

TOWN OF NEW LONDON
BOARD OF SELECTMEN
MEETING MINUTES-FEBRUARY 26, 2007

PRESENT:

Doug Lyon, Chair Board of Selectmen
Ruth I Clough, Selectman
Mark Kaplan, Selectman
Jessie Levine, Town Administrator

OTHERS PRESENT:

Bob Lavoie, Sewer Commissioner
D.J. Lavoie, Town of New London Resident
Debbie Cross, *InterTown Record*
Carolyn Dube, *Argus Champion*

8:30 a.m. – 9 a.m.

Norm Bernaiche, Assessor
Kristin McAllister, Assistant Assessor
Doug Atkins, Colby Sawyer College
Amy Rankins, Land Use Coordinator

Doug Lyon opened the meeting at 8 a.m. The Selectmen addressed eleven areas of business during the meeting.

1. Minutes-February 12 and February 20, 2007—Jessie Levine noted that one amendment has been made in the February 12 minutes, to the wording on page six, section eight, paragraph four, per Bob Lavoie's request. Sue Clough moved to accept both sets of minutes with that amendment to those of February 12. Mark Kaplan seconded. No further discussion. Motion unanimously approved.

D.J. Lavoie referred to the third paragraph under section six, on page six of the February 20 minutes. Jessie Levine clarified that, and added that the Recreation Commission will be meeting with the Board of Selectmen at the regular meeting on April 2. Members of the public are welcome to attend.

2. Citizens Advisory Meeting-March 3, 2007—Selectmen agreed that the March 3 meeting should be a preview of Town Meeting, and Sue Clough suggested that, rather than limit the discussion to the outstanding items, she would like to hear input from the CAC on every Town Department's budget, in order to get a full spectrum of people's concerns.

3. Town Meeting-March 14, 2007—Selectmen agreed to run the introductory slideshow at Town Meeting, but to review it first to eliminate any information that may no longer be relevant. They will have the roundabout presentation ready to run at Town Meeting should it be indicated. Jessie Levine noted that there will also be a number of fixed visuals: enlarged photographs of the proposed easements, and the library improvements.

She went on to say that the plans that have been presented for the library renovations are all very nice. There are three options for the entry, with three different costs. She has suggested to Library Director Sandra Licks that she take an informal poll at Town Meeting on the front entrance. With respect to the

rear roof, both designs offer more protection around the round atrium, and one design has a sharper pitch to it and would eliminate the old windows over the video room in the front of the building. As discussed at the last Selectmen's meeting, the Trustees will offer only one roof design to be approved by voters, but they themselves will not know which one it will be until after they have received estimates for both of the designs.

There will be 27 articles on the warrant this year. Polls will open at 8 a.m. on March 13, for voters to choose by ballot Town officers for the ensuing year, and to vote by ballot on the proposed zoning ordinance amendments.

The meeting will reconvene on March 14 at 7 p.m. Moderator Cotton Cleveland will open with Article 2 that asks voters to suspend reading of the individual articles and refer to them by number.

The Selectmen will introduce and speak on each of the articles that follow Article 2.

Doug Lyon will speak to the following articles: Article 3 regarding purchase of the Inn property, 6 on Public Safety budget (note made that this discussion will likely include some dialogue among voters regarding the proposed taser purchase), 9 on Recreation, Culture and Conservation budgets, 12 regarding proposed capital outlay for equipment and vehicle purchases (funds to be drawn from reserves), 16 regarding the roundabout funding, 19 dissolving the Sewer Commission and returning all authority and responsibility for the sewer system to the Board of Selectmen (Sue Clough suggested that she would also like to speak on this article), 24 regarding the proposed conservation easement on the Town-owned property by the lagoons.

Sue Clough will speak to the following articles: Article 4 regarding the Library improvements, 8 on the Health and Welfare budgets, 11 raising and appropriating proposed deposits into capital reserves, 14 regarding purchase of a new police cruiser, 17 regarding funding Master Plan work, 25 regarding the proposed exchange of land at Low Plain.

