

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

Legislative Office Building, Room 201

Concord, NH

Tuesday, September 10, 2019

MEMBERS PRESENT:

Rep. John Cloutier, Chairman

Rep. Michael Edgar

Rep. John Graham

Rep. Martin Jack (Alt.)

Sen. Regina Birdsell

Sen. Kevin Cavanaugh

Sen. Bob Giuda

ALSO PRESENT: Mac Zelle, Budget Director
Office of The Governor

Karen Rantamaki

Department of Administrative Services

(The meeting convened at 10:30 a.m.)

(1) Acceptance of Minutes of the June 25, 2019 meeting.

JOHN CLOUTIER, State Representative, Sullivan County,
District #10 and Chairman: -- testimony. So what we're going to do -- have to do here is a little different. Hopefully, this recorder will pick everything up, but I'm going to ask everybody who comes before the Committee from the State Agencies and anybody else, member of the public, to make sure they please identify themselves. And, again, I am -- so I really appreciate it. Members of the Committee, I will try, you know, if you could identify yourself that would be helpful or I can do it, if whatever is easiest. And, again, for the record, I'm State Representative John Cloutier. I am Chair of the Long Range Capital Planning and Utilization Committee. And I want to welcome everybody, including our -- all our Members who were able to make it today and members of the agencies and the public who are today testifying.

So I'm going to begin with the first item on our agenda, which is acceptance of the minutes of the June 25th, 2019, meeting.

****** JOHN GRAHAM, State Representative, Hillsborough County, District #07: So move.

CHAIRMAN CLOUTIER: Okay. Motion by Representative John Graham.

REGINA BIRDSELL, State Senator, Senate District #19: Second.

CHAIRMAN CLOUTIER: Second by Senator Regina Birdsell to accept the minutes of the June 25th meeting. Are we ready for the vote? All those in favor of the motion signify by saying aye? All those opposed say nay? The ayes have it. Motion is carried.

***** {MOTION ADOPTED}**

(2) Old Business

CHAIRMAN CLOUTIER: Under Old Business, Item 19-013 from the Adjutant General's Department. This is an item that we tabled at the June 25th, 2019, meeting and, more specifically, the item is authorization to, one, dispose of the former State Armory at two one -- 2169 Riverside Road, including buildings and 3.4 acres located in Berlin, New Hampshire, and, two, waive the \$1,100 administrative fee, subject to the conditions as specified in the request dated May 20th, 2019. Is there anyone here from the Adjutant General's Department to speak? Okay. And I believe I need a motion to remove this item from the table.

****** ROBERT "Bob" GIUDA, State Senator, Senate District #02: So move.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

CHAIRMAN CLOUTIER: Okay, a motion by Senator Giuda. Do I have a second?

SEN. BIRDSELL: Second.

CHAIRMAN CLOUTIER: Second by Senator Birdsell to remove Item 19-013 from the table. So are you ready for the vote?

All those in favor of removing Item 19-013 from the table, signify by saying aye? All those opposed say nay? The ayes have it and the motion carries unanimously.

***** {MOTION ADOPTED}**

CHAIRMAN CLOUTIER: Okay. And so welcome and, again, could you please identify yourself.

WARREN PERRY, Deputy Adjutant General, Department of the Adjutant General: For the record, Warren Perry. I'm the Deputy Adjutant General for the Adjutant General's Department, soon to be the Department of Military Affairs and Veterans Services. Uh -- what we'd like to do with this item at this time is just go ahead and kill it.

****** SEN. GIUDA: So moved, Senator Giuda.

CHAIRMAN CLOUTIER: Okay, all right. So a motion right away. That was quick. Motion by Senator Giuda. Do I have a second on that motion?

MAC ZELLEM, Budget Director, Office of the Governor: Second.

CHAIRMAN CLOUTIER: A second. Okay. And by -- I'm sorry, your last name again?

MR. ZELLEM: Zellem.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

CHAIRMAN CLOUTIER: Okay, Mr. Zellem. I apologize. I do know you as Mac. Okay.

REP. GRAHAM: Can -- can we find out why he wants to (Inaudible).

CHAIRMAN CLOUTIER: Okay. All right. So a motion is on the table to reject --

REP. GRAHAM: Okay, I'll start the discussion.

CHAIRMAN CLOUTIER: Okay, I'm sorry. Go ahead, please.

REP. GRAHAM: Why do you want this bill to go -- this (inaudible) to go away?

DEPUTY ADJUTANT GENERAL PERRY: So we were exploring options with Fish and Game and the Town, the Fish and Game Department and the Town of Berlin to transfer this over for their use. So the partnership that was brewing between Fish and Game and the Town of Berlin did not come to fruition. At this point, we don't have any plans that are concrete enough for us to come and ask for permission to do anything with this property. Our intent is to just keep it at this particular time and explore other options with the City of Berlin.

When those options come to fruition, we'll come back and ask the appropriate authority to dispose of the property or to deal with the property as appropriate. I am soon to be in contact with the Town Manager for the Town of Berlin to continue to explore options; but what was happening with Fish and Game and the Town just didn't work out. It was way too complicated for the parties involved.

CHAIRMAN CLOUTIER: Okay. All right. Does that answer your question, Representative Graham?

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

REP. GRAHAM: Yes, it does.

CHAIRMAN CLOUTIER: Okay. Are we ready for a vote on this item of kill? I call it sort of like inexpedient to legislate or whatever. Okay. All right.

MICHAEL EDGAR, State Representative, Rockingham County, District #21: Excuse me, Mr. Chairman.

CHAIRMAN CLOUTIER: Oh, yes, Representative Edgar.

REP. EDGAR: Could we say again who made the regular motion and who seconded, it was so quick. That's what I thought.

CHAIRMAN CLOUTIER: Okay, yeah. Again, Senator Giuda made the motion. Mr. Zellem seconded the motion. So are any other further questions or comments on this motion of kill or inexpedient to legislate, whatever, you want to call it? Are we ready for the vote?

All those in favor of the motion of I would call it inexpedient to legislate signify by saying aye? All those opposed nay? The ayes have it. The motion carries. The item is killed or ITL'd, whatever you want to say. Thank you. Thank you for coming in. I appreciate it.

DEPUTY ADJUTANT GENERAL PERRY: Thank you, sir.

(3) New Business:

CHAIRMAN CLOUTIER: Okay. I will now go next to New Business, and this is items under RSA 4:39-c, Disposal of Highway or Turnpike Funded Real Estate, and these -- the next three items are all under the Department of Transportation. I want to welcome representatives of the Department of

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

Transportation and for the record could you please identify yourselves.

STEVE LABONTE, Administrator, Bureau of Right-of-Way, Department of Transportation: Thank you, Mr. Chairman. Steve LaBonte. I'm the Administrator of the Bureau of Right-of-Way.

PHILLIP MILES, Chief of Property Management, Bureau of Right-of-Way, Department of Transportation: Good morning. I'm Phillip Miles, Chief of Property Management, Bureau of Right-of-Way.

