

WISCASSET BOARD OF SELECTMEN
FEBRUARY 17, 2009

Preliminary Minutes

(Tape Recorded Meeting)

Present: Bill Curtis, Phil DiVece, Chairman David Nichols and Town Manager Arthur Faucher

Absent: Bob Fairfield and Nicole Viele

1. Call to Order

The chairman called the meeting to order at 7 p.m.

2. Pledge of Allegiance to the Flag of the United States of America

3. Approve minutes of January 13 (abatement hearing), January 27, February 3 and February 5, 2009

Phil DiVece moved to accept the minutes of the January 13 abatement hearing. Vote 3-0-0. Phil DiVece moved to accept the minutes of January 27. Vote 3-0-0. Bill Curtis moved to accept the minutes of February 5 the meeting as printed. Vote 3-0-0. Action on the minutes of February 3 was postponed until the full board was present.

4. Citizen Comments

Paul Grover recommended that the town employee salaries be frozen for three years until it is known what is going to happen with the national financial situation .

Steve Mehrl asked about the status of the Town Report and was advised it would be available the next day.

Bob Blagden asked if there was a tax lien on Point East property, particularly the Mason Station property. Arthur Faucher said he knew of no liens that had recently been placed. Blagden said equipment is being taken out of the site and if the town delays in exercising its lien, much of the value will be lost.

Regarding the driver vacancy, Blagden said after consideration, he felt sharing the position between the road crew and the Transfer Station was not going to work and was not a good use of taxpayer money. The arrangement would fill the need at the Transfer Station, but not what he as Road Commissioner needed. He would have the employee on only Tuesday, Wednesday and Thursday, and there had been no discussion on what impact this would have on services.

Richard Hanson said there were liens on all of the Point East property except Mason Station. Arthur Faucher said that in responding to Bob Blagden he was thinking only of the property covered by the TIF agreement. Hanson said that as of February 12, Point East owed \$81,270 in back taxes on Mason Station. He asked why liens were placed on the rest of the properties in August and none were placed on Mason Station. Arthur Faucher said he would check with the treasurer. In response to Hanson's question regarding the purchase of a generator, Bill Curtis said verbal discussions had been held with the low bidder who would be drafting a

document for legal review. The Selectmen will be asked to approve the low bidder and the request for a special town meeting to approve the \$43,000 expenditure. Installation would begin after the frost is out of the ground, sometime before May 1. Hanson asked if it weren't putting the cart before the horse to have the contractor have one of his employees make a judgment as to what is wrong with the current generator after bids had been put out for a new generator. He asked if the current generator would be put out for bids as surplus property. He was advised that the current generator doesn't run, is outdated, is not in compliance environmentally, and has no value.

Regarding liens, Phil DiVece said that the lien process takes place after an 18-month waiting period. The first step is for the finance director to notify the mortgage holder that property taxes had not been paid. Lacking a mortgage holder, the owner would be notified. DiVece said he would like to have the finance director report where the town stands on unpaid taxes. He added that the selectmen are obligated under state law to place liens. In response to a question from Richard Hanson, DiVece said that professional assessors had assessed the land and buildings and an alarming amount of taxes had not been collected and there were in addition unpaid sewer fees.

Bill Curtis said that from 2000 to 2007 there was \$443,000 in unpaid taxes and \$187,000 last year amounting to over a mill. He warned that the town could be facing a 16-mill tax rate if something was not done. Dick Hanson said that the town had lost \$180,000 in its Edward Jones account in the last three months. Phil DiVece asked that a representative from Edward Jones be invited to attend a selectmen's meeting to address the board's questions. Hanson asked that the meeting be well publicized and open to the public.

Steve Mehrl said that the governor's proposal would reduce revenue sharing 4.6%, which would reduce Wiscasset's share from \$416,418 to \$376,783.

