

SPECIAL BOARD OF SELECTMEN'S MEETING
June 20, 2013 5:30PM

Quorum noted

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

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

Pledge of Allegiance recited

Moment of Silence observed

Approval of Minutes of Previous Meeting(s)

There were no minutes approved at tonight's meeting.

Public Comment:

5:31 PM Mr. (Charles) Rankie asked the Board to outline the rules for public comment during agenda item discussions among the Board.

Mr. Moynahan said that everything had to be addressed through the Chair and wait to be recognized to speak; that one would rise their hand and wait to be recognized by the Board to speak on a particular issue, or not. He added that the Board would be reviewing their Selectmen Policies at next week's meeting.

Department Head/Committee Reports

5:35 PM Mr. Moulton said that he had the MS4 Permit for Stormwater Discharge to be signed that had to be maintained by the Town, as required by the State. He explained that this was a five-year permit the Town had been involved in for some time; that this was a new five-year permit for 2013 – 2018; that he budgeted for the costs involved. He added that the Town had an audit two weeks ago with Maine DEP and did quite well and there is an anticipated federal EPA audit scheduled for the Town sometime this summer.

After some discussion, the Board agreed to review this and have it on next week's agenda.

New Business (Correspondence List):

5:38 PM

#1

Articles versus Expenses

Mr. Moynahan said that fringe benefits were the main concern. He asked Mr. Blanchette for an update.

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Mr. Blanchette said that they would overspend the article because they had the insurance bill to pay, which would be right around what was left in the article (between \$30,000 and \$33,000). He added that, in addition, they had two more weeks of fringe benefits.

Mr. Moynahan said that it was about \$13,000 they were spending, per week, on fringe benefits, so Mr. Blanchette was estimating approximately \$24,000 in over-expenditure for that line item.

Mr. Blanchette agreed that it was about that amount.

Mr. Dunkelberger asked if they ever got reimbursed for the patrolman who moved up to Sanford.

Mr. Hirst said that they did, this week, and it was for \$24,000. He added that it was being put in the Contingency Fund.

5:40 PM Mr. Murphy moved, second by Mr. Dunkelberger, that the Board of Selectmen take these amounts out of the Contingency Funds.

Mr. Moynahan said that the motion was to take funds out of Contingency to pay the shortfall in the employee's fringe benefit line.

VOTE

4-0

Chair concurs

Mr. Moynahan said that the percentage at the top of this report showed 92% expended and it should be 96.15%. He added that the Police Department was 97% spent, to-date, so they would need to remind all departments that there would be no over-expenditures in any of the department's budgets and would be something the department heads would have to manage within the last two weeks of the fiscal year.

Mr. Hirst asked if there were any expenditures they could defer in the last two weeks to offset this overspending.

Mr. Moynahan said that they were going to be coming up with an additional \$300,000 in reductions in budgets next week, so that would be difficult. He added that, unless there were extenuating circumstances, departments will not over-expend their budgets; that they will be asked to live within their means.

There was some discussion over consequences if departments did not live within their budgets.

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Mr. Moynahan said that they would have another print-out for the Board's information next week.

#2

Tax Increment Financing Program, next steps

- a) Define potential economic development options**
- b) Seek information on terminating**

Mr. Moynahan said that this was regarding the vote last Tuesday to not move forward with expanding the sewer system; that the Board was now tasked with defining what was next; to define potential economic development options to move forward with or pursue or seek information on terminating the TIFF.

There was discussion around Legislative changes that have been expanded, theoretically, the window of opportunity for an indefinite period of time to do any project they might want to do.

Mr. Blanchette said that that was slated to occur but he was not sure the change was on the books yet. He explained that this was for the bonding; that they were limited to the construction of a project but limited to the bonding only; that it appeared as though they were removing that time limit altogether.

Mr. Beckert suggested they get the updated laws before making any decisions on how to move forward.

5:46 PM

Mr. Dunkelberger suggested they solicit some ideas for projects beyond this Board. He added that, once they got a handle on the laws, they create a cheat sheet on the limits of what the Town could and could not do with it, and then have a workshop to brainstorm some ideas.

The Board agreed.

Mr. Blanchette will get the updated law information.

