

Selectman Winslow moved Article 9 to the floor. Selectman Epperson seconded the motion.

Selectman Winslow noted that Article 9 was presented to the New Hampshire Department of Revenue Administration (DRA) and the article did not fit their requirements.

Mr. Winslow moved to strike the original language of Article 9 and replace it with the following language: “To see if the Town will vote to establish a Municipal Buildings Construction and Renovation Capital Reserve Fund pursuant to RSA 35:1 for the purpose of construction of or renovations to, town owned buildings and to raise and appropriate the amount of \$280,000 to be placed in this fund and to appoint the Selectmen as agents to expend from this fund with \$280,000 to be offset from the sales proceeds from the Old Trolley Barn. (Majority vote required.)”. Seconded by Selectman Epperson.

Selectman Winslow explained the motion as stated now meets the DRA requirements and essentially does the same thing as the original language but it was not all inclusive. The amount was reduced from \$390,000 to \$280,000 for an appraisal. The previous motion did not include an appraisal; however, back in 2018, when the Selectboard was authorized to sell it, an appraisal was required. The intention here is to be able to include sufficient funds to cover closing costs, survey expenses, tax documents and realtor fees. The amount of \$280,000 will go into the Capital Reserve. The remaining portion of the proceeds will go into the Town’s General Fund. The plan is to have a joint public meeting, before the expenditure of any funds, with the Budget Committee and review any proposal for funds in excess of \$25,000 to be used from the Capital Reserve Fund. The intention is to form a meeting, if this is to go through, with the Budget Committee to discuss the funds needed to retrofit the TD Bank building and also the funds needed to provide garaging for the Senior Serve van, which are both critical in this process. He continued that the intention is to renovate the TD Bank. The building has four offices with room for two additional offices, for a total of six with two spaces in front of the drive-up window. In essence, the space needs issue at Town Hall could be completely relieved by this process.

Scott Marion, 71 Washington Road, and Budget Committee Member, asked Moderator Eaton to reread the proposed amendment.

Moderator Eaton read the amendment to Article 9, which was moved by Selectman Winslow.

Mr. Marion stated that there was discussion at the Budget Committee of using the language “up to” so the Selectmen’s hands are not tied if for some reason there is less than \$280,000. Mr. Marion deferred to the Selectmen on whether or not they would consider a friendly amendment of placing the words “up to” before the \$280,000 the two times it appears in the motion to amend.

Selectman Winslow asked for Attorney Donovan to opine.

Attorney Donovan stated that he would leave the amendment as worded because that is what the Department of Revenue has dictated.

Ed Bulmer, 1643 Ocean Boulevard, asked what the net cost would be to Rye, when the Trolley Barn is sold and the swap is complete with the Parsonage and TD Bank building.

Selectman Winslow replied that they do not know yet because builders would need to give estimates on what would be needed to renovate the TD Bank building. It is estimated that it will be in the ballpark of about \$100,000, however, it could be less. It will certainly be substantially less than \$280,000. If the cost is \$100,000, it would leave the Town with \$180,000 that could be used for the reconstruction and renovation of other properties in town. It might be money that is used to renovate the Town Hall. He continued that Barba and Wheelock Architects has been asked to give a reconfiguration of the Town Hall with it also being ADA compliant. The intention would be to move the majority of the people on the second floor down to the first floor and move the entire Tax Clerk's Office to the TD Bank building. The Assessor's Office would also move to the TD Bank building. The Town Treasurer and Finance Administrator may also move to the TD Bank building. This would allow the top floor to be vacated and provide substantial meeting space. The costs to renovate the Town Hall is not known, but at least the remaining portion of this could be used for that purpose.

Julie Tucker, 960 Washington Road, asked if the words "appoint the Selectmen as agents to expend from this fund" mean that the Selectboard can start putting town offices in TD Bank without voter approval.

Selectman Winslow replied that is correct. He explained it allows the Selectmen to use the funds to renovate the building. The movement of the individual offices to the TD Bank are under the auspices of the Town Administrator and the Selectmen. In turn, if there are expenditures of money, the Budget Committee would be used for guidance on this process as well.

