

**OFFICE OF SELECTMEN  
6 HOLLAND STREET  
PO BOX 139  
MOULTONBOROUGH, NH 03254**

Selectmen's Meeting

September 16, 2010

**MINUTES**

Present: Selectmen: Joel R. Mudgett, Chairman, Karel A. Crawford, Edward J. Charest, James F. Gray, Betsey L. Patten; Carter Terenzini, Town Administrator; Hope K. Kokas, Administrative Assistant.

- I. **CALL TO ORDER:** Joel called the meeting held at the Moultonborough Academy Auditorium to Order at 7:00 P.M.
- II. **PLEDGE OF ALLEGIANCE:**
- III. **REVIEW/APPROVE MINUTES:** Karel Made the Motion to approve the Minutes of September 2, 2010 and the September 2, 2010 4 p.m. Work Session Minutes. Ed Seconded the Motion. Jim Morrison asked if Betsey had attended the 7 p.m. meeting and not the 4 p.m. work session. Betsey replied that she was absent for both meetings. Karel Made the Motion to amend the Minutes of September 2, 2010 7 p.m. to reflect that Betsey was not in attendance. Ed Seconded. The Motion carried Unanimously.
- IV. **NEW RESIDENTS:** Matthew R. Camire, Denise M. Godfrey, Daniel L. & Patricia S. Smith, Kathryn A. & Scott N. Rolfe, Alfred Sanborn, Latorshia R. Anderson, Luis F. Carrasquillo, James D. Femia, Nicholas M. Conforti, Aldrige A. & Suad K. Vaillant, Michael R. Chick, Heather Clark, Carole & Charles P. Rinaldo.
- V. **PUBLIC MEETING:**
  1. Citizen Input: 1) Hollis Austin asked if public input would be allowed during Vision Appraisal's presentation. Joel replied that he would allow it.
- VI. **NEW BUSINESS:**
  1. **Presentation: 2010 Proposed Property Assessment Values:** Dave Arnold of Vision Appraisal Technology introduced himself, along with Paul McKenney, their Project Manager. Mr. Arnold stated that the Selectmen asked him to attend in order to explain the process that Vision went through for the 2010 statistical update, the steps taken, and the purpose of today's meeting. In his PowerPoint presentation he outlined several steps and the process taken. Data was collected by sending out inspectors to properties that sold over the last year (April 1, 2009 to March 31, 2010), with interior and exterior inspections, measuring, and verifying the information for accuracy. Interviews with property owners were conducted, as many as possible, to determine the terms of the sales, i.e., whether they were arms lengths sales. Mr. Arnold explained that non-arm length sales are between family members, foreclosures, sales where personal property is included, etc. The sales were again reviewed by a certified property supervisor, checking the quality of the information collected, exterior data, and neighborhood data to identify any influences that were external to the property sales. He explained the building

