

SELECT BOARD MEETING
September 28, 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. Public Hearing: General Assistance Appendices of Ordinance – G.A. Maximums

5:31 PM Public Hearing opened.

There was no one who wished to speak to this item.

5:32 PM Public Hearing closed.

Mr. Pomerleau moved, second by Mr. Murphy, that the Select Board adopt the 2017-2018 GA Overall Maximums Appendices A through D.

Roll Call Vote:

Mr. Donhauser – Yes

Mr. Murphy – Yes

Ms. Davis – Yes

Mr. Pomerleau – Yes

Mr. Hughes - Yes

Unanimous vote to approve motion.

F. Public Comment:

5:33 PM Ms. (Nancy) Shapleigh said that she has a dead tree within the Shoreland Zone and it's dropping branches. She added that her grandson, who is farming the open land farm, is concerned that it's going to fall on one of his greenhouses; that he hired a wood-cutter to take down the dead tree and nobody is disputing that the tree is dead; however, because she has the privilege of living in Shoreland Zoning, she is told that she needs a \$100 permit from the Town to cut down a dangerous, dead tree. She asked the CEO if she could waive that and the CEO said no, as she had no provision to do that; that she asked Mr. Lee if he could waive it and he can't find that he has any right to waive it; so, she is asking the SB to waive the \$100 fee because she doesn't believe anybody should have to pay the Town to take down a dead tree, particularly when we are paying higher taxes

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because we have Shoreland and particularly when we can't use it; that there are lots of things we cannot do, such as plant a lawn, in 75 feet from the high water mark; that she thinks it's criminal for the Town to charge her \$100 to take down a dangerous, dead tree.

5:35 PM Mr. Murphy said that he would have no objection to waiving this fee and, in fact, it's probably a good idea in this case.

Mr. Hughes asked what the purpose was for the fee.

Mr. Lee said that it pre-dates his arrival, here; that it's been in the Shoreland Zoning Ordinance for quite some time and was a fee we adopted with the ordinance; that he supposed it was to cover the processing of the permit and inspections. He added that every town he's been in has had a fee; that it varies from town to town.

Ms. Shapleigh said that she would like to know how many other people pay for a permit to cut down a dead tree in this community.

Mr. Pomerleau asked if the SB had any discretionary authority on the fee.

Mr. Lee said that he didn't think they did. He added that we could put it on for further review but he did a little looking, himself, and he couldn't see any authority; that he asked staff who use that ordinance all the time and they don't know of any authority to waive it; that that is why we haven't been able to help her.

Mr. Murphy said that he has no memory of a similar case in his history with Eliot government.

Mr. Lee said that Ms. Shapleigh found out that the tree cutter won't cut the tree without the permit because his license would be at stake.

5:37 PM Ms. Shapleigh said that it will cost \$200 to take down this dead tree and, now, supposedly \$100; that she certainly doesn't want to pay \$100 and she probably won't; that she's just hoping that nobody doesn't get hurt when this dead tree comes down.

Mr. Lee said that, if the SB likes, he could find the relevant section of the Shoreland Zoning Ordinance and have it available to you in two weeks so you could do a further review on Ms. Shapleigh's behalf.

Mr. Pomerleau said that he doesn't think we can proceed without knowing we have authority to do so.

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5:39 PM Mr. Murphy said that Shoreland Zone is very specific; that the Town, itself, might be condemned, or charged, for doing something wrong. He added that he was in favor of delaying just a bit until we find out whether the SB can actually do this. He suggested this Board have Mr. Lee look into the legality of having the SB enter into the Shoreland Zone and find out the possibility of the SB being able to waive this Town requirement to pay \$100.

Ms. Davis said that she didn't think the SB could take lightly the waiving of any fees set by ordinance; otherwise, we'll have public comment every week asking a fee be waived. She added that we will take it under consideration, look into it a little more, and try to have an answer October 12th.

Mr. Lee said that he would have that on the October 12th agenda.

G. Approval of Minutes of Previous Meeting(s)

5:43 PM Motion by Mr. Murphy, second by Mr. Hughes, to approve the minutes of July 27, 2017, as amended.

Roll Call Vote:

Mr. Donhauser – Yes

Mr. Murphy – Yes

Ms. Davis – Yes

Mr. Pomerleau – Yes

Mr. Hughes - Yes

Unanimous vote to approve motion.

5:47 PM Motion by Mr. Murphy, second by Mr. Hughes, to approve the minutes of August 10, 2017, as amended.

Roll Call Vote:

Mr. Donhauser – Yes

Mr. Murphy – Yes

Ms. Davis – Yes

Mr. Pomerleau – Yes

Mr. Hughes - Yes

Unanimous vote to approve motion.

5:49 PM Motion by Mr. Murphy, second by Mr. Mr. Hughes, to approve the special meeting and workshop minutes of September 7, 2017, as amended.

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Roll Call Vote:

Mr. Donhauser – Yes

Mr. Murphy – Yes

Ms. Davis – Yes

Mr. Pomerleau – Yes

Mr. Hughes - Yes

Unanimous vote to approve motion.

H. Public Works

5:50 PM 1) Pump Station Project Update/2) Sewer Rates

Mr. (Keith) Pratt (Underwood Engineers) and Mr. (Steve) Smith (Underwood Engineers) were present for this update.