CHAIRMAN CLOUTIER: Okay, please go ahead. I assume you're going to speak to Item 19-020 first?

MR. LABONTE: Yes.

CHAIRMAN CLOUTIER: Okay, go ahead, please, on that item.

MR. LABONTE: Okay. This item -- this property is located directly adjacent to 120 and 122 Mount Major Highway, which is also known as Route 11 in the Town of Alton. What -- what we were doing is looking to dispose of this property for \$59,180, which includes the \$1,100 administrative fee. There's a little bit of history to this transaction. Negotiations have been going on since 2013. The right-of-way was purchased in 1940 from the Town of Alton.

In 2013, the Commissioner under RSA 230:35 re-established the right-of-way and Route 11 in Alton and upon that many encroachments were identified on the State property. In this particular case, this one's unique because the adjacent property owners own property on the lakeside of Route 111. In the next few months you'll see us coming forward with more encroachments, and we'll be dealing with those differently; but with this one we're looking to actually sell the part of the right-of-way to the abutting property owner.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

It appears that this is a mistake when the property was developed and what happened is they have -- they have two structures on the property, two residential structures that encroach onto the right-of-way as it currently exists. So what we're looking to do is dispose of 4,080 square feet of Department right-of-way.

So in this case negotiations, like I said previously, have been going on since 2013. Appraisals were both done by the -- by both the State and the 120 -- I'm just looking -- the 120 Mount Major Highway Realty Trust. So both appraisers are both -- are credible. The one who conducted the appraisal for the 120 -- for the Trust, is also used by the State quite a bit in its acquisitions and eminent domain matters.

So the State's appraisal came out to \$69,400. The Trust appraisal came out to 49,000. At this point negotiations begin coming back and forth between the two -- between the two parties and both appraisals were heavily scrutinized, both appraisals were well defended by their appraisers. And, as I said before, both appraisers are very credible. So in order to get this resolved, we decided to basically split it right down the middle and come out with a cost of \$59,180 which would include the administrative fee.

CHAIRMAN CLOUTIER: Okay. Thank you, Mr. LaBonte. Questions from the Committee of Mr. LaBonte? Are there any questions? Yes, Mr. Zellem, please.

MR. ZELLEM: I apologize if I've misunderstood; but am I reading -- as a matter of fact I understood this material in looking at the map on like the fourth page that identifies property that -- that the purchasers were functioning encroached on the State's land?

MR. LABONTE: Could you -- I'm sorry?

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

MR. ZELLEM: Is it true that the individuals we are selling this right-of-way to part of their property is on the State's land?

MR. LABONTE: Part of the structures. That's why -- this creates a cloud on the title.

MR. ZELLEM: Right.

MR. LABONTE: So we're trying to work with the property owners. It doesn't look like this, you know, this was done in bad faith. It was a mistake. They have structures that have been long-standing there. And, again, this property was originally established back in the '40s and then re-established 60 to 70 years later in 2013, and that's when the structures were discovered, so --

MR. ZELLEM: I see.

MR. LABONTE: -- we're looking to resolve this matter. Where the property owners have parcel exists on the lakeside and they have lakefront property there, we're looking to sell this 4,080 square feet to them.

MR. ZELLEM: Okay.

MR. LABONTE: That would be at a cost of just under \$60,000.

MR. ZELLEM: Understood. I appreciate it. Thank you.

CHAIRMAN CLOUTIER: Okay. Thank you. Further questions of Mr. LaBonte from Members of the Committee?

****** REP. GRAHAM: Move approval.

CHAIRMAN CLOUTIER: Okay. A motion by Representative Graham --

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

SEN. BIRDSELL: Second.

CHAIRMAN CLOUTIER: -- to move approval. Second by Senator Birdsell. Okay. Any further questions or comments on this motion before we vote? Ready for the vote?

All those in favor of accepting Item 19-020, signify by saying aye? All those opposed say nay? The ayes have it. Motion carries unanimously.

***** {MOTION ADOPTED}**

CHAIRMAN CLOUTIER: Next Item 19-021; again, under the Department of Transportation.

MR. LABONTE: Thank you, Mr. Chairman.

CHAIRMAN CLOUTIER: Okay, you're welcome, Mr. LaBonte.

MR. LABONTE: Again, my name is Steve LaBonte, Department of Transportation.

We were approached by the City of Portsmouth in their interest in acquiring a .19-acre parcel just off Market Street Extension. Property was purchased in 1983 as part of the Market Street Extension construction. We've had the property appraised. The value of the property itself is \$500, and the administrative fee would take it up to \$1600. The reason why it's so inexpensive there's no access to the site, and two-thirds of the site is under water. So that's why we're -- there's also going to be conveyed with a reversionary clause that if City of Portsmouth in this area grants access, so if the City of Portsmouth tried to turn around and grant access, which would make the parcel a bit more valuable, the property reverts back to the State automatically.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

****** SEN. GIUDA: Move to approve.

CHAIRMAN CLOUTIER: Okay, thank you, Mr. LaBonte.

SEN. BIRDSSELL: Second.

CHAIRMAN CLOUTIER: Any further questions -- further questions of Mr. LaBonte for this item? Yes, Senator Giuda.

SEN. GIUDA: No, just motion to approve.

CHAIRMAN CLOUTIER: Okay. A motion by Senator Giuda. Do I have a second on that motion?

SEN. BIRDSSELL: Second.

CHAIRMAN CLOUTIER: Second by Senator Birdsell to approve Item 19-021. Okay. Are there any further questions or comments on this motion? Ready for the vote? All those in favor of adopting Item 19-021 signify by saying aye? All those opposed say nay? The ayes have it and the motion carries unanimously.

***** {MOTION ADOPTED}**

CHAIRMAN CLOUTIER: Next item. Continuing under the Department of Transportation, Item 19-028. Okay, again, Mr. LaBonte, please.

MR. LABONTE: Thank you, Mr. Chairman. Again, I'm Steve LaBonte with the Bureau of Right-of-Way, Department of Transportation.

The Department is looking to dispose of an access point located on the easterly side of Old Route 111, which is now Shadow Lake Road. The site is being developed by Stonebrook Land Developers, LLC, and it's going to service two of a five-house development. Previously, the Department of Transportation sold an access point to the predecessor in interest to Stonebrook

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

Land Developers, LLC, back in 2010. That access point serves the other three, the southerly three parcels. This access will serve the last two parcels. This conveyance is also supported by the Town of Salem.

CHAIRMAN CLOUTIER: Thank you, Mr. LaBonte. Questions from the Committee of Mr. LaBonte? Are there any questions? Seeing none, I will entertain a motion.

****** SEN. BIRDSELL: Move to approve.

CHAIRMAN CLOUTIER: Okay. Motion by Senator Birdsell. Do I have a second on that motion?

MR. ZELLEM: Second.

CHAIRMAN CLOUTIER: Okay. Second by Mr. Zellem to approve the item. And, again, any other further questions or comments on Item 19-028? Are we ready for the vote?

