

Town of Newfields
First Session of the 2024 Annual Meeting
Deliberative Session Minutes -February 6, 2024

Select Board: Chairman Michael Sununu, Hobart Harmon and Mike Kessler

Moderator: John M. Hayden

Town Clerk: Sue E. McKinnon

Supervisors of the Checklist: Brittney Thompson and Tom Morgan

The Moderator John Hayden called the meeting to order at 7:38pm. There was some concern that the Town Hall would be over capacity which is 169 people. The room was at maximum capacity and the meeting began late due to long lines at check in.

The Moderator called for a pledge of allegiance and introduced the head table. He explained the rules of the meeting. This meeting is considered the first session of the town meeting and warrant articles will be discussed and amendments will be considered and voted on providing the intent of the article is not changed. Voting will take place on March 12, 2024, from 8am-7pm.

Rugg Property Acquisition

Article 1. By Citizens Petition: Shall the Town of Newfields vote to authorize the Board of Selectmen to acquire +/-101 acres of property located off Piscassic Road near Bassett Lane in the Town of Newfields (a portion of Newfields Tax Map 205 Lot 2) for the purposes of expanding the town-owned Inland Acres Town Forest, and preserving open space, trails, public outdoor recreation, drinking water supplies, and wildlife habitat; to raise and appropriate the sum of up to \$3,700,000 for the acquisition (not to exceed fair market value); to be funded by up to \$2.5 million from a Clean Water State Revolving Fund (CWSRF) loan to the Town (with up to 20% or \$500,000 in principal forgiveness and up to 80% or \$2,000,000 to be repaid by the Town) and \$1.2 million or more in other grants or gifts; to authorize the Selectmen to apply for, obtain, accept, and pass through a CWSRF loan and any federal or state grants or private gifts which may be available for said project; and all in collaboration with and facilitated by conservation organizations. This approval will not lapse until the property is acquired or by the end of 2025, whichever is sooner. Not recommended by Select Board 0-3. (Requires 3/5 ballot vote)

Jamie Bell-Couture, the lead petitioner, gave a brief synopsis of the project. The Trust for Public Land (TPL) and Southeast Land Trust (SELT) have been having conversations with the Rugg family about this project for 2 years. They have talked to the Select Board and had a preliminary appraisal completed. The warrant article is to take 101 acres in Newfields (total acreage of project includes 50 acres in Exeter) and put it in conservation and it is a vote to approve the Select Board to apply for a loan to buy the land. The total cost is \$3.7 million and the total amount the Town would be asked to pay is \$2 million. The remainder of the funds would be obtained through grants and fundraising. She introduced the project team, landowner Derek Rugg, Conservation Commission Co-Chair Jeff Couture, Jenny Wilson, Duane Hyde from SELT and Lynnette Batt from TPL. The team is asking those in attendance to vote in support of the warrant article which they will be presenting an amendment to. After receiving input from the bond meeting, Select Board, and their Town Counsel the proposed amendment will provide as much clarity and transparency as possible for moving

forward with conserving the 101 acres here in Newfields from now into the future. There is a lot of value in this land and hopefully the people in the room are here for support. She asked that they vote with her as a supporter.

A motion was made by Jamie Bell and seconded by Jeff Couture to allow two non-residents to speak on behalf of the project: Lynnette Batt from TPL and Vanessa Lazar, spokesperson for Exeter and their 50 acres.

Jamie Bell-Couture gave a brief overview of the four changes with the amendment. “to be funded” will be changed to “shall be funded”. An additional \$100,000 will be added to the loan for a planning fund, which will be 100% forgiven. The amount of the loan will change to \$2.6 million of which \$600,000 will be forgiven and \$2 million will be repaid by the Town. She clarified that the loans and grants would be accepted in accordance with the terms and conditions in which they are provided; interest rates are not negotiated like a bond. The amendment will also clarify the due diligence that will be provided. Jamie read the amendment.

