

BOARD OF SELECTMEN'S MEETING
February 28, 2013 5:30PM

Quorum noted

5:30 PM: Meeting called to order by Chairman Moynahan.

Roll Call: Mr. Moynahan, Mr. Dunkelberger, Mr. Murphy, Mr. Beckert and Mr. Hirst.

Pledge of Allegiance recited

Moment of Silence observed

Approval of Minutes of Previous Meeting(s)

5:31 PM Motion by Mr. Dunkelberger, seconded by Mr. Hirst, to approve the minutes of February 7, 2013, as amended.

VOTE

4-0

Chair concurs

Motion by Mr. Hirst, seconded by Mr. Beckert, to approve the minutes of February 14, 2013, as amended.

VOTE

3-0

Chair concurs

Public Comment:

5:47 PM There was no public comment tonight.

Department Head/Committee Reports

Mr. Muzeroll (EMA) gave the Board an update on the Nemo storm. He said that they opened their operation center Thursday afternoon; that the storm actually hit Friday, and they got done with departmental meetings Friday. He added that Mr. Moynahan came in and kind of witnessed what they were doing as they got updates from York County. He said that the Fire Station was manned with personnel from about 4 PM or 6 PM Friday night and, for 24 hours, they were there. He said that it was an interesting non-event storm for them, surprisingly enough; that he thought that they got the word out to people that, if they didn't have to be out, then, don't go out. He said that because of the type of snow that they had they didn't have major power outages; that they had a brief power outage, that CMP was on top of things and had it restored in less than a couple of hours out in the Goodwin Road area. Mr. Muzeroll said that, during that whole process, they had the Fire Station open for all the area responders and workers – police, public works, fire, ambulance personnel, CMP, phone companies, utility companies – and because of that, during that 24-hour period, the Fire Station served about 140 meals. He said that they had the kitchen staffed and served simple food, giving these people that were on the road a place to come and relax and eat. He added that they only had two calls that were storm-related, adding that other departments in the area had 15-20 calls and those calls were medical-related or alarm-related. He said that, all-in-all, it was a successful storm stand-by. He added that, as they continued to do this and refine their operations, they got more and more people involved and data capture was a little bit easier. Mr. Muzeroll said that because they were all on board with the same piece of paper, the same forms that were required to submit through York County EMA, which, in turn went to the Governor to decide whether they could request FEMA funding, or back-funding, and call this a disaster, which they thought was going to happen relatively soon. He added that the Town may be eligible for up to \$60,000 in reimbursable costs; that Mr. Moulton had the most reimbursable costs and, as they got that number verified through FEMA, and there has already been a caseworker assigned to the Town, then they could report back to the Town as they processed that paperwork. He said that what they were waiting for, now, was for the

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Governor to say, "Nemo was a disaster. Here's the number. Send your paperwork to the county agencies and get it audited by the local agencies." Mr. Muzeroll said that they already had a leg up, kind of, because Mr. Moulton had the biggest amount; that the local auditor, through FEMA, has already started looking at Mr. Moulton's paperwork and Mr. Muzeroll's paperwork; that Mr. Short had a relatively small number of things that were covered. He said that that didn't mean they would get their money any faster, it just meant that they would be out of the way and get that money put into those FEMA-designated funds they had established a few years ago. Mr. Muzeroll said that, a couple of years ago and thought Ms. O'Donoghue had brought it up a long time ago, about something called Code Red, which was an emergency dialing system that happened geographically. He said that York County EMA now had that ability for every community within York County, free of charge, to the communities so, if they determined that there needed to be mass messaging to anyone who had a telephone (landline), they would get a message out, similar to what the schools sent out. He added that what they were working on, and working on nationally through the cell providers, was a way to get those messages to cell phones. He said that a lot of people were dropping their landlines and getting cell phones and EMA was trying to get that information out. Mr. Muzeroll said that, tied in with that, the EMA Department has set up a Facebook page where it was very strictly controlled how they disseminated information to the community about what they expected – references and links and a little bit of information. He added that, according to Ms. Rawski, they were restricted with this page, explaining that she couldn't put a link on the Town website to the EMA Facebook page without the Board's permission. He asked if Ms. Rawski could have permission to put the EMA Facebook link on the Town website.

5:53 PM It was the consensus of the Board to allow Ms. Rawski to post a link to the EMA Facebook page on the Town website.

Mr. Muzeroll said that, for the public's information, the EMA Department was not funded; that it was part of the Fire Department and did not have a budget. He added that the funds that they used to support that department, and any materials they used, came from these reimbursable funds that they got from FEMA and Ms. Spinney and the Board allowed the departments to divide those reimbursable funds into FEMA fund accounts for that type of use. He added that that was why there was no line item in the budget process because he couldn't predict what they were going to spend; that he wasn't looking to spend anything and most everything was absorbed, labor-wise, through the Fire Department.

Mr. Moynahan said that he sat down at three different meetings with York County, through the EMA Department; that everyone was involved and it was very-well run and very-well organized and they should feel very comfortable with what happened with these emergency types of situations.

5:56 PM Mr. Muzeroll said that last November the State Forestry sent him a request asking him to apply for a grant. He added that they have applied for these grants in the past with very good success; that not everything he has asked for has been funded but they had gotten a lot of pagers and updated forestry equipment. He said that the grant process was a 50/50 match and this year he requested \$3,800 in updated forestry equipment, pager replacements, forestry hose replacement, and a forestry pump and, surprisingly enough, they said sure. He added that these were all things that he had planned, budget-wise, to stretch out over a couple of years. He said that, with the approval of the grant, and they did approve it and he thought that they were one of the largest awardees in the State, that meant that they would get \$3,800 worth of equipment for about \$1,900. He said that one of the bigger things in this was the pager upgrade; that he had been trying to upgrade 4 or 5 emergency pagers a year at about \$450/pager, which meant that he was buying them for half-price, which was a good price, and they did their own programming. Mr. Muzeroll said that they weren't paying programming costs and, there again,

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they were told, again, that there probably would not be any money coming this year; they got some money and, with the upcoming year, there may not be any money so they were taking advantage of whatever they could. He said that he wanted to throw out there for Mr. Moulton, and had spoken briefly with Mr. Short, that they could now purchase through GSA (Government Supply Agency) as a municipality so, if they had larger items, or basically anything in the GSA catalogue, then they could purchase it; that they had to go through the State-level GSA person but they had been added to their (GSA) contract so that Eliot could get GSA pricing, and that was everything from vehicles to toilet paper. He added that it wasn't always cheaper but it was worth a shot.

5:59 PM Mr. Muzeroll said that they ended the year with about 200 calls, which were all verifiable calls, adding that he may have misquoted the percentage of their medical calls. He clarified that they were not 60% just medical but 60% auto accidents, medical-related, rescue calls and the rest of it was structural calls, false alarms, and that type of stuff.

6:01 PM Ms. Davis, Budget Committee, said that they had a meeting on Tuesday and compiled a list of questions on the warrant articles for the Special Town Meeting on March 23rd.

Mr. Dunkelberger said that he was having some trouble with some of these questions as they were already addressed at the last meeting last week and he knew that, subsequently, the BC met since some of those questions were answered. He asked why they were, again, on here.

Ms. Davis asked if he had a specific example.

Mr. Dunkelberger addressed Article the 5th, regarding the salary study, saying that they talked specifically about what they hoped the timeline would be in regard to that study and, now, the question was asked again.

Ms. Davis said that, primarily, they had a lot of citizen participation at the BC meeting on Tuesday and the citizens were interested in finding out, specifically, what the BOS hoped to achieve with this study so she was just reiterating a lot of this.

Mr. Dunkelberger said that the Board discussed this at last week's meeting; that they talked about the goals, the proposed timeline and what they were hoping to shoot for and Ms. Davis was at that meeting.

Ms. Davis said that she guessed that the bottom line was that the BC would like to see an RFP on this. She said that so much of what they dealt with in the BC was a lot of information that passed verbally and what she was trying to establish, now, was that the BC received back-up documentation when they deliberated these questions. She added that a lot of these were just wanting to get answers to the questions in writing.

Mr. Moynahan suggested they start at the top of the page. He said that the second article was a TIF Development Program; that this wasn't the first time they had had this; that it was a separate account that was designed specifically for the TIF District. He added that it had no financial impact on the residents of the Town. He said that they had literature from Underwood Engineers that gave them the guidelines in which the Board put forth this type of recommendation, so, they used a hired professional to dictate what the Board was going to put forth in front of the voters but it was a whole separate account. He said that he didn't know what more information that the Board needed to provide; that that would be one through four.

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Ms. Davis said that she guessed that when one looked at these articles money was being requested but, speaking just for herself, she didn't really know, specifically, how this money was going to be expended; that part of it was the tax money and part of it would normally go to the State of Maine and be used for some other purpose so it was tax money.

Mr. Moynahan said that it was an approved TIF so it would not go to the State; that this was approved by the citizens of the Town; that this was a working, living, breathing entity so was a sheltered amount that the Board was asking – because they set it up this way – for approval to expend it to move forward with this project.

Ms. Davis asked, as part of the approval process, if people shouldn't have some idea, more specifically, of what it was being used for.

Mr. Moynahan said that Underwood Engineer presentations and their documentations all spoke to what all this was going for. He added that, to say what they were going to provide for in the legal and implementation, they had to keep that vague because, if they were to say they were going to have a legal question and it was just 'A', now they have just held their hands hostage; that if another question came up, they then could not get the proper answer for the citizens.

Mr. Dunkelberger said that the fact that the BC continually asked a lot of questions, and he was being very gentle with that term, with regard to the sewer and the TIF took a lot of time from the engineering company. He said that he thought that what they were asking for in order to provide the information the BC has been continually asking for in a public forum was pretty reasonable.

Mr. Moynahan said that most of what the engineering language was for the public hearings that were scheduled with them, leading up to a June Town Meeting vote; that that was exactly what Underwood was asked to do to bring this forward to the voters in June, so, it was going to cost this much money to re-educate the voters with the material that has been provided in the past.

Ms. Davis commented that that was \$15,000; that was 150 hours at \$100/hour.

Mr. Moynahan said that they couldn't start micro-managing what an engineer was doing and how long it would take; that that was not within any of their realms; that the Board worked, through those contracts, with those folks. He added that they hired that firm to work on behalf of the Town so, to start questioning what they were going to do or if they were trying to get rich on the Town would not be an appropriate way to word that.

6:08 PM

Mr. Beckert said that he didn't believe he had it with him but he thought that they were provided a break-down from Underwood on the costs and what they were going for. He asked if they could provide a copy of that to the BC; that that should answer all their questions.

Mr. Blanchette said that the BC had that; that he sent that to the BC.

Ms. Davis said that she had some information; that it said IMA assistance - \$5,000 and Public info and outreach - \$10,000. She added that the Town had already paid them \$149,000 on this project and she was wondering because they were having two meetings this spring for public information, yet there was \$10,000. She said that she guessed what she was really looking for, here, was just more of an idea, adding that everything that they encountered was largely apocryphal.

Mr. Moynahan asked for clarification.

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Ms. Davis said that apocryphal was verbal. She said that when the BC sat down to make recommendations on things they should have the justification for these items, in writing, for them to review. She added that she tried to attend as many meetings as she could, and to get educated, but not all the members could do that. She also added that she thought that when the Board took their ideas and put them in writing so people could review and make good decisions, then that also helped in the Board's decision-making process.

Mr. Moynahan said that the Board had dealt with this, for the Underwood Engineering piece of this leading up to this, over and over getting information and that was their job. He added that it was the Board's job to make recommendations to the citizens of the Town. He said that he didn't know what other information they could share; that they were not going to share every bit of documentation with the BC because that was not in their realm. He said that the article was broken down to what the Board felt was sufficient.

Ms. Davis asked, regarding legal and implementation, if they could describe to her what that meant and what they would be getting for \$15,000, generally speaking. She added that, when she read legal and implementation, she didn't know what that meant and, yet, to make an educated recommendation on this she needed something.

