

BOARD OF SELECTMEN'S MEETING
March 7, 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)

There were no minutes approved at tonight's meeting.

Public Comment:

5:31 PM Mr. Pomerleau said that he had a statement that he put on EliotOnline that he would like to read to the Board. He read his statement then said that he respected their right to disagree with anything that he said, throw it all out, disregard it; but what they couldn't do was to provide their own words to his letter using them to insult the Town's Treasurer and, then, apply them as if he said them; that he didn't say any such thing.

Mr. Moynahan thanked him for his clarification. He added that he thought that it may have been interpreted incorrectly and he was sure that they could forward on to the Treasurer that there was no ill meant by the letter that was received.

Department Head/Committee Reports

5:35 PM Ms. Davis (BC) said that the BC met on Tuesday and there were still some outstanding questions on the warrant articles that they wanted to run through. She added that some were from BC members and some from members of the public, adding that she was handing these out in written form not to take up the Board's time at this meeting; that if they could review these and provide an answer that would be great.

Mr. Moynahan said that on the second piece of business tonight there was draft language of the warrant and that may answer some of those questions, so, he would like to bring this first page up at the same time. He said that the second page and depreciation was something else.

Ms. Davis said that these were just some other topics that she wanted to discuss tonight. On page 3, she discussed that the intent of the first question was to gather as much information pertinent to the gas compressor station prior to scheduling the meeting with the Assessor so that questions just didn't keep coming up in piecemeal form. She added that she would like to see as much of the information that was public knowledge and she didn't know how much that encompassed, saying that if it was a full box of material that would, of course, not be feasible but, if there was a folder on the compressor station, then whatever was available she would like to have a copy of.

Mr. Moynahan asked Mr. Blanchette to work with Ms. Painchaud to prepare what was feasible, initially; that still he thought a meeting would be needed because the material was very dense.

Ms. Davis said okay; that if there was stuff easily presentable that she could review prior to scheduling a meeting, then that would be great; that she would schedule a meeting and then review the information after that.

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Ms. Davis discussed item #2, which asked if it was the Board's intention to hire someone for the current vacancy in the Clerk's office who would be qualified to assist the Treasurer, as well.

Mr. Moynahan said that, initially, they were not at that level of what that person could assume for additional responsibilities. He added that the Clerk's office was still working on how to manage that entire department, not that one individual, so to make that one individual responsible for additional duties may not be practical. He said that the Town Clerk has been tasked to review the operations in the entire office and what would be the most suitable way to assist the Treasurer's office. He added that it may not be this new person; that it may be someone else within the Clerk's office.

Ms. Davis said that they just heard discussion last week about an interview process and the BC was just out of the loop and wanted to know what plans were being made for that.

Mr. Moynahan said that that was how they planned to handle that; that it may not be practical for that one specific person; that it may actually be the Clerk, herself, being more involved with some of that. He said that until they heard back from Ms. Rawski they wouldn't know how that was going to work but there would be assistance given to some extent.

Ms. Davis said that Mr. Fisher did say during the BC meeting that he felt there may be somebody already in-house that had an interest and qualifications to fill that position.

Mr. Moynahan said that that was in process. He asked if Ms. Rawski was any further along with reviewing any of that.

5:39 PM

Ms. Rawski said that this was all very new; that Ms. Hatch's departure was on Friday and she was trying to realign with her departure. She added that there had been change in functions, already, with the sewer billing for the Town of Eliot; that that was now back on her plate; that she had to figure out realignment of everything that was going on in that office, which were multiple aligned items that they handled on a daily basis, so, please bear with her. She added that they were working on it and, as Mr. Moynahan said, she didn't want to specifically say that the new individual that was going to be hired would be hired with the responsibility of assisting the clerk built into that job description; that it was too quick to do that. She added that it could very well be herself or another staff member already present in the Clerk's office to try to pick up some of that extra work for Ms. Spinney. She reiterated that it was all still very early in the stages but they were working on it; that she knew that people had concerns the past few weeks at meetings, and have inquired about that and please know that, internally, they were working on that even though she had not been in meetings to express that; that the hiring process was a personnel issue so some things were not brought out to the forefront for all to hear. She said that in the meetings that they have had between her and the Board they have discussed this path so it was in the works.

Ms. Davis discussed item #3, which requested a statement of account for the Route 236 TIF and any annual reports submitted.

Mr. Murphy asked what she meant by statement of account.

Ms. Davis said the money in and the money out.

Mr. Murphy said the financial history.

Ms. Davis said yes; what they started out with, what they have been spending on, and what was in the fund today.

Mr. Murphy asked Mr. Blanchette if a lot of that wasn't already available in the annual reports.

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Mr. Moynahan said that they had a separate account for the TIF so that was readily available. He asked if it was available electronically or just a print version.

Mr. Blanchette said that he didn't believe it was available electronically.

Mr. Moynahan said that they would provide copies of that to her.

Ms. Davis said that it was her understanding that there were annual reports submitted possibly to the Department of Economic Development or to some other State agency that monitored TIFs and, if that was the case, could she have copies of those annual reports.

Mr. Moynahan said that he was not aware of one and asked Mr. Blanchette if they sent an annual report.

Mr. Blanchette said no.

Ms. Davis addressed item #4, saying it was basically the same issue and was for the Eliot Commons TIF, asking if the BC could see a statement of account for the Eliot Commons TIF.

