



**Delegation Meeting Minutes**  
**July 27, 2015 at 6:00 pm**

Chair Frank Tilton called the Belknap County Delegation meeting to order at 6:00 pm on the above date at 34 County Drive, Laconia, NH and recited the pledge of allegiance. The Chair asked the Clerk to call the roll.

In Attendance: Representatives Aldrich, Dumais, Fields, Flanders, Gallagher, Howard, Hurt, Lebreche, Luther, Russell, Spanos, Tilton and Vadney.

Absent: Representative Comtois, Fisher, Fraser, Sylvia and Varney.

Representative Tilton stated the purpose of this meeting is to hear Gunstock's request for a Revenue Anticipation Note and a Bond.

**Public Hearing on Revenue Anticipation Note (RAN) for Gunstock:** General Manager Greg Goddard introduced himself along with the Gunstock Area Commissioners. He noted there had been a packet sent to all the representatives in advance of the meeting. Mr. Goddard gave a presentation on the RAN. He stated the RAN is a money making loan in anticipation of revenue for the 2015/2016 ski season. Mr. Goddard stated this loan is repaid with receipts from Gunstock not taxpayers. He stated that Gunstock has borrowed money and repaid those previous loans for at least 20 years. Rep. Tilton asked if there were any questions. Rep. Aldrich stated he did not see employee payroll in the graph. Mr. Goddard stated it is included in the maintenance function. Rep. Gallagher asked what the expected interest rate to be. Mr. Goddard stated about 1%. Rep. Lebreche asked what the fringe benefits are. Mr. Goddard stated profit sharing, health insurance, earned time and workman compensation. Rep. Lebreche asked about the bank account that has over \$1 million in it for the two reserves. Mr. Goddard stated it is kept strictly as a reserve fund and they do not comingle the funds. Rep. Lebreche commented that the agreement to pay the county \$175,000.00 annually should increase. Mr. Goddard stated the agreement does not expire until the end of 2016. Rep. Hurt stated it is troubling to him that they are being asked to vote on the RAN and wondered if there is a way to avoid this with cutting out ancillary expenses. Mr. Goddard stated the commission is very specific to not want to use the reserve funds. Rep. Tilton asked if they were getting a return on the reserve. Mr. Goddard stated they were getting ¼%. The public was asked if they had any questions. Joel Weinreb from Belmont asked several questions. Rep. Tilton stated the Gunstock Commission has not asked the county for any money in years. He stated that per the law Gunstock is required to come to the Delegation when asking for a RAN and it is not unusual. Rep. Tilton closed the public hearing at 6:40 pm. Rep. Gallagher stated there were valid questions being brought forward. He stated Gunstock is asking for a \$650,000.00 loan for 6 months and the associated cost is \$3,000.00. Rep. Vadney complimented on the packet that was received prior to the meeting. He also stated

the employees currently pay 20% of health insurance and that will be increasing to 25%. Rep. Flanders commended the Gunstock Commission and Greg Goddard on the work they have done. Rep. Dumais stated getting into the summer business is good to cover bad winters. Rep. Lebreche stated she had been on a tour of the new patio and it was wonderful. M/Dumais, S/Fields see attached \$650,000.00 RAN motion. Roll call vote 12-1 Rep. Lebreche was opposed. **Motion passed.**

