

North Berwick Board of Selectmen Minutes July 23, 2019

NORTH BERWICK BOARD OF SELECTMEN MINUTES JULY 23, 2019

Present: Chairman Cowan, Selectman Galemmo, Selectman Johnson, Jr.,
Selectmen Johnson, Sr.

Absent: Selectman Hall

Also Present: Dwayne Morin, Mark Reed, Rebecca Reed

Chairman Cowan called the meeting to order at 6:30 pm.

1. Pledge of Allegiance

2. Review and Approve Minutes of July 9, 2019

Chairman Cowan stated that on Page 4, the 1st sentence in the 2nd paragraph currently reads, "Dwayne stated that another questions is who...". It should read, "Dwayne stated that another question is who...". In the 2nd sentence of the 3rd paragraph, it currently reads, "The lights currently have an orange glow.". It should read, "The current streetlights have an orange glow.". Also, the 3rd sentence in the same paragraph currently reads, "The LED streetlights are a soft white light and are 3,000K.". It should read, "The LED streetlights will have a soft white light and are 3,000K.". Also the 7th sentence in the same paragraph, it currently reads, "These were not great because they hurt your eyes...". It should read, "These were not great as they hurt your eyes...". Also in the 5th paragraph on the same page the 1st sentence currently reads, "Gregg Drew stated that sometimes a person will request a light so he wondered...". It should read, "Gregg Drew stated that sometimes a person will request a streetlight so he wondered...". Chairman Cowan also said that the 1st sentence in the last paragraph on the same page currently reads, "Stan Cowan asked if the SAD 60 schools included in this project.". It should read, "Stan Cowan asked if the SAD 60 schools are included in this project.".

Selectman Galemmo motioned to approve the minutes of July 9, 2019 as amended. Selectman Johnson, Sr. seconded the motion. VOTE: 4-0

3. Public Input

There was no public input at this time.

4. Unfinished Business:

A. Assessing: Review Assessor Proposal for Valuation Increase

Dwayne said that they have continued to run the numbers and they have completed about 98% of them. He pulled up all of the accounts on the computer and reviewed them with the Board. There are 2,458 accounts for the town. His reports showed what last year's numbers were for each account for what they paid in taxes. He also shows what the numbers would be for this year using 2 different tax rates. He showed them what it would be if the tax rate was \$12.35 and what it would be if it was \$12.40. Dwayne stated that the last time they had all talked about what the possible tax rate would be, they were looking at either \$12.40 or \$12.45. He said that he had some good news. He stated that they actually picked up an additional \$4 million that they didn't think they would pick up on taxable real estate. Our real estate numbers are up \$28 million from last year. He stated that \$17 million of that number is reval numbers. The other \$11 million is in new valuation. We had a really good year in terms of houses and property additions. We added about 30 houses and we had a lot of lot splits because we had some subdivisions come in.

Dwayne stated that our personal property did decrease. He originally thought it would go down about \$4 million but it was only a decrease of about \$3 million. The Homestead Exemptions are up but that doesn't really make a difference. It just means that our reimbursements are up from the State. He stated that our BETE is up about \$16 million. When they look at the appropriations and the new Revenue Sharing they are looking at a tax rate between \$11.95 and \$12.50. He is recommending an overlay of at least \$300,000 this year because he believes that they are going to have some abatement requests. He is also concerned about the school numbers that keep climbing very rapidly and we end up using the surplus to help us pay our bills during the non-tax time.

Selectman Galemme asked what the impact was going to be on the taxpayers. Dwayne showed them what it would be. He stated that if they choose the \$12.40 tax rate, of the 2,558 accounts, 1,297 of them will see either a decrease or a \$0 increase, 408 would see \$.01 to \$25.00 increase, 564 would see an increase of \$25.00 to \$100.00 and 189 would see an increase of over \$100.00. The top number right now is \$4,200. Over 200 of the accounts are due to improvements to the property such as adding new houses, a deck, a pool or something else to the house. Dwayne stated that this is a good spread.

