

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 EAST MADISON FIRE STATION Monday November 14, 2016 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, Mike Edgerly and Ron Moody were present, selectman Paul Fortin was absent. Town Manager Tim Curtis was also in attendance.
- C. Consent Agenda: Warrants Dated: #12 (10/14/16 - \$1,384,355.76); #13 (10/14/16 - \$1,878.19); Payroll Registers: #42 (10/20/16 - \$9,822.53); #43 (10/27/16 - \$10,243.75); #44(11/3/16 - \$10,021.95); #45 (11/10/16 - \$30,021.82). Motion to approve by Mr. Edgerly, seconded by Mr. Ducharme. Motion carries 4-0.
- D. Discuss acceptance of meeting minutes of October 17, 2016: Motion to approve by Mr. Edgerly, seconded by Mr. Moody. Motion carries 4-0.
- E. Old business (Selectmen's Concerns from immediately preceding meeting): None
- F. Items of Communication: Town Manager Curtis shared a letter from FEMA regarding dry wells in Maine. The advice for farmers and residents affected by dry wells was to call 211 to have the property added to the list in Somerset County.

A representative from Maine Municipal's Risk Management Division did a courtesy inspection of Town Properties on Thursday November 3, 2016. He put together an extensive action plan for small items that need attention. Highway is working on several of the items this week.

A reminder that this Wednesday the annual Legislative Breakfast will be held at the American Legion in Madison at 730am. The topic is Tourism.

Mowing bids have been advertised and the bids are due back on December 2, 2016.

Health insurance premiums will increase approximately 10% across the board beginning in January, the open enrollment period for Town employees' runs from November 15 to December 15, 2016.

The Town Office student intern for the 2016/2017 school year is senior Allison Dean.

The Town Manager thanked the East Madison Fire Department for their hospitality and noted the great progress on the post and beam barn that the East Madison Historical Society has been building to store antiques.

Current checkbook balance is approximately \$2,000,000.00 which is a bit higher than this same time last year.

G. New Business

1. **Review of the 2016 Fiscal Year Audit:** Representatives from the accounting firm of HRH Smith and Associates presenting the findings of the 2016 audit. Both Finance Director Tammy Carrier and Town Manager Curtis were very pleased with the final product which was a user friendly document. Debbie Fitzpatrick reviewed the most recent draft of the 2016 audit, the reason it was still in draft form was that RHR Smith was still seeking clarification on the status of Madison Electric Works and whether or not some of their auditing information should be included in the Town audit.

For many years MEW has had a separate audit performed and they run on a different fiscal year from January to December, but they are still considered a department of the Town and RHR Smith felt that excluding their financials from the report would require that they write an adverse opinion. Ms. Fitzpatrick said that the MEW numbers should be included but not co-mingled with Town figures. Selectman Ducharme asked if the numbers from the Water and Sanitary Districts should be included. Town Manager Curtis said those districts were established separate from the Town where MEW was originally established as a Town Department.

Mr. Veneziano asked if MEW needed to grant permission to be part of the Town audit, Ms. Fitzpatrick said its public information so it's something that can be included. Mr. Edgerly was concerned that it would cause more confusion or add more cost to the audit. Ms. Fitzpatrick says there is no extra charge for adding it in. Town Manager Curtis said it is worth the extra effort it to remove an adverse opinion.

It was the consensus of the board to add the MEW info the Town audit.

Page 34 of the audit breaks out all of assigned fund balances which include monies approved at previous town meetings for items such as a Town revaluation, legal fees, and water access & boat landings. Town Manager Curtis noted that the board will be referring back to this page for discussion under New Business item 4.

Ms. Fitzpatrick continued to review the numbers with the Selectmen and commented on undesignated fund balance, which makes up approximately 9.7% of the budget. General accounting standards recommend about a 16% balance, or a two month supply of operating expenses. Selectman Ducharme mentioned that the low undesignated fund balance is offset by \$2.5M line of credit the Town currently has that has not been borrowed against.