Mr. Moynahan confirmed that that was something that they controlled, so, yes, they could provide a copy.

Ms. Davis said that one of the main selling points of the Eliot Commons TIF was that it would provide local jobs and she was curious to know if there had been any study done on where they were at with the initiation of the TIF and where it was now, as far as job creation.

Mr. Moynahan said that he did not think that the Board had heard anything from them; that they have looked at a couple of different endeavors but he didn't believe they had seen anything from the Eliot Commons group; that that was a private, separate TIF that was voted on and he didn't believe the Board had seen anything but they could certainly follow up to see where they were. He added that they were under the same guidelines with time to produce something or it went away, so, certainly they could reach out to the Commons to see where they were.

Ms. Davis asked if there was a way to request information to get a current employee count.

Mr. Moynahan said that that was not part of the TIF, asking if she meant for future jobs or any additional jobs that have occurred since the inception of the TIF.

Ms. Davis said that there was a job number stated in the original TIF documentation and she was just wondering if that was still public knowledge as to where that was at currently.

Mr. Moynahan said that he was sure that was public knowledge how many people they employed; that they might see a trend of more or less since the TIF was enacted but they could follow up with the Commons.

5:43 PM

Ms. Davis discussed item #5, saying that at a BC meeting towards the end of last year Mr. Donhauser and he mentioned the accounts for the ECSD were going to be entered into the General Ledger and she didn't know what the status of that was and, if there was some accounting in the General Ledger, could the BC have a statement of account for that.

Mr. Moynahan said that he sat down with Mr. Donhauser and the ECSD Director regarding this exact thing and that was the process that they were going to do; that they were going to incorporate that into the Town General Ledger. He added that

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he thought that they were waiting for a certain timeline, like the start of a fiscal year or the end of a fiscal year, or something; that they were working on how that would transition but it would happen, that they were looking for that key date that would be the easiest and most seamless way to do that.

Ms. Davis said that, for some reason, she had the impression that it was already in the works.

Mr. Moynahan said that it was in the works but that it just hadn't been completed. He added that they were working together on what would be issues at either end, and how to do that, because there was an active sports software program that they used for registration that was not compatible with the Town and that sort of thing, so, try to separate all that, and still provide that information.

Ms. Davis discussed item #6, saying that she had a member of the public asking if a statement of account could be provided for the Contingency Fund for the last four years.

Mr. Moynahan said yes.

Mr. Reed said that it seemed to him that, if they were waiting for a time to bring the ECSD accounting into the General Ledger, it seemed reasonable to him that that would be at the beginning of the Town's fiscal year.

Mr. Moynahan said that he thought that that was the goal that was going to happen, in June, whenever the start of that fiscal timeframe was; that they have worked on how to shift all that into the General Ledger; that it was a little bit more complicated than it appeared but it won't be once it was done. He added that there were many different accounts to bring together but it was happening.

Mr. Pomerleau said that he would double-check but he was 95% sure that, after reviewing State statutes for TIFs, that it required an annual report, and that would make perfect sense since it was a State funding mechanism for community and economic development that a report would go to them.

Mr. Moynahan said that, if there was such a thing, then they were responsible to do such a thing and they certainly would but that was not made aware to them that they had to do that. He asked if there were any questions on the information or how they were going to supply it.

The Board said no.

Ms. Davis said that she was just looking at the agenda tonight and it said "Final Selectmen recommendations due March 21"; that she could address this at that time but she did contact Ms. Thain today and Ms. Thain said that the BC recommendations on the budgets were due on March 28th, so, that only gave them less than a week.

Mr. Moynahan clarified that that was just a goal to use before April deadlines, again. He added that the assumption was that they had been working on these budgets, collectively and independently, for quite some time. He added that, hopefully, tonight some of this could lend itself closer to that March 21st deadline; that he was hoping that they would be much closer by then. He said that they may not be but there was a little bit of wiggle room in there, still, for the April print date. He said that he was trying to put a goal earlier on so that they weren't eleventh hour, again.

Ms. Davis asked if the Board had started compiling the warrant articles in any kind of a type-written form, yet.

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Mr. Moynahan said that they had in bits and pieces but they were bland in nature because nothing had been finalized. He asked if there were any other department head/committee reports.

5:46 PM Mr. Moulton said, just briefly, he and Chief Short were going to bring forth to the Board a change in the ordinance for parking but Chief Short was unable to make it tonight, so, hopefully next meeting.

Mr. Moynahan asked him to provide something in advance and he would make sure it was on the agenda; that that would give the Board a chance to review it.

New Business (Correspondence List):

5:48 PM

#1

TO : Board of Selectmen

FROM : Chairman

REF : Proposed changes to Ordinance Governing Boards, Commissions, and Committees; proposed changes in red made in past BOS Meeting

Mr. Moynahan said that he included this in their packets to take home and review to get this back on their docket; that they just finished two other policy reviews and getting into Second Readings. He added that, if they could start working on this, that there were some mark-ups in red and he was sure that there would be more; that this was where they left it off the last time they had discussed this some five months ago, so, it was back on their agenda weekly, or every other, until they clarified some of this.

Mr. Murphy said that he has gone through this, once again, and made some significant changes, with some deletions and other things he wanted to add and expand on; that he had just finished that work today.

