

TOWN OF NEWPORT, NEW HAMPSHIRE

Board of Selectmen Minutes of March 7, 2022

Public Hearing and Regular Meeting, Municipal Building, 15 Sunapee Street, Newport, NH 03773

Remote Access: Zoom.com - Meeting ID: 811 7313 2035 Passcode: 647123

+1 (253) 215-8782 US (audio only, long-distance fees may apply)

SELECTMEN PRESENT: *BOS Room:* Jeffrey Kessler, Chairman; John Hooper II*, Vice Chairman; Keith Sayer, Herbert Tellor, Jr.; Barry Connell

SELECTMEN ABSENT: none

STAFF PRESENT: *BOS Room:* Hunter Rieseberg, Town Manager; Paul Brown, Finance Director

COMMUNITY MEMBERS PRESENT: Bert Spaulding, Sr.

NCTV: John Lunn, Executive Director NCTV

CALL TO ORDER: Chairman Kessler called the meeting of the BOS to order at 6:30 p.m. followed by the Pledge of Allegiance.

AGENDA REVIEW: MOVE Action Item: Consider Ratification of Police Department Collective Bargaining Agreement to after Agenda Review (Kessler)

Consider Ratification of Police Department Collective Bargaining Agreement - Chairman Kessler explained the process taken by the Town and Police Union representatives to come to an agreement after the February 21, 2022 BOS meeting. He explained the specifics of the four-year agreement (July 1, 2021 through June 30, 2025) between the Town and Police Union members. Year 2021 had no tax impact. Year 2022 net costs will be \$41,865 (\$.094 on the tax rate); Year 2023 costs will be \$37,859 (\$.085 on the tax rate); year 2024 total costs will be \$40,937 (\$.092 on the tax rate). Selectman Tellor made a motion *to ratify the proposed agreement between the Town of Newport and the New England Police Benevolent Association (NEPBA) Local 221 Police Union*. It was seconded by Selectman Connell. *The motion passed 4-0-0*. The ratified contract will go on the 2022 ballot as a Warrant Article.

PUBLIC HEARINGS: The Board of Selectmen of the Town of Newport, New Hampshire will hold a public hearing on Monday, March 7, 2021 at 6:30 p.m. at the Newport Town Offices at 15 Sunapee Street, Newport, New Hampshire to address the following issues coming before the Town at the Annual Town Meeting:

1. The 2022-2023 budget in accordance with NH RSA 32.

Chairman Kessler read aloud Public Hearing Notice One, noting that the public hearing was for the 2022-2023 budget.

**Selectman Hooper joined the meeting at 6:42 p.m. Chairman Kessler informed him of Finance Director Brown's information and the action taken by the Selectboard on the collective bargaining agreement.*

The 2021-2022 budget in accordance with NH RSA 32 - Chairman Kessler acknowledged Finance Director Brown and asked him to review the budget (Town of Newport 2022-2023 Proposed Operating Budget). Finance Director Brown reviewed the proposed budget. He stated the total proposed Operating Budget is \$10,200,969 with a tax rate of \$12.00 (last year's tax rate was \$11.79). There was an explanation on the amounts of the various fund balances and their uses in the 2022-2023 Town budget.

Finance Director Brown then reviewed the 2022-2023 Default Budget for the Board and public. He explained the use of last years appropriated money for specific projects that were no longer in need of funding. The total of the

Default Budget is \$10,264,495. The estimated tax rate will be \$12.03. He answered all questions from the Board members.

Town Manager Rieseberg stated that Water, Sewer and Airport Funds are self-sustaining. Only the General Fund is supported by taxpayer dollars.

Chairman Kessler asked for public comment. There being none, Chairman Kessler moved on to the Warrant Articles. He listed and explained the following: Communication Capital Reserve, Ambulance Capital Reserve, Recreation Facilities Capital Reserve, District Court Capital Reserve, Dorr Lagoon Management Project- A \$75,000 Bond that needs 60% approval to pass. It has 0% tax impact. There was discussion on the Lagoon Bond by the Board, Town Manager Rieseberg and Mr. Spaulding, Sr., Police Union Contract

Chairman Kessler asked for public comment. Finance Director Brown stated that the Community Center project is a total of \$7,000,000. The Bond is \$4,000,000. There will be discussion in the second public hearing. He wanted to clarify the total amount of the project.

Chairman Kessler asked for additional public comment. Mr. Spaulding, Sr. stated he wanted to know the total amount of the budget, but he would ask at the end of the public hearing on the Community Center. There being no other questions or comments, Chairman Kessler closed the public hearing on the 2022-2023 Operating Budget at 6:57 p.m.

PUBLIC HEARING TWO: The issuance of estimated \$4,000,000 in bonds under RSA 33:8-a for the costs related to the design and construction of a new Community Center.