Ms. Tucker clarified that the Town would not have a say and the Selectmen would automatically use that building as an annex to the Town Hall.

Selectman Winslow confirmed.

Frances Erlebacher, 44 Brackett Road, stated that she is uncomfortable with these warrant articles being tied together but unclear. She asked what happens if the swap for the TD Bank building fails but the financial things pass. In reverse, what happens if the TD Bank passes and the financial things fail?

Selectman Winslow explained the Selectboard has been authorized to sell the Trolley Barn since the 2018 election. The only difference here, would be the setting up of a capital reserve fund to use the money from the Trolley Barn to maintain, renovate and work on the buildings the Town has. The Selectmen have been accused, and rightly so, of neglecting to maintain the buildings of the Town. The Selectboard does not want that to occur in the future, so the money would be put in a capital reserve fund to be able to apply towards the buildings.

Ms. Erlebacher asked what will happen if the TD Bank swap passes but the money things fail. She asked where they will get the funds that are needed to renovate, as there is no money appropriated for the swap.

Selectman Winslow explained that they could look for donations in town, such as from the Friends of Town Hall. The other option is to wait until next year's election to reconfigure that warrant article and ask the electorate for it to be approved.

Mr. Borne stated that this is a radical change for the Town. He asked the Selectboard to consider how this is going to be communicated to the Town before the election. Some effort and time should be put into how this should be presented. The plans being described does not read out of the wording of these articles.

Selectman Winslow noted that an article is going to be published in Rye Magazine in about two weeks which will explain this in more detail. In addition, listening sessions are intended to be held at the Town Hall and the TD Bank so people can actually see inside. He noted that the Selectmen are restricted from advocating for a particular article so they have to be careful on what they do or say; however, the town folk can certainly do that.

Ms. Tucker stated that because this is so confusing and there won't be enough time to spread the word about what the plan is for this money, she thinks there should be an amendment to the article saying "the Selectmen cannot spend that money without voter approval".

Speaking to Ms. Tucker, Moderator Eaton asked if she is offering that as a friendly amendment to the proposed amendment.

Ms. Tucker confirmed.

Selectman Winslow asked for clarification on the friendly amendment.

Moderator Eaton asked Ms. Tucker to be more specific.

Julie Tucker moved a friendly amendment to the amendment "to appoint the Selectmen as agents to expend from this fund, with voter approval, with \$280,000..."

Selectman Winslow stated that his concern is if the Selectmen are not allowed to expend from the fund, they would have to go back to the electorate in the 2021 meeting. This means if the exchange goes through, the Town will be sitting on the TD Bank and not be able to use it for another year. As elected officials of the Town, they are very concerned about the fiscal impact on any of these projects, as it applies to the tax base. This is felt to be a plan that will maximize the ability to get the space needs needed to go forward in a timely basis. The Selectboard does not want to put this off until next year.

Moderator Eaton clarified that the proposed friendly amendment was **"to appoint the Selectmen as agents to expend from this fund, with voter approval, with \$280,000"**. He noted that the friendly amendment has been rejected by the Board of Selectmen. He asked if there is further discussion on the amendment to Article 9.

Ms. Tucker suggested including in the amendment “we intend to use that money to put town offices in TD Bank” so the voter knows what is being done.

Speaking to the Selectboard, Moderator Eaton asked if there is any language along the lines of what Ms. Tucker is suggesting that the Selectmen would accept as a friendly amendment.

Selectman Winslow stated that the Selectboard intended to do that in the initial article that already got struck down because it got into too much detail as to how it was going to be used. The concern is the Selectboard does not want to have this pass and the DRA reject it. He noted it is certainly the Selectboard’s intention to do that and he would be willing to put it in if DRA would consider it.

Ms. Tucker commented that her only goal here is to make sure the voter knows that they are voting for offices in TD Bank when they vote for this.

Selectman Winslow agreed. He commented that word will have to get out during the visioning and listening sessions.

Paula Tssetsilas, 12 Rock Orchard Lane, asked if a public hearing would satisfy the request to include the voters in the process before the money is expended.

Selectman Winslow asked Attorney Donovan to advise.

