

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 SCHOOL MEETING ROOM 104
108 OLD POINT AVENUE
NOVEMBER 26, 2018
6:30 p.m.**

- A. **Salute to the flag:** Meeting was called to order at 6:30pm
- B. **Roll Call:** Selectmen Al Veneziano, Jack Ducharme, Ronald Moody and David Savage were present. Selectman George Elias was absent. Town Manager Tim Curtis, Road Commissioner Jeff Wright, Treasurer Kathy Estes and Finance Director Tammy Carrier were also in attendance along with members of the Anson/Madison Sanitary District Board of Directors.
- C. **Consent Agenda:** Warrant #13 (11/5/18 - \$74,554.11), Payroll Reg. #45 (11/08/18 - \$ 10,450.44), #46 (11/15/18 - \$28,441.98), # 47 (11/21/18 - \$ 12,976.35): Motion to approve by Ron Moody, second by Jack Ducharme. Motion carries 4-0.
- Games of Chance License Application** (American Legion Post #39): Motion to approve both an application for Games of Chance and Beano/Bingo for American Legion Post 39 by Mr. Moody. Seconded by Mr. Ducharme. Motion carries 4-0.
- D. **Discuss acceptance of meeting minutes of November 5, 2018:** Motion to accept by Mr. Ducharme, seconded by Mr. Savage. Motion carries 3-0 (Mr. Moody abstained because he was not present at the previous meeting).
- E. **Old Business** (Selectmen's Concerns from immediately preceding meeting): None
- F. **Items of Communication:** Town Manager Curtis said he and the Road Commissioner and Finance Director have been monitoring overtime for the Highway Department in lieu of early winter storms. 10% of the amount budgeted for overtime and call in time has already been paid out and that doesn't count the work that the crew put in Sunday the 25th and will put in later this week. There is a provision in state law that allows for a 15% overdraw in Public Works budgets without Town Meeting approval.

The Town has received the rates for health insurance for 2019. The plans that the Town offers will see an increase of 4%.

The Town Manager said based on recent conversations with the tax assessor's agent he would recommend that the Board of Assessors hold a special meeting on one of the first two Monday's in December. The consensus of the Board was to meet at 4:30 on Monday December 10 at the Town Office.

At a previous meeting the Town Manager had reported that one of the Town's remaining loans from a Revolving Loan Account was in default. That loan has been paid in full as of today.

The Town's 7th Annual Christmas Celebration is this coming Saturday December 1 with lots of activities, fireworks and a parade downtown at 6pm. Mr. Moody thanked Madison Electric Works for putting up the holiday lights in Town.

G. New Business

1. **Discuss Stormwater Charges with Anson/Madison Sanitary District:** Anson/Madison Sanitary District Superintendent Dale Clark brought the Select Board up to speed on activities of the district and their budget preparations for 2019. Since last year the District had discussed issuing a stormwater assessment to the Towns of Anson and Madison to cover the costs of maintaining approximately 10 miles of stormwater infrastructure between the towns. In the District's proposed budget this year the stormwater assessment fee would be \$156,000 with \$138,000 charged to Madison and \$18,000 charged to Anson.

Town Manager Curtis compared that new surcharge with the current amount of \$45,000 that the Town allots for stormwater with the new proposed fee of \$138,000. Mr. Curtis expressed concern that the budget would be stressed with this type of increase, especially in light of other anticipated increases. He has proposed to the District that the Town would be more inclined to see an increase from \$45,000 to \$80,000 rather than \$138,000.

Mr. Ducharme expressed his frustration with the district asking for more revenue without seeing in detail of how the District has structured its costs.

Mr. Moody asked how the District's taking of trucked in waste has helped their budget. Dale Clark said that it has covered some of the shortfall but not all of it. With the extra revenue there are extra costs.

Town Manager Curtis asked how much the District has in savings. Mr. Clark said approximately \$160,000, and that the District used \$100,000 from savings earlier in 2018 to cover cash flow shortfalls. He anticipates that the District will finish the fiscal year with a loss of approximately \$100,000.

