

**MINUTES OF THE SELECT BOARD MEETING  
& LIBRARY BOND HEARING**

**January 6, 2014**

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**Board members present:** Chairman John LaCourse, Selectwoman Carole Dennis and Selectman David Cedarholm.

**Others present:** Larry Kindberg, Sharon Taylor, Annie and Paul Gasowski, Katrinka Pellecchia, Cary Brown, Pat Barbour, Scott Bugbee, Chuck Cox, Brian Gehrie, Cynthia Giguere, Allen Unrein, Rob Cinq-Mars, Tom and Peg Dolan, Zachary Smith, Roger Menear, Bruce Larson, Leslie Martin, Ann Wright, Carla Wilson, Alice MacKinnon, Town Administrator Julie Glover and Town Secretary Denise Duval

1. Chairman LaCourse calls the **Library Community Center Project Bond Hearing** to order at 6:00 pm.
2. Annie Gasowski, Library Trustee Chairperson, gives opening remarks regarding the proposed new Library Community Center. The presentation will consist of five parts. First Dennis Mires, the architect, will present the building plans, the Library Trustee's will present the Warrant Article Bond Recommendation and finally the Library Community Center Foundation President will answer questions.

Dennis Mires presents the building plans in detail.

Cynthia Giguere presents the project's budget proposal. Cynthia indicates that it has the same figures as the budget which was presented by Dennis Mires at the December 9<sup>th</sup> meeting. The total estimated cost is \$3,671,460. The proposed sources of these funds are as follows: Bond issued through NHMBB is \$2,500,000; Capital Reserve Accounts is \$340,000; Allocation from Undesignated Fund Balance is \$375,000 and LPLCC Foundation is \$456,460. The Bond interest rate is presented as 3.75% for 20 years, bond date of June 2014, Construction start date in Spring or Summer of 2014, Interest start date of 7/18/14 and 1<sup>st</sup> Interest payment due 2/15/2015. The Total Interest over 20 years will be \$991,406.25. Cynthia goes on to state the advantages and rationale for this Warrant Article in 2014. There is a comparison made between the current facility operating expenses and the estimated cost of the new building's operating expenses. The current expenses are \$9657 per year and the new expenses are estimated to be \$23,925.00. The tax impact for the citizens in Lee is presented. Tax Rate Impact is estimated to increase from 5.53 per 1000 in 2013 to 5.87 per 1000 in 2016 which is an increase of approximately \$78.87 per year on the average taxable parcel of land.

3. Chairman LaCourse opens the floor to questions regarding the Library Bond Hearing and public comment.

Bill Henze of Lee Hill Road has 3 items to discuss. He did some research and reminded everyone that the Town appropriations were to be \$500,000 and the Trustees were going to raise  $\frac{3}{4}$  of a million dollars for this project. Now the Trustees are only raising \$456,460. They are not holding up their end of the promise. Item #2 is comparing the cost with the value of the Town. Lee will be about \$900 per 100,000 of valuation compared to Durham which is \$530 per 100,000 and South Berwick which is \$460 per 100,000. Mr. Henze points out that the construction budget is roughly \$3.675 million and out of this budget \$468,000 is contingency money. He does not believe the Town should Bond contingency money and believes that the Board should reduce the Bond amount to \$2 million.

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Larry Kindberg of Lee Hill Road does not oppose a rational expenditure to improve the Library and the facility. He does oppose a \$3.7 million dollar Bond for the Town of Lee and is concerned that \$3.7 will end up being more. No project ever finishes on budget according to Mr. Kindberg. He points out the ongoing cost to support the new building and all the new equipment that will be expected to furnish the new building. He believes this is too large of scale for the economy that we are in and for taxes that this Town has to pay.

Bruce Larson, Library Trustee, states that there are significant structural problems with the existing building and back in 2004 a few national experts stated it would be pretty much impossible to make the existing Library building ADA compliant. According to Mr. Larson, short of tearing it down and starting from scratch, the building is not set up to be renovated. It does not have the structural capacity to hold the weight of the books. Mr. Larson sees the move from 2004 to the Foundation was really recognizing the need for a building to be multi-purposed and one that would add value to the Town. For example, the Transfer Station has added much value to this Town and has far exceeded its cost. As he grows close to retirement he is looking towards a space and facility that offers programs for the young and old. Mr. Larson believes that offering things of value will bring more families to this town. Having been a contractor, Mr. Larson does not believe that a construction contract would exist without contingencies being attached. He also thinks that using the undesignated fund balance to improve the Town is a fair and logical idea.

Rob Cinq-Mars of Captain Parker Drive agrees with Larry Kindberg. He is an Electrical Engineer and his wife has a PhD in English. They have 3 children they are trying to put through college. They cannot afford an increase in their taxes in any way. He is asking that the Board not approve something that will increase their taxes. He doesn't believe that this Library will attract people to Lee. He says that the cost is pushing out the engineers and doctors.