Mark Kaplan will speak to the following: Article 5 on the General Government budget, 7 on Highways & Streets, and Sanitation budgets, 10 regarding payment of principal and interest of long term debts, 13 asking voters to raise and appropriate from the reserves funding for improvements to Whipple Memorial Hall, 15 regarding funding of milfoil prevention and treatment, 18 establishing a capital reserve for the Pleasant Lake dam, 20 and 21 establishing and making the first annual deposit into a reserve for Sewer Department equipment and reserves, 22 and 23 dissolving the Sullivan County Regional Refuse Disposal District, or withdrawing from same.

At this meeting, there was some discussion about whether or not the Selectmen should go on record as supporting or not supporting the petition warrant Article #26 regarding global warming. Sue Clough said she would like to go on record as supporting it, but Mark Kaplan expressed concern that the discussion should not become either political or personal. Selectmen agreed to moderate some discussion on this article at Town Meeting, but there was no decision on whether or not the Board of Selectmen will go on record supporting the article.

4. Assessment of Old Colby Farm—At 8:30 a.m., Selectmen met with Assessor Norm Bernaiche, Assistant Assessor Kristin McAllister and Land Use and Assessing Coordinator Amy Rankins, and Doug Atkins for Colby Sawyer College, in order to discuss one of the properties for which the College is

requesting an educational tax exemption. Selectmen Doug Lyon recused himself for the duration of this discussion, and Mark Kaplan served as Chair *pro tem*.

After initial introductions, Selectmen Sue Clough asked a general question regarding some year-end statistics that have been reported by a local real estate business. Norm Bernaiche said that statistics from the State indicate that in New London, the assessed valuations of lakefront properties are at 90% of market (selling prices), and upland properties are at 85%. Jessie Levine pointed out, in response to a question from Sue Clough, that in the realtors' report they are not equalizing the values up to 100%. She said that after April 1, the assessors will prepare a "State of the Town" report, and they will be able to see exactly where New London's issues are (pertinent to assessed valuation/market value ratio).

Regarding the College, Norm Bernaiche pointed out that every year, educational and charitable institutions—any who wish to claim a tax exemption must file either one (religious institutions) or both (educational institutions) the A-9 form that lists all their properties and the uses to which they are put, and the A-12 form which is a statement of the institution's financial condition. The College has done that.

Regarding the Old Colby Farm (former DiLorenzo property) specifically, he said the College has owned that for seven years now, but per agreement, the former owner was allowed to reside there until December 31, 2005. At that point, the College assumed ownership of the property completely, thus it is being looked at as a new property for the College. He said that after physical inspection the property was assessed at \$2,256,200. During physical inspection, he looked at "effective area," including all levels, front and back, and the barns that are used by the College now for storage of equipment. He defined "effective area" as the amount of square footage that provides some utility, not necessarily the exact dimensions. For example, a basement may have the same square footage as the first floor, but is not considered to have the same utility, therefore contributes less to the overall effective area. His determination was that 41% of this property is exempt as it is being used for educational purposes, and 59% is taxable as it is being used for non-related purposes.

During this discussion, Selectmen took a look at the list of all the College properties that have some level of exemption, and recognized that the College as a whole is not exempt, though individual College properties such as the President's House are 100% exempt as it has been shown that the President is required to live there. Mark Kaplan asked about educational exemptions for buildings in which faculty reside. Norm Bernaiche said only if the faculty are living in student dorms, or in stand alone housing on campus of a secondary school, can that be considered part of the educational mission of the institution, and tax exempt. He referred to the decision rendered in the St. Paul's School v. Concord case included in his memo distributed at this meeting.

Doug Atkins said he is just reviewing these numbers for the first time at this meeting, and said he would like more opportunity to review and discuss it with counsel. He said he expected to see a similar situation with this property as with the President's House, and he raised the issue of consistency. He added that there are administrative/faculty spaces in several resident halls now, and those are assessed as fully taxable. He expressed some concern that they are only two days away from the abatement deadline. Norm Bernaiche said the deadline for application for exemption is different, and Jessie Levine suggested the College file its abatement application for March 1 anyway, and then provide a supplemental filing later if it wishes.

Jessie Levine informed the meeting that technically, the Selectmen are the assessors. Norm Bernaiche makes the recommendation, not the decision. The Selectmen can accept or decline to accept that

recommendation. She suggested that in order to allow the process to move forward, the Selectmen make a decision on Norm Bernaiche's recommendation to assess the Old Colby Farm as 41% exempt and 59% taxable. Sue Clough moved to accept that recommendation and Mark Kaplan seconded, adding that it is with the understanding that the numbers will be subject to further discussion between Norm Bernaiche and Doug Atkins, and further review by the College and its Counsel. There was no further discussion on the motion, and it was unanimously approved.

