

**Fort Fairfield Town Council Meeting Minutes**  
**Council Chambers**  
**Wednesday, August 15, 2012**  
**6:00 P.M.**

Councilors: David McCrea, Kim Murchison, Mark Babin, Terry Greenier and John Herold

Staff: Bill Campbell, Mike Bosse and Tony Levesque

Citizens: 2 including media

Roll Call – Chair Kim Murchison asked that the record reflect that all councilors are present.

- II. Prayer - Councilor Mark Babin offered the prayer
- III. Pledge to the Flag - All in attendance pledged their allegiance to the Flag.
- IV. Public Comment Period – Dan made a comment about a letter that Public Works received regarding their great work during the Festival.

Also received an email from a resident of Grand Falls, NB regarding the Park next to the river.

Both letters are included with the minutes of this meeting.

V. Correspondence and Reports:

A. Licenses/Permits – NONE

B. Financial Report – Dan – This is our first month in FY 12/13. On our income statement revenue sharing and our excise tax are both down slightly from last year. On the expense side the only line items that are out of the ordinary are the fuel accounts for the Fire and the Highway Departments. The Fire due to the fire calls that they had in July which included the fire at ReEnergy. The highway, both diesel and the gas tanks were low on fuel plus we had outstanding bills from June. Our cash flow is consistent with last year and we will be applying for our annual tax anticipation note which is required around this time each year.

C. Tri-Community Landfill Report - Stev - Not a lot going on right now because most of our projects are done. Sharon, who works with Mark, has found that she can save Tri-Community a tremendous amount of money by refinancing the loans. Looks like we could save somewhere around 1.1 million dollars by refinancing the two biggest loans. Meetings with Presque Isle are still in the beginning stages, they are looking for a more efficient way to manage their landfill.

Dan – Part of the goal is to create a mutually beneficial relationship, there are other things that we can benefit from by working with Presque Isle.

D. Update on Senior Citizens Housing – Dan – We had a successful bid opening on July 18<sup>th</sup>, J P Martin is going to be the contractor. The bid came in \$400,000.00 under the estimate, which is a huge help in moving this process forward, and also in protecting out developers fee. We have submitted our application to Maine State Housing for establishing our TIF district, has been approved and we have received our certification. Currently we are preparing for the construction loan closing and we are dealing with attorneys from the lending bank, (TD Bank), from investors and Maine State Housing these three different lawyers are bouncing between the architect, B.R. Smith, the Town of Fort Fairfield, The Fort Fairfield Housing Authority and CEI. Hopefully by the end of August we will have a construction loan closing. Once we have that then the contractor can start digging. He has until August 2013 to have the project done. The Town of Fort Fairfield will be receiving \$362,500.00 for the developer's fee, \$80,000.00 will be paid to CEI for acting as consultants on our behalf, that leaves us with \$282,500.00. We are moving forward.

E. Update on Health Clinic – Dan- Went out to bid today with a deadline of August 30<sup>th</sup> with a bid opening at 2:00pm. We plan on signing a contract the week of September 10<sup>th</sup>. Tony has been working closely with DECD and he has his things done but they have time lines that they have to follow. In the meantime, Jim Davis of Pines has been meeting with B.R. Smith, getting everything that he wants to see in the building. We are also working on our lease agreement with Pines, this is very unique because we are tying services to the lease. We are going to get a guarantee of a level of service, if we do not get the level of service stated in the agreement then they would be in default, we would have the right to make changes. The whole idea is that we will have control of our destiny in the terms of health care that we are going to receive in this community.

Terry – The town needs to know how much work now and in the past that Tony puts into getting us a lot of these funds.

F. Police Department Update – Bill – The festival went very well, we received a lot of comments from the community on how well the traffic was moved out of town. We had two minor arrests during the festival. Luke Blackstone one of our new reserve officers has finished one on one training and is now able to go out on his own and patrol. Stone Garden is finished for this round, the final reimbursement has been submitted, this is approximately \$1,000.00. The OUI enforcement grant that we have been working on the last couple of months will be finished September 21<sup>st</sup>. At that time we will put in for a total reimbursement. September 12<sup>th</sup> – 14<sup>th</sup> Bill will be attending the Maine Chiefs Fall Conference.

G. Update on Rail Line Transfer/Railroad Insurance – Dan - Nate Moulton of MDOT came up with his supervisor for the State Rail Line and also with Nat Rosenblatt the attorney who is working on transfer document. We actually rode the 6 miles of rail, the rail looks great, in good shape. They are pleased

with what they are getting, they have no concerns.