**Public Hearing for Gunstock Bond Request:** The bond hearing started at 7:04 pm. General Manager Greg Goddard showed a short video from the manufacturer of the alpine coaster. Prior to the meeting a packet was mailed to all delegation members with the presentation. Mr. Goddard stated if the bond request is approved then they would begin the process immediately. He also commented that Gunstock is continuing to be a four season facility. Mr. Goddard stated the alpine coaster will be good for the entire county. Brian Fairbank from Gilford spoke of being in the ski business for 40 years. He stated he has read Mr. Goddard's presentation and it is very well put together. Mr. Fairbank stated the alpine coaster will help nullify bad winters. Mr. Goddard stated he ran the numbers by a Bank of New Hampshire loan officer. Barry Leonard, Loan Officer from Bank of NH stated he looked at Mr. Goddard's plans and they have a very good diversification for revenue. Mr. Leonard stated in his professional opinion diversified revenue is good and they have presented a well thought-out plan. He also stated a RAN is not untypical. Rep. Aldrich asked if there is a bad year do the tax payers pick up the tab. Mr. Goddard stated that they would adjust their budget and it would not fall to the tax payers. Rep. Russell questioned the deficit that is showing for the adventure park. Mr. Goddard stated that is due to the adventure park only being in operation for 3 months. Rep. Gallagher stated Mr. Goddard presented some optimistic news. He asked if there is an opportunity to look at combining loans. Mr. Leonard stated typically you wouldn't roll bonds together. In today's financing market now is the time to borrow money. There was some discussion about the memorandum of understanding. Rep. Spanos asked about the safety record of the company that would install the alpine slide. Mr. Goddard stated there has been a loss of limb and life but was not aware of any since safety protocols put into place. Rep. Hurt asked what would happen if we delay the bond for 1 or 2 years. He also asked if this is important enough to incur 2.6 million in debt and does it trouble Mr. Goddard. Mr. Goddard stated that it is important to continue to improve. He stated Gunstock is 1.2 million less in debt than 15 years ago. Rep. Hurt stated that 8 million is a lot of debt and that it was a good presentation. He also stated the full delegation should be in attendance. Mr. Goddard stated this hearing was sufficiently noticed and it is very rare to have all 18 members present. Rep. Howard asked if we could take the profits for a couple of years and then do the project. Mr. Goddard stated if that was done then there would be no capital improvements. Rep. Howard stated Gunstock is creating a great value to the area. Mr. Fairbank stated the momentum at Gunstock is important. If this is put off for a month then it would put off the start time. Mr. Leonard stated on a personal note he would be disappointed if the vote did not go through. Joel Weinreb from Belmont stated net value is worth nothing if the market crashes. He stated he understood there needs to be development. Commissioner DeVoy stated he supports this as a businessman and understands it takes money to make money. He also stated this will draw people to the county. Rep. Tilton closed the meeting to public input at 8:07 pm. Rep. Spanos asked Rep. Dumais in his opinion does the project return appear to be sound. Rep. Dumais stated yes. Rep. Russell stated history shows there is an average of 13 or 14 Delegates that attend meetings. Rep. Tilton stated we have a binding contract with Gunstock

which will be discussed next year. Rep. Vadney commends Mr. Goddard on a very well put together proposal and business plan. He stated the time to move forward is now and no other business in the area offers this attraction. Rep. Vadney stated he is worried about the demographics as there are not enough babies being born. Mr. Goddard state he was very confident about the demographics as the alpine slide is for ages 4 to 94. Rep. Hurt asked if insurance was mentioned. Mr. Goddard stated currently the employee pays 20% of premiums and they are not anticipating hiring any full time employees. Rep. Hurt mentioned the roughly 7 million bond for the jail that will be coming up. Rep. Tilton stated we are the only county that operates a business. He stated Gunstock put together a very detailed plan. Mr. Goddard stated they made sure they didn't put the county afoul with a county bond request. Rep. Gallagher asked to have a quick vote on whether or not to vote on the bond request. M/Gallagher, S/Vadney to have a roll call vote on whether or not proceed with bond vote. Roll call vote 10-3 Rep. Howard, Hurt and Lebreche opposed. **Motion passed.** Rep. Tilton stated buy now as cost will go up and if we delay it will delay the opening. Rep. Spanos stated it is regrettable to be missing members but if we delay then would run into the same problem. M/Dumais, S/Fields see attached \$2.6 M Bond motion. Roll call vote 11-2 Rep. Howard and Lebreche opposed. **Motion passed.**

**Minutes:** M/Spanos, S/Aldrich to approve the 03/16/15 minutes as written. Unanimous. **Motion passed.** M/Spanos, S/Aldrich to approve the 03/23/15 minutes as written. Unanimous. **Motion passed.**

**Jail Planning Update:** Commissioner DeVoy reviewed a 12 page presentation on the potential building. Rep. Hurt asked how many therapists would be needed. Commissioner DeVoy stated there was a discussion with the consultants we hired and they suggest we outsource the clinicians. He stated there are grants available to help pay for this. Commissioner DeVoy stated the cost of the new building would cover the cost of the air exchange, locks and bathrooms of the current building. Rep. Howard asked if the picture on page 10 shows solar panels. Commissioner DeVoy stated that it was and the architects added that as an opportunity. Rep. Howard stated it sounds like the inmates will be looking for a lot of jobs and asked if they are available. Commissioner DeVoy stated they were. He stated the county receives 30% of their income. Rep. Aldrich asked if the decommission section of the jail could be used for offices. Commissioner DeVoy stated it is not the best way to operate. He stated we need to remember the project has gone from 42 million to 7 million. Rep. Vadney stated that is a great improvement. He asked if the recidivism rate has been verified. Commissioner Burchell stated he recalled it being 58% to 18% recidivism rate. Commissioner DeVoy stated he would verify the numbers.