Mr. Pratt said that we are here to update the SB on the project and the budget. He added that we have completed the design, qualified some contractors, and put the project out to bid for both Main Street and King's Highway; that we received four bids from the five qualified contractors and the lowest bidder is APEX Construction out of Rochester, NH. He said that their bid was \$1.583 million; that we think they are a good set of bids; that they were fairly close together and the two lowest bidders were only about 2% apart. He said that the budget was established at \$1.7 million; that we were including admin, legal, engineering, and construction that makes up the \$1.7 million, with \$1.36 million of that for the construction phase (contract); that if you take the APEX bid of \$1.583, we are actually \$217,000 short; so, the project is over budget by about 13%. He added that they thought there were a couple of reasons why it might have gone over and we did spend a lot of time with the Town looking at some ways to do some cost savings; that we recently bid a couple of similar projects in other towns where we saw the same thing, which indicates a trend of contractors being busy but, more so, the construction costs continue to decline. Mr. Pratt said that we are here because we're at this point where we have to make some decisions and have a conversation to get some direction from the SB on how to proceed. He discussed options possibly coming from reserves, using local resources (DPW) to help offset the cost; that we are working with the contractor, too (value engineering). He added that we do have a rate adjustment that we've always planned for this, explaining that your first debt payment is due in October 2018 and we needed a 5% rate increase for that; that that is something that has to take place in the near-term and whatever solutions we might come up with he thinks might impact that.

5:56 PM Mr. Pratt added that we have some preliminary numbers from the contractor; that we are not ready to bring them to you but he thinks we will be at the next

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meeting. He said that what we want to do tonight is just to see what kind of direction you want us to go in so we can come back with a better approach.

Mr. Lee said that the SB all had a sheet explaining the three options put together to help guide the SB's thinking and questions tonight to see which avenue, or combination of avenues, we should proceed with.

5:57 PM Mr. Moulton said that the DPW could do some of the drainage work that goes along with the realignment of the intersection at Main Street and Pleasant; that there's part of a sewer relocation that runs under the proposed building and the road intersection, itself, as far as constructing the road intersection, shifting it over, and covering part of it with paving; that it's a small area to work in so it's not like we are doing the whole road.

Mr. Pratt added that there are some things we can take out of the project without compromising; that the proposed small shed would come out; that those are the kinds of things we are looking at. He added that, with the things we have been discussing, we might be able to find about \$50,000 but that would still leave us short about \$167,000. He said that you've already pulled \$86,000 out of reserves; so, reserves do exist, if that's an option, to cover that \$167,000 but we don't know if that's something you want to pursue.

5:59 PM Mr. Murphy asked Mr. Moulton how assisting on this would affect your own schedule for the things you were going to do.

Mr. Moulton said that he thinks it can be worked in; that there would be more materials cost versus labor cost that would have to be looked at, reiterating that he does think it could be worked into the schedule.

Mr. Lee said that we are planning to do the comparatives between what the different contractors would charge for the items we mentioned, to the extent they line-itemed them, compare what it would cost us to do it and the net difference, and see if it's worth taking out of the contract for two weeks from now.

6:00 PM Mr. Hughes said that he was trying to keep his anger in check because we were assured, before we finalized the bonding, that we could not possibly get over \$1.7 million on this project; that we had contingencies in there in excess of \$100,000 and now you are saying that we are \$217,000 short. He added that he doesn't understand, asking how we could estimate something so badly that we come in this far short.

Mr. Pratt said that we are asked, in the beginning of a project, to provide an opinion of a cost; that we are not the contractor; that somebody has to provide it; that we did our best doing it and we came in a little short and he doesn't know

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that it's because we were off or missed it; that he thinks what happened is this project is very complicated and very challenging. He added that things happened differently during design than we anticipated, early on; that he doesn't think anybody guaranteed this price; that he's pretty sure you were told it was an opinion. He said that he doesn't want to be here telling you we're \$200,000 short; that it does happen occasionally; that he hopes we can find some cost-saving things that we can reduce it but he doesn't think we're going to get all the way there by doing that.

6:02 PM Mr. Hughes asked if we have put the \$90,000 reserves back in.

Mr. Pratt said that they are budgeted to be put back in but they have not physically been put back in; that the \$217,000 that we're short assumes that \$90,000 going back in.

Mr. Lee confirmed that that is not in addition to; that that has already been accounted for and moved over as being spent.

Mr. Donhauser asked where it's coming from.

Mr. Pratt said that it's going to come from your SRF loan; that you have a loan that's pending and ready for you to access and you haven't accessed it, yet; that we just have to ask for a disbursement and we haven't done it.

6:03 PM Ms. Davis said that we had talked about some value engineering options, earlier, and those are all things you've taken into consideration during this process, before and after the bid.

Mr. Pratt said yes; that we came up with a couple of new ones during design; that Underwood backed up on the work when we realized we were going to get tight on it; so, we went over, we didn't charge you for it but we spent some extra time re-designing some things; that instead of putting in a generator the pump manufacturer proposed we proposed alternative back-ups you need so that, when you lose power, you have it; so, instead of having a separate generator, which is a little bit more costly, we actually mounted the generator right on the pump so, when the power goes out, your generator works with this gas-powered engine. He explained that by doing that we could reduce the building size and the cost; that we raised the buildings up so reduced the excavation to the extent we could, reiterating that they have done some of those things. He added that, had the original plans been put out, we would be higher than we are now.

6:04 PM Mr. Pomerleau said that Mr. Pratt has listed three options and it would appear to him that we're probably going to have to use them all in reverse order of what you listed them, starting with negotiating with the contractor, using DPW and, then,

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looking at rate increases. He added that he doesn't see a lot of wiggle room, here, and, as frustrating as it is, it is what it is.

Mr. Lee said that those are the two primary options he was in favor of starting with, as well; that going into reserves and raising rates above 5% are low options for him, as we discuss these things; that over the next two weeks we will hear from APEX about their value engineering; that they are going to price out what they can to get the cost down on this and, hopefully, we will have the information before the next meeting and we'll know what the difference is we can't make up through creativity. He added that he thought that was the best they were going to be able to do.

6:06 PM Mr. Pratt said that one of the things that got us stuck was that, a day or two after the bid, the president and owner of APEX went in for surgery and has been on bed rest and painkillers; that the president said that he had to wait a week before he could get some numbers back to us.

Ms. Davis asked if we are still working on the \$99,000 that we appropriated, previously, for your (Mr. Pratt) work or are we done with that.

