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## Rail Line's Potential Enthuses Dearness

By GARY J. REMAL

"The bottom line is this is a real challenge," the president of the new firm running the state-owned Concord-Lincoln rail line said aboard the first passenger train to travel its rails since 1976.

Peter Dearness was talking about the prospects of meeting a 1987 deadline to put the railroad back in the black financially.

"But that's what drives me," said Dearness, president of New England Southern Railroad Company, as he explained his plans for the line, including the return of limited passenger service during peak tourist seasons and for special excursions.

Dearness was one of about 400 state officials led by Gov. Hugh Gallen, legislators, businessmen and railroad buffs who were invited to ride the borrowed Massachusetts Bay Transportation Authority train on its unique inspection tour from Concord to Campton.

"I think this trip is important," Dearness said as the silver passenger train rattled through Meredith and on towards Ashland. "We, and when I say we I mean the state of New Hampshire and New England Southern Railroad. We need to bring the fact to the public as strongly as we can that this line is here and operating and that it is a long-term commitment and we won't be folding up shop next year."

Organizer of the tour, Robert Varney of the Lakes Region Planning Commission, said he had to turn down many people who sought invitations to the ride. At nearly every crossing or area along the tracks that could be reached to view the train, people gathered, cameras clicked and children waved.

"We probably could have filled ten cars or more," Varney said, as the train rolled through the countryside. "We didn't even advertise it. It was by

RAIL, Page Two

## Report Explains City Stand on Revaluation

By GORDON D. KING

FRANKLIN — Details of the agreement between the city and Patten Appraisal Associates of Portland, Maine, regarding the highly disputed assessment figures the firm supplied the city last year have been released by Frank Edmunds, city manager, and

satisfactory. The council's action was based upon citizen input and a review of the report by independent appraiser John F. Claridge of Tilton.

Fitzgerald's preliminary report indicated the council had three options: reject the report in its entirety and hire



Lake City Stop

With engineer Jim Moore looking on, Gov. Hugh Gallen leans out of the engineer's cab of the special excursion train that stopped in Laconia Saturday en route to Campton. Aboard along with the governor were about 400 invited guests, including legislators

and state officials, company representatives and developers, aimed at making the public and shippers in particular aware of the potential of the line as a "economic development tool" for the region.

## D'Amours Says Deficit Hiking Interest Rates

By DEAN DEXTER

Stating the nation could have had a balanced budget this year, and a small surplus next year, if a budget proposal he supported in 1981 had passed, Congressman Norman D'Amours, D-Manchester, warned of increased interest rates when, and if, the economy stabilizes.

"The problem in this economy is deficits, and that translates into high interest rates in an expanding economy," D'Amours told a gathering of business persons at the Lakes Region Chamber of Commerce Breakfast Forum at the Margate Monday morning.

D'Amours said the Reagan deficit, which presently is some \$155 billion, is the highest in history and that the massive government borrowing needed to finance that debt will draw money away from the marketplace (private savings) when the nation's economic situation picks up.

The budget plan D'Amours supported last year, which drew 144 votes in its favor despite the fact that both Democrats and the administration opposed it, called for less defense spending, a delay in the personal income tax cuts by nine months in the first year, and elimination altogether of the tax cuts in the third year. It also contained virtually all the business

D'AMOURS, Page Two

## Princess Grace Visited Region

MELVIN VILLAGE — The sudden death of Princess Grace Tuesday night brought a personal note of sorrow to this community where the woman spent several summers.

"I was shocked. I just dropped what I was doing and listened," said Marion Robie, the former owner of a general store visited by the Princess and her

## Housing Shortage Tough On Elderly, Worse on the Poor

# Rail

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invitation only, but I think it proves to people that a passenger train could run and I think we're showing people just what good condition the track is in."

"Invariably when people come into my office looking for a business location one of the first questions they ask is about the availability of rail service," Gov. Gallen said at a stop in Laconia hosted by the Lakes Region Chamber of Commerce. "I think it's imperative that we maintain these rail beds and rail lines."

And Boston & Maine Railroad Vice President William Rennie, explaining that a non-unionized organization like New England Southern could operate the former-B&M line at about one quarter the cost of B&M, praised the new operator and indicated his company's support for the choice.

"I think they're very fortunate to get Dearness over here. He's one of the best in the business and I think we're going to work very well with him," Rennie said at the Laconia stop.

"Today, governor, you're going to see some beautiful scenery, but the important thing is to see its value as an economic tool," Dearness said before a crowd gathered outside the former Laconia depot. "We hope you people go out and spread the word that there is an operator for the next five years."