Doug Atkins pointed out that the College has paid 2006 taxes on that property as though it were 100% taxable. Selectmen and Jessie Levine said that the College will receive a 41% return on its 2006 taxes paid for that property, and if the upcoming discussions and abatement application indicate, that number may be adjusted.

Bob Lavoie said this is just about one building. He asked what about the other buildings. Mark Kaplan said it is up to the College to file abatement applications if it wishes. Jessie Levine said the others have been assessed at face value, based on previous years' discussions.

In conclusion, Mark Kaplan pointed out that this is an example of the advantage to the Town in having its own assessor (shared with two other towns) rather than using an out of town company. Questions raised by the public are answered right away, and there is no wait to schedule meetings for discussion of assessment issues. The time problem is eliminated, and the process is smoother this way.

Sue Clough pointed out that some of this land is in current use, and she opened some discussion about how that is assessed. Norm Bernaiche said he has found a number of inconsistencies relative to current use. For example, the land on which the playing fields are located is all in current use. When the playing fields were located there, that constituted a conversion or change in use. Yet, the tax card clearly states "current use," and the one-year window during which the Town should have acted on this has expired. Doug Atkins clarified that the College went through the appropriate Planning Board process. Everyone agreed. The problem is that right now, the process does not have anything to trigger a review by the assessor.

Norm Bernaiche pointed out that another question is regarding things like tennis courts. There is nothing in the building permit process that separates out a tennis court, and requires it to be looked at as a structure. Jessie Levine said that is one reason she was hoping the discussion would arise during the Pauls' proposal to the Planning Board, as she was hoping for some kind of Planning Board ruling on whether a tennis court is a structure or not. She added as a point of information, that tax-exempt property is not exempt from the current use penalty.

Norm Bernaiche suggested that another change the Town may wish to consider is a requirement for building permits for interior remodeling and improvements. Such a requirement would be consistent with the assessing process. The problem now is that the assessors are not able to capture changes in value until after a sale. Mark Kaplan and Sue Clough asked if those kinds of changes are caught in the five-year cycle. Jessie Levine said the assessors are not able to get into every house. Bob Lavoie asked if such a requirement would have a dollar-value triggering it. Selectmen and Jessie Levine agreed that there could be some limitations. Right now, the only trigger for a building permit requirement for interior work is if a structural wall is changed, or if the size of doors and windows are changed. Things like roofing, siding, kitchen remodeling etc. do not trigger a requirement for a building permit. Jessie Levine suggested that a change in the zoning ordinance to this effect could be worked on over the next year, and applied in 2008.

5. Conservation Commission Easement Monitoring Reports—At this meeting, the Selectmen accepted the easement reports, as drawn up after inspection by Bob and Emma Crane. The reports include locations of bounds, and assure that no violations to the terms of the easements have occurred.

6. Buker Property on Wilder Lane—Jessie Levine said this is an oddly long strip of separately deeded property of 9986 square feet that runs between lot 14 and Wilder Road. Sallie Buker McAndrew would like to give it to the Town. Selectmen noted that adding it to the road right-of-way would make Wilder Lane the same width all the way to Shaker Street, and as the current property owners are asked to cover the cost of the survey, they see no reason to decline. New London will handle its own legal expenses. The mystery of why this strip was kept out in the first place remains unanswered.

7. The schedule of Selectmen's Meetings was fixed at March 5, 12 and 26, April 2, 16, 23, and 30.

8. Roundabout—Jessie Levine said that she, Richard Lee and the roundabout engineers will be meeting with DOT this afternoon. DOT has had the 60% plan since December 7, and she anticipates that they will make some minor changes—probably relative to the series of green strips, and the turning lane, before the Town can go on to the 90% plan. Sue Clough clarified that beyond the intersection, that's the State's purview to design.

Bob Lavoie asked why the cross walk in front of Ledyard is being eliminated. Jessie Levine said the State will require that. Sue Clough said that there will be sidewalks for people to use between the locations of cross walks.

Bob Lavoie asked about vegetation on the islands. Jessie Levine said they have yet to talk about that. The Town will have to maintain that vegetation. Obviously it can't be much, as the snow removal process would affect anything growing there.

