

## **SELECT BOARD MEETING**

**June 8, 2017 5:30PM**

### **Quorum noted**

**A. 5:30 PM:** Meeting called to order by Chairperson Davis.

**B. Roll Call:** Ms. Davis, Mr. Murphy, Mr. Pomerleau, Mr. Hughes, and Mr. Donhauser.

**C. Pledge of Allegiance recited**

**D. Moment of Silence observed**

**E. Approval of Minutes of Previous Meeting(s)**

No minutes were reviewed tonight.

**F. Public Comment:**

There was no public comment.

**G. Public Works**

There were no items.

**H. Department Head/Committee Reports**

**5:32 PM 1) Sewer Pump Station Update – Pre-qualifying Contractor**

Mr. Lee said that he knew when we came to the SB and asked about pre-qualifying contractors there was some concern that we weren't going to look far and wide; that he wanted to let the SB know that this went out to several newspapers, so, we are hoping to get a very good turn-out. He added that it went out to Portland, to New Hampshire and, maybe, into Massachusetts to find contractors for this. He said that the State, in order to allow us to pre-qualify, wanted the same thing.

**5:33 PM 2) Resolve to Re-classify Expenses Related to Winter Roads**

Mr. Lee said that the Public Works Director and Finance Director put together the memo before the SB, which shows we are about \$44,650 over the 15% cap allowed by State statute to go over-budget on Winter Roads; that the winter hit us pretty hard. He added that one question from the SB was whether there were legitimate things that could be re-classified, handled through the audit, etc. that might make it unnecessary for us to go back to the voters to get an additional appropriation to cover the Winter Roads overage. He said that the memo discusses transferring inventory value that we have remaining – road salt =

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\$25,865 and diesel = \$1,441.52. He added that the balance of the overdraft was \$17,342.17 and we are proposing to re-classify some expenses we feel could reasonably be re-classified that would help cover that overage. He said that they feel the auditor would be happy with this; that the auditor did want the SB to vote to re-classify, if at all possible, so that he can have it in his audit report that it was sanctioned.

**5:36 PM** Mr. Murphy asked, if we did not do this, what would the overage result in - what kind of action and for what cost.

Mr. Lee said that, in all likelihood, if we had something we were voting on this November, there would be a question on there to utilize fund balance to transfer from undesignated fund balance an amount to cover the overage in the Winter Roads budget; essentially, our savings account.

Mr. Murphy said that we could leave it in the savings account and have it available for future use by doing this transfer from a, now, static budget into an operating budget.

Mr. Lee said right, from a Public Works budget that does have some amounts in it, here, especially in health insurance. He added that we can move that \$17,342.17 from the Public Works operating budget and, then, taking stock of the value of the inventory that we retained from the winter, would cover it; that we wouldn't then have to go into savings, we believe, and we've checked with the auditor that this is probably the best way to go about doing it.

**5:38 PM** Mr. Murphy asked if the auditor had seen this breakout list and from where they're coming, and he is happy with that.

Ms. Bergeron said that we have discussed the inventory items and he is perfectly fine with those; that he wanted to see a breakdown and he wanted the SB's approval before we got to the other half, which is the re-classification to the Public Works operating account. She added that he is aware of it and we have discussed it, in a broad sense.

Mr. Murphy said that the auditor didn't say that you couldn't do that.

Ms. Bergeron said no, that it's not at all anything like that.

Mr. Pomerleau said that he did believe we voted LD1 last year, asking if this is shifting this into an overage of the total budget that violates LD1.

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**5:39 PM** Mr. Lee said that it might; that he hadn't thought of that. He added that \$27,306.52 of it isn't real money, it's inventory money and that is just an accounting thing.

Mr. Hughes said that that inventory money would go through expense next year because we have to write that inventory off.

Mr. Lee agreed.

Mr. Hughes said that, however, we may not have to purchase more because of the inventory we are carrying over; but, that's a gamble that we will have a milder winter.

**5:40 PM** Mr. Murphy said that he thought this proposal represented a practical, shrewd operational process; that this is what you do when you're managing and you've got different seasons, and all this sort of stuff. He added that this is not hiding anything from the public, not changing anything, as it is still going to be used for what it is to be used for; that there will be a delay in using it because we had too much.

