

LONG RANGE CAPITAL PLANNING AND UTILIZATION COMMITTEE

REVISED MINUTES

May 14, 2013

The Long Range Capital Planning and Utilization Committee met on Tuesday, May 14, 2013 at 2:00 p.m. in Room 201 of the Legislative Office Building.

Members in attendance were as follows:

Representative David Campbell, Chairman
Representative Gene Chandler
Representative John Cloutier, Clerk
Representative John Graham (Alternate)
Senator David Boutin, Vice Chairman
Senator James Rausch
Senator Nancy Stiles
Gerard Murphy, Governor's Office

Michael Connor, Department of Administrative Services

Representative Campbell called the meeting to order at 2:05 p.m.

ACCEPTANCE OF MINUTES:

At the request of Representative Cloutier, that the minutes of March 5, 2013 be corrected to reflect on Page 5, paragraph one (LRCP 13-005), that the last two words "MOTION ADOPTED" be changed to "MOTION TO TABLE ADOPTED."

On a motion by Senator Boutin, seconded by Representative Graham, that the minutes of the March 5, 2013 meeting be accepted as amended on Page 5, paragraph one (LRCP 13-005), that the last sentence read "MOTION TO TABLE ADOPTED." MOTION ADOPTED.

On a motion by Senator Boutin, seconded by Representative Graham, that the minutes of April 16, 2013 meeting be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

LRCP 13-002 Department of Health and Human Services – On a motion by Representative Chandler, seconded by Representative Graham, that the item be removed from the table. MOTION ADOPTED.

The Department submitted a letter of intent (LRCP 13-002 Additional Information), dated May 13, 2013, to withdraw the request tabled March 5, 2013, for approval of a ten-year lease agreement with Levere-Horne Ossipee, LLC, 11 Court Street, Exeter, NH for approximately 10,732 square feet of office space located at 9 Route 28 in Ossipee, NH, and occupancy of the premises and commencement of rental payment to begin September 1, 2013, following completion of all construction as specified, with an end date of August 31, 2023, for a total lease cost of \$2,573,748.24, for the schedule of annual rent as specified in the request dated January 17, 2013 (LRCP 12-061, tabled November 27, 2012 - Died on the table.). WITHDRAWN BY AGENCY.

LRCP 13-005 Department of Administrative Services – On a motion by Representative Cloutier, seconded by Senator Boutin, that the item be removed from the table. MOTION ADOPTED.

Michael Connor, Deputy Commissioner, Department of Administrative Services, presented the request and responded to questions of the Committee.

On a motion by Representative Campbell, seconded by Representative Chandler, that the Committee approve the request of the Department of Administrative Services to enter into a listing agreement with NAI Norwood Group, allowing negotiations within the Committee's current policy guidelines, for a term of up to one (1) year to sell the former Nashua District Court property located at 25 Walnut Street (including one building of approximately 19,459 square feet and approximately 1.11 acres of land) in the City of Nashua for \$1,153,778, plus an \$1,100 Administrative Fee, as specified in the request dated January 17, 2013. (Tabled 03/05/13) MOTION ADOPTED.

NEW BUSINESS:

RSA 4:39-c DISPOSAL OF HIGHWAY OR TURNPIKE FUNDED REAL ESTATE:

LRCP 13-022 Department of Transportation – Charles Schmidt, PE, Administrator, and Phillip Miles, Chief of Property Management, Bureau of Right-of-Way, Department of Transportation presented the request and responded to questions of the Committee.

On a motion by Senator Boutin, seconded by Senator Stiles, that the Committee approve the request of the Department of Transportation, Bureau of Right-of-Way, to enter into a listing agreement for a term of one (1) year with Parade Properties for the sale of a 0.34 +/- acre parcel of State owned land located on the southerly side of NH Route 155 and the northerly side of Kelley Road (Old Pudding Hill Road) in the Town of Madbury for \$60,000, assess an \$1,100 Administrative Fee, and allow negotiations within the Committee's current policy guidelines, subject to the conditions as specified in the request dated April 25, 2013. MOTION ADOPTED.

