

BOARD OF SELECTMEN WORKSHOP
Minutes of 03-21-11
4:15 p.m.

Selectmen:

Colette Worsman, Acting Chairman
Peter F. Brothers
Miller C. Lovett
Nathan J. Torr
Herbert Vadney

Town Manager:

Phillip L. Warren

Recording Clerk:

Karin Landry

Call to Order: Acting Chair Worsman called the meeting to order at 4:15 p.m. She introduced the Board, including newly elected Selectman Herbert Vadney, the Town Manager, and the Recording Clerk. Selectman Worsman will serve as Acting Chair until the Board reorganizes in the meeting following the workshop where a new Chair will be appointed.

W 11-02 WRBP Interim Memorandum of Understanding

Town Manager Phillip Warren presented a draft Memorandum of Understanding (MOU) crafted by the managers and administrators of the member communities comprising the Winnepesaukee River Basin Project (WRBP). The MOU sets forth the scope of authority of the Advisory Board in the consultative role set forth under the RSA that governs the WRBP, and strengthens that role going forward. While the Department of Environmental Services (DES) is the party responsible for running the plant and acts as the regulatory agency that licenses permits and shows compliance of the plant, it has been made clear that the member communities are responsible for 100% of the cost to operate the facility and the Advisory Board needs to have a more concrete role in governing the cost of running the plant. The Town Manager highlighted provisions of the MOU:

- Any expenditure over \$50,000 requires a formal recommendation by the Advisory Board to the governor and Council so they can see how the member cities and towns voted.
- Although the Town Manager has some concerns regarding the length of time and the scope of the flow metering project and its cost, the project will result in a fair and more equitable distribution of charges when completed. The MOU includes language that DES will complete the \$4 million cost recovery project.
- Meredith has one piece of shared pipeline with the WRBP, and language is included regarding ownership inventory.
- The Advisory Board and DES will work on the budget cooperatively.
- A true capital improvements program will be completed to replace the existing program, which identifies all possible means at the plant and their cost.
- The Advisory Board will work collectively to fix the RSA that governs how the WRBP operates, as the MOU relies on the good faith of all parties involved.

The Town Manager recommended that the Board take formal action in the meeting scheduled for April 4 to support the MOU and authorize the Town Manager to sign the document on its behalf.

Selectman Lovett inquired what steps will be taken to put the MOU into effect, presuming it is signed by all parties. The Town Manager explained that while the MOU does not have the force of law to be a cooperative agreement, he does not believe the state would sign the agreement if it wasn't intending to adhere to its provisions. The MOU will allow member communities to proceed cautiously while legislation is crafted to correct the issue. The Advisory Board has targeted next year to take steps to make legislative changes. The MOU will not have any practical effect on expenditures that are in process at this time.

Selectman Torr pointed to language under number 6 of the Agreement regarding a moratorium on all capital improvement spending as the backbone of the Agreement. The Town Manager explained that the WRBP has committed that there will be no more capital improvements after the UV disinfection system. The process allows for some supplemental funding once a capital improvements study is completed and agreed upon by the capital improvements committee and Advisory Board. The pre-bid conference for the UV disinfection system will take place tomorrow. The WRBP staff has committed to bringing the bid results to the Advisory Board before awarding the project. The Town Manager has made it clear that he does not support the project as it is constructed at this time because the WRBP is not in jeopardy and there are alternatives that have not been fully considered.

Acting Chair Worsman, in her capacity as a member of the House Finance Committee, has witnessed a hands off approach from the legislative point of view because funding for the WRBP comes from the member communities. She approached Commissioner Burack and asked for his consideration in supporting the project, and he indicated that he would do so. The Town Manager clarified that under the MOA, the Advisory Board has no authority to make changes to the approved operating budget as it is today, but future budgets would require comment from the Advisory Board on expenditures over \$50,000. Acting Chair Worsman advised that although legislation for the 2012 session must be submitted by May of this year, any language submitted to strengthen the role of the Advisory Board can be amended as the process moves forward. The Town Manager will pass that information on to the Advisory Board the next time it meets.

In order to gain a better understanding of efforts that went into crafting the MOU, Selectman Vadney inquired which is the most controversial issue that did and did not make it into the MOU. The Town Manager explained that while all the controversial issues made it into the MOU, the most controversial issue is the capital improvements piece, as there are some capital improvements that do not need to be done as they were forecasted and scheduled.

On behalf of the Board, Selectman Brothers expressed appreciation to the Town Manager and Water and Sewer Superintendent Dan Leonard for their contribution and expertise in the areas of water and sewer treatment. Their perseverance and diligence in getting other community leaders and officials together to craft the MOU is a good first step, and puts the DES on notice that the voice of the member communities needs to be heard.

In closing, Selectman Lovett expressed his disbelief that projects are moving forward without closer scrutiny in this economic time.

W11-03 Greater Meredith Program Tree Replacement Proposal

The Town Manager received a request from the Greater Meredith Program (GMP) to kick off the third phase of tree plantings on Arbor Day of this year, which is Friday, April 29. They asked for the Town's blessing to replace a weeping willow in Hesky Park that would help the town acquire the Tree City USA Award; however, Director of Public Works Mike Faller advised that planting

the tree in the proposed location in Hesky Park could cause additional damage to a nearby retaining wall and interferes with tents that are erected in the Park for special events. Executive Director Bonnie Ireland and Co-President Chris Williams of the GMP asked the Board for guidance in identifying an alternate location for tree planting. Dialogue ensued regarding appropriate trees for the Hesky Park site. Herbert Vadney suggested that identifying an appropriate tree should be left to an arborist. Selectman Brothers offered that while there has been much praise and support for the tree planting program, the Board is not qualified to identify the proper site or species to be planted, and the discussion should be postponed. Selectman Lovett appreciates being kept informed and involved in decisions affecting town property, but agrees that the GMP should come before the Board with an alternate plan. Selectman Worsman wonders if the Shoreline Protection Act dictates whether a tree stump can be removed. The Town Manager does not know the answer, but can find out.