All those in favor of adopting Item 19-028 signify by saying aye? All those opposed say nay? The ayes have it. A motion carries unanimously.

***** {MOTION ADOPTED}**

CHAIRMAN CLOUTIER: Next -- okay. I think we are finished with the Department of Transportation. We will continue with the Disposal of Real Estate under RSA 4:40, and the next item is Item 19-023 under the New Hampshire Fish and Game Department.

Is there anyone here from the Department to speak to this item, please? Okay. Welcome. And, again, for the record, could you please identify yourself.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

GLENN NORMANDEAU, Commissioner, Department of Fish and Game: Good morning. For the record, Glenn Normandeau, Executive Director, New Hampshire Fish and Game Department.

CHAIRMAN CLOUTIER: Okay, thank you, and welcome to our Committee, Commissioner.

MR. NORMANDEAU: I don't come here too often. This is only the second time in 12 years I think, so.

CHAIRMAN CLOUTIER: Okay. And go ahead, speak to the item, please.

MR. NORMANDEAU: So we have a property in Brentwood, approximately 35 acres, was originally purchased back in the '50s as our pheasant farm when we used to raise our own birds for stocking in the state. It's had several other uses over time. Currently, we occasionally have a conservation officer trainee or trainees stay there in their rotations around the state. The property has really besides that been somewhat surplus to our uses.

In the meantime, we have come into ownership of a property on Great Bay, a fairly spectacular site. We have bought a total of around 105 to 110 acres, along with 3300 feet along the Bay. It includes a hundred year old farmhouse, barn, and some other buildings, all of which need considerable attention. Having been or being the proud owner of 140 plus buildings that all need considerable attention around the state itself now with Fish and Game, we have a -- fiscal needs to deal with these buildings.

These properties were bought on Great Bay with federal funding. We could use the sale of this property, depending on the specific grant between a 90/10 and a 70/30 match to do what we need to do to make the site at Emery Farm, I think, one of the State's real jewels, potential for significant access to Great Bay, as well as hunting and fishing opportunities. We have

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

a lot of cornfields, a lot of wildlife there, and it will be, I think, with some investment a fairly spectacular public property.

So our wish here is to sell the Brentwood property, which is appraised at \$535,000, and then bank that money for use to match with additional federal grants and do renovation and public access work at our property at Emery Farm in Greenland, and that's my story.

CHAIRMAN CLOUTIER: Okay. Thank you, Commissioner Normandeau. Questions? Senator Giuda, please.

SEN. GIUDA: Thank you, Mr. Chairman. Thank you for coming today, Glenn. Does the use of the money from this sale require legislative approval?

MR. NORMANDEAU: Not that I'm aware of. Beyond the -- once if we get approval for the sale, I would need -- I have to go to G&C, I believe, also. But I don't believe -- and, of course, there would also be the going through the whole grant process and using this for match. So there's a lot of permutations before we would actually be putting the money back on the ground; but I don't believe that I need legislative approval.

SEN. GIUDA: Thank you.

CHAIRMAN CLOUTIER: Thank you, Senator. Further questions? Representative Graham, please.

REP. GRAHAM: Thank you, Mr. Chairman. I actually have two. Your request is surplus the property. Who is actually going to sell it?

MR. NORMANDEAU: That's a good question.

REP. GRAHAM: Well, yeah.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

MR. NORMANDEAU: So at this time we have had some expression of interest from the Town and from the Southeast Land Trust and/or potentially a combination of those two, which would be great to just simply have that happen. But absent that occurring, then I assume we will put it on the market as would any other parcel of real estate.

CHAIRMAN CLOUTIER: Go ahead, please.

REP. GRAHAM: This is for LBA, if I may?

CHAIRMAN CLOUTIER: Okay. Yeah, all right. Go ahead, please.

REP. GRAHAM: On procedures for sale of property, what steps do they need to take, if you recall?

CHRISTOPHER SHEA, Deputy Legislative Budget Assistant, Office of Legislative Budget Assistant: So this Committee's role is to determine whether the property should be disposed of or surplused. They go to Governor and Council next to determine whether they want to sell it, convey it in some other fashion. So at that point they could identify -- I believe they could identify a realtor if at that point they decide to do that. But from what the Executive Director's stating is that there may be some intent to try to work with the committee to --

CHAIRMAN CLOUTIER: Thank you, Mr. Shea. You have another question?

REP. GRAHAM: And why are we going to waive the \$1,100 administrative fee?

MR. NORMANDEAU: Asking me?

REP. GRAHAM: Yes, you're requesting it.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

MR. NORMANDEAU: Just because you're great people. I don't know. I didn't even -- I did not write that. So I'm not -- I was not really quite aware of the administrative fee, although when I saw it I recalled from the last time I was here. But that was, I think, a request of my land agent that wrote up this.

CHAIRMAN CLOUTIER: Thank you. Further questions of Commissioner Normandeau from this Committee? Are there any further -- yes, Mr. Zellem, please?

MR. ZELLEM: I do have for clarification. So you mentioned it was acquired with Fish and Game funds. It says it was part of Fish and Game General Funds.

MR. NORMANDEAU: Yes.

MR. ZELLEM: That's just -- that's Fish and Game funds to be clear, not General Funds.

MR. NORMANDEAU: Right. The point to make is it was not acquired using federal grants or any -- any other funding that would restrict our ability to sell it.

CHAIRMAN CLOUTIER: Okay. Senator Giuda. Go ahead.

SEN. GIUDA: Is there any reason we shouldn't charge an administrative fee?

MR. ZELLEM: If it goes to a town, I guess.

CHAIRMAN CLOUTIER: Yeah, that's a -- could be a philosophical question. I mean, it's the Committee's pleasure. If we want to put an administrative fee we have every right to do that. I mean, it's -- but Fish and Game is making the request that the administrative fee be excluded. So that's their request. We can always amend that request.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

****** SEN. BIRDSELL: I'd amend it.

SEN. GIUDA: I second. If you want to move, I'll second that we amend it.

CHAIRMAN CLOUTIER: Okay. So, Senator, you have an Amendment that is seconded by Senator Birdsell to reinstate the 1100 administrative fee; is that correct?

SEN. GIUDA: Right.

CHAIRMAN CLOUTIER: Do I understand that amendment?

SEN. BIRDSELL: Yes.

SEN. GIUDA: Yes.

CHAIRMAN CLOUTIER: So we need to vote on the Amendment first. Are there any further questions or comments on this Amendment before we vote? Representative Edgar, please, followed by Mr. Zellem.

REP. EDGAR: Well, if we can have some discussion on the Amendment. If it's going to go to the Town or some other agency where we would agree that we should waive it, then we should have the ability to waive it, not just saying we are not going to waive it is my opinion.

CHAIRMAN CLOUTIER: Okay. Yes, Mr. Zellem, please.

MR. ZELLEM: I would move that if it is -- the property is sold or conveyed to a public entity we waive the fee, but if it's a private entity we charge the fee.

