

Tilton-Northfield Fire District
Special District Meeting
December 11, 2006

Moderator Ken Randall called for the special fire district meeting to come to order at 7:04PM. Asked if all present had signed in. Opened with the pledge of allegiance.

Moderator, Ken Randall, introduced himself. Also introduced Jim Lamanuzzi, Northfield, as Asst. Moderator and Scott Davis, Tilton, as Asst. Moderator to counting ballots, hand votes and supervising the ballots being put in box. Also introduced Janine Vary as Clerk for the fire district.

Chairman of the fire district commissioners, Tom Gallant, introduced himself, Commissioner Bob Watson, Commissioner Harold Harbour is out ill. Chief Steven Carrier and Treasurer, Roland Seymour. Comm. Gallant expressed best wishes to Harold Harbour seeing he has been ill for a while.

The Moderator mentioned that the Budget Committee was seated in the audience by their choice.

Moderator brought up the Moderator's rules for running a meeting, 13 rules proposed. Anyone has the ability to read through and question any of them. Moderator asked if there were any questions. Steve Randall, N. asked about #6 "no motion is to be tabled", etc. Moderator commented that we are here in relation to an article which has gone through the court and approved by them and the article is what we are here to work on and, therefore, article should be worked upon and not tabled nor should we leave before we have voted. Moderator also commented that at any point in time until they are adopted, anyone can move to remove a rule. Steve Randall: made a motion that rule #6 be removed from the list. Seconded by Joe Demello from N. Moderator asked for any other discussion on article 6. Moderator asked for a vote on the removal of item #6. By voice vote, the nays have it. Item 6 is not removed from the list.

Mr. French asked for a hand count on that vote. Hand count done with asst. moderators counting. Ayes counted 23, Nays 49. Hand tally is not to remove rule #6. So ruled by the Moderator.

Arlow Stanley, N. motioned to accept all rules as written. Brian Constant, N. seconded. Arlow Stanley asked for a division of the house. Hand votes counted by asst. moderators. Ayes have 69 and Nays have 2. Moderator declared the rules accepted for the running of this meeting.

Moderator explained that a bond issue is what is being discussed this evening. After discussion, then bond issue will be voted on. Must be done by ballot, ballot box will be open for an hour. As a result of the voting of the ballot issue, it will take a 2/3 vote for bond to pass. If reconsideration is asked for, reconsideration will be voted for this evening and if passes, we will not reconsider this issue this evening. For Bond issues of over \$100,000, a period of at least 7 days must pass before reassembling for reconsideration and voting on the bond issue again. Moderator asked if any questions. None stated.

Moderator read the warrant in its entirety. He noted that the bond warrant article also appeared on the voter check in card that everyone received upon registering.

Article 1: To see if the District will vote to raise and appropriate Three Hundred Ten Thousand Dollars (\$310,000.00) for purposes of purchasing an E One Custom Built Typhoon Pumper, 1500 GPM top mount pump, with a 1000 gallon water tank and further to authorize the Commissioners to borrow One Hundred Fifty-Five Thousand Dollars (\$155,000.00) in accordance with the provisions of the Municipal Financing Act (RSA-33), and to authorize the Commissioners to issue and negotiate such financing and to determine the rate of interest thereon, with the remaining One Hundred Fifty-Five Thousand Dollars (\$155,000.00) to be withdrawn from the Capital Reserve Fund. (Recommended by the Fire Commissioners) (Recommended by the TNFD Budget Committee) (2/3 ballot vote required)

Article 2: To transact any other business that may legally come before the meeting.

Moderator asked for someone to move Article 1 to the floor.

Commissioner Tom Gallant moves article 1 and seconded Arlow Stanley, N. Moderator announced discussion for article one now open and asked Comm. Gallant to begin.

Comm. Gallant explained that we are to revisit a warrant article that was voted on by voice vote at March 6, 2006 meeting. A 3 faceted article, to authorize commissioners to purchase a pumper for \$310,000. Second part is to allow to the District to withdraw \$155,000.00 from truck trust fund and those 2 parts of warrant are exactly the same. The 3rd portion is different. We would be allowed to borrow \$155,000.00 in accordance with the Municipal Finance Act. In March, warrant articles did not state that and were vague with respect to borrowing. We did not anticipate that we would be borrowing money this year. The minutes are clear that we would be coming back before the body. The truck is now ready and is available. We have researched our options on financing and we have found that the most beneficial means would be with Franklin Savings Bank where we can borrow the \$155,000.00 that we need for this acquisition at 4.25 percent amortized over 8 years; at approximately \$1900 monthly payments.

