

Wolfeboro Board of Selectmen
Public Meeting Minutes-Unapproved
June 21, 2017

Members present: Chairman Luke Freudenberg, Linda Murray, Brad Harriman and Dave Senecal

Members absent: Dave Bowers

Staff present: Town Manager David W. Owen, Police Chief Dean Rondeau, Fire Chief James Pineo, Finance Director Pete Chamberlin and Recording Secretary Michele Chamberlain

Chairman Freudenberg opened the meeting at 6:30 PM.

Non-Public Session RSA 91-A:3, II

Mr. Owen stated a non-public session is needed to discuss litigation.

Consideration of Minutes

Chairman Freudenberg asked for approval from the Board of the June 7, 2017 Regular Meeting Minutes.

It was moved by Linda Murray and seconded by Dave Senecal to accept the minutes of June 7, 2017 with an amendment to page 6. Members voted and being none opposed, the motion passed.

Public Hearings

A. Temporary Outdoor Event Permits

- i. Wolfeboro Fire/Rescue and Wolfeboro Police Department to hold an Open House event on July 1, 2017 from 12:00 Noon—2:00 PM at the Public Safety Building.

Chairman Freudenberg opened the public hearing.

James Pineo, Fire Chief, addressed the Board. Chief Pineo stated he was representing the Fire Department and the Police Department and was asking for the Board's consent to hold their 2nd annual Public Safety Open House. He stated it was a tremendous success last year and it gives the Community a chance to see what the Fire Department and Police Department do on a daily basis. The event will run for approximately two hours and it will be similar to last year.

Chairman Freudenberg closed the public hearing.

It was moved by Dave Senecal and seconded by Brad Harriman to approve the issuance of a Temporary Outdoor Event Permit to the Wolfeboro Fire/Rescue and Wolfeboro Police Department to hold an Open House event on July 1, 2017 from 12:00 Noon—2:00 PM at the Public Safety Building. Members voted and being none opposed, the motion passed.

Bulk Vote

A. Weekly Manifests

June 16, 2017

June 23, 2017

B. Property Tax Abatements/Refunds

Approvals:

- | | | |
|------|-----------------------------|---------------------|
| i. | Abatement/Refund #34(2016) | Tax Map 49, Lot 6 |
| ii. | Abatement/Refund #124(2015) | Tax Map 215, Lot 46 |
| iii. | Abatement/Refund #18(2016) | Tax Map 215, Lot 46 |
| iv. | Abatement/Refund #124(2015) | Tax Map 215, Lot 52 |
| v. | Abatement/Refund #18(2016) | Tax Map 215, Lot 52 |
| vi. | Abatement/Refund #124(2015) | Tax Map 215, Lot 53 |
| vii. | Abatement/Refund #18(2016) | Tax Map 215, Lot 53 |

C. Notice of Intent to Cut Wood or Timber

- | | | |
|-----|------------------------------|--|
| i. | Tibbets Road & Center Street | Tax Maps 55, Lot 2
Tax Map 101, Lot 1
Tax Map 116, Lot 21
Tax Map 84, Lot 2 |
| ii. | Northline Road | Tax Map 52, Lot 1 |

D. Yield Tax Levy Warrant-\$557.70

E. Acceptance of Donation of \$1,000 from a generous benefactor for Summer Day Camp Participants

It was moved by Dave Senecal and seconded by Linda Murray to approve the items listed on the agenda in the Bulk Vote in A through E above. Members voted and being none opposed, the motion passed.

Appointments

i. Transportation Advisory Committee at LRPC

Chairman Freudenberg stated Dave Ford's appointment to the Transportation Advisory Committee at the Lakes Planning Commission expired last October and it needs to be renewed.

It was moved by Brad Harriman and seconded by Dave Senecal to appoint DPW Director Dave Ford to the Transportation Advisory Committee at the Lakes Planning Commission for a term to expire October 5, 2018. Members voted and being none opposed, the motion passed.

New Business

A. Monthly Budget Expenditures and Revenues Report

Pete Chamberlin, Finance Director, addressed the Board. He stated at this particular month we should be at 41.65 % at expended-to-date. He stated currently at the end of May the General Fund was at 38%, the Water Fund was at 38%, the Electric Fund was at 36%, the Sewer Fund was at 53%, the Pop Whalen Fund was at 41% and the overall expended-to-date was at 38%.

Dave Senecal stated the revenues at 42% look very good.

B. 2017 Bond Issue

Pete Chamberlin, Finance Director, addressed the Board. He stated the Town received 2.6% for the bond we sold this year. We received \$60,250 in premiums so all we have to pay back out of the \$550,000 is \$489,750.

It was moved by Linda Murray and seconded by Dave Senecal to approve and sign the \$489,750 General Obligation Bond and the certificate for the bond issuance as follows:

MOTION

I move that the Board of Selectmen vote to approve and sign the original of the General Obligation Bond and Tax Certificate for the bond issue as follows:

Certificate regarding a \$ 550,000 General Obligation Bond ("Governing Body") of the Municipality, of which there are five (5), hereby execute this Certificate in our official capacities for the purpose of certifying and representing, with respect to the Bond, and with the understanding that the New Hampshire Municipal Bond Bank ("Purchaser") is relying upon this Certificate in purchasing the Bond, that to the best of our knowledge and belief we have performed and complied with, and to the best of our knowledge and ability, and with advice from the Municipality's legal counsel, will continue to perform and comply with, all state and federal legal requirements pertaining to the Bond, and state more specifically as set forth in this Certificate.