New Business

5. Opening of the Diesel Fuel Bids

Arthur Faucher announced that only one bid had been received. Phone calls to other potential bidders indicated that for one reason or another, bids had not been made, but seemed to indicate bids would be made by three of those contacted if the time were extended. Faucher recommended that the one bid received not be opened and that the board authorize resubmission of bids. **Bill Curtis moved to go ahead and advertise again.** He said the board may receive bids from not only the four already solicited but also from other bidders. **Vote 3-0-0.**

6. Town Manager's Report

- Update on Class II Utility Driver/Laborer vacancy: The Town Manager reported that 25 applications for the driver vacancy had been received.
- First Draft of the Gateway 1 Plan: This is a draft MDOT plan for land use and transportation issues including safety and mobility along Route 1 and is available for review and public comment. Faucher said the plan was important to the economic future of US Route 1 and the coast. It contains an analysis of growth patterns and population movement to the Maine coast. He recommended that the town send a representative to the meetings. **Bill Curtis moved to advertise for somebody in the community to come forward and represent us in the Gateway 1 program. Vote 3-0-0.** Advertising

for the position on the sign in front of the municipal building and in the newspapers was suggested.

Phil DiVece asked whether the Road Commissioner and Town Manager were going to review the 25 applications for driver/laborer. David Nichols said that should be done at a later time and more discussion was needed. On being informed that the Road Commissioner needed a full time employee, Phil DiVece recommended discussing the position in the budget meetings. Bill Curtis asked that the 25 applicants be advised that there would be a delay in consideration of the applications.

7. Other Business

Phil DiVece said he had received a school expense summary and would like to see one for the town side. The Town Manager said that would be issued every two weeks and would include revenues.

Phil DiVece asked whether a 4th of July chairman had been appointed, as he had several inquiries about being on the committee. He was directed to contact Becky Applin.

David Nichols asked for a moment of silence for a former member of the fire department, Elliott "Pucky" Abbott, who had passed away.

The chairman declared a ten-minute recess at 7:40 p.m.

Members of the Budget Committee who joined the selectmen were George Greene, Greg Shea, Steve Mehrl, Richard Hanson, Judy Flanagan, Judy Colby, Sherri Dunbar and Pam Dunning.

Bill Curtis said he had asked to meet with the Budget Committee because looking at the rough numbers, he estimated a mill rate of \$16 to \$17. He asked those present to share their thoughts on addressing the problem. He said it was important to receive reports from Edward Jones, and the Town Manager said he would obtain them.

Arthur Faucher suggested that there be an open dialogue on the town's philosophy with regard to the budget and the use of the line item budget. As an example, Lt. John Allen, Wiscasset Police Department had established a line item to fund a new cruiser and non-tax money was put aside to purchase the vehicle. These funds came from accident reports, special duties, and parking tickets. When a new cruiser was needed, typically every three years, this money would be put toward its purchase. Arthur Faucher said the voters would be asked for authorization to set up this reserve account, and voter approval would be needed to extract funds from the account.

Bill Curtis recommended that the capital equipment needs of other departments be examined and suggested that rainy day accounts be set up for each of those departments that have aging equipment to replace.

Greg Shea said the issue was to create a multi-year plan. The danger in putting money away in separate accounts was that more money would be put away than was being used, which would cause more revenue to be raised. He recommended combining the accounts and properly allocating funds from cash flow.

Richard Hanson recommended putting 75% to 80% of the reserve account into a fund for equipment and building maintenance in order to have some accountability on how the funds are spent.

Pam Dunning pointed out that if the Police Department revenue was put in a reserve account for a vehicle instead of subsidizing the cost of the department, the taxpayers would end up replacing the reserve account funds.

Phil DiVece said the auditor advised against setting up multiple reserve accounts and recommended instituting a capital investment plan. DiVece cited other problem areas found by the auditor such as bank reconciliation, general ledger reconciliation, and unrecorded bank accounts for various departments.

Greg Shea agreed that the current method was a nightmare and that the town could not successfully manage all those accounts.

Pam Dunning asked why a policy governing the use of reserve accounts could not be drafted for a vote at town meeting. Moreover, she suggested that the policy would not be able to be changed except by a town vote. This would preclude new select boards and budget committees changing the policies. The Town Manager said this had already been done.