Moderator asked for further discussion on Article 1. Kevin Waldron, N. The truck was approved in March 06. We were told we wouldn't buy truck until 2007 and now it's ready and an emergency to us. He felt we should have notified manufacturer. He mentioned the cost is \$310,000 plus the interest \$28,000 coming to \$338,000. If you added the TAN that Northfield had to get due to this meeting, it's a higher amount. We were told that this purchase doesn't affect the tax rate. Money from fund comes from ambulance billing and we bill around \$200,000 annually in ambulance fees. That income could be used to reduce the bottom line budget. He recommended we use Apparatus and Equipment Fund to buy equipment outright and not finance debt. \$1907.42 a month for 8 years for this truck if we pass this article. There is \$80,000 in Apparatus and Equipment fund. We are only \$75,000 short of buying this thing cash which would save us the \$28,000 in interest. If we do bill \$1600 month we could own in 5 months and pay cash. He asked to vote down tonight until we can buy with cash.

Comm. Gallant: didn't agree with Mr. Waldron's comment that "we were told that we wouldn't be buying the truck this year". We considered to buy in 2007. That truck is available; we signed the agreement and it is clear that if we do not pay for the truck we are indebting the interest of that truck.

Regarding the Apparatus and Equipment fund, we had lengthy discussions on that. We have a specified budget for that fund. Mr. Waldron is correct that we have approx \$80,000. It will facilitate acquisitions, paying for the heavy rescue, was paying for the chief's vehicle that was paid off and the pick up trucks and it would pay for this truck also. Never in Comm. Gallant's understanding that the Apparatus and Equipment Fund was being established to buy equipment and apparatus outright. It facilitates acquisition and won't raise and appropriate taxes to do that. In the past we raised money to put into capital reserve funds. We can pay this loan off any time we want, no prepayment penalties. We have set payments for 8 years at monthly payments. He doesn't feel it would be prudent to deplete the Apparatus and Equipment fund.

Leroy French, N. asked if we were committed already. Comm. Gallant answered we signed a contract on March 16, 2006. Mr. French asked if that commits us. Comm. Gallant answered yes. Mr. French asked why would we negotiate a deal if the warrant article was out of whack in first place. Comm. Gallant responded we didn't know it was "out of whack". A truck was designed and was put out to bid and made the decision it was in our best interest to buy this truck, we had a fixed price. Turnaround time is usually a year. On March 16 we contacted E One and had authorization from body and we signed the contract. Mr. French asked if turned down tonight what would be the predicament. Comm. Gallant responded we would be breaching our contract with E One. Cost of suit will be born by fire district and damages would be determined, possibly liquidated damages.

Donna Bouchard, N. when listening to what Mr. Waldron had to say, what is difference between how financed in 2007 as opposed for us to borrow the money now. Comm. Gallant answered we would be proposing financing exactly as it is now. Ms. Bouchard asked if the money would have been a loan or in the Apparatus and Equipment budget. Comm. Gallant stated it would not be any different from tonight. The interest rate is very good now.

Joyce Fulweiler, N. asked if this truck is a replacement truck. Comm. Gallant responded yes replacing engine 3. Ms. Fulweiler continued, so if not replaced, we won't have a front line truck. Chief Carrier was asked to comment. The truck purchased is an attack piece, first responding. Would allow us to take engine 1 and bump down the line. Tanker replaced engine 3 which was just sold. So we have put our oldest vehicle back into service due to delay of receiving this truck. It would severely affect our operations and would interfere with the Capital Improvement Plan.

Foster Peverly, T., asked who signed the contract. Comm. Gallant stated Chief was authorized. Mr. Peverly asked if we have a record of that authorization. Comm. Gallant said it is in the minutes. Mr. Peverly again verified that it was in our minutes. Comm. Gallant confirmed.

Brian Constant, N. asked if engine 3 has been sold, why isn't that money being used. Comm. Gallant answered we got \$18,000 and owe 10% to broker for sales fee. That money is going to the Apparatus and Equipment fund.