Mr. Moynahan said that he hoped everyone else had a chance to review and suggest additions or deletions; that he would continue to bring this to future agendas until the point that they were ready to have one draft provided to them all. He added that the goal was that the members work on this outside the meeting on their own and bring their input back.

#2

TO : Board of Selectmen

FROM : Chairman

REF : Sign Warrant for Special March 23rd Town Meeting

Mr. Moynahan said that at their last meeting he had indicated that he would try to add a bit more detail for the warrant; that they had two to review – the original and this second one he had provided tonight; that he had provided a little bit more additional language based on the Board's rationale or reasoning behind some of these. He added that this was not substantial additional language but was some additional language for the Board to review.

Mr. Reed had a question concerning the ordinance rewrite, asking if the Board was passing this out to all committees, boards, and commissions.

Mr. Moynahan said that, once the Board got to a point of comfort with this, then they would involve the boards and committees, as well. He added that they would like to get a better working document to disperse, first. Bringing the Board back to what they were discussing, he said that they had two to look at; that one had a bit less level of detail and the second one had a little bit more; that both were still the same, the same number of warrant articles, the same information they had discussed and decided to put in front of the voters. He asked for thoughts and comments from Board members.

Mr. Dunkelberger said that he always liked more information.

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Mr. Hirst said that he preferred more information.
Mr. Moynahan asked if it was not enough for some.

Mr. Dunkelberger said that it was enough.
Mr. Hirst agreed.

Mr. Moynahan said that he wanted to provide something as he did say that he would for everyone's review.

Mr. Murphy clarified that he thought that the Contingency Fund had not been funded for the past three years, not two, but he would check to verify that.

Mr. Moynahan said that he hoped this was consistent with some of the discussions they had and the supporting documentation they have worked on.

Mr. Hirst said that he thought the number was \$2.16 million and that he thought that hadn't changed.

Mr. Dunkelberger asked that they have it as current as possible.
Mr. Murphy said that he liked the added expansion of information.

Mr. Moynahan asked if they should make the minor modifications and have this for the Board to sign; that this would be the warrant that they would sign for the Special Town Meeting. He added that they had enough time to sign this at the next BOS meeting. Addressing Ms. Davis, he said that the Board would sign this; that this was the form the Board would be putting forth so the BC could make their recommendations, also; that he hoped that they had talked about some of this already.

Mr. Dunkelberger suggested changing the words in the sixth article under the NOTE from "no additional money" to "no additional Town funds".

The Board agreed.

Mr. Moynahan suggested that any information they had on the solar project and on the Route 236 TIF ESR#7 they should provide copies of at that Town Meeting.

5:55 PM
#3

TO : Board of Selectmen
FROM : Chairman
REF : Selectmen's proposed informational fact sheet – Route 236 Sewer Improvement Project

Mr. Moynahan said that he knew that Mr. Dunkelberger had some suggested changes to this, as has Mr. Murphy, and asked if it would be practical if Mr. Dunkelberger and Mr. Murphy worked together to incorporate some of these changes; that they could have something workable.

The Board agreed.

Mr. Moynahan asked if they could have something potentially ready for the next meeting.

Mr. Dunkelberger and Mr. Murphy said yes.

Mr. Moynahan said that he didn't know if Ms. Thain had a copy but he had emailed a copy to Mr. Dunkelberger so they did have an electronic way to make the changes.

Mr. Reed said that he didn't know if this was relevant, or not, but he has been reading in the paper where there have been some significant changes in what it

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was going to cost the communities dumping into the Piscataqua River Watershed; that towns in New Hampshire were facing a significant number - \$1 Billion – over the next ten years to upgrade their sewer treatment facilities to address these issues that were, apparently, mandated by the feds and the EPA. He added that he was wondering if this was going to impact either the IMA with Kittery and how Eliot would have to chip in for their share and/or how that might ultimately impact the cost of the sewer project that was involved in the TIF. He added that he just wanted to point that out as he was concerned that that was going to change the game significantly.

Mr. Moynahan said that he thought that the construction piece of it wouldn't change, what Eliot was putting in the ground within Eliot borders; that that was certainly something they have discussed in the past with Kittery with potentials out there for upgrades if the feds required that. He added that the rationale has been: the more users, the less burden; that if there were only a certain number of users currently to pay for that \$25 Million potential, then they would be stuck paying for that entire thing, as currently it was a user-based system.

Mr. Reed said that a red flag for him was that their IMA was set up that they were signing up, at the beginning, for increased usage, which would affect the balance of how much Kittery paid and how much Eliot paid and any changes in requirements would be proportional to that percentage that was changing this time.

Mr. Murphy said that Eliot had already been participating, of course, with capital improvement costs at the plant going back to 1993; that they were near the end of paying the bond issued for that. He added that the IMA was currently written so that Eliot would participate in capital improvement costs both at the treatment plant, as one element of capital improvement, and in the sewage collection portion that was shared, which would be the gravity line at the point of entry, Pump Station #7, and the force main from #7 to the treatment plant and that any capital improvement costs there Eliot would have to share in, also. He added that the problem Mr. Reed addressed, which was any required upgrade in the treatment caused by DEP requirements for nitrogen reduction, etc. would probably affect only the wastewater treatment plant, itself. He added that they would agree to pay a portion, which would be the amount of Eliot's reserved gallonage and, in the current contract, was 200,000 gallons per day as a fraction of the plant's treatment capacity of 2.4 million gallons per day that was current. He added that that was the way that the IMA was being written so that would go into the future that way. He said that, if the plant was enlarged, in terms of its capacity, then that may alter this formula but, if it didn't get enlarged in terms of capacity but did become more complicated and expensive because of the treatment that was taking place – that water was treated more extensively – but it couldn't handle any more per day to the plant; that that may affect by their ordinary standards right now and they were prepared to accept that. He said that, if they altered the size of the plant so that it could do more than 2.4 million then, perhaps, they would be changing and deciding when that cost was going to be coming in. Mr. Murphy said that, if there was no change in the size of the plant, then the amount that Eliot would be paying would be 200,000 gallons over 2.4 million gallons of any capital improvement costs.