This Certificate is made for the purpose of representing facts and establishing the reasonable expectations of the Municipality as to the amount and use of the proceeds of the Bond. It is intended and may be relied upon as a certification described in Section 1.148-2(b)(2) of the Treasury Regulations (the "Regulations") under Section 103(a) and related provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and is being executed and delivered as part of the record of proceedings in connection with the issuance of the Bond.

This Certificate sets forth the facts, estimates and circumstances now in existence which are the basis for the Municipality's expectation that the proceeds of the Bond will not be used in a manner that would cause the Bond to be an arbitrage bond under the Code. To the best of our knowledge and belief, such expectation is reasonable and there are no other facts, estimates or circumstances that would materially change that expectation.

I. Proceedings Authorizing the Issuance, Execution and Delivery of the Bond

- A. The Municipality has authorized (i) the issuance and execution of the Bond in the principal amount of Five Hundred and Fifty Thousand Dollars (\$550,000) and (ii) the delivery of the Bond to or for the benefit of the Purchaser on July 13, 2017 (the "Delivery Date"). The principal and interest payment dates of and rates of interest on the Bond are as shown and more fully described in the Bond and are the terms of the Bond based upon the loan made by the Purchaser from the proceeds of the Purchaser's 2017 Series B Bonds dated and delivered on July 13, 2017 (the "Purchaser's Bonds") to the Municipality.
- B. The issuance of the Bond was approved by the voters at the Annual Meeting of Issuer held on March 8, 2016 ("2016 Annual Meeting") in accordance with the authority granted by Sections 8 and 8-a of the New Hampshire Municipal Finance Act (RSA Chapter 33). The issuance of the Bond complies with all applicable provisions of New Hampshire law, including without limitation RSA Chapter 33, and in particular Sections 33:8 and 8-a, of said Chapter 33, and the Municipality's 1770 charter.

C. The votes, resolutions and other actions with respect to the authorization, issuance, execution or delivery of the Bond which were taken during the 2016 Annual Meeting, the May 17, 2017 meeting of the Governing Body of the Municipality and any other meeting of the people or the Governing Body of the Municipality (the "Proceedings") were conducted in accordance with the Right-to-Know Law, RSA Chapter 91-A, and any standing rules of the Municipality.

D. None of the Proceedings has been repealed, rescinded, or amended. E.

No other debt has been incurred pursuant to the Proceedings.

II. Incumbency; Execution and Delivery of Bond

A. We, the undersigned, are the duly chosen, qualified, and acting officers of the Governing Body in the capacity set forth below.

B. There was no vacancy in any of the offices of the Governing Body at the time the Proceedings took place.

C. None of the undersigned nor, to the best of our knowledge, any other officer of the Issuer who has responsibility for issuing the Bond has any interest in or with the Purchaser.

D. As Governing Body members and Treasurer, we have signed the Bond (or had a facsimile thereof printed thereon).

E. The Bond bears the seal of the Municipality (or facsimile thereof) which is also affixed hereto.

F. The undersigned Treasurer certifies that the Bond was delivered to or for the benefit of the Purchaser on the Delivery Date and that the full purchase price thereof, equal to the \$489,750 par amount of the Bond plus the premium on the Bond of \$60,250 was paid by the Purchaser on the Delivery Date.

III. No Litigation

There has been no litigation or other proceedings affecting the validity or issuance of the Bond or the power to have taxes levied and collected to pay the same; none is pending nor, to the best of our knowledge, threatened; and neither the corporate existence or boundaries of the Municipality, nor the title of any of the undersigned to our respective offices, is being contested.

IV. Use of Bond Proceeds

Proceeds of the Bond, in the amount of \$550,000, will be utilized by the Municipality for the purpose of the design and reconstruction of the Whitten Neck Road waterline improvements (hereinafter referred to as the "Project"); \$7,000 paid to the Purchaser on the Delivery Date for a portion of the Purchaser's costs of issuance of the Purchaser's

Bonds, a portion of the proceeds of which were used to purchase the Bond; and \$2,500 to pay a portion of the Municipality's costs of issuance of the Bond.

V. Amount of Bond/Debt Limit

The issuance of the Bond will not cause the Municipality to exceed the debt limit applicable to the Municipality.

VI. Disclosure of Information to Purchaser of Bond

The Municipality has afforded the Purchaser with access to all information about the Municipality and its finances that would be necessary to enable the Purchaser to make an informed investment decision. At the time such information was furnished, it was true and complete in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. There has been no material adverse change in the condition of the Municipality since the date such information was furnished to the Purchaser.

VII. Arbitrage and Other Tax Matters

A. No Arbitrage

1. The proceeds of the Bond, including the premium of \$60,250 thereon, are being used as provided in Section IV above.
2. The Bond is a general obligation of the Municipality payable from (a) any and all revenue raised from tax levies made by the Municipality (excluding revenues, if any, from any tax increment financing district created by the Municipality), (b) any and all revenue received by the Municipality from the State of New Hampshire, (c) all grants or subsidies not contrary to VII(F) hereof received by the Municipality from the United States Government or any agency or subdivision thereof, and (d) any and all unrestricted revenues received from any other source, not contrary to VII(B) hereof, which in each case may lawfully be used to pay the interest on and the installments of principal of the Bond.
3. Expenditure Test. At least eighty-five percent (85%) of the "net sale proceeds" of the Bond will be expended for the Project within three (3) years after the Delivery Date (here July 13, 2020). For purposes of this Certificate, the "net sale proceeds" of the Bond constitute the original proceeds secured upon sale of the Bond reduced by (a) the sale proceeds invested in a reasonably required reserve or replacement fund (here: \$0); and (b) the lesser of \$100,000 or 5% of Bond proceeds (here: \$27,500).
4. Time Test. The Municipality has entered into (or, within six (6) months after the Delivery Date, will enter into) a binding commitment for the acquisition, construction or accomplishment of the Project, and the amount of such commitment(s) with respect to the Project exceeds (or will

exceed) \$27,500, which is an amount equal to five percent (5%) of the proceeds of the Bond.

