

**Minutes of Meeting
CONWAY BOARD OF SELECTMEN
February 6th, 2018**

The Selectmen's Meeting convened at 4:05 pm in the Meeting Room of Conway Town Hall with the following present: Selectmen, C. David Weathers, Carl Thibodeau, John Colbath, Steven Porter, Town Manager, Thomas Holmes, and Executive Secretary, Krista Day.

PLEDGE OF ALLEGIANCE

Mr. Weathers led the Board in the Pledge of the Allegiance to the flag.

APPROVAL OF AGENDA

Mr. Weathers noted that for agenda item #11, the Signing of the Documents, a Notice of Intent to Cut Wood or Timber for Map/Lot 283-1 would be added.

Mr. Colbath moved, seconded by Mr. Thibodeau, to approve the agenda as amended. The motion carried unanimously.

Mr. Weathers noted that Ms. Seavey was unable to make it to the meeting due to a tragic event in her family.

CONSIDERATION OF UNANTICIPATED REVENUE LESS THAN \$10,000/RSA 31:95-B III

- a. \$500 from Ted Phillips for Police Equipment Line

Lieutenant George Walker from the Conway Police Department was present and explained that this is a donation that the Board has seen previously as Mr. Phillips has donated multiple times a year in the past. He asked that the Board apply the donation to the Police Department's equipment line.

Mr. Colbath moved, seconded by Mr. Thibodeau, to accept the \$500 dollars from Ted Phillips and apply it to the Police Equipment Line.

MEMORIAL HOSPITAL MERGER

Scott McKinnon, Memorial Hospital President and CEO, was present along with Kathy Bennett, Vice President of Community Relations and Development. Mr. McKinnon gave an overview of the proposed unification model that Memorial Hospital is transitioning to. He conceded that, with this transition, people are feeling both positive and negative emotions. He said that under the unification with Maine Health, there would be a single system governance board as well as a single financial sheet. Mr. McKinnon stated that there would still be a local board to oversee key initiatives, strategic planning, provider credentialing, and quality oversight. He noted that the majority of hospitals in New Hampshire have starting moving towards unification, particularly in regards to rural hospitals.

Mr. McKinnon briefly explained that, while all 10 voting members of the board have voted to move forward, all members are now going through due diligence and internal document review. This spring they will vote again. If supported, the necessary legal documents would be drafted for an anticipated January 1, 2019 vote. Also, because Memorial is a non-Maine member, NH General Trust Division requirements also apply. Mr. McKinnon noted that other options have been looked into, but the board determined that this was the best direction.

Mr. Colbath asked Mr. McKinnon if the unification would affect the Community Benefit Program. Mr. McKinnon and Ms. Bennett assured the Board that the Community Benefit Program would remain in place.

Mr. Weathers noted that a number of people, including him, are concerned about the quick turnover in providers. Mr. McKinnon said that it is a challenge for many hospitals. He noted that they are utilizing more advanced practitioners to support providers. The hospital has also added a third hospitalist to help with the volume of patients. He stressed that their goal is continuity of care for patients.

REQUEST OF \$15,000 TO REPAIR PHONE SYSTEM AND PURCHASE NEW PHONES

Mr. Holmes explained to the Board that Town Hall has been having a tremendous amount of problems with the current phone system. He explained that they were first told that a backup power supply would solve the problem; it did not. Then the Town was told that the removal of an old surge protector would solve the problem, yet the problems have persisted.

Paul DegliAngeli, Public Works Director, explained to the Board that the phone system at Town Hall is 20 years old. Two phone consulting companies have told him that the system is unsupported and that a new one is needed. He emphasized that in the event that Town Hall is relocated; the new phone system is portable and will move as well.

Mr. Porter inquired of Finance Director Gilligan whether we could afford it and where the money was coming from. Ms. Gilligan explained that the funds would be taken from the Capital Reserve Fund for Building Maintenance which currently holds \$278,467 and there would not be large financial impact.

Mr. Thibodeau inquired as to what is included for the \$15,000. Mr. DegliAngeli stated that they would receive the computer system as well as all of the individual handsets. Holly Meserve, Planning Assistant, noted that it would include approximately 20 handsets.

Mr. Colbath asked if the Town would use a local vender. Mr. DegliAngeli answered in the affirmative.

Mr. Porter moved, seconded by Mr. Colbath, to authorize the purchase of a new phone system for Town Hall for \$15,000. The motion carried unanimously.

