

Fort Fairfield Town Council Monthly Meeting
Council Chambers
Wednesday, September 20, 2017
6:00 P.M.

Councilors: Jason Barnes, Mitchell Butler, John Herold, Melissa Libby, Scott Smith
Staff: James Risner, Darren Hanson, Ella Leighton, Tony Levesque, Shawn Newell,
Billie Jo Sharpe, Tom Towle

Citizens: Six including Media.

I. Roll Call – Chair Jason Barnes asked that the record reflect all councilors were present.

II. Prayer – Tony Levesque offered the Prayer.

III. Pledge to the Flag – All in attendance pledged their allegiance to the American Flag.

III. Public Comment Period – None

V. Correspondence and Reports

A. Licenses and Permits – Mr. Risner

As of September 20, 2017 we have received one license application for the Knights of Columbus.

B. Financial Report

On August 4, the Town mailed 229 real estate tax lien notices for 2016; with a value of \$219,835.80. On September 6, 2017, the Town filed 135 liens for unpaid 2016 real estate taxes; for a total of \$108,259.04; with the Registry of Deeds (South) in Houlton, and mailed copies to property owners and interested parties.

The Town's Real Estate and Personal Property tax collections as of August 31 are \$198,312.48, compared to \$131,246.16 for August, 2016.

Excise tax collections as of August 31 are \$149,750.92. This is 26.74% of the budgeted amount, which is ahead of the 16.67% expected as of August 31.

State revenue sharing as of August 31 is \$38,555.69. This is 15.77% of the budgeted amount, which is slightly behind the 16.67% that is expected as of August 31.

Our expenses as of August 31 are basically on track, at 16.65% compared to the 16.67% expected as of August 31.

Cash flow is good, with a balance of \$41,922.36 in checking and \$800,000 in savings after completion of Warrant #6.

C. Tri-Community Landfill Report – Mr. Rogeski

The last meeting of Tri Community Landfill was August 18. Mark Draper informed the

Board that revenues are running around 25% ahead of budgeted numbers most of that is coming from some contaminated soils from gas stations around the area that are changing their fuel tanks. Although the Landfill does not make a lot of money on the contaminated soil coming in, it keeps them from having to buy coverage for the Landfill. Expenses are about 3% above budgeted numbers, but overall, doing very well. Final requirements for the SHAPE program have been completed. Things are still moving ahead, but slowly with the merger with Presque Isle.

D. FairPoint Application for Pole Location – Mr. Risner

On September 6, the Town received an application from Fair Point to move one pole approximately five feet closer to Bryant Pond Road.

Mr. Darren Hanson, Road Commissioner, and Mr. Risner inspected the current pole location and the proposed pole location. Moving the pole approximately five feet closer to Bryant Pond Road will bring the pole in line with the other poles on that side of Bryant Pond Road, and will not create any problem for the Town.

Mr. Risner approved the application based on the discussion with Mr. Hanson and their visual inspection of the site.

E. LED Streetlights – Mr. Risner

Mr. Risner, Mr. Smith and other elected officials, managers and staff from several municipalities; including Caribou, Mapleton, Chapman, Castle Hill, Madawaska, and Mars Hill; met with RealTerm at 1 P.M. on Monday, September 18.

Discussion at the meeting focused on two contract options in converting community street lights to LED lights and from utility owned to municipally owned and maintained fixtures on utility owned poles. The two options are purchasing the lights or leasing to own. For RealTerm energy to move forward, they need the municipalities to request a buy-back price from Emera. Emera has provided that information to Mr. Risner, and he has forwarded the information to RealTerm. The other piece was reviewing the draft contract template and reviewing changes if needed and Mr. Risner is currently in the process of doing this.

1. If Fort Fairfield decides to move forward to contract with RealTerm, RealTerm will do what's called an investment grade audit to gather information to take to the bank for financing. Once the audit is complete, RealTerm will give the Town a firm price on what it would cost. The Town can then say yes or no to moving forward. Mr. Risner is currently working on this step and will likely have information for the Council in October. Based on everything we are seeing, it looks like an approximate 80% reduction in cost in a 3-5 year payback for the process.

Mr. Barnes – How many units are we talking about?

