

Town Council Approved Minutes April 3, 2013 WS

TOWN OF NEWMARKET, NEW HAMPSHIRE
TOWN COUNCIL BUSINESS MEETING
APRIL 3, 2013 7:00 P.M.
COUNCIL CHAMBERS

PRESENT:

Council Chairman Gary Levy, Council Vice Chairman John Bentley, Councilor Dan Wright, Councilor Phil Nazzaro, Councilor Larry Pickering, Councilor Dale Pike (on speaker phone), Councilor Ed Carmichael

Town Administrator Steve Fournier

Council Chairman Levy opened the meeting at 7:07 p.m., followed by the Pledge of Allegiance.

PRESENTATION OF PLAQUE

Council Chairman Levy presented a plaque to past Council Chairman Nazzaro in recognition of his service to the town and Council. He thanked him for the positive direction the Council had taken.

PUBLIC FORUM

Council members confirmed that they had received the 2 letters sent by Bert Allen of Smith Garrison Road. He first referred to a Chip Tax from 1989, stating that Newmarket had stopped imposing this tax and thereby was not receiving possible revenue of about \$100,000 per year and carbon tax credits. He felt that this revenue could be applied to the wastewater treatment plant and secondary run-off costs associated with nitrogen flow, and asked where the Council stood on this possibility. The second letter referred to a proposal from the previous year that Newmarket collect a crash tax on accidents. He said that the town could legally do this and insurance companies would pay the town on the property side of a policy. He felt this could bring in about \$50,000 per year. Council Chairman Levy said he had discussed the 2 proposals briefly with the Town Administrator. Town Administrator Fournier said the Chip Tax was now called the Timber Yield Tax, and Newmarket does collect that. So far the town had collected about \$2,000 during the year. He said the state determines the amount to be billed based on a variety of factors, and he felt there was a difference between the 1989 law and the present. Council Chairman Levy said that they would get definite answers in writing to Mr. Allen in a timely manner. Mr. Allen suggested that Thompson School at UNH could assist with looking into the Chip/Timber Tax possibilities.

As there was no further public comment, Council Chairman Levy closed the Public Forum at 7:15 p.m.

PUBLIC HEARING

1. Ordinance #2012/2013-03 Purchasing Policy

Council Chairman Levy opened the Public Hearing at 7:16 p.m.

Rose-Anne Kwaks of Wadleigh Falls Road said that the proposed purchasing policy stated that there were limits of \$10,000 and \$20,000 for purchases that could be made without Council approval. She felt the figures were too high and should be set at \$5,000. Bert Allen of Smith Garrison Road agreed with a limit of \$5,000 with the stipulation that no consecutive purchases of that amount be allowed to prevent payments intended to circumvent the ordinance.

Council Chairman Levy said the Council would be discussing the Ordinance later in the meeting. As there was no further public comment, he closed the Public hearing at 7:20 p.m.

2. Resolution #2012/2013-48 Approving the Community Revitalization Tax Relief Incentive (RSA 79E) for the Redevelopment of the Lang Blacksmith Shop

Council Chairman Levy asked if anyone had public comment at 7:21 p.m. Rose-Anne Kwaks of Wadleigh Falls said the wind turbine, for \$38,000, had been removed from the estimate, and that other figures had been revised. She asked if the Council would be going over any of the numbers in detail. Council Chairman Levy said the Council would be discussing the Resolution, but he did not know what subjects would come up. Ms. Kwaks said that in reading 79E there is supposed to be a covenant in place and recorded, and she did not believe this had happened. She said the Council would not be able to approve 79E without the recorded covenant during this meeting. She said she was glad that the wind turbine had been removed from the estimates and hoped there would not be one added in the future. She wanted to insure that the property maintained its historic character, adding that she felt solar panels could obstruct the view. She suggested that the Council take a site walk of the area and look at old photographs of the building.

Ms. Kwaks asked what the time frame was for 79E. Town Administrator Fournier said the Resolution, following town policy, was for 3 years. She hoped the Council did due diligence before approval. Bert Allen of Smith Garrison Road spoke about the addition to the building, which would be next the Shandlay Park. He said that with the horizontal setback and the turn required from the parking lot, it would be impossible to get a tuna boat with out-rigging into the landing. Ms. Kwaks asked if the garden in front of the building was owned by the town or if the town held an easement on the space. Town Planner Diane Hardy said the town had an easement on the property, and she had the document in her office.

As there was no further public comment, Council Chairman Levy closed the Public Hearing at 7:25 p.m.

