

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM

Quorum noted

6:00 PM: Meeting called to order by Mr. Moynahan.

Roll Call: Mr. Moynahan, Mr. Dunkelberger, Mr. Murphy and Ms. Place.

Absent: Mr. Fernald.

Pledge of Allegiance recited

Moment of Silence observed

Approval of Minutes of Previous Meeting(s)

6:02PM Motion by Mr. Dunkelberger, seconded by Ms. Place, to approve the minutes of March 22, 2012, as amended.

VOTE
3-0
Chair concurs

Motion by Mr. Dunkelberger, seconded by Ms. Place, to approve the minutes of March 29, 2012, as amended.

VOTE
3-0
Chair concurs

Motion by Ms. Place, seconded by Mr. Dunkelberger, to approve the minutes of April 4, 2012, as written.

VOTE
3-0
Chair concurs

Minutes of March 8, 2012 were postponed until the next regular meeting.

Public Comment:

6:04 PM Ms. Brandon, discussing last night's meeting where the employees had come to speak, said that she was at work when the meeting started and that the meeting was announced to her at 8:30 that morning. She said that she heard a couple of comments when she watched the video of that meeting by employees asking why the people who had been coming to meetings not present. She added that she wanted it on the record that she thinks that people just didn't know – they were gone to work when the announcement came out and; by the time people got home, the meeting was almost over. Ms. Brandon said that it was no criticism about anything but did appreciate that they did have the video so that people could hear the employee's perspective later on.

Mr. Pomerlau said that it was discouraging to hear those comments on the video last night because the innuendo was that people weren't at that meeting because they didn't dare face employees. He added that with all the discussions he had had with many people throughout this process there had never been a single, disparaging word spoken about the Town employees – everyone he had talked to had expressed nothing but admiration and respect for their efforts and efficiencies and has never been the issue. He said that he was afraid that the major point was missed – it is not about Town employees – it is about citizens struggling to make ends meet. He added that 20% of the population (500 households) in Eliot live on incomes of \$20,000, with another 20% on top of that that live on incomes under \$45,000, saying that that was 1,000 households in Eliot that fared far worse off than most of the average employees in the Town. He said that it was not about knocking the employees but an accumulation of years and years of increasing taxes. Mr. Pomerlau said that the Budget Committee (BC) has consistently made the effort to address the problem of personnel costs. He added that some people could no longer tolerate the yearly increases in taxes – they just don't have the money. He talked about the number of people who are unemployed, without health insurance, that these are difficult

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

economic times for so many citizens in the Town. Mr. Pomerlau said that it wasn't fair to pit this against the employees, that's not the case – the people need relief. He discussed that the Town has been robbing the reserve funds to pay for tax increases and they could not keep doing that, adding that it didn't solve the problem and was putting it off until next year – and next year there would still be the same problem and less money in the reserves to bail it out. He compared it to a household paying their bills out of their savings account – they were not addressing the issues.

Mr. Moynahan said that he appreciated Mr. Pomerlau's sentiments toward the employees but they would be talking about the budget later on in the agenda, clarifying that the Public Comment section was for things not on the agenda.

Ms. Fournier asked, when the budget was being drawn up, if the Board could use last year's numbers that department heads could use to determine how they would achieve those numbers in the current budget cycle.

Mr. Moynahan said that he thought they could have a discussion about that during the budget portion this year – that they have a good start on a consistent budget format process for all the department heads for clarity and understanding.

Department Head/Committee Reports:

6:10 PM

Mr. Muzeroll discussed EMA funds. He said that this community survived

Hurricane Irene relatively unscathed, however, 3 of the 4 departments sustained costs related to the storm that is recoverable through FEMA application and that he, Mr. Moulton and Mr. Short applied for reimbursement together. He explained that some of the costs were covered by the Town's insurance policy. He said that Mr. Moulton had about \$21,000 in damaged equipment, mostly to the sewer department and, of that, \$19,995 was covered by insurance, with a \$1,000 deductible. He added that, of the \$1,000, they had started receiving what would total about 90% of that figure. He said that that left Mr. Moulton with about \$15,000 of reimbursable costs from FEMA, that the police department had \$2,500 of reimbursable costs (labor and vehicle), and the fire department had about \$4,600 of reimbursable costs. Mr. Muzeroll clarified that the majority of the reimbursable costs were what they actually had to spend money on. He said that they had received two checks, which was 75% of the \$18,786 that was approved for non-insurance reimbursement (FEMA), for distribution among the departments. Summarizing, he said that for everything they put in for they would get 90% of the money back – they had \$18,786 and expected to get back \$16,907, which did not include the Town's share. He said that the department heads would like to, as they have in years past, do was to take their recoverable money, reimburse their budgets where they have spent the money and, with the remaining funds they were allowed to claim through FEMA, they would like to put in a separate line item account for all things FEMA for each department. He explained that they would like this to not be turned back in to the General Fund, but kept from year-to-year to be used for storm equipment – barricades, radio items, training, travel – whatever they need to do all things FEMA for each department – they were not looking to combine the money but keep it separate. Mr. Muzeroll said that they did this last year – they set FEMA money in separate accounts, reimbursed their department first within the budget year and kept the money separate in each department's line item. He added that they have a warrant article with language to accept all funds and distribute accordingly with your (Town) permission.

Mr. Murphy said that he would assume this would have to be done every year, as he did not think the Board could decide future decisions.

Mr. Muzeroll said that it would have to be done every time the departments received FEMA funding or should be done every time they received FEMA funding. He added that the four department heads have talked, departmentally, about the fact that there is a short-fall for things even as simple as barricades should the Town have a major catastrophe, so they could stockpile these types of things in readiness, get the emergency operations center running a little bit different from what it is currently, etc. He added that he supposed there might come a time when they were sitting on a large sum of money until the next storm or the next big event and that money would allow them immediate expenditures that may not be available in the budget.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

6:20 PM Mr. Dunkelberger clarified that each department maintains a small FEMA account.

Mr. Muzeroll clarified that that was what they were trying to set up now and have discussed with Ms. Spinney, rather than throw it all in together.

Mr. Dunkelberger said that he thought that would be easier.

Mr. Muzeroll said that it was easier if the department head knew how much money each of them had because, in the recoverable costs portion of that, each of them have different recoverable costs – they had individual costs and individual needs in each department. He discussed that the departments had talked about the pros and cons of keeping pooling the money into one account versus separate accounts and that separate accounts let each department know how much they had and seemed to be the best way to go.

It was the consensus of the Board to move forward with separate FEMA accounts for each department.

Mr. (Frank) Murphy questioned if that wasn't just making the Town government bigger; isn't it the process here to keep the taxes lower and to make government smaller, adding that they want to add more accounts, more reports, more business and make the Town government bigger.

Mr. Muzeroll explained that, if they went out right now that FEMA declared a disaster, the Town has incurred costs...

Mr. Murphy said that he understood that but he (Mr. Moulton) would get his barriers and Mr. Muzeroll would get his flagmen – the disaster would not stop the help or the work from happening. He said that they were asking for a reserve in case this happens.

Mr. Muzeroll clarified that what he was asking for was to take the money that FEMA says they can have...

Mr. Murphy said that that should go into the General Account to pay for everything because it came out of the General Account, didn't it.

Mr. Muzeroll said absolutely not, that it came out of the individual department budgets. He explained that FEMA says that Mr. Moulton's trucks are worth so much money an hour, fire trucks are worth so much money an hour, Mr. Muzeroll's labor rate was \$10 an hour but Mr. Moulton's may be \$20 an hour. He said that the primary focus, here, was to take the funds that FEMA has approved for reimbursement and reimburse their budgets so that it did not come out of the General Account.

Mr. Murphy said that he understood all that and what they want and where they want to go.

Mr. Muzeroll said that he was just trying to get the money back and he understood what Mr. Murphy was saying...

Mr. Murphy said that he kind of agreed with Mr. Dunkelberger that it just should go into the General Fund – not create all this extra government.

Mr. Muzeroll said that it was not extra government in his eyes, adding that, if it went into the General Fund, then the departments had no way to access that other than every year through a warrant. He said that it did not give him the opportunity to say, "I need four generators right now and here's the fund I want to take it out of.", because it was sitting there waiting for him. He added that they collected interest on that and it wasn't sitting in the General Fund. He added that they were not looking to create more government because that portion of the government was already there, the ability was already there. He said that they were looking to better utilize a small portion of the funds that have been allocated to the departments. He added that it is not a burden to the taxpayers because they weren't asking to take anything out of the

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

General Fund, they were asking to utilize money that the federal government and the State has given them back, for a change.

Ms. Fournier said that she understood exactly what Mr. Muzeroll was saying and that it made perfect sense to her. She suggested they put together some language in a warrant article so that it could be voted on every year.

Mr. Muzeroll said that it already does, as long they have that warrant article every year to accept funding from grants, reimbursement, etc. He apologized for not having that language in front of him. He added that that warrant article has been a standard article for more years than he has been around, adding that he would be more concerned if that article was missing. He said that, as long as that article is there, in his eyes, then it allows them the opportunity to discuss it in open forum as to what they want to do with the money individually.

6:25 PM

Mr. Muzeroll discussed Monies from Sale of Equipment. He said that he had a firefighter here about a year ago that required extraordinary sizing in his fire equipment, adding that he had to order fire gear, which was a substantial amount of money (\$1,450), and, within six months of that expenditure, the man left and moved to South Berwick. He added that South Berwick ended up having the same problem and he negotiated a deal with South Berwick to sell that gear for \$900. He added that he has received that check and would like to use that check to supplement his new equipment gear account for this year, as he needs to buy gear for his guys.

Mr. (Jack) Murphy asked Mr. Blanchette if this was legal. He said that, with this particular kind of money, they sold some property, which was a different thing than FEMA reimbursement. He asked if that would have to go into the General Fund, by law, or could they distribute it somewhere else.

Mr. Blanchette said that he did not know for sure. He added that he thought that, if they received it under a ledger-type account, then it could probably be handled that way. He said that if they were going to continue doing that then they probably should change the article under which the authority to sell personal property is and make sure they have included in there that monies could be used for whatever. He added that he did not think the article was very specific about the way it says that right now, so he thought they just needed to sharpen that article.

Mr. Moynahan clarified that they needed clarification on what manner they could do that, whether it would be added to a C.I.P. or would have to go in the General Fund, then paid to the department head from there.

Mr. Muzeroll asked the Board if he could give the \$900 check to Ms. Spinney or Mr. Blanchette to do something with.

The Board agreed that he could do that.

A member of the audience asked how that differed from the Pancake Breakfast money that went back into the Fire Department account.

Mr. Muzeroll said that the budget for the maintenance and operation of the Fire Department is funded by the taxpayers and the Pancake money doesn't have to do with the Town, at all, it has to do with the Fire Department and the guys, themselves. He explained that it was a fundraiser that they used independently of the Town taxpayer to support scholarships they take care of, etc. He clarified that the difference was that that check was made out to the Town of Eliot, on purpose, because the Town of Eliot paid for that gear – the Fire Department, the guys, did not buy that gear.

