

SUNAPEE BOARD OF SELECTMEN  
MEETING  
6:30PM Town Office Meeting Room  
Monday, October 3, 2022

Present: Vice-Chairman Suzanne Gottling, Chairman Josh Trow, Selectmen Carol Wallace, Shannon Martinez-Town Manager, Allyson Traeger-Executive Assistant.  
Selectman Fred Gallup &, Kris McAllister

REVIEW OF ITEMS FOR SIGNATURE:

CZC's:

Parcel ID: 0104-0051-0000 45 Springfield Road, James Keady

Parcel ID: 0210-0050-0000 561 North Road, Susan Rovell-Rixx

Parcel ID: 0225-0009-0000 15 Route 103, McDonough Family Properties

Parcel ID: 0136-0028-0000 323 Lake Ave, Mark & Deborah Pasculano

Parcel ID: 0146-0031-0000 95 Upper Bay Road, Stephen & Patricia Healy

**Motion to approve CZC's by Selectman Wallace seconded by Vice-Chairman Gottling. All voted in favor.**

LAND DISTURBANCE BOND:

Parcel ID: 0225-0009-0000 15 Route 103, McDonough Family Properties

Parcel ID: 0128-0031-0000 90 Garnet Street, Mike & Sharon Kelly

**Motion to approve LAND DISTURBANCE BOND by Vice-Chairman Gottling seconded by Selectman Wallace. All voted in favor.**

APPROVED SIGN PERMIT:

Parcel ID: 0130-0005-0000 33 West Court Road, Shaun Carroll

Selectman Wallace asked on what basis do they approve or deny signs.

Chairman Trow answered that they get approved mostly on sq. footage.

**Motion to approve SIGN PERMIT by Selectman Wallace seconded by Vice-Chairman Gottling. All voted in favor.**

DENIED SIGN PERMIT:

Parcel ID: 0132-0017-0000 477 Route 11, Nick Kontoes

**Motion to deny SIGN PERMIT by Selectman Wallace seconded by Vice-Chairman Gottling. All voted in favor.**

PROPERTY TAX REFUNDS:

Parcel ID: 0122-0015-0000 242 Garnet Hill Road, Camp David LLC

Parcel ID: 0112-0012-0000 68 Woodland Road, Mark & Kristen Begor

Selectman Wallace asked how often Property Tax Refunds occur and if it is a rarity.

Chairman Trow answered that they have a few refunds per year.

**Motion to approve PROPERTY TAX REFUNDS by Vice-Chairman Gottling seconded by Selectman Wallace. All voted in favor.**

#### APPOINTMENTS

7:00PM-Public Hearing- Acceptance and Expenditure of Unanticipated Revenue from State of NH-Highway Block Grant

Chairman Trow read the notification letter from the State of New Hampshire Department of Transportation of a one-time highway payment being made available to your town in State Fiscal Year 2023 based on the passage of Senate Bill 401 effective in July 2022. SB 401 directs the department to divide and distribute a \$30 million one-time payment between all New Hampshire municipalities based on the distribution methods of Block Grant Aid Apportionment A. This one-time payment is separate from your regular quarterly payments. This one-time payment is anticipated to be available to the Town of Sunapee during the month of August 2022 as follows: August 2022 Actual Payment: \$104,500.27 in generalized terms and in accordance with statutory provisions for distribution of Block Grant Aid "Apportionment A" funds, this one-time highway payment is based on the municipalities' mileage of Class IV and Class V highways, as well as the municipalities' population.

Scott Hazelton, Highway Director said that when they have received the grant back in August, they have put it towards the roads that were not finished and some of the roads that have been scheduled for pavement for the next year or so. With the prices that they got this year they were not able to do everything that they have planned and with the grant provided to them, they will be able to do more roads this year that are shorter in length and pave a lot of roads as well. Town Manager Martinez pointed out that they would like to be able to do all this road work mentioned if the board chooses so that it is OK and after the board approve the obligation of such money.

Vice-Chairman Gottling asked if they have more money coming not from this grant but from standard payments.

Mr. Hazelton mentioned the payment of Bridge money and that they may receive money from FEMA as well.

Selectman Wallace asked the Town Manager if this was a lumpsum amount and going forward will they get it in quarterly basis as she had mentioned. She also asked if they must use the fund this year because the timing of getting the money as in being able to do the work is a question. Chairman Trow said that they already get revenue in quarterly basis and that this is a one-time extra payment.

Mr. Hazelton added that they have had extra an \$30 million in surplus and so they distributed that amongst all the municipalities throughout the state based on their population and total mileage of Class IV and Class V highways.

Town Manager Martinez replied that for this one-time payment Mr. Hazelton was proposing that because costs have been going up and because they had this opportunity to complete more activity right now, they do it right now. The way that the Highway Block Grant has been working before, she would like to discuss with the board at the budget meeting. It seems like there could be a misunderstanding, and with Mr. Hazelton they wanted to bring that conversation up at the budget meeting because they get these payments and they know they are coming in and

they earmark it there but it does not look like they are actually using it, so what Mr. Hazelton and her want to do is use the money that is coming in first, before the regular money coming in quarterly basis

Chris Whitehouse from the public asked for clarification about the money if it is for 2023 or this current year and if they are already spent.

Chairman Trow replied that the money is for 2022 and from what he understood, the one payment is already spent.

Chris Whitehouse said that he is ok with that, but it seems strange that they have a public hearing to hear about the money they have spent instead of asking them how it is spent.

Town Manager Martinez replied that one of the things they did is that on the Highway Block Grant quarterly meetings they do not do public hearing, so when the one-time payment came in, she did not realize that they must do a public hearing on it, so they agreed to work together moving forward.

Chairman Trow put the acceptance of the Highway Block Grant in the amount of \$104,500.27 to be spend on roadwork projects to voting and all voted in favor.

#### 7:15PM-Ryan Polson, Standard Power

Ryan Polson and Emily Manns from Standard Power presented, Mr. Polson said that they have helped the towns save on electricity bills which right now if you pay attention to the default rates, the town is at 7,8 cents and Eversource is at 22.5 cents, so a fairly good position to be in right now. In addition to that, they have helped increase the revenue from town's hydro facility through the group net metering program in NH. Ms. Manns said that Standard Power teamed up with Good Energy in 2022 and provided the draft plan and all supporting outreach and that plan was approved in 2021. Their team has over 60 operating aggregations in Massachusetts and Rhode Island, so New Hampshire operates in the same utility as Eversource and serves the town. They have three towns that have approved plans locally for community power and additional four communities that are working with them for the 2023 town approval process and they are still working on the other towns approval for 2023. Community power is whenever the municipality purchases electricity for residents and small businesses, so they are bringing market power to small customers. It is successful for essentially three reasons: it is an opt out program so when the town adopts a community power program, the customers who are currently on the default supply service are on the program and the other two reasons that the programs provide costs savings and renewable energy. They generally have three choices in Massachusetts: default, 100% renewable and the best cost. They can fund a project fund for a renewable energy and energy efficient investments in the community. Customers always have the right to leave the program without any fee, but they strive to help savings over time for default customer, because they are the ones that do not pay attention to the bill and then for active members who want best price for renewable energy. The supplier and the migration risk are all taken by the supplier, there is no cost to the town's budget. There are stable competitive rates. It is required for a community power committee to be appointed and the committee develops a plan with public input and then the plan is approved at town meeting with voters.

Chairman Trow asked about the meaning of the Class RECs.

Ms. Manns replied that the Class I RECs are new renewable energy, typically solar.

Selectman Wallace asked a question related to the PUC and are there requirements that they as an organization sign up x number of towns by date served to retain the agreement that they have gotten from the PUC. Ms. Manns replied that each town approves its own plan, and they can choose to go purchase with other towns or they can go out by their own.

Richard Osborne asked that if there is an existing solar facility, are they buying the power from net-metering and they buy the excess power. Ms. Manns replied that for regular customers there would be a postcard with different choices. Town Manager Martinez asked what makes them unique. Mr. Polson said that from a traditional business to a town standing point he thinks their familiarity with New Hampshire's residents, their knowledge of the market and the state and that they have helped the town with the hydro facility. That gives them an advantage from any other consulting from that standing point. When it comes to the community power, they work with fifty other towns in NH and about 15-20 school districts and their relationship with Good Energy who has done this in Massachusetts and Rhode Island which is in the same trajectory as NH, they have the industry knowledge of how to develop this program and NH knowledge from them. So, their combination of the two companies gives them an advantage to help provide these services to the community. They run the largest group net-meter in the state, so they provide unique benefits to the customers. They are the only community power providers now, but they have some good competition. Chris Whitehouse said that several years ago when they put LED lights in this place, he asked every single year when they are going to see return in the investment, so they are talking about energy here if they spend money to lower their bill and does not actually transfer to the taxpayers and their money, what is the point. He wanted to know how it is going to benefit them, where are they going to see it in their actual budget.

Ms. Manns wanted to answer his first question with LED lights using about the tenth of the power and she knows that those calculations can be done for him by someone in the committee or the town. Chairman Trow replied that the whole point about the initial program was that they would be involved in their payment for the term of repayment in 3, 5 or 7 years depending on the building. He said that this building is hitting the payoff point this year.

Richard Osborne asked about the program where they provide money for solar programs to the community. Ms. Manns said that the fund has a renewable energy developer who has donated a fund, which is \$20,000, and in her town, there are people eager to put investments into renewal energy projects so that could have attracted private investments, some programs could take a slider off of a 100% renewable product or all of the products and put it into that fund. Energy efficiency is an investment in the community.

#### PUBLIC COMMENTS:

- Jessie Tyler asked if the Board of Selectmen could possibly help the school system and the entire tax bill for all of them with the funding of public education in NH, he thinks that they are in the 50<sup>th</sup> place and recently had a community forum where they had people of vastly different political orientation and opinion and had very productive form of discussion. He understands that on the boards plate is the consideration of funding \$2500 for the ongoing coalition agreement and he wanted to get more information from the board about this agreement.

Chairman Trow said that the Coalition Communities Agreement is on the agenda on this meeting and will be discussed later.

•Chris Whitehouse commented on the Coalition Communities 2.0 as well and from the elementary school funding project presentation that he had attended mentioned what he thought was a relevant point that towns cannot properly fund an education and also cannot properly fund any economic development and if they are going to join the coalition who essentially wants to keep the status quo, he asks are they part of the problem or are they part of the solution. That coalition is about not properly funding the education in the State of NH.