Ms. Davis said that we are constrained by LD1 and this may violate LD1.

**5:41 PM** Mr. Lee said that, after some consideration, his honest answer was, given that we had a budget that called for less taxes than the year prior, we cannot violate LD1 unless we were to go higher than the \$129,000 increment that was allowed under LD1.

There was discussion regarding the potential impact of doing this if LD1 fails and potential additional cuts.

**5:43 PM** Mr. Hughes said another issue he sees is that we are taking money from one warrant article and trying to cover another one.

Ms. Davis said that Attorney McGill seems to think that's okay.

Mr. Lee said that as long as they are reasonably related to one another; that she said there was no reason to break out our warrant articles that way; that they are all arguably, reasonably Public Works expenses. He added that it isn't taking from Police and giving it to Administration, for example, and that's what she said we can't do.

Mr. Pomerleau said that he thought Mr. Lee was right about under the LD1 budget and the gap we have to work with, as long as Mr. Lee is sure we are not already there.

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Mr. Lee said that we are at about 88% to 89% of budget; that all of them were spot on, basically, except for Winter Roads. He added that he thought the only difficulty we have here is Winter Roads; that he thinks you could do this and not violate LD1.

**5:44 PM** Mr. Hughes agreed.

Mr. Lee said that he agreed with Mr. Hughes that, if this winter turns out to be a dog, or LD1 passes, then we have additional trouble.

Ms. (Donna) Murphy asked, if that were to be the situation and you go with this, wouldn't you have an opportunity in November to ask the voters to put aside money, perhaps, to replenish that.

Mr. Lee said that that was a good point; that you could also handle it that way rather than having to make those cuts – postpone until November, ask if they'll appropriate, and then you could take care of it that way.

Mr. Murphy moved, second by Mr. Fernald, that the Select Board approve the plan for dealing with the snow season overdraft, as shown in the Memo of June 5<sup>th</sup> to the Town Manager from the Finance Director and Public Works Director.

**Roll Call Vote:**

**Mr. Fernald – Yes**

**Mr. Murphy – Yes**

**Ms. Davis – Yes**

**Mr. Pomerleau – Yes**

**Mr. Hughes - Yes**

**Unanimous vote to approve motion.**

**5:46 PM** **3) Confirmation of Ronald Lund as Police Sergeant**

Mr. Lee said that Ronald Lund has come from the York County Sheriff's Department and went through our screening process; that he was selected as the top applicant and was made a conditional job offer, which he has accepted. He added that we need to do a one-time appointment of him to our Police Department. He said that we are very pleased to have him.

Mr. Murphy moved, second by Mr. Fernald, that the Select Board confirm the appointment of Ronald Lund to our Police Department as a Police Sergeant.

**DISCUSSION**

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Mr. Lee said that he wanted to point out that Officer Grogan suffered an incident and he's doing quite a bit better, now, and so there will be two sergeants; that this is not a replacement sergeant, as we have two slots for sergeants.

DISCUSSION ENDED

**Roll Call Vote:**

**Mr. Fernald – Yes**

**Mr. Murphy – Yes**

**Ms. Davis – Yes**

**Mr. Pomerleau – Yes**

**Mr. Hughes - Yes**

**Unanimous vote to approve motion.**

**I. Administrative Department**

**5:48 PM 1) Town Manager Report**

Mr. Hughes asked Mr. Lee to elaborate on **Line 68**.

Mr. Lee said that, when we awarded the bid for the Community Service Department's bussing, it went to MSAD #35; that, as he understands it, Kittery also ended up bidding their bussing, and they had previously been with this other bus company. He added that he thinks, for the first time, Kittery bid to MSAD#35 because Kittery knew they did bussing for us in the summer and he thinks MSAD #35 was awarded the Kittery bid, thereby taking business from this bussing company and he felt it was illegal for MSAD #35 to do public bidding against private companies; that the person called him about it, telling him that he (Mr. Lee) didn't know, that we've been with MSAD #35 for many years, adding that he gave him MSAD #35's phone number.

