

MINUTES

For a regular meeting of the Pittsfield Town Council held on Tuesday, October 20, 2009 at 7:30 pm in the Council Chambers.

PRESENT: COUNCILORS: Mayor Tim Nichols, Caleb Curtis, Wayne Fotter, Donna Chale, Christopher Carr **ABSENT:** Deputy Mayor Gary Jordan, Jr., Louise Baker. Also present: Town Manager Kathryn Ruth and Town Clerk Nicole Nickolan. Audience members included: Bob Stackhouse, Belinda Stackhouse, Kelly Flannigan, Don Chute, Mike Lange, Chris Cousins and others.

1. **Mayor Nichols** opened the meeting by leading the **Pledge of Allegiance**. The Council observed a moment of silence.
2. Adoption of Minutes of the regular meeting on October 6, 2009.

Moved by **Councilor Curtis** and seconded by **Councilor Chale** that the minutes of the regular meeting on October 6, 2009 be adopted.

VOTE: UNANIMOUS AYE

3. **PRESENTATIONS, CONGRATULATIONS AND INTRODUCTIONS:**

Community and Economic Development Activities and Events

Report on Meetings & Events:

Chairs for Chairs Silent Auction to benefit the Pittsfield Community Theatre on Friday, October 9, 2009 beginning at 3:00 pm at the First Congregational Church.

This was a great fundraiser. The 18 chairs decorated by local artists went to new homes. There were over 60 bids placed so it was a very successful fundraiser netting \$2,000.

Upcoming Meetings & Events

Kennebec – Somerset Transition Team scheduled for Wednesday, October 21, 2009 at 9:30 am in the Town Council Chambers. This is the group of non-profits, businesses, community organizations and Towns that assists those transitioning into the work place and out of the workplace by providing resource guides and referrals to other agencies. We also run the Regional Job Fair that takes place now annually in May of each year in Pittsfield.

We would like to announce a new workshop to be held in Pittsfield. We brought up the need for some on-site training to provide people with skills to apply for jobs and the Maine Department of Labor is bringing a workshop to Pittsfield on October 30, 2009 from 1:00 – 4:00 pm at the Pittsfield Municipal Building Council Chambers. READ Notice.

To Be Announced:

There will be a Magic Show at the Pittsfield Community Theatre on Sunday, November 15, 2009 AT 2:00 PM. The show will consist of a fully-staged family performance of magic, juggling and illusion by “The Magic of The Steelgraves” to run in two acts for a total of 90 minutes. There shall be one 15-20 minute intermission between acts.

The Town was just informed that our application for \$1,000 to United Way of Mid-Maine (Keeping Mid-Maine warm) Program has been approved for funding in the amount of \$1,000. The purpose of the program is to provide some funding for the seniors that fall between the cracks who are cold in their homes. So this will supplement the Pittsfield Keep Me Warm Program.

The Town was also just informed by the Maine Bureau of Parks and Lands that the Town has been chosen for a Land & Water Conservation Grant for 2010 for Hathorn Park for Legge’s Field and Sports Complex in the amount of \$25,000. When we started this project in early summer, the State had over \$1.2 million dollars of requests from 23 communities for inspections, then it was down to 11 communities seeking \$400,000 in funding with \$133,742 available. The Hathorn Park project was one of 5 selected. The project is to rehabilitate the dugouts, sign, fencing and basketball court, to include pavement.

The Pittsfield Municipal Airport Apron is completed. There is sufficient funding available for replacement fencing by the hangars by the new gate and to re-mark the airport including any upgraded numbers at the airport

Discussion on the Town Council’s Resolutions in Opposition to the following two Resolutions regarding the November 3, 2009 Ballot Referendum Questions:

Question #2: An Act to Decrease the Automobile Excise Tax and Promote Energy Efficiency

Question #4: An Act Seeking to Modify the Current State Law on Tax and Expenditure Limitation on State and Local Government commonly know as TABOR II