The June 30, 2016 fund balance remained at \$1.5M, only a small \$13,000 change from the fund balance from June 30, 2015. Selectmen Moody asked how that number reflects previous years. The Town Manager explained that as of June 30, 2014 the fund balance was \$2.9M which reflects the Town Meeting approval to spend down \$1.4M from fund balance to help offset additional taxes in light of the reduction of value from Madison Paper Industries.

Finally, the auditors found no problems with internal controls and financial procedures with the Town, and Ms. Fitzpatrick said they expect to finalize within the next week.

2. **Department Head Reports:** Police report has been sent out, the Board had no questions regarding the report. Road Commissioner Glen Mantor shared that there has been an issue with a road opening on Birch Street. A permit application was taken out in July by the property owner to repair a plugged sewer line, the repair to the pavement was not compacted correctly and as such the area dipped six inches below the grade of the road. After a couple of attempts to contact the property owner, the Road Commissioner took action and had a ton of hot mix applied to the hole to keep cars from bottoming out. The Town Office was beginning to hear complaints about the spot.

The Town's Road Opening Ordinance allows for reimbursement of up to 150% of the costs associated with repairing a poor repair job. The Road Commissioner and the Town Manager will work out a bill to

be sent to the property owner. In addition the Town Manager plans to send a general letter regarding road openings to local contractors to help spread the word about enforcement of the ordinance.

Glen reported that the new stainless steel truck body has been installed with the funds approved at Town Meeting, and that the call in sheet for plowing has been distributed.

The Road Commissioner, Town Manager and Sanitary District met last week to discuss repair work to Heald Street. With the loss of revenue from Madison Paper, the Sanitary District is not in a position to borrow money for projects as they had intended for Heald Street. At the 2013 Town Meeting \$175,000.00 was raised for Heald Street to cover some of the costs of paving and storm drain repair. If Sanitary is not in a position to do the repair work for several years, the Road Commissioner is recommending paving Heald Street in 2017 with the funds currently available.

Selectman Moody asked if it was wise to pave it if it had to be dug up again in 5 years for sewer lines, but Mr. Veneziano and Mr. Ducharme felt that it would not be prudent to make the residents of Heald Street wait many more years. The Town Manager said that a shim and paving project for Heald Street will be included in a Road Surface Management proposal for 2017, which may also include work on Preble Ave from Old Point to the Recreational Ball Fields, and some work on River Road.

- 3. Discuss Sale of Tax Acquired Property (Morey/Map 2/Lot 63k):** Recently the Town Manager learned that a piece of tax acquired property sold by the Town at public auction in June 2016 was actually part of a bankruptcy filing from December of 2013. Since June the property had been sold twice. After consulting with legal counsel the Town Manager met with three parties involved who all agreed to unwind the deal by paying back each other. The Town Manager said that quit claim deeds will be drawn up for each party documenting the conflicting ownership caused by the bankruptcy. In order to complete the transaction, the board would have to approve returning a total of \$4,234.90 to Phil Morey for costs associated with the purchase. Motion by Mr. Moody to pay Phil Morey of Madison \$4,234.90 from funds generated by the sale of Foreclosed Properties, seconded by Mr. Edgerly. Mr. Ducharme asked that the Town get a copy of the title work performed for Mr. Morey. Motion carries 4-0.

The Town Manager mentioned that there are now processes in place to record bankruptcy notices and there are online services that can also provide help since bankruptcy notices are not filed at the County Registry of Deeds. Once the accounting is finished the Town will have approximately \$4,000 in back taxes due on the property. The foreclosure on the property in January of 2014 is currently stayed by the bankruptcy filing. The Town Manager will be in contact with the bankruptcy trustee to see what the next move is for the property.