Chairman Kessler read aloud Public Hearing Notice Two, and opened the Public Hearing for a new Community Center. He stated that the total cost of the proposed new Community Center was \$7 million. The Town's intent is to raise \$3 million of the cost through local donations and non-tax means. The maximum amount for the Bond and on the tax rate, would be \$4 million dollars. Chairman Kessler stated the Community Center Bond will require 60% approval to pass at Town voting. Chairman Kessler addressed Finance Director Brown and asked when tax impact on the bond would begin if the Warrant Article on the proposed Community Center passed. Finance Director Brown stated that the tax impact on the Bond will not occur until after construction of the Community Center was complete unless the BOS decided to borrow it early and spend down the proceeds. The Board has the authority to decide when they want to issue it. Historically bonds have been issued after-the-fact.

There were technical difficulties with the zoom reception.

Chairman Kessler asked, for clarification, that they could continue to collect donations for the Community Center after the bond passed and was being paid off. He was told yes. Finance Director Brown gave projected costs for proposed 20- and 30-year bonds for the project from a handout to the BOS and public which showed the costs: The total bonded project cost is proposed to be \$4 million.

20-year Bond (\$4 million)

Total interest \$1,260,000
Annual Principal \$200,000
First year tax impact \$.74

30-year Bond (\$4 million)

Total interest \$2,170,000
Annual Principal \$133,000
First year tax impact \$.63

Mr. Spaulding, Sr. asked what the taxpayers would be looking at interest wise. He was told on a 20-year bond it would be 3.0%; on a 30-year bond 3.5% (subject to change). Nothing could be locked in until the (Community Center) Bond passes. Finance Director Brown reminded the Board the way the Warrant Article was written:

ARTICLE 4. To see if the Town will vote to raise and appropriate the sum of Seven Million (\$7,000,000) Dollars to pay for the design, construction and building of a proposed new community center on Meadow Road (Map 114 Lot 158). Three Million Dollars (\$3,000,000) to come from private donations, public and/or private grants, and other sources aside from municipal taxation, and the remaining Four Million (\$4,000,000) Dollars to come from the issuance of bonds or notes under and in compliance with the Municipal Finance Act (RSA 33) and to authorize the Board of Selectmen to issue and negotiate said bonds or notes and determine the rate of interest and

time period thereon, and to take other such action as may be necessary to affect the issuance, negotiation, sale and delivery of such bonds or notes as shall be in the best interest of the Town; and to further authorize the Board of Selectmen to apply for, accept and expend such monies as become available from the Federal and/or State governments for use in connection with said project and pass any votes thereto. This article is contingent upon the receipt, by the Town, of at least Three Million (\$3,000,000) Dollars from non-tax sources as described above, and no bonds or notes shall be issued for this purpose until and unless such funds are obtained. This is a non-lapsing article per RSA 32:7 III and will not lapse until the project is completed or by June 30, 2027, whichever is sooner in accordance with RSA 33:8-f. (3/5ths majority vote required).

Finance Director Brown stated the article is contingent upon the receipt, by the Town, of an appropriate donation level (at least Three Million (\$3,000,000) Dollars) from non-tax sources before bonds or notes shall be issued for this purpose until and unless such funds are obtained. He did not know if the Board wanted to change the wording of the Warrant Article for the Community Center. If the wording stayed the same, the Town wouldn't do anything until they reached the \$3,000,000 donation threshold. Mr. Bert Spaulding, Sr. addressed Finance Director Brown and asked for an explanation of bonding the project. Finance Director Brown explained the Town's ability to bond the project as written in the proposed Warrant Article. There was a lengthy discussion among the Board members on having the Warrant Article remain as worded last time it was brought before the voters or changing the wording to state that the Town will not wait to meet the matching \$3,000,000 before issuing the Bond. Finance Director Brown then stated he could not recommend having a bond longer than 20 years. He explained the finances of the proposed bonds. After additional discussion on the writing and issuance of the bond for the Community Center, Chairman Kessler closed Public Hearing #2 at 7:17 p.m.

MINUTES FROM PREVIOUS MEETING(S): Budget Session February 21, 2022 - On a motion by Selectman Connell, seconded by Selectman Tellor; *the Board voted to approve the minutes of the February 21, 2022 BOS Budget Work Session as presented. The motion passed 4-0-1 (Hooper abstained).*

February 21, 2022 - On a motion by Selectman Hooper made a motion *to approve the minutes of the February 21, 2022 BOS meeting.* It was seconded by Selectman Tellor. In discussion, Chairman Kessler questioned the rank of Paul Beaudet as Detective. After discussion, the February 21, 2022 minutes were amended to note his rank as Officer. *The amended motion passed 5-0-0.*

CONSENT AGENDA: On a motion by Selectman Tellor, seconded by Selectman Sayer; *the Board voted to approve the Consent Agenda of the March 7, 2022 BOS meeting as presented. The motion passed 5-0-0.*

OPEN FORUM: Mr. Spaulding, Sr. reminded the Board and public that the school voting was March 8, 2022. There will be three warrant articles. He explained the voting and his opinion of the importance of passing the articles.