**5:51 PM 2) Sale of Foreclosed Property Bids**

Mr. Lee said that we received two bids; that Mark Phillips was present, owner of Marshwood Estates. He added that one was from Mr. Phillips for \$1,500 and has a note from on what is owed him as the landowner on that property by the previous tenant. He said that the other one was received from Michael Blake for \$2,000; that he thinks Mr. Phillips would like to speak to the problem with them bidding; that they called Mr. Phillips before they put in the bid and they called him (Mr. Lee) a couple of times before they put in the bid. He invited Mr. Phillips to speak.

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**5:52 PM** Mr. Phillips said that he just wanted the SB to understand that everyone who comes into the park has to pass muster; that they have to fill out an application and pass muster, financially, and the people who were there previously came through the back door with somebody who had that mobile home who was vetted; that he sold it, unbeknownst to him, to his daughter and she was not able to maintain the park rents; that therein lies the problem. He said that the tenants didn't pay him or the Town so it went into foreclosure; that, by law, he has a superior lien and he has the ability to choose who he wants to come in and not come in, based on financial capability. He added that all he's interested in doing is to stay whole and, if these people want to come up with the back rent that is due...

Mr. Lee asked if Mr. Phillips advised them of that.

Mr. Phillips said that he did.

Mr. Lee said that they still put in a bid.

Mr. Phillips said yeah; that they sent over an application but we didn't act on it because we didn't know what was going on; that it's about \$5,300.

Mr. Lee said it was \$5687; that when they called him he did explain to them that, if they bought this, they still have to be approved to live there by Mr. Phillips and Mr. Phillips, himself, is probably going to bid, as well; that they might want to speak with Mr. Phillips because he is owed back due money. He added that they did call Mr. Phillips and Mr. Phillips told them what they were getting into; that they called Mr. Lee back that they were still considering whether to do it, or not, and he told them it was up to them. He said that he would recommend that it go to Mr. Phillips because he can see this turning into something very bad if they buy it and, then disallowed from living in it; that Mr. Phillips has the authority to disallow this bidder and he has a lien for \$5687 and is concerned that these folks don't really know what they're getting into, or not.

**5:54 PM** Mr. Murphy said that he didn't think there was any law in Maine statute allowing, or even requiring, a landlord to be able to charge a new, replacement tenant the remaining cost for previous tenants, which have not been paid.

Mr. Phillips said that Maine does have a law that allows the landowner to collect up to three months' rent from the lienholder, which would be the Town of Eliot; that he has no interest in trying to scrounge money out of the Town of Eliot; that he loves this Town, and doesn't want to harm it in any way, but it does give him the right to demand that. He passed out copies of the law to the SB, saying that this is not the first time he's been down this road; that the rent is \$405/month and three months would be \$1,215; that they won't allow him to charge beyond that

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but, technically, he could demand payment for the \$1,215 from the Town and tell the Town to give the bid to Mr. Blake; that he is not going to accept Mr. Blake until he is covered for the previous amount; that it's his property, he owns it, he controls it, so, he's (Mr. Blake) not going to be on his property unless he pays what's due on that home.

**5:56 PM** Mr. Lee clarified that, if they buy it, unless they come up with this money, Mr. Phillips does not intend to allow them to occupy it.

Ms. Davis asked if a superior claim invalidates our foreclosure.

Mr. Lee said no; that tax liens are pretty much superior to any others; that the property tax amount due is \$1,392.25 and Mr. Phillips is due \$5687.

Mr. Phillips said that that was not all rent but was also clean-up of the property; that it was filled with trash, food, and he couldn't allow that to remain for safety reasons; that somebody is responsible for that.

Mr. Lee said that we also have the right to sell it to whichever we think is in the best interest of the Town, as we do with any bid we put out; that we are not bound to the high bid and he foresees that we could be creating a sticky situation.

**5:58 PM** Mr. Hughes moved, second by Mr. Murphy, that the Select Board accept Mr. Mark Phillips bid of \$1,500 on the foreclosed property.