•John Augustine said that Sunapee elementary school has the highest standing per student than any district in NH and the performance ranking is 33<sup>rd</sup> so the issue is trying to present it as an allocation of funding across towns and the real issue discussed is the accountability for the funding and simply throwing more money at it does not solve the problem, it just shifts the attention of the real problem which is the accountability. When you spend more than any other town on your elementary school, and you are ranked 33<sup>rd</sup> that is worthy of discussion. This coalition of communities is talking about the division of money across towns what used to be called donor towns and receiver towns and the coalition by his understanding is going to fight against or lobby against the reinstitution of donor towns and receiver towns. He believes that the Board of Selectmen have the responsibility to the taxpayers of Sunapee and the residents of Sunapee, they have no obligation to the taxpayers of Newport, Springfield and any other town and prior to the board's joining the coalition they can have their personal opinion, lobby individually, but as a board it is their responsibility to advocate both for the taxpayers and residents of Sunapee. Those folks who believe that greater state funding will be beneficial for the local students and local school district, he thinks are being naïve, because along with that initial state funding will come additional state oversight and regulations. The thing he wanted to talk is that the Conservation Commission had a particularly good hike to Ledge Pond, which was very well organized and publicized, they led the group through the new trails that were built around Ledge Pond. He wanted to mention that the new trails were constructed not with taxpayer money; they did log on the site and they sold the timber and used the money to benefit the community by creating trails. It is that mentality that he hopes they all will encourage as they go into budget season for all the departments as they present their request for 2023 it is worthy to ask them what non tax payers sources did they go after this year, how many grants did they apply for and in their 2023 request what can they expect from them to ask and seek for grant money and things that are non-taxpayer funds.

•Lisa Hoekstra as a short-term rental owner for four years asked what happens to the letters that they sent to the board about support of short-term rentals, and she was hoping to hear from the Town Manager about status of Code Enforcement Officer and staff updates. As a general comment about short-term rental owners, she said that it seems like they have contained guilty rather than innocent until proven guilty. They all operate good short-term rentals and part of how she sees it personally is that through the ordinances that are now coming before Planning Board and The Board of Selectmen are restrictive and they need to look at what are the true facts around the short-term rentals and include them in the conversation and the processes.

Chairman Trow said that the letters come through their inbox, they do whatever they need to do with them, and then they are copied and filed.

## SELECTMEN ACTION

- Review & sign the MOU for Professional Services Between the Coalition Communities

Chairman Trow said that as discussed and thinks that Mr. Augustine gave a good pile of law review that the original intent of the Coalition was not to go back to 100% donor/receiver plan and thinks that the concern is how the formula will change. Personally, he somewhat agrees with Mr. Augustine on the fact that his primary concern is the citizens of Sunapee, and this is the way that they can make sure that there is at least somebody looking out for it and provide input. Basically, that is the way for them for relatively reasonable cost to make sure that their interests are not completely ignored at least.

Vice-Chairman Gottling added that two weeks ago she said that she will talk to the Superintendent of Schools, which she did and he was not really familiar with the Coalition Communities, so they did a little bit of overview and she would say that branded up with agreement from him that the Coalition Communities really do one thing; they look out for not having a big change in the SWEPT money which would not result in large increase in taxes for Sunapee residents. Even though she personally feels that funding for these far schools is a failed system, but she does not know that by not joining up with the Coalition Communities will do anything to make the system better. All they will do is have a lobbyist that will send reports to Town Manager Martinez about the upcoming legislation. She does not feel that there is any harm in spending \$2500 to stay informed, although they may as well have somebody on the education committee and let them know anyway.

Selectmen Wallace asked for clarification if the money goes to a lobbyist and Chairman Trow confirmed that it goes to an entire pool of funding behind it and that the sole expense is the lobbyist.

**Motion to authorize the Town Manager to sign the MOU for Professional Services Between the Coalition Communities 2.0 by Chairman Trow seconded by Vice-Chairman Gottling. All voted in favor.**

- Review & authorize for Town Manager to sign Jautz Settlement Agreement and Release

Chairman Trow presented the settlement agreement and release for tax map 121 lot 52 the result to which was the town agreed to a slightly lower 2020 and 2021 assessment.

Kris McAllister added that they were advised by their attorneys that they go forward and defend the numbers that they and the expert had on their side, because they outweigh the benefit. Basically, it was split in the middle.

Chairman Trow said that the refund is lower than \$13,000 over two years, which will be placed forward against their outcoming taxes.

**Motion to authorize the Town Manager to sign Jautz Settlement Agreement and Release by Vice-Chairman Gottling seconded by Selectman Wallace. All voted in favor.**

- Review & authorize Chairman Trow to sign the Non-Attest Services Draft Approval

**Motion to authorize Chairman Trow to sign the Non-Attest Services Draft Approval by Selectman Wallace seconded by Vice-Chairman Gottling. All voted in favor.**

- Review & authorize Chairman Trow to sign the Application for Use of Town of Sunapee Facilities After the Fact

Chairman Trow pointed out that the date has passed already, and the event was held.

**Motion to approve the After the fact by Vice-Chairman Gottling seconded by Selectman Wallace. All voted in favor.**

- Review & sign MS-1

Chairman Trow reported that the final number of NET evaluation of the properties with utilities in town is \$1,481,348.412.

**Motion to approve MS-1 as submitted by Selectman Wallace seconded by Vice-Chairman Gottling. All voted in favor.**

- Accept EMPG Grant Award in the amount of \$4,000.00

Chairman Trow read the NH Division of Homeland Security & Emergency Management (HSEM) as follows: This letter is to inform you that the NH Division of Homeland Security & Emergency Management (HSEM) has received, reviewed, and approved the final narrative and financial reports on the above Subject grant, as applicable. All administrative actions and project deliverables have been completed for the Town of Sunapee for the performance period of October 1, 2018, to September 30, 2022. Your request for reimbursement was processed and a final payment in the amount of \$4,000.00 was issued on September 27, 2022, leaving a balance of \$0.00.

**Motion to accept EMPG Grant Award in the amount of \$4,000.00 by Chairman Trow seconded by Selectman Wallace. All voted in favor.**

#### TOWN MANAGER REPORTS

Town Manager Martinez reported that the Penstock inspection was completed but there are some phases where they will probably need to put some mitigation measures in place. The inspection teams are going to come back next week to determine what are some of the possible fixes on the inside. Once they get the report, it will be documented that they have a well-functioning Penstock and can continue to operate the hydro dam, so it is good news for the town.

- Budget Update

Town Manager Martinez asked one more guidance question about the budget, in continuance with the last meeting, about potential organizational changes in structure, how the organization would be set up as who would report to who, also moving certain people from one department to another. She asked the board how they approach to these changes and when do they need these changes presented to them. Chairman Trow replied that if they physically create new positions or fundamentally change them, then they would need more heads up, whereas functional changes and reorganizations can be presented to the board on the budget meeting.

Vice-Chairman Gottling noted that if changes influence the budget financially, it would be good to be informed before they get into the budget meeting. Town Manager Martinez said that the changes would not impact the budget because they are thinking of combining two departments together and turn positions that already exist into one full-time position.

She added that on the next meeting they will come with a request to move money from one department to another, because they are short staffed.

Selectmen Wallace said that it would be beneficial for everybody if they present any head changes, two part time into a full time and FDE information and synergies that would come out from those moves.

- Septic Ordinance

More companies are coming to them and asking how often they should pump certain properties, so in coordination with LSPA and in partnership conversation with neighboring Newbury and New London they would like to all come and work together on the Septic Ordinance. They will have 2-3 community meetings to get input from the local septic providers and local business to advise on that.

- Staffing Update

They could not find a Code Enforcement Officer and they will have a possible solution to present at the next meeting.

- Legal Updates

Short-term rentals group had been working on definitions and were sent to the Planning Board. They will continue working on the registration process and present it to the Board of Selectmen for a review.

Town Manager Martinez informed that the Halloween night will be held on Halloween in partnership with all the different entities in town on Central Street, from 5-7PM.

They have had a lot of legal costs this year so they will propose allocating money from different departments.

Selectmen Wallace asked for a briefing on the Master Plan and what are they doing in general to bring it to the public.

Town Manager Martinez said that together with the Planning Board they have partnered with UVLSRPC and are working on the Questionnaire which will be sent out through internet and on paper copies. The system will be IP restricted. They will have community meetings with various kinds of sessions like mapping, and one online meeting for the people that cannot attend or do not live there but are taxpayers.

Richard Osborne (Planning Board) added that they have had several meetings for four months, specifically for the Master Plan.

#### CHAIRMAN'S REPORT

- No reports from Selectmen.

**9:23PM-Motion to enter nonpublic under RSA 91-A:3II(c) – Matters discussed in public likely to affect reputation by Chairman Trow, seconded by Selectman Gottling.**

**9:35PM-Motion to exit non-public session and seal minutes by Chairman Trow, seconded by Selectman Gottling.**

**9:37PM-Motion to enter nonpublic under RSA 91-A:3II(b) – The hiring of any person by Selectman Gottling, seconded by Chairman Trow.**



**10:07PM-Motion to exit non-public session and seal minutes by Selectman Gottling,  
seconded by Chairman Trow.**

Meeting Adjourned 10:10PM

Respectfully submitted,

Rajmonda Selimi

SUNAPEE BOARD OF SELECTMEN  
MEETING AGENDA  
6:30PM Town Office Meeting Room  
Monday October 3, 2022

1. REVIEW OF ITEMS FOR SIGNATURE:

CZC's:

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PROPERTY TAX REFUNDS:

Parcel ID: 0122-0015-0000 242 Garnet Hill Road, Camp David LLC  
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2. APPOINTMENTS

7:00PM-Public Hearing- Acceptance and Expenditure of Unanticipated Revenue from  
State of NH-Highway Block Grant

7:15PM-Ryan Polson, Standard Power

3. PUBLIC COMMENTS:

4. SELECTMEN ACTION

- Review & sign the MOU for Professional Services Between the Coalition Communities
- Review & authorize for Town Manager to sign Jautz Settlement Agreement and Release
- Review & authorize Chairman Trow to sign the Non-Attest Services Draft Approval
- Review & authorize Chairman Trow to sign the Application for Use of Town of Sunapee Facilities after the fact
- Review & sign MS-1
- Accept EMPG Grant Award in the amount of \$4,000.00

5. TOWN MANAGER REPORTS

- Budget Update
- Septic Ordinance
- Staffing Update
- Legal Updates

#### 6. CHAIRMAN'S REPORT

- Motion to enter nonpublic under RSA 91-A:311(c) -- Matters discussed in public likely to affect reputation
- Motion to enter nonpublic under RSA 91-A:311(b) -- The hiring of any person

#### 7. UPCOMING MEETINGS:

10/5-7:00PM-Conservation Committee, Town Meeting Room

10/6-6:30PM-Zoning Board Meeting, Town Meeting Room

10/10-Town Office Closed-Columbus Day

10-10-10:00AM-Trustees of the Trust Fund, Town Meeting Room

10/11-5:30PM-Recreation Committee Meeting, Town Meeting Room

10/12-5:00PM-Energy Committee Meeting, Town Meeting Room

10/13-7:00PM-Planning Board Meeting, Town Meeting Room

# SIGN-IN SHEET

## BOARD OF SELECTMEN MEETING

DATE: 10/03/2022

Richard + Charles Osborne

284 Rt 11

Emily Manns

Standard Power

Ryan Polson

Standard Power -

Edisakka

Maple St

John Augustine

Stagecoach Rd

Chris Whithouse

Will Hill Rd

## NOTICE OF PUBLIC HEARING

Town of Sunapee, NH

Acceptance and Expenditure of Unanticipated Revenue  
from State of NH-Highway Block Grant

Pursuant to RSA 31:95-b, the Selectmen of the Town of Sunapee will hold a Public Hearing on Monday, October 3, 2022, at 7:00PM in the Town Office Meeting Room, 23 Edgemont Road, Sunapee NH to hear public comment on the acceptance and expenditure of unanticipated revenue in the amount of \$104,500.27 from State of NH-Highway Block Grant. Any persons wishing to be heard on this matter are invited to attend the hearing and make their opinions known.