Mr. Pratt said that that is done; that the final bill that went in is starting to tap into the construction phase portion of it.

Ms. Davis said that originally \$255,000 was allotted for engineering and it seems like most of the heavy lifting occurs up-front.

6:07 PM Mr. Pratt clarified that most of the heavy lifting happens during construction, explaining that you have an engineer representing you, on-site, every day; that that's probably the biggest cost.

Mr. Lee clarified that it was documenting construction quality and meeting specs and doing Davis Bacon wage studies and Buy American confirmations; that you have to have an on-site representative.

Ms. Davis said that, originally, we had allotted 204,000 for contingency and we're up \$200,000 from this original estimate, asking if we will possible cover some of that if we don't encounter problems.

Mr. Pratt said that that \$217,000 we're saying we're short includes about \$50,000 to \$60,000 contingency and, if everything comes in as is, that will be saved. He explained that that's about 4% and on the lowest side he feels comfortable going forward on with this project because you're still going to be excavating the road and seers and there are just some things we know and some things we may not know until we get in there. He added that we carry a higher contingency when

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we're in the planning stage and, as we go through construction, we carry a lower contingency and, usually, we like to get around 5% and we would be entering here with about 4%.

6:09 PM Mr. Lee asked if that was the approach the SB would like us to take – to see what we could do on a creative basis and find out what the remainder is and give a very clear report on what is still the missing amount of money that's the problem.

Ms. Davis said yes, and the rate impact; that she has great objections tapping into the reserves as that is what got us here in the first place; that she thinks they are sacrosanct and we're going to have to look at the contractor, DPW, then rate increases.

The SB agreed with the approach.

Mr. Lee asked Mr. Pratt if he wanted to do further discussions.

Mr. Pratt said that this was helpful for them; that at least those three are on the table and he heard the priority, so, we'll start in that sequence and be back.

6:10 PM Ms. Davis said that we originally priced out a brick house and we would see some savings if we went with a wood one; so, that might still be on the table even though it might not be the preferred choice.

Mr. Lee said that building materials is one of the items on that list.

Mr. Pratt said that there are certain things, like life safety and confined space, that we are trying to hold to but building materials we are looking at and the contractor has already given us some ideas there; that, hopefully, you'll see a menu of ideas.

6:12 PM Mr. Donhauser asked when the first invoice would be for the \$1.7 million.

Mr. Pratt said that that was up to the SB; that we can submit it now or we can submit it a month from now, once we have this behind us.

Mr. Donhauser asked at what time does the rate payer feel the impact of drawing down the loan.

Mr. Pratt said that, if we start within the next month, we need to put the 5% minimum in to accumulate the amount you need to make the first payment a year from now.

6:14 PM Mr. Donhauser commented that they would feel it right away.

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Mr. Pratt said the 5%, yes.

Mr. Donhauser said that, if you are going to raise rates, then you ought to raise it once, not two times; that we ought to hold our feet to the fire and not sort of fudge our way through and say we will do 5% now and hope we don't have to do another 3%; that they aren't going to be any happier with a deferred rate increase.

Mr. Pratt said that that is the intent.

Ms. Davis asked about the by-pass; that she thought we took that out of the reserves, as well, and wasn't that part original to this construction.

Mr. Pratt said that it was not part of the SRF loan or the \$1.7 million but you did take it out of reserves.

6:16 PM 3) Sturgeon Creek Bridge Painting

Mr. Lee said that this was a notice from the Maine DOT regarding the Sturgeon Creek Bridge Painting Project, slated to begin around April 2018 and be completed by November 2018.

Ms. Davis suggested posting this to the alerts when the time got closer.

6:17 PM 4) 2017-18 Paving Update

Ms. Davis asked if it hurt anything to do this in the fall; that normally we are a lot earlier and asked why we are later in the year this year.

Mr. Moulton said that we did a complete big package this year, which took longer, and contractors are extremely busy; that we did get the critical paving done on Frost Hill (warm temperatures needed) and the rest can be done in cooler weather.

6:21 PM Ms. Davis said that you are still using All States Asphalt; that you had sort of expressed dissatisfaction with that previously and citizens complaining about it, asking if they were still headed in that direction.

Mr. Moulton clarified that the All States Asphalt portion that you approved during the bidding process was an injection portion, which is an injection into the soil to stabilize it; that after more investigation, that base with reclamation could probably be re-done with just straight reclamation and no injection so we can invest more into the Town roadways for paving and reclamation or surface paving versus having to do an injection. He added that we've altered the plan since the

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bids were awarded and will be putting money we were looking to put towards the injection strictly into the roadways.

6:22 PM 5) Stormwater 2017-18 – Materials may be delayed

Mr. Lee discussed the memo he gave the SB. He said that the certified budget of \$200,000 was correct; that the big spreadsheet was adjusted only for the total in order to do the certified budget; that individual line items within the budget were not adjusted because the budget process was completed at that point. He added that, currently, this money is planned for usage – a construction bid, GIS updates, etc., which would leave us about \$21,800 and we are not going to be going over the \$200,000.

Ms. Davis said that she is concerned that the certified budget doesn't reflect the actual Stormwater budget; that she is wondering how we came to those decisions. She added that she would like to see TRIO updated and the certified budget updated to reflect the appropriate amounts; that the line items within the budget are incorrect.

Mr. Lee said that that's what we suggested in the memo; that we could adjust those line items to reflect actual utilization that he's put in the memo, and we can readily do that.

The SB agreed.

Ms. Davis said that there were other concerns expressed in this memorandum that she would like to see addressed going forward. She added that, if we decide to utilize the \$21,000 that we didn't technically have geared towards anything this year, that the SB be consulted so that we can decide where we're headed. She said that she's also a little concerned about the invoices that we see coming in from SMPDC; that there are no descriptions of what we received for that money.

