

Town Council Minutes September 5, 2012 BM

TOWN OF NEWMARKET, NEW HAMPSHIRE
TOWN COUNCIL BUSINESS MEETING
SEPTEMBER 5, 2012 7:00 P.M.
COUNCIL CHAMBERS

PRESENT:

Council Chairman Phil Nazzaro

Council Vice Chairman John Bentley

Councilor Mike LaBranche

Councilor Al Zink

Councilor Ed Carmichael

Councilor Dan Wright

Councilor Gary Levy

Town Administer Steve Fournier

Council Chairman Nazzaro called the meeting to order at 7:00 p.m., followed by the Pledge of Allegiance.

PUBLIC FORUM: NON-AGENDA ITEMS ONLY: Opened at 7:02 p.m.

Rose-Anne Kwaks asked if there would be public comment after item 1 on the agenda: Hydra Proposal Discussion. Council Chairman Nazzaro stated that public comment was crucial and would be heard before a Council vote, but not at this meeting, as they would not stray from the written agenda. He did not expect there would be any motions on the subject during this meeting. She then asked if the 4 Council members who participated in the illegal RSA91-A sequential meetings would recuse themselves from this Town Council meeting. Council Chairman Nazzaro said that was a very serious claim that offended him personally and professionally and for which a reading of 91-A would show to be factually incorrect and against the spirit of the law.

Burt Allen felt that the public not being allowed to speak at the meeting was a violation of First Amendment rights. Council Chairman Nazzaro said there would be public comment on the Hydra Proposal when the item was placed on an agenda. The Council when in session acts in official capacity.

Michael Ricker sated that since so many citizens were present, they should be allowed to speak.

The Public Forum closed at 7:07 p.m.

Councilor Levy stated that since he had been on the Council, the public, in general, had been allowed to speak on items

presented and he felt it was pretty outrageous that this would not happen during this meeting. Council Chairman Nazzaro said he appreciated Councilor Levy's comments for the record.

TOWN COUNCIL TO CONSIDER ACCEPTANCE OF MINUTES: AUGUST 15, 2012 WORKSHOP

Councilor LaBranche moved to accept the minutes as written for the August 15, 2012 Workshop. Council Vice Chairman Bentley seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion carried, 6 – 0 -1, with Councilor Wright abstaining as he had been excused from the meeting.

TOWN COUNCIL GOALS AND OBJECTIVES FOR FY2013 – STATUS OF PROGRESS

Town Administrator Fournier said he had begun reviewing some of the goals and said he had some additional goals that the Council might want to consider. In addition, he is reviewing ordinances, rules, procedures and policies for efficiency and compliance with state regulations. He will enforce the Council rule that information will be distributed 4 days prior to meetings and will make it known that no new information will be distributed for discussion at meetings unless there are extenuating circumstances. He intends to have a workshop with the Council to discuss and review these items.

AGENDA:

1. DISCUSSION ON THE HYDRA PROPOSAL: Bill Brown of Wright-Pierce Engineering and Paul Hertzler, Ken Kessler, Stergio Spanos, Tom Burack and Harry Stewart of DES

Bill Brown, President and CEO of Wright Engineering made paper copies of his power point Technical Review of the Hydra Renewable Resources Proposal available to the public. He summed up the proposal as a wastewater and waste to energy facility to be built on the Wilson property and to be run as a public/private enterprise, PPE, with attractive financial returns to the town. Mr. Brown stated that although he had not met with Dale Bishop of Hydra, he had met with Steve Fournier and Rick Malasky and reviewed Hydra's 2011 and 2012 Council presentations and August 15th written proposal. He said he would welcome the opportunity to meet with Mr. Bishop to discuss the proposal further. He said he would review the proposal in three parts: 1. Wastewater Treatment, 2. Waste to Energy facility, and 3. the PPE or business deal.