6:29 PM

Mr. Muzeroll discussed the Fire Vehicle Time Frame. Mr. Muzeroll said that Mr. Dunkelberger had some questions about fire truck CIP's and how it trickled out to the future. He explained that, every year, he was asked to project when and how they want to replace trucks and throughout the budget process, he has said that, historically, they looked to roll trucks over every 30 years. He said that those present who were a little older, were old enough to realize what they bought years ago would

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

last 30 years for automobiles and fire trucks have kind of taken that same route. He said that 25 years is about all they can get out of a truck and it was recommended for busier departments to replace them at the 15-20-year mark. He added that they see 200 calls a year and 5,000 to 6,000 miles on each vehicle so he kind of settled a few years ago on the 25-year mark that they be prepared to go out to bid, which actually puts it out to about the 27-year mark when a truck would arrive. He added that, if they went out to the 30-year mark, it has been his experience that after 25 years they may be looking at more repair money than it was worth, ending up throwing good money after bad. Mr. Muzeroll said that he fine-tuned his CIP and handed out a graph to the Board. He said that it was hard to predict what something was going to cost 15 years from now. He said that the truck they were looking to replace was the 1996 and was looking to replace it in 2021, which puts it at the 25-year mark. He said that that truck cost between \$190,000 and \$200,000 in 1996 and, using a 3% inflation factor for that truck, alone, which was very conservative, would cost \$270,000 today. Referring to the graph, he said that same truck value at the 10-year mark out from today would sell for \$360,000 to \$362,000; the 12-year mark would be \$385,000, and the 15-year mark \$420,000 – big sums of money. He discussed that the Reserve Account has a \$35,000 balance, as they just bought a truck, and 3% interest with \$25,000 per year. He said that he had talked with the four major truck manufacturers and they said the prices of trucks were going up 5% a year and, speaking to Mr. Blanchette, they got about 3% interest on monies in their Capital Improvement account. He explained that that was why they were seeing a 3% compounded inflation factor for everything they did because it was the difference between what inflation is and what they were receiving in money and seeing a straight 3% interest in their investment over the course of a 10-, 12-, or 15-year period. Using the graph, he discussed the money they would accrue staying at \$25,000 per year over 10, 12, or 15 years against what the truck would cost in those same time frames. He explained that he thought it made more sense for him to shoot for the 10-year period from today than the 12-year period or they could continue on with the \$25,000/year for several years, see how the economy goes, they may have a higher return on their money and manufacturer's may be forced to lower their costs, and they would need to reevaluate. Mr. Muzeroll said that he thought it would be smart for them to assume they would be ready to replace a truck or at least be ready to go for bid in 2021 and continue putting \$25,000 level funding a year in that account. He added that this was not etched in stone, that it could reduce to \$15,000, they may be eligible for grant funding, and there a number of other factors that could come into play. He said that he thought that, for him and the Board and the Town it was smart that every year that he would ask for \$25,000 minimum. He said that they were only talking about replacing one truck, at this point – the second truck is only eight years newer than the first truck and somewhere along the line they needed to think about doubling CIP's because that second truck would need to be replaced 8-10 years after the first truck so, they were looking at a truck or pumper about every 10-15 years. He added that, for the time being, that's the only way they could really look at it. He said that there were opportunities out there to replace trucks and that they were an absolute bare-minimum fire department and always have been, with no bells and whistles, working to keep costs down and maintain them well, adding that they were his investment as well everyone else's.

6:37 PM Mr. Dunkelberger asked what were their minimum requirements for fire equipment and where did they stand in relation to that.

Mr. Muzeroll said that the minimum requirements for fire apparatus was driven by the NFPA Standard 1901 and those standards were that they needed the ability to get so much water on the fire for so many minutes and certify the apparatus yearly to do that. He said that the whole standard is about 100 pages and talks about anything from red lights to tires to the condition of the body and, most importantly, the condition of the pump. He added that they could refurbish but there comes a time when they reach the fine line and they were just buying time. Mr. Muzeroll said that they met the minimum requirement for the truck, the community, and the equipment on the truck.

Mr. Dunkelberger said that he was talking about the number of trucks and explained what was driving his question. He said that he drove by two fire departments every day, that one was huge and one was not, and that got him to wondering what was the

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

minimum required number of fire trucks for Eliot, particularly since they were talking about such a huge expense, and did they meet the minimum.

Mr. Muzeroll said that they certainly met the minimum and the minimum was driven by how much water they could get on a fire for 30 minutes and that was driven by the amount of water they could take with them or have available. He added that he didn't know, without doing a bit more research, if he could answer that he could do away with a pumper, if that was what Mr. Dunkelberger was asking.

Mr. Dunkelberger said that, essentially, that was what he was asking.

Mr. Muzeroll said that they had a primary piece that would go, they had a secondary piece that supported the first and the tank truck, or a water source from somewhere, that would give them the 31,000 gallons of water per minute within the 30 minutes and that was tough to do, adding that that also affected their ISO (Insurance Services Office) rating. He added that the ISO would say that the more they had the cheaper the insurance was for the Town.

A member of the audience asked what happened to the replaced fire truck.

Mr. Muzeroll said that, hopefully, they would be able to sell it. He added that they normally put it out to bid to a used fire truck dealer and they usually refurbish it and sell it to another community.

The same member clarified that, in 2021, they were considering buying a new truck.

Mr. Muzeroll clarified that they were considering having \$360,000 to put a truck in the station. He added that he always looked to see if it was smart for them to pick up a demo, adding that the tank truck they just bought was a demo and they saved several thousand dollars by buying that. He said that he also checked with the dealers to see who had one a couple of years old who doesn't like it for whatever reason and Long Island gets rid of fire trucks every three to five years, however, the truck they buy for \$500,000 they want to sell for \$400,000, so it doesn't meet the Town's needs. He commented that they try to look at it all as a committee and don't forget he is a taxpayer in this community, as well, so he wanted to keep it cheap.

Mr. Murphy said that they had been talking about equipment and he wanted to remind the Town that sections of the Town do not have readily available water to fight fires out in the rural and northern parts – they depend on water trucks hauling it in from other places. He added that he had personal experience as to the affect of that and he wondered how much of their fire protection monies should be spent toward improving the water supply for those people who live far away.

6:43 PM

Mr. Muzeroll said that he and Mr. Murphy had discussed this several times, appreciating the forum tonight to discuss this, but said that they were not going to get anywhere with Kittery Water District in a short period of time expanding their hydrant system. He did add that they were trying their best to move things along but were in repair mode. He added that they had discussed what they could do to further identify water sources in the rural area, how do they make agreements with the property owners to access that water, what do they have to do and what kind of funding do they have to come up with to get that. He said that the only thing that he could say right now was that every year he had a 50/50 grant that was available to him to get dry hydrants, which is pipe that runs through a water source and he can hook to it, treat it, and utilize that body of water. He added that they were going to get together with the CEO and GIS mapping to identify areas in strategic areas that have viable water sources, year-round, to assist them in those rural areas where there is a minimal amount of water. Mr. Muzeroll commented that Mr. Murphy was not alone, not the only person out there subject to a low water supply.

Mr. Murphy said that he was very much afraid of the next 2-year drought with all the vegetation out there now – that they could have a fire that could sweep through a large area.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Mr. Muzeroll commented that he was afraid that tonight someone's house would catch fire and they wouldn't have enough water for some reason or another – it isn't something that is not on their minds on a daily basis.

6:47 PM Mr. Moulton discussed RFP results for Salt Dome foundation repair. He said that the contractor he used to get a budget amount contacted local companies to get bids and didn't even receive a phone call back. He explained that the repair was for 70 linear feet of concrete wall within the Salt Dome, that the rebar is not only exposed but is falling apart, and electrical service repair, which is corroded, with it being moved up to the wooden section of the Dome to keep it out of the salt. He said that he had the same pricing - \$8,460 – and looked to take that money out of the Building Reserve Account, as previously discussed.

6:49 PM Mr. Dunkelberger moved, second by Ms. Place, that the Public Works Department be allowed to take \$8,460 out of the Building Reserve Fund to do needed repairs on the Salt Dome foundation.

VOTE
3-0
Chair concurs

Mr. Moulton discussed RFP results for Salt Dome roof replacement. He said that he had three bids: \$20,313 from Donald R Hall, \$22,700 from Lowery & Son Roofing, and \$22,900 from Hall Brothers Roofing. He added that they were all reputable firms, their references all check out, and they have all been in business for a number of years.

Mr. Dunkelberger said that, initially, they had talked about holding off on this until after the foundation was repaired and closer towards the end of the year when they said there was a more immediate need for that, but the bids came in significantly lower than what they had projected, which was initially \$24,700. He added that, because of that, he was a little more comfortable proceeding ahead now with it and would still leave a good pad in the Building Reserve Account.

Mr. Moynahan asked what would be the balance with that expenditure.

Mr. Dunkelberger said that he thought it would be about \$10,000.

Mr. Blanchette said that that sounded about right.

Ms. Place asked Mr. Moulton if he had a preference on who did the roof repair.

Mr. Moulton said that he did not, that they were all reputable firms.

6:51 PM Mr. Murphy moved, second by Ms. Place, to approve the bid for \$20,313 to Donald R Hall to accomplish the Salt Dome roof replacement repair.

VOTE
3-0
Chair concurs

Mr. Moulton discussed Approval for Narrow Band upgrade. He explained that, as of January 1, 2013, the FCC is mandating narrow banding and he has spoken with Mr. Blanchette that they both kind of concurred that the radios were more frequently used in the winter so, to utilize the snow and winter account would be acceptable, with the Board's approval.

Mr. Moynahan said that the Board had tasked them to review that and see if it was viable and based with the balance of this year and that seemed practical.

Ms. Place said that, if they were going to do the foundation repairs, then they probably should go ahead with the roof repairs. She added that, if they put it off until later in the fall then they would have rain, which would exacerbate the problem.

Mr. Murphy said that he believed that about 1/5 of the snow removal account remained unspent, which was more than enough to pay for this.

6:53 PM Mr. Dunkelberger moved, second by Mr. Murphy, they allow the Public Works Department to utilize the Snow Removal money in the amount of \$3,670 for upgrades as required by FCC mandate.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

VOTE
3-0
Chair concurs

6:54 PM

Mr. Moulton discussed Bolt Hill Manhole Rehab. Mr. Moulton said he, with Underwood Engineers, had developed three alternatives to compare costs and provide some flexibility with repairs should it be determined that one or more of the manholes were beyond rehabilitation using the lowest apparent repair method identified as Alternate A, with the bid alternatives providing the Town with a unit price for which to fall back on to minimize cost overruns. He added that the engineer's estimate for the project is \$142,000, which includes construction administration and engineering oversight by Underwood Engineers. He said that, should the Town wish to move forward with the rehabilitation of the four connecting Manholes between Bolt Hill Road and Eliot Pump Station #2, the engineering estimate increases to \$161,200. Mr. Moulton said that the funding would come from the Sewer Reserve Account, which currently has a balance of \$231,014 and another option would be to utilize Sturgeon Creek Enterprises (Town sub-contractor) for the work by creating an addendum to their existing contract for labor only. He explained that, in this case, the Town would purchase the materials and support the rehabilitation of the manholes, as necessary. He added that he thought that the best alternative was to utilize Sturgeon Creek, as this would enable him to work within the limitations of the budget constraints, should there be any. He asked for direction from the Board.

Mr. Murphy asked if he had provided the cost to the Town if the Town should purchase the materials.

Mr. Moulton said that he did not. He added that, generally, towns could receive materials at a far lower rate than a contractor, that essentially they would be buying the raw materials at face value, which would be a better price. He added that they could put it out to bid and do a cost comparison.

Mr. Murphy said that what Mr. Moulton suggested could save them a great deal of money but Mr. Moulton would have to tie this work in with his own schedule.

Mr. Moulton said that he thought the work could be incremental, that they could fit it into the schedule because it wouldn't have to be all done in one shot, as a contractor would have to do.

Mr. Moynahan said that this wasn't something they needed to decide tonight, that they knew there were some issues there and there have been some dollar figures shared. He added that there would be \$70,000 left, if they went out to bid, with the reserve account that the sewer uses pay so, those are a couple of reasons to have a discussion to see how they move forward. He suggested that Mr. Moulton could provide what it would look like if the Town were to participate in that option, as well, and bring up at another meeting.

Mr. Moulton clarified that the Board would look to go forward with the bid just to get a price based on contract and, at the same time, look to doing a comparison with the Town buying materials.

Mr. Moynahan agreed that would be smart, to compare apples to apples with that.

It was consensus of the Board to move forward with this, as outlined by Mr. Moulton.

Mr. Murphy said that he would like to see a statement from Underwood as to how they see the modifications to the contract that they would require.