valuation model, using the Marshall & Swift service, which is nationally recognized, to compare building costs; the base land scheduled for the past two years (April 1, 2008 – March 31, 2010), which was lowered for the Town; land valuation model; and the building valuation model. There were 259 informal hearings held. The information gathered was reviewed with the Assessor. The results of the models were tested against the sales to see if the models reflected sales in Moultonborough. The median assessment ratio based on the DRA guidelines, with a recommended median ratio of 90% to 110%, and on the second review the values came in at 94%. The coefficient of dispersion (COD) is recommended to be less than 20% and now is 10.4%. The price related differential (PRD) is recommended to be at .98 to 1.03, and based on the second review is .993. All are well within DRA's recommended guidelines which prove that the model represents fair market value. Mr. Arnold opened it up for questions, stating that he can't comment on individual properties as there are 7,000+ parcels in Town. The median ratio for 2009 for non-waterfront properties was 109%, selling for 9% less than what they had been assessed. Waterfront properties were assessed at 94%, selling for more than what they had been assessed. This was a huge spread between non-waterfront and waterfront properties, which is an inequity. Land values went down to reflect vacant land sales and building values went down to reflect the improved property sales. Waterfront did not sell for less than what they were assessed the previous year and therefore adjusted upwards. Several neighborhoods were also adjusted where sales indicated that it was needed. Mr. Arnold recalled a previous comment that there are too many assessing neighborhoods. He explained that the neighborhoods were originally set up by the previous Assessor over many years of testing against the sales and the difference between the neighborhoods. Mr. Arnold said that none were added or deleted. On the lake there are approximately 50 neighborhoods being used and approximately 29 have different adjustments, which reflect the different positives and negatives of the lake. It has been suggested that there should be less neighborhoods. Mr. Arnold pointed out that reducing the number of neighborhoods was not part of Vision's contract, and the focus was to update the values using the models created. 1) Maggie Alexander said that she wants to see the formula and understand why property was increased 30%. Mr. Arnold pointed out that his presentation showed the model and each property is different. 2) Russ Wakefield recalled his discussion with Brownie Jones, the previous Assessor that the Town has many unique neighborhoods, some that are similar. Mr. Wakefield feels that the neighborhoods should be reviewed yearly. He asked if the location adjustments were looked at and Mr. Arnold responded that they were. 3) Hollis Caswell asked how they can be sure if the number used for the adjustment was correct. Mr. Arnold replied that it is based on sales. Overall waterfront property increased 6%. Mr. Caswell said that values for waterfront went up 20% to 30%, and asked what went down. Joel asked and Mr. Arnold confirmed that after the first set of values that came out in July, Vision went back and reviewed two years of sales for the second set of 2010 values. 4) Norman Cochran stated that the formulas were not correct. Mr. Arnold repeated that 76% of properties in Town went down, 24% went up. 5) Fred Kramer asked if the market sales from one neighborhood were compared to another neighborhood. Mr. Arnold confirmed that they did compare one neighborhood to another, adding that the neighborhood adjustments will be published in the manual that will be available once the Selectmen adopt the 2010 values. He added that the property record cards are available for review. 6) Russ Wakefield asked why one sale was used to increase the values on properties on Lee Pond. Mr. Arnold replied that Lees Pond was adjusted comparing it to other comparable neighborhoods like Wakonda Pond. He added that field inspections for all

properties were not done, as the contract called for a statistical analysis only. 7) Richard Barrett said that he wanted to see the 200 sales listed by neighborhoods. 8) John Dimattia said that he met with Vision in July and was told that a mistake had been made and that his property, a W18 was compared to a W20. 9) Carter Barger said that in a poor economy, his property went up 25% and there were no sales in his area and asked how they justify the increase. He asked the Selectmen to reject the 2010 values and maintain the 2009 values. Mr. Arnold agreed that nationally values are down and also in Town, but not waterfront. He added that waterfront sold above the 2009 assessed values and overall either held or increased in value. 10) Richard Barrett asked how many waterfront sales were reviewed in the two year period. Mr. Arnold replied 50+ were reviewed. 11) Don McGillicuddy said he understands that the statistical updates are done to prevent sticker shock every 5 years, but suggested abandoning that process and go back to the 5 year revaluation. 12) Hollis Caswell asked how two properties next to each other, but in different neighborhoods, could have one that the value stayed the same and the other went up. 13) Joe Keegan stated that this year's assessment is a correction from last year's error. 14) Virginia Lewison asked how her property could go up 30%, when the quality of her waterfront has gone down over the years with milfoil and poor beach condition. She said that 10 homes have been sold, with 7 buildings being torn down and "McMansions" going up. She asked why the value of her camp should go up based on a few sales. She expressed her dissatisfaction with Vision and agrees that the Town should use the 2009 values. 15) Maggie Alexander said that she is unsure how the adjustments had been made and was not comfortable with the information provided. She was told during her informal hearing that the 2009 sale used to compare her property at \$625,000 and being assessed at \$813,00 was a good deal (under sold). Mr. Arnold replied that the sales were tested and were within the recommended 10% against market value. 16) Richard Barrett who was unaware of the latest value for his property asked what percent was it at now and learned that for 2010 it increased 14%. 17) Fred Kramer asked what the overall percentage was for waterfront and was told that it went up overall 3%, adding that he felt percentages shouldn't be used as they are misleading, but the median ratio should be used. 18) Sally Keller reported that during her informal hearing she was told that the initial assessment was a mistake and should be reduced. She questioned why her property is compared to Winnepesaukee waterfront. 19) One speaker asked what the next steps are if the Selectmen adopt the values and was told the abatement process was the next recourse. Joel commented that the Selectmen are in a difficult position. If they adopt the values, then the waterfront owners will submit abatements. If they don't adopt the values and go back to 2009, then the non-waterfront properties owners will submit abatements. 20) Joe Keegan asked Mr. Arnold if he was aware of a problem with Vision Appraisal and Chappaquiddick Island. Mr. Arnold replied that Vision was sued by a \$50 million property owner and Vision won the suit. 21) Bob Clark stated that this is a systemic problem: waterfront property is initially put on the market at above assessed value and when it doesn't sell then the price is reduced and then it sells. It is a cause and effect problem. Mr. Arnold repeated that 75% of waterfront property sold for more than what it was assessed. 22) Hollis Austin reported that the *Laconia Daily Sun's* article about Laconia assessed values which decreased 10%, quoting Paul McKenney who stated that this was typical around the state. Mr. Austin repeated his question to the Chair during the July 29<sup>th</sup> meeting to check with other Towns that contract with Vision to learn of their satisfaction. Joel replied that the Selectmen didn't see the need as this was Moultonborough's issue. Mr. Austin proceeded to read a letter written by his elderly parents, expressing their dissatisfaction. 23) Joe Sullo expressed his concern that using

