

LCHIP

Land & Community Heritage
Investment Program



Board of Directors Annual Meeting
The Nature Conservancy New Hampshire
Tuesday, January 23, 2018
Approved at the June 25, 2018 BOD Meeting

Attendance

Voting members: Chick Colony, Cynthia Copeland, Harold Janeway, Dick Lewis, Ben Wilcox, Amanda Merrill, Bob Giuda, Judith Spang

Nonvoting members: Rich Cook, Susan Francher, Shawn Jasper, Elizabeth Muzzey, Pierce Rigrod, Steve Walker

LCHIP Staff: Barb Beers, Paula Bellemore, George Born, Dijit Taylor

Introductions

Jim O'Brien, TNC's Director of External Affairs, welcomed us and shared how LCHIP was an important partner in New Hampshire land conservation projects.

Fiscal Year 2017 Audit

John Hession and Caitlin Kelly from Hession and Pare presented draft results of the audit. Financial statements were found to be neutral, consistent, and clear and no difficulties were encountered completing the audit. No deficiencies in internal control were noted. A year end adjustment to the books was needed to accommodate the state's year-end pension report. The one deficiency from the prior year, having to do with capitalization of certain expenses, has been corrected. The only negative comment from the year audited related to using checks in numerical order which was explained and will be corrected.

MOTION	To approve the draft audit as presented.	Harold Janeway
SECOND		Cynthia Copeland
VOTE		Approved unanimously.

Minutes of November 14, 2017 BOD Meeting

No questions or revisions were proposed for the minutes. Dijit pointed out that the minutes of the November 14 meeting included the Community Conservation Endowment amount for each funded project.

MOTION	To accept the minutes from the November 14, 2017 Board of Directors Meeting.	Harold Janeway
SECOND		Judith Spang
VOTE		Approved unanimously.

LCHIP and Secretary of State Conflict of Interest Forms

All Board members are expected to complete the LCHIP Annual Conflict of Interest Form and return it to Barb. The 2018 New Hampshire Statement of Financial Interests form needs to be completed and submitted to the Office of Secretary of State. Hard copies of both were provided at the meeting for anyone who needed them.

Board Contact List

The Board Contact List was included in the BOD Packet and members were asked to review their contact information and provide Barb with any needed updates.

Financial Topics

December 2017 Finance Report

Finance Committee member Chick Colony reviewed the December Finance Report. A question was asked as to whether more income is expected from Moose Plates this year. Dijit responded that there would be no increase.

MOTION	To accept the December 2017 finance report.	Cynthia Copeland
SECOND		Ben Wilcox
VOTE		Approved unanimously

December 2017 updates:

Trust Fund Income YTD \$2,188,433 (FY 17 \$2,246,624)

CCE Market Value \$4,424,391 (FY 17 \$3,427,003)

The nearly one million dollar increase in the CCE is due both to deposited LCHIP funds and investment gains. Harold will review the quarterly Fidelity investment reports.

Finance Committee procedure for transfers between LCHIP accounts

Checks written for over \$10,000 require two authorized signatures. Dijit had been applying the same standard to withdrawals to transfer between LCHIP accounts. The Finance Committee has changed the procedure such that ED must inform Finance Committee before and after transfers between LCHIP accounts, but is not required to get second signature to do so. .

Community Conservation Endowment expenditure request

The Board packet included a memo from Dijit detailing annual payments for monitoring projects over the past eight years and a request that LCHIP provide the same \$200 per unit as has been done since 2013.

MOTION	To approve the payment of \$200 per unit, or approximately \$73,400, from the LCHIP Community Conservation Endowment fund as incentive payment for submittal of acceptable, timely monitoring reports in the calendar year 2017.	Bob Giuda
SECOND		Cynthia Copeland
VOTE		Approved unanimously

Proposed Grant Round Schedule 2018

Staff presented a proposed, general grant round schedule. Timing is similar to last year with minor adjustment to allow more time for applicants to complete their proposals.

Date	Grant Round Activity
February 1	Announce that Grant Round will open
May 1	Grant Round Opens
Early May	Workshop
Mid-Late May	Intent to Apply forms due
June 22	Applications Due
August – September	Site visits
Late September or early October	Review Panels

Mid November	Board Grant Selection Meeting
Late November or Early December	Awards Announcement (pending governor's schedule)

MOTION	To accept the grant round schedule as proposed.	Dick Lewis
SECOND		Bob Giuda
VOTE		Approved unanimously

Project Extensions and Change Requests

Bradford Town Hall

Since its grant award in 2014, the rehabilitation of the Town Hall, Bradford has experienced a series of setbacks. The town now realizes that the needed work is more expensive than originally envisioned. They request an extension through December 2018 and approval to focus LCHIP funds on structural repair and strengthening as that is a prerequisite for any further use of the building.

MOTION	To approve the proposed change in scope-of-work and the extension to December 2018.	Harold Janeway
SECOND		Ben Wilcox
VOTE		Approved unanimously

Concord - Chamberlin House

A project change description for possible retroactive waiver to allow the cost of replacing the furnace to be included as part of the match for the second phase rehabilitation at the Chamberlin House was distributed prior to the meeting. The vote requires a supermajority of nine voting Board members for decision. Lacking that number of attendees, the issue will be discussed at a future meeting attended by enough members.

Northumberland - Cape Horn

In November 2016 TNC was awarded \$75,000 toward the purchase of the fee-interest in a 288-acre property in Northumberland adjacent to Cape Horn State Forest. Although not explicitly stated in the vote to approve the grant award, the project application indicated that TNC intended to transfer the property to the Department of Natural and Cultural Resources (DNCR, fka DRED) as an addition to the Cape Horn State Forest. Following review of LCHIP's grant process with regard to grants benefitting state agencies and [RSA 227-M:8 II](#), and out of an abundance of caution, the Attorney General's office advised LCHIP staff to secure explicit acknowledgement and approval of the intended transfer to a state agency as required under RSA 227-M:8 II. The Board approved the anticipated transfer at the April, 2017 board meeting.