WASTEWATER TREATMENT: Mr. Brown compared Newmarket's existing plant and the facility recommended for EPA compliance with Hydra's proposal. He said Newmarket's current system was best designed for carbon filtration, and did not address EPA nitrogen removal standards. The recommendation was to upgrade to a BNR system. At the heart of Hydra's proposal would be continuous backwash or CBUM filters, whose use has only been successfully used and proven for end-of-process treatment. Mr. Brown felt the proposal raised several red flags. It was at variance with established science and the recommended use from the filter manufacturers. In addition, there were no examples of the system effectively being used anywhere, and it had actually failed in Woodsville, NH and Adelanto, CA. In essence, although the concept was innovative, the two times it had been tried, it had failed.

Mr. Brown said he had done a study in Raymond which recommended a wastewater treatment facility similar to that which was recommended for Newmarket's upgrade. A group from California, Micro Media, had made a proposal similar to Hydra's at the time, claiming their proposal would be much less expensive. It was recommended that Raymond do a pilot study of the system, and the town met with DES. Wright-Pierce did the protocol for the study. The 2-year pilot study was conducted in Woodsville, NH, and used 3 filters. Data was collected before and after filtration. There were continuing operational problems and changes were made through trial and error. However, after 2 years the system did not work, did not meet required standards and closed. Micro Media put in a large expansion to an existing treatment plant in Adelanto, CA. The system failed when it went on line this year and has been shut down by the state.

Mr. Brown went on to say that the nitrogen standards required of Newmarket and surrounding towns were the most stringent in the country. The Hydra proposal is to use a fixed film reactor system with CBUMs for carbon and nitrogen removal, rather than the recommended suspended growth system. Although CBUMs are not designed for this application, there are other processes that are. Mr. Brown said that these systems are more space efficient, but are more costly to build and operate. He said he only recommends these in places that have limited space, which is not true in Newmarket.

Mr. Brown cited 8 concerns he had with inaccurate and misleading information provided by Mr. Bishop of Hydra. He provided clarifications. The 3 Chesapeake Bay plants mentioned in the 2011 presentation use CBUMs in the conventional way at the end of the processing, none use them with anammox bacteria and none are using them on the primary effluent. Although Mr. Bishop had invited people to visit the California plant in 2011, he sidestepped questions about the 2012 plant failure, closing and cease and desist order from the California Regional Water Control Board. Mr. Brown felt Mr. Bishop should have acknowledged this and listed improvements to the system that would make it operational. The Netherlands' facility referred to by Mr. Bishop has been operating successfully for 17 years, but uses the CBUMs in a conventional BNR system at the end of the process, rather than at the heart of the system. Although Mr. Bishop had claimed no connection with the Woodsville plant, Hydra was the sales agent for Micro Media at the time the plant was planned. He was working in another part of the country, but had to be familiar with the failure. Filter manufacturers mentioned by Mr. Bishop did not in reality recommend using their filters in the manner suggested in the Hydra proposal. Although Mr. Bishop had implied that there would be few or no permits required for the system he proposed, Mr. Brown said that it was highly unlikely that the system would not require air, solid waste and site permits. Hydra had claimed that their proposed process would exceed every reuse standard in the world. Mr. Brown said it was unlikely that this was true that it would meet EPA standards. Although Mr. Bishop had said that Hydra was designing treatment plants and creating water and energy utilities, Mr. Brown could find no evidence of this.

Mr. Brown cited other issues he had with Hydra's concept. Mr. Bishop had claimed they would be able to reuse 100% of effluent/elimination of river discharge. Mr. Brown said this was not realistic, as it would take 100s of acres of land to get rid of all the water in the facility. He said an economic analysis of the process showed revenue, but no capital costs and expenditures. Mr. Brown questioned why Hydra proposed relocating the wastewater treatment from its present site to the Wilson property, as it would involve unnecessary costs in purchasing land, relocating pipes, and building tanks already available in the present facility. Building it along with the Waste to Energy plant on the Wilson property was unnecessary, as the later would not depend on the wastewater facility. Mr. Bishop had said that energy from the system could be sold or used to heat about 20% of Newmarket's homes. Mr. Brown said that in his experience, most likely there would be just enough energy to heat the plant. Again, in this instance, Mr. Brown's economic analysis of the proposal found revenues listed but not costs.

