



# TOWN OF NEW LONDON, NEW HAMPSHIRE

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## BOARD OF SELECTMEN MEETING MINUTES January 13, 2014

### PRESENT:

Tina Helm, Chair  
Peter Bianchi, Selectman  
Janet Kidder, Selectman  
Kimberly Hallquist, Town Administrator  
Wendy Johnson, Finance Officer

### ALSO PRESENT:

New London Community Center Board Members: Cicely Markoff, Dave Kidder, Mark Kaplan, Bill Zimmerman, Austin Eaton, Rob Prohl, Meghan Wilkie  
Scott Blewitt, Recreation Director  
New London Residents: Fred Downey, Celeste and David Cook, Mikiko McGee, Bruce Hudson & Renate Kannler, Bill Helm  
Budget Committee Members: John Wilson, Joe Cardillo, Bill Green, Doug Homan, Phyllis Piotrow  
Joe McCarthy, Sean Carroll, *InterTown Record*, Gayle Hedrington, WNTK

Chair Helm called the meeting to order at 6:00pm. She noted that the New London Community Center (NLCC) Board was first on the agenda with a presentation outlining their progress to date.

Dave Kidder began the presentation by noting that the project to convert the 1941 building to a community center is about having a vision for the Town; it would be an investment in the future of New London.

Bill Zimmerman spoke for the Board, sharing his background and experience with schools and school buildings. He presented a visual presentation that featured tables, charts and photographs. It was noted that the 1941 Building was used until 2007 as a secondary school and is currently part of a learning "campus." Whatever use it has needs to be compatible with what is already there. Dr. Zimmerman said the building encompasses 24,000 square feet and includes a cafeteria, a commercial kitchen, 11 classrooms, an auditorium, gymnasium, conference rooms/offices and a workshop area. SMP Architects have deemed the building as being structurally sound. He noted that the building will remain off the market until May of 2014, the deadline by which the Town needs to decide if they want to move forward with a lease or not.

Dr. Zimmerman shared that the public/private partnership they are working towards to establish the NLCC is unique and has the potential to benefit many in the community, region, including many organizations and groups of all ages. There is adequate parking and the building can be

brought to current ADA codes. He noted that the NLCC board has met at least once per week since the summer. Each member of the board has been responsible for different tasks and he is impressed with the work that has been done and the synergy he has witnessed.

Dr. Zimmerman said the NLCC has met with many local organizations that have indicated a need for meeting and luncheon spaces. The Board anticipates that modest user fees would be imposed for those wishing to make use of the space for these kinds of things, as well as different user fees for long-term interests. They have registered with the State as a nonprofit group and are awaiting 501(c)(3) designation with the IRS.

Dr. Zimmerman explained that if the Board of Selectmen supported a warrant article for \$75,000 to be raised by the Town for operating expenses of the NLCC, and if Town Meeting approves it in May, the building would operate under the aegis of the Selectmen. The Town Administrator and the Recreation Director would operate the programs and implement the policies of the Board of Selectmen. The NLCC board would be advisory and would be in charge of fundraising for capital expenses.

Dr. Zimmerman showed a slide that illustrated the three-phased approach to fundraising they are planning, as well as the details of the spaces they plan to make ready for use. He added that they need Selectmen and community approval before the lease is approved and before they can get user commitments, explaining that users are reluctant to make a firm commitment to use the space before they are assured it will move forward.

With regards to finance, Dr. Zimmerman said it was difficult to come up with a budget when they have no prior history or a complete record of past expenses. They don't know the numbers of users of the building/programs, and this makes it difficult to determine a budget. They have come up with a Pro Forma budget based on available costing from the SAU and vetted sources. Dr. Zimmerman concluded his portion of the presentation by saying that the NLCC board is excited to move forward with this and hope to have Board of Selectmen, Budget Committee and Recreation Department leadership as part of their support system.

Ace Eaton was given the floor to continue the presentation. It was noted that Mr. Eaton is a well-known builder throughout the area and has worked with the architects and engineers on the project, as well as helping with budgets for the various phases of construction.

Mr. Eaton said the overall size of the building is 24,000 square feet and they would break the work down into three phases. The first phase would include ADA compliant restrooms, a new entrance/vestibule with ADA compliant access, two new meeting rooms, a special activity room with an exercise floor, new air conditioning, new flooring, new furnishings, kitchen upgrades, a recreation department office, and re-engineered parking. The budget for the first phase is estimated at \$150,000. He said he had gone over the numbers with their builder and engineers and felt they are reasonable numbers to work with.

Phase two will include four activity rooms, updated stage auditorium, 30+ new parking spaces, fire exit improvements and code compliant upgrades, fully sprinkled building (all floors) and a

new roof for the cafeteria section (the new roof is estimated at \$100,000). Phase two is estimated to cost \$750,000.

