

**TOWN OF ASHLAND
BOARD OF SELECTMEN
WORK SESSION
MONDAY, SEPTEMBER 16, 2019 at 6:30 p.m.
ASHLAND ELEMENTARY SCHOOL LIBRARY**

- I. PLEDGE OF ALLEGIANCE**
- II. PUBLIC HEARING** – Ashland Water rate and user charges
- III. CALL TO ORDER**
- IV. PUBLIC COMMENT (Agenda items only)**
- V. APPROVAL OF MINUTES**
 - a. BOS meeting(s); 9/3/19
- VI. NEW BUSINESS**
 - a. NH DOT – Bill Saffian, P.E. Bridge Design; Project #24904; Bridge #076/080 US 3/NH 25 over NH RR and Pemi River.
 - b. Memorandum of Understanding (MOU) – Ashland School District and Town of Ashland; Use of Facilities as Mass Care Shelters at Ashland Elementary School
 - c. Town Auditor selection
 - d. Ashland Headworks and Septage Receiving Project
 - i. Clean Water State Revolving Fund (CWSRF) terms of the loan agreement; change from a 10 year to 20-year loan.
- VII. OLD BUSINESS**
 - a. Town Manager updates
 - b. Board of Selectmen project list
- VIII. SELECTBOARD ITEMS**
- IX. PUBLIC COMMENT (Agenda items only)**
- X. NON-PUBLIC SESSION**
 - a. RSA 91-A: 3, II (a)
- XI. ADJOURN**

Posted on 9/13/2019 at the Town Office building and town website

The Ashland Board of Selectmen reserve the right to enter nonpublic session when necessary according to the provisions of RSA 91-A. Any person with a disabling condition who wishes to attend this public meeting and needs to be provided reasonable accommodations to participate, please contact the Ashland Town Office at 603-968-4432 so accommodations can be made. It is asked that such requests be made with prior notice.

1 The vote was delayed to this meeting for a few changes by legal counsel. Majority of
2 the Selectmen supported the agreement, which will be sent to Ashland Elementary for
3 finalizing.
4

5 **MOTION:** Selectman Sharps

6 *To enter into an agreement with the Ashland School District for the purpose of using*
7 *shared equipment.*

8 **SECOND:** Selectman Badger

9 **DISCUSSION:** Vice Chairman DeWolfe questioned the terms for use of the
10 equipment and did not support the agreement. Chairman Newton supported the
11 agreement to save taxpayers money and as a step toward working as one town.

12 **VOTE:** 3-1 (Vice Chairman DeWolfe voted nah)

13 **MOTION PASSED**
14

15 **V. SELECTBOARD ITEMS**

- 16 a. **Deliberative Session Location** – the Board took a revote on the deliberative session
17 as the prior vote did not mention the location of the session.
18

19 **MOTION:** Selectman Sharps

20 *To have the Town Meeting – Deliberative Session on Saturday, February 1st, 2020 at*
21 *10 a.m. in the Ashland School Gymnasium with a snow date of Saturday, February 8th,*
22 *2020.*

23 **SECOND:** Selectman Badger

24 **DISCUSSION:** Board members discussed having the meeting at the School
25 Cafeteria instead of the school gymnasium.

26 **VOTE:** 4-0

27 **MOTION PASSED**
28

- 29 b. **Ashland 4th of July Committee** – appointment terms and conditions. Town Manager
30 Smith reminded the Board the Selectmen needed to establish terms and conditions for
31 this committee. As when the committee was established the number of members and
32 appointment terms were not determined. The Selectmen discussed the liability risk for
33 the town having the event and whether the committee should be established under the
34 Board. The Selectmen requested the Town Manager invite members of the committee
35 to an upcoming Selectmen meeting for further discussion.
36

- 37 c. **Ashland resident memo** – Town Manager Smith read a memo from a town resident
38 that acknowledged the great work being done by Public Works and the Police
39 Department.
40

- 41 d. **Lakes Region Planning Commission; Transportation Advisory Committee**
42 **(TAC)** – the town appointment to TAC had expired. David Toth offered
43 reappointment, if needed, but felt the representation should be done by the Town
44 Manager and DPW Director.

- 45 e. **Selectman Sharps**

- 46 i. **Watershed Committee;** Selectman Sharps reported back to the Board about
the recent Watershed meeting. The committee has been focusing on

1 development around the lake and the affect this has on water quality.
2 Currently there is not build out around Ashland that could affect the shore and
3 water quality. Watershed Committee intends on doing a study to determine if
4 the development around the lake is affecting the water quality. Selectman
5 Sharps would like the study to include Ashland River.

- 6 1. **Ashland Planning Board** – the Watershed Committee has interests in
7 having Ashland and neighboring towns expand their lot sizes
8 requirements.
- 9 ii. **Legal procedures** –
 - 10 1. **Board of Selectmen meeting agenda; public comment section.**
11 Selectman Sharps felt in March 2020 when a new Board commences
12 the Selectman should revote on how they want to proceed with this
13 agenda item.
 - 14 2. **Duties of the Chairman** – Selectman Sharps requested a prior vote by
15 the Board about the duties of the Chairman. Selectman Sharps three
16 duties of the Chairman:
 - 17 i. Run the meeting
 - 18 ii. Maintain order
 - 19 iii. After a vote, sign documents on behalf of the Board
 - 20 a. **Rescinded motion;** *To rescind the vote of 2017 allowing any*
21 *Selectmen to declare a citizen disruptive and ask that person to*
22 *leave or ask an officer to remove a citizen, and rather observe*
23 *the superseding 'right-to-know' law giving that power only to*
24 *the Chair.* Board agreed this power should only be by the
25 Chairman.
 - 26 iii. **Railroad Celebration** – Selectman Sharps won't be available for the railroad
27 celebration and can't represent the Board at this upcoming event.
- 28 f. **Pemigewasset River Local Advisory Committee (PRLAC)** – Vice Chairman
29 DeWolfe reported back to the Board that the Towns of New Hampton and Plymouth
30 are considering adopting well protection ordinances, like what was passed by the
31 town.

32 33 **VI. NONPUBLIC SESSION**

- 34 a. **MOTION:** Selectman Sharps
35 *To enter nonpublic session pursuant to RSA 91-A:3, II (b).*
36 **SECOND:** Vice Chairman DeWolfe
37 **VOTE:** 4-0
38 **MOTION PASSED**
39 **ENTERED:** 7:16 p.m.
40 **RECONVENED:** 7:32 p.m.
41 **ANNOUNCEMENT:** Town Manager to offer the Building Inspector/Code
42 Enforcement position to an applicant.

43 44 **VII. ADJOURNED** – Board adjourned their meeting at 7:35 p.m.

45
46 *Town Manager Charles Smith wrote these meeting minutes on September 5, 2019.*



PUBLIC OFFICIALS MEETING

US ROUTE 3/NH ROUTE 25 BRIDGE OVER THE PEMIGEWASSET RIVER

ASHLAND - BRIDGEWATER

NHDOT BRIDGE NO. 076/080

NHDOT PROJECT NO. 24904

FEDERAL AID PROJECT X-A003(003)

SEPTEMBER 16, 2019



Ashland – Bridgewater

US Route 3/NH Route 25 Bridge



PRESENTATION OUTLINE

- Location Map
- Existing Bridge Information
- Inspection Findings
- Rehabilitation & Traffic Control Alternatives
- Cultural & Natural Resources
- Abutters & Right-of-Way
- Your Input is Needed
- Next Steps
- Anticipated Schedule
- Questions

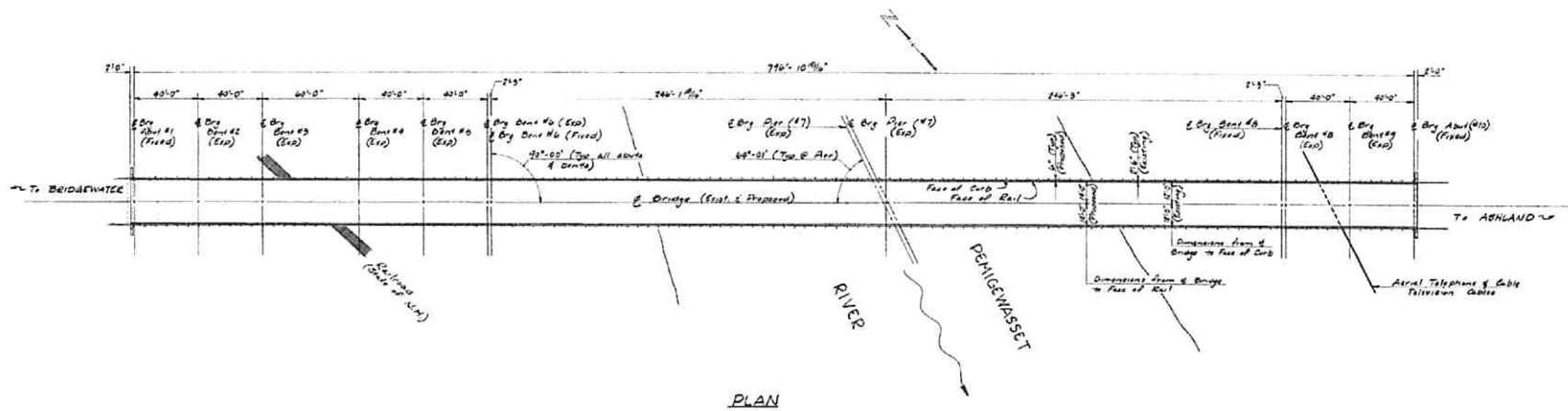
LOCATION MAP



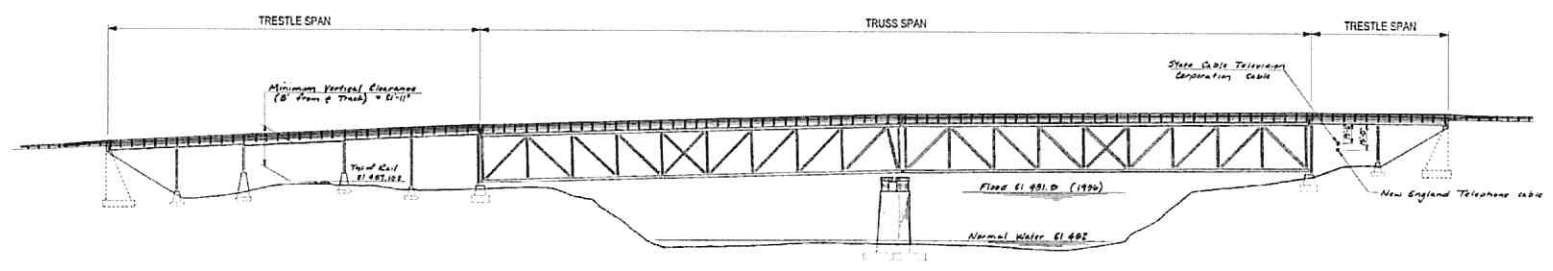
Ashland – Bridgewater
US Route 3/NH Route 25 Bridge