6:10 PM

Mr. Blanchette said that, as a legal example, the Route 236 Sewer Committee sent some questions that needed to be answered by the engineers and, then, went to a Town attorney to be answered, once the engineers answered them. He said that whenever they had any legal questions on the TIF the attorneys were the ones who had to answer them. Discussing an implementation example, he said that the Town hired Eaton Peabody. He said that, in order to make sure there was enough money, he wanted to make sure that some monies went into that account because that was...

Mr. Moynahan said that the public hearing piece was not supported by the money they had; that the Board wanted to make sure that those folks could come and inform the voters of their work, as well. He added that there was not enough money in the TIF account, now, and they tried to keep that purposely low on the last Town Meeting votes, so, they were doing this a second time. He said that they were trying to prepare and provide more information, based on citizen outreach and input; that that was what this whole thing was based on.

Ms. Davis said some kind of descriptive narrative of what this money was for and why it was required; that it didn't have to be lengthy and it didn't have to be documented to the Nth degree but just a short narrative of what it was going to be used for.

Mr. Moynahan said that it would be used for public hearings, legal assistance, engineering work, deed researches, adding that there was some I&I work included that was required in order to try to go to the next step for all this kind of stuff. He added that the Board had had them in here on two different occasions for updates, had public hearings scheduled that they would then answer some of those questions but, in order to have them answer those questions, they needed to be able to afford to pay them.

Mr. Beckert said that, without it in front of him, he thought that the proposal from Eaton Peabody explained every item of funding that they were asking for under that article.

Mr. Moynahan said that the Board was satisfied enough with the information presented and that was what they were basing all of this on. He added that the Board had been talking about having this on a Special Town Meeting for months so this has been out there for months; that they needed it in order to do public

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hearings for the June meeting; that once they, as a Board, decided that they were going to put it in front of the voters, again, in June, then this needed to be put in front of the voters prior to that. Taking a break from that, he addressed the third article, which was to transfer \$30,000 from Unreserved Fund Balance to the Contingency Account. He said that he could answer a lot of these for her in a round-about way. He said that the Board was having a Special Town Meeting specifically for the TIF and he worked with Mr. Blanchette on other items they were going to bring forth to voters, regardless, so, in order to make a Town Meeting more effective, with the staff that it took to prepare it, run it, etc., he thought that it would be wise to offer some additional things to the makeup of that Special Town Meeting. Discussing the Contingency balance, that they, as a Board, have talked that that was low; that they would like to have a \$50,000 to \$70,000 balance in there; that it was an emergency fund, of sorts, and they had about \$29,000 in it; that they were looking to replenish that into something that was more comfortable. He said that there were no plans for use of those funds for anything; that it was just that – a contingency – in the event that they ran into issues running and operating the Town.

Mr. Murphy said that that Contingency Fund was something that the Town started in 1988, adding that it was a result of the wash-out of the major culvert on River Road. He added that the Town realized that they had no funds to react immediately to that and they had a Special Town Meeting in October of that year to vote funds to allow replacement and repair of that. He said that every year after that there have been funds - \$5,000, \$15,000, \$20,000; that it got to be about \$20,000 every year, approved by the BC and approved by the Town, in order to make sure that that fund was available for things that they didn't know and couldn't plan for, yet, the Selectmen were responsible to take action with regard to that. He said that they had a balance of \$50,000 to \$75,000 all those years, except for the last three years, when no monies were voted into that fund and so it has gotten down to about \$20,000. He added that that was a dangerous spot for the Town to be in; that they were not prepared to instantly react, with money, to solve a problem that was out there, reiterating that it was the Board's responsibility to see that it was there and they had to ask permission to use these funds from the Unreserved Account.

6:15 PM

Mr. Moynahan said that it seemed like a Special Town Meeting was an appropriate place for something and didn't seem in need of more detail and that was why this was provided - this warrant that he proposed to the Board. He said that he didn't know if that answered Ms. Davis' questions, adding that there were no plans for utilizing that fund for anything; that it was a contingency fund and they were trying to get it back to a manageable level.

Mr. Murphy said that the original description in most of the Town Meeting warrant articles were "for unappropriated emergency expenses" and was the reason to set up those funds and have them available.

Ms. Davis asked what mechanism was in place, then, if they had an emergency that exceeded the amount that was in the Contingency Fund.

Mr. Murphy said that they would have to ask for more, of course, but they would hope that it would be a start, at least.

Mr. Moynahan discussed the fourth article, which was "to see if the Town would vote to appropriate and transfer \$20,000 from Unreserved Fund Balance to perfect the title of Map 9, Lot 4."

Mr. Blanchette said that the breakdown he gave to the BC was that he thought he put \$1,500 for legal, \$3,500 for demolition and clean-up and, then \$15,000 to finish perfecting the title. He added that he couldn't tell them exactly what the present owners were willing to accept to sign over the deed but they would have

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to talk with the owners as to an exact amount. He said that the maximum the Board was willing to go was \$15,000; that they had just given their strategy away but, if that was the case, that was the case; that it might have been \$10,000 before tonight, or \$5,000. He said that the Town had already sat down with the owners and they were willing to go through with this but the Town had to raise the funds to do it and, then, the Town could actually talk 'cold turkey' with them.

Ms. Davis said that she had no paperwork on this so she didn't even know what the situation was. She added that the grapevine said that this was property that has been taken by the Town due to lack of tax payment.

Mr. Blanchette said yes; that this was a piece of property that the Town has foreclosed on for non-payment of taxes, so, all that they could give anyone was a quitclaim deed because they needed to perfect the title. He added that, and here again he hated to give up the whole story, but, if they were going to meet with the Trotts in order to...

6:18 PM

Mr. Murphy interrupted to say that this bothered him; that he thought that the Town's citizens should be trusting this Board to do things in a legal manner and a safe manner; that one didn't need to know all the ins and outs of everything; that he thought that it should stop right now.

Ms. Davis said that there was no question of it not being legal; that the question was what was the money going to be used for, reiterating that she had grapevine information that this was a foreclosure and asked if it was a house and land, what was its value, and why were they only receiving \$15,000, or why were they receiving anything at all if it was a foreclosure.

Mr. Moynahan said that they had already gone through all of that with those folks on the Board's own; that the Board reviewed what the value of the property was, what the benefits and negatives to the Town would be, and what they collectively came up with for the best deal was this for those folks and this for the Town.

Ms. Davis asked if the Board thought that the voters knew this.
Mr. Murphy said that they didn't need to know now.

Ms. (Donna) Murphy said that these were some of the questions she had and she would appreciate, in a general way, that when a situation came up like this when the Town acquired a property through non-payment of taxes what the procedure was and why the Town would offer money to the owners if the Town had already acquired the property. She also asked if the Town acquired a property and there was a mortgage on that property did it then become the Town's liability.

6:21 PM

Mr. Blanchette answered some things generally. He said that when the Town acquired a piece of property for non-payment of taxes, generally, there are usually at least three years of outstanding taxes on it and the person has had several notices. He said that, if there was a mortgage on a piece of property, then the Town acquired it and the mortgage company was out – the Town owns the property without a mortgage. He added that this Board, and all the previous Boards he has worked with, were willing to work with the previous owner to purchase back the property and, anytime a previous owner purchases that property, by State law, the mortgage was back on; that the mortgage is only lost if the previous owner didn't buy it back. Mr. Blanchette said that, in this case, there was no mortgage. He said that there were two structures on the property and were virtually worthless, which was why they wanted a little bit of money to demolish it; otherwise, they would be paying insurances on it and liability. He said that the other part of this was that, when the Town acquired property, it did not get perfect title; that the only thing the Town could do was give a quitclaim deed so, if they wanted to bargain with anyone else or wanted to sell the property, then it would be at a lesser value than its open market value without having a perfect title; that

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that was why the Town might be willing to offer the previous owner a little bit of money because, while one could acquire the title through that, then one had all of the titles...all of the bundle of rights, as they say; otherwise, there was a cloud over that bundle. He added that they were paying to clear up the cloud.

Mr. Dunkelberger said that, if they could clean the title up, that now allowed the Town to use that property, or any property, as a bargaining chip in some other venture that may be more advantageous to the Town and its citizens.

Ms. Murphy asked if she could ask one follow-up if that was able to be answered. She added that she was one of the people who asked that question and that explanation did answer what she was concerned about.

Mr. Moynahan asked if that did generally answer her questions.

Ms. Murphy said that it absolutely did. She said that the one follow-up question she had that baffled her was that, if there was no mortgage on it and she looked at what was owed in taxes, it made no sense that the owner wouldn't sell the property to pay the taxes and that type of thing, but it sounds like they have been given that opportunity.

Mr. Moynahan said that, if she had had the conversation with those folks, which unfortunately she was unable to have those, then she would understand a little bit more of that story and why the owners were willing to do what they were trying to do with that property.

Ms. Murphy understood, adding that the question was that the Town gave the owners that opportunity prior to taking the property.

Mr. Moynahan said yes.

6:25 PM

Mr. Lentz said that, first of all, he did have confidence in them, as a Board, and he did trust them as individuals. He added that his issue was, as a voter, that the Board was asking him to make a decision on things and he didn't know any of the background; that that was an unnatural thing. He said that he didn't know how more information could get out to the people who had to make the decision but he knew that, if one walked into Dunkin Donuts, they were asking what that stuff meant; that they didn't know. He said that, just as a voter and he tried to attend as many meetings as he could, he didn't get all of it.

Mr. Moynahan said that the Open Floor Town Meeting was the biggest place that one could finally get a large enough group of people who could come and ask questions. He added to have three people at each meeting and, a month later, another person was not very effective; that the Board was answering and answering and, a lot of times, people got argumentative thinking the Board was trying to hide things and that was not it. He said that the Board was preparing for the larger venue; that they were trying to do their work and provide as much information to people as they could in that specific meeting.

Mr. Lentz said that he didn't disagree with that, at all; that he thought they were 100% right, but, when he looked at a referendum it was asking him to make a decision; that he didn't know if it was a good decision he would make, or a bad decision.

Mr. Moynahan added that, with this article, the Board was not raising taxes; that they were looking for approval from the voters to allow them to transfer from the Unreserved Fund Balance; that that was the kind of budget guideline the Board was trying to have to keep that to a certain dollar figure and not utilize that fund to lower taxes, to use it for this type of thing.

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6:27 PM Mr. Beckert said that he thought that, on this particular article, the thing they needed to remember was that it was a legal issue; that the Board was trying to negotiate a contract or sales agreement, basically, to clear that title. He added that, as Mr. Blanchette said, if they were watching tonight, the Board just played their hand right on video-streaming. He added that over the years he had dealt with a lot of these, having been on the Board before, and they try to explain to the public the advantage to clearing the title on the property and the Town taking it over, at a cost, because the heirs could come back on the Town if they didn't clear the title. He added that it would be advantageous to have this property for the future development of the Boat Basin, basically, so it was going to be an asset for the Town. He said that he thought that was as much as they could put out without giving away their legal hand in trying to do that.

Ms. Murphy said that she just had to say that she appreciated that because an explanation was given and that was very helpful to hear that; that it wasn't so much a mistrust as it was that she, at least, had a tendency to vote no if she didn't understand and what she heard tonight made sense.

Mr. Beckert commented that a lot of these explanations, in general terms, would come out at the official public hearing that the Board had or at Open Floor discussion. He added that he understood the BC's quandary because they had to make financial recommendations, but, there were some things they tried to keep private while they were in legal negotiations.

6:29 PM Mr. Moynahan discussed the fifth article, which said, "To see if the Town will vote to appropriate and transfer \$10,000 from Unreserved Fund Balance to an account to conduct a compensation and job description study." He said that a RFP would not be prepared or provided prior to the vote but there would be a RFP done for any of this type of work, as always, because that was the Board's policy; that there would be three quotes if they could get three people that would fit that type of work; that this was just what it said – a job description and compensation study. He said that this was similar to what was done 7 or 10 years ago; that it was very commonplace in municipalities to keep those updated to make sure that the Board had a pretty good idea of what they were offering their employees from job descriptions to salaries; especially with the new union negotiations, they were trying to become informed and prepared to make sure they were handling these folks in the best manner for the citizens of the Town.