6:25 PM Mr. Moulton said that he would make sure those have more detail for the SB; that the amounts she addressed was all included within that \$20,050 budget for the permitting side.

Ms. Davis said that she realizes that we have been working through them for the last five years, which is the term of our permit, but there are a lot of other companies out there that do stormwater consulting; that since this \$20,000 exceeds our \$5,000 threshold, we should start to consider bidding this out.

6:26 PM Mr. Lee said that we do have some good news for you on that front and asked Mr. Moulton to speak to that.

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Mr. Moulton said that yesterday there was a regional meeting where the same group of people we do the stormwater (MS4) with look at utilizing DOT funds on DOT projects that are of issue in Town; that the lead SMPDC person there inquired from the group about the stormwater contract with Integrated (Christy Rabasca) and the overwhelming support was to keep using Integrated, by all communities, because of the knowledge and experience she has in this area and her competitive pricing. He added that he brought up an issue that he thought she could address, and the whole group agreed to, to have any subconsultant that works on any stormwater project for any community that we would look to potentially do a RFQ to several, review it down to a selected few and send any stormwater bids out to those selected few; that that would meet the intent of the purchasing policy for all communities and help give us competitive pricing for projects. He said that that was the consensus and everyone thought it was a good idea.

Mr. Lee said that, although everyone likes Ms. Rabasca and wants to stay with her, all the subcontracting work, which is above that \$20,050 we spend would have different bidders; that Ms. Rabasca would put together the RFQ, help get the bids out for projects, and, in doing that, we know we would be getting the best price. He added that that was a step in the right direction.

6:31 PM Mr. Donhauser said that there is an account that says 'Use of Stormwater Carry-over' for \$15,486 and assumed that was left over from the prior year.

Mr. Lee said yes.

Mr. Donhauser said that when you look at the expenditure budget, it's \$200,000, so do we in fact have \$215,000.

Mr. Lee said no; that that was brought forward as a general revenue to try to get to LD1, a general revenue just to lower the overall tax commitment.

Ms. Davis said that she thinks we need to hold some discussions about generally where we're going because we've settled on this year's project but after that we have no direction.

6:33 PM Mr. Lee said that the upcoming project that we had discussed with the Budget Committee was possibly Riverview being the next big one; that subsequent to that meeting, he met with Mr. Moulton, and we had some other thoughts on that. He added that we would want to come before the SB before we spent any additional money on it because there may be reasons to rethink why we are going down to Riverview first.

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I. Department Head/Committee Reports

6:35 PM 1) Great Cove Boat Club Request to Limit Fishing Areas

There was no representative present.

Mr. Lee said that Greg Mahanna, President of Great Cove Boat Club, met with him and the Harbor Master regarding the negative impact of fishing off the causeway to the private boats moored at the club, requesting a “No Fishing” sign be placed for a certain distance to resolve this issue; that the Boat Club does have a State-issued submerged land lease. He added that he thought we would need to get permission from DOT to place a sign on the State-owned road; so, the question is whether the SB locally supported that and if the SB would want him to contact the DOT.

Mr. Murphy suggested that that be done; that he thought the signs should say that the lands are leased and is not public land.

6:38 PM Mr. Lee said that he had suggested to them that they might make better notice that they do have a State of Maine-issued land lease under that section of property.

Mr. Donhauser sympathized with them; however, he questioned who does the enforcement.

Mr. Lee said that they would call the Eliot Police.

Mr. Donhauser asked who would be responsible for the cost of the signs.

Mr. Lee said that he thought they would be fine about buying the signs if we could agree to put them up or have the State put them up.

Mr. Pomerleau asked Mr. Lee to give him the foundation upon which we, or they, could prohibit fishing; is it a question of the land people are standing on being owned by them.

Mr. Lee said that all the land under that water is their property by virtue of the lease with the State of Maine; that that whole area is demarcated and they have a map of it; that it is recognized that it is theirs to control; that they would like to utilize that land lease to stop people from fishing and hitting their vessels.

6:41 PM Mr. Pomerleau asked why they didn’t put the signs up.

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Mr. Lee said that it is because it is a State road and they need to get permission from DOT; that they have come to the local Town Hall to see if we would go to bat for them and advocate to the DOT to install signs.

Ms. Davis asked why they didn't put signs on their land; also asking why they are relying on us to prohibit fishing on a public road.

Mr. Lee said that it would be in the State's right-of-way (ROW). He added that they did put up a long buoy line in front of all the vessels; that, initially, he got involved in this because he got an email from a guy who was furious that he lost a big striper because it hung up on that buoy line.

6:43 PM Mr. Hughes said that he was by there this morning and couldn't understand how they were hitting the boats standing near the causeway but, if they are fishing towards the boat club parking lot and tossing in between the vessels, that he could see and they shouldn't be allowed to do that.

Mr. Lee said that that is what is happening; that the fish gather under the vessels and everyone knows that that is the best fishing.

6:44 PM Ms. (Donna) Murphy said that she failed to see where this was even a Town issue; that if they don't want somebody on their property fishing, she sees that as their responsibility to go to the State, their responsibility to put up signs if they so choose.

Mr. (Denny) Lentz agreed; that he could appreciate their cry about damaged boats but agreed with Mr. Hughes that he didn't see how they got damaged where they are. He added that his point was to be careful because Maine has a Fin and Feather Law, which says that as long as someone has a valid license they can walk on any stream or any lake and fish.

Mr. Lee said that, if the SB wanted to step away from it, they certainly could and advocate that they go directly to the State.

Ms. (Cindi) Lentz said that she could see both sides of this; however, does the Town really want to support this and get involved with this.

6:47 PM Ms. (Donna) Murphy said that she empathized with them; that it's private property and she wouldn't want her boat damaged but it's also their issue, not the Town's issue; that it is their responsibility to call whoever they need to in order to post their signs.

Mr. Hughes said that he thought they needed to toss this back to the marina.