Paul Gasowski of Lamprey Lane and a member of the Library Building Committee believes that Lee has been successful in conserving and protecting our land but is weak in providing cultural or social capital. This project is an attempt to address the need to provide a cultural place to meet. This is the first phase to address the deficiencies in the Town Center project. It allows the Town to reinvest in the community with the undesignated fund balance.

Cary Brown of Thornton Lane says that Lee will always have a tax problem being in this school district. Mr. Brown states that we have issues that we need to address such as other buildings in the Town. Such as what are we going to do with the town hall? We need a facilities plan and not just build a Library/Meeting Hall. We need to spend money but we need to do it intelligently. We need to look at the whole picture and focus on what we need not what we want.

Katrinka Pellecchia gives a brief history on the Town Hall renovation discussions.

Chuck Cox of Captain Smith Emerson Road and a member of the Library Building Committee supports the new Library. Mr. Cox points out that with a construction

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manager we are guaranteed a price and any savings come back to the Town. He also points out that their prior projects have come in under budget and they use local contractors. The fire place has also been donated. Mr. Cox believes that the fundraising will happen and donations will come through. He recommended applying the entire \$2.5 million from Undesignated Fund Balance to pay for a new Library instead of bonding that much of the project and thinks that giving cash back to the people will not have the same affect or mean as much as providing such a facility to the Town.

Scott Bugbee of Spencer Lane points out that a new building such as this would cost so much more to maintain i.e. for cleaning and supplies.

Zach Smith of New Town Plains Road, a member of the Library Building Committee and under 30 years old is hopefully representing the younger generation. He believes that the Town of Lee needs something like this new Library Center to attract younger families to move here.

Peg Dolan of Lamprey Lane and a senior believes that this Center will provide something for everyone and would be added benefit for people to move here.

Tom Dolan of Lamprey Lane and a member of the Library Building Committee points out that this project will bring a huge value to our Town and over time should raise our property values.

Cynthia Giguere presents closing remarks. There is a document on the website for the public to plug in their information to see how their own taxes will be affected.

Roger Menear of Swain Drive and a House Legislator was not much in favor of this project until he heard more about it and now he supports the need for a Town Community Center.

Chairman LaCourse asks if there is anything further regarding the Bond Hearing. There is nothing. Chairman LaCourse closes the Bond Hearing at 7:20 pm.

Chairman LaCourse asks for other public comment that is not associated with the Bond Hearing. There is none.

4. Zach Smith speaks on behalf of the driveway application and states that the 400 ft. site line is not a problem; there is no need for a traffic study or tree cutting. Mr. Smith requests that the Board approve the Library Building Committee's request to submit a driveway permit application to the NH DOT. Chairman LaCourse moves to approve the request of the Library Community Center Building Committee to submit a driveway permit application to the NH DOT and authorize the TA to execute the same. Selectwoman Dennis, seconds. Selectwoman Dennis and Chairman LaCourse are in favor. Selectman Cedarholm opposes. **Motion Carries.**
5. Town Administrator Glover reviews the Draft Warrant with the Board. Article 1 is missing the information from the Clerk. Articles 2 and 3 are being brought forward by the Planning Board. Article 4 is the Library Bond which must be the first appropriation since

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it is over \$100,000. Article 5 will be any Petition Warrant Articles filed by January 14<sup>th</sup>. Article 6 is relative to the updated Solid Waste Ordinance being submitted for vote. Article 7 is for the purchase of the Kennard property. Article 8 is the operating budget. Article 9 is relative to the capital improvement program. Article 10 appropriates \$100,000 into the Lee Library Community Center Capital Reserve Fund. Article 11 appropriates \$30,000 into the Recreation Capital Reserve Fund. Article 12 establishes a contingency fund for FY2015 for unanticipated expenses that may arise and further to raise and appropriate \$34,292 to go into the fund from the undesignated fund balance. Article 13 is to change the purpose of the existing Accrued Benefits Trust Fund to include expenditures for current Town employees for payments in lieu of vacation and to name the BOS as the agent to expend. Article 14 is to discontinue the Fire Building Maintenance Fund created in 1995. Article 15 is to purchase a new police cruiser.

Chairman LaCourse moves from Article 15 to Article 4.

Article 15: Chairman LaCourse sees this as being straight forward every year. The cost has consistently been approximately the same and is \$27,593.

Article 14: Chairman LaCourse thinks that it is a good idea to simply close this fund.

Article 13: Chairman LaCourse is not enthusiastic about this benefit. Selectwoman Dennis thinks this would be better discussed at a future workshop.