SEN. GIUDA: I would object to that.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

CHAIRMAN CLOUTIER: Are you okay, Senator Birdsell -- Senator Giuda and Senator Birdsell with modifying that Amendment?

SEN. GIUDA: I have a problem with that. We need to treat everybody the same.

CHAIRMAN CLOUTIER: Okay.

SEN. GIUDA: Public, private, or otherwise.

CHAIRMAN CLOUTIER: Okay. So you would disagree.

SEN. GIUDA: Administrative fee is to cover the costs regardless of who --

CHAIRMAN CLOUTIER: You would disagree with what Mr. Zelle's suggestion.

SEN. GIUDA: Correct.

CHAIRMAN CLOUTIER: All right. Yes, Mr. Shea, please.

MR. SHEA: For the Committee, if you are choosing not to waive the \$1,100 fee, we don't need your Amendment. We just need to deny number two in the request. So you would approve number one, deny number two. If the Committee's desire is to put some conditions to the waiver, then you would want an Amendment to this. So I just wanted to clarify.

CHAIRMAN CLOUTIER: Okay. Thank you, Mr. -- yes, Representative Graham, please.

REP. GRAHAM: It's just for you, Mr. Chairman. So it will be a two-step process. We vote on item one and then vote on item two and we move on at that point.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

CHAIRMAN CLOUTIER: Okay. All right. That's a good point. I think that's how we'll handle it then, Representative Graham, and I appreciate your input. So are we ready for the vote on it? We'll do this in a two-step process. We will vote on the main motion to -- okay, bear with me. Okay.

REP. EDGAR: We have a motion. We have an Amendment.

CHAIRMAN CLOUTIER: Again, who --

MR. ZELLEM: I'll withdraw that.

CHAIRMAN CLOUTIER: So, again, who made the initial motion or are we going to start all over again?

SEN. GIUDA: I'm going to withdraw the Amendment.

CHAIRMAN CLOUTIER: Okay, withdrawing the Amendment. Okay. We can vote on that next.

****** REP. GRAHAM: Mr. Chairman, I move approval of Item one under LRCP 19-023.

SEN. GIUDA: Second.

CHAIRMAN CLOUTIER: Okay, a second. So Representative Graham made the motion, Senator Giuda seconded the motion to approve the item as -- okay. The first step of the item to, you know, surplus the property at fair market value of 535,000 -- \$535,000. Okay. Is everybody clear on that? So we are going to vote on this first, this first step, and then we can vote on the second step, depending what happens with the first part. Okay. So are we ready for the vote on the first part of this, you know, of this item, Item 19-023? All those in favor of the first part signify by saying aye? All those opposed say nay? The ayes have it and the motion carries unanimously.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

*** {MOTION ADOPTED}

CHAIRMAN CLOUTIER: Now we will vote on the second part or if somebody wants us to waive \$1,100 administrative fee subject to conditions as specified in the request dated August 12th, 2019. Yes, Representative Graham.

** REP. GRAHAM: Thank you, Mr. Chairman. I move that we deny item number two to LRCP 19-023, the requesting of the waiver of the administrative fee.

SEN. BIRDSELL: Second.

SEN. GIUDA: Second.

CHAIRMAN CLOUTIER: Okay. This is specifically to this entity, they want this private entity they want to sell it to.

REP. GRAHAM: No, it is item number two under requested action.

CHAIRMAN CLOUTIER: Okay. All right. Okay, just denying it. Okay. All right. Okay. So we all understand the motion? Okay. Are we ready for the vote? All those in favor of the motion signify by saying aye? All those opposed say nay?

REP. EDGAR: Nay.

CHAIRMAN CLOUTIER: Okay. Who indicated nay, may I ask? Okay. Representative Edgar. Okay. All right. So it wasn't unanimous, but the motion does carry by overwhelming voice vote. So we basically the item -- we defeated the item, that's my understanding. Okay. All right. Thank you.

REP. EDGAR: Excuse me, Mr. Chairman.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

CHAIRMAN CLOUTIER: Yes.

REP. EDGAR: If I could please. There's kind of a battle here for some of these first and seconds. On item number one it was Representative Graham and who seconded?

REP. GRAHAM: Giuda.

UNIDENTIFIED SPEAKER: Senator Giuda.

REP. EDGAR: I asked if you did. (Inaudible).

SEN. GIUDA: (Inaudible).

REP. EDGAR: Okay. And then on item number two it was Representative Graham, Senator Birdsell. You were fighting for that one.

CHAIRMAN CLOUTIER: Okay. You got your question answered, Representative?

REP. EDGAR: Yes, I did. Thank you.

CHAIRMAN CLOUTIER: Okay. Thank you very much. Okay. Now I will next go to item number 19-024 under the Department of Employment Security. Is there someone here from the Department to speak to the item, please?

RICHARD LAVERS, Deputy Commissioner, Department of Employment Security: Good morning, Mr. Chairman.

CHAIRMAN CLOUTIER: Good morning. And, for the record, could you please identify yourself.

MR. LAVERS: Certainly. Richard Lavers, Deputy Commissioner of the New Hampshire Department of Employment Security.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

CHAIRMAN CLOUTIER: Okay. Please speak to your item.

MR. LAVERS: Thank you, Mr. Chairman. So the property before the Committee this morning is the final of four properties that the Department surplused back in 2012 as part of a consolidation of staff into the Tobey Building here in Concord. We had properties, two of which were here in Concord had previously been sold, one other property in Manchester which was sold so this is the final of those four.

We're hoping we are getting close to the finish line in what has been a difficult process with this property. And the matters that are before the Committee this morning are, first, to allow the Department to retroactively enter back into a listing agreement with Norwood Group who has been marketing this property under their prior marketing agreement that was the subject of a competitive RFP that went out provided to, I believe, around 35 brokers around the state. Norwood was the only entity that responded. Their Commission rate for this sale is 6%. That was the Commission that they were paid on the other Manchester property, the neighboring property actually to this one that the Department previously sold. So we'd be looking to retroactively enter into the listing agreement with Norwood.

I can talk to you a little bit about why it's retroactive; but then the second matter that we have before you is to amend the listing price from the previous price of \$415,000, down to the price that we have under contract with a buyer at this point in time for \$325,000.

The -- what we've -- what I've learned from a prior career in real estate law in dealing with this property is that appraisals, despite being done by certified professionals, are more sometimes an art than a science. And there are some particular points with this property that I think do not allow it to necessarily be compared to other properties previously having been sold in the market area, which is traditionally how

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

an appraiser would conduct their business of trying to determine a market value for the property here with the prior market value of 415,000. That was done back in 2016 by Crafts Associates. The properties that they utilized in their comps, I think, were fairly optimistic, and all of which had some significant features that were -- allowed those properties to sell for the higher values than that which we've been able to find in the market for this property.