Mr. Pomerleau agreed.

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Ms. Davis said that it was a public way and she would be very loathe to interfere in that.

It was the consensus of the SB to not get involved and to advise the Boat Club to go to the DOT.

6:49 PM 2) Eliot Energy Commission Memorandum

Mr. Lee summarized the memo by saying that the EC put a substantial amount of effort into the Transfer Station Landfill solar array project, hoping to have it commissioned by the end of 2017, but were unable to reach an agreeable Power Purchase Agreement (PPA); that it goes on to talk about a new approach that includes a new RFP, a search for qualified contractors, and revised evaluations for the bids. He added that the memo ended with, "The Energy Commission is seeking for affirmation from the Select Board that they feel this project, approach and effort is justifiable."

6:51 PM Mr. Hughes said that he certainly wants them to do this; that we need to take another look at it because it was very close to being feasible this last time; that it was just that floor that was an issue.

Mr. Murphy said that he was very much in favor of it, too; that they put a lot of work into it and the whole project is still feasible going into the future.

Mr. Lee said that, in fairness, to the extent you are uncomfortable with the PPA because it will necessarily have unknowns in it, there is a gamble involved; that we don't know what happens in 15 years or the future of solar credits with the Governor going out and another administration coming in; that the word is that we think solar credits will get stronger but we don't know that, and we can't make guarantees.

Mr. Hughes agreed, saying that the issue was that they would not bend on the floor price

6:52 PM Ms. Davis said that, given the uncertainty of what she will call the 'kickback rate' for generating solar, there are only two ways that the Town could feel comfortable with this; that one is if they agree to buy the system, then we would pretty much be assured that we won't be paying more than what we would have to pay through CMP or, secondly, a solar vendor that would be willing to share the post-15-year risk that is involved. She added that the problem with the last contract was, if the amount that we get back from CMP is reduced and electric prices go up, counterintuitively, we really take a bath; that if the rate of return goes down and electric rates go up, the Town will end up paying more than market rate for

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electricity, unless they own the system. She added that those are the only conditions under which she would be willing to consider it.

6:54 PM Mr. Lee said that that is why he said what he said because he doesn't know if we will be able to find that.

Ms. Davis said that we may not; that, perhaps if we found someone agreeable that would be willing to sit down and run the calculations, and come to some kind of a compromise with that, so that the Town doesn't end up paying higher than market rate for a 10-year span.

Mr. Donhauser said that he wanted to go forward.

Mr. Lee said that we will go forward, noting these concerns and seeing how best we can address them, if they can be addressed.

Mr. (Jim) Tessier said that he thought one of the issues was that they may have found another vendor but, because of the vendor's work list, they couldn't get the work done this year and were pushing it out to next year, that the reimbursement rate would change.

6:56 PM **3) National Night Out, October 3, 4:30PM to 6:30PM, Dead Duck**

Mr. Lee said that this is when we roll out our public safety vehicles, have burgers and hot dogs for the kids, face painting; that being given away are 100 free bike helmets, child seat safety courses, fingerprinting ID kits for children. He added that we encourage people to come down to this community event.

J. Administrative Department

6:57 PM **1) Town Manager Report**

Mr. Lee wanted to make people aware that there is a scam going on. He added that we have heard from a couple of residents where the caller ID shows that the call is coming in from the Eliot Police Department; that the caller then tries to get them to give out personal information in the way of applying for a credit card account. He added that the phone number is displayed as 207-439-XXXX, any combination of numbers; that this is not an Eliot Police number, they are not selling credit cards, and we don't tend to call people unless they are involved in something we are already investigating.

7:00 PM **a. Financial Report**

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Mr. Donhauser said that, on page 5 of the revenue summary, the final total shows a current budget of \$16.6 million and we have an uncollected balance of \$2 million, asking if it was correct that we have collected 87% of our revenue in two months; that he thinks what's wrong is that, on the very first page, the property tax line is showing that you've collected all your property tax.

Mr. Lee said that he believed that was because property taxes are considered a perfected security so they may be booking the total amount that was committed for taxation, right off the bat, because we will, one day or another, get it all. He said that, if that would be more appropriate from an auditing standpoint, perhaps that needs to be adjusted.

7:01 PM Mr. Hughes said that we went through this last year, as well, and we still don't have a good explanation for it.

Mr. Donhauser said that it is deferred revenue; that the credit, instead of going to the income account, it goes to deferred revenue, which is the liability account and, as you collect the revenue, you reduce the deferred revenue account and increase your income account. He explained that your debiting accounts receivable and crediting revenue and he is suggesting you debit accounts receivable and credit deferred revenue and, each month as you actually collect the money, you remove it from deferred revenue and put it into actual revenue received.

Mr. Lee said that we can make those adjustments.

Ms. Davis said that she would note that, when we are adjusting TRIO for Stormwater, that there's already been \$774 for a seminar applied against Consulting, so move that to the other line and take it out of the construction line item.

7:03 PM b. Security Proposal – Re-keying of Town Office Locks

Mr. Lee said that we don't currently have anything that's happened that's serious in any way but there have been staff reporting that they think that somebody has gotten into their office on a couple of occasions; that things looked like they've been moved around a little bit. He added that the thought is that there are a lot of keys to this Town Office that are wandering around over the years that were given out to different chairman and committees; that he is a little concerned that there may be a security issue, here, and that someday we might lose something important. He added that we don't have any money for this and it could go into the budget for next year to be considered.

7:05 PM Ms. Davis said that it was a concern. She added that we are only three months into the budget and we are under an LD1 constraint. She asked if Mr. Lee felt like this

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could wait until we get closer to the end of the fiscal year and, then, make some of these decisions.

Mr. Lee said that he did; that we've been going along this long and thinks we can go awhile longer to see how the end of the year looks or, as we go into budget season, we can simply put it in the budget for consideration by the Budget Committee and the SB.