**Adjourn:** M/Hurt, S/Spanos to adjourn at 9:00 pm. Unanimous vote. **Motion passed.**

Respectfully submitted,



Brian Gallagher, Clerk of the Delegation

Certificate of Vote  
Resolution for Gunstock Notes or Bonds

The following motion was made at the meeting of the Belknap County Convention (Legislative Delegation) on July 27, 2015. Notice of said meeting was posted as required by law.

Resolved: To authorize the Belknap County Treasurer, on the concurrence of not less than four members of the Gunstock Area Commission, to issue serial notes or bonds in the name of Belknap County/Gunstock Area Commission in the amount of Two Million Six Hundred Thousand Dollars (\$2,600,000.00), the proceeds to be used for the planning, acquisition and construction of attractions as set forth in the document entitled "Capital Project Proposal - Development of an Alpine Coaster at Gunstock Mountain Resort" dated July 27, 2015. Said borrowing shall mature not more than 10 years from the date of issue. Any notes or bonds issued pursuant thereto shall be in accordance with New Hampshire laws of 1959 Chapter 399:15, as amended and the form, details and particulars of said notes or bonds, other than the maturity thereof, shall be determined by the Gunstock Area Commission. The full faith and credit of the county of Belknap, New Hampshire shall be pledged to the payment of the obligations issued pursuant hereto. Said notes or bonds shall be repaid from the operating receipts of Gunstock, and shall contain an express guaranty that fees, fares, and tolls will be collected until the maturity thereof in accordance with the provisions of Chapter 399:15, of the laws of 1959, as amended.

Rep. Aldrich	<u>YES</u>	Rep. Hurt	<u>YES</u>
A Rep. Comtois	_____	Rep. Lebreche	<u>NO</u>
Rep. Dumais	<u>YES</u>	Rep. Luther	<u>YES</u>
Rep. Fields	<u>YES</u>	Rep. Russell	<u>YES</u>
A Rep. Fisher	_____	Rep. Spanos	<u>Yes</u>
A Rep. Fraser	_____	A Rep. Sylvia	_____
Rep. Flanders	<u>YES</u>	Rep. Tilton	<u>Yes</u>
Rep. Gallagher	<u>YES</u>	Rep. Vadney	<u>Yes</u>
Rep. Howard	<u>NO</u>	A Rep. Varney	_____

I certify that this is the vote as included in the minutes of the aforementioned meeting.

Brian Gallagher  
Brian Gallagher, Clerk  
Belknap County Delegation

Date: JULY 27, 2015

11 YES 2 NO 5 ABSENT  
2/3 VOTE SATISFIED

Certificate of Vote  
Resolution for Gunstock Notes or Bonds (RAN)

The following motion was made at the meeting of the Belknap County Convention (Legislative Delegation) on July 27, 2015. Notice of said meeting was posted as required by law.

Resolved: To authorize the Belknap County Treasurer to issue a note, on the concurrence of not less than four members of the Gunstock Area Commission, in an amount not to exceed Six Hundred-Fifty Thousand Dollars (\$650,000.00), on such terms and conditions as shall be negotiated by the Gunstock Area Commission. Said note is issued in anticipation of revenues at Gunstock Ski Area and shall have a maturity date of not later than April 1, 2016. Said note shall contain and express that; fees, fares and tolls will be collected until the maturity thereof in acceptance with provisions of Chapter 399:15, of the laws of 1959 amended.

Rep. Aldrich	<del>NO</del> YES	Rep. Hurt	YES
A Rep. Comtois	_____	Rep. Lebreche	NO
Rep. Dumais	YES	Rep. Luther	YES
Rep. Fields	YES	Rep. Russell	YES
A Rep. Fisher	_____	Rep. Spanos	YES
A Rep. Fraser	_____	A Rep. Sylvia	_____
Rep. Flanders	YES	Rep. Tilton	YES
Rep. Gallagher	YES	Rep. Vadney	YES
Rep. Howard	YES	A Rep. Varney	_____

I certify that this is the vote as included in the minutes of the aforementioned meeting.

Brian A. Mullagh  
Brian Gallagher, Clerk  
Belknap County Delegation

Date: JULY 27, 2015

12 YES    1 NO    5 ABSENT

MOTION PASSES