Ms. Davis said that the BC was being asked to make a recommendation on this without specifically knowing what questions were going to be asked. She said that the Eaton Peabody thing was fairly good but there were a lot of additional questions that the BC would have been happy, based on their experience, to submit that may have made this a more comprehensive report and the BC felt like this compensation study...

Mr. Moynahan said that the Eaton Peabody study was referred? to them; that questions posed to them were exactly what was asked and what was said was missing with that group. He added that the Board posed the questions specific to what were the BC's questions; to say, from a group like hers, that the Board had done something wrong...

Ms. Davis said that she wasn't saying something wrong but she was saying that, sometimes with something like this, people had questions that they brought up at the BC meetings that the BC would like to pose, as well.

Mr. Moynahan asked Ms. Davis if she thought it was a benefit to spend \$10,000 to conduct a job description and compensation study.

Ms. Davis said that, if she knew specifically more what that comprehended, then yes.

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Mr. Moynahan said that it was to study the compensation and job descriptions of the employees of the Town of Eliot. He added that he hated to sound so general but he thought it was pretty general.

Mr. Murphy said that they were relating them to the other towns in the State of Maine and the local region.

Ms. Davis asked the Board if they had a RFP they used on the previous occasion.

Mr. Moynahan said that they had the previous job description and salary survey available out in the meeting room.

6:33 PM

Mr. Dudek, addressing the Chairman, said that, on this last point, if he added in one or two sentences to what he just said the deliverable from Eaton Peabody would be a bah, bah, bah on positioning and job descriptions; that a deliverable would be given to the Town. He added that, to him, that was the icing on the cake; that that was what, just observing here as they talked and, he thought, what the BC was saying, was a little more verbiage on what was the deliverable and what would the taxpayer receive in spending \$10,000 or \$15,000. He added that the Town would get a deliverable, which would have job descriptions and salary ranges and that was what the Town needed. He said that he thought that they needed to document that in any descriptions that they did; why was that money being spent, including even on the warrant articles. He said that he went to the Town Meeting and, looking at the warrant article, even with the book, he didn't understand them. He reiterated adding just two more sentences to tell the taxpayers what they were going to get.

Mr. Moynahan said that that was good feedback of what the Board produced and what they tried to provide for the people, for sure. He discussed the sixth article, which read, "To see if the Town will vote to appropriate and transfer \$26,000 from Unreserved Fund Balance to an account to roof the Town Garage." Addressing the 5th question, he said that he believed that both the generator and electrical repair were in the DPW's CIP, so they were part of the CIP. He asked if the BC was talking about a RFP for the restructuring or the solar panels.

Ms. Davis said they were looking for an explanation why the \$16,000 was needed and what it was for.

Mr. Moulton said that the \$16,000 was needed for the labor to redo the roof; that this was all labor because the materials had already been purchased at a savings to the Town. He added that they bought the materials early to save money so they utilized the remainder of the DPW CIP to buy the materials at a savings to the Town of probably \$5,000.

Ms. Davis asked if this work would be contracted out to a third party to perform the labor.

Mr. Moulton said yes.

6:35 PM

Mr. Moynahan said that they received three quotes from roofing contractors to re-roof the Garage. He added that they had a RFP that was already sent and answered these questions; that that work has already been done and was how the Board generated that dollar figure.

Ms. Davis said that she guessed that, in the final analysis, the Board was asking for recommendations and they were telling her that they had documentation. She asked if it would be acceptable to pass some of this documentation along to the BC with these requests.

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Mr. Moynahan asked if it would be acceptable if the BC just asked if the Board had received quotes on this work.

Ms. Davis said that she was asking but she felt a certain amount of displeasure from the Board this evening with the fact that she was asking these questions.

Mr. Moynahan said that he thought that the displeasure was that they worked on all of these things throughout the year, and he was sorry about the people who didn't attend the meetings, but that was the job that the Board had been tasked to do; that he didn't know what else to do or how else to answer because every time the Board answered it was asked again or it was criticized.

Ms. Davis said that there was no element of criticism.

Mr. Moynahan said no, not tonight, not here, not with Ms. Davis, for sure, but in general it tended to be that way.

Mr. Beckert asked Mr. Moulton who they hired; that they did that at an open meeting, here.

Mr. Moulton said Donald R. Hall Roofing of Berwick, Maine.

Mr. Beckert said to Ms. Davis that it had been done at an open meeting; that he didn't know who was at that meeting or who was in the audience but there were three bids to the Board and the Board reviewed them one night at a Board meeting; that they decided to go ahead and buy the materials early, like Mr. Moulton said, to save money because there was an issue with the material being an oil-based product so the price would be increasing before January 1st. He added that they then ordered the bid to do the actual work to Donald R. Hall and Company. He added that the \$16,000 was needed now because that was one of the jobs that, once the weather cleared, they could get a head start on instead of waiting until June to get the money and not starting until July.

Mr. Moynahan said that some of it was for the solar project; that the Board was planning to put solar panels on based on the Energy Commission's (EC) recommendations and worked that the EC had done that the Board had been working with for months and months, as well.

6:39 PM Ms. Murphy said that the jump was to get the solar panels installed as soon as possible because they could possibly start generating money for the Town.

Mr. Moulton said correct.

Mr. Blanchette clarified that it was to save, not generate, money.

6:40 PM Mr. Beckert said that the grapevine has been mentioned on information flying around out there; that it has also been flying around out there that the solar panels were going to cost the Town money and that was untrue; that the solar panels would be installed at no cost to the Town so that grapevine rumor could be dispelled.

Mr. Blanchette said that, if the Town wanted to purchase the panels at the end of the six years, then the Town could purchase it already installed and in place.

Mr. Beckert said that there was no requirement for that, either.

Mr. Blanchette agreed that there was no requirement for that.

Mr. Moynahan added that the Town's electrical rates would be greatly reduced if the Town owned them.

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Mr. Moulton added that the roof was needed; that it was gone so it was needed, anyway, so it wasn't an added thing; that it was to do it earlier before the panels were installed to assure the continuity of the roof; that the only added cost that would be above and beyond, in his opinion, would be the structural cost for the truss because they would be adding load to an existing design. He said that they were just reinforcing that the roof wouldn't fail.

6:41 PM

Mr. Moynahan discussed the seventh article, which was to utilize the Unreserved Fund Balance to do the catch-up with the County; that the BC asked if there was any reason this request could not be presented at the Town Meeting in June.

Mr. Dunkelberger said that he would ask why the BC would even want to kick this can down the road; that the two options were that they pay it out of the Unreserved Fund Balance or they took it out of taxes. He added that, to him, it was a simple call.

Mr. Moynahan said that the Board had already made that decision to put it in front of the voters.

Mr. Dunkelberger reiterated his question and asked if they were going to play like their current Congressional reps were doing.

Ms. Davis said that during the last BC meeting the concerns that both the citizens and the BC expressed was that all budget items should be approached in June because it gave the Townspeople an overall picture of the total cost of everything. She added that, if they took out a big chunk of money from the Unreserved Fund Balance ahead of time, it split up the budget, in a sense.

Mr. Dunkelberger asked how.

Ms. Davis said because they were paying for a big chunk of it over here ahead of time. She added that she thought people wanted to see...

Mr. Dunkelberger said, again, it was Unreserved Fund Balance, and what they were looking for with their operating costs were generally out of taxes, correct.

Ms. Davis said yes, adding that the concern that she would have, and she would speak just for herself because none of her other members were here tonight, was that they had some potential cuts coming from the State, both for the school and for revenue sharing. She added that the citizens needed to come into June with all of the budget requests, all of the potential cuts, the balance of the Unreserved Fund Balance, and then decisions needed to be made on the whole of where it was headed for the year. She said that, if they made an agreement to spend that money out of that fund now and, then, they experienced some cuts three months down the road, then, they had already committed themselves. Ms. Davis said that she knew that there were alternatives for the County tax and she just thought that people should be informed about what those were prior to making a vote ahead of the budget.

Mr. Moynahan said that there were no more choices for the voters; that they chose, as a Board, to pick that option.

Ms. Davis said that she understood that it could be paid out of taxes, or it could be paid on a 5-year payment plan, or it could be taken out...

Mr. Moynahan again said that this Board made the decision of how they were going to put it in front of the voters...

Ms. Davis said that they didn't have a picture of the whole budget, yet.

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February 28, 2013 5:30PM (continued)

Mr. Murphy said that that was the picture; that it had been made. He added that they were committed to pay that money; that it was not a choice that the Town had.

Mr. Blanchette said that, as far as the 5-year plan, that decision needed to be at the County by February 14th, he thought, so that was no longer an option for this Town. He added that the only two options available for this Town, at the moment, were out of taxes or Unreserved Fund Balance.

Ms. Murphy said that that was her understanding, too, and she did support the Board's decision of paying the lump sum rather than the five years. She added that her concern, as a taxpayer, was that she felt it should be put in front of as many people and given the option of whether the people wanted to take it out of Unreserved or to go through their taxes and to see, considering the amount, in June when they were looking at the budget, as a whole, what was going to happen with the State cuts.

6:43 PM

Mr. Dunkelberger said that, to him, it was a no-brainer that it would come out of Unreserved Fund Balance, particularly with all of the discussions here on how to keep the tax rates, at least the Town's portion, stable. He added that he completely discounted citizens wanting to take it out of taxes. He asked all the citizens present tonight if they wanted to take it out of taxes...he asked what he was missing.

Ms. Murphy said that, given the amount, she thought it would be appropriate to get as much participation as possible and give taxpayers that choice. She added that she personally agreed with the Board that it should come out of Unreserved; that it was a one-shot deal, but a thousand other people may feel different that they didn't want that balance spent down and she felt that that opportunity should be put before the voters and as many people as possible.

Mr. Dunkelberger said that the other piece to this, and this was his concern all along, was if they waited until June would be their ability to make any adjustments that might be made if they went to the tax rate because that would have a huge impact, here, on what they did. He added that, now, if they waited until June and they were planning and looking for allocations of next year's operating budget to make this decision, then suddenly they decided they were going to go down the tax route...wow; that that would be a shock to his wallet, and, it would probably be a shock to all the operating budgets in Town. He asked if they wanted to wait that long.

Mr. Moynahan said that they could have these discussions when this went in front of the voters; that he thought that the Board was still planning on putting this at the early Town Meeting so some of these conversations could be had at that point. He added that he thought the Board was tasked to make a decision on how to fund that County tax bill, which they had done, and they now have looked at putting it on a Special Town Meeting. He added that Ms. Davis did come in with some questions; that they had gone down the list pretty quickly and touched upon some of them, and asking if there were more specific pieces of information that Ms. Davis would require after some of the conversations they had had this evening.

Ms. Davis said not at this time, adding that she and the BC members would review this evening's meeting; that they were having another meeting on Tuesday; that if there were additional questions she would bring them forward at that time.

6:46 PM

Ms. Davis said that, on February 12th, the BC submitted questions regarding Maine Maritimes & Northeast Pipelines Gas Compressor Station depreciation and there were, specifically, four questions at the bottom of page one. She said that she had received some information but it did not address all of the questions that

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were posed in this memorandum, so, she would like to reiterate that the BC would like as much information that they have requested, as possible.

Mr. Moynahan said that the Board did have this in their packets as Correspondence #11 but it said on the cover page "under Department Head/Committee Reports" and he was glad she brought this up. He said that the BC had four questions on a memo that was dated February 12th and asked if she had gotten some of the information back.

Ms. Davis said that she has gotten some information back but she has studied it and could not make a correlation to the tax records versus the information that was on these sheets; that she didn't really understand how they related to one another. She said that she wanted to ask the Board what they felt the next step should be; did they think she could be provided clear information in writing or did they need to attempt to schedule a meeting with the Tax Assessor so that this could be explained.

Mr. Moynahan said that he thought that that might be the most effective route.

Mr. Blanchette agreed, saying that he thought that Ms. Davis and someone else from the BC could meet with himself and Ms. Painchaud to go over the questions and the material.

