

Town Council Minutes August 1, 2012 BM

TOWN OF NEWMARKET, NEW HAMPSHIRE
TOWN COUNCIL BUSINESS MEETING
AUGUST 1, 2012 7:00 P.M.
TOWN COUNCIL CHAMBERS

PRESENT:

Council Chairman Phil Nazzaro

Council Vice Chairman John Bentley

Councilor Mike LaBranche

EXCUSED:

Councilor Dan Wright

Acting Town Administrator Kevin Cyr

Councilor Al Zink

Councilor Ed Carmichael

Councilor Gary Levy

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

Councilor LaBranche moved to seal the minutes of the two non-public sessions preceding the meeting. Councilor Zink seconded. The Recording Secretary polled the Council. Motion carried unanimously, 6 – 0.

Council Chairman Nazzaro said that the Council would begin with item 1 on the agenda.

1. LINKED TOGETHER: BAG DISPENSER AT POCKET PARK

Linked Together Kids Julia Pole, Mia Smith, Avery Richardson, Corey Richardson, Katie Morgan, and Jenna Titus each read in turn from their proposal to pay for and add a sign and bag dispenser for dog waste in Pocket Park. DPW Director Rick Malasky will put up the dispenser, and they were asking for approval as this was not part of their original 2006 plan. They intend to put these up immediately upon approval.

Councilor LaBranche moved to allow the bag dispenser in Pocket Park. Council Vice Chairman Bentley seconded. Councilor Zink added a friendly amendment that the sign also be allowed. The Recording Secretary polled the Council. Motion carried unanimously, 6 – 0.

Council Chairman Nazzaro announced that he was ecstatic that the Council had reached an agreement with Steve Fournier of North Hampton to be Newmarket's new Town Administrator. It is expected that he will start at the beginning of September.

Council Chairman Nazzaro said that insurance and auto gas documents had just been received by Efficiency Committee Chairman Bob Coffee, and the Council had not had a chance to review them. There will be presentations, but the Council will not discuss either option in detail at this meeting.

Acting Finance Director Matt Angell will present an update on CIP money status.

Council Chairman Nazzaro referred to letters received from Church Street residents who expressed concern that the Council had voted to change the direction of traffic on the road. He noted that there were people present to speak on the issue during the Public Forum, and they were welcome to speak. However, the change requires a Resolution. The two required readings and a Public Hearing on the subject will be scheduled for the next two meetings. . He also noted that there was a Public Hearing on the subject at the January 4th meeting, but no one showed up to speak.

Council Chairman Nazzaro, stating that he had watched a number of past meetings, asked that the Council structure its interaction with presenters to ask questions and receive answers. He said that Council discussion would follow the presentation. He said the Council was the decision making body for the town and represents the town. Its position should be to ask for information, rather than entering into debate with presenters whether town employees or outside persons. Once information was received the Council would discuss and debate within itself, asking a presenter for further clarification if necessary. To Councilor Levy's question, he said that asking for clarification of numbers and how they were determined was appropriate. Council Chairman Nazzaro said he was trying to keep the Council focused on agenda items.

PUBLIC HEARING: Ordinance #2012/2013-01 Amendment to Black Bear Park Tax Increment Finance District (TIF2) of Ordinance #98-04 in order to be updated to meet the new Municipal Code Standards (second reading)

Council Chairman Nazzaro read the Ordinance and opened the Public Hearing at 7:13 p.m. Amy Thompson asked when the Council would vote on the Ordinance and when the funds would be transferred and the TIF closed. Council Chairman Nazzaro said he hoped for a vote that evening, upon which the TIF would be closed and the funds transferred as early as the following day. As there was no further public comment the Public Hearing was closed at 7:15 p.m.

Councilor LaBranche moved to adopt Ordinance #2012/2013-01 to amend and close out the Black Bear TIF. Council Vice Chairman Bentley seconded. There was no Council discussion. The Recording Secretary polled the Council. Motion carried unanimously, 6 – 0.

PUBLIC HEARING: Resolution #2012/2013-03 Relating to the Withdrawal of \$141,126.64 from the Water Capital Reserve Fund and \$5,773.36 from the Water Impact Fees for the Engineering and Pilot Study for the MacIntosh Well (second reading)

Council Chairman Nazzaro read the Resolution and opened the Public Hearing at 7:17 p.m. Amy Thompson stated that it was important for Newmarket's future to increase the town's water supply and encouraged the Council to adopt the Resolution. As there was no further public comment, the Public Hearing was closed at 7:18 p.m.

Councilor LaBranche moved to adopt Resolution #2012/2013-03 as read. Councilor Zink seconded. There was no Council comment. The Recording Secretary polled the Council. Motion carried unanimously, 6 – 0.

PUBLIC FORUM: Non-agenda Items Only

Council Chairman Nazzaro opened the Public Forum at 7:19 p.m.

Sarah Lowe of 3 Church Street expressed her concerns about changing the direction on Church Street to uphill. She said the street was dangerous in either direction. She felt, because of the grade, it would be difficult to drive uphill in winter and to maneuver her car into or out of her driveway. She thought the change would create a more dangerous situation as pedestrians avoid the narrow sidewalk and staircase and walk in the middle of the street. She also wondered how this change would affect emergency vehicles and trash pickup in the winter. Her understanding was that the change was being done to accommodate the Stone Church, but she felt access could be advertised by Chapel Street to Granite. She said that Church Street has low, mostly local traffic because it is dangerous, and added that she did not think the street should become a private driveway for a business.

Bert Allen said that when the traffic went uphill on Church Street a child had been hit on the sidewalk and killed. After that the direction of the street was changed to downhill. He thought the sidewalk should be re-sloped. Jenna Gawne of 5 Church Street said that if the direction of the road were changed she would have to move when her lease was up. Council Chairman Nazzaro said that there would be a first reading of the Resolution on August 15th and a second reading and Public Hearing on September 5th.