5. Due Diligence Test. Work on the Project has commenced (or will commence immediately) and it is expected that work on the Project and expenditure of the proceeds of the Bonds will proceed with due diligence until completion of the Project.
6. The Municipality has not created or established, nor does it intend to create or establish, any debt retirement fund, sinking fund, or similar fund for the payment of debt service on the Bond or which may be pledged as security for the Bond.
7. The Bond will not be outstanding for a period of time longer than that for which the proceeds thereof are reasonably needed by the Municipality.
8. In the unexpected event that proceeds of the Bond remain unexpended after the earlier of the date the Project is complete and July 13, 2020, the Municipality will invest such unexpended amounts in obligations of a state or of any political subdivision thereof, the interest on which is excluded from gross income for purposes of federal income taxation pursuant to Section 103 of the Code and which is not a preference item for purposes of the alternative minimum tax imposed by Section 55 of the Code or invest such amounts in obligations having a yield that is not more than the yield on the Bond which, the Purchaser has advised the Municipality, is 2.6058% (the "Bond Yield"). The Municipality may comply with the yield restriction requirement described in this paragraph by making yield reduction payments in accordance with Section 1.148-5(c) of the Regulations.
9. The funds used to pay principal of and interest on the Bond, whether or not deposited into a debt service fund, will be expended within 13 months after the date of deposit in such fund, or the date of their accumulation, on the payment of debt service on the Bond. Any amounts received from the investment of such deposit or accumulation will be expended within one year after receipt. The debt service fund, if any, will be used to achieve a proper matching of revenues and debt service and will be depleted at least annually except for a reasonable carryover amount not to exceed the greater of the earnings on the fund for the immediately preceding bond year or 1/12 of the debt service on the Bond for the immediately preceding bond year.

B No Private Activity; Limitation on Private Use

1. The Project is and will be owned by the Municipality and will not be leased to any person which is not a state or local government unit. The Municipality will not authorize or permit "private business use" of the Project. For purposes of this Certificate, "private business use" arises from agreements, contracts and other arrangements with persons who are

not state or local governments pursuant to which such persons have a right to use or to make use of the Project on a basis not available to members of the general public and includes without limitation use (a) by a person as (i) an owner, (ii) a lessee, (iii) a purchaser of the output of facilities under a "take and pay" or "take or pay" contract, (iv) a purchaser, sponsor or licensee of research and (v) a manager or independent contractor under certain management or professional service contracts, (b) pursuant to an arrangement that conveys (i) special legal entitlements (e.g., an arrangement that conveys priority rights to the use or capacity of the financed property) for beneficial use of the property financed with proceeds of tax exempt debt or (ii) other special economic benefits, including the naming of all or a portion of the Project, (c) use by the United States government and its agencies and instrumentalities and (d) use by nonprofit corporations. Except for contracts, agreements and arrangements approved in writing by bond counsel to the Municipality, the Municipality will not enter into any contracts, agreements and arrangements that could constitute private business use.

2. Payment of principal of and interest on the Bond will not be derived from, or secured by, property utilized or to be utilized for a private business use.
3. None of the proceeds of the Bond, including the premium thereon, will be used to make or finance any loan to any person which is not a state or local government unit.
4. It is not expected that the Project will be sold or otherwise disposed of in whole or in part prior to the final maturity date of the Bond.

C. \$5 Million Exception from Rebate Requirement (Code §148(f)(4)(D))

If the Municipality is to receive the net proceeds of the Bond but does not intend to immediately use them for the purposes of the loan and intends instead to invest said proceeds during the period prior to use, then the Municipality makes the following certifications, in addition to those set forth elsewhere in this Certificate:

1. Ninety-five percent (95%) or more of the net proceeds of the Bond are expected to be used for local governmental activities of the Municipality (or of a governmental unit, if any, the jurisdiction of which is entirely under the jurisdiction of the Municipality).
2. The aggregate face amount of tax-exempt debt (other than private activity bonds which are bonds which do not satisfy the requirements VII(B) hereof) issued or to be issued by the Municipality (and all subordinate entities thereof) during the 2017 calendar year is not reasonably expected to exceed Five Million Dollars (\$5,000,000).
4. The Bond is not being issued, in whole or in part, to refund other bonds heretofore issued by the Municipality.

The Municipality has not entered into and will not enter into any transaction to reduce the yield on the investment of the proceeds of the Bond in such a manner that the amount, if any, to be rebated to the Federal government is less than it would have been had the transaction been at arm's length and the yield on the issue not been relevant to either party.

D. Reimbursement

The Municipality expects to use Bond proceeds in the amount of \$550,000 to reimburse the Municipality for costs paid prior to the Delivery Date for the portion of the Project authorized at the 2016 Annual Meeting. To the extent any amount of the proceeds of the Bond is applied to reimburse the Municipality for Project costs paid prior to the Delivery Date, such costs were:

1. not in excess of the lesser of \$100,000 or five percent (5%) of the proceeds of the Bond;
2. paid with respect to certain "preliminary expenses", i.e., architectural, engineering, surveying, soil testing, bond issuance and similar costs, other than land acquisition, site preparation and similar costs incident to the commencement of construction, provided, however, such amounts do not exceed twenty percent (20%) of the proceeds of the Bond; or
3. paid not more than sixty (60) days prior to the date of the 2016 Annual Meeting.