Mr. Moynahan said that that might be the most beneficial to clarify some questions that remained.

Ms. Davis asked if Mr. Blanchette wanted her to just call him; that he would coordinate a time.

Mr. Blanchette said yes to both.

Mr. Dunkelberger asked Mr. Blanchette if, when they had that meeting, he would take notes.

Mr. Blanchette said yes and that he would email the Selectmen when the meeting was scheduled so that any of them could attend.

Mr. Dunkelberger said that he would be interested in hearing about that.

Ms. Davis said that at the last meeting they discussed how warrant article money was appropriated; that basically there were line items in the warrant articles but the only thing that counted was the bottom line; that she posed a question, she thought at the last Board meeting, regarding if salary amounts were lowered but, then, the union contract came in...did the union have a legal right to insist that money from other line items be utilized for salaries if the salary line item wasn't enough to cover that.

6:50 PM

Mr. Blanchette said that, at that point, the union did not have a legal right to insist that other categories be lowered; that the Selectmen may do that; that the union could insist that the pay be according to the contract. He added that that may necessitate less employees or cutback in hours.

Mr. Moynahan said that management's job was to control the budgets according to what was approved by the voters, so, no one could come in and put a stronghold on the Town and say they couldn't pave this year because these people need pay; that that was not how that worked. He reiterated that it was management's job to control the budgets and work with that, so, the response back would be what Mr. Blanchette just said; that in order to fulfill what they wanted for portions of the employees, then they would have lay-offs or terminations or what have you.

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Ms. Davis said that the line items would be honored according to the Town vote.

Mr. Moynahan said that they couldn't say to the exact dime but they weren't going to start taking from Peter to pay Paul because of salary negotiations. He added that wages were earmarked for each department and they were told to live within those means, and they continue to do that and monitor that and nothing changed, whether there were unions, or not.

Ms. Murphy asked if a department head chose not to lay off and pulled the money from another line item wouldn't the Board have the final say on that in the department.

6:52 PM

Mr. Moynahan said that he thought that the department head would request that of the Board, so, the Board would have the final say on that. He added to remember that what they set up for approved budgets this year was what they lived within, so any negotiations that happened after the fact, they dictated what would be spent on labor to operate the Town of Eliot; that that was just how it worked. He added that they didn't make it up; that they all were making budget recommendations and that was what they were operating on. He asked Ms. Davis if she had something else.

Ms. Davis said that at the BC questions on budget review they requested a complete and detailed breakdown of how the fringe benefit warrant article figure was determined. She asked if that was something that would be able to be produced.

Mr. Moynahan asked if she was asking how the fringe benefits were broken down.

Ms. Davis said that there was a big number there for fringe benefits and she would like to see a breakdown of what that money represents and how much of it was FICA, how much was health costs, and she knew that there was money calculated in there to cover employees that may go from single coverage to family coverage; that she would like to know how much extra was calculated into that.

Mr. Moynahan said that some of those were standard percentages that they used, percentage-based formulas for FICA and that sort of thing.

Mr. Blanchette said yes; that, as a matter of fact, if one went into the electronic version of the 14- or 15-page document that he provided to them, on that last page where it talked about fringe benefits, if one highlighted any one of the fringe benefits one would see the different percentages for SS, retirement, and FICA Medicare that were strictly based on percentages. He added that he would gladly provide any breakdown after she had looked at that that she felt that she needed.

Ms. Davis said that she received two or three copies of print-outs of that form but she honestly didn't remember if she had received an electronic version and asked if he could just forward that to her.

Mr. Blanchette said yes and, if she didn't get it to just email him.

Ms. Davis said that South Berwick had a new program they were doing called 'Open Checkbook', where they were listing all of the checks that were paid for town business. She added that, as part of the BC questions they submitted as part of their budget review, they would like to see some kind of print-out, preferably in electronic form, of what was spent last year and this year to-date.

Mr. Moynahan asked Mr. Blanchette if they didn't currently send monthly print-outs of expenses and revenue.

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Mr. Blanchette said that he believed so.

Ms. Davis said that she got the revenue reports and the expense reports, adding that those were general categories and asked if they could get a more detailed review of what was being paid; was that even feasible. She added that she hadn't seen what South Berwick had done.

Mr. Blanchette said that she could look at it any time, and he guessed they could provide a copy, of the weekly warrant that the Selectmen signed.

Mr. Moynahan, discussing page 3 of Public Works where it said "Town Garage utilities", asked if she wanted to see every utility bill that was paid.

Ms. Davis said that she would talk with the BC to find out.

Mr. Moynahan said that he was just looking and that there were at least 300 items on here.

Ms. Davis said that she would look at what South Berwick was doing and see if it would be useful before she asked for something like that.

Mr. Blanchette said that Mr. Dunkelberger was getting the warrant and, maybe, that was just what it was – a copy of the warrant, which listed all the checks.

Mr. Moynahan said that was the first page and, then maybe, she could match up with the articles versus the expenses, or something.

Mr. Blanchette said no, that one would have to do a little more work than that. He added that, if the BC wanted to see the checkbook, then that was the checkbook – the weekly warrant – and that was public information.

Mr. Muzeroll said that he had an issue with seeing every check that was cut that involved medical payments because he submitted receipts with people's names on it, medical history, paying hospital bills; that he thought that they might be getting carried away here. He said that he wasn't trying to hide anything; that an open checkbook was an open checkbook but he wanted to see everyone else's checkbook, too, you know.

Mr. Murphy said that he believed there were some checks that were, in fact, private.

Mr. Beckert agreed, saying there were general assistance checks in there.

Mr. Murphy added that there were deductions from payrolls for special purposes and those purposes were private.

Mr. Blanchette said that he thought that the warrant, itself, was alright because that should not give out the detail. He added that he agreed with Mr. Muzeroll that the bills that generated the checks – the details – some of that was privileged information. Giving examples, he said that they paid fuel oil for the Transfer Station; they paid diesel fuel for Highway...

Mr. Moynahan said that, perhaps, Ms. Davis could take a peak, see Ms. Spinney and see the top page of the warrant to see if that was enough.

Ms. Davis thanked the Board, adding that she was just looking for some granularity. She asked Mr. Blanchette what she should ask for, specifically. Mr. Blanchette said a copy of the warrant; that it was six pages long, as an example.

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Mr. Murphy said that people were named and they would have to come out.
Mr. Blanchette agreed.

Mr. Moynahan added as long as the detail was not shared for some of things they were for and some of the faces.
Mr. Blanchette agreed.

Mr. Moynahan asked the Board for their thoughts; did they think this would offer too much of a chance of sharing private information.
Mr. Murphy said yes; that he thought it was too much.

Mr. Beckert said that he thought they needed to be careful. He added that he understood that stuff was public information but he thought that some of the stuff that was being asked for was a little excessive, to be perfectly honest. He added that he sat on the BC for quite a number of years and they were able to do a budget and make recommendations without going into the details of a minute way of looking at it with a magnifying glass; that they needed to be real careful about the Privacy Act.

Mr. Moynahan asked Mr. Blanchette to look into that a little more to assure that there would be no private information shared, or any potential of it being shared, any further in the community than it needed to be. He added that he thought that would be a better comfort level for him that there was some sort of surety before they started sharing that. He said not to take that personally to Ms. Davis but he believed that they needed to cover themselves to make sure they were not sharing too much.

Mr. Blanchette agreed.

Mr. Beckert said that he would think that the monthly revenue and expense sheets that they got from Ms. Spinney should suffice.

Mr. Murphy agreed; that that tied it to the warrant articles and also to the budget account within the Town accounts.

Ms. Davis said that she would look more into South Berwick's program.

7:02 PM

New Business (Correspondence List):

#1 TO : Board of Selectmen
 FROM : Richard Donhauser
 REF : CFO and Assistant for Treasurer

Mr. Moynahan said that this was a memo from Mr. Donhauser; that the financial statements were done on June 30, 2010; that there were some recommendations in this memo, and Mr. Hirst had had some concerns with regard to following up with some of these recommendations.

Mr. Hirst said that, with respect to #1, Mr. Donhauser was telling them that "This deficiency requires the addition of personnel with appropriate training such as a municipal controller or Chief Financial Officer (CFO)." He added that he had initially thought that, if they had a town manager, then that person could be the CFO, as well. He said that he has since been counseled that that was unlikely to happen and that they would still need a financial officer of some sort; part-time, contractual, not sure. He added that he was looking for the Board's opinion on that.

Mr. Moynahan said that on October 27, 2011 Mr. Donhauser had the same report with the same findings; that the Town has operated without being fined by the State, without being in trouble financially, or doing anything incorrectly. He said

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that his personal take was that he didn't think that the Town of 6,000 people needed a CFO. He said that he has listened to recommendations; that they had a new auditor that was also looking at the Town books right now. He said that his budget recommendation for this was a 20-hour position in the Treasurer's office to give support for that; which would potentially help Ms. Spinney overview some of the reporting that was done. He questioned whether a \$100,000/year position and the highest paid person in the Town be a CFO, with no structure, that would be a benefit to the Town. Mr. Moynahan said that he thought that they were looking at reviewing and changing the job description of the Administrative Assistant or going to a town manager and he thought that some of the financial duties were going to be incorporated in that job description.

Mr. Hirst said that he guessed he didn't care one way or the other so long as the person was capable of doing what they were not able to do now.

7:05 PM

Mr. Moynahan said that it didn't list what they were not doing; that a financial person like this would want triple checks and would want one person that would look over the shoulder of another that looked over the shoulder of another, so, they would have three people doing these duties and was their perfect world; that that didn't mean that that work was not being done; that the financial reporting was being done.

Mr. Dunkelberger agreed with him in that he didn't know that they had to hire, specifically, a CFO but he thought that they needed to pay attention as far as item #1 and how it fell into item #2, which was a concentration of accounting duties. He said that there may be some opportunities to take a look at how they might be able to, whether it be a town manager or a town manager and somebody else...that there needed to be another set of eyes that could fill in and do most of the things that they needed to be done from their Treasurer; that was to pay bills but, also, another set of eyes to just look over things to make sure they weren't missing something. He said that to have one person, and he was not saying this with any malice or criminal intent, a single person could easily make an error because they were one person and could cost the Town quite a bit.

Mr. Hirst added that it might not be discovered until the next audit a year hence.

Mr. Dunkelberger said that he didn't know that they need a full-time person to do that; that what they needed to do was to look for different skill sets with the direction they were going with regard to a town manager as well as, maybe, in some the people that might be retiring and the people that replaced them.

Mr. Moynahan said that certainly recommendations were something to be cognizant of but he thought that they had been there a long time and the Town hasn't gotten into trouble. He added that he wasn't saying that they couldn't get into trouble, for sure; that they had to make sure that any decision they made, as far as staffing went, was an effective one. He said that there may be concentration or difference of job description and different oversight responsibilities and that sort of thing.

Mr. Dunkelberger said or maybe just someone they hired periodically to take a look at what was going on.

Mr. Murphy said that that was his opinion; that Mr. Moynahan's suggestion of a part-time person rang a bell with him; that he didn't think that they needed a full-time CFO. He added that he thought that the person they would have part-time should be a CPA, someone who was really adept at knowing how these funds were handled and knew accounts that had a fund structure, as Eliot did. He said that he didn't think they wanted to change the way Eliot has been doing things, although, maybe they did, but that wasn't what Mr. Donhauser recommended. He added that Mr. Donhauser recommended having someone who understood how

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the Town worked and could use that to develop the financial reports that were needed by an auditor; that that was the slot they were missing and that Mr. Donhauser, himself, supplied and that was what he thought they should go with. He added that this could be a part-time person who came in three or four days a week.

Mr. Moynahan said that, even with that, if there was a CPA-level person who was doing payroll, for example, they were supposed to have someone to review their payroll so, now, was that other person going to review that person's work and that person review the other person's work; that that was a repetition of duties and it didn't solve anything because, now, there were two people that could be working together to steal money from the Town. He said that if the person was overworked in there he thought that they staffed somebody that was qualified enough to do some of the payroll things, and that sort of thing, and find out what the true need was and see what was lacking before they jumped into hiring public accountants to come in full-time, part-time, or what have you.

