

**Town of Newport, New Hampshire
Board of Selectmen**

**Minutes for Meeting of August 29, 2016
6:30 pm, Municipal Building**

SELECTMEN PRESENT: Jeff Kessler, Chairman; Todd Fratzel, Vice Chairman; David Hoyt, William Wilmot, John Hooper II

STAFF PRESENT: Shane P. O’Keefe, Town Manager; Paul J. Brown, Finance Director; George Hildum, Town Assessor; Larry Wiggins, P.E., Director of Public Works

COMMUNITY MEMBERS PRESENT: Mrs. Dawn Ranney, Executive Director of the United Way of Sullivan County; John Simonds, Sullivan County Sheriff; Elizabeth Maiola, James Beard, David Kibbey and Bert Spaulding, Sr.

CALL TO ORDER: Chairman Kessler called the meeting to order at 6:34 p.m. followed by the Pledge of Allegiance.

AGENDA REVIEW: Add Action Item: Selectmen’s Assignments for the Primary Elections (by O’Keefe)

MINUTES FROM PREVIOUS MEETING: August 15, 2016

On a motion by Selectman Fratzel, seconded by Selectman Hooper; *the Board voted to approve the minutes of the August 15, 2016 BOS meeting with the following correction: page 2, paragraph 4, last line. Words in parenthesis should read: (Chapter 4, pages 20-21). The motion passed 5-0-0.*

The August 15, 2016 non-public session (NPS) minutes was tabled to the September 19, 2016 BOS meeting.

CONSENT AGENDA: On a motion by Selectman Fratzel, seconded by Selectman Wilmot; *the Board voted to approve the Consent Agenda for August 29, 2016 as presented. The motion passed 5-0-0.*

OPEN FORUM:

Mr. James Beard addressed the Board of Selectmen and introduced himself as a Republican candidate for the NH State Senate District 8 seat in the upcoming 2016 election. He explained that the State Senate seat had become open when the New Hampshire governor appointed former State Senator Jerry Little as the Commissioner of NH Banks. Mr. Beard gave a short biographical sketch, a synopsis of his platform and endorsements from politicians. He concluded by introducing Mrs. Elizabeth Maiola as his campaign manager. The BOS thanked Mr. Beard for attending the meeting and introducing himself to the Board and the viewing public.

Sheriff John Simonds addressed the Board of Selectmen and viewing public. He stated that he was running for reelection in a contested race for the Sullivan County Sheriff position in the upcoming 2016 election. Sheriff Simonds gave a synopsis of his background in law enforcement and qualifications for the position. He cited work the Sheriff’s Department was responsible for, gave a list of some of the new and innovative programs he had established in the past two years as sheriff and mentioned personal endorsements as a candidate for the job. The Chairman thanked Sheriff Simonds for attending the meeting.

COMMUNICATIONS:

Selectman Hoyt had nothing to share at this time.

Selectman Fratzel had nothing to share at this time

Selectman Wilmot congratulated the Library Arts Center (LAC) on their successful Apple Pie Crafts Fair, the Richards Free Library on their festival as well as the Rollins Motorcycle Ride. There were many positive comments about the three events and many people attended from out-of-town. It was an incredible indication of how things work in Newport. Kudos to everyone involved.

Selectman Hooper reiterated Selectman Wilmot's congratulations on the huge success of the Apple Pie Crafts Fair (The first place winner in the pie contest went to the same individual as last year; the 2nd place winner was Mr. Jeff Nintzel, Executive Director of NCTV), the Library Festival and Rollins Ride.

Chairman Kessler also congratulated the Town and the turnout and participation in the Apple Pie Crafts Fair. He congratulated the firefighters on their successful Chicken BBQ. Chairman Kessler gave special thanks to Mrs. Priscilla Hagebusch. Mrs. Hagebusch baked 30 pies for the LAC and 80+ dozen cookies for the Cookie Walk sponsored by the Richards Free Library. Chairman Kessler stated there had been 216 pies and hundreds of dozens of cookies baked. He thanked all the participants for their time and talent. Everyone looked forward to the Apple Pie Craft Fair next year.