E. Reserved

F. Federal Guarantee Certifications

1. Except as specifically set forth in Paragraph 2 below or otherwise permitted under Section 149(b) of the Code, (a) the payment of the principal or interest on the Bond is not directly or indirectly guaranteed (in whole or in part) by the United States or an agency or instrumentality thereof; and (b) no portion of the proceeds of the Bond shall be (i) used in making loans the payment of principal or interest with respect to which are to be guaranteed (in whole or in part) by the United States or any agency or instrumentality thereof, or (ii) invested (directly or indirectly) in federally insured deposits or accounts (being any deposit or account in a financial institution to the extent insured under the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration, or any similar federally-chartered corporation).
2. As allowed by Section 149(b)(3) of the Code, the certifications set forth in Paragraph 1 shall not apply to (a) proceeds of the Bond invested for an initial temporary period of time until such proceeds are needed for the purposes of the issue; (b) investments in bonds issued by the United States Treasury; or (c) investments in obligations issued pursuant to Section

21B(d)(3) of the Federal Home Loan Bank Act, as amended by Section 511(a) of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, or any successor provision to Section 21B(d)(3) of the Federal Home Loan Bank Act as so amended. An obligation shall not be treated as federally guaranteed by reason of any guarantee by the Federal Housing Administration, the Veterans' Administration, the Federal National Mortgage Administration, the Federal Home Loan Mortgage Corporation, or the Government National Mortgage Association, or grants of the Environmental Protection Agency.

G. Other Covenants and Representations of the Municipality

1. (a) The Municipality shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure (i) that interest paid by the Municipality on the Bond will be excluded from the gross income of the holder thereof for the purposes of federal income taxation; and (ii) that the Bond will not become a private activity bond under Section 141 of the Code and (b) the Municipality shall refrain from taking or performing any action which would be contrary to the preceding clause (a).
2. On May 16, 2012, the Governing Body of the Municipality approved written procedures to assure that (a) all nonqualified bonds of an issue of tax exempt bonds of the Municipality are remediated in accordance with the Code and the Regulations and (b) compliance with the requirements of section 14 of Code is monitored.
3. The Purchaser has advised the Municipality that the weighted average maturity of the Bond is 10.1889 years. The Municipality hereby represents that such weighted average maturity of the Bond will not exceed the average economic life of the facilities financed with the proceeds of the Bond, if at all, by more than twenty percent (20%).
4. With respect to any amounts received from the condemnation, insurance, or disposition of any part of the Project or any other amounts set aside by the Municipality, which are pledged to or expected to be used for the payment of debt service on the Bond, the Municipality will invest such amounts in obligations of a state or of any political subdivision thereof, the interest on which is excluded from gross income for purposes of federal income taxation pursuant to Section 103 of the Code and which is not a preference item for purposes of the alternative minimum tax imposed by Section 55 of the Code or invest such amounts in market rate obligations having a yield that is not more than the Bond Yield. The Municipality may comply with the yield requirement described above by making yield reduction payments in accordance with the provisions of Section 1.148-5(c) of the Regulations. For purposes of this Certificate, yield means that percentage rate which when used in computing the present value of all payments of principal of, and interest on, the issue

produces an amount equal to the issue price thereof, as defined in Sections 1273 and 1274 of the Code.

5. The total proceeds of the sale of all obligations issued to date for the Project do not exceed the total cost of the Project.
6. The Municipality reasonably expects as of the Delivery Date that (a) at least eighty-five percent (85%) of the proceeds of the Bond will be used to carry out the governmental purposes of the issue within three years after the Delivery Date and (b) not more than fifty percent (50%) of the proceeds of the Bond will be invested in investment properly which (i) will be acquired with the amounts received as a result of investing original proceeds of the Bond and (ii) will have a substantially guaranteed yield of four years or more.
7. No other governmental obligations have been sold less than fifteen (15) days prior to, or will be sold less than fifteen (15) days after, the sale date of the Bond, pursuant to a common plan of financing which will be paid out of (or have substantially the same claim to be paid out of) substantially the same source of funds as the Bond.
8. The Municipality covenants to maintain all records relating to the requirements of the Code and the representations, certifications and covenants set forth in this Certificate until the date six years after the date on which the Bond is retired. If any portion of the Bond is refunded by tax-exempt obligations (the "Refunding Obligations"), the Municipality covenants to maintain all records required to be retained by this section until the later of the date six years after the date on which the Bond is retired or the date three years after the date on which the last of the Refunding Obligations is retired. The records that must be retained include, but are not limited to:
 - (a) Basic records and documents relating to the Bond (including the Loan Agreement dated June 6, 2017 between the Purchaser and the Municipality, this Certificate and any opinion of bond counsel to the Municipality with respect to the Bond or the use of the Project);
 - (b) Documentation evidencing the expenditure of the Bond proceeds;
 - (c) Documentation evidencing the use of the Project by public and private sources (including without limitation copies of any management contract, any research agreements, any lease and any other document whether or not evidencing private business use of the Project);
 - (d) Documentation evidencing all sources of payment or security for the Bond; and

(e) Documentation pertaining to any investment of the Bond proceeds (including the purchase and sale of securities, any subscription for U.S. Treasury State and Local Government Series ("SLGS") securities, yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts, and rebate calculations).

9. On the basis of the representations and covenants set forth in this Certificate, it is not expected that the proceeds of the sale of the Bond will be used in a manner that would cause the Bond to be an "arbitrage bond" or a "private activity bond" under Section 148 or 141, respectively, of the Code and the Regulations.

