

Selectmen's Minutes
12 April 1999
7:00pm

The regularly scheduled Selectmen's meeting was called to order by the Chair, George Lagassa, at 7:00pm. Those present included Jack Steiner, Allen Hines (Selectmen), and Russell McAllister (Town Administrator).

Senator Beverly Hollingworth

Education Funding Update

Senator Hollingworth briefed those in attendance about the legislative status of the education-funding debate. It was explained that the new tax proposals included taxes on amusements / entertainment where such things as golf memberships and movies would be taxed. Ski tickets would be exempt from tax under this plan. An increase in the business profits tax and an increase in the business enterprise tax were also part of the mix. A 2% tax on the purchase of new cars and boats was also under consideration. However, purchase of commercial boats, snow machines, jet skis and the like would not be taxed. A statewide property tax was also in the mix of the funding plan. Senator Hollingworth pointed out that the problem with funding school education solely with property taxes was that the cost of education usually increased at the same rate as inflation, but increases in property values did not keep pace with inflation. The problem the legislature was facing now was one of deadlines. April 1st came and went without a solution therefore, it was now illegal for towns to issue or collect taxes for the operation of their schools. Many school districts have been forced to issue pink slips to teachers. Moody's bond rating service had issued a bond watch for the state. It has given the legislature until May 15th to craft a solution to the education funding issue before it lowered the state's bond rating. A lowering of the state's bond rating increases the cost of borrowing for the state. Senator Hollingworth explained that she was against gambling as a means of funding schools. Mr. Steiner asked about the additional costs that the town would incur as a result of being forced to collect a state property tax. Senator Hollingworth noted that it was an unfunded mandate imposed by the state.

John Barvenik

Cub Scout use of Town Hall

Mr. Barvenik next addressed the board about using the Town Hall for his Cub Scout troop meetings. Mr. Barvenik noted that there are 162 cub scouts in Town and that approximately 62% of boys in grades 1-5 participate. It was explained that the meetings would take place on Thursday evenings about once a month and that there would be around 80-90 scouts, including parents in attendance. Some discussion ensued regarding the fee schedule for use of Town Hall. Mr. Barvenik raised the idea of having the scouts perform public service projects in lieu of payment. The Board approved the idea noting that community service was a value worth promoting in North Hampton. Mr. Steiner made the motion to waive the rental fee and allow the cub scouts to use the Town Hall with the expectation that the scouts perform community service projects. Mr. Hines seconded the motion. The vote was unanimous and so moved.

Administration / Business

The Selectmen reviewed the meeting minutes of March 22nd. Mr. Steiner made the motion to accept the regular minutes of March 22nd. Mr. Hines seconded the motion. The vote was unanimous and so moved.

The selectmen reviewed correspondence and/or signed:

1. Land Use Change Tax Warrants - \$10,312.32 / \$21,912.32 / \$6,012.32 / \$6,012.32
2. Property Tax Abatements - Various (\$16,888.02)
3. Driveway Permit - Mark Janos
4. Aries Engineering / SRF II for OU 2
5. Mason & Rich Auditing Contract
6. Media One - Capital Spending Progress Report
7. Executive Council Newsletter
8. Nursing Home Data

The TA briefed the Board on the status of the State Revolving Loan Fund (SRF) application for the second phase of the Coakley Landfill (OU 2). The second phase of the landfill project involved well monitoring that was expected to last approximately 20-30 years. The SRF loan application provided money to the town for the well monitoring phase at approximately 3% interest over a 20-year period. Twenty percent of the loan was in the form of a grant that is disbursed on a yearly basis. The TA asked the Board for permission to proceed. The Board instructed the TA to execute the necessary agreements.

The Board next reviewed a property tax refund request from Mr. Stephen Wood. The request was for a refund on an interest payment. The reason given for the request was that the bill had been sent to the address of the previous owner. It was noted that when real estate is purchased, taxes for that property become the responsibility of the owner in much the same way mortgage payments to a bank become the responsibility of the mortgagee. It was noted that the address was now corrected. After brief discussion the Board declined the request for a refund by Mr. Wood.

The TA presented the Board with Media One's Capital Spending Progress Report. It was noted that Media One had recently been acquired by Commcast Communications. Mr. Hines asked when the Town's cable contract expired. The TA explained that the contract expired in the year 2012. Mr. Hines expressed a desire to reopen the contract for renegotiations. The TA agreed to contact Media One and look into the possibility of renegotiating the contract.