TOWN COUNCIL TO CONSIDER ACCEPTANCE OF MINUTES

1. March 18, 2013 Organizational Meeting

Council Vice Chairman Bentley moved to accept the minutes of the March 18, 2013 Organizational Meeting as written. Councilor Carmichael seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

2. March 20, 2013 Workshop

Councilor Nazzaro moved to accept the minutes of the March 20, 2013 Workshop minutes as recorded. Council Vice Chairman Bentley seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

REPORT OF THE TOWN ADMINISTRATOR

Town Administrator Fournier gave an update on progress with the wastewater treatment facility, stressing that this was a marathon not a sprint. They are working with Underwood Engineering on funding sources and preliminary design. The Council had approved Underwood for this phase of the project in 2010. The decision on a firm for final design and construction will come before the Council. He and Water/Sewer Superintendent Sean Greig had a positive meeting with representatives from the Rural Development Agency on March 26th. Representatives toured the present facility and were informed of what upgrades the town had to build. He expected to hear from the agency in a few weeks about the details of funding which would help defray the \$14.1M cost of the facility. Also, Mr. Greig is working on a SRF application which would provide a lower interest rate as well as some loan forgiveness.

Town Administrator Fournier said they would be advertising for a new Finance Director in the near future with the hope of

having a person in place by the beginning of the next fiscal year. He was reviewing the job description with the current Interim Finance Director. He said they would advertise for a full-time person, but would encourage part-time applicants with the appropriate skill sets and experience. However, in consulting with colleagues in the area, he was told the market was slim for a part-time person.

Healthcare rates which were estimated at a guaranteed maximum high of 6% had come in at that rate. The additional \$32,000 had been budgeted for. Dental insurance rates, which were increasing by 1.7%, had also been budgeted. Neither of these increases will affect the FY2014 operating budget. However, it is not expected that there will be any excess funds to contribute to the Healthcare Stability Fund in FY2014. He is looking into combining property liability and workman's compensation on the same schedule as many insurance companies offer discounts if they hold more than one type of coverage.

Town Administrator Fournier had asked the Interim Finance Director to provide budget forecasts for the end of FY2013. Town Administrator Fournier said he prefers to give conservative estimates at this time. He reported that revenues for motor vehicle registrations were up \$50,000 over last year at this time and building permits are coming in higher than predicted. However, revenues from current use penalties and recreation are lower than anticipated. He will be working with the Recreation Director on the issue, and probably some less cost-effective programs will be eliminated. He estimated at about \$125,000 of the overall town budget would be unspent at year's end. Overages in legal, storm management and Channel 13 would be offset by other departments, such as auditors, welfare, assessing and code enforcement. Vehicle maintenance may also be under-spent, but all vehicles have to be inspected in March so there may be some unexpected expenditures. He expected that if nothing else major happened that the tax rate would be flat for the next billing.

Discussion: Councilor Pickering encouraged the Town Administrator to first try to hire a part-time Finance Director, and asked how long it would take to post the position and receive replies. Town Administrator Fournier said that part of the process takes about a month, but he expected from posting to the point of hire would take about three months, as he wanted time to do a thorough background, credit and criminal check. Councilor Pickering asked if the Interim Finance Director would be willing to stay until his replacement was hired and Town Administrator Fournier said he believed he would but he would check. Councilor Pickering said that the Interim Finance Director worked part time and Town Administrator Fournier said he worked 3 days for about 24 hours a week. Currently there are 2 full-time and 1 part-time people in the department in addition to the Director. Councilor Pickering said that it was rare for the town to have the opportunity to save money in personnel and he favored trying to find a part-time Finance Director.

Councilor Carmichael said the Council had entered into a contract about 2 ½ years ago for the engineering and design phase of the wastewater treatment plant and he wondered when that phase would end. Town Administrator Fournier said that phase would end when they were ready to go to final design and construction. Water/Sewer Superintendent Sean Greig said they would be ready to go to the second phase in a couple of months. Councilor Carmichael asked if they would be sending out RFPs, and Town Administrator Fournier said they could or they could send RFQs or come up with a different proposal. Councilor Carmichael asked what the advantages would be for each. Town Administrator Fournier said that RFPs could be sent to any engineering firm, or the Council could decide to continue with the present firm as it had the history of the project and could be more efficient in meeting timelines. The third option would be to send proposals to those who originally submitted bids for the first phase. The decision will be made by the Council. Council Chairman Levy said he felt this should be on a future agenda to discuss all aspects before making a decision.

Councilor Nazzaro wanted the public to know that Town Administrator's report had stated that soon Councilors will have Newmarket.gov email addresses to use for all town business. He felt this was a good idea and would make complying with the Right-to-Know law much easier. He asked for clarification about contributions to the Healthcare Stability Fund, and Town Administrator Fournier verified that contributions would only be made if the cost of healthcare rose less than 6%. Councilor Nazzaro said he would prefer the Town Administrator to first look for a part-time Finance Director or continue with a sub-contractor as the town would not be required to pay benefits. He said he realized that the Town Administrator hires for the position and the Council can only give its opinion. Town Administrator Fournier said that under the Charter he had to bring his recommendation to the Council, and that he had no problem advertizing for a part-time person, but he first wanted to look at the pool of applicants.

