

**Wolfeboro Board of Selectmen
Special Meeting minutes
Approved
January 11, 2012**

Members present: Chairman Sarah Silk, Vice-Chairman Linda Murray, Dave Senecal, and Q. David Bowers.

Members absent: Chuck Storm

Staff present: Town Manager David W. Owen, Finance Director Pete Chamberlin, Public Works Director Dave Ford, and Recording Secretary Amelia Capone-Muccio.

Chairman Silk opened the meeting at 6:30 PM.

Non-Public Session RSA 91-A: 3II

Mr. Owen stated a non-public session is needed to discuss litigation.

Public Hearings

Chairman Silk opened the public hearing.

- A. For the 2012 Bond Issue in the amount of one hundred thirty-two thousand eight hundred ninety-two dollars (\$132,892) for the purpose of performing structural repairs and related improvements to the Apparatus Garage at the Public Safety Building. The total coast of this project is \$350,000, with the bonded amount of \$132,892 to be added to \$123,114 coming from excess bond proceeds and \$ 93,994 coming from a Capital Reserve Account to pay for this project.**

Dave Ford joined the Board and stated this article is to make repairs to a 40 year old building, specifically to the garage portion of the building. He stated that this building was one of the facilities reviewed by the engineer and determined to have structural issues and such was also discovered upon an accident. He stated the request is to make structural repairs tying the walls and foundation to the roof, replace the roof that is leaking and address drainage problems. He stated the project cost is \$350,000, but would only require bonding of \$132,892.

This article was recommended 5-0 by the Board and 9-0 by the Budget Committee and will require a 3/5th majority vote.

Suzanne Ryan joined the Board and stated this article should clearly state that only the \$132,892 is new money to be raised. She suggested adding the wording that a portion of the money will be raised through taxation for better clarity to the voters.

Mr. Owen replied that the articles were reviewed by Bond Counsel, Town Attorney and the Department of Revenue.

Mrs. Ryan replied she understands that, but that is the same answer she gets every year. Her point is to make the article clear for the voter that only the \$132, 892 is new money. She also stated she felt the \$123,111 from the Smith River Bridge project would have been better spent being applied to the principal. She stated if they don't wish to change it, she would propose such change at the Deliberative Session.

Chairman Silk noted that this is a public hearing in which they can explain the article and will do the same at the Deliberative Session.

Mrs. Murray suggested including such explanation in the Board's Voter's Guide included in the Granite State News.

- B. For the 2012 Bond Issue in the amount of one hundred sixty thousand dollars (\$160,000) for the purpose of acquiring for general government use the property at 255 South Main Street, Tax Map, 231, Lot 59 (the former Bun McBride residence) directly adjacent to the Wolfeboro Public Library and the Public Safety Building and demolishing or removing the buildings on site.**

This article was recommended 5-0 by the Board and 9-0 by the Budget Committee and will require a 3/5th majority vote.

Mr. Owen stated the article is based on an appraisal done by an independent appraiser at \$148,000 with \$12,000 for demolishing or removing the building.

- C. For the 2012 Bond Issue in the amount of one hundred eighty thousand dollars (\$180,000) for the purpose of constructing improvements to the Town's Wastewater Treatment Facility and Effluent Spray System.**

This article was recommended 5-0 by the Board and 6-3 by the Budget Committee and will require a 3/5th majority vote.

Mr. Ford stated the purpose of this article is to solve two problems; one is to make repairs to the heating and ventilation systems of the Wastewater Treatment Facility. He explained that this building was built in 1973 and although they had previously discussed replacing the facility, they have since made significant upgrades to prolong the life of this facility. The second part deals with the effluent disposal system and the RIB site has some problems and is limited in the amount of effluent it can handle. He explained due to these issues they will need to use the spray area to make up the difference. The article proposes funding to automate the spray fields.

Don Faul, of Spruce Road, joined the Board and stated that according to the 2010 Town Report, the sewer system is subsidized by those who don't use it and that it is obvious the revenues are not supporting it. He feels it would make more sense to determine what needs to be done and if it can ever be sustainable.

Suzanne Ryan questioned if they have the breakdown of the cost of each project.

Mr. Ford replied each project is \$90,000. He also clarified that it was approved by the taxpayers for the transfer of the sewer debt.

Mr. Bowers stated that problems developed that were unforeseen and even though everyone does not get the benefits of the sewer system, he looks at it like the schools as something we have to pay for.

Mr. Faul stated he is not trying to point fingers, but the problem is real and feels more time should be spent on taking a look at it better.