She went on to say that tomorrow night, the Town and its engineers will be presenting the roundabout plans to the Planning Board. She noted that the same engineers will also be presenting the hospital plans to the Board at that meeting.

Doug Lyon referred to Joe McCarthy's concern at the January 27 CAC meeting regarding the difficulty large gas delivery trucks may have negotiating the roundabout, and the possibility that they may choose to come off Exit 11 and go through the main part of Town. At this meeting, Doug Lyon reported that he has observed the Evans truck delivering to the New London Mini-Mart on Main Street, and then on to Jake's on Newport Road. The truck did go in the Jakes driveway. After delivering there, it returned the same way—back down Main Street through Town. Jessie Levine said that that the roundabout will be negotiable for large trucks, but they are designing it for the average traffic.

She reported that Jakes and Sugar River Bank have agreed that they would like the driveways left as they are. She said this will not affect the project. They will simply run the splitter island further back to the Sugar River entrance. It will eliminate left turns into and out of those businesses.

There will be one more information session prior to Town Meeting, and that is scheduled for Thursday March 1 at 7 p.m. It will not be limited to discussion of the roundabout, but will include any other issues about which people have questions.

9. Article 19—Jessie Levine said the Selectmen will speak first on this article at Town meeting. At this meeting, Selectmen discussed the format their presentation at Town Meeting should take, and any information to be presented prior to Town Meeting. It is understood that they may not use Town funds to pay for press releases or public notices advocating passage or rejection of a given warrant article, but may provide information regarding an article. The Selectmen discussed language for an informational advertisement to run in the Shopper, which Jessie Levine will draft and run by town counsel. Selectmen agreed that the informational notice should open with:

- o The unanimous endorsement of this change by the Budget Committee.
Mark Kaplan said he would like the article presented at Town Meeting from the Budget Committee's point of view. Jessie Levine said that Connie Appel has agreed to speak on it at Town Meeting.
- o The MRI study recommended dissolution of the Sewer Commission.
The results of that study show that having a separate Sewer Commission (separate from other public works departments in Town) reduces efficiency and raises cost of sewer department operations.
- o An annual savings of \$50,000 is anticipated as a result of the combination of sewer and highway operations:
Since day-to-day operations of the sewer were placed under the purview of the Highway Department last May, there have been cost-savings in staffing, equipment sharing, cross training and availability of back up staff. Voters should understand that the reason the sewer budget has increased this year, and the reason that sewer user fees have had to be raised, is that the Town is now addressing maintenance issues that have been deferred over the years, as well as starting a capital reserve fund for the Sewer Department. The Budget Committee's and the Selectmen's objective is to assure that each Department has the funds it needs to do what it needs to do. No municipal department should operate with deficit budgeting or without a funded capital reserve.
- o The Board of Selectmen recognize the expertise of the Sewer Commissioners and recommend keeping them on as an Advisory Committee. Appointment of an advisory committee was also recommended in the MRI report, but the Sewer Commissioners have declined that idea.
- o Selectmen and Budget Committee have considered the Sewer Commissioners' proposal that the Town hire a full time engineer.
- o Though Highway and Sewer will be combined into a Public Works Department, expenses, including payroll, will be kept separate. Sewer expenses will be covered by sewer users.
Selectmen acknowledged the concern raised by resident Peter Bianchi at the Public Hearing regarding the \$5000 bonus paid to the Road Agent relative to his additional responsibilities, and they agreed that the failure to allocate that bonus to the Sewer Department budget was an oversight that will be addressed.

10. Other—There was brief discussion regarding a question of billing for repairs done to a generator located at Hilltop, and Selectmen agreed that further discussion and clarification is needed.

11. Having no further regular business to discuss, the Selectmen signed the following items:

- o Disbursement Vouchers for the week of February 26, 2007 – Approved
- o Application for the Use of the Town Office Conference Room for “Meet the New London School Board Candidate” on Tuesday, March 6, 2007 from 7:00 – 9:00 PM – Approved

Board of Selectmen Meeting Minutes

February 26, 2007

Page 7 of 7

- o Appointment Card for Peter Berthiaume as Emergency Management Director - Approved

The meeting adjourned at 9:45 a.m.

Respectfully submitted,

Sarah A. Denz

Recording Secretary