The Town Manager noted on the Referendum to decrease the Automobile Excise Tax: The Town is projected by the Maine Municipal Association to lose \$246,370 in revenue if Question #2 passes. This measure is projected to cut the Municipal Budget by approximately \$246,370 or raise taxes by \$246,370 or some combination thereof. This is the town’s second largest municipal revenue source. Excise taxes, under the State Law, are utilized to fund the community’s highway maintenance budget. Our town can not lose over \$200,000 in revenues and not feel a dramatic effect. Every cent of our Excise tax is utilized for the annual highway budget, annual highway debt service and trying to put some funds away for highway equipment to update the Town’s trucks and equipment . The Town would really like to update some of the 1960’s and 1970’s equipment as the downtime and repairs are getting to be more and more now. The Town usually receives \$587,000 in excise tax, however, due to the economy, has only realized \$432,626.49 to date. We are already on a strict budget freeze on operations now. Losing \$246,370 on top of this would be devastating. Shutting down a majority of the highway department expenditures which address maintenance, plowing, sanding, and other basic

necessities will not work. Neither will cutting every other budget to then try to fund highway expenditures.

In addition, this law only affects vehicles in the first 6 years of age, therefore, it will not have any impact for most of the citizens of the state and certainly most of the citizens in Pittsfield. Many of our citizens, including municipal officials and town employees, have not been able to buy new cars. In reviewing registrations, we found that hardly any of the Town's employees would have a benefit from this measure.

Referendum known as TABOR II: As we well know, our budgets are extremely tight from years of cutting and/or not increasing expenditures in most areas of municipal responsibilities. The Town has already trimmed its budget to try to maintain the town's portion of tax bill to the same amount each year after having large decreases for several years. Our municipal budget tax commitment amount is less than it was back in 2002. The Town Council, Town Manager and town employees trimmed these budgets. We did not need TABOR II to do this. TABOR II will require that any increase in taxes go out to referendum, which adds additional costs to the budget. If the Excise Tax question passes along with TABOR II, most likely nearly every town in the State would then be forced to send their budget/tax increase to referendum as Towns can not lose an estimated \$81 million dollars in revenue under Question #2 without some type of unfortunate impact on local services.

In addition, as discussed at prior Council Meetings, by Charter, the Town's budget is a calendar year budget passed by the end of each year. The County and SAD are on a fiscal year. TABOR II is based upon the Tax Commitment, which does not take place until late July – early August (and this year as the County had trouble setting its budget, took place in later August). The Town would be spending money as it would have no choice but to do so for 8 months before it knew if it had to go out for referendum or not. TABOR II does not logistically work for over 300 towns in the State of Maine that are on the calendar year. To change the fiscal year would take a couple of years in order to comply with TABOR II as the charter has to be changed, it has to pass a referendum, the Town has to have a ½ year and then a full year's budget or an 18 month budget. Likely the Town would have to move the Tax payment up from mid-October to mid-May to pay for this. We could try to borrow money but we already borrow a TAN and it is unlikely we could increase it dramatically.

This is simply for the solution for the Town of Pittsfield, our budget is less than other towns our size, we have less employees covering more areas and responsibilities than other towns our size and our municipal commitment which is the amount of taxes raised for the town operations has decreased each year from \$1,061,947 in 2002 to \$916,154 in 2009 or a decrease of \$145,793 in tax dollars raised or 13.7%.

Councilor Fotter, Councilor Chale and Mayor Nichols all voiced their concern over these upcoming referendum questions. All three Council members expressed their opposition to these referendum questions.

4. **PUBLIC HEARINGS/OLD BUSINESS:**

- a. **ORDINANCE 09-19:** (Public Hearing) That the Town Council hereby Ordains that Chapter 2B General Assistance Ordinance, Appendices A, B, and C be rescinded

and the new Appendices A, B, and C be adopted to reflect the revised maximums for the period of October 1, 2009 to October 1, 2010.

No one wished to speak in favor or against Ordinance 09-19. Public Hearing closed.

Moved by **Councilor Chale** and seconded by **Councilor Fotter** that Ordinance 09-19 be adopted.

The Town Manager noted each year the Maine Municipal Association reviews the General Assistance charts which provide maximums for support of qualifying applicants who require assistance. If costs for services have gone up around the State or in particular areas of the State, increases will be required for assistance maximums.