The third phase includes the basement and second floor of the building. Mr. Eaton noted that they do not know costs for the third phase because they don't know what the demands for space will be. They will need to include an elevator, however. There would need to be ADA compliant bathrooms on the 2<sup>nd</sup> floor as well.

Meghan Wilkie presented the Pro Forma budget material, which is a five year plan. It is based on their best known facts and figures. Maximum occupancy income is based on the assumption that the rooms would be used twice/day. They assumed a 20% utilization rate, knowing the Recreation Department would be making use of the spaces. They have based their fees estimates on what other fees are charged throughout town for space: \$50 for the use of the gym and cafeteria, \$30 for classrooms, and \$25 for conference rooms.

Ms. Wilkie explained that the United Way Operating grant that they are eligible to receive is \$25,000 annually. Local Corporate Grants were assumed at \$8,000 for the first year and \$16,000 the following four years. Foundation Grants are assumed at \$5,000 for year 1 and \$10k afterwards (this includes both local and national grants). The Annual Fund Gifts are planned to start at \$5,000 in year 1 and go up to \$10,000 within the next several years. The Town appropriation is requested at \$75,000 annually.

Operating expenses were provided by using existing SAU information. In year 1, they anticipate costs being \$115,099. Year two, at its maximum, is estimated at \$167,000 and going up a percentage each year. Their goal is to staff the facility with part-time personnel for \$40,000 per year and make use of volunteer help.

Cicely Markoff presented the fundraising efforts thus far. She said as of that day, they have raised \$76,000 in capital gifts. They are hoping if they get the Selectmen's approval they can raise the remaining needed for phase 1. Ms. Markoff and the rest of the committee feel that this is an achievable goal. They have also identified national grants they would like to attain.

Mark Kaplan summarized the efforts of the NLCC board by noting that within this public/private collaboration, they need the support of the Selectmen. They would like to have their Budget Committee also support it so when they get to Town Meeting they will have a positive response. They have been very conservative and are looking at this as a long-term project. The New London Recreation Department will be given room to expand and grow and it is felt they could enhance everyone's quality of life in the community by having this center.

Mr. Kaplan offered that 1940 was a unique time to have built a building; had the community waited a year, they wouldn't have been able to do it. The planners had the courage of their convictions and went forward with the building. It is now up to them to pick up the pieces and rebuild it so the community can accept it again. It is a wonderful project and is the time to do it and he hoped the Board of Selectmen and Budget Committee will give the NLCC committee their blessing on this effort.

Chair Helm thanked the NLCC committee for their presentation. She was glad to have seen the significant amount of data that had been brought forth. She clarified a statement made at the start of the presentation; the \$10,000 that was appropriated at Town Meeting a year ago was given to the school board in return for giving the Town another year to explore more deeply the possibilities of the project. The \$10,000 was not put into escrow; the school board was free to use the money as they felt appropriate.

Mr. Kidder noted that Casey Biuso was not present that evening because she and her kids were sick.

Selectman Bianchi asked if the total cost to renovate (not including operating or yearly expenses) is about 1.4 million dollars. Mr. Eaton said they have three separate budgets and the two they have numbers for total about \$975,000. They don't have a budget for the third phase as they don't know the demands for the upstairs and basement spaces. Mr. Kaplan said they won't go from phase to phase unless they get the necessary amount of money raised. He added that everyone on the board is on board with a pledge. The pledges so far are above \$50,000 and they haven't even gone public yet. He had every confidence that they would be able to move ahead with phase 1 with the support of the Selectmen. They won't do phases beyond this one unless they have the money first.

Selectman Bianchi said if the Town signs a 55 year lease for the building and the roof was supposed to be done in 2-5 years. He thought it was supposed to be part of phase 1. If the roof leaks or something goes wrong with the building, the Town is on the hook to fix it. These costs would be above and beyond the \$75,000 they are being asked to provide on an annual basis. He said until (and if) the big money comes in, the Town is responsible for anything that goes wrong with the building. Without having the capital in hand to deal with things like the roof, mold or anything else they come upon, the Town is responsible. He couldn't, in good conscience, ask taxpayers to assume a large sum of money would be fundraised for in the event something went wrong with the building. He was behind the idea of a community center but didn't see that the dollars were there.

Mr. Kidder said it was a 25 year lease with three ten-year options. He thought they should look at it as an asset and not a liability. The NLCC group has talked about the library situation and is very aware of it. The last thing they want to get the Town into is another similar situation. Selectman Bianchi wondered why they couldn't just have a private group borrow the money and leave the Town out of it. Mr. Kidder said he has always said he wanted it to be a partnership; the Town has to have some investment in it for it to be successful. Mr. Eaton said they would withdraw their request at Town Meeting if they do not have the money for phase 1 by that time. If they don't have the money, they will not ask the Board of Selectmen to go forward with it.

