a house. You know what I mean?

Jay Twardosky: I can definitely look into it, absolutely.

Selectman Morin: Just a thought. You know, something, unless we park a Police car on Library Street all day.

Jay Twardosky: They make them solar powered now so, it's much easier to install and it would just be a regular receiver from that traffic cabinet down to that.

Selectman Morin: Right, just something to flash there's a light ahead or something.

Jay Twardosky: I can get some quotes on that and get back to you.

Chairman Dumont: Just for process-wise, run through the Highway Safety Committee. I know we ran, we added the blinking light, or the LED strip across that. I was hoping that would stop but, I mean I guess if it even stopped one accident it's worth it. But anything else would help.

Selectman Morin: Can I just ask the Chief [of Police] something real quick? Is there a specific direction you guys are seeing those crashes? You know, is there a specific direction they're coming or is it...? I see it more as if coming up Library Street.

Chief Dionne: I'd have to research it, to be honest. I know the last one, this one, was a traffic light violation. Which is typically what it is. But, sometimes the left turn. This one I have to look at specifically.

Chairman Dumont: Chief, Chief, I apologize. Do you just mind coming up to the microphone just to clarify?

Chief Dionne: Absolutely. I can research that and take it to the next Highway.

Selectman Morin: Yes, I'll come and make a request so you get it officially.

Chief Dionne: That would be great. And we can definitely research that and see which way they're coming. My gut tells me it's both directions. It would be coming and going, you know all four points on the compass on that one. That would be my gut. And like I said, the last one with this one here, was a traffic violation.

Selectman Morin: Yes, I just don't know what else we could do. I mean, that's the thing.

Chief Dionne: It's a tough intersection. Reality is it's resources, too. Right, it's resources. A lot of that stuff happens on second shift and we're literally, some days it's call to call, so we're not even, traffic can be tough to manage at that point.

Chairman Dumont: To point out, too, there comes a certain extent where you could put everything in the way, you're not going to eliminate all of the human error.

Chief Dionne: We did a big press, a nice PSA out there for that.

Chairman Dumont: No, you guys have done a terrific job. You know, I think you guys have done everything and then some. Which is unfortunate that some drivers don't pay attention.

Selectman Morin: Unfortunately at some point somebody's going to get very hurt.

Chairman Dumont: I think the flashing light is a good idea and it's, I would imagine it's a minimal cost so definitely like to see that looked into.

Jay Twardosky: We can look into a couple options for that. Or, we could task Elvis and put a roundabout in.

Chairman Dumont: We can just send him out there with a flashing sweater. Have him dodge traffic.

Jay Twardosky: One other note on the Clean Diesel Grant. I just got another email there's actually another grant that are finely utilizing the VF settlement money. \$5.1 million dollars they're giving in the first round and then they're expecting to do another \$5.1 million in the second round later this year. So we're going to be looking into that, we might be looking for more.

Chairman Dumont: Some of this is eligible, right?

Jay Twardosky: Yes, this is that Clean Fleets, is what they're calling it. So they're looking at starting to replace fleets with cleaner vehicles, newer vehicles.

Chairman Dumont: Sounds good to me. Any other questions? We will move on.

I. Grant Funding Opportunity – Police/Discussion

Chairman Dumont recognizes Police Chief, Tad Dionne and Captain David Cayot.

Chief Dionne: Our next two items are basically some informational, kind of get some preliminary information out to the Board. We are, so our record management system, IMC, is kind of dying a slow death, right? As of next year I don't believe they'll be updated anymore and then obviously, support will run out eventually. So for us we're trying to look ahead and see what we're going to do. I think we could use it for a few more years but, then it's going to have to be replaced. So, replacement record management systems, you know, RMS is very expensive, obviously. So, I just happen to be amongst a group of Chiefs and they had been talking about how they

had joined in a consortium, there was about seven Chiefs at the time. And the Hillsborough Chief was kind of spearheading it because they were looking at taking a Congressional grant and trying to spend the grant to actually pay for everybody's record management upgrade. And they all have IMC, they're all in the same boat. So, at the time I heard about it I started asking a few questions and then we kind of jumped on that consortium, there's no, we're not obligated to do anything at this point. It was putting a proposal together, I believe it was Senator Shaheen's Congressional spending. So, that part got done. There's 12 agencies and we were looking, it's Central Square, right, who owns this so it's specifically called ProSuite. So we actually had them come in and do a demo and I'm going to have Captain Cayot speak to you about that a little bit. But, just to give you an idea of the money involved here, or what we were looking at is, for this consortium if the Congressional spending went through and we were able to be on this grant and it actually came through, it would pay for the first five years of us having this particular record management system. And then we would pick it up from there and it's about two times what we're paying right now for IMC. There's a reason why we like this particular item other than just the fact that we might be able to get in on the grant on this one and it would be free. But, I'll let Captain Cayot talk about the demo. Captain Cayot and I believe Captain McElhinney attended the demo, the demonstration. And they actually came to the PD, we had some other PD's as well stop by and see it.

Captain Cayot: We also had IT Director Doug Bosteels in it with us because he helps us run the record management system. So one of the reasons Pro Suite interests us so much is for the past 25 years we've been using IMC. So all of the Police Departments records are stored in IMC. And by both these Pro Suite and IMC both come from Central Square. So, if we went to Pro Suite they would be able to take that 25 years' worth of records and merge it into Pro Suite. So we would lose anything, we wouldn't have to go to a separate system to access those records, they would all still be at our fingertips as they currently are. That's one of the huge advantages of Pro Suite. So they pretty much took IMC, took all the functionality it had that we currently use and they put a ton more functionality in it as well. One of the big things that we saw in looking at it, was all the forms that go up to the state and that we use are electronically already built into this because they do have some other PD's here in New Hampshire that are using it. So, the New Hampshire forms have been built into this so our lab requests and a bunch of the different forms that every PD in New Hampshire uses, those are already built into it so we can do those electronically. There would be the potential for saving paper as well because now we don't have to do a lot of those on a paper version as well separate from IMC like we currently have to do. That was a big advantage. Another advantage is that not only would the 12 org part of this consortium be able to search each other's records, we would actually have access to any records of anyone else using Pro Suite in the entire country. So, all we would have to do is request that. Typically it would be in a certain radius you would have access to those records but, you could request it from anywhere in the country. For a specific case you could go in and request, OK I want to, instead of just being in a 50 mile radius I want to push that out. It has a lot more power in a lot of the stuff we do internally but, it would also just give us access to all those other records. And I can answer any, or try and answer any questions you might have about Pro Suite.

Selectman Morin: This is the company that bought out IMC, right?

Captain Cayot: Correct.

Selectman Morin: Now back three, four, five months ago anyway, I remember the Fire Chief coming here and saying they were looking at new software. And I know we have IMC now which doesn't really relate to the Fire service but we used it because we got it with everybody. Is there anything with this company that the Fire Department could jump on but get the Fire Department software?

Chief Dionne: So I did talk to Chief Tice about this today and he is going to look into that a little bit. I think, the interesting part of this is we don't really share any information with Fire now with IMC through all these years because a lot of their records are protected to begin with, like a run record and stuff like that. It would be protected, same thing on our end. It's basically on a case by case basis if the Fire Department needed something from us we'd just help them get it. It's not like we, I don't go into, even though we both have IMC I can't go into their system.

Selectman Morin: No, and I understand that, Chief. But if they could get on the cheaper price.

Chief Dionne: There is Fire functionality. There is Fire functionality and he's actually going to look into that now. I don't, I think the particular one we were dealing with was a regional Police.

Selectman Morin: Right, understood. I understand that.

Chief Dionne: And I think the attractiveness to that is as you know, any grant funding if it's regional, it's a lot more likely to get approved. I think that the one we're looking at just to kind of add to this, is probably around, it's over \$1 million dollars total to pay for these 12 agencies, we are the largest one of the 12 that are looking into it. I think by far we are the largest one. So, a lot of smaller departments would jump on, they're all Hillsborough County, though. I can't answer all the questions, but I do know we had a discussion today and we were able to give them a little more information that we had on it and he was going to look into that as well.

Chairman Dumont: Any other questions? Thank you very much, appreciate it guys.

J. Formation of a Regional Crash Team – Police/Discussion

Chairman Dumont recognizes Police Chief, Tad Dionne and Captain David Cayot.

Chief Dionne: Thank you, Mr. Chair. Essentially a few months back the Pelham Police Chief, Anne Perriello came to me and she requested us looking at a regional team again. A few years back, you might remember this, Selectman Morin, we looked at regionalizing our crash team. It really can help us save a lot of resources and assets by combining what we have in personnel, in equipment, etc. So, we got together at the Hudson Police Department for several meetings and we've got to a point now where the Pelham Chief is working on an MOU based on how, kind of how our SOU/MOU goes and some of the other agencies that have regional crash teams. But in the process of this conversation, between Windham, Pelham and Hudson, Windham PD is looking at trying to write a grant to help us get a FARO collectively. Again, we're not at a point yet where we're applying for anything, we're just in the infant stages. But, I wanted to keep you aware of that maybe a matching grant, we have no idea at this point. As it is now if Pelham calls us, because Pelham has a lot of bad accidents. If they call us, we go, right? We're the team that does their reconstructions out there. We would help Windham in a second if they called us for it as well. They're under staffed, really understaffed, Windham is. We would provide that resource anyways. So now we're trying to combine and we actually have a Pelham officer who's being certified as a Reconstructionist and they work with us whenever we have a call even here in Hudson, so they come out. So we're already kind of bit working that right now. We just want to make it more robust and get an MOU going. But, I did just want to keep you apprised of the fact that we are looking into getting a FARO which will help us map. It's just a better system. Our LIT is down, now and I cannot... either I buy a new one or there's no way we can fix it. So we are back to kind of like caveman time now. We're back to putting down tape, yes, we're back to putting down tape measures and we're measuring 300 feet across a 100 feet and that's how we're actually scaling and reconstructing at this point. Getting a FARO would be a great achievement for us to get that piece of equipment regionally. But I just wanted to keep you apprised of that, that's what we're looking at now to kind of upgrade that technology and that equipment.

Chairman Dumont: Thank you very much for that. And I did just one quick thing and then I'll get to you. You just briefly mentioned, obviously you guys are going into Pelham to reconstruct that. Just for our own knowledge, a lot of talk about rotaries and I know that Pelham has quite a few of those, do you see accidents there? Is that where you guys are going or are these other routes?

Chief Dionne: No. Most of these accidents are on Mammoth Road. And even Keys Hill which is our extension to Kimball Hill, right? So, that's where most of them are going. We're not travelling far to get there and many times we're on our way there because they think they're in Hudson when the accident comes in. And we've had quite a few and almost every one of them was on Mammoth Road. I will say that, when I talked like Gary for instance, it reduces the gravity of the accident. I think they see a lot more maybe some little side...

Chairman Dumont: Like the rotaries.

Chief Dionne: Correct. It is definitely calming down the speeds coming in. So what you'll get is a fender bender rather than a fatal maybe.

Chairman Dumont: It seems like every intersection we have a problem with that comes up so I figured I'd ask.

Chief Dionne: I don't think it reduces accidents as a whole, though.

Selectman Jakoby: My question was I see Hudson, Pelham and Windham just, why not Litchfield or is it just mainly those two towns that we work with? It just seems like an obvious missing town.

Chief Dionne: So essentially we kind of asked, you know, if anybody's interested in where we were at. And some of it is staffing, too. Like Litchfield was at a staffing crisis awhile back. And they may be willing to come on now and like if you look at our SOU, it started with six agencies, I believe. And what we have now is probably closer to 20

agencies. So it's growing over the years so we'd be more than willing to do that. We did ask some of the other towns that are right nearby and they were either, some of them already have their own little regional with another budding town. And of course with Litchfield, it's just a staffing issue I believe.

