

North Berwick Board of Selectmen Minutes January 18, 2022

**NORTH BERWICK BOARD OF SELECTMEN MINUTES
January 18, 2022**

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

Absent: N/A

Also Present: Dwayne Morin

Chairman Galemmo opened the meeting at 6:40 pm.

1. Pledge of Allegiance

2. Review and Approve Minutes of January 4, 2002

Selectman Cowan motioned to approve the minutes of January 4, 2002 as amended. Selectman Johnson, Sr. seconded the motion. VOTE: 5-0

3. PUBLIC INPUT: N/A

4. UNFINISHED BUSINESS:

A. COVID-19: ARPA Funding Review

Dwayne stated there was new news regarding ARPA funding. The towns can now take a one-time revenue exemption of \$10 million dollars. Since the Town will only receive \$500,000.00, this means we are exempt. The money can only be used for governmental services but governmental services are far and wide, as long as it is of a governmental nature. Now we have a lot more latitude regarding what we can and can not do with the ARPA funding. This is a major change in the funding law. At the last meeting, the Board voted for the premium pay and that will move forward in the budget process. Dwayne said that another thing that he is working on is the communications issue so there is no question that we will not be able to utilize the water tower to do what we want to do. The only way we can do what we want to do is to install a tower. Dwayne provided a diagram to give them an idea of what the tower would look like in comparison to the existing water tower which is to scale. It would be a 100 foot tower and base would be 13 feet 9 inches. What they would need to do is move the communications shed over and install a triangular communications tower. If you were to go there right now and sit in the community center and look up towards the water tower, it is about where that would sit if the Water District is agreeable, the tower would not be seen from the road. Basically you would only see the top 30 or 40 feet of the tower. Selectman Hall asked how tall the antennas are. Dwayne said they are 30 feet whip antennas. The tank is 72 feet so it would add about 28 feet.

Dwayne said right now the budget for this project is somewhere around \$175,000.00 to do what they need to do. That would leave, even with the \$80,000.00 in premium pay, over \$250,000.00 left. The Board could then decide to allot some of that money to the water and sewer projects. Two of the projects that the Sanitary District want are the Aerator and the Muffin Master which was \$80,000.00. The Water District also gave a laundry list of projects they would like to do.

Dwayne said that Southern Maine Communications have developed a budget of approximately \$157,500.00 for their portion of the communication project and he thinks there will be an addition of \$17,500.00 worth of cost bringing the estimated total to around \$175,000.00.

Selectman Hall stated he would like to give both the Water District and the Sewer District money to complete at least one project each. Chairman Galemme figured that would be about \$135,000.00 between the two and then we would have \$115,000.00 after the communications project and we have up to four years to use that. Dwayne stated that he is figuring \$80,500.00 for premium pay, \$175,000.00 for communications, \$80,000.00 for sanitary district, \$55,000.00 for water district, which would leave about \$105,000.00, give or take.

Dwayne stated that in the State of Maine, our sewer district is one of the youngest, if not the youngest in the State of Maine, which is good. Most sewer districts, such as City of Portland, have been around for 150 years. Ours has been around since the 80's.

Selectman Hall inquired about the water district's projects. Dwayne said that their projects were Brewer Road, Lower Main Street, Pleasant Street, Somersworth Road. He said these projects would be replacing old pipes. Brewer Road is especially old and the cost would be \$50,000.00. Dwayne showed a map of the pipes going toward Lower Main Street under the railroad tracks and how it is in a zig zag pattern.

Dwayne said that the Water District gave a budget for the entire Lower Main Street project but they could go smaller and not do the entire length.

Selectman Cowan stated that the water and sewer districts should get an equal amount of money and they could decide how they would utilize it. Dwayne stated that the water district gave him pricing without the cost of fixing the road and wondered if we would look at those prices and then we fix the road. Selectman Hall indicated that we certainly have enough ARPA funding over the next four years if we do \$80,000.00 to the water district and \$80,000.00 to the sanitary district. Selectman Johnson, Sr. inquired if they are all town roads. Dwayne said they are. The Brewer Road project would be about \$20,000.00 to fix the road.

Dwayne said right now if we do everything minus the water district, it would be \$335,500.00. Then the Water District said their number one project was Brewer Road which was \$36,000.00 but did not include the cost to fix the road. Lower Main Street was \$178,000.00 however they could shrink that project. So do we want to give them \$80,000.00 to do water work and we could use some of the \$100,000.00 from ARPA to fix the roads. Lower Main would be just basically a trench and Brewer Road would have to be completely redone.