Article 1. By Citizens Petition: Shall the Town of Newfields vote to authorize the Board of Selectmen to acquire +/-101 acres of property located off Piscassic Road near Bassett Lane in the Town of Newfields (a portion of Newfields Tax Map 205 Lot 2) for the purposes of expanding the town-owned Inland Acres Town Forest, and preserving open space, trails, public outdoor recreation, drinking water supplies, and wildlife habitat; to raise and appropriate the sum of up to \$3,700,000 for the acquisition (not to exceed fair market value), which shall be funded by up to \$2.5 million from a Clean Water State Revolving Fund (CWSRF) loan to the Town (with up to 20% or \$500,000 in principal forgiveness and up to 80% or \$2,000,000 to be repaid by the Town) and \$1.2 million or more in other grants or gifts; to raise and appropriate the sum of up to \$100,000 for planning to be funded by a CWSRF loan that will be 100% forgiven; and to apply for, obtain, accept, and pass through a CWSRF loan and any federal or state grants or private gifts which may be available for said project, in accordance with the terms and conditions in which they are received; and all in collaboration with and facilitated by conservation organizations, that will provide copies of the title, boundary, and environmental assessment, and an appraisal that has passed state and federal review, to the Board of Selectmen prior to the Board’s action to accept the property. This approval will not lapse until the property is acquired or by the end of 2025, whichever is sooner. Not recommended by Select Board 0-3. (Requires 3/5 ballot vote)

A motion was made by Jamie Bell-Couture and seconded by Jeff Couture to approve the amendment. All were in favor and the motion carried.

The article as amended was discussed.

Ed Droste asked if the amendments changed the opinion of the Select Board. It did not.

Karen Nieman asked what happens if the loans don’t come through. Lynnette Batt replied that if the loan does not come through the Town is not on the hook for the \$3.7 million, which shall be funded by the different amounts. The Town will not be obligated to move forward with the project if the sources of funding do not come through.

Steve Coes asked about the floor price and a ceiling price in the transaction agreement with Ruggs. Lynnette explained that the floor price is 10% percent below the initial appraised value. The

maximum or ceiling is \$3.7 million. If the appraisal is lower, the landowners are not obligated to sell the property and the Town will not buy it.

Chris Erickson asked to hear from the Exeter representative Vanessa Lazar. Exeter resident Vanessa said the Town of Exeter held their deliberative session this past Saturday and feedback was overwhelmingly supportive to conserve the 50 acres in Exeter. The Exeter Select Board is in unanimous support. She hopes that Newfields will vote in favor of a path to conservation.

Michael Sununu stated he has made it clear that he is concerned about the price of the land and the fact that it did not go through the process that the Town has used in the past to conserve land. He doesn't have a problem with conserving land, he has a problem with how this moved through the process.

Tom Bassett said the yellow book appraisal is federal and the price was not picked out of a hat.

Kristin Droste asked what part of the process is uncomfortable for the Select Board.

Hoby said he fully supports conservation land, but it must work for the Town. We couldn't get an electronic copy of the appraisal and there are multiple issues in the preliminary appraisal that he is concerned with. The significant boundary issue with Exeter is mentioned in the appraisal as a concern. It wasn't until recently that we were informed that it was an all or nothing process. He was under the impression it could be two separate processes. One with Exeter and one with Newfields. The appraisal is problematic when it stated the subdivision was going through the local approval process, local approval process has been initiated and the plan is pending approval and that is simply not the case. Four of the comparisons used for the appraisal were for approved subdivisions and again it says pending approval by the Town. We are saying this is compatible with an approved subdivision. He realizes there will be subsequent appraisals. The market has changed and will change and the changes in interest rates will change. The Board has not seen the purchase and sale agreement. This is a real estate transaction, and he wants to see the numbers and terms and conditions of the sale. He has a fiduciary responsibility to the Town as a Select Board member. He has no objection if the numbers work and are solid. That is the basis of his concerns.

Gayle Davis stated that if a home in Newfields sells for over a million dollars today, how can you say that 101+ acres is not worth \$3.7 million dollars. If the Rugg family wanted to sell they would get a lot more money and it would be a burden on our town resources, fire, police, and school. This property is worth more than \$3.7 million, in her opinion. We can preserve this land for a fraction of the cost of a development.

