

BOARD OF SELECTPERSON'S EXECUTIVE SESSION
February 4, 2016, 6:00 p.m.
Rumford Falls Auditorium
Pursuant to 1 MRS 405 (6)(F) for Poverty Tax Abatement Request 2016-01

PRESENT: Chairperson Bradford Adley, Vice-Chairperson Jeffrey Sterling, Selectperson Frank DiConzo, Selectperson Michael Peter Chase, Town Manager John Madigan, Jr. Absent: Selectperson Mark Belanger

Mr. DiConzo made a motion to go into Executive Session at 6:00 p.m. pursuant to 1 MRS 405 (6) (F) for a poverty tax abatement request. Vote: 4-0

Executive Session Out at 6:09 p.m.

Mr. Sterling made a motion to abate the 2014 Tax and 2014 Sewer Liens. Vote: 4-0

BOARD OF SELECTPERSON'S MEETING
February 4, 2016 6:30 p.m.
Rumford Falls Auditorium

PRESENT: Chairperson Bradford Adley, Vice-Chairperson Jeffrey Sterling, Selectperson Frank DiConzo, Selectperson Mark Belanger, Selectperson Michael Peter Chase, Town Manager John Madigan, Jr.

ATTENDEES: Jim Windover, Tony DeSalle, John Soucy, Bruce Farrin, Tom Bourret, John Pepin, Kevin Knox, Jim Rinaldo, Jennifer Kreckel, Dieter Kreckel

1. Meeting Call to Order
2. Pledge of Allegiance to the American Flag
3. Public Hearing (as needed)
4. Requests of Citizen's Present

There were no requests.

5. Reports

A. Selectperson's Report

Mr. DiConzo asked about the Board having strategy sessions to run the town more effectively as was discussed earlier. He is concerned about the inconsistency of the snow plowing by the Town crew when there is different amounts of snow on the road. People have questioned him about this, as the crew gets called back in to take care of the roads.

Mr. Sterling noted the update from Andy Russell on the street lighting on bridges in town.

Mr. Belanger asked for tax revenue from the property owners on Congress Street as he heard that several are tax exempt. He had been looking back in the Town Reports on upcoming projects for the Public Works Department and some items are not in this report and all of a sudden we are planning different projects. He also asked what kind of a mil increase will be passed on to the taxpayers if we float a bond on the Down Town project.

Mr. Chase would like to see the Purchasing Policy updated at the next meeting if possible.

Mr. Adley had a recent meeting with the owner of HE Callahan and they are looking forward to working with us on some of our upcoming projects.

B. Town Manager's Report

The Town Manager reported that Andy Russell sent an email update on the status of the street lighting on our bridges and that information was copied to the Board members.

The Budget Schedule was sent out and will be a whole different process this year [due to changes voted upon last June for the Charter.]

C. Department Manager Reports (as needed)

The Second Annual Super Sunday Fire Department Training was held at Region 9 recently with 74 participants from the Rumford, Dixfield, Peru and Andover area, including 27 from Rumford Fire. All the annually required training is done in one day. All work together and train together and see how others do things differently and he was very encouraged by the level of participation. He believes it is very helpful to have all these towns train together. He thanked Region 9 for use of their facility. The Fire Science students have been helping two days per week by shoveling out hydrants for their community service piece.

D. Board and Committee Reports (as needed)

6. Old Business

7. New Business

A. Approval of Minutes from January 21, 2016 and Special Meeting of January 25, 2016

Mr. Sterling made a motion to approve the minutes from January 21, 2016 and January 25, 2016.
Vote: 5-0

B. Approval of the Town Warrant dated February 5, 2016

This item was voted upon at the end of the meeting.

C. Approval of Tax Acquired Property Bid for 163 Route 108

The Town Manager noted that this building had been discussed previously by the Board and it was determined that it should be demolished. Recently, however, there was interest in the property and the Board decided to put it out to bid and the winning bidder would demolish the property

instead saving the Town at least \$10,000.00. There was a small amount of asbestos found in the study but had not yet been abated. The balance of three years of taxes and lien costs are \$2,729.02. The balance would need to be abated if we accept the bid.

We received one bid from Jim Rinaldo for \$125.00 along with a check for ten percent of the bid. He will demolish the property per the bid specs within one year.

Mr. Sterling made a motion to accept the bid from Jim Rinaldo for \$125.00 for the tax acquired property at 163 Route 108.

Discussion ensued on whether Mr. Rinaldo was considered an employee of the Town as he is on the elected Board of Assessor's and is on the River Valley Tech Center Board and receives a stipend from the Town for economic development.

Fire Chief Chase left the meeting to retrieve the policy and read the section of the policy that was in question and it was determined that members of the Board of Assessors were permitted to bid on Town Owned Property.

Vote on the motion: 5-0

D. Request for Property Tax Abatement for FY 2013-14 and 2014-15 (127 Red Hill Road)

The Town Manager informed the Board of the circumstances of the request. The property owner noticed recently that he had been taxed on a building that was not there for several years. He had a foundation built but never built a structure on it. The Board of Assessors, granted an abatement of \$186.00 on the current year 2015-2016 based on the \$6,880.00 value.