**DISCUSSION**

Ms. Davis asked if we needed to be more specific on exactly which property.

Mr. Lee said yes, the map and lot number – Map 79, Lot 26-68, also known as 52 Marshwood Drive; that the SB might also want to stipulate that we award it to Mr. Phillips contingent upon not being charged three months' back rent.

Ms. Davis asked if those terms would be agreeable with Mr. Phillips if we were to stipulate that we not be charged for back rent.

Mr. Phillips said absolutely.

Ms. Davis re-stated the motion to say that the Select Board accept Mark Phillips' bid of \$1,500 for the property on Map 79, Lot 26-68, also known as 52 Marshwood Drive, contingent on not being charged back rent or any other charges.

**DISCUSSION ENDED**

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**Roll Call Vote:**

**Mr. Fernald – Yes**

**Mr. Murphy – Yes**

**Ms. Davis – Yes**

**Mr. Pomerleau – Yes**

**Mr. Hughes - Yes**

**Unanimous vote to approve motion.**

Ms. Davis asked Mr. Pomerleau if he had some doubts.

Mr. Pomerleau said that he would have liked more time to study this legal note, which is page 5 of 8; that there is some question in his mind about when you have to act, etc., but he is fine.

**6:02 PM** Mr. Phillips asked to share the latest water updates. He said that he tried to go through the Maine Bond Bank 2 or 3 years ago; that we were ranked, he thinks, #5 out of 47 applicants but everybody else was a municipality; that when they came to him, they wanted a first lien on the property, which was impossible to grant when he has a bank mortgage onto the thing. He added that, with rates coming down, he refinanced the park this summer and put aside \$200,000 to upgrade the water system; that we have the well house in place and there's a new 20,000-gallon steel, underground, atmospheric storage tank that's ordered; that the vendor is doing the new filters, booster pumps, and controls; that that may include a new well or a fractured well for more capacity. He said that he told the vendor he really wanted it done by July 4<sup>th</sup> and the vendor thinks he can do that. He said that, hopefully, within the next several weeks, we'll have dependable water over there; that, right now, it's an old system where the pumps come on at 100% and go off 100% and, every time we have a power shortage, it destroys his pumps. He added that the new pumps come on with variable speeds; that they start very slowly and taper off gradually and you have prolonged life of your pump that way; that he is burning through pumps that only have a one-year warranty and he's paying \$4,000 for each new pump. He added that, hopefully, the light is at the end of the tunnel for water over there; that he wanted to let the SB know that things are progressing.

**6:05 PM** Ms. Davis said that we're glad you're getting some good news.

Mr. Murphy asked Mr. Phillips if he had to treat the water in any way for arsenic or lead or sulfur or things like that.

Mr. Phillips said that it's not the carcinogens; that it has high manganese and high iron; that it's not a health hazard but it looks terrible; that it comes out brown. He



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added that they treat the water for that. He explained that the existing well house is down in the ground and accessed by a ladder, which is not to code, today; so, we had to buy a new well house, with a swing door, that you walk in and will have all the room for filter systems. He added that they replaced all the sewer manholes several years ago because of leaking and the water usage dropped from around 14,000 gallons/day to 8,000 gallons/day.

**6:07 PM      3) Town Meeting Information**

This is informational.

**4) Appointments/Re-appointment Schedule**

Mr. Lee said that the Town Clerk has sent out re-appointment papers to those that are coming up for re-appointment consideration with instructions to return the applications to us by June 19<sup>th</sup> and to be available on the evening of Thursday, June 22<sup>nd</sup>, for possible interview questions by the SB. He added that we are posting all openings for at least three weeks to attract any new citizens who may want to serve; that once the deadline has passed, the Town Clerk will gather all applications and send them to the SB for their review; that at the June 22<sup>nd</sup> meeting you will have a list of statutorily-required annual appointments, as well; then, at the July 13 meeting, the SB will be asked to make all appointments to the boards, committees, and commissions.