**Victoria F. Sheehan**  
**Commissioner**

**THE STATE OF NEW HAMPSHIRE**  
**DEPARTMENT OF TRANSPORTATION**



**William Cass, P.E.**  
**Assistant Commissioner**

August 10, 2022

Joshua Trow, Chair of Selectboard  
Town of Sunapee  
23 Edgemont Road  
Sunapee, NH 03782

**Re: Sunapee Special One Time Highway Payment – in Accordance with Senate Bill 401  
Payment for Maintenance, Construction and Reconstruction of Class IV and V Highways**

Dear Mr. Trow:

The following is notification of a one time highway payment being made available to your town in State Fiscal Year 2023 based on the passage of Senate Bill 401 effective in July 2022. SB 401 directs the department to divide and distribute a \$30 million one time payment between all New Hampshire municipalities based on the distribution methods of Block Grant Aid Apportionment A. This one time payment is separate from your regular quarterly payments.

This one time payment is anticipated to be available to the Town of Sunapee during the month of August 2022 as follows:

August 2022 Actual Payment:                      \$104,500.27

In generalized terms and in accordance with statutory provisions for distribution of Block Grant Aid "Apportionment A" funds, this one time highway payment is based on the municipalities' mileage of Class IV and Class V highways, as well as the municipalities' population.

Please contact us at 271-3344 if you have any questions.

Sincerely,

*C. R. Willeke*

C. R. Willeke, PE  
Municipal Highways Engineer  
Bureau of Planning and Community Assistance

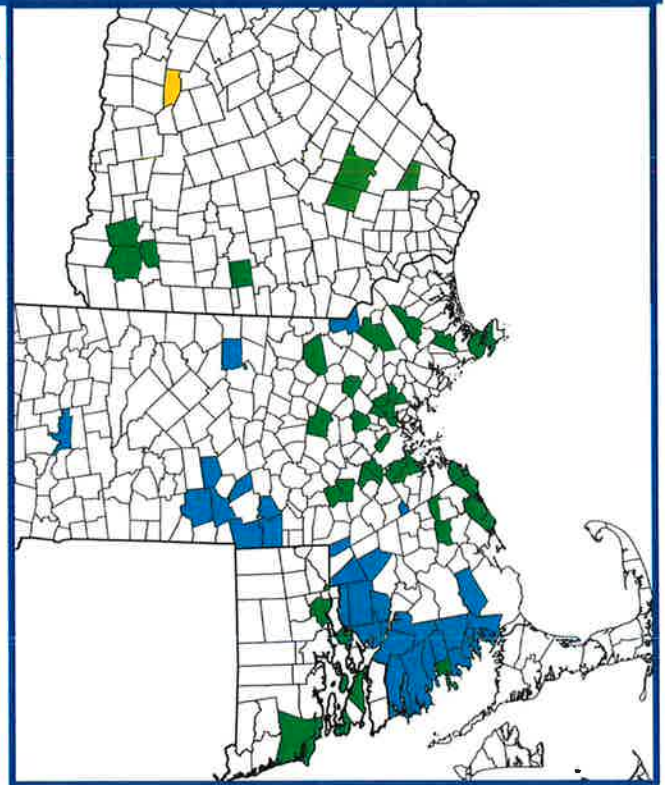
# Town of Sunapee Community Power

With Standard Power & Good Energy

October 3, 2022

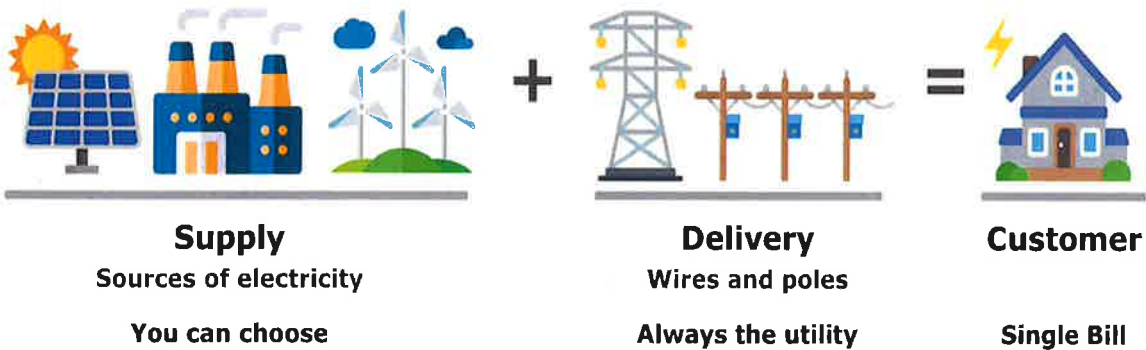
## Standard Power & Good Energy

- Over 60 operating aggregations in Massachusetts and Rhode island with >\$80 million in savings
- Eight New Hampshire Communities including Keene
- Building plans, programs and buying groups for 2023 and 2024
- Active participation in legislative and regulatory process
- <https://cp.standardpower.com/>



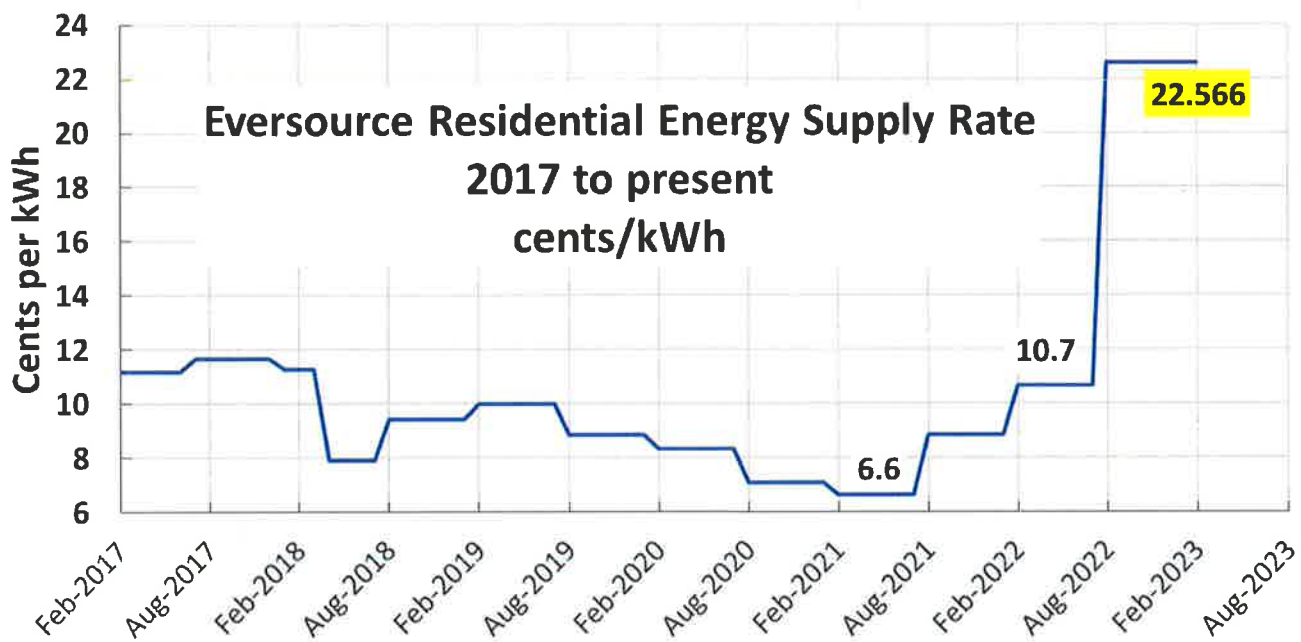


## What is Community Power?



Opportunity in NH to localize control over electricity supply, and extend benefits of competitive market to residents and small businesses.

Delivery, emergency services and billing stay with the utility.



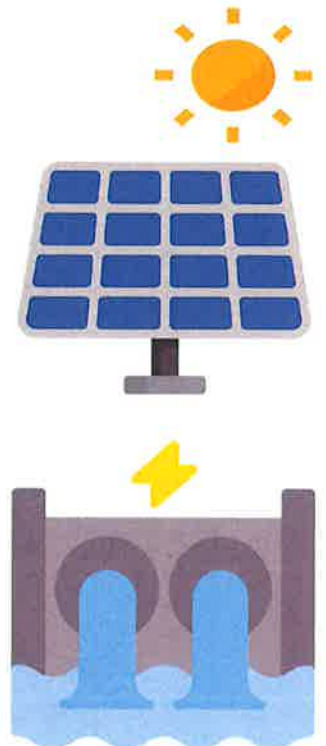
## Use and Support Local Renewable Energy

### Markets

- Renewable Energy Certificates (RECs) are the quantifiable renewable attribute of all renewable energy resources
- The location of renewable generation and RECs are known and verifiable

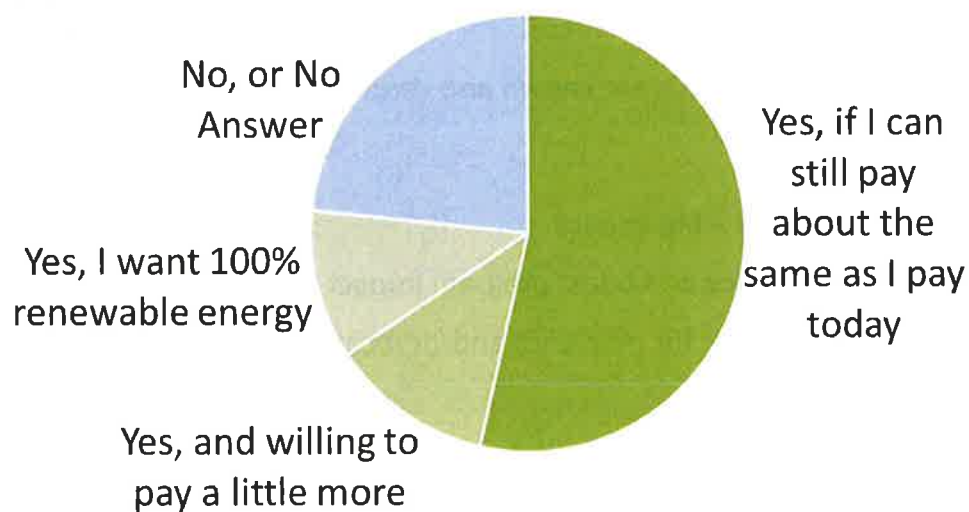
### Plan Choices

- Small increases in renewable energy have a big impact
- Optional products support individual choice and boost program impact
- Optional program fund can seed investment for efficiency and/or local renewable projects



## Community Power Survey

Are you interested in adding extra renewable energy in our electricity supply?