Selectman Jakoby: OK, I just wanted to ask because that was missing.

Selectman Vurgaropulos: This is going to be similar to pretty much regional assistance program that we have. Forgive me I don't know the ...

Chief Dionne: Mutual aide.

Selectman Vurgaropulos: Yes, mutual aide.

Chief Dionne: It is, but this actually creates the team, right? As (inaudible) we're responsive in the mutual aid call where we just respond to help, that's what we do now, right? When Pelham calls and says we have a bad accident then we're coming out. For us, if we have to close Kimball Hill Road, Pelham is going to come out and help us with that. So, it's not a, you know what I mean, in this case we're actually reconstructing the accidents. Now we're going to actually create that team, how people are called out, where the resources are coming from and what are the resources? And where are we storing the equipment, for instance. And we already have the truck so the equipment would probably be stored in Hudson. The fiduciary would be Pelham as far as if we were to go that far and get into the grant, they would actually write. Windham would write but Pelham would be the receiving entity. Thank you.

Chairman Dumont: Thank you Chief, I appreciate the info. Alright now at this time as Chair, I'm actually going to enter back into Old Business so we could get some of these things moving. We will have our conversation.

Selectman Morin made a motion, seconded by Selectman Vurgaropulos, to move back into Old Business, 7B. Motion carried, 4-0.

7. OLD BUSINESS

A. Votes taken after Nonpublic Session on March 25, 2025

- 1) Selectman Morin made a motion, seconded by Selectman Guessferd, to accept the resignation of Beth McKee, Town Accountant, moreover Interim Finance Supervisor, effective March 28, 2025, with Board's thanks and appreciation. Motion carried, 5-0.
- 2) Selectman Morin made a motion, seconded by Selectman Guessferd, for the Hudson, New Hampshire, Board of Selectmen, accept the resignation of Traffic Technician John Dowgos from the Department of Public Works effective immediately. Motion carried, 5-0.
- 3) Selectman Morin made a motion, seconded by Selectman Jakoby, to authorize the Director of Public Works to hire Christopher Alers as a full-time Truck Driver/Laborer at \$24.25 per hour (Grade 8, Step 1) in accordance with the Teamsters Local #633 agreement, effective March 31, 2025. Motion carried, 5-0.
- 4) Selectman Morin made a motion, seconded by selectman Guessferd, to authorize the Director of Public Works to post for the Traffic Technician position in accordance with the Teamsters Local 633.
- 5) Selectman Jakoby made a motion, seconded by Selectman Guessferd, to hire Marissa McDaniel for the position of Dispatcher in the Fire Department at the contracted salary of \$21.47 per hour Step 1. This assignment will be a non-exempt position in accordance with the International Association of Firefighters Local #3154, as recommended by the Fire Chief. Motion carried, 5-0.
- 6) Selectman Jakoby made a motion, seconded by Selectman Vurgaropulos, to authorize the Fire Chief to hire Jeremy Zelaness and Alex Bergeron as Part-Time Provisional Call Firefighters, an unpaid position with no benefits, as recommended by the Fire Chief. Motion carried, 5-0.
- 7) Selectman Guessferd made a motion, seconded by Selectman Morin, to enter into a contract for legal services, exclusive to those services currently provided, moreover exclusive to and with the law firm of Tarbell & Brodich, PA, for the period of July 1, 2025, through June 30, 2028, for the terms as specified in the Proposal for Legal Services 2025-2028 letter as prepared by Attorney David LeFevre. Motion carried, 4-1, Jakoby opposed.

- 8) Selectman Morin made a motion, seconded by Selectman Vurgaropulos, to retain the services of former Town Administrator Steve Malizia for up to three (3) months starting April 1, 2025 at the rate of \$100.00 per hour without benefits to assist with the Finance Department. Further, it shall be the purview of Town Administrator, Roy E. Sorenson, to terminate such services within that three month period as applicable once proper staffing is in place for effective daily operation. Motion carried, 5-0.
- 9) Selectman Morin made a motion, seconded by Selectman Guessferd, to remove item #8 from the Non-Public agenda and to take no action. Motion carried, 5-0.
- 10) Selectman Morin made a motion, seconded by Selectman Guessferd, to adjourn at 11:20 p.m. Motion carried, 5-0.

B. Community Power Coalition of New Hampshire Continued Discussion

Chairman Dumont recognizes CPCNH Acting General Manager, Henry Herndon. I'm here to provide a memo in response to the questions submitted by the Board of Selectmen and I would be pleased to speak further to any follow-up questions or clarifications provided within that memo.

Chairman Dumont: With that, what questions do we have from the Board?

Selectman Morin: We're not going to review the questions so everybody can hear the answers?

Chairman Dumont: Yes, if that's the will of the Board. If the Board would prefer ...

Selectman Morin: That's why we did that and brought him here so we could have the answers so the public hears it because again, I have some serious concerns.

Chairman Dumont: I think that would be appropriate. What we can do, I think, and we can probably have a little Q&A of our own, but we can go through each question and answer. If the Selectmen has a comment or a question on that individual one we can go around the Board at that time. Do you think it would be appropriate for you to go through those or do you want me to read them?

Roy Sorenson: No, I'll introduce it. Attached you have with the memo, it's from myself and I obviously met with the members of the Sustainability Committee. Working through them to provide information to Mr. Herndon on this matter. This was taken up previously at the March 4, 2025 meeting. At that meeting I was also tasked with developing questions relative to the discussion that night. Moreover, anything by what I looked into the situation, what could be asked. I did prepare those questions, I sent them to the Board, you see that on page two. The questions also went to the Sustainability Committee who forwarded it to CPCNH. I have the questions, how would you like me to proceed Mr. Chair? Do you want me to read the first question and Mr. Herndon can answer those questions or?

Chairman Dumont: Yes, I think it would be appropriate since the questions came from us if you read off the questions and he can address them.

Roy Sorenson: Question one posed to CPCNH. CPCNH is required to cover its costs. What is the percentage of costs based on Classification of Costs listed in the agreement? Those Three items are: 1) CPA Member Service Costs a) CPA Power Supply Costs, b) CPS Operational Costs 2) General and Administrative Costs 3) Direct Project Costs. I'll turn it over to Mr. Herndon.

Henry Herndon: So I'll go ahead and answer the question. But, just before I do, I'm going to reiterate what's included in the cover sheet of the memo for the public's consideration just to provide the context of what CPCNH is in relation to the Town of Hudson. So, I'm the acting General Manager of Community Power Coalition of New Hampshire. We are a non-profit, we are an instrumentality of our 68 member municipal and county governments including, the Town of Hudson who has joined as a member. We were created by these local governments to act as an extension of certain authorities granted to them by the New Hampshire General Court. CPCNH was created to serve its members including the Town of Hudson and as an accountable and answerable to those members and to the public we collectively serve. We are subject to the same Right-to-Know law as this body and any other municipal government. And we welcome the questions that have been asked of CPCNH and we'll do our best to provide transparent access and answer all questions that are presented by the town. I will note our Joint Powers Agreement which the town has adopted to become a member, makes very clear that all of our books and records are at all times open to the inspection of the member towns. So, pleased to just provide that context. In response to question

one, the percentage of cost by classification. CPCNH had expenditures in 2024 of \$176,677. Our power supply costs are costs of goods sold for 2024 was \$163,465, that's 95.6% of our total expenditures. Our operating costs were \$7.3 million or \$7.306 million, 4.3% of total expenditures. And, our general and administrative costs are \$240,000 or about .14% of total expenditures. We do not have any direct project costs and we included other financial materials and I'll refer the Board to our key documents page of our website where we post all records and minutes of our Finance Committee and Board meetings as well as other public meetings.

Chairman Dumont: Alright, questions from the Board on that topic? With that we'll move on.

Roy Sorenson: To question two. What is the true cost of the deficit or impact to the joint reserve?

Henry Herndon: So, again I'll just provide some context for the public. So, CPCNH is a, provides power supply services to our member communities on a default basis. We're operating in perhaps we have 70 member towns in the state, we're operating in perhaps 50 or 60 towns as the default supplier. It's about 190,000 retail electric customers or closer to 200,000 retail electric customers. So, what we do is we manage a portfolio of power supply resources, we buy whole sale power, we cover our operating costs, as described in question one. And then, the business model is to, you know, if we were a for-profit entity we would have a profit margin. We are a non-profit, an extension of municipal governments and we, rather than having a profit margin, accrue net revenues into a reserve account for risk management purposes to maintain financial stability over time as we're managing the wholesale power portfolio. So in terms of the deficit, CPCNH experienced a draw down to its reserve account that had been accrued over the past year and a half, two year period during this winter, during a high-priced winter and having some exposure to the market. So, in response to the question about that deficit to the reserve fund, due to power supply costs exceeding revenues collected from customers, CPCNH experienced a, approximately \$8.4 million dollar loss during the prior six month rate period from August 2024 through January of 2025. This necessitated drawing against the Members' joint financial reserves to cover costs. This is one of the purposes of the reserve fund is to mitigate extreme rate shock by utilizing that reserve as opposed to extremely, extreme adjustments to rates. While that is one of the purposes, this was, this reserve drawdown on exceed normal expected levels. As the end of January 2025, CPCNH had \$4.9 million dollars in Joint Reserves. This figure represents the difference between all CPCNH accrued revenues and expenses through the end of January. CPCNH sets rates to cover costs. As a result of changing market conditions and a careful re-examination of our projected costs over the next few months, we adjusted rates to cover these costs and begin gradually rebuilding the financial reserves from March 2025 onwards while balancing our objective of offering competitive rates for customers.

Selectman Morin: When did you determine it was \$8.4? Because we heard a lot higher numbers than this which kind of confuses me where we got a lot higher numbers, but you're only at \$8.4 now. When we had our meeting last meeting, we were, originally at a Sustainability meeting we heard as high as \$18 million. And then we heard last meeting between \$10 and \$12 million and now we're down to \$8.4. So how did that happen?

Henry Herndon: So, I don't know where the \$18 million figure came from. For additional context, what this is specifically speaking to is the losses that occurred from the six month rate period from August through January 2025. The month of February for which we have not closed the books, did experience addition on the reserve. It is not atypical, or perhaps it is, normal for the month of February for a power supply organization such as ours to experience negative net margin. Typically over a six month period or a twelve month period you aim to have positive margins but, in the high-cost winter months you may have negative margins. So those losses did continue into the February month prior to the rate going into March. So, this \$8.4 million dollar number does not include the yet to be closed books for February. There will be additional losses during the month of February. It would not, I don't know where this \$18 million dollar number came from, I don't have a specific...

Selectman Morin: OK, where did you get the \$10 to \$12?

Henry Herndon: Yes, there, that's perhaps, again, I can't say a specific number at this point but there are additional losses beyond \$8.4 for the month of February.

Chairman Dumont: And I'm glad Selectman Morin touched on it because that was going to be my question. And, I understand that it would just be an estimate at this point. But, if you were to average out your cold winter months where you're experiencing those higher declines, do you have an estimate as to what February may have been? And it's not something that I'm going to hold you to, I'm just trying, just for clarification purposes as to where the difference in those number would be.

Henry Herndon: I don't have an estimate at the present moment. But, we would be happy to follow up when we close the books for February and report that number to you.

Chairman Dumont: OK, thank you, I'd appreciate that. Other questions?

Selectman Vurgaropulos: So, obviously everybody knows the rates are going up, that's why we're here? And the rates are going up to replenish the reserve fund, what percentage of the average consumer that uses CPCNH, what percentage of their bill is actually, goes towards the reserve fund to replenish that? Beyond this circumstance.