Jason Thomas purchased the property from Phil Morey and had spent some money clearing the land and having it surveyed. Mr. Thomas appealed to the board for reimbursement of the money that he spent on improvements to the parcel. Mr. Thomas produced invoices for tree removal (\$2,800), surveying (\$400), and title work (\$625.40). Selectman Moody said he feels that even though the property was sold in error, the Town should do the right thing and make Mr. Thomas whole. Mr. Moody motioned to pay Jason Thomas of Starks \$3,825.40 from funds generated by the sale Tax Acquired Properties, seconded by Mr. Edgerly. Selectman Ducharme asked that a copy of the title work and surveying be included. Motion carries 4-0.

- 4. Discuss use of Fund #9 (Public Water Access) to pay for repairs to Wesserunsett Dam:** As noted in page 34 of the financial audit the Town has a few reserve accounts that were established many years ago that have remained idle. The repairs to the Wesserunsett Dam at the East Madison Boat Landing are eligible to be paid for by TIF but Finance Director Tammy Carrier and Town Manager Curtis wondered if the \$3,500.00 bill could be paid out of a fund established in the late 1990's for water access projects. The fund has approximately \$6,900.00 and could be spent down with selectman approval since the costs fall within the general approval from Town Meeting. Motion by Mr. Ducharme to pay \$3,500 for dam repairs out of fund #9, second by Mr. Moody. Motion carries 4-0.

There is another fund that the Selectmen should be aware of, established many years ago for legal costs. The Town Manager recommends that the \$27,631.00 in the assigned fund should be spent down if costs for representation in the appeal process with Madison Paper's tax abatement request. Mr. Moody asked if this was in addition to the \$33,000.00 that the Town Manager had mentioned available for legal costs in this fiscal year. Mr. Curtis clarified that the figure of \$33,000.00 that he had mentioned in a previous meeting included this account along with the \$7,500.00 that is budgeted for legal expenses.

5. **Discuss New Private Street Name (Lily Lane):** Bill Perkins is finishing up his housing project near Madison High School and would like to name the access road Lily Lane. This would be a private road and not maintained by the Town and that would be indicated with a blue sign. Motion to approve the name Lily Lane by Mr. Moody, seconded by Mr. Edgerly. Mr. Moody confirmed that this road name would be used for 911 addressing. Motion carries 4-0.
6. **Review Municipal Solid Waste & Recycling Costs:** At the last meeting the Board asked for a first quarter review of the amount of tons and costs associated with Municipal Solid Waste and Recycling. The Town Manager presented a comparison which showed very little difference in the tonnage of MSW hauled by commercial haulers. As expected with the closure of Madison Paper, cardboard collection is down significantly, and recycling numbers appear to be about the same, but Mr. Curtis explained that could be misleading since Waste Management changed the way they bill for recycling that is brought to the back gate. The consensus of the board was to look into the change in billing for recycling from Waste Management.

The amount picked up by curbside is down significantly, but it is unclear whether more people are actually taking more recycling to the Norridgewock facility. There are no numbers available for Madison residents who may take recycling to the Skowhegan Transfer Station. However the fact that there is not a significant increase in the MSW from commercial haulers may indicate that not all recycling is ending up in the waste stream.

- H. **Selectmen's Concerns:** Selectman Moody raised concern with the passage of Question 1 on marijuana use and production. He wanted to have the Town Manager look into what the Town can do to dictate where marijuana can be grown and distributed. The Town Manager said the Maine Municipal Legislative Policy Committee will be looking at this issue and he will report back.
- I. **Citizen's Concerns:** None
- J. **Executive Session to discuss labor negotiations pursuant to 1 MRSA 405(6) (D):** Motion by Mr. Edgerly to enter into executive session, seconded by Mr. Ducharme. Motion carries 4-0. The board entered into executive session at 7:43pm. The board came out of executive session at 8:05pm with no action taken.
- K. **Adjournment:** Motion to adjourn at 8:05pm