Mr. Murphy said that Mr. Moynahan added something there that he thought would fall down into the area of the Town Clerk's department and replacement of personnel who were planning to leave there. He added that there has already been some talk, he believed, about how to do that and whom to get and how good they should be and how long it would take and so forth. He said that Mr. Donhauser's recommendation was still for that person who could do the preparation of overall reports that the auditor would audit. He added that that was the one thing that they did right now and no one out there could do right now, and that was the person they ought to have, part-time, to see that those were done, and came in often enough to make sure that the work that accumulated, week-by-week and month-by-month, didn't just pile up and, suddenly, someone had to make sense of the whole pile of stuff; that the person would keep them up-to-date and have those accounts and reports ready, with a final two or three weeks to make sure they were all there just before the auditor came. He said that he thought that they really needed that, and that was not the clerk or clerks that the Town Clerk needed.

7:11 PM

Mr. Dunkelberger said that one of the things, as far as the job that Mr. Murphy pointed out and he knew that Mr. Donhauser focused on that quite a bit, was that having someone do that may, in fact, keep their audit expenses on the low side; that there may be some balance as far as the cost this person as a part-time person, if they were to go down that road in the audit preparation but, also, provide kind of a quality check on the way they were doing business. He added that, in that case, it was probably something they ought to explore.

Mr. Moynahan asked when they would get the current auditor's report to see if that matched some of the past auditors recommendations, as one person has been doing it so long; that someone else might see that the Town was, in fact, doing something well enough and they didn't need...that he just struggled with that because he thought that the financial handlings of the Town had been done well enough for this long and they hadn't grown 1,000 people in twenty years.

Mr. Murphy said that they have had ten years of extra effort by Mr. Donhauser, as a citizen of the Town, to make sure that things were together and pulling things together. He added that he thought that they were expecting a report from Mr. Donhauser, too, about the thing that he was going to describe that the Town had to have.

Mr. Moynahan said that Mr. Donhauser did provide them with his original letter.

Mr. Murphy agreed but thought he was going to come up with a description – a job description or a task description – of what he had been doing to supplement his actual auditing; those things he did before he began the audit; that he pulled things together and make sure that all things balance, and so forth, then he has this pile of stuff that he has put together and, now, he would do the audit. He added

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that they had to generate that pile and this person, part-time, would be generating this pile over a whole year before it was actually called on, week-by-week and month-by-month, adding to the different segments to the file and make sure they cross-referenced, and so forth, and added up.

Mr. Moynahan said that, if their auditor was able to do that task during the auditing, itself, how would it necessitate somebody required for that many hours during the year; wouldn't it be one person, one time a year, that prepared all that information, in addition to the auditor, as opposed to someone weekly or monthly. He added that he was just begging the question; that if he did that...

Mr. Murphy said that he did it as a friend of the Town.

Mr. Moynahan said that he understood but the audit was a month-long process so, did they need someone to come in for two weeks to prepare all that for the auditor.

Mr. Hirst said that they might, at the end of the year.

Mr. Murphy said yes; that Mr. Donhauser put a lot of things together and spent quite a bit of time getting things ready for the auditor.

Mr. Moynahan said that he knew; that he was trying to engage discussion with this but that certainly didn't sound like a need for a CFO; that that glaring deficiency was something that could be handled...

Mr. Murphy agreed, adding that the part-time person wouldn't be a CFO but a CPA.

Mr. Moynahan said or not.

Mr. Murphy said that they would see what the auditor recommended; that the present auditor may make a recommendation. He asked if they knew when the present auditor was going to have his report.

7:15 PM

Mr. Blanchette said that it was supposed to be in by the end of the month (February).

Mr. Moynahan added that Eaton Peabody's report was due, as well.

Mr. Hirst said that, possibly, they could consult the present auditor and ask if he could furnish someone from his office once a month, or once a quarter, to oversee what the Town was doing.

Mr. Moynahan said that he thought that they could do that or go out for a RFP; that they might not want the same company doing both.

Mr. Hirst said that he didn't think it needed to be a full-time person and it may not need to be an employee; that it might just be someone who came in on a contractual basis, periodically.

Mr. Murphy said that he thought that once a month was too rare; that he thought that it should be, say, two days a week for half a day. He added that it took some work to verify what was going on and make sure that the counts were pulled together, and so forth. He added that that was the second set of eyes that they must have; that one didn't wait until three months to see what happened and it was too late or they had lost something; that it became harder work to stay on top of things.

Mr. Beckert said that he kind of agreed with the part-time thing but was wondering...someone threw out the word 'bookkeeper'; that most places had a

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bookkeeper come in once a week and some bookkeepers not only kept the books but they did a weekly audit, an ongoing, running audit and it may be as little as eight hours a week, if that. He added that he thought that they needed to explore it. He said that it wouldn't hurt to ask the current auditor what their feelings were on that, as well. He agreed that it shouldn't be the same company; that he thought that that was what Mr. Donhauser had been telling the Town, right along, that the auditor should not be preparing the financial statements that he would audit.

Mr. Hirst suggested that Mr. Blanchette could ask their present auditor.

Mr. Moynahan said that they could certainly ask what the present auditor saw as a glaring deficiency; that it should be something pretty specific so that they didn't open the door for them to say that the Town needed them down there seven months a year.

7:18 PM The Board discussed Personal Property Taxes (#3) from Mr. Donhauser's memo.

Mr. Hirst said that he thought that Mr. Donhauser was recommending that they develop a protocol for dealing with personal property tax, and either collect it or not collect it, but that they needed to do something because they were inconsistent in their treatment of them.

Mr. Moynahan asked Mr. Blanchette if the process, once a year from the Assessor, was the same; that she sent out the personal property tax forms for people to fill out, and billing once a year.

Mr. Blanchette agreed that this was the collection effort.

Mr. Moynahan said that that was how it was generated, so, whatever information was received was how it was taxed; that if people didn't fill out their personal property tax forms, then the Town couldn't tax them. He discussed the number of people who were not filling out those forms when this first came up; that three quarters of the Town didn't even know that there was such a thing; that if they were going to be consistent with the collection of it, then they should be consistent with the enforcement of it before seeking the tax collection piece of it.

Mr. Dunkelberger asked if that involved the Assessor going out to visit businesses, then; did she do that now.

Mr. Blanchette said that he couldn't tell them, specifically, one way or the other; that he would have to ask.

Mr. Murphy said that he has asked. He said that the Assessor did not go out, in fact, she couldn't go out; that she didn't have the right to go out. He added that she sent letters and relied on the honesty of the company. He said that about 150 companies in the Town of Eliot were honest and, every year, they paid their property taxes and these were big places – Pike Industries, for instance, paid a very large property tax and they were one of two companies that were rated \$1,000,000 in personal property. He added that the ones who didn't were very small that had very little property that would fall under this. He said that, as he understood it, Augusta was trying to get rid of this entirely because it was a nuisance to the State, so, it may go away and he didn't think, personally, that Eliot should put a lot of effort into this. He added that he thought that the Assessor had already done this; that three years ago she put in a great deal of effort to follow up on every business and almost all of the new businesses that she discovered weren't really worth going after; that she spent more time going after that than the value of the taxes which came from the small amount of personal property involved.

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Mr. Moynahan discussed the report that the Assessor generated; that there were a lot of businesses that were not on the original list, some were outdated, etc., and to keep that up-to-date, she said, was very time-consuming.

Mr. Murphy said one would go to the door and knock and the answer was, "I haven't baked pies for five years.", so, they had a little company baking cookies or pies and they went out of business but were billed as a business in Eliot; that many "businesses" were of that caliber. He added that, to him, it was not a problem; that they were not losing a lot of money as far as he could see.

Mr. Hirst suggested that they ask Ms. Beavers what the status of this was to see if, maybe, it was going to go away.

Mr. Moynahan asked Mr. Blanchette to follow up on that.

7:22 PM The Board discussed Use of Debit Cards (#4) from Mr. Donhauser's memo. Mr. Hirst said that Mr. Dunkelberger had done a beautiful job with that (written policy).
The Board agreed that piece was taken care of.

7:23 PM
#2 TO : Board of Selectmen
FROM : No Correspondence
REF : CIP – Master Template

Mr. Dunkelberger passed out a FY 2013/2014 CIP template to the Board and BC. He said that he did not put any formulas on this because, as he has seen on other templates, they could mess things up. He said that he added the Police Department's request in there along with a notation with regard to using the acquired funds to pay for it.

Mr. Moynahan said that, each year, departments would create their own CIP's and the Board would keep a master format that would go for any type of capital improvement requests.

Mr. Dunkelberger said yes. Referring to Equip + Facilities on page two, he said that they would see the different amounts; that they had some years that were bigger than others so that may behoove the Board to stretch things out; for example, pushing a dump truck to the right for a year.

Mr. Moynahan said that that would balance out the overall yearly amount.

Mr. Dunkelberger agreed, saying that that would put them right in the ballpark; that just one simple move like that would keep them consistent and keep the tax base steady.

Mr. Moynahan said that this was a budgeting tool; that it was one page, easy to look at, referred back to each department, and allowed them to budget better and more consistently.

Mr. Muzeroll asked if this was something the Board wanted the departments to plug in their numbers now and use.

Mr. Moynahan said no; that the Board had been talking about consolidating one master format for the Board to look at and that was what Mr. Dunkelberger had done.

Mr. Muzeroll said that the other half of the question was that there were some things that they needed to discuss – fire trucks and things; that he thought that Mr.

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Hirst had brought this situation up about how they were going to change those numbers; where did he change those numbers.

Mr. Beckert asked him if he was referring to the different number of trucks.

Mr. Muzeroll said either the different number of trucks or changing the value, or whatever. He asked if he was given a template sheet.

Mr. Dunkelberger said no; that he took what Mr. Muzeroll and the other department heads submitted on their CIP's and just put it on one piece of paper, so, all the departments were listed here.

Mr. Muzeroll said that he understood but, if something changed, who would change that.

Mr. Dunkelberger said that, when Mr. Muzeroll submitted his CIP next year for next year's budget...

Mr. Muzeroll said that that answered his question; that this was for this year's budget and that there were figures on here for his department that may change, ultimately, within a week or so.

Mr. Dunkelberger said that, if Mr. Muzeroll were to give him an updated Fire Department CIP, then he could consolidate those figures into this template.

Mr. Moynahan said that what the Board was going to do was to work with each department, specific to their budgets and capital improvement requests, then, once the department was done, then that information would be on this working document. He added that the Board would have one running all the time and, each year, once their budgeting was done, the Board would plug it in.

Mr. Muzeroll said that he just needed to clarify that their budgets were not done. Mr. Moynahan agreed.

Mr. Muzeroll said that he understood what the Board was trying to do and thought that it was easier to read. He added that he just wanted to make sure that when he sent the Board a figure that it didn't magically appear on this piece of paper, somehow, or it did magically appear.

The Board agreed that this was a good tool.

7:28 PM

Mr. Dunkelberger said that, for now, he guessed he would be the keeper on this and would maintain it.

Mr. Moynahan agreed, saying that, once this budget season was over, he would send a budget letter for all departments to have a budget workshop and they could pinpoint someone else to take it over from there next year.

Mr. Hirst asked if Mr. Dunkelberger was able to show an ascending balance each year for each line. He said, for example, the Fire Department in 2021, show a balance of what they expected to have as of 2012.

Mr. Dunkelberger asked if he meant in the reserve account. Mr. Hirst said yes.

Mr. Dunkelberger said that he could put that into a note but he would need to know what was in the reserve account and any money made on the reserve account.

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Mr. Moynahan said that this was something that they could modify and change as they needed to.

Mr. Dunkelberger said to note that it didn't contain formulas; that all errors were his own. He added that, for the Police Cruiser line, he used the estimates from the Energy Commission (EC), which was more than what they currently put in there. He said that, for the DPW, the EC had some recommendations for some energy-efficient trucks and he wasn't sure that those were 'there' yet.