H. IRS Form 8038-G

1. The Municipality has reviewed the U.S. Internal Revenue Service Form 8038-G, "Information Return for Tax-Exempt Governmental Obligations," prepared and to be filed in connection with the issuance of the Bond and all of the information contained therein is, to the best of the Municipality's knowledge, true and correct.
2. Without limiting in any manner the scope or generality of the foregoing, the Municipality covenants (a) that it will complete, sign, and file Form 8038-G, "Information Return for Tax Exempt Governmental Bond Issues," on or before the fifteenth (15th) day of the second (2nd) calendar month after the close of the calendar quarter within which the Bond is issued (Code § 149 (e)); and (b) that it will not invest the proceeds of the Bond in such manner as to render the same an arbitrage bond under the Code (Code § 148(c)).

Members voted and being none opposed, the motion passed.

C. Application for Commercial Vessel Landing Permit

Chairman Freudenberg asked if anyone was here to discuss this item on the agenda and no one responded.

Chairman Freudenberg stated Dive Winnepesaukee has made an application for a permit for the mailboat that they operate from the Town Docks.

Linda Murray stated no one is here but they have already paid the Town in full. She stated we obviously want to grant this so the mail will go out.

It was moved by Brad Harriman and seconded by Linda Murray to approve the issuance of a Commercial Vessel Landing Permit to the Dive Winnepesaukee Corp. for the operation of its mailboat from the Town Docks. Members voted and being none opposed, the motion passed.

D. Revised License Agreement with Wolfeboro Area Farmers Market

Dave Owen stated at the Board's last meeting, it was decided that the License Agreement with the Wolfeboro Area Farmers Market for the use of Clark Park needed to be amended to allow Wolfeboro farmers to sell their produce at the farmers market. The License Agreement has now been amended in that regard, and the Wolfeboro Area Farmers Market organization has agreed to that amendment and its president has signed the amended license agreement. It now awaits the Board of Selectmen's approval and signature.

Linda Murray stated it was a great addition.

It was moved by Chairman Freudenberg and seconded by Brad Harriman to approve and sign the revised License Agreement with the Wolfeboro Area Farmers Market, which provides that all Wolfeboro famers desiring to participate in the Wolfeboro Area Farmers Market shall be allowed to do so, regardless of whether their produce is duplicative of other vendors. Members voted and being none opposed, the motion passed.

Linda Murray asked Mr. Owen to make sure it gets to the Wolfeboro Historical Society so we can get it signed this time.

Mr. Owen stated he would indeed get them to sign it.

E. Town Investment Policy

John Burt, Treasurer, addressed the Board. He stated he did not make a lot of changes except for the dates this year since he had done a lot of work last year. Last year we

were getting a .2% return from TD Bank and this year he changed it and put it in Meredith Village Savings Bank and we are getting a .5% return. He stated we now have our money with TD Bank, Meredith Village Savings Bank and Citizen's Bank.

It was moved by Linda Murray and seconded by Dave Senecal to approve and sign the Investment Policy 2017 for the Town of Wolfeboro, NH. Members voted and being none opposed, the motion passed.

A. Use of Sludge Building Insurance Settlement

Dave Ford was not present to discuss.

Mr. Owen stated as you many know, a small building collapsed at the Waste Water Treatment Plant last winter, for which the Town will be receiving an insurance settlement of about \$50,000 from Primex. Mr. Ford was going to discuss with the Board his plans for using those insurance settlement proceeds, not to build another building, but rather to do other improvements at the Waste Water Treatment Plant. Mr. Owen stated Mr. Ford stated the building is no longer necessary because the plant is not emitting odors like it used to.

Linda Murray stated her understanding was the Town was going to be getting a \$56,442.59 settlement because the project will be over the original cost of \$50,000 and it had been approved by Primex.

Pete Chamberlin stated he talked to Primex and that was correct. He stated the rule is if you spend over the \$50,654.87 then Primex will give you the maximum value minus the \$1,000.00 deductible.

The Board agreed with Mr. Ford's suggestion.

Chairman Freudenberg stated no motion is needed.

B. Energy Committee Name Change

Mr. Owen stated when the Energy Committee was first established, it was formally named the Energy Conservation Committee. As the Committee's focus and activities have become much more widespread than just energy conservation, such as its recent Solarize Wolfeboro initiative, the Committee has now requested that its name be formally changed to just the Wolfeboro Energy Committee.

It was moved by Brad Harriman and seconded by Linda Murray to approve changing the name of the Town Energy Conservation Committee to the Wolfeboro Energy Committee. Members voted and being none opposed, the motion passed.

Old Business

Linda Murray stated she wanted to update everyone about the milfoil harvesting. They worked four days; June 13, 14, 15 and 19 in Back Bay and will be finishing up tomorrow, June 22. They will come back in July after we have checked how much re-growth we have had.

Other Business

Mr. Owen stated Chief Rondeau would give an update on the enforcement action that took place last Friday.