Selectman Hall said he liked the idea of giving \$80,000.00 to the Water District and \$80,000.00 to the Sanitary District and with \$80,000.00 for premium pay, it seemed fair. Chairman Galemmo said the remaining \$105,000.00 in ARPA funds could be used for other projects since it is more relaxed. Chairman Cowan likes the idea of having a cushion in the event we need it. Chairman Galemmo thinks the projects should be timed when we are fixing the road anyway. Chairman Galemmo would like Dwayne to go to the Water and Sewer Districts and talk about giving them each \$80,000.00 and to think about how to best spend that money.

Reminders: Next Board of Selectmen's Meeting – February 1, 2022 – 6:30 pm
Public Hearing – Picuch Med. Marijuana License – February 1, 2022 – 6:35 p.m.

5. NEW BUSINESS:

A. POLICE: Appointment of Jeremy Baron as Full-Time Officer

Dwayne stated that with the resignation of Brian Donahue, the Chief of Police is recommending the promotion of Jeremy Baron from Reserve Officer to Full-Time Officer. Jeremy has been employed by the Town for 2 years and is Blue Pin certified by the Maine Criminal Justice Academy. He worked for the Town of Wells for five years as well as two years at the York County Jail. We think he would be a great fit, especially since he has been working for us for two years now as a Reserve Officer. Selectman Cowan stated how she appreciated his diligence and was impressed by the fact that he decided to stay reserve and wait for a full-time position.

Selectman Cowan motioned to appoint Jeremy Baron as a full-time police officer; Selectman Johnson, Jr. seconded the motion. VOTE: 5-0

B. FIRE DEPARTMENT: Gift Letter from William Hill Firefighter's Association

Dwayne referenced a letter from the William Hill Firefighter's Association which outlines the purchases that the Association has made and plans to gift to the Town of North Berwick Fire Department. They are gifting five pieces of equipment:

1. Battery Powered Combi Tool for extrication with a value of \$10,400.00 and half of that was paid thru a grant from Pratt & Whitney.
2. MSA 5 Gas Meter with a value of \$1,839.00
3. Four Scotty Foam Applicators and 10 gal Class "A" Foam with a value of \$1,271.00
4. Two Cold Water Rescue Suits and Four Rope Throw Bags with a value of \$1,180.00

5. Milnor Gear Extractor Washer, with a value of \$15,160.00 including concrete base and accessories. \$10,000.00 of that was paid thru a generous grant from the Stephen and Tabitha King Foundation.

Dwayne explained that they raised all of this money by selling hotdogs, hamburgers, bingo, etc. Selectman Johnson, Sr. stated he does not think they get enough recognition for all they do. By purchasing these things, they have saved the taxpayers a lot of money.

Selectman Hall motioned to accept the five gifts given to the Town by the William Hill Firefighters Association; Selectman Johnson, Sr. seconded the motion. VOTE: 5-0

C. FY21 AUDIT: Postponed until February 15, 2022.

Dwayne advised that our Auditor is in the hospital with a very bad case of COVID and has been in the hospital for two weeks.

D. FORECLOSURES: Sign Deed to the Estate of Janice Lord to Release Liens

Dwayne stated how last year, they foreclosed on a piece of property that belonged to Janice Lord. The Estate of Janice Lord had paid the back taxes on the property located on Lower Main Street. The attorney for the Estate actually paid that amount out of his pocket. The Board needs to execute a quit claim deed releasing the liens on the property.

Selectman Johnson, Jr. motioned to sign the Quitclaim Deed to the Estate of Janice Lord; Selectman Johnson, Sr. seconded the motion. VOTE: 5-0

E. FY23 REFERENDUM: Final Referendum Questions for Annual Town Meeting

Dwayne stated that the Planning board held the Public Hearing on the proposed Zoning Ordinance changes and they have unanimously endorsed the proposed amendments. They did offer a few language change suggestions which were very appropriate – a few typos, editing and better grammar changes, no change in substance. He has sent the packet of questions off to the Town attorney for review and final language. The Board will hold the Public Hearing for the questions on March 15, 2022.