Mr. Moulton said no because they were substantially larger than what one saw and, which, he felt personally the Town couldn't afford.

Mr. Dunkelberger said that that was why he kept it to the conventional numbers submitted by Mr. Moulton.

Mr. Moynahan said that, with the CIP for the Police Cruiser, should they not just make a change; that they had a department head that made a request; that they should get all groups, collectively, on board to make sure they were funding appropriately.

Mr. Dunkelberger agreed and said that he would check with the Chief.

Mr. Moulton said that he received the memo from Ms. Thain, today, with regard to next year's template and asked if they could have a get-together before budget to make sure that they were all 100% on the same page.

7:33 PM

Mr. Moynahan said, after this budget season; he sent the template out while everyone had it in front of them so they could start interacting with it now.

Mr. Moulton said that he would rather just sit down and know what was being asked for, specifically.

Mr. Moynahan said that the budget letter that went out detailed everything the Board wanted and it did not come back that way, so, he sent out another memo that said how they were going to do it, so, to say they wanted guidance...the Board needed three years of approved, three years of expended, etc., etc.; that not all the budgets came in consistently done. He added that they would get through this budget season, get a nice template going for next year, and have a nice informal budget workshop to discuss it.

Mr. Moulton said that he understood; that he was just saying that the budget template they received this year came from the BC.

Mr. Moynahan said that the approval was from this Board and the budget guidance was...right. He reiterated that they were going to have a nice budget workshop; that they would have three years approved...etc., etc.

7:35 PM
#3

TO : Board of Selectmen
FROM : Selectman Moynahan
REF : Support of Sewer Project

Mr. Dunkelberger asked if Mr. Moynahan could send that to him electronically.

Mr. Moynahan said that he could.

Mr. Dunkelberger asked if he could give him a week to chew on it.

Mr. Moynahan asked if there were specific things.

Mr. Dunkelberger said that he could probably get some facts and numbers to give it a little more teeth.

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Mr. Moynahan said okay; that he wasn't looking for teeth but something that someone could take and run with; that he had just tried to outline like they had talked about. He said that he could certainly forward it to Mr. Dunkelberger.

Mr. Dunkelberger said that it was an excellent foundation and he loved building on a good foundation.

Mr. Moynahan said that it would be nice if the Eaton Peabody thing was done but, as Mr. Blanchette indicated, the Board had not received their material, either; that they were supposed to validate some financial things for the Board.

#4

TO : Board of Selectmen
FROM : Mr. Pomerleau
REF : Requesting additional information

Mr. Moynahan apologized, saying that the agenda got kind of confused here; that Item #4 and #5, as written, were two in the same; that there was a note from Mr. Pomerleau and the other had to do with Underwood Engineers. He said that they would take Mr. Pomerleau's note first. He said that the note discussed the recommendation from the Town's auditor on two new positions and Mr. Pomerleau's opinion on how he thought the Town should be doing that; that Mr. Pomerleau had some concerns about the Treasurer's performance, he thought, which he didn't agree with whatsoever. He added that this was informational as they moved forward with looking at town manager, job descriptions, and any auditor assistance that they, and that sort of thing.

Mr. Dunkelberger said that he hoped Mr. Pomerleau would apply for the town manager position if they advertise for it; that he had some ideas that he could use.

Mr. Blanchette said that he would like to clarify one point, if he could, in particular; that that was the third paragraph down, which Mr. Pomerleau underlined. He said that Mr. Pomerleau seemed to imply that the Treasurer was not providing the Selectmen with the financial report every three months and he was right; that it wasn't every three months but it was every month that the Selectmen got a financial report. He said that he just wanted to clarify that this letter seemed to indicate the she wasn't providing a financial report. He added that she was providing, on a monthly basis, and when it got down to May and June, particularly June, to the department heads that were borderline she provided it on a weekly basis to those department heads that need it weekly. Mr. Blanchette said that this was very insulting for an employee who has been here for 30+ years.

Mr. Moynahan said that he had to add it to agendas, correspondence like this for everyone to be a part of, but he agreed 100% that this was certainly not how to air any negative comments towards people; that it was just wrong in so many ways and unfortunate in so many ways.

Underwood Engineers correspondence:

#5

TO : Board of Selectmen
FROM : Underwood Engineers
REF : Sewer question responses

Mr. Moynahan said that both of these showed the email where Ms. Davis had asked questions from the Route 236 Sewer Expansion Committee; that he forwarded the questions on to the engineers and attorneys and this was the email trail that they had so far. He added that Underwood Engineers had answered the specific questions and asked if the Board thought that Underwood had answered the questions that were posed sufficiently. He asked Mr. Blanchette if the attorney had followed up with reviewing.

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Mr. Blanchette said that she was doing that but had not received a response. He added that he had a little more information from the engineers. He said that, basically, what he thought that people were not understanding was, if there was no Route 236 sewer, then Underwood would recommend certain updates, particularly to the pump stations, that would be somewhere in the vicinity of \$1 million. He added that those updates, if there was no sewer extension, needed to be done; that they may not need to be done this year or next year but might be over a period of time, asking Mr. Moulton if that had been determined yet.

Mr. Moulton said no, that they were estimating a five-year window.

Mr. Blanchette said that, if the sewer went in, the reason 'these' (repairs to existing sewer) would get paid by the new sewer was that, even if they did these today and put in the new sewer two years from now, a lot of this they would have to redo...

Mr. Moynahan said that the pump stations would have to be larger for the larger volume.

Mr. Blanchette said right; that to say that the new sewer was paying for the old sewer was not an accurate statement. He added that, regardless of whether these pump stations had been upgraded or were to be done now, they would have to be redone because of the new sewer coming in. He explained that right now, as an example, it might need 500 GPM (gallons per minute), whereas, with the new sewer, they would need 1,000 GPM; that they would not put in the 500 this year if they knew, next year, they were going to put in the 1,000.

7:40 PM

Mr. Dunkelberger asked Mr. Blanchette if the number of sewer users they had was currently 641.

Mr. Blanchette said yes.

Mr. Dunkelberger asked if the sewer users were aware that the Town had this five-year plan for the sewer maintenance to the tune of \$1 million and what that would do to their sewer bills.

Mr. Moulton said that this was all a work in progress that was forthcoming through working with the SC, that they were also working with the SC subcommittee on rates and Underwood was looking at the rates to help establish this cost; that it was all forthcoming and part of what the Town was paying Underwood for – to do some of this work – and that that was already budgeted for. Mr. Moulton said that he was working with them, now, to develop this and what it would cost the users as it related to the necessary upgrades. He said that the sewer expansion would help; that as Mr. Blanchette said, it didn't fix it, it was just a different size; that he didn't want anyone to misinterpret, but it would be covered under the cost because they would be increasing the size – they would have to do it anyway. He added that there was a different cost to the ratepayer, currently.

Mr. Moynahan said that the question was how much it would cost to fix the pumps, as they were today and how much would it cost to change the pumps to accommodate new flow.

Mr. Blanchette clarified that Underwood said it would be about \$1 million for the current system if there was no expansion. He added that the expansion was \$2.6 (about) million but it was TIF money and the reason why it could be used was that they weren't taking the \$2.2 million and doing the \$1 million, they were doing a different size.

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Mr. Moynahan said that the other piece was that the \$1 million was still going to be reflected in the user's rate study that was being done right now.

Mr. Moulton said that that was correct and that information would be coming forward very, very soon.

Mr. Dunkelberger commented that, right now, they had a two-lane road in there that needed some repairs and, if they went with the sewer expansion, then they would be putting in a four-lane boulevard, anyway, regardless whether that two-lane road was new or old.

Mr. Moulton said that that was correct.

Mr. Moynahan said that he wanted to emphasize that the rate structures were going to reflect any repairs that would need to be done, regardless.

Mr. Moulton said correct.

Mr. Blanchette said that any repair work that needed to be done, that would not need to be done whether the new sewer was put in, would be paid by the existing sewer.

Mr. Moulton said correct.

7:45 PM Mr. Moynahan said that he thought that they needed to do a better job to prep for these public hearings to make sure that these questions were answered and answered adequately and with enough detail for people.

7:46 PM
#6

TO : Board of Selectmen
FROM : Selectman Hirst
REF : Proposed Governor's Budget

Mr. Hirst said that he might have misspoken on this; that what he said in his memo was, "Bobbi Beavers suggests we submit a letter expressing our opposition to the potential loss of revenue sharing. She has already filed such a letter on behalf of S. Berwick." He said that she may not have done it, that she may have suggested that they do it and they may have done it. He added that he did believe that a letter had gone to the State just generally expressing the concern about the potential loss of revenue sharing. He said that he thought that they had a piece of paper that said Eliot's loss of revenue sharing would be \$500,000 to \$600,000, asking if that was correct.

Mr. Blanchette said no; that it was about \$325,000 to \$350,000. He clarified that, if the State was giving the State revenue sharing according to the law, then Eliot would be out about \$500,000, but, they have already voted to reduce it several times.

Mr. Hirst said that that would be a big hit.

Mr. Moynahan asked if the Board wanted to draft a letter expressing their concerns with that.

The Board agreed that they did.

Mr. Moynahan said that he and Mr. Blanchette would draft something up and asked if they wanted to see it before it was sent or did they trust that the content would be appropriate.

The Board said that they trusted him.

#7

TO : Board of Selectmen
FROM : Jim Marchese, CEO
REF : Marshwood Estates/ Maine Center for Disease & Kittery Point Yacht Yard update

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Mr. Moynahan said that there were two items in #7; that the first was an update on the Kittery Point Yacht Yard and the second was about Marshwood Estates with an administrative penalty assessment from the Maine Center for Disease Control and Prevention (MCDCP). He said that he included the Kittery Yacht Yard information for everyone to review; that this has been brought up a couple of times on where the CEO was with this and he thought that this was a good time to bring the whole package in front of the Board; that if they had any questions of the CEO they could forward those to him. He added that the second one was, however, something he thought that people would have more interest in reading and seeing what they were contending with or what the CEO was contending with. He said that he thought they were making good progress and that the Code Department was staying on top of it to make sure that the drinking water was protected in that area, as the waste water was, too. Mr. Moynahan said that some concerns were raised some time back and the involvement of the Town he thought had helped get some resolve up there. He said that he wanted to share both those updates from that department and, if there were any questions, they could forward them on to the CEO.

7:48 PM
#8

TO : Board of Selectmen
FROM : Selectman Dunkelberger
REF: Second Reading of Proposed Policies: Electronic Recording and Debit Card

Mr. Moynahan said that the first was the Electronic Recording/Communication Policy. He asked if there were any changes or public comment.

Mr. Muzeroll asked if the red mark-ups were things that were not there before. Mr. Moynahan said yes.

Mr. Muzeroll discussed his concern with section 2.1.2.4., which addressed the Web Site Administrator receiving inquires. He said that he thought that they had addressed this a year, or so, ago that sometimes sensitive information was relayed from the public regarding personnel actions, investigations of personnel, and that the Board determined that all of the emails that came into the website would be directed to the Administrative Assistant, then, that person would determine who was most appropriate to answer and follow through. He added that he wasn't quite sure whoever the website administrator was would be the appropriate person to be receiving those kinds of questions.

Mr. Moynahan said that that had been raised and that he thought that there was an annex that spoke to that.

Mr. Dunkelberger agreed that the annex did speak to that issue.

Mr. Hirst said that the website administrator was Ms. Rawski.

Mr. Muzeroll said that, if they were setting a timeframe for him to answer somebody's mail, then he wasn't sure that was the appropriate functionality, whether it was Ms. Rawski or someone else, to receive that. He said that Ms. Rawski was the Town Clerk; that she wasn't the personnel director, had no control over personnel, and should not be the one sending him emails that pertained to people or anything to do with his department, or any department.

Mr. Dunkelberger said that, in this case, the website administrator was strictly a communications conduit.

Mr. Muzeroll agreed; however, if XYZ citizen sent a scathing email accusing somebody of an illegal act or some act that needed further attention, then he did not believe that that was the first place it should go to.

