



Town Of Pembroke

Sewer Commission

MONTHLY SEWER COMMISSION MEETING

DATE: May 28, 2019 TIME: 7:00 P.M. PLACE: 4 Union St.

1. Meeting Called to Order: 7:05 pm Harold asked for a roll call so everyone would know who everyone was:

Attendance: Commissioner Harold Thompson, Commissioner Jules (Andy) Pellerin, Commissioner Daniel Driscoll Paulette Malo, Operations Director, Richard Bean
Selectmen, Karen Yeaton, Budget Committee and Gerry Fleury

Unavailable:

Old Business: 4 Union St: Paulette explained that this meeting was called for the purpose of re-affirming the vote for the purchase of 4 Union St. Paulette had called Dan to ask if he was in favor of the purchase and he agreed on the phone. Paulette read the motion into the record from the May 20, 2019 meeting "Motion: Andy made the motion to match the offer of \$155,000.00 and buy 4 Union St Pending Dan's approval. If Dan disagrees the commission would not purchase the building. Harold seconded the motion. The Vote was 2 in favor, motion pending final vote of Dan. Dan stated that he agrees to purchase the building for \$155,000.00

Harold asked for a roll call vote for the motion to buy 4 Union St for \$155,000.00.

Andy: Yes

Dan: Yes

Harold Yes

The motion passed

Harold asked the audience if they had any questions or comments.

Gerry Fleury stated he was here out of concern more than anything else. Being on the Budget Committee they were given information on the operational cost of 4 Union St, which in most cases barely broke even. It was also a commercial real estate investment in the Town. The Town was not using it for its own purposes. A Budget Committee member Dan Crean who was able to site the legal authorization for the Town to retain that property as long as it did. It was the understanding of the Budget Committee that the Town no longer met that requirement. If the building lost money that would be on the backs of the taxpayers. My concern is what you have done to the people of this town is taken an enterprise that may or may not make money with the potential long term liability. We saw figures that showed it may take as

long as 20 years to recover the money that you would need to put into capital expenditures to keep the building safe and up to code. The Town decided that they did not want to get into that, it no longer had the authority to retain it and was getting out of the commercial real estate business. The Town's people voted at March meeting voted to allow the Town to get rid of that property. The action that the commission is taken now is the risk situation and instead of spreading it across the tax payers you are putting it across the rate payers who are sewer customers. There was also information given that other Town departments were providing services and not billing it. There was public works and the town administration carry on different functions. If you can't do that internally then you will need to hire outside and who is going to pay the cost because it will come back onto the rate payers. Gerry also stated that he is not unfamiliar with commercial buildings. I have run commercial buildings in the past, I'm currently in the capacity where we invest in commercial property. Unless you have prime property you are looking for trouble. Local management can be an issue, there have been parking issues here. Gerry also stated that he spent the last weekend reading the statutes to find out what authority a local water or sewer department have in owning its own property. If this building was being utilized by you and you were keeping equipment on it then I think you have a case, but as long as you continue a commercial real estate here I question whether you have the authority to do that. As an unofficial Budget committee member, if you had a business plan that showed the insurance cost that you will need to cover, the management issues and a maintenance plan to review then I would still question whether you have the authority under the statue. Gerry thanked the commission for giving him time to speak.

Harold stated that 1 comment that was made are we going to rent the build if we buy it. Harold stated that we do not need to rent the spaces. The sewer department by itself can afford the overhead of the building according to the figures we were given. The reason we want to buy the building is to have a permanent home for the sewer department. The sewer department has been in four different buildings through the years. From the Town Hall to the highway, Library. We are looking for a building we can call the Sewer Department. Would it be less money if we bought this building or a piece of land and build to house the office and equipment? We have been saving money for the purpose of having a permanent home. Yes, the highway department helps out here as well as we help them when lines are plugged.

Karen Yeaton restated what Mr. Fleury said about the Town meeting voting to sell the building. She also stated that the Sewer Commission did not have a business plan for the building. The potential of additional cost for the maintenance of the building.

Richard Bean stated that he was concerned as a tax payer that the wishes of the voters were not being met with the Sewer Commission purchasing the building.

Mr. Fleury thanked the commissioners for allowing them to express their thought and they all left the meeting.

After the 3 people from the public left the meeting Andy asked Paulette to read the section of the lease that had to do with the first right of refusal.

Action Item: Paulette will contact the attorney with three questions and ask for the response to be on the attorney's letter head.

1. Is there an RSA that does not allow the Sewer Commission to purchase property for the purpose of doing business?
2. Does the commission have a legal Right of First Refusal according to the lease and do the Selectmen have to honor it?
3. Can the Commission retain tenants if they should decide to?

7. Adjourn: 8:07 pm

Motion: Andy made the motion to adjourn

Seconded: Dan seconded the motion.

Vote: All in favor, motion passed

Respectfully Submitted,
Paulette Malo,
Operations Director