Mr. Moynahan said that Underwood Engineers provided a report as it pertains to this and the Board could review that.

Mr. McClellan asked if the repair to the manholes have any impact on the odor that continues to plague the residents on Bolt Hill Road.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Mr. Moulton said that there were two options. He said that, if the TIF should move forward, that would inject more flow and remove the stagnant movement in the line. He added that the other alternative was that they would move forward after the rehabilitation with option they have discussed, such as chlorinating at the Station or inject air. He clarified that they had to come up with the levels to come up with a viable solution that would take care of the odor – it is not being overlooked but included because they didn't want to do the rehabilitation and ignore the odor.

Mr. McClellan clarified that the rehabilitation would not have a direct effect.

Mr. Moulton agreed.

Mr. Moulton stopped the Department Head reporting at this time so that they could hold a Public Hearing.

Mr. Moynahan said that they were holding a Public Hearing on the application of Helen Barrows dba Riverside Pizza Company for a liquor license. He added that Ms. Barrows was present.

7:02 PM The Public Hearing was opened.

Ms. Barrows said that they were looking to add beer to their menu as they have a lot of families coming in that would like a beer with their pizza. She added that they would be putting a limit on how many per customer will consume and it will be a four-bottle limit.

Mr. Murphy said that, on page four of her application, it says, "Has/have applicant(s) or manager ever been convicted of any violation of the law, other than minor traffic violations, of any State of the United States?" and she answered this yes.

Ms. Barrows said that that was incorrect, that it was supposed to be no.

Mr. Murphy said that this was a very important correction.

Ms. Barrows agreed that it was.

Mr. Murphy asked if the Board was allowed to make the correction.

Mr. Blanchette said no, that she would make the change before she sends the original up to Augusta.

There was no one else who wished to speak.

7:07 PM The Public Hearing was closed.

Mr. Dunkelberger moved, second by Ms. Place, to issue a Liquor License to Riverside Pizza Company, as presented.

VOTE

3-0

Chair concurs

7:08 PM Mr. Moulton discussed Update of sump pump inspections. Mr. Moulton said that, of 265 sewer inspections for residents in Town looking for discharges into the sewer system, they have 5 remaining that have not complied or have not contacted the Town for inspection, and one outstanding for a re-inspection that is just a scheduling issue. He added that they have made significant headway and they were stuck with the five. He said that, with those five, he and Mr. Blanchette discussed this with legal and noncompliance requires an injunction through legal in order to access the property.

Mr. Moynahan said that they needed to hear back on the legal piece from Mr. Blanchette and commented that only five remaining that have not been inspected was quite impressive.

New Business (Correspondence List):

7:10 PM

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

#1 TO : Board of Selectmen
FROM :
REF : Budget Review, No correspondence

Mr. Moynahan asked if everyone had reviewed or have suggestions or thoughts related to the budgets.

Mr. Murphy asked Mr. Blanchette if the current version #8 contained all the changes to all the departments.

Mr. Blanchette said that it contains all the changes that he was aware of for all the departments. He added that Chief Short did pick out two errors, which was why he sent it to all the department heads to make sure. He added that Chief Short had put the \$18,000 for the police cruiser to zero and the Animal Control Officer was reduced from roughly \$15,000 to roughly \$5,000, which reduced that position to seven hours per week.

Police Budget:

Mr. Moynahan discussed that, with the Police Department, there were a couple of recommended reductions and asked if those reductions were ones the Board wanted to consider, accept, overall how did they feel about the budget.

Ms. Place said that she knew that the Chief had eliminated the cruiser from his budget but she kind of questioned that because she knew that there were a couple of vehicles that have about 140,000 miles and would probably be looking at, in the next year, purchasing another vehicle and she would hate to think that there was nothing there to.

Mr. Short said that, ultimately and as he had said before, it was his intent to bring his budget down to zero without affecting services to the Town. He added that, by making those cuts, that brings his budget down below \$1,000 what they appropriated last year and allows them to continue to maintain services that they provide to the community without trying to make cuts elsewhere that would potentially end up with a layoff. He said that it was not the best-case scenario as the two cruisers with 140,000 miles on them – one of them is his and the other one was assigned to the detective. He added that they were not used for emergency runs on a regular basis. Mr. Short said that, with the cruisers that were marked up, the highest mileage one they had currently in that part of the fleet has 100,000 miles on it. He added that it absolutely was a gamble, that there were some funds in the Cruiser Reserve Account now but it was not enough to buy a brand new car. He reiterated that this was his attempt to hold the line on his budget without affecting services.

Mr. Murphy clarified that Mr. Short was talking about Item #40 Reserves for \$18,000, which was now zero.

Mr. Short said yes.

Mr. Dunkelberger said that he thought this budget came in right where the Selectmen were trying to go with the Police Reserve \$18,000 and with the Animal Control Officer (ACO) in it. He said that he valued the ACO and everything that they had done, they were trying to get effective enforcement of a new control ordinance so he didn't think it was a good idea to cut the hours of the ACO and he would encourage the Board to, at least, put that back in. Regarding the car, he said that he thought the Chief had said he was thinking of replacing the two cars with used vehicles.

Mr. Short said yes because they were not an actual police package, explaining that the car he drove was a 2004 Impala and when he initially bought that car, it was a program vehicle that was about \$15,000. He said that, for new cruisers, his price starts around \$21,000 on bids and the detective's car, which was also a 2004 Impala, they were able to get a better deal as they did a little more shopping around and paid around \$12,000 initially, so there is a substantial savings buying program vehicles.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Mr. Dunkelberger asked if the BOS left the \$18,000 in, would that be enough with the current reserve funds to actually purchase two used cars to replace the aging Impalas.

Mr. Short said that it should be.

Ms. Rawski (Town Clerk) said that she would like to ask that there be consideration to keep the ACO as is only because she knows the ACO works under the Police Department but is greatly utilized by the Town Clerk's Department because they have a requirement to make sure all dogs were licensed in Town. She added that the ACO did an amazing job in assisting her office in that process and generating revenue for the Town through the licensing fees as well as late fees for those who don't make the licensing on time. She added that Mr. Dunkelberger touched on the fact that they had a new ordinance in place and the enforcement of that might fall away, adding that her concern was that she knew the Police Department was already taxed and she didn't know if they would have the opportunity to enforce the licensing portion required through her department.

Mr. Moynahan asked what the Board wanted to do as far as approving or not approving, that they needed to start finalizing the budgets.

7:18 PM

Mr. Dunkelberger moved, second by Ms. Place, moved to accept the Police Department budget draft #8 to include the original \$18,000 for the Cruiser Reserve Fund and without the cut to the Animal Control Officer.

VOTE

3-0

Chair concurs

Mr. Pomerlau commented that they (the Public) were told they would have an opportunity to speak on these items and it didn't do them much good after the Board had voted. He said that, right from the beginning for weeks and weeks and weeks now, the Board has directed department heads to look at a 36-hour work week and, at another meeting, the Board said that they should not micromanage the departments heads but just send them out a directive to have them come up with 10% in personnel reduction costs and let them do it any way they want. He added that it now appears that the Board has abandoned weeks and weeks of work and he would like to know why.

Mr. Moynahan said that the four 9-hour days was to show a dollar figure that would be potential savings throughout the Town and was not a directive to any of the departments. He added that the last two years conversations have come up from several people about doing four 8-hour days, saying that he had provided what that would relate to in dollar figure savings, which was about \$150,000 for all departments. He said that they were still going to be over budget by another \$100,000, reiterating that there was no directive to do that. Mr. Moynahan said that, then, the discussion came that the Board was micromanaging the departments by telling them to go to certain hours so they were coming back with what they felt comfortable with in decreases in their budgets, which included employee costs – and now they were here. He said that they were getting information back from the department heads, they were providing the budgets, and everyone would have the ability to vote on these things at Town Meeting.

Mr. Pomerlau clarified that the directive was to tell them to take a 10% reduction in personnel costs, correct.

Mr. Moynahan said no, there was no directive. He clarified that the direction was to look at reductions of personnel costs but there was no percentage given. He said that the Police Chief offered a reduction for the ACO, the ECSD offered a reduction with a staff member, the Department of Public Works (DPW) offered a seasonal and a reclassification, he believed, and Administration, he thought, offered a four 9-hour week, which was what they had originally proposed. He explained that they had two drafts here, with one having those changes, and that was what the Board was discussing tonight and how to move forward. He added that, at the meeting last night

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

that he was unable to stay for the whole thing, he believed the four 9-hour day was discussed and was taken off the table.

Mr. Pomerlau reiterated that the Board clearly stated that they were directing the departments to come up with a 10% reduction in personnel costs. He said that what they put on paper to them he was not privy to but the public left the meeting understanding that that was going to be the Board's direction to department heads.

Mr. Moynahan said there might have been discussion about 10% because that was what it related to with the four 9-hour days but he was pretty confident that the last direction was to look at reduction in their employee costs, adding that there had been revised budgets from all departments.

A member of the audience said that the Police Chief just gave the Board a revised budget and the Board counteracted it and went against it. He added that the Board put the cruiser back in after the Chief took it out. He said the Board gave them a directive to do one thing and then completely reversed it.

Mr. Moynahan clarified that that was how this process worked, saying that the Board members worked with the information they were given, that there would be discussion on all of it, and the votes may not be favorable for citizens and they may not for department heads. He said that he did not have a crystal ball on how the group would vote on any of it and, ultimately, this Board just provided this information to voters at Town Meeting and, although they didn't have the ability to vote things up, they could vote things down so, if the public feels the Board's work is not diligent enough with providing efficiencies or what have you, then that was where it needed to be known. He said that the Board is just the middlemen for the department heads trying to keep their thumb on things to keep things as effective and efficient for the citizens of Eliot as possible. He added that that was his perspective on what the Board's job was.

7:22 PM

Mr. Reed said that reducing the Police Department's Cruiser Reserve Account by \$18,000 was not part of the directive, that the directive was actually to reduce personnel costs. He added that they have gotten themselves into a situation where, by avoiding any significant cuts in personnel costs, they have nibbled away at all the other parts of people's budgets. He said that things like zeroing reserve accounts is kind of counterproductive because they would just have to make up for it next year. Discussing excessive cruiser reserves, he said it seemed to him that having some on a consistent basis more like the Fire Chief was talking about served the Town better and, if there were cuts to be made, then do them someplace where they were substantive and usable going forward. Mr. Reed said that, for all practical purposes, the personnel costs have always gone up – they've gone up less – especially for folks that were non-union, but they have always gone up and is one of the big reasons they all find themselves in this position.

Mr. Dunkelberger said that he thought the Chairman had hit on an important point and that was that the Board advised the Town Meeting, basically, which was all the residents of Eliot on what the Board thinks is best for the budget. He added that, according to the rules, the residents couldn't raise the budget but they could lower it and that had been done in the past. He said that he was very comfortable with the services that this Town provided and, if they were to cut personnel, then that led to a reduction in services because they were one deep in many, many spots.

Mr. Reed said that, with all due respect, he would like to disagree with that statement – the budget was the property of the Board of Selectmen as they put the budget together - and the Budget Committee was the body that recommended things to the people at Town Meeting as far as an alternative. He said that his view was actually more that the BC just started the conversation and got the ball rolling on the floor at Town Meeting and he encouraged everyone to take part as much as possible.

Mr. Dunkelberger said that it was the citizens of Eliot at Town Meeting that made that final determination, whether they amend that budget or vote it as is.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Mr. Reed agreed and said that the people who showed up at Town Meeting were ultimately responsible for ratifying the Town budget but, if people didn't show up, then they didn't get a vote.