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Mr. Dunkelberger said that Ms. Rawski was the first person to see it, normally, because she was the website administrator.

Mr. Muzeroll said that he has set up a couple of web sites, as well, and he knew that any email that came in he could determine, through that website, who that email went to; that it was just a change of an email address on a page.

Mr. Dunkelberger said that that was exactly what the website administrator would be doing.

Mr. Muzeroll said that what he was asking was that all of the emails that came in go to the Administrative Assistant rather than to the website administrator; that the Administrative Assistant could determine who best to handle it.

Mr. Moynahan said that, so, on those comment-type things they should go to somebody more involved with personnel.

Mr. Muzeroll said that on the comment portion that the public certainly had a right to get answers and complain or give accolades but he thought that it should be funneled to somebody better suited than the website administrator; that it may not always be the Town Clerk, that it may be somebody else, and he realized they would have to change policy, again, but why not send it to the person best suited for it.

Mr. Moynahan said that he was not a computer guy and asked how possible it was to kick those public comments to another email address.

Mr. Muzeroll said that it was just a change in the web page email address; that that was all it was and he did it through their (Fire Department) web page. He said that he used to get emails sent to another member of his department for their web page and that prompted him to change it so that all the emails came to him (Mr. Muzeroll) because people were doing things and commenting out of turn, adding that he thought it gave a little better personnel control and control of information.

7:53 PM

Mr. Moynahan said that he actually thought that that made perfect sense. He added that they were naming a position and not a person.

Mr. Beckert said that he agreed with Mr. Muzeroll that it should go to the Administrative Assistant or town manager or whatever, then, distributed from there

Mr. Hirst asked if the policy, as written, was okay so long as they specified that it went to the town manager.

Mr. Muzeroll said that he had no other issues with the policy; that most of that has been in place and, to be honest with them, he thought that, by administrative rule, that that was handled, previously, a couple of years ago when something came up with a department and it went through a number of channels before it got back.

Mr. Dunkelberger said that if he changed it to say "Those messages will be forwarded to the Administrative Assistant, then department heads..."

Mr. Muzeroll said that he didn't know if 'forwarded' was the right word.

Mr. Moynahan offered, "All web inquiries by the computer's generation will be sent to the Administrative Assistant (AA) or town manager (TM)."

Mr. Hirst suggested "go directly to".

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Mr. Moynahan said that, then, he (AA or TM) would have to initiate that with the website.

Mr. Dunkelberger said that he would rewrite that paragraph.

Mr. Moynahan asked if that was a substantive change for a Second Reading of this policy.

Mr. Blanchette said that he would say that it just required another Second Reading at the next meeting.

Mr. Moynahan said that the second part of this item was the Second Reading of the Debit Card Policy. He asked if there were any comments or corrections or comments.

7:55 PM

Mr. Muzeroll said that he understood the Town's desire and need to have control over the budgetary process, that that involved debit cards, and it has certainly been valuable to him based on what he used to have to go through before they had debit cards; that he used to have to use his own credit card and wait for the Town to reimburse him or Ms. Spinney had to cut him a check, so, it has certainly been beneficial to him, as a department head. He said that 18-24 months ago the Town had a problem with hacking of one of the municipal accounts and a whole bunch of money was redirected 'elsewhere' and, at that time, he lost all access to his debit card and, if he was lucky and he was mostly, he got a once-a-month statement that Ms. Spinney physically had to get from the bank. He said that he has tried repeatedly; that he has spoken to the Board in meetings about this; that he has spoken to Ms. Spinney about this. He said that he didn't have access to something that, on the last page, he could be subject to disciplinary action for. He added that he did have problems with the "3 working days" and, to him, was a little short. He said that, if he bought something on Thursday and he wasn't in the area, how did he report it – if he went away on a conference on a Thursday and he had to use the credit card then he would be in violation if he didn't have the receipts here by Saturday night.

Mr. Dunkelberger clarified that it was three working days.

Mr. Muzeroll said that, even so, he thought three days was a little short. To get back to the original issue, he asked why it was that the Town has blocked, and that was the word he got from TD Bank today, his access to the credit card that he was using. He added that the credit card was in his name, as well. He added that he finally found out, through a legal process, which has taken him about 10 hours of research just in the last couple of days, that he no longer had liability if something happened to that card, but, his name was on that card and he should have access and they couldn't give him the access because they were saying that the Town said it was blocked. Mr. Muzeroll said that the Board was holding him to a certain standard - a performance standard - that made it difficult for him to live by on a 30-day statement. He added that he knew that most everyone in here had internet access and may do online banking of some sort that allowed all, at their whim, to log in to see what their accounts were doing. He said that they were all worried about somebody with identity theft or hacking into their accounts again. He added that he knew that \$2,000 wasn't an awful lot but he wouldn't know for 30 days; that he wouldn't know until there was an overdraft, and that process, itself, took a while. He said that he would like them to hold off on this, rethink the three-day rule, and work with the departments to get them some better access to the account.

Mr. Moynahan asked Mr. Blanchette if they knew why that was blocked for department heads.

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Mr. Blanchette said that he had no idea; that he didn't know that it was supposedly blocked by the Town. He added that he knew that Mr. Muzeroll couldn't get into it but he thought that that was something at the bank. He added that he knew that they were looking to switch the debit/credit cards from TD Bank to Key Bank and, hopefully, they would be setting them up a little better. He said that most of that blockage occurred when they had that crisis where one account was hacked into and the bank froze all the accounts, but, he didn't think Ms. Spinney was aware – and she would be the person – that she blocked any one account.

8:02 PM

Mr. Muzeroll said that he would not throw Ms. Spinney under the bus; that that was not his intention here; that after this whatever happened the Town, quote unquote so-to-speak, in their resolution to the process denied access to the account and, whether the Town did it knowing or not, he has tried, since that date, to get this squared away; that he had repeatedly asked the Treasurer where they were with it and she said, same thing, that they were changing banks; that he spent four hours, personally, today with TD Bank trying to get this resolved and corporate told him he should be able to do it because he was a signature holder – that he should be able to register online - they wouldn't accept that; that he went to the government-funding side of that, spoke to the manager there, and was assured he should be able to do that, but, no, it was blocked and they didn't know why it was blocked. Mr. Muzeroll said that, so, here they were; that he could ask Ms. Spinney to give him a daily run, which he did not want to do because he thought she had way too much running stuff to do as it was, or, they solved the problem. He added that he would like to have the problem solved and, then given a grace period; that he didn't want to mess up the process but he would like to address the three-day thing, adding that, generally, he did bills every other week and that was usually when he submitted any purchases that he made.

Mr. Blanchette said that, if Mr. Muzeroll was told that the Town blocked it, then there was no reason why the Town couldn't unblock it.

Mr. Muzeroll agreed; that he thought that Ms. Spinney has been stymied, and she has attempted, repeatedly, to get it squared away and not gotten anywhere.

Mr. Moynahan asked if any other departments were blocked or was it just Mr. Muzeroll's.

Mr. Muzeroll said that any department that had a credit card was blocked through TD Bank.

Mr. Moynahan said that he thought that it would be reasonable to wait until they at least had full access at a financial institution before the Board enacted the policy.

The Board agreed.

Mr. Moynahan said that there was another question about the number of days for submitting receipts; that they just heard from one department thinking that that was fairly unrealistic to do.

Mr. Muzeroll said that he understood what Mr. Dunkelberger wrote and what probably pre-empted this; that he was not the biggest user of that credit card, although he did use it an awful lot; that there may be another department or division that may have piggyback purchases where one submitted their receipts one day and things didn't get credited until two days later and, then, there was another big purchase and it became as overdraft. He added that he didn't know what the issue with that was; that he could tell them that, speaking about an overdraft today that was his big concern in how this would affect his credit rating because he was a signature holder, they (bank) could not deny the department

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heads using the funds on a business card; that what they did try to do, and generally backed out of, was to charge overdraft fees. He said that he didn't know that submitting something on a Wednesday and having two big purchases on a Thursday and Friday, then, submitting a receipt and thinking the money was there; that it wasn't there and wouldn't be until the following week. He said that he didn't know the answer to that; that the three-day thing, if it was all-inclusive, could be a little restrictive. He added that, somewhere along the line, they needed to look at how they were achieving those balances or how those balances were being charged so they didn't have the overcharging.

Mr. Dunkelberger said that if they went with an imprest card where one had a \$2,000 balance...the problem was that, until the Treasurer had the receipt, she wouldn't be putting money back on the card to put the balance back up to \$2,000, which limits use. He added that the reason the three days were in there was partly from discussion with the Treasurer.

Mr. Muzeroll said that this was one of the things that disturbed him about all of this, and he didn't know where this was coming from, was a statement from Mr. Donhauser, which was in the package from June 6, 2011, that "*debit card receipts are not forwarded for reimbursement in a timely manner and causes the Town Treasurer to make requests of various departments prior to reimbursement.*" He said that he would like to see what that was all about; that that, again, was a broad statement accusing department heads of not doing their job but all it was was a line and, now, the Board was developing a policy based on that with certain assumptions that there may not be an error by the department head; that it may be a method of accounting that has been long-standing and the reimbursement of these cards wasn't as fast as they (dept. heads) would like it to be. Mr. Muzeroll also discussed the way 4.1.2 (disciplinary actions) was written, saying that anything that said "*any optional actions listed below*" was not progressive discipline; that that was allowing them to do whatever they felt; that it sounded disciplinary and, if that was the case, then he suggested that, if they were going to discipline someone, that they take that comment out and do it in a progressive manner. He added that maybe they all needed to sit down and fine-tune the process a little bit better before they implement a policy and, if it was going to result in disciplinary action, then address it in that form.

8:10 PM Mr. Moynahan said that the Board members had talked about that in a meeting. He added that it was actually good to get input from a user; that some of that would be impacted by this policy, for him, anyway.

Mr. Dunkelberger said that, based on their discussions, it was really written as progressive; that based upon some of the discussions, particularly if it was a willful misuse of the card, then it wouldn't necessarily be progressive.

Mr. Muzeroll said that that was true; however, his thought on that was, if they proved willful, then there had to be progression to prove it was a purposeful act and, maybe, a criminal act that required an investigation by someone other than the Board, probably, which would, therefore, result in disciplinary action. He said that he was sure that, with all the money the Town spent on someone who went to school for ten or twelve years to be a lawyer, that lawyer could give the Board some advice as to how to write that appropriately and move words from one paragraph to another so they didn't get caught in that area.

Mr. Murphy said that it was his feeling in reading this was that it was left deliberately imprecise just because people were different, department heads were different, infractions were different, and there was a lot of leeway. He added that common sense and experience on the part of the department head one would assume would take place.

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Mr. Muzeroll said that he absolutely agreed with Mr. Murphy but, when it showed up in a document like that, then it didn't give one a lot of leeway, did it.

Mr. Murphy said yes, that it gave him maximum leeway to act appropriately in a wide variety of circumstances of infractions, the person who did the infraction, and the department, and so forth - one could use common sense; that if it was a small violation, then have a small punishment but, if it was a second or third time, why should it be small, or, if it was a big one right from the start by someone who should know better, then...

Mr. Muzeroll said that he hit the key word, there, that this was punishment; that they had a disciplinary policy already, correct.

Mr. Murphy said not for debit cards.

Mr. Muzeroll said that they had a disciplinary policy that was a broad policy; that he didn't know if they could write a disciplinary policy for every function.

Mr. Hirst asked Mr. Blanchette how quickly they could set up a debit card with Key Bank.

Mr. Blanchette said that he didn't know; that he would talk with Ms. Spinney first thing in the morning to see how quickly they could do that.

8:13 PM

Mr. Moynahan said that he thought that, until they were able to get the banking set up, it would be wise to table this policy and knew, for sure, what would be available to departments.

Mr. Murphy said that they would still be working at the rate of one time a week a warrant came through and only once a week would a check be written to supplement these things.