## Example: Keene

### Standard/Default



Adds 5-10% or more  
Class I RECs

### Basic



Meets State  
standards for  
renewable  
energy\*

### 50%-100%



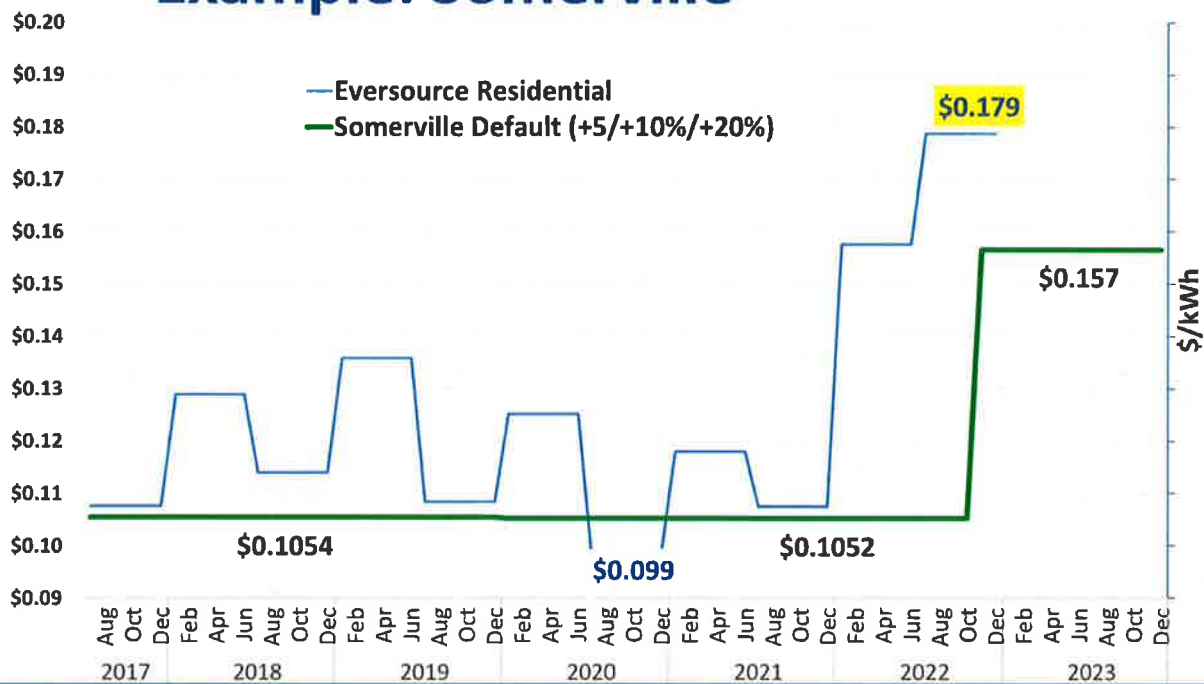
Matches 50%  
and/or 100% of  
energy use with  
extra Class I RECs

*\*New Hampshire RPS in 2022 is 22.5% Renewable Energy Certificates (RECs)*

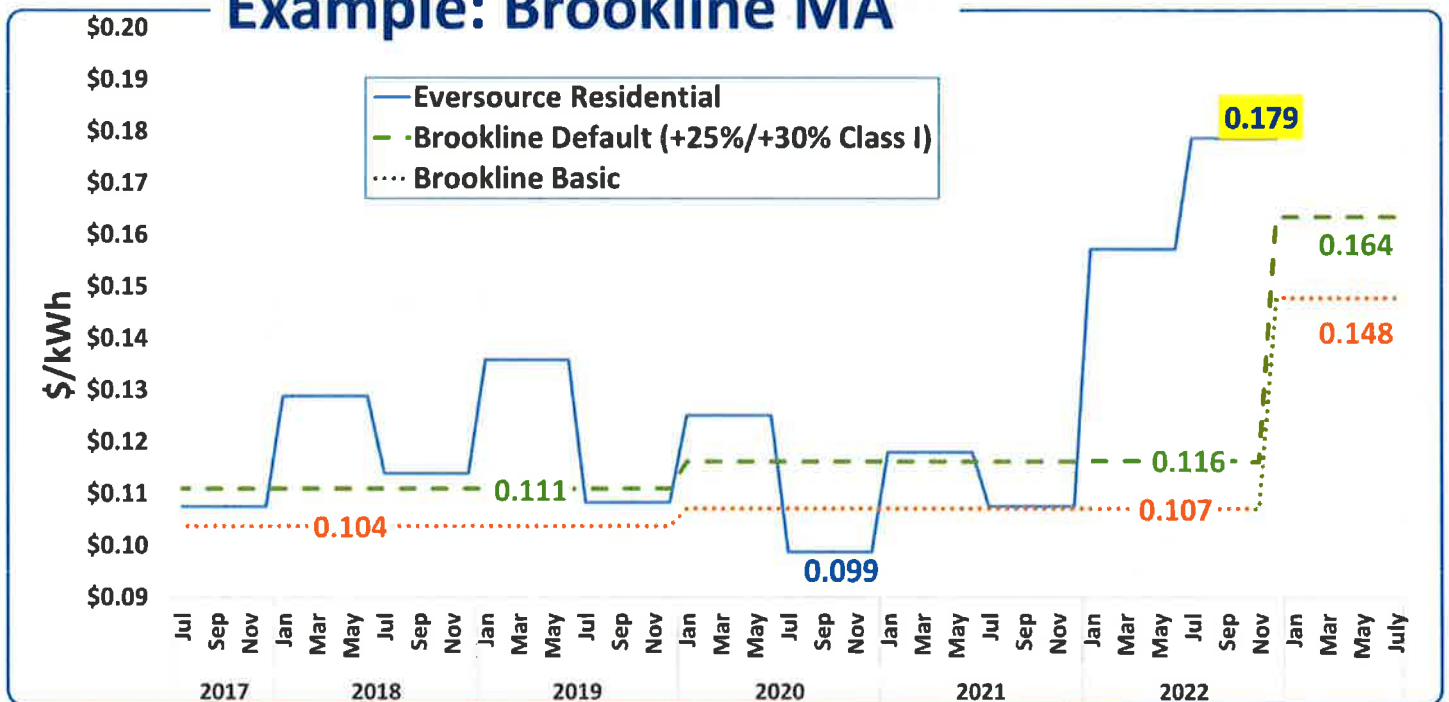
## Project fund



## Example: Somerville



## Example: Brookline MA





## Competitive Retail Model



### Supplier Guaranteed Contract

- Proven track record, 700+ programs in IL, OH, MA, NJ, NY & RI
- Stable, competitive rates with no cost to municipal budget and no start-up costs or complex agreements
- All operating costs recovered in supply rate
- **Supplier retains all risk** ---> No risk to municipality or customers in increasingly volatile energy landscape

## Working with Our Experienced Team

**Write a plan**



**Get approval**



**Buy electricity**

Form CPC committee  
Define goals  
Plan: renewable energy integration  
Plan: customer treatment  
Plan: regulatory requirements  
Community Feedback  
Public Outreach  
Public review process

Local approval  
Community outreach  
Public meetings  
Public hearings  
Regulatory submission  
Regulatory Q&A  
Regulatory approval

Engage suppliers to a new  
market  
Supplier data  
Supplier vetting  
Market timing  
Bidding  
Contract negotiation  
Choosing a supplier

Public outreach  
Direct mail materials  
Public meetings  
Opt-out process  
Customer Service  
Ongoing program  
management

## Timeline



## Questions?



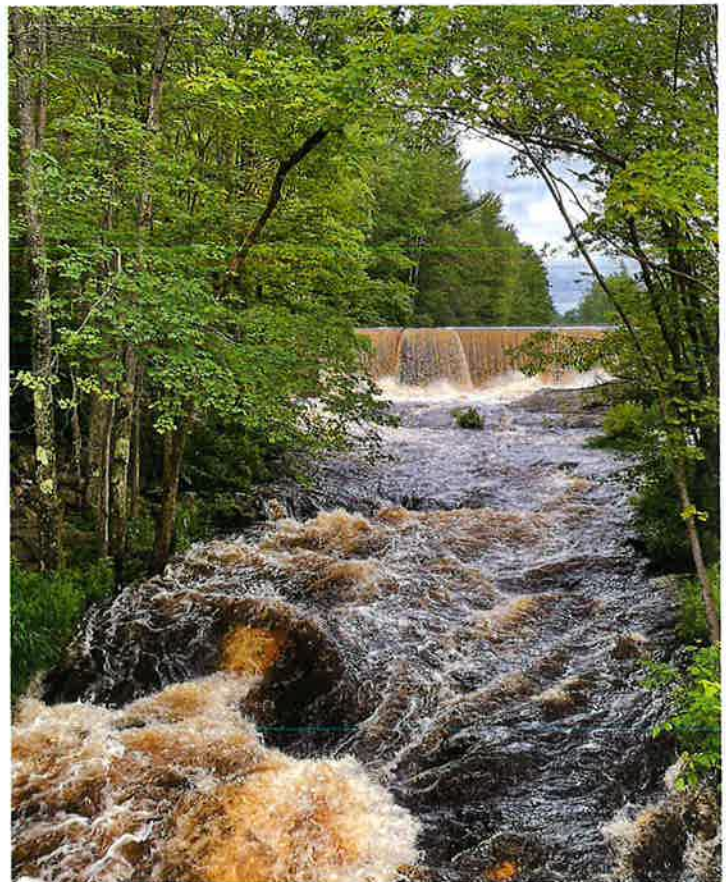
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### Town of Sunapee Hydro (Historical)



**COALITION COMMUNITIES 2.0**  
**[www.coalitioncommunities.com](http://www.coalitioncommunities.com)**

August 22, 2022

**Coalition Communities 2.0 ("CC 2.0") Update and  
Notice of Full Board and Joint Board CC 2.0 Meeting**

Dear Members of Coalition Communities 2.0:

With the 2022 legislative session behind us and elections in November around the corner, followed shortly thereafter by the 2023 legislative session, we wanted to write to you today for three primary reasons.

