



MEETING AGENDA

TOWN OF PITTSFIELD
BOARD OF SELECTMEN
TOWN OFFICE, 85 MAIN STREET
PITTSFIELD, NEW HAMPSHIRE 03263

TUESDAY, JANUARY 12, 2016

5:30 p.m. - Call to Order

PUBLIC INPUT

AGENDA REVIEW

APPLICATIONS and WARRANTS

1. Abatement - 371 Catamount Road, map R32 lot 17 (Pittsfield Aqueduct)



**TOWN OF PITTSFIELD
BOARD OF SELECTMEN
TOWN HALL, 85 MAIN STREET
PITTSFIELD, NH 03263**

MEETING MINUTES OF TUESDAY, JANUARY 12, 2016

CALL TO ORDER

Call to order at 5:30 P.M. by Eric Nilsson, Chairman

MEMBERS PRESENT:

Eric Nilsson (EN), Chairman, Albert Douglas (AD), Vice-Chairman, Gerard LeDuc (GL), Larry Konopka (LK), Cara Marston (CM), Town Administrator

MEMBERS ABSENT:

Nicholas Hayes (NH)

PUBLIC INPUT

None

AGENDA REVIEW

(LK) Will there be a budget review?

(EN) At tomorrow night's meeting.

APPLICATIONS and WARRANTS

1. Abatement – 371 Catamount Road, map R32, lot 17, Pittsfield Aqueduct Company

(EN) Explained that in response to a letter from the assessing company disclosing an error, the board is considering an abatement of assessment for the Pittsfield Aqueduct Company.

(LK) Motion to abate the assessment on Pittsfield Aqueduct Company by \$4,238,400, total abatement dollars to refund \$121,819.90. (AD) Second.

(EN) Explained that this will be further discussed at next week's meeting, the purpose of calling this meeting was just to approve the abatement to be able to issue the refund.

(GL) Said he would be abstaining as he wanted to know how the mistake was made.

(EN) Clarified that as explained in Avitar's letter, it was a software data entry error.

(LK) Further clarified that this meeting was to process the abatement to stop the interest accruing on the abatement refund.

After no further discussion, motion then carried 3-1. (GL) Abstain.

(EN) Noted that the major discussion on this would take place next week.

(LK) Reiterated that a budget review would be addressed then, as well.

(AD) Made a motion to adjourn the meeting.

(LK) Requested another opportunity for public input, given the significance of the vote that was just made.

(AD) Rescinded the motion to adjourn.

PUBLIC INPUT

Mark Riel: What (tax) year will this impact?

(CM) This abatement will be posted to 2015.

Louis Houle, III: What amount of reserve (overlay) was issued at the tax rate setting? What is the amount of other abatements already granted?

(CM) Overlay was set at \$99,000. No abatement refunds have been done yet (for tax year 2015). The Board has four abatement refunds to consider next week, amounting to less than \$4,000. (NOTE: while reviewing the abatements after the meeting for typing the minutes, this figure is actually \$5,783, this error will be conveyed to the budget committee). There are still two other abatement responses that we are waiting for. This revaluation has had a historically low filing of abatements, but there is still over a month to go.

Hugh Sanborn: What was the cause of this?

(CM) This was a data entry error.

ADJOURNMENT

(AD) Motion to adjourn.

(LK) Second. Motion carried 4-0.

Meeting adjourned at 5:45 P.M.

Minutes Approved: January 19, 2016


Eric Nilsson, Chairman

2-2-16
Date

ATTACHMENT (1)

1. Letter from Avitar Associates of New England, Inc.

I certify that these minutes were recorded by me on January 12, 2016 and publicly posted on January 12, 2016.


Cara M. Marston, Town Administrator



Avitar Associates of New England, Inc.

A Municipal Services Company

January 4, 2016

Town of Pittsfield
Cara Marston
Board of Selectmen
P.O. Box 98
85 Main Street
Pittsfield, NH 03263

RECEIVED
JAN 2016
Town of
Pittsfield, NH

Re: Pittsfield Aqueduct Company Assessment

Dear Cara & Board Members:

Just prior to our Holiday shutdown, Don Ware from Pennichuck, contacted me concerned with their new assessment in Litchfield. These discussions and review continued through the shutdown. He was particularly concerned with the large amount for elevated steel storage tanks. As they had provided us with the raw data I said, "Don you provided the data by FERC (Federal Energy Regulatory Commission) code and we entered that data into our Handy Whitman Replacement Cost Estimator program and balanced to your original costs." He replied that Pennichuck did not have any storage tanks of that nature. After several discussions and review of all the data they provided, we were able to identify the problem. In the FERC coding, also replicated by Handy Whitman, code 330 used by Pennichuck, refers to several different property classifications. In our cost estimator software, I recognized this as a problem and created unique codes for each classification to ensure accurate cost trending results.

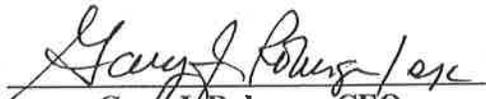
As the data received for Pittsfield was in the same format, I went back and reviewed your assessment for the same problem on the Pittsfield Aqueduct Company assessment. Previously, all data was provided by description and when we entered the data, we matched the description with the correct code. This time the data was provide by group with a header code and description and was entered by the code. We did not realize that the code was repeated for several different groups and as such, the water mains were entered as code 330 instead of the unique code 340 we had set up for mains. As such, the water mains were valued as if they were elevated steel storage tanks at a much higher replacement cost and therefore, created an over assessment.

Upon correcting the provided 330 classification codes to the unique 340 codes for water mains (all types), the total value reduced significantly for Map R23 Lot 17. **The original assessment was \$10,171,700 and should be \$5,933,300 for a reduction in value of \$4,238,400.**

Therefore an abatement is due on the over assessment of \$4,238,400.

I am sincerely sorry to be the bearer of such bad news, but felt you needed to know as soon as possible. While I would like to place the error squarely on Pennichuck, it is really a FERC issue, but one I should have caught. Where the codes matched and the original costs matched, I felt certain that the assessment was correct and never realized the code error until after several communications with Don Ware.

Regretfully,


Gary J. Roberge, CEO
Avitar Associates

GJR/sjc