Mr. (Gary) Sinden suggested that this would also be a good time to research the costs and steps necessary to terminate, as well. He added that he knew that Attorney Mueller was looking into the impact of cuts to State Aid to Education and Revenue-Sharing in terms of the impact on the value of the TIFF, saying that, as those cuts occurred, then the tax shift shrank dramatically.

Mr. Moynahan said that the Board would be getting answers to that, as well.

Mr. Rankie asked who might be included to brainstorm potential projects.

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Mr. Moynahan said that his thoughts were that the Board would brainstorm where they might get input, most likely asking for volunteers from residents of the Town, just like they do for any other thing like this; that requests for citizen volunteers would be put on the E-Alert System.

The Board agreed.

5:49 PM
#3

Public Works, Sewer System

- a) Bond versus Capital Improvement Plan to finance**
- b) User rate increases for same**

Mr. Moulton said that, last week, he presented what he felt were the next steps so as not to lose sight of anything ongoing with the current system. He added that rates were one and Underwood was on the Board's agenda for discussion next week, if they wanted to keep them on that agenda. He discussed the rate impact to users around a capital fund versus bonding; that he recommended bonding because the rates were low. He discussed the impact of putting off repairing the system while waiting to raise capital funds (4 – 6 years) with the potential for catastrophic pump station failures; that doing it this way would have a 116% rate (approximately \$200 - \$300 per average household) impact (for 6 years; 77% for 4 years) not including rate increases for general maintenance purposes (23%) that would build the reserve accounts up to where they needed to be. He added that, if they bonded, then they were looking at a 30% - 35% increase over 20 years.

Mr. Moulton gave an update on the I/I work being done. He said that they did camera work in South Eliot and found significant issues with leaking services in manholes so that will be ongoing work done this year as maintenance.

Mr. Moulton discussed odor issues at Bolt Hill Road. He said that he thought they owed those residents to take a look at what those issues continued to be and how to help remediate that. He added that he would like to continue working on all these issues. He also discussed being cognizant of the sewage going to Kittery, as they were really close to their allocation, and so the I/I was huge.

5:55 PM

There was discussion regarding bonding and how soon that would be available – Town approval in fall and bond received in the spring.

It was agreed that Mr. Moulton would come up with actual dollar amount impacts to sewer users versus percentages. Mr. Moulton will check with Underwood Engineers' availability for the first meeting in July.

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6:00 PM
#4

Code Enforcement re: 967 Main Street

Mr. Moynahan said that the Board had asked Mr. Moulton, the CEO, and the Health Officer to follow up on the property on Main Street and this is a report of their findings.

The Board discussed spending money to upgrade this property to possibly gain more money for the Town or putting it out for auction, as is.

6:02 PM

Mr. Blanchette explained that putting tax-acquired property out to auction was a typical way to handle this other than selling it back to the previous owner. He said that, if they chose to auction the property, then he recommended they send a registered letter to the previous owner giving them a deadline to respond if they wanted to buy it back. He added that he thought they would have some people who would buy it, as is; that the Town would probably get at least what the Town had into it (taxes). He said that they could have a public auction with a professional auctioneer or they could have sealed bids with a deadline to open and, then, whoever got the highest bid would be offered the property and that bidder would be the one to "quiet the title". He added that that would be his recommendation.

6:05 PM

Mr. Dunkelberger moved, second by Mr. Hirst, that the Board of Selectmen follow the advice of Mr. Blanchette with regard to sending a certified letter to the previous owner and, if the Selectmen do not receive a reply within two weeks, then the Board of Selectmen will put the property out for auction, as is.

DISCUSSION:

Mr. Beckert asked if this was a public auction or out to bid. He also asked Mr. Blanchette if the Board had the authority to accept/reject any and all bids.

Mr. Blanchette said that that was correct all the time.

Mr. Dunkelberger clarified that he meant a sealed-bid auction.

Mr. Cielezko asked who received any monies from the auction.

Mr. Blanchette said that under current State law the Town received any and all profits.

Ms. Adams suggested the two weeks might not be a good idea because the post office will hold that certified/registered and make three attempts to deliver.

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Mr. Rankie suggested the Town set a minimum bid so as to cover the Town's expenses.

6:09 PM Mr. Dunkelberger moved to amend his original motion, second by Mr. Hirst, to make the reply within 21 days and for a minimum bid for taxes due to the Town plus \$1,000 for expenses.

