

TOWN OF MADISON - PUBLIC NOTICE

The Inhabitants of the Town of Madison are hereby notified of a public meeting,
The time, place and purpose of which are as follows:

**MINUTES
BOARD OF SELECTMEN
OLD POINT AVENUE FACILITY, 108 OLD POINT AVENUE, MADISON
Monday, August 11, 2014
6:30 p.m.**

- A. Salute to the flag. Done.
- B. Roll Call. Present were Albert Veneziano, Jack Ducharme, Cyp Johnson, Paul Fortin and Mike Edgerly.
- C. Consent Agenda.
- 1. Warrants dated: #2 (07/15/14), #3 (07/21/14), #4 (07/28/14), #5 (07/28/14).
Payroll Registers dated: Week #30 (07/24/14), #31 (07/31/14), #32 (08/07/14). Selectman Ducharme made a motion to approve. Selectman Johnson seconded. Motion carried.
- D. Discuss meeting minutes of July 14, 2014 and July 28, 2014. Town Manager Berry said that the July 14th meeting minutes have been revised to include a direct transcription of item number G. 1. Demolition of the Weston Avenue building and the ice skating rink. It was noted that there was one other change made on page 3 – 4th sentence, last word – it should be “Rancourt”. Selectman Fortin made a motion to accept the minutes of July 14, 2014 as amended. Selectman Edgerly seconded. Motion carried. Selectman Fortin made a motion to accept the July 28, 2014 meeting minutes. Selectman Johnson seconded. Motion carried.
- E. Old business (Selectmen’s Concerns from immediately preceding meeting). None.
- F. Items of Communication.
 - 1. Town Manager has contacted MDOT about the flooding on Main Street. He is waiting on them to set a date when they can come over and talk about the water situation (flooding) across from Irving’s.
 - 2. The auction on the loader, Thomas Street building and miscellaneous items will be held on August 26th at 5:30 p.m. at the Town Garage.
 - 3. Thank you note was read from retired Fire Chief Roger Lightbody
 - 4. Tammy Carrier joined the administrative staff today as a Bookkeeper/HR Administrator. She will be going full-time on August 25th. This happens to be the date of the audit.
 - 5. At the last meeting, we talked about having Tim do some work on goals – Town Manager passed out a list to go through over the next several meetings.
 - 6. No climbing on tree signs has been installed.
 - 7. Railroad crossing on Main Street, they will pave to the tracks.
 - 8. Weston Avenue demo update – abatement has been completed. Demo should start next week.
 - 9. Summit is putting gas pipeline up Madison Avenue eventually going to the elementary school this Fall.
 - 10. Highway will assume the tree warden responsibility for the town.
- G. New Business.
 - 1. Department head reports: Police, Recreation, Code Enforcement. Chief Moores handed out an updated list of activities for the month of July. Activities are down due to flooding issues. He has six open shifts right now with some officers working doubles. Selectman Ducharme asked about building checks. Chief Moores noted that they were being done. He spoke on bike patrol. He checked with Old Orchard PD, who quoted between \$600 and \$800 for a bike and they recommend we buy two.

There's a two-day training course that they run every May. Nothing will be done this summer. Selectman Ducharme spoke about kids hanging around after 9 p.m. in the streets – would like to see bike patrols Thursday, Friday and Saturday nights – you can see so much more on a bike. Selectman Fortin mentioned 1) seeing little teenagers at the playground after dark – being somewhat destructive and 2) seeing kids on bicycles at the basketball park.

Chris LeBlanc spoke on Madison Rec – he wanted to commend Tammy Murray for all her work with the summer rec program. It started July 7th and ran through the end of the month. Through a collaborative effort with the Town of Anson and her resources at the school and the lunch program, the two communities share transportation and food. They each hire their own counselors. Chris hired Mary Baker to manage the summer rec program for Madison. We had 56 kids sign up, down about 15 kids from last year. They went to Embden for swimming lessons. The finale was going to Fun Town. Kristie LeBlanc has kept the website up to date on when the registrations for fall cheering, football and girl soccer will be. Boys soccer will be done at Carrabec. All programs will be starting at the end of the month. Jim Peters will be going over to the Preble Avenue site and paving the walking trails – along the fences, about one 1 mile. Chris is working on repairing/installing bridges at Preble Avenue – he'll be talking with Bonnie Levesque.