There will be five (5) questions. The first two are the liquor questions which the State decides on the language. The next two are zoning questions. The Planning Board voted unanimously to adopt them but made a few language change suggestions. The last question is the animal control ordinance which includes a duty to dispose of waste from a dog on any sidewalk, street or any publicly owned property.

F. FY23 BUDGET: Review Proposed Salary Report for FY23

Dwayne provided the Board with two salary suggestions. The first one provides a 3% salary increase and the second one provides for a 4% salary increase. He provided the U.S. Bureau of Labor Statistics Consumer Price Indexes to look at when establishing salary increases.

Dwayne said that as part of this year's budget, he has budgeted a 3% increase in wages. However, the CPI report came out this week indicating a 4% increase in the CPI index that we have traditionally utilized as the benchmark for wage increases. The Board will need to determine what level of wage increases to offer for the next budget cycle. The Police contracts are limited to a 3% increase under the contract that we have signed with the union. The difference in cost to the town of 3% versus 4%, not including the Police contract as that has been previously negotiated, would be an additional \$12,000.00 +/- to the budget. Dwayne feels the town could absorb that increase within the budget framework that he has prepared, due in part to the town's additional revenues and the increased fund balance.

Selectman Hall stated his opinion was to stay at 3% and that they will most likely be getting the premium pay from the ARPA funds. Dwayne stated that the premium pay was for people who worked two years ago and that any new employees would not get that.

Chairman Galemmo asked Dwayne to clarify the increases and Dwayne said that a 3% increase would be about \$27,000.00 and \$37,000.00 for 4% plus FICA costs. Chairman Cowan stated that looking at projections overall with increased revenue, she does not see the \$12,000.00 being a huge issue. Her concern was that if everyone else was going to get bumped up to 4%, the police were held to 3% under their contract. Dwayne stated that the police were given a 17% increase in salary when they entered into their first contract. They also get other incentives that no other town employee gets. Chairman Galemmo stated he does not have a problem with 4% in keeping up with inflation. Selectman Cowan feels that since the Town can give a 4% increase at this time, they should, since there may be a time when that cannot happen.

Selectman Johnson, Sr. stated he would be inclined to keep it at 3%, but if the government feels that 4% is appropriate at this time, then what will it be next year. Dwayne stated that at this time, everyone is increasing their labor costs all across the board. He has never seen the labor market the way it is right now. People can basically demand what they want for wages and no one to fill positions. He stated that if we are able to give an extra little bit to keep our employees, then we should do that to show that they are valued and to keep up with inflation. Selectman Johnson, Sr. asked if the \$12,000.00 for the extra percent included insurance and Dwayne stated it does include all the additional costs.

Selectman Cowan motioned to give a 4% increase in wages; Selectman Johnson, Sr. seconded the motion. VOTE: 5-0

G. FY23 BUDGET: Review Proposed Budget

Dwayne mentioned that budget requests were up nearly 15% over last year, due in part to labor costs and capital improvements. He has drafted a budget that will increase about 13.14% instead of 15%. That is a very large increase in budget. A lot of this increase was due to the

added police officer and the increasing salary at the rescue department. Those two costs added an 8% increase. The 13% budget that Dwayne is proposing includes everything, including the \$12,000 increase in wages. The increase would bring it to 13.39%. He stated that by putting those numbers in, he is only at a 5 cent increase to the mill rate.

Dwayne stated that if the Auditor was here tonight, they would have told you that last year, we ended the year extremely well with about \$4.2 million in actual useable surplus and just a little under \$3.9 million. Just to give you an idea, our bench mark is \$2.8 million. We have about \$800,000.00 of additional money that is over and above what we use for bench marks. He stated that we are going to add more this year and that he is not going to spend the entire budget for the year we are in currently. He is currently tracking around the same number as last year which means we can add \$400,000.00 to that surplus. Selectman Johnson, Jr. asked where that money goes, Dwayne stated that is a surplus account. Dwayne stated we use that every single day to reduce budget costs. Dwayne explained how the cost of everything is going up and Chairman Galemme stated he thinks only a five cent increase in the mill rate is really good considering the cost of everything.