Mr. Pomerleau agreed that it is long past due that the locks should be changed; that it would seem more likely that that's not happening over the course of the day. He suggested that, for the time being, Mr. Lee change the security code so that if somebody does have a key, they won't know the new security code and there will be an alarm.

Ms. Davis said that it may be possible as we get closer to the end of the year so maybe we can do it sooner than later.

7:07 PM Mr. Hughes suggested maybe just doing the exterior doors, getting a quote for that.

c. Workshop Schedule/Calendar Dates of Notes

Mr. Lee said that he drafted a workshop schedule for the SB's consideration. He also discussed upcoming closures for the Town Office due to training, holidays, and the election. He also said that we do have to have a public hearing on the two ordinances going before the voters in November, suggesting they do that at the October 26th meeting.

After discussion, Mr. Lee will finish up his work on the final version of the Compensation implementation piece for the SB's review, with all documentation, and get it ready for a regularly scheduled meeting.

Regarding the Compensation Plan, this would pertain only to non-union, as you really can't put in a fixed compensation amount in a situation where you are obligated to negotiate.

There was discussion regarding finalizing the personnel policy as soon as possible.

7:19 PM Mr. Pomerleau discussed his concerns regarding the union aspect of the compensation plan; that he thinks it's worthwhile pursuing that entire agreement we made on the rates, and so forth, and work off the data for the unions; whether or not that can be a negotiating tool in negotiations, with your point made - that imposing it is one thing, negotiating it is another; that it may be the foundation for

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negotiation. He added, regarding the personnel policy, that he remembered that anything put in there is applicable to everyone unless otherwise contradicted by a contract and then the contract takes precedence.

7:20 PM After further discussion, Mr. Lee said that he thought we would still have work to do on the union side on this but, in terms of the personnel policy and implementing it with non-union employees for this budget cycle, that's what he has to finish, now, because you're going to expect to see this in the next budget and, so, he has to get this wrapped up so he can do that. He added that he has a little bit more time to have more meetings with the SB or the negotiating committee or whoever and talk about how we use this information; that right now he doesn't have a clear picture.

7:22 PM **d. Summary of State Budget Actions/Effects on Towns - FYI**

This is informational.

7:23 PM **2) PC Replacements**

Mr. Lee discussed the poor condition/functioning of Town staff PC's, estimated costs to replace, and potential funding. He added that we are reaching critical capacity with three of our PC's and, if they make it through this year, you will certainly see them as a replacement request in the operating budget.

Ms. Davis said that, in the computer line item for the past couple of years, you have been appropriating \$12,000 to \$13,000 a year for computer-related purchases and services and not spending the full amount; that she thought he had plenty of money in that account to buy two new computers – one for you and one for the CEO.

Mr. Lee said that he would take a look at that. He added that something he wants to look at is Chrome Books; that they are very inexpensive and a lot of people are switching over to them, although he doesn't know how well they handle graphics functions.

7:28 PM Ms. (Donna) Murphy asked if the Town Hall Reserve accounts would qualify to be used to purchase new Town Hall locks.

Mr. Lee said that, theoretically, it could, especially the 'Town Facilities' account. He added that he thought that, at some point, it was to be considered for future expansion or renovation.

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7:30 PM 3) Purchasing Policy Clarification

Mr. Lee said that he had a feeling that this is going to require more time than we may want to put into it this evening and suggested tabling it to a shorter agenda.

Mr. Pomerleau suggested drawing up a list of potential sole-source vendors and include a narrative explaining why.

7:32 PM 4) Geographic Information System (GIS) – Change of Vendors – Follow-up

Mr. Lee said that he suspected we'll be looking at this during budget time.

Ms. Davis said that she would like to see a very strong rationale why the change would be required because Woodard and Curran is going up by \$1,000/year and just the transfer cost is \$6,000; so, even if CAI never went up, it's a six-year return on the investment just to break even; that the rationale for needing this change would have to be pretty strong. She added that she knew that reasons were given but she would like to be assured, or convinced, it's really enough to make the investment worthwhile.

Mr. Lee said that it would help if Ms. Davis could send him some direct questions on things she would like to know.

7:34 PM 5) Northeast Archaeology Research Center – York River Study

Mr. Lee read portions of the memo, saying that this was informational.

7:35 PM 6) Change Launch Rates at Boat Basin

Mr. Lee said that he has the gross Boat Basin receipts back to fiscal year 2016, which shows revenues dropping off, and the thought was that some are opting not to use the Boat Basin, this year in particular, because of the rate increase; that the SB asked him to come back to see if we want to change the rates back, although he has gotten positive feedback on the Boat Basin launch and parking. He added that this is up to the SB, suggesting we might leave rates as is for May and June and then compare the full year to see if we want to make any changes.

7:37 PM Mr. Pomerleau said that the key point for him was that we are striving to make this self-sufficient and these rates are right in the norm, if not cheap; that he doesn't think what we are charging is excessive and he is not in favor of reducing the rates.

Mr. Donhauser said that he was in favor of leaving it as is.

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Ms. Davis said that she's seen some paving problems down there and, ultimately, we're going to have to do something; that she is not in favor of changing it.

Mr. Lee suggested waiting until June 30th and he would look again at the receipts; that if they are comparable, then there really is nothing to discuss.

Mr. Murphy said that he is not a boat man but he would like to know how often, each year, a boat got launched – how many are big boats that get launched once at the beginning of the summer and small boats that launch frequently during that season.

7:40 PM Mr. Lee said that a season's pass is available for those who launch frequently.

Mr. Lentz said that he frequents the Boat Basin quite often and, on any given day that he is down there, 40% to 50% of those license plates are out-of-state; that they're from across the river, which speaks to the quality of the launch you have, because they are coming all the way around to launch their boats there; that he doesn't think we should be lowering the rate at all.

Mr. Lee agreed, saying that most of the complaints are actually from residents.