Mr. Anshil (?) of 5 Church Street asked the reason for the change. Council Chairman Nazzaro said that a resident had initially gone to the Highway Safety Commission to request the change and the Commission had directed him to the Council. The Council had spoken with Police Chief Cyr and DPW Director Malasky, and there seemed not to be a reason to not change the street direction. The Council had voted for the change, but discovered that this had to be done in the form of a Resolution. Mr. Anshil referred to blind spots on the street and was concerned that drivers would be speeding up to reach the top of the hill.

Council Vice Chairman Bentley said that the Historical Society and some residents contacted by former Council member Bergeron, when he was on the Road Commission, had supported the change because of the danger of traveling down the hill and taking a left onto Route 108. He said the change was based on listening to more than one person. Council Chairman Nazzaro closed Public Comment at 7:29 p.m.

COUNCIL TO CONSIDER ACCEPTANCE OF MINUTES: July 18, 2012 Workshop

Councilor Levy moved to accept the minutes of July 18, 2012. Councilor Zink seconded. There was no discussion. The Recording Secretary polled the Council. Motion carried unanimously,

6 – 0.

Council Chairman Nazzaro said that during Old/New Business the Council would discuss unsealing some non-public minutes from the Town Administrator search, as long as there was no sensitive information included. However, it had been brought to his attention that one of the non-public minutes in the Council packet was a draft version, rather than the approved version. He said the July 9th minutes that had been approved at the July 18th meeting were the ones to be considered for unsealing.

ACTING FINANCE DIRECTOR MATT ANGELL: CIP Issue

Mr. Angell said that at the last CIP meeting he had raised an issue about a couple of funds he had closed. One had not shown any activity since 2006, and the other had one transaction at the beginning of 2007. He said it took three days to find the source of the funds as the general ledger was not clear and there were no supporting paper documents available. He said they had verified with the Trustee of Trust Funds that the source was water and sewer capital reserve funds. He had returned these funds to the Trustee: \$452,913.66 to the Water Capital Reserve Fund and \$177,960.47 to the Sewer Capital Reserve Fund. He said these funds would now be available for water and sewer projects through the normal withdrawal procedure of Resolution and Public Hearing.

Councilor Levy said that since April the Council had been debating the \$682K to close the Downtown TIF. He asked if this money would have been available to use. Mr. Angell said that would be double dipping, as they would be drawing off the same funds for the same purpose. He said this was based on a 2004 Town Council Resolution to withdraw funds for Phase 2 of the project, Main Street reconstruction. He said when the present Council was having discussions, he had not located the source of the funds, and had thought because of confusion in the general ledger that the source was the General Fund.

Councilor Levy said the Council had ultimately voted to take \$198K and \$452K from the Downtown TIF and then close it, and that some of the \$452K, in theory, now is part of the Water CIP. He said that in closing, the largest amount came from the Downtown TIF, primarily because of concern with depleting the Water Fund. He said they had voted to use most of the Water CIP for the MacIntosh Well Pilot Study, because they did not know these funds were available. Council Chairman Nazzaro asked if Councilor Levy was asking to move the \$452K to the General Fund. Councilor Levy said not all, but some of the funds. Mr. Angell said there could be some legal implications, but they might be able to do that. He

did not see any accounting issues.

Councilor Zink asked if Mr. Angell's report had any financial impact on the town. He said it did not, but it was a bookkeeping correction to place unspent funds with the proper custodian, the Trustee of Trust Funds. However, the water and sewer rate payers will benefit from this, as the funds had been raised by them for water and sewer projects. Sean Greig said that on the water side, the funds could be used for needed projects this year without raising the rates next year. He said that on the sewer side, the funds would help the CIP, but with all the projects looming, they would not be of much help.

Councilor Levy said that had they known this, they could have paid off the Downtown TIF with a different blend of money, which would have left more money to provide some tax relief. Council Chairman Nazzaro asked Mr. Angell if he would have been able to solve issues with these other funds and had this information available if he had spent less time working on the background of the Downtown TIF. Mr. Angell said that was true, and also, he was advising the Council that there was another fund from 2005 which he was now working on. Although the general ledger was not clear, he thought it most probably was for the sewer line that goes to the Wadleigh Retirement Center. He said the deficit on the books was about \$38K, and he is currently researching it. Councilor Carmichael asked if the town had such bad management since 2004/2005 that no one had caught these errors. Mr. Angell said he could not speak to that, but could say that the balances had been on the books for those many years.

TOWN COUNCIL GOALS AND OBJECTIVES FOR FY2013: DO THE BASICS RIGHT

1. Get the following aspects on town operations running effectively and efficiently:

- a. Finances
- b. Communication with the Community
- c. Water
- d. School and Town Cooperation
- e. Economic Development

2. Put the community on a path to long-term economic health

3. Effectively manage town facilities

Council Chairman Nazzaro said this item was on the agenda at Councilor Zink's suggestion to help the Council focus on the goals and objectives it had set 6 months ago. He felt that they had not moved forward on many of these, and had left their discussions before deciding on concrete actions to implement their some of their objectives. He stressed the need to have these in place to give direction to the new Town Administrator, in part so that he would know what to report to the Council and also so that he could direct Department Heads. He asked for Council input as to how they would drive the new administrator to achieve these 3 goals. Council Vice Chairman Bentley said they had spoken about updating progress toward goals on a regular basis.

a. Council Vice Chairman Bentley said that in terms of finance, they had asked for more formalized reports that followed the same, consistent format. He said that the Council had to make Mr. Fournier aware of its goals in the beginning, and direct him to provide financial reports monthly, and Council meetings with Department Heads quarterly. Council Chairman Nazzaro said they had talked about tighter financial controls, but for that they needed a standard monthly brief showing the financial stability and health of the town. He felt that the Council as a body could direct the Finance Director to provide reports that would give that information.