Councilor Wright asked about the policy on messages between Councilors on the Newmarket.gov addresses. Town Administrator Fournier said there would be a written policy and his recommendation would be for Councilors to use town email addresses for all official email. The Councilors could use personal email for all other correspondence, but this would make it much easier to comply with a right-to-know request. Anything sent to him or from him concerning Newmarket business would be on his official email address. Council Vice Chairman Bentley said that changing the

position of town mechanic to part-time had been proven to be a good decision, and that Matt Angell had done well working part-time as the Interim Finance Director. He agreed that they should first look for a part-time person and try to save the taxpayers some money. Councilor Nazzaro complimented the Town Administrator, department heads and staff on their efforts to control expenses without reducing services as shown in the budget forecast with the potential of \$125,000 unspent by the end of the year. Town Administrator Fournier said he would be looking at purchases, such as heating oil that could be done this year to save money in the next fiscal year. Councilor Pickering asked when the new email addresses would be in use on the town-supplied laptops, and Town Administrator Fournier said he would be meeting with the IT Director soon.

Council Chairman Levy said he tended to agree with other Councilors that the Finance Director could be a part-time position as he felt this had worked relatively well for over a year. He asked if the Council would be meeting applicants before a decision was made. Town Administrator Fournier said he would have to clarify past history, and the Charter seemed to say that the position was the Town Administrator's recommendation, but the Council's appointment. He said he would bring the person in, and probably ask a Council member to sit on the interviewing committee along with finance people from other communities and staff from Town Hall who would most likely interact with the Finance Director. Council Chairman Levy said the focus of his question was to have the Council get acquainted with the applicant, not to influence the decision. He said the year-end forecasts showed that revenues for the Recreation Department were coming in somewhat under budget, and in the past the department had staffed accordingly. He said they had discussed in the past changing the department's budget to a revolving account for more accurate budgeting.

Councilor Pickering asked if any nearby communities were working with a part-time Finance Director and might be able to share the position with Newmarket. Town Administrator Fournier said he only knew of one example in which the position was shared, but that position was already tied up. Councilor Pike asked how long the Interim Finance Director would be able to stay in Newmarket, and Town Administrator Fournier said he would find out.

OLD BUSINESS

1. Ordinances and Resolutions in the 2nd Reading (Items Council may act upon this evening)
 - a. Ordinance #2012/2013-03 Purchasing Policy

Councilor Nazzaro moved to approve Ordinance #2012/2013-03 Purchasing Policy. Council Vice Chairman Bentley seconded.

Discussion: Council Vice Chairman Bentley, referring to the amount of \$20,000 in Section 6.1, asked what other towns allowed as he felt that amount was set too high for expenditures not requiring Council approval. He said this was not a reflection on the present administration, but in reaction to past expenditures that they had discovered. Town Administrator Fournier said the current policy was so unwieldy that people were not following it. Currently there are no limitations other than those set for Capital Reserve withdrawals, and that \$20,000 was common for a community the size of Newmarket. He suggested the limit could be set at \$15,000 as \$5,000 would be too low and would impact the time necessary to pay bills in a timely fashion. He added that there were few purchases above \$15,000. He said the policy prohibits serial payments for one purchase that would add to an amount above that needing Council approval.

Councilor Nazzaro asked what percentage of purchases fall within the \$5,000 to \$10,000 range, saying that he could understand that if 90% of them fell within that range, requiring Council approval could slow the town's business to a halt. He also asked the percentage of purchases that fell within the \$10,000 to \$15,000 range, because if it was only a small percentage such as 5%, he felt they would not slow the business process but would be responsible stewards of the town's money. Town Administrator Fournier said that he thought about 90% of the town's purchases were under \$5,000 and about 75% were under \$10,000. About 25% of expenditures were above \$10,000, but most of those came from Capital Reserve Funds and required Council approval. Councilor Nazzaro said it seemed that Council approval for items over \$10,000 would not unduly slow the town's business process. Town Administrator Fournier said there would be a difference between purchasing a tractor, for example, which would come before the Council but that paying incoming bills for contracted, approved services, such as legal, would not need individual Council approval for amounts of \$10,000 or more.

Councilor Carmichael said he would feel comfortable with a \$10,000 limit and asked if the Council ever received copies

of expenditures over \$5,000. Town Administrator Fournier said that this had not been done as it was within their purview. Council Vice Chairman Bentley said he did not know how much a lower threshold would slow business as Section 6.1 requires competitive bids for most purchases whenever practical. Town Administrator Fournier said they had not been voting on purchases, but on withdrawing funds from Capital Reserves as Department Heads are not allowed to approve those withdrawals. He gave an example of the time frame involved in seeking Council approval for purchases. If there was a need to spend \$5,000, there would be a first reading, a public hearing and a second reading, meaning it would take over nearly 2 months for any project to begin or any item to be purchased. He felt this would be more appropriate for a \$10,000 item. Council Vice Chairman Bentley said they would be going out to bid and would have other quotes. Town Administrator Fournier said that if the Public Works Director needed a tractor and expected the cost to be \$9,000 but the bids came in at \$11,000, this would have to come before the Council and the purchase would have to be delayed for about 2 months. Council Vice Chairman Bentley said the Council could vote to suspend the rules, but Town Administrator Fournier said they did not want to create a rule only to suspend it except in an emergency. He said if the limit was set at \$5,000, the volume of Resolutions coming before the Council would bog down every meeting.