Mr. Pomerlau said that he saw the Board's roll a lot differently than the Chair did. He said that he thought they were elected by the Town and people to exercise leadership and not to follow department heads but lead them and do what was best interest of the citizens of Eliot. He added that he did not think they were being responsible. He said that he knew what they were saying about what goes into that Town budget and everyone knows that, if they got 100 people to show up at a Town budget, then 55 of them would be Town employees and whatever the Board put forward would go. He said that that was the strategy – that they weren't all stupid and what they needed the Board to do was to act in the interests of the thousands of households out there that did not want to see the Board raising taxes – take the leadership role and act responsibly.

Mr. Muzeroll commented that Mr. Pomerlau was implying that he (Muzeroll) was not a leader – he led that department and he led a major part of that department in conjunction with the people, as well as the Board and the BC to provide the best service they could at a reasonable cost. He added that Mr. Pomerlau may not always agree with his costs but do not question his leadership.

Mr. Pomerlau said that he was talking about the Board, not the department heads.

Mr. Moynahan asked people to settle down and be productive with the conversations.

A member of the audience said that, if the Police Chief tried to bring his budget in line by cutting the cost of the cruiser and not personnel, then that would not hurt the Town if he maintained employment and services to the Town, yet, the Board member felt, as one person, that the cruiser should be put back into the budget and asked why.

7:28 PM

Mr. Dunkelberger said that his feeling was that all they would be doing is kicking the can down the road if they didn't put any money into two cars that had over 140,000 miles on them now - then they would pay to keep them running so that they would have a Police Chief who could respond to calls and they would still have to pay that money and then some next year.

That same audience member said that next year was a whole different scenario.

Mr. Dunkelberger said that it was and it may be better and it may be worse.

The audience member said true but that they would deal with that next year.

Ms. Fournier discussed that she knew it was difficult to make cuts and that she felt the Town employees should not be cut and cutting their hours should be the last resort. She said that streamlining was needed to pay for the necessities for the Town. She added that she knew it was complicated in making the decisions and she didn't envy the Board and appreciated their work, but she felt they needed to make the extra effort and realize that people were giving up on the Town Meeting process.

Mr. Moynahan said that Ms. Fournier spoke about the Board not doing work and not trying enough on the budget. He showed his budget work folder for this year and said that they were on draft 8 from the Administrative Assistant for all the departments so, to say they have not offered suggestions...he added that they did not always agree with each other, that they have frank discussions about certain things and what got done got done by consensus.

7:35 PM

Ms. Fournier said that she believed the Town did not need a new ECSD building this year and was totally irresponsible to recommend, if the Board did, an initial \$450,000 to \$500,000 expenditure that would cost tons of money in maintenance for people who work for the Town to have a lovely office, basically. She also said that she was not saying that the Board members did not do their work but was saying that

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

people in Town want to have some input before the Board puts it on paper in a warrant article.

7:37 PM

Ms. Shapleigh said that it was nice to see so many people here tonight and, if this many people went to the school board meeting and realized that they pay 67% to 70% of their real estate taxes to the school budget. She added that she thought that was where they could cut to keep the Town running better. She said that most of the Town employees were long-term, that they have not added a lot of personnel, and she thought it was unfair for people to come in and nit-pick the budgets when they don't come to the meetings and don't know what was going on. Ms. Shapleigh said that she thought they should not cut personnel and put money back in the budget for the ECSD so that the elderly of the community who have paid taxes, many have never had children in the school system, and they should have the programs as they have them today. She added that cutting that budget is not going to help any of those people. She said that she would like to see more people at more meetings. She added that some have suggested they have more volunteers and she would ask those people that say more volunteers are needed how many hours they have volunteered in the last 10 years, saying that she didn't think that many would be able to answer that question.

A member of the audience asked how much money was in the Police Department Cruiser Reserve Account. She said that she had a paper that said it was \$10, 721 and asked if that was recent because \$25,000 was appropriated last year for that account. She asked if they bought police cruiser this year.

Mr. Blanchette said that he believed that \$10,000 was roughly correct and that they did buy a cruiser last fall.

7:40 PM

Mr. Brandon said that he has spoken at a couple of Town meetings and never suggested they lay off any Town employees, however, he has suggested looking at across-the-board cuts to salaries and benefits and not decrease their hours. He added that, when they say cutting employees would cut services, that was not necessarily true. He added that it would depend on how they looked at it and he wanted the Board to be aware that there are other ways of looking and thinking about this. He added that he didn't know if anyone ever said to cut the ECSD flat out, however, a lot of people have talked about either postponing or certainly not building and doing a reassessment of building a Community Services building at this time. Mr. Brandon said that he just wanted to correct those impressions so that people didn't get the wrong idea about what has gone on here – it becomes emotional and people get into arguments - and that was not the point at all. He said that the point was how they could best move forward as a community and for as many to get their needs met as possible. He said that he would not get all his needs met and it was that idea to spread it evenly amongst them all, adding that it was a time that was more difficult for some than others and how could they sort of level that playing field.

7:42 PM

Ms. Fournier commented that she thought there was a misconception about the money that may be recommended for the ECSD building – that it would cut services for the Eliot recreation and it won't. She said that was a building that, at this time, the Town cannot afford to spend.

Mr. Moynahan clarified that the Board did not even have a warrant in front of them that discusses that potential. He added that they could not speak to that at this point, that they would ask Mr. Blanchette later in the meeting.

Ms. Fournier asked if the Police Chief could explain to the audience why he chose to remove the cruiser from the budget.

Mr. Short said that he had already talked about that but explained that he did that as opposed to getting into a position where he would have to lay off a police officer at a time when their calls for service have increased over the last eight years he has been Police Chief, explaining that, when he started, calls were around 2000 a year to this past year when they had 14,000. He said that some of that was based on the fact that the officers, over his time being Police Chief, were being held more accountable, doing more work, some of it was in increased demand – that there were a lot of

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

variables that came into play with that – and that they were short-staffed, whether people agreed or disagreed with that, just with the most simple formula of two police officers per thousand in most populations. Mr. Short said that, to him, he had to make his decisions based on making sure that everybody that lives in this Town was as safe as they could possibly be, which was his responsibility 24/7 and the area that he felt was least harmful and allow them to provide the services that he thought all the citizens deserved. He added that cutting the car was not a good situation and cutting the ACO was not a good situation but those were options he had to explore and were the options he felt allowed them to go forward. He reiterated that the two cars were not in the best shape but they were being maintained on a regular basis, with maintenance costs slowly starting to go up, and it wasn't the best situation but it was better than the alternative.

Mr. Lentz said that, when it came to essential purchases – fire equipment, police cruisers – were there lease programs out there and had the Town looked at them, rather than buying equipment.

Mr. Moynahan said that he thought they had looked at lease programs in the past but he thought that department heads could answer that better. He added that, as it was explained to the Board, it was a better use of money to purchase rather than leasing over the course of time.

7:46 PM

Mr. Muzeroll said that one of the largest purchases that the Town saw on a revolving or evolving basis was a piece of fire apparatus - \$250,000 to \$300,000. He added that, a couple of years ago, the BC, himself, Mr. Blanchette and a couple of bankers got together and looked into the lease program. He said that it certainly had its' advantages but the biggest disadvantage was that it had to be funded every year and he did not think it was smart to base the operation of the fire apparatus in that building knowing that every year in June he might have to turn it back in because the Town did not want to fund it. He added that he would prefer to say, over the course of a period of time, the Town saved money, just like they do for retirement or whatever big purchases, spread it out over time, save some money to avoid paying the extraordinary amount of interest in the lease terms, and buy it all at once.

Mr. Lentz commented that they were funding the reserve account every year.

Mr. Muzeroll said that that was correct, however, if the reserve account is not funded, then he didn't lose a fire truck.

Mr. Lentz clarified that Mr. Muzeroll was saying that he didn't believe that the Town wouldn't want that fire truck and he would have to turn it back in.

Mr. Muzeroll said that he did not know.

Mr. Lentz said that he found that ridiculous.

Mr. Muzeroll said that that was his opinion in what is going on throughout the whole country and he has read about a couple of towns that have gone under and had to turn in fire apparatus. He added that he didn't know that that would happen to this community but that was his argument because he would rather pay for it up-front, take advantage of discounts from pre-pay because they had the money rather than lease it.

Mr. Lentz said that with all the cooperation he knew that they did with Portsmouth and Kittery and South Berwick, he asked if there was any benefit in trying to go together to buy a piece of equipment or multiple pieces of equipment. He added that volume speaks wonders with those companies Mr. Muzeroll was talking about.

Mr. Muzeroll said absolutely and added that they had discussed that amongst themselves. He said that the way it worked out, generally, was that Kittery and South Berwick didn't need to buy a truck at the same time as he did. He added that they could get into the argument about who was going to house it, how to share it between fires, who would pay for the payroll, insurance, that whole nine yards. He said that those were all things they talked about in trying to save money but they also wanted

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

to be smart and make sure it didn't cost the Town money when it was not necessary to spend more money.

Mr. Lentz asked if the Board met with other town boards to discuss these things, maybe from a Board of Selectmen standpoint, that maybe these were the kinds of things that could be discussed and maybe they could come up with a common time to buy a fire truck.

Mr. Moynahan said that he had just met with South Berwick and Kittery on a regionalization-type meeting and that York was going to be involved with this, as well, and it related to purchases, such as salt purchases or combining services. He added that a lot of times it may not be a cost savings but an enhancement of services.

Mr. Simms said that he has had a fair bit of experience with leasing and, typically, if someone bought equipment up-front, then that person could extend the life of it, use it longer and get a lot more value out of it from the money that that person paid as opposed to paying a lease, having to turn it in and that kind of thing. He added that they extend their equipment quite a bit longer by paying for it and use it typically double what would be on the lease.

Mr. Pomerlau, in regard to the Police Department, said that personnel costs were undoubtedly the biggest driver of increasing taxes and the Police Department budget was the biggest budget the Town had. He said that he didn't necessarily accept the fact that a reduction in a police officer threatened the safety of the people in Town – it was a great scare tactic. He added that the crime rate in Eliot was one of the lowest in the State. He added that the Police Chief probably wanted to take credit for that because of his great police work and he thought that they did great police work but there was no evidence that the police force has created this low crime rate. He said that he thought that it had to do more with the quality of the citizens that live here. Mr. Pomerlau said that, if they were going to do a serious attempt in reducing personnel costs, then they needed to look at the Police Department because it was the biggest elephant in the soup.

7:49 PM

A member of the audience said that he just wanted to inform this fellow, right here, that he was sitting in his house in beautiful, downtown Eliot, and a guy broke into his home, told him he wanted to kill him just for the thrill of watching him die. He said that that was Eliot – it does happen. He added that they have an outstanding police force and, as it was, he had to shoot the guy to protect himself. He said that the police force in this Town was outstanding, it was tremendous how they handled the entire case, everything, so the fellow was really barking up the wrong tree and had no idea what he was talking about until he had had his life saved by the Police Department, in more ways than one.

Mr. Murphy said that he would like to get back saying a few things about what they have accomplished in ten or a dozen meetings this spring at which many, many fewer people were present than were tonight. He added that they had arrived at a budget, which was only \$37,000 greater than last year out of almost five million. He said that the valuation of the Town has gone down and that would require an increase in the tax rate in order to come up with that same amount of money but it was a fantastic job to get it down that much.

Mr. Blanchette said that he needed to correct Mr. Murphy's statement. He said that the valuation of the Town for them has not gone down. He added that the Town may be at a different level this year from last year but they were not dropping their valuation.

Mr. Murphy said that he saw what Mr. Blanchette meant. He said that the State values them in a certain way but their assessments have not changed.

Mr. Blanchette said that was correct.

Administrative Budget:

7:51 PM

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Mr. Reed asked how much the State valuation of Eliot gone down.

Mr. Blanchette said that he did not know, as they have not received the final figures.

Mr. Reed asked if they had a preliminary number.

Ms. Place said that she had that information and read the numbers: for 2010 it was \$888,000,050; for 2011 it was \$867,750,000; for 2012 it is \$827,650,000.

Mr. Dunkelberger said that there was going to be a bit of a different ratio with the school budget because of the different valuations between South Berwick and Eliot. He added that the Eliot share should go down a little bit for Eliot with the school budget.