PLAN AND ELEVATION VIEW



PLAN



ELEVATION

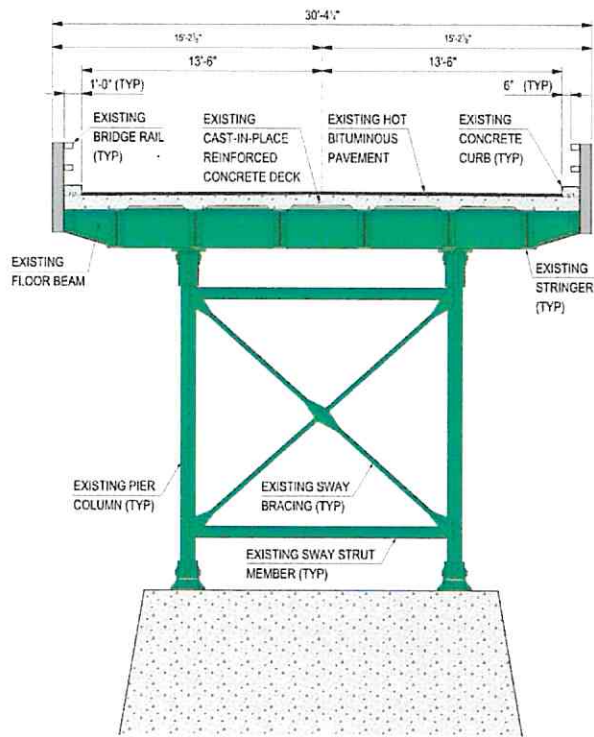
EXISTING BRIDGE INFORMATION

- Bridge constructed in 1937 & Rehabilitated in 1987
- Bridge Type:
 - 7 Approach Spans: Rolled Beam Stringer & Floorbeam Trestle
 - 2 Main Spans: Straight Back Pratt Steel Deck Truss
- Approach Span Bridge Deck: Reinforced Concrete
- Truss Span Deck: Steel Grid Filled with Concrete
- Substructures: Reinforced Concrete Abutments, Steel Bents and River Pier
- Roadway Width: 27'-0"
 - 2 – 12'-0" Travel Lanes & 1'-6" Shoulders

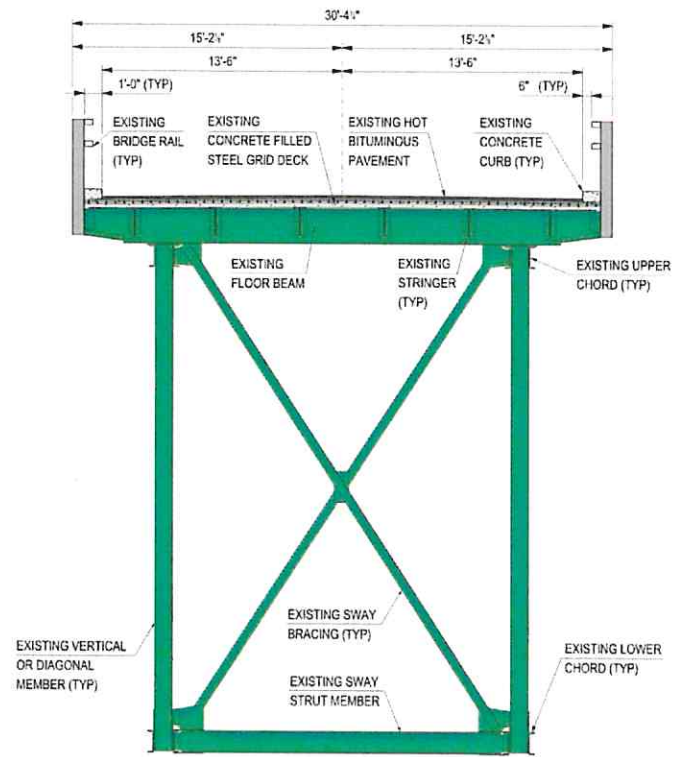
EXISTING BRIDGE INFORMATION

- Overall Length: 800'-11"
- Varying Span Lengths:
 - Approach Spans 1, 2, 4, 5, 8 and 9 = 40'-0"
 - Approach Spans 3 and 4 = 60'-0"
 - West Truss Span (Span 6) = 252'-8"
 - East Truss Span (Span 7) = 240'-0"
- Number of Expansion Joints = 3
 - Located at Piers 6, 7 and 8

SECTION VIEW



EXISTING TRESTLE SPAN SECTION
SCALE: 1" = 1'-0"



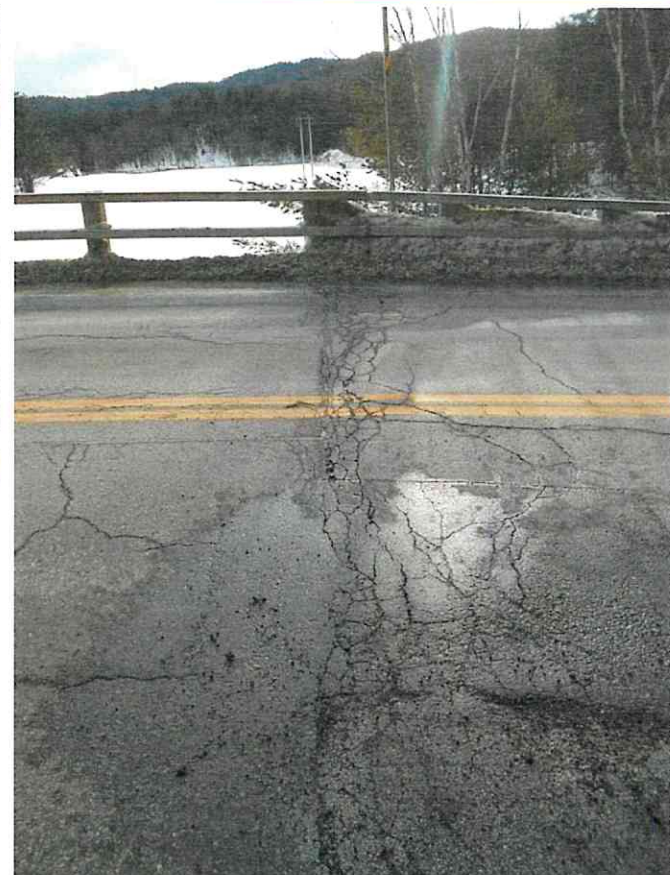
EXISTING TRUSS SPAN SECTION
SCALE: 1" = 1'-0"

INSPECTION FINDINGS

- National Bridge Inspection Standard Condition Ratings
 - 9 = Excellent
 - 0 = Failed Condition - Closed
- Overall bridge condition is rated 5 or fair.
 - Deck condition is rated 6 or satisfactory.
 - Superstructure condition is rated 6 or satisfactory.
 - Substructure condition is rated 5 or fair.

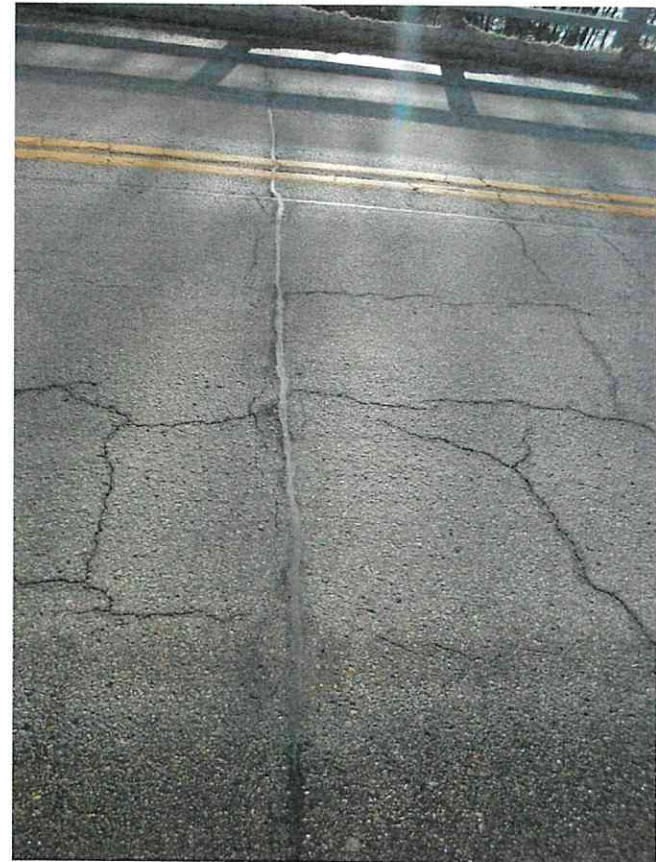
TRESTLE SPAN BRIDGE DECK & PAVEMENT DETERIORATION

Bridge deck pavement cracking throughout.



TRUSS SPAN BRIDGE PAVEMENT DETERIORATION

Bridge deck
pavement
cracking
throughout



TRUSS SPAN BRIDGE DECK DETERIORATION

- Deck overhang barrier membrane has failed & the concrete is in poor condition resulting in leakage.
- Deck overhang grid members have significant rusting and section loss.
- Grid members moderate to heavy rusting extends into interior bays.