Later in the trip Dearness discussed his plans for the line aboard the special train. In addition to aggressive marketing and management support for the line's bread-and-butter freight business, the potential for special excursion passenger trains, seasonal regular tour

trains, and even the possibility of the return of the famous ski trains as a part of the financial revitalization of the line may well be in the cards.

"I think it can't be ignored," Dearness said. "We're talking about a mix, and the mix could take the form of a combination of special trains, possibly foliage or winter trains, and, with the many people along the line during the tourist seasons, perhaps we would run regular service between Laconia and Weirs Beach or Weirs and Plymouth."

"It's not going to be our emphasis on the line, but when you're talking about the economic mission for the development of a rail line you look at the major industry around it. In the Mid-West its farming and you carry cereal grains, here the tourist industry is it, so for us to transit this area with freight cars and ignore those people we would be derelict to our purposes," he said.

He said a successful excursion train required three things, good track, scenery and tourists, and he said the Central New Hampshire area served by the line had all three, estimating, for instance, that with the completion of the new \$400,000 track rehabilitation project a ski train could travel from Concord to Lincoln in two hours.

But, Dearness said, beyond the novelty of renewed passenger service, his company knows the success of the line depends on development of the railroad's freight business. He said the five-year contract the state recently signed with his company is probably the most important ingredient in making the line pay for itself.

"We feel that's the first requirement, that there be a long-term commitment. Without that there's no way we can compete with other forms of transporta-

tion," Dearness said. "It's very difficult for shippers if the railroad is being operated from year to year when they are planning five-ten years ahead to make a commitment if they don't know if we're going to make a go of it."

And Dearness pledged that his company will be out selling the line both to new shippers and as well as to regular customers.

"I think people are going to find that we're not just going to be sitting waiting for a phone call to come pick up a car," Dearness said.

# Revaluation

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and correct any inaccuracies and discrepancies; or reverse its position and accept the report as originally submitted.

The attorney said total rejection of the report would have been coupled with an attempt at litigation to recover payments to the firm. "This alternative would have been lengthy and expensive," Fitzgerald said, "as it would have involved substantial payments to other appraisal firms to refute Patten's work."

City officials did not estimate the cost for this process but said it would cost at least \$85,000 for a new appraisal of the estimated 2,900 properties in the city.

Last week the council, despite strong objections from some members and several residents, agreed to accept Patten's original figures subject to a written agreement with the firm concerning revision of the figures as necessary.

A majority of council members supported Fitzgerald's report after he informed them the discrepancies were within acceptable state limits. That determination was made by Hyde Associates of Concord, an independent appraisal firm which the city retained to study the original report.

Edmunds said Patten has agreed to hold additional hearings at the local level to review complaints of individual taxpayers. City assessor Gene Littlefield will also attend the sessions and make the final determination.

# D'Amours

From Page 1

credits in the Reagan plan, however, he said D'Amours called attention to his statement of last year which warned against adopting the administration proposal.

"Sure we needed tax cuts, but they were too big. This year we passed a \$100 billion tax increase which is evidence that I was right last year," the congressman said.

He was less optimistic about the Plymouth-Lincoln portion of the line, but said the company's mandate was to keep open the entire line, pointing out its possible potential for excursions.

"I think it can be done. I'm very positive," said the head of the state's Railroad Division, John McAuliffe. "I think if we could get a 50 percent increase in traffic we can put the line in the black."

"I think the railroad has kind of sunk into the subconscious of people in the area," McAuliffe said. "This trip has brought it back into the forefront."

"Patten's presence will basically be to review the method and information used to arrive at the assessment figures. The local hearing will allow for the correction of any inaccurate information used when compiling the original figure," Edmunds said.

Taxpayers who are still unsatisfied with the assessment figure after the hearing may appeal to the State Tax Commission or to Merrimack County Superior Court.

Edmunds said the city will make every effort possible to have tax bills in the mail by the first week of October. "This," he said, "will enable taxpayers to understand their assessment and to prepare for the hearings."

The early mailing date, he indicated, will not affect the fact that taxes are due during the month of December. If all goes as planned, the local hearings will start sometime in January.

Fitzgerald said the complete Hyde report would be released upon the conclusion of all agreements between the city and Patten. The primary agreement has been agreed to in principle and is an indication that Patten will fully cooperate with the city, Fitzgerald said. The city is still waiting to receive the written agreement, the attorney said.

Fitzgerald said the agreement calls for the city to defend it figures at the local, and if necessary, the state level. It also calls for the city to retain part of the \$12,000 it owes the firm to re-assess the properties. Fitzgerald said the city will withhold at least \$6,000 of the final payment because of the disputed figures.