- To provide a brief reminder as to why CC 2.0 came together in early 2021
- To provide a brief update on where things stand in Concord
- To provide notice of a meeting of the CC 2.0 full board and joint board on September 22<sup>nd</sup> at 2pm in Concord

**The Return of Coalition Communities 2.0**

As you will recall, for approximately ten (10) years prior to 2006, New Hampshire funded education through a formula that created what was commonly known of as "donor" and "receiver" towns. Under this formula, a community was characterized as a donor community if it raised more in Statewide Education Property Tax ("SWEPT") than the state's calculation of that community's total cost of an adequate education for its students. This "excess" SWEPT was then distributed by the state to the communities – known as "receiver" communities - whose total cost of education exceeded the amount raised in SWEPT.

Many of us will recall working together at that time to challenge the donor/receiver education funding formula through the formation of a group known as our predecessor - the "Coalition Communities." Through the advocacy and educational efforts of that organization, the legislature abolished the donor/receiver education funding formula and since 2006 through to the present day, communities now retain the "excess" SWEPT they raise.

CC 2.0 came together in 2021 pursuant to the enclosed Memorandum of Understanding executed by member communities, due to our shared concerns arising from the findings and recommendations issued by The Commission to Study School Funding in December 2020 (the "Commission"), and efforts by some to include those recommendations in New Hampshire's 2022-2023 biennial budget.

In its report, the Commission proposed an education funding model that would again re-distribute excess SWEPT revenue to school districts based upon need as defined by statute. The Commission concluded that while there was sufficient total tax revenue being raised, the

## **COALITION COMMUNITIES 2.0**

**[www.coalitioncommunities.com](http://www.coalitioncommunities.com)**

distribution of the funding was the issue. Implementing such a formula would re-introduce the concept of "donor" towns to New Hampshire. Under such a scenario, communities such as ours and others would become "donors" - required to remit excess SWEPT revenues to the State for re-distribution to other communities to subsidize the cost of an adequate public education. As many as seventy-two (72) New Hampshire municipalities could become "donor" communities under this proposal, costing our local taxpayers millions of dollars.

Our coalition opposes this failed approach to education funding because property taxes are already too high and would be increased further, property taxes are local taxes administered by municipalities without any assistance from the state, assessed property values do not reflect a taxpayers' ability to pay taxes, and most importantly, this type of funding formula would pit one town against another.

### **Where Things Stand in Concord**

One of the first steps we took as an organization was to engage advocates from Bernstein Shur to represent our interests in Concord. Since the Spring of 2021, they have been a regular presence for us at the State House, monitoring dozens of pieces of legislation that may have directly or indirectly impacted the interests of CC 2.0's members, maintaining regular contact with legislative leadership and administration officials, and facilitating and updating the monthly meetings of our CC 2.0 Joint Board.

In 2021 and 2022, while some legislators sought to enact far reaching education funding changes, the consensus in Concord was to maintain the status quo for the time being, in part reflecting the understanding that now two education funding lawsuits are pending in Superior Court. Nonetheless, even legislators who chose to maintain the status quo will acknowledge that at some point, change is coming to our system of funding state education. We believe it is important to maintain a presence in Concord to ensure that our voices and perspectives are heard during those coming debates in the years ahead.

We are watching the fall elections closely to determine what positions the legislature eventually may take concerning state education funding. To that end, our advocates recently prepared and sent out an informational survey to all candidates for legislative office, seeking their insights and opinions on education in New Hampshire and our system of funding. In this way, we hope to better understand the perspectives of the community leaders who may be serving in Concord by December of this year.

2021 and 2022 may have been quieter than anticipated, but we fully expect 2023 and 2024 will see more action on this topic.

**COALITION COMMUNITIES 2.0**  
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**Notice of In-Person CC 2.0 Full Board and Joint Board Meeting**

As noted above, please accept this **Notice of an In-Person Meeting of the Full Board and Joint Board of the Coalition Communities 2.0 scheduled for Thursday, September 22 at 2pm at the Holiday Inn, 172 North Main Street in Concord, NH.**

The agenda for this meeting will be:

1. Greetings
2. Review and approval of August Joint Board minutes (Joint Board only)
3. Communications and Legislative Update
4. Discussion of CC 2.0 MOU
5. Re-Authorization of CC 2.0 MOU to December 31, 2024
6. Other Business
7. Adjournment

**IMPORTANT NOTE: Concerning Agenda item #5, we ask that you seek authority from your community governing body to re-authorize the CC 2.0 MOU in advance of our September 22 meeting. This meeting will be a pivotal moment for the CC 2.0 members who will decide whether to continue our alliance and promote our mutual interests. Please bring the attached and executed form to confirm you governing body's vote to continue participation in our organization. The attached MOU is recommended by the Joint Board to be renewed for another 2 years.**

To RSVP for the September 22 meeting, please email [rdubugue@bernsteinshur.com](mailto:rdubugue@bernsteinshur.com)

**Conclusion**

As CC 2.0, we share a common desire to ensure a quality education for our children. However, we know that redistributing excess SWEPT revenues is not the answer. As a new Legislature will be seated in December and education funding lawsuits work their way through our courts, we plan to maintain our vigilance and engage on behalf of our communities. We hope to see you next month.

Very truly yours,

*/s/ Mark Decoteau*

Mark Decoteau, Chairman  
Coalition Communities 2.0  
and Waterville Valley Town Manager



**COALITION COMMUNITIES 2.0**  
**www.coalitioncommunities.com**

**AUTHORIZATION AND SIGNATURE**

The person executing this MEMORANDUM OF UNDERSTANDING, FOR PROFESSIONAL SERVICES BETWEEN THE COALITION COMMUNITIES 2.0 (Agreement) on behalf of the Town/City of \_\_\_\_\_ represents and warrants that they have all legal authority and authorization necessary to enter into this Agreement, and that such person has been duly authorized by its City/Town Council/Board of Selectmen to execute this Agreement on behalf of the undersigned City/Town. Further, the person executing this Agreement has been duly authorize to represent and/or designate a representative of the undersigned City/Town as a member with regard to any terms contained within the agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date written below.

DATE: \_\_\_\_\_

CITY/TOWN OF: \_\_\_\_\_

AUTHORIZED SIGNATURE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

TOWN REPRESENTATIVE: \_\_\_\_\_

REP.'S EMAIL ADDRESS: \_\_\_\_\_

REP.'S MAILING ADDRESS: \_\_\_\_\_

REP.'S BEST AVAILABLE TELEPHONE: \_\_\_\_\_

**MEMORANDUM OF UNDERSTANDING**  
**FOR PROFESSIONAL SERVICES**  
**BETWEEN THE COALITION COMMUNITIES 2.0**

This Memorandum of Understanding ("MOU" or "Agreement") is entered into by the City of Portsmouth and the Towns/Cities of ----- (hereinafter referred collectively as "Coalition Communities 2.0") and each understands and agrees to the commitments, terms, and conditions contained in this Agreement.

**WHEREAS**, For approximately ten years prior to 2006, the state funded education through a formula that created what was commonly known of as "donor" and "receiver" towns. Under this formula, a community was characterized as a donor community if it raised more in Statewide Education Property Tax ("SWEPT") than the state's calculation of that community's total cost of an adequate education for its students. This "excess" SWEPT was then distributed by the state to the community's whose total cost of education exceeded the amount raised in SWEPT (known as "receiver" communities).

**WHEREAS**, The former donor towns worked together to challenge the donor/receiver education funding formula through the formation of a group known as the "Coalition Communities". In part, due to the advocacy and lobbying efforts of the Coalition Communities, the legislature abolished the donor/receiver education funding formula and from 2006 through the present, communities now retain the "excess" SWEPT they raise.

**WHEREAS**, A Commission to Study School Funding ("Commission") was created by the NH Legislature in 2019 to "review the education funding formula and make recommendations to ensure a uniform and equitable design for financing the cost of an adequate education for all public-school students." RSA 193-E:2-e;

**WHEREAS**, The Commission's Report, issued on December 1, 2020, recommends, in part, the return of a donor/receiver education funding model by recommending that communities that generate excess SWEPT remit the "excess" SWEPT to the state for redistribution to towns whose cost of an adequate education is more than the SWEPT the town generates;

**WHEREAS**, The Commission's Report was comprehensive in its analysis of students' needs and in identifying the deficiencies in how the state fulfills its constitutional obligations to provide students with an adequate education but seriously deficient in its misplaced reliance on the broken and overburdened system of funding education through the property tax.

**WHEREAS**, Legislation will be introduced In 2021 that adopts in similar fashion the Commission's recommendation of a donor/receiver education funding formula, which will have a substantially negative effect on the taxpayers from newly created donor communities ("Coalition Communities 2.0");

**WHEREAS**, All Coalition Communities 2.0 are members of the New Hampshire Municipal Association ("NHMA"). NHMA provides advocacy and lobbying services to its members but it may not lobby on behalf of specific legislation supported or opposed by a municipality unless it is of interest to its members generally and supported by clear member-

adopted policy positions as legislative principles. NHMA's current legislative policy on education does not specifically oppose a donor/receiver education funding model. NHMA does not take a position on issues that pit one set of communities against another set of communities. Without majority membership support, NHMA's ability to lobby on behalf of the Coalition Communities 2.0 is severely limited and leaves its Coalition Community 2.0 members at a disadvantage in their ability to effectively advocate in opposition to legislation that would recreate a donor/receiver education funding formula;

**WHEREAS**, RSA 31:9 provides that "[t]owns may at any legal meeting authorize the employment by the selectmen of counsel in legislative matters in which the town is directly or indirectly interested, or may ratify the previous employment by the selectmen of such counsel and may grant and vote money therefor.";

**WHEREAS**, Education funding is a complex issue and it would be unduly burdensome and costly for each town to separately track, advocate and lobby in opposition to education funding legislation that supports a donor/receiver model, particularly during COVID-19;

**WHEREAS**, The Coalition Communities 2.0 seek to share the cost of professional services, including but not limited to lobbying, communication, legal, and other professional services if required to advocate and educate others regarding its opposition to public policies related to the use of the property tax to fund education

**THEREFORE**, the Coalition Communities 2.0 enter into this Agreement for the purposes set forth above, as follows:

**I. DEFINITIONS**

- A. "Advocate" shall mean the individual hired to provide professional lobbying services, as further described in the Request for Proposal attached as Exhibit A.
- B. "Agreement" shall mean this document, this Memorandum of Understanding for Professional Services Between the Coalition Communities 2.0.
- C. "Biennium" shall mean the current two-year term of the legislature beginning January, 2021 and ending December, 2022.
- D. "Coalition Communities" shall mean donor towns under prior education funding formulas.
- E. "Coalition Communities 2.0" shall mean any potential donor towns under an education funding formula that adopts the Commission's recommendation or any portion thereof that returns to a donor/receiver education funding formula. See also Member.
- F. "Commission" shall mean the Commission to Study School Funding created by RSA 193-E:2-e.
- G. "Donor communities" shall mean a community that when SWEPT is assessed

on the municipality's total equalized assessed property value, SWEPT raises more funds than the state's calculated cost of an adequate education assessed for all students. This excess SWEPT is remitted to and distributed by the state to receiver communities.