Dwayne went over some good things that are happening. First, our excise tax revenue continues to increase year after year. This year we are dead even with last year which means we are at \$1.1 million dollars that we are collecting. We have been budgeting about \$900,000.00 for excise tax. That is \$200,000.00 of additional revenue. Also, State Revenue Sharing is going up this year because of the 4.5% in state sales tax. The State has \$300 Million in extra funds. Last year we budgeted \$245,000.00. It is going to be about \$290,000.00 this year. That's a \$70,000.00 increase. We have our ARPA funding and we can utilize some of that money to help with the rescue. We have grant funds from the police grant and we are going to use half of that this year and half of that next year to help reduce town costs. When you add all of that, Dwayne said there is enough money to cover everything we are looking at for increases.

Selectman Hall mentioned how the school system is going to have increases as well which are bigger because they purchase more resources. He would like to see a better relationship between our town and our school but is unsure how to make that happen. Dwayne stated how the increases to our taxes will be driven by the school because they are much larger entity than the town is. Last year the town's taxation was reduced. We have been dead even and all the increases have been attributable to the school. He's guessing this year, we will see another very large increase from the school system. The good thing is that our school district will hopefully get more state revenue this coming year that should help offset some of those increased costs. Dwayne stated that the school district will always be the driver of our tax rate in any small town in the State of Maine. The Board had more discussion regarding the school.

Dwayne then went over the budget in more detail with the Board, specifically:

Capital:

Road projects: Remainder of Ford Quint Road Project and the first section of Valley Road.
(Planning on completing Clark Road under the current budget in the Spring) Also final payment of Road bond - \$400,000.00

Public Works Plow Truck – Western Star single axle - \$250,000.00

Police Cruiser - \$45,460.00

Fire Pumper – Last payment on Pumper Bond - \$35,979.00

Fire Tanker – 7th payment of 10 - \$24,580.00

Fire Station Planning - \$50,000.00 – this will give us enough funds to put together the bid documents and bid project.

Fire Pumper - \$40,000.00 into capital reserves and purchase the new fire pumper in the amount of \$665,000.00. this will equate into borrowing approximately \$600,000.00 resulting in an estimated payment of around \$70,000.00 a year for 10 years. With the retirement of the other pumper debt this year, this will result in a decrease in the budget next year around \$5,000.00. We may want to discuss utilizing some of the fund balance to bring the loan amount lower thereby reducing future budgets.

Transfer Station – Completing the 2nd of three phases of the pavement around the Station. This year will the project will consist of paving the entrance road and around the back of the recycling building. - \$42,000.00.

Labor:

Rescue – increase wages to \$18.00 for EMT's and \$24.00 for Paramedics - \$70,000.00 increase to budget.

Police – Additional of a full-time officer - \$125,000.00 increase in budget

Fire – Moving to a per hour labor cost instead of the points system. Estimated increase to budget of \$5,000.00.

FICA – Increase of approximately \$10,000.00 due to salary increases

Overall increase to labor cost based on a 3% increase in COLA and benefit increase is an increase of \$225,000.00 to the overall budget (not including Rescue or Library labor increases).

Note: An increase from 3 – 4% in COLA work result in about an additional \$12,000.00 in budget.

Dispatch:

We are entering our 4th year of equalization payment for Sanford Dispatch. One more year and then the increases are adjusted based on CPI. A small increase in the York County Communications group cost of \$500.00 – Overall increase of \$14,500.00 to budget.

Hydrant:

2nd year increase in Water District rates to the Town for Hydrant rental will result in a \$21,000.00 increase to the budget.

Mowing:

The new mowing contract will result in an increase to the budget of approximately \$18,000.00.

Library:

Library request is an increase of \$14,875.00 over last year. This increase is primarily due to labor and benefits increases.

6. OTHER BUSINESS: N/A

7. Review and Approve Warrants and Correspondence:

Warrant:	January 11, 2022	- \$ 11,967.41
Warrant:	January 18, 2022	- \$ 709,538.17

Selectman Hall motioned to approve the Warrant of January 11, 2022 for the amount of \$11,967.41 and the Warrant of January 18, 2022 for the amount of \$709,538.17. Selectman Cowan seconded the motion. VOTE: 5-0

8. Adjournment:

Selectman Cowan motioned to adjourn the meeting at 9:01 p.m. Selectman Johnson, Sr. seconded the motion. VOTE: 5-0

Respectively Submitted,
Jennifer Berard, Stenographer

Original to Town Clerk

Chairman: Charles Galemmo

Selectman: Jonathan Hall

Selectman: Michael Johnson, Jr.

Selectman: Wendy Cowan

Selectman: Michael Johnson, Sr.