Chair Helm said not everyone has vision; it takes a catalyst like the NLCC committee to jumpstart people and then many more come on board once it is started. She envisioned even more funding possibilities were out there that they hadn't even thought about at this point of time.

Dave Cook said he was a chair of a long-term capital improvements committee in two different towns. He said the cost of phase II was the elephant in the room. He thought they should seriously think about how they would raise that amount of money. The building will be worth three quarters of a million dollars and would not be an expense to the Town, but rather an asset. The single best way to raise money is by the Town borrowing at the low interest rates the Federal Reserve is offering. They won't get the gifts they need unless the Town shows some kind of financial commitment. He felt they should establish ownership of the building and not lease. Only then would donors feel comfortable supporting the effort.

A question was raised concerning whether the center would be taking money away from churches in town who rent out their kitchens for functions. It was pointed out that one church in particular that counts on this money. Ms. Markoff explained that they were very aware of their neighbors and have asked interested parties what spaces they were already using. None of the organizations they spoke with were able to use the churches and weren't currently making use of them. The organizations looking for space are looking for different types of space. One attendee said she was on the fence with this topic. She would like a nice community center but she is retired on a fixed income and taxes keep rising already.

One attendee noted that there should be a discussion of the young folks, observing that on her street they have lots of kids moving in, which she is excited about. She would like to have something there for the new generation and the younger people. Her kids recently moved to town because they like the community. She thought the ownership/leasing issue needed to be addressed.

Rob Prohl asked if phase 1 went through but they didn't have the money or uses for phase II, and they have a 25-year lease and no use for the building, could they go back to the school board and figure out what they could do with it so that it wouldn't sit there empty for 25 years. He didn't see that this would be a situation that would occur.

Mr. Kaplan said the school board wanted to put a private school in the building and the district wouldn't have had to put up any money. If the Town signs a lease for 25 years and have no use for it, they could go back to the school and sublease it to another school or government organization to go in there. He didn't think this would happen. He said the hospital and college are expanding, as is the town. Mr. Kaplan offered that New London had the fourth lowest municipal tax rate in the State and there are 234 entities overall. They pay so much because their values are high. The community center will build community and New London has always loved this kind of thing.

Mr. Kidder said the NLCC committee planned to meet with the Budget Committee at an upcoming meeting. He suggested people look at the information and come to the Budget Committee meeting with specific questions. He said this takes a leap of faith and they have been willing to do this in the past. Mr. Kidder said he was willing to take it this far, although he already pays a lot in taxes. This was something they truly need to do and he asked the Board of Selectmen to come with him.

Ms. Piotrow thought it would be nice to have \$1-3 million dollars in the bank before they started. In her own personal career she was fortunate to work with one of the first venture capitalists in the US. She said none of the companies in the US that have been successful have started out with a couple million dollars, but rather in someone's garage with a good idea, a little money, and support behind them. If they take no risks, they make no gains. Given the caliber of the committee, the information collected, and the needs of the community, she felt the Town should invest in the future of New London together. She felt it was a tremendous opportunity.

Selectman Bianchi said he didn't look at his job as a selectman as being a venture capitalist and risking taxpayer's money. He was concerned with putting the taxpayers on the hook for a lot of money for a long time. Without ownership of the building, it isn't wise from a municipal point of view.

Fred Downey congratulated the group on making a wonderful presentation. He said as a taxpayer he had some insights to offer. Mr. Downey explained that the New Kearsarge Committee Center (NKCC) is an existing group working on developing the 1941 building as a community center, and it plans to come to a meeting of the Selectmen soon to give a presentation. The NKCC also wants to save the school and provide space to people. They want to work with community organizations to address their needs to build community and enrich lives. Programming will focus on wellness, education, recreation and inter-generational relationships. They plan to apply best-practices and use programs that are successful elsewhere. He understood the building was a significant liability. He had some doubts that the school board would approve a lease of only 6,000 square feet. The NKCC would be private so the Town wouldn't be on the hook for any money. Mr. Downey observed that the town has the Outing Club, which is a private organization and which doesn't ask for any money from the Town. They also have organizations like COA, which asks for money from the Town each year. Mr. Downey explained that the United Way, the College, and the hospital are on board with his group. This is another option the Select board could consider and they plan to give their presentation on January 27<sup>th</sup>.

Chair Helm thanked Mr. Downey for his remarks. She noted the NLCC board is scheduled to speak again at the Budget Committee on January 22nd and all were welcome to attend.