LRCP 13-023 Department of Transportation – Charles Schmidt, PE, Administrator, Bureau of Right-of-Way, and Christopher Waszczuk, PE, Administrator, Bureau of Turnpikes, Department of Transportation presented the request and responded to questions of the Committee. Richard Head, Attorney General's Office, was present to address the Committee and respond to questions.

On a motion by Representative Chandler, seconded by Representative Graham, that the Committee approve the request of the Department of Transportation, Bureau of Right-of-Way and Bureau of Turnpikes, to enter into a 35-year ground lease contract, with two 5-year options at the sole discretion of the State, in order to re-develop the northbound and southbound Rest Areas in the Town of Hooksett to full service welcome centers with concession sales, fuel sales, visitor centers, and new liquor stores, for a minimum guaranteed rent of \$23,236,301 over the 35-year term with tiered rent payments based on the sale of gasoline and tiered percentage rent based on

gross concession sales to be paid by the Developer/Operator, subject to the terms and conditions as specified in the request dated May 7, 2013. NO ACTION TAKEN.

On a motion by Senator Boutin, seconded by Senator Stiles, that the Committee table the request of the Department of Transportation, Bureau of Right-of-Way and Bureau of Turnpikes, to enter into a 35-year ground lease contract, with two 5-year options at the sole discretion of the State, in order to re-develop the northbound and southbound Rest Areas in the Town of Hooksett to full service welcome centers with concession sales, fuel sales, visitor centers, and new liquor stores, for a minimum guaranteed rent of \$23,236,301 over the 35-year term with tiered rent payments based on the sale of gasoline and tiered percentage rent based on gross concession sales to be paid by the Developer/Operator, subject to the terms and conditions as specified in the request dated May 7, 2013. MOTION ADOPTED.

The request was tabled until such time as negotiations have been completed and the Developer/Operator information can be made public.

RSA 4:40 DISPOSAL OF REAL ESTATE:

LRCP 13-015 Department of Administrative Services – Michael Connor, Deputy Commissioner, Department of Administrative Services, presented the request and responded to questions of the Committee.

On a motion by Senator Rausch, seconded by Senator Boutin, that the Committee approve the request of the Department of Administrative Services of a twenty (20) year Driveway Use Agreement with Bindery Redevelopment, LLC to utilize for public vehicular access to the rear corner of its parcel at 43-45 South Main Street in Concord the abutting State-owned driveway, which provides rear access from South Main Street to the State land and buildings at 12 Hills Avenue in Concord, at no cost, subject to the conditions as specified in the request dated March 6, 2013. MOTION ADOPTED.

LRCP 13-016 Department of Administrative Services – Michael Connor, Deputy Commissioner, Department of Administrative Services, presented the request and responded to questions of the Committee.

On a motion by Senator Rausch, seconded by Representative Graham, that the Committee approve the request of the Department of Administrative Services to enter into a listing agreement with Gallo Realty Group NH, LLC, allowing negotiations within the Committee's current policy guidelines, for a term of up to one (1) year for the sale of 0.34 acres of State-owned land, including a three-story wood frame house of approximately 3,330 square feet, located at 85 Pleasant Street in the City of Concord for \$89,900 plus an \$1,100 Administrative Fee, subject to the conditions as specified in the request dated March 13, 2013. MOTION ADOPTED.

LRCP 13-017 Department of Administrative Services – Michael Connor, Deputy Commissioner, Department of Administrative Services, presented the request and responded to questions of the Committee.

On a motion by Representative Graham, seconded by Senator Boutin, that the Committee approve the request of the Department of Administrative Services to enter into a listing agreement with Gallo Realty Group NH, LLC, allowing negotiations within the Committee's current policy guidelines, for a term of up to one (1) year for the sale of 0.14 acres of State-owned land, including a two-story wood frame house of approximately 2,428 square feet and a detached one-car wood frame garage, located at 79 Pleasant Street in the City of Concord for \$89,900 plus an \$1,100 Administrative Fee, subject to the conditions as specified in the request dated March 13, 2013. MOTION ADOPTED.

LRCP 13-018 Department of Administrative Services – Michael Connor, Deputy Commissioner, Department of Administrative Services, presented the request and responded to questions of the Committee.