**6:10 PM      5) Request to Pay Off Unused Vacation**

Mr. Lee said that Mr. Moulton has explained to him how he has been unable to take vacation time; that he didn't really want to go back to the SB with this discussion, again, but Mr. Moulton does make a very compelling argument. He said that there is nothing in the Personnel Policy that says we cannot pay out unused annual leave and, in fact, at least the Public Works union contract permits for the paying out of annual leave. He added that you have probably had time to read this Memo of April 7, 2017 and the attached material is from the Personnel Policy regarding this matter. He said that the Public Works budget could still, even after 'donating' to Winter Roads, afford to do the payout, which would be two weeks of vacation time that he couldn't use because his employees have such tremendous longevity they have weeks of vacation, which they can't take in the winter; that Mr. Moulton has an awful lot on his plate between sewer and stormwater and paving projects and he's a conscientious guy; that he just doesn't take vacation time because he has so much going on. He said that the payout would be around \$4,000. He said that that is his request to the SB and hopes they will support it; that he thinks we're lucky to have somebody who doesn't feel as though he can take vacation because the projects are more important than himself.

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**6:13 PM** Mr. Pomerleau asked where the money would come from.

Mr. Lee said that we analyzed the rest of the Public Works budget while we were in there looking for how to handle the overage and it seems very clear to them that there will be sufficient funds left to cover that amount for the two weeks; that it would come from the Public Works Operating Budget.

Mr. Pomerleau said that this won't necessarily pile on to the potential LD1.

Mr. Lee said no; that this is within existing operating funds that will not create any overage situation.

Mr. Pomerleau said that our policy on this is pretty much use-it-or-lose-it.

Mr. Lee said that he guessed that has been the inherent policy, and that's what he was told when it first came up; that we try to keep everyone reminded of what they've got to use, but, in the Personnel Policy, itself, there's nothing that says that; that that policy does not confirm that you will lose it.

**6:14 PM** Mr. Hughes said that we had a discussion in one of our executive session about accrued vacations and he asked if we were accrued for that liability on our balance sheet and you (Mr. Lee) said that we are. He asked if this wasn't an application of that accrual, explaining that, in the past, auditors have accrued money into our balance sheet for unpaid vacation that's on the books; that this is such a case, is it not.

Mr. Lee said that he may be right; that he doesn't know accounting but suggesting they might take it out of the liability.

Mr. Hughes said absolutely.

Mr. Lee said that that may be the simplest way to handle it and that, then, there is nothing that hits the account, at all.

Ms. Bergeron said that the sick and vacation time are transferred to liability in the audit.

Mr. Hughes asked, then, if we are accruing for that expense that has not yet been hitting our books.

Ms. Bergeron said correct.

**6:15 PM** Mr. Hughes asked why this wouldn't fall into that category and pay it out of the liability.

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Ms. Bergeron said that we could do that.

Mr. Hughes said that this is an argument that a lot of companies have; that we encourage people to take their vacation because, mentally, you need that; that Mr. Moulton constantly doesn't take it and that's not good for him. He added that he understood part of the problem; that he doesn't condone it, he should be taking time off.

Mr. Lee said that he explained to Mr. Moulton, when we sat and talked about this and him (Mr. Lee) going back before the SB this evening, that when we have that part-time assistant down there, he's going to have to find ways to take time off; that Ellen is down there, now, and we have harped at him on more than one occasion; that he is tired and tense and he would like Mr. Moulton to get away from here and get a break; that he lines up his work so tightly and those guys are gone three, four, five weeks, every one of them, and there's only a short summer to get your work done; that he just doesn't get away.

**6:17 PM** Mr. Pomerleau said that his concern about this is that it actually adds to that budget; that that's additional money; that when you take a vacation, it's the same allocated salary expense; that if we pay him for them, then we're adding \$4,000 onto that budget item. He added that if a lot of employees did that, we might find ourselves with some serious budget problems.

Mr. Lee agreed; that he would like to stay on the path of using it, especially in light of him having some administrative help there, now, or hopefully will.

Mr. Pomerleau said that, if we don't have anything firm in the Personnel Policy, and he thought before that there was something written, somewhere, that said you use it or lose it.

Mr. Lee said no; that, in fact, the Public Works union has provisions that, if they can't for some reason, we must pay it out; but, they always use their vacation; that Mr. Moulton just doesn't get to use his vacation.