Mr. Brown said that before Newmarket considered Hydra's wastewater treatment proposal, the town should ask Mr. Bishop for a detailed clarification and explanation of the 2 failures of the system along with proposed solutions. He would also ask that any inaccurate information be corrected. The town should insist that for accuracy, a year-long pilot study be carried out at the existing facility, and in addition, Mr. Bishop should provide evidence that Hydra's concept has been approved by DES and EPA.

WASTE TO ENERGY FACILITY: Mr. Brown said that Hydra's proposal provided too few details for him to review it in depth. They were suggesting a pyrolysis process for waste. However, he had 8 major concerns with the proposal. There was very limited experience with pyrolysis for municipal solid waste, MSW, refuse derived fuel, RDF or sludge. This is not a tried and true process and has experienced a number of failures. He questioned the commercial viability of the product. Mr. Brown next questioned the claim that there would be no emissions and no air permits would be required for the facility. Pyrolysis generates a great deal of heat, and although emissions could be highly treated, they would still exist. He said sludge drying creates odors, and while Hydra may have this under control, there was no mention of their methods to contain them. He said that a waste to energy facility was actually a power plant, and that would necessitate air permits. Mr. Brown's third concern was with the nitrogen footprint. When asked about this, Mr. Bishop spoke instead of the carbon footprint. Newmarket has to upgrade its treatment plant to help reduce the amount of nitrogen flowing into Great Bay. The facility that has been recommended to Newmarket at a cost of between \$12 and \$18 million will remove about 100 pounds of nitrogen per day. The waste to energy plant uses RDF which contains nitrogen and also releases nitrogen. This could negate the benefits of a new wastewater treatment facility, not only in Newmarket but also in the surrounding Great Bay communities. Mr. Brown recommended that Hydra submit a nitrogen mass balance report showing how much nitrogen goes into the system, and how much is released into the air and into water.

Mr. Brown's fourth concern involved lack of clarity in the type and quantity of wastes. Mr. Bishop indicated that 300 tons of RDF would be used per day. This would be made in Kingston and shipped by rail to Newmarket. However, the proposal schematic said that MSW, tires, construction waste, etc. would be used to fuel the facility. The exclusivity agreement/proposal given to Newmarket referred to "multi-hundred ton per day" of "waste, such as.." Mr. Brown pointed out this was not consistent with the presentation, and gave Hydra the right to bring in an undetermined quantity and type of waste. Mr. Brown's fifth concern noted Hydra's omission of some significant costs, such as road and rail improvements and infrastructure improvements that would allow reuse of effluence and use of waste heat. He felt these costs would be in the tens of millions. Next, Mr. Brown questioned Mr. Bishop's claim of a 3.5 year payback time, and stated that it was based on an incomplete cost analysis. He said this was inconsistent with EPA findings, long-term research and recent

experience. Research had concluded that this was not a financially viable process. He said the payback period was more likely to be 20 years, and that would significantly reduce any revenue Newmarket might be expecting. Also, it had been shown that the system actually uses more energy than it produces.

Mr. Brown's seventh concern was with the size of the sludge dryer being proposed for Newmarket. He questioned whether Hydra had miscalculated the size or was planning to bring sludge from outside the town as the large dryer suggested was about 50 times larger than Newmarket needed for itself. He said dryers of this size were usually used in huge plants and had to run 24/7. To illustrate his site location concerns, Mr. Brown showed pictures of waste to energy plants in a Haverhill industrial park near a highway and another one located in the middle of Biddeford. He said the Wilson Farm location would not be optimum and he compared it more directly to the Biddeford plant which had created odor, noise, traffic and adverse business impacts on the community. That plant had recently been shut down at a cost of \$6 million to the community.

Mr. Brown said that before Newmarket considers the Hydra proposal, they request 1. clarification on the types and quantities of waste being used, 2. references for and locations of identical pyrolysis facilities, 3. references for similar size sludge dryers in use, 4. a nitrogen balance for the entire facility that would show that the plant would not adversely impact the Great Bay Coalition communities, 5. an emission control plan, 6. a cost analysis which included all omissions from previous presentations/proposals, and 7. an analysis of all impacts on Newmarket, the Wilson Farm neighborhood, Great Bay and its surrounding communities.

