

Town of Milton  
Board of Selectman Workshop Meeting  
Wednesday, March 16th, 2016  
Milton Town Hall  
Meeting Minutes

**Members in Attendance:** Chairman Tom Gray, Andrew Rawson, Mike Beaulieu,

**Also in Attendance:** Fire Chief Nick Marique, Treasurer Pam Arnold, Interim Town Administrator Jeremy Bourgeois

Chairman Gray called the meeting to order at 4:30pm. The pledge of the allegiance was recited.

**Fire Station Bond** – Fire Chief Nick Marique, Treasurer Pam Arnold, and Interim Town Administrator Jeremy Bourgeois gave a summary of the options for bond financing:

NH Municipal Bond Bank- 20 years with reducing payments, the Town cannot pay off early, the bond goes out to bid in June, and the rate is an estimate and is not guaranteed. There would be a \$15,000 fee and a total of \$930,000 in interest payments.

Citizens Bank & Norway Bank- Not an option for the Town since the banks only finance bonds of 10 years or less.

Municipal Leasing Consultants (Grand Isle, VT) – Not an option for the Town since they only finance bonds of 10 years or less.

Municipal Leasing Credit Corporation (Overland Park, KS) – Offer a fixed rate of 3.2% and the Town could have the money within two weeks. The Town can schedule the first payment and payback structure as desired. This would allow the Town to reduce the bond repayment schedule from 20 years to 16 years. It's estimated that the Town would save over \$200,000 in interest payments by reducing it to 16 years. The total would be \$710,000 in interest payments. Annual payments would be stabilized for the Town for all 16 years (\$219,000 payment each year).

USDA- obligation certificate, 3.125% estimate of rate, more paperwork required than other lenders.

Chairman Gray stated a major sticking point regarding the project has been the amount of interest the Town would be responsible for.

Chief Marique stated the first payment should be due in June if the construction was to begin in May.

The Board had a phone conversation with Municipal Leasing Credit Corporation regarding their proposal. There were questions regarding a level principal vs. level interest payment as well as

some discussion regarding the initial first years payment under the wording of the warrant article. It was agreed that the Town would want a determination from bond counsel, NH Department of Revenue Administration, and the Town auditors.

The Board discussed whether or not the Town wants to look to hire a Clerk of the Works for the project. Chief Marique gave an overview of his research with other municipalities and resources. It was his understanding that with a good construction manager a Clerk of the Works is not necessarily needed. The Board decided that there is not money in the budget to hire a Clerk of the Works and have confidence in the Chief, construction manager, and experienced residents in Town.

Treasurer Pam Arnold went over the various funding options, including a bond anticipation note (BAN). She agreed to contact bond counsel to get some legal opinion regarding the bond funding. The consensus was to continue to research the various lending options and make a decision at a future meeting.

### **Adjournment**

M. Beaulieu made a motion to adjourn at 6:47pm. A. Rawson seconded. Motion carried.

Respectfully Submitted,



Jeremy Bourgeois  
Interim Town Administrator

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Chairman Tom F. Gray

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James Michael Beaulieu

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Andrew O. Rawson