Mr. Curtis asked about the District's responsibility for the former Madison Paper sludge landfill in Anson. Mr. Clark said that the paperwork with DEP is being sorted out but that the District will be bearing that responsibility. That agreement comes with a lump sum of money from Madison Paper and Mr. Clark said the Board plans to invest that money to have a steady stream of revenue which will hopefully cover the cost of treating the leachate that comes from the landfill.

Mr. Curtis asked what would happen if the District issued the Town a bill and the Select Board refused to pay it. District Board Chair Robert Roy said that if that happened the District would be forced to take legal action.

Chairman Veneziano said he feels that the District has done its due diligence to reduce costs, but if they can make the surcharge less that would be helpful for everyone. He does not want to end up in another court battle.

Mr. Moody asked what the sewer rate increase to residents has been. Mr. Clark said 10% two years ago and 20% this current year. Even so the residents of Madison/Anson still pay a bit less than statewide average for sanitary fees. Town Manager Curtis asked if there will be a public hearing in December. Mr. Clark said yes, but the date has not been determined yet.

2. **Discuss Line of Credit Options:** The case of Madison Paper vs. Town of Madison was heard before the State Board of Property Tax Review in late October. A ruling will be made on the mill's abatement request in January/February of 2019. The Town Manager laid out a couple of options that the State Board may consider and the resulting repayments that the town may be responsible for. Worst case scenario would be the Town would have to pay over \$900,000 in tax repayment plus interest. According to the Town Manager a more likely outcome will be that the State Board find a middle ground balance of approximately \$400,000.

Based on discussions with the Town Treasurer and Finance Director, the Town Manager recommends borrowing \$300,000 on the line of credit with Bangor Savings Bank by the end of December. Based on the ruling by the State Board the Town could use the money toward repayment of taxes to MPI and then make arrangements for repayment based on future budgets. In a case where the Town does not need the borrowed funds, they could be repaid plus interest of approximately \$3,000 if paid back by March 31, 2019.

Based on conversation with legal counsel, the Town Manager said it would be likely that any payment due to the former Madison Paper Industries would need to be paid within a 6-month timeframe. If the Town was faced with paying back \$900,000 it would have to be split between borrowing on the line of credit, taking money from fund balance, and adding the remainder to next year's budget, and those budget increases could raise taxes by as much as \$2 per thousand.

Mr. Veneziano asked if it would be appropriate to hold a Special Town Meeting to see if the Town would be willing to extend the line of credit which runs out December 31, 2018. Town Clerk Kathy Estes said she did not think that Bangor Savings would be interested in extending the line, and the Town Manager said there would be legal costs of approximately \$2,000 to extend the line.

Mr. Ducharme made a motion to authorize Treasurer Estes and Chairman Veneziano to draw \$400,000 from the line of credit by December 31, 2018, seconded by Mr. Moody. Mr. Ducharme said the best-case scenario is that the Town would owe approximately \$4,200 in interest if they pay back the money in March. Mr. Moody says this is the safest course of action. Motion carries 4-0.

3. **Discuss Scheduling of Town Manager Review:** The Town Manager provided board members with evaluation forms and a list of 2018 goals for the Town Manager in preparation for his performance review. It was the consensus of the Board to have the review completed by February, 2019.
 4. **Ordinance Review:** (Chapter 399 – Vehicles and Traffic): In an ongoing effort to update town ordinances the Town Manager referred the board to the ordinance regulating vehicles. Rather than review painstakingly line by line the Town Manager recommended forming a small committee with the Road Commissioner and a member of the Select Board to review items such as parking, stop signs and enforcement and report back. The consensus was that Mr. Elias would represent the Select Board.
- H. **Selectman Concerns:** Mr. Ducharme informed the Board that the Regional Health Council that governs the Madison Health Center has decided to sell the property to HealthReach which will result in some upgrades to the facility.
- I. **Citizen Concerns:** None
- J. **Executive Session to discuss a personnel matter pursuant to 1MRSA 405(6)(A):** Motion to enter executive session by Mr. Ducharme, seconded by Mr. Moody. Motion carries 4-0. The Board entered executive session at 7:45pm.
- The Board exited executive session at 8:02pm with no action taken.
- K. **Adjournment:** Meeting adjourned at 8:03pm