Henry Herndon: What percentage of the rate goes to the reserve or the customer's bill? I don't have a specific answer, I can come back with that. But, the vast majority of the rate is covering the cost of power supply and then operating costs. And then there is a small, I think we have previously had between, I would say maybe up to 6% of the rate of the, of the supply rate. Now the supply rate is half of the customer's bill. So, it's 6% of half the bill would perhaps be an estimate of the amount going to reserve. And I'll just note the rate adjustment is to cover costs due to changing market conditions, not to recoup \$8.4 million plus February's number in the immediate term. Our goal is to gradually over time, over the coming rate periods, recoup reserve funds.

Selectman Vurgaropulos: At the last meeting that's not how it was presented to us. Part of the rate increase was to recoup part of the reserves then move forward. So, from what you've said there is a recoup built into the cost already. Either it's not managed well or you don't know what the exact number is but, you're saying different from what we heard last meeting.

Henry Herndon: I understand that. There is a portion of the rate we anticipate and our objective is to accrue some portion of reserve funds during this rate period. Not on the order of the drawdown for the prior rate period.

Selectman Vurgaropulos: But that rate recoup is always there regardless of what time of year it is.

Henry Herndon: Not necessarily. When we meet our reserve target we have a financial reserve policy. It sets certain targets we would like to have after a certain period of time. 60 days of cash available in reserve, and then to meet our actual target would be 120 days of cash in reserve. Once we have that reserve in a steady state of operations, there's no need to continue to deposit monies into the account over time. And having that reserve is then beneficial in a number of ways in that. One, we currently rely on certain service providers for credit support and supporting our ability to be a market participant in the whole sale power market. By having that financial stability, having that reserve fund, eventually achieving a credit rating, we can self-finance the business essentially at that can be a source of cost savings for customers.

Selectman Vurgaropulos: So, are you saying that you don't have a standing policy for recouping besides ad hoc?

Henry Herndon: No, no we do have a financial reserve policy.

Selectman Vurgaropulos: That covers, like you just told me it's only partially and when you feel it's needed to make that benchmark.

Henry Herndon: No, we have a goal of, the goal and the policy is to after a three year period reach 60 days of operating reserve. We are not likely to make that target based on this high-priced winter and our exposure. So that might get pushed out and that will be a discussion at the Board level of how to have an acceptance or modification to the policy to gradually achieve that reserve target. But, we do have a policy that we, that guides and sets parameters around how we operate and how we manage the monies that are collected from the customer based in the public interest.

Selectman Vurgaropulos: Ok, thank you.

Chairman Dumont: two things. Will we be able to see a copy of that policy? And, what is that reserve target that you're referencing? What is the dollar amount?

Henry Herndon: It's not a dollar amount. It is a days of cash in reserve. So, it would depend upon our volume or our customer base. So, 60 days of operating expense, I don't have the math in front of me but again, I'd be happy to follow up with that. The policy is linked to in the memo that I provided, in question five. That's where you'll find the policy and I can follow up with the math on what is a 60 days of operating cash at current scale.

Chairman Dumont: Yes, I would appreciate that. It just kind of gives more context to exactly how that operates. And trust me I understand that a lot of this is forecasting, things that are going to happen in the future and they are estimates. But, when we can put a number or even a percentage on to it, it just helps everybody understand a little bit better. So thank you very much. Is there any other questions on that one?

Roy Sorenson: I think he answered number three, the current balance in the joint reserve.

Chairman Dumont: I would agree.

Roy Sorenson: Maybe Selectman Vurgaropulos had, this might be following up on his question, how much of the joint reserve, this is question four, will be restored with this current rate?

Henry Herndon: At the time of the rate setting CPCNH forecasts recovering \$2 to \$3 million dollars in joint reserves during the current rate period ending July 31, 2025.

Roy Sorenson: So, that's your, that's the target that you're looking to hit by July 31st? Based on your rate.

Henry Herndon: Yes, that was the, when the rate was set based on, yes our forecast at the time that was what our expectation is for this rate period is.

Chairman Dumont: So if I'm understanding that correctly. So, you have \$4.9 million in there less, obviously, the month of February which is not determined yet and the goal is to recover the \$2.3 million. If there's a drastic change in February is the goal still \$2.3 or is that \$2.3 encompassing of what that may be? I guess is that subject to change?

Henry Herndon: I have, I think there is extremely low probability of any mid-cycle rate adjustments. I think that the next rate adjustment, I not sure if this is exactly answering you question. But, let's say CPCNH had a shortfall, say we cover our costs but we only recover \$1 million in reserve as opposed to \$2, then, yes that would affect the rate. We will be adjusting rates for the period that starts in August 1st.

Chairman Dumont: If for whatever reason you realized you needed to recover more than the \$2 to \$3 million, would that affect the rate?

Henry Herndon: There is some, I would say, small and highly unlikely possibility of an emergency rate adjustment. I don't expect that, I don't, that's not something I expect will occur. The policy does provide for emergency rate adjustment authorities. But, I have no expectation that that would be utilized in this rate period.

Chairman Dumont: Thank you.

Selectman Vurgaropulos: So you guys say that you had an \$8.4 million dollar loss over the last, over the six month period that we're speaking of. You're goal for the next six month period is to recoup \$2 to \$3 million of that. So, not a math genius, but, that still leaves \$5 million on the table for you to try to bolster up. So, that means we're going to be experiencing rate hikes beyond this six month period.

Henry Herndon: Not necessarily. So, all rate charged, whether it is, you know, any supplier that charging a rate, there is, that rate is covering their cost of power supply. It is covering their operating costs and it's covering their margins, their profit margins or in our case the reserves. So, all power suppliers have similar rate make-ups. We make that rate make-up transparent to our constituents. Whereas, if you're shopping with a competitive supplier you just see the fixed price, you don't see how much of it is going their operating costs and how much is going to their profit margin.

Selectman Vurgaropulos: OK, thank you.

Chairman Dumont: And so to follow up, you already have a certain amount that goes toward your reserves and then that rate hike just reference it, or is just in context for the \$2 to \$3 million extra to recoup?

Henry Herndon: I don't know that it's extra, it is what is prudent to accruing the reserve fund to operate the business in the long term with stability.

Selectman Morin: I just want to throw this out there. Where do you get your power from?

Henry Herndon: So we shop in the ISO New England whole sale power market. This is the six-state regional bulk power market where the utility companies and large commercial generators and supplies buy and sell power. So, we are trading in that market place. We enter into, what are called internal, bilateral transactions. It's just a contract, it's a contract with a seller of power for a price at a certain cost. We buy blocks of power, if you really want to get into it, we buy sort of like weekday, daytime blocks and weekday, nighttime blocks and weekend blocks because they're priced differently. But, essentially we're purchasing market power in ISO New England, that's, the mix of that is perhaps 60% or 70% natural gas. There's renewable power, there's hydro, there's other forms of power.

Selectman Morin: So, you stay within the United States, we don't import any?

Henry Herndon: It's all ISO New England. It's all within a six, there's a regional, six state market place and that's where we're buying all our power from.

Chairman Dumont: Which is the same way that Eversource or the other utility companies around here are purchasing.

Henry Herndon: Yes, there may be nuance differences in our methods of purchasing, but we're all buying in the same market, from the ISO.

Chairman Dumont: Any other questions on this one?

Roy Sorenson: Question five. You kind of talked about this a little bit, the joint reserve fund balance policy. You gave us a link to look at. Is there any other questions in the fund balance? What would be the floor of the fund balance? Or, the lowest you would want to take it?

Henry Herndon: So our minimum target is 60 days of operating cash.

Roy Sorenson: What's that number?

Henry Herndon: That's the number that I'm going to follow up with to calculate. The policy doesn't have a specific number, it's a days of cash.

Selectman Morin: I don't understand that. I understand 60 days but there's got to be some type of number attached to that because how do you know when you get there or you're not there?

Henry Herndon: I don't have the number ready in this moment. But, I can go back to our accountants ...

Selectman Morin: And I understand that but, being here as a Selectman and I had that policy, as a Selectman for the town, I'd want to know a number. Because I'm kind of like well we're 60 days out, what does that mean?

Henry Herndon: Just to respond a little. I understand, I understand what you're saying. So, a year ago CPCNH had 70,000 retail customers. Right now we have 193,000 retail customers. So the amount in the reserve to serve 70,000 customer base is a different, very much a different number than the 193,000. So, we don't, you know, the organization, it's relatively new, it scaled pretty quickly, we don't know what the exact scale of the organization will be. And that's why the policy was designed that way, to reference days of required spend as opposed to a specific number. I could maybe try to put this into a ballpark for you. We perhaps could do \$3 million in revenue in cost week over week. So, 60 days is how many weeks?

Chairman Dumont: About \$24 million, roughly.

Henry Herndon: Perhaps.

Chairman Dumont: I appreciate that question from Selectman Morin and trust me I understand the difficulty. I do have to share some concern in the fact of how difficult it is to generate those numbers? And I'm sure that you guys probably have the similar concern, maybe the answer is just no, but has there not been any way to kind of better forecast what goes on in the future. And I guess so I'm asking you to look into a crystal ball, that's fair if that's what you tell me I'm doing here. But, it just seems concerning that we don't really know what that number is, we're hoping that it's this one and that's how the business model operates, but really nobody's sure. And through nobody's fault, I get that, it's difficult to understand, but am I following along? Is that kind of how it operates?

Henry Herndon: I would perhaps, I think that in some of the later questions that we'll get to will help in responding to that. In that we will discuss that in addition to our financial reserve policy we have an energy portfolio risk management policy. That sets certain guardrails for how we trade power in this volatile market to ensure our risk is minimized. And CPCNH experienced some compliance challenges with that policy this winter period which we identified and had quick action to rectify. But, this is just to say I think as we continue the conversation I'll be able to maybe speak more to some of those things and some of the course correction that has occurred to better forecast and ensure policy compliance.

Chairman Dumont: Thank you very much. Any other questions on that one? We'll move on.

Roy Sorenson: Question six. What would the rate be if no money was taken from the joint reserve to offset costs? I know you gave an answer I'm not sure I understand it. Maybe you could explain that a little bit further. I think that was your question.

Henry Herndon: So CPCNH had a negative net margin of \$8.6 million for the period August 2024 to January 2025, on 607 GWh in retail sales. This represents a loss of approximately 1.2¢ per kWh sold. All else being equal, a 9.8¢ per

kWh rate would have resulted in no net change in reserves for the period. Now it's important to note the rate is one of several factors that contributed to the draw on reserve. And again, we'll get into this in upcoming questions. But, you know, you asked the question we attempt to answer the question in a straight forward manner and in a straight forward manner is 9.8¢, is the answer to that.

Chairman Dumont: And that would have been no drawdown on your reserve?

Henry Herndon: That is correct. But, ...

Chairman Dumont: And so to follow up, so then if the loss was, you know, .012, you're rate during that period was .086, am I understanding that correctly? During that period? That's what resulted in the loss. What was Eversource's rate during that period? Do you know?

Henry Herndon: Eversource I believe was in the 10¢, 11¢ range during that period.

Chairman Dumont: That's what I thought, they were ...

Henry Herndon: And so, but again, so all of things being equal, that's what the rate would have been. As we'll sort of get into, there are a number of factors and one of the factors was we had some policy compliance issues where we were insufficiently, had we locked in fixed prices for two small a portion of our portfolio and we had exposure to the real time prices in the market. This winter was one of the most expensive and colder winters in the past 20 years. So, there again, just to sort of clarify it, there are a number of factors and there was a confluence of factors, not just the rate set although that was a major factor.

Chairman Dumont: And I can appreciate that and the reason why I posed the question is because in my mind when I look at that people want to say OK, well I was saving this amount off of a standard rate, but yet it caused me to dip into my savings. Was that worth it? And is this rate hike that we're going to be going through, worthwhile to have gained that savings over the course of the six months or so? And so that's why I try and put it into that context as to where Eversource was at, where you guys were at and where the rate would have been had they not received that savings.