This property it's a 9500-square foot office building. Prior to the Department's ownership it was, I believe, utilized as an Elks Lodge. Part of it looks like a residential structure. The back portion of it looks somewhat like a bomb shelter. Without being able to better characterize it, it's a confused building. The Department -- (laughter) -- the Department previously utilized it as our -- housing our appeals unit which is now up here in Concord.

We've struggled at finding the right buyer or any buyer for that matter, not through any lack of effort on the part of Norwood Group. They've been aggressively marketing this property and continue to do that despite their listing agreement having expired. So we feel the right thing to do is re-up that listing agreement and then look at this offer we have on the table at 325,000.

It's the only offer, the only solid offer that we've been able to get in the seven years of marketing this property as a real opportunity to move forward. We have a great buyer here with Veterans Northeast Outreach Center. They provide transitional services to homeless vets. We have a real good synergy with them where we are providing employment services for these same individuals, and this would give them a location right in the center of Manchester. It'll be -- this would be their first New Hampshire location.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

So we think this is a great opportunity, not only for a price that is reflective of what we determined to be market value, but it's a great buyer with a great use, it's a great service for the City of Manchester, and I can answer any questions.

CHAIRMAN CLOUTIER: Okay. Thank you, sir. Again, for the record, what's your name?

MR. LAVERS: Richard Lavers, Deputy Commissioner.

CHAIRMAN CLOUTIER: Richard Lavers. Okay. All right. Thank you, Mr. Lavers. Yes, Senator Giuda, please, you have a question?

****** SEN. GIUDA: Move the item.

CHAIRMAN CLOUTIER: You simply made a motion to move the item. Do I have a second on that motion? Second by Senator Birdsell to move Item 19-024. Are there any further questions or comments? Yes, Representative Graham, please.

REP. GRAHAM: Thank you, Mr. Chairman. Assuming that this all goes through, where does this money go?

MR. LAVERS: That's a good question. So the money once the contingencies outlined in the contract expire, we then go to Governor and Council for their consideration. Assuming that they approve of the sale, that money is then required by the original legislation that provided capital funding for the renovation of Tobey, that has to go back to Commissioner Dwyer to pay down the existing debt on that renovation.

REP. GRAHAM: That's where I wanted you to go. Thank you.

CHAIRMAN CLOUTIER: Thank you, Representative Graham. Further questions? Yes, Representative Jack.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

MARTIN JACK, State Representative, Hillsborough County, District #36: Thank you, Mr. Chairman. Thank you for coming. Do I understand from this timeline that the listing agreement has been expired for 15 months?

MR. LAVERS: The listing agreement expired roughly, I believe, a year ago. So goes back in June of '18 listing agreement expired. We had lost a buyer and for a period of time we weren't sure what we were going to do with the property where we had some difficulties. So it was through some oversight on the part of the Department and lack of focus on our part for a brief period of time. Norwood then started marketing again. We felt the right thing to do now where we have a buyer was to come back and provide the matter back to this Committee for consideration so that we could do the right thing with what we think is make sure that Norwood gets compensated fairly for all the work that they've done.

CHAIRMAN CLOUTIER: Okay. Yes, Senator Giuda, please.

SEN. GIUDA: So did Norwood bring this buyer forward to the Department?

MR. LAVERS: They did.

SEN. GIUDA: Okay. That's all I had.

CHAIRMAN CLOUTIER: Thank you. Any other further -- yes, Mr. Zellem, please.

MR. ZELLEM: My understanding there were four properties that were to be sold and consolidated into Tobey and with the sale of this property there's one remaining property?

MR. LAVERS: This is the final property.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

MR. ZELLEM: This is the final property. Okay.

CHAIRMAN CLOUTIER: All right. Any other further questions? Are we ready for the vote, because we have a motion on the floor to adopt Item 19-024. All right. All those in favor of adopting Item 19-024 signify by saying aye? All those opposed say nay? The ayes have it and the motion carries unanimously.

***** {MOTION ADOPTED}**

MR. LAVERS: Thank you.

CHAIRMAN CLOUTIER: Okay. Thank you, sir. Next item this is RSA 4:40, Disposal of Real Estate and RSA 4:39-c, Disposal of Highway or Turnpike Funded Real Estate under the Department of Natural and Cultural Resources. This is Item 19-022. Is there a representative from the Department present to speak to this item?

TRACEY BOISVERT, Administrator, Bureau of Forests and Lands, Department of Natural and Cultural Resources: Good morning.

CHAIRMAN CLOUTIER: Okay. And, for the record, could you please identify yourself?

MS. BOISVERT: Tracey Boisvert. I'm the Land Management Bureau Administrator at the Department of Natural and Cultural Resources.

Our Department was approached by the Town of Salem as part of a regional water supply project that the Town of Salem and Department of Environmental Services and other municipalities around that area they were looking for a parcel of land to site a building associated -- it's a pressure reducing valve and metering facility. They were looking for land to place this piece of infrastructure that's related to their larger water

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

supply, regional water supply project. And, apparently, the particular location that we are selling, this .13 acres, is ideal location for this. The land in question is located near adjacent to Route 28, near the Windham/Salem town line, and it's a small triangular piece of land that abuts Route 28 and sandwiched in-between that and the Rockingham Recreation Rail Trail.

So the remaining portion of the parcel that's not being sold to the Town of Salem currently is a parking lot that provides access to that rail trail. It's managed by the Town of Windham. And so we're seeking approval today to convey .13 acres of this section of land that's managed by DNCR to the Town of Salem and also Department of Transportation is requesting authorization to -- let's see -- to convey an access off of Route 28 into the parcel. That would allow access to this facility without having to come through the recreational parking lot by having a curb cut right off of Route 28.

CHAIRMAN CLOUTIER: Okay. Thank you. Questions on this item, 19-022? Are there any questions? Yes, Representative Edgar, please.

****** REP. EDGAR: Seeing there's no questions, I'd like to move this item.

CHAIRMAN CLOUTIER: Okay, you'd like to make a motion.

MR. ZELLEM: I'm sorry.

CHAIRMAN CLOUTIER: Oh, you had a question? I'm sorry. All right. Yeah, okay, Representative Edgar, you make the motion. You want to second that?

MR. ZELLEM: No. I do have a question. Sorry.

CHAIRMAN CLOUTIER: Okay. All right. So --

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

UNIDENTIFIED SPEAKER: Edgar and Graham.

CHAIRMAN CLOUTIER: All right, okay, Edgar and Graham, and I'll let you ask your question. I'm sorry, Mr. Zellem.

MR. ZELLEM: That's okay.

CHAIRMAN CLOUTIER: Go ahead, yeah.

MR. ZELLEM: So this is part of the Southern New Hampshire Interconnectivity Project?

MS. BOISVERT: Yes.

MR. ZELLEM: And it's the Town of Salem that's purchasing it. Do they plan to then convey it to one of the private water utilities or the city water utility or is it the Town themselves and it will be the private utility that's constructing this water pressure --

MR. BOISVERT: That's my understanding. The Town is going to own the parcel. They're responsible for oversight.

MR. ZELLEM: Okay. So the Town doesn't -- to your knowledge does not plan to then sell the parcel?

