ATTENDANCE: Rolf Olsen, Chairman; Sam Gifford, Selectman; Nathan White, Public Works Director; Don Willard, Town Manager; and Bob Harmon, Committee member.

OTHERS: None

1. Call to order: Rolf Olsen called the meeting to order at 7:00 pm at the Broadcast Studio.

MOTION: Bob Harmon motioned to approve the minutes from February 1, 2012.
Seconded by Sam Gifford.
VOTE: Unanimous


Mr. Olsen opened saying that there were two scenarios of $1 - $2 million for 10 years or $2 million for 15 years. He didn’t like the 15 year option because Raymond would be paying for it beyond the life of the road work done, and it would be more expensive. Mr. Willard offered $2 million for 10 years which will take some creative planning. He felt it was best not to go over 3 years for the use of the loan in any case. Mr. Harmon asked the up front cost from the bond bank. Mr. Willard replied there would not be any issuance cost, it would be built into the total bond. The bond bank does not allow for early payment. Mr. Harmon felt a commercial bank would have more flexibility. Mr. Willard noted that the Selectmen were studying whether they should sell the Patricia Avenue cell tower lot the proceeds from which could be used in part for roads.

Mr. White felt that $2 million would take care of the Cape Road, North Raymond Road, Mountain Road, Deep Cove Road, and Plains Road for overlay work. It would also help to do a good job on Valley Road. He wanted to be sure to put some funding into the operating budget in order to maintain the roads which are now well maintained. He added that a 10 year cycle might amount to less than $500,000 annually depending on the increased cost of materials.

Mr. Harmon offered that the first full year payment for a new bond would be about $270,000. Mr. Willard said that they first had to determine how much they needed to bond and then decide how they were going to pay for it. Mr. Harmon questioned the
amount of the current retiring bond. Mr. Willard said that payment could be a part of the amount of the retired bond and or a tax increase. Mr. White noted that with the new bond Raymond would probably not have to raise the $240,000 for roads for the 3 years of using the bond money. Mr. Olsen felt that there still should be some money put into the CIP possibly $100,000. It was felt that they could have a new bond as a separate vote by the citizens so they could decide whether they wanted to pay for it.

Mr. Harmon asked what the mil rate increase would be and whether there were any other items in the budget this committee should discuss. Mr. Willard said that the roads were now the primary concern for the budget. Mr. Olsen stated that short of bonding which binds the town to cover the debt service, there was no way to bind future select boards to a multiyear funding of a road improvement program.

Mr. White said that when an amount to be used was established he would bid out the work to private companies for selected roads. Mr. Olsen asked if we had sufficient staff to handle the project from an administrative and supervisory standpoint without having to add personnel. Both Mr. Willard and Mr. White advised that the current staffing could handle this without additional personnel. Mr. Willard said that the work would be overseen by Nathan White and possibly a company like Sebago Technics. Mr. White added that contract vendors for asphalt work were self monitored and they were not hard to oversee. Mr. Willard noted that they could use the $95,000 from the current retiring bond for roads and not increase the budget.

It was decided to ask Dick Ranaghan, Gorham Savings Bank, to meet with them, and Mr. Olsen would coordinate the time with the Committee. He noted that this bond would not be seen in the current budget but wait until the 2013-2014 budget year.

NEXT MEETING: To be determined.

ADJOURNMENT: Rolf Olsen adjourned the meeting at 7:37 pm.

Louise H. Lester
Town Clerk