Henry Herndon: And just to the point about, sort of, you know, language about rate hike. We did increase the rate from 8.6 to that 8.9 and then the next month to 9.7. And just for context for folks listening in the audience of what not, for the past, you know, two year period in sort of relatively normal band of rates, we've seen utility rates 11, 10¢, maybe 9¢ we were down to 8.6¢ so we did (inaudible) low band of sort of normalcy. We're right at 9.7¢ right now and that's well within the range of sort of normal electric rates over time.

Chairman Dumont: Thank you. Is there any questions on that one? Go to the next one.

Roy Sorenson: Question seven. Who is CPCNH using for forecasting and/or hedging understanding the significant losses incurred? Is this the same group? So this was kind of the discussion at the last meeting that perhaps, I guess it's Ascend Analytics was just providing bad data or bad information and that was part of the issue.

Henry Herndon: No, I would not, I would not agree with that statement. Since quarter four 2022, CPCNH has contracted with Ascend Analytics to provide wholesale energy portfolio and risk management services. I don't know that I need to read all these but they, you know they conduct, they supported the technical assessment for launching CPCNH in 2023. They supported the development of our policies and procedures, our Cost Sharing Agreement, our Energy Risk Management Policy. We feel these are good agreements and good policies that fit within sort of industry standard. They conduct electric demand, price and risk modeling on behalf of CPCNH. Scenario analysis and stochastic modeling to minimize our risk. They provide training and technical assistance to CPCNH staff to use their software modeling tools and they assist us in rate setting and budgeting. Ascend is a powerful portfolio risk management and resource planning consultant and a software solutions provider with depth of experience supporting Community Power organizations and utilities across North America. They are headquartered in Boulder, CO. To account for the departure of our prior CEO, CPCNH has shifted responsibility for hedging strategy, procurement, financial reserve forecasts, cashflow and cost modeling for supporting rate setting and budgeting and other Power Resources department functions back to Ascend Analytics and other expert contractors under oversight of our Risk Management Committee.

Roy Sorenson: Alright, so Ascend Analytics was not, was never an issue, their forecasting was not a problem?

Henry Herndon: We are currently, as part of our restructuring, revamping the manner in which our retail customer historical usage data and capacity tag data is on an ongoing manner conveyed to our load forecasting model. There

are improvements that are being made in the manner in which we are in an ongoing fashion updating our load forecasts with historical customer usage data.

Roy Sorenson: Alright, it sounds like there was some point of control for the prior CEO that is no longer there. Is that accurate?

Henry Herndon: I think that is accurate and I will note for the Board that if it pleases the Board if you would like to send me an email, I could provide you with the confidential separation agreement for the prior CEO.

Roy Sorenson: How significant was that a factor in the \$8 million dollar loss?

Henry Herndon: How significant was what a factor?

Roy Sorenson: If you can answer the question, so if that point of control from the previous or the prior CEO, how much of that was weighed into the loss, the \$8 million dollar loss?

Henry Herndon: So, I'll answer your question, perhaps by taking a step back and observing. I understand that there's been a perception of non-transparency and I apologize to that that perception has been given. And, I'll provide additional context in that during the December, January, February time period, our Board of Directors conducted a number of non-public Board meetings and some of the minutes of those meetings have not necessarily been made public. Should the Board request it I believe we can provide the policy compliance assessment material that perhaps would help to answer your question.

Chairman Dumont: So, I'm going to ask you a flat out question. Do you know if it can be provided or not?

Henry Herndon: It can, it can be provided upon request of the Board.

Chairman Dumont: The request is here.

Henry Herndon: OK. We'll provide it.

Chairman Dumont: Why can't we do it in the open public meeting?

Henry Herndon: It's a confidential document. But, upon request of one of the member Boards...

Chairman Dumont: But if we are receiving that document it would be subject to a Right-to-Know law that someone could then request from us which then would have to be made public. I don't understand why we're forcing our public to go through these channels when the information should just be out there in the open. If it's available. If it's something that you're saying, now you know there's a nondisclosure agreement that we can't get into, you know, I could understand that point of view. But, if we simply request it and then it's made public to us and then we're in turn making public to our citizens, that takes a month where that information could just be flushed out right here. And quite frankly, this is what poses and issue as far as transparency.

Henry Herndon: It is my objective to maximize transparency and to disclose information to the members of the organization and to ensure we're serving the public interest in that our members are able to see how this public agency is governed. And I understand your comments and you know, there's commercially sensitive material that there would be certain redactions. But, anyway I understand your concern, I respect the concern and I, your request has been received.

Selectman Morin: What's happening now is why you're here. This is same thing that we went through last meeting with one of our people that's supposed to be representing us and this is what we got. And I totally agree with the Chairman. Is this same information what is out there right now for the Right-to-Know that you guys have been given?

Henry Herndon: Which Right-to-Know is that?

Selectman Morin: What you just talked about that you can give it to us but can't make public. Is it the same thing that the Right-to-Know is about?

Henry Herndon: I'm sorry, I'm not sure that I understand the question.

Selectman Morin: Question is you guys got a Right-to-Know submitted to you, correct?

Henry Herndon: When you say we got a Right-to-Know submitted do you mean the memo that was provided by this Board? Or a different one?

Selectman Morin: Our representative for the Town told us that there was a Right-to-Know ...

Henry Herndon: Now I understand your question. Yes. The consumer advocate of the State of New Hampshire submitted a Right-to-Know request to CPCNH. And again, it's not entirely specific in that request but, yes a Right-to-Know request was submitted by a consumer advocate for similar material.

Selectman Morin: OK, so have you fulfilled that Right-to-Know?

Henry Herndon: Not as of yet. We have partially fulfilled it and our lawyers are conducting their final legal review of copious material associated with it.

Selectman Morin: OK, so if you can't give the consumer advocate the information they're requesting, but you will give us, what are we missing here?

Henry Herndon: It's a matter of, it's a matter of process and timeline with the lawyers and it, nothing more than that. It's just a material under review by legal that we fully expect to make available to the consumer advocate...

Selectman Morin: And I appreciate that. But, my point is you just said we could have it, but you didn't mention any of the, that's my, I'm kind of confused now.

Henry Herndon: I know and maybe I'll just try to, I'll try to explain why I'm speaking (inaudible) I am. But, in discussions with our Board Chair of our organization, our administrative staff, our lawyers, this has been discussed we would like, there is, you know, a perhaps deliberation on the course of action and I am in favor of making the material available to you.

Chairman Dumont: So let me, and I will get to on second Selectman Jakoby, I apologize. But, I just want to touch, we are a shareholder in CPCNH, yes?

Henry Herndon: Yes. Well you are, yes.

Chairman Dumont: That information is made available to shareholders.

Henry Herndon: Yes.

Chairman Dumont: Now I understand that you're in a different position and I'm not trying to put you in one that's going to get, you have different obligations than obviously we do as this Board. And I can appreciate that, so please don't take this personally. Is there certain information in there that has to deal with the rates and how the business was being run that doesn't want to be, that Board doesn't want released? Or, are they items that have to deal with a person? Because I can understand why there could be some hesitation if items deal with a person because there's other things that go along with that. If these are details that are specific to rates and how you guys function, I would have a bigger concern.

Henry Herndon: I would say there are elements of both but that you're sort of getting at some of the sensitivity of the, how we're ensuring any personnel type information is properly redacted or addressed.

Selectman Jakoby: So, the Right-to-Know that was requested by the agency when that is fulfilled is that information that we will be given as well?

Henry Herndon: Substantially, yes, I believe.

Selectman Jakoby: So once it's done for one, you don't necessarily have to have it relooked at for us.

Henry Herndon: That's right.

Selectman Jakoby: Just checking.

Chairman Dumont: And I have a follow up because we did bring this up at the last meeting, was any of our rep, did any of our representatives relay to you that we would be looking for this information or filing a Right-to-Know request?

Henry Herndon: No, I don't know that, it wasn't clear to my knowledge that this Board was aware of, you know, detailed and policy compliance assessment.

Chairman Dumont: We asked for information and we were told we have to file a Right-to-Know request and I thought that, I would have assumed, I know what they say about that, but that would have been relayed to you. So that way, quite frankly, it seems to me that you were maybe blind-sided a little bit about that and I don't think that's your fault.

Selectman Vurgaropoulos: So reading this question again through, in the beginning when CPCNH started you guys used Ascend Analytics. From the information you provided here somehow it got moved from Ascend and a CEO was in charge of it? With no risk management oversight?

Henry Herndon: I don't think it's quite as simple as that. I can say that the organization was not adherent to its enterprise risk management policies in several ways that contributed to our exposure and our reserve drawdown.

Selectman Vurgaropulos: I understand that. But I'm just saying you guys, from what I'm looking at, you went from a pro to a guy who's supposed to be a CEO, which I don't know that he belongs under risk management committee, because that's a conflict in my opinion. And then you went back to the pros with the risk oversight management. I'm missing something here. Because you just went from a control to an uncontrolled and now you're back at the control again and now we're in this room.

Henry Herndon: So, there's two documents that I've heard requested from this Board tonight. And one of them is the Confidential Separation Agreement and we can provide that to you.

Selectman Vurgaropulos: OK.

Chairman Dumont: I think it would be appropriate, I think we're getting into a couple of the other questions that are going to be coming up. So, in order to just make sure we're staying, no you perfectly fine because I did the exact same thing. I think it would be appropriate to move onto the next question.

Roy Sorenson: Question eight. How has CPCNH gotten word to the public regarding the current rate and/or the current status of the short-term outlook? Is this something Eversource can put on the bill?

Henry Herndon: CPCNH notices rate adjustments at least 30 days before they become effective. Rate adjustment notices are posted at www.CommunityPowerNH.gov. All Member representatives and "principal executive officers", such as Administrator Sorenson, will be notified of rate adjustments and of Board meetings at which rate adjustment decisions would be made. Customers in the public can subscribe to receive emailed rate announcements at cpcnh.org/news. There's been, I would encourage folks to look at that page it's just been beefed up and professionalized in a lot of ways recently. Effective supply rates are printed on the Eversource bill. Eversource limits what Hudson Community Power can print on the bill to the rate and the supplier program name, such as Hudson Community Power, and the name, address and contact information of customer service, CPCNH customer service.

Chairman Dumont: Could a member representative ever ask for a mailer to go out? I know it's not allowed to be put on the bill. But, along with that bill could have included a mailer or a flyer about the rate hike or could one have been sent out separately upon a member representative request?

Henry Herndon: It's not typical practice. Perhaps an email could be, we've discussed that and we have done that. We have emails for many of the customers, that could be an option.

Chairman Dumont: The only other thing I would raise for a concern with that is that in Hudson we have a lot of citizens who may not be as tech savvy. And for the same reason why we have a certain amount that just opted in may not pay attention to some of those that come across in an email or to certain websites. I would think that mailer with the bill would be more appropriate in that case, I just think that you reach that other group a little bit better. That's just my two cents.

Selectman Morin: I was going to go down the same road and we heard it with public input tonight. We had a gentleman say that he wasn't aware of anything and he had to follow up on it. And unfortunately who's going to take the brunt of the calls when people's bills go up? It's going to be the Town Administrators office and it should be you guys. And, I agree with the Chairman. You know we don't have people that are looking at your website, they don't really look at their bill. I think a direct mailing to the house, to each customer that the rates are going up at this date and this amount needs to be done. And I actually have a motion for this Board later on to make that motion that it gets done one way or the other. So, I think that's very important. I think our residents that belong to this, 71% of our residents belong this and they were sold something and that's not what they're getting right now. And I think they need to know that.

Chairman Dumont: Any other questions or comments on that one? We'll move on to the next one.