Councilor Zink said he had discussed this with Mr. Angell, and felt that Mr. Fournier and Mr. Angell could put together the key items necessary to report this information periodically. He felt this was the first directive in meeting their financial goal. Council Chairman Nazzaro asked for and received a Council consensus that this would be done. Mr. Angell said he would like to talk about the fiscal health of the town at the next meeting, and probably could go through the fiscal elements necessary to manage a town. Council Chairman Nazzaro said they needed reporting that would not just give them information, but also intelligence necessary for decision making. Mr. Angell said that he was revamping the chart of accounts which will change the reporting and give more detailed information.

Councilor Zink said the thought the Council should go through each item on the list of objectives to see what their next course of action should be.

b. Communication with the Community: Councilor Zink gave as an example that the change in the direction of traffic on Church Street had come from the "Exeter Newsletter" rather than from the Council directly. He said that each candidate that the Council had interviewed for the Town Administrator position had mentioned other forms of communication. He had spoken with constituents who said they wanted something tangible from the Council that would report what is actually happening in the town. Council Chairman Nazzaro agreed that the Council had not addressed improving communication and it was important that Mr. Fournier work on this by producing a newsletter that gave raw facts. Councilor Levy asked if letters had been sent to Church Street residents and abutters advising them of changes in the road. This had not been done in the past, but Council Chairman Nazzaro thought it was a good point.

(Bert Allen was advised that the period for public comment had ended, but he will make information he has available and Council Chairman Nazzaro will distribute it to the Council.) Council Chairman Nazzaro asked for other communication ideas, such as leveraging Channel 13. Councilor LaBranche said that information available on Channel 13 and through the computer had improved communication over what it had been 10 years previously. He said if the public was not getting the information, or had no access to Channel 13 or computers, the Council had to come up with an innovative solution. Council Chairman Nazzaro said maybe the answer was a newsletter or an e-newsletter. Council Vice Chairman Bentley said they had talked about using the digital board more and leaving information at the library and the schools. He also suggested that the school could do this, and he encouraged anyone watching the meeting to contact the Council with any other ideas. Councilor Zink said that if the townspeople wanted them to spend \$3 – 5K on a monthly newsletter, they should be given the opportunity to speak on whether they felt this was important. Councilor Levy suggested that they make use of free press releases focusing on meeting agendas in "Foster's" and the "Exeter Newsletter" to get information to the public.

c. Water: Council Chairman Nazzaro said that the Council had moved forward on this with the earlier vote to approve funding for the pilot study of the MacIntosh Well. He asked the Council for other moves they should consider. Council Vice Chairman Bentley said he thought Sean Greig had done a good job last year informing the town about the need for the line from the tower, but still some voters did not understand, and some had voted straight no's on all warrant articles. He said their insurer had told them they had less than 50% of the water supply necessary to fight a fire in the downtown. He felt it was important to continue working with Mr. Greig to get the message out. Councilor Zink said that Councilor Wright had a special interest in this issue, and perhaps could help lead discussions.

Council Chairman Nazzaro said the next step would be the Warrant Article, and he felt the Council should begin work on that immediately. Even though the pilot study was approved, there still was the possibility of a building moratorium if the town did not move forward to increase its water supply. Councilor LaBranche said that one of the reasons the past Warrant Article on the MacIntosh Well had failed was that constituents assumed they would be spending top dollar. The figure had included water treatment costs, but at that point a study had not been conducted to find what if any treatment was necessary. He stated that once the study had been completed, they would be in a much better position to have definite costs and to educate the public. He said the Council had written the past Warrant Article to get bonding, although they were not sure if they would spend that much. He said part of educating the public would be to make it clear that they would not be spending money for things they did not need, and to the extent this would not affect the tax rate.

Council Chairman Nazzaro said the Council members had received a memo from LGC. One of the bills stated that municipalities are now allowed to include the estimated tax impact on Warrant Articles. He felt this would be very helpful. Councilor Zink wondered if bundling anticipated costs for bonding purposes on the previous Warrant Article had been a mistake. He thought they might have been better off by assigning costs for each phase of the project. Councilor LaBranche said they had discussed that, but the Council did not want to keep coming back to the town for bonding authority by doing it in pieces. The Warrant Article asked for three million to complete everything.

d. School and Town Cooperation: Council Chairman Nazzaro said they had taken steps toward this with the joint meeting with the Efficiency Committee, and by his meeting with the School Board Chairman. They had agreed on issues they could tackle together.

e. Economic Development: Council Chairman Nazzaro said they had authorized an Economic Development Committee to which they would be nominating 2 Council members later in the meeting.

2. Put the Community on a Path to Long-term Economic Health: Council Vice Chairman Bentley said that items a. and e. were a part of this, and once they had a clear understanding of finances, they would be in a better position to work on long-term economic health. Councilor Zink stressed that this be a key assignment for the new Town Administrator. He stated the future economic health of the community was a subject of debate. He said they needed to begin by having a financial analysis of the school and the town, similar to a business plan. He said this would involve economic development from a resource standpoint. The analysis should be based on expectations of revenues, expenses and trends for both the town and school and be consolidated in one report.