G. "Excess SWEPT" shall mean when the SWEPT is applied to the equalized property value of a town, it raises more in SWEPT than the state's calculated cost of an adequate education for all students in its community.

H. "Joint Board" shall mean the Joint Board for the Coalition Communities 2.0's Joint Board, which will be the oversight board for the Coalition Communities 2.0. This Joint Board shall not be confused with the Board of Selectmen for the individual towns that are members of the Coalition Communities 2.0.

I. "Lobbying Services" are the professional lobbying services, as further described in the Request for Proposal attached as Exhibit A.

J. "Member" shall mean a town or city that is a potential new donor town and party to this Agreement. A Member has contributed its full Assessment and is a full voting member. The Joint Board may create Associate Membership or other types of memberships for those towns who have made a contribution but not in the full amount of the suggested Assessment.

K. "Receiver Communities" shall mean a community that when SWEPT is assessed on the municipality's total equalized assessed property value, SWEPT raises less than the state's calculated cost of an adequate education for all its students. The state distributes excess SWEPT raised by donor communities to receiver communities to meet its obligation to fund an adequate education.

L. "Report" shall mean the report of the Commission entitled *Our Schools, Our Kids; Achieving Greater Equity for New Hampshire Students and Taxpayers, A Report From The Commission to Study School Funding, Submitted to the New Hampshire General Court, December 1, 2020 Relative to RSA 193-E:2-e*.

M. "SWEPT" shall mean the Statewide Education Property Tax or any other form of property tax assessed by the State of New Hampshire.

## **II. PURPOSE OF THIS AGREEMENT**

The purpose of this Agreement is to allow the Coalition Communities 2.0 to jointly hire an advocate for professional lobbying, communication and legal services or other professional services and to share the costs associated with these services as more fully set forth in the Scope of Services attached as Exhibit A or other future contracts or Requests.

## **III. DURATION OF AGREEMENT**

The term of this Agreement runs concurrent with the current biennium of the legislature from January, 2021 through December 31, 2022. This Agreement may be renewed for an additional two-year term by vote of the majority of the Members after receipt of authorization

from its board of selectmen or city council at its annual meeting held in July.

#### **IV. MEMBERSHIP**

The undersigned hereby organize and constitute themselves as Members of the Coalition Communities 2.0. The Members are listed in Exhibit B, which is attached and incorporated hereto. Each Member is authorized to participate by vote of its Board of Selectmen or City Council and copies of these votes are attached and incorporated as Exhibit C. Each signatory is an authorized representative of its town or city.

Members shall be limited to fifty (50). There will be an organizational meeting of the Members within 15 days of the execution of this Agreement. At the organizational meeting the Members will elect the Joint Board members as more fully described in Section V. Each Member is afforded one vote in all matters upon which require action. A majority vote of those Members present and voting shall be needed to act upon any business associated with this Agreement. One third of the total Membership shall constitute a quorum.

#### **V. JOINT BOARD**

##### **1. Purpose of Joint Board**

A. The Joint Board has the authority to enter into contracts on behalf of the Members, including but not limited to professional services contracts for lobbying, communication, legal and other professional services approved by majority vote of the Members, to hire, supervise, advise and direct the activities of the professionals hired under the terms any contract, to negotiate with respect to all matters relating to this Agreement, to request, collect, hold, accept, invest, disperse and expend funds, to approve bills and circulate documents necessary in order to keep Members informed of activities pursuant to this Agreement and conduct such other activities as the Joint Board deems necessary and proper to carry out the purposes of this Agreement.

B. The Joint Board shall have the sole authority to approve an annual operating budget, which it shall transmit to the Members.

C. Officers: Beginning with its first meeting and then annually thereafter, the Joint Board shall elect a Chair, Vice Chair and a Clerk from the members of the Joint Board. The Chair shall serve as the official spokesperson for the Members.

##### **2. Membership of Joint Board**

A minimum of five regular members of the Joint Board shall be comprised of three town/city managers and two elected officials from its Members. All Joint Board members shall be nominated at the Members' organizational meeting and serve through the expiration of the term of this Agreement. If this Agreement is renewed by the Members for an additional term,

the Members will elect Joint Board members at its first meeting during the first 30 days of the second term. There are no term limits for Joint Board members. Joint Board members may be supported by appropriate staff from its community.

Joint Board members and its officers shall not be personally liable for any debt, liability or obligation of the Coalition Communities 2.0. All persons having any claim against the Coalition Communities 2.0 may look only to its funds for payment of any such contract or claim, or for the payment of any debt, damages, judgment or decrees, or of any money that may otherwise become due and payable to them from the Coalition Communities 2.0.

### 3. Meetings:

A. Annual meetings. The Joint Board shall schedule one annual meeting of the Members during the term of this Agreement after the close of the legislative session in July.

B. Regular meetings. The Joint Board shall meet regularly at quarterly meetings or more frequently at the call of the Chair at such times and places that are mutually convenient to discuss issues of mutual concern to the Members. The Joint Board shall meet once a month with the Members while the legislature is in session. These meetings shall be held on the first Monday of every month at 11:00am. Additional meetings with Members may be scheduled either by the call of the Chair or by written request of five or more Members. The Clerk shall post proper notice of all meetings and shall record minutes pursuant to RSA 91-A:2. Attendance for purposes of quorum and voting may be by telephone or video, subject to the provision of RSA 91-A.

### 4. Voting and Alternates.

A. Number of Joint Board members. The membership of the Joint Board is comprised of five regular members and two alternate members.

B. Quorum. Three of the five Joint Board members in attendance at a meeting are necessary to form a quorum.

C. Majority vote. All votes will pass by simple majority.

D. Role of Alternates.

Alternate member(s) shall sit with all other Joint Board members during the meetings and may participate but may only vote if regular member can't participate on said item. If an alternate has already been appointed to sit in for a regular member, then the second alternate shall be appointed by the Chair.

If a Joint Board member has unexcused absences for 2 consecutive or 3 total meetings during the term of this Agreement, they will be deemed to have vacated their position and the Joint Board will be free to appoint an alternate as a regular member to the vacant position upon majority vote of the Joint Board. If a Joint Board member resigns or is unable

to continue to serve, the Joint Board will appoint an alternate as a regular member by majority vote of the Joint Board.

If alternates become regular members of the Joint Board, new alternates will be appointed by the Joint Board from all applicants that have been nominated by five or more Members.

## **VI. FINANCIAL AGREEMENT**

A. **Apportionment of Cost:** The Coalition Communities 2.0 agree that they will apportion costs as follows:

Apportionments shall be assessed annually to each Member by the 30<sup>th</sup> of January (or no later than 30 days after the execution of this Agreement by all parties) of each year of the Agreement. The Apportionment may be based on each Member's percentage of the group's total equalized property value as determined by the most recent and available data from the NH Department of Revenue Administration. Once adopted, this Apportionment formula may not be amended without a majority vote of the Members. This Apportionment will take into account the contributions transferred by Members from the Claremont Coalition Account.

B. **Special Associate Member.** Special Associate Member Assessment shall be assessed by the Joint Board to Associate Members who are not parties to this Agreement and may not vote but have requested information and/or support the Coalition Communities efforts.

C. **Fiscal Agent.** The Members agree that the City of Portsmouth ("City") will be the fiscal agent for the funds described in paragraph A above. The funds will be collected by the Joint Board and held by the City for purposes set forth in this Agreement and the Request for Proposals set forth in Exhibit A. However, the Members have delegated all decisions relative to the acceptance and expenditure of funds to the authority to the Joint Board, as described more fully in section IV above

D. **Accounting for Funds.** The Joint Board with assistance from the Fiscal Agent shall provide to the Members from time to time, but at least quarterly, a formal accounting of monies received, spent, and obligated, and a final accounting upon the termination of the Agreement.

E. **No funds will inure to the benefit of any member of the Joint Board, private individuals, or employee of municipalities subject to this Agreement except that reasonable compensation may be paid for services rendered to the Members, including but not limited to contracted services and administrative support.**

F. **Funds upon Termination.** Upon termination of this Agreement, no individual employee or member of the Joint Board shall be entitled to a share in the distribution of any funds upon dissolution. Upon termination, the funds shall be distributed to each Member at the time of distribution in proportion to the percentage of its contribution relative to the total contribution of the all Members made in the year of distribution.

## **VII. Termination**

A. **Mutual Agreement.** This Agreement may be terminated at the end of the two-year term upon mutual agreement of the Members' Boards of Selectmen and City Council. The Boards of Selectmen and City Council shall make the decision to terminate in July of the second year of the term of this Agreement.

B. **Terminate Without Penalty.**

If this Agreement is renewed for a second term, a Member wishing to withdraw from the Agreement shall give notice three months before the expiration of the initial two-year term and shall be responsible for its share of the Apportionment until the expiration of the term. Notice shall be in writing from the Board of Selectmen of the withdrawing Member to the Joint Board. The Joint Board will notify the other Members of any Member's withdrawal through their authorized agents who have executed this Agreement. This Agreement shall terminate upon completion of its two-year term if not renewed.

C. **Termination With Penalty**

A Member wishing to withdraw from the Agreement before the end of the two-year term shall be responsible for its share of the Apportionment until the completion of the term. Notice shall be in writing from the Board of Selectmen of the withdrawing Member to the Joint Board. The Joint Board will notify the other Members of any Member's withdrawal through their authorized agents who have executed this Agreement.

## **VIII. Other**

A. **Amendment:** This Agreement may be amended only by written Agreement signed by the majority of Members.

B. **City Council and Board of Selectman Approval:** All Members undersigned have received approval of this Agreement by its City Council or Board of Selectman and have been authorized to participate by votes taken on dates attached and incorporated as Exhibit C.

C. **Notices:** Notices for each party shall be in writing and mailed to the individuals listed in Exhibit B which is attached and incorporated hereto.

D. **Severability:** If any provision of this Agreement is deemed invalid or unenforceable, the remaining provisions shall remain in full force and effect.

E. **Governing Law:** This Agreement shall be governed by and interpreted in accordance with the provisions of the laws of the State of New Hampshire.



F. **Separate Document:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

t/2021legislative//donortown/MOUandIM/mou2021

## **SETTLEMENT AGREEMENT AND RELEASE**

WHEREAS, Kenneth W. and Kristin Jautz (the "Jautzes") dispute the Town of Sunapee's (the "Town") assessment of certain real estate located within the Town at 26 Fernwood South, Sunapee, Tax Map 121, Lot 52 (the "subject property") for Tax Year 2020, and appealed the Town's assessment of to the Sullivan County Superior Court under Docket Number 220-2021-CV-00075.