Roy Sorenson: Question number nine. What was the specific non-compliance related to the Enterprise Risk Management Policy?

Chairman Dumont: I think we touched on that but you can clarify.

Henry Herndon: I'll go through some of the specifics. You know we discussed that there was a compliance assessment conducted to address areas in non-compliance and implement operational adjustments to ensure

continued financial stability and to ensure policy compliance. Specific factors, and examples of non-policy compliance would include: CPCNH rates for the August 2024 through January 2025 period did not cover costs, which led to negative margins and a draw on reserve. Going back to June of 2024 our CEO and Risk Management Committee recommended rates for the period that were below then current market forwards.

Roy Sorenson: Can I ask you a question before you continue on? So that period where the rates were identified below the then current forward market, does the Board and/or representatives from the towns, they would vote on that, correct?

Henry Herndon: That's right. So, our Board ...

Roy Sorenson: Was that explained to them when they voted? Because I saw that in the votes it was pretty unanimous to go with that. There wasn't any opposition.

Henry Herndon: What was not presented to the Board was the magnitude of financial risk and what is required under policy is a presentation of probabilistic scenarios. If markets go as we expect, we can charge this number and we will accrue this much in reserve. If markets go up, then we would expect this much of a loss. If markets go down, there's this much upside risk. So, scenario planning. We run probabilistic models, we have 100 scenarios and we make our decisions based upon what happens if markets go up? What happens if markets go down? There was not presentation of those scenarios to allow for informed decision making by the Board. That's one of the policy violations was omission of scenario outcomes from the rate based on different market conditions.

Chairman Dumont: And that was a violation of the current policy...

Henry Herndon: The risk policy that was in place. That's correct.

Chairman Dumont: What steps were taken to make sure that doesn't happen in the future?

Henry Herndon: We will, we are conducting adequate probabilistic modeling in forecasting in the next rate setting period and budgeting will be based upon clear analysis and presentation of those scenarios to the Board of Directors.

Chairman Dumont: That will be made sure and followed up I'm sure by at least yourself and the presentation is thorough in that regard.

Henry Herndon: Yes, absolutely. Other items ...

Roy Sorenson: Let me intervene before you finish that item. Can you just explain single point reserve forecast, what does that mean?

Henry Herndon: Yes, that's a good question and sort of similar to what we were discussing. A single point forecast says if you set the rate at 8.6 you can expect to generate \$3 million dollars in reserve. That is a single point forecast. That is inadequate for a power agency. What a power agency should do is, if you set the rate at 8.6 your P50 scenario, your middle scenario out of a 100 model runs would be \$2 million in reserve. But, your worst case scenario would look like significant losses. And, there's an upside scenario where actually you're going to end up with, you know, a falling market and you'd gain more in reserves relative to this single point. So the single point is the omission of what happens under different market scenarios. Which is again, it's not industry standard, that's not policy compliant when you're in a volatile, real time energy market, you have to look at the scenarios. What happens if it's a cold winter? You have to ask that question and consider that outcome. So, hedging. Hedging is locking in blocks of power at fixed prices as opposed to being exposed to real time prices. So forward contracts, futures contracts. Our energy portfolio risk management policy calls for at least 40% hedging prior to rate setting. And the use of probabilistic reserves at risk forecasts and rate setting. This did not occur. During our rate period we did not hedge up to 40% of the portfolio prior to setting rates which is a policy requirement. Next time we set rates we will comply with policy and be hedged to a minimum of 40% before setting rates. Additionally, CPCNH proceeded through the rate period hedging at minimum volumes allowed under the Enterprise Risk Management Policy and at certain points breached policy by hedging beneath required levels or later than the policy allowed; the result was increased exposure to the high-priced market. So what this means is going into any month we have a requirement that we're at least 80% covered, 80% locked in at fixed prices. There were points in time going into the winter where we were late to hedge or did not hedge up to the required minimum of fixed prices for the portfolio. Is that clear?

Roy Sorenson: Is that how you purchase a block, is a month at a time? Is that what it is?

Henry Herndon: No it's more like laddering. Right now I think we, I'll speak maybe more generally. But, we're hedged to an optimum level somewhere between 90% and 110% for I believe the remainder of this rate period. And we also have hedges again, I don't have the exact figures, but let's say perhaps 40% through December. So, it's not a precise, it depends upon the scenario but, going out to December we're 40% covered, going out through July we're perhaps 90% covered.

Chairman Dumont: And so when you speak to that 90%-110% that's usage of that block that you purchased? So, if you were to utilize let's say less than that 90% you'd be (inaudible) to other costs or if you were to utilize more than that 110% you would incur other costs that way as well. Am I understanding that correctly?

Henry Herndon: It would depend on the market. I would depend on if you know, if we are hedged at 80% and we have to buy 20% of our load in a real time market and it's a low priced market, then that's upside. But, if we're 80% hedged and we have to buy 20% in a real time market and it's a high priced market that's down side.

Chairman Dumont: OK, thank you.

Henry Herndon: Sometimes it's, again it can be advantageous to have market exposure. It was not this winter.

Chairman Dumont: Any other questions?

Henry Herndon: Just to close this out. So again, this winter season was characterized by higher volumes than forecasted and higher than average costs. I think it was the second most expensive winter in 20 years. Another anecdote just for consideration, New Hampshire Electric Co-op is another utility in the state and they did a mid-cycle rate increase of maybe .08¢, they just announced it. They announced they had a \$5 to \$6 million dollar loss this winter period. Eversource has a new procurement methodology where they're taking on 30% market exposure. We calculate that we think during the month of February alone they may have lost up to \$5 million. There are other utilities in the state that were in the similar market to what CPCNH was in that's not to necessarily excuse us it's just to provide some context for the market place. And then let's just see, I discussed this but, financial reserve forecasts reported to CPCNH Finance Committee and Board of Directors did not disclose the magnitude of financial risk facing CPCNH due to unhedged exposure in the market as required by policy. Consequently, Member Representatives and Directors were not made aware of CPCNH's worsening financial position until late December 2024, in the day leading up to rate setting for the next period. Just to finish this off, well maybe that's sufficient. Unless you'd like me to read the last paragraph.

Chairman Dumont: I'm fine. Are the Board members good? OK.

Roy Sorenson: Question ten. CPCNH engaged an expert contractor to oversee restricting of CPCNH's business operations: Who is this and how were they selected?

Henry Herndon: So Community Choice Partners, LLC and president Samuel Golding is a consultant that has been supporting CCPNH since inception in various capacities. Community Choice Partners is a consultancy that specializes in the design and operation of power enterprises operating in competitive markets and is dedicated to maximizing democratic, informed decision-making in the energy industry. Community Choice Partners clients reflect diversity of the energy industry and have included: city and county governments, municipal and investor-owned utilities, Community Power Aggregation and Joint Power Agencies, energy technology and software companies, labor unions and electrical contractor associations and a variety of consumer advocate, and other nonprofit organizations. Mr. Golding has been engaged by CPCNH in various capacities since 2019 to design, implement and launch CPCNH and subsequently to provide advisory and support services to the agency. Mr. Golding was a key advisor in crafting CPCNH's founding documents, contracts, and policies that enabled the agency to commence power supply operations at no upfront cost or risk to taxpayers while maintaining control of the power portfolio and rate setting decisions. Mr. Golding supported the oversight of successful launch and commencement of commercial operations for CPCNH in April 2023 before management responsibilities were transitioned to CPCNH's first CEO in June 2023. In February of this year CPCNH reengaged Mr. Golding to support business restructuring of operations to ensure policy compliance. Just to add a little bit of color, we have Ascend Analytics, they're our energy portfolio risk management firm. CalPine is the firm that provides retail data management services. You know they're billing the customers through the utility, they have all the customer usage information. And part of what is occurring is ensuring alignment between these two contractors such that the load data from the customers and the forecasting from Ascend is ship-shape, let's say.

Chairman Dumont: So, my question to that would be the problems that we talked about that you guys have discovered with the amount of power that the CEO had prior in the prior business model. Was Mr. Golding and his firm key in that set-up or structure?

Henry Herndon: His contract had been let's say focused on certain regulatory support. And he was not on the operational side of the business or in the risk management side of the business. He was supporting expert testimony at Public Utility Commission proceedings.

Chairman Dumont: So they wouldn't have had any say or influence over the creation of that model, I guess I'll say?

Henry Herndon: Well, he was influential in the model being the stand up the organization, no risk or investment by member communities and enable the expert contractors and to hire a qualified CEO. He was supportive in that.

Chairman Dumont: But never in that time did they make a mention that they had concerns over the amount of power that was being given to that CEO?

Henry Herndon: I don't know.

Chairman Dumont: And if that wasn't their place then I apologize but, for me in reading this question, that was the first thing that popped out was that you know the way the model was set up prior had a very large issue. And this gentleman was key in that set up and then we're bringing him back on.

Henry Herndon: I think that the structure of the policies is effective and a good structure and I think it was the deviation from adherence to those policies that was the major driver of our challenges this winter.

Chairman Dumont: And he was not part of, or this firm was not part of that deviation?

Henry Herndon: No. No. Was supportive in the course correction from that deviation.

Chairman Dumont: OK, thank you.

Selectman Vurgaropulos: so, you have the risk management group, which existed from conception, I'm still trying to wrap my head around going from Ascend to the all-powerful CEO and now going back to Ascend. Where are the stop gaps? Who controls the stop gaps and how often are they checked?

Henry Herndon: So, one of the things that we are doing is we're going to have a full day policy training for all Board Directors after our annual meeting in two weeks. So, the Board had voted to recognize and accept responsibility for insuring compliance with risk policies. Again, it's a lesson learned and there's some acknowledgment of that and I don't think anyone wants to sweep it under the rug or shy away from that. It's part of why we're here and having this conversation and again, want to be as responsive as we can to the Board. So, there are steps being taken, there are different responsibilities of Board members of the Risk Management Committee of the acting General Manager or our Board share and of Ascend Analytics. And making sure that all those things, again, part of my role as acting General Manager, it's not to have unilateral authority over how much are we going to hedge? What are we going to set the rate at? What information goes where, it's to, it's to bring clarity and communication so that horizontally Ascend and CalPine are on the same page, everyone has access to the same information. The Board is fully informed of all the decisions that are being made, we want to break silos and bring clarity and transparency to make sure that the organization can function.

Selectman Vurgaropulos: Are you putting anything in place to ensure that we don't have this shift from the pros back to the CEO?

Henry Herndon: Well, right now I am the acting CEO. I'm the acting General Manager, my job description equips me with all the duties and responsibilities of the CEO under our Joint powers agreement. But for enterprise risk management actually, I'm not qualified as a risk management expert. Those duties remain with our Board Chair at present. We have an executive leadership search committee that will consider options for staffing needs. That could be a different CEO for the longer term. It could be ensuring we have the right technical operations people for finance or other staffing gaps. I'm not sure if I exactly answered your question.

Selectman Vurgaropulos: I'm just looking for a preventative measure that you guys have done to address the issue of having a group, a team, that does this for their career. And somehow a sole individual with a massive amount of power being able to make the, hey let's make sure we don't go that high again.

Henry Herndon: I agree that's a good lesson in takeaway for the organization.

Selectman Vurgaropulos: I would like to know what that stop gap is when you have it.

Henry Herndon: OK. And I would say, policy training and ...

Selectman Vurgaropulos: Because if we don't address how the issue happened the first time, then it's bound to happen again.

Henry Herndon: Point well taken.

Selectman Morin: And I've got to back him up. We deal with policy all the time and we know how effective policy can be sometimes. It can't be, it's totally neglected and I understand that this effects a lot of people. And, the way it was brought to us is not, the more we talk I'm getting a feeling of what took place. Don't get me wrong, I understand that part, but we don't want to go down this road again.

Henry Herndon: I appreciate that. Yes.