Mr. Reed said that the numbers 200,000 over the 2.4 million they could use to calculate the percentage of Eliot's responsibility for plant upgrades, asking if that was now or in the future.

Mr. Murphy clarified that that was now and for the future.

Mr. Reed said that the IMA that Eliot was working on was not going to change Eliot's balance over what Eliot had now.

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Mr. Murphy said that that was the ratio built into the IMA right now - 200,000 gallons per day divide by 2.4 million gallons – was the proportion of capital improvement costs for the water treatment plant.

Mr. Reed asked if the IMA was in effect now.

Mr. Murphy said no; that they had a preceding contract going back to the 1993 arbitration adjustment of the 1984 contract.

Mr. Reed asked what the number of thousands of gallons that they had reserved now as opposed to the initial number.

Mr. Murphy said that they had 200,000 gallons per day.

Ms. Davis asked how that would change if the TIF sewer passed.

6:03 PM

Mr. Murphy said that they would then amend this and the expectation, now, was that they would add 200,000 but they could change their minds and go with something less than that; that they were not committed at the present time to any particular increase in the amount; that they have talked about doubling it in the past to 400,000 per day and that was still recommended; that their advisors still considered it a bargain to purchase it at this time at the prices that were talked about.

Mr. Pomerleau said that, on that same issue and he first got wind of that last night at the SC meeting, as he remembered the original TIF proposal part of the explanation behind that was that Eliot's share of capital costs with Kittery was going to go to 16%; that he didn't know where it was now, percentage-wise, but 16% of \$25 million was \$4 million that appears that Eliot has some potential of facing if the standards were imposed on Kittery. He added that he thought that the point everyone was after was that the expansion of the sewer was going to come with a substantial expansion of fees to Kittery if this new standard was forced on that sewage treatment plant.

Mr. Murphy said that was true.

6:05 PM

Mr. Dunkelberger said that he didn't know where the 16% came from and had never seen the figure but, ever since he has started reading any of the sewer documents, the formula that Mr. Murphy mentioned was the one that was discussed from the very beginning; that he remembered because he insisted on a change in wording to ensure that it was based on the Kittery sewer system's full capacity. He said that there was no definitive answer as far as whether Kittery would have to make any modifications, or not, because Kittery was on the river side and may not be subject to the same EPA-defined requirements as those that dumped directly into Great Bay. He added that, if it did happen, it seemed to him that they would want to spread the potential costs out to as many users as possible; that even if they were to increase the amount they were looking to acquire, as far as reserve capacity, and he didn't know what the SC had planned regarding billing, but he would think that the bills could be adjusted to account for the higher-rate users versus the normal, residential users. He added that that would still spread the 'pain' amongst a larger number.

Mr. Pomerleau said, for just a clarification on the 16%, that he was relatively certain that that was on an Underwood document for a presentation to the public and it shouldn't be that much of a mystery; were they committed to 16% of the capital improvement costs or weren't they.

Mr. Moynahan said that they had Mr. Pratt from Underwood Engineers here tonight and he didn't know if Mr. Pratt, without having the paperwork in front of him, could speak to that.

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Mr. Pratt said that he did have the paperwork; that they did present in May of last year that, if Eliot purchased 400,000 gallons total, which was an additional 200,000, and they ended up signing the IMA with that ratio, then it was 16.7% of the total capacity; that 400,000 divided by 2.4 million was 16.7%.

6:08 PM
#4

TO : Board of Selectmen
FROM : Chairman
REF : Preparation for March 14 Public Informational Meeting

Mr. Moynahan said that they had a public informational meeting at 6:30 PM with Underwood Engineers who would present technical data on the Route 236 Sewer Extension. He added that his objective with this was to decide how they wanted to approach this; were there any directives or any guidelines the Board would like to have or specific questions they thought were pertinent to get answers and information to the public who may attend this. He added that Mr. Pratt was attending tonight's meeting for this very reason; that he may have some insight or some thoughts, as he has been through some of these in the past and has been attending SC meetings and Board meetings, fielding and listening to some of the residents who have expressed comments or concerns. He said that he was hoping that, collectively, they could be prepared for this so that they were not going to be fielding questions that they didn't have answers for; that they had gone through this enough that they should be better prepared. He asked if Mr. Pratt would like to share his thoughts on what he saw happening with this or more prepared based on some additional questions that were asked that they weren't, as a group, ready for.