Town Manager O'Keefe stated:

- With the drought conditions Gilman Pond was down an additional 2". NHDES reported that the southeast part of the state was in severe drought conditions. It has been difficult to quantify numbers from the voluntary reduction by municipal water users.
- Paving update: the Town was 99% complete as of August 29, 2016. He listed the roads and streets that had been paved.
- Litigation was over between Anthony Venti vs. the Town of Newport. Newport filed a motion to dismiss the case. It was approved by the judge on Friday. Mr. Venti could appeal to the Superior Court.
- There was an accident at the Corbin Covered Bridge. The Town was looking into private contractors who are experts in historic preservation. The Town also has to reapply fire retardant on the bridge. Bids on the work would be coming before the BOS in the near future.
- A petition was received related to Chandlers Mill Road. There was an area where there was a lot of dust due to the drought conditions. Town Manager O'Keefe explained the potential causes for the dust as well as the additional work and due diligence that the Highway Department has done to try to reduce dust in the area. He reiterated that the drought conditions and vehicles speeding made it exceedingly difficult to prevent the problem.

There was a general discussion and brainstorming among the Board members on how to eliminate the problem on Chandlers Mill Road.

Selectman Hoyt stated he had had a complaint about a failed culvert on Pine Street that was supposed to be replaced. He asked if it would be replaced and if so, asked why it had not been replaced before the street was paved. Mr. Wiggins stated it would be replaced. The work was tied up due to a large amount of paperwork concerning getting an easement at the site. He had spoken to Town Manager O'Keefe about the project. O'Keefe and Mr. Wiggins addressed Selectman Hoyt and Board members and explained the problems and proposed solution.

Mr. Spaulding, Sr. addressed the BOS and gave his opinion on the traffic and road conditions on Chandlers Mill Road.

INFORMATIONAL:

Ash Landfill Firing Range Update

Town Manager O'Keefe stated the Town had employed Nobis Engineering to assist with the required application for the permit modification closure plan to conduct shooting range activities at the Ash Landfill. They were doing the work now and knew it was a priority for Newport. The Town was continuing to push to acquire the permit and license. Town Manager O'Keefe stated that the work was in the hands of the state.

Chairman Kessler asked if he was keeping Sturm Ruger informed of the progress. Town Manager O'Keefe stated he had not spoken to them in a week, but had given them updates prior to that.

Chairman Kessler acknowledged Mr. Spaulding, Sr. Mr. Spaulding, Sr. stated his opinion that the ash landfill was important to Newport because of Sturm Ruger. The economic welfare of Newport was very dependent on Sturm Ruger. He asked that the Town pressure the NHDES for an expedited permit and license.

Town Manager O'Keefe informed Mr. Spaulding, Sr. that the NHDES had had the application for one week. There had been due diligence on everyone's part.

Chairman Kessler addressed Mr. Spaulding, Sr. and stated the BOS agreed it was important to acquire the permit and license quickly. Continuing, he said the Town had to adhere to the regulations in Concord, NH. He thanked Mr. Spaulding, Sr. for his concern.

Update On Tax Lien/Tax Deed Properties

Town Manager O'Keefe stated he and Selectman Hooper had communicated about the status of the property at 133 Sunapee Street owned by Mr. Richard Schatz. He had inquired on where the Town was on the process of tax deeding his property. Town Manager O'Keefe stated that Mr. Schatz owed the Town \$100,000+. O'Keefe relayed to the Board the process Mr. Schatz had been going through to raise money to pay the taxes owed on the property and said that he had been given thirty days to get the money. If Mr. Schatz did not pay the money owed, the Town would continue with the tax deeding of the property. O'Keefe stated that the Board had the final decision. He concluded by again explaining the process Mr. Schatz was actively taking.