For the period of October 1, 2009 – October 1, 2010 there are increases proposed for:

Maximum GA limits allowed, Food, Monthly Rent

There were no increases proposed for: Electricity, Electric Heat, Heating Fuel, Personal Care & Household Supplies, Supplement for Households with Children under 5

VOTE: UNANIMOUS AYE

5. **REPORTS: TOWN MANAGER, FINANCE, ORDINANCE & RECYCLING COMMITTEES:**

Town Manager's Report: Town Council Meeting of 10/20/2009:

1. Tax Bills for 2009 due on Friday, 10/16/2009: Tax bills were issued last month after Somerset County was able to issue their assessment to the Town. The mil rate is \$16.30 and the Town is at 95% of valuation. The Town was below 70% of market value and was required to increase values, which then lowers the mil rate. The factoring itself does not change taxes, it increases and decreases in budgets and valuation. The Town lost over \$8.4 million dollars in personal property assessment when several of the Town's largest personal property taxpayers reduced the amount of equipment they maintain in Town and the Maine legislature exempted most new business personal property from taxation.

2. New Hours of Operation for the Pittsfield Recycling & Transfer Station: Effective the week of October 11, 2009 the scheduled hours for the facility were Tuesday – Saturday from 8:00 am – 6:00 pm.

The facility will be closed on Sunday and Monday. The new schedule goes into effect to reduce operating expenses as the facility has been in operation for seven days a week.

3. Board/Committee Terms expiring this year: Are you interested in one of these following areas? Airport, appeals; assessment Review; Ethics; Health; Cemetery; Economic Development Team; Housing Rehabilitation Loan Fund; Library; Parks & Recreation; Personnel Appeals; Pinnacle Park; Planning Board; Pool; Recycling; and Theatre. Please contact Nicole, Town Clerk at the Town Office 487-3136 if you are interested in one of these positions on or by November 20, 2009.

4. Census 2010: Remember that Census workers are out collecting information in the community. The individuals should have signs on their vehicle and proper Census identification.

5. Pittsfield Farmers' Market: The Farmers Market at Hathorn Park is available Mondays and Thursday from 2:00 pm – 6:00 pm until October 29, 2009.

6. Pinnacle Upcoming Events: Read Schedule of Events.

7. Make A Difference Day: The Town of Pittsfield encourages all citizens to join with the Nation in volunteering on Make A Difference Day which is Saturday, October 24, 2009. Help your neighbor, help a senior citizen, volunteer at recreational facilities and parks or volunteer at home to do a project. This is also one of our two annual Trash to Treasure Days in the community to be held from dawn to dusk

Finance Committee: Met earlier tonight. The cemetery fund was reviewed. This fund has gone up. The current status of the Town collection of excise tax was also discussed.

Ordinance Committee: No Report.

Recycling Committee: Met on 10/07/2009. Discussed a couple different matters to do with reuse items. Discussed the possibility of having a reuse center.

6. **NEW BUSINESS:**

- a. **ORDER 09-16:** Ordered that the Town Council hereby approves the creation of a Sludge Removal Reserve and be it further Ordered that the sewer rate fee be increased from \$3.25 per 1,000 gallons to \$4.75 per 1,000 gallons effective November 1, 2009 to begin to fund the expenses for Sludge Removal.

Moved by **Councilor Curtis** and seconded by **Councilor Chale** that Order 09-16 be adopted.

Town Manager noted for a long time, the Town of Pittsfield had the lowest sewer rate in the State of Maine. Until January 01, 2009, we had been advised that Monson had the lowest rate, however, it was involved in a rate increase at that time.

The sewer rate was increased to \$3.25 per 1,000 gallons effective January 1, 2009 to fund the 2009 budget. Sewer revenues are down significantly regardless of the rate increase as businesses and individuals have been using less water due to the economy.

If the Town could put off the borrowing of up to \$1.9 million dollars estimated to be needed to clean out Lagoon #1, that would be good due to the economy. However, the Town has 30 years of sludge built up in just one Lagoon and needs to push forward to protect the system and to ensure the quality of the system so that it will work for future decades. The quality of the system is less due to the build up and will continue to deteriorate. Part of this project will be to set in motion a plan to clean out the Lagoon every 5 years or on some regular basis.