Mr. Pratt said that he was always more prepared. He added that he thought that what they were planning on doing was to do a Powerpoint presentation, again, feeling that that would be the best medium to present it. He said that the project hasn't changed so they were really presenting the same project, but, there was a lot of information in the previous slides, so he thought that they would pare down some of the information and put in some refreshers on it. He added, that based on the last six months or year since the vote, they felt because of some of the questions that were raised more focus needed to be put on the pump station improvements, the actual improvements that were being made on the existing infrastructure, and why, and what happened and what kind of recommendations has Underwood made if the TIF didn't get constructed, so, they were prepared to beef that part of the presentation up. He said that they were also going to spend more time on the rates and the impacts to the users so they would be prepared to actually cite percentage increases under various scenarios so that people could see what, in their opinion and based on the calculations and their estimate of the impact on debt and operations, the rate impacts would be. He said that that would be a function of what the Board ultimately decided on how much they wanted to put on existing users and how much they wanted to give on the TIF. He said that it would be presented on Thursday sort of as 'this' was kind of the span that Underwood recommended and, ultimately, it would be the Town's decision. He added that they did review some of that at the SC meeting last night so the SC has seen those numbers. He said that some of the discussion he was hearing tonight might be worthy of talking about a little more, too.

Mr. Moynahan asked about actual construction schedules, costs, what their preliminary work did to avoid cost-overruns, potentially; that he thought the \$6.5 million budget that they received, as a Town, was a not-to-exceed based on the information that they had so he thought that they would probably want to speak to that, too; that in other circumstances, this was what they have estimated for costs, have they run into cost overruns, how did they deal with that; that the Town was signing one check and that was to encompass as far as they could go. He added that he knew that they had talked in the past that they would build it as far as they could to that money amount; that they knew they could build 'this' much, that

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they might be able to build more. Mr. Moynahan said that he thought that from engineers and professionals was the way to express that to the residents, not from Board members, up here, because Board members were not the professionals.

6:12 PM

Mr. Pratt said that they could certainly do an update on that; that he thought that there were questions raised to them as to whether things needed to be looked at, again, and Underwood was comfortable with their number this year. He added that it was their feeling that, if it didn't pass this year, then they would probably need to look at escalation costs because of changes in construction costs; that they did maintain a data base, they did put a lot of sewer construction out, so they did use that when they priced it and he could put a slide up on how they carried that and what kind of contingency they could do, etc.

Mr. Moynahan said that he thought that that would be helpful.

Mr. Dunkelberger asked if they would be able to talk financial numbers as far as the potential cost to the Town of a bond, how much they were actually going to finance and any of those details with regard to that low-interest loan that was part of it.

Mr. Pratt said that last year, when they presented this, it was a \$6.5 million project; that they calculated the user rates based on borrowing \$5.5 million, with the idea that the Town had \$1 million in cash that was built up already. He added that they were going to stay consistent with that, although, the Town may end up having a little bit more but, for the purposes of Thursday he was still going to use \$6.5 million project with \$5.5 million debt and calculate it based on that. He said that the SRF (State Revolving Fund) money was committed to them last time; that they had offered the Town a low-interest loan of 1% and the project didn't pass last year; that they haven't been able to commit to the Town this year, again, so he wasn't sure they could still get it; that for the purposes of the meeting he was going to assume a municipal bond, which meant that the rates would be a little bit higher. He added that they were still working to get the SRF but, right now, they were not sure. He reiterated that he would run it at a \$5.5 million bond and, then, he further broke it down, explaining that that bond included the \$1.1 million as the number that included upgrades to the existing stations to improve what was needed, so, he would further break that down to show that impact. He said that one of the discussions they had last night with the SC was how to assess that and he would have a scenario for Thursday that showed that, if they assessed that to the existing users, what the existing users would be paying.

Mr. Reed commented that Mr. Pratt has been very open and very prepared presenting figures for all the things that he covered. He said that what he thought would be important to move this whole thing forward to get people to vote on it positively at Town Meeting would be a real thorough going-over of what Mr. Pratt mentioned about user fees and impacts and whatever structure Underwood and the SC has put in place so that the appropriate costs were taken care of, whether they be gallonage fees or reserves for equipment repair or to replace the equipment once it wore out, so that they didn't make the same mistake over again.

6:18 PM

Mr. Moynahan said that Mr. Reed was 100% right and he thought that the Board felt that, also; that they had tasked the engineers to work on that after the last public meeting because he didn't think that they were prepared, really, for that piece, even though they knew it was important, they weren't prepared on compiling that information so they did task the SC and engineers to work on that.

Mr. Pomerleau said that he had heard the draft proposal last night and he went through it in some detail today; that he could only tell them from his perspective what he didn't see, and Mr. Pratt may have that in the works. He added that he didn't see an overall projection on user fees encompassing the entire sewer; not just the current one, but with the Route 236 sewer added to it. He said that they

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needed to define who the users were going to be; were there going to be two different sets of users – a Route 236 user and a South Eliot user – with different fee structures or were they all users under one system; how would they calculate user fees for the system as it grew, as there was going to be a smaller number in year one than there may well be in year ten. He added that what they didn't have anywhere in their proposal, at all, was any calculation on upgrade and maintenance fees or capital improvements twenty years down the road; which everyone knew was said they would learn the lessons from the old sewer because it wasn't done and they sat there with this bill because the fees weren't sufficient enough to provide for the monies now. He reiterated that there was nothing in his presentation to prepare for that and that would be a real interesting scenario to see in how that would be calculated when they didn't have a precise number of users over twenty years.

Mr. Moynahan said that some of that was in Mr. Pratt's rate study work.