Roy Sorenson: Question 11. What measures has CPCNH taken into account to deal with loss of customers due to rate increase? I don't know if you have that number or up to date data in that regard. When does the rate become ineffective, i.e., what percentage of the ~200,000 customers withdraw? That number came from your release. You have approximately 200,000 customers, is that correct?

Henry Herndon: Yes, I believe the number is 193,000 customers at present. I apologize if this answer that was provided in writing is not, I don't know, we felt the question could be exactly answered as asked. But, we do monitor what we call customer attrition or opt-out. Rates, it's about a 1% monthly attrition rate, that's largely due to account terminations. Like people turning over, moving out of apartments. Some of that there has been an uptick in opt-outs, that is true. We monitor that and we ...

Roy Sorenson: What does that mean, uptick?

Henry Herndon: I think we went from perhaps a .6% attrition rate to a 1% attrition rate. And so we monitor that and we adjust the hedges, the forecast and the hedges that we are putting on based upon ongoing customer accounts and other data. We don't forecast customer departures. Customer departures rising to a level that would affect the viability of the rate. That's not something that we expect will occur.

Roy Sorenson: We kind of talked about this, Selectman Vurgaropulos brought this up. I guess maybe, you kind of explained it a little bit in detail here, how things kind of got awry. But, Restructured Operations include shifting functions back to CPCNH's expert contractor for hedging strategy, procurement, financial reserve forecasts, cash flow, and cost modeling for supporting rate setting and budgeting. Was this the case initially? Or, was this an exclusive duty of the outgoing CEO? So it sounds like it was and then it was given to the CEO for some reason.

Henry Herndon: CPCNH conducted a competitive processes to bring on the expert contractors in 2022 and brought on Ascend Analytics towards the end of 2022. Ascend then supported the launch of CPCNH's operations very successfully and confidently early in 2023. We similarly conducted a RFP process, we hired a head-hunting firm, executive search firm to look for CEO. We brought on Mr. Brian Callnan as the first CEO starting in May of 2023 after the launch and all of the setup of the organization. That's my answer to your question.

Chairman Dumont: Any questions from the Board on that one?

Roy Sorenson: Yes, so I guess my question would be. I did read and it sounds like this was brought to the Board of Directors, that you were making this switch, right? Or point of control was given to Brian Callman.

Henry Herndon: No, I would not say that it was a decision made by any governance authority to give any one person, you know.

Roy Sorenson: So, he made that decision on his own? He didn't tell, so you're Board, your five or six top members, what's the name of that Board?

Henry Herndon: Board of Directors. Oh, Executive Committee.

Roy Sorenson: Executive Committee, yes. So none of you were aware of what he was doing?

Henry Herndon: I don't know that it as straight forward as perhaps you indicate. I will say that I think that, so in December, late December, if our CEO disclosed to the Executive Committee that we expected significant losses. And that came as somewhat of a surprise in late December and that kicked off a series of activity that included a conducting of a policy compliance assessment. And quick action during and January and February to implement measure to ensure policy compliance and course correct.

Roy Sorenson: So as far as our membership to that, which would be the Board of Directors, correct?

Henry Herndon: That's right. Well, yes. Mr. Craig Putnam is a member of the Board of Directors.

Roy Sorenson: He is now. We wouldn't have known that this happened or what point were they given the information that this had occurred?

Henry Herndon: Our Board was not made aware of the sort of surprise drawdown in the reserve until December 17th the earliest. Our Executive Committee was made aware at that point in time.

Roy Sorenson: When was the, I guess, for our Board of Directors notified of this?

Henry Herndon: The Board was notified probably, shortly earlier than that but it became information available to the Board and expect we had a Board meeting late December where we were setting rates. Late December the Board was, again, aware that there were, there was a draw on reserve, not necessarily aware of all of various and complex and technical factors that contributed to that. That became more clear over the January, February time period.

Chairman Dumont: Were they aware of rough estimates and the fact that there would be a rate hike coming?

Henry Herndon: Discussion of the rate adjustment, I mean the prior CEO recommended the rate period we're in right now, the rate be set at 8.6¢. And there was discussion the Committee, you know, it was brought up to 8.9¢ and we set it at 8.9¢ and then a month later based on new and better information from CalPine and others, we adjusted to 9.7¢.

Chairman Dumont: So, those conversations occurred with the entire Board of Directors from December to January.

Henry Herndon: Well, yes and no. They occur in risk committee and finance committee and then to the Board.

Chairman Dumont: Sure, but in pieces it was relayed to that entire Board from December to January. So, I would say by the end of January everybody had known who was on that Board of Directors, that a larger rate hike was coming and there was a significant drawdown on the reserve. Do I understand that correctly or not?

Henry Herndon: I think so. The decision to adjust the rate to 9.7¢ was made on one of the last days of January.

Selectman Morin: With what you're saying, the Board of Directors. What is their purpose? Because they're the ones representing the Towns and it doesn't sound like they're making many decisions that help us.

Henry Herndon: Well, they do make key decisions. They set the budget, they set the rate, they hire the executive and it is the responsibility of the organization in our policy to provide them with adequate information to make informed decisions. And, we're going to ensure they have adequate information to make informed decisions.

Selectman Morin: OK, so correct me if I'm wrong. Didn't you just say that another committee set the rate and then it went to the Board of Directors?

Henry Herndon: No, they perhaps, they don't set it, they...

Chairman Dumont: Make a recommendation.

Henry Herndon: Not even necessarily a recommendation but it is required that the CEO make a recommendation that is then presented to the Risk Committee for deliberation by the Risk Committee and public comment. And so they deliberate that and if they say, essentially there's a tradeoff decision, right? Well, we're going to set the rate. We have, how much is it prudent to deposit in the reserve account? How much do we think we can save customers or have a lower rate? And there's maybe a push and pull between those two and that's part of the deliberation.

Selectman Morin: This question you're probably not going answer or you may not like. So, the Board of Directors, we appoint them and they're supposed to work for us, but they're making a decision 9.7¢ to make sure the company stays afloat. So, is that a conflict? Because they're here to represent us and we were told we were going to get cheaper rates and we were going to stay pretty low and this is what we're doing for our citizens. But, as we're hearing, they're also making the decision of what the rate is going to be for the whole company.

Henry Herndon: It's not my opinion that there's a conflict of interest and I think that there is a shared interest in if you believe that this organization over the long term can provide good value for the members, then it's necessary to keep it solvent. So, I don't think those things are mutually exclusive. And I'll also just comment, I understand that customers with Eversource during this rate period are paying a lower rate than with Community Power during this rate period. I'll also observe that those same customers since the beginning of the program through the end of this current rate period will still netted savings relative to the Eversource rates for that same period. It is a higher rate

through Community Power that Eversource, right now. But, it is within a range of normalcy and taken all together there are savings for the Town of Hudson for all the customers that have participated since the beginning.

Chairman Dumont: I'd like to follow up on the point that Selectman Morin was getting to. A concern that I have is as the Board of Directors, and you can correct me if I'm wrong, they're tasked with doing what's really in the best interest of the company. Right, I mean I couldn't imagine that a Board of Directors is going to make a decision or vote against something that would inherently hurt the company. Now while that may be in the best interest of the company, couldn't it also be possible that may not be in the best interest of the Hudson residents or the citizens if that person is representing at the same time?

Henry Herndon: I understand the point, it's a point well taken. These individuals on the Board, many of them are elected officials, they're from Selectboards, they're from City Councils and I believe they are conducting themselves in the way that they are, you know, trying to make the best decision in the public interest and further constituents and they don't want to overcharge customers or anything of that nature. I do understand your point.

Chairman Dumont: Yes, and I'm not making that implication whatsoever. Quite frankly, for myself I would find it very difficult. I would imagine sitting on that Board, I'd be trying to do what's best to make sure this company thrives and it would be hard to balance both. That's just my personal opinion, I don't think that's really anybody's fault. I think whoever you put in that seat is going to be a difficult task.

Henry Herndon: I agree that it became difficult in recent months. I suppose it was easier during the first four rate periods where we had good head room and savings (inaudible). It's a point well taken.

Chairman Dumont: Thank you. Is there any other questions on that one? Selectman Jakoby did you have anything you wanted to add?

Selectman Jakoby: Yes. Just for clarity of the organizational structure. So you have 68 member, 68 town and communities. Each one of them has how many representatives?

Henry Herndon: So for the governance that's a good question. So for governance structure, every one of the 68 members appoints a member representative and perhaps an alternate. Those representatives elect the Board. So we have an annual membership meeting, it's in two weeks on April 24th. You're welcome to attend if you like. At that meeting they will elect a Board of 20 of them to sit on the Board.

Selectman Jakoby: From that group 20 of those become the Board of Directors?

Henry Herndon: That's correct.

Selectman Jakoby: OK. And then from there the committees are formed?

Henry Herndon: Any member of the Board of Directors may sit on a committee or any member representative from any town may sit on a committee. So, committees are not exclusive to the Board so the committees are advised. The Board is advised by committees of some Board members and some member representatives to incur participation from the broader membership.

Chairman Dumont: Who creates those committees?

Henry Herndon: The Board creates them, the Chair appoints the representatives as sort of ratified by the Board. But, anyone who is a member rep who wants to be on a committee gets a seat on a committee essentially.

Chairman Dumont: Sure, like any... OK, thank you for that clarity.

Selectman Jakoby: I just wanted to make sure we understood what we were speaking of.

Henry Herndon: It's helpful, yes.

Selectman Morin: I have here is the conflict of interest policy and it says right in it, policy applies to your group, OK? And one of the things says CPCNHG recognizes the importance of avoiding conflict of interest even if the appearance of conflict of interest, which we have. Because you heard it from the Board members here. So, I have some serious concerns as we already talked about, I'm not going to rehash it. But, again, this Board is going to take that up as a discussion, too. Because we feel, me especially, that we have a conflict here and with the information that we got at the last meeting, reading your own policy here and some of the stuff we heard tonight, it's very hard to accept.

Henry Herndon: Understood.

Selectman Jakoby: Just for clarity, so having any of the member representatives also be a member of the Board of Directors is where the conflict arises.

Selectman Morin: Yes, because how are they making their decisions? That's what it is. How are they making their decisions?

Selectman Jakoby: Because they may have to balance the organizational needs with the needs of the customers.

Selectman Morin: Absolutely.

Selectman Jakoby: Just tryin' to put it right out there flat.

Chairman Dumont: Any other questions on that one for right now? We'll move onto the next one.

Roy Sorenson: Question 13. This kind of leads into conflict of interest a little bit. So, the Board of Selectmen were discouraged by the lack of transparency at the March 4, 2025, meeting, including Mr. Putnam's deferring to Right-to-Know request as one of his answers. Please explain why there was reluctance to provide information to the BOS. I think you answered some of that. Kind of I guess in that you spoke to it a little bit, but.

Henry Herndon: I'll go ahead and read this why I think it's worth it for the public. There is no reluctance by CPCNH to provide information and I apologize if we have given that impression. As Acting General Manager, I am committed to maximizing transparency to the best of my ability to the Member communities CPCNH serves, their governing bodies, and the public. The March 4 Hudson Board of Selectmen meeting occurred one business day after my appointment as Acting General Manager role. And two business days after Mr. Callnan's cessation of duties as CEO and just three business days after his departure was made public. So the timing of the March 4 meeting coming in the midst of CPCNH's leadership transition may have contributed to some of the confusion and lack of readily available information. So, apologize in the delay there. We, CPCNH in February our staff team developed and the Board endorsed and an Action Plan. One section of that action plan is focused on enhanced transparency and accessibility to the public and to the membership. We have been working on executing on that section of the action plan as well as a number of other aspects in this leadership transition. And part of that is providing communications, explaining our leadership transition providing a straight forward accounting of our status and challenges, our financial situation, our actions taken to address them and addressing members questions regarding CPCNH's hedging, rates, finances, and staffing. This memorandum in this meeting is a part of that effort. And so again, it is our desire to be as transparent and forthcoming as we can. I hope my presence here and our discussion is contributing to that effort. And I'll also just note that there's a lot of good information on the website. All of our Board minutes recordings are now available of recorded meetings as well as all the media material, more easily and clearly available as well as other Q & A materials.