Mark Whitney asked if the Board investigated the alternative scenario of a development. What work had they done on the financial impact of a development regarding the school, police, fire, etc. This is not just a property acquisition.

Michael Sununu explained that at the bond hearing an extensive review was presented based on census data and home values. They looked at the fiscal impact and costs for the school, and town departments and it is posted online for you to review. It would impact the other homeowners and the Town itself. The substantial impact is based on school spending and our school being underutilized with 120 students, which is why our per child cost is \$23,000 per child. We have so

few students to spread the cost across. There used to be 180 students in the school. The incremental cost of a development is 10-15 percent. Add one student and you aren't adding a new teacher or new building. It is a small incremental cost per student. Not all students would be going to NES. Some would go to CMS or EHS which can easily absorb them at little cost. From a municipal standpoint a development would have a net benefit with substantial tax money for the town.

Fred Rosa stated there have been some great points made. In the larger context the Rugg's can place their land in conservation or sell it to a developer. There are a host of reasons to place the land in conservation; quality of life, ground water, and a motivation to pursue the town forest that has been proposed. A professional appraiser has completed a preliminary appraisal and concluded the land is worth \$3.7 million. It would cost us here in Newfields no more than \$2 million, that will be repaid over 30 years.

Mark Kasper came to the meeting looking at both sides. He understands the due diligence expected by the Board and wanting the details that are not apparent to the rest of the public. It would have created a better venue to make an easier decision if all that information was available.

Mike Mackey said the real cost is 2 million dollars which is \$20,000 per acre. With respect to the fiscal impact there is a different set of data that tells a different picture. The bond hearing presentation indicates a \$300,000 net gain in revenue based on 55 homes with ½ child per home. A small number of children. He asked the Deertrees Homeowners Association how many children had moved into the neighborhood in the last seven years. 14 houses sold with 24 children. Using real world data, the number of children from a new development would be 94 and that number exceeds the capacity of NES. The revenue and cost per student are totally different and has a negative impact of 1 million dollars. The town absolutely knows the fixed cost of a 2 million dollar loan and there is considerable risk with more children coming to town with a development. There are definitely uncertain cost impacts with a development.

Michael Sununu added that the school population still went down with the additional children from Deertrees and it's because there are changing demographics going on in this region and in the state and this town. Putting out big numbers is not grounded because our school population went down as more children came to town. If you look at the cost structure, even with adding a substantial number of students still do not end up with more expense versus the revenue a typical home generates. Additionally, 94 students will range in age and the percentage that will go to NES, even if it is 50%, there is capacity in the school. From a cost standpoint it is not like the situation we faced when the Piscassic Greenway land was going to be developed where we would have faced a \$3-\$4 million dollar expansion on the school and that is not the situation right now.

Mike Mackey added that the community forest is a known cost. There are a lot of debatable factors with development.

Lynnette Batt said there were several public hearings held and all the information has been posted on the town website for the public to view. There is also information on the website www.savefortrocktrails.org.

The initial appraisal was restricted according to Lynnette. The final appraisal will have a full analysis written up and it will then be released to the public. It is a two part appraisal process. The preliminary appraisal was for budgeting and fundraising. The actual purchase price will be based on a full and final appraisal. With a ceiling cap of 5% over the current appraisal. The Town will be named as the intended user, and they can provide any data or information or concerns to the appraiser to consider. The public may also provide questions or concerns. The maximum cost to the town is 2 million dollars and if the appraisal comes in lower it may be less. If more fundraising is obtained it could be less. The TPL serves as an intermediary, and they are entering into an option agreement with the landowner and the terms of the option agreement were released today. As far as the process for due diligence is concerned, TPL is very in tune and risk adverse for tight option agreements. There is a real estate due diligence component also. A title, boundary and environmental assessment will be provided to the town. Final approval will be reviewed by state and federal agencies. In addition, a review will be conducted by a second independent appraiser.

Christine McDade is new to the town and understands that the Select Board does not need to be convinced to support the warrant article. The community just needs to vote in favor of a 60% majority, and it will happen. That is the key element, and she would like to see the project proceed.