DISCUSSION AND VOTING ON NON-PROFIT WARRANT ARTICLES

Chairman Weathers noted that he would be abstaining from voting on all the non-profit warrant articles. It is his belief that the Selectmen should not be voting on these, but instead, voters should do their due diligence and inform themselves on the non-profit requests and make their decisions based upon their own knowledge.

a. Tri County Transit Bus Service

Mr. Colbath noted that there was an error in their packets saying that this warrant article was not recommended by the Budget Committee, however, it had not been voted on yet.

Mr. Colbath moved, seconded by Mr. Porter, to recommend that the Town vote to raise and appropriate the sum of \$4,000 in support of Tri County Transit Bus Services. The motion carried (3-0-1) with Mr. Weathers abstaining.

b. Starting Point

Ms. Gilligan stated that the Town had not received a signed petition from Starting Point and therefore she believed that the Board should not vote on it at this time. Mr. Colbath added that while they had submitted a warrant article request, they had also not appeared for the Non-Profit Budget Presentations that were held on January 31, 2018. Mr. Holmes noted that they had until February 13, 2018 at 5:00 pm to turn their petition in. Mr. Thibodeau questioned what would happen if the Board voted tonight and Starting Point did not turn their petition in. Mr. Holmes stated that it would be an illegal article and recommended that the Board wait until next Tuesday, February 13, 2018.

Mr. Colbath moved, seconded by Mr. Thibodeau, to table the vote regarding the petition from Starting Point. The motion carried (3-0-1) with Mr. Weathers abstaining.

c. Conway Area Humane Society

Ms. Gilligan noted that the Conway Area Humane Society had made a mistake on their petition, and had put that their request was \$1,000 instead of \$10,000. Therefore, the Selectmen would need to vote on the article using the \$1,000 figure.

Mr. Porter stated that he was under the impression that they had resubmitted a petition with the \$10,000. Mr. Holmes stated that a new petition had not been received at the time of this meeting. Mr. Colbath added that he was at an event the night before and had witnessed requests for petition signatures for this particular warrant article.

Mr. Porter moved, seconded by Mr. Colbath, to table the vote regarding the petition from Conway Area Humane Society. The motion carried (3-0-1) with Mr. Weathers abstaining.

d. The Mental Health Center

Mr. Holmes noted that this request was being made by Northern Human Services, however, they refer to The Mental Health Center on their request.

Mr. Colbath moved, seconded by Mr. Porter, to recommend that the Town vote to raise and appropriate the sum of \$10,115 to assist The Mental Health Center. The motion carried (3-0-1) with Mr. Weather abstaining.

e. Tri-County Community Action

Mr. Porter moved, seconded by Mr. Colbath, to recommend that the Town vote to raise and appropriate the sum of \$13,500 for Tri-County Community Action for the purpose of continuing services of the Energy Services Program for the residents of Conway. The motion carried (3-0-1) with Mr. Weathers abstaining.

f. Children Unlimited Inc.

Mr. Porter moved, seconded by Mr. Colbath, to recommend that the Town vote to raise and appropriate the sum of \$14,000 for the Family Resource Center at Children Unlimited Inc. The motion carried (3-0-1) with Mr. Weathers abstaining.

g. Vaughan Learning Center

Mr. Colbath noted that he is on the advisory committee for Vaughan, so he would be abstaining on votes pertaining to Vaughan. He suggested perhaps waiting to vote on these articles until Ms. Seavey was present.

Mr. Colbath moved, seconded by Mr. Porter, to table the vote on the petition from Vaughan Community Service, Inc. DBA Vaughan Learning Center for \$3000 until the next meeting. The motion carried (3-0-1) with Mr. Weathers abstaining.

h. Vaughan Community Service Inc.

Mr. Colbath moved, seconded by Mr. Porter, to table the vote on the petition from Vaughan Community Service, Inc. for \$17,000. The motion carried (3-0-1) with Mr. Weathers abstaining.

i. The Gibson Center for Senior Services

Mr. Colbath moved, seconded by Mr. Porter, to recommend that the Town vote to raise and appropriate the sum of \$35,000 to support Conway home delivered meals (Meals on Wheels), congregate meals, and transportation and program services provided by The Gibson Center for Senior Services, Inc. The motion carried (3-0-1) with Mr. Weathers abstaining.

j. White Mountain Community Health Center

Mr. Porter moved, seconded by Mr. Colbath, to recommend that the Town vote to raise and appropriate the sum of \$35,565 for the support of White Mountain Community Health Center to help meet the healthcare needs of uninsured and underinsured residents of the Town of Conway. The motion carried (3-0-1) with Mr. Weathers abstaining.

k. North Conway Community Center

Mr. Porter moved, seconded by Mr. Colbath, to recommend that the Town will vote to raise and appropriate the sum of \$65,000 to be allocated to the North Conway Community Center for programs. The motion carried (2-1-1) with Mr. Thibodeau in the negative and Mr. Weathers abstaining.