Mr. Pratt said yes; that that did come up yesterday and they were tasked to do that. He added that he could bring some 'typicals' for Thursday so that, at least, they would have some idea; that it might be a range, reiterating that they were tasked to do that and he was comfortable, on Thursday, having some ideas on that.

Mr. Moynahan said that part of going forward with this was in their ESR #7, also, as far as some of the informational things and the continuation of rate stats and that was really the biggest driver of one of their past agenda items.

Ms. Murphy asked, if the Route 236 expansion went through and the wish for the development didn't develop, would that also include numbers of how that would impact current sewer users because they would be responsible for that entire piece.

Mr. Moynahan said yes; that Underwood would give a comparison of that whole thing.

Ms. Davis asked if they had heard any response from the attorney about what part of the existing repairs could be done with TIF revenue.

Mr. Moynahan asked Mr. Blanchette if they had gotten anything back from the attorneys; that he knew that Underwood had responded.

6:02 PM Mr. Blanchette said that he forwarded that to the attorney and he got a phone call back from Ms. Fortin yesterday and she said that she would have something in writing, hopefully, by Friday, or Monday at the latest.

Mr. Pratt asked if there was anything Underwood could do to help get the notice out.

Mr. Moynahan said that every last bit helped; that he has had this advertised for months; that he set up a calendar for all these public items; that they have had it on the website, as a separate entity; that he thought that the website had E-alerts for this type of thing.

Ms. Rawski said that it was already on the website and she believed it was going in the newspaper, that it was on the home page as a "Save the Date" for next Thursday; that it was on the BOS agenda page because the BOS was sponsoring this; it was going on the E-alert for Monday; that it has touched every piece of electronics that she could get it on, plus, it was going to the media.

Mr. Moynahan said that, even with that said, that no matter how hard they tried to put this information out they never reached everyone.

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Mr. Murphy wondered if arrangements were being made to record the meeting, as Town Meeting was done.

Ms. Rawski said that that would be via Mr. Blanchette and Ms. Painchaud for the coordination of that. She added that she wasn't sure that the request had come in from the SC or the BOS to have that taped, yet. She added that that could certainly be done.

Mr. Moynahan said that they had not talked about any of that, as far as this Board. Mr. Beckert said that he thought that they needed to do that.

Mr. Blanchette said that he was planning to have that done (video).

6:23 PM
#5

TO : Board of Selectmen

FROM : No correspondence

REF : Discussion on proposed insurance and benefit packages Policy

Mr. Moynahan said that they had talked in the past about insurance and benefit packages for Town employees, both current and future. He asked if the Board wanted to discuss any type of policy, or whatever, to increase the current contribution from 5% single and 25% family to 10% single and keep 25% family the same; that that was discussed last year, with the goal to do a 1-, 2-, and 3-year potential and any employees hired after April 1st (he just picked a date) to start contributing more – 20% single and 50% family. He added that this was more to start discussions; that they were at the end of their budget cycle so this would be a critical piece, if they were going to make any of these types of changes.

Mr. Dunkelberger asked where he got the 20% and 50% figures.

Mr. Moynahan said that, in sitting through union negotiations in the past, the information provide was that 17% was the average in local communities for single and the 50% he thought he had seen in that, as well. He added that he could be wrong; that this was just for conversation and that was why it was here and not on any other form.

Mr. Dunkelberger said that it would be interesting to survey the municipalities around Eliot to see what those were before the Board did this because that was what they competed for, for a workforce.

Mr. Moynahan said that he did have some information on a specific faction of employees within towns but it may not tell the whole tale. He added that they were coming into this and this became less negotiable if there was not something, in writing, as far as benefits; that it would be a little harder to negotiate for any future employees was more the emphasis he had in mind with this.

Mr. Dunkelberger asked if the Board wanted to do this, now, or potentially wait to see if they got some professional help with regard to a wage study.

Mr. Moynahan said that, if the wage study took into consideration salary and benefit packages, then he would be more than happy to wait for that.

Mr. Dunkelberger said that he hoped it would because that was part of the compensation package.

Mr. Moynahan said that they could approach it that way and was something that they should certainly consider.

Mr. Dunkelberger said that, if it didn't pass on the warrant, then maybe they could take it on themselves.

Mr. Moynahan agreed; that last year they talked about a 5-, 10-, 15% contribution for current employees but the emphasis was on any future employees.

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At this time, Mr. Moynahan said that they had a brief executive session to take and, if they could take this out-of-order because they did have a Town employee here past time. He added that this pertained to some personnel issues.

6:25 PM

Executive Session

Mr. Dunkelberger moved, second by Mr. Beckert, that the Board of Selectmen enter into executive session as allowed by 1 M.R.S.A § 405.6.A "Discussion or consideration of the employment, appointment, or assignment...such as the discussion of hiring an individual."

VOTE

4-0

Chair concurs

6:55 PM

Out of executive session.
There was no action taken.

6:56 PM

#6

TO : Board of Selectmen
FROM : No correspondence
REF : Budget review and discussions

Mr. Moynahan said that he put a reminder in there for everyone that the final recommendations were due March 21st, based on their conversations and, next week, they were going to be interrupted by a public hearing that was pre-scheduled. He added that he hoped people had given some time and thought; that they had had a lot of requests for information from the BC, and the Board, to department heads; that he thought that they had supplied that information back to them. He asked if anyone had given thought to the budget for this year.