Selectman Fratzel addressed Town Manager O'Keefe and asked if the Board of Selectmen had voted to "pull the trigger" on the property. O'Keefe said yes, the Town had given notice. He said that the Town could file the tax deed tomorrow if the Board wanted to.

Selectman Fratzel again addressed Town Manager O'Keefe and said that the BOS voted to pull the tax deed (O'Keefe agreed), said that O'Keefe had been instructed to pull the tax deed, and at some point O'Keefe had decided not to do it, without notifying the Board, because of a conversation with the property owner.

O'Keefe said yes and explained his reasons. He stated that the Town paperwork had been filed; the Town had the authority to pull the tax deed with one day notice. O'Keefe stated that he had "made the call" that the Town should hold off. If the Board chose to pull the tax deed, it could be done tomorrow.

Town Manager O'Keefe was asked, for clarification, if the timeframe given Mr. Schatz had been thirty days. He said yes, but the Town did not have to wait; as of last Monday the BOS could pull it as a tax collectors deed. There was a short discussion on the matter with BOS members.

Selectman Hoyt addressed Town Manager O'Keefe and repeated that the Board members at the meeting had discussed the property and tax liens at length with the owner. The members present had heard several

excuses from the property owner and then had made a motion to take the property by tax deed. He continued, stating that without the BOS reconvening and discussing different options (a different option) a decision should not have been made without the Board's approval. O'Keefe said that the Town could pull the tax deed tomorrow (August 30, 2016).

Selectman Hooper stated that if the Town pulled the tax deed now, it would be going back on O'Keefe's word. Town should not go against O'Keefe's word; he agreed with the other Selectmen that it was inappropriate that a different option was given to the land owner, without consultation and agreement of the Board members. The Board's decision had been clear at the meeting. O'Keefe repeated that the Town could pull the tax deed tomorrow (August 30, 2016).

Finance Director Brown informed the Board that within two weeks of the meeting and the Board's decision the tax deeding process had been put into effect. With the tax deeding process the Town had to give the thirty day notice. He told the Board that Town Manager O'Keefe had said that the Town could take it at any time; the Town could but they had been advised by Town legal counsel that after a month or two of not taking the tax deed the Town should redo the noticing process.

Reiterating, Finance Director Brown stated that within the week of the Board's decision, the Town did start the tax deeding process. Mr. Schatz was given the official thirty day notice which ended last Monday.

Selectman Fratzel asked if the Town had to start the process all over. Finance Director Brown stated no, there had been the thirty day notice (which was now up). After an additional month or two of not taking the tax deed, legal counsel had advised that the Town might want to start the process over.

Town Manager O'Keefe stated redoing the process was not part of the plan. He had wanted the owner to pay his back taxes. He reiterated that if the BOS wanted to take a different direction; he would do it.

The Chair acknowledged Mr. Spaulding, Sr. Mr. Spaulding, Sr. gave his opinion on the tax lien problem before the Board.

Selectman Hooper reiterated his previous comments and stated that a tentative agreement had been made to come up with the money in 30 days. The Board should take an active role with a written letter stating that the owner pay his back taxes by Day 31 or his land would be tax deeded. Selectman Wilmot concurred with Selectman Hooper's comments.

Selectman Fratzel asked there be a motion.

On a motion by Selectman Hooper, seconded by Selectman Wilmot; ***the Board voted to instruct Town Manager O'Keefe to follow-up in thirty days and if the taxes are not paid for 133 Sunapee Street, to file the tax collector's deed on the property. The motion passed 3-2-0 (Fratzel and Hoyt voted no).***

Town Manager O'Keefe stated there were two other properties that needed updating for the Board. The first was 60 Summer Street in which a notice of eviction had been served. As far as he knew the occupants had not left. The Town was in the process of putting together "Orders of Ejectment" which needed to be filed with the Sheriff's office.

17 Maple Street - The Town held off on vacating the building because one individual was under hospice care. She had subsequently died and O'Keefe wanted to wait thirty days before serving the tenants (family members of the deceased).