Article 12: Chairman LaCourse thinks this is a good idea and use of this fund. Selectman Dennis points out that if it is not used it will go back into the undesignated fund balance.

Article 11: Chairman LaCourse is not sure about this one yet. TA Glover points out that it has \$72,000 in it at this time.

Article 10: Chairman LaCourse still thinking about this.

Article 9: Chairman LaCourse pulls the Land Acquisition CRF and the remaining funds stay in Warrant Article 9. The Board decides to take \$125,000 from the undesignated fund balance to pay for Article 9.

Article 8: The operating budget has not been finalized yet.

Article 7: Selectman Cedarholm walked the property back in November and is impressed with the agricultural potential of the property. Chairman LaCourse agrees this would be a great opportunity for the Town. The owner is agreeable to have agriculture on the land. Bill Humm will speak to this property at Town Meeting.

Article 4: Chairman LaCourse reviews the new Library financial plan via the PowerPoint slide. TA Glover recommends that the gross budget number being requested should remain at the beginning of the Warrant Article. The Library Capital Fund created in 1998 was intended to be used for capital improvements to the Library. In 2008 \$60,000 was put into this fund. TA Glover is waiting for a legal opinion from NHMA as to whether this money can be used to fund a new Library. There is \$117,000 in the Library Capital Fund today. There is \$300,000 in the new Library Community Center Fund. Selectman Cedarholm points out that Article 4 is only a small piece of the puzzle. The Town needs a

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new Town Hall as well. Cindy Giguere adds that if they do not raise enough they will hold off on purchasing new furniture and equipment in the beginning. Scott Bugbee suggests that a petition warrant article be done to repurpose and move this money from the Library Capital Fund into the Library Community Center Capital Reserve Fund. That would leave \$57,000 behind in the Library Capital Fund. Chairman LaCourse states that the furniture and equipment is very important to the new facility. Moving old furniture is not an answer. He wishes he could see more from the Foundation. Cindy Giguere adds that she thinks by adding the Bond approval it will make the fundraising easier. Selectwoman Dennis points out that the Board worked really hard to reduce the Undesignated Fund Balance during this budget process. The Board does not have control over the school or county budget. She has a problem with taking money from the Undesignated Fund Balance to pay for the Library. It should go back to the tax payers. She also sees this as a whole new financial plan. Fundraising efforts were supposed to offset the cost of the project. Finally she is disappointed that the Library did not make an effort to bring the costs down from the last presentation of \$3.7 million. While supporting the Library, Selectwoman Dennis does not believe that this is the same project that was initially presented to them and it would not be responsible of her to take \$375,000 out of that fund for this purpose. Chairman LaCourse feels at this point that it is premature to move forward. He further states that they have two options at this point: to let this move forward and gut out the Undesignated Fund Balance issue and let the project move forward on its own merit or to decide not to move this forward and then a group of people could bring it forward as a Petition Warrant Article. There is some discussion with the TA regarding these options and the procedure for filing a Petition Warrant Article along with the Board's stance in that process. Selectman Cedarholm adds that the scale of this project is out of proportion for what the Town of Lee needs. Selectman Cedarholm compared what other communities have done with new libraries. For example the Town of Kingston recently built a new library, however their Town tax rate is \$2.31 per thousand. Kingston can well afford new library. Durham spent \$4 Million on their new library; however their annual operating budget is greater than \$10 Million. The \$3.7 million cost of the proposed project in Lee exceeds Lee's annual operating budget. What is being proposed for Lee would be equivalent to Durham building a \$10 Million library. Selectman Cedarholm is concerned that there is no comprehensive Town Center Plan and questions how this proposed facility might impact the Lee Hill historic village which includes 10 or 11 historic structures many dating back to the colonial time. He feels that the collection of historic buildings in the vicinity of the triangle in the Town Center is Lee's biggest asset, and the fact that we have no idea how this new facility will impact the historic village is a great concern. He is concerned that there is nothing in the proposed library design that speaks to the historic and cultural heritage of the Lee Hill village which dates back to the 1700s. He feels the Town needs to move forward cautiously and respectfully in terms of preserving the historic and cultural resources in the Town Center. Selectman Cedarholm is also concerned about the compounding effect of the tax impact from this project added to the proposed increase in this year's operational budget, and although we artificially lowered the tax rate using monies from the fund balance we essentially still have the highest tax rate in all the Towns in Strafford and Rockingham Counties. He also pointed out that Lee has a Community Center right here in the Safety Complex, which is why we included the 3 large community meeting rooms in the building when it was built 10 years ago. Selectman Cedarholm also expressed reservations with the proposed site which is why he voted against filing for a