Mr. Risner – We got something from Emera last fall that said 147, from the information received yesterday, the count is 193. One of the benefits from the audit is to show what the real number is. The book value on the count from Emera (193) is a little over \$10,000. We will have a better picture after the investment grade audit.

VI. Old Business

A. Public Works Garage Roof – Mr. Risner

At its August 16, 2017 meeting, Town Council authorized the Town to secure a loan from Katahdin Trust Company in the amount of \$75,000 to repair the Public Works

garage roof.

Discussion: The Town received the following two bids for the replacement of the Public Works Garage Roof:

- | | | |
|----|---|--------------|
| 1) | PNM Construction, Presque Isle, ME | \$141,750.00 |
| 2) | Powers Roofing & Sheet Metal, Inc., Caribou, ME | \$ 66,960.00 |

The lowest cost responsive and responsible company is Powers Roofing & Sheet Metal, Inc.

A ten year warranty on the roof may be purchased for \$1,267.00. This was not included in either bid. Mr. Risner recommended the Town purchase the ten year warranty.

Recommendation: Town Council authorize the Town Manager to award the contract for the Public Works Garage Roof to Powers Roofing & Sheet Metal, Inc. in the amount of \$66,960.00, and purchase the 10 year warranty on the roof for \$1,267.00 using Highway Garage Reserve funds (G 1-3153-00).

Mr. Butler made a motion to authorize the Town Manager to award the contract for the Public Works Garage Roof to Powers Roofing & Sheet Metal, Inc. in the amount of \$66,960.00, and purchase the 10 year warranty on the roof for \$1,267.00 using Highway Garage Reserve funds (G 1-3153-00).

Mr. Herold seconded.

Discussion - Mr. Herold noted that there was a huge difference in the two bids, and asked what might have been the reason.

Mr. Risner – the two bids had two completely different approaches in how they were going to fix the roof. Mr. Risner and Mr. Hanson discussed the two approaches and felt that Powers' approach was better in the long term.

Mr. Herold – Was it the same materials or different?

Mr. Risner – No it was different materials.

Mr. Hanson – Power's approach included a coating on the new roof that will add an extra two inches of insulation. PNM's approach was a spray on application and wouldn't add any additional structural strength.

Mr. Herold – Neither one of the bids involved replacing any joists?

Mr. Hanson – There was a clause in both bids for repairing any damage that could damage the material that needs to be added to the roof.

Vote – All Affirmative

VII. New Business

A. General Assistance Ordinance 17-09

The new maximums for the 2017-2018 General Assistance Ordinance, Appendices A-D have changed. These maximums are updated annually and are effective beginning October 1, 2017.

The law requires that the municipal officers adopt the ordinance and/or Appendices

The law requires that the municipal officers adopt the ordinance and all amendments after notice and public hearing.

Recommendation: A Councilor needs to introduce the attached ordinance during the September Council meeting and direct staff to hold a public hearing on October 5, 2017 at 1:00 p.m. on the Ordinance.

Mr. Butler introduced General Assistance Ordinance 17-09

B. Town Order 17-10 - Establish mil rate and due date, interest and interest penalty date for Fiscal Year 2017/2018 (FY 17/18) real estate and personal property taxes.

A 1.2 mil rate increase is needed in order to support the FY 17/18 budget the Town Council approved on June 21, 2017. Note that this is 1 mil lower than what was presented at the June meeting. The need for a mil rate increase is driven by:

1. A 6.414% increase in funding for the school. This is an increase of \$133,842 over the FY 16/17 budget, and requires a mil rate increase of approximately .86 mils.
2. A Capital Reserve of \$53,227 for the Town. This requires a mil rate increase of approximately .34 mils. Mr. Risner made note that he had originally requested more money for the Town Reserves, and by trying to keep the mil rate down, he has cut \$97,000 from the Town Reserve request.

MSAD #20	= \$133,842/156,548 = 0.86 Mil
Town	= \$ 53,227/156,548 = 0.34 Mil
TOTAL	= \$187,051 = 1.20 Mil

<u>Mil Rate</u>	<u>\$50,000 value</u>	<u>increase over current rate</u>	<u>\$100,000 value</u>	<u>increase over current rate</u>
24.50*	\$1,225.00	\$0	\$2,450.00	\$0
25.70	\$1,285.00	\$60.00	\$2,570.00	\$120.00

*current mil rate
1 mil is one-tenth of a cent (\$0.001).

