

Minutes for Selectboard Meeting

February 17, 2016

6:30 p.m.

1. Call to Order: Chair Breitweg called the meeting to order at 6:30 p.m. Members in attendance were the following: Kyle Russell, Jack Carson, Tom Breitweg, Doug Franklin and Randy Davis.
 - a. Pledge of Allegiance
2. Public Access: None
3. Consent Agenda:
 - a. Approval of minutes from 02/03/2016, **Motion made and seconded, Franklin/Davis, unanimous.**
 - b. Communications
 1. MSW contract discussions: TM has been in contact with WM (Waste Management) asking for a 5 year contract with an escalator clause that mimics cost of living. Towns statewide have been contacted by MRC to join a consortium and sign a 30 year contract with an escalator clause and WM is the alternative location. The Town of Newport has no need to enter into the consortium, but manager is hoping to lock in to at least a 5 year agreement.
 2. Truck postings: TM informed board members that the “No Through Truck Traffic” signs for the new changes to the Parking and Traffic Control Ordinance have been ordered.
 3. RSU 19 Election warrants: RSU 19 is calling a referendum scheduled for March 29th, 2016 for the purpose of new school construction. **Motion to approve school construction referendum warrants, Davis/Franklin, unanimous.**
 4. Selectboard members were given revenue and expense summaries, the general ledger summary and January 2016 bank reconciliations.
4. Old Business:
 - a. Public Safety Construction update: On tonight’s warrant there will be a drawdown request of \$508,000.00 which will be the next to the last

drawdown. A walk through is scheduled for Feb 18th at 8:00 to identify a punch list of any items still needed. TM was informed that the yellow paint lines inside the fire bays are the responsibility of the town. After this payment, there will still be \$542,548.80 due the contractor, not counting the 2 change orders for extra roof steel, stairwell steel and reinforcement to the mezzanine door. TM updated the board on the status of the fiber optic, cat 6 cable and phone lines. The computer technician recommends putting one server into the town office that will be the server for all of the computers in the town office and public safety combined. He is also recommending that all computers in the police and fire be replaced due to questionable licensing, no fire walls and other issues. TM is asking permission to utilize a portion of the \$69,000.00 already approved for furnishings within the building to correct the technology issues. Board consensus is to upgrade computer and technology issues. No formal vote needed.

b. Transfer Station: Town of Plymouth has contacted the Town and would like to discuss the possibility of utilizing our transfer station. The manager asserts that this will not increase overhead for the Town of Newport and may actually increase revenue by approximately \$12,000. Discussion followed regarding wear and tear on the compactors. Manager states that a portion of the new revenue could be placed into a revenue account for maintenance and repair. There is a meeting scheduled for Monday February 22nd, 2016 to discuss a possible fee structure and the Town of Newport's potential willingness to accept MSW from that community. Board consensus is to authorize manager to attend this meeting on the Board's behalf. No formal vote needed.

c. Tax billing, fiscal year changes: The manager, clerk and tax collector/treasurer have been researching the process to change the Town's fiscal year from a calendar year to a July-June fiscal year. At this time the information is still being compiled and will be reported to the board at a later date.

5. New Business:

a. Presentation by Superintendent Ray Freve: Mr. Freve spoke to the audience regarding the approval of the school construction project by the Department of Education. The project will be 100% funded by the state in excess of 69 million dollars. This will replace Nokomis and to retro-fit the two middle schools into elementary schools. Etna-Dixmont will remain open. The design is a two tiered building that will house 5th -12th grade, but

keep them segregated. The last mandated public hearing is going to be on March 21, 2016. The referendum will be held on March 29, 2016 and there is only one opportunity to vote on this. If it is voted down, the funds allocated for this project by the state will be given to the Town of Sanford who is next in line. This would create a situation in which tax payers would then be responsible for \$11 to \$14 million dollars worth of repairs to existing buildings. There is a private group that is hoping to raise an additional \$250,000.00 for a performing arts center. This money would be *privately donated* and **not** be raised by taxation, but it is a part of the referendum question because the *acceptance* of the funds has to be authorized by the voters. Additionally, the Department of Education has authorized hooking into a sewer line, rather than having to create and maintain septic lagoons. This would save the tax payers money in the long run, because lagoons of the nature included in the plans have to be replaced approximately every ten years. A sewer line extension from Route 7 (by Vic Firth) to Nokomis would be the answer if we could find funding for the amount over and above what the state will pay for. The Manager, Representative Fredette, and Superintendent Freve have been in discussions together and corresponding with CDBG and USDA to try to facilitate this.

Discussion followed with the audience asking questions about the financial situation at the RSU 19. Mr. Freve stated that in a nut shell the RSU has a serious cash flow problem due to over expenditures and over inflated revenues. Mr. Freve stated that the revenues were over inflated by \$690,000.00. At the close of June 2015, there was a \$796,000.00 shortfall, according to the auditor. There is 1.3 million owed for health insurance, and the school is responsible for 85% of the costs, due to the Union contract. This equates to close to \$298,000.00 being spent on insurance each month. They are also behind in their fuel bill and behind in payments to other vendors, but Mr. Freve has been setting up payment arrangements with these companies. In response to a question from the audience as to what his plan is to rectify this situation, he stated that his first plan is to recommend to the Board of Directors to implement furlough days. The RSU pays out \$74,000.00 a day in salaries. He would like to call for up to 10 furlough days. This would put them even for last year's (2015) shortfall but would not solve the cash flow problem. He is suggesting the elimination of certain programs and that he has tasked the board with identifying what programs and in what schools.

At the end of the discussion, the Selectboard unanimously supported the new school construction. The Board also vehemently stated their displeasure at the RSU Board of Directors and administration (specifically former Superintendent) for spending outside of voter approved amounts, and for again mishandling finances.

6. Warrant: Questions followed on the painting process for the equipment trailer. Discussed the new dozer, and expenses to the rec program. Discussion ceased. **Motion made and seconded to approve the warrant, Franklin/Russell, unanimous.**

7 Adjourn: **Motion made and seconded for adjournment at 8:35, Russell/Davis, unanimous.**

Sincerely,

A handwritten signature in cursive script that reads "Paula A. Scott".

Paula A. Scott, CCM

Town of Newport