Chairman Dumont: So, I have one question referring back to that Right-to-Know that we were told we need to get. Was anybody on the Board of Directors told not to release the total or estimate of the reserve loss at any point in time?

Henry Herndon: No. I think some of the confusion is because there is certain material that was discussed in nonpublic session and there's certain material that is marked confidential and marked attorney-client privilege. And that material there was just, is sensitive and there was perhaps limited understanding by some individual of what could or could not be discussed because of that. And because of the nonpublic discussions that occurred in January and February.

Chairman Dumont: The loss, the \$8.4 million loss that you spoke to in the beginning of this packet, was that talked about in nonpublic or was that talked about in an open meeting?

Henry Herndon: No, I think the reason for some of the confusion there is more of the, that number wasn't readily know until very recently.

Chairman Dumont: When was that?

Henry Herndon: You know, if it runs through January we don't necessarily, we don't know or have the books closed for January, a month or two later. So there's just a lag in the accounting to close the books on any given month.

Chairman Dumont: But, even the rough estimate. There was no discussion of that in nonpublic I'm sure that it was talked about in an open meeting and there was nobody that ordered the Board of Directors to not release that information?

Henry Herndon: No.

Chairman Dumont: OK, thank you. I'm good on that one. Does anybody have any questions?

Selectman Morin: I just want to follow up. So the Board of Directors we in the nonpublic meetings?

Henry Herndon: Correct. And I was not in the nonpublic meetings.

Selectman Morin: I just don't like that. A question to the Board and to the Town Administrator, the Right-to-Know that they've got and he offered to send us that information, I think we should have that. My question is once we get it are we open to a Right-to-Know because we have it?

Chairman Dumont: I would say any information that we receive is open to a Right-to-Know under certain...

Selectman Morin: I just want that out there. I want that out there now that when we get it if somebody gives us a Right-to-Know.

Chairman Dumont: The RSA is pretty clear.

Selectman Jakoby: I'm just going to circle back around to organizational structure. So, when we committed to CCPNH we knew that the organizational structure were that we would have member representatives that then would be part of the Board of Directors that would be making these decisions. Right? That was the organizational structure at the time we started. So, I'm just reviewing that and I understand now it seems like very much a conflict of interest but, this Board knew that structure and I'm just putting it out there.

Chairman Dumont: I'm actually glad that you did that because I was thinking about that myself. And you are correct, that was the organizational structure. However, I'll say we're part of other organizations where, I'll use NRPC for instance, those commissioners aren't making the same decisions as this Board of Directors. They're representing the Town of Hudson for their best interest we go there and we advocate for what Hudson needs. It doesn't matter how NRPC succeeds or fails as a business and we bring that information back to this Board with it being good, bad or neutral. And, I think that that's what people are looking for in a representative. Somebody who's willing to, quite frankly what you've done here tonight I will commend you for it. It's not an easy conversation to have and especially in the timeline that you stepped in to fix. That's what people are looking for, is to get out in front of everything and to tell us what is going on. Now we may have some differences and that is perfectly fine. That's what the point of conversation is, is to agree to disagree on things. But, I just think that the way that this organization is run is a little bit different than what we believe it to be. Even though we were told about the structure.

Selectman Jakoby: Exactly and that's kind of my point. Is like its good while everything's going well but, when there's a kink it really highlights, you know, where the push comes, where the difficulties are. And this definitely highlighted that. But, I just wanted to bring that up because I didn't want anybody to think the structure changed. It was what it was.

Selectman Morin: And I agree with you, that we knew that. But, we expected to get the information to represent this town. We did not get that.

Henry Herndon: If I could just respond, the intension is similar to NRPC where the intention is to have a power agency that is controlled by the member towns and they have a say in its budgets, in its decisions and it's accountable to them so they have the ability to have good value and good rates and develop projects if they're interested in that or have a voice in policy affairs at the state level collectively. So, the intention is, you know, is to align the interests.

Selectman Jakoby: And the intention is more than just the right, to your point.

Henry Herndon: And I understand, you know, the stakes perhaps. They're high, people's electric rates, it's a large corporate entity. So I can appreciate that.

Chairman Dumont: It's a bill that everybody has to pay. Unless you're fortunate enough to live off the grid somewhere. Moving on to question 14.

Roy Sorenson: CPCNH has adjusted rates to a level required to cover costs and begin to gradually rebuilding financial reserves. What is the margin in the rate for breakeven versus cost recovery? What is the expected timeline to recover the impact to the joint reserve? I think you kind answered some of this. Back to the, I'll let you answer that then I'll ask the question.

Henry Herndon: So, with a forecast of \$2-\$3 million in joint reserve accrual during the period ending July 31st. We anticipate 850 GWh of energy served over this period. And if we were to make a simplified calculation of dividing

the margin of \$2.5 million by 850 GWh we would arrive at .29¢ per KWh of that rate would go to reserve accrual. I think this was your earlier question I was unable to answer and forgot it was in the packet.

Selectman Vurgaropulos: That's OK.

Henry Herndon: I'll just, again, the timeline for reaching our reserve target levels, it will be a point of discussion over the coming months and as we get into the next rate period and we will be looking at scenarios. What would take to achieve our reserve targets over a two years period? That would be a slightly higher rate. What if we made it a three year period from now? That would be a slightly lower rate. Those are some of the discussions that we haven't decided when we'll meet a reserve target that will be a discussion.

Roy Sorenson: So, when you go to the Board of Directors, I guess for this last rate which was 9.7¢?

Henry Herndon: That's right.

Roy Sorenson: Did you give them, so in other words, if we did water and sewer rates here, scenarios of three different rates, recovery or whatever your goal is, right? Whether it's to build up your joint reserve, did you do that with the Board of Directors?

Henry Herndon: Not at the, well there were some different rate options during the last period, but I don't think it will be, I think this next period will be much better. I think they will understand a rate of this nature has this sort of a scenario of outcome and we might aim to achieve our reserve target over a shorter two year period. As of opposed to this type of a rate that's a little bit lower, might aim for a three period to meet the reserve target. There will be scenarios presented.

Roy Sorenson: So, we got zinged on our sewer fund a little bit by our auditors. What happens if your joint reserve runs out?

Henry Herndon: Um, well it depends. Right now essentially CalPine is acting as a bank in some fashion. You know, there our agent in the whole sale power market. You have to have some large number of collateral to participate in that market place. They do that on our behalf, we buy power through them, we buy from a bunch of different sellers, but it's through CalPine. So, they provide financial support. They're being a very supportive partner, we work well with them. You know, if in a worst case scenario if we, our costs exceed revenues in the extreme, I suppose the corporation would liquidate.

Roy Sorenson: So you can't really, you can't run at a loss, I guess is my point.

Henry Herndon: Not in perpetuity, certainly not. No.

Chairman Dumont: Other Board members?

Selectman Vurgaropulos: thank you for coming out and answering all these questions. And, I know we kind of beat some of them to death. If you could just remember we'd like to hear about what those stop clauses are to prevent the CEO from falling into the same trap. Or, you.

Henry Herndon: Or the next one. But, yes I have to come back with the report on the February net margins or negative net margins. The precise number of what a 60 day of cash reserve would be and a 120 day of cash reserve. And, the two documents that are under review by our lawyers.

Chairman Dumont: Perfect.

Roy Sorenson: I think just in general you'd be open to coming back to talk about...

Henry Herndon: Certainly. I frankly, I think that I would expect nothing less of a Board providing oversight for an organization like this. And I think it's perfectly appropriate all the discussion that we had and I would be pleased to come back. I think it's been, I think it's been healthy for CPCNH and it's good to meet with you all just say a little more about who we are as an organization and our relationship with you. I would welcome the opportunity to come back.

Chairman Dumont: And I do want to say, as far as myself goes, I think I can speak for the Board. I really do appreciate you coming out and answering these tough questions. It's not a fun thing to do but, I think you did a very good job at it, the information that you provided. Like I said we didn't agree on everything, but that is completely expected. You have your obligation to the company, we have our obligation to the taxpayers. So, I just want to say thank you.

Selectman Morin made a motion, seconded by Selectman Vurgaropulos, for a mail notice, no later than 30 days before the rate change, is sent to every customer of Community Power in Hudson notifying them of the rate change and when it is to take place.

Chairman Dumont: And for discussion, I know the floor is typically not open on this, I will actually defer to Administrator Sorenson. I believe that would be more of a request. Correct me if I'm wrong, I don't know if ...

Roy Sorenson: Well I guess the question becomes you're asking CPCNH to do this?

Selectman Morin: Yes, because if they refuse I'm going to have it, a motion to take it out of Sustainability's budget to do it. I think, I think yes. It is a request but I think taking a vote on it puts a little more meat behind it.

Chairman Dumont: I completely agree, I just wanted people to understand. Obviously I think our authority stops at that request as far as that goes. So, I just wanted that out there in the public for everybody. Motion has been made, seconded, we've had discussion...

Selectman Jakoby: Wait I have a question. My question is so the request, we're making a request to CPCNH to mail a rate increase notification to all of the Hudson residents.

Chairman Dumont: Affected by Community Power.

Selectman Morin: Affected by Community Power, yes.

Selectman Jakoby: Affected by Community Power and that, that they should do that and you want it U.S. mail.

Selectman Morin: Yes.

Roy Sorenson: Cost borne by CPCNH?

Selectman Morin: Yes.

Henry Herndon: Yes, I'll take that request back to the organization and we'll pursue it.

Chairman Dumont: We'll act on the motion first, I apologize. So, obviously there's a couple amendments there. Is that referring to the motion? Fair to the seconder? Any other discussion?

Selectman Morin made a motion, seconded by Selectman Vurgaropulos, for the Community Power Coalition of New Hampshire to notify all affected Hudson customers of the rate change, via a U.S. mail notice, no later than 30 days before the rate change takes effect. Motion carried, 4-0.

Henry Herndon: And I'll take that request back.

Selectman Morin: Anything you can do to let us know sooner than later because we'll have to go and do it another way if you don't.

Henry Herndon: Do you want to, I'm happy to do that. This week? One week from today?

Selectman Morin: I want to make sure it's at the homes within 30 days of the rate change.

Chairman Dumont: Preferably, I'll tell you we have our next meeting on the 22nd, I would like to see it a week prior to that so we can give staff the adequate time to make sure that the Board of Selectmen has that information in case there's any other action I'd like to take at that Board meeting if that's possible. That would be in a perfect world.

Henry Herndon: And just to be clear, I am not, I am not saying CPCNH will issue the mailer. I'm saying I will respond to the request via the 17th.

Chairman Dumont: Understood.

Henry Herndon: Very good. I appreciate the discussion.

Roy Sorenson: Maybe at a minimum on that to just develop a flyer.

Henry Herndon: Yes, we could do that. Or like a draft, a template for you to go off of.

Selectman Jakoby: So, that date is Thursday before or did you want it the 16th?

Chairman Dumont: The 17th I think is a full week prior. What's that Tuesday?

Selectman Jakoby: The 15th is a full week prior.

Chairman Dumont: So, I apologize so go by the, the 15th would be the ideal. Packets typically for the Board go out on a Thursday or Friday, given. So that would give us a little bit of time. It's a push, but so that we have the information for the next meeting.

Henry Herndon: Very good. I appreciate your time.

Chairman Dumont: Thank you.