Mr. Muzeroll said that his approach to this was similar to the way he approached his own checkbook - don't spend it if he didn't have it; that he didn't know if he didn't have it if he didn't have access to it, which was the gist of all of this, and he would think that the Town would stand a better chance of spanking him if he knew that he didn't have it and he spent it, anyway, and the Town was subjected to fees or fines or whatever, and then they could get into the broad base of actions.

Mr. Murphy asked, if Mr. Muzeroll knew how much money was in his account, didn't he keep track of how he was spending it so that he knew how much was left in there.

Mr. Muzeroll said that he didn't keep a checkbook. He added that he wasn't in the position to be a bookkeeper, though, he generally kept track of what he was spending; that, for example, today he had a credit card that said \$2,000 and turned in his receipts knowing he spent \$600 and, until that was reimbursed, it would not be back up to that \$600; that he wasn't that foolish to know that, if he spent \$1,800 here, then he didn't have the money to spend another \$600.

Mr. Dunkelberger said that that was just a mental checkbook, then.

Mr. Moynahan asked if it was just smart to table this, give some thought to that 4.1.2, based on some input, and find out more about the banking.

Mr. Dunkelberger said that he didn't think they could hold department head accountable until they had visibility on their accounts, with the caveat, as Mr. Muzeroll pointed out, that department heads had the responsibility to know how much was on their accounts.

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Mr. Muzeroll asked if it would be better served to say that credit card receipts would be in the Treasurer's hand by every Wednesday and also asked when the warrant was.

Mr. Hirst said that it was Thursday night.

Mr. Muzeroll said that they would still need to have the ability to look at their accounts daily.

Mr. Dunkelberger said that, on the other side, if Mr. Muzeroll was going to be out of Town, then what would it take for him to send an email message to Ms. Spinney letting her know his specific receipts and that he would bring them to her when he was next back in Town.

Mr. Muzeroll asked if he was implying that that would allow him to overcharge.

Mr. Dunkelberger said no, clarifying that Mr. Muzeroll had some objection to the three business days to have receipts in to Ms. Spinney and Mr. Muzeroll used the example of making the expenditure on Wednesday and he was going out of Town on Thursday; what was to prevent him from writing an email to Ms. Spinney that he made 'this' expenditure Wednesday and he would get the receipts to her when he was back in Town on the following Wednesday.

Mr. Muzeroll said that, if she had all the receipts on a Wednesday, the Board signed the warrant on a Thursday, and the money should go into the account on a Friday, so, if he gave her a receipt on Monday, that did not mean he was going to have money, until Friday. He added that he realized that there was a certain responsibility on his part to be prudent with the way he spent money and try not to overcharge but the money was only going to be there every Friday.

Mr. Moynahan asked if they gave any consideration to having the receipts turned in each Wednesday...because it lined up with the check-cashing and that may be a more seamless way to do that.

Mr. Dunkelberger said that he would like to sit down with Mr. Blanchette and Ms. Spinney and delve into that, adding that, if it made sense, then they should do it.

8:18 PM Mr. Moynahan said that they would table it, for now, get more information on the banking and administrative receipts, and revisit it, again, at a later date. He thanked Mr. Muzeroll for his input.

8:19 PM
#9

TO : Board of Selectmen
FROM : Dan Blanchette
REF : Approval of Warrant for Town Meeting, March 23, 2013

Mr. Moynahan said that they had some input and questions from the BC earlier in regard to these. He added that, if they were going to have the Town Meeting, then they needed to have this approved seven days prior to Town Meeting and that Town Meeting date was now March 23rd so they did have time. He asked the Board if there were any changes, language revisions, or anything they would like to have removed after input from the BC this evening.

Mr. Murphy said that he saw no reason to change any of these warrant articles.

Mr. Hirst said that he had no problems with them.

Mr. Dunkelberger said that he was good with the articles.

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8:20 PM Mr. Beckert said that he was just wondering if they did need to add any clarification in any of these as notes, adding that most of that was done during the public hearing process. He added that he was fine with them, as written.

Mr. Moynahan said that he would put these on the agenda for next Thursday to vote on; that he and Mr. Blanchette would get together to add a bit more detail to some of these articles, but nothing major, and asked if that was acceptable to the Board.

The Board agreed.

8:21 PM
#10

TO : Board of Selectmen
FROM : Inter-insurance Exchange of the Automobile Club
REF : Insurance settlement on gravestone damage

Mr. Blanchette said that this was, finally, regarding the cemetery damaged up on River Road. He said that the insurance company, AAA Insurance, got another proposal from Gravestone Services of New England for \$1,150. He added that the Eliot Historical Society (EHS) had gotten a proposal, which was around \$4,000 or \$5,000, he couldn't remember.

Mr. Lentz said that it was \$10,000.

Mr. Blanchette said that the key difference that they needed to be aware of was that the \$10,000 proposal was for replacement and this from AAA was for repair, and that was all that the insurance company was willing to do – the repair. He added that they had already received the check but not cashed it because the BOS were the ones who had the authority to do that. He said that his question to them was what if Gravestone Services of New England came in and tried to repair granite fence posts and they couldn't and AAA said that they would make good if this person had to up his estimate. He said that, by accepting this, they would be accepting that Gravestone Services of New England would be doing the work.

Mr. Dunkelberger asked what the expected lifespan of repairs versus replacement was.

Mr. Blanchette said that he couldn't tell them that, asking if the EHS had any idea.

Mr. Lentz said that he did not.

Mr. Dunkelberger said that he was concerned about, when one was talking about stone, with any water freezing, it was gone after a season.

Mr. Lentz said that just the granite posts that were in the front were probably 100 years old and they were smashed to smithereens, as well as the iron pipes that fit through the holes on those granite posts...that there was no way, that they would have fixed them themselves (EHS) but they all looked at it and agreed it was impossible.

8:25 PM Mr. Moynahan said that he would think that a letter from the insurance company stating that they would guarantee that either the repair could be done for that or that they were going to guarantee to delve into whatever funds were necessary to make those repairs. He added that he didn't think he would take this check without some type of guarantee that they would make the Town whole. He said that, if they signed on the dotted line for this, and the guy left after an hour and said that he couldn't do it, that no one could...that they asked all their department heads to get warranties and that type of thing...

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Mr. Murphy asked if the insurance company had actually come out and looked at the broken pieces or had the Gravestone Services...

Mr. Blanchette said that he believed that Gravestone had; that he didn't know that the insurance company had come out; that the Town had sent them up photos and they received those but he reiterated that he didn't know that anyone from the insurance company, other than Gravestone...

Mr. Murphy said that the Gravestone Company did come out.

Mr. Blanchette said that to the best of his knowledge, yes, he was told that Gravestone came out and took a look and said that they could do the repair.

Mr. Moynahan said that he thought that he would be more comfortable with something in writing from them before they cashed the check.

Mr. Murphy agreed.

Mr. Hirst said added with a copy of their certificate of insurance.

#11 Mr. Moynahan said that it was good that they were getting closer to resolution.
TO : Board of Selectmen
FROM : No correspondence
REF : Selectmen budget recommendations

Mr. Moynahan said that he had this on last week and would next week, also. He asked if anyone had started compiling budget recommendations.

Board members were not fully ready for this item.

Mr. Moynahan said that he was ready when everyone else was; that they would put this on next week's agenda.

Old Business (Action List):

Mr. Moynahan said that he would update this before they even started tackling that again.

1. Route 236 Sewer Expansion Project reports, updates, and schedules – Questions from Route 236 Ad-Hoc Committee - Mr. Blanchette
2. Sewer Contract/IMA – Schedule IMA/Kittery Meeting for presentation - Mr. Moynahan, Mr. Murphy, Mr. Marchese, Mr. Moulton and Mr. Blanchette
3. Police Union Contract – Mr. Moynahan, Mr. Dunkelberger, Mr. Blanchette, & Chief Short
4. Community Service Space: Relocation to Elementary School – explore school space – fit up costs, service impacts, insurance, MSAD #35 contract, CSD Director – Mr. Dunkelberger, Mr. Hirst, & Mr. Blanchette
5. Town Manager – schedule workshop; include Comp Plan Implementation Committee
6. Dispatch Service/Ambulance Contract – Contract with Kittery, request from same, costs – BOS, Mr. Muzeroll, Mr. Short
7. Policy creation/review – debit card, video-streaming, website management
8. Employees – cross-training, charting earned times, job descriptions - BOS

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9. Liaisons to boards, committees, and commissions – review existing members, try to fill open spots; Committee/Board – Mission Statement Review - BOS
10. Budget Preparation - BOS
11. Auditor – financial statement, management letter, finance director, personal property tax, fixed asset management - BOS
12. Regionalization – explore areas of potential collaboration, cost reductions & enhancements to services – Mr. Moynahan, Mr. Hirst
13. Legal issues – pending and Consent Agreements – Eliot Shores, PSNH/Sierra Club, Mr. Bogannam - BOS
14. Sewer User Rates, reserved allotments, odor, maintenance– Sewer Committee, Underwood Engineers, Mr. Moulton
15. Department Heads – monthly reports, employee reviews, financial oversight, policy reviews, and department reviews - BOS
16. Research grant opportunities – AED's for Town buildings
17. Comp Plan follow-up
18. Pending new unions
19. Special Town Meeting: February – IMA, TIF Funds (ERS #7)
20. York County Transitional Budget – Funding source
21. June Town Meeting preparation – Municipal Fee Schedule

Selectmen's Report:

There were no Selectmen's reports tonight.

Other Business as Needed

8:28 PM Mr. Moynahan said that they allowed the Town Clerk to advertise for the open position; that there were over 100 applicants for this that were received; that they would like to start the interview process, looking for a blessing from the Board to start that and contact the 5 – 7 of the top people. He added that they had gone through some of the resumes, currently; that part of what they were hoping was that everyone would look at the current job description and, if there were any substantive changes that they needed or wanted to make that it be fair for any potential applicants to have something up-to-date, keeping in mind that any cross-working with the Treasurer's office may not be done by this specific person but in that office on its own. Mr. Moynahan said that, with the blessings of this Board, and with the job description as it has been written, they were looking to call some of the applicants to start bringing them in for the interview process, understanding that they would need to have a two- to three-week lead time to give notices to their employment potentials and that sort of thing.

Mr. Blanchette said that, as Mr. Moynahan said, there were 160+ applications, adding that the bulk of the applications were people who were not qualified but, there were a number of qualified people and, as a matter of fact, from that they even had to break down from those that were not just qualified but experienced, and so forth. He added that there was a very, very good job bank of applicants out there.

Mr. Beckert asked if it was the intent of this Board to bring in the top three.

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Mr. Moynahan said that that has been the policy in the past; that it was usually a recommendation of one that was brought forth and, if the Board wanted to interview all three then the top three were brought in. He added that, with the last couple, the committee would say their recommendation and here are the other two that were next in line. He asked if it was the blessing of the Board to contact the top finalists to start the interview process.

The Board agreed to give their blessing.

8:30 PM Mr. Blanchette said that he would ask the Board one thing; that in the policy it said that they were supposed to give the Board a list of all of the applicants and asked if they would mind if he didn't give them a list of all 160.

Mr. Beckert said to just keep it all on file until they were done the process.

Mr. Blanchette agreed.

Mr. Dunkelberger suggested a list of the top ten would be good.

Mr. Hirst asked if Mr. Moynahan wanted a volunteer from the Selectmen to sit in the interviews.

Mr. Moynahan said that he sat in with Mr. Blanchette and Ms. Rawski when the applications came in to review some of them; that they did not officially appoint a Selectman to that group and asked if there was anyone interested in that.

Mr. Hirst said that he would be happy to do that if no one else was interested.

Mr. Moynahan asked Mr. Blanchette to forward Mr. Hirst all the information.

Mr. Blanchette said yes; that they should have copies of the top ten resumes in Mr. Hirst's box by the end of the day tomorrow.

Executive Session

There were no executive sessions tonight.

Adjourn

There was a motion and second to adjourn the meeting at 8:32 PM.

VOTE

4-0

Chair concurs

DATE

Mr. John J. Murphy, Secretary