Ed Scanlon assumed that every new house lot would be 2 acres and would have to connect to water and sewer and wondered how there could be so many potential lots.

Michael Sununu stated those issues are discussed when going for Planning Board approval. There are many factors that go into a development such as where the roads can go, the limitations of the property regarding setbacks and wetlands. Each lot would have their own well and septic. He mentioned the development on Old Lee Rd. The original plan was for 12 lots and after being reviewed by the Planning Board the owner ended up with only 6 lots. This land did not go through the process for Conservation Subdivision Development.

Patty Brown asked if the final appraisal will be available before or after the vote. Lynnette said it will be after the vote in mid-2024. The final appraisal must be current.

A motion was made by Jeff Couture and seconded by Gayle Davis to move the question as amended. All were in favor and the motion carried.

A motion was made by Jamie Bell-Couture and seconded by Jeff Couture to restrict reconsideration of Warrant Article 1. All were in favor and the motion carried.

Article 1 as amended will be moved to the ballot for a vote.

Operating Budget

Article 2. Shall the Town of Newfields raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$2,092,446 Should this article be defeated, the default budget shall be \$1,972,247 which is the same as last year, with certain adjustments required by previous action of the Town of Newfields or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. Select Board recommends the \$2,092,446 as set forth on said budget 3-0.

Michael Sununu explained that the budget was discussed in detail at the budget hearing. There is a 6.6% percent increase in the current operating budget over last year's 8% increase.

Bobby Kelly asked if the increase in Highway and Streets line included the bond money that was set aside specifically for damages to Old Lee Rd due to the Lila Drive development.

Michael Sununu indicated the \$420,000 is for salt, spring and fall cleanup and paving. The money to repair Old Lee Rd has not been factored into that amount but there is enough money budgeted to complete Old Lee Rd. this year. The road bond money will not be used until the development is completed.

Bobby Kelly said the increase is a large amount of the budget and asked what happens if the money is not spent.

Michael Sununu replied that the unexpended funds go into the undesignated fund balance which may be used to offset and lower the tax rate in the fall.

Article 2 will be moved to the ballot for a vote.

Reinstate Biweekly Curbside Recycling

Article 3. By Citizens Petition: Shall the Town of Newfields vote to raise and appropriate \$15,000 (fifteen thousand dollars) to continue biweekly curbside recycling. Understanding the importance of being fiscally responsible, we support reducing curbside recycling to every other week instead of weekly. This money is to be utilized solely for the purpose of curbside recycling. Not recommended by Select Board 1-2.

Jacqui Silvani said this warrant article will continue curbside recycling in town. The article supports every other week pickup. The service provider ELM is great to work with and available to answer anyone's questions. Hoby recently went on a ride along with him. She would love the Town's support to keep recycling in the budget.

Hoby Harmon said the Board is trying to keep the budget below the 8% from last year and by cutting the recycling pick up in half the budget is down to 6.6%. It will save the town approximately \$20,000 for the year. It will also lower our carbon footprint by having one less truck twice a month. He supports the warrant article. It is a reality that not all plastics are recyclable, except plastics #1 and #2. He supports the idea of going to every other week recycling and his objective is to cut the budget in these hard economic times. He also noted that the recycling days have been added to the town calendar on the website. He suggested getting a larger container for recyclables and noted that the cardboard bin at the town hall will now be picked up three times per week. If you have a question about recycling contact the Town Office.

Jacqui Silvani clarified that the money for every other week recycling is not in the budget. This warrant article is the funds to continue for the remainder of the year, every other week.

Bobby Kelly commented that if this warrant article does not pass there will be no curbside recycling.

Michael Sununu agreed and noted that the town would go back to bringing their recycling to the Newmarket Transfer Station. He has already spoken with Newmarket about the possibility.

Hoby also commented that if the warrant article does not pass there is a concierge service that is available to the town, providing 80% of the residents participate.