The Town Attorney recommends that the Town establish a Sludge Removal Reserve in the 2010 budget. The Town Auditor had recommended that the Town establish a Sewer Restoration Reserve, however, the rate has been too low to raise additional funding to start fixing the older sewer lines.

If the Town borrows up to \$1.9 million for the sludge removal, the first year's worth of principal and interest payment at the last issuance by the Maine Municipal Bond Bank (MMBB) would be

\$188,122.45 (principal of \$95,000 and \$93,122.45). If we qualified for some amount of a loan through the Clean Water SRF, some of the interest could be written off. If we were not eligible for the Clean Water SRF, then it appears that the worst case scenario at the total borrowing for a year's worth of payments at the regular MMBB would require an increase in the sewer enterprise budget of \$188,122.45 or 67.7% which would require a rate increase from \$3.25 to \$5.45 per 1,000 gallons. The best case scenario is anything less. Prior to issuance of a bond, we will be reviewing all grant and loan/grant programs for partial funding. The Town has the option of the regular MMBB issuance at the current interest rate for an additional 10 years – borrowing for 30 years. This would allow the Town to spread the cost of this project out over the next 30 years. With this scenario, it is estimated that a full year's cost would be \$159,485.25 to cover interest and principal which would result in an increase in the sewer enterprise budget of \$159,485.25 or 57.4% increase. This would result in a rate increase from \$3.25 to \$5.12 per 1,000 gallons. This is all at the last borrowing rates and interest rates may differ and it is also for a full year's payments, not a partial payment.

Considering that we may obtain some type of reduced financing for some percentage of the loan, the Town Council may want to implement a lower rate increase such as \$1.50 per 1,000 gallons. This would increase the rate to \$4.75 per 1,000 gallons or 46%.

To proceed with the sludge removal project it is recommended that we establish a reserve; begin to fund the reserve; and plan for an increase in the sewer enterprise account for 2010. This means a rate increase.

The Town Council expressed that we knew this fee increase was imminent and had discussed it for the last three years while we worked on the upgrade of the metering system.

VOTE: UNANIMOUS AYE

- b. **ORDINANCE 09-20:** (To be set to Public Hearing on 11/17/2009) That the Town Council hereby Ordains to accept the offer of David & Amy Mitchell consisting of \$16,600.00 for the property located at 38 Family Court (Map 18, Lot 49-1) the Town having acquired said property as a result of automatic foreclosure on a 2006 property tax lien, recorded in the Somerset Registry of Deeds on May 31, 2007 at Book 3854, Page 261 which matured on November 26, 2008. The Town Council further authorizes the Town Manager to execute a municipal quitclaim deed releasing the Town's interest in said property to David & Amy Mitchell.

Moved by **Councilor Fotter** and seconded by **Councilor Curtis** that Ordinance 09-20 be set to public hearing.

The Town Manager noted the property at 38 Family Court that was foreclosed on in 2007 and for which the Town never received \$1 in back taxes on from the heirs went out to TAP as authorized by the Town Council on August 11, 2009. After giving the heirs an additional redemption period to pay up the taxes beyond the two tax payment plans, the property was advertised.

Bids were due on October 09, 2009 with the high bid being David & Amy Mitchell in the amount of \$16,600.00. The 20% deposit of \$3,400 was provided with the bid. The Mitchells plan to reside on the property.

VOTE: UNANIMOUS AYE

- c. **ORDINANCE 09-21:** (To be set to Public Hearing on 11/04/2009) That the Town of Pittsfield hereby Ordains the amendment of Chapter 2A. Business Licenses and Permits to add Section 213. Pawnbroker and add Pawnbroker to Schedule A.

Moved by **Councilor Curtis** and seconded by **Councilor Fotter** that Ordinance 09-21 be adopted.

The Town Manager noted the Town of Pittsfield received a request to add this language back into Chapter 2A. from Mr. Quinn, who is currently operating the antique shop at 103 Main Street. He would like to expand his business to include a pawn shop.