Mr. (Stephen) Brandon asked if that would also cover any legal problems that might arise with lawyer's fees.

Mr. Blanchette said that he did not foresee contacting the attorney.

Vote on the amendment:

**VOTE
4-0
Chair concurs**

Vote on the amended motion:

**VOTE
4-0
Chair concurs**

**6:11 PM
#5**

Code Enforcement re: Tax Map 10, Lot 25

Mr. Moynahan said that this was a report from the CEO regarding a nuisance property and that there may be legal action required if the issue was not addressed as is being required by the CEO.

**6:12 PM
#6**

Maine Municipal Employees Health Trust – Affordable Care Act

Mr. Moynahan said that this was informational.

Mr. Blanchette suggested that, for the sake of continuity in this, they form a small committee so that Selectmen could be updated as to the things that were coming up and that needed to be addressed.

Mr. Moynahan said that that sounded smart and asked if there were any Selectmen volunteers to handle this information.

Mr. Dunkelberger and Mr. Murphy agreed to work with Mr. Blanchette on this committee.

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Ms. Fournier asked if this committee could also have a person from Eliot, as the Board was the employer.

Mr. Moynahan said that this had nothing to do with the benefits offered to the employees but more to the changes to the benefit packages that were coming down the road. He added that what Mr. Blanchette was suggesting was that, rather than one person being privy to these changes that were coming, it would be smart to have two other people, as well, where it would affect how they moved forward. He gave her an information sheet pertaining to this.

Old Business (Action List):

This was not discussed tonight.

1. Route 236 Sewer Expansion Project reports, updates, and schedules – Questions from Route 236 Ad-Hoc Committee - Mr. Blanchette
2. Sewer Contract/IMA – Schedule IMA/Kittery Meeting for presentation - Mr. Moynahan, Mr. Murphy, Mr. Marchese, Mr. Moulton and Mr. Blanchette
3. Police Union Contract – Mr. Moynahan, Mr. Dunkelberger, Mr. Blanchette, & Chief Short
4. Community Service Space: Relocation to Elementary School – explore school space – fit up costs, service impacts, insurance, MSAD #35 contract, CSD Director – Mr. Dunkelberger, Mr. Hirst, & Mr. Blanchette
5. Town Manager – schedule workshop; include Comp Plan Implementation Committee
6. Dispatch Service/Ambulance Contract – Contract with Kittery, request from same, costs – BOS, Mr. Muzeroll, Mr. Short
7. Policy creation/review – debit card, video-streaming, website management
8. Employees – cross-training, charting earned times, job descriptions - BOS
9. Liaisons to boards, committees, and commissions – review existing members, try to fill open spots; Committee/Board – Mission Statement Review - BOS
10. Budget Preparation - BOS
11. Auditor – financial statement, management letter, finance director, personal property tax, fixed asset management - BOS

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12. Regionalization – explore areas of potential collaboration, cost reductions & enhancements to services – Mr. Moynahan, Mr. Hirst
13. Legal issues – pending and Consent Agreements – Eliot Shores, PSNH/Sierra Club, Mr. Bogannam - BOS
14. Sewer User Rates, reserved allotments, odor, maintenance– Sewer Committee, Underwood Engineers, Mr. Moulton
15. Department Heads – monthly reports, employee reviews, financial oversight, policy reviews, and department reviews - BOS
16. Research grant opportunities – AED's for Town buildings
17. Comp Plan follow-up
18. Pending new unions

6:15 PM

Selectmen's Report:

Mr. Murphy said that he had a concern brought to his attention today as he was going through the warrant; that he would like to ask Mr. Blanchette to write a letter from the Board to the ECSD Department Head to remind them that there were (1) two outstanding errors in past accounts - one for \$90 and one for \$1 - and they have been very slow about recognizing and correcting them. He added that he would like the BOS to tell the ECSD that the (2) ECSD warrant sheets must be arranged in order of check number, which could be very confusing, if not, when there were multiple payees on those checks; that the accountant assisting ECSD, Ms. Hatch, (3) must submit her invoices for payment for the hours she has put in on a regular basis, as she has not submitted any invoices since November and the Town is coming up on the end of the fiscal year. Mr. Murphy said to please note (4) that the request by the Town Treasurer for specific procedures to be followed must be recognized by the department heads and followed and not just: "No, I won't do it." He added that (5) the above requirements were to be effective immediately. He reiterated that he would like the Board to have this letter written and sent to the ECSD.