DISCUSSION AND VOTE ON WARRANT ARTICLE FOR AUTHORIZATION OF LEASE TO
RELOCATE TOWN HALL

Mr. Holmes explained that because of this agenda item, a non-public session had been placed that the end of the agenda in the event that the Board of Selectmen felt the need to discuss specific details of a potential lease agreement.

Mr. Holmes noted that the only change since the last meeting was that the Bank of New Hampshire has assured us that the option to extend the lease every 12 years for a total of 36 years was at the sole discretion of the Town. He noted that the Town would be paying the Bank of New Hampshire the amount of rent that was equal to the Bank's property taxes for any given year. Mr. Holmes specified that the Town would pay the Bank rent, and in turn the Bank would pay the Town the same amount in property taxes. Mr. Holmes stated 80% of those taxes would be split between the Town, Precinct, and School. The other 20% would be paid to the State and County.

Mr. Holmes explained that the Bank of New Hampshire has plans to build a small branch out behind the building to maintain a presence in Conway Village.

Mr. Holmes noted that the Town will take over the responsibilities of maintaining the parking lot. He added that there would be some expenses involved in the relocation such as some minor reconfigurations and moving costs. However, he noted that if one can get past the idea of the Town not owning their own Town Hall, you can see that for around \$1300 a month, the Town is getting a 30% larger building, better parking, a central location, and the opportunity to be part of the revitalization of Conway Village.

Ms. Gilligan stepped out of the meeting to draft a warrant article relating to the Town Hall move.

Mr. Porter asked Mr. Holmes if there was a way to extend the total lease term from 36 to 50 years. Mr. Holmes explained that he had asked, however, the federal regulators were resistant to those terms. He clarified that it was a lease term of 12 years, with two additional 12-year terms at the Town's option.

Mr. Colbath asked if the Town attorney had reviewed the agreement. Mr. Holmes stated that the letter of intent was currently in the hands of attorney, Peter Malia.

Mr. Weathers wanted to clarify to the voters that if this warrant article were to pass in April, the Bank would need to go to the Planning Board and complete the construction process. The Town Hall move would not take place until the new Bank branch was constructed and the building was vacated

He added that at this time, he was just looking for authorization to sign a lease based upon the parameters presented; if the Selectmen do not like the language in the final lease, they do not have to move forward.

Mr. Colbath explained that he had been able to tour the facility two times and it has a nearly ideal configuration. Mr. Thibodeau agreed with it being ideal and stated the benefit that the building would require a minimal amount of effort to suit the Town's needs. He also emphasized that the cost is ideal; he said that per month in rent, the Town would be paying substantially less than what the interest would be on a 2 million-dollar, 15-year bond.

Mr. Holmes noted that he has been getting questions regarding what will happen with the existing Town Hall. He said that he is working on that.

Daymond Steer from the Conway Daily Sun asked the Board if they would want to start a Capital Reserve Fund to save money for the next Town Hall in 12 or 36 years. Mr. Holmes answered that that discussion would be had a later time.

There was brief discussion on the increased utility costs at the proposed Town Hall location.

Mr. Holmes stated that he believes this situation is ideal for both the Town as well as the Bank.

Mr. Colbath moved, seconded by Mr. Porter to put an article on the warrant to see if the Town will vote to authorize the Board of Selectmen to enter into a lease agreement with The Bank of New Hampshire to lease the building and parking lot at 23 Main Street on such terms and conditions as the Town of Conway Selectmen shall determine are in the best interest of the Town of Conway AND further to raise and appropriate \$160,000 for the purposes of remodeling and renovation costs and other such expenses related to moving the Town Hall. There was brief discussion regarding the need to raise and appropriate \$160,000 for the cost of moving, new signage, reconfiguring the space, and other expenses that the Town may incur if possession is taken prior to the vote in April 2019. **The motion carried unanimously.**

DISCUSSION OF TAX IMPACT OF WARRANT ARTICLES

Mr. Holmes explained that a lot of projects have been proposed this year such as the garage expansion and reconstruction of the boat ramp. Because of this, the preliminary tax rate increase for 2018 is quite high. Mr. Holmes stated that he, along with Ms. Gilligan and Mr. DegliAngeli, had started looking for alternatives or adjustments that could be made in an effort to lower the tax rate.