ACTION ITEMS:

Acceptance of Sealed Bids for Property Acquired by Tax Collector's Deed

Town Manager O'Keefe stated the bids were for two pieces of property (8 Central Street and 13 Sullivan Street) that the Town had advertised for sale. The minimum bid was \$15,000 on each of the properties. There had been a viewing of the properties. The Town had received one bid for each property. Town Manager O'Keefe explained the process the BOS would go through in accepting the bids.

Chairman Kessler opened the uncontested bid for 13 Sullivan Street. It was from Mr. John Wilcox, 290 Cornish Turnpike, Newport, NH. Chairman Kessler read aloud the required bid form and stated that the bid amount was \$15,051.00. Mr. Wilcox had enclosed a \$1,000.00 check for bid deposit. There was a short discussion on there not being a note of proof of financing the balance of the bid.

Chairman Kessler opened the uncontested bid for 8 Central Street. The bid was from McElreavy Property Management, LLC, 221 Oak Street, Newport, NH; Keith McElreavy owner. Chairman Kessler stated the required bid form stated the same information as the first and that the bid amount was \$15,050.00. Mr. McElreavy had enclosed a check for \$1,000.00. A note stated that purchase of the property would be paid for with existing funds.

Chairman Kessler stated it would be Town Manager O'Keefe's responsibility to acquire information of proof of ability to pay for the properties.

Chairman Kessler asked for a motion to accept the bids pending proof of ability to pay for the properties. On a motion by Selectman Fratzel, seconded by Selectman Hoyt; ***the Board voted to accept the bids on 8 Central Street, Map 114 Lot 005 for \$15,050.00 and 13 Sullivan Street, Map 111 Lot 269 for \$15,051.00 pending proof of financing and to authorize Chairman Kessler to sign the quick claim deeds. The motion passed 4-0-1 (Kessler abstained as the individual designated to sign the deeds).***

Request for Waiver of Rental Fees for Use of Town Common

Mrs. Dawn Ranney, Executive Director of the Sullivan County United Way; addressed the BOS and requested a waiver of rental fees for the United Way on October 14, 2016 for the purpose of holding the program Coats for the Community (or "Free Coat Friday") on the Town Common. Mrs. Ranney explained the all-volunteer program to the BOS, the number of years they had held the program, number of articles of clothing distributed free of charge and where on the Newport Town Common "Free Coat Friday" would be held.

Mrs. Ranney concluded by again asking for a rental fee waiver to hold "Free Coat Friday" on October 14, 2016 from 6:30 a.m. until 4 p.m.

Town Manager O'Keefe brought to the Board's attention that there was no waiver stipulation in the rental fee agreement for the Town Common, only for the Opera House. He recommended amending the Town Common rental agreement to allow waivers for not-for-profits.

On a motion by Selectman Fratzel, seconded by Selectman Wilmot; ***the Board voted to amend the April 18, 2016 rental fee agreement for the Town Common that was approved by the Board of Selectmen to include note #2 ("...may be waived in part or its entirety by the Selectmen for Newport not-for-profits...") on Town Common security deposit and rental fee waivers for Newport not-for-profits. The motion passed 5-0-0.***

Mrs. Ranney was asked if there needed to be a consideration for a rain date for the Free Coat Friday. She stated no.

On a motion by Selectman Hooper, seconded by Selectman Wilmot; ***the Board voted to waive the Town***

Common security deposit and rental fee for the Sullivan County United Way on October 14, 2016 for the purpose of conducting their “Free Coat Friday”. The motion passed 5-0-0.

Mrs. Ranney thanked the Board members.

Requests for Exemption from Taxation per RSA 72:23

Town Manager O’Keefe told the Board there had been tax exemption applications submitted by Tekoa Missions, Inc.; New London Hospital and Valley Regional Hospital.