PUBLIC-PRIVATE PARTNERSHIP (PPE): Mr. Brown suggested that before Newmarket signed any agreements or became a Hydra business partner, the town needed to know more about the company and its proposals. He recommended they obtain references for all the wastewater treatment and waste to energy facilities Hydra has built. He also said the town needed to have a greater understanding of Hydra's financial capability, as there are huge start-up costs in addition to building the plants, and he felt that Mr. Bishop had underestimated costs at \$116 million. In addition, Mr. Brown said that a legal review was necessary to understand any liability exposure the town would incur as a business partner.

SUMMATION: Mr. Brown said that from his viewpoint, Hydra's claims appeared too good to be true. He felt there was too little verifiable information to support their technical and financial claims, and insufficient information to confirm that Hydra has the wherewithal to undertake these projects. He encouraged the town to seek much higher assurance from Hydra as to its technical and financial viability before signing any agreement or considering becoming business partners. He suggested that he and Mr. Bishop sit down in a workshop to go over all the details, questions and concerns he had. He said the Council needed to understand what was behind his claims and what was behind Mr. Bishop's claims.

DES: Vicky Cramm, Assistant Commissioner of DES, came to the podium and introduced DES staff members, Paul Hertzler and Ken Kessler from the water division Wayne Wheeler from the wastewater division and Todd Moore of the resources division. She presented an overview and perspective of what DES had heard about Hydra's proposal. She stated that DES had met twice with Bob Coffee and Dave Walker of Green Power Management. They had not met with Hydra, and did not know all the details of the proposal. However, she stated that there were multiple parts of the projects that would most likely require permits: waste management permits for both the Newmarket and Kingston solid waste facilities, air permits for the engines that would combust the methane and for the pyrolysis process, water and EPA permits for the wastewater treatment facility and sledge facility, and perhaps others once details are known.

Ms Cramm said that DES supports innovation, and Hydra's proposal was on the cutting edge of technology. However, based on the information DES has, it is concerned about the effectiveness of the technology, especially in light of Mr. Brown's report, as well as the time frame for implementation. She said the technology was not yet proven. She explained that the DES permit process is governed by law, and is intended to protect the environment and public health. They are required to hear and consider all public concerns before issuing a permit for a facility such as the one proposed. She said they were unaware of any projects in which the technology had been used successfully, and expressed disappointment when similar projects had failed. She said this did not mean that the system could not be modified to work, but that they would need a great deal more information to show this before considering issuing a permit. She said they would require a pilot project to prove that the process would operate at DES standards. This would have to be completed before a larger plant was built. In addition, the pilot would have to be constructed and operate within the town's MPDS permit, and could not allow unpermitted discharges to the Great Bay.

Ms. Cramm said that the time frame for conducting a pilot project and permitting and building the proposed project was considerably longer than that for a conventional wastewater treatment plant. It takes between two and 3 years to build a conventional plant, and she expected the proposal would take quite a bit longer. She said that since the technology had not yet been proven, if Newmarket decided to go ahead with a pilot project, they would also be teaching DES that it works. She said without details of the project, DES could not confirm that it would issue permits, nor could it state what permits would be required or the expected time frame. She said the project would entail significant public involvement from Newmarket and surrounding communities in locating the facility. As an alternative, she said the town could move ahead with building the conventional wastewater treatment plant and use the current plant to conduct a pilot study. She encouraged them to minimize the risk to the environment and community, and to realize that there were low interest loans available for wastewater treatment using proven technology.

COUNCIL QUESTIONS AND DISCUSSION: Councilor Levy said that Mr. Bishop had told the Council that the DES Commissioner was very supportive of Hydra's process, and that he intended to meet with EPA to better explain the process. Ms. Cramm said they had not met with Hydra, but had met with Green Power Management and had seen some significant elements that would require permitting and expressed some concerns with the project. Paul Hertzler said that Hydra had come forward to DES with this proposal about a year and a half earlier, and Mr. Bishop had made a similar presentation. When they came back later, the proposal was similar, but Mr. Bishop was not present. He said that while the Commissioner expressed some hope that the system would work, he also wanted more details as the system had not worked in the past.