In 2004, during extensive streamlining of Chapter 2A that people had noted was restrictive, including the current Code Enforcement Officer at the time, this section was deleted. It was deleted as there was an option to obtain a permit at the State level. Mr. Quinn called the State and found that such registration was very cost prohibitive and was encouraged to work with the Town. We reviewed the State website which now contains material about the permitting requirements. We would agree that obtaining a pawnbroker license through the State is extremely difficult.

The Ordinance Committee recommended approval of this request at their last meeting on 10/06/2009. The proposed language is attached as well as the information from the State website.

VOTE: UNANIMOUS AYE

- d. **RESOLUTION 09-149:** Resolved that the Town Council Accept the bid of Leavitt & Boucher of Dover, NH for Solid Waste Compactor Dumpster and Authorize the Town Manager to execute a contract/agreement for purchase.

Moved by **Councilor Curtis** and seconded by **Councilor Chale** that Resolution 09-149 be adopted.

Moved by **Councilor Curtis** and seconded by **Councilor Chale** that Resolution 09-149 be amended as follows:

RESOLUTION 09-149: Resolved that the Town Council Reject all bids received on 10/16/2009 as all bids were for open top containers and to Accept the bid of Leavitt & Boucher of Dover, NH in the amount of \$6,880.00 each for 2 Solid Waste Compactor Dumpster to not exceed a total of \$13,760.00 and Authorize the Town Manager to execute a contract/agreement for such purchase, to be funded through the Recycling Equipment Reserve.

The Town Manager noted this is a regular capital cost that takes place after several years of use. The prices seemed really very low so we called all the companies to find that they all bid on open top containers. The Town needs compactor dumpster units. The Town quickly re-bid the Solid Waste Compactor Dumpsters with a due date of 10/20/2009 to receive three bids.

Don Chute, the Recycling Coordinator, recommends the purchase of 2 compactor dumpsters from Leavitt & Boucher as these are the rectangle units that the Town utilizes now. The Octagon

Compaction Containers from Atlantic Recycling Equipment do not fit well on the Waste Transporter and do not hold as much material.

VOTE: UNANIMOUS AYE

- e. **RESOLUTION 09-150:** Resolved that the Town Council Waive the bid policy to accept the proposal of Charleston Correctional Facility for Library shelving to not exceed \$ 7,315.00.

Moved by **Councilor Chale** and seconded by **Councilor Carr** that Resolution 09-150 be adopted.

The Town Manager noted The Town has a wonderful opportunity to have shelves built by workers from the Charleston Correctional Facility for the Library shelving that is needed. Not only will this be a third of the price, but is also provides an important community service. When I was in Hermon, the workers from the Correctional Facility came to refurbish the one-room School House in Town that was the home of the Historical Society. They did a great job, we purchased the materials and at that time, they did need lunch provided.

By their letter, they do require \$3,500 to purchase the materials, as obviously, they would not have the funds available.

VOTE: UNANIMOUS AYE

7. **DISCUSSION ITEMS:**

- A. Financial Reports as of 09/30/2009:
Budget Expenditure Report
Revenue Collections Report
Tax Acquired Property Report
Economic Development Revolving Loan Update
Housing Revolving Loan Update
Transfer Station/Recycling Monthly Report
Theatre Monthly Report
Excise Tax Collections Comparison Report
State Revenue Sharing Comparison Report
Personal Property Tax Collection Report
Real Estate Property Tax Collection
Reviewed Briefly by Town Manager
- B. Other Reports as of 09/30/2009:
Building and Plumbing Permit Reports
Library Report-Librarian's and Library Trustees Minutes
Police Report
Self-Explanatory – Not Reviewed
1. **Update on Water Projects:**

Federal Stimulus Funding for Back-up Water Pump: The pump has been installed and we are awaiting the delivery & installation of the control box.

Water Meter Replacement and Automated Meter Reading (AMR System):

We had enough calibrated and tested manual meters to re-meter the remaining mobile home parks. Installations will be weather dependent. The project took place off and on during July and August. Now we are down to a list of under 100 residential units. We are continuing to upgrade the meters in as many locations as we can if we are allowed access and/or they have fixed their plumbing.