Tekoa Missions, Inc. 5 Schoolhouse Road and 62 Schoolhouse Road

On a motion by Selectman Hoyt, seconded by Selectman Fratzel; ***the Board voted to deny the application of a charitable exemption for Map 242/Lot 171 5 Schoolhouse Road and Map 242/Lot 53 62 Schoolhouse Road for the 2016 tax year because there is insufficient evidence of a charitable operation taking place at those properties as of April 1, 2016. The motion passed 5-0-0.***

On a motion by Selectman Fratzel, seconded by Selectman Hoyt; ***the Board voted to grant a religious tax exemption for the portion of the property at 5 Schoolhouse Road that was formerly a lodge and used as a religious training facility for students on April 1, 2016 along with a religious exemption of a proportional percentage of the land surrounding the buildings but to deny the religious exemption for the private homes located at 5 Schoolhouse Road and 62 Schoolhouse Road. The motion passed 5-0-0.***

Newport Health Center - Map 114 Lot 129-001

On a motion by Selectman Fratzel, seconded by Selectman Hoyt; ***the Board voted to deny a charitable tax exemption for Map 11 Lot 129-001 for the 2016 tax year because the application for the exemption was untimely and because the level of charity care provided by the hospital is very small and it is a fee for service operation.***

There was a request to end the motion at untimely. It was denied; no amendment was made.
The motion passed 4-0-1 (Wilnot abstained).

Valley Regional Hospital Property - John Stark Highway Map 236 Lot 001

On a motion by Selectman Fratzel, seconded by Selectman Hoyt; ***the Board voted to maintain the status quo and grant a charitable tax exemption for the 2016 tax year on property located at Map 236 /Lot 1 on John Stark Highway owned and used by Valley Regional Hospital, Inc. only for space that is occupied by Valley Regional Hospital pending review for the property for the 2017 tax year due to changes taking place at the property this year. The motion passed 5-0-0.***

Consider Proposals for Property Revaluation

Finance Director Brown addressed the Board members and reminded them of his request made in June 2016 to employ Avitar Associates for the upcoming Town revaluation. The BOS had requested he put the revaluation contract out to bid. He explained the bidding process. There were two bids, one from Avitar. One stipulation in the Town RFP was for a performance bond (for completion as well as satisfactory completion of the revaluation) which is recommended by the NH Department of Revenue Administration. A performance bond is therefore very important to the Town. Finance Director Brown then gave the two bids and explained what he knew of the differences between the companies.

Finance Director Brown recommended going forward with Avitar Associates. He acknowledged they were a little bit more expensive, but the Town would have a performance bond. The Avitar company has an intimate knowledge of Newport from the last evaluation and also conducted the 1988 revaluation. Finance Director Brown stated that both he and Mr. George Hildum were at the meeting to answer any questions the Board members had.

The Board members, Finance Director Brown and Mr. Hildum held a lengthy discussion on the two bidding companies. Hildum answered all BOS questions, giving information about the companies, their reputations, years open and about any tacked on fees.

Mr. Hildum addressed the BOS and stated that the Avitar bid was a fair one. Selectman Fratzel held a brief conversation concerning the bid with Mr. Hildum.

Chairman Kessler asked Mr. Hildum for his assessment of the two companies. Mr. Hildum complied, stating that he believed the Town should employ Avitar Associates.

Town Manager O'Keefe said that they would talk to representatives at Avitar and return to the BOS meeting September 19, 2016.

Selectman Fratzel asked how soon the work needed to begin. Mr. Hildum said that it would be a full revaluation. It needed to be started sooner than later.

The Selectmen asked what the down side of a "bad" assessment would be. Mr. Hildum explained the plethora of problems incurred with a bad assessment to the Board members.

He gave the worst case scenario of it having to be redone. All control would be taken from the Town and put into the hands of the Department of Revenue Administration and Board of Tax and Land Appeals. He stated that for 30+ years they had had confidence with Avitar Associates and the quality work they have done for the Town of Newport. Mr. Hildum said he would hate to see it eroded for the sum of \$10,000 or so. It was a concern he had.