Recommendation: Town Council approves Town Order 17-10, and adopts a 25.70 mil rate to support the FY 17/18 budget; due date of February 1, 2018, interest rate of 7.00%, and interest penalty date of March 1, 2018 for FY 17/18 real estate and personal property taxes.

Mr. Smith made a motion to approve Town Order 17-10, and adopt a 25.70 mil rate to support the FY 17/18 budget; due date of February 1, 2018, interest rate of 7.00%, and interest penalty date of March 1, 2018 for FY 17/18 real estate and personal property taxes.

Mr. Butler seconded

Mr. Herold – The interest rate of 7% is out of line with what people are paying for real estate loans, somewhere around 4% usually. I realize that the 7% interest rate is designed to be a motivator to get people to pay their taxes. At the same time it can make it more difficult for some to pay their taxes especially after the rate builds up a little bit. I would like to see the interest rate lowered if not at the 4% rate than perhaps 5%.

Mr. Barnes – I disagree, it is a penalty interest so to speak. It is critical that the Town receives tax payments on a timely basis. The tax bills are out plenty early, interest isn't charged until March 1. I would be reluctant to change.

Mr. Butler – I believe that the 7% at least covers the costs of the liens and the travelling down to Houlton to file the liens.

Mr. Smith – If people have a hard time paying their taxes, they can always join the tax club and break that bill into monthly payments and that is an incentive.

Mrs. Libby – I agree that there are other options and that the 7% is fine.

Vote: The vote was 4-1 with Mr. Herold voting nay.

C. Purchase of a Police Vehicle – Mr. Newell

The Fort Fairfield Police Department is requesting the purchase of a new police vehicle. The 2010 Dodge Charger will be removed from service. Currently, it has 125,000 thousand miles and is at the end of its service as a police vehicle.

Mr. Risner presented the following information to the Town Council at the April 5, 2017 department head presentation of the Fiscal Year 2017/2018 (FY 17/18) budget.

“The police department is in need of a new police car. We rotate the police cars by age every two years. Currently, the 2010 Dodge Charger is in line to be replaced. The vehicle has roughly 122,000 miles on it and is used as the Chief's vehicle to reduce the wear and tear on the vehicle. The cost of a new cruiser is approximately \$37,000 and is requested to be included in the FY 17/18 police department reserve account.”

Chief Newell stated that the Town received two bids on a new 2018 Ford SUV police vehicle. Griffeth Ford in Presque Isle quoted \$33,369 and Pelletier Ford in Fort Kent quoted \$32,909; a \$460 difference in prices.

There was \$20,371 in the Police Department Reserve Account (G 1-3050-00) at the end of FY 16/17, and \$33,000 was included in the FY 17/18 budget, for a total of \$53,371 at the beginning of FY 17/18.

Recommendation: Town Council approves the purchase of a new 2018 Ford SUV police vehicle from Pelletier Ford in Fort Kent, using funds from the Police Department Reserve Account (G 1-3050-00)

Mr. Herold made a motion to approve the purchase of a new 2018 Ford SUV police vehicle from Pelletier Ford in Fort Kent, using funds from the Police Department Reserve Account (G 1-3050-00).

Mr. Butler seconded

Mr. Smith asked if the new vehicle will come with carbon monoxide detectors.

Mr. Newell replied that the issue was originally created when all the equipment placed in police vehicles in what's called an uplift. What happened primarily happened in Dallas, Texas where they had all the problems; they drove holes into the back of the vehicles and didn't seal those holes. It drafts off the back of the vehicles, its drafting back and under into the vehicles. It was basically a man-made created problem and not Ford.

Vote: All Affirmative

D. Legal Action on Land Use Complaint – Mr. Levesque

The Town continues to receive complaints about 107 Riverside Avenue. Mr. Levesque has been sending correspondence to the Owners and Tenants for over a year and there has been no improvement. The next step would be to retain a lawyer to seek a judgment in District Court.