only arms length sales is “cherry picking” only the best properties. He asked Betsey what her estimate was for the Town’s portion of the donor town tax and she confirmed that it was approximately \$3.4 million, but is uncertain what the final amount will be. Betsey stated that she doesn’t want to state a specific number as it is only speculation and the Town won’t know until it is set. Mr. Sullo expressed his concern that the major portion of the money collected from this donor town will be from the waterfront owners and that people won’t be able to hold on to their properties. 24) Don McGillicuddy asked Betsey to explain why donor towns went away and why it has come back. Betsey explained that while the Legislature was working on defining the cost of an adequate education, everything was put on hold for 2 years. Once the cost of an adequate education was defined (which kept going up and up), and voted on, then the state had to find a way to pay for it. Ed stated that the big cities want the money that they were receiving to come back and it is their political power that made it return. Karel added that the Coalition Communities is still active and a law suit against the state is not yet on the table. It isn’t clear whether Portsmouth will be a donor town again, but they do support the Coalition’s efforts. Pat Remick of the Coalition Communities will be speaking at the Center Harbor Town Hall on September 22<sup>nd</sup> and encouraged people to attend to get their questions answered. Karel added that she is displeased that her property taxes went down after building an addition, etc., but cautioned against going back to 2009 values which could result in DRA coming after the Town and perhaps with negative consequences. 25) Richard Walsh expressed dissatisfaction with the notification process and time of this meeting, which he felt prevented people from attending. 26) Barbara Rando asked if 2 years of sales were looked at for non-waterfront properties. Mr. Arnold replied that this was done. Ms. Rando asked why any of these values didn’t go down as a result. As there were no further questions or comments from the public, Joel called for a vote to accept the 2010 assessed property values. Karel Made the Motion to accept the 2010 assessed property values. Betsey Seconded the Motion. Ed stated that he is still confused about the values and doesn’t understand the process, adding that he would have liked to see one property explained in detail. He agreed with some of the owners and doesn’t understand why their property went up. Ed said that he felt the neighborhoods were subjective and would like to see something more specific. He added that his assessment went down and he is disappointed. Jim said that he still has doubts and confusion and can’t support the new values. Joel stated that it isn’t an easy decision and the Town needs to move forward and therefore he is in support of accepting the values. He feels that next year the neighborhoods should be reviewed. The vote was taken: 3 Ayes and 2 Nays (Ed and Jim). The Motion carried.

2. Presentation: DEA Drug Take-Back Day at MPD, 09/25: Sergeant Joe Canfield told the Selectmen that the Police Department is getting involved in a new initiative with the federal department of Drug Enforcement Administration (DEA) to take take back and collect potentially dangerous expired, unused, unwanted prescription drugs for destruction on a nationwide basis. Sgt. Canfield explained that on September 25<sup>th</sup>, from 10 am to 2 pm there will be DEA boxes set up at the Public Safety Building. This is a response to the illegal consumption of and addiction to prescription drugs that are found in medicine cabinets by kids or stolen from homes. These drugs also pose a risk to our groundwater when improperly disposed. They will accept controlled and non-controlled drugs no questions asked. They can’t take anything that could represent a hazard through blood borne pathogens (needles and sharps). The Selectmen thanked Sgt. Canfield and the Police Department for this initiative.