When asked about KRT's (the other bidder) work in other towns, Mr. Hildum stated he knew towns have used them for data verification, but did not know of any full revaluations.

Mr. Spaulding, Sr. addressed the Board and gave his opinion in support of using Avitar Associates.

There was a discussion among the Board members concerning the importance of having a good revaluation done. They thanked Finance Director Brown and Mr. Hildum.

Support Letter for Public Transportation

Town Manager O'Keefe stated he had sent BOS members copies of a draft letter to the Commissioner of NHDOT. As of September 9, 2016 public transportation will cease through Community Alliance. It is actively looking for another agency to take over the transportation system.

At a county wide meeting the Commissioner of NH Department of Transportation asked for towns to pledge money (during budget season) for the support of a public transit system in Sullivan County. Town Manager O'Keefe stated he had drafted a letter of support to the Commissioner stating that the Town had allocated money for several years to Community Alliance's Transportation System. He stipulated in the letter that money allocated to Community Alliance be redirected and prorated to its successor entity. He explained that the letters of support would be shown to potential transportation providers. When asked, O'Keefe told the BOS that a prorated amount of the money allocated at Town Meeting 2016 would go to either the successor entity or back to Newport.

Selectmen's Assignments for the Primary Elections

There was a lengthy discussion on the availability of Selectmen during the Primary's voting hours. Town Manager O'Keefe stated he would put together a spreadsheet for the Selectmen to fill in for coverage.

APPOINTMENTS: none

It was announced there would be a thirty minute recess, followed by a non-meeting and then the non-public sessions (NPS).

On a motion by Selectman Fratzel, seconded by Selectman Hooper; ***the Board of Selectmen voted to recess for thirty minutes. The motion passed 5-0-0.***

The public meeting ended at 8:00 p.m.

The Board of Selectmen reconvened the meeting at 8:20 pm.

NON-PUBLIC SESSION(S):

On a motion by Selectman Fratzel, seconded by Selectman Hoyt; ***the Board of Selectmen voted by roll call to go into NPS pursuant to RSA 91-A-A:3,II (d)-Consideration of the acquisition, sale or lease of real or personal property and RSA 91-A:3,II (a)-Personnel Matters. The motion passed 5-0-0.***

The BOS entered NPS #1 at 8:22 pm. Present were Board members John Hooper II, Todd Fratzel, William Wilmot, Jeffrey Kessler and David Hoyt.

On a motion by Selectman Fratzel, seconded by Selectman Wilmot; ***the Board voted to leave non-public session. The motion passed 5-0-0. The non-public session ended at 8:28 p.m.***

The Board exited NPS at 8:29.

On a motion by Selectman Fratzel, seconded by Selectman Hoyt, ***the Board voted unanimously to seal the minutes at 8:30.***

On a motion by Selectman Fratzel, seconded by Selectman Hoyt, ***the Board voted unanimously to enter NPS #2 at 8:31 p.m.***

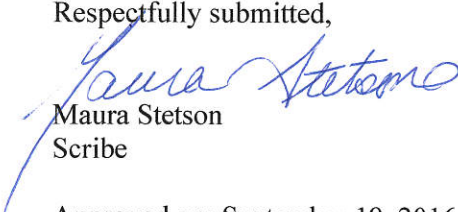
On a motion by Selectman Fratzel, seconded by Selectman Hoyt, ***the Board voted unanimously to exit NPS at 10:00 p.m.***

On a motion by Selectman Hoyt, seconded by Selectman Fratzel; ***the Board voted to seal the NPS minutes. The motion passed 5-0-0.***

There being no further business in the public meeting, on a motion by Selectman Hooper, seconded by Selectman Wilmot; ***the Board voted to adjourn at 10:01pm.***

The next regular meeting of the Board is scheduled for September 19, 2016 at 6:30 p.m.

Respectfully submitted,



Maura Stetson
Scribe

Approved on: September 19, 2016