WHEREAS, the Jautzes and the Town wish to resolve the tax abatement petition, the parties acknowledge and agree to the terms and conditions set forth in this Settlement Agreement and Release (the "Agreement").

NOW THEREFORE, the Jautzes and the Town hereby stipulate and agree as follows:

1. The subject property's tax card shall be revised to reflect a building quality classification of "10 Excellent 1/10." This building quality classification and associated building quality adjustment factor shall remain in place until such time as the town adopts a method of assessment that does not include, and/or includes an alternative, manner of adjustment for building quality, whether in connection with a statistical update or a town-wide revaluation, or until such time there are material physical changes to the property.

2. Notwithstanding Paragraph 1 above, the subject property shall be assessed at a total value of \$2,855,100. The agreed upon assessment values for the subject property shall remain in place until such time as the town conducts a statistical update or a town-wide revaluation, or there are material physical changes to the property.



3. Pursuant to Paragraph 2 above, the Jautzes' total property tax liability for the subject property for Tax Year 2020 is Thirty-Nine Thousand Five Hundred Fifteen Dollars and Thirty-Six Cents (\$39,515.36).

4. Where the Jautzes paid the Town Forty-Six Thousand Three Hundred Eleven Dollars and No Cents (\$46,311.00) in property taxes for the subject property for Tax Year 2020, and where the Town previously refunded the Jautzes \$188.22, the Jautzes have paid the Town an excess of Six Thousand Six Hundred Seven Dollars and Forty-Two Cents (\$6,607.42) for that tax year (the "2020 Overpaid Funds").

5. Pursuant to Paragraph 2 above, the Jautzes' total property tax liability for the subject property for Tax Year 2021 is Thirty-Eight Thousand Nine Hundred Fifteen Dollars and Seventy-Eight Cents (\$38,915.78).

6. Where the Jautzes paid the Town Forty-Five Thousand Four Hundred Twenty-Three Dollars and No Cents (\$45,423.00) in property taxes for the subject property for Tax Year 2021, the Jautzes have paid the Town an excess of Six Thousand Five Hundred Seven Dollars and Twenty-Two Cents (\$6,507.22) for that tax year (the "2021 Overpaid Funds").

7. The Town shall issue to the Jautzes a refund in the amount of Thirteen Thousand One Hundred Fourteen Dollars and Sixty-Four Cents (\$13,114.64), which amount represents the sum of the 2021 Overpaid Funds and the 2022 Overpaid Funds. This refund shall be issued with 6% statutory interest and within thirty (30) days of this fully executed Settlement Agreement and Release.

8. To the extent that the Jautzes have paid the Town an amount in excess of their property tax liability for the subject property for the first half of Tax Year 2022, the Town shall

retain those excess funds and credit them against the actual property taxes for the subject property for the second half of the 2022 Tax Year.

9. Within thirty (30) days of the execution of this Agreement, the parties shall cause Neither Party Docket Markings to be filed in the action pending in the Sullivan County Superior Court, Docket No. 220-2021-CV-00075. The Docket shall be marked "Neither party. No fees. No costs. No interest. No further action for the same cause."

10. This Agreement is not an admission by either party as to the proper valuation of the property.

11. The Town knowingly and voluntarily releases and forever discharges the Jautzes, and their agents, representatives, attorneys, professional advisors, consultants, successors, and assigns (collectively, separately, and severally, the "Jautz Releasees") from any and all direct and indirect claims, demands, actions, causes of action, suits, proceedings, liabilities, damages, debts, dues, expenses, and judgments of every type and description whatsoever, whether past, present or future, foreseen or unforeseen, known or unknown, asserted or unasserted, of any kind, nature or description, whether based upon statutory, injunctive or equitable relief, that the Town and/or its agents, representatives, employees, officers, directors, managers, attorneys, professional advisors, consultants, affiliates, successors, and assigns, had, have or may have against the Jautz Releasees from the beginning of the world to the date of this Settlement Agreement and Release for or arising from or relating to the Jautzes' municipal property tax assessments or property tax bills for tax years 2020 and 2021, including without limitation, statutory, legal, equitable, or other relief and attorney's fees and costs, excepting only any claim for enforcement of this Settlement Agreement and Release.

12. The Jautzes knowingly and voluntarily release and forever discharge the Town and its agents, representatives, employees, officers, directors, managers, attorneys, professional advisors, consultants, affiliates, successors, and assigns (collectively, separately, and severally, the "Town Releasees") from any and all direct and indirect claims, demands, actions, causes of action, suits, proceedings, liabilities, damages, debts, dues, expenses, and judgments of every type and description whatsoever, whether past, present or future, foreseen or unforeseen, known or unknown, asserted or unasserted, of any kind, nature or description, whether based upon statutory, injunctive or equitable relief, that the Jautzes or their respective agents, representatives, attorneys, professional advisors, consultants, successors, and assigns, had, have or may have against the Town Releasees from the beginning of the world to the date of this Settlement Agreement and Release for or arising from or relating to the Jautzes' municipal property tax assessments or property tax bills for tax years 2020 and 2021, including without limitation, statutory, legal, equitable, or other relief and attorney's fees and costs, excepting only any claim for enforcement of this Settlement Agreement and Release.

13. The parties agree to use good faith to implement this Settlement Agreement and Release and to resolve any disputes arising hereunder.

14. Each party will be responsible for its attorney's fees, expenses, and costs incurred in connection with negotiation of this Settlement Agreement and Release.

15. Each party represents and warrants that it has full power and authority to enter into and perform this Settlement Agreement and Release, and each individual signing this Settlement Agreement and Release on behalf of a party expressly represents and warrants that he or she has full power and authority to sign on behalf of such party.

16. In entering into this Settlement Agreement and Release, the parties acknowledge that they have consulted with their respective counsel and have executed this Settlement Agreement and Release voluntarily, knowingly, and without any undue influence or duress.

17. This Settlement Agreement and Release is to be governed and enforced under the laws of the State of New Hampshire.

18. The parties agree that this Settlement Agreement and Release is a full, final and complete expression of the parties' agreement on tax assessment and exemption issues with respect to the 2020 and 2021 tax years and until such time as the town conducts a statistical update or a town-wide revaluation, or there are material physical changes to the property.

19. This Settlement Agreement and Release may be executed electronically and in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument, without production of the others. Signatures sent by facsimile or by electronic mail shall constitute and be binding to the same extent as originals.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

A handwritten signature, possibly reading 'S', is located in the bottom right corner of the page.

**THE PARTIES REPRESENT THAT THEY HAVE COMPLETELY READ THE FOREGOING AGREEMENT, THAT THEY FULLY UNDERSTAND THE TERMS AND CONDITIONS OF SUCH AGREEMENT AND THAT THEY ARE VOLUNTARILY EXECUTING THE SAME. IN ENTERING INTO THIS AGREEMENT, THE PARTIES DO NOT RELY ON ANY REPRESENTATION, PROMISE OR INDUCEMENT MADE WITH THE EXCEPTION OF THE CONSIDERATION DESCRIBED IN THIS DOCUMENT.**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Kristin Jautz

Dated: \_\_\_\_\_

\_\_\_\_\_  
Kenneth Jautz

Dated: \_\_\_\_\_



\_\_\_\_\_  
By: Shannon Martinez, Town Manager  
Duly Authorized for the Town of Sunapee



**TOWN OF SUNAPEE**  
23 Edgemont Road  
Sunapee, New Hampshire 03782-0717  
Phone: (603) 763-2212 Fax: (603) 763-4925

***Non-Attest Services Draft Approval***

By our signatures below we acknowledge receipt of the following information for the **Town of Sunapee** for the fiscal year ended **December 31, 2021**:

- Draft of the audited financial statements and related footnote disclosures.
- Trial balances including government-wide and adjusting journal entries for all funds trial balances and other conversion trial balances.
- Copies of our workpapers prepared for reporting purposes of the liabilities, deferred outflows and inflows of resources related to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which were prepared using the actuarial reports from the Town's contracted actuary and New Hampshire Retirement System actuary.
- Completion of the State of New Hampshire's Form MS-535 which was prepared using the audited trial balance of the general fund.

We have received the above information, have reviewed it, and understand the information presented and accept and take responsibility for the information therein.

Signature: \_\_\_\_\_

Printed Name: Josh Trow

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: 

Printed Name: Shannon Martinez

Title: Town Manager

Date: NOV 08 2021 - Present



## Septic System Rules to Protect Water Quality and Human Health

### Problems that can result from septic systems

- Septic systems that are poorly designed and improperly maintained are known to contaminate drinking water, wells and surface waters such as lakes and rivers.
- Contaminants released from septic systems include bacterial and viral pathogens, pharmaceuticals, and nutrients including phosphorus and nitrogen. These contaminants have negative consequences for human health.
- Nutrients added to lakes, rivers and streams can also lead to algal and cyanobacteria blooms, further reducing water quality, impacting human health, and disrupting important ecosystem processes.
- Excessive levels of phosphorus have already resulted in the impaired status of 65 lakes in New Hampshire.
- While failing septic systems result in conditions that are obvious (soggy lawns and sewage backed up in basements), poorly maintained systems can leak effluent in ways that are not always apparent to property owners.

### Current state of affairs regarding septic systems in Sunapee, NH

- Currently, approximately 40% of Sunapee residents rely on septic systems for wastewater disposal.
- If a septic system fails, municipal health officers can require a remedy within 90 days under RSA 128:5.
- Property owners with septic systems are required “to operate and maintain said system in such a manner as to prevent a nuisance or potential health hazard due to failure of the system” under RSA 485-A:37. However, the frequency and manner of maintenance are not specified, and the burden is placed on “the department or its duly authorized agents” to perform the necessary inspections and evaluations to determine if these criteria are being met.
- For all practical purposes, the current RSA’s regarding septic systems are only enforceable *after* a problem has occurred and contaminants have already been released.
- We propose adopting rules that would more effectively *prevent* the contamination of surface and groundwater by septic system sewage and effluent.

## **Frequently Asked Questions Regarding Septic System Regulations**

**What are normal practices regarding the frequency of septic maintenance in other geographies?** Required septic pump outs, usually every 3 years, are standard law in many critical watersheds. For example, that is the law if you are in the New York City watershed, or in the watershed of the Delaware Water Basin, or, in New York state, if your lake has been designated as an impaired lake.

**Is 3 years the norm?** While some authorities require or recommend annual or bi-annual maintenance, the most common is a recommendation that septic systems be inspected and pumped at least once every 3 years.

**What about seasonal properties, single occupancies, or other sparse usage instances?** Many authorities allow an appeal process for such situations with an allowance for frequency of maintenance to be dropped to as little as once every 7 years.