Ms. Muzeroll-Roy said that she was not sure about 2 – 5, as those all had to do with the accountant; that the \$90 and \$1 was the first time she had heard of it. She added that any notes Mr. Murphy or Mr. Hirst gave her she tried to follow up on the next day so she didn't forget, herself.

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Mr. Murphy asked her to follow up with the Treasurer on the \$90 and \$1 errors. He added that, in a meeting with the Treasurer, Ms. Hatch refused to put the checks in order; that it was a messy page and difficult to verify.

Ms. Muzeroll-Roy said that that had nothing to do with her; that that was not something that she had done as ECSD Director, adding that she didn't cut her own checks or put them in any order; that the accountant did that work to Ms. Spinney and that was strictly between Ms. Hatch and the Treasurer.

Mr. Moynahan said that September 1st was the goal to get all of ECSD's accounts payable and receivables on TRIO software before Ms. Spinney retired, so some of these questions will be taken care of by September; that Ms. Spinney had to set up that whole account before they could even start transferring those accounts into TRIO. He added that, as far as Ms. Hatch submitting invoices, he thought that was something Ms. Muzeroll-Roy could follow up on with Ms. Hatch.

Ms. Muzeroll-Roy said that she certainly could follow up with Ms. Hatch, on her own, so Mr. Blanchette didn't have to do that, reiterating that she wanted to make the record clear that this was the first that she had heard of any such things.

The Board discussed the issue of Ms. Hatch not putting the checks in the order requested. It was requested that the ECSD Director follow up with Ms. Hatch on this, as well.

Ms. Muzeroll-Roy agreed that she would.

After some discussion, the Board requested that Mr. Blanchette, as Ms. Hatch's direct supervisor, follow up with her as it related to her performance, clarifying that there would be specific consequences if work was not done as requested; that that needed to be resolved by the next warrant.

6:24 PM Mr. Moynahan discussed next week's agenda. He said that he would postpone most items that were on to focus on budget reductions of approximately \$300,000. He also discussed needing to have another Town Meeting, with two ways to do that – a Town Meeting vote or a referendum vote.

Mr. Murphy said that he thought this was an extremely important step and as many people as possible should be encouraged to vote for this, therefore, he thought that it should be a referendum with a day-long time for people to vote. He added that he thought that should be a better number than what would be at an evening Open Floor Town Meeting. He said that the items were already appropriated and the Board was simply modifying them; that there was nothing new to be considered by any special subcommittee or other committees; that the Board was in charge of finding those possible cuts and suggest them to the Town.

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Several Board members agreed.

Mr. Moynahan said that, on Thursday, the Board needed to find those cuts and, once they had that determined, then all the departments needed to supply information to the residents on how that may impact the services they were providing.

6:27 PM

Mr. Brandon asked whether, if it was a referendum vote, they would vote on the articles singularly or one lump sum vote up or down.

Mr. Moynahan said that he thought that would be dependent on how many areas were affected with reductions.

Mr. Selsberg said that a referendum didn't really give the taxpayers an opportunity to disagree with a reduction proposed by the Board and, perhaps, wanting a reduction in another department. He added that, at a Town Meeting, people could stand up and express their views that, perhaps, something the Board suggested wasn't the right thing and they should be looking at a different department. He suggested that the Town Meeting would be a better procedure to allow the taxpayers to get involved.

Mr. Moynahan said that they had that and the voters appropriated what they felt adequate for each department line-by-line and, at the end of the meeting, the LD1 vote was not to override.

Mr. Dunkelberger thought it was an important point in this that, if one had a Town Meeting, one could only lower the amount; one could not raise an amount, so, one could only address half the problem, anyway.

Ms. Davis said that that didn't take into account where the community may want to place emphasis on one department as opposed to another; that they may want to take cuts from one place instead of another place. She asked where the community input came in; that they voted on the first budget and she thought they wanted a say in the second budget to see where the reductions might come from. She added that she would like to know where the Budget Committee (BC) fit into all of this; would recommendations be required and, if it was voted on referendum, perhaps, if people came to the BC meetings, then the budget recommendations might be different.