Council Chairman Nazzaro asked if other Councilors felt this would be helpful for future decision making. Council Vice Chairman Bentley thought it would be. Council Chairman Nazzaro said his concern was that the shock of the tax rate was due in part to townspeople not being aware of how much it costs to run a town, as they previously had the ability to buy down the tax rate. This did not constitute structural changes, but allowed people to live in a more affordable community. Not having the ability to buy down the tax rate this past year, had shown what costs are necessary to run a town. He said that in order to insure long-term economic health the cost of living had to be feasible for citizens. He said they needed to look at structural changes to maintain affordability. He said that in addition to a business plan, they also had to look at the revenue and expenditure side to determine the most efficient and effective structure.

Councilor Levy said that most people did not know what had been spent on the Downtown TIF. He said the project had originally been bonded for \$2 million, but they had actually spent \$9.5 million. He said it would be helpful when making decisions to have a plan including the source of funds before funds are allotted. He said they had talked at the last meeting about spending approximately \$400K each year for the next 4 or 5 years on road work. He had asked where the money was coming from. He said he didn't really have a handle on what the town was bringing in compared to what it was spending. He said he was looking at the amount they were spending in attorney fees for the Coalition, and the amount was significantly higher than what they had initially been told. He said these were examples of things that had gotten out of balance. He said it would be helpful to know what they had for revenues, and to set boundaries on what they wanted to spend.

Council Chairman Nazzaro said that Councilors Zink and Levy seemed to be speaking about the same concept, and asked how they could get to that point. He said they needed to consider how much townspeople could absorb in their tax rate as a part of deciding what they would spend. Council Vice Chairman Bentley said that having a new Town Administrator would help in the process, but economic health depended on a combination of factors. He suggested they sell town property that was not being used to decrease expenditures and increase revenue. He felt the Economic Development Committee was formed in part to come up with a business plan for the town. Council Chairman Nazzaro said one of the Council goals for the past year was to sell town land. He cautioned that this was a tactic rather than a long-term strategy, but still felt it was important to discuss. Councilor Carmichael said those funds could be set aside for special projects.

Councilor Zink stated they faced challenges with building a school and with water and wastewater. He felt this was an opportunity for joint School Board and Town Council meetings as all these issues affect the tax rate. He said they needed information on revenues, expenses and obligations from both the town and the school so that the community could see the overall budget impact on the tax rate. Council Chairman Nazzaro said he agreed, and thought the Council as a body could direct the town's Finance Director to meet with the school's Finance Director, if the school was agreeable. The Council agreed this would be a first concrete step. Mr. Angell asked how far the projection should go. Councilor Zink said that Bob Coffee had done some work with this, and suggested that he get together with Mr. Angell. Although Mr. Coffee's projections did not include school, water and wastewater, Councilor Zink felt these items could easily be added.

3. Manage Town Facilities: Council Chairman Nazzaro reported that he and School Board Chairman Cliff Chase had met and discussed one of the minor parts of this: sharing grounds keeping chores. However, he stated that there had also been discussion on doing an inventory of buildings and facilities, but this had not been started. Council Vice Chairman

Bentley said this should be a goal for the new Town Administrator. It was important for him to look for energy and water savings, and also to engage the school and Department Heads in the process. Councilor Zink said that MRI had been asked to put together a proposal on this issue and to prepare a timetable and cost estimate. He believed the information had been submitted to Mr. Coffee. His understanding of the proposal was that an evaluation should be done by outside, specialized consultants. He will distribute the information to Council members.

2. RESOLUTION #2012/2013-04 MUNICIPAL TRANSPORTATION FUND WITHDRAWAL OF \$50,000 (First Reading)

Council Chairman Nazzaro read the Resolution. Councilor LaBranche moved to adopt Resolution #2012/2013-04 as read. Councilor Zink seconded. Discussion: As Mr. Angell believed the Resolution required a Public Hearing, the motion and second were withdrawn. The Public Hearing will be scheduled for the next agenda. Even though Mr. Angell thought the Council was the spending authority for the MTF, Councilor LaBranche said, and the Council agreed, that it was better to be safe than sorry and to schedule a Public Hearing.

Sean Greig said he had received 3 bids for paving. Bell and Flynn came in with the lowest bid of \$74 per ton, compared to \$75 from Continental and \$79 from Pike Industries. He said that he assumed they would go with the lowest bid, and he would be able to start the process. Councilor LaBranche asked if Mr. Greig was planning any reclaiming during this cycle. He answered that he would be doing overlay and shim.

3. EFFICIENCY COMMITTEE RECOMMENDATIONS

Council Chairman Nazzaro reported on the meeting he had with School Board Chairman Cliff Chase. The main points of discussion were consolidating school and town financial statements and increasing efficiencies, comparing the costs of outsourcing versus doing grounds keeping in-house, facilities management and efficiency, consolidating health insurance and sharing the deliberative session. Both were in favor of the last. It was suggested that the Town Administrator and Superintendent of Schools direct analysis of these suggestions and include both Finance Directors. Former Administrative Director Julie Glover had done some preliminary research on combining health insurance, and Council Chairman Nazzaro had asked her to send them her findings.

Health Insurance: Efficiency Chairman Bob Coffey related an update he had from Superintendent of Schools Jim Hayes. He was waiting for a letter from Dr. Hayes to authorize an analysis on health insurance similar to that done for the town. The insurance can be changed at anytime during the year with 30 days notice. He said they had also received some clarifications from LCG on figures, and they would be presenting the latest health insurance figures. Mr. Coffey distributed the updated report on insurance savings.

Paul Doherty said that without a 10% surcharge the maximum amount the town can self-insure is 25% of the deductible. Based on that he had put together a plan in which the employee deductible share would be \$750 rather than \$250 per year. He said using the deductible of \$1000 and the maximum reduction of premiums, and adding the estimated claims and fees, he was projecting a savings of \$127,773. He said that although the deductible would increase, within his projection he was recommending that the town self-insure any higher co-pays so the employee will not see any difference in costs. He also said the number of PT visits was cut dramatically in the new plan, but that since that occurrence was fairly rare, he felt the town could also self-insure this item. He said there was no change in the prescription drug plan.