Councilor Wright asked if there were standards for pyrolysis emissions. Todd Moore said there was not enough detail in the proposal to determine what emissions there might be. He said this would all have to come under review. Councilor Wright asked if pyrolysis was a new process. Mr. Moore said it was not, but he was not aware of any projects in the United States using pyrolysis on a scale as large as that proposed. He had not reviewed or issued any permits. Councilor Carmichael asked Mr. Brown for his qualifications. He had received bachelor and masters degrees in civil and environmental engineering and had 36 years experience in working with wastewater treatment, etc. projects. To Councilor Carmichael's question, Mr. Brown said that the Wilson property was not the optimum site mostly from the viewpoint of the developer. It would be preferable and less costly to develop the least sensitive site.

Council Vice Chairman Bentley clarified from the minutes that when he had asked, Mr. Bishop had said he met with EPA, not DES. Councilor Zink appreciated the balanced and informative presentations. Council Chairman Nazzaro also expressed appreciation to DES and Mr. Brown for their expertise, and asked why Mr. Brown thought the Wilson Farm had been chosen for the facilities. Mr. Brown said he did not know the background, but later in the meeting Councilor Wright suggested it might be closer to the existing railroad spur. Council Chairman Nazzaro asked Mr. Brown what his recommendations would be for next steps. Mr. Brown again suggested that he and Mr. Bishop needed to have a workshop session to clarify details and discuss concerns. Councilor Levy said that Councilor Carmichael had asked Mr. Bishop if he had met with DES at 8:06 on the tape. Councilor Levy said he had asked about sludge/RDF at the last meeting, and asked if the size of the dryers was compatible with the size of the proposed project. Mr. Brown said the RDF would be coming to the town at the rate of 300 tons per day, and there was some discrepancy in the schematic. He said this could perhaps be an error, and he would like to defer to Mr. Bishop on this. He said he could not judge the over-size of the dryers without knowing if Hydra had other uses, but he saw no indication that this was planned. He suggested this could be another typo, but he would not know without consulting Mr. Bishop.

Councilor Wright asked why, with charges to handle and deliver the pellets, would Hydra not consider putting the waste to energy facility in Kingston. Mr. Brown said that he had wondered as this would add more cost to the operation. Councilor Wright asked Mr. Brown if he were representing the town would he consider building the 2 facilities given the information they had. Mr. Brown replied that he probably wouldn't as his firm had managed the Woodsville the pilot study. He said they were skeptical prior to the study, and their misgivings were correct, as it was not successful. He felt there was not enough scientific/technical background to support the wastewater proposal, and the research and development was on a trial and error basis. Mr. Brown thought there were not enough facts make a judgment on the waste to energy facility proposal. He said he didn't know what Hydra had done in the past that could provide evidence that system would work. He said he would like to give Mr. Bishop a chance to counter his concerns, as he might have explanations.

Council Vice Chairman Bentley felt they would be foolish not to give the proposal some consideration as Mr. Brown had said they at least should look at it. Mr. Brown said that the Council should look at the proposal as it claimed to offer financial help to the town, and he thought they were right in showing due diligence and asking for input. Council

Chairman Nazzaro asked DES what the permitting time-line would be for Kingston, which is in the early discussion phase, to build its plant. Ms. Cramm said a brand new solid waste treatment plant probably would take 6 months for design and another 2 years to build. He asked Mr. Brown if he thought it was worth the Council's time to pursue the proposals. Mr. Brown said he would recommend having a workshop with Mr. Bishop to see if he could provide more detailed information, was willing to have the system piloted and demonstrate what Hydra would do differently to ensure that the system worked. He said that Mr. Bishop had not shown a willingness to pilot the process in previous presentations, and that concerned him. He emphasized the importance of having a workshop with Mr. Bishop.