Mr. Moynahan said that he wasn't sure how to answer that, adding that he knew it was reviewed earlier by Mr. Blanchette in that, where it was not appropriating funds and there was a referendum, then the BC would not be on there because they were not appropriating money but reducing money already appropriated at the Town Meeting.

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Ms. Davis said that they appropriated more than what the LD1 allowed for so, now, in a sense, it had to be re-appropriated.

The Board disagreed, saying that the funds were already appropriated and the Board was now tasked to make recommendations for reductions.

Ms. Selsberg said that it was quite clear at the Town Meeting that there was quite a divergence of opinion and she thought they had the right to show that, again, even if it was just for downward spirals for the budgets. She added that they clearly showed they wanted a voice in this; that she thought that July or August was just as bad as a Saturday night during graduation weekend.

Ms. Shapleigh asked if it was possible to vote Article 51 again.

It was discussed that it was an option.

6:32 PM Ms. Fournier said that LD1 was a State statute; that LD1 was already voted on at the Town Meeting and it was her opinion that they could not vote on it again. She discussed that every budget had fluff and suggested a meeting at the Selectmen level to include any resident interested to help look for the fluff, that she didn't feel it should be up to the BOS.

Mr. Moynahan said that they had budget meetings with the BC for four months.

Ms. Fournier said that thee BC was not all the citizenry.

Mr. Moynahan said that those meetings were open to all the residents; that what Ms. Fournier was suggesting was to recreate that. He added that they did not have the time to do that; that the Board had to decide what venue to do this in and what cuts would be made; that they were not starting the budget process all over again and not starting 51 more warrant articles.

Mr. Pomerleau said that, if the Board chose to do this by referendum and it would be a yes or no, either by article or summary, if it was a no, then that left the Board with having to come back for another one, and the problem hasn't been solved. He suggested, although he didn't know how it would work, having recommends from both the BOS and BC and ask voters to pick one; then, at least, people would have an option, if the vote was by referendum. He added that he would like to see the most people voting, if possible by referendum, but suggested they might be creating some headaches they were not foreseeing. He also said that the LD1 vote could not be brought up again with Eliot's form of government in having a Town Meeting.

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6:37 PM Mr. Fisher said he had a request that, if they did have a referendum vote, then he would like to see them submit a question for vote as to whether they wanted to establish a charter commission.

Mr. Moynahan said that it would probably be budget-specific; that he believed Ms. Rawski would give that (charter commission) to him to be on the BOS' next agenda so that would be received by the Town.

Mr. Rankie said that everything that was appropriated at the Town Meeting was appropriated and, if he understood that process, that appropriation set a ceiling for the BOS to spend; that the citizens put in the BOS' hands that they could spend this amount for these things. He discussed that Mr. Dennett's explanation of the last vote (Article 51) in several ways but did not believe that was clear at all. He added that he thought it was within the BOS's authority to take the departments and decide what would be spent; that the Town appropriated that money and approved the BOS spending it; that, if the Town didn't give the BOS the money after that, then the BOS got to choose which one of those they wanted to spend what on and which ones they didn't; that he thought it was really all that simple. He added that, if they were going after the whole thing that everyone talked over for five, or so, hours; some up, some down; the BC had a great deal of input and they had a great affect; that it was all done but he didn't think the people made the connection with the fact that they approved all these things - it was a feel-good thing to say, "No, you can't have the money, now." – after they voted; that he didn't think the people understood that.

Mr. Moulton asked if they wanted anything from department heads.

Mr. Moynahan said that the Board would make department heads aware that the Board was having a budget workshop but, as far as impact, he thought the Board would be the final ones coming up with things and it would be the department head's job to define how that would impact services and operations.

Ms. Fournier suggested the Board go to department heads and ask them to trim budgets as far as they could then have another Town Meeting...

Mr. Moynahan used Mr. Moulton's budget as an example of cuts that the Board and the BC had made cuts to that reduced what those two groups perceived as fluff.

Ms. Fournier said that they had to have citizens with proper notification and education.

Mr. Moynahan said that they did have to vacate the room for a Board of Appeals meeting and apologized for being short, calling for a motion to adjourn.

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Other Business as Needed

There was no other business tonight.

Executive Session

There were no executive sessions.

Adjourn

There was a motion and second to adjourn the meeting at 6:40 PM.

VOTE

4-0

Chair concurs

DATE

Mr. John J. Murphy, Secretary