Mr. Doherty said the employees would continue to pay 20% of health insurance, but the 20% would be based on a lower figure; overall employee savings would be approximately \$25K. His report included individual savings by category. The employee would see an increase in the deductible of \$500 annually multiplied by the number of employees in each category adding to \$38K. The difference of \$13K, an additional cost to the town, could be given to the employees by some method, such as a smaller payroll deduction. He said if the town decided to do that, the amount would be deducted from the projected savings of \$127,773, and the town would still realize potential savings of over \$100K. He said this plan would be the most cost effective, and that there could be additional savings for the town and employees as not everyone would use the deductible. He said that the savings in his plan were based on a 12 month projection, and would be reduced by the number of months that elapse until its implementation.

Councilor Levy said that they had not seen these figures prior to the meeting and that they were presented in a different format from the last report. He expressed the difficulty in extrapolating the figures and said that they should have had the

report before the meeting in order to have a discussion. He requested that the report be in the same format as that initially presented. He asked if office visits and ER costs were part of the Town's self-insurance. Mr. Doherty said that a portion of those would be because the co-pay for some items would increase; for example, the co-pay for ER would increase from \$75 to \$100. He said he had included projected costs for the town self-insuring co-pay costs to whatever the current amount was. The employee would not sustain any out-of-pocket loss for these. Councilor Levy asked if the employee decides not use site-of-service, who would pay for the increase in cost. Mr. Doherty said the plan itself had not changed, and was still within Blue Cross parameters. He said the only things that would change were the rate, which would be lower, and the deductible, which would increase from \$250 to \$1,000, of which the town would self-insure \$250.

Councilor LaBranche asked Mr. Doherty if he would be willing to present the plan to town employees. He said he would. Councilor LaBranche said they would also have to deal with the Police Union, but he felt it was important that the Council receive input on employee concerns. He felt that if the employees wanted to buy into the plan, the Council should agree to the decision. Council Chairman Nazzaro asked if Mr. Doherty could send them the agreement they would potentially enter into before their next meeting. Mr. Doherty will send this for distribution to the Council. Councilor Levy said that Mr. Doherty's numbers in his earlier report did not add up, but he would not bring that up. He asked if Mr. Doherty's administrative fees had been included in the rate on this report. Mr. Doherty said his rate, approximately \$2,100, had been added in. Councilor Levy then asked if LGC's admin costs had also been built in, which they had. Councilor Carmichael, along with the other Councilors, agreed that Mr. Doherty present the plan to the employees. Bob Coffey agreed to coordinate with the Town Administrator in finding a time for Mr. Doherty to present the plan to the employees. He said he believed Chief Cyr had given information to the Police Union. Mr. Doherty will prepare his presentation in the original format, showing options 1, 2 and 3.

Auto Gas: Efficiency Chairman Bob Coffey said that Jim Proulx was present to speak on auto gas conversion. Mr. Coffey had conversations with Chief Cyr and thought he was in agreement with trying auto gas in some existing vehicles, but had some concerns with warranty issues with the new vehicle they had ordered. He said Mr. Proulx had been able to procure a commercial grade lawn mower for Mr. Malasky and staff to use on a week's trial basis. Mr. Proulx said there was a change in the original proposal he had made, and he had hoped the Council would have received the information before the meeting, but they had not. He said the mower would come from the Propane Gas Association, and he would coordinate bringing it in and out.

Mr. Proulx said he, Mr. Coffey and Chief Cyr had discussed creative ways to expedite the conversion of a vehicle. He said he was willing to lease the hardware to the town at \$1.00 per year in exchange for an agreement, based on his company getting a return on its investment, that the town would purchase propane from his company at a discount rate of \$.70 lower than the price of gas. The town would pay between \$1,000 and \$1,350 for the conversion. He calculated the approximate savings at that rate for a vehicle would be \$10,500 over a 60 month period. He said the warranty information had been given to Chief Cyr and shared with Mr. Coffey, and will be forwarded to the Council. He said it was a working document for new vehicles which had been tested successfully. With existing vehicles that are out of warranty, he said there was also additional protection. He said if the town's cost for installation was more than the estimate, his company would absorb it.

Council Chairman Nazzaro confirmed that the Council would receive backup information and a copy of the agreement. Council Vice Chairman Bentley asked whether local mechanics would be able to service the vehicle. Mr. Proulx said that parts of the original vehicle would be serviced as normal, and his company would be able to service the conversion hardware. Mobile conversion teams come in to install the original hardware, and in his experience all that would be required after would be filter changes, which his company could do. Council Vice Chairman Bentley asked the location of the fuel tank. Mr. Proulx said these were DOT rated tanks, and in RV's are located in the spare tire well and vented to the outside. In sedans they are located in the trunk with the fill adaptor on the outside of the vehicle.

Councilor LaBranche said his understanding was that Ford would not warranty a new vehicle if the conversion is done. Mr. Proulx said this had been a sticking point, but the paperwork that he had said no, this was not accurate. Councilor LaBranche said that they could then put this on a new vehicle, and asked if other automobile companies had the same warranty policies. Mr. Proulx said they did, and there was a law that said they had to honor this. Councilor Carmichael asked how long a trial period Mr. Proulx was seeking. He replied that it would be somewhere between 4 and 5 years based on an estimate of fuel consumption. Councilor Carmichael asked what would happen if they decided in a shorter period of time that they were not satisfied with the conversion. Mr. Proulx said he would remove the hardware, and he would put that in the agreement. Council Chairman Nazzaro asked that Mr. Proulx provide them with a copy of the agreement language, which he will do, before their next discussion.