Ms. Tssetsilas suggested that the language would read something like; “subject to a public hearing prior to expenditure of funds”.

Attorney Donovan thinks that the words could be put in without a problem with DRA. He suggested “To see if the Town will authorize the Selectmen to sell the Old Trolley Barn, after holding a public hearing,”.

Ms. Tssetsilas suggested a friendly amendment to the amendment; “appoint the Selectmen as agents to expend from this fund, upon a public hearing, with \$280,000”.

Attorney Donovan stated it would seem that “appoint the Selectmen as agents to expend from this fund, after holding a public hearing, with \$280,000 offset” would be acceptable, but he is not the DRA. He has battled the DRA for this town and others on the language of warrant articles and it cannot be guaranteed that changing the language of something DRA has approved will fly with them.

Moderator Eaton noted he is not allowing amendments to amendments. He asked if the Selectmen will accept this language as a friendly amendment.

Selectman Winslow pointed out that the Selectmen will schedule a joint public meeting with the Budget Committee to discuss any expenditures over \$25,000 from this particular fund. The Selectmen tried to put this into the amendment but DRA would not let that be done; however, that is the intent.

Moderator Eaton clarified there is a commitment from the Board of Selectmen to hold a public hearing before expending the money but **they do not agree to the friendly amendment** because it might be subject to being stricken down by the Department of Revenue Administration.

Referring to Article 22, Mr. Crapo noted that it proposes putting money into the Municipal Building Maintenance Expendable Trust Fund, established by Article 11 in 2007. He asked why the money could not be put into that fund. He asked if there is a difference in the purpose and if so, does the purpose of this fund need to be modified.

Moderator Eaton asked if he is getting into the intent of the original article itself, as opposed to the change to the amendment.

Mr. Crapo replied that the original and amended version are creating a new trust fund. He asked why the existing trust fund is not used that pertains to the maintenance of municipal buildings.

Selectman Winslow explained they were hoping to use the existing trust fund but it does not allow for renovation. It is just for maintenance.

John Loftus, 108 Straw's Point Road, stated he is member of the Town Center Committee that was charged with vetting all these properties. That has not happened yet because the committee has been focused on getting Article 10 ready. Last year, there was an article about Town Hall that passed which required the Board of Selectmen to find a solution to renovate the Town Hall building on its original site. What Article 9 allows the Selectmen to do, without any voter approval, is to move town offices out of Town Hall to a separate site.

Mr. Loftus moved an amendment to the amendment "The Board of Selectmen may not move town offices out of Town Hall without voter approval". Moderator Eaton stated they are not handling amendments to amendments. The first amendment will be resolved and they will go back to the article, either as written or amended, and then accept other motions to amend, assuming they are seconded.

Mr. Crapo questioned whether there was a second to the Selectmen's amendment.

Moderator Eaton noted that Selectmen Epperson seconded the original motion to amend.

Jaci Grote, 124 Washington Road, stated that as the chair of the Budget Committee, she would like to confirm the agreement that the Board of Selectmen have with the Budget Committee that any expenditure above \$25,000 from this money will be discussed at a joint public meeting with the Budget Committee. She is in support of the warrant article as it is.

Patricia Losik, 525 South Road and Planning Board Chair, stated she does not have any issue with the three articles being discussed but there is a question of confusion that has been raised about RSA 35:1 because Article 9 is talking about establishing a Municipal Building Construction and Renovation Capital Reserve Fund and Article 24 is the same RSA to establish a Revaluation Capital Reserve Fund. She noted that RSA 35:1 seems to be a catchall for reserve

funds. She went on to explain RSA 35:1. She asked if there are other funds that come under 35:1 and how those expenditures are spent out of those funds.

Attorney Donovan explained the Town has several capital reserve funds established under 35:1 by town meeting. When the capital reserve fund is set up, it is either named as agents to expend which give the Selectmen the authority, or it is not named as agents to expend and any expenditures have to be approved by town meeting.

Hearing no further discussion on the proposed amendment to Article 9, Moderator Eaton reread the proposed amendment to Article 9, as moved by Selectman Winslow, and called for a vote.
Motion to amend Article 9 passed.