Selectman Fortin spoke about the skating rink at Weston Avenue School. Many months ago when we discussed demoing the building, we also discussed power, lighting and water to be part of that project so at any point in time we wanted to put the skating rink up there, or we wanted to do other things, we could. He left that meeting assuming that was going to take place. He has assumed that the skating rink was going to come off from Thomas Street and go to Western Avenue. He asked Chris what his plan is with the skating rink. Chris said whatever direction the Board gives him. He spoke of wanting the rink at Dillon Park but lost that battle. Then it went to Thomas Street and we moved the building up there. Pros and cons: He likes the idea of it being at Weston Avenue, he likes the visibility there. It would be easier to plow. It should be a minimal expense to maintain. It would be a little bigger if we did it at Weston Avenue. The concern is that we will need to work with other entities to move some things there and he's not sure if that building is something that if we do put that building there, he would like to do some renovations so that it's not an eye sore. Also, the kids like to slide at Thomas Street. Town Manager would like to have this item on the agenda for August 28 to discuss it in more detail. He would like to invite Joe Hayden in as he's the one who runs it and give Chris more time to think about it. The Board agreed.

Robert Dunphy passed out a report to the Board. Bob is reluctant to discuss what's in the report but would answer any questions. Mr. Hagopian has back filled the wall to a suitable level. It would appear that the fence and the curbing is on private property. Code Enforcement feels that it is not a violation of our code or Nuisance Ordinance. Mr. Hagopian will take the fence down once the banking has time to firm up – most likely next Spring. Bob Dunphy said there's nothing in the Nuisance Ordinance that deals with fences on someone property. Selectman Fortin thought the protruding foundation into a public way was a safety hazard. Selectman Veneziano asked if we were making progress on some of the properties that are on the list. Bob said 20 Park Street and 26 Ash Street – he's having a hard time getting the names and addresses of people that own them. He reported that 55 John Street has been cleaned up. Town Manager believes we're making progress but it's a slow process. Selectman Ducharme questioned property maintenance – can require that owner mow lawn but not remove fence.

2. Update by Assistant to the Board of Assessors. Bill VanTuinen reported on the value of Madison Paper. The Board of Assessors and Bill have been reviewing and studying information that was provided by the taxpayer. They've had discussions of a very frank nature with the management. They've looked at the overall situation of the paper industry as a whole and Madison Paper's position within that industry. It's a substantial reduction in the valuation. Last year Madison Paper's taxable valuation was \$221,750,000. This year the Board of Assessor's has set the valuation at \$80,000,000 which is a reduction of \$141,750,000. Obviously that has a very substantial impact on the tax rate of the Town. Our tax rate will be approximately .0232 (\$23.20/\$1,000 or \$5.67/\$1,000) or about a 32.34% increase. The bottom line is that the Board of Assessors has to be able to defend the valuation that

they place on that property and in the current environment, that's the valuation the Board of Assessors felt comfortable as a defensible, responsible value for 2014. The situation right now is that the school and county budgets have been set. Those two items comprise about 75%-78% of what the Town needs to raise for taxation. A Special Town Meeting would not have an impact on the tax rate as the Town's share isn't high enough to have any impact on the mil rate. The Board of Assessors used the cost approach and the income approach to assess the mill. Selectman Veneziano asked if there was overlay in the proposed mill rate. Bill clarified that this rate is just an estimate and includes a relatively modest amount of overlay. The State allows a Board of Assessor's or a single assessor to raise up to 5% in overlay. The Madison Board of Assessors' has never assessed any overlay at anywhere near 5%.