Dwayne stated that if they choose the \$12.35 tax rate, our Town budget goes down even more because our overlay last year was \$432,000. It would give us an overlay of \$314,000. He stated that our overall Town budget is down and the School budget and County budget are up. He stated that the number of accounts seeing a decrease or a \$0 increase would be 1,453 accounts, \$.01 to \$25.00 increase would be 402 accounts, \$25.00 to \$100 increase would be 435 accounts and over \$100 would be 168 accounts. All but about 10 of these numbers are due to new property. He believes that these are better numbers. Dwayne said that everybody should expect their tax rate to go up because of the School budget going up \$233,000. He stated that the top number is \$4,200 but it is because it is a new house.

Chairman Cowan stated that she was reviewing all of the components that go into the assessment. She noticed that there was a range in how these properties are described such as Average, Good, Above Average and Excellent. She knows that this does factor into the valuation so she was wondering what the parameters were for these descriptions. Dwayne said that it is based on construction. The assessor goes in and looks at the property and decides if it is average construction which is a C grade, above average is a B grade and Excellent would be an A grade. Dwayne said that we only have 2 houses that are graded A in town. Chairman Cowan asked what he looked at in terms of construction. Dwayne said that he is looking at quality construction. He stated that a C grade would be a basic house that would have linoleum, some carpet and no hardwood. If there are upgrades such as hardwood floors, nicer plumbing, have fireplaces and hearths, brick work and other things like this, it will typically add to the value because it makes it more attractive to sell. For the most part, when you look at the houses in our town, the overwhelmingly majority of the houses are a C grade or a C+ which is C plus 10%. A B grade is basically 120%, a B+ grade is 130%, an A grade is 140% and an A+ is 150%. He stated that we have no A+ homes in our town. We have 3 or 4 A grade homes. Dwayne said that there are a lot of factors in considering what the grade will be.

Dwayne said that he thinks that they will see about 50 to 75 abatement requests or at least inquiries. Craig will meet with the taxpayer and go through their data to make sure that it is correct. Dwayne stated that a lot of the people that saw big increases have not applied for the Homestead Exemption. This would be \$247.00 off of their taxes. We will give these people an application so that their taxes will go down next year. He stated that most of these people are new homeowners and we send them a new homeowner packet. Everybody in this town that builds or buys a home gets a packet. In the packet, there is a questionnaire for them to fill out asking questions such as what their house looks like and what they paid for it. It also includes information about things like the Transfer Station, Parks and Rec bulletin, and the latest newsletter. We ask them to send back their assessing questionnaire. He stated that they get about a 50% response on this. The packet also includes a Homestead Exemption application.

B. Special Town Meeting: Discussion

Dwayne stated that the Special Town Meeting is next Tuesday night. He has contacted Affinity and they will provide a sample light so people can see it. Selectman Glemmo asked if we had a moderator for the meeting. Dwayne stated that Tim Kezar will be there. Selectman Johnson, Jr. asked how many people they needed for a quorum. Dwayne said that there is no quorum needed for a Town Meeting. It is whoever shows up, shows up. Affinity asked Dwayne if they should have a representative present at the meeting but Dwayne didn't think that they should be. The Board agreed.

C. Capital Projects: Updates

Dwayne stated that the Highway Department is working on a few things. They finished the sidewalk prep from Burma Road to Lynn Street. It is supposed to be paved on Thursday. They have finished the prep work at the Fire Sub Station. Tomorrow they will be doing the prep work on the Central Fire Station and the sidewalks that go out from the Fire Station to Kennebunk Savings Bank and the ones that go from the Fire Station to the Canal Street extension. These sidewalks have dropped about an inch so they will be putting an inch of surface on those. Dwayne stated that everything has been painted except for what they are still working on. Next week, they will be working on Valley Road. There is some ditching that needs to be done before they have it paved. From Valley Road, they will move up to Bauneg Beg Hill Road. This project will take about 4 to 5 weeks. They are also still working with the engineers to fix the salt and sand shed.