7:42 PM **7) Change of Job Title of Admin. Secretary (Not a Re-classification)**

Mr. Lee said that, currently, Ms. Albert's job title is Administrative Secretary, primarily because using the term 'Administrative Assistant' so freshly after we went to a Town Manager form of government he was told would, perhaps, confuse people when they called asking for Mr. Blanchette, as they would ask for the Administrative Assistant and get Ms. Albert instead of the Town Manager. He added that some time has passed and the term 'secretary' he doesn't like very well; that we are now using 'Administrative Assistant I' for these new part-time folks that we were able to get for Public Works and for Land Use; that it just makes sense to be consistent and call this person, who is kind of the Administrative Assistant to the Executive Branch, at least an 'Administrative Assistant II'. He added that this would be a job title change only; that there would be no change in the job description, no additional duties, and no re-classification even considered.

7:44 PM Mr. Pomerleau agreed that it was appropriate and not uncommon, at all, to have levels of one class. He added that he thinks it fits the job.

It was the **consensus of the SB** to change Ms. Albert's title to Administrative Assistant II.

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7:45 PM 8) IT Support – MSAD #35 (1st Consideration)

Mr. Lee said that he was favorably impressed with their presentation; that the price seems initially high compared to the \$12,500 you have been reading about but, on top of that operational budget, we also have to be setting aside money for a server, for PC replacement, etc. and we would not have to do any of that again. He added that their servers are massive; that the internet problems we have would be going away because they have a massive internet connection with so much capacity that they could share it with the Town of South Berwick and Eliot and still have way more capacity; that sometimes that effects streaming video and even our ability to get work done. He said that there would be on-site support at 200 hours/year; that right now we pay \$99/hour; that they would upgrade all the Town Office workstations to 13-inch MacBook Airs with Windows 10; that they would do all the installation and rental of point-to-point network equipment that would be needed to do the networking with them. He added that they would transition all of our software over, do all of our hosting, backup, recovery services. He clarified that he likes Two-Way and has never had problems with them; that this proposal came from a collaboration meeting and both he and Mr. Ellsworth are considering this. He said that we could bring in the head of the school's technology team and have him speak to what this proposal is, as he has done with him. He added that he came away fairly enthused by it when he got thinking about the ongoing capital costs; that he thinks it's worthy of the SB's consideration.

7:48 PM Mr. Hughes said that he thinks it has merit; that we do spend a lot of money on Two-Way and this covers everything they do, plus.

Mr. Lee said that he would need to spend some time with the Finance Director to pick out the associated IT expenses, compare that with what they are suggesting, and get a total picture. He said that the only thing they wouldn't host would be the police because they need a special connection; that there is a security issue. He added that he would like the SB to think about it and send him questions, if they have any.

7:50 PM Mr. Murphy said that, under Note 1, it mentions an exception to TRIO software.

Mr. Lee said that we have a software contract where they provide support for TRIO; that they (MSAD) were just making note that they don't have any experience with TRIO and can't provide tech support, and VISION Appraisal software they don't know anything about. He added that there would be four people available to South Berwick and Eliot.

Ms. Davis said that, as a starting point, she would like to see the financial analysis.

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9) Ordinances Public Hearing(s) October 26 (Reg. SB Mtg)? 7:00 PM?

This was previously discussed.

K. Old Business:

7:53 PM Mr. Lee discussed the proposed **Memorandum of Agreement** between Great Works Regional Land Trust and the Town of Eliot and suggested language changes. He added that if this is now satisfactory to the SB he will go back to Michael Wright, Land Trust President, signing this on behalf of the Town and we would enter into finalizing this.

Mr. Hughes was satisfied.

Ms. Davis moved, second by Mr. Hughes, that the Select Board approve the Memorandum of Agreement, indicated as draft 9-28-2017, between the Great Works Regional Land Trust and the Town of Eliot

Roll Call Vote:

Mr. Donhauser – Yes

Mr. Murphy – Yes

Ms. Davis – Yes

Mr. Pomerleau – Yes

Mr. Hughes - Yes

Unanimous vote to approve motion.

Mr. Lee said that we now have several **applications for the Planning Board** vacancy; that he will request that people who have applied be in attendance on October 12th, our next meeting, so that you can interview the potential candidates. He added that applications are open until this coming Monday.

7:57 PM Ms. Davis asked Mr. Hughes if he did his tour of **Worster Road** and if he feels satisfied with the bonding question.

Mr. Hughes said yes; that the major damage on that road was caused by a frost heave last winter and the heavy trucks running over that road somewhat increased the damage; however, when we spoke to Mr. Moulton about it, he asked if \$15,000 would cover treating the road base, or fixing the road base, so that frost heaves would not come up in the future and Mr. Moulton said that that would come out of his contingency funds and it wouldn't be that expensive. He added

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that Mr. Moulton is going to fix the road bed so that the frost heave does not return and use the money to re-pave that section of road; that he is good with this.

L. New Business:

7:58 PM TIF Liaison Workgroup

Mr. Donhauser and Mr. Pomerleau were interested in doing this.

Ms. Davis said that what we are looking at, here, is two members of the SB to spearhead some new ideas for the TIF Project.

Mr. Lee said that he would schedule some meetings with Mr. Donhauser and Mr. Pomerleau.

Ms. Davis said to just keep the rest of the SB apprised fairly regularly of what your progress is.

7:59 PM Town Hall Slab

Ms. Davis said that you met with the engineer, briefly, and we received a report on that, asking if Mr. Lee was going to put that on an agenda.

Mr. Lee said that he has that coming up for the October 12th agenda to discuss.