Council Chairman Nazzaro spoke about the Efficiency Committee recommendations upon which he and School Board Chairman Chase could agree. They felt the 2 Finance Directors should be directed to meet to discuss efficiencies they could find. Council Chairman Nazzaro, stating that this would take Mr. Angell away from other work, asked for Council input. Councilor Zink, speaking from a Council viewpoint and as one who had worked with the Efficiency Committee for a year, said he was disappointed that the 2 Chairs had come to the conclusion that the town and school could do this themselves. He said they had been working on the insurance issue for 14 months, and still did not have all the data they needed. They had talked about financial consolidation multiply times, but they had not made any progress. He felt they needed someone with knowledge to drive the effort. He said to assign the consideration of finance consolidation to the Town Administrator and Superintendent of Schools would not be successful. He said they needed someone with the experience to know what has worked in municipal environments in facilities management, financials and insurance. He said if they thought they were going to lead themselves to solve these issues objectively, and if they thought they understood the 2012 model for government, they were fooling themselves. He hoped citizens would make note of this and not allow them to slip back again in allowing their people to attempt making difficult organizational and financial decisions beyond their scope.

Councilor LaBranche agreed. He said that for many years he had been told as a Councilor that they could not combine dates for the Deliberative session or do other things they wanted to do. Don Jutton had said that certain things could be done and provided methods of accomplishing them. Councilor LaBranche said that they needed someone with expertise from the outside who can point to changes that can be made and the ways to carry them out. The end result would be in consolidating and saving money for the town. He said that at the very least there should be a dialogue with someone like Consultant Don Jutton who could help them move ahead. He stressed that this was not to show distrust, but to provide another pair of eyes.

Council Chairman Nazzaro asked that if this was the compromise they were able to reach with the School Board to move forward, and this compromise is not palatable to us, do we do nothing. Councilor Zink said the community had to step in at this point. He said they had had support groups and steering committees, and this was a lack of consideration of what the citizens were asking for. He said the joint deliberative session was an example of something they had been told for years they could not do. He said he had been told for 6 years while on the Budget Committee that nothing could be done about health insurance. He said they did not have the expertise to make those judgments, and he hoped the community would hold their feet to the fire in solving these issues. He said there was a very strong sentiment in town that they needed some outside management to look at the issues.

Council Chairman Nazzaro said he was on the record as stating that they needed major structural change in the town to solve problems. However, he said they had to do some things that everyone could agree on. He asked if they should go back to the School Board and say the changes did not go far enough or continue to work on the suggested changes and have help from external management. Council Vice Chairman Bentley said he also felt they needed structural changes some of which might take years. He mentioned that some towns in Massachusetts had gone to one Board which is responsible for the town and school. He felt their hands were tied at this point and they could only do small things to appease. Council Chairman Nazzaro said the School had indicated it was willing to look into consolidating insurance. Council Vice Chairman Bentley said that was good, but he felt that to look at long-term changes they needed outside help. He felt they should start working on this as soon as possible.

Councilor Levy said that if they were able to implement all 5 elements suggested by the Efficiency Committee it would be a good start. He said it would be good to have a well-defined cost analysis on a couple of the line items, but it looked as if these would provide substantial savings. He felt that if they needed a facilitator that would be fine. He said they needed to know the details and financial / staffing implications for each recommendation. He also said that they would have the help of a new Town Administrator in 30 days, and part of his job would be to facilitate these goals. Councilor LaBranche said the Efficiency Committee had been discussing these issues for over a year, and that 2 of the earliest issues were insurance and finance. He said there were 37 employees on which the town could save over \$100K, but Mr. Coffey had stated that the insurance people did not have the necessary documentation to make a similar presentation to the school. He pointed to this as an example of the need for a facilitator to move things forward. He said that the School Board Chairman and Town Council Chairman could discuss the issues at length, but it would not move them forward.

Council Chairman Nazzaro asked if this was a concern that there was not an external person shepherding this, or a concern that the compromises did not go far enough. Councilor LaBranche said his concern was that when he and Councilor Zink were no longer on the Council, who would continue with these efforts. He said he did not see a driving force to continue on either the Council or the School Board. Councilor Zink said they needed an objective observer with experience in municipal government who could guide them and serve as an objective reporter to the community as to their progress. He was not suggesting that the outside person set the objectives, but be able to point out opportunities, benefits, and the process for reaching each objective. He said if the town were to do this itself it couldn't be objective, and

also would not know what other municipalities were doing on the same issues. Also, he said there was no one in a position in Newmarket who could speak to both the school and the town as an objective reporter. He said that many of the issues had been discussed for a long time, but no progress had been made, and without outside help he did not think their efforts would be successful.

Council Chairman Nazzaro said he did not think they had been talking about doing this alone or who would monitor their progress. He said that maybe he and the School Board Chairman had misunderstood their charge, but he thought they were to look into moving forward with the recommendations from the Efficiency Committee. He thought the School Finance Director and Town Interim Finance Director should be part of the conversation. He asked Councilor Zink if his concern was with who was driving the train. Councilor Zink said he might have misunderstood, but he thought Council Chairman Nazzaro had suggested that the Town Administrator and Superintendent of Schools or Mr. Angell and the School's Finance Director get together to talk about finance consolidation. Council Chairman Nazzaro said that the Town Finance Director and the School Finance Director were to meet on building efficiencies in their work and report back on their findings. Councilor Zink thought that was absurd.