Steven Bluhm, N. DRA sent the letter on May 19 and it wasn't until October 11 was addressed. Comm. Gallant responded that DRA disallowed article 13. Our feeling was so what it doesn't affect the budget at all. Now we are acting upon that determination for other reasons. Mr. Bluhm also asked if there is a monthly penalty as far as the truck. Comm. Gallant stated 18%.

Steve Randall, N. Asked as far as monetary penalty for receiving truck late, are we in that period already. Comm. Gallant responded we had a 30 day grace period. Truck was ready 11/16/06, so grace period ends as of 12/16/06. \$152.67 per day after the 16th. Mr. Randall asked about the towns delaying sending out tax bills and taking out tax anticipation notes. What are the fire commissioners doing to reimburse the towns. Comm. Gallant responded that we haven't been approached by either town regarding that.

Foster Pevery, T., asked again about the minutes that proved that Chief was authorized to sign. Gretchen Wilder had copies of the minutes with her and gave them to Foster Pevery. Meeting continued.

Jon Powell, N. asked commissioners if the article as written states that at no time will money from tax dollars be used but come from the Apparatus and Equipment fund. Comm. Gallant confirmed that that was the intent of the Apparatus and Equipment fund.

Joyce Fulweiler asked to clarify we did originally ok the purchase of the truck. Also stated that money that goes to Apparatus and Equipment fund could be used to off set the tax rate.

Paul Beaudreau, T., asked if this isn't going to affect our tax rate why is it holding up the tax bills from going out. Comm. Gallant replied that DRA has indicated that there is the possibility that this body could vote to raise and appropriate through taxes an amount to liquidate the debt that would circumvent the intent of the body to use the Apparatus and Equipment fund which was established. It was on an outside chance to raise and appropriate some amount of money due on this truck that would definitely affect the tax rate and would impact this warrant article.

Gretchen Wilder (in answer to Foster Pevery's question on the "authorization for Chief to sign the contract) began to read the minutes from the March 6, 2006 District meeting. Comm. Gallant explained that it was in the commissioners monthly meeting minutes.

Foster Pevery, T. stated that if chief signed it and we don't have it in the minutes that he was authorized, then we wouldn't be liable for the contract.

Kevin Waldron commented on the agreement for the truck stating this was signed on March 16 and it states that delivery is in 250 days. Comm. Gallant responded that we did not know when it would be ready until we signed the contract. Mr. Waldron also wanted to know why we sold a front line piece before having the replacement yet. Asked how bad the situation is now and what about mutual aid.

Chief Carrier was asked to comment. Chief stated that there were a few questions there. Tanker was purchased with grant money with intentions of replacing engine 3. Engine 4, 1974 International, was taken out of service at that time and we kept engine 3 in service. We advertised engine 3 for sale prior to this issue we see today. That advertisement was posted and we actually dropped price down. We never had any idea that this truck would be delayed. We made the decision to make the sale and take the \$16,500 and take the chance until we took on the new truck. Also, we don't pay for mutual aid. We pay for dispatch services. Mutual aid takes up slack at times when a fire district has

major emergencies. Mutual aid doesn't run fire emergencies for other communities unless that community wants to make a contract and pay for services.

Bob Brown, T. made request for a call to question. Candy Robinson, T. seconded.

Moderator asked if there has been sufficient comment and asked the body for a vote. Affirmative vote passed by voice vote.

Moderator re-read the warrant article. He will open ballot box for 1 hour. Explained to voters to take green card out back to supervisors of checklist to get their ballot. Time being 7:58 he declared polls open. Polls will close at 9:05PM.

Poll booths and ballot box open for one hour.

Moderator asked body remaining if everyone had voted. Time being 9:05, Moderator closed the ballot box and asked the asst. moderators to count the ballots.

Moderator announced results. Supervisors of the check lists reported 54 Tilton voters registered to vote and 52 for Northfield, total of 106 being here. Total ballots cast equals 106. Count results: 69 yes, 37 no, making 106 votes in all. Would have taken 71 votes for a 2/3rds count. Article 1 is defeated.

Article 2, to transact any business that comes before the meeting. No other business brought up by the body.

Moderator asked for a motion to adjourn. Arlow Stanley, N. motioned to adjourn. Seconded by Dina Hunter, N.

Meeting adjourned at 9:24pm.

Minutes respectfully submitted,

Janine L. Vary
Clerk
12/12/06