M. Selectmen's Report:

8:00 PM Mr. Pomerleau wanted to inform the rest of the Board that he got an email from Debra McDermott (Portsmouth Herald); that she wants to talk with him and says she has a number of questions that I think I need to supplement the fact-finding document on Mr. Beckert and that also deals with Ms. Pelletier, understanding that this falls into a personnel matter, he still thinks there are areas for discussion. He added that, most of all, he thinks the residents of Eliot need to hear the voice of their boss in the story she is going to write. He said that he answered her back that he was more than willing to talk with her to the degree that he legally could; that as far as speaking for the SB, he could not do that without the SB's permission. He asked the SB how they would want him to proceed in this matter, or not, as far as representing the Board. He added that there are areas she wants to get into that he will not because there are still confidentiality statutes.

8:01 PM Mr. Lee said that, for the record, she came by at about 1:45 PM and interviewed him for about 45 minutes; that she said that she appreciated him being forthright.

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Mr. Pomerleau said that she was right that the public absolutely needs to hear the Selectmen's side of whatever story she's going to write because the stories he has seen in the Herald, to date, have been grossly inaccurate.

Ms. Davis said that they have represented only one or two viewpoints so you need a well-rounded input on that. She asked how the Board felt.

8:02 PM Mr. Donhauser said that he was against it.

Ms. Davis asked if he didn't want to present the Board's views.

Mr. Donhauser said that that's fine but he is opposed to having one person represent the Board; that he definitely thinks we should put out our viewpoint but he doesn't think that one person should individually meet with the press and represent the entire Board. He added that he thought the Board should meet with the press, as a group, if we're going to put out a joint memorandum, in writing, not privately with an individual of the Board to represent the entire Board.

Mr. Murphy agreed.

Mr. Hughes said that he was ambivalent; that he does trust Mr. Pomerleau's judgement in this matter but he does sort of agree with Mr. Donhauser that this should be more than one of us.

Mr. Donhauser said that he wanted to state that he is not judging Mr. Pomerleau's judgement or honesty or anything; that he's just saying that he thinks one person shouldn't represent the other four members of the Board.

Ms. Davis said that there is some logistical difficulty in five people attempting to answer her questions.

8:03 PM Mr. Donhauser said that her questions can be in writing and our answers can be in writing; that she could come to a public meeting and express it then, because it's going to be put in the paper, anyway, or, he would be more inclined to have her submit her questions and let us respond, collectively.

Mr. Lee said that he got the impression, having met with her, that this is a story that her boss is having her fast-track while it's still hot and current. He added that he thought, to the extent you have a response that says that there would have to be back-and-forth and waiting a week to 10 days, etc., he thinks she will be discomforted by that and she just wants a few nice quotes from somebody, or somebodies, who will kind of say to the extent which it was difficult, etc., whatever it may be. He added that, working with the newspaper, they are going to have a deadline for her and it's not going to work out where there will be a lot of

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time to go back and forth; that it might be prudent to have two people to participate in a discussion so, at least, some opportunity for opposing views or different views.

Mr. Donhauser said that her deadline was her problem; that she can have arbitrary deadlines all day long but that doesn't mean you or the Board has a deadline.

8:05 PM Ms. Davis said that we are all independently elected Selectmen and she thinks that, if somebody wants to speak with Ms. McDermott and answering her questions and stating, up front, that they are not representing the full Board but representing their view of the situation, then she thinks they are perfectly free to do so. She added that we can either agree to let someone represent us and answer those questions or we can, as individuals, answer those questions. She asked for the Board's preference.

8:06 PM Mr. Murphy said that if one person is only being interviewed by Debra McDermott, that person should be speaking for an individual; that it should be very clear that is that individual's opinion. He added that he is rather surprised that Ms. McDermott did not send a letter to each of the Board members asking for input from those of us who had anything to say.

Ms. Davis said that Mr. Pomerleau has offered to represent the Board; that we can delegate him to do so with his years of experience in handling hearings and knowing what he should and should not say and with his understanding, she believes, of how each one of us feels about this or we can speak independently.

Mr. Murphy said that he doesn't think Mr. Pomerleau understands how each one of us feels about this.

8:07 PM Mr. Pomerleau said that that's not going to be an issue; that he isn't going to try to speak for anybody else's feelings; that it's going to be technical, legal questions, some of which she wants to get into that we will not get into because they have not been resolved. He added that nothing that happened in executive session is available to her, period; that she can question him about the decision rendered to the degree the decision states what it states. He said that there is not a broad area, here, where he is going to try to represent how Mr. Murphy feels, or Mr. Donhauser, or anybody else; that he isn't even attempting to go there. He added that he wasn't asking for the Board's permission; that this is a newspaper asking him, as a Selectman, to talk to her and she made the point that she thought the view of the Board should be represented and he simply said that he couldn't represent the Board without their permission; that if the Board doesn't want him to, then he won't attempt to do that.

8:08 PM Mr. Donhauser reiterated that he is not opposed to Mr. Pomerleau meeting with whomever he wants to meet with but, again, he doesn't think Mr. Pomerleau

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should represent a Board, individually. He added that it doesn't matter to him as long as Mr. Pomerleau represents that it is his view of the process that happened.

Mr. Pomerleau said that he was fine with that.

N. Committee Vacancy Report

8:09 PM Ms. O'Donoghue said that she has put in her application for one of those committees; that she looked at the by-laws for the Aging-in-Place Committee and her thinking was that, rather than waiting for seven people to be put on the committee, if you have three or four, then if we could maybe start some work; that maybe if people hear of some of the things that we are doing, then maybe they would get interested in joining the committee. She added that she went to the Wisdom Summit, in Augusta, on aging last week and it was really exciting; that she learned a lot and she has really itchy feet so she is excited to get going.

8:10 PM Mr. Lee said that we have one or two applications for all these committees and, in some cases, three or four; that that's not a bad idea – to start with what we can start with to see if it builds its own momentum.

O. Executive Session

There was no executive session.

P. Adjourn

There was a motion and second to adjourn the meeting at 8:12 PM.

VOTE

5-0

Chair votes in the affirmative

Approved: November 30, 2017

S: / Mr. Richard Donhauser, Secretary