Councilor Levy countered inaccuracies in Mr. Bishop's presentation: there was no preliminary agreement with Kingston to build a solid waste plant for RDF; Hydra did have an affiliation with Woodsville; CBUMs were used in Chesapeake Bay plants at the end, not the heart of the process; filter use had been used successfully for 17 years in the Netherlands, but were used differently from Mr. Bishop's proposal. He thanked everyone who had attended the meeting, and asked if the 3 state senators present would be allowed to speak. Council Chairman Nazzaro said he would welcome them to speak.

State Senator Nancy Stiles, District 24, expressed her concerns about the Great Bay, and encouraged the Council to move forward cautiously. State Senator Jeb Bradley from Wolfborough had been approached by proponents of the project, and he was concerned about the proposed PPE partnership. He questioned whether the State RSAs authorize this type of business arrangement, and he had suggested they consult a municipal attorney before any legislation was contemplated. He said they had given him a brief, enthusiastic description of the technology involved, but the Wright-Pierce presentation did not support their claims. He said he had been portrayed as supporting the project, but he did not at this point. He said he would not participate in legislation creating this type of partnership for this specific project until all the bases were touched and unless Newmarket overwhelmingly supported it. State Senator Russ Prescott, a professional engineer, said he was concerned about Newmarket as their representative. He said as an engineer he designed his projects and was vested in their success to retain his license. He felt Hydra omitted this from their presentation, and he said they needed to use a licensed firm to validate the information Hydra had given. He said he would be skeptical of a new sequence of operations for treatment equipment.

Councilor Wright asked if Sean Greig would like to speak. Mr. Greig said he felt it was good to look at all the options. He said he was in favor of looking at new treatments, and he had been following the process for about two years. He had come up with many of the same concerns that Mr. Brown expressed. He had had discussions with Wright-Pierce and operators from Adelanto and Woodsville. He said he had also followed up with the use of anammox bacteria. Steve Clifton from Wright-Pierce had sent Newmarket's influent characteristics to the company representing anammox, and the company had told them that these were not right for the use of the product to reduce nitrogen impact. He had also heard from Dr. Randall and Dr. Bernard, two authorities on wastewater treatment, that anammox was not the right driver for the process. Mr. Greig said he had many concerns with the wastewater part of the proposal.

Council Chairman Nazzaro asked the Council whether it wanted to stop pursuing the proposal or hold a workshop with Mr. Brown and Mr. Bishop. Councilor Zink thought they should give Mr. Bishop the opportunity to respond and schedule a scientific discussion workshop with him and Mr. Brown. He said if Mr. Bishop chose not to participate, it would be telling, but he thought it would be unprofessional for the Council to not give him a chance. He felt it was important that the Council listen to their discussion. Councilor Levy thought it was fine to try to schedule a workshop, and said that other towns had been pitched the same proposal, but had turned it down. He felt Mr. Bishop was slightly deceptive in implying that Newmarket was hand-picked for the project. He reiterated his concerns with misleading statements Mr. Bishop had made and felt these pointed to credibility issues. Council Vice Chairman Bentley said they should have the workshop in the auditorium so that more citizens could participate. Council Chairman Nazzaro said there seemed to be 8 – 9 factual inaccuracies in Mr. Bishop's presentation that Wright-Pierce had pointed out. These he found these most concerning, along with Mr. Bishop's moving around the statements. He said, that if there was a workshop, he would like the inaccuracies specifically addressed.

Town Administrator Fournier said he had been following this process since before he had taken the position. He said that although he did not know the technical side, he did know the bureaucratic side of the project. He said he could see many issues. He stressed that no documents should be signed before questions had been answered, not just technological ones, but other liability concerns. He said they needed to have a full assessment of the town's liability risk, and know what would happen when the operation is turned over to the town at the end of 20 years. He said they also needed to know what would happen to the town if the company failed. He said they would have to have the best agreement possible to protect the town. Councilor Zink pointed out that with all the Council needed to do, he hoped this would not be its only focus for the next two months. He felt the townspeople would let the Council know after the workshop if they found the proposal credible. Councilor Wright thought they should move ahead, but not move so quickly that they did not get it right.