Mr. Dunkelberger said that he has; that he had some suggested changes and asked if Mr. Moynahan wanted him to send those to him.

Mr. Moynahan said that they could talk about them right now; that he had printed his out to share with everyone.

Mr. Dunkelberger said that he hated to admit it but he did not bring his budget book with him. He added that, if they could send them to Mr. Moynahan and, then, if he could send the Board members a compilation, it would give them something to think about coming into the meeting; that that may, itself, generate a little more active discussion.

Mr. Beckert said that he agreed with Mr. Dunkelberger to compile it all on one list.

Mr. Moynahan said that he was going to pass out his list; that it was broken down by department and there was some language for next year's budget discussion, which they had already taken up. He added that, if anyone had budget recommendations to forward them on to him, then he would compile them into a list and, at their next meeting on March 21st, they would be tasked to complete 100% of the budget.

Mr. Fisher asked a point of order. He asked if there was a difference between Mr. Dunkelberger going to Mr. Moynahan's house and talking to him or any of the other members meeting someplace and talking, than sending an email to each other. He added that he believed it was illegal for them to have correspondence on the outside as well as any conversation outside.

Mr. Moynahan clarified that if there were three or more of them that were having conversations as it related to Town business, then that would be improper. He added to have a Selectman forward on their thoughts would be no different than how the BC shared their information – they compiled and forwarded them on. He said that the Board was not conducting Town business; that they were forwarding

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March 7, 2013 5:30PM (continued)

on to him, basically, agenda items that he compiled and put together in front of everyone.

Mr. Fisher asked if the public got to look at that.

Mr. Moynahan said absolutely; that he could look at his (Mr. Moynahan) list if he wanted; that he printed out some copies. He added that it wasn't anything that they had finalized; that they hadn't agreed to anything he had put out here; that these were his thoughts based on the budget discussions the Board has had and they were waiting for other member's thoughts in the same way.

Ms. Davis said that Mr. Reed was asking her if the BC thought they would like to see Mr. Moynahan's thoughts but she realized that this was preliminary work that he would be providing them with and they could get a copy later.

Mr. Moynahan said that she was more than welcome to his copy; that the Board would give them everything that the Board compiled; that they would probably want more of what the Board had collectively compiled, at that point, as his points might not be agreeable to everyone on the Board.

7:02 PM

Ms. Davis said that she thought that the intent of the law was that no committee was conspiring to outwit the will of the people so, when the Board was talking to each other and deciding what they needed to present to the public, then they needed to have time to work on those things prior to presenting them so, unless the Board was being devious and corrupt, then the Board should be able to work together and get these things prepared for them.

Mr. Moynahan said that he had things prepared for the Board to discuss; that they had had budget discussions but not everyone else was ready just yet. He added that it was a budget that everyone was working on at their own pace; that he was trying to put it on each week's budget Board discussion, trying to get them all closer to that final stretch; that that was what they were tasked to do.

Ms. Davis said that she just thought that, to get the best outcomes, sometimes the Board members needed to talk to each other and figure out where they were headed.

Mr. Moynahan agreed, but added that that could only be here (in public meetings) with the five of them. He added that he was more than willing to talk about budgets, now, if Mr. Dunkelberger could remember, off the top of his head, some of the things he was thinking, and then they could talk about them.

Mr. Dunkelberger said that he would rather not...

Mr. Beckert said that he would rather take these and go down through each, as Mr. Moynahan had them listed by sections.

Mr. Moynahan said that he tried to list them by each department.

Mr. Dunkelberger asked if they could look at the capital improvement plan (CIP).

Mr. Moynahan said that, personally, he would like to see that consistently at whatever it was; if it was \$200,000 a year and, then, the Board made the decision as to what department was funded for what capital improvement they were looking to have done in the future. He added that his problem with CIP plans was that they funded it this year and it was spent this year; that that was not capital improvement but just another budget line item at that point. He said that he really had an issue with that; that he thought they should be setting up a CIP for five years, at least, into the future and not for tomorrow's expenses. He added that it

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was a great tool and they were in the beginning steps of it but they should set it up properly.

Mr. Dunkelberger said that he shared Mr. Moynahan's feelings on that in looking at the numbers provided to the Board by department heads. He added that he had some suggested adjustments.

Mr. Moynahan said that they should reflect those in their thoughts at their next meeting; that they could start talking about it before the public informational meeting, if the Board wanted; that they could compile them for next week, have them ready, then have a brief conversation and, maybe, pinpoint what they wanted to show, what they might all be agreeable to, then have that prepared for the March 21st meeting. He asked the Board if they could all be prepared for that by next Thursday, anything that they would like to see or have discussed.

The Board agreed.

Mr. Reed said that what he was hearing from the Board members was something that the BC has come across this year, as well; that this year was going to have to be a transition year where they were dealing with capital improvement things that were immediate as opposed to the CIP, which was forward-going. He added that maybe this year the total capital improvement budget for the Town might not be quite as big as it would be if they were at a steady state with that.

Mr. Dunkelberger said that he would have to look at his numbers, again, but he thought he tried to keep it pretty steady all the way across.