Councilor Nazzaro said he felt \$10,000 was a good compromise. He asked why in Section 3.1, specifications were required for individual items of \$10,000 in a purchase and were required for total purchases of \$20,000. He asked the basis for the differentiation. Town Administrator Fournier answered that this was designed to prohibit circumventing the system. Councilor Nazzaro asked that if \$10,000 was the ceiling for one item, why it wouldn't be the limit for items that added to the same amount. Town Administrator Fournier said this would make prevent circumventing the process and require bidding and this was common practice. Councilor Nazzaro said he felt the amounts should be the same, whether for one item or many items in a purchase adding to that amount. Town Administrator Fournier said that if the Council amended the amount in the policy to \$10,000, that amount would be consistent throughout the policy.

Council Chairman Levy said usually he would be hyper-sensitive to an amount of \$20,000. He said finding that a contract for electricity had been signed for over \$100,000 without the Council being aware upset him, and he did not know if the rates were really competitive. He said he was not that concerned with \$20,000 if the Council was notified, but could understand that it seems like a lot of money. He said that now the Council was only notified if money came from CIP or a grant. He said he was concerned with delays and added that there was a list of purchases available in the town office.

Council Chairman Levy asked for definitions of the terms used in Section 6. 1. 1 of the Purchasing Policy. The Best Knowledge Department for purchases up to \$250 refers to the best knowledge of the Department Head. Informal Department for purchases between \$250 and \$1,000 means that the Department Head would look at options before deciding on a purchase. Informal Town Administrator/Finance Director for purchases between \$1,001 and \$2,500 would mean that the Department Head could secure bids, if possible, and the Town Administrator or Finance Director would sign off on the approved bid. The Finance Director would only sign if the Town Administrator was not available. In the category for amounts between \$2,501 and \$20,000 for a formal approval by the Town Administrator or Purchasing Agent, the latter can refer to the Finance Director. In this case, there would be a review of submitted proposals which would be documented before sign-off. Council Chairman Levy said that he would agree with the policy as written unless someone wanted to amend it. If there was an amendment to lower the amount of \$20,000 he said he could agree with that also, and thought they could try it. He reminded the Council that there had been no gatekeeper for purchases, and commended Town Administrator Fournier for bringing the need for an updated policy to their attention.

Council Vice Chairman Bentley said he would like to amend the amount for Council approval in the Purchasing Policy to \$10,000. Councilor Carmichael agreed. Council Chairman Levy asked for a clarification: if the intent was to keep all the language of the policy the same and amend Section 6.1.1 to amounts from \$2,501 to \$10,000. Town Administrator Fournier said they would amend Sections 6 and 6. 1. 1 to read, "\$2,501 to \$10,000 Formal Town Administrator or Purchasing Agent" and "Over \$10,000 Formal Town Council".

Councilor Nazzaro moved to amend Section 6 and Section 6. 1. 1 of the Purchasing Policy from \$2,501 - \$20,000 to \$2,500 - \$10,000 for formal Town Administrator or Purchasing Agent, and from over \$20,000 to over \$10,000 for formal Town Council approval and to amend Section 3. 1 from total purchase in excess of \$20,000 to \$10,000, the section then stating, "Specifications will be prepared for all purchases whenever possible and in all cases where any single item in the purchase is estimated to have a cost in excess of \$10,000 or a total purchase in excess of \$10,000." Council Vice Chairman Bentley seconded. Town Administrator Fournier polled the Council on the amendment. Motion passed unanimously, 7 – 0.

Town Administrator Fournier polled the Council on the amended motion. Motion carried unanimously, 7 – 0.

b. Resolution #2012/2013-48 Revitalization Tax Relief Incentive RSA 79E for Redevelopment of Lang Blacksmith Shop

Councilor Nazzaro moved to approve Resolution #2012/2013-48 Revitalization Tax Relief Incentive RSA 79E for Redevelopment of Lang Blacksmith Shop. Council Vice Chairman Bentley seconded.