3. Review for Approval: NH & FBI Criminal History Record Checks RSA 103-a & 103-b: Carter told the Selectmen that the statute has been amended for hawkers, peddlers, and vendors, giving towns the choice of requiring a NH and FBI record check or a state check only, or none at all. Carter reminded the Selectmen that the Town does have an ordinance on hawkers and peddlers and recommended tabling the question for their next work session, which would allow the Police Chief to attend as they will have to enforce it. Agreed by Consensus.
4. Review for Approval: Sandwich Fair Association, Request to Use Bleacher: Joel reported that this is an annual request and as long as the Recreation Department is agreeable, to approve the request. The request was approved by Consensus.
5. Review for Approval: LRPC Scenic Byways Committee – Letter of Intent: Carter reported that in the Town Planner's memo to the Selectmen, that the LRPC is looking to reactivate the Scenic Byways Committee and is looking to the Board to see if there is an interest in getting involved. Carter reminded the Selectmen that the Town had withdrawn from this Committee as it restricted use of off premises signs. He added that if the Town were to get involved then we would be restricted to using the state's blue road signs. Joel said that he doesn't want to see the Town be restricted and suggested to table the question for the next work session. Approved by Consensus.
6. Review for Approval: Temporary Use Permit – Castle in the Clouds, Fall Foliage Day, 9/26/10: Betsey Made the Motion to approve the Temporary Use Permit for the Castle Preservation Society/Castle in the Clouds Fall Foliage Day, September 26, 2010 with the stipulations set forth by the Fire Chief and Police Sgt. Beede as stated in their comments. Ed Seconded. The Motion carried Unanimously.
7. Review for Approval: Plowing Rates for Private Contractors: Highway Agent Scott Kinmond told the Selectmen that the plowing rates for private contractors has been the same since 2006 when a fuel surcharge was added. He recommends going with the state's rates. He added that the rates are based on the vehicle, equipment used, and the operator. Joel asked if DOT's rates include a fuel surcharge and if the funds are in the budget. Scott told him there wouldn't be a surcharge. The funds are in the budget but this will depend on the snow. Betsey made the Motion to adopt the state's plowing rates for private contractors as described in the Highway Agent's memo dated September 9, 2010. Ed Seconded the Motion. The Motion carried Unanimously.
8. Review for Approval: Proposed Task Order Re: Public Safety Building Parking Lot: Carter reported to the Selectmen, as previously stated, they are proposing that the engineer analyze the problem with the Public Safety parking lot for the 2011 budget. The task order for the engineering work is \$14,210 and Carter recommended increasing this amount to \$14,500 to allow for any extras and transferring this amount from the Contingency account to the Department of Public Works Facility Technical Services account. Betsey Made the Motion to authorize the Chair to sign the Task Order to not exceed \$14,500 for review of the Public Safety Building parking lot and transferring this amount from the Contingency account to the Department of Public Works Facility Technical Services account. Jim Seconded. Karel asked and Carter confirmed that the task order is just for engineering. Joel asked that the original plans for the parking lot be reviewed; looking for the original test borings, which will reveal the former engineer's work. The Motion carried Unanimously.
9. Review for Approval: Proposed Task Order Re: FY 2011 Road Program: Carter explained that in an effort to get the 2011 road projects moving forward earlier, he recommends starting the engineering work now. The task order is for \$22,510, which are funds from the 2010 road program budget and if more is necessary they will make a

request at a later date. Betsey Made the Motion to authorize the Chair to sign the task order for the 2011 Road Program not to exceed \$22,510. Ed Seconded the Motion. The Motion carried Unanimously.

