

APPROVED
MINUTES OF THE MILFORD BOARD OF SELECTMEN MEETING
November 27, 2023

PRESENT: Gary Daniels, Chairman Lincoln Daley, Town Administrator
Chris Labonte, Vice Chairman Tina Philbrick, Executive Assistant
Paul Dargie, Member Mitchell Hemmer, Videographer
Tim Finan, Member
Dave Freel, Member

1. CALL TO ORDER, BOARD OF SELECTMEN INTRODUCTIONS & PUBLIC SPEAKING INSTRUCTIONS:

Chairman Daniels called the meeting to order at 5:30 p.m., introduced Board members, and then led the audience in the Pledge of Allegiance.

2. APPOINTMENTS – (Approximate times)

5:30 p.m. - Approval to appoint Mary Burdette as an alternate on the Ethics Committee with a Term expiring in 2025.

Ms. Burdette believes in transparency and ethics. She would also not have a problem if the Town's Ethics Committee was expanded to include the school.

Selectman Dargie made a motion to approve Mary Burdette as an alternate for the Ethics Committee with a Term expiring in 2025. Seconded by Selectman Labonte. All were in favor. The motion passed 5/0.

6:00 p.m. - Cash Flow Discussion – Municipal/Water Utilities – Water Utility Director, Jim Pouliot and Water Commissioners, Dale White, Bob Courage and Hunter Philbrick

Commissioner White reminded the Board that Water Utilities was going to go on its own for Finance and Payroll.

They will need direction to understand some outstanding items:

They will need to know what monies are coming back to Water Utilities on January 1, 2024. If they don't have enough money to start operating on January 1, 2024, the state RSA requires that the Board of Selectman borrow a bond on Water Utilities' behalf to help them until money starts flowing. They may need a short-term bond in place to cover one-quarter of the year. They will continue to need IT and HR support from the town and they need to know what those costs will be.

Selectman Freel asked how much operating money they needed. Commissioner White said he didn't know.

Selectman Dargie suggested borrowing the money from the Town's fund balance instead of doing a Tax Anticipation Note which will cost more in interest to pay back.

Paul Calabria, Finance Director, said the auditor would have to estimate what the remaining cash from Water Utilities would be at the end of the year and that is still being worked on by the accountant. We would be able to transfer money from what we are getting in taxes by the end of the year once we are squared up.

Commissioner White said they were now going to run their operation as a business. He referenced a handout that he didn't understand. Director Calabria said in August 2020 our auditing firm explained everything. We are being told how the government tells us that we have to account for enterprise funds. The accounting process is very complex. These numbers represent debt service that is currently on the books. These numbers will become a lot cleaner when the accounts change on January 1st. The numbers have been explained in great detail. In 2022 the accountant was ready to come in to explain everything again and no one except Director Pouliot came in. We can have the accountant in again to explain this.

Director Pouliot asked if there was another report that the Commissioners should be asking for that would explain this easily. Director Calabria said that based on the information you were asking for this was the best report. There was information previously given to the former Water Utilities Director and Commissioners that needed clarification and corrections and that has been done since. The numbers are going in the right place.

APPROVED MINUTES OF BOARD OF SELECTMEN MEETING – 11/27/2023

Commissioner White said he isn't an accountant or finance person and they don't feel that the town is doing anything wrong but he knows what is in his personal or business accounts. They just want to have an accurate amount to start with.

Selectman Labonte asked if our money in cash flow earns interest. Director Calabria said any available funds that we don't need to meet current obligations go into the NHPDIP account which pays us 5.48%. He would look to charge the Water Department that percentage. The Commissioners would be willing to pay the interest fees.

Administrator Daley said once this occurs, is this a one-time request. Commissioner White said yes. There was additional discussion on how money comes into the town between taxpayers and water and sewer users. Water Utilities will repay the loan within the year.

Selectman Dargie made a motion to support the movement of money from the town accounts to the water and wastewater accounts in an amount to be determined and that their first choice is to take it out of cash flow and only go to a TAN if needed. Seconded by Selectman Freel. All were in favor. The motion passed 5/0.

Director Pouliot asked when they would receive the numbers from the auditor, we need them soon. Director Calabria will follow up tomorrow. He also sent the letter to the bank to open the new accounts and is following up with PRIMIX on who is required to be bonded.

There was some discussion on which departments will need to help Water Utilities and when the numbers will be available to them.

3. PUBLIC COMMENTS (items not on the agenda) - There were no comments at this time.

4. DECISIONS

a. CONSENT CALENDAR

N/a

b. OTHER DECISIONS

1. Corcoran Consulting Associates Inc.- Assessing Firm Representative, Monica Hurley

Ms. Hurley gave an overview of Corcoran Consulting Associates Inc. They have 12 employees and she will be handling Milford's account. She will be holding office hours in Milford at least two days a month or more. For courtroom discussions, Ms. Hurley does all the commercial, industrial, and utility appraisals and she also handles court cases.