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driveway permit with NHDOT. He much prefers using the Stevens field next to the Safety Complex for a new library site; adding the benefit of sharing space and resources with the other existing town facilities, plus a significant reduction in site work cost while preserving the former Bricker property for future generations all has merit. He supports the idea of a new library but feels that a 12,000 SF library that costs more than our annual operational budget is more that the tax payers can handle. Chairman LaCourse again feels this is premature and agrees with Selectman Cedarholm at this point. They need another year to raise more funds. He would agree to move forward with appropriating \$100,000 to the Library Fund. However, at this time Chairman LaCourse moves to pull Article 4 and not move forward with it. Selectman Cedarholm, seconds. Selectwoman Dennis opposes. **Motion Carries.**

Scott Bugbee asks if there needs to be another Bond Hearing if a Petition Warrant Article with a Bond is brought forward. TA Glover states no.

The Board proceeds to go through each Article again for a vote. Chairman LaCourse moves to leave Article 6 as presented. Selectman Cedarholm, seconds. All in favor. **Motion Carries.**

Chairman LaCourse moves to leave Article 7 as presented. Selectman Cedarholm, seconds. All in favor. **Motion Carries.**

Chairman LaCourse passes on Article 8.

Chairman LaCourse moves to raise \$282,000 to be deposited and to use \$125,000 from the Undesignated Fund Balance with \$167,000 from general taxation. Selectwoman Dennis, seconds. All in favor. **Motion Carries.**

Chairman LaCourse moves to leave Article 10 as presented. Selectman Cedarholm, seconds. All in favor. **Motion Carries.**

Selectwoman Dennis asks how much is in the Recreation Capital Reserve Fund. TA Glover indicates that there is \$72,471. Larry Kindberg states that the estimate he has received for a pavilion is \$165,000 due to safety requirements and structural liability issues. The wood is being donated. Chairman LaCourse does not want to continue funding this fund with no indication of a future plan or budget. Chairman LaCourse moves to amend Article 11 to be \$10,000. Selectman Cedarholm, seconds. All in favor. Chairman LaCourse moves Article 11 forward. Selectwoman Dennis, seconds. All in favor. **Motions Carry.**

Chairman LaCourse moves to proceed with Article 12 as presented. Selectman Cedarholm, seconds. All in favor. **Motion Carries.**

Chairman LaCourse moves to proceed with Article 13 as presented. Selectwoman Dennis, seconds. All in favor. **Motion Carries.**

Chairman LaCourse moves to proceed with Article 14 as presented. Selectwoman Dennis, seconds. All in favor. **Motion Carries.**

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Chairman LaCourse moves to proceed with Article 15 as presented. Selectman Cedarholm, seconds. All in favor. **Motion Carries.**

Scott Bugbee states that the Solid Waste Trust Fund can be closed. No need for it. TA Glover presents the Board with draft language for this Article: To see if the Town will vote to discontinue the Solid Waste Trust Fund created in (1972); said funds, with accumulated interest to date of withdrawal, are to be transferred to the Town's general fund (Board does recommend this Article) 2/3 vote required. Chairman LaCourse so moves. Selectman Cedarholm, seconds. All in favor. **Motion Carries.**

TA Glover presents the recommended MRI study information for the police department which is not to exceed \$5000. There is \$7692 in the 4199 account. According to the TA we are currently over expended in the legal budget by \$5500. We have extra money in the insurance line item due to a premium contribution holiday payment in the amount of \$30,000. This could be moved to legal which would free up the 4199 account for MRI. Chairman LaCourse is in favor of this study and so is Selectwoman Dennis. Chairman LaCourse moves to grant the proposal from MRI in the amount not to exceed \$5000 these funds to come out account 4199. Selectman Cedarholm, seconds. All in favor. **Motion Carries.**

6. Chairman LaCourse moves to accept the Consent Agenda as presented. All in favor. **Motion Carries.**
7. Chairman LaCourse moves to accept the Manifest #13 and Weeks Payroll ending January 5, 2014. Selectman Cedarholm, seconds. All in favor. **Motion Carries.**
8. Chairman LaCourse asks for any miscellaneous or unfinished business. There is none.
9. Chairman LaCourse moves to enter Non-Public Session per RSA 91-A:3 II (a) personnel issue at 8:47 pm. Selectman Cedarholm, seconds. All in favor. **Motion Carries.** TA Glover enters the non-public with the Board.
10. The Board returns to public session at 9:05 pm and Chairman LaCourse announces that the non-public minutes are to be sealed.
11. Chairman LaCourse motions to adjourn at 9:07 pm. Selectwoman Dennis seconds. All in favor. **Motion Carries.**

Minutes transcribed by:

Minutes accepted by The Lee Select Board:

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Denise Duval, Town Secretary

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John R LaCourse, Chairman

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*Carole Dennis*  
Carole Dennis

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*David Cedarholm*  
David Cedarholm