10. Review for Approval: Budget Amendment Re: States Landing & Public Safety Building Slab: Carter reported that the funds for the work at States Landing beach and the slab work at the Public Safety Building were spent from the DPW Facilities Professional Technical Services. The Highway Agent is requesting that \$10,800 be replenished. Carter recommended transferring the \$10,800 from the Contingency account to the DPW Facilities Professional Technical Services account. Karel Made the Motion to transfer \$10,800 from the Contingency Account to DPW Facilities Professional Technical Services account. Joel Seconded the Motion. The Motion carried Unanimously.
11. Review for Approval: National Fallen Firefighters Day, October 3, 2010: Joel reported that Firefighter Andy Daigneau is requesting that the Town issue a proclamation that October 3, 2010 be known as the National Fallen Firefighters Day, in recognition of the patriotic service and dedicated efforts of our fire and emergency services personnel by lowering flags on all Town buildings to half mast. Approved by Consensus.

## **VII. OLD BUSINESS:**

1. Review: Position on LGC Legislative Policy for 2011-2012: Betsey told the Selectmen that she will support the agreed upon legislation on the list except for the proposed tax increase for gasoline. Approved by Consensus.
2. Review for Approval: 2007 Unpaid Tax Liens & Deed Waiver Re: MBLU 135/7; 140/24; 41/3; & 48/9: Carter reported that two of these properties, map 041 lot 3 and map 048 lot 009 have paid their taxes in full and have been removed from the list. He requested that the other properties remain tabled in order to see if an environmental review needs to be done. The Selectmen agreed to table the question.

## **VIII. OTHER BUSINESS:**

1. Legislative Update: Betsey had nothing to report.
2. Planning Board Update: Ed had nothing to report.
3. Administration Update: Carter reported that other than his weekly update, he had nothing else to report.
4. Milfoil Committee Minutes, August 30, 2010: Acknowledged.
5. Advisory Budget Committee Minutes, August 30, 2010: Acknowledged.
6. Zoning Board of Adjustment Minutes, September 1, 2010: Acknowledged.
7. Trustees of the Trust Funds, September 7, 2010: Acknowledged.
8. Planning Board Minutes, September 8, 2010: Acknowledged.

## **IX. CORRESPONDENCE:**

1. Time Warner Cable: This standard notification of programming changes was acknowledged.
1. Mr. & Mrs. Richard R. Smalley, Re: 34 Wildwood Road: Joel reported that this issue has come before them a couple of times in the past. The Smalley's are upset that their neighbor on 34 Wildwood Road has two mobile homes on his property, which they feel are junk and can't be used for storage legally, and therefore want them removed. Carter confirmed that the CEO said that they can use them for storage. Karel added that the

CEO reports that the living room, bathroom and kitchen have been removed from each one, which then makes it storage. She added that she understands the Smalley's frustration, but it appears the buildings are within the ordinance.

**XI. CITIZEN INPUT:** 1) Hollis Austin asked for more information regarding the proposed legislation for the 2011 year. Betsey said that there are 20 issues that LGC sent to the Selectmen for their review and support. She directed Mr. Austin and anyone else interested to view LGC's website. Betsey said that the only two she couldn't support was the increase in the gas tax and making the Town Clerk and the Tax Collector an appointed position versus elected.

**XII. NON-PUBLIC SESSION:** Joel asked for a roll call for the Selectmen to go into Non-Public Session per RSA 91-A:3 II (b): Betsey – Aye; Ed – Aye; Karel – Aye; Jim – Aye; Joel – Aye. The Selectmen went into Non-Public Session at 9:37 p.m.

Betsey Made the Motion for the Selectmen to exit Non-Public Session and not disclose the minutes and decisions reached herein to the public, as divulgence of the information discussed likely would affect adversely the reputation of a person(s) other than a member of the public body itself until - in the opinion of a majority of the members - the aforesaid circumstances no longer apply. Ed Seconded the Motion. Joel called for a roll call: Jim – Aye; Betsey – Aye; Ed – Aye; Karel – Aye; Joel – Aye. The Selectmen exited Non-Public Session at 9:50 p.m.

**XIII. ADJOURNMENT:** Ed Made the Motion to Adjourn. Betsey Seconded the Motion. Motion Carried Unanimously.  
Joel adjourned the meeting at 9:51 p.m.

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Approved

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Date

Respectfully Submitted

Hope K. Kokas, Administrative Assistant