Staff reviewed bids and is recommending Corcoran Consulting Associates Inc. Total cost of the five-year contract will be \$484,700 and includes a town revaluation in 2026. Services will start on January 1, 2024. Contracts are written as not to exceed. There was additional discussion on duties and the process for equalization ratios should they change. Ms. Hurley can be reached at any time, even on the days she doesn't hold office hours.

Marti Noel, Assessing Director, said the contract is also reviewed by the Department of Revenue as an additional oversight to benefit the town.

Selectman Freel made a motion to approve the contract from Corcoran Consulting Associates Inc. as our Assessing Firm for the next five years as presented and that we authorize the Town Administrator to sign all documents. Seconded by Selectman Finan. All were in favor. The motion passed 5/0.

5. TOWN STATUS REPORT –

1. Status of Open Request for Proposals (RFPs)

- **Milford Master Plan Comprehensive Update (RFP 2023-06)** – The proposal is to prepare a comprehensive Master Plan update that addresses the many challenges that impact the Town's municipal facilities and services, economic vitality/sustainability/growth, community character, and natural resources. The Town received one proposal by the November 3rd deadline from Resilience Planning & Design, LLC. The preliminary draft budget for the project is approximately \$100,000 and is currently being reviewed by the Town Administrator, Community Development Staff, and the Planning Board. It is anticipated that Community Development and the Planning Board representatives will provide a recommendation to the Board for consideration and potential award at the December 11th meeting.
- **Milford Town Hall HVAC (RFP 2023-03)** - This proposal includes the removal and proper disposal of the existing HVAC system. The Town received one proposal by the November 20th deadline. The proposal is currently being reviewed by the Town Administrator, Public Works Director, and 3rd party Engineering Consultant. It is anticipated that Staff will provide a recommendation to the Board for consideration and potential award at the December 11th meeting.
- **Mason Road Bridge Replacement Project (NHDOT 43115)** This project involves the replacement and reconstruction of the bridge on Mason Road that transects Great Brook. The Town received a total of four bids ranging from \$1.3 million to \$1.6 million by the deadline date of November 8th. In addition to the request for construction services and as required by NHDOT, the Town also submitted a Request for Proposal for third-party engineering inspection services. The Town received two bids by the November 17th deadline which are currently under review. The Town previously received \$1.5 million in state bridge aid from the NHDOT. The state aid funding is a reimbursement program and is subject to an 80%/20% split. The Town will be responsible for \$249,460 of the total cost. Staff and the engineering consultant are currently reviewing the bids for construction and inspection services and will provide a recommendation to the Board for award at the December 11th meeting. At that meeting, the Board will be presented with options for consideration involving the construction of a temporary bridge or possible road closure.

Selectman Freel asked if there was a chance that Amherst would lend us a temporary bridge. Administrator Daley said the discussion on December 11th will be to go with a temporary bridge or a closure of the roadway during construction. Selectman Freel asked for more detailed information on traffic delays due to the bridge construction to be provided at the next meeting.

Leo Lessard, Public Works Director, said there are about 8,000 vehicles that travel that road daily and the detour route would take 8 to 10 minutes to go around. The job would start the day school stops and go for 2 ½ months. There will be a heavy fine for every day they go over. Administrator Daley will provide visual aids at the next meeting.

2. Board, Commission, Committee Volunteers

The Town is actively seeking volunteers to serve on the various boards, commissions, and committees. The following is a listing of current vacancies:

Board of Adjustment	2 Alternate positions
Conservation Commission	2 Alternate positions
Economic Development Advisory Council	(TBD January 2024)
Recycling Committee	1 Full-time position
Planning Board	2 Alternate positions

If you are interested in applying, please contact the Administration Office or visit the Town website at www.milford.nh.gov and download /complete the volunteer application.

6. DISCUSSIONS

1. 2024 DRAFT Warrant Articles

Assessing Revaluation Capital Reserve Warrant Article:

Selectman Dargie made a motion to remove the Assessing Warrant Revaluation Article from the Warrants. Seconded by Selectman Free. All were in favor. The motion passed 5/0.

Bandstand Warrant Article:

Selectman Dargie wants to put the remaining \$28,000 for the bandstand renovations into the operating budget and eliminate the warrant article. Selectman Labonte said you have to have a contract in place. Katherine Kokko, a Heritage Commission Member, said they won't have a contract in place by the end of the year.