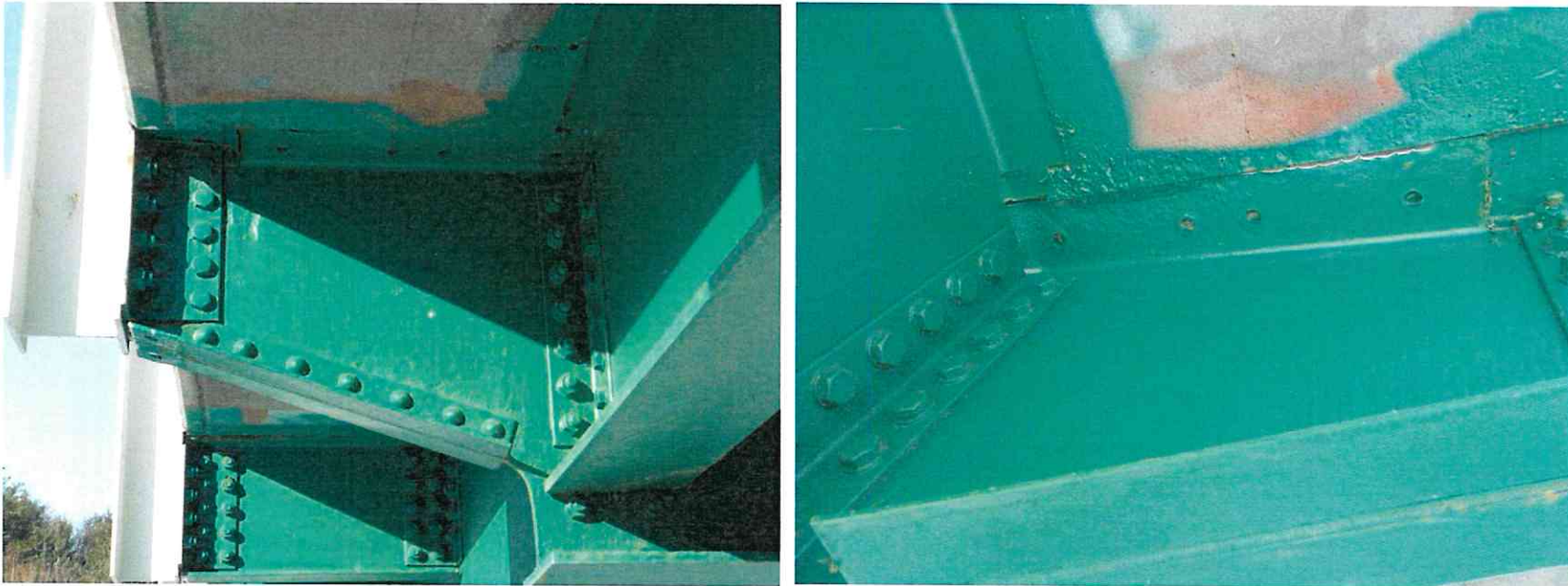
EXPANSION JOINT DETERIORATION

Damaged and leaking expansion joints.



TRESTLE SPAN FLOORBEAM DETERIORATION

Trestle span members have some section losses.



TRUSS SPAN FLOORBEAM DETERIORATION

- Truss members light to moderate rusting below expansion joints.
- Truss floorbeams exhibit varying degrees of rusting & section loss.



TRUSS MEMBER CONDITION

Truss members are rusting & have section losses.



TRUSS BEARING CONDITION

Truss bearings are rusting & have section losses.



WEST ABUTMENT DETERIORATION

Abutment
concrete spalling
& cracking.



TRESTLE SPAN PIER DETERIORATION

Land Pier
concrete
spalling &
cracking.



RIVER PIER DETERIORATION

- River Pier concrete significant areas of spalling and cracking.
- River Pier has areas of exposed reinforcing steel exhibiting heavy rusting and section loss.



EAST ABUTMENT DETERIORATION



Abutment
concrete spalling
& cracking.



REHABILITATION ALTERNATIVES ANALYSIS

- Bridge rehabilitation is feasible based on:
 - Current condition of bridge.
 - Deterioration type and level of section losses observed.
 - Expected remaining service life.
- Rehabilitation will extend service life until additional funding is available and replacement is needed.

REHABILITATION ALTERNATIVES ANALYSIS

- Bridge rehabilitation alternatives analysis will consider and evaluate:
 - Bridge rail replacement.
 - Trestle & Truss Span deck repairs & modification.
 - Truss Span bridge deck replacement.
 - Truss member & floor system repairs.
 - Expansion joint replacement.
 - Paint touchup.
 - Abutment & pier repairs.

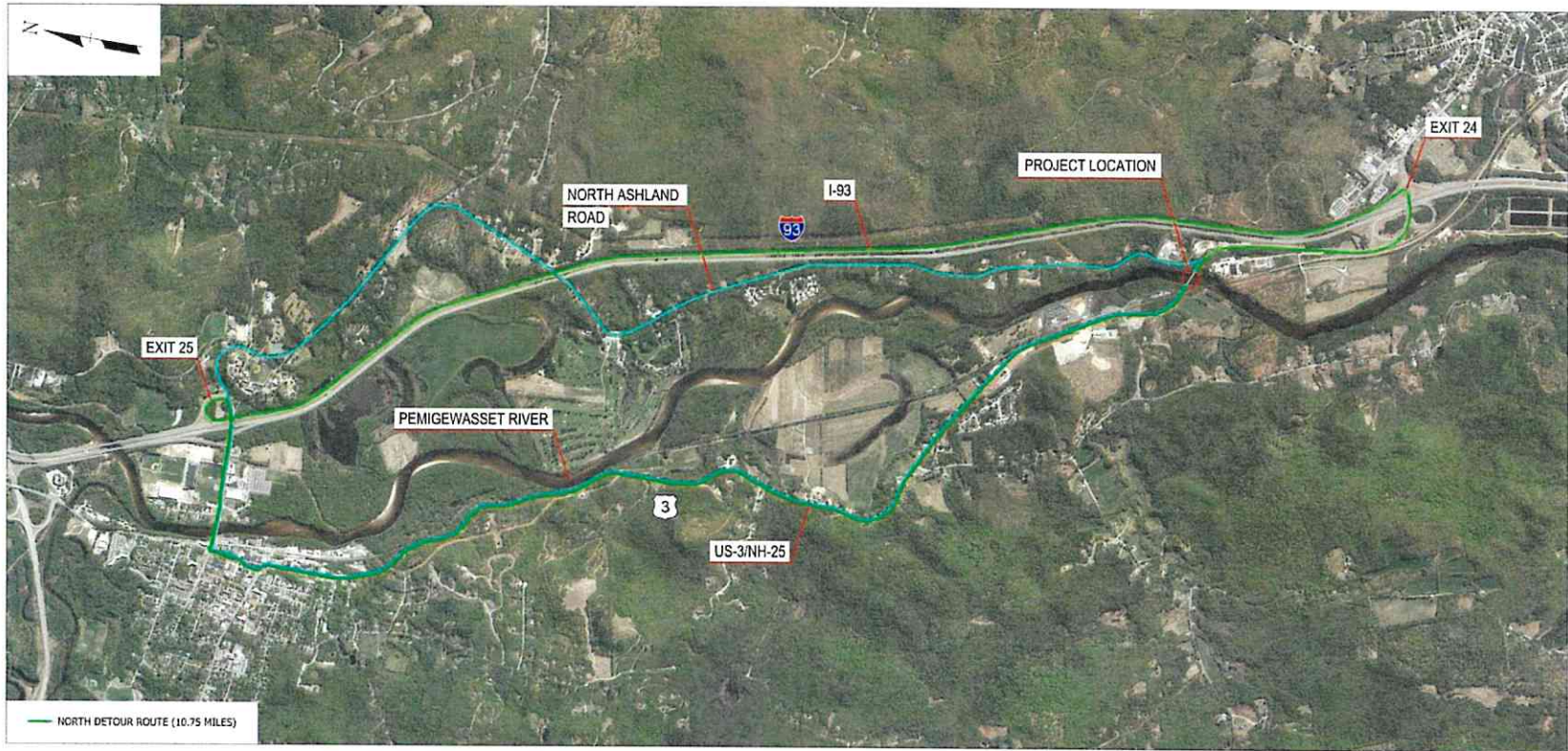
REHABILITATION ALTERNATIVES ANALYSIS

- Rehabilitation alternatives evaluation will include:
 - Initial construction and lifecycle cost.
 - Traffic impact.
 - Public safety.
 - Environmental impacts.
 - Property impacts.
 - Extending remaining service life.
 - Public input.

TRAFFIC CONTROL ALTERNATIVES

- Phased construction.
 - One lane of alternating two-way traffic.
- Bridge closure with detour (one end of the bridge to the other end of the bridge):
 - North detour route is ~11 miles.
 - South detour route is ~18 miles.
- Temporary bridge and diversion not feasible due to bridge length and cost.

POTENTIAL NORTH DETOUR ROUTE



POTENTIAL SOUTH DETOUR ROUTE



CULTURAL RESOURCES

- Project must follow Section 106 of the National Historic Preservation Act
- Section 106 requires consideration of cultural resources, including historic buildings, structures & archaeological deposits
- The NH Division of Historical Resources (NHDHR) acts as the State Historic Preservation Office (SHPO)

CULTURAL RESOURCES

- Architectural historian:
 - Reviews the project area to identify potential impacts to historic buildings or structures
- Archaeologist:
 - NHDHR will confirm if there are any archaeological concerns within the anticipated project area

CULTURAL RESOURCES

- Information reported to NHDOT and NHDHR for technical review and consultation, including a *Determination of Effect if any Cultural Resources are Found*.
- Interested persons or organizations may request “*Consulting Party*” status from FHWA:
 - Contact Jamie Sikora
 - (603) 401-4870
 - jamie.sikora@fhwa.dot.gov

NATURAL RESOURCES ABUTTERS & RIGHT-OF-WAY

- Natural Resources
 - Check project limits for natural resources.
- Abutters & Right-of-Way
 - We currently do not anticipate any property rights needed
 - Temporary easements for construction access may be required

YOUR INPUT IS NEEDED

- Abutter concerns
- Emergency response routes
- Mutual aid from/to adjacent towns
- School bus routes
- Bicycle usage
- River recreational use
- Local events and impacts
- Bridge safety concerns
- Other concerns

NEXT STEPS

- Evaluate rehabilitation alternatives
- Cultural & natural resource agencies presentation to get input & comments
- Hold 2nd Public Information Meeting to present recommended rehabilitation alternative
- Complete National Environmental Policy Act (NEPA) Process for environmental permitting
- Develop preliminary plans
- Develop contract plan & documents

ANTICIPATED SCHEDULE



QUESTIONS



MEMORANDUM OF UNDERSTANDING

Between Ashland School District and the Town of Ashland

Concerning

USE OF FACILITIES AS MASS CARE SHELTERS

1. Purpose:

This agreement is made and entered into between the Ashland School District in Ashland, New Hampshire and the Town of Ashland NH in regard to the use of the Ashland Elementary School at 16 Education Drive, and the Gymnasium at 27 Highland Street.

2. Recitals:

To help fulfill its obligation of preparing for and providing immediate response to disasters, the Town of Ashland provides services on behalf of individuals and families who are victims of disaster.

The Principal or designee of the Ashland School District is authorized to permit the Town of Ashland to use District facilities and grounds as mass care shelters in the conduct of the Town of Ashland's activities, and wishes to cooperate with the Town of Ashland for such purposes.