**6:18 PM** Mr. Pomerleau said that he thought we needed, at some point, to take a look at this in our Personnel Policy and come up with something that's applicable to everybody, not just Mr. Moulton.

Mr. Lee agreed; that there are a number of things in the Personnel Policy we would like to discuss with the SB and we do need to workshop that, at some point.

Mr. Pomerleau said that his vacation is on an annual basis, asking if he's talking about 2017 vacation time; that he's still got six months, right.

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**6:19 PM** Ms. Bergeron asked to interject that their winter maintenance month starts in November; that, typically, they don't take vacations during those months; that he basically has from now until November and he has two weeks scheduled but he also has two staff members that, in a twelve-month period, have...

Mr. Pomerleau said that he saw all that; that the whole point is that he's still got six months to work this down; that there's no need to be approving this now; that there's some possibility that he'd make some effort over the next six months to not put himself in this position; that if the case remains the same, then that would be the time to look at reimbursing him.

**6:20 PM** Ms. Davis said that she thought part of this was, if one used departmental funds to cover it instead of taking it from somewhere else, we need to decide before the end of the month.

Mr. Lee said that that was why he brought it tonight, because June 30<sup>th</sup> is upon us very soon, and he was intending to do it with real, live operating funds out of a fiscal budget; that especially if we have the option of reducing the liability as a means to doing this, then it makes it much more possible for him to go and try to force Mr. Moulton out of here for a few days here and there.

**6:21 PM** Mr. Murphy said that it appears to him this is not just a money/vacation time, it's a personnel/staff planning problem and that Mr. Moulton is, perhaps, carrying too much on his own shoulders and there should be some way of requiring some of that load to be shiftable to someone else, asking how that can be done.

Mr. Lee said that we used to have a Transfer Station Manager, for example, and that position was rolled in with Mr. Moulton; and, sewer was really something that no one really dealt with for many years; that no one was out checking basins, etc. and, in the six years that Mr. Moulton has been here, that's been a principle activity for him; that he has the Transfer Station, Sewer, all of Public Works; that he's got a very full plate, here; and Stormwater, those construction projects; that Pleasant Street Stabilization was another project; that we have a lot of projects and one fellow to be the manager of it.

Mr. Murphy said exactly, asking why we can't adjust the structure of that department so that the work is spread out more; that, in a sense, that's your responsibility, isn't it, to see that the department functions; that we don't want to be killing Mr. Moulton, who wants everything to work, but, if he's the only one that knows the things that have to be done, that's not good management; that someone else should be there to pick it up. He added that maybe Mr. Lee already has a plan in place to solve this because he doesn't see any solution to this problem coming out of this stop-gap of paying him for two weeks of vacation, which he doesn't take; that it seems the problem is bigger and higher than that.

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**6:23 PM** Mr. Lee said that it probably is but our sewer cannot afford to staff a person; that all they can do is chip in toward Mr. Moulton helping, really; it's too small a system with 640 users; that he doesn't think it would be supported through the budget process; that a full-time person, especially, with benefits is very expensive but he will say that he believes part of the reason Mr. Moulton doesn't get much time off is not only the construction projects but he also, with the exception of 10 hours a week, has to do all the administration of the department. He said that his hope is that, if he gives Mr. Moulton 28 hours a week of administrative support, at least that part he can build weeks off around a construction schedule and not still be burdened with turning in payroll for the guys or keeping track of everything, himself. He said that, if he leaves, and he (Mr. Lee) knows the feeling, he doesn't take weeks off very often because it's disheartening to come back; that it's not worth it and he hates it; the last two days of his vacation, he's in panic, because he knows he has to go back to a stack and a million questions, and Mr. Moulton is the same way. He said that he takes a day here or a day there or half a day; that Mr. Moulton likes to take a week, which is hard to do; that you don't really get a mental break if you take an afternoon or a day or a long weekend; that you never get away from it, really.

**6:24 PM** Ms. Davis said that it's better to take seven long weekends than to take nothing.

Mr. Lee agreed; that he's going to have to suggest that to Mr. Moulton; that he's going to have to stop scheduling construction projects on Fridays or Mondays and get out of here.