Selectman Freel asked which department would have to pick up the \$28,000. Administrator Daley said it would be an increase to DPW's budget.

Katherine Kokko asked the Public Works Director to weigh in on the increase to the line item on his budget. That line item is for unforeseen unplanned needs over the year, not capital needs. Leo Lessard, Public Works Director, said that is correct. It's used for planned and unplanned items. He is currently operating that line item in the red so the line item would have to be increased.

Dave Palance, Heritage Commission Chair, would like the monies to be restricted to only bandstand use. He asked for assurance that this would still happen if the town budget went into default. Selectman Dargie said it needs to be a warrant article to be out of the default budget issue. Selectman Freel said if the budget didn't pass, this might be something that needs to be cut.

Selectman Labonte doesn't support the current budget and doesn't want to raise it more. He asked if we have a default budget yet. Director Calabria said he would have it tomorrow. It could be a difference of over \$1,000,000.

Ms. Kokko said she would prefer to see this in the budget rather than a warrant article. She wondered about the difference between the use of a lapsing vs. a non-lapsing account in the budget. Selectman Labonte clarified that she means transferring from this year's surplus into the budget as a non-lapsing for this year. Selectman Dargie said it would already have to be in the account.

Chairman Daniels said this article hasn't been worded well in the past. He is hesitant about removing it. We need to make it better understood in a warrant article. There was additional discussion about the warrant article and budget. Selectman Finan said it's important that the town have skin in the game for the bandstand.

Selectman Dargie moved to delete the Bandstand Renovation warrant article and put the 28K remaining monies due to complete the Bandstand in the budget. Seconded by Selectman Finan. The motion passed 3/2 with Selectman Daniels and Labonte opposed.

Selectman Labonte clarified that if we spend all the surplus money this year, we may not have as much in the fund balance to offset taxes next year. Director Calabria said every year is different. Projected revenues are under \$7.4 million which is just a little higher than last year.

Ambulance Replacement Revolving Fund Warrant Article:

Director Schelberg referenced the ambulance replacement revolving fund warrant article and asked that a fixed revenue amount be placed in the warrant article and the line that states "**or an amount as decided at an annual vote of the governing body**" be removed from the wording of the warrant. If the amount gets lowered, we will be short when it comes time to buy an ambulance. He would like a fixed revenue amount to be changed later if needed.

Selectman Labonte made a motion to amend the Ambulance Replacement Revolving Fund warrant article to say that we need the legislative body to expand instead of the governing body. Seconded by Selectman Daniels. All were in favor. The motion passed 5/0.

Selectman Labonte said that collecting the money that way is still going to have a tax impact. It will put a warrant article back on when it comes time to replace an ambulance, but it will be at zero tax impact.

Director Schelberg said you already have some capital reserve accounts that the governing body has to approve spending the money from. Selectman Labonte said they don't have the authority to approve the purchase of the vehicle over \$75,000. Director Schelberg said the warrant article is very specific about what it needs. Selectmen Labonte said he may support the warrant article, but feels the actual purchase of the vehicle should be decided by the legislative body.

Selectman Dargie doesn't agree, we should be able to change the amount in the warrant article because costs go up over time. There was additional discussion on what may or may not occur each year, and the scenario of purchasing an ambulance after 7 years versus 5 years. Selectman Daniels and Selectmen Dargie suggested taking the word "annual" out of the warrant article.

Director Schelberg said if this warrant article fails, there isn't any money in the ambulance capital reserve account and they would have to make up the difference for the ambulance in four years instead of five. The difference between a capital reserve fund and a revolving fund is you are taking the transport revenue and putting it away instead of asking the town every year to support a capital reserve fund through taxes. Chairman Daniels asked if donations could be made to a capital reserve fund. Finance said yes.

Selectman Labonte said as it's written right now, this Board has the authority to purchase an ambulance, not the voters. That's why he wants it changed to the legislative body. Director Schelberg said the value of the revolving fund is to allow you to take the transport revenue that this Board has decided upon. You don't have to go back every year asking for permission for money. It keeps the funding level instead of the ups and downs each year. It's almost self-funding. It's planning out your large purchase over time.

Selectman Labonte asked if capital reserve funds could be funded with surplus money. Director Calabria said no. Selectman Freel suggests lowering the warrant to \$95,000. There was some discussion on how many years the ambulances would be in service and the amount of mileage that they would accumulate.

Ms. Kokko said lapsing and non-lapsing are covered under RSA 32:7 II states that "all appropriations shall lapse at the end of the fiscal year and any unexpended portion thereof shall not be expended without further appropriation, unless: The amount is appropriated to a capital reserve fund pursuant to RSA 35:5. Selectman Dargie said he thinks this can be done with a warrant article but it has to be planned. There was some discussion on how Merrimack finances its capital reserve accounts.