Mr. Simms asked, with where the budget currently stands, how much of a deficit does this budget still represent compared to what was projected to bring in.

Mr. Blanchette said that he believed they were about \$37,000 over last year and about 5 cents on the tax rate.

Mr. Simms said that that was compared to last year's budget. He added that he believed that last year they took \$100,000 out of the reserve account to make that budget work.

Mr. Moynahan said that they were taking \$190,000 out of Undesignated Funds this year, as well.

7:55 PM

Mr. Reed said that he thought they were thinking about this incorrectly. He said that he wasn't sure what the revenue number was this year but they come up with a spending plan where they spend whatever it is they decide to spend. He explained that some of that money is taken out of reserves – last year it was \$100,000 and this year it was about \$200,000. He added that the overage was paid for by people's property tax bill so, to think about it as a deficit in that they were trying to make up for something relative to last year – last year the budget was, by definition, balanced because people at Town Meeting voted to kick in their property tax dollars to make the spending plan work and this year was the same deal.

Mr. Simms asked how much they were taking out of that reserve account, again, and he thought it was \$190,000.

Mr. Moynahan agreed.

Mr. Dunkelberger said that there was another important piece and that was that they did take in funds that went into that undesignated account throughout the year and, in this year, that fund actually increased.

Mr. Simms asked if they made up for that \$100,000.

Mr. Blanchette said that they did. He said that, at the beginning of the previous year, he believed it was at 1.1 million and they didn't have the final figure from the auditor but he said that it was at a minimum of 1.4 million. He added that, in the previous fiscal year, it grew by over \$300,000.

Mr. Simms clarified that, overall, that reserve budget did not go down over the year.

Mr. Blanchette said that was correct – over the previous year.

7:58 PM

Ms. Fournier discussed lowering overall costs to the budget and suggested they could set a limit on the degree temperature in all the Town buildings.

Mr. Moynahan said that they have an Energy Committee that was on that for energy efficiencies, programmable thermostats are already in place and operational, so they were already doing those things. He discussed whether they could be re-programmed down some and, perhaps, they could but they would have to talk with the EC to see

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

what, if any, savings they would see. He added that they have already seen savings based on their input and their involvement within the Town.

Ms. Rawski said that she was going to say the same thing about programmable thermostats and that there were many other small areas that could be cut. She added that they mail the Town Reports out to every resident in the Town and she felt that was a fair place to maybe say, "Let's not do that. Let's put them around Town – here at the Town Hall, at the library, at the Transfer Station" because the next day after they mail them out there were about 300 of them at the Transfer Station in the recycle bin that were wasted. She added that the BC mailer that went out, that was money out of their tax dollars that was printing the document and putting postage on it. She said that there were lots of little ways that the departments could save and she was just trying to make a point. She said that they were already cutting the heat and it was clod in the Town Hall in the winter, adding that she didn't know what it was like in the other departments but they put their sweaters on and work through it. Ms. Rawski said that there were many other ways that the budget could be cut if they wanted to nit-pick every single little thing but when they did that they would be losing services, as a resident, like those mailings.

Mr. Moynahan, speaking to the Board, asked if there were suggestions regarding draft version #8 for the Administrative Budget.

Mr. Dunkelberger said that Mr. Blanchette took a lot of the Board's suggestions from their previous meeting and added some of his own with a very sharp pen, adding that he knew Mr. Blanchette was uncomfortable with it, but with a very sharp pencil, made some very reasonable cuts to his budget. He said that he was happy with where that budget was at.

Mr. Murphy agreed and said his cuts came to about \$100,000.

Mr. Blanchette said not the last set of them, that the last set was \$33,800, but the bottom line was that this was below last year's total.

Ms. Place said that she thought that all department heads had done an excellent job making amounts come down. She added that she knew that not everyone was going to agree with the cuts that were made or the cuts not made but it was the Board's job to put the budget together and present it to the public. She said it was the public's responsibility to show up at Town Meeting and vote on these things and, if someone didn't agree, then that was when they should stand up and say that it wasn't acceptable. She said that she was comfortable with the Administrative Budget.

A member of the audience said that there were other ways to cut people out without taking money out of their pocket, suggesting voluntary employee days off. He said that he thought they could actually reduce the overall budget if they did it on a voluntary basis, which he thought they would have some takers.

Mr. Pomerlau said that, as they didn't have any of the information in front of them, would the Board tell them what they were and where they came from.

Mr. Murphy said they were dues to organizations, which was \$11,000 and cut to \$9,000; training and safety fund, which was \$12,500 and cut to \$8,000; legal, which was \$65,000 and cut to \$60,000; under reserve accounts –sick leave was \$2,000, which was cut to zero; assessing fund, which was \$15,000 and was cut to \$5,000.

Mr. Dunkelberger said that there was also cut \$9940, which was the interest they pay in borrowing money while awaiting people to pay their taxes to keep the Town running and that was reduced from 25 to 10.

8:10 PM

Ms. Fournier asked if the Board knew what the proposed cost to heat the buildings was for this year.

Mr. Moynahan said that he did have them but he did not have the figure totals with him.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Ms. Fournier commented that a 2-degree temperature change would make a big difference and would be easy to do.

Mr. Moynahan asked Mr. Blanchette what they kept the thermostat on at the Town Hall.

Mr. Blanchette said that, during working hours, the one thermostat was kept at 71, which meant that the outer rooms may not necessarily be at that temperature.

Mr. Moynahan asked Mr. Moulton what he kept his temperature on in his department during the day.

Mr. Moulton said 60.

Mr. Moynahan asked Mr. Muzeroll what he kept his heat on at his department.
Mr. Muzeroll said 60.

Mr. Lytle said 55 at the Transfer Station.

Mr. Moynahan said that these were the numbers, adding he did not think going below 60 was doable.

Ms. Fournier asked what the temperature was at Town Hall.

Mr. Blanchette said that it was 71 during the day and he believed it went down to 68 at 5 PM and 64 at 9 PM. He added that it was never 71 in any of the offices because the thermostat was in the central part of the building.

Mr. Brandon said that he was curious about the Undesignated Fund balance of 1.4 million. He said that that was set aside to pay the school funding on a monthly basis when they didn't have income from taxes and asked if that was correct.

Mr. Blanchette said that it was simply their cash flow (general account) and they paid bills out of it and it wasn't just the school bill, it was every bill.

Mr. Brandon said that he understood from conversations earlier on that, ideally, it would be up to 2 million something to carry the Town for three months.

Mr. Blanchette said that, if he wanted to go the three months then, yes, he was talking about 2 to 2.2 million but not everyone recommends three months. He added that, depending on who one talked to, would depend on what they recommend.

Mr. Brandon said okay and that what he was getting at was that they had reduced the fund for interest on borrowing and they have a reduced undesignated fund balance and he was wondering if that was going to cause problems down the road.

8:15 PM

Mr. Moynahan said that the money that was borrowed they didn't expend that amount for the last several years, that they had money that supported that so a responsible reduction was to decrease that line item request. He said that they got to under 1 million only once in the five years he has been on the Board. He added that the comfortable level was right around 1.2 million dollars, that seemed to be the comfortable level for operating the Town.

Mr. Pomerlau clarified that this budget did not show any personnel reductions.

Mr. Blanchette said no, there was none, and even without any personnel reductions, it still came in under last year's total.

Mr. Pomerlau said that he was still sitting with the position that the Board's last directive was that every department come in with personnel cuts and, so far, zero. He added that he didn't know when that all changed but nobody did what the Board asked them to, apparently.

Mr. Moynahan said they were on the Administrative budget and asked how the Board wanted to move forward or not.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Mr. Dunkelberger said that he was happy with the budget for the Administrative Department.

Ms. Place said that she knew Mr. Blanchette was below his comfort level and she would like to hear from him about that.

Mr. Blanchette said that his comfort level may be very different from theirs and it probably should be. He added, as an example, that one of the cuts was in consulting fees, which was almost \$8,000, and the remainder of the consulting fees was, basically, for storm water, which was regulated by the federal government, that they have engineers that work on that and that was a regional project. He said that they had gotten together with South Berwick, Kittery, and other towns through SMRPC to hire one consultant to do all the towns for the storm water project and that \$20,000 will be spent on that so they would not have any monies for other consultants. He said that that account was originally set up for that project and grew because the Town had need for different consultants at different times so that was one area. He said that the other area was Tax Anticipation Notes interest. He said that he had to agree that over the past three to five years they had not expended over \$10,000 – it has been \$8,500 and the highest, he thought, was about \$9,000 to \$9,200 – but, again, until they go out to bid in May or June, he didn't know what the interest rates would be. Mr. Blanchette said that it looked like they would keep it relative to what it was last year so they would probably get favorable rates, again, as to what they got last year. He added that it was a little below his comfort level but those cuts could be made without disturbing the service to the people rather than taking two hours a week away, which would take away two hours of service.

Mr. Moynahan asked if the history proved that those would be safe reductions for Mr. Blanchette's department.

Mr. Blanchette said that, yes, he thought that they were.

A member of the audience clarified that Mr. Blanchette said they were borrowing \$10,000.

Mr. Blanchette said no, that the \$10,000 was the interest they would pay on borrowing and, typically, they borrowed around four million.

Mr. Murphy clarified that they didn't get four million and hold onto it but is an amount they can call on when they have need and they pay interest on only the amount they actually borrow.

Mr. Blanchette said that they went to twice a year tax billing about five years ago and the account used to be over \$30,000 but, since the tax payers paid twice a year, they borrowed until mid-November, then they paid back everything and, then running on the surplus cash they had then, probably around February, they needed to start borrowing again and would pay it all back around May 15th, when taxes were due.

A member of the audience asked Mr. Blanchette if changing the payments to quarterly reduce the debt interest.

Mr. Blanchette said yes.

The same member asked if they had considered doing that and it may be an incentive to pay earlier if they wanted to pay earlier.

Ms. Levesque said that it would require more paperwork and more hours. She added that it would double the workload they had currently.

Ms. Rawski agreed it was doable but, if they were talking about cutting hours and staff, then they got into the issues of how that task would be accomplished. She added that it was management – fitting all of the other things that the Administrative offices did in that same process of doing tax billing four times a year. She reiterated that it was doable and could be looked at.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Mr. Moynahan asked how the Board wanted to proceed with this budget.

8:24 PM Ms. Place moved, second by Mr. Dunkelberger, to accept the Administrative Budget Draft #8, with the proposed cuts of \$3,800.

VOTE
3-0

Department of Public Works

8:25 PM Mr. Moulton said there was a reduction of a seasonal employee and paving from the prior version.

8:26 PM Mr. Dunkelberger moved, second by Ms. Place, to accept the Department of Public Works budget, as submitted in Draft #8.

VOTE
3-0

Mr. Dunkelberger thanked Mr. Moulton for coming in with those cuts.

Community Services Department

8:28 PM Mr. Moynahan said that this budget reflected some cuts from last time, also

Ms. Muzeroll-Roy said that there was a reduction in a staffing position and summer maintenance was reduced from \$23,500 to \$19,000. She said that she was getting a lot of phone calls regarding the \$10,000 separate warrant article for the senior citizens position and that was not in her budget but a completely separate warrant article. She added that it was not included in her budget, however, that has been submitted and she did not know where that stood. She added that it had been requested last night to put it back in so she put it back in this morning.

Mr. Moynahan said that the question remained if her department could offer the services to seniors based on enrollments and activities from that group without additional funds.

Ms. Muzeroll-Roy said that, if they were going to stay at the forty hours, then they would certainly have to do some restructuring. She added that she just cautioned about the flack and such that they would get with the \$10,000 reduction for the seniors. She said that, if that was going to be the call, then it would have to be the Board's call, because she was already receiving phone calls that she was cutting this position and that was not the case.