Ms. Gilligan asked the Board to refer to their agenda packets where she had 4 different scenarios. She explained that if they assume no growth to the Town's valuation, and take into consideration the current budget and warrant articles, and \$550,000 transfer from fund balance, the tax rate increase from 2017 to 2018 was estimated at .65 cents. Mr. Holmes added that on the average family home assessed at \$200,000, this would increase the Town's portion of property taxes by approximately \$130.

Ms. Gilligan again referred to the Selectmen's packet and explained a second scenario of assuming a 15 million dollar increase in the Town's valuation that would lead to an estimated tax rate difference of .59 cents from 2017 to 2018.

Ms. Gilligan explained to the Board that she, Mr. Holmes, and Mr. DegliAngeli, were recommending to the Board the decrease and elimination of a few warrant articles that they felt could be pushed out to a future date. These included a \$40,000 reduction in the amount requested for the Capital Reserve Fund for Highway Equipment; The elimination of the request for \$65,000 for the Capital Reserve Fund for the landfill expansion; The reduction of the request for \$250,000 to \$50,000 for the Capital Reserve Fund for the Maintenance of Town Buildings and Facilities; the elimination of the request for \$7,000 for the Capital Reserve Fund for parks

vehicles and equipment; and the elimination of the warrant article requesting \$45,000 for the reconstruction of the boat ramp at Conway Lake.

Ms. Gilligan explained that the third scenario took all of those changes to the warrant and assumed no change in the Town valuation; the tax rate increase from 2017 to 2018 would be approximately .40 cents.

Finally, the fourth scenario assumed that with a 15 million dollar increase in valuation and the adjustments and elimination of the aforementioned warrant articles, the tax rate increase would be .34 cents. Mr. Holmes added that on an average home assessed at \$200,000, this would be approximately a \$68 increase for the Town's portion of property taxes.

There was a brief discussion on whether or not the Town will see a 15 million dollar increase in valuation. Mr. Holmes believed it was a safe estimate.

Mr. Holmes noted that much of the tax increase is coming from one-time projects like the Town Hall and Recreation Center move.

Mr. Colbath asked if the Boat Ramp would be put back on the table for 2019. Mr. Holmes explained that he had instructed Mr. Eastman to do some research regarding access fees that could potentially aid in the funding for repair but this was still in the plans for the future.

Mr. Colbath asked Mr. DegliAngeli his thoughts on pushing back some projects as the Town Engineer. Mr. DegliAngeli explained that he felt the Town garage improvements, landfill expansion, and boat ramp repair could be pushed back in order to have a smaller increase on the tax rate.

Mr. Thibodeau moved, seconded by Mr. Colbath, to amend the warrant article for highway equipment to read as follows: To see if the Town will vote to raise and appropriate the sum of \$310,000 to be placed in the Capital Reserve Fund for Highway Equipment to be used according to the purposes for which the fund was established. The motion carried unanimously.

Mr. Thibodeau moved, seconded by Mr. Colbath, to amend the warrant article for the landfill expansion to read as follows: To see if the Town will vote to raise and appropriate the sum of \$1 to be placed in the Capital Reserve Fund for Landfill Expansion to be used according to the purposes for which the fund was established. The motion carried unanimously.

Mr. Thibodeau moved, seconded by Mr. Porter to amend the warrant article for maintenance of Town buildings and facilities to read as follows: To see if the Town will vote to raise and appropriate the sum of \$50,000 to be placed in the Capital Reserve Fund for Maintenance of Town Buildings and Facilities to be used according to the purposes for which the fund was established. The motion carried unanimously.

Mr. Thibodeau moved, seconded by Mr. Porter to amend the warrant article for parks department vehicles and equipment to read as follows: To see if the Town will vote to raise and appropriate the sum of \$1 to be placed in the Capital Reserve Fund for Parks Department Vehicles and Equipment to be used according to the purposes for which the fund was established. The motion carried unanimously.

Mr. Thibodeau moved, seconded by Mr. Porter, to rescind the warrant article regarding the boat ramp that read as follows: To see if the Town will vote to raise and appropriate the sum of \$45,000 to reconstruct the Boat Ramp on Conway Lake. The motion carried unanimously.

REVIEW OF RECEIPTS

The receipts were available for review.