Counselor Carmichael said he would be happy with consolidating finances, insurance and facilities. He thought they should see what would happen in the first 30 days when Mr. Fournier came on board as the new Town Administrator, and perhaps not have Mr. Angell meet with the School Finance Director at this point. He felt Mr. Angell should continue the projects he had started. He said they might need someone to come in and help Mr. Fournier in the beginning, but that they should wait until he started. Council Chairman Nazzaro said that in his experience, if something is not driven by the Town Council and/or School Board it isn't going to happen. If they did not push for issues, it would not matter what an outside consultant suggested. Council Vice Chairman Bentley said that even though the joint issues were important, he would like to see Mr. Angell finish his work on the books before taking up another project. The Council had set a goal of accurate financial reporting for better decision making, and once they knew where they stood they would be better able to tackle other issues. He said that although there were some things they could start on immediately, he would like to wait until Mr. Angell had finished straightening out the books and Mr. Fournier started in his position.

Councilor Zink said that Council Chairman Nazzaro and School Board Chairman Cliff Chase were to present their conclusions at the next citizens' group meeting. The group wanted to know what they had agreed on and how they were planning to implement their findings. Town Council Chairman Nazzaro said that they had priorities that they agreed on, but it was clear that the Council wanted outside help. He said there was not an issue with the goals but how they were to be implemented. He asked for the feeling of the whole Council on whether this should be driven internally or by an outside person. Councilor Carmichael said that with Mr. Fournier coming aboard, it would be helpful to have an outside person meet with him, but he felt the Council should be in control. Council Chairman Nazzaro asked if a consultant, such as Don Jutton, would direct financial consolidation or be available to consult with the 2 Finance Directors while they worked on the issue. He said it seemed to him that there was not a consensus.

Councilor LaBranche suggested that they should do what was agreed upon by the 2 Chairs. The 2 Finance Directors could come back with their report on what they can and cannot do. That report would then go to an outside person for analysis. Councilor Levy said at this point they should not jump to conclusions about what can or cannot be done. He said that when Mr. Fournier arrives he should work with Superintendent Hayes and Council Chairman Nazzaro should work with School Board Chairman Chase to build a consensus report about what was feasible and what was not. He also thought the 4 should meet together. Then the Council could discuss the findings and move forward on the issues it could be successful with. He did not think a facilitator would necessarily ameliorate the problems. He thought the 2 Finance Directors should work with the Town Administrator and Superintendent of Schools to see what issues there would be. He felt the Council needed more information for the discussion, because at this point they were going around in circles. He said he had yet to see the cost benefit of vehicle conversion. He said when they had a Town Administrator that was engaged, they could have more information. He felt that there was agreement on the issues, which did not exist even a year before and that this was a good start. Before making decisions, he thought they should run the numbers and then see where they stood.

Council Chairman Nazzaro said he felt the concern was that they would not be able to ask the hard questions, whereas an outside person would. Councilor Zink said that since they had someone driving from the outside, they had established the Efficiency Committee and combined the Deliberative Sessions. The presentation on insurance and the joint meeting of the Town Council and School Board were also driven by an outside broker. The understanding of what is occurring with the tax base and other communities has come from outside. He said that it was not that they were not honest brokers, but they simply did not have the expertise or knowledge of how other communities had successfully addressed these issues. He said he could not imagine 2 Finance Directors meeting to decide that there was only a need for one of them. He said he found it hard to believe that anyone could not see what great assistance MRI has provided to the town. He stated that for them to attempt to solve the issues on their own would not work

Council Chairman Nazzaro asked if the Council would find it palatable for him to tell School Board Chairman Chase that the Council agrees with the concepts of what they should work toward, but there are concerns with some of the Council members that this should be driven by an external person. He would ask Mr. Chase to discuss this with the School Board to get their input. He said there were 2 boards involved, and they both would have to vote on this. He will bring this up at their next meeting, and ask Mr. Chase to listen to the Council conversation.

4. ECONOMIC DEVELOPMENT COMMITTEE – NOMINATIONS FOR 2 COUNCIL POSITIONS

Council Vice Chairman Bentley nominated Councilor Levy for a position on the Economic Development Committee. Councilor Zink seconded. There was no discussion. The Recording Secretary polled the Council. Motion carried unanimously, 6 – 0.

Councilor Zink nominated Council Chairman Nazzaro for a position on the Economic Development Committee. Council Vice Chairman Bentley seconded. There was no discussion. The Recording Secretary polled the Council. Motion carried unanimously, 6 – 0.

Council Chairman Nazzaro said he would contact NBA and CCA to make sure they were nominating their representatives. He said that there were 2 at-large positions available, and anyone interested should contact either himself or Councilor Levy. The Committee will report back to the Council.

5. OLD/NEW BUSINESS

A. Strafford Metropolitan Planning Organization – Transportation Planning for the Region: Appoint Diane Hardy, Town Planner

Council Chairman Nazzaro said there were 2 openings, one was on the SPRC, which was for a member of the community, and the other was on the SMPO Technical Committee which was generally filled by the town planner.

Councilor Levy moved to nominate Diane Hardy to continue on the SMPO for fiscal years 2013 and 2014. Council Vice Chairman Bentley seconded. There was no discussion. The Recording Secretary polled the Council. Motion carried unanimously, 6 – 0.

Councilor Levy asked if there was still a vacancy on the SPRC. Council Chairman Nazzaro said there was, but the person the Planning Board Chairman had suggested was not a citizen and could not be nominated. He said anyone interested in serving should contact the Planning Board Chairman.

B. Councilor Zink referred to Councilor Levy's comments to the presenter of the insurance benefit statement that the numbers did not add up. He said the Council was there to ask questions and not comment on the form of the presentation. He had heard from presenters, both outsiders and employees, that they felt they had been put in a position by editorial comments, which might be true or not, to which they could not respond. He felt they should be careful to ask questions and not make comments on the form of the presentation or anything else.

