

TOWN OF GROTON
PUBLIC HEARING – BOND FOR PUBLIC WORKS BUILDING
April 6, 2021

In Attendance: John Rescigno, Tony Albert, Ron Madan and Sara Smith (Administrative Assistant)

Audience Members Present

John called the Public Hearing on the Bond for the Public Works Building to order at 7:00pm.

John mentioned that this is the same public hearing we had before but since we moved the Town Meeting to May 8, 2021, we had to have another public hearing as it has to be held within 15-60 days of the Town Meeting. John said that the plans and the bond information is still the same and there is new since the last meeting. This is for Warrant Article 2 which states the following:

ARTICLE 2: To see if the town will vote to raise and appropriate the sum of **one million eighty-three thousand nine hundred eighty four dollars (\$1,083,984.00)** to design and construct a new Department of Public Works building, and to authorize the issuance of **six hundred eight-five thousand dollars (\$685,000)** of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33); to authorize the Selectmen to issue, negotiate, sell and deliver such bonds or notes and to determine the rate of interest thereon and the maturity and other terms thereof; to authorize the Selectmen to apply for, obtain and accept federal, state or other aid, if any, which may be available for said project and to comply with all laws applicable to said project; and to authorize the Selectmen to take any other action or to pass any other vote relative thereto. The remaining appropriation will be funded through an anticipated **two hundred fifty thousand dollars (\$250,000)** USDA grant, and the withdrawal of **one hundred forty-eight thousand nine hundred eight four dollars (\$148,984)** from the Public Works Capital Reserve Fund. Further, to raise and appropriate from taxation up to \$100,000 for the first year's debt service payment. Recommendations required (3/5 ballot vote required)

John mentioned that the amount the Town is looking to bond for the garage is \$685,000.00. This is a 3/5 ballot vote so there will be a ballot for everyone to vote on and voting will remain open for an hour.

John mentioned that we did look into if we can change the amount on the bond article and if we can vote on Articles 4 and 5 before we vote on Article 2. The bond counsel wanted the Select Board to mention in this public hearing the possibility that the amount might be increased by almost \$100,000, \$98,984, due to an amendment on the floor if the Articles 4 and 5 do not pass. They also said that as long as the minutes of the meeting reflect the Town opening Article 2 and then motioning to take up Articles 4 and 5 prior to the vote on Article 2, such sequence of events should not affect the validity of Article 2.

Cynthia asked if this would be a warrant article that would be voted on at Town Meeting. John explained that it is warrant article 2 which is for voting on the building and the bond. They are put together in one warrant article because they go together and need both to pass in order for it to happen.

Miles asked if the Select Board had followed up with the Wind Farm regarding the grant. John explained that we did but they unfortunately cannot do anything at this time.

A resident asked when the agreement with the Wind Farm is good through. Sara said she believes there is 7 more years. Miles said the Wind Farm agreement with the pilot payment is through March of 2028.

Slim asked if we are still planning on going with the 10-year bond. The Select Board feels the payment would be too high with the 5-year bond and would like to pursue the 10-year bond which now has a 1.5% which they feels is more realistic. John mentioned that the first-year payment is less that what we have been raising for storm damages, grant projects and road projects so it is within our budget of what we have been paying the last few years. It is 10 years so it doesn't keep the town trapped in a large payment for a long period of time. The 15-year bond has lower payments but we would be paying significantly more in interest.

The information again for a 10-Year Bond which the Select Board thinks is the best option is:

- Interest would be 1.50%
- Total amount we would pay back is \$753,745.00.
- The first payment would be \$93,295.00 and a final payment of \$65,975.00.
- The interest paid over the life of the bond would be \$67,745.00

There were no other questions on the bond. We will be voting on this at Town Meeting on May 8, 2021.

Having no other business to conduct, John motioned to close the public hearing on the bond for the public works building at 7:06pm, Tony 2nd, so voted.

Respectfully Submitted,

Sara Smith
Administrative Assistant