Mrs. Murray stated that they did have the RIB site designed by engineers and then went through the extensive process to hiring NH DES approved engineers, but what happened was unexpected. She stated the town did do the due diligence and that the town has come a long way from pumping the sewerage into Back Bay.

Chairman Silk noted that the taxpayers do benefit from the system as they use the downtown restaurants, school, hospital and lake.

D. For the 2012 Bond Issue in the amount of seven hundred fifty thousand dollars (\$750,000) for the purpose of constructing Phase 3 of drainage, road, and sidewalk upgrades on Lehner and Union Streets, including ADA-compliant parking spaces for the Community Center. [Note: The amount of this warrant article may be reduced after the bid opening for this project on January 9th.]

This article was recommended 5-0 by the Board and no position by the Budget Committee and will require a 3/5th majority vote.

Mr. Ford provided a memo dated January 11, 2012 summarizing the scope of the project based on the bid openings. He stated the bids came in higher than expected and based on that he recommends reducing the scope of work to stay within the requested amount. He stated Lyman and Sons was the low bidder and he reviewed a map of the project showing the section of Lehner Street to Center Street (near Mise En Place) that would be removed from this scope and done in the next phase.

Mr. Bowers questioned why the estimate is so far off.

Mr. Ford replied an engineer provided an estimate and a very detailed bid, but it is based on the latest numbers at the time put out by the State. He stated they were hoping to get some larger contractors to bid on the project, but they did not get any.

Mr. Bowers stated they should clarify that they won't be doing what was intended.

Mr. Ford replied this is phase three of the whole project and the next phase includes Center Street that is a State Road and the scope that was cut will be included in that phase of the project.

Mrs. Ryan asked for clarity on the \$103,000 from Article K.

Mr. Ford replied that that is the portion from the Road Upgrades used towards paving this project.

Mrs. Ryan stated that she is disappointed that they are using funds from Article K as they have already reduced that article for general roads and that the town roads are in need of repair. She feels that there is more focus downtown roads than the outlying roads.

Mrs. Murray pointed out they did Pleasant Valley Road.

Mrs. Ryan replied that there are other roads that need work and that it seems they never do a whole road.

Chairman Silk stated that they do sections because some areas may need more in-depth work and the need to save the road. She stated they would like to do more roads, but it is not feasible in this economy. She stated sometimes plans change based on weather. She noted since she has been on the Board they earmark the funds for roads to keep them from being used for anything else.

Mrs. Murray stated the infrastructure committee of the Master Plan recommended the town do a road surface management plan.

Mrs. Ryan stated she is aware of the plan, but it seems like hodge podge maintenance and she is not clear on what the plan is, is the worst roads first, road with the most complaints or the most traveled roads. She is concerned that taking out the money is going backwards.

- E. For the 2012 Bond Issue in the amount of three hundred thousand dollars (\$300,000) for the purpose of constructing a new municipal parking lot on the property acquired in 2009 for that purpose adjacent to the existing Glendon Street Parking Lot, and to improve the existing Glendon Street parking lot. [Note: The amount of this warrant article may be reduced after the bid opening for this project on January 9th.]**

This article was recommended 5-0 by the Board and no recommendation by the Budget Committee and will require a 3/5th majority vote.

Mr. Ford provided the Board with his memo dated January 11, 2012 and the low bid came in at \$216,061 but recommends additional funds for landscaping and lighting plus a contingency budget making the total cost of the project \$280,000.

Suzanne Ryan questioned the number of additional parking spaces.

Mr. Ford replied 62 new spots for a total of 108.

Don Faul questioned if a study was done to determine the need of 62 additional spaces.

Mr. Owen replied that the downtown businesses have expressed such a need for years and the Chamber of Commerce was instrumental in the 2009 Warrant Article to acquire the property.

Mrs. Murray stated that the purpose was also to reduce the circulation on Railroad Ave causing traffic problems and that a need for more space and long term parking for the Mt. Washington.

- F. For the 2012 Bond Issue in the amount of five hundred thousand dollars (\$500,000) from the Water Fund for the purpose of upgrading water meters from the manual read system to a radio read system. [Note: the town has received notice of a \$100,000 grant from the NH Department of Environmental Services (DES) in the form of loan forgiveness if this project is approved in 2012.]**

This article was recommended 5-0 by the Board and 5-3 by the Budget Committee and will require a 3/5th majority vote.

Mr. Ford stated that the current system takes 3 months to read all 2,000 meters (reading 1/3rd each month) which leads to a problem discovering leaks and that they have 31% unaccounted for water. He stated this project would replace some old meters and upgrade all meters with a radio read transmitter that will give them the ability to read all the meters in one to two days and switch to monthly billing. He noted that it is possible to get back 5-10% of lost revenue.