Mr. Williams hoped to present an early stage Master Plan for tree planting over the next several years, but the Board agreed that the presentation would not fit into the timeframe for the workshop. Acting Chair Worsman invited the GMP to arrange to make the presentation at a future workshop, and suggested that the plans are in a form that can be displayed for the home viewing audience to see.

Dialogue ensued regarding Child's Park and Meredith Center as alternate tree planting sites. The Town Manager's main concern with tree planting in Child's Park is that it does not conflict with upcoming renovations to the Park. Acting Chair Worsman reminded the Board that the DOT outlined the benefits of beautification in slowing down traffic. Selectman Vadney suggested planting fewer and bigger trees to prevent damage from children playing. The Town Manager recommended that the GMP contact Holly Tetreault, who is coordinating the beautification project at Meredith Center, Parks and Recreation Director Vint Choiniere regarding Child's Park, and Mike Faller regarding Hesky Park.

The Board is appreciative of the update and acknowledged that overall the plantings have been very well received.

W11-04 Stewart's Ambulance Contract

The Town Manager presented the proposed final Agreement to extend the business relationship with Stewart's Ambulance through June 30, 2016, with a request that the Board authorize the Chair to sign it and appoint two members to the InterMunicipal Agreement (IMA) Board (one-year terms with neither required to be from the Board of Selectmen, but who should represent a Board of Selectman/management view of public policy in entering into the contract. A considerable amount of time was spent by the negotiating team on assembling the contract and the items that fit into the contract. The Town Manager highlighted the Agreement:

- Term: The base term now runs through June 30th to accommodate a change to a fiscal year. The periods of extension are in a new section; however, the base year to calculate the budget apportionment remains the same as at present, thus all parties will have budget numbers in November whether on a Calendar or Fiscal Year.
- Equipment: All equipment issues are now in the same location. The Agreement addresses the need to relocate the Moultonborough ambulance.
- Personnel: All personnel issues are now in the same locale. It adds a requirement for Paramedic intercept coverage on both ambulances for the weekends of Memorial, Labor, and Columbus Day, and July and August.

- Insurance, Indemnification & Litigation: The items have been strengthened.
- Compensation: The contract price for April 1, 2011 to June 30, 2012 increases by 1.4% over current pricing. It increases thereafter by the CPI but with a 4% cap. Although the CPI for the past 25+ years has been relatively calm, Stewart's can point to a run of higher increases. Therefore, there is a provision for Stewart's to ask to renegotiate if the CPI exceeds 5%. The ability to increase the total contract price if run volumes go up by 10% has been removed.
- Apportionment of Compensation: New language allows the four towns to change the formula any time if they agree to it, subject to an advance notice to Stewart's.
- Fuel Surcharge: Spread across four towns based upon the variable portion of the contract we are responsible for. The Town Manager provided an example of how the surcharge is calculated. (As per the Attorney General, a bulk purchase of fuel through a consortium of communities or the Town's fuel purchase cannot be taken advantage of.)
- Invoicing: Stewart's cannot suspend service if the bill is not paid in full, but can collect it.
- Write-Offs: This codifies the current arrangement for firefighters and a member of their household, but obligates those persons to co-operate with Stewart's to submit and pursue payment from any insurer or governmental assistance program, and requires those persons to pay over to Stewart's any such payment it shall receive as the result of such claim.
- Meetings: Stewart's will meet with the fire chiefs on a quarterly basis. They will meet with the IMA Board twice a year.
- Reports: Reports are submitted in a wider range of manners and electronically, letting us meet virtually any reporting requirement by virtually any entity. Stewart's must produce web and flyer information.
- Termination: There was no termination language in the past.
- Subject to Appropriation: There was no subject to appropriation in the past. The termination for lack of appropriation now requires that "the legislative body was presented, in good faith, with a request for the needed appropriation.
- Parties Bound: Any sale or transfer of any stock of the corporation of 10% or more requires direct approval of the towns.

The total contract price allocation for the base period this year is \$34,275 for the fixed portion and \$224,259 for the variable portion, for a total of \$258,534. The contract and approval of the IMA in 2006 was recorded properly with the Town Clerk and Secretary of State's office. The Town Manager asked the Board to offer their approval of the IMA at the meeting scheduled for April 4, and authorize the Chair or the Town Manager to sign it and appoint two members to the IMA Board. The Town Manager agreed to serve as one of the members of the IMA Board.

The contract can be renewed or renegotiated at the end of the contract period, which is July 1, 2016. The contract can be renegotiated in shorter time periods when it comes up for renewal.

The Board expressed appreciation for the time and effort that went into renegotiating the IMA. The matter will be scheduled for the April 4 meeting.

Selectman Lovett motioned to adjourn the Workshop at 5:25 p.m. Seconded by Selectman Brothers. 5-0. All in favor. Motion passed unanimously.

Respectfully submitted,

Phillip L. Warren, Town Manager

Colette Worsman, Acting Chairman

Peter F. Brothers

Miller C. Lovett

Nathan J. Torr

Herbert Vadney