Mr. Moynahan said that last year the Enterprise Account could not fully fund the person that directed that program and they had a separate warrant article to see if the voters would appropriate additional funds in the manner of \$10,000. He added that he was not sure if this was planned to be a yearly deal or if this was more to continue to let that department function with the staff they had in place. He asked if the Board wanted to put a warrant article that offset the lack of user fees for the senior program for funding the staff that runs it.

8:31 PM Ms. Shapleigh said that that article was vote overwhelmingly and the \$10,000, as she said before, for the elderly was nothing compared to the \$600,000 a month to the school department. She added that she thought it was unconscionable not to put that in there for the senior people.

Mr. Reed asked if they could know what the staff position was that was cut out of the ECSD.

Ms. Muzeroll-Roy said that it was the Seniors/Special Events Coordinator position. Mr. Reed clarified that that was the position they were talking about adding \$10,000 by separate warrant.

Ms. Muzeroll-Roy said yes.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Ms. Brandon said that she heard Ms. Muzeroll-Roy say that there would be no cut to the services for seniors if that person didn't continue, that the programs could all continue and would just be managed by the other staff members in the department. She added that, now, she was hearing a sort of grayness about that. She said that she was a senior and she was all for seniors having some good services but, if it could be managed without that part-time position, then she thought that was great and a good way to go. She said that she hear very clearly that it could be met and Ms. Muzeroll-Roy said that she would have to restructure but that didn't say it couldn't be met but it's a little vague. She added that she didn't think cutting that position was a blow to the seniors from what she had heard so far.

Mr. Dunkelberger said that ECSD got a grant for \$11,500 for a youth program coordinator and asked how that fit into the budget or did it.

Ms. Muzeroll-Roy said that that funded half her youth coordinator position and they get funding twice a year – April 1 and July 1 – to fund that position only, which is a partnership they have had since 2002.

Mr. Reed said that for many years now the claim has been made that the Enterprise Account was self-funding, the programs all funded themselves when, in fact, the fringe benefits for the part-time seasonal employees were actually paid for by taxpayers. He added that he would like to see that particular piece of the budget come out of what the Town paid for on the floor of Town Meeting and have that go into the ECSD budget to be paid for by fees by the programs the way it's been claimed all these years. He said that, currently, only the base salaries were paid for by the user fees.

Mr. Moynahan said \$53,603 was the number he had in front of him. He asked for comments about the suggestion to incorporate that into the user fees, asking Ms. Muzeroll-Roy how that would impact her department.

Ms. Muzeroll-Roy said that the position for the seniors would certainly go out the door mainly because they would add that \$53,603 into the Enterprise Account and she would have to raise more fees and certainly look to do much differently if she had to take fringe out of the Enterprise Account. She added that she was not prepared to do that, especially in this fiscal year, but she would have to raise fees significantly to do that.

Mr. Dunkelberger said that he thought Mr. Reed's suggestion had merit and something the Board should look at for the coming year, whether it is increasing the fees for use of the program or find other ways to get fees or grants. He added that, personally, he would like to see the ECSD a little more self-sufficient in regard to its' funding and he knew that most of the towns around them were doing the exact same thing. He said that, for this year, he was okay with the numbers submitted by the ECSD.

Mr. Moynahan suggested, moving forward, setting up a group to look at reviewing the costs of all the programs and what that would look like as it related to the fringe benefits.

Mr. Dunkelberger said that this may enter into discussions had regarding regional solutions.

Ms. Duval said that she would like to go on record to say that she would not like to fund this extra \$10,000 for another position – some have said they want it and she wanted to make it clear she was against it.

8:36 PM

A member of the audience said that this was his first meeting, saying that he was totally against the ECSD building and the money the Board has already spent on it because only 20% of the Town use it and they want 100% of the Town to pay for it. He added that, with the Town in such dire straits, as some people put it, he thought they should do away with the ECSD altogether. He added that he was a retired, fixed-income and lived in Eliot for thirty years and he didn't think they needed that department, period.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

8:38 PM Ms. Fournier said that she would not want to get rid of the ECSD. She added that the proposed ECSD building had absolutely nothing to do with the services. Saying that she had not heard the figure for the ECSD budget, she asked if it included the proposed building.

Mr. Moynahan said no, that that was a completely separate area. He explained that was under capital improvements versus an operating budget. He said that the total for Highway was \$1,117,442 (he noted there were some glitches); the Transfer Station was \$397,975; the Police was \$1,022,532; the Fire Department was \$262,857; ECSD was \$218,207; Administration was \$1,135,547.

Ms. Shapleigh said that everyone has had their chance to say and she has spoken once tonight already, that she did not want to speak too long but she again wanted to ask the Board to put the money back in for the senior citizens and let the Town Meeting people vote. She added that they would have a larger group, there wouldn't be people out with a special agenda. She added that, thinking about the elderly people, if they cut out that position for them, it was shameful. She said that they should be ashamed to do that to their senior citizens and she was a senior citizen. She said that she was 75, did not use the services, but has talked with many senior citizens that were very upset and don't want that position taken away from them. She said that their lives have been enriched very much by the things that have gone on, the places they've gone and the things they've done and she thought they owed it to their seniors.

Mr. Muzeroll said that, departmentally, he wanted to touch on what the gentleman said about 20% of the Town utilizing a service but 100% of the Town paying for it. He said that that was what they did with the school department and he hasn't been to school since 1968 but he's been paying for it...(interrupted)...the Town pays for it whether it's mandated or not and they don't have to go to school there but have to go to school somewhere. He said that the bigger picture was that he didn't see a lot of talk, here, about a \$140,000 investment this Town was making in the library, with no real accountability about what happens with that money, and that was more than his operational budget and the ECSD operational budget but he hasn't heard one word from anyone in this community – what were they doing with that money. He added that it was all about shutting down ECSD while everyone has the same opportunity to use the library as they do Community Service and whether they do or not is not the point but let's fairly scrutinize all the departments. He suggested they take a look at that money, saying there was \$140,000 and they were \$37,000 short to be zero-funded from last year but nobody was questioning anything, a lot of the committees were not being questioned as to where the money was going.

8:43 PM Mr. Brandon raised a point of order. He said that they were either going to discuss the budget as presented by the ECSD Director, as is on the paper, or they were going to discuss about the \$10,000 to fund a senior citizen person. He added that they were completing? the two and there was a lot of confusion. He suggested they proceed with the budget because he didn't know if that was an item on the budget agenda to look at a special warrant article for \$10,000 to fund a senior citizen position. He asked if it was in the agenda to address the funding for the library and were they going to look at that and have a discussion around that.

Mr. Moynahan said that they were going to look at as much as they could about budgets, that they had a deadline to get them done.

8:45 PM Ms. Adams said that they weren't talking about shutting down the ECSD and they weren't talking about not providing services for seniors – that's already been stated. She added that it was a scare tactic to say that was what they were doing – that the seniors would not have any programs, that the ECSD would not function, and that was just not true. She said that she thought that by putting it on a separate warrant they were being disingenuous – they were not including it in the budget but they were inciting people at the Town Meeting and they would get the same type of rhetoric they have heard tonight. She added that it was emotional and the truth wasn't there – the truth was somewhere in between the two. Ms. Adams said that, if they were funding a youth service person through grants, which was wonderful, then

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

didn't that leave one of the other full-time people with the ability to plan some senior events. She said that she has been working six days a week for twelve years so she didn't get to go on the trips and do that stuff, but she appreciated that those were organized. She added that it didn't necessarily take a person eight hours a day to organize a bus trip.

Ms. Muzeroll-Roy wanted to reiterate that this was not something new – the senior separate warrant article has been on this for the past two years. She said that the Board and Budget were asking to remove it and she was asking for reconsideration – they don't have to make a decision, they have Town Meeting coming up in June.

Mr. Reed said that he believed the reason that the extra \$10,000 was brought up, originally, was to fund a salary for a certain person. He asked if that money would be used to hire that person back or would it be used by other people in the department.

Ms. Muzeroll-Roy said that, as the last two years, that funding goes specifically for that position. She added that the \$10,000 would give her a part-time position with the seniors.

Mr. Moynahan clarified that, without the \$10,000, there would be no position.
Ms. Muzeroll-Roy said that was correct.

A member of the audience asked if that wasn't the position that was done away with and now there was a warrant article to bring it back.

Mr. Moynahan said no but clarified that they go hand-in-hand a bit so just trying to get clarification of what was presented and there were two different things that were presented.

8:47 PM

Mr. Pomerlau said that, of all the budgets they had to deal with, this was the most convoluted, confusing budget – fringe benefits were over there, salary was over here, there was the Enterprise Account over there that nobody knew about and didn't know if anyone has ever gotten details about spending and revenues from it. He said that he thought this department needed to be critically reorganized and straightened out as far as transparency to taxpayers. He said that, to him, it was a question of priorities and he didn't put that in the same category as Public Works, Police, Fire, or Administration. He said that he considered all that essential services. He added that ECSD was a valuable service and supported community service programs for children, in particular, but the fact of the matter was, according to the figures he had, it was around 30% of the entire households of Eliot that utilized it. Mr. Pomerlau said that 20% of the households in Eliot have children under 18 so, if one thought that every household in Eliot that had children used this department, then that told him that 50% of the program registration were adult programs. He added that, in difficult budget times and struggling budgets, they were talking about employee cuts, he had a problem supporting adult recreation.

Mr. Price said that he was wondering if Ms. Muzeroll-Roy had taken into consideration just going to a travel agent.

Mr. Moynahan asked how the Board wanted to proceed with the ECSD budget.

8:50 PM

Mr. Dunkelberger moved, second by Ms. Place, to accept the Eliot Community Services budget, as presented in Draft #8, to include the elimination of the Senior/Special Events Coordinator position.

Discussion:

Mr. Dunkelberger said that Ms. Muzeroll-Roy's proposal with regard to a separate warrant article for the \$10,000 he thought certainly had merit, adding that it allowed the Town to make its own choice as to whether it wants to fund it.

Mr. Moynahan said that that was a separate conversation.

Mr. Dunkelberger agreed it was a separate conversation but they were having the discussion.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Discussion ended.

VOTE
3-0

There was discussion about holding a meeting next Thursday at 6 PM to review and finalize the separate warrant articles and finalized warrants for all the departments.

The Board agreed by consensus to have that meeting.

8:54 PM Mr. Lytle discussed his concern for his position reduction and that, if no one else's position was being reduced, he didn't feel his should be either.

Mr. Moynahan suggested taking up Fire, then Highway, then Transfer or did they already cover Highway in its entirety.

Mr. Murphy said that he thought that they should review it.

Fire Department:

8:55 PM Mr. Moynahan asked if everyone had had a chance to review what was presented from the Fire Department. He asked if there were any comments from the Board or the public.

Mr. Pomerlau said that, of all the budgets and articles he has seen, he really had to compliment the Chief on the efficiency of his budget and the explanations behind it. He said that it was really rare in these hearings to get that kind of clarity.

Mr. Muzeroll said that there was a total \$9,000 increase over last year's budget but \$5800 of that was fringe benefits that was coming out of his account that used to come out of someone else's account. He added that the other was to support installation of an energy-efficient on-demand water heater and should realize a payback in about a year. He said that, as he has explained in previous meetings, if they invested now, then they would get a longer long-term in recovery costs as well as in their investments.

Mr. Dunkelberger said that there was some overlap between the Fire Department and the ECSD on utilities but, since they don't know how long that would last, he couldn't even venture to guess that.

Mr. Muzeroll explained that he wasn't one of those guys that spent money because he had money but this was basically the same amount of money he has had over the past years. He did say he couldn't predict fuel or utility costs but, yes, it did cost a little bit more money to co-house with the ECSD but in years past in that utility account he has returned anything that hasn't been spent, saying that a lot was fuel money and a little electrical money. He said that this year they may not return that money – next year, when they were in a new building, he may return that amount of money. He did say that ECSD did pay for fuel oil and electricity.