MS. BOISVERT: That's right.

MR. ZELLEM: Okay.

MS. BOISVERT: That's my understanding, yes.

CHAIRMAN CLOUTIER: So that answer your question?

MR. ZELLEM: It does.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

CHAIRMAN CLOUTIER: Okay. Thank you. Okay. Now we have a motion by Representative Edgar, seconded by Representative Graham to adopt Item 19-022. I don't want to rush this through so are there any other questions before we vote? Okay, otherwise, I will proceed to the vote if there are no further questions.

All those in favor of adopting Item 19-022, signify by saying aye? All those opposed say nay? The ayes have it, and the motion carries unanimously.

***** {MOTION ADOPTED}**

CHAIRMAN CLOUTIER: Okay. Thank you very much for coming in.

Okay. Next item under RSA 4:40, Disposal of Real Estate and RSA 228:67, disposition of acquired or abandoned rail properties. We have two items. And this is from the Department of Transportation. And welcome and, for the record, could you please identify yourself.

LOUIS BARKER, Railroad Planner, Bureau of Rail Transit, Department of Transportation: I'm Louis Barker from the Department of Transportation, Bureau of Rail and Transit and the Railroad Planner, Property Manager for (Inaudible).

CHAIRMAN CLOUTIER: Thank you for coming. Go ahead, please, Mr. Barker, speak to both items.

MR. BARKER: Item 019, we request to sell approximately 0.4 acres on the State-owned Ashuelot Branch Railroad Corridor to Mr. Robert Jalbert. Mr. Robert Jalbert purchased a former railroad station which sits at this location. And it's come to us to clear title underneath the land, and we have no objection.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

A little background is these railroad stations were sold not just in Winchester but around the state during the '50's and '60s when railroads were going out of certain business models and closing agencies. We have received \$500 toward the \$1,100 administrative fee and we requested an appraisal and the value we were given was \$6,500 that Mr. Jalbert agreed to. Any questions?

CHAIRMAN CLOUTIER: Okay. Thank you, Mr. Barker. Questions of Mr. Barker from the Committee? Are there any questions? Okay, I will entertain a motion. What's the Committee's pleasure? Yes.

SEN. GIUDA: Given that the value is \$6,500, would the Committee be interested in allowing the \$500 deposit as total of administrative fees? Just asking the question.

SEN. BIRDSELL: I mean, they were requesting the \$1,100 so I wouldn't change it.

CHAIRMAN CLOUTIER: I don't know what -- it could get complicated if we tried to change it. I don't know, that's my opinion; but I guess we could take some action if we wanted to.

****** SEN. GIUDA: I'll move the item.

CHAIRMAN CLOUTIER: Move the item as requested, right? Okay. Thank you, Senator Giuda. Do I have a second on that motion?

KEVIN CAVANAUGH, State Senator, Senate District #16:
Second.

SEN. BIRDSELL: Second.

CHAIRMAN CLOUTIER: A second by Senator Cavanaugh. A motion by Senator Giuda and seconded by Senator Cavanaugh.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

REP. GRAHAM: Senator Cavanaugh is not here.

CHAIRMAN CLOUTIER: Oh, I'm sorry. You look like Senator (Inaudible).

KEVIN CAVANAUGH, State Senator, Senate District #16: That's what my name is for.

CHAIRMAN CLOUTIER: Okay. Yeah, I thought you were Senator Cavanaugh, and I probably should have recognized -- okay, thank you. We do have -- I believe everybody is here from the Senate. There's one -- I don't think -- except for Senator Feltes, I'm very pleased and, you know, I appreciate your help, Senator Cavanaugh, so.

REP. GRAHAM: My apologies.

UNIDENTIFIED SPEAKER: Who?

UNIDENTIFIED SPEAKER: Who?

CHAIRMAN CLOUTIER: In other words, again -- all right, yeah, so we'll have a little joke here. We probably can't be too serious. So Senator Giuda made the motion. Senator Cavanaugh seconded the motion, and this is a motion to adopt Item 19-019. Any other questions or comments from the Committee on this item before we vote on it? Okay. Are we ready for the vote?

All those in favor of adopting Item 19-019 signify by saying aye? All those opposed say nay? The ayes have it. Motion carries unanimously.

Okay, next item still under Department of Transportation, Item 19-027. Mr. Barker, please.

MR. BARKER: Department of Transportation pursuant to provisions RSA 4:40 and 228:67 requests authorization of the Long Range Capital Planning Utilization Committee to sell

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

approximately 2.55 acres on the State-owned Northern Railroad Corridor in the Town of Andover to John and Hilde Heaton for \$36,000 -- \$36,100, which includes an administrative fee of \$1,100.

The Department discovered that an ancillary parcel of property, a former gravel pit, if you will, adjacent to U.S. Route 4 in the Northern Railroad Corridor, was actually still in ownership of the State of New Hampshire. The Town and the Heatons had approached a previous abutter and acquired the land that we owned. We went through the process with our associates at the Bureau of Right-of-Way and verified title. Went to the Heatons and said what would you like to do? We own your land. So they requested to purchase it. And they're filing a claim with their title insurance company to address this issue. Any other questions?

CHAIRMAN CLOUTIER: Okay. Thank you, Mr. Barker. Questions of Mr. Barker from the Committee?

SEN. GIUDA: What was the name of the title insurance company?

MR. BARKER: I could get that for you.

CHAIRMAN CLOUTIER: Okay, seeing none, what's the Committee's pleasure, please?

****** SEN. BIRDSELL: Move to approve.

CHAIRMAN CLOUTIER: Okay. Motion by Senator Birdsell. Do I have a second?

MR. ZELLEM: Second.

CHAIRMAN CLOUTIER: Second by Mr. Zellem to adopt Item 19-027. Are we ready for the vote?

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

All those in favor of adopting Item 19-027, signify by saying aye? All those opposed say nay? The ayes have it. Motion carries unanimously.

***** {MOTION ADOPTED}**

CHAIRMAN CLOUTIER: We now go to our late item which is Item 19-030. This is under the Department of Transportation, I guess, and this is -- if you haven't read it I will give the Committee a minute to look this over. Again, this is to request authorization to sell 2.1-acre parcel of State-owned land located on the westerly side of North Main Street just south of the Spaulding Turnpike, Exit 15, northbound off ramp, in the City of Rochester, directly to 400 North Main Street for \$33,100, which includes a \$1,100 administrative fee, subject to the conditions as specified in the request dated September 5th, 2019. Again, this is a late item which I allowed to enter. So I will, again, if you could please identify yourselves for the record, representatives of Department of Transportation.

MR. LABONTE: Steve LaBonte, Administrator of the Bureau of Right-of-Way.

MR. MILES: Good morning. Phillip Miles with the Bureau of Right-of-Way, Department of Transportation.

CHAIRMAN CLOUTIER: Okay. Thank you for coming in, gentlemen. Please go ahead and speak to your item.