Council Chairman Nazzaro declared a 5 minute recess at 8:37 p.m. The Council reconvened at 8:47 p.m.

2. DISCUSSION REGARDING ASBESTOS AT THE STONE SCHOOL MUSEUM: PHIL LAPAGE

Mr. LaPage said that in the process of treating mold in the museum, they had discovered unencapsulated asbestos in the basement. Rick Malasky is working on getting 3 estimates for removal, and it is expected that the cost will be between \$5K and \$10K. There will have to be a resolution to expend funds once the estimates are received. The museum is currently shut down. Liability insurance does not cover asbestos removal. Mr. LaPage thought they would be looking for funds from Building and Grounds Capital Reserves.

Councilor Zink asked what the financial relationship was between the Historical Society and the town. Mr. LaPage said that a few years ago, when the Historical Society could not afford the insurance and the heat, the building was sold back to the town for one dollar. He said this had gone back and forth a few times. The current insurance estimate is \$4K and the town gives them \$2K, which they use, along with membership dues to pay for the heat. Councilor Zink said if the relationship seems to be in peril, they should discuss it up front. Town Administrator Fournier thought there must be a lease agreement to allow the Historical Society to use the building, and it would be insured under the town's liability. As the owner of the building the town would have to pay for asbestos removal. Mr. LaPage said the Society had been taking care of all the other maintenance issues along with the heat. Councilor Zink said that if affordability was going to be an on-going issue, the Council might consider a CIP to support the building.

Councilor Carmichael asked about the property changing hands. Mr. LaPage said there was a 3 year reversion clause in the title, and the building could change hands at that time. Council Chairman Nazzaro agreed with Councilors Zink and Carmichael that they should have a more formal relationship with the Historical Society, including specifics about who pays for what. Town Administrator Fournier will return to the Council with a resolution and the best of the 3 bids.

3. PRESENTATION OF PETITIONS AND RESOLUTIONS AND DISPOSAL THEREOF BY REFERENCE, OR

OTHERWISE: (none of the 4 resolutions required multiple readings)

A. Resolution #2012/2013-07 Relating to the Release of General Fund Surplus to Reduce the Tax Rate by

\$136,000

Council Chairman Nazzaro read the Resolution in full. Council Vice Chairman Bentley moved to adopt Resolution #2012/2013-07 Relating to the Release of General Fund Surplus to Reduce the Tax Rate by \$136,000. Councilor Zink seconded.

Discussion: Councilor Levy asked if there was anything that prohibited the Council from using more than \$136K or did they have to use the ten year period, paying off the amount in equal installments. Town Administrator Fournier said the expenditure was being used to offset that amount in the operating budget. He said that he and Acting Finance Director Angell had been discussing getting the total amount off the books all at once, which would require a town vote. Councilor Levy asked what the consequences would be. Council Chairman Nazzaro said there was currently \$1.36 million in reserved fund balance. The 2004 resolution required that \$136K be raised through taxation every year to pay towards the total amount, even though that amount was sitting in reserved fund balance. He said in the future this could be done by accounting credits and debits once a warrant article is approved. Town Administrator Fournier said he believed this meant that they would not have to raise \$136K every year, and give them a much clearer picture of what they actually had. He said this would also be beneficial if they had to seek bonding.

Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

B. Resolution #2012/2013-08 Authorize Town Administrator Stephen R. Fournier to Submit and Sign for

Grants (a procedural resolution)

Council Chairman Nazzaro read the Resolution in full. Council Vice Chairman Bentley made a motion to accept Resolution #2012/2013-08 Authorize Town Administrator Stephen R. Fournier to Submit and Sign for Grants. Councilor Levy seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion passed unanimously, 7 – 0.

C. Resolution #2012/2013-10 Relating to the Appropriation of \$50,000 from the Wastewater Department

Surplus to the Wastewater Legal Capital Reserve Fund

Council Vice Chairman Bentley read the Resolution in full. Councilor Levy made a motion to accept Resolution #2012/2013-10 Relating to the Appropriation of \$50,000 from the Wastewater Department Surplus to the Wastewater Legal Capital Reserve Fund. Councilor Carmichael seconded.