3. Agreement: The parties hereto mutually desire to reach an understanding that will result in making the facilities of the Ashland School District available to the Town of Ashland for use during disasters. It is mutually agreed between the parties as follows:

- a) The Ashland School District agrees that, after meeting responsibilities to its constituents, it will permit, to the extent of its ability and upon request by the Town of Ashland, the use of its physical facilities by the Town of Ashland as mass shelters for victims of disasters.
- b) The Town of Ashland agrees that it shall exercise reasonable care in the conduct of its activities in the District's facilities and further agrees to replace or reimburse the District for any foods or supplies used by the Town of Ashland in the conduct of its activities in the shelters.
- c) Notwithstanding any other agreements, the Town of Ashland agrees to defend, hold harmless, and indemnify the Ashland School District against any legal liability in respect to bodily injury, death, and property damage arising from the negligence of the Town of Ashland during the use of the property belonging to the District.

4. Witness. In witness thereof, the Ashland School District has caused this agreement to be executed by the Principal of the Ashland Elementary School, and the Town of Ashland has caused this agreement to be executed by the Chairperson of the Board of Select, said agreement to become effective and operative upon the fixing of the last signature hereto.

Date:

Date:

Signature:

Chairman

Ashland School Board

Signature:

Chairperson, Board of Select

Town of Ashland, NH

**Town of Ashland
Board of Selectmen
Agenda Report**

Date: Monday September 16th, 2019

To: Board of Selectmen

From: Town Office

Subject: Town Auditor selection

Background: our current contract with Melanson & Heath expired after the firm completed the 2018 audit. Town Office solicited proposals from two other firms to conduct this year's audit.

Proposals are as follows:

- 1) Melanson & Heath
 - a. Total \$27,000 for calendar year 2019 (Town: \$15,000, Electric: \$6,500, Water/Sewer: \$5,500)
 - b. If we extend the current agreement for two calendar years Melanson & Heath would reduce the total cost to \$19,000 per year.

- 2) Vachon, Clukay, & Company
 - a. Total \$20,900 for the Town and enterprise funds (Water/Sewer, Electric) for FY19-FY21
 - b. Will lower fee if the actual work is charged lower

- 3) Plodzick and Sanderson, P.A.
 - a. Total \$19,000 for 3 years FY19-FY21 with two additional one-year options

Recommended motion: *To enter into an agreement with Plodzick and Sanderson, P.A. for the purpose of conducting the town's annual financial audit.*

Fiscal Impact: estimate \$19,000 year

PROPOSAL FOR AUDITING SERVICES FOR

TOWN OF ASHLAND

FOR THE FISCAL YEARS ENDING
DECEMBER 31, 2019, 2020, AND 2021
WITH OPTION OF TWO SUBSEQUENT YEARS 2022 AND 2023

SUBMITTED BY:

Plodzik & Sanderson, P.A.

193 North Main Street
Concord, New Hampshire 03301
Telephone No. (603) 225-6996
mcampo@plodzik.com



Contact Person:

Michael J. Campo, CPA, MACCY
Director



Date Resubmitted:
July 1, 2019

PROPOSAL FOR AUDITING SERVICES FOR

TOWN OF ASHLAND

FOR THE FISCAL YEARS ENDING
DECEMBER 31, 2019, 2020, 2021

WITH OPTION OF TWO SUBSEQUENT YEARS 2022 AND 2023

TABLE OF CONTENTS

	<u>PAGE</u>
<i>LETTER OF TRANSMITTAL</i>	1 - 2
 <i>PROFESSIONAL EXPERIENCE AND QUALIFICATIONS</i>	
The Firm.....	3
Licensure.....	3
Professionals Assigned to Audit.....	3 - 7
Additional Staff.....	8
Firm’s Policy on Notification of Changes in Key Personnel.....	8
Use of Sub-Contractors.....	8
Independence.....	8
Ethics in Public Contracting.....	9
Debarment Status.....	9
Similar Engagements with Other Governmental Entities.....	9
Quality Control Procedures.....	10
 <i>SERVICES TO BE PROVIDED</i>	
Scope of Services.....	11
Audit Work Plan.....	12 - 15
Plan for the Audit of the Town’s Basic Financial Statements.....	15
Sample Size and use of Statistical Sampling Techniques.....	16
Extent of use of EDP in Engagement.....	16
Type and Extent of Analytical Procedures to be Used in Engagement.....	16
Approach to be Taken in Determining Laws and Regulations that will be Subject to Test Work.....	17
Approach to be Taken to Gain and Document an Understanding of the Town’s Internal Control.....	17
Meetings.....	17

PROPOSAL FOR AUDITING SERVICES FOR

TOWN OF ASHLAND

FOR THE FISCAL YEARS ENDING
DECEMBER 31, 2019, 2020, 2021

WITH OPTION OF TWO SUBSEQUENT YEARS 2022 AND 2023

	<u>PAGE</u>
Nature of Town's Assistance to Auditor During Audit.....	17
Other Services.....	18
Tentative Schedule	18 - 19
 <i>FEE STRUCTURE</i>	
Estimates	20
Manner of Payment.....	20
 <i>ADDITIONAL INFORMATION</i>	 21

ATTACHMENT

Appendix I – Peer Review Letter



May 14, 2019

James A. Sojka, CPA*

Sheryl A. Pratt, CPA***

Michael J. Campo, CPA, MACC*

Edward T. Perry, CPA

Donna M. LaClair, CPA**

Ashley J. Miller, CPA, MSA

Tyler A. Paine, CPA***

Kyle G. Gingras, CPA

Ryan T. Gibbons, CPA, CFE

Derek M. Barron, CPA

Scott T. Fagan, CPA, CFE

Sylvia Y. Peuro, MSA

* Also licensed in Maine

** Also licensed in Massachusetts

*** Also licensed in Vermont

To the Members of the Board of Selectmen
and Charles Smith, Town Manager
Town of Ashland
20 Highland Street
Ashland, NH 03217

Dear Members of the Board of Selectmen:

Thank you for the opportunity to submit this proposal to the Town of Ashland to provide the external audit services for fiscal years ending December 31, 2019, 2020, and 2021. Based on our experiences auditing various Towns, as well as various other municipal entities, I am confident Plodzik and Sanderson, P.A. can provide the Town of Ashland with a level of service from a certified public accounting firm the Town is seeking.

Our success has been driven by utilizing staff that is experienced and well trained exclusively in governmental operations. Plodzik & Sanderson, P.A. recognizes that its most important product is prompt and efficient service of the highest quality. We know that communication, expertise, education, and audit approach are important factors in the Town's relationship with an audit firm. We have addressed each factor as follows:

- **Communication** – A component of our philosophy is that we will assist clients in reaching their maximum potential by open communications and teamwork. This means we will do the following for you:
 - Present a clear audit plan prior to commencement of fieldwork.
 - Provide an exit conference with the Board of Selectmen, Town Manager, and Finance Officer that not only addresses audit issues, but offers suggestions to make your work easier.
 - Return phone calls and emails promptly.
 - Respond to phone calls and routine questions without additional charge.
- **Expertise and Experience of our Team** – We believe that our experience with governmental entities is greater than most other certified public accounting firms.
 - We audit 163 units of government in the State of New Hampshire, and have government audit experience in Maine and Vermont.
 - Our 14 dedicated staff members devote 95 percent of their time to government services.
 - In total, we spend over 27,000 hours annually serving governments similar to yours.

PLODZIK & SANDERSON, P.A.
Certified Public Accountants

- **Team Education and Resources** – Plodzick & Sanderson, P.A. is committed to providing a team environment that fosters growth and development through continuous training and learning. The following demonstrates our commitment to professional training:
 - Members of Plodzick & Sanderson, P.A. have lead seminars for New Hampshire and Tri-State Association of School Business Officials, New Hampshire Government Finance Officers' Association, the New Hampshire Municipal Association, the New Hampshire School Administrators Association and the New Hampshire Tax Collector's Association.
 - Plodzick & Sanderson, P.A. provides seminars to our clients such as basic bookkeeping of the government accounts when weaknesses are identified during the audit. These seminars will reinforce the proper accounting and internal control methodologies to be followed.
 - Directors and members of senior management mentor staff and ensure they receive customized training appropriate for your government.
- **Audit Approach** – Our approach to an audit is heavily dependent on risk-based audit standards and communication.
 - We will obtain an updated understanding of the Town and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures.
 - Analytical procedures will be applied to some extent to assist in planning the nature, timing and extent of other audit procedures.
 - We will analyze current financial information and compare it with prior periods to measure trends.
 - We will design and perform substantive procedures for all relevant assertions related to each material class of transactions, account balances, and disclosure.

If awarded the contract, Plodzick & Sanderson, P.A. agrees to provide the services set forth in this proposal and at the fees/prices set forth herein. Thank you again for this opportunity to submit our audit proposal to you. If you have any questions, please do not hesitate to contact me.

Sincerely,



Michael J. Campo, CPA, MACCY
Director





PROFESSIONAL EXPERIENCE AND QUALIFICATIONS

The Firm

Our Firm has been a leader in the municipal sector since the Firm was founded in 1975 by Stephen Plodzick and Robert Sanderson. The Firm provides auditing, accounting, forensic, taxation, consultation, and management advisory services to a wide range of governmental, commercial, and non-profit organizations throughout New Hampshire.

We are committed to providing high quality audit services to local municipalities and governmental agencies in New Hampshire. We are considered a leader in the governmental auditing area because of our unmatched level of expertise and years of experience in governmental auditing services. Our professional staff members recognize and understand the needs of local officials and the issues facing management of governmental entities.

The office of Plodzick & Sanderson, P.A. is located at 193 North Main Street, Concord, New Hampshire from where the Town's audit will be conducted.

Licensure

Plodzick & Sanderson, P.A. is in compliance with the State of New Hampshire licensing standards for accountants in public practice as outlined in NH RSA Chapter 309-A. All licensed accountants meet these requirements.

Professionals Assigned to Audit

Plodzick & Sanderson, P.A. maintains a dedicated staff of governmental accountants and auditors as well as a commercial staff that provides accounting and audit support to the governmental division throughout the year. An overview of our Firm is as follows:

	<u>Governmental</u>	<u>Commercial</u>	<u>Total</u>
Directors	2	2	4
Senior Manager	1	-	1
Managers	4	2	6
Other Professional Staff	7	1	8
	<u>14</u>	<u>5</u>	<u>19</u>

Staff that would be assigned to an engagement are trained and experienced in the procedures required, and are continually supervised.





We anticipate that the following individuals will comprise the audit team:

Michael J. Campo, CPA, MACCY – Director In-Charge



Biography

Michael J. Campo has been a governmental auditor with Plodzik & Sanderson, P.A. since 2004, and was promoted to Senior Auditor in 2008, to Senior Manager in 2013, and became a Director in 2016. During this time, he has performed audits of the financial statements of towns, cities, school districts, school administrative units, village districts, water precincts, federal grant programs, and special governmental entities.