Selectman Veneziano said that one of our problems is that our State Valuation isn't going to go down for two years. Moving forward we'll need to talk about that. An equalized State valuation is computed annually by Maine Revenue Services. Right now, it's a hardship to Madison because our 2015 State Valuation is based on our valuation on April 1, 2013. This provides the State with a comfort level that they're studying null numbers, i.e., that any abatements that need to be granted have been done, any supplements that have to be assessed have been done. They can get a good, stable picture of what the valuation was two years ago to estimate the current state valuation. When you're on the receiving end of new value, that's not bad because your state valuation will be lower than your local valuation. But in the situation we are going to be in, it's exactly the opposite. We're going to have a higher state valuation than we have for a local valuation. State valuation is used for intergovernmental funding. The County bills proportionately based on state valuation. State municipal revenue sharing also has state valuation as a strong component to its distribution. There is no opportunity to petition the State Tax Assessor for any relief this year. Perhaps next year but Bill cautions that it may be very difficult. The Town should pursue petitioning the Legislature through a law specifically geared to address our situation or maybe the situation of our Town and a few towns that have a parallel situation to specifically change the state valuation for next year so that we do not have to continue to pay the kinds of taxes or lose the kinds of subsidies that have been mentioned here.

Bill also suggested that the Town work with the Legislature to revise a law – the education formula for providing a subsidy, a mil rate expectation for the Town, will be (as of next year) based on an average of three years of state valuation. That obviously would be a very negative situation for a town like Madison that has seen a substantial decline in state valuation compared to what it was two or three years ago. It will be important to Madison to advocate that in a special situation where there's been a substantial reduction in valuation, that that formula be changed to be based on the most current state valuation.

Selectman Ducharme asked if there was any discussion about how to soften the blow to the taxpayers of Madison - can we do this reduction over a period of time. Bill said there's been some discussion of that among the Board but the bottom line is that if a valuation is challenged, that has absolutely no weight in an appeal. Bill said the Board made their decision based on what they could defend and what they thought was fair. Selectman Ducharme asked if: 1) we had to accept this value and 2) what's the next step? Bill said it's the Board of Assessor's responsibility to set the value. The Selectmen could express their concerns to the Board of Assessors. What to do about it, for the future, Bill told the board what needs to be done and the Board needs to be determined to do it because it's the only way to shorten the negative affect on the Town – speak to the Legislature about the sudden and severe circumstances.

Selectman Fortin asked why the Board didn't follow in the footsteps of Skowhegan and Jay and have it totally valued. Bill said that Skowhegan appropriated \$300,000 from a reserve account that they had for the eventual revaluation of the town as a contingency to be utilized if necessary to fund a reappraisal of the mill and to fund some legal costs that might be associated with the negotiation or appeal process related to SD Warren. They have not decided to utilize that money for the reappraisal of the mill. They have hired an attorney with considerable expertise in the tax appeal process. Selectman Fortin asked when the tax bills go out? Bill said the tax bills will go out when the

commitment is made and finalized by the Board of Assessors. Town Manager Berry said that we had put an article in the Warrant calling for taxes to become due 30 days after commitment. Selectman Fortin asked if going into this, did Madison Paper have some number that they wanted their value reduced to. Bill said they've expressed some concepts, some orders of magnitude but they haven't zeroed in on an exact amount. Bill said that \$80 million is higher than what they wanted.

The appeal process was discussed. The initial appeal has to be made to the Board of Assessors within 185 days of commitment and must be in writing. The Board of Assessors has to make a decision within 60 days. Appeals that go beyond the Town level go to a State Board of Property Tax Review. The State Board of Property Tax Review has 15 members and they're assembled in panels of 5 and they are not under any time frame. It's not uncommon for them to make a decision over two years after the appeal has been filed. When you finally have a decision, you only have the tax in jeopardy for the year appealed.

Selectman Fortin suggested we have a meeting for the townspeople to come in so we can explain the situation to them. Selectman Fortin also asked if it was possible to go to Augusta and ask for all of the TIF money to bail us out. Town Manager will find out.

3. Discuss Spraying Program. Town Manager went to Lynch Landscaping who is one of few organizations in the county to do spraying. The first project is for spraying sidewalks - \$675. The next quote was to treat the Pines for Poison Ivy - \$1,432. The third quote is to control some bamboo along Ward Hill - \$2,339. We don't have that money in the budget this year. We could probably do the sidewalks this year. The rest will need to be budgeted. Board agreed to wait until Spring.
4. Update matching grant program. Town Manager and Tim Curtis visited the Paine farm. They are planning to build a free stall and milking tower. They are going to put up a garage where the old barn was. The Town has offered them assistance to get back on their feet. Selectman Fortin said that Economic Development should look at what is a catastrophic event and create a plan.