Trish Cox said this is a conversation that we have had for years. She wanted to acknowledge the individuals that participated in the Recycling Committee who discovered that 87% of recyclables do get recycled. It is driven by the markets and there is a lower market for glass right now. People in this room and in this town care passionately about recycling. We would be spending \$20,000 by having to go to Newmarket to recycle, more than this warrant article. She also thanked the Town for getting the recycle days posted.

Hallie Stanisewski asked if the town pays for recycling by the ton.

Michael Sununu explained that there is a collection fee and tipping fee based on tonnage. The collection fee is the fee for trucking and the tipping fee is the fee for dumping at the landfill. Solid waste/trash is \$220.00 per ton. Recycling is \$520.00 per ton. At the budget hearing on January 9, 2024, the total tonnage and quoted costs of collection were discussed. The tipping fees have increased a few dollars.

Hoby Harmon said we have a contract with ELM for 3 years which is a substantial cost savings from using Casella or Waste Management.

Bob Begiebing commented that with roughly 600 households it costs only \$30.00 per year with every other week recycling. Hoby Harmon agreed and said it was a win, win.

Jacqui Silvani noted that if the town votes this down the contract for recycling would have to go out to bid to have it reinstated which may be more costly.

Greg Corson suggested educating the resident on recycling to lower the tipping fees and unnecessary recycling.

Article 3 will be moved to the ballot for a vote.

Later in the meeting a motion was made by Jacqui Silvani and was seconded to restrict reconsideration of Article 3. All were in favor and the motion carried.

Study of Rugg Property Acquisition

Article 4. By Citizens Petition: To see if the voters of Newfields, NH support the future purchase of approximately 101 +/- acres of land (Rugg property) located off Piscassic Road near Bassett Lane (a portion of Newfields Tax Map 205, Lot 2) for the purpose of expanding the Town owned "Inland Acres Town Forest". The approximate cost of acquisition to the Town of Newfields is \$3,700,000 less any grant(s) to include a long-term interest-bearing bond that may be floated by the Town of Newfields. To request that the Select Board review the project, including evaluation of funding options (bonds and grants), the ramifications of Exeter failing to purchase what would then become a landlocked 47 acres +/- plot that is surrounded by Newfields and Exeter conserved forest thus resulting in a de-facto expansion of the Exeter Town Forest at "no cost" to Exeter. The Select Board will also determine the divisibility (or lack thereof) of the entire parcel and said impact on the viability of the project. All other considerations shall be considered. The Board shall report to the Town its findings as to purchase considerations. Recommended by Select Board 2-0, 1-Abstention.

Derek Rugg indicated that his family was never contacted or asked about Article 4, and they do not support it. In his opinion, it is a political back play to create some confusion. If you vote yes on Article 4 you are voting no on Article 1.

Tom Bassett made a motion to remove the question from the ballot. John Hayden said it is not allowed by law.

Jeff Couture asked for the Select Board to comment and asked if they would reconsider their vote to support Article 4.

Hoby Harmon said a vote for Article 4 would parallel with what Exeter is doing. Hoby wanted to follow along the same path as Exeter. Some things have changed because of information not known previously. He did not know at the beginning as to the terms and conditions of the sale and he did not know that it was a package deal with Exeter and the project couldn't move along with just Newfields. Hoby did not change his vote.

Mike Kessler said at the time this was presented to us there wasn't a lot of information on both sides of the issue regarding the sale of the land and the impact to the town. At that time there seemed to be a lot of unknowns and this was an option. Mike Kessler did not change his vote.

Lynnette spoke and said the idea of a willing seller is critical from any conservation organization perspective. There was zero coordination with the landowner on the article and it's concerning that it is being supported. It makes no sense to put forward a warrant article that the landowner does not support. A vote in favor of Article 4 will stop the project.

Jamie Bell-Couture stated that the project team does not support Article 4 and tonight we have learned we cannot eliminate it from the ballot. A motion was made by Jamie and seconded by Jeff Couture to amend Article 4 for clarity. The following statement would be added at the end of the warrant article:

For clarity, the landowner was not consulted on and does not support this warrant article. If it passes and Warrant Article 4 is interpreted to supersede Article 1, the landowner will not continue with the sale to the town.

Michael Sununu indicated that in his opinion, the amendment does not change the intent of the article.

