MINUTES OF SELECTMAN'S MEETING TOWN OF GORHAM MONDAY, JANUARY 22, 2018 5:00 PM TOWN HALL CONFERENCE ROOM

Gorham Selectman present: Terry Oliver, Pat Lefebvre, and Mike Waddell

Also present: Robin Frost, Town Manager; Denise Vallee; Patrick Mohan, Melanson Heath; Brad Sullivan, Paul Schmidt, CMA Engineers; Ken Rodgers, Rob Tozier, George Lickiss, KRT Appraisal; Diane Bouthot; Judy Leblanc; Adam White

1. Call to Order: The meeting was called to order by Chairman Oliver at 5:00 pm.

2. Appointments:

a) Patrick Mohan, Melanson Heath – 2017 Audit Process – Mohan advised that during the first year of the audit, they will be looking at vendor bills, payroll, journal entries, tax collection, bank statements, the general ledger, and the town clerk. In the second year, they will also branch out to other departments that are collecting cash, such as the transfer station or parks and recreation. The crux of the audit will be looking at the bank statements, the trustee's statement, the tax collector report, the town's fixed assets and any disposals, along with the NH Retirement system. From there, they will prepare the MS535 and financial statements, and the potential of a management letter with any recommendations. When they get to that point, they will be present the draft to the town and discuss any ideas for changes that are recommended. Mohan advised that right now they are waiting for all of the end of the year paperwork be finished up before they begin. Selectman Waddell mentioned that a concern about the amount the town has encumbered in unpaid taxes and TM Frost mentioned that the deferred revenue that they are concerned with are accounts that have been delinguent for many years. Mohan advised that it can be written down in the financial reporting but not the general ledger, if it is no longer a viable receivable. Mohan advised that in deeding properties for unpaid taxes, the town has to evaluate the risks associated with it. He advised that some towns have decided to take a loss and the decisions are not easy. Waddell asked about the time frame and Mohan advised it will be February and March.

b) Brad Sullivan & Paul Schmidt, CMA Engineers – Public Works Snow Storage - CMA advised that the town has historical issues, such as snow storage and the debris pile, on the piece of land purchased from Eversource. CMA believes the land was a good investment, as it will allow the town to continue using the land for those issues and allow some flexibility in the future. When drawing up the plan, they allowed for a 50-foot setback to give a buffer for the abutters. Per the sale agreement, Eversource has a right of way to the lines on the property, and negotiated a one-year joint use agreement for the snow storage. CMA suggested contacting the new owner to see if an agreement could be drawn up for continued use of the same area. There are some wetlands on the property, however the area that they recommend for use for the snow storage, if they cannot keep it where it is, has good drainage, and could be cleared and covered with a layer of gravel. The inert debris pile is in the middle of the property, and it was recommended it stay there at this point, as the cost to move it would be considerable. The inert debris could be taken to Berlin, and it was suggested that the town stop taking it. The compost piles are partially restricting drainage from the snow storage, and they should be relocated. The drainage issue due to the compost, along with the snow storage helped to create the wetland area. Holmes suggested that they not take compost anymore. Compost could also be brought to Berlin, where they use the brush to chip and cover the landfill. The cost for the plan would be about

\$61,100, which would be the cost to hire a contractor to do the work, but the town could do some of the work to reduce the cost. TM Frost asked that if the new owner was not agreeable to the snow storage where it currently is, there is a comment on the plan to consider wetlands permit for the area to the west. CMA advised that they would either need to avoid that small area or contact DES and request a permit to use the area.

c) Ken Rodgers, Rob Tozier, George Lickiss, KRT Appraisal – 2017 Revaluation – Selectman Waddell advised KRT that there were a number of different concerns with the 2017 revaluation, including the lack of interior inspections, cards not being sent out to property owners, and a lack of involvement with the Board. Waddell stated that there did not seem to be a trend in town, and questioned what motivated the up and down movement with properties. Waddell mentioned the Cascade Flats area and the increase in value there, which was based on a sale that was significantly above the assessed value, despite the drawbacks of the sewer lagoon, the mill, the trucks driving by, and the poor condition of the infrastructure in that neighborhood. KRT advised that interior inspections were supposed to have been done by the assessors when the owner was home, but leaving cards for a call back was not part of the contract with the town. KRT advised that the lack of trend may be due to the conversion to the new software, as the way values are calculated are a bit different with the new program. KRT explained that the increased value in the Cascade Flats area was due to a drop in the depreciation rate due to the mill to 5%, which at one time had been as high as 50%. This was due to the recent sales that were used, which they had to decide how much of the higher sale prices were due to renovation or to a market shift and drawing that line can be tricky. Michelle Lutz advised that in looking at sales in Cascade Flats over the last 4 years, 90% were not qualified sales, meaning they were transfers to trusts or foreclosures, or sales to family members. The seven qualified sales in those 4 years were considerably above the assessed value. KRT stated that when the properties were last valued, it was just after the recession, and the values had nowhere to go but up. The Board expressed concern over the two cases that were recently lost before the BTLA and the fact that the values are now the same as they were before the hearings. KRT advised that the values were set before the cases were decided, and will have to be lowered until the next revaluation. KRT advised that the income approach was used to determine the value on the Lead Mountain property, and Waddell mentioned that he would like to have seen how it would hold up on a sales analysis approach. KRT stated that there are limited comparable sales available, and the property was bought at a tax auction for \$300,000, so they felt direct capitalization was the best way and the BTLA agreed. KRT advised they were also surprised with the BTLA decision on the bank. The values can be defended again if they were to file another abatement. TM Frost advised that the RFP for the new contract will have provisions for callback. Bob Demers stated that he did not see the assessors go into any properties, and if you don't go in, it is a poor assessment. Adam White commended KRT on the handling of their meeting about their assessed value, stating it was handled well and was fair.