Presentation: Council Chairman Levy asked Tim Nichols to make his presentation on the project. Mr. Nichols asked Peter Michaud of the Department of New Hampshire Historical Recourses to explain about RSA 79E. Mr. Michaud said that Newmarket had adopted 79E, which is enabling legislation that can be approved on a case-by-case basis by the governing body. He said he was not there to speak on approving or disapproving the resolution, but to answer any questions the Council might have. RSA 79E provides property tax incentives for revitalization and development that will have economic and cultural benefit to communities. The law recognizes that healthy downtowns with a mixed use of commercial and housing add to the tax base and economic viability of a community. The law focuses on historic properties that qualify for preservation, and the Lang Blacksmith Shop is on the National register of Historic Places. The law also encourages mixed use development, and he said the law had been successfully used in Newmarket, especially for the development of the mills.

Mr. Nichols referred to the handout presenting his request for RSA 79E tax relief. The project will be in 2 phases: the development of 4 townhouses and the restoration of the blacksmith shop. Only the latter qualifies for tax relief as it involves revitalization of an historic structure. He listed the public benefits as job creation, as he intends to house the office for his engineering and architecture firm in the building; urban waterfront revitalization to the last remaining undeveloped parcel on the river; public access to the waterfront; development consistent with the National Park service standards and historical data on the building; preservation of an historic 150-year-old American elm tree, and sustainable development and community awareness. He pointed to the architectural rendering of the buildings. He added that his firm worked on high-performance building that were energy efficient and economically viable.

Mr. Nichols said that under RSA 79E, the standard for tax relief was 5 years, and he was requesting 50% relief for the 4th and 5th year. The townhouses were not eligible for tax relief and he estimated that they would bring about \$40,000 in additional revenue to the town. Town Administrator Fournier said that the law granted tax relief for up to 5 years, but Newmarket's policy, as stated on the application, was to approve tax relief for 3 years unless the project contained affordable housing. The costs of the project would have to be 50% or more of the current assessed value of the property for 3 years of tax relief. If the property had significant historical value, it would be up to the Council to approve tax relief for a longer period. The Resolution was written for the 3 year period. Mr. Nichols said they would appreciate any tax relief they could get, and their financial plan included Federal tax credits along with RSA 79E.

Council Vice Chairman Bentley said the Ordinance listed the construction cost estimate as \$1,707,390, which was more than the amount in the handout. Town Administrator Fournier said the Ordinance would be amended to reflect the amount of \$1,555,936. Councilor Wright asked about the timeline for construction. Mr. Nichols said that ideally he hoped to break ground for the townhouses by June 1st, and ideally hoped they would be completed in 6 – 8 months around Thanksgiving. Then they would begin work on the interior of the blacksmith shop during the winter months. Councilor Wright said the renderings showed a dock and asked if the intent was to install one. Mr. Nichols said there currently was a 90' dock in the parking lot, and a dock was permitted by DES. He said that each of the townhouse units would have a private slip, in addition to other dock space. He would be willing to discuss public access once he knew the insurance implications. Councilor Wright thought there was a New Hampshire law that stated a property owner could not be sued if he granted public access through his property. Mr. Nichols said he would look into it, and Town Administrator Fournier said people could still be sued and have to spend money on an attorney to prove the case. Councilor Wright said access would be nice considering the town was giving him something, but it was up to Mr. Wright. Mr. Wright said he would like to provide public access, but had not yet consulted with anyone to know if it would be possible.

Council Vice Chairman Bentley agreed with Councilor Wright. He asked about the garden in front of the property and about ownership of the parking lot. Town Planner Diane Hardy verified that the town has an easement in perpetuity for the garden. Town Administrator Fournier verified that the town owns the abutting parking lot. Council Vice Chairman Bentley asked who owns the boat ramp, and Ms. Hardy said she believed the town does, but thought that Fish and Game had some involvement as well. He said, in reference to the right of way that had to be corrected earlier, he did not want to find out in the future that the town no longer had ownership of the ramp and parking lot. He wanted to insure that the public would continue to have access to both, and Ms. Hardy said the public would continue to have access through a recorded easement. Councilor Nazzaro said that Ms. Kwaks had suggested the Council take a site walk of the property and added that he walked in the park every day. One of his concerns had been that the right-of-way be preserved.

He asked if the project met the criteria for RSA 79E, and asked if the town had done a break even analysis by granting tax relief and why the term was for 3 years. Town Administrator Fournier said that in the first year the town would not be collecting \$26,000 and in year 2 the town would not collect \$27,350. He wasn't sure about year 3, but thought it might be slightly higher. Currently, the tax on the property is \$10,236 and would be \$11,236 in year 2. The town will be collecting as much in taxes in years one and two as it does now and after year 3 will be collecting more. He said that at no point was the town dipping into the red by granting tax relief. Town Administrator Fournier agreed and said they were capping the rate based on the valuation of the property before improvements. Councilor Nazzaro said that Ms. Kwaks had also brought up siding for the building, but that was for the building that did not qualify for 79E. He asked about recording of a covenant which she had also mentioned. Town Administrator Fournier said he would ensure that this was done before any work began. Ms. Hardy said she had looked at the RSA and in her interpretation the covenant could be recorded after the fact, but it was necessary to implement 79E.