Qualifications

Over 15 years of experience auditing local governments in New Hampshire

Over 90 percent of billable time relates to governmental clients

Professional Memberships/Involvement

New Hampshire Government Finance Officers Association

New Hampshire Association of School Business Officials

NH GFOA Training Committee

New Hampshire Society of Certified Public Accountants (NHSCPA)

Member of the American Institute of Certified Public Accountants (AICPA)

AICPA Emerging Partners Program

Small Business Administration Emerging Leaders Program

Plymouth State University Business Advisory Board

Education

Graduated from Plymouth State University,
B.S. Degree in Accounting and a minor in Economics

Graduated from Rutgers University,
Masters degree in Governmental Accounting

Continuing professional education as required by AICPA and GAO



Tyler A. Paine, CPA – Manager In-Charge



Biography

Tyler A. Paine has been a governmental auditor with Plodzick and Sanderson, P.A. since 2009, and has been a Manager with the organization since 2013. During this time, he has performed audits of the financial statements of towns, cities, school districts, school administrative units, village districts, water precincts, federal grant programs, and special governmental entities.

Qualifications

Over 9 years of experience auditing local governments in New Hampshire

Over 90 percent of billable time relates to governmental clients

Education

Bachelor of Science in Accounting from Plymouth State University in New Hampshire

Continuing professional education as required by AICPA and GAO



Sherry D. Bradstreet – Federal Grants Compliance Manager



Biography

Sherry D. Bradstreet has been a governmental auditor with Plodzik & Sanderson, P.A. since 2006, and has been the Firm's Federal Grants Compliance Manager with the organization since 2016. During this time, she has performed audits of the financial statements of towns, cities, school districts, school administrative units, village districts, water precincts, federal grants programs, and special governmental entities. She specializes OMB Circular A-133 Federal compliance audits, and is well respected throughout the State of New Hampshire as a leading expert in this field.

Qualifications

Over 12 years of experience auditing local governments in New Hampshire

Over 90 percent of billable time relates to governmental clients

AICPA Advanced Single Audit Certificate

Education

Graduated from Champlain College with an Associate Degree in accounting

Graduated summa cum laude from Southern New Hampshire University with a Bachelor of Science degree in accounting

Continuing professional education as required by AICPA and GAO



Proposal for Auditing Services

Justin Larsh – Staff Auditor

Biography

Justin M. Larsh has been a governmental auditor with Plodzik and Sanderson, P.A. since 2018. During this time, he has performed audits of the financial statements of towns, cities, school districts, school administrative units, village districts, and special governmental entities.

Qualifications

1 year of experience auditing local governments in New Hampshire

Currently sitting for Certified Public Accounting Exam (Passed 1 of 4 sections)

100 percent of billable time relates to governmental clients

Education

Bachelor of Science in Accounting from Plymouth State University

Continuing professional education as required by AICPA and GAO





Additional Staff

Our pool of additional staff governmental accounting specialists who are available to assist on the engagement are listed below:

Ashley Miller, CPA, Manager - 10 years experience auditing local governments in New Hampshire

Kyle Gingras, CPA, Manager - 9 years experience auditing local governments in New Hampshire

James Plodzick, Municipal Services Coordinator – 18 years experience auditing local governments in New Hampshire

Carol Kenneson, Staff Auditor – 10 years experience auditing local governments in New Hampshire

Rebecca Weldon, Staff Auditor – 3rd year auditing local governments in New Hampshire

Julian Omeally, Staff Auditor – 2nd year auditing local governments in New Hampshire, and 1 year experience auditing local governments in Massachusetts.

We will also plan on bringing up to 3 staff members to assist with the audit.

Firm's Policy on Notification of Changes in Key Personnel

While the intent of the firm is to reassign the same staff to return engagements each year, this may not be possible for unforeseen reasons at the time this proposal is prepared. However, we will notify the Town Manager and Finance Officer in writing of any changes in personnel, either supervisory, or staff level and would allow the Town the right to approve or reject replacements.

Use of Sub-Contractors

Plodzick & Sanderson does not utilize sub-contractors.

Independence

Plodzick & Sanderson, P.A. has internal operating procedures to insure its independence from current and potential clients. We accomplish this through continuous monitoring, and by requiring written documentation from each member of our staff annually. Our Firm shall give the Town written notice of any relevant professional relationships entered into during the period of this agreement.

Plodzick & Sanderson, P.A. is independent of the Town as defined by auditing standards generally accepted in the United States.





Proposal for Auditing Services

Ethics in Public Contracting

Plodzick & Sanderson, P.A. certifies that our proposals are made without collusion or fraud and that we have not offered or received any kickbacks or inducements from any other auditor, supplier, manufacturer, or subcontractor in connection with our proposals, and that we have not conferred on any Town employee having official responsibility for this procurement transaction, any payment, loan, subscription, advance, deposit of money, services, or anything more.

Debarment Status

Plodzick & Sanderson, P.A. certifies that we are not, or have ever been, debarred from submitting bids or proposals on contracts by any agency of the State of New Hampshire and the federal government, nor are we an agent of any person or entity that is currently debarred from submitting bids on contracts by any agency of the State of New Hampshire for the federal government.

Similar Engagements with Other Governmental Entities

We have long-term relationships with many towns in New Hampshire. Three of our town clients, listed below, would be a good representation of audit clients. All have Director, Senior Manager, or Manager staffing for the fieldwork process.

- 1. Town of Salem** (603) 895-2040
Ms. Nicole McGee
Finance Director
- 2. Town of Fremont** (603) 895-2226
Ms. Heidi Carlson
Town Administrator
- 3. Town of Brentwood** (603) 642-6400
Ms. Karen Clement
Town Administrator

In addition to the valued clients listed above, we work with many governmental clients. Our client retention history has been excellent and several of the governments have been clients for more than 30 years.





Quality Control Procedures

Plodzick & Sanderson, P.A.'s Quality Control System is designed to assure full and proper completion of audit objectives. This quality control system is fully documented and addresses the issues of independence, assigning personnel to engagements, consultation, supervision, hiring, professional development, advancement, acceptance and continuation of clients, and inspection to ensure that the system is functioning properly. Plodzick & Sanderson, P.A. is a voluntary participant in the American Institute of Certified Public Accountants' Quality Review Program, which requires an outside review every three years and has received a rating of pass each time (see Appendix I). In addition, we are members of the AICPA's Governmental Audit Quality Center which promotes the importance of quality governmental audits.

The following is a partial listing of our procedures. If you wish, we would be pleased to discuss our quality control system with you further.

- Personnel are assigned to engagements on the basis of experience and engagement manpower requirements.
- Our audit programs are comprehensive and designed to test for accounting and statutory compliance in an efficient manner. They are continually evaluated by directors and senior staff, and modifications are made as needed.
- We hold a pre-audit planning meeting including all members of the audit team for the purpose of minimizing the individual learning curves and discussing the optimum procedures, which will meet client needs.
- Upon completion of the entire audit to the satisfaction of the Manager, the Director-In-Charge reviews the completed audit once again with the audit team to determine that the objectives have been met and that the conclusions have been clearly presented.
- We hold an exit conference with the client to detail the use of the audit reports, if requested.
- In addition to professional requirements for continuing education, our senior level staff, and directors meet periodically to discuss current accounting and related legal or regulatory issues facing clients.
- Formal workshops are held for our governmental auditors.
- We have a good rapport and reputation with State and Federal agencies with whom we communicate on a regular basis.





SERVICES TO BE PROVIDED

Scope of Services

Plodzick & Sanderson, P.A. agrees to meet or exceed the following performance specifications:

1. We shall perform a financial and compliance audit of all funds reported in the Town's financial statements, in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants (AICPA), and the standards set forth by the General Accounting Office (GAO).

In addition, upon completion of the financial audit, we will prepare and submit the Form MS-535 to the State of New Hampshire Department of Revenue Administration and provide a copy for the Town.

The audit shall be conducted to satisfy the requirements of the State of New Hampshire Department of Revenue Administration and applicable State and Federal laws and regulations.

2. In connection with the examination of the records and financial statements, we shall review the system of internal control, operating procedures, and compliance with budgetary and legal requirements by the Town.

This review of internal control will include a review of the related processing controls with respect to data processing operations.

This review will also include but not be limited to the areas of physical security, system and program documentation, input/output controls, and controls over use and retention of electronic files.

3. We shall perform a financial and compliance audit in accordance with the Single Audit Act of 1996 and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, if applicable.
4. We view our engagements with the Town as ongoing professional relationships in which we will provide occasional advisory services, as needed, during the course of each year. As such, we will consult as required on auditing, accounting, financial reporting, and operating questions, which may arise during the course of each year. In addition, we will provide the Town with information on current developments, including upcoming pronouncements, which would affect the Town's financial operations.
5. We agree to make available all working papers upon request, to meet any Town financial need, as well as in accordance with any Federal or State grant provision. Working papers will be kept for five years from the submission of the final audit report.
6. The Manager In-Charge will hold an entrance conference with Town officials to confirm or adjust the objectives, and to discuss our requirements and procedures with the Town's staff so that it can cooperate comfortably.
7. The Director In-Charge of the audit will be available to attend public meetings at which the audit report may be discussed. The Director and/or Manager In-Charge of the audit will also be available to discuss the audit report or other reports required by the request for proposal with the Town's financial staff as required.





Audit Work Plan

Our audit plan for each of the fiscal years involves six (6) stages for each audit. These stages are:

- Stage 1** Planning
- Stage 2** Risk Assessment
- Stage 3** Preparation of the Overall Audit Plan
- Stage 4** Conducting the Interim Audit
- Stage 5** Conducting the Final Audit
- Stage 6** Reporting

Stage 1 Planning

Plodzick & Sanderson, P.A. will meet with key staff to plan the audit services for the year. These meetings will discuss all audit issues and the proposed interim work plan. During this phase, we will accomplish:

- Identifying the key personnel and contacts in the accounting and other departments.
- Identify the Town's significant classes of transactions and operating processes.
- Obtain an understanding of the risk areas.
- Developing an understanding of unusual transactions or events that have occurred during the fiscal year.
- Finalizing the timeframes for interim fieldwork.

Stage 2 Risk Assessment

Based upon the information obtained in the planning meetings Plodzick & Sanderson, P.A. will perform a risk assessment as required by Statements on Auditing Standards (SAS) to be used in the preparation of the overall audit plan. As part of this risk assessment we will perform the following:

1. Obtain an understanding of the entity, its environment, and its risks.
2. Obtain an understanding of the entity's internal controls.
3. Preliminary analytical review, determination of preliminary materiality levels.
4. Analysis of known misstatements, if any.
5. Consideration of risk of material misstatement at the individual account balance, class of transactions, and disclosure level.
6. Assessing the risks of material misstatement at both the financial statement and relevant assertion levels.