Dwayne stated that they are looking at their one ton setup and they are in the process of looking for the wheeler replacement. They have not been very successful in getting good prices. We budgeted \$200,000.00 but everything seems to be coming in at about \$220,000.00. Dwayne said that our estimate in December was \$190,000.00 so that is why he budgeted for \$200,000.00. He said that there is nothing on the sales lot. They build them for you and tell you what the price is going to be. He said that they received 2 prices. One was for a manual transmission and the estimate was about \$205,000.00 and the automatic came in at \$220,000.00. They are still looking around for other possibilities. Chairman Cowan asked if there was a difference regarding maintenance between the automatic and the manual trucks. Dwayne said that there is probably more maintenance on an automatic. The longevity will most probably not be as good on an automatic as it is on a standard transmission. Selectman Johnson, Sr. asked why we would change over to automatic if it was more costly. Dwayne said that it is more for convenience because they are easier to drive and more people could do it. Selectman Johnson, Jr. asked if there was more than one brand of these trucks. Dwayne said that they are looking at Western Star which is actually Freightliner. He stated that a lot of towns have bought International trucks and the longevity on them is very poor. They are finding that, at about 5 years in, the International trucks are having serious troubles with engines and transmissions.

Regarding the Police capital, our new police cruiser should be on the road this week. It has been lettered and they are still working on the electronics. He stated that the fiber data line has been installed and they went live today with it. It is faster for them and doesn't affect the internet access for everyone else in the building. Dwayne stated that he was offered an internet deal from Consolidated Communications. They are offering a 3 year internet deal, 100/100 for about \$189.00 per month. We currently pay \$139.00 per month for 100/5. We currently use Spectrum and have the best option that they offer. It is a shared network so when everyone is on their internet, our internet is squeezed. Consolidated Communications offers a dedicated 100/100. Dwayne stated that this would be much better for us. The Town Office needs more reliable internet and Spectrum has not been very reliable for us lately. Selectman Johnson, Sr. asked what happens after the 3 years are up. Dwayne said that at the end of the 3 years, we would renegotiate with them.

Dwayne stated that the other Capital project that they are still working on is the Fire Station. The preliminary numbers that have been coming in for the Fire Station are a little high. The first quote was \$6.2 million and he told them that would not work. They reconfigured the building and made it smaller and it came in at \$4 million. It was \$2 million to build the new building and \$2 million to renovate the existing building. He stated that this is just the Engineering estimate and they have not put it out to bid. He said that they may want to wait to put it out because the market right now is not great. Things are more costly. He said that if they decide to wait, at least they have the design completed. The engineers have recommended that they build the new and then go back to the townspeople to approve for renovations of the existing building.

Reminders: Next Board of Selectmen's Meeting – August 6, 2019 – 6:30 pm Municipal Building

5. New Business:

A. Retirements: Discuss Policy for Employees Retiring from MEPERS and then Rehired

Dwayne stated that they are entering into a phenomena that will probably happen in all work sectors but will definitely happen in the public sector. He thinks that when MEPERS changed their laws on how retirement works, it put the scare into a lot of employees. The scare is that when they turn 60 years old they are grabbing their Maine State Retirement and they are leaving public employment. Part of the new Law is that you can't retire early. It used to be that you could retire in place, collect and there was no penalty. They have changed it so that if you want to retire in place there is a 5% penalty. Originally they had stated that you can retire in place but in 3 years you are all done. There was a lot of push back from public employers. Instead they changed it so people can retire in place and be charged a 5% penalty. The amount of the penalty is 5% of their salary.