Selectmen's Issues

Discussion & selection of appraisal firm(s) to conduct appraisal of HWW

Mr. Lagassa began the discussion of the issue by providing a synopsis of the events to date. He began by explaining that the Board had sent RFQ letters (request for qualifications) to approximately 38 appraisal firms specializing in utility appraisals. Of those who responded 4 firms were selected and scheduled for an interview. Both the Board and the Water Commissioners had interviewed these four candidates. The issue responsible for driving this process was a warrant article passed at the 1998 Town Meeting authorizing the Board to look into the feasibility of purchasing the Hampton Water Works. Another warrant article authorizing the Board to take over the Hampton Water Works required a 2/3 majority vote, but was defeated at the same 1998 meeting by 8 votes. The quandary for the Board was the interpretation of the vote. After much discussion the Board had determined that the prudent course was to discover the appraised value of that portion of the HWW in North Hampton for property tax purposes. The recent interview of the four appraisal firms had since been narrowed to two; a team composed of Brooks Valuation, Mark Gowdy, and Atlantic Management Co. & the partnership of Giroux and Earth Tech. Mr. Lagassa noted that the two teams were both qualified. Giroux & Earth Tech., particularly Giroux the elder, were eminently qualified. However, it was difficult to get the firm to commit to a price. Mr. Hines explained that three out of the four firms had provided cost estimates for their scope of services, but that Giroux & Earth Tech had not. Mr. Steiner agreed adding that Giroux & Earth Tech were a good firm offering a combination of appraisal and water engineering services, but that their hesitancy in committing to a price was disconcerting. Mr. Lagassa commented that Earth Tech offered contracted operations services (con ops) for water utilities, so their motives were in some sense self-serving. Mr. Lagassa, who by profession, is a utility appraiser liked the business value approach offered by Atlantic Management wherein the business value of the HWW Company as a whole was derived and then that value of the business existing in North Hampton was apportioned from the company. Mr. Lagassa also admitted that Giroux's approach was very good as well. Giroux believed that there was a value attached to the resource or water rights itself. The Giroux approach tied the value of the water rights to the value of the company because there would be very little company value without the water rights. The location of the water rights, in this approach, also apportioned value within North Hampton. Mr. Lagassa continued and further commented that much had been learned during the course of the interviews. He felt that a more detailed scope of

services required by the town be drafted and that the two teams respond to the RFP with the appraisal approach they would employ and the cost of their services. The other members of the Board agreed with the approach. Mr. Lagassa agreed to draft the RFP and have the TA mail it out to the Brooks / Gowdy / Atlantic Management Co. and Giroux & Earth Tech appraisal teams.

Selectmen's Issues Cont.

Bid Opening

The Board turned their attention to the sealed bids offered on the old highway truck and the now defunct Fire Department suburban. The bids and bidders are listed below.

<u>Bidder</u>	<u>FD Suburban</u>	<u>Highway Truck</u>
James Colcord	\$831	
David Foster	\$511.51	
William Barrett	\$85.99	
Bill's Wholesale Auto		\$1,697
West Side Truck Equipment	\$257	\$1,857.97
Jim Jones		\$3,500
Rail City Enterprises	\$2,001	\$3,001

The Board accepted the bid from Rail City Enterprises of \$2,001 for the FD Suburban and the bid from Jim Jones of \$3,500 for the Highway Truck. Mr. Strout was directed to notify the bidders of the results.

Mr. Hines discussed a citizen's complaint he received regarding the placement and proximity of trailers in the North Hampton Mobile Home Park behind AMD Subaru. Mr. Hines subsequently reported that further research of the issue and consultation with the building inspector revealed that part of the park is grandfathered under previous zoning ordinances. The problem with the park is that many of the older trailers are smaller in size (10' x 40') and are therefore placed closer together on smaller lot sizes as provided under previous zoning ordinances. Newer trailer sizes are 14' x 60' but they are also on larger lots and spaced further apart as required by current zoning. The park owner remains in compliance in the grandfathered section of the park so long as trailers are not moved closer to the property line and there is no increase in the number of trailers located in that section.

Mr. Steiner talked about the need to appoint another alternate to the planning board. Mr. Steiner made the motion to appoint Mr. Philip Richaud (4 Walnut Avenue) as an alternate member to the planning board. Mr. Hines seconded the motion. All were in favor and the motion so moved.

Questions & Comments

Paul Cuetara, Planning Board Chair, appraised the Board about potential problems regarding the Abenaki Meadows subdivision on Winnicut Road. Mr. Cuetara explained that construction of the road had begun and been abandoned because of financial problems experienced by the developer. The subdivision subsequently had been sold at last twice to his knowledge. There was some question about the bonding status of the subdivision and the legal ramifications associated with calling the bond to cover the site's closing costs. The TA was directed to contact town counsel and research the legal ramifications associated with calling the bond.

Dan Hansen addressed the Board regarding his Eagle Scout project to design, construct, and erect a *Welcome to North Hampton* sign. Mr. Hansen reported that the design and wording were complete and that he had met with the Building Inspector regarding sign ordinances. Mr. Hansen had also met with the Heritage Commission regarding proper wording of the sign such as settled in 1649 versus incorporated in 1742. The approximate cost was \$1,400. Coincidentally, the location, cost and sponsorship of the sign is

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being provided by Bruce Transportation. Mr. Hines asked that a measured drawing be provided for the town's records so that at a future date another copy of the sign could be erected at the North end of town on Route 1. Mr. Hansen also requested a letter of recommendation as part of his Eagle Scout project. The Board agreed to furnish one.

Mark Janos voiced his concern about a proposed subdivision planned on the Greenland side of Winnicut Road. Mr. Janos explained that his lot in North Hampton bordered the Town of Greenland. A road was planned for construction adjacent to his property line. He further explained that there would be a traffic impact to North Hampton because access to the Greenland subdivision would be through North Hampton along Winnicut Road. He wondered whether such subdivision was legal and whether or not there was a regional impact involved. The Board sympathized with Mr. Janos and agreed to consult with the planning board.

There being no further business to come before the Board the public meeting adjourned at approximately 9:50pm.

Respectfully,

Russell McAllister
Town Administrator