Proposal for Auditing Services

Stage 3 Preparation of the Overall Audit Plan

Once the planning and risk assessment process are complete, the overall audit plan will be prepared. The plan will specify each audit task, staffing assignments, and timelines. The audit plan will include the transaction cycles which have been selected for internal control testing and of those for which only the detailed walk through will be performed.

Once the audit plan has been completed, the prepared by client (PBC) requirements and the responsibilities of the auditor document will be prepared. The document listing will be detailed by specific task and will include the due dates and names of the persons responsible for each task.

We will also prepare the preliminary materiality guidelines, the audit programs, including consideration of:

- Identification of areas where special audit considerations are necessary.
- Design of further audit procedures to reduce risk, if considered necessary.
- The development of expectations for analytical procedures, timelines, and assignment of all audit responsibilities.

Once these tasks have been completed we will contact the Town to ensure that all dates and requirements have been met and to schedule the interim and final work with the various departments and agencies of the Town.

Stage 4 The Interim Audit

Our interim work will include the following:

We will obtain an understanding of the Town's internal control structure starting with:

1. Defining the Town's objectives and strategies and related business risks.
2. Obtain an understanding of the Town's internal control environment (tone at the top):
 - Communication and enforcement of integrity and ethical values
 - Commitment to competence
 - Participation of those charged with governance
 - Management's philosophy and operation style
 - Organizational structure
 - Assignment of authority and responsibility
 - Human resource policies and practices
3. The Town's risk assessment process.
4. Internal control communication process.
5. Internal control monitoring process.
6. Any industry, regulatory or other factors.





This understanding will be accomplished through the use of:

1. Inquiry of management and others within the Town.
2. Observation and inspection.
3. Review of external information sources.

We will also obtain an understanding of the design and implementation of the financial reporting system to understand the following information for:

1. Each class of transactions that is significant to the financial statements.
2. The procedures within both automated and manual systems, by which those transactions are initiated, authorized, recorded, processed, and reported in the financial statements.
3. The related accounting records, whether in electronic or manual supporting information, and specific accounts in the financial statements involved in initiating, authorizing, recording, processing, and reporting transactions.
4. How the information systems capture events and conditions other than classes of transactions that are significant to the financial statements.
5. The financial reporting process used to prepare the Town's financial statements, including significant accounting estimates and disclosures.

Our focus will also involve:

- Understanding the documentation of the financial reporting process.
- Review of the documentation of the information systems and related computerized data processing controls.
- Identifying the flow of information and internal control involved in various key processes including, investment management, procurement, disbursements, payroll, treasury operations, and cash receipts. To accomplish these tasks we will use inquiry, observation, checklists, and internal control questionnaires. During the interim timeframe each of the significant internal control systems will be evaluated to obtain sufficient knowledge of the design and implementation of key controls and to determine if a test of controls will result in audit efficiencies.
- Planning for the Single Audit, if necessary, will include the distribution of questionnaires, conducting inquiries, reviewing documentation and determining major programs. In addition, in order to assist the Town in achieving its Single Audit reporting timeline, we will begin conducting fieldwork for those federal programs identified as major as a result of our preliminary risk assessment.
- Identifying laws and regulations that are applicable to the Town. To accomplish these tasks, we will use Town documents, inquiry, observation, checklists, and internal control questionnaires.
- Formulating audit procedures and related audit programs that will be used during the final segment of the audit process.



Proposal for Auditing Services

- Testing the effectiveness of internal controls will be accomplished for the significant internal controls systems for which we plan to place reliance. To gain efficiencies our control testing will be structured so that it can be used for each of the audits we will perform.
- Other areas to be completed at the interim audit include SAS No. 99 interviews and documentation.
- Discuss workable solutions for potential findings that have been identified and communicated to the Town during the audit process.

Stage 5 The Final Audit

We will commence our final fieldwork as soon as the Town has sufficiently closed their accounting records. During this phase, we will perform substantive audit procedures on the year-end fund balances, revenue, and expenditure accounts. We will use a variety of audit procedures which may include outside confirmations, statistical sampling, and detailed testing of schedules, analytical review, inquiry, and observation.

Stage 6 The Reporting Phase

At the end of the audit process we will meet with key staff to cover the following:

- Discuss improvements for subsequent years audit plan, and
- Meet with the Board of Selectmen, Town Manager, and Finance Officer to present the results of the audit.

We do not believe in surprises. Although the reporting phase involves a recap of the process we will be in constant communication regarding each aspect of the audit throughout the entire process. You will not have any surprises at the end of the audit.

We will provide paper and electronic copies of final auditor's reports, and Basic Financial Statements with supporting schedules; and management letters. The audit will be completed by May 30th, following the close of the fiscal year being audited.

Plan for the Audit of the Town Basic Financial Statements

As noted above, the six-phase audit process will be used for conducting the audit of the Town's basic financial statements.

Meetings will be scheduled with the key contacts in each department, to allow for questions from the departments, provide for a summary of the overall audit process, and cover key dates to ensure all Town's timelines are met. Discussions will also include key audit areas, risks, and any other known issues relating to the audit.

As noted in the audit plan we will obtain documentation of the understanding of the Town and its environment, including the internal controls. Testing will be accomplished for the internal control systems and key processes include, but are not limited to:

- The revenue collection cycle
- Investment management





- Financial reporting
 - Year-end closing
- Budgeting
- Risk management
- Human Resource, payment of employees
- IT Controls, relating to all aspects of the audit
 - User access
 - Security
 - Backup and recovery
 - System interfaces
- Fraud Prevention
- Others that will be identified during our audits

Other items that will be considered include:

- Testing of the Town's key internal control system
- Analysis of the Town's fraud prevention program
- And proactive discussions regarding upcoming professional pronouncements and standards

We will meet with the Town as a final wrap up to cover any outstanding items and prepare the appropriate presentations.

Sample Size and Use of Statistical Sampling Techniques

Sample sizes will differ depending upon the area under audit. Generally, a sample size of 40-60 will be used for areas where we plan on placing reliance on the internal control structure.

Extent of use of EDP in Engagement

EDP software will be used in the analysis of the Town transaction activity, including, but not limited to disbursements, payroll, utility billings, capital asset depreciation, etc. In addition, audit software will be utilized for work paper storage.

Type and Extent of Analytical Procedures to be Used in Engagement

Analytical procedures are an important part of the audit process. Analytical procedures will be used in several areas including but not limited to audit planning, testing of year-end balances such as revenue analysis, expenditure analysis, etc.





Approach to be Taken in Determining Laws and Regulations that will be Subject to Test Work

Based upon our inquiry with Town staff and review of the Town's administrative policies, etc., we will determine the relevant laws and regulations that will be subject to additional test work. We will review the laws and regulations covering the Town's grants and major programs as part of the Single Audit testing, if necessary.

Approach to be Taken to Gain and Document an Understanding of the Town's Internal Control

Our approach to gain an understanding of the Town's internal control structure will be obtained by reviewing the Town's policy and procedures, review of the Town's administrative policies and procedures, and based upon our inquiry with Town staff. In addition, we will use governmental internal control questionnaires to assist in our documentation of the internal control structure. Further we will conduct a walk-through and observe the work flow as it relates to key processes including but not limited to: payroll, budgeting, financial management, and investments, revenue management and cash receipts, procurement and disbursements, information technology, and risk management.

Meetings

Plodzic and Sanderson, P.A. shall conduct regular progress report meetings with the Finance Officer or his designee on the conduct of the work required under this contract as deemed appropriate. Either the Finance Officer or Plodzic & Sanderson, P.A. may request a meeting at any time during the term of this contract.

Nature of Town's Assistance to Auditor During Audit

Plodzic & Sanderson, P.A. understands that the Town's staff agrees to render all feasible assistance to the audit firm and shall respond promptly to requests for information, provide all necessary books and records, and provide physical facilities required by the Firm for the expeditious conduct of the engagement.

Additional services may be required in order to obtain sufficient audit evidence on which to base our opinion, and, which are normally the responsibility of your accounting staff, such as bookkeeping, and bank reconciliations.

As required by Generally Accepted Accounting Services for non-attest services, these services and others such as non-audit related consultations, and preparation of non-audit forms or filings will be covered under separate agreement after consultation with you.

For these services, you agree to assume management responsibility, oversee these services by designating an individual who possesses suitable skill, knowledge, or experience, to evaluate the adequacy and results of those services, and accept responsibility for the results of those services.





Proposal for Auditing Services

We will request that you provide us with the basic information required for our audits, and you are responsible for the accuracy and completeness of that information. This responsibility includes the maintenance of adequate records and related internal control structure policies and procedures, the selection and application of accounting principles and the safeguarding of assets. We will provide you with a listing of documents required for audit in advance of our fieldwork. We will advise you about appropriate accounting and reporting principles and their application, but the responsibility for the financial statements remains with you.

Other Services

In addition to audit services, we are also available throughout the year for follow-up assistance or consultation, if requested. Such services will be billed at our regular per diem rates, which range from \$60 to \$140 per hour depending upon the level of expertise required. Phone call service is usually provided at no extra charge.

You may request that we perform additional services not addressed in this proposal. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this proposal.

Tentative Schedule (Specific dates for first year, with a similar agreed upon timeframe for each subsequent year.)

Interim Audit/ Planning Phases

December – January

Preliminary work is an integral part of the planning phase. Audit planning involves the gathering of information about the accounting system and controls therein and assessing risks, in order to determine the level of reliance that will be placed on the system and the extent to which the audit will involve substantive testing procedures, and the areas to be tested. This phase would involve the Town personnel to the extent needed to gather information to gain an understanding of the system, and the timing of these procedures would be flexible to the extent that it would be coordinated in such a way as to be convenient for the Town personnel. After preliminary audit work is completed, much of the initial planning phase can be completed from our office in order to minimize the disruption of normal operations. Prior to the commencement of fieldwork, we would hold a preplanning conference with the Finance Officer, and also provide the Town with a packet of preliminary information, including a listing of documents required for audit.





Proposal for Auditing Services

Final Audit

February – March

Fieldwork will run three to five days. At the completion of fieldwork all trial balances and journal entries will be provided to and reviewed with the Finance Officer. We will also review any potential findings at this time for resolution.

Based on our experience we gain with the Town, we are able to adjust our schedule and staffing needs based on the completion and availability of financial records ready for audit. The first day will encompass finalizing the preliminary planning procedures. The fieldwork will include analyzing and testing financial records and compliance with laws and requirements.

We will arrange to gather all information from you and work initially from our office in order to reduce interference to your normal operations.