Todd Souza, Parks and Recreation Director, said that every other municipality he had worked for had handled their funds as recommended by the auditor. It was his responsibility to present a plan to the selectmen and it was up to them to determine how the plan would be funded.

Steve Mehrl said that a data base exists which could be turned into a CIP in order to break away from the enterprise accounts.

Roland Abbott, Ambulance Director, said that he had been asked to make a capital improvement plan three years ago, which included two defibrillators at \$50,000; however, there is no money for them, his plan was never looked at and he considered it was a waste of time.

John Allen explained that his budget at week 32 (61.5% of the year) was 54.5% ; however, he was over on his overtime account. The Police Department bills the state or companies \$40 per hour for an officer's time, but pays the officer at \$25 per hour. Although what the department has taken in exceeds what was paid from the overtime account, it doesn't show in the budget because the overage is put in the general account.

Arthur Faucher asked the group to consider a budget for cultural services, i.e. the town's 250th anniversary (which received \$5,000 last year), the art gallery, the powderhouse and the town clock. He recommended that organization of the 250th celebration be privatized because Becky Applin did not have time to work on it. He asked whether a historical account should be created to take care of these. The town clock will need renovation soon, and the powderhouse needs a new roof. Although the Maine Historical Commission has provided some funding, its grants are made in the fall when there is no money for matching funds. Steve Mehrl recommended discussing the town's position on each of these assets and whether they should be kept for historical value.

Judy Flanagan disagreed with privatizing the 250th celebration. She felt that the community could come together with help from businesses to put on the celebration. Pam Dunning

mentioned that Lincoln County is also celebrating and the town should band together with the historical society.

Todd Souza asked which way budgeting was going to be done, gross or enterprise accounts, and also about capital improvements for interdepartmental projects.

In response to Dick Hanson's question about direction to department heads on their budgets, Arthur Faucher said that each department would make the cuts it could, but each department's cuts might be different. Souza said that the department heads needed a range.

Phil DiVece asked that a decision be made on enterprise accounts, and Arthur Faucher recommended a gross budget. Bill Curtis recommended that the selectmen advertise for a finance director.

Steve Mehrl asked for a model of a gross budget so that all could understand how it looks and how it is prepared.

Phil DiVece asked whether the town would be receiving any funds from the stimulus package. Arthur Faucher said that there was \$300,000 slated for the railroad bridge, but he had not seen any other projects in Wiscasset being funded.

Judy Flanagan asked when a decision would be made on enterprise accounts. David Nichols said it was up to the Town Manager. Arthur Faucher recommended going with the gross budget. The airport, wastewater plant and ambulance departments would remain as enterprise accounts.

A discussion with Bob Blagden on personnel needs for the Highway Department followed. Blagden said he needed one full-time person to replace Ron Lear and when his employee who is on sick leave returns, he will have a full staff. He has needed six drivers (including Blagden) to plow plus one mechanic during the plowing season, but had only five drivers including the mechanic plowing. Asked about equipment needs, he said that there is no need to buy another truck if there is no one to run it. Hiring someone on an interim basis presents problems because the position has to be offered to someone in the bargaining unit first and not all would be qualified.

Dick Hanson said the town should face the reality that Bob Blagden needs a full time employee, as he is asked to work on the waterfront and the cemetery, to cut trees at the powderhouse and other work that is not strictly his department.

Asked by Pam Dunning to explain the disposal of snow, Blagden said the town was licensed to dump snow from the pier within 72 hours after a storm. This creates a problem when he doesn't have a full staff. If an alternate site were found, it would need DEP approval and would require a license.

Arthur Faucher said the town had received a matching grant from MDOT for engineering services for the Memorial Pier, and when a price on the design is established, an application will be made for federal matching funds to replace the pier, which Faucher estimated might take five to six years.

Dick Hansen asked why the Highway Department was not reimbursed when it plowed the airport. Bob Blagden said he indicates on the payroll sheet that the men should be paid from the airport account but he is not reimbursed for the use of his trucks.

The meeting adjourned at 9 p.m.