Mr. Levesque contacted Richard Currier to get an estimate of what that would cost and to get direction from him on how to best progress the case. Mr. Currier has provided an

to get direction from him on how to best prepare the case. Mr. Currier has provided an estimated cost to take the case to court of between \$1,000 and \$1,500. Those costs may be recovered if the Town wins the case.

Discussion: In order to retain Mr. Currier's services and in order for me as Code Enforcement Officer to participate in District Court, the Town Council would need to vote to authorize the expenditure and action.

Recommendation: Approve an order by the Town Council to:

"To empower the Code Enforcement Officer and the Town's Attorney to prosecute a Land Use Citation and Complaint in District Court for property located at 107 Riverside Avenue as depicted on Tax Assessor's Map 37 Lot 15."

Mr. Herold made a motion "to empower the Code Enforcement Officer and the Town's Attorney to prosecute a Land Use Citation and Complaint in District Court for property located at 107 Riverside Avenue as depicted on Tax Assessor's Map 37 Lot 15."

Mr. Butler seconded

No discussion

Vote – All Affirmative

E. Maine Municipal Association Annual Business Meeting Voting Delegate – Mr. Risner

Each year the Town Council elects one individual to represent the Town as a voting delegate and one individual as an alternate to the MMA annual meeting. This year's MMA annual meeting is being held at 1:30 p.m. on Wednesday, October 4, at the Augusta Civic Center. The MMA voting credentials memorandum, annual business meeting agenda and voting delegate credentials form are attached.

Richard A. "Tony" Levesque, Jr. plans on attending the annual meeting.

Recommendation: Town Council appoints Richard A. "Tony" Levesque, Jr. as the Town's voting delegate to the MMA annual meeting.

Mr. Butler made a motion to appoint Richard A. "Tony" Levesque, Jr. as the Town's voting delegate to the MMA annual meeting.

Mr. Herold seconded

Discussion: Mr. Herold asked why there was no alternate listed. Mr. Risner said because Mr. Levesque was the only employee from the Town going to the Annual Meeting this year.

Vote – All Affirmative

F. Fiscal Year 2016/2017 Audited Financial Statement – Mr. Risner

Maine Revised Statutes, Title 30-A, §5823 requires each municipality to have an annual post audit of its accounts covering the last complete FY by the Office of the State Auditor or by a certified public accountant engaged by the municipal officers. At its June 21, 2017 meeting, the Town Council authorized the Town Manager to engage Felch & Company LLC to conduct an audit of the Town's financial statements for the year ending June 30, 2017.

Discussion: Felch & Company LLC completed its audit of the Town's financial statements on September 8, 2017. Hard copies of the report were received on September 13, 2017 and are included in Councilor's meeting packet.

While the report contains a wealth of information that Town staff uses, two important parts of the report are Schedule 1, Budgetary Comparison, General Fund and the auditor's report on internal controls and compliance. Schedule 1 states that the Town has a budget surplus of \$305,518, which is the same amount the preliminary audit stated. The auditors identified no material weakness in the Town's internal controls and no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Recommendation: Town Council approve the FY 16/17 audited financial statement prepared by Felch & Company, LLC.

Mr. Herold made a motion to approve the FY 16/17 audited financial statement prepared by Felch & Company, LLC.

Mr. Smith seconded.

Vote - All Affirmative

Mr. Barnes thanked all of Town Staff for putting the Audit together

VIII. Minutes of the August 16, 2017 Regular Council Meeting

Mr. Butler made a motion to approve the minutes of the August 16, 2017 Regular Council Meeting.

Mr. Smith seconded

No Discussion

Vote – All Affirmative

IX. Warrants: #5; \$296,805.71

#6; \$587,995.29

Mr. Smith made a motion to approve Warrants: #5; \$296,805.71 #6; \$587,995.29

Mr. Herold seconded.
Affirmative

No Discussion

Vote – All

X. Other - None

XI. Manager's Report – Mr. Risner provided this to all Councilors for informational purposes only.

Mr. Risner reminded Council that the Fire Department is having their annual Open House on October 7 from 10am – 2pm.

XII. Executive Session - None

XIII. Adjournment

Mr. Butler made a motion to adjourn

Mr. Smith seconded

Vote – All Affirmative

Meeting adjourned at 6:30 pm.

Respectfully Submitted,

Billie Jo Sharpe
Council Secretary