Reporting

April – May

This phase of the audit involves the summation and analysis of audit information and findings and the formation of our opinion completion of the financial report. The Finance Officer will receive a draft copy of the audit including a draft of our Independent Auditor's Communication by April 30th. Once the draft reports have been reviewed and approved, we will finalize and issue the audit report and send it to the Town.

We will provide electronic and paper copies of final auditor's reports, and Basic Financial Statements with supporting schedules; and management letters by May 30th following the close of the year being audited.





FEE STRUCTURE

Estimates

The estimated fees for audit services for the Town of Ashland, with the exception of a Federal Audit, if required, and including all direct and indirect costs:

Financial Statement Audit:

December 31, 2019	\$ 19,000
December 31, 2020	\$ 19,000
December 31, 2021	\$ 19,000
December 31, 2022	\$ 19,000
December 31, 2023	\$ 19,000

The estimated fee for Federal Compliance Audit (Single Audit):

Single Audit, if necessary:

December 31, 2019	\$ 2,200
December 31, 2020	\$ 2,200
December 31, 2021	\$ 2,200
December 31, 2022	\$ 2,200
December 31, 2023	\$ 2,200

Hourly Rates - Our hour rates are as follows:

Directors	\$140/hr
Managers	\$110/hr
Senior Accountant	\$105/hr
Staff Auditors	\$60-95/hr

Please note: Plodzick & Sanderson does not charge for out-of-pocket expenses (e.g. travel, lodging, and subsistence). All direct and indirect costs are reflected in the fees above (e.g. bank confirmations).

Manner of Payment

Progress billings will be issued during the course of the engagement and shall not cover less than a calendar month. These billings will not exceed the total cost of the engagement. The final payment will not be due until after all reports have been delivered to and accepted by the Town.





ADDITIONAL INFORMATION

Insurance Requirements

Plodzick & Sanderson, P.A. carries the following coverage:

Professional Liability Coverage - Plodzick & Sanderson, P.A. carries professional liability insurance in the amount of \$1,000,000.

Statutory Liability Coverage - Plodzick & Sanderson, P.A. maintains both workers' compensation and employer's liability insurance.

Motor Vehicle Coverage - Plodzick & Sanderson, P.A. carries motor vehicle insurance to include bodily injury, property damage, and uninsured motorist, coverage in the amount of \$1,000,000 combined single limit per accident.

Regulatory Action

Since its establishment in 1975, the firm has had no disciplinary action taken upon it by the State Board of Accountancy, American Institute of CPAs, New Hampshire Society of CPAs, or any regulatory agency. Of the 161 municipal audits that the Firm performs annually, many are Single Audits which are filed with the Federal Clearinghouse and with various State oversight agencies. None of our audits have ever been found to be deficient.

Identification of Anticipated Potential Audit Problems or Exceptions

We do not anticipate any potential audit problems or exceptions, and if any do arise, they will be addressed immediately and discussed with management and/or the Board of Selectmen and Town Manager, as necessary, in order to arrive at a resolution of the matter.

Equal Employment Opportunity and Affirmative Action Policy

It is the Firm's policy to grant equal employment opportunities to all qualified persons without regard to age, race, color, religion, sex, marital status, national origin, or disabilities. The Firm subscribes fully to the Employment Opportunity Commission's guidelines and is committed as a matter of strong policy to enforcing these directives. In Plodzick & Sanderson, P.A.'s history, we have not had one reported incident of harassment or discrimination.

Based on the Firm's quality control policies, personnel are assigned to engagements on the basis of experience and expertise needed to complete the engagement efficiently, given the complexity of the situation.



**Town of Ashland
Board of Selectmen
Agenda Report**

Date: Monday September 16th, 2019

To: Board of Selectmen

From: Town Office

Subject: Change loan agreement – Ashland Headworks and Septage Receiving Facility Project

Background: the original loan agreement for the Ashland Headworks and Septage Receiving Facility Project with NHDES/Water Pollution Control Revolving Loan Fund was agreed that the principal would be repaid in 10 years. The cash flow requirement to meet this deadline would be a burden on Ashland Sewer, therefore we are recommending the Board change these terms to a 20-year agreement.

Recommended motion: *To request that the loan agreement with the State of New Hampshire Water Pollution Control Revolving Loan Fund Program and the Town for the Headworks and Septage Receiving Facility Project be changed from a 10year principal repayment to a 20-year principal repayment.*

Fiscal Impact: N/A in 2019 – payments start in 2020.

RECEIVED

JUL 18 2018

DES WEB

1 STATE OF NEW HAMPSHIRE

2 WATER POLLUTION CONTROL REVOLVING LOAN FUND PROGRAM

3 TOWN OF ASHLAND, NEW HAMPSHIRE

4 (Project No. CS-330064-06)

5 ORIGINAL LOAN AGREEMENT

6 I. This Agreement is between the State of New Hampshire Water Pollution Control Revolving
7 Loan Fund Program (State) and the **Town of Ashland, New Hampshire** (Loan Recipient) in
8 accordance with RSA 486:14 and New Hampshire Code of Administrative Rules Env-Wq 500
9 (Rules) for the purpose of financing, to the extent of the aggregate amount of funds transferred
10 (Disbursements) to the Loan Recipient made hereunder, the **Headworks and Septage Receiving**
11 **Facility Project** (Project) now being undertaken by the Loan Recipient. The Project is described
12 in Exhibit A. The Loan Recipient shall abide by all of the requirements of RSA 486:14 and the
13 Rules.

14
15 II. The State agrees to loan to the Loan Recipient, and the Loan Recipient agrees to repay to the
16 State, in accordance with the terms of this Agreement, the principal sum of **One Million, Five**
17 **Hundred Thousand and 00/100 Dollars (\$1,500,000)** (Principal Sum) or such lesser amount as
18 shall equal the aggregate of Disbursements made hereunder by the State to the Loan Recipient.
19 Pursuant to federal capitalization grant requirements and/or other allowances, additional
20 financial assistance in the form of principal forgiveness will be applied to the loan upon the
21 initial repayment as follows: A portion of the principal sum, not to exceed **Two Hundred**
22 **Thousand and 00/100 Dollars (\$200,000)** or 20% of up to One Million and 00/100 Dollars
23 (\$1,000,000) of Disbursements relating to the approved septage receiving facility, whichever is
24 less; and, a portion of the principal sum, in the amount of **10%** of the remaining
25 Disbursements. The total amount of principal forgiveness applied to the loan will not exceed

1 **Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000).** The principal forgiveness will
2 be applied to the loan balance upon the initial repayment. In addition to the principal sum, the
3 Loan Recipient agrees to pay the applicable interest accrued as described in Paragraphs III, V,
4 and VII. Federal financial assistance provided through the Water Pollution Control Revolving
5 Loan Fund Program (CFDA #66.458) may comprise all or a portion of the Principal Sum. Any
6 Disbursement or other payment from the State to the Loan Recipient is contingent upon the
7 availability of funds.

8
9 III. Disbursements shall be made on a periodic basis, as requested by the Loan Recipient, but not
10 more frequently than monthly, subject to the approval of the amount of each Disbursement by
11 the State. The State shall approve the amount requested if it determines that the costs covered by
12 the request are eligible under Env-Wq 504.02 through Env-Wq 504.04, as applicable. Interest on
13 each Disbursement shall accrue on the outstanding principal balance from the date of the
14 Disbursement at the rate of 1% per annum computed on the basis of 30-day months and 360-day
15 years until the date of Substantial Completion of the Project or the date of Scheduled
16 Completion, whichever is earlier. At the option of the Loan Recipient, such interest may be paid
17 (1) prior to the commencement of Loan repayment, (2) at the time of the first Loan repayment, or
18 (3) by adding the charges to the to the outstanding principal Loan balance so long as the Loan
19 Recipient's authority to borrow is not exceeded.

20
21 IV. The aggregate of the Disbursements shall be consolidated by a Promissory Note (Note) of
22 the Loan Recipient in a Supplemental Loan Agreement issued under and in accordance with the
23 applicable provisions of this Agreement and the Municipal Finance Act, RSA 33, as amended
24 and supplemented, including the provisions of RSA 486:14. The Note shall be substantially in
25 the form of Exhibit B.

1
2 V. The interest rate applicable to the Note will be **2.0000%**, as determined in accordance with
3 RSA 486:14 and Env-Wq 500 et seq.
4

5 VI. The Loan Recipient hereby authorizes the State to compute the payments of principal and
6 interest on the Note. The principal shall be paid in full within **10 years** from the date of the
7 Note. Note payments shall commence within one year of the Substantial Completion date of the
8 Project or the Scheduled Completion date of the project, whichever is earlier. The Scheduled
9 Completion date is hereby determined to be **June 2, 2019**; however, should the project
10 experience an excusable delay, an extension may be granted by the Commissioner of the
11 Department of Environmental Services upon request in writing by the Loan Recipient. In no
12 event shall Note payments commence later than ten years from the effective date of this
13 Agreement.
14

15 VII. The Loan Recipient reserves the right to prepay, at any time and without penalty, all or any
16 part of the outstanding principal or interest of the Note.
17

18 VIII. In the event of a default in the full and timely remittance of any Note payment, any State
19 Aid Grant funds payable to the Loan Recipient under RSA 486:1 may be offset against and
20 applied to the payment of any obligations that are due hereunder. The Loan Recipient agrees to
21 be liable for all costs of collection, legal expenses, and attorney's fees incurred or paid by the
22 State in enforcing this Agreement or in collecting any delinquent payments due hereunder.
23

1 IX. No delay or omission on the part of the State in exercising any right hereunder shall operate
2 as a waiver of such right or of any other right under this Agreement. A waiver on any one
3 occasion shall not be construed as bar to any right and/or remedy on any future occasion.
4

5 X. The Loan Recipient agrees to comply, and to require all of its contractors to comply, with all
6 applicable state and federal requirements contained in the Rules and applicable state and federal
7 laws, including those specific requirements outlined in Exhibit C.
8

9 XI. The effective date of this Agreement shall be the date of its approval by the Governor and
10 Executive Council. This Agreement may be amended, waived, or discharged only by a written
11 instrument signed by the parties hereto and only after approval of such amendment, waiver, or
12 discharge by the Governor and Executive Council.
13

14 XII. This Agreement shall be construed in accordance with the laws of the State of New
15 Hampshire and is binding upon and inures to the benefit of the parties and their respective
16 successors. The parties hereto do not intend to benefit any third parties and, consequently, the
17 Agreement shall not be construed to confer any such benefit.
18


19 XIII. The Loan Recipient acknowledges that by accepting the Loan it will be a sub-recipient of
20 federal financial assistance and, as such, subject to requirements of the federal Single Audit Act
21 and subsequent amendments (SAA). The Loan Recipient further acknowledges that, if the Loan
22 Recipient expends more than the required threshold in federal financial assistance from all
23 sources in any fiscal year, it must perform an SAA audit in accordance with the requirements of
24 Office of Management and Budget Circular A-133. In that event, the Loan Recipient shall

1 provide the State with a copy of the SAA audit report within nine months of the end of the audit
2 period.