# Union

From Page 1

overrules, more in the form of verbal than written, and I think the reason it has not been written is because they wanted to wait for the vote to see how it stands. There are 100 members in the union, and I think the most recent proposal, submitted by Philip Street Trust, until after we've had a vote on it, is the most recent proposal.

# Blandford

From Page 1

Robyn yesterday afternoon.

Mrs. New Hampshire 1983 is the wife of David Blandford, a student at the University of Maine in Orono. She is the mother of a small child, Katie Blandford, two and a half.

The blue-eyed, 20-year-old brunette is the daughter of Mrs. Ruth McNutt of Swain Road, Gilford, and the late John R. McNutt. In her cheering section yesterday were her mother and four sisters, Judy, Linda and Sharon, all of Massachusetts and Martha Swain Road, as well as her mother-in-law, Mary Anna Blandford of Heather Lane, Gilford, and two sisters-in-law, Susan O'Brien of Manchester and Karen Blandford of Gilford.

According to Robyn "they cheered and cried like crazy."

She said this morning that her reaction to her winning the coveted title was one of complete shock. "I was stunned," she laughed. "I've never won anything in my life."

She felt, she said, that there were far too many beautiful women competing against her for her to stand a chance. Linda Alterman of Laconia was also a contestant. "I feel Linda got really cheated. She's so pretty and she's such a lady."

Mrs. New Hampshire was judged on beauty, poise and personality and participated in swimsuit and evening gown competitions. She wore a navy blue maillot swimsuit in the first contest. She described her evening gown as a huckleberry chiffon with high lace collar and full chiffon sleeves with lace cuffs.

First runner-up was Gina McKone of Alton Bay and second runner up was Carol Ann Taylor of Madbury. Robyn was the youngest woman at the contest.

Robyn was 47 and the mother of eight children. Minimus age for entry is 18 but there is no tax on the prize money.

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# Oriental Rug Expert Gilmanton Speaker

GILMANTON — Oriental rugs will be the topic when the Gilmanton Historical Society meets next Tuesday, Sept. 28, at 8:00 p.m. for its final meeting of the 1982 season. The guest speaker will be Hussien Mahfuz, rug dealer from the Persian Rug Galleries, Nashua.

There are probably no other rug dealers in New Hampshire who know more about Oriental rugs than the Mahfuz family. Hussien, and his father, Fred, are masters at their craft of buying and selling rugs. Both have been involved with Oriental carpets since childhood.

Fred's first-hand experience began when he toured 40 Persian villages at the age of 13. The rugs he saw being made as a youngster were much the same as they had been for centuries in those same villages. A distinctive design was always used, signaling the rug had come from a certain village. A pattern of particular colors would illustrate special wealth, power, or perhaps relate a story. The rugs r history in much the same way as an epic poem.

The session, which will be held in the Gilmanton Academy, is free and open to the public. Morning Eastern refreshments will be served.

# Chemung

From Page 1

year. At present there approved lots in the and all could support house. Planning Chairman John said. He advocated moratorium on all divisions. Selectman Chris Heaney said it is time the community be put to rest. The most recent proposal, submitted by Philip Street Trust, until after we've had a vote on it, is the most recent proposal.

# Contract

From Page 1

superintendent in the Governor Wentworth District which is responsible for building the center.

Magnifico said if the state board accepts the five year contract, the Wolfeboro board will probably go ahead with the center as currently planned.

The decision came in a voice vote following more than two hours of discussion centering on the 20-year contract, related financial issues and on plans to offer vocational programming locally.

Action followed approval of an amendment offered by board member Richard Larrabee changing the contract term from 20 to five years. He said the amendment was a good commitment to the center while also protecting the town's options.

The commitment guarantees the town 20 seats in the center. Alton is assured the same number while the Governor Wentworth District will get 172 seats.

early 1960s when students had to be sent to Plymouth because "no one else wanted us." He cautioned that the same might happen with the vocational school.

Dr. Duane Pierce, chief of the vocational technical branch of the state Department of Education, admitted uncertainty whether the five-year term would be acceptable to the state Board of Education.

The state board is involved in the contract since it is footing the center's construction bill and will pay 75 percent of tuition costs.

Pierce noted most other contracts are for 20-year periods, a term selected to ensure that vocational schools have a strong enough base to support programs and justify the state's paying construction costs.

He said there is nothing in state statutes requiring a 20-year contract.

Meanwhile, interest appears strong among local students for vocational education programs. Superintendent Douglas McDonald said about 43 percent of the students, both in grades 10 and 11, are interested in vocational training.