Discussion: The Wastewater Surplus Fund balance of \$168,304.50 is the most current one available. Mr. Greig said the resolution was necessary to cover the \$45,781.02 from the Legal Capital Reserve Fund in Resolution #2012/2013-11. The amount will cover previous expenses.

Town Administrator Fournier polled the Council. Motion carried unanimously, 7 – 0.

D. Resolution #2012/2013-11 Relating to the Withdrawal of \$45,781.02 from the Legal Capital Reserve

Fund

Council Vice Chairman Bentley read the Resolution in full. Councilor LaBranche made a motion to adopt Resolution #2012/2013-11 Relating to the Withdrawal of \$45,781.02 from the Legal Capital Reserve Fund. Councilor Zink seconded. There was no discussion. Town Administrator Fournier polled the Council. Motion carried unanimously, 7 – 0.

4. OLD/NEW BUSINESS

Council Vice Chairman Bentley announced that the Heritage Festival will be Saturday, September 22nd.

Councilor LaBranche said the Council had spoken about having the agendas driven by its goals and objectives, but at this meeting they had spent 3 minutes on this, with the Town Administrator suggesting that there could be additional goals. He felt this had been a problem in the past, with new goals being added before others had been completed. For example, he said they had listened to presentations stating the town could save about \$100K on health insurance, and he wondered if anyone had yet spoken about the proposed plan with the town employees and police union, as he had suggested at the previous meeting. He said he was having a difficult time understanding what the goals and objectives of the Council were. Councilor Zink wanted to move the medical insurance issue forward.

Council Chairman Nazzaro thought that the plan probably had not been shared at this point, but he had given the new Town Administrator a format for the business meeting agendas that would include actions on goals and department reports. Council Vice Chairman Bentley agreed with Councilor LaBranche, stating that in the past few years there had been many hot issues, and while there always would be, the Council had to focus on its goals. Councilor Levy looked toward being more efficient by having accurate and complete information prior to meetings. He said there had been no updated information on medical insurance or auto gas conversion for some time, but in each case there were discrepancies in presentation and details between the first and second reports. For example, he thought that the first

insurance presentation had suggested self-insuring the deductible only, while the second had suggested self-insuring the whole package. In both instances, he said there were lose ends that prevented them from making a decision and moving forward. He felt that if the Council was given complete and vetted information on issues from the beginning, there would be more time to spend on goals and objectives.

Town Administrator Fournier said he would try to get all the information on health insurance. He will ensure that nothing will be presented to the Council unless it is a complete product and includes a recommended action from a department head and the Town Administrator. He said he did not believe in presenting new information at a meeting unless there were some extenuating circumstances, and agreed that information should be fully vetted before being given to the Council. He stressed that this would apply to department heads, staff and the public. Councilor Zink agreed with Councilor Levy, but stated that both insurance presentations had proposed self-insuring only the deductible. Council Chairman Nazzaro said that Town Administrator Fournier was to get them a vetted package on health insurance, so they could move forward on this issue.

Council Vice Chairman Bentley said that Town Administrator Fournier's enforcing the policy of distributing information to the Council 4 days prior to meetings would help with this. Councilor Levy suggested that the medical insurance information be in a good, better, best format, and perhaps the plan could offer upgrades that employees could select and pay the difference. Council Chairman Nazzaro said that not having complete information and not having a timely and standardized format had contributed to the Council losing focus on its goals. He said they should operate as a Board of Directors with the Town Administrator acting as their CEO. Councilor Levy suggested that they had been talking about changing the direction of Church Street for some time, and he thought that they should have Chief Cyr and Rick Malasky weigh in on the discussion so the Council could make a logical decision.

ADJOURNMENT – NEXT MEETING SEPTEMBER 19, 2012, WORKSHOP

Council Vice Chairman Bentley moved to adjourn, and Councilor Levy seconded. Motion carried unanimously. Meeting adjourned at 9:22 p.m.

Respectfully submitted,

Ellen Adlington,

Recording Secretary