For the Repair of Cuts in the Roadways: The Water/Sewer Department and Public Works Departments will be in the process of repairing cuts across the roadways from emergency water work and other emergency work. Day 1 was 10/06/2009. and Day 2 was 10/08/2009. We did the work ourselves to save money. The work was necessary. We can not afford paving for all of these cuts.

Grants Update:

New Grants:

Airport Grants: Apron Reconstruction Grant Application: Project is completed with the exception of striping and fence installation. . Reimbursement #1 has been received. Requisition #2 for payment was sent to the FAA & MDOT three weeks ago and we are awaiting payment.

Law Enforcement Bryne State Grant: Tasers: Paperwork was submitted.

Law Enforcement Bryne Federal Grant: Radio Equipment: Paperwork was submitted.

Law Enforcement JPEG School Grant through Town: Paperwork was submitted.

Riverfront Community Development Grant: The boat launch was completed and erosion control materials placed on it as recommended by DEP. It withstood the several rainstorms and is very nice. The skate park, which is for both a skating rink and skateboard park, is nearly completed. The old lights were removed. We received permission from the State to utilize our purchasing procedures for small purchases. Now that cooler weather is here, the work days for trail clearing and cleanup have been scheduled. There will be a clean up day on 10/28/2009 as part of the MCI Public Service program for the students in which chips will be spread on the trails for trail maintenance. On Sunday, October 18th from 10am to 2pm the Pinnacle Ski Club we had a clean up day. Everyone is invited to help. Work will be clearing brush, cutting a trail for the Grant, and painting buildings

Other Grant Opportunities:

L&W Conservation Fund: Hathorn Park Revitalization: Legge's Field & Sports Area, Phase I: The box of grant applications was taken down to the Dept. of Conservation last week and filed on time. We asked for \$25,000 or 50% toward a \$50,000 project. The State had advised that there were over \$1.2 million dollars of projects vying for the small grant pool. The State has now reviewed the projects and this is over \$500,000 worth of projects vying for the small grant pool. The projects are now being ranked.

PUC Energy Efficiency: The RFP has just been issued. We have met with a number of companies to obtain quotations and information. The deadline for the grant application has been extended to 11/18/2009. We have looked at three town buildings that are not undergoing renovations in which case energy efficiency would be included. The

candidates were the Municipal Building, PW Garage, and the Recycling Center/Transfer Station buildings. Everything else is either being renovated or planned to be renovated; is not heated; or is a newer building. We are looking at a combination solar power/updated furnace in place of the old pre 1970's boiler/insulation project. This item will be on the agenda of the 11/04/2009 Town Council Meeting. The Town has the match for the project as we have been attempting to put \$5,000 away to work toward a new furnace/new air conditioning/heating system for replacement of the current infrastructure. At the rate that we were going it would have been 2021 before we had enough money so it is great that this Energy Efficiency Grant came out.

8. **REPORTS:** Audience, Council

Audience:

Bob Stackhouse: Mr. Stackhouse questioned if the excise tax and tabor referendum questions passed, what services will be cut. The Town Manager did not have the alternate budget at the meeting, but noted that there was no way that positions would not be effected if the referendum passes and we had to use the alternate budget.

Council:

Councilor Baker: Absent

Councilor Carr: No Report

Councilor Chale: Wanted to thank the Council for providing a meal for the Welcome Table. Wanted to congratulate Sharon Mack, the artists and all the winning bidders on the Chairs for Chairs event. Commend the hospital on the Seabastcook Valley Women's Center. Encourage everyone to get out and vote! Anyone that is able, please volunteer to serve on a Town Committee or Board.

Deputy Mayor Jordan: Absent

Councilor Curtis: No Report

Councilor Fotter: No Report

Mayor Nichols: Helped at the Welcome Table – it was a lot of fun. Wanted to note it really says something that the 2002 budget was more then the 2009 budget for the municipal taxes. Wanted to thank Kathryn and the Town employees for working so hard to keep the budgets trimmed.

9. **ADJOURNMENT:**

Moved by **Councilor Curtis** and seconded by **Councilor Carr** that the meeting be adjourned at 8:47 p.m. All in agreement.

Nicole Nickolan, Town Clerk