Mr. Dunkelberger said that that was what he was talking about – that there was an overlap in utilities.

Mr. Muzeroll said that his funding request was exactly the same as what it has been. He said that the use and amount of money required to operate was greater and that he charged Ms. Muzeroll-Roy rent for two months of electricity and whatever her fuel oil budget was in the old building. He added that it evened out in the long run. He clarified that he knew what Mr. Dunkelberger was saying but, if he didn't spend the money, then it went back.

8:59 PM Mr. Dunkelberger moved, second by Ms. Place, to accept the Fire Department budget as annotated with draft #8.

VOTE
3-0
Chair concurs

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Ms. Fournier asked what the budget amount was.

Mr. Murphy said that it was \$144,120.

9:01 PM

Mr. Moynahan said that they had taken up Mr. Moulton's budget as part of Public Works and asked if they were now going to have a discussion on the Transfer Station, treating that separately. He added that this may be discussion regarding personnel and asked if the Board should take this out in a different setting.

Mr. Murphy said that he thought that would be advisable.

Mr. Moynahan said that where there was potential for inclusion of discussion of staffing they should take portions of the Transfer Station's proposed budget in executive session. He added that he would need a M.R.S.A, if they were going to do that now or they could wait until the end of the meeting when executive sessions were planned.

The Board agreed by consensus to bring this up later in the meeting when executive sessions were planned.

Mr. Moynahan said that, for the time being, budget discussions were done until next Thursday.

Mr. Reed said that the BC needed to review the budget and he was told that this was the week that the budget needed to go to the printer. He added that he was concerned that the BC was not going to have enough time to do the job that the people elected them to do.

Mr. Blanchette said that they were hoping that the Selectmen and BC would be able to finish the warrant this week, however, the drop-dead date is later, as Ms. Thain has been in touch with the printer and, if they move the warrant to the end of the book rather than the middle, then they could get by with another couple of weeks before they gave it to the printer.

Mr. Moynahan asked if that worked for the BC if, next Thursday, the Board finished the balance of budgets.

Mr. Reed said that it has taken from January to the middle of April to converge on this thing and the BC was going to do their stuff in a week. He said that it would be really good, maybe next year, if the Board would give the BC like 30 days or something fixed that the BC could count on instead of everything being at the last minute and throwing it over the fence.

Mr. Moynahan suggested the Board, the BC, and Mr. Blanchette sit down and create some sort of schedule for next year.

Mr. Reed said that would be very helpful.

Mr. Pomerlau asked if there was some reason the Board couldn't forward the budgets they had completed so the BC could get started.

The Board agreed and asked Mr. Blanchette to forward anything finished to the BC.

#2

TO : Board of Selectmen
FROM : Brian McClellan & Steve Robinson
REF : Chicken Coop issue, No correspondence

Mr. Moynahan asked if the parties had gotten together on some things.

They said that they had.

Mr. Moynahan asked, in conclusion, if the parties were happy.

They said that they were.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Mr. Robinson said that everything had been resolved.

Mr. Dunkelberger moved, second by Ms. Place, to vacate the Notice of Violation.

VOTE

3-0

Chair concurs

Mr. Moynahan said that results had been found, that the Notice of Violation (NOD) was going nowhere, and asked if they had any questions of the Board.

9:07 PM

Mr. McClellan said that he appreciated the opportunity to have this on tonight's agenda. He said that he would like the opportunity to come back to the Board and discuss a formal complaint against the CEO because he believed that the testimony the CEO used in front of the Selectmen in order to issue that NOD was out of order. He added that it was concurred by the Board of Appeals (BOA) that his action was actually in contradiction to the rules of how a decision by the BOA actually works. He added that, in talking with Mr. Robinson, he believed that they were both gravely misguided by the CEO so he would like an opportunity to come back.

Mr. Moynahan said that they would have to have that in a more private setting and that was fine. He added that they could actually set something up tonight for next Thursday so, if that would be acceptable, then they could have a discussion as it related to employees behind closed doors, which was the proper venue.

Mr. Moynahan asked Mr. Blanchette to set that up.

Mr. McClellan said that he wasn't sure if Mr. Robinson wanted to attend that – he just knew he wanted to complain about his actions.

Mr. Robinson said that he would be happy to be there.

Ms. Fournier asked if they were going to talk about the budget regarding the capital improvements in the proposed ECSD building.

Mr. Blanchette clarified that they were waiting until they had the bid amounts and that was not due until April 23.

Ms. Fournier asked, if they decide to put whatever that amount was in a warrant article and they have a deadline to make it to the press, how were they going to get that accomplished.

Mr. Moynahan said that they might even have a discussion next Thursday, if they choose to put that warrant article forward, with or without a total.

Mr. Blanchette said that, if they had to go to print before they have that figure, then the warrant in the book would be a draft warrant. He said that technically and legally the warrant in the book is always just a draft. He added that the warrant that was posted was the only legal one so, whether they have the final thing in the Town Report Book in that warrant – they may just have a space saying that there may be an article for the ECSD building.

Ms. Fournier asked where the legal Town warrant got posted.

Mr. Blanchette said that it gets posted at the Town Hall, the Transfer Station, the Meet Market and, depending on whether they want to post it or not, the community bulletin board at Dunkin Donuts. He added that there would be copies available at the Town Hall and it would be available on the Town website.

Ms. Fournier asked if they knew how long out that was before the official Town Warrant.

Mr. Blanchette said that it would probably be mid- to late May.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

There was a suggestion to put this off until November and Mr. Moynahan said that there would be a discussion next Thursday.

9:12 PM
#3

Mr.
TO : Board of Selectmen
FROM : Thomas Phillips, II
REF : Request to be appointed to Shellfish Conservation Committee

Mr. Dunkelberger moved, second by Ms. Place, to accept Mr. Phillip's application to become a member of the Shellfish Conservation Committee, with the term to expire as determined.

9:13 PM
#4

TO : Board of Selectmen
FROM : Charlie Case, Energy Commission
REF : Proposal for Energy Audit

Mr. Case said that, in February, they told the Board they wanted to complete energy audits for the Town buildings and the ones left were the Public Works garage and the Transfer Station. He added that they did a sealed bid to five bidders, doing that to give Mr. Henningsen a chance to bid, and it turned out that Mr. Henningsen was the only bidder. He said that the bid was \$1,750 to do those two buildings and they would fund that out of their current EEC budget of \$2,500, which should be reimbursable by EfficiencyMaine as part of their grant. He said that they would like to get the Board's permission to go ahead and have Mr. Henningsen get that on his calendar, which would hopefully start May 1.

Mr. Moynahan said that it was a board member that would be doing the work and there were perceptions of conflicts of interest and all that sort of thing but, with this group, he wasn't sure that played a role because of the improvements they have been offering and the work they have done he thought they could put that issue aside.

Mr. Dunkelberger agreed and said that the committee has gone out, done due diligence in trying to get other companies to bid and, probably, the projects weren't big enough for them to consider.

Mr. Moynahan commented that it was part of the territory, though, and there would be some questions about conflicts so they needed to be prepared for that. He asked what was the pleasure of the Board based on the scope of the work and the dollar figure coming out of the committee's budget, which would be reimbursed.

Mr. Murphy moved, second by Ms. Place, to accept the bid they have in hand and award the contract to Henningsen Inspections LLC in the amount of \$1,748 coming from the budget of the Energy Committee.

VOTE
3-0
Chair concurs

Mr. Case asked if the Board would take up Item #10, as well.

The Board agreed.

9:17 PM
#10

TO : Board of Selectmen
FROM : Charlie Case, Energy Commission
REF : SEI Meeting (two emails from Charlie)

Mr. Case gave the Board an update on the meeting and discussed the rotating loan program and the projects ready to go with funding. He added that he wanted the Board to know where they were headed with the SEI and, then maybe in a week or so, the Board could give them some direction.

Important points:

- Several towns involved, South Berwick the lead

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

- \$500,000 grant with 10% matching local funds required
- For Eliot, 10% would equate to about 2,000 hours
- Many reporting requirements
- 35 applications, potentially encumbering \$450,000
- Eliot has 10 applications
- Designate funds for energy improvement grants
- Towns pay for loan money up front, then reimbursed
- One of two towns with shovel-ready projects
- Town Hall/Fire Station projects
- Chances of getting money extremely good
- Towns ready to present by end of April

Mr. Case said that they were basically in a position where, if the Town wanted to go forward with this, they could get some free money for the Town, that it would take a lot of work and a lot of work to do all the reporting. He said that it has taken a lot of their time to make this all happen but they think it has been worth it and they believe they were in a good position to capture almost all of the money.

Mr. Henningsen said that he did not think it was a wise idea to go forward with nothing when they were relying on some other town providing their share of the \$40,000 in-kind funds. He added that, if no other towns step up, then it would be a cash-out-of-pocket affair. He said that what they were hoping was to get some guidance from the Board on a dollar value in a \$15,000 to \$20,000 range that would fund a \$30,000 to \$40,000 project, with half of it paid by the in-kind funds.

Mr. Moynahan said that he brought up their proposal during budget season, already, and he didn't think they ever got any answers if they were going to fund any of this and that really was the big question, especially right now where it was a slash-and-burn type approach.

Mr. Case said that they discussed a little bit was, as an example, if there were \$15,000 to be spent out of the Facilities Reserve Fund, right now, they could get \$30,000 worth of work done quickly.

Mr. Moynahan said that he thought they were down to \$10,000 in the Facilities Reserve.

Mr. Henningsen said that this could spread for this budget period and next budget period because they didn't have to have the work done until the end of August.

Mr. Reed said that he was wondering if any of the CIP projects included in the budget that would fall into this category.

Mr. Moynahan said that they just started the CIP funding and nothing was fully funded.

Mr. Dunkelberger said that he thought there were some line items that were not really detailed but might involve some of the projects they were talking about at the Transfer Station, as they might have been energy related. He suggested they ask the department heads to take a look at what they have going forward. He said that he thought it would be a great investment but also recognized that there were a lot of demands that went along with it.

Mr. Moynahan clarified that it was a matter of finding a funding source and Mr. Case mentioned some of it could be volunteer labor counted towards it.

Mr. Case agreed. He said the other thing, which he hasn't talked about with his commission, because this was so important for the Town, that he would be willing to spend a good portion of their budget for the next fiscal year as part of the match, too, and whatever they got back from EfficiencyMaine, they could spend that, too.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Mr. Moynahan said that they needed direction by the 23rd of this month and part of that includes if the Town has the ability to do any budgeting, adding that they wouldn't even have next year's budget in front of the voters until June. He added that this year was a bit different and could look to see if something was available through the departments and that sort of thing.

Mr. Henningsen said that one of the biggest issues was that the Town had to up-front the money and they won't pay the Town back until those bills were paid and all the reporting was done.

Mr. Murphy clarified that the time limit for getting this started was May 1st.

Mr. Henningsen said that they had to take their proposals to the Town Manager in Perry before April 30th.

9:40 PM

Mr. Moynahan asked Mr. Blanchette to poll the department heads and if there were something available that they could have a discussion on Thursday to still give enough time if there were something available and, perhaps, the Board could have a decision then.

9:41 PM
#5

TO : Board of Selectmen
FROM : Wendy J. Rawski, Town Clerk
REF : Election Clerks Appointments

Ms. Place moved, second by Mr. Murphy, to accept the Democratic Party nominations for Election/Ballot Clerks to serve from 2012 – 2014.

VOTE
3-0
Chair concurs

Ms. Place moved, second by Mr. Murphy, to accept the Republican Party nominations for Election/Ballot Clerks to serve from 2012 – 2014.

VOTE
3-0
Chair concurs

At this time, the Board signed the nomination papers for both parties.

9:43PM
#6

TO : Board of Selectmen
FROM : Planning Board
REF : Video Streaming

Mr. Moynahan said that, along with the PB, they have gotten letters from several boards and committees. He said that the PB had a question as to who would make hard copies of these meetings and at what cost and that sort of thing. He added that he thought they had gotten information from pretty much all boards and committees and, at some point, they would need to make a choice about who would get videotaped and asked for the thoughts of the Board members.