The Board has the right to grant an abatement going back two more years including interest. The FY 2013-14 year would be an abatement of \$174.28, and the FY 2014-15 year would be an abatement of \$190.14 for a total abatement of \$364.42. The Board of Assessor's realized this was a clear mistake and abated what they were able to.

Mr. Belanger made a motion to abate the taxes for \$364.42 for 127 Red Hill Road.

Vote on the motion: 5-0

E. Approval of Sewer Rates for 2016

The Town Manager explained that the assessment is a two-step process and in the past we had designated the Tax Collector to collect these fees. However, we recently found in the Maine Municipal Association's Tax Collector and Treasurer's Manual concerning sewer service charge liens that the Municipal Officers are to commit these charges, together with interest, to the Municipal Treasurer for collection per the Maine Statutes. The Town Treasurer can appoint the Tax Collector as a Deputy to continue to collect these fees. The Town Manager believes we should follow the statutes to the letter of the law so that we would not have any legal trouble collecting lien charges in the future. The second part of the assessment is setting the amount to collect. He recommended increasing the rate \$10.00 from last year's annual fee to \$160.00 to continue to increase the funds for maintenance of the sewer lines in the town.

Mr. Chase made a motion to authorize the sewer rate of \$160.00 per unit for 2016.

Vote on the motion: 3-2, Mr. DiConzo and Mr. Belanger opposed.

* Mr. Sterling left the meeting at 7:55 p.m.

F. Discussion/Approval and Scheduling of Public Hearing for the Down Town CDBG Project

The Town Manager informed the Board that our Letter of Intent was approved to go forward with the CDBG funding request as we met the objectives necessary to become eligible. He noted that the letter of intent did not include updated information from the engineers that included a sizeable increase in the cost estimate from 3 million to 4.3 million. The letter of approval also specified that all matching funds must be fully committed and secured by the application deadline date and additionally the applicant must demonstrate that the financial resources are available to complete the entire project as presented in the application. It also noted that 13 letters of intent were submitted for a total of 10.2 million plus and there is only 2.7 million available, so the application round would be highly competitive with the full application due on March 4, 2016. They also know we are planning a two year project. He was concerned that the engineer's cost estimate was so much higher than originally anticipated and that the costs may exclude some other needs for the complete installation of the project. We would need to have a public hearing and advertise ten days in advance and have a commitment of 2 million and use all the other money that we have in our reserved funds. He noted we would have to call a Special Town Meeting to request that the Town be authorized to borrow at least 2 million. At this point he does not have a bid document and cannot give an exact estimate of what we need to present to voters. He feels that our chances of attaining funding without a complete application would be minimal.

The Town Manager also noted that we have an Inflow and Infiltration mandate from the Maine DEP to improve the separation of the storm drains from the sanitary sewer to lessen the outflows at the treatment plant which would require tearing up the entire street. We also did a smoke test and found that 15 flat roofed buildings had smoke coming in showing they were tied into the sanitary sewer. The camera also found that the water and sewer lines were put in between 1895 and 1905, we found cracks, infiltration of water, pieces missing, and caved in. Some areas could not be penetrated by the camera as the pipes were blocked by debris.

Jennifer Kreckel, a business owner on the Island, asked when the Town was going to notify business owners as to who failed the smoke test. The Town Manager noted that there will be another type of test needed for some of the buildings that have a trap in the line that the smoke would not get through.

Ms. Kreckel asked when the compliance deadline would be for the Inflow and Infiltration Plan. The Town Manager answered it would be in 2017. She would like the business owners contacted as soon as possible so that they can prepare and she would like to know which businesses are going to be affected.

The Town has some programs that can help businesses that may be available to be sure this work is done. Each building would need to be assessed to determine what it would take to make the conversion to the new lines.

The Town Manger also noted that when the Town borrows 2 million for this project it is about the same time that we will pay off our [General Obligation] debt, so it will not have an impact on taxpayers.

Jim Windover asked about the level of the new sewer line that would be put in and was concerned about where it would be located. He also asked if the money the Town already has put aside is to

be used for specific purposes and if we use all our funds how would we pay for an emergency. The Town Manager responded to all his questions. He also asked how much we have paid to Main-Land for the surveying for this project thus far and what they have left to do. We were approved for \$80,000 and have spent \$52,000 approximately for this project thus far. There is still more engineering to be done along with the drawings and specs to be bid out.

Mr. DiConzo asked for clarification and the Town Manager replied that he does not feel we are ready enough with our cost estimates to go forward. Mr. DiConzo asked if we would be ready to present this to the voters in June. The Town Manager believes we could be ready with more accurate numbers and a better devised plan and costs for business owners to upgrade their buildings. Mr. DiConzo would like to get moving on the project. Because the application process is so competitive this time, our chances would be limited and we would score higher if we wait and get all our information and funding together.