#### New Business

Ms. Hallquist noted the receipt of the Annual Monitor's Inspection Report for the Town's conservation properties: Sargent/Pleasant Lake Farm; Kidder/Cleveland Parcel; Spring Ledge Farm and Clough #3. Chair Helm thanked the monitors for doing this work.

#### Old Business

It was noted the receipt of a letter from Andrew and Michael Howard of Big Hilltop, LLC who have decided to terminate discussions with the Town with regards to the possible sale of a Conservation Easement on their land.

#### Town Administrator's Report

Ms. Hallquist noted that last week the Police Chief interviews took place with the citizen's committee. She noted that the process went very well and all committee members were well prepared and asked excellent questions. The Selectmen will review the comments of committee members before deciding who they will interview.

It was noted that a piece of ceiling came down in Whipple Hall. Bill Granger is working to address the problem. Chief Lyon has been notified and asked to inspect the area for safety issues.

Ms. Hallquist asked if the Selectmen intended to reschedule the January Citizens Advisory Committee (CAC) meeting. Two attempts to meet had to be cancelled due to weather issues. The Board noted that the January meeting would not be held, the CAC will meet again on February 1<sup>st</sup>. The Board will come up with a cancellation procedure to share with the group in the event of a cancellation again.

### Committee Meetings

#### *Recreation*

Selectman Kidder said the Recreation Commission voted to expend \$2,000 from the revolving fund for fireworks at the end of Winter Carnival on Saturday, February 1<sup>st</sup> pending approval by Chief Lyon. The display would take place in the field behind the 1941 building and Atlas Fireworks will put on the display. The Recreation Commission has determined that having the revolving fund maintain a balance of \$25,000 - \$30,000 will be their goal. Selectman Kidder said they still need a cushion for when they want to purchase sports tickets, etc. She added that they are still waiting on estimates for replacing docks. Mr. Blewitt informed the Commission that salaries for lakefront staff are over budget but he will not need additional funds because he hasn't spent much on advertising and other things this year. He has the funds in his budget to pay the difference.

Selectman Kidder noted the Recreation van has only about 43,000 miles on it but the body is not in good shape and needs some work. It is too early to say if they would be able to pay for these repairs out of this or next year's budget.

Selectman Kidder said she received an email from Amy Pappaneau from UNH Cooperative Extension who has offered to host a free tree and shrub pruning demonstration in Merrimack County in April. She wondered if there were any Master Gardeners that had an area where a demo could be conducted, or perhaps there is a public area that would be good. Chair Helm suggested checking with Mr. Lee on possible locations. The Selectmen had no problem hosting this kind of thing.

Selectman Bianchi asked if fireworks should come out of the revolving fund. Chair Helm said she had no problem with it. Selectmen Kidder had no problem with it either. Chair Helm said the Recreation Commission is planning an exciting weekend and had no problem with their plans at all. The events will bring people into town and she hoped the weather would cooperate.

### Upcoming Meetings

January 14, 2014 – Planning Board - 7:00 PM

January 22, 2014 – Board of Selectmen - 8:00 AM  
January 22, 2014 - Budget Committee – 7:00 PM

*February Selectmen's Meetings*

February 3, 2014 at 8:00am  
February 10, 2014 at 6:00pm  
February 18, 2014 at 8:00am  
February 24, 2014 at 6:00pm

Other Business

Primary voting, Tuesday, January 21<sup>st</sup>. The Selectmen would be present at the polls as follows:  
Selectman Kidder: 8:00am – 12:00pm  
Selectman Bianchi: 12:00pm - 3:30pm  
Chair Helm: 3:30pm – 7:00pm

**IT WAS MOVED (Peter Bianchi) AND SECONDED (Janet Kidder) to go into non-public session, pursuant to RSA: 91-A:3, II (c). THE MOTION APPROVED UNANIMOUSLY.  
Helm: Yes, Kidder: Yes, Bianchi: Yes**

Application for Building Permit:

- Suzanne Hammond, 100 Hilltop Place (Map/Lot 144-001-100) New master bath and kitchen cabinets, Permit # 14-001 – Approved
- Paul Feinberg, 247 Newport Road (Map/Lot 059-008-000) Demo old tenant space (Nonni's), Permit # 14-002 - Approved

Other Items to be signed:

- Disbursement voucher
- Employee birthday cards

**IT WAS MOVED (Janet Kidder) AND SECONDED (Peter Bianchi) to adjourn the meeting.  
THE MOTION WAS APPROVED UNANIMOUSLY.**

The meeting adjourned at 8:56pm.

Respectfully submitted,

Kristy Heath, Recording Secretary  
Town of New London