MR. LABONTE: Earlier this spring we -- the Department was contacted by 400 North Main Street, LLC, to -- it appears they're trying to develop the site. And when in doing so they contact -- they had the site surveyed and have determined that part of a larger parcel, which they purchased and paid for, was part of -- was State-owned property which was purchased back in 1957 as part of the Spaulding Turnpike construction.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

The parcel appeared on Rochester tax maps as part of the abutting parcel, which as I just said was purchased by 400 North Main Street, LLC. The history of the parcel is that it had been previously used for decades by the Thompson/Center Arms Complex, the manufacturing facility, and then after that to Smith and Wesson. The parcel is heavily both the -- both parcels here, the one that is owned by 400 North Main Street, LLC, as well as the State parcel were heavily contaminated.

The LLC purchased the property under the Brownsfield Project and began doing clean-up. They purchased the property, the overall property, for one million one hundred fifty thousand, and then put another hundred -- 1,317,000 into remediation costs. This will also require ongoing monitoring which is estimated to be around \$30,000 a year.

So they approached us and, again, it was unclear that we owned it until they had done their site survey. Upon learning this, we were all too eager to get rid of the site, because as you can see there's a lot of liability that will be reduced with the sale of this property to the abutting purchaser. An appraisal was conducted and the method used is what is typically used with a site like this. It was appraised at 250,000. The appraisal assumes that the abutter, the person who cleaned up this site or the entity that cleaned up this site would be entitled to 218,000 in credit for the cost of -- of cleaning up the site and that would remain. They'll be purchasing it with a value of 32,000 plus the administrative fee.

CHAIRMAN CLOUTIER: Okay. Questions? Yes, Mr. Zellem, followed by Representative Graham.

MR. ZELLEM: Thank you, Mr. LaBonte. This seems to be the second or maybe even the third item today where the State has owned property that a private entity or individual was using. And you've mentioned that this appeared as part of the larger parcel on the City of Rochester's tax maps. Do you know if the

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

previous owners had been paying municipal and state property taxes on the State's portion of this parcel?

MR. LABONTE: I don't know for sure.
Representative -- counsel for 400 North Main Street, LLC,
Attorney Mark Hodgdon, is here. I'll defer to --

MARK HODGDON, Esq., on behalf of 400 North Main Street, LLC: Hi, I do represent 400 North Main --

CHAIRMAN CLOUTIER: Okay. Excuse me. For the record, could you please maybe come forward and identify yourself. We're trying -- very important to record this.

ATTORNEY HODGDON: I'm Attorney Mark Hodgdon. I represent 400 North Main Street, LLC, the purchaser of the property and, in fact, yes, the prior owners -- this remnant, some of it's -- two acres sounds large, but it's a remnant in a corner. It was an accident of history here. But that said, the prior owners Smith and Wesson, Thompson/Center Arms, and then there was a tool and die manufacturer before that, all had paid taxes on this site to our -- as far as we can go back. And they have occupied the site since the early '60s and always for manufacturing. So it had a lot of solvents, heavy metals. Most of those were cleaned up, but the site is not clean. It is clean enough to qualify for Brownfields Program. And, for the record, the title search that was done at the time of purchase met all title standards. So there wasn't an error in the title process. It was an accident of fate that no one anticipated.

MR. ZELLEM: Thank you.

CHAIRMAN CLOUTIER: Okay, thank you. Yes, Representative Graham, please.

REP. GRAHAM: Thank you, Mr. Chairman. I'm not sure if it's for the Department or I'll direct it at the Department. When

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

this is written up to sell it, it will be very clear that they are assuming all responsibility for clean-up of the property?

MR. LABONTE: That's -- I don't know. We're being represented by -- that's my anticipation, but in fairness we're being represented by the Attorney General's Office. So they have done the negotiating (Inaudible).

ATTORNEY HODGDON: If I may, Your Honor.

CHAIRMAN CLOUTIER: Mr. Hodgdon.

ATTORNEY HODGDON: My client has always wanted to accept the responsibility. That's not going to be an issue.

REP. GRAHAM: Okay. I just --

CHAIRMAN CLOUTIER: Okay.

ATTORNEY HODGDON: But we'll work with the Attorney General's Office.

CHAIRMAN CLOUTIER: Okay. Thank you, Mr. Hodgdon, Representative Graham. Okay. Any further questions from the Committee about this item? Are there any further questions? Okay. I will entertain a motion on this item, please. Yes, Representative Edgar, please.

****** REP. EDGAR: Like to move this item.

SEN. GIUDA: Second.

CHAIRMAN CLOUTIER: Okay. A motion by Representative Edgar, a second by Senator Birdsell to approve item -- I'm sorry. I apologize.

SEN. GIUDA: That's all right.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

CHAIRMAN CLOUTIER: It is the Senator. Okay. All right. Again, a motion to accept Item 19-030. Are we ready for the vote? Any further questions or comments?

Okay. All those in favor of adopting Item 19-030, signify by saying aye? All those opposed say nay? The ayes have it. And the motion -- is there a no? I'm sorry, I want to be clear because I want to be fair to the minority. Okay. So the motion is approved unanimously. Thank you.

***** {MOTION ADOPTED}**

(4) Miscellaneous:

CHAIRMAN CLOUTIER: All right. Again, is there anything -- I don't believe there's anything under Miscellaneous.

(5) Informational:

CHAIRMAN CLOUTIER: Next we have number five, Informational. We have Item 19-025 from the New Hampshire Council on Resources and Development, and this is the approved final minutes from their May 19th, 2019, meeting. So I don't know if there's any questions. I don't know if anyone is here from CORD anyway.

We also have another item from CORD, Item 19-026, two memorandums regarding surplus land review for Brentwood SLR, 19-004 and the sale of SLR 19-005. Okay. Anybody questions? I think -- and then, finally, we have item -- informational item from the Department of Transportation, Item 19-029, informational letter dated August 29th, 2019, regarding the proposed sale of a right-of-way easement, owned by the State over land owned by -- I'm going to murder this name -- Lupoli Brothers Realty Trust in Salem. So there any questions from the

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

Committee about any of these informational? Yes, Representative Graham, please.

REP. GRAHAM: Thank you. On 19-029, it's informational. Are they expecting anything from us? Because the real question I have on it is construction on this development is scheduled to begin this fall and they don't want to delay the start. It will cost them time and money. So if we're not going to meet till November, it's going to cost them time and money.

MR. LABONTE: If I may comment?

CHAIRMAN CLOUTIER: Okay, yes, Mr. LaBonte, please. Please come forward and answer Representative Graham's question.

MR. LABONTE: Yes. I don't know how much you want me to get into this. This is a -- this is a property -- we're doing a project down in Salem with the Town of Salem. It's actually Town of Salem project and we are helping to manage it. And it's the Salem Depot. And in the intersection of Route 28 and Route 97 and 38, the Lupoli Brothers own three parcels that they wish to develop on the northwest quadrant.