Tim Curtis said we have two businesses who have completed their projects and have turned in their receipts – R & B Home Source completed a \$12,250 project. Selectman Fortin made a motion to release the \$5,000 matching grant to R & B Home Source. Selectman Ducharme seconded. Motion carried. The second was for Lakewood Golf Course, they've spent \$21,000 on the driving range and about \$1,000 on the equipment. Their grant was for equipment which they will purchase in the Spring, but for cash flow, they asked for the funds now where they've spent considerably more than the \$10,000 on the driving range. Selectman Fortin made a motion to release the \$5,000 matching grant funds. Selectman Edgerly seconded. Selectman Ducharme thinks we should be careful about changing the grant part way through. Tim said forward looking, he will caution his applicants to perhaps broaden their scope of the project. Motion carried, four in favor, one opposed – Selectman Ducharme.

5. Discuss carryover of funds from previous year. Cemetery account – carry over \$2,500 to continue to update our cemetery records using cemetery software purchased. Community Service – tree service – carry over \$2,500 to take down several trees. Public Works – regular – carry over \$10,000 to pick up the lump sum contract. Road Surface Management – carry forward - \$224,000 to allow Boardman, Ingalls and Madison Avenue. Paving contracts have been given. Police Department - \$15,000 as possible lump sum to settle contracts – still in negotiations. Also cameras for cruisers – carry forward \$12,000 to this year. That totals up to \$266,000 in carry forwards. Selectman Ducharme made a motion to move \$266,135 from last year, carrying them over to the same accounts for this year as noted above. Selectman Fortin seconded. Selectman Ducharme asked what the total surplus was as of June 30th. Town Manager said we had \$2,574,000 less the carry forwards - \$2,300,000, less \$600,000 to offset taxes - \$1,700,000, if we back out the \$255,000 for the buses - \$1,400,000. We will transfer back in over the next year \$260,000. Projected on June 30, 2015 would be about \$1,700,000. Motion carried, four in favor, one opposed – Selectman Johnson.

6. Telephone Service. Town Manager had previously talked to the Board about our phone service. We're paying \$830 per month for phone service. That was split between the Town and MEW in years past and includes charges for a T1 line. MEW went with GWI because of fiber. We still have to maintain the T1 line for service to the Town Office. Town Manager has been working with GWI and Fairpoint. Fairpoint would run copper line from the central office in Town to the Town Office. They could do a PRI within the next two weeks, cutting our costs to about \$250/month. That would include high speed internet which would give us 20 MB up and 20 MB down. Then over the next 90 days or so, would be to install a new phone system that was web based. The cost would be a total of \$680/month. That would include all the equipment, maintenance and service. This would be a five year contract. Selectman Fortin made a motion to authorize the Town Manager to sign a five year contract with Fairpoint for phone service. Selectman Ducharme seconded. Motion carried.
- H. Selectmen's Concerns. Selectman Edgerly – asked if Summit was going to tear up Madison Avenue and then we're going to pave it in that order correct? Town Manager confirmed. Selectman Fortin wanted to talk about the information meeting – when can we do that. Town Manager said sometime next week. The Board suggested September 8th. Selectman Johnson had none. Selectman Ducharme mentioned that there's a bad tree at the Library which needs attention. Selectman Veneziano had none.
- I. Citizen's Concerns.

Stoutaymer – on the Russell Road down near Skowhegan town line-that mess still has not been cleaned up where that house fell in.
- J. Executive Session to discuss labor negotiations pursuant to 1 M.R.S.A. §405 (6)(D). Selectman Fortin made a motion to go into executive session. Selectman Ducharme seconded. The Board went into executive session at 9:17 p.m. The Board came out of executive session at 9:28 p.m. No action taken.
- K. Executive Session to discuss a legal matter pursuant to 1 M.R.S.A. §405 (6)(E). Selectman Ducharme made a motion to go into executive session. Selectman Johnson seconded. The Board went into executive session at 9:29 p.m. The Board came out of executive session at 9:36 p.m. No action taken.
- L. Adjournment. Selectman Ducharme made a motion to adjourn. Selectman Johnson seconded. The meeting adjourned at 9:37 p.m.