Suzanne Ryan questioned why this article does not include language this is at no cost to the taxpayers because of the water fund.

Mr. Owen replied such could be included.

Mrs. Ryan questioned how much money is in the fund.

Mr. Owen replied roughly \$2 million dollars.

Mr. Ford explained the warrant article was done in this manner to qualify for the grant.

Mrs. Ryan questioned the word "potential".

Mr. Ford replied that the money is available if this project is approved in 2012, but it is not guaranteed for 2013.

Mr. Faul stated he has spent some time reviewing the report and has several specific questions for Mr. Ford in regards to his review of the report on the estimated cost based on the town of Newmarket's cost, the cost to the homeowner, the intern memos on pg. 20 regarding life cycle and the discrepancy of such, replacement of meters not needed for 10 years, the amount on the application for the bond financing, bond payoff in the 4th year, cost based on the electric meter project, cost footnote, and the higher cost to the homeowner. He questioned why they would spend the funds on this project when they could be spending the money to do roads. He stated there is no guarantee by the consultants and there is no reference to any other towns using these meters. He asked the Board in light of the economic times not to recommend this project and focus on the road projects.

Mr. Ford requested Mr. Faul to provide his questions in writing so he can accurately respond, but provided some answers as follows; some items have changed since they hired the engineer to do the report, intent of the program is for everyone to pay their fair share and that unaccounted for water is a huge problem and monthly billing will help solve some of this problem. He stated that there was an application deadline for the grant and have since followed up with DES and learned the project qualifies for 35% loan forgiveness based on our rates. He noted they will not be replacing all the meters since they have been doing meter upgrades, just adding the reader box to some which is why they will not need an upgraded for 10 years.

Mr. Owen replied in reference to the comment that there is no economic benefit, the town of Newmarket went from 30% of unaccounted for water to 15% and a former community he worked for went from 30% of unaccounted for water to 10%. He stated that having a 3% reduction in unaccounted for water means the project will pay for itself. The cost of this project is paid by the users and such money could not be used for the Roads.

Mrs. Murray stated that the Water Fund is an Enterprise Fund.

Member Linda Murray moved the Wolfeboro Board of Selectmen to amend Warrant Article F to include language that there is no impact on the tax rate. Dave Senecal seconded. Members voted and being all in favor, the motion passed.

Mr. Faul stated he does not see the economic benefit of passing the cost on to the users and increasing the cost of that department.

Mr. Bowers questioned clarity on missing water, but in fact it is a billing issue.

Mr. Ford clarified that a percentage of the water is not being metered and by doing this upgrade it can provide them with tools to reduce that. He noted that although they will be increasing the billing, they are looking to e-billing for the future.

Being no others to comment on the articles, Chairman Silk closed the public hearing.

Member Linda Murray moved the Wolfeboro Board of Selectmen to amend Warrant Article E to reflect \$280,000 for the project. Dave Senecal seconded. Members voted and being all in favor, the motion passed.

Member Linda Murray moved the Wolfeboro Board of Selectmen to amend Warrant Article F to reflect \$175,000 for the loan forgiveness amount (change from \$100,000). Sarah Silk seconded. Members voted and being all in favor, the motion passed

Petition Warrant Articles

Mr. Owen provided a copy of the Petition Warrant Articles that have been received. He noted that article W is a financial article and article U has suggestion by town counsel to clarify the language.

Chairman Silk read the articles (see attached).

Mr. Bowers suggested such suggestion by town counsel should be forwarded to the signers of the petition for their information.

Public Comment

None.

Questions from the Press

None.

Being no further business before the Board, Chairman Silk entertained a motion to non-public session.

Member Dave Bowers moved the Wolfeboro Board of Selectmen to enter non-public session at 8:11 PM to discuss litigation. Dave Senecal seconded. Roll call vote: Sarah Silk-yes, Dave Senecal-yes, Dave Bowers-yes, and Linda Murray-yes, the motion passed.

The Board re-entered public session at 9:14 PM.

Chairman Silk stated the non-public session minutes of January 11, 2012 were sealed by a 2/3rd's vote as required by law.

Being no further business before the Board, Chairman Silk entertained a motion to adjourn.

Member Dave Senecal moved the Wolfeboro Board of Selectmen to adjourn at 9:15 PM. Member Linda Murray seconded. Being none opposed, the motion passed.

Respectfully submitted,

Amelia Capone-Muccio

Recording Secretary