Mr. Chase would like to be ready by June Town Meeting with good estimates and a good plan to inform the citizens and let them know we need to go to the bond bank for a specific amount.

Richard Scagliola was concerned about putting money into old buildings and would rather have new buildings built instead and relocating to other areas.

Jennifer Kreckel noted that there were other business owners present that are concerned about this project and the costs they would be responsible for that would bring financial hardship. She noted that there are things that can be done to make the area safer and better lit and that more people are interested in coming downtown. She requested having the specific information given to business owners if we plan to apply this year. She asked if there was any preference given if a Town applies one year and is not awarded the grant, then reapplies. The Town Manager said no.

Mia Purcell asked if the Letter of Intent puts us in line for 2017. Is the Town going to submit a full application for this round and would it help if we did for getting the grant next year.

The Town Manager does not think we would get the grant this year with the information incomplete at this time. He also noted that the current debt that we have will be close to being paid off when we take on this new bond debt. We do not intend to delay the project, we would like to be in a very good position for the funding.

Mr. Belanger asked about whether the Municipal Building had roof drains going into the sewer and if so, that would be further costs for the Town.

Mr. Belanger believes the lines from the buildings need to be done before the main line is done on the streets so that the project moves forward with no delays.

Jim Barnett asked about who was responsible for the work that needs to be done and shared some information about the work needing to be done from his perspective. He also believes we need to add the costs the business owners will have to come up with that would bring the costs to five million dollars. He was also concerned about the amount each property owner would need to pay. He wanted the project done completely, without leaving anything undone. He feels any question is important and the Board needs to be well informed.

The Town Manager noted that the basements of all the buildings need to have all new service lines to be ready to tie in to the new main line.

Mr. Belanger asked, "If we borrow two million and then go for the grant and do not get it two years in a row, what does the Town do then?" The Town Manager answered that we would need to find financing elsewhere and/or reduce the scope of the project or complete the project in sections.

Jennifer Kreckel suggested having a couple workshops for the business owners that: 1. Deals with the storm/sewer issue and, 2. How to address the infrastructure problem and finance and organize it. We can invite members of the public to assist in these areas and discuss this in depth. She also suggested the Town help to finance the costs to business owners with no interest loans to replace their old lines.

Mr. Belanger asked if letters were being sent to business owners on Congress Street about attending a workshop to discuss the upcoming project.

Mr. DiConzo was concerned about getting the letters out as soon as possible, before forming a committee, to let the business owners know who needs to upgrade their buildings.

Tony DeSalle asked what the cost estimate for the project was. The Town Manager replied that the estimate is 4.3 million for sewer, water and storm lines, sidewalks, and lighting for all the streets on the Island. Mr. DeSalle suggested that the Town purchase the entire Island and reconfigure the model of the Island. He also asked if the substructure was in such a bad state that it needed to be replaced. The Town Manager informed him of how the project changed in scope as more was learned about the condition of the main lines. They are the oldest ones in the Town and it was recently learned that some of the valves in the water lines were not workable. There was also an inspection of the sewer lines and they were found to be deteriorating badly. The Board decided that rather than put in new sidewalks and tear up everything again for repairs as problems continue to occur, that it would be best to replace the substructures now.

Mr. DeSalle asked what we could afford and compared a Cadillac to a Chevy and believes any project can be cut or reduced and was also concerned about the population and the empty buildings in town.

Mr. Chase believes it would be wise to postpone the CDBG Hearing and Town Meeting for the Bond and instead put together a study committee and speed up the process with the engineering firm.

Gary Dolloff, of the Greater Rumford Community Center, was concerned that the business owners on the Island be contacted as soon as possible of the cost they would be responsible for with the reconstruction project only a year and a half away.

The Town Manager believes we should get together a working committee and get letters out.

Mr. Chase would like the letters sent to all property owners on the Island (not only those that the smoke test showed had sewer lines in the so they are aware of the plans and how it would impact them and how they will need to be prepared and done prior to the Town's main project to begin.

The Board again discussed the importance of business property owners to be prepared to have their own lines done prior to the Town's main project beginning.

G. Discussion/Approval to Schedule Special Town Meeting to Request Funding for Down Town Project

This Item was not discussed.

7B. Approval of Town Warrant (moved from earlier in the meeting)

Mr. Belanger made a motion to approve the Town Warrant dated February 5, 2016. Vote: 4-0

8. Executive Session pursuant to 1 MRS 405 (6)(F) for Poverty Tax Abatement Request 2016-02

Mr. DiConzo made a motion to go into Executive Session at 8:40 p.m. pursuant to 1 MRS 405 (6)(F). Vote: 4-0

Executive Session In at 8:50 p.m.

Executive Session Out at 8:57 p.m.

Mr. DiConzo made a motion to deny poverty abatement request 2016-02. Vote: 4-0

9. Adjournment

Mr. Chase made a motion to adjourn at 8:58 p.m. Vote: 4-0

John E. Madigan, Jr.
Town Manager

JEMJr/tp