

WISCASSET BOARD OF SELECTMEN
MARCH 17, 2009

Present: Bill Curtis, Phil DiVece, Bob Fairfield, Chairman David Nichols, Vice
Chairman Nicole Viele and Town Manager Arthur Faucher

1. Call to Order

Chairman Nichols called the meeting to order at 7 p.m.

2. Pledge of Allegiance to the Flag of the United States of America

3. Public Hearing and Selectmen's Consideration: The Taste of Orient Restaurant
Liquor License

The public hearing opened at 7:01 p.m. Town Manager Arthur Faucher reported that the Police Department and Town Planner Jeffrey Hinderliter had no objections to the renewal. The public hearing closed at 7:03 p.m.

Bob Fairfield moved to approve the liquor license renewal for 2009. Vote 5-0-0.

4. Approve minutes of March 3, 2009

Nicole Viele moved to accept the minutes as written. Vote 5-0-0.

5. Citizen Comment

Senator David Trahan introduced himself and encouraged the public to contact him with concerns.

Paul Grover asked how many Town Reports had been printed and whether some had been saved for people in Florida. Arthur Faucher advised him that 700 reports were printed that as far as he knew, none were being saved for people in Florida.

Steve Mehrl asked that the old town website be taken down because when Googling Wiscasset, the old rather than the new website appears.

Becky Applin said that a chairman and volunteers were needed for the 4th of July committee if the town intends to have a celebration this year. She said that the 250th anniversary of Wiscasset in 2010 is also the 250th anniversary of Lincoln County. The county had held a meeting that day regarding the celebration but she was unaware of any participation by Wiscasset. She said there is no chairman and only three people have volunteered for the celebration in 2010; she asked the selectmen for help in recruiting people. David Nichols suggested that members of the Senior Center might be interested and Becky Applin asked him to follow up with them.

George Green recommended that the selectmen think about contacting the state about reducing the speed limit on Route 1 to 35 or 40 mph in light of the commercial development taking place, i.e. McDonald's and Maine Heritage Village.

New Business

6. Jim George: The municipal property tax collection process and the existing amount of uncollected tax revenues

Jim George, Treasurer and Tax Collector, distributed a timeline showing the actions and notifications required in the 15-month process leading up to automatic foreclosure of properties on which taxes have not been paid. He also read the notice to taxpayers that appears on their bills notifying them that a lien will be placed on their property if taxes are not paid. Also distributed was a summary of taxes owed as of March 17 in the years 2006, 2007, 2008, and 2009 that ranged from 51% in tax year 2005 to 56% in 2008.

Paul Grover asked why the town charged 9% on unpaid taxes when if people couldn't afford to pay their taxes, they couldn't afford the interest.

In response to Phil DiVece's question, George said that the tax commitment is based on the approved budget. An additional warrant article is never used to cover unpaid taxes; the surplus monies accumulated over the years cover the shortfall. Regarding Paul Grover's comment, George said that if the interest were lowered for one taxpayer, it would have to be lowered for major corporations who own real estate in town. If the rate were low enough, it might encourage the major taxpayers to put their money elsewhere and delay paying taxes until the end of the foreclosure period, adversely affecting the town. DiVece said that last year there was enough money left over in the fund balance to apply \$600,000 to the tax commitment, reducing taxes.

7. RHR Smith & Company: The Town of Wiscasset's designation of the Ferry Crossing-Rynel Municipal Development Tax Increment Financing (TIF) District

Charemon Davis and Vernice Evasius reviewed the terms of the TIF District approved in 2003 for 441 acres of former Maine Yankee property and the vote of the town to approve two bonds for \$1,750,000 to purchase the property and \$937,000 for infrastructure. The town would pay the debt service on the larger bond and would be repaid; the smaller bond would be paid from the TIF. The amount of the bond was renegotiated in 2005 and reduced to \$1,250,000. According to the state approval in 2005, the infrastructure was to be completed in five years and the town would capture 50% of the increased value.