Councilor Pickering, in reference to Mr. Allen's comments about tuna boats, said the project would not hinder any boats that could presently access the right-of-way and ramp from using them in the future. Council Vice Chairman Bentley agreed with Councilor Pickering and said that was why he had asked about the parking lot. Council Chairman Levy recognized Mr. Allen and he came to the podium. He said that access to the ramp leading to deep water would be hindered except at high tide if the dock was put in because boats longer than 12 feet would not be able to make the left turn. Council Chairman Levy said they could address this when they did the site walk. Town Administrator Fournier questioned the site walk, saying that the Council has no authority over design, and the Planning Board had already approved the project. He said the Council was there to address financing only. Council Chairman Levy said this discussion was for clarification only, and asked Ms. Hardy if the Planning Board had addressed the access issue. Ms. Hardy said that particular issue did not come up for discussion.

Council Vice Chairman Bentley said he would like to let Ms. Kwaks speak before he did. Town Administrator Fournier said that Council rules state that if the public wishes to speak outside of Public Forum, the Council has to vote to suspend the rules. Council Vice Chairman Bentley said he would make a motion since a member of the public had already spoken during this part of the meeting. There was no objection from the Council in having Ms. Kwaks speak. She asked Ms. Hardy for verification that the town parking lot was zoned M-2 for which the parking rules were less stringent and that any overflow parking from the project would be able to use the lot. Ms. Hardy said the lot was zoned M-2 and a different method was used to determine parking need, and overflow parking was available in the municipal lot. She believed there were some spaces designed for boats with trailers. Ms. Kwaks said, in regard to Mr. Allen's comments about the docks, that she believed Mr. Savagio had them approved years ago by DES. She added that Mr. Nichols had nothing to do with this, and if DES did not have a problem with the docks she did not feel the Council should either.

Ms. Kwaks said she was glad that Mr. Nichols was building the townhouses first as that would bring an additional \$30,000 plus in tax revenue in the first year. She said that although she had some concerns, she felt overall the project would be advantageous to the town. Mr. Allen approached the podium, and Council Chairman Levy said he could speak, but that this would be the end of public comment. Mr. Allen spoke about admiralty law, and said the waters below the dam were designated federal waters. He said admiralty law prohibited the Planning Board from approving anything that would obstruct federal waters. Council Chairman Levy said the Council was meeting to determine if the project qualified for RSA 79E, and any issues with the dock should be addressed to the Planning Board or Fish and Game. Ms. Hardy said that DES had approved the site plan and the docks. He said this issue was not under the purview of the Council.

Council Chairman Levy asked that Mr. Nichols provide some clarification for some of the people who had asked him about the project. He referred to the survey that had been done the previous year that had resulted in the Council granting some more space for the project which slightly changed its footprint. He said his understanding was that the blacksmith shop would be maintained in its original context, to which Mr. Nichols agreed. He asked Mr. Nichols to give a brief overview of what is being built, the use of the first floor and how the project had changed for the original footprint since the town deeded the additional space. Mr. Nichols said the right-of-way did not impact the actual property line or property ownership. It confirmed a right of way that was established by the town in 1806, and legally did not add anything to the footprint. It simply abated the town's right of way for the 5 properties that were affected. The townhouses were a separate project not under 79E, and the blacksmith shop would not add to the footprint. They would be adding back a part of the original building that had been demolished. The roof and framing would remain the same. The footprint of the building would be 22,201 square feet with 2 levels and a loft area. The structure was separate from the townhouse building, and would have a first floor office and one or two residential apartments on the second floor.

Council Vice Chairman Bentley pointed to one of the architectural renderings and Mr. Nichols verified that the structure on the left was the blacksmith shop and the building on the right was a separate structure for the townhouses. Council Chairman Levy said that the Council was dealing only with 79E for the building shown on the left. Council Vice Chairman Bentley stressed, as Council Chairman Levy and Councilor Nazzaro had said earlier, that the Council was not giving

away any tax dollars, but rather was receiving taxes equal to what they presently had and would receive more tax revenue in the future. He said they would be receiving taxes based on the current assessed value, but he felt the Council had not done a good job of explaining this to the public when they approved 79E for the mill development. He wanted to make it very clear that they did receive taxes from the mill and would for this project. Council Chairman Levy said the assessed value had gone from \$577,000 to \$453,000, which he assumed was from revaluation from the assessor. Town Administrator Fournier said he assumed that this happened when there was a visit from the assessors.

Councilor Nazzaro said he liked the idea of having the river walk complete, and he felt the project would become an extension of the downtown. He said the Economic Development Committee had determined that most of the economic development that is currently happening is in the extension of downtown, and the project was in line with what could be done to foster the local economy. He said they were not losing revenue in the short run and would gain both more revenue and jobs in the long run. He felt the project would revitalize the downtown and intended to vote in favor of the motion. Councilor Wright said that Mr. Nichols was willing to invest nearly \$3M in the town. Council Chairman Levy wanted to make sure that everyone was clear that the term for tax relief would be 3 years, which Mr. Nichols acknowledged. Town Administrator Fournier said the tax relief would be set at 100% for 3 years only.

Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

c. Resolution #2012/2013-49 Withdrawal of \$11,500 from Building Improvement Capital Reserve Fund for the Painting of Town Hall

Councilor Nazzaro moved to accept Resolution #2012/2013-49 Withdrawal of \$11,500 from Building Improvement Capital Reserve Fund for the Painting of Town Hall. Council Vice Chairman Bentley seconded.

Discussion: Councilor Pickering said he was confused as the low bid was so much lower than the one recommended, and hoped that all the bidders were shown everything and received the same information. He asked what the problems were that the lowest bid was not recommended, and if there was no guarantee that the company would do what was expected. Town Administrator Fournier said all the bidders had walked through the building at the same time and been given the same information. He said they could not find references for the lowest bidder, and there were some red flags that made them not want to recommend them for the project. Council Chairman Levy said they had vetted this pretty thoroughly at the time, and Councilor Pickering said he was satisfied with the answer.

Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

2. Ordinances and Resolutions on the 3rd Reading – no items

3. Items Laid on the Table- Ordinance #2012/2013-02 Amendments to Sections 1.04 Zoning Map, Sections 1.09 Special use Permits, Section 2.02 M-2 District, Section 5.08 Downtown Commercial Overlay District and Section 7.02 Mixed Use Development

TOWN COUNCIL TO CONSIDER APPOINTMENTS TO COMMITTEES/COMMISSIONS

1. ADVISORY HERITAGE COMMITTEE: (3 vacancies, 3 Alternates)

There were no at-large applicants for the committee of five. One position will be filled by a Council representative.

2. CEMETERY TRUSTEE COMMITTEE: (2 vacancies)

Council Vice Chairman Bentley moved to nominate Victoria Bram to the Cemetery Trustee Committee with a term to expire in March, 2016. Councilor Nazzaro seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

Council Vice Chairman Bentley moved to nominate Michael Provost to the Cemetery Trustee Committee with a term to expire in March, 2016. There was no discussion. Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

3. CONSERVATION COMMISSION: (2 vacancies)

Council Vice Chairman Bentley moved to nominate Bruce Fecteau to the Conservation Commission with a term to expire in March, 2016. Councilor Pickering seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion carried unanimously, 7 – 0.

Council Chairman Levy encouraged residents to apply for the remaining position.

4. ECONOMIC DEVELOPMENT: (1 vacancy)

Council Vice Chairman Bentley moved to nominate Amy Thompson to the Economic Development Committee as a member-at-large term to expire in March, 2016. Councilor Carmichael seconded. Ms. Thompson had asked the length of the commitment, and Council Chairman Levy verified that the term was for 3 years. Town Administrator Fournier polled the Council. Motion carried unanimously, 7 – 0.

5. HOUSING AUTHORITY: (1 vacancy)

Council Vice Chairman Bentley moved to nominate Charlotte DiLorenzo to the Housing Authority with a term to expire in March, 2019. Councilor Nazzaro seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion carried unanimously, 7 – 0.

6. TRUSTEES OF THE LIBRARY: (2 vacancies)

Council Vice Chairman Bentley moved to nominate Rod Crepeau to the position of Library Trustee, term to expire in 2016. Councilor Nazzaro seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

Council Vice Chairman Bentley moved to nominate Sandy Allen to the position of Library Trustee, term to expire in 2016. Councilor Pickering seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

7. VETERANS MEMORIAL TRUST: (3 vacancies)

Council Vice Chairman Bentley moved to nominate Wayne Rosa to the Veterans Memorial Trust, term to expire in March, 2016. Councilor Nazzaro seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion carried unanimously, 7 – 0.

Councilor Nazzaro moved to nominate Rochelle Sharples to the Veterans Memorial Trust, term to expire in March, 2016. Council Vice Chairman Bentley seconded. Ms. Sharples announced that the Trust would be holding its first annual Armed Forces Golf Tournament on Saturday, May 18th at the Rockingham Country Club. The web-site for registration is vetgolfreg.golfreg.com, or Committee members may be contacted directly. Town Administrator Fournier said the information would be in the next newsletter. Funds raised will go toward the memorial planned for location at the Public Library. Town Administrator Fournier polled the Council. Motion carried unanimously, 7 – 0.

Council Vice Chairman Bentley moved to nominate David Wade to the Veterans Memorial Trust, term to expire in March, 2016. Councilor Nazzaro seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion

carried unanimously, 7 – 0.

