

# FINAL MINUTES

BOARD OF SELECTMEN MEETING

MINUTES

June 27<sup>th</sup>, 2016

## 1. Call Meeting to Order

Chairman Chartrand convened the Board of Selectmen at 7:05 p.m. in the Nowak Room. Also present were Vice Chair Julie Gilman, Selectman Don Clement, and Selectwoman Nancy Belanger. Selectwoman Surman was absent. Town Manager Russell Dean was also present.

The Chair introduced the board members and asked the town manager to explain the purpose of the meeting.

The town manager outlined that the state needed a revolving fund loan application completed to beat a June 30<sup>th</sup> deadline proffered by the state, and that was the purpose for the meeting. We have been working on wastewater facility financing for some time, and we compared the bond bank to the SRF program, and outlined several scenarios for discussion and review by the board since it is such a significant project. We are recommending based on all the information to move ahead with the revolving fund loan.

Chair Chartrand indicated Selectwoman Surman wanted to attend but due to the late breaking nature of the issue she could not, and he apologized for not being able to have her present.

The town manager continued describing the various amortization scenarios for a 20, 25, and 30 year period with both the bond bank and the state revolving fund. Assumptions were 3.0% on the bond bank using their projections, 3.5% for a 30 year loan. We met with Beth Malcom from the NHDES and reviewed their proposal. The difference between the two is SRF forgives 5% of the principal of the loan under their program. The town manager compared the interest due under both proposals and the SRF is favorable compared to the bond bank. The town manager referenced RSA 486:14 and the town is the second ranked project on the wastewater priority list behind Portsmouth. Also EPA has agreed and we received notification that the AOC has been extended per the Town's request. The Chair asked the Public Works Director if she had comments. Director Perry thanked Doreen Ravell and Laura Zogopolous of Finance for helping pull the information together. She discussed the schedule modifications and everything is pushed off about 9 months. It does not impact this loan application deadline.

The Chair asked the Finance Director if she wished to add anything. She mentioned there are two grants out there, a SAG and STAG grant, that have not been part of the projection as there is no certainty on those. The Chair asked Mr. Leonard if he had anything to add. He did not but was here to answer questions.

Board comments were then solicited. Selectman Clement indicated he was glad to get the information on Friday from Finance, and asked whether 30 years was the longest we could apply for an SRF loan. Jennifer Perry said it was a new program that they have extended for 30 years. Selectman Clement asked about raising rates now to soften the blow. He is not sure when the rate study will be finished. Should we get ahead to bring us more money to get ahead moving forward. He has looked at this and thinks the SRF is the way to go, less interest and 5% forgiveness. It will be up to the state to fund the SAG. The town manager said the program is active again but they are working through a backlog and

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older projects are getting funded. It would be 20% of the cost of the project if it were available. Selectman Clement hopes the legislature will work on this.

Selectwoman Gilman agreed with Selectman Clement. The interest between the two sources is significantly different. She's inclined to want to raise the rates as well at some point.

Selectwoman Belanger is fine with the SRF loan. The Chair had nothing to add.

Selectwoman Belanger then read the Authority to File Application. Selectman Clement moved to adopt the resolution as read, Selectwoman Gilman seconded. The vote as unanimous.

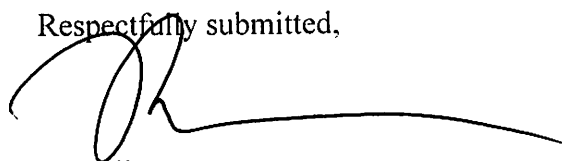
Selectwoman Belanger moved to approve the application under the state wastewater revolving fund RSA 486:14 for the wastewater facility design and construction and main pumping station improvements and further authorize the town manager to submit the application and execute any documents and/or furnish information needed as outlined in the application resolution. Selectwoman Gilman seconded. Selectman Clement asked if we have to lock in annual or semi-annual payments and amortization period. The town manager responded we would do this piece later. Motion carried unanimously.

Selectman Clement asked if we could make this information available to the public. The town manager said it will be on the website for background information.

## 2. Adjournment

Selectwoman Belanger moved to adjourn. Selectwoman Gilman seconded. Motion carried. The Board stood adjourned at approximately 7:30 p.m..

Respectfully submitted,



Russell Dean  
Town Manager