They -- when they were doing their title search, they discovered that there was an access easement to the Manchester-Lawrence Railroad that goes across the parcel and was originally purchased by the railroad. The railroad corridor was then conveyed to the State so along with that that property right. The property right has not been used.

The Bureau of Rail and Transit has looked at the easement. It serves absolutely no purpose at all anymore. So extinguishing the easement seems to be the only proper thing to do. But the Lupoli Brothers approached the Department and told us about their construction schedule, and we said to accommodate that, in looking at the likelihood of this being -- being approved by this Committee, we said we could enter -- this is a risk to

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

you -- we could enter into a use and occupancy agreement; but before we did that, I wanted to bring it to the attention of the Committee because I didn't want it to look like we were doing anything behind the scenes. So that's why this is an informational.

I'll be able to judge by the expressions on your face whether you approve of this or not. So I guess I'm not looking for a vote; but if you don't like it, please let me know.

CHAIRMAN CLOUTIER: Okay. Yes, Senator Giuda, please.

SEN. GIUDA: Question, Mr. Chairman. Would it be appropriate and legal to suggest or remove this as an item?

CHAIRMAN CLOUTIER: In other words, to make a motion to accept --

SEN. GIUDA: To accept.

CHAIRMAN CLOUTIER: -- this item? Hum -- basically --

SEN. GIUDA: It's on the agenda but only as informational.

CHAIRMAN CLOUTIER: Informational.

SEN. GIUDA: We are in session.

CHAIRMAN CLOUTIER: Yeah, okay.

MR. LABONTE: May I comment?

CHAIRMAN CLOUTIER: Oh, yeah. Okay. Go ahead. Why don't you help us.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

MR. LABONTE: Again, I want to reiterate this is a use and occupancy agreement which is not typically looked at as a disposal of property.

SEN. GIUDA: Okay.

MR. LABONTE: They're doing it at their own risk. If they build a building there and then, you know, you -- or start building the building and you don't approve this, they've done it at their own risk. So that -- that easement still exists there and now they're encroaching on it, so.

SEN. GIUDA: Follow-up. If -- if the State is represented, the parties that are affected by this potential transaction are here now today. I'm not certain that it would be any harm in moving forward. I don't know if anyone, of course, might be opposed to it.

CHAIRMAN CLOUTIER: Okay. Any further comments? I mean, Representative Jack.

REP. JACK: Thank you. I'm relatively new on the Committee but this doesn't come with the appraisal and the monetary figure and all the normal things that a disposition comes with, so --

SEN. GIUDA: That's a good point.

REP. JACK: -- I don't know if that's appropriate.

MR. LABONTE: If I may comment further?

CHAIRMAN CLOUTIER: Yes, go ahead, please.

MR. LABONTE: As a former Assistant Attorney General by approving this you could be bringing on more liability for the State, because they would move forward relying on this

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

Committee's approval. I think -- so you find something out later on and you don't approve it that may open up a can of worms.

CHAIRMAN CLOUTIER: So, Mr. LaBonte, you're saying the Attorney General has basically determined it's maybe -- it's not maybe a good idea for any action --

MR. LABONTE: No, they haven't. I'm shooting off the hip. As a former Assistant Attorney General I'm shooting of the -- from the hip saying that's if I was still across the street that's one of the concerns I would have (Inaudible).

CHAIRMAN CLOUTIER: Okay. All right. So let's -- I mean, I don't know if you want to move forward, Senator.

SEN. GIUDA: No.

CHAIRMAN CLOUTIER: Okay. Does that answer your concerns and questions? And I will not, you know, this is informational only. I mean, we could have an update later. I mean, in a minute we will set the date for our next meeting and maybe at our next meeting we can talk about this, you can update us.

MR. LABONTE: Well, likely by the next meeting it'll probably already have been entered.

CHAIRMAN CLOUTIER: Been done. Okay, all right. But just keep us informed in case --

MR. LABONTE: Will do.

CHAIRMAN CLOUTIER: -- something unforeseen happens. We need to meet -- we might have to have a special, and I would prefer not to. I'd rather take care it as part of a regular meeting, if possible.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

MR. LABONTE: If you would like, Mr. Chairman, once the use and occupancy agreement is done, we can forward it over here for review.

CHAIRMAN CLOUTIER: Okay. I mean --

SEN. GIUDA: I don't think it's necessary. We're not getting rid of it. There's no need for us to make work.

CHAIRMAN CLOUTIER: Okay. All right. Well, why don't we hold off for now and I'll talk with you about it later. If I feel it necessary, I can always send it out to the Committee.

MR. LABONTE: Okay.

CHAIRMAN CLOUTIER: We can talk at the next meeting. All right. Okay. Anything else? I think that concludes the informational. Anything -- unless any other Committee Member has a question about any informational item. Okay.

(6) Date of Next Meeting and Adjournment

CHAIRMAN CLOUTIER: The final thing is before we adjourn, the date of our next meeting. The Capital Budget Committee met earlier and we decided to have our next meeting for -- I believe we set the date of Wednesday, the 6th. Yes, that is correct, at 10 a.m. So assuming, you know, we've done this way and I think it makes it easier for a lot of us, because a lot of us are on the same two committees. Maybe have our Committee meet at 10:30 a.m. on that same date. Is there any objection to that?

MR. ZELLEM: October 6th?

CHAIRMAN CLOUTIER: What's that?

REP. GRAHAM: November.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

CHAIRMAN CLOUTIER: November, I'm sorry. It would be Wednesday, November 6th, at 10:30 a.m. Is that okay?

Okay. So unless there's -- so we'll set the tentative date for our next regular meeting for Wednesday, November 6th, at 10:30 a.m. We had also talked about even setting a meeting for the January meeting. I think we had talked and Senator Birdsell suggested tentatively we maybe meet if we are going to start meeting in January before the legislative activity gets going on January --

SEN. BIRDSELL: Ninth.

CHAIRMAN CLOUTIER: Yeah, 9th. Again, I'm looking at -- trying to look at a new calendar, 2020. So unless -- and we were going to meet in the afternoon at 3:00 p.m. So if this Committee wanted to try a 3:30 p.m. meeting on Thursday, January 9th, does anybody have any conflicts or anything coming up?

As I said, we can always revisit it at our November meeting, but I think it's important for the State Agencies to try to set some future dates for their planning purposes and ours as well so that they have some idea and we have some idea of when we're going to be meeting. And because, obviously, what we do is very important work; doesn't take as long, quite often, as other committees; but, nevertheless, it is very important work. So with that being said, unless anybody has anything else I will entertain a motion to adjourn.

****** SEN. BIRDSELL: So move.

CHAIRMAN CLOUTIER: Motion by Senator Birdsell. Do I --

SEN. GIUDA: Second.

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019

CHAIRMAN CLOUTIER: -- have a second? Second by Senator Giuda to adjourn. All those in favor adjourning signify by saying aye? All those opposed say nay? The ayes have it and motion -- the meeting is adjourned.

(Meeting adjourned at 11:35 a.m.)

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

September 10, 2019