Chief Dean Rondeau addressed the Board. He stated he wanted to update everyone about the operation that happened on June 16th. This case opened on May 8th when we determined that there was an animal cruelty case. Chief Rondeau stated there are other law violations, state violations, and administrative violations but right now we are concentrating on the animal cruelty piece. There might be other violations filed in the future after evidence is gathered. There were two whistle blowers that worked inside the operation that were able to give us information and photographs. The two people were working independently of each other so we were able to use these sources of information to gather our information. Chief Rondeau would like to thank Bobbie Boudman for her help. Chief Rondeau stated the police department has to obey all the state and federal laws and they need to allow everyone their fourth amendment. He stated the judges in the federal and district courts do a good job holding us accountable to these constitutional requirements and they let us know if we exceed our authority. Therefore, we need to be careful of what we do and how we do it. Chief Rondeau stressed that the police department can only go so far and we can only make certain observations relative to what is going on in a residence or what an individual is doing. He stated sometimes that is enough to develop probable cause and sometimes it takes a lot of collaboration information. Chief Rondeau stated in this particular case it all came together very nicely in the very beginning. Chief Rondeau stated even with that it still took us approximately two and a half weeks to build the probable cause we needed to put everything in the right format to get it in front of a district court judge which resulted in two search warrants and an arrest warrant for Ms. Fay. The two search warrants were required to be done simultaneously in order to preserve evidence. The Police Department did not want evidence to be destroyed or secretly removed so two different agencies, the Sheriff Department and the Bartlett Police Department were used. The Barnstead Police Department offered their assistance as well. Chief Rondeau stated the other part of this operation included a huge logistical piece. Chief Rondeau thanked the Humane Society of the United States, PCA, and the Conway Humane Society for all the help they provided. He stated without their help we would not have been able to do this. Chief Rondeau stated there were about 78 dogs that they knew they were going to have to move, which is not an easy task because of their size. The dogs were going to need medical care, feeding and daily maintenance which is a huge responsibility and during the investigation we realized that many of the dogs were infected with the papilloma virus which is a herpes like virus. This became a problem because we could not break these dogs up into groups of ten and spread them around to the various Humane Shelters in the State of New Hampshire. If we did this it would create problems because the

shelters would be full and not able to take any other rescue animals in and if the dogs were infected with the virus then we would have contaminated all the shelters within the State of New Hampshire. Also, the Police Department could not move the dogs to Vermont, Massachusetts or Maine because they require a health certificate for movement outside of New Hampshire. Chief Rondeau stated it became clear the only way to solve the problem was to provide a temporary shelter and that was established by the Humane Society. The facility was ready on June 15th and luckily the weather was cloudy and rainy so we could move the dogs without further discomfort. We spent about fifteen hours collecting photographs and evidence from the house and the conditions that these dogs lived in were horrible. Chief Rondeau thanked Dave Senecal for this help and support. Chief Rondeau stated the case is really strong and our evidence has gone to various laboratories and we are still awaiting the results. The Police Department seized a lot of evidence within the residence which suggests that the operation was much larger. Chief Rondeau stated this was a breeding case that was being done underground and none of the permits were applied for. He stated there was no state license, kennel license or breeding license in place. He stated it was very clear that it was a business. The dogs were being breed and the puppies were being sold. There were employees that were being paid under the table. There were dogs that were shipped overseas and shipped throughout the United States. The Police Department has received calls from Italy, Louisiana, Alabama and North Carolina. There are a lot of upset puppy owners and concerned citizens. Lastly, Chief Rondeau stated there is nothing wrong with breeding dogs. It is an honorable business but it needs to be done correctly and humanely. Chief Rondeau believes this operation has been happening for about two years but felt the animal cruelty had not been going on for as long. He stated the Police Department takes people for their word when they come in seeking permits and this should continue but he believes Ms. Fay purposely misled them and had the intent to do this all along. Chief Rondeau explained there are processes that must be followed and only a judge can sign for a search warrant to be conducted. The animal cruelty part is the criminal part that the Police Department has a responsibility to enforce and this part has not been going on for two years. Chief Rondeau stated he was not sure when the animal cruelty began and did not feel that a definite answer would be provided. Chief Rondeau stated he wanted the Board and citizens to know that even though we have only entered two criminal charges the investigation is not over and this is just the beginning. The search warrants were used as a tool to further the investigation. We need to fall back on science and facts so we could build a strong case on animal cruelty, reckless conduct, child endangerment and some of the other charges that we are planning on filing. He stated it is only the beginning and that is why there are only two charges. It is not the end and the case will probably last for a year or a year and a half in the court system. Chief Rondeau stated the evidence needs to be collected and analyzed and the Police Department needs to stay in close contact with our state and federal partners.

Linda Murray asked if any samples were taken from outside the house.

Chief Rondeau stated no but a lot of photographs and videos were taken.

Lindsay Hamrick, New Hampshire State Director of the Humane Society of the United States, addressed the Board. She stated the partnership with the Wolfeboro Police Department has been incredible. She stated we are here as a resource for not only what happened last week but also moving forward for the investigation we have offered all of our expertise. The Animal Rescue team of the United States helps when local resources cannot absorb national disasters or man-made disasters and this certainly falls under the man-made disaster category. Ms. Hamrick stated they sent their fleet up here which included a tractor trailer sized rig that is designed for animals, our horse trailer and we rented a refrigerated tractor trailer size truck. She stated even with these items we still needed two more horse trailer sized vehicles on the day of the rescue. The 84 dogs have all been moved to a temporary emergency animal shelter that we have set up and the location is undisclosed. She stated the dogs are considered evidence under the law and because of that reason the animals will not be able to be adopted or be available for foster care until the case is completed. Ms. Hamrick stated she was at the shelter all day today and the dogs are doing well. Veterinarians did examinations the day of the rescue and full examinations were done on Saturday and Sunday. Some medical issues include the Papilloma virus, Giardia, eye infections, possible orthopedic issues and skin issues. We have started treatment of these issues under the care of the two veterinarians that are helping us with this case. Ms. Hamrick stated under New Hampshire law when animals are seized under animal cruelty cases which happens fairly often in this state the cost to taking care of the animal goes to the Town in which the cruelty occurred. She stated the New Hampshire Department of Humane Society is pleased to announce that they are offering their service and we will absorb 100 % of the cost to help with the rescue and to care for these animals for however long this case takes.

Linda Murray thanked Ms. Hamrick and the National Humane Society for helping the Town in this venture by absorbing the cost.

Linda Murray asked the estimate of the cost of the operation.