Dwayne said that for every employee that is in the retirement system in our town, we have 2 rates. We have the Police rate and the regular employee rate. The regular employee rate is 7.4% and the Police rate is 11.1%. This is what we pay as part of them being in the Maine Retirement system. The penalty is now 5% so instead of us paying 7.4% or 11.1% the requirement would be for us to pay 5% into the system. They also don't care where the 5% comes from. The retirement system was pushing for the employer make the employee pay a portion of the 5% penalty. They are leaving it up to the towns to make their decision as to how the 5% will be paid. Dwayne said that his main concern is that employees are going to hit 60 years old and retire from the public work force, collect their retirement and work somewhere else. This will cause us to lose some skilled workers. Dwayne said that they need to have a policy for how we want to handle it here in town. Selectman Galembo said that if someone retires in place, they are getting their benefit but they are not adding to the value because part of it is your service. The retirement system is saving money by having them take it early.

Dwayne recommends that the town adopts a policy stating that if you retire in place, the penalty will be paid for by the Town as part of your employment package. This will help us to retain skilled workers. The Board agreed with him.

Selectman Galemmo motioned to approve the policy where the Town will cover the 5% penalty for employees that retire in place. Selectman Johnson, Sr. seconded the motion. VOTE: 4-0

B. Public Works: Review and Approve One-Ton Setup

Dwayne stated that on page 25 of their packet, he has some costs for the One-Ton. He said that they were able to get the cab and chassis for \$40,527.00 which is a really good price. Originally the estimate was \$46,000.00 so we saved about \$5,500.00 by being able to buy it in April. We will have to spend about \$1,000.00 to add the radios and spend about \$500 to letter it which will bring our total cost to about \$42,027.00. Now the big thing they need to look at is the setup which includes the plows, the sanders, the body and the hydraulics. They went out and got 2 separate prices. The price from Fairfield was \$38,999.00. They went back to them to get another quote and they came back with the quote of \$32,577.00. They got a price from Viking Cives of \$28,870.00. Dwayne stated that there are some differences in the product that Viking Cives is offering versus what Fairfield is offering. We have always used Swenson sanders and have parts for them. Viking Cives is not a Swenson dealer and will only give us what they call Flynk. Dwayne did some research on it and it looks like a good sand but we have never used that sander and we have no parts for it. We also use Roadwatch systems on our trucks and Viking Cives doesn't offer that system which costs about \$1,200.00. We measure the temperature in the air and the temperature of the pavement and it is tied to our sanders. If it drops below 20 degrees we are not going to dump anything on the road because it won't work. It is a cost saving measurement and we have added it to all of our trucks and we would like to continue having them on our trucks. Viking Cives was offering the same plow that Fairfield was offering and said that they would use stainless steel lines where feasible. Fairfield said that everything would be stainless steel lines. Dwayne said that stainless steel is better because of the salt and corrosion. He said that even though there is a cost savings of about \$4,000.00, he is recommending that they go with Fairfield.

Selectman Galemmo motioned to approve the quote from Fairfield. Selectman Johnson, Sr. seconded the motion. VOTE: 4-0

6. Other Business:

There was no other business at this time.

7. Review and Approve Warrants and Correspondence

Warrant:	July 16, 2019	- \$ 639,452.79
Warrant:	July 23, 2019	- \$ 21,694.07

Selectman Galemmo motioned to approve the Warrant of July 16, 2019 for the amount of \$639,452.79 and the Warrant of July 23, 2019 for the amount of \$21,694.07. Selectman Johnson, Sr. seconded the motion. VOTE: 4-0

8 Adjournment:

Selectman Glemmo motioned to adjourn the meeting at 7:54 pm. Selectman Johnson, Jr. seconded the motion. VOTE: 4-0

Respectively Submitted,
Susan Niehoff, Stenographer

Original to Town Clerk

Chairman: Wendy Cowan

Selectman: Jonathan Hall

Selectman: Michael Johnson, Jr.

Selectman: Charles Glemmo

Selectman: Michael Johnson