- H. Review Draft Audited Financial Statement for FY 11/12 – There are two aspects of this report that we focus on, first is “how did we manage our budget”. Our income was \$29,714.00 over budget and our expenses were \$109,998.00 under budget providing a \$139,712.00 surplus that can be applied to this year’s budget. Also the report on internal control over financial reporting, indentifies any material weaknesses or misstatements of financial information. They found that the information we provided to be factually accurate and that we have appropriate controls in place regarding the handling and accounting of the funds we are responsible for.
- I. Review Sudden & Severe Disruption Adjustment – Any community that has experienced a sudden and severe disruption in its municipal valuation may request an adjustment to the equalized valuation determined by the State Tax Assessor. This is defined by three factors, first, that the net reduction in valuation exceeds 2%, that the reduction is the result of a single taxpayer and that the municipals tax rate for residential property exceeds the state average. We can not apply until we commit for this tax year which is October 1<sup>st</sup>. The end result is additional revenue to SAD #20, along with a modest increase in our revenue sharing. Marc Gendron is recommending to the School Board that should they receive additional funds due to this declaration that those funds be turned over to the town to help offset the increase in our mil rate. If successful in our request, we may not see the funds until March or April.
- J. Update on Spec Building – Graphic’s still has approximately \$11,000.00 due to the Town and they have not been paying anything. They moved out roughly 15 months ago and left about 20 pallets of ink in the building. Mike has been looking for companies who may be interested in buying the ink. We have been meeting with Dick Langley and we are looking to see if we are able to sell it to get some money to off set the balance due us.
- K. Update on Mil Rate Increase – Dan – Both Randy and Tony have been working hard on this. Our evaluation before these years was about 157 million dollars, what we use for evaluation to determine how much our mil rate needs to be to pay our expenses. This year we lost in real estate \$1,566,000.00 and in personal property \$2,474,000.00, for a total of \$4,041,000.00. So instead of having 157 million now we have 153 million to spread the cost of running this town. ACP represents a little over 7 million dollars, so that means that our increase in Town valuation was almost 3 million. Currently our mil rate is 21.75, in 08/09 we actually lowered it from 22.45 and the last time we increased it was 04/05 which was 20.50. Our total expenses this year is \$4,800,000.00, to get our income to \$4,821,000.00 we need \$3,517,000.00 in property taxes that would represent 23 mils.
- L. Update on Radio Conversion to Narrow Banding – Dan - Paul and Bill have done a great job, they have used a lot of resources available to them. Paul

still needs the repeater replaced, this is located on the Center Limestone Road, the cost for this is roughly \$3,000.00 and this would come out of his reserve account. However, Public Works does not have the same resources, so we placed an order for 19 mobile radios and 8 portables for almost \$10,000.00 which will be coming out of the reserve account. This needs to be taken care of by the end of this year to be in compliance.

- M. Tony has again applied for small grant programs with DEP for septic systems. Every year Tony gets at least one failing septic system replaced. It is grant monies through DEP and Tony administers it, it's a great help because it is not inexpensive. The citizens have to pay based upon their ability.

VI. Old Business – None

VII. New Business

- A. Authorize Tax Anticipation Note FY 12/13 – Each year we apply for a tax anticipation note to cover our expenses during the fall months. This year we have the construction of the health clinic that will be starting in September and should be completed in March. Our share of those cost will be covered by the developer's fee which we will be receiving from the project in phases. This will cause additional cash requirements until we receive our funds from the senior citizens project. Consequently the request is being adjusted from \$400,000.00 to \$500,000.00 to ensure that we have adequate capital to pay our ongoing bills.

Motion: Terry Greenier moved to Authorize Tax Anticipation Note FY 12/13 in the amount of \$500,000.00

Second: John Herold

Vote – All affirmative

IX. Minutes: July 18, 2012

Motion: John Herold moved to approve Minutes of July 18, 2012 as written.

Second: David McCrea

Vote – All affirmative

X. Warrants: #2 - \$218,741.22, #3- \$142,876.94

Motion: John Herold moved to accept warrant #2 & #3 as presented.

Second: David McCrea

Vote – All affirmative

XI. Other – None

XIII. Adjournment at 6:45 PM

Respectfully submitted,

Rebecca J. Hersey  
Council Secretary