In response to Phil DiVece's question, Davis said that the TIF payments had been made, but a payment of \$250,000 was overdue on the acquisition loan. Arthur Faucher said he had contacted Ferry Road last year regarding their \$250,000 payment and payment had been received. This year no payment was received. He read a letter from Joseph Cotter of Ferry Road Development asking for a modification of the agreement for the balance due and that the board allow the outstanding balance of \$500,000 to be repaid in \$100,000 payments every six months until the balance is paid in full. Faucher said a previous letter had requested a one-year moratorium, which the selectmen denied.

Bill Curtis recommended that Ferry Road be advised that \$250,000 was due immediately and the balance of \$250,000 in October 2009.

Davis said that if the town were to agree to the payment schedule in Cotter's letter, there would be legal issues, the promissory note would have to be renegotiated and it would have to be determined if the selectmen had authority to do so.

Richard Hanson said that according to the contract, the lenders (Town of Wiscasset) might demand and enforce the provisions of the contract if the borrower does not respond within three days of the due date ,and the borrower would have to comply with the provisions of the contract and bear all costs. He asked to see a copy of the demand letter that should have been sent on October 4, 2008. Arthur Faucher said there was no such letter.

Town Attorney Dennis Jumper distributed a memo dated June 21, 2007 from Andrew Gilmore, former town manager, to Arthur Faucher providing a summary of the Ferry Road TIF districts. The \$1.25 million purchase price is separate from the TIF. The \$1.25 million note is payable to WIDCO a non-profit corporation set up to facilitate the transfer of the property to Ferry Road. WIDCO is still the mortgagee and holder of the note and acts as trustee for the town. WIDCO would have to approve any change in the note and, as the directors are the town manager, chair of the select board and Al Cohen, it would probably do so.

Jumper said the \$500,000 note is secured by a mortgage on Maine Yankee property, except for the four lots in the Rynel subdivision. He said the relevant documents would be in the possession of Bernstein Shur, the attorneys who handled the transactions. He said if any change in the agreement was to be made, it would be necessary to determine what had originally been authorized by the townspeople. If the town voted on a specific contract, the selectmen could not override that; however, if the town authorized the board to act in general terms, the board may be able to change the agreement.

Arthur Faucher recommended not acting until it was clear who approved the original agreement and who would have the authority to alter it. **Nicole Viele moved to deny the request** (to alter the agreement and allow the \$100,000 payments every six months until the loan is paid). Larry Lomison said he had been involved not as a proponent with Point East and Ferry Road Development from the beginning. He said the agreement was flawed and was changed from a 10-year TIF approved by the selectmen to a 20-year TIF when it appeared on the town ballot. He urged the board to deny the request. **Vote 5-0-0.**

8. Town Manager's Report

- Diesel fuel bids: In accordance with the selectmen's request at the previous meeting, Arthur Faucher had contacted Dead River for a fixed non-prepaid bid, which they were unable to provide. It was the consensus of the board to consider only the two bidders who had submitted bids. **Bob Fairfield moved to accept the bid of \$2.37 (per gallon) from Dennis K. Burke. Vote 5-0-0.**
- Town Clerk Position: The town manager asked whether the ad for this position should stipulate a minimum of five years' experience and that the hours would be from 8 to 4 with a one-hour lunch break for a 35-hour per week union position. Bill Curtis approved the ad but asked that the job description be modified to meet the requirements of the board and the position and be prepared for consideration at the next meeting. In response to Phil DiVece's question on salary, Arthur Faucher said it would be commensurate with experience i.e. from the applicant's current salary as a minimum to what the applicant requests. The previous town clerk's salary was \$42,000/year. The ad will be placed in the newspapers, Maine Municipal Job Site, Maine Career Center, the Town Clerk's Association, and private hiring agencies. There will be no residency requirement for this position.

Phil DiVece thanked Jim George and Sue Varney for filling in the absence of a town clerk. Pam Dunning, member of the Budget Committee, said that the town clerk's salary is written into the union contract and even though the contract has expired, the salary can't be changed until a new contract is signed. There was a consensus that the position be advertised.