In August, 2017 TNC notified LCHIP that DNCR was unable to accept deed restrictions prohibiting the use of off-road vehicles on the environmentally-sensitive property, a limitation TNC felt was critical to accomplishing the project's conservation goals, and that TNC's intent was therefore to retain ownership of the property until such time as an off-site location for ATV use was established or TNC and DNCR were able to come to agreement.

Because the Board understood that the property was to be transferred to DNCR, and again out of an abundance of caution, LCHIP staff notified the Board of the proposed change at the September 2017 meeting. The Board tabled the matter to the January Board meeting. During this meeting

Dijit asked the Board to decide if conveyance of the property to DNCR as an expansion of the Cape Horn State Forest was fundamental to, and a condition of, its decision to award funding or if the funding was based on the values of the project itself.

Jim O'Brien, representing TNC, was present for the discussion of this topic. He was asked if, when TNC purchased the land from a private landowner, was anything in the deed that stated that TNC had to transfer the land to another owner such as DNCR. Jim said no. He continued that it is still TNC's intent to work with and transfer to DNCR. Concerns were raised about changing what was originally proposed in the application and how that would set a precedent. According to one Board member, it is the project structure not the application, that is potentially being changed. Other Board members emphasized the resource values and exemplary habitats as the reason why the project had originally been awarded the funds.

MOTION	To approve The Nature Conservancy's intention to retain or transfer the ownership of the property.	Judith Spang
SECOND		Cynthia Copeland
VOTE		Approved with one "no" vote.

Tamworth – Chocorua Viewshed

In 2014 the Chocorua Lake Conservancy (CLC) was awarded an LCHIP grant to preserve the public's view from NH Rt. 16 across Little and Chocorua Lakes to Mt. Chocorua. Progress on the project has been slow, in part because owners of the property are scattered across the country and return to Tamworth infrequently. CLC and the owners have now reached agreement on the site plan and are finalizing easement language with the intention of closing within the next few months (barring extended snow cover this spring). CLC is requesting a twelve-month extension of the project completion deadline, to December 30, 2018.

MOTION	To approve the project timeline extension to December 30, 2018.	Harold Janeway
SECOND		Judith Spang
VOTE		Approved unanimously

HR eligibility requirements, tabled motion from November meeting

This topic will be considered at a future meeting due to a lack of time at this meeting.

Project Completion Options - Proposed change in extension policy

The number of project extensions has increased significantly in recent years, with most of this increase due to historic resource (HR) projects. Following discussion of the topic at the September Board meeting, LCHIP staff brainstormed ideas for addressing this issue and provided the Board with a summary focusing on four areas: project management; grant management; staff capacity; and contractor issues. Some of the ideas are already being implemented. BOD members proposed additional ideas such as increasing the expected time allowed for HR projects, building better partnerships with HR contractors (perhaps with a subcommittee to explore ways to accomplish that), better promotion of projects by grant recipients, providing a financial penalty if a project fails to complete on time, funding fewer HR projects.

In addition to considering these potential solutions, the staff suggests a change to the existing Grant Expiration Extension Policy and provided a draft of new policy. A Board member recommended changing the section OPTION OF THE BOARD to read as follows (the addition is in bold): "The Board of Directors shall have the option, at its sole discretion **and upon a majority**

vote of the Board, to depart from this policy as it sees fit. Such a departure shall not constitute a policy change or establish precedent.”

MOTION	To accept the Grant Expiration Extension Policy as written with the addition “and upon a majority vote of the Board.”	Harold Janeway
SECOND		Judith Spang
VOTE		Approved unanimously

Project Updates

Annual Report – Dijit shared a printed copy of the LCHIP’s Annual Report and encouraged everyone to check out the digital versions that were recently distributed electronically.

Projects Completed September—December 2017

A summary of each project that closed during this time period was provided in the Board Packet: Albany Pine Hill Community Forest-Bald Hill, Barrington Stonehouse Forest, Berlin Brown Company house, Hooksett Clay Pond 3, Kingston Bandstand, Lempster Meetinghouse 3, Lyndeborough Proctor Preserve 1, Meredith Page Pond Community Forest 2, Milton Free public Library, Orford Mason Pond, Portsmouth South Church Planning Study and Warner House, Warner Pillsbury Free Library. There were no questions.

Withdrawal of award acceptances

The following projects have withdrawn their grant awards acceptances:

- Berlin St, Kieran’s Community Center for the Arts (2015, \$252,032)
- Danbury Deuink conservation easement (2016, \$153,000)
- Enfield Mary Keene Chapel (2011, \$20,000)

Burleigh Cottage at Webster Farm

LCHIP awarded this project funds for a planning study. The funding will probably not be accepted as the owner is thinking about demolishing the structure which is under easement with the Preservation Alliance with executory interest held by LCHIP.

Legislation of Interest to LCHIP None noted.

Other Business

Mandy shared that Cynthia Copeland will be leaving her position at the Strafford Regional Planning Commission after working there for 18 years. This means that she will no longer be serving on the LCHIP Board of Directors. Cynthia has been an actively engaged, thoughtful member of the Board for seven years and her presence and contributions will be missed. Mandy presented her with a framed award plaque honoring her contribution to LCHIP.

Public Comments There were none.

The meeting adjourned at 5:12 PM

Next Meeting: Tuesday, April 17, 2018, 3-5 p.m. Canterbury Shaker Village

Respectfully Submitted

Barbara A. Beers
LCHIP Office Manager

Amanda Merrill
LCHIP Board Chair