Councilor Carmichael said that some presenters came unprepared, and that the Council needed paperwork with correct information before its meetings. He said they had made this clear since he had been on the Council. Councilor Levy said the format for the insurance presentation had changed from the previous meeting. He had run the numbers which he said did not add up, and he had contacted the Council Chairman with his concerns. Councilor Levy said he did not expect there would be an insurance presentation at this meeting. He did not go into any detail on the numbers because the format had changed, and he found that frustrating. He emphasized that the Council needed to have information prior to its meetings, stating that in the last few meetings they had been handed reports by outside vendors. He said they had not had a chance to extrapolate the information, and he agreed with Councilor Carmichael that they should take the information and ask the presenter to return if they had any questions.

Council Vice Chairman Bentley said they had spoken about the need to have their meetings become more productive, and they had asked the former Town Administrator to have paperwork available to them sooner. He thought they should ask Mr. Fournier for help with the meetings and agendas. He said they needed reports ahead of time so that they could ask preliminary questions through the right channels and operate more efficiently. He said that as a Council, they had to show proper respect for presenters and each other and not belabor points. If a presenter could not answer all the questions, he should be politely asked to return, and further, if Council members did not agree with a presentation, they should keep it to their own discussion. He said the meetings had not been efficient in the past, and he commended those who were trying to operate in a more business-like manner.

Council Chairman Nazzaro said he agreed that it is frustrating to receive reports at the meeting because they don't have the opportunity to digest the information. However, the Council should not express its frustration to the presenter, but rather to the Town Administrator, or in his absence the Council Chairman, who is responsible for preparing the packets. He said the problem was not with the presenter but with their own organization. Councilor Levy said that was why he did not want to bring up the issue of the numbers, and he did not want to embarrass anyone. However, if numbers don't make sense, he wanted the opportunity to get answers ahead of time. He thought they might adopt a policy that information not be handed out at the meetings. Otherwise discussions and decisions have to be postponed until such time as the information can be understood.

Councilor Zink said he thought this had been a good discussion. He said he had heard from many presenters, some of whom were employees, that they felt they were engaged in a debate about their presentation. He said the Council could discuss among itself the validity of a presentation after its conclusion. He felt it was inappropriate to tell a presenter that his numbers changed every week. The Council should only ask questions and not editorialize or debate with a presenter. Council Chairman Nazzaro said they all had to be honest brokers of each other and hold themselves accountable to stay on task.

C. Resolution 2012/2013-05: Authorize Kevin Cyr as Acting Town Administrator to Submit and Sign for Grants

Council Chairman Nazzaro read the Resolution. He said the Town Charter required this Resolution.

Councilor LaBranche moved to accept Resolution 2012/2013-05 as read. Council Vice Chairman Bentley seconded. There was no discussion. The Recording Secretary polled the Council. Motion carried unanimously, 6 – 0.

D. Councilor LaBranche moved to unseal the approved non-public minutes of June 27, 2012, July 9, 2012 and July 18, 2012, session #2. Councilor Zink seconded. Discussion: Councilor Levy asked if these had to do with hiring the new Town Administrator. Council Chairman Nazzaro said they did, and had no mention of any other candidates. The minutes reflect changes made to the last minutes. Councilor LaBranche said the minutes were not the ones they had received that evening, but the ones that were approved. They were the minutes that the Recording Secretary had made the amendment Councilor Levy requested. The July 18, 2012#2 minutes were incorrectly titled as Workshop Minutes rather than Non-Public Minutes. This will be corrected. Council Chairman Nazzaro felt it was good to unseal the minutes so the public could be aware of their deliberations. The Recording Secretary polled the Council. Motion carried unanimously, 6 – 0.

E. Council Vice Chairman Bentley announced that Old Home Weekend would be held on August 11th from 11:00 a.m. to 10:00 p.m. The streets will be closed at 10:00 a.m. He said there would be fireworks, musical entertainment, 90 vendors, 2 fund raisers, races, food, etc. The schedule is available on line. He cited Debby Garrison for all the hard work she had done on the event with assistance from Adam Schroader.

F. Councilor Carmichael said they had received a letter concerning Newfields' contract to use the Newmarket town dump. He mentioned that the Council had discussed looking into the contract at a former meeting. He said that former Town Administrator Wojnowski had signed a 5 year contract with Newfields on April 4, 2012 to take effect in January, 2013 for \$3,000 per half year. Councilor Carmichael asked if he had the authority to do this. Council Chairman Nazzaro said he believed he did, but that he would look into it. Councilor Carmichael questioned the timing of his signing a long-term contract.

G. Council Chairman Nazzaro said he was responding to a Letter to the Editor that questioned whether a former

Councilor had received a plaque for service. Former Councilor Kwaks had indeed received one. Some people had questioned town vehicles being driven back and forth between homes and work. He said this was within town policy for those town employees were on-call. He said they would be reviewing town policies with the new Town Administrator.

6. APPROVAL OF NON-PUBLIC MINUTES: JULY 18, 2012 #1 AND JULY 18, 2012#2

Councilor LaBranche moved to approve the non-public minutes of July 18, 2012 #1. Council Vice Chairman Bentley seconded. There was no discussion. The Recording Secretary polled the Council. Motion carried unanimously, 6 – 0.

Councilor LaBranche moved to approve the non-public minutes of July 18, 2012#2. Councilor Levy seconded. Discussion: Councilor LaBranche said the date in the first paragraph should be changed to July 9, 2012. The Recording Secretary polled the Council. Motion carried unanimously, 6 – 0.

ADJOURMENT: NEXT MEETING AUGUST 15, 2012, WORKSHOP

Councilor Levy moved to adjourn. Councilor Zink seconded. Motion carried unanimously. Meeting adjourned at 9:52 p.m.

Respectfully Submitted,

Ellen Adlington, Recording Secretary