3
4 XIV. This Agreement, which may be executed in a number of counterparts, each of which shall
5 be deemed an original, constitutes the entire agreement and understanding between the parties
6 and supersedes all prior agreements and understandings relating thereto. Nothing herein shall be
7 construed as a waiver of sovereign immunity, such immunity being hereby specifically reserved.
8
9

10 STATE OF NEW HAMPSHIRE

TOWN OF ASHLAND, NEW HAMPSHIRE

11 By:  7-24-18
12 Robert R. Scott Date
13 Commissioner,
14 Department of Environmental Services

By:  7/17/18
Chair, Date
Water and Sewer Commission
 7-17-2018
Town Administrator Date

15
16 This Agreement was approved by Governor and Executive Council on

17 August 8, 2018 as Item No. 45
18
19
20
21
22



Town Manager Updates – September 2019

Town Manager update reports are monthly reports that contain a compilation of department information. To keep the Board of Selectmen apprised of the Town's recent activities these updates are provided to the Board prior to their meeting. Providing these reports in advance allow the opportunity to ask questions of the administration and answer questions from their constituents.

LIBRARY – Director Weinberg



*Ashland Town
Library*

Patron Visits: 536 people visited the library in August.

Materials Added: The library added 28 books for adults and 22 books for children last month.

News/Events: The Friends of the Library will hold a book sale during the Town Wide Yard Sale on Saturday, September 21st from 9am-2pm. The Friends are sponsoring the program *Understanding Bobcats in New Hampshire*. This program will be presented by N.H. Fish and Game and will be held on October 16th, 6:30 pm at the Booster Club. The movie *A Dog's*

Journey, based on the book by W. Bruce Cameron will be shown at the library on Tuesday, October 1st at 6pm.

"Some books leave us free and some books make us free." – Ralph Waldo Emerson

PARKS & RECREATION – Director Barney

- The last day of Summer Camp was August 9th. We had 35 kids involved with our program for the summer. We had 7 weeks of camp with many great trips and adventures.
- The beach no longer has lifeguards on duty. The last day was August 18th. The gates are still open for people to swim at their own risk. The lines will come out of the water after Labor Day.
- The first day of school was August 26th. We had the After School up and running the first day of school with 22 kids.
- I am still using the NH Food Bank for health affordable snacks and drinks for the kids in the After-School Program. I go to Manchester once a month to pick up the snacks.

POLICE DEPARTMENT – Chief Ulwick



Dispatched Service Calls	348
Incidents	100
Arrests	9
Warrants	2
Accidents	1
Citation/Warnings	54
Parking Tickets	0

- The month of August made for some big and positive changes at the Police Department. Officer Moretto finished his time at the 16-week long police academy and has started his field training with Officer Scrafford. We are excited to put some practical knowledge to what he's learned so far. We are proud to share that Officer Moretto was selected by his academy class to give a speech representing the class at the academy, a true honor.
- We are also proud to announce that Gary Boisvert came to the Ashland PD to be the new Sergeant. Sgt Boisvert comes with a wealth of knowledge and over 15 years of experience and is looking forward to overseeing our patrol activity.
- The new cruiser that was ordered many months ago has finally arrived and is getting upfitted for the road.
- The Ashland PD assisted the DEA with arresting a resident of Ashland for a federal charge of possession with the intent to distribute. We are consistently working with other agencies to eradicate the drug activity in town to make the streets safer for the community. We appreciate the effort that the public puts forward to inform us of any illegal activity in town.
- Chief Ulwick and Lieutenant Gray participated in "Cops on Top" for the Special Olympics of NH. Chief Ulwick and Lieutenant Gray spent several hours on the roof of Dunkin Donuts to collect donations from patrons. The operation raised over \$3,400 in total from the 5 agencies involved.

FIRE DEPARTMENT – Chief Heath



Total Calls	33
Medical Emergencies	21
Fire/Rescue Calls	9
Motor Vehicle Accidents	2
Service Calls	1

- During August, the daytime crew responded to 19 of the 33 emergencies for the month. The average response time, (from tone to leaving the station), was 1:17 minutes. There were three ambulance transports for the month. The per diem crews continue to complete projects, and on a daily basis conduct truck checks, station cleaning, and training.
- Regular department training during August involved entering and emergency exit of buildings through windows, and EMS training involved pediatric transport.
- Back up cameras have now been installed on engine 1, ladder 1, ambulance 1, and utility 1.
- The Hazard Mitigation Plan was reviewed and edited by committee members and is now and has been sent to FEMA for final approval. Paperwork has been submitted to start the reimbursement

process for the HSEM grant that funded this project. Paperwork for the VFA Grant reimbursement has also been submitted to NH Forests and Lands.

- Life Safety Code inspections continue for both assembly and rental occupancies. NFIRS reports for August were reviewed and sent to the State Fire Marshal's Office. Deputy Bousquet has completed quality assurance reviews of all TEMSIS reports for medical incidents.

WATER AND SEWER DEPARTMENT – Superintendent Cross

Please find enclosed the monthly operations for the Water and Wastewater Facilities for the month of August 2019.

MAINTENANCE:

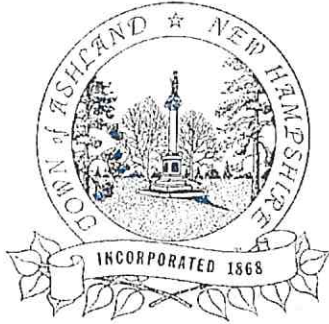
- Water meter repairs
- Mowing at all facilities
- Mow field at Water Plant, mowing/brush cutting on all right of ways
- Gate valve and sewer manhole cover work on Highland Street for paving
- Install railing upstairs at new office on Collins Street
- Service generator at Water Plant
- All water and sewer flow meters calibrated by A/D Instruments

PLANT ACTIVITIES:

- Complete all permit required lab tests
- Monthly Bacteria, pH and Alkalinity tests for Water System

DEPARTMENT OF PUBLIC WORKS – DPW Director Moore

- Site work for the new building at the transfer station has been completed which included the installation of 4-foot high wall 32 feet X 60 feet by the public works crew. The building was then constructed by Riess Construction.
- We are in the process of moving other storage areas to prepare for the scales. Work on the scales has begun and will continue through September. The actual scale is scheduled to arrive in October. The scale piers have been poured and the ramp approach will be poured next. Paving will occur within the next 2 to 3 weeks.
- Owl Brook road was ditched and graded along with Sanborn Road.
- Roadside mowing was completed in August.
- Paving of Highland Street is scheduled for September 24th. We prepared our section of Highland Street which included ditching the roadside and raising the catch basins nearly 10” in some areas. This project took 2 employees 6 days to complete.
- We made road repairs to Winter Street laying down 8 tons of hot top filling in low areas of that road.
- We ditched Avery street then cut brush from both sides of the road.
- Lambert Road has been ditched and graded.
- We continue minor repairs to our roads as needed however cold patch for potholes is only available in bag form, which is much more expensive and will be only used in the worst holes. Bulk cold patch will not be available until late October.



Project List – September 2019

ASHLAND PROPERTIES/LW PACKARD MILL SITE

Description: Brownfields study of property at former mill site in town – Ashland Properties/LW Packard Mill Site. Feasibility grant with CDFA to study the intend use of the building.

Project Start Date: February 2016

Updates:

Previous: Final revised agreement with Warren Street Architects, forwarded to Board of Selectmen for vote at next meeting. (8/19).

Current: Warren Street Architects, Nobis Engineering, Fire Department, DPW, Town Manager, all had a walkthrough at the property on Wednesday, September 11th. Town now waits for the report from Warren Street Architects. (9/12)

THOMPSON STREET/HIGH STREET/SMITH HILL ROAD RECONSTRUCTION; WATER & SEWER REPLACEMENT

Description: Replace water and sewer lines and road reconstruction

Project Start Date: June 2016

Updates:

Previous: DPW received alternative quotes for constructing the project, reducing the distance of the project would reduce the cost, as would removing the replacement of the water/sewer lines. Options sent to the Board for consideration (8/16).

Current: No updates

NHDOT – TRANSPORTATION ALTERNATIVES PROGRAM (TAP) GRANT

Description: Reconstruction of sidewalk and crosswalks along Main St. US Rte. 3/25; approx. 0.6 miles.

Project Start Date: September 2016

Updates:

Previous: Town legal counsel working on completing the temporary construction easements. Once completed easements are to be sent to NHDOT for approval, then property owners are contacted. (8/5)

Current: Waiting for the approval of the right of way submission by NH DOT.

NH LAND & COMMUNITY HERITAGE INVESTMENT PROGRAM (LCHIP)

Description: Matching grant with LCHIP to provide a Historic Structure Report (HSR) on the Town Office building. HSR is a “road map for rehabilitating and reuse of the building, that provides a detailed and comprehensive analysis of the building and pays particular attention to its future reuse.”

Project Start Date: June 2016

Updates:

Previous: Draft from Williams Architects to be ready in September for LCHIP review and input before finalizing. (7/15)

Current: No updates.

TOWN PARCEL AUDIT - GEOGRAPHIC INFORMATION SYSTEM (GIS) MAPPING

Description: Installation of a web-based GIS system for parcel mapping and utility infrastructure

Project Start Date: March 2015

Updates:

Previous: CAI technology has completed the preliminary phase of the project (preliminary, inventory/index and plan scanning, record research) and will start the parcel compilation phase of the project.

Current: Project on hold until December 2019 for further CRF funding.

WHIPPLE HOUSE

Description: Comprehensive building status report provided by newly formed Heritage Commission along with deeds, leases and associated warrant articles. Town owned building in need of significant maintenance & repair work.

Project Start Date: December 2016

Updates:

Previous: Board to have nonmeeting with legal counsel (6/19).

Current: Board of Selectmen sent memo to AHS terminating the lease agreement (8/20).

TOWN PERSONNEL POLICY

Description: Review and update of the town personnel policy

Project Start Date: May 2018

Updates:

Previous: tabled until 2019; to coincide with negotiations of new CBA.

Current: No updates.

SOLAR ENERGY

Description: Project to bring solar energy to the Town

Project Start Date: March 2018

Updates:

Previous: Selectman Sharps, Vice Chairman DeWolfe, and Town Manager Smith met with firm about installation of solar panels on town owned land.

Current: No updates.