Ms. Hamrick stated on average in New Hampshire animal cruelty safety cases cost in the tens of thousands but it depends on the duration of time that the animals need to be held at the Humane Society. She stated with these animals we are probably looking at hundreds of thousands of dollars. Ms. Hamrick stated this is the first time in her twelve years of service that a National Organization needed to come in because typically our animal shelters are equipped to handle these cases very well. She stated this is a unique situation and we appreciate everyone's help.

Mr. Owen stated yesterday, Tuesday, a Notice to Vacate was issued and signed by the Health Officer. The Health Officer signed the order yesterday morning at approximately 10:30 am and then it was posted on the property yesterday afternoon by the police department. It was served on the attorney that was representing Christina Fay and it was sent by certified mail as it is required by the statute. Our Town Counsel has been talking to Christina Fay's counsel about working on an amendment/agreement pursuant to the notice to vacate which would allow a cleaning company to go into the property to professionally clean and remediate the property. Mr. Owen stated he received a call from

a representative from Servpro and they have been hired by the property owner. The Servpro representative asked if they could access the premises to observe and develop a cost estimate for the cleaning which will be very substantial. The Servpro representative stated the floors will probably have to be removed and the walls below four feet will have to be cleaned because they are covered in feces. It will be a very extensive and expensive cleaning job. Mr. Owen stated that a few representatives from the New Hampshire Environmental Services including the Wetlands Bureau, the Drinking Water Bureau and the Groundwater Bureau met today to discuss the situation. They will be compiling a report and will send us a copy of the report at some point next week. Mr. Owen stated he also had a call from the Assistant Commissioner of DES late this afternoon who stated that their agency will work with the Town as necessary and if we need resources to address additional concerns they will work with us in that regard as well.

Linda Murray asked if Mr. Owen knew how and where Servpro would dispose of the debris. She is hoping it will not be going to our Town dump.

Mr. Owen stated in the temporary agreement it states the cleaning company shall be approved by the Department of Environmental Services so DES has agreed to provide that service and assurances that whatever is cleaned up there will be disposed of properly.

Chief Rondeau stated he wanted to be clear that there were 75 dogs taken from the residence and there were another 9 taken to a location in Bartlett and another 9 were taken in the care of the Conway Humane Society so we are really talking about 93 Great Danes. He stated some of the dogs were only a few days old while others were senior dogs. One of the dogs weighed 300 pounds and two of them weighed 233 pounds.

Chief Rondeau and Chairman Freudenberg asked for any questions from the Public.

Carl Crosley, resident of Kenney Shore of Lake Wentworth, addressed the Board. He asked if the DES would be monitoring or regulating the chemicals that Servpro would be using. He did not want the chemical to recreate an additional hazard to the Lake or Watershed.

Mr. Owen stated that was not covered in his discussions but he could follow up on it.

Mr. Crosley stated the Chief has followed up on the criminal activity but he thinks everyone believes there was a civil violation with the owner pretending she was something when she was not from the very beginning. He stated that violation of hers and any other representatives that should have known better should not be covered up and they should all be held responsible for the Town violation.

Robert Cole, Executive Director of the Lake Wentworth Watershed Association, addressed the Board. He stated we are concerned for the sad circumstances of discovering these dogs and the obvious humane concerns but it is our role to raise questions concerning the protection of water quality in two bodies of water that are within three or four hundred feet of this property. He stated the Association is very

concerned at what has happened here and as Mr. Crosley has mentioned the chemicals being used to clean up is a concern. Mr. Cole stated that the primary concern is that we do not know really where fecal matter has been disposed of and we don't know to what degree that fecal matter or the illnesses that have been found in these dogs may have contaminated the water system. Mr. Cole stated people bath and drink this water and the Association does not want a big safety concern. He stated they are pleased to hear that DES will be involved but we urge the Town to act swiftly to secure or reassure the citizens that the water of Warren Brook and Lake Wentworth is safe.

Chairman Freudenberg stated a monitoring program should be set up for the next couple of months to see what is coming out of the water.

Mr. Owen stated DES stated there was no surface water on the site. There is no water to test at the site.

Linda Murray stated it should be tested down by Warren Brook and the beaches of Warren Sands.

Dave Senecal stated it is easy to do water sampling.

Bobbi Boudman addressed the Board. She stated she has spoken with DES and they have agreed to do a preliminary water check as soon as possible. They will be there testing the water right off of her property and at the mouth of Warren Brook. They are only doing one testing so she asked that the Town please continue to test the water. She stated the problem with Servpro or any other company is that the DES cannot make sure the company is environmental friendly. This is something that Mr. Owen has to do. It needs to be part of the negotiations and part of the contract that the Town does not agree to let the cleaning company dump hundreds of gallons of bleach. This must be done to protect our citizens, water supply, fish, beavers and the list goes on and on. She stated we are talking about human beings and our water supply. She stated Servpro may not be an earth friendly company that we want to use. It needs to be a company which is environmental friendly.

Dave Senecal stated quite often their contracts state that the health inspector must be present when stuff is loaded and taken off the site.

Chairman Freudenberg asked the Chief if he observed an area where they may have been dumping waste.

Chief Rondeau stated there were two areas where they were dumping the animal feces and wood chips that were used for absorbing the urine and feces. Also, on the property is a rather large garbage pile.

Linda Murray suggested producing a statement talking about DES coming in and posting it on the Town Website with updates when they become available. She stated she wanted the people of Lake Wentworth to know that the lake is important to us and the

Town. It brings a lot of revenue and it is part of our rural character and that is important to us and we will keep them informed of the steps we are taking in assuring that lake and watershed are safe.