SIGNING OF DOCUMENTS

- a. Permanent Application for Property Tax Credit/Exemptions Map/Lot 259-59
- b. Permanent Application for Property Tax Credit/Exemptions Map/Lot 254-67
- c. Permanent Application for Property Tax Credit/Exemptions Map/Lot 254-67
- d. Permanent Application for Property Tax Credit/Exemptions Map/Lot 262-009
- e. Permanent Application for Property Tax Credit/Exemptions Map/Lot 251-143
- f. Permanent Application for Property Tax Credit/Exemptions Map/Lot 268-62
- g. Permanent Application for Property Tax Credit/Exemptions Map/Lot 262-066
- h. Gravel Tax Levy Map/Lot 207-14.5
- i. Abatement Tax Map/Lot 235-37
- j. Abatement Tax Map/Lot 225-6
- k. Abatement Tax Map/Lot 252-46
- l. Abatement Tax Map/Lot 298-24
- m. Abatement Tax Map/Lot 223-33
- n. Abatement Tax Map/Lot 276-198
- o. Abatement Tax Map/Lot 272-41
- p. Abatement Tax Map/Lot 272-42
- q. Current Use Land Use Change Tax Collector's Warrant Map/Lot 250-50
- r. Land Use Change Tax Map/Lot 250-50
- s. Notice of Intent to Cut Wood or Timber Map/Lot 283-1

Mr. Thibodeau moved, seconded by Mr. Colbath, to sign the Permanent Application for Property Tax Credit/Exemptions Map/Lot 259-59; Permanent Application for Property Tax Credit/Exemptions Map/Lot 254-67; Permanent Application for Property Tax Credit/Exemptions Map/Lot 254-67; Permanent Application for Property Tax Credit/Exemptions Map/Lot 262-009; Permanent Application for Property Tax Credit/Exemptions Map/Lot 251-143; Permanent Application for Property Tax Credit/Exemptions Map/Lot 268-62; Permanent Application for Property Tax Credit/Exemptions Map/Lot 262-066; Gravel Tax Levy Map/Lot 207-14.5; Abatement Tax Map/Lot 235-37; Abatement Tax Map/Lot 225-6; Abatement Tax Map/Lot 252-46; Abatement Tax Map/Lot 298-24; Abatement Tax Map/Lot 223-33; Abatement Tax Map/Lot 276-198; Abatement Tax Map/Lot 272-41; Abatement Tax Map/Lot 272-42; Current Use Land Use Change Tax Collector's Warrant Map/Lot 250-50; Land Use Change Tax Map/Lot 250-50. The motion carried unanimously.

CONSIDERATION OF BILLS

- t. Accounts Payable Manifest dated 2/8/18

Mr. Colbath Moved, seconded by Mr. Thibodeau, to sign the Accounts Payable Manifest dated 2/8/18. The motion carried unanimously.

RATIFICATION OF DOCUMENTS SIGNED OUTSIDE OF SESSION

(none)

REVIEW AND CONSIDERATION OF SPECIAL EVENT APPLICATION(S)

(none)

CONSIDERATION OF MINUTES

- u. 1/30/18 Regular and Non-Public

Mr. Thibodeau moved, seconded by Mr. Porter, to approve the Regular and Non-Public meeting minutes from 1/30/18 as written. The motion carried unanimously.

TOWN MANAGER REPORT

Mr. Holmes explained that he had attended a meeting at the North Conway Water Precinct with Secretary of State Scanlon to discuss changes in regulations regarding the responsibilities and authority of the Supervisors of the Checklist. It was determined that only the Town elected Supervisors of the Checklist have the authority to supervise the Checklist. Therefore, a Town Supervisor must be at every precinct meeting and hold a meeting prior each precinct meeting. There is going to be an effort made to coordinate precinct meetings because of this.

BOARD REPORTS AND COMMENTS

Planning Board – Mr. Porter stated that the Planning Board meets Thursday, February 8, 2018.

Budget Committee – Mr. Colbath explained that the Budget Committee met Wednesday, January 31st for the joint meeting with the Selectmen for the non-profit budget presentations. They would be wrapping up the budget season with the Public Hearings for the Precincts, School, and Town on February 14.

Conservation Commission – Mr. Weathers said the next meeting for the Conservation Commission would be Wednesday, February 14 at the Whitaker Homesite beginning at 6:30 pm.

PUBLIC COMMENTS AND MEDIA QUESTIONS

Daymond Steer from The Conway Daily Sun, asked if there was a time frame for the Town Hall move. Mr. Holmes explained that the Town Hall moved would have to be approved by the voters in April and the Town would not take possession of the building until the Bank moved out. He stated that it could be well into 2019 before the Town was able to take ownership.

Mr. Steer asked if the voters would have to vote again on the issue next year. Mr. Holmes answered in the negative.

ADJOURN

At 5:31 pm, **Mr. Colbath moved, seconded by Mr. Porter, to adjourn the meeting. The motion carried unanimously.**

Respectfully submitted,

Krista Day
Executive Secretary