The following agenda items were taken out of order.

ACTION ITEMS: Request to Waive Ordinance Regarding Alcohol on Town Property-Steven Smith, Newport Area Chamber of Commerce Brewfest June 18, 2022 - Mr. Steven Smith, Chamber of Commerce representative; addressed the Board members and stated that this year would be the 8th Brewfest by the first Chamber. There would not be a Chamber Day in 2022. They were proposing a Brewfest event on June 18, 2022 from 11 a.m. to 2 p.m. He explained its operations as well as the new layout plan introduced during the "Covid Era". The Chamber will need a waiver from 10 a.m. to 3 p.m. for set up to take down. He stated the Town and departments have been great to work with over the years. Mr. Smith formally requested that the Ordinance Regarding Alcohol on Town Property be waived. After a brief discussion on the Chamber Brewfest, on a motion by Selectman Connell, seconded by Selectman Hooper; *the Board voted to waive the Town Ordinance regarding alcohol on Town Property for the Newport Area Chamber of Commerce Brewfest on Saturday, June 18, 2022 from 10 a.m.-3 p.m. The motion passed 5-0-0.*

Selectman Connell made a motion to *waive the Common rental fees for the Brewfest on June 18, 2022.* Selectman Hooper opposed the motion. He stated there were too many activities that were getting rental waivers

for the use of the Common. Selectman Hooper stated he knew of a couple of businesses that would sponsor the Chamber's Brewfest event. The motion was withdrawn. Mr. Smith then requested a rental waiver of the Common for the Concerts on the Common. Chairman Kessler called for a motion on the request. Selectman Teller informed the Chairman and Board that the Action Item had been voted on during a December 2021 BOS meeting. Mr. Smith expressed his thanks to the Board.

COMMUNICATIONS: Selectman Teller had nothing to share at this time. Selectman Connell had nothing to share at this time. Selectman Hooper had nothing to share at this time. Selectman Sayer had nothing to share at this time. Chairman Kessler informed the viewing public that School Voting would be held on Tuesday, March 8, 2022 from 8 a.m. to 7 p.m. He stated a bond vote for the Reconstruction of the Voc Center will be on the ballot. 87% of the cost of the project will come from state and federal grants. Town Manager Rieseberg had nothing to share at this time.

INFORMATIONAL: Community Center Update - Chairman Kessler stated the Town is proposing a \$7,000,000 Community Center. \$3,000,000 of the cost will be raised through local donations and non-tax means. A \$4,000,000 Bond will be voted on to go toward it. He gave a synopsis of the historical information of the Rec Center and specifics of the proposed building. Information is on the Town website: www.newportnh.gov Mr. John Lunn addressed Chairman Kessler and stated he has heard people question whether the new Community Center will be available for use for the high school basketball games. He gave two names of people who said they would not be. Mr. Lunn wondered why the Community Center courts wouldn't be used for the school's use (he explained). Chairman Kessler stated he (personally) would not rule out anything. He stated there might be an arrangement made. The Board, Town Manager Rieseberg and Mr. Lunn held a discussion on the statement of: "a possibility or a definite no" to the question.

Golf Course Discretionary Easement - The agenda item documents will be reviewed by the Selectboard members and voted on March 21, 2022. If approved, the easement will lower the tax rate to current use rates.

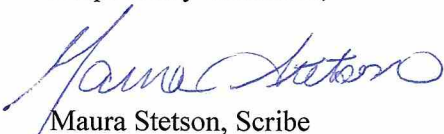
ACTION ITEMS: LCHIP 10-Year Stewardship Agreement - A grant of \$41,000 for the reconstruction of the stage entrance, dressing room entrance, basement bulkhead and stabilization of the granite steps of the Opera House has been awarded to Newport. The design work on the entrances will be done in April-July of 2022. Other work will be done in spring 2023. Chairman Kessler explained LCHIP Grants and the Stewardship Program to the Board and public.

On a motion by Selectman Connell, seconded by Selectman Hooper; *the Board accepted the Land and Community Heritage Investment Program (LCHIP) 10-Year Stewardship Agreement and authorized Town Manager Hunter F. Rieseberg to sign any and all documents required pertaining to the program. The motion passed unanimously.*

APPOINTMENT(S): none

On a motion by Selectman Hooper, seconded by Selectman Teller; *the Board voted to adjourn at 7:51 p.m. The motion passed 5-0-0.*

Respectfully submitted,



Maura Stetson, Scribe

The next regular meeting of the Board of Selectmen is scheduled for March 21, 2022 at 6:30 p.m.

Approved on: March 21, 2022