3. New Business:

a) Public Hearing Date for Keno Question – There will be a public hearing on February 20 for the Keno question on the ballot.

b) Sign Shelburne Dispatch Contract – TM Frost advised that Shelburne has signed the dispatch contract for 2018. The contract is up a little this year, as the per call cost is \$24.49 this year. The contract was signed by the Board.

c) Boundary Line Adjustment – Theberge/Buteau –TM Frost advised the boundary line adjustment will be coming before the Planning Board and a quitclaim deed will be involved that will need the Board's signature when it is ready.

4. Old Business/Updates:

a) Fire Ponds in Stony Brook - On hold until spring.

b) Spring Road Bridge/Culvert Project – TM Frost advised that this is still in the permit process with DES. TM Frost advised that she and the deputy clerk will be spending the day looking through old records on Tuesday to see if the easements can be located.

c) Alternate OHRV Trailhead – TM Frost advised that she received a message from Chris Gamache that they are still working with Pike. Pike is not sold on the amount of land the state is requesting and they are discussing a smaller parcel. There will be a public hearing sometime in February about this.

d) FEMA Projects October 2017 Storm Event

i) White Birch Lane Berm – TM Frost advised that after meeting on site, a small change was made as to how they are going to repair the berm. They were going to curve back into the property, but have decided to go straight to the tree and then taper it down and the stone work will wrap around the berm. The town has applied for a 2-week extension to finish.

ii) Stony Brook Road – TM Frost advised they are working on permitting.

iii) Public Works and Town Hall Building Issues – TM Frost advised that the work is being taken care of and that it should be covered as it is public infrastructure. Frost will get numbers to the Board.

5. Public Comment:

There was no public comment.

6. Other Business:

a) Town Manager's Update – TM Frost advised there was an issue with the street name choice of Shiloh Drive. Michelle Lutz stated that 911 advised it is too close to Shady Drive. Lutz contacted the Drouin's and they stated that Shiloh Lane would be fine.

On a motion by Selectman Waddell, seconded by Selectman Lefebvre, the Board voted unanimously to amend the name change of a portion of Paradise Street from Shiloh Drive to Shiloh Lane.

Lutz also advised that there was an issue with the tax bill on the Taillon storage units. While the DRA was doing their inspection for accuracy, they noticed that one of the buildings had no value attached to it at all. This was a problem with transferring the data from the old system to the new system and the code that was attached. It has been fixed in the system for this year, but the question is whether the Board wants to send a supplemental bill to the property owner for 2017. The DRA has recommended that they do send a supplemental bill. Selectman Lefebvre asked if the town has sought a legal opinion and was advised they have not yet. TM Frost advised that they will check to be sure there are no other properties with the same issue and they can do a tax warrant for that one and any others. Selectman Waddell asked if Lutz did any fieldwork and she advised she did not, as she is not qualified.

Bob Demers asked about abatements that were filed and if the property owner will be notified of a decision. Lutz advised that she will mail the decision to the owner. The assessor will make a recommendation and the Board will make the decision.

TM Frost advised that the Chamber no longer wants to own the information kiosk on the common and would like the town to take it over. Frost advised they are willing to give it to the town, so the only cost involved would be adding it to the town's insurance. The kiosk does have a solar panel, but no longer has wifi.

TM Frost advised that she has put together the Assessing RFP and has addressed the issues that they had. The Board would like more formalized guidelines.

TM Frost advised that she heard from several people that Jeff Stewart did a great job with the Harry Corrigan basketball tournament that was held last weekend.

b) Selectmen's Updates – Selectman Waddell offered to attend the next two Planning Board meetings as the Board representative and Selectman Lefebvre will act as the secondary.

Selectman Lefebvre asked about the 155B letters for dilapidated buildings in town and what is happening with those. TM Frost advised that John Scarinza will be attending the next Board meeting.

Selectman Lefebvre asked if public works has received the third quote on the loader. TM Frost advised they have not received the quote, but did received an email from them. They can only offer a 6-year lease, not a 10-year.

Selectman Lefebvre asked about the position at the ambulance department and TM Frost advised they have decided to advertise and hire for it.

Selectman Lefebvre asked to set up a meeting with the public works director about the CMA study. A date was chosen of Thursday, January 25 at 9 am.

Chairman Oliver mentioned a broken pipe in Cascade Flats and requested water and sewer take a look at it.

c) Approval of Minutes (January 2, and January 8, 2018)

Selectman Waddell questioned the motion concerning Sansoucy doing the assessing for the businesses along the Berlin-Gorham Road in the January 8th minutes, and clarified that it was only to defend value in abatement cases.

On a motion by Selectman Waddell, seconded by Selectman Lefebvre, the Board voted unanimously to accept the public minutes of January 2 and January 8, 2018 as presented.

d) Sign Manifest; Abatements and Exemptions (if necessary)

There were no abatements or exemptions.

7. Non-public Session: RSA 91-A:3, II- a

On a motion by Selectman Lefebvre, seconded by Chairman Oliver, the Board unanimously voted by roll call to move to non-public session to discuss union negotiations at 7:42 pm. Oliver – Aye, Waddell – Aye, Lefebvre - Aye.

On a motion by Selectman Waddell, seconded by Chairman Oliver, the Board voted unanimously by roll call to come out of non-public session at 8:05 pm. Oliver – Aye, Waddell – Aye, Lefebvre - Aye.

Minutes of non-public session are available separately.

<u>8. Adjournment:</u> On a motion by Chairman Oliver, seconded by Selectman Waddell, the Board voted unanimously to adjourn the meeting.

The meeting was adjourned at 8:05 pm.

REVIEWED AND APPROVED:

Terry Oliver

Patrick Lefebvre

Michael Waddell