- Peter Dalton, Harbormaster, presented a plan to replace the pilings at the Ferry Road Landing, which had been washed away by the tides during the winter, with a mooring block at a cost of approximately \$2500, one-third of the cost of replacing the current dolphins. Dalton said he has sufficient funds for the mooring block, but not enough to replace the dolphins. **Nicole Viele moved to go with the Harbormaster's recommendation using blocks instead of replacing the dolphins. Vote 5-0-0.**

9. Other Business

With reference to the request from RSU #12 dated March 12, 2009, **Bill Curtis moved that the municipal officers appoint Ms. Sue Varney as the Wiscasset contact person for the RSU property search, that Ms. Varney act in this capacity, and that the minutes of September 8, 15, and 29 and November 17, 1992 be forwarded to Attorney Jumper for the purpose of determining if the "Town of Wiscasset" does in fact own the schools as opposed to the School Committee owning the schools. Vote 5-0-0.**

David Nichols announced that nomination papers for the annual election on June 9, 2009, were available and were required to be returned to the Town Clerk's office no later than Friday, April 24 by 4 p.m. Open positions are: two positions for Selectmen, four positions for Budget Committee, one position for Water District Trustee and one position for Road Commissioner.

Bill Curtis moved that the Municipal Officers authorize the Wiscasset Town Manager to enter in an agreement for the purchase of an Emergency Generator Set with Paul Rizzo d/b/a President of Power Point Generator Sales and Service. The contract calls for installation and payment of \$43,000 in April. Arthur Faucher said that the board had two options: to call a special town meeting to approve the funds or put the cost in the 2009-2010 budget to be approved at town meeting in June. Although some of the cost may be covered by insurance, there is no additional money in contingency to pay for the generator in this budget year. Nicole Viele said she understood the contractor was willing to wait until June to see if the voters approved the expense. Bob Fairfield recommending going ahead with the contract and asking Roland Abbott (Ambulance Director) to pay for it with the income from the ambulance service. Faucher recommended contacting the contractor and advising him that the generator could be installed any time of the year and that the board would like to bring the matter to the floor as a budgetary item in June. Bill Curtis said the price was based on a generator the contractor had on hand and the price may not be the same in the future. **Vote 2-3-0** (DiVece, Nichols and Viele opposed). Faucher will attempt to renegotiate the contract and in the meantime, will await a decision from the insurance company.

Richard Hanson asked to see the minutes of a meeting held with Mr. Rizzo. He was advised there were no minutes, as it was just a discussion among the contractor, town manager, Nichols, Curtis and Fairfield. Hanson said that if three selectmen were present, it was an official meeting. Arthur Faucher said no action was taken.

Phil DiVece reminded the selectmen that there was a March 27 deadline to receive abatements, and there were some that required attention such as the abatement request of the Yacht Club.

Phil DiVece said the board voted in December to review the Maine Street Pier policy in March. Nicole Viele said Peter Dalton and the Waterfront Committee would be discussing the policy at their March 26th meeting.

Phil DiVece asked whether it was necessary to have the auditors in the office to catch up on bookwork and whether it was appropriate to have the auditing agent balancing the checkbooks. Vernice Evasius said that the checkbook had not been balanced since December and she had brought it up to date as well as reconciling the taxes. She said it was easier to do it during the year rather than waiting until the end of the fiscal year to get things ready for the annual audit. Charemon Davis said this is done for other clients and she made it clear that the auditor does not make policy; it provides accounting services and trains the client. She added that the same person who balances the books is not the one who does the overall audit. DiVece asked if this had been necessary before the past October when the office was shorthanded. Davis said she had been doing it for two years. DiVece said it was important to address the matter this year because the town was paying professionals and also paying the auditors. He said it was unfair to ask departments to cut their budgets and then to encourage these kinds of expenses. Bob Fairfield disagreed, saying that the board was doing the right thing, which was much more beneficial to the taxpayers.

10. Adjourn

At 9:15 p.m., **Bill Curtis moved to adjourn the meeting. Vote 5-0-0.**