Mr. Murphy said that he did not believe they needed to solve this tonight.

Mr. Dunkelberger suggested that they try to answer the questions the PB asked in regards to what became the official record – was it video or still the written record.

Mr. Blanchette said that what he thought happened was that they are both the records, that they have to maintain the video as well as the minutes.

Mr. Moynahan suggested they could get some clarification before Thursday on that to have a better idea, as that was important, and they could also reach out to Mr. Emery (IT) to find out how copies would be made, who would be responsible, etc.

Mr. Reed said that he thought a critical thing to consider was that not all minutes were created equal, certainly what Ms. Lemire did here was top-notch, and there

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

were many committees that the minutes were, how shall we say, sketchy at best. He said that he thought they should do videotaping and it should be a matter of the record, especially in cases where the written record was incomplete.

9:45 PM
#7

TO : Board of Selectmen
FROM : Russ McMullen
REF : TIF Sewer Project

Mr. McMullen said that his concern tonight was trying to mesh together the intent of the Comprehensive Plan (CP) with the TIF Committee. He said that, having been a member of both and currently a member of the CP Implementation Committee, he felt it was important that the Town bring together the idea of these sewer leases being proposed in the backland from the Grover property (Beech Road) on through at a 90 degree angle heading on to Julie Lane, then back up to Route 236. He added that he has met with Underwood Engineers, the Sewer Committee, and others and everyone understood the merit to this but the problem was the language of the documents that were created. He said that they had to create leases in order to do the backland sewer and water lines but it doesn't state any other use except water and sewer. He added that it did not include utilities and/or natural gas, which was also available at Route 236. Mr. McMullen said that, in keeping with the request of the CP to create frontage roads in the backland area of Eliot for the purpose of better, safer entrance and create more economic development, which was also the intent of the TIF project, access could be created to all this backland, dividing up the backland much more efficiently because, once the PB was to convert that area over to zoning, it would be a one-acre zone versus a three-acre zone and the potential for many different lots out there but with an easy access off Beech Road versus Route 236. He added that they felt that Maine DOT was going to begin to shut down accesses from Route 236 to that backland and they had a ton of spaghetti lots that would be caught. He discussed that he would like to have the leases converted to rights-of-way that would include the potential to put in a road to Town standards, along with water, sewer, gas and electricity. He added that this would give the Town the potential to develop that area someday. He said that they only cost to the Town right now would be changing the term of leases to rights-of-way to a Town width standard of, he believed, 50 feet. He said that they were not asking the Town to install the roads now but only make the legal provision by documents that could be done at a later date.

Mr. Moynahan said that it seemed pretty sensible and forward thinking.

Mr. Dunkelberger agreed and he was glad someone picked up on it, thanking Mr. McMullen. He said that his only concern with this change was the attitudes of landowners with regard to utilizing their land for this.

9:49 PM

Mr. McMullen said, as a point of disclosure, he was a real estate broker and had nothing to do with anyone who owned any of the land they were discussing tonight. He said that because they would be changing this from a three-acre zone to a one-acre zone it would allow all the commercial landowners to divide up their lands to smaller lots, which would service more potential businesses and services in that district for the Towns' people. He added that that would result in jobs, higher taxes, tax a great deal more road frontage, some people would end up with twice to four times the road frontage they currently have, which would mean a tremendous increase in value to their property. He explained that, with road frontage on Route 236, if someone were to come in halfway between two properties to put in a road, they would then have three road frontages, adding that the Town would benefit by taking the Towns people off the main drag of Route 236 and put them into a 25-mile-an-hour zone to go get services. Mr. McMullen said that they would be putting it into an area where they would have one-acre zoning, then they might make some provisions for this one-acre zone to be properly utilized. He said that, with the spaghetti lots, the only way they could currently be accessed would be through 30-foot rights-of-way. He added that the Maine DOT was already shutting down curb access in South Berwick. Mr. McMullen said that he felt this would benefit the taxpayers and is why they did this – that the CP really scrutinized this proposal. Mr. Dunkelberger reiterated his concern that one landowner might not want to subdivide or give the Town a right-of-way.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

Mr. McMullen said that all of the landowners were already giving up 40 feet of their land by creating this sewer easement so, by increasing it to 50 feet, then they would end up with the potential for complete utilities and two pieces of road frontage.

Mr. Murphy said that he has looked at this and was in favor, in principle, but the plan that Underwood Engineers has designed already he believed required the easements. He added that what worried him was that a positioning of an easement for sewer may not be in the proper positioning for a road. He added that, in a sense, a road is bigger and more consuming of space in area and vehicles and safety, etc. He added that a sewer could be put in more easily and thought Underwood may have designed the easements without thinking of where a road should be. He suggested getting a road design, first, then run the sewer along that.

Mr. McMullen said that he, Underwood, Mr. Dupuis and Mr. Hirst have had this conversation and he thoroughly agreed with Mr. Murphy. He added that he would love to see something done now that would make really good sense because the amount of acreage in that given area between Beech Road, Route 236, and Julie Lane is substantial. He reiterated that he would love to see something done that would make sense for a future road design but it would mean moving the potential areas for the sewer lines to accommodate that. He added that this was not a cost to the Town – it was a recommendation from the CP that they were supposed to be following, that they do these CP's for a reason.

Mr. Moulton said that he believed that the Commercial/Industrial right-of-way was 70 feet versus 50 feet so that would be an additional 30 feet. He added that Mr. Murphy was right in that, when Underwood looked at constructing the sewer lines, they looked at grade and the constructability of the sewer based on grade. He said that it became more of a utility easement versus a right-of-way.

Mr. McMullen said that he understood all the points being discussed but he believed what they were talking about tonight was a lease for a given use versus a right-of-way for all the uses.

Ms. Shapleigh said that their CP was done every 10 years and it was how the Town would like to see it developed. She added that it was not a rule, that they did not have to follow everything in that plan – that plan is guidance and they didn't know that the Town would vote to change the zoning. She said that, as a resident, she believed that if they put anything else into the sewer expansion project they ran the risk of having it voted down. She added that they ran that risk anyway but it would be even more if they encumbered it taking rights-of-way and planning that for the future for land that they didn't know if those landowners wanted that to happen with their land. She reiterated that she thought it was foolhardy to do that right now because they could lose everything they have put into the sewer expansion.

Mr. McMullen said that all he was trying to do tonight is bring the true intention of the CP Committee and why they had thought of changing the zoning to one acre in that zone, not across the street, and why they tried to tie this in with the idea of doing frontage roads because they knew that, in the future and not asking Eliot, Maine DOT was going to potentially shut down curb-cuts. He added that, if they do that, then Eliot may end up with a bunch of spaghetti lots on Route 236 that they may not be able to do much of anything with. He said that he felt that would hurt the potential tax base and jobs for the Town for the future and, to him, the time to act on this was, sensibly, when other things were happening. He said that, if they were going to do something, then why don't they do it right.

10:00 PM

Mr. Dunkelberger said that he shared Ms. Shapleigh's concerns with regard to piling on but did they lose anything by just asking the questions of landowners and what their thoughts were.

Mr. McMullen said that the citizens would not lose anything but would only potentially gain. He added that he thought that, if it were properly addressed in Public Hearing and as people were educated and, if the Board so instructed, he would be very happy to go along and express the intent to the small number of

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

landowners involved of the CP and why they felt it was best to do this and include all utilities and roads while they were doing it.

Mr. Dupuis said that they discussed this in the Sewer Committee with the issue being language without bearing any further costs to the budget to the sewer expansion project. He added that Underwood Engineers has obtained verbal commitment for easements for the sewer line, which was very important to be designed by elevations so as not to incur other expenses for the sewer extension project. He added that Mr. McMullen had a valid point that they had to be careful in their terminology because, as soon as they said it would be a right-of-way, then they would have legal things to do, such as building the roadways within the design of the Town right-of-way. He said that they could not incur that expense right now but maybe the language would be to obtain the legal easement in footage, hoping that they could attain some of that but, as Mr. Murphy mentioned, they had setbacks of wetlands, etc. that they might not be able to put a road on an easement. He added that, if the landowners were made aware of that, then it was something that could be addressed later because they could not use the TIF funding to put in roads.

10:05 PM Mr. McMullen said that they could use the money for roads. He added that the TIF did, in fact, allow for that, but that was not what was being proposed tonight. He clarified that all they were trying to do was change the wording so that they had the future potential of creating this economic development and a tax base for the Town in land that would otherwise become somewhat useless because of the nature of spaghetti lots. He reiterated that he was not asking to expend any money on roads, utilities, etc. only the sewer line the TIF was proposing but just to make the legal and technical provisions to someday carry through with what he hoped people would think was common sense, a tax base, jobs, and the CP's request.

Mr. Moynahan said that it seemed a sensible approach to start looking at different language changes and have the ability if those areas worked in relation to a roadway. He added that he felt that securing that would be securing the future for that area's development.

Mr. Pomerlau commented that he thought that what he was asking was rather simplistic, that he just wanted to change the language to allow ? He added that, as far as voter impact, the complexity of this was much deeper than this simple little word change and he did not believe this language would impact the vote one little bit.

Mr. Moynahan asked if the Board wanted to move forward reviewing that language to see how that would impact landowners.

It was the consensus of the Board to move forward to investigate this.

Mr. Blanchette will contact Underwood Engineers tomorrow.

10:08 PM

#8 TO : Board of Selectmen
FROM : Marshwood High School
REF : Informational

This was informational.

10:10 PM

#9 TO : Board of Selectmen
FROM : MMA
REF : Informational

This was informational.

Old Business (Action List):

10:12 PM This was postponed until the next meeting due to the lateness of tonight's meeting.

BOARD OF SELECTMEN'S MEETING
April 12, 2012 6:00PM (continued)

1. Sewer Contract Committee – Mr. Moynahan, Mr. Murphy, Mr. Marchese, Mr. Moulton and Mr. Blanchette – IMA Update
2. Monthly Reports from Department Heads
3. TIFD reports and updates
4. Health Insurance Costs
5. Review existing Sewer User Rates and update – Sewer Committee
6. Regionalization of Town Services
7. Sewer Allotments – fee for reserving such
8. Auditor – Management Letter
Consistent Format – Budget, Time Sheets, etc. – Mr. Moynahan and Mr. Dunkelberger
9. Monthly Workshops – 3rd Thursday of the month
10. Employee Reviews in monthly Department Head Reports
11. Mass - email
12. Legal issues – pending and Consent Agreements
13. Community Services Building
14. Police Union Contract

15. Finance Director/Comptroller
16. Personal property tax
17. Town Forest – Johnson's Lane
18. Taping of meetings - policy

Selectmen's Report:

There were no Selectmen's reports tonight.

Other Business as Needed

There was no other business tonight.

Executive Session

10:13 PM Motion by Ms. Place, second by Mr. Dunkelberger, to enter into Executive Session as allowed by 1 M.R.S.A. § 405. F "Discussions of information contained in records...", such as selling foreclosed property to the former owner of his/her designee.

10:19 PM Out of executive session.

10:20 PM Motion by Mr. Dunkelberger, second by Ms. Place, to sell the property known as 41 Marshwood Dr. (Map 79 Lot 26-55) to the Jennifer Czarnecki (the previous owner's assign) for \$1,413.21.

VOTE

3-0

Chair concurs

10:21 PM Moved by Murphy, seconded by Dunkelberger, that we enter into executive session as allowed by MRSA 1 section 405(6)(A)" Discussion or consideration of the employment,..., compensation, evaluation,..." Personnel matter.

VOTE

3-0

Chair concurs

10:38 PM Out of executive session

Adjourn

There was a motion and second to adjourn the meeting at 10:40 PM.

VOTE

3-0

Chair concurs

DATE

Roberta Place, Secretary