Mr. Murphy asked if he didn't have a foreman.

Mr. Lee said that he does, and he trusts the foreman, who is very experienced, but Mr. Moulton does like to be here for the projects and there's a lot to them. He added that the foreman, by the way, is the best equipment operator that we have so he is off doing the work on the project; that he's the lead worker on the project, directing the other guys in their work and, in the meantime, Mr. Moulton is running around trying to get supplies and calling the contractors to not show up or we need another 20 of 'these', etc. He said that there's somebody who is like the general contractor on the project who's on the phone all the time – that's Mr. Moulton – and Donnie is the guy principally doing the work under Mr. Moulton's supervision.

Mr. Murphy said that Donnie is going to be retiring in about a year and a half and, then, what's going to happen; that he thinks we should be planning, now, for when that happens to get someone in there that could be working up or let someone work up to fill that.

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Mr. Lee agreed. He said that they all are; that they can all operate the equipment; that the one that has the most seniority, and years and years and years of experience and the breadth of the equipment you can run, he would say is Donnie and we are going to lose him in about two years.

**6:26 PM** Mr. Murphy said that we don't have anything to support this plan in the current budget and let's try to get that in there.

Mr. Lee said that he and Mr. Moulton have spoken about that next budget that is going to have to have some sort of plan in it.

Mr. Murphy said that it sounds like we are playing catch-up in a serious way.

Mr. Lee agreed that there has been a lot of playing catch-up in the last three years; that there's a lot of stuff that needs to be amended and he has been working hard to do so.

Mr. Murphy said that he doesn't know whether to approve paying out these two weeks or to try harder to get them be used.

Mr. Lee said that, personally, he can't justify not accepting the answer that he was given tonight - to work with him (Mr. Moulton) to see how much he can get it down to and come back before the clock rings, and that we will use the auditing method instead of operational cash, because we're going to miss the June 30<sup>th</sup> deadline; that our default will be to reduce liability to cover that, if we need to. He added that, in the meantime, he will make earnest efforts with Mr. Moulton to see if he can work this thing down, and come back to the SB when the clock is about to ring and he's about to lose it.

**6:27 PM** Mr. Pomerleau said that the only trouble he has with the liability is that it's based on a set, calculated number of weeks and, in the end, you could exceed that just like you exceed the budget.

Ms. Davis said that he has the money in the budget, right now; that it almost seems more fiscally responsible to take that rather than, in a sense, spending it twice – running out the budget, as it is now, and then taking the money out of the liability.

Mr. Lee said that that was why we brought it to you here, in June, because we felt we were out of time, if we are going to use operational funds.

**6:28 PM** Mr. Hughes said that, maybe, Ms. Bergeron could clarify this but he assumed that the auditors look at the balance of unpaid vacation time every audit year and

**SELECT BOARD MEETING**  
**June 8, 2017 5:30PM (continued)**

accrues an additional expense for that and, therefore, it goes onto our balance sheet as a liability.

Ms. Bergeron said that that was correct.

Mr. Hughes said that, at the end of the last fiscal year we accrued for all unpaid vacation time and we said that, if we had to pay it all out right now, this is our expense.

Mr. Lee agreed that's how it works.

Mr. Hughes said put this liability, this potential payable, on our balance sheet because, tomorrow, we could have to pay it all out instead of having it hit any given fiscal year with a big amount of money; that that's the point of doing it. He added that, that being the case, he says that we are perfectly legitimate in saying that it could come out of accrued, unpaid vacation time.

**6:29 PM** Ms. Davis said that she thought we'd be spending less if we took it out of the operating budget because operating budgets have a tendency to be spent down to zero, if they're not used for something else; that if we don't use it out of the operating budget, it will get spent on something else and, then, we'll take the vacation time out of liability account; that we'll be spending twice instead of once.

Mr. Pomerleau said that that would have to come out of salary expense, and it's not like salary expense could be used somewhere else, although we don't line item salaries.

Mr. Lee agreed that we don't but it is the intent to take it from salary.