**Do new septic systems require inspection in NH?** Yes. Currently NHDES inspects septic system installations when they are approximately 90% complete.

**Does the Town of Sunapee have the authority to regulate the maintenance of septic systems?** Yes. NH RSA 147:10 grants municipal health officers, with the approval of the Board of Selectmen (NH RSA 147:1), authority to adopt regulations that will ensure that wastewater disposal systems shall not be a nuisance or injurious to public health. NHDES has required approved plans, inspection and operational approval for all subsurface systems since 1971 and since 1967 within 1000 ' of a lake.

**Are there any rules around the sale of a property with a septic system?** In most of New Hampshire, no. But many watersheds, states, and municipalities require the testing and certification of a septic system **prior** to allowing the sale to go through, or prior to occupancy. Normally, a part of that process is to assess the likely load on the system based upon the number of bedrooms. This theoretical load is then measured against associated guidelines and required to be brought into compliance. Such guidelines, based on the number of bedrooms, currently exist and are being used by NHDES for new septic systems. An out-of-state example of required compliance would be that, in Massachusetts, Title V requires inspection at time of property transfer.

**Could septic system evaluations be required when a building permit is sought for any work on a structure, whether involving increase in load or not?** The NH Shoreland Septic System Study Commission says yes. This would be an opportune time to locate and assess septic systems but would require involvement of local building inspectors or code enforcement officers.

**Can proper septic maintenance really make a difference?** Yes. While it may be difficult to precisely calculate the phosphorus load into NH lakes from septic systems (as opposed to other non-point sources), there have been measurable reductions in phosphorus levels – and

improvement in overall water quality - in several lakes where there have been systematic efforts to identify and upgrade problematic septic systems.

**How much does a home septic inspection cost?** Typically, between \$400 and \$700.

**Are there ways to help families for whom proper septic maintenance presents a real financial challenge?** Some NH watershed associations with existing watershed management plans have been able to assist homeowners with 319 grant funds. Some states, including New York and Rhode Island, have revolving loan funds and/or grant programs available to defray some of the cost of system replacement and advanced treatment.

**Is there a certification for septic maintenance providers in NH?** Yes. Certification is available through the NH Office of Professional License and Certification in Concord.

**Do you have any exemplary success stories?** Yes. The Town of Putnam Valley, NY, adopted a Septic Tank Pump-Out Regulation in 2016 (<https://ecode360.com/31537445>). Roaring Brook Lake resides entirely within Putnam Valley and was having a decline in water quality that they believed was due, in large part, to poorly maintained septic systems. In 2017, the first year that the septic pump-out law went into effect, 80% of the homes around Roaring Brook Lake pumped. The quality of the water in the lake improved dramatically.

**Have any NH towns adopted regulations that might help Sunapee move forward in this process?** Great question! There is a lot of activity in this area by many towns in NH, so there is much to borrow from. Chesterfield (home to troubled Spofford Lake) seems to have done a particularly good job in their 2021 regulations, and several other towns are modeling their regulations after those. We will go into more details about this in what follows.

## **Proposed Septic Rules for the Town of Sunapee**

NH RSA 147:10 grants municipal health officers, with the approval of the Board of Selectmen (NH RSA 147:1), authority to adopt regulations that will ensure that wastewater disposal systems shall not be a nuisance or injurious to public health. To protect public health and the quality of groundwater and surface water, and to minimize malfunctions of wastewater treatment (septic) systems, LSPA recommends adoption by the Town of Sunapee of the following rules, which would apply to wastewater treatment systems located wholly or in part within the Town.

### **Maintenance**

Regular maintenance including inspection and pumping every three years, submittal of certificate documenting same by owner. A copy of a receipt from any qualified septic tank pumping service will be evidence the requirement has been met.

### **Sale of Property**

Both a site assessment and septic system evaluation before a property is sold or transferred, with the relevant reports disclosed to prospective buyers. These reports should also be provided to the municipality and NHDES.

### **Construction**

Prior to any renovations or building, the owner shall provide evidence to the Code Compliance Officer that septic facilities are adequate for both units according to the standards of the Town and the NHDES. (Reference: Exeter)

Site assessments by NH certified septic designer for new construction.

Require septic system evaluation by the Code Compliance Officer when a building permit is sought for any work on a structure, whether involving increase in load or not. (Reference: NH Study 2020)

### **Change of Use**

Prior to commencing any modification, additions, replacement, or use of any structure, including the conversion or occupancy of a seasonal dwelling to a year-round dwelling, which may result in any increase in the load on a sub-surface sewage disposal system, the owner of the residence shall provide documentation to demonstrate that the existing septic system is capable of handling the increased usage, or else a state approved septic system will be installed. (Reference: Harrisville)

If insufficient capacity is determined for the proposed occupancy, use, or loading, a new wastewater disposal system design shall be required by both the Town prior to the issuance of any permits. (Reference: Amherst)

### Short Term Rental Property

Short Term Rentals on septic systems must show their occupant load does not exceed the capacity of their septic system. Either a State of NH ISDS Permit showing approval for the proposed occupant load or a letter from a NH Licensed Septic Inspector stating the septic system is appropriately sized for the proposed occupant load are acceptable proof. (Reference: Conway).

### System Failure

Installation of a replacement NHDES approved wastewater disposal systems required by any of the following conditions.

- Where the System is in failure.
- Where a new Building permit application to increase the number of bedrooms beyond the operational approval limits on file with NHDES.
- Where there is no valid prior approval and existing system does not meet system evaluation and certification requirements.
- Where there is no valid prior approval and upon sale or transfer of property, operating approval of a replacement system is required prior to occupancy. (Reference: Chesterfield)

### Costs and Penalties

\$25 to be paid to the town with each septic evaluation and certification report.

Violation and Penalties: \$100 for each month a required septic evaluation and certification report is late unless property use is discontinued. Violation of any other provision of these regulations with written notice providing a reasonable time limit (up to but not more than 180 days) for the satisfactory correction. Systems in failure require immediate corrective action approved by the health officer before further use. Assessment of a civil penalty of \$100 per day for each day the violation continues after notification. The town may petition the Superior court for an injunction and an award of attorney fees. (Reference: Chesterfield)

### Funding

For property owners who are unable to afford septic system evaluations or to upgrade or replace underperforming ones, there are several possible sources of financial support. These include Clean Water Act 319 grant funds from watershed associations with existing watershed management plans, (future) state-sponsored revolving loan funds and/or grant, municipal bonds and private donations.

### Waivers

Replacement of septic systems on non-conforming grandfathered lots and allowance of property owners to continue using pre-1967 waste disposal systems not in failure. Holding tanks where not practical to install a septic system. (Reference: NH Study 2020)

Owners of residential properties occupied by two or fewer people and owners of properties only used seasonally may apply for a waiver of the three-year maintenance and inspection

requirement. A waiver may be granted after review of water consumption records and determination less frequent pumping is warranted. No waivers of maintenance intervals of more than seven years. No waivers are granted for properties within the Shoreland Protection Overlay District or non-residential properties, including short-term rentals. (Reference: Rye)

When septic system regulations would impose an unnecessary hardship upon an applicant proposing to repair or replace an existing wastewater disposal system, requirements may be waived so as to provide reasonable and functioning facilities. In all other instances, requests for waivers from specific requirements of this ordinance must be approved by the Town. Prior to granting a waiver, the Town shall find, that strict conformity would pose an unnecessary hardship to the applicant; and the granting of the waiver will not be contrary to the spirit and intent of this ordinance; or specific circumstances relative to the property in question or special conditions inherent in the property itself indicates the waiver will properly carry out the spirit and intent of this ordinance. (Reference: Amherst)

#### Adoption

Residences having septic pumped within three years of enactment of the regulation can submit documented proof of pumping with a valid receipt for the service. (Rye)

Within 36 months of the adoption of this regulation, the property owner must provide the Town with a paid receipt from the septic contractor, stating the lot owner's name, the street address and Tax Map designation of the lot, the pump-out date; and the inspector's report of any observed functional irregularities and/or deficiencies in the system and recommendations, if any, for additional maintenance and/or remediation. (Reference: Roaring Brook, NY)

For short-term rentals, this requirement must be adhered to within twelve months of the adoption of regulation.

Respectfully submitted,

Elizabeth B. Harper, PhD  
Executive Director, LSPA

Kirk Bishop  
Co-Chair, Watershed Committee, LSPA

Stuart T. Greer  
Co-Chair, Watershed Committee, LSPA

## **Additional Resources**

EPA Septic System Information

<https://www.epa.gov/septic>

New Hampshire Department of Environmental Services – Septic

<https://www.des.nh.gov/land/septic-systems>

New Hampshire Shoreland Septic System Study Commission Final Report October 30, 2020

<https://www4.des.state.nh.us/blogs/lmac/wp-content/uploads/2020/11/2020-10-30-NHShorelandSepticSSC-Final-Report.pdf>



Robert L. Quinn  
Commissioner

# State of New Hampshire

## DEPARTMENT OF SAFETY Division of Homeland Security and Emergency Management

[www.nh.gov/hsem](http://www.nh.gov/hsem)



Robert M. Buxton  
Director

September 30, 2022

Howard Sargent, Emergency Management Director  
Town of Sunapee  
9 Sargent Road  
Sunapee, NH 03782

**SUBJECT: Closeout of EMPG Grant Award - FFY 2019 - CFDA # 97.042**  
**Sub-Recipient Project:** Town of Sunapee – LEOP Update  
**Amount of Award:** \$4,000.00  
**Amount of Award Claimed:** \$4,000.00  
**Record Retention Date:** 12/29/2025

Dear Director Sargent:

This letter is to inform you that the NH Division of Homeland Security & Emergency Management (HSEM) has received, reviewed, and approved the final narrative and financial reports on the above Subject grant, as applicable. All administrative actions and project deliverables have been completed for the Town of Sunapee for the performance period of October 1, 2018 to September 30, 2022.

Your request for reimbursement was processed and a final payment in the amount of \$4,000.00 was issued on September 27, 2022, leaving a balance of \$0.00.

We have officially closed this grant in accordance with the general closeout principles and guidance in the State of New Hampshire Department of Safety, Division of Homeland Security & Emergency Management's Emergency Management Performance Grant (EMPG) Program. Please note that the closeout of this grant does not affect the right to disallow costs and recover funds on the basis of a later audit or other review, nor the sub-recipients obligation to return any funds due as a result of later refunds, corrections, or other transactions.

Sub-recipients are required to retain grant records and documentation for a period of three (3) years from the State's submission of the final expenditure report to the Federal Emergency Management Agency (FEMA) - please refer to the above Record Retention Date.

If you have any questions regarding this final closeout, please contact me at (603) 223-3686 or [nhempgprogram@dos.nh.gov](mailto:nhempgprogram@dos.nh.gov). Thank you for your participation in the EMPG Program!

Sincerely,

Sarah K. Osborne  
EMPG Program Manager