Moderator Eaton called for further discussion on Article 9, as amended.

Mr. Loftus moved to amend Article 9, as currently amended, (before the words “Majority vote required.”); “The Board of Selectmen may not move town offices out of Town Hall without voter approval.”. Seconded by Joseph Tucker.

Mr. Loftus stated there are all sorts of ramifications in giving the Board of Selectmen the ability to move town offices without voter input. There should be more discussion on an article of this type. The way the article is written would not necessarily alert voters to what could happen. It is up to the voters to decide and that is the purpose of the amendment.

Selectman Winslow stated an article that was passed in 2019, only carries weight for the year it was passed in. Therefore, it restricts the fact that the Town Hall has to stay where it is. In essence, the Town Hall building is staying where it is. It is not being moved. Secondly, it does not carry weight for this year, so it is a moot point.

Joseph Tucker, 960 Washington Road, stated he is totally in favor of the swap. However, he is greatly concerned about a small body, whether it be the Selectmen or any other group, having the authority, without town approval and town vote, to go forward with modifications. This should definitely go before the Town for vote.

Mae Bradshaw, 106 Harbor Road, stated the warrant article that passed last year directed the Selectmen to do something with the Town Hall. They hired an architect who said the Town Hall is 2,400 square feet too small and additional space is needed for the Town’s employees to be comfortable. The Selectmen were lucky enough to get involved with Mr. Philbrick who has about 2,700 square feet. The Selectmen have done exactly what they were asked to do and this should proceed.

Selectman Epperson stated that the proposals that have been put forward today have been vetted, discussed, planned and thoroughly considered by the Selectboard, Budget Committee and other members of the community. He believes it would be beneficial for the Town to let this particular initiative to go forward. It will solve a lot of problems and move the Town into a totally different direction. It does not negate the Town Center Committee, whatsoever. It does them a favor, at least by identifying some very significant opportunities. He wants everyone to

understand that if this does not happen, the Town will have a building that is falling down with repairs that cost \$800,000. The Town will sell the building at some point in time. Someone will tear the building down and build something there that the Town does not want. He looks for support and appreciates all the work that has already been done.

Mr. Philbrick stated that as far as having a public hearing before spending the money, he would be in favor. As far as not using the TD Bank building for personnel, it would totally defeat what is trying to be accomplished. It would derail this common sense solution. He would not be in favor of Mr. Loftus' amendment.

Mr. Herlihy does not support Mr. Loftus' amendment. He asked why a voter would vote for the exchange if they did not support moving some of the employees to that building. He thinks the voters will understand that is going to happen.

The question was moved by a member of the audience. Moderator Eaton recognized that the question was moved and called for a vote to end debate on the amendment to Article 9.

Motion passed.

Moderator Eaton reread the motion to amend, which had been made by Mr. Loftus and seconded by Mr. Tucker, and called for a vote. **The motion to amend failed.** Hearing no further discussion on Article 9 as amended, **Moderator Eaton ordered Article 9 to appear on the ballot as amended.**

Mr. Marion moved to restrict reconsideration of Article 9. Seconded by Selectman Winslow. Motion passed. Reconsideration of Article 9 hereby restricted.

Moderator Eaton read Article 10.

ARTICLE 10. To see if the Town will vote to raise and appropriate the sum of eight hundred thousand dollars (\$800,000) for construction of transportation safety improvements in the Town Center; with five hundred thousand (\$500,000) to come from NH DOT alternatives program grant (TAP) and the balance of three hundred thousand (\$300,000) to come from general taxation for the local match required for the grant. This project is contingent upon the receipt of the TAP grant. (Majority vote required.)

This article is recommended by the Selectmen (3-0)
This article is recommended by the Budget Committee. (6-2-1)

Selectman Winslow moved Article 10 to the floor. Seconded by Selectman Epperson.

Selectman Winslow deferred to Karen Stewart, Chair of the Town Center Committee, to speak to the article.

Karen Stewart, 546 Washington Road and Town Center Committee Chair, stated that the Rye Town Center Committee is asking for an investment from the Town of \$300,000 to address safety on the road through town center. The Rye Town Center Committee was formed by the Board of