On a motion by Senator Boutin, seconded by Representative Cloutier, that the Committee approve the request of the Department of Administrative Services of a two (2) year Field License Agreement with the City of Laconia to utilize the State-owned Hank Risley Field in Laconia, at no cost, for youth and adult sport practices and as a car parking lot for sporting events at the adjacent Robbie Mills Park, with the term of the agreement to begin on May 11, 2013 and end on May 10, 2015, subject to the conditions as specified in the request dated April 1, 2013. MOTION ADOPTED. (5-Yes, 2-No)

LRCP 13-021 Department of Administrative Services – Michael Connor, Deputy Commissioner, Department of Administrative Services, presented the request and responded to questions of the Committee.

On a motion by Senator Boutin, seconded by Senator Stiles, that the Committee approve the request of the Department of Administrative Services to enter into a Purchase and Sale Agreement with Dartmouth-Hitchcock Clinic to sell the property located at 247-249 Pleasant Street (including two buildings totaling approximately 5,356 square feet and approximately 0.989 acres of land) in the City of Concord for \$900,000 plus an Administrative Fee of \$1,100, subject to the conditions as specified in the request dated April 24, 2013. MOTION ADOPTED.

INFORMATIONAL:

The informational materials were accepted and placed on file.

ADJOURNMENT:

The meeting was recessed until Tuesday, May 21, 2013 at 1:00 p.m. (Where upon the meeting adjourned at 2:39 p.m.)

Chairman Campbell reconvened the May 14, 2013 meeting on Tuesday, May 28, 2013 at 1:00 p.m. with the following members in attendance:

Representative David Campbell, Chairman
Representative John Cloutier, Clerk
Representative John Graham (Alternate)
Representative Katherine Rogers (Alternate)
Senator David Boutin, Vice Chairman
Senator James Rausch
Senator Nancy Stiles

Michael Connor, Department of Administrative Services

Representative Campbell called the meeting to order at 1:02 p.m.

NEW BUSINESS:

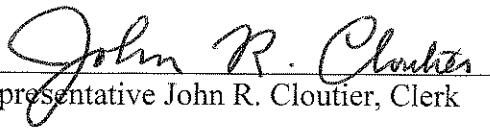
Representative Campbell clarified for the record that the vote taken on May 14, 2013 for the Department of Administrative Services item, LRCP 13-018, was 6 to 2 in favor of, not 5 to 2 as previously stated.

LRCP 13-023 Department of Transportation (Tabled May 14, 2013) – The Department submitted a replacement, LRCP 13-023 Replacement #2, dated May 20, 2013. Christopher Clement, Commissioner, and Christopher Waszczuk, PE, Administrator, Bureau of Turnpikes, Department of Transportation, presented the replacement request and responded to questions of the Committee. Michael Connor, Deputy Commissioner, Department of Administrative Services was also available to respond to questions of the Committee.

On a motion by Representative Graham, seconded by Senator Boutin, that the Committee approve request LRCP 13-023 Replacement #2 of the Department of Transportation, Bureau of Right-of-Way and Bureau of Turnpikes, to enter into a 35-year ground lease contract with two 5-year options at the sole discretion of the State in order to re-develop the northbound and southbound Rest Areas in the Town of Hooksett to full service welcome centers with concession sales, fuel sales, visitor centers, and new liquor stores, for a minimum guaranteed rent of \$23,236,301 over the 35-year term with tiered rent payments based on the sale of gasoline and tiered percentage rent based on gross concession sales to be paid by the Developer/Operator, Granite State Hospitality, LLC d/b/a the Common Man Hooksett (aka The Common Man), subject to the terms of the revenue sharing and conditions of the ground lease and concession agreement as specified in the request dated May 20, 2013, with the contract requiring the Developer/Operator to design, build, finance, maintain and operate the service areas with the exception of the new Liquor Stores, which will be financed, owned, and operated by the New Hampshire Liquor Commission. MOTION ADOPTED.

DATE OF NEXT MEETING AND ADJOURNMENT:

The next meeting of the Long Range Capital Planning and Utilization Committee will be at the Call of The Chair. (Where upon the meeting adjourned at 1:18 p.m.)


Representative John R. Cloutier, Clerk