Selectman Finan said there is nothing wrong with saving 50% or more of the cost of a vehicle and then going to the voters for the remaining amount. We are not necessarily extending it out by not fully funding the vehicle.

Mike Thornton, a Milford resident, said other towns are putting money aside to finance their fleet with cash purchases. This lowers their finance costs which saves money.

Selectman Labonte asked if the budget has been updated to reflect the comments made at the Saturday meeting. Administrator Daley said it's being revised. There may be another work session coming up soon.

2. Policy Review

• Policy 2000-08 Grant Application Procedure

Selectman Dargie doesn't feel all grants should go to the Board in advance of submittal due to some time constraints involved in applying for grants. He wants to encourage applying for grants. The policy has not been followed. Many departments only have a short period to apply and having to go through the Board is a potential roadblock. Selectman Finan agreed.

Selectman Labonte said anything that requires a future expense should come to the Board. Administrator Daley said that larger grants that require commitments to the town, like a large transportation grant with an 80/20 split should come before the Board but he doesn't feel the smaller grants need to come before the Board.

Selectman Dargie is concerned with losing grants if there is a lengthy process to just get something reviewed. He would like to eliminate this process.

There was a lengthy discussion about different types of grants and the responsibility of department heads to ensure that the Board is aware of larger grants or larger matches

Ms. Kokko said it makes no sense for a grant writer to not consult with the Board if they need to plan for a match. Deadlines can be a roadblock. Keeping the Board apprised either before or just after a submission would be good. The policy could have been a potential issue for Heritage in applying for the last couple of grants. It's important to know if the Board will support a funding opportunity before it gets too far down the road. Administrator Daley said that could be part of town status at the meetings.

Selectman Dargie made a motion to repeal policy number 2000-08, Grant Application Procedure. Seconded by Selectman Finan. The motion passed 4/1 with Selectman Labonte opposed.

7. SELECTMEN'S REPORTS/DISCUSSIONS

a) FROM PROJECTS, SPECIAL BOARDS, COMMISSIONS & COMMITTEES

Selectman Daniels said the recycling is working on more signage at the Transfer Station and trying to increase composting. He asked if anyone objected to adding alternates to the Recycling Committee. There was some discussion and the Recycling Committee will give it more thought.

b) OTHER ITEMS (not on the agenda)

Selectman Labonte asked where the town was on the transfer policy. Administrator Daley said there will be some discussion brought to the Board at the next meeting.

Selectman Labonte asked where we were on the payroll policy. Administrator Daley presented a payroll RFP to the Board for guidance, he's looking to put it out to bid in about a week. They are looking to get something back from interested parties for the 2024 budget. There are very few towns that have payroll services. Municipal finance is a complex system.

Selectman Labonte said it could come back under \$25,000. Selectman Freel said he would expect it to be around \$100,000

There was a lengthy about information that may or may not be needed, how much is involved in payroll, if basic HR duties could be included with the payroll company, and whether or not it would save or cost the town money. There was also discussion about saving money by getting rid of the current timekeeping system that doesn't work for several departments. Administrator Daley said it takes time to formulate an RFP that pertains to the Town of Milford.

Selectman Labonte made a motion to put payroll services out to bid. Seconded by Selectman Freel. The motion passed 3/2 with Selectman Dargie and Selectman Finan opposed.

APPROVED MINUTES OF BOARD OF SELECTMEN MEETING – 11/27/2023

7. **PUBLIC COMMENTS** - There were no comments at this time

9. APPROVAL OF FINAL MINUTES – November 13, 2023. There were questions about one vote and it was decided that the minutes would be tabled until the next meeting.

10. INFORMATION ITEMS REQUIRING NO DECISIONS.

a. Selectmen’s Goals and Initiatives

11. NOTICES. Notices were read.

12. NON-PUBLIC SESSION – Selectman Freel made a motion to go into non-public at 8:38 in accordance with (RSA 91-A:3, II(a)) Personnel. Seconded by Selectman Finan. All were in favor. The motion passed 5/0 by roll call vote.

In nonpublic the board discussed one personnel issue and made no decisions.

Selectman Dargie made a motion to seal the non-public minutes under Reputation. Seconded by Selectman Freel. All were in favor. The motion passed 5/0.

13. ADJOURNMENT: Selectman Freel moved to adjourn at 9:08. Seconded by Selectman Finan. All were in favor. The motion passed 5/0 by roll call vote.

Gary Daniels, Chairman

Tim Finan, Member

Chris Labonte, Vice-Chairman

Dave Freel, Member

Paul Dargie, Member