Roy Sorenson: Thank you.

Chairman Dumont: Alright. We are back into New Business. So we have Board of Selectmen Liaisons assignments. I will pass these around and will say, it's probably my fault. I noticed a couple of spelling errors and Selectman Vurgaropulos we have your first name on here. If we can change this to your last name I would prefer that, it may not fit, though.

Roy Sorenson: We'll have to open that column up there.

K. Board of Selectmen Liaison Assignments – Administration/Discussion

Chairman Dumont: These are the assignments and I will say I took into consideration what everybody sent in to me. I appreciate the feedback. I laid these out as who I thought was best for what committee. I believe that each of you provide a unique skillset and I believe that skillset should be honed in. I apologize Selectman Vurgaropulos, I will still be learning yours over the year here. But I believe that you asked some good questions. Quite frankly during this meeting that kind of confirms where I've made these selections. So these are those I would suggest to check the calendars and make sure if there is any conflicts with any meetings that are coming up, please relay that to me and myself or somebody could substitute.

Selectman Jakoby: Just a correction on my last name.

Chairman Dumont: That was one of the spelling checks. Yes it has a "c" instead of a "k".

Selectman Jakoby: That was on the old one, it was wrong.

Chairman Dumont: I don't know who got my...

Selectman Jakoby: You got it right.

Selectman Vurgaropulos: I was going to say you spelled my name right.

Chairman Dumont: So we will make sure that is for the Board upstairs and for the website that those corrections are made. There's one other thing I would like to talk about that I think is not typically done at every year. It is something that I was wanting to have a discussion on. But, it is seating arrangements. While fresh committees I think are good, I think seating are also important, too. I think it changes up the room and changes up the flow a little bit which can kind of keep everybody, I think a little bit more impactful as far as the meeting goes. So with that I'm going to ask that we do the same thing with the liaison assignments. That if you have any requests or anything or issues, I should say, with your seat, just please email or text those to me. I've already spoken to some members and I'm looking to try to see if I can meet everybody's requirements. But, if you can give me that information I will have those seating arrangements done by the next meeting.

9. SELECTMEN LIAISON REPORTS/OTHER REMARKS

Selectman Morin: I haven't had any meetings yet. And as everybody knows, we had a very serious fire in town and the Fire Department did an outstanding job and they actually made a rescue and then we know the other safety issue that they had to go through that I never heard of before. And I just want to get out to the tax payers that they just approved four new firefighters. So, I want to give a little bit of numbers here so they can understand better. That call that came in the other night was what they call a box alarm which basically means there was alarms in the building. So, what happens is they only send two engine companies, a ladder company and a captain. So, that gave them a total of eight firefighters. OK, we lucked out, there were no ambulances out, everybody happened to be in service. So, when they got there they had to deal with people trapped, they had heavy fire, they had to stop the fire from spreading up the stairs so other people, firefighters. On a normal fire response you get four engines, a ladder truck and a captain which would give you a total of 17 firefighters. So, you can see these eight fire fighters versus 17 for a structure fire. On the eight firefighters that were at the fire first, three of those were drivers that left four firefighters to deal with that for 15 minutes before any help got there. That's why it's so important that we had voted for those four firefighters and I just wanted to get that out that that's why the Chief was pushing for that because four fire fighters dealt with that fire and rescued somebody for about 15 minutes before help got there. Because the next (inaudible) engine was coming from Robinson Road that's at least an eight minute run. The other engine was

coming from Nashua. So, they were very understaffed and they did an outstanding job. I just wanted to get that out. The other thing I wanted to address that came up in public comment tonight was the voting procedure for the Board positions. The voting went as it should have went. There were nominations made. For the Chairman there was really no discussion whatsoever and it was passed at a majority of the Board. For the Vice-Chairman, a motion was made, it was seconded and every Selectman in this room has the right to make their opinion and make their vote. There was no second for the Vice-Chairman and there was actually discussion by Selectman Jakoby. So we followed the correct procedure, I don't know where the issue lies. Again, Selectman, the Selectman made their votes, they decided what they were going to vote on and what they weren't going to second. I don't know what the issue is, I just wanted to get that cleared to the public that we did nothing wrong, we did a normal, normal procedure to elect officers. Thank you.

Selectman Vurgaropoulos: I don't have much to say tonight. I wanted to say thank you to the residents for everybody watching. And for everybody that came tonight, I'd love to see more people come more often. That would be great to get more public input. So thank you everybody.

Selectman Guessferd: Excused.

Selectman Jakoby: Thank you. I just want to follow up on the School Board meeting that I attended. The DECA Club has been growing by leaps and bounds and also getting, they just reported on their latest achievements and there was some really good achievements there. DECA does a lot in communication and business and they grew from like 13 member to 33 and creating a legacy. I thought that was really cool having being a DECA alumn member myself, from my school. They did also state that July 1st their new business administrator starts. So, they have made that decision and that they did present that they were going and try and rotate the BOS membership so that we may see each of them here for different meetings throughout the process. I think the only thing that I heard with the concern for the Vice-Chair position, was that unfortunately the Chairman didn't ask for a second when I nominated myself. I think that was the only error. Because I think it moved very quickly and just asking for a second may have given us two nominations. It still would have went the way it went, I'm not denying that. But, I just think sometimes we ask for a second and sometimes we don't and the more consistent we can be. And that's just my opinion and I respect Selectman Morin's opinion in this matter as well. And I wasn't going to raise that I was just going to leave it as it was. So that's where I sit on that since it was in reference to my comments. I would also like to comment on the Budget Committee. The Budget Committee did have their meeting and the asked some questions about the town vote for the town renovations. And I let them know we were addressing that this evening. I met with the Town Administrator Sorenson prior to the meeting to ensure that I had all the information necessary for the Committee. They are very good at giving us what they want to know at each meeting. They are looking to be much more informed. I had told them about Mr. Sorenson's charts that he used to represent our revenues and what's happening each month and they're looking forward to seeing those as well. They want to be more proactive in understanding where the budget is and it's flowing so that when it comes time to ask questions, I don't know. I hope they would have less questions because they would see how it all went. So, that's my hope. I think the information that's coming out is good and I think how it's being presented will make it easier for the entire public. So, I just want to thank you for that. I want to thank my fellow Selectmen for you know, their dedication to the committee to all the work that they do and I really appreciate the understanding that Selectman Morin did explaining the fire to the public because I think that was all over the news and really understanding the importance of our firefighters. So, I do appreciate that explanation.

Chairman Dumont: Thank you very much. Obviously, Selectman Guessferd is not here. I will just say I do appreciate the explanation as well. I was a little shock to see what happened over there so I was very happy to hear how well the job the Fire Department did as well as the Police Department in assisting them with the problem that occurred. So, for that, obviously thanks to everybody that was involved. As far as meetings go, we had a light week, all of us. But, I did have, except for Selectman Jakoby, I apologize. We did all attend the Chamber Gala and it was great to see all of the Selectmen there, I think that was a great representation of the town as well as the Town Administrator, we had some police members, community members, the Governor was there, our local Senator Ms. Carson was there. And I just thought that that was a great show of support for the town of Hudson and I want to say I appreciate all of you guys making time to do that. That's all I've got. With that I'll turn it over to remarks by the Town Administrator.

10. Remarks by Town Administrator: I'll make it quick.

Selectman Vurgaropulos: Did you mean to leave the Planning Board blank?

Chairman Dumont: I'll follow up on this but basically you'll see that on the next agenda Planning Board is not something that is an assignment. It is something that is voted on by this Board. So, without the full Board here, obviously I didn't feel it was appropriate we would act on that tonight. You will see it on the next agenda. And if anybody obviously is able to make that one, please let me know ahead of time.

Roy Sorenson: Alright, thank you. Just real quick. So, couple things just as Selectman Morin mentioned. The Fire Department and their efforts. I will say this, I think what Selectman Morin does is fantastic, too. Documenting the scene so people can understand the impact of that. On a personal note, I appreciate it, my son was called. He's a Londonderry firefighter, they responded so he was there that night as well. On that note I did sit with Fire today. What's interesting is they're actually working on a strategic plan which is fantastic, I was over there today, sat in on that meeting with all their Lieutenants, Captain's, as well as the Deputy Chief's and Chief Tice. Talking about how they would utilize the four new firefighters and what they're looking at in the future. Regarding the open positions, I just want to thank all the staff that's been involved in part of this process, we've been working at break neck speed. Along with Selectman Jakoby and Selectman Morin, I think we're moving in the right direction, we'll be able to get some of these positions filled in the near future. So, that will certainly help us along the way. That's it.

Chairman Dumont: Thank you very much. Typically we'd go to the School Board Liaison, obviously we don't have one for that. So I will be looking for a motion to enter into nonpublic.

Remarks by School Board Liaison: N/A

Selectman Morin made a motion, seconded by Selectman Jakoby, to enter into non-public.

12. NONPUBLIC SESSION

Selectman Morin made a motion, seconded by Selectman Jakoby to enter into nonpublic session under: RSA 91-A:3 II (b) The hiring of any person as a public employee.

Nonpublic Session was entered at 10:53 p.m. thus ending the televised portion of the meeting. Any votes taken upon entering open session will be listed on the Board's next agenda. The public was asked to leave the room.

The Board entered into public session at 11:25 p.m.

Motions made after nonpublic session:

- 1) Selectman Jakoby made a motion, seconded by Selectman Vurgaropulos, to approve the hiring of Evan DeCarteret at the rate of \$36.66 per hour (step 1), IT Technician II, of the Town of Hudson HPFTSA (Hudson Police, Fire town Supervisors Association) union contract as recommended by IT Director, Douglas Bosteels, and action thereof upon successful background check. Motion carried, 4-0.
- 2) Selectman Morin made a motion, seconded by Selectman Jakoby, to hire Lexus Rackliff with a starting salary of \$23.09 (step 1) per hour, all in accordance with the Hudson Police Employee Association Contract, as recommended by the Police Chief. Motion carried, 4-0.
- 3) Selectman Jakoby made a motion, seconded by Selectman Vurgaropulos, to promote Kyle Cloutier to the position of Traffic Technician effective April 9, 2025, grade 14 (step 2) at \$30.47 per Teamsters Local 633. Motion carried, 4-0.
- 4) Selectman Vurgaropulos made a motion, seconded by Selectman Morin, to retain the services of former Town Accountant, Beth McKee, for up to three (3) months beginning April 9, 2025 at the rate of \$65 per hour without benefits. Motion carried, 4-0.
- 5) Selectman Morin made a motion, seconded by Selectman Jakoby, to appoint Laurie C. May to the position of Finance Director, with effective date and terms of salary to be negotiated by Town

Administrator Roy E. Sorenson as outlined in this memorandum albeit the terms and conditions as identified in the Conditional Offer of Employment. Motion carried, 4-0.

- 6) Selectman Morin made a motion, seconded by Selectman Jakoby, to appoint Julianne Pelletier to the position of Finance Director, with effective date and terms of salary to be negotiated by Town Administrator Roy E. Sorenson as outlined in this memorandum. Further, such action thereof only as necessary if the first candidate, Laurie C. May, does not accept and/or satisfy the terms and conditions of the position as identified in the Conditional Offer of Employment. Motion carried, 4-0.
- 7) Selectman Morin made a motion, seconded by Selectman Jakoby, to adjourn at 11:28 p.m. Motion carried, 4-0.

13. ADJOURNMENT

Motion to adjourn at 11:28 p.m. by Selectman Morin, seconded by Selectman Jakoby. Carried, 4-0.

Recorded by HCTV and transcribed by Lorrie Weissgarber, Executive Assistant.

Dillon Dumont, Chairman

Bob Guessferd, Vice-Chairman

Xen Vurgaropoulos, Selectman

Heidi Jakoby, Selectman

Dave Morin, Selectman