7:05 PM

Mr. Moynahan said that there was one other budget item the Board should discuss. He said that they had talked with the Public Works Director about a salary adjustment from hourly to salary; that Mr. Moulton had given the Board a memo in regard to what he would consider a good wage correction, which recommended utilizing a 10-year base plus 10% of salary of \$84,564.48. He added that that was based on income to-date since his employment with the Town of Eliot; that it indicated how many hours he worked, how many comp hours he had, etc. Mr. Moynahan said that the Board has had this discussion with Mr. Moulton in open meeting. He added that he did verify with the Treasurer what the actual steps would be prior to overtime so the information Mr. Moulton provided has been confirmed, saying that that was just for the Board's knowledge because he thought that the Board was tasked to do that. He added that this was a big item for this year's budget, also; that they had talked about possibly converting this back to a salaried position and asked if anyone had given thought to the recommendation or suggested amount that the Public Works Director has given.

Mr. Dunkelberger said that he confirmed the figures, as well, and thought that what Mr. Moulton offered was overly generous to the Town for what the Town got in the way of services and support from Mr. Moulton. He added that he would like to see the Board move forward with converting it to a salaried position.

Mr. Beckert said that he was pretty sure that, at the last meeting, they said that they were going to convert it to a salaried position so it was just the details at this point.

Mr. Hirst said that he was hired on a salaried position and he thought Mr. Moulton should go back to that.

Mr. Moynahan said that the recommendation here or some of the discussion was that the salary be a 10-year base plus 10% of salary for \$84,564.48. He said that that would be the salary correction proposed for this next fiscal year.

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7:08 PM Mr. Hirst moved, second by Mr. Dunkelberger, to convert the Public Works Director, Joel Moulton, to a salary-based position of \$84,564.48 effective July 1.

DISCUSSION:

Mr. Fisher, addressing the salary, said that he didn't care who got what but, now, they were putting that right into the same category as the Police Chief, almost the same pay scale. He added that, if they evaluated that, the Police Department was an unsafe working condition and the Police Chief's salary was almost always higher than other department heads because of the safety factor – that he could get shot stopping a car. He added that Mr. Moulton's safety factor wasn't that large and was wondering if that should be either...(could not hear over the chatter).

7:10 PM Mr. Pomerleau said that he didn't have any particular number in mind as far as what the value of it was but given that they were not putting this into effect until the beginning of the next fiscal year and they wanted to wait on other similar items for the potential wage study, then wouldn't it make sense to wait see if they had, in hand, so that they could then do a market study evaluation of what his position was worth. He asked why that would be different, if they were going to go down that road hiring someone; that that was a great thing to through into the mix.

Mr. Dunkelberger said that his take on this was that they could continue to accrue comp time and/or overtime, which was why he said that this was a great benefit to the Town, because his comp time and overtime exceeded his salaried position and he didn't expect somebody like Mr. Moulton to slow down. He added that, to him, this was a slam dunk no-brainer benefit to the Town as well as Mr. Moulton.

Mr. Moynahan said that, just for people's reference, 113.5 comp hours were due, currently, with the Public Works Director.

Ms. Murphy said that his would be based on a 40-hour salaried position and asked if he would never accrue any comp time whether he worked 40 hours or 70 hours.

Mr. Moynahan said that a true salaried position was not eligible for that; that it was straight salary.

Mr. Pomerleau asked, addressing Mr. Dunkelberger's point about avoiding future costs, didn't they already decide that it wasn't going to happen until the beginning of the next fiscal year. He further asked how that could possibly change by waiting for a compensation study, if they did one; that whatever costs were going to occur would occur whether they made the decision tonight, or not.

Mr. Moynahan said that he thought that it was more budget planning; that the salary was going to save the Town, whether it was \$2,000 or \$10,000, and was a point of consideration for next year.

Mr. Fisher asked if this amount of money he would eventually get would include travel and that type of fringe benefit.

Mr. Moynahan said that that would be no different than what was currently offered; that the benefit package didn't change; the ability to have a vehicle to go to and from home, as he was in an abutting town, did not change; that nothing change outside of changing from an hourly other than the ability to have overtime or comp time versus a salaried position. He added that that was all it really was – a step classification. Mr. Moynahan said that there was a motion on the floor; that there had been discussion from the public and asked if there was further discussion from the Board as it related to this.

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DISCUSSION ended.

7:12 PM

VOTE

4-0

Chair concurs

Mr. Moynahan said that they would change the classification to a salaried position. He asked that that be adjusted in the budget books and adjust any overtime expenditures that were planned for so that they could see those from Mr. Moulton that would be helpful.

Old Business (Action List):

This was not discussed tonight.

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
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

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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

7:13 PM Mr. Blanchette said that they should clarify if they were going to have a BOS meeting next week beginning at 5:30 PM and, then the public informational meeting beginning at 6:30 PM, and where the Selectmen's meeting would be.

Mr. Moynahan said that the Board might have a little business before the public informational meeting and suggested they start the Selectmen's meeting here (Town Hall) at 5 PM or 5:30 PM, then adjourn for a period of time, then go to the school to start the public hearing after. He added that that way they would have the ability to take up some business here; that they would not have that same ability at the school; that if no one was opposed then that was how they would advertise and set that up.

The Board agreed.

Mr. Blanchette asked if they would start the BOS meeting at 5 PM.

Mr. Moynahan agreed they would start at 5 PM; that that would give the Board time and, if they had to adjourn for a time, then that was fine with the Board. The Board agreed.

Adjourn

There was a motion and second to adjourn the meeting at 7:14 PM.

VOTE

4-0

Chair concurs

DATE

Mr. John J. Murphy, Secretary