8. ZONING BOARD OF ADJUSTMENT: (3 vacancies, 2 alternates)

Council Vice Chairman Bentley moved to nominate Wayne Rosa to the Zoning Board of Adjustment, term to expire March, 2016. Councilor Carmichael seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

Council Vice Chairman Bentley moved to nominate Chris Hawkins to the Zoning Board of Appeals, term to expire March, 2016. Councilor Nazzaro seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

Council Vice Chairman Bentley moved to nominate Elaine Winn to the Zoning Board of Appeals, term to expire March, 2015. There was no discussion. Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

9. STRAFFORD REGIONAL PLANNING COMMISSION: (1 vacancy)

Council Vice Chairman Bentley moved to nominate Eric Botterman to the Strafford Regional Planning Commission, term to expire March, 2016. Councilor Pickering seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion carried unanimously, 7 – 0.

Council Vice Chairman Bentley thanked all who stepped up to volunteer for the positions, and Council Chairman Levy noted that they were fortunate to have so many qualified candidates.

NEW BUSINESS/CORRESPONDENCE

1. TOWN COUNCIL TO CONSIDER NOMINATIONS, APPOINTMENTS AND ELECTIONS

Council Chairman Levy announced the following appointments:

- a. Highway Safety, Council Vice Chairman Bentley
- b. Conservation Commission, Councilor Pike
- c. CIP, Councilor Nazzaro
- d. Efficiency Committee, Councilor Nazzaro
- e. Advisory Heritage Commission, Councilor Carmichael

Town Administrator Fournier said that the attempt to combine town and school IT was determined by the Superintendent of Schools and himself to not be possible with current staffing. However, they both intend to work on this and try it again, once they can discuss ways to address the problems they encountered.

2. ORDINANCES /RESOLUTIONS IN THE 1ST READING –(Items held over for vote at the next Business Meeting)

- a. Resolution #2012/2013-51 Withdrawal of \$26,730 Replacement of Waterline at North Main Street

Council Chairman Levy read the Resolution in full.

b. Resolution #2012/2013-52 Building permit Fee Schedule

Council Chairman Levy read the Resolution in full.

c. Resolution #2012/2013-53 Development of MacIntosh Well (Town Administrator Request to Suspend Rules)

Council Chairman Levy read the Resolution in full.

Councilor Nazzaro moved to suspend the rules. Council Vice Chairman Bentley seconded. Discussion: Town Administrator Fournier said that the Resolution did not require a second reading, and that the town was acting to meet state requirements as soon as possible. Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

Councilor Nazzaro moved to approve Resolution 2012/2013-53 Development of the MacIntosh Well. Council Vice Chairman Bentley seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

d. Resolution #2012/2013-54 Submission Application NH Clean Water SRF \$14,100,000 Upgrading Wastewater Treatment Plant (Town Administrator Request to Suspend Rules)

As there were no objections, Council Chairman Levy read only the first paragraph of the Resolution.

Council Vice Chairman Bentley moved to suspend the rules. Councilor Nazzaro seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion carried unanimously,

7 – 0.

Councilor Nazzaro moved to accept Resolution 2012/2013-54 Submission Application NH Clean Water SRF \$14,100,000 Upgrading Wastewater Treatment Plant. Councilor Carmichael seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion carried unanimously, 7 – 0.

e. Resolution #2012/2013-55 Authorizing the Town Administrator to Enter into an Agreement for Audit Services for Fiscal Years 2013 through 2015 with Three One-Year Options

Council Chairman Levy read the Resolution in full, adding that all the submitted quotes could be found on the web-site in the Council packet.

3. CORRESPONDENCE TO THE TOWN COUNCIL - none

4. CLOSING COMMENTS BY TOWN COUNCILORS

Councilor Wright asked for an update on Kelly Hardy's request for additional parking for her property. Town Administrator Fournier said he had not heard from her.

Councilor Nazzaro moved to seal the minutes of the earlier non-public session. Council Vice Chairman Bentley seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion carried unanimously, 7 –0.

Councilor Pickering said he was getting questions about the Sky Bridge and especially about the town's share of the increased costs. He asked if they could find someone else to pay the town's 10% share could they get out of the deal. Town Administrator Fournier said if the cost of the project is higher than originally estimated, the town could get out of the deal. The Sky Bridge Committee is working on other ways for funding. Any further development would have to come before the Council. Council Chairman Levy said there might be someone willing to fund the difference depending on what is proposed for the project. The original proposal came in at about \$740,000 and the final proposal came in at about \$1.2M. The Committee is working on the \$600,000 difference. The town has \$15,000 in the original proposal as the mill developer is matching the funds and the remainder would be received from grants. Currently, revisions to the plans are being considered.

ADJOURNMENT

Next meeting: April 17, 2013, Workshop. Council Vice Chairman Bentley moved to adjourn. Councilor Carmichael seconded. Motion carried unanimously, and the meeting adjourned at 9:20 p.m.

Respectfully submitted,

Ellen Adlington, Recording Secretary