Chief Rondeau stated there was a DES investigator with us on June 16th and he walked the perimeter. The Department of Labor was also present. The State Veterinarians Office was contacted but they did not participate in the June 16th operation.

Brad Harriman asked if there was evidence of dog remains.

Chief Rondeau stated dogs have been buried on the property but we do not know where. There were animal bones near the garbage pile.

Anne Blodgett, President of the Wentworth Watershed Association, addressed the Board. She stated she wanted to remind the Board that Warren Brook is one of the main contributors of water supply to Lake Wentworth which then provides water to Lake Winnepesaukee. She stated this is not just a neighborhood issue this is a bigger issue. She would like to make sure when DES comes in that they are not just supporting us but we are using their help. She stated it is about contamination and it goes into the water. She asked if Servpro is the right company.

Mr. Owen stated that is not our decision which clean-up company to hire, is it the property owner who is paying for the service, not the Town.

Ms. Blodgett stated proper supervisor is needed because clearly the property owner has put us in this situation. She asked that the Town really maximize DES resources to get this cleaned up because it is a black mark on Wolfeboro if we don't.

Judy Crosley addressed the Board. She asked if there was a time limit for the property owner to get this cleaned up in.

Mr. Owen stated it did not sound like the property owner would be delaying the process because she has already contacted a cleaning firm.

Linda Murray asked if Mr. Owen could check with DES and see if they think Servpro is a good company to use.

Mr. Owen stated he would.

Linda Murray stated it will make us all feel better.

Chairman Freudenberg thanked Chief Rondeau and the Humane Society and stated the public needs to realize that it takes time to put together an investigation.

Chief Rondeau stated he will continue to provide updates and he felt they would be filing more charges. Chief Rondeau stated our new teammates will be at the Open House and hopefully some of the Great Danes from the Conway Humane Society. He stated there is an urgent need for donations to help with this cause.

Kathy Eaton, Member of the Wolfeboro Economic Development Committee, addressed the Board. She stated we have a cooperative advertising program that we have launched. We reached out to about one hundred sixty businesses owners and it is one of the responses from the Business Retention and Expansion Projects that we started back in 2014/2015. We surveyed about one hundred businesses in Town asking them what that Town could do to help them. Among the responses that we got back it asked if we could help to expand tourism season by making it a four season tourist Town. Also, we were asked to have a group advertising program where businesses in Town used some of their marketing resources that we would then use to advertise and promote Wolfeboro in areas of publication that individual businesses wouldn't be able to afford to do on their own. Our goal for this year is to advertise in NH Magazine and in Northshore Magazine.

Town Manager's Report

Mr. Owen stated the following:

The Town received a letter of resignation from Lisa Braiterman from the Trustees of Trust Funds. An alternate member will be appointed to fill her vacancy.

The appointments of the Health Officer and the Health Inspector will expire soon so they need to be reappointed if they wish to continue to serve.

The bound archives of the Granite State News are now in the basement of the Town Hall.

Tom Beeler stated he asked Salmon Press if they would be interested in getting rid of the racks that the newspapers were in because right now they are in pieces of plywood. He has not heard back from them but he will continue asking.

The Parks and Recreation Van is out of service. It has been serviced by the chief mechanic at the Town garage and he said the axles are rotting and the ABS Brake System does not work. It is a safety hazard trying to drive with that thing on the road. The police cruiser that was donated by the Police Department has a lot of body rot and other issues so we are trying to find a lease van type vehicle for two or three months to help Parks and Recreation through the summer.

The establishment of the Rural and Scenic Roads Committee was in a press release that we sent out to the newspaper and it is on the Town website. Mr. Owen has only had two people that have shown any interest so far.

The Public Hearing Notice was prepared for the public hearing on the proposed expansion on the Town Docks. It will be advertised in the newspaper on several dates prior to the event and it will be on the Town website as well.

At our last meeting there was an invitation to the Huggins Hospital Heroes Gala which involves a cruise aboard the Mount Washington on Thursday, July 13th and the cost is \$100.00. It is a fundraising event.

Committee Reports

Dave Senecal stated he was involved in the dog house incident. He attended a seminar at Brewster Academy with the accessory dwelling units. He stated he attended a meeting with the Zoning Board in New Durham with Linda Murray. He stated they have now decided that it is an industrial usage and the applicant has thirty days to apply for variance.

Linda Murray attended the EDC Meeting, the Chamber Executive Board Meeting, the Chamber Social and the New Durham Zoning Board Meeting.

Chairman Freudenberg attended the Chamber Social.

Brad Harriman attended a Planning Board Meeting and tomorrow night he has a Friends of Libby Museum Meeting.

Questions from the Press

Tom Beeler stated Elissa Paquette did a story on the dog operation in cooperation with Chief Rondeau and he will do a follow up article based on this meeting.

Public Input

Limited to 3 Minutes per resident, not to exceed 15 minutes in total

None

It was moved by Linda Murray and seconded by Brad Harriman to enter into non-public session under RSA 91:3 II (e) to discuss litigation. Roll call vote, Chairman Harriman – yes, Linda Murray – yes, Luke Freudenberg – yes, and Dave Senecal – yes. Being none opposed, the motion passed.

The Board re-entered public session at 8:12 PM.

Linda Murray moved the Wolfeboro Board of Selectmen to seal the minutes of the June 21, 2017 non-public meeting. Chairman Harriman seconded. Roll call vote, Chairman Harriman – yes, Linda Murray – yes, Luke Freudenberg – yes, and Dave Senecal – yes. Being none opposed, the motion passed.

It was moved by Dave Senecal and seconded by Linda Murray to adjourn at 8:13 PM. Members voted and being none opposed, the motion passed.

Respectfully Submitted,
Michele Chamberlain