Greg Corson asked Hoby Harmon if he was presenting the citizen's petition since he was familiar with why it was presented. Hoby indicated it was not him.

Kevin Ray asked who submitted the citizen's petition. John Hayden explained that it is not clear who put forth the petitioned article and the proper process was followed for submitting it.

Fred Rosa made a few clarifying comments. This warrant article is here because those that proposed it met the criteria and by law it will be on the ballot. John Hayden agreed.

Additionally, Fred Rosa said we need to communicate clearly regardless of the motivation of those who put it forward. We are in a now or never situation and we must vote yes on Article 1 and no on Article 4.

Julie Johnston said it has already been made clear that if Exeter does not pass a warrant article in support, then Newfields is not obligated to move forward. The warrant article calls for reviewing and evaluation and that is what has been done.

The amendment was voted on passed.

The Board voted unanimously to abstain for voting for or against the warrant article.

Article 4 as amended will be moved to the ballot for a vote.

A motion was made by Jeff Couture and seconded by Jamie Bell-Couture to restrict reconsideration of Article 4. All were in favor and the motion carried.

Future Purchase of Fire Truck Capital Reserve

Article 5. Shall the Town of Newfields raise and appropriate the sum of \$50,000 to be added to the Fire Truck Capital Reserve Fund previously established, for the future purchase of a new fire truck. Recommended by Select Board 3-0. (Majority vote required)

Jeff Buxton explained that this has been a warrant article since he became Fire Chief. The balance in the account is \$468,000.

Article 5 will be moved to the ballot for a vote.

Fire Department Equipment Capital Reserve

Article 6. Shall the Town of Newfields raise and appropriate the sum of \$2,000 to be added to the Fire Department Equipment Capital Reserve Fund, previously established? Recommended by Select Board 3-0. (Majority vote required)

Jeff Buxton indicated that this money will be used for large purchases of equipment ranging from \$60,000-\$70,000 such as the Jaws of Life and Air Pack's. This fund was started about 10 years ago and has a balance of \$9,000. Putting money aside each year keeps the budget level.

Article 6 will be moved to the ballot for a vote.

Non-Lapsing Fire Truck Payment

Article 7. Shall the Town of Newfields raise and appropriate the sum of \$200,000 for the purpose of providing the funds for the final payment for a new fire truck to be funded by \$200,000 from the December 31, 2023 fund balance. This appropriation will have no impact on property taxes. This scheduled Warrant Article will be a non-lapsing appropriation per RSA 32.7 section VI. It will not lapse until the fire truck purchase is completed or by December 31, 2027, whichever is sooner. Recommended by Select Board 3-0. (Majority vote required)

Jeff Buxton stated this money is for the final payment on the new fire truck. He has already selected the manufacturer and selected the truck options. It is taking 825 days from the contract signing date to receive the new truck. We are behind in putting aside money in the capital reserve and it is expected that for the next two years warrant article amounts will be \$60,000.

Hoby commented that Jeff Buxton has done a great job selecting the new fire truck. There will be no tax impact to this warrant article, and we will be replacing 2 old trucks. The new truck will fit in the fire station. This article locks in the truck purchase and it will be designed for Newfields. Placing

the \$200,000 in a non-lapsing escrow allows us to have the funds readily available when the truck is ready, and it precludes us from having to pay interest.

Article 7 will be moved to the ballot for a vote.

175th Town Celebration

Article 8. Shall the Town of Newfields raise and appropriate the sum of \$5,000 for the 175th Town Celebration festivities? Recommended by Select Board 3-0. (Majority vote required)

Mike Kessler commented that we have been putting money away for the past two years for this multi-day celebration. Information is available on the website at www.newfieldsnh175.com. We are planning on having fireworks on the final day.

Phyllis Mackey asked where the money had come from for the purchase of fireworks.

Michael Sununu indicated that there is an expendable trust fund that the celebration committee may spend money from. They also have their own budget. The balance of the money set aside is \$10,000.

Article 8 will be moved to the ballot for a vote.

The meeting adjourned at 9:43pm.

DRAFT

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