**6:30 PM** Mr. Pomerleau said that he just thinks it's premature to pay it now.

Mr. Murphy agreed.

Mr. Pomerleau said that he's got six months to work this out and, then, we'll deal with what needs to be done when we get there.

Ms. Bergeron said, again, the only reason we brought it to you now was we wanted to use operational funds so that we didn't have to go through the accrued liability process; that she understands that there are still six months remaining in this calendar year but, operationally, we wanted to use those funds.

Mr. Lee said that, if we don't use unexpended money, it drops through to fund balance. He added that, honestly, he doesn't encourage, and he's not a fan of

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people coming to him with a few days left in the fiscal year looking to buy a refrigerator, like we hear about in certain other organizations.

Mr. Murphy said that, to him, the most important thing is to treat Mr. Moulton as a human being and encourage him to do things that are positive for his health and safety; that he's a tremendously hard worker; that he's almost the hardest worker in Eliot, after the Town Manager, of course.

**6:34 PM** Ms. (Donna) Murphy said that the fund you are speaking of, it was her understanding that the taxpayers funded that for when people separate to pay out their unused sick time, not to pay extra money.

Mr. Lee clarified that we are not talking about taking it from sick reserve; that we are talking the Public Works operating budget salary line item as the source. He said that the liability fund is an audit issue and a whole separate issue from the sick reserve.

After further discussion, it was the **consensus of the Select Board** to encourage Director Moulton to take his vacation over the next few months and, then, whatever is remaining, we will deal with it at that time.

**J. Old Business:**

There was no old business.

**K. New Business:**

**6:37 PM** Mr. Lee said that, at the Raitt Farm on June 17<sup>th</sup>, they are holding a Hops N Hounds event; that they are having it catered by Mainely Bartenders and they have to fill out an application and have the municipal officers sign off on these catering events. He added that it might be in the SB's interest, to save everybody grief, if you want – this is just catering, not special amusement, just the catering aspect of the event and won't go over the 1,000 people threshold for special amusement, so, it might be in our interest to entrust somebody to sign off on these things instead of it being a Board item. He said that, with the Town Manager form of government, that those are the types of things, historically, that he has signed off on.

Mr. Hughes said that he thought it was an excellent idea.

Ms. Davis said that she thought it was worthy of consideration and suggested he bring it up to the new Board.



**SELECT BOARD MEETING**  
**June 8, 2017 5:30PM (continued)**

**6:43 PM** Mr. Murphy moved, second by Mr. Hughes, that the Select Board approve this Qualified Catering Organization Application for Catered Function application for Raitt Farm Hops N Hounds, to occur on June 17, 2017.

**Roll Call Vote:**

**Mr. Fernald – Yes**

**Mr. Murphy – Yes**

**Ms. Davis – Yes**

**Mr. Pomerleau – Yes**

**Mr. Hughes - Yes**

**Unanimous vote to approve motion.**

There was discussion regarding delegating this type of event, general public health and safety protection regarding the use of alcohol, and check delegating against the Charter.

**6:47 PM** Ms. Davis said that she requested an update on Ms. McGill's review of the fact-finder report and asked if we could have a status on that.

Mr. Lee said that he did not receive one back when he left this afternoon; that he did remind her that the Chair was waiting for that.

**L. Selectmen's Report:**

There were no Selectmen's reports tonight.

**M. Committee Vacancy Report**

**6:48 PM** Mr. Lee said that appointments would be coming up over the next couple of meetings.

At this time, Mr. Fernald was recognized for his years of consistent and honorable service to the Town of Eliot, as he is retiring.

Ms. Davis presented to Mr. Fernald and said that he would be missed.

**N. Executive Session**

There were no executive sessions.

**O. Adjourn**

**SELECT BOARD MEETING**  
**June 8, 2017 5:30PM (continued)**

There was a motion and second to adjourn the meeting at 6:51 PM.

**VOTE**

**5-0**

**Chair votes in the affirmative**

**DATE APPROVED: August 10<sup>th</sup>, 2017**

**S: /Mr. Richard Donhauser, Secretary**