



**TOWN COUNCIL
MEETING MINUTES
JANUARY 19, 2010**

Michael Bowie, District 2 2012
Gina Mason, Vice Chair District 1 2010
Fern Larochele, Jr., At Large 2010
Roger Cote, At Large 2011
Mark Lunt, District 1 2012
Dale Crafts, District 2 2010
Lori Pomelow, At Large 2012

CALL TO ORDER & PLEDGE TO THE FLAG. The Chairman, Michael Bowie, called the meeting to order and led the pledge of allegiance to the flag at 7:00 PM.

ROLL CALL. Members present were Councilors Bowie, Mason, Crafts, Larochele, Cote, Pomelow and Lunt. Also present were Stephen Eldridge, Town Manager; W. Pat Dow, Assessor; Rick Green, School Superintendent; School Committee Members, Prudi Grant, Traci Austin, Kathi Yergin, George Caron; Budget Advisory Board Members, Donald Fellows, John Wierzbicki, Richard Graham; Michelle Turmelle, Ethics Panel; and approximately 17 citizens in the audience.

PUBLIC HEARING - NONE

CONSENT AGENDA

VOTE (2010-11) Councilor Larochele, seconded by Councilor Pomelow moved to approve the minutes of December 15, 2009. **Order passed - Vote 7-0.**

COUNCIL ORDERS, RESOLUTIONS, & ORDINANCES

SCHOOL GENERAL OBLIGATION
BOND PUBLIC HEARING

Mr. Green said what Traci is distributing tonight is a copy of the impact to revenues and expenditures, which is part of the process. What I would like to do is provide you with some background information for those of you who were unable to attend our informational meeting in regard to this proposal. As a result of the Facilities Committee, we have been meeting since July, the Facilities Committee, which is comprised of members of the Budget Advisory Board, Town Council, School Committee, and public community members. We have made some recommendations based on our NEASC report and the concerns that were identified in this report. One of the recommendations was to do a new versus renovate analysis. For those people who were at the informational meeting you will know that the engineers did determine that the building could be renovated. As a result the Facilities Committee turned around and said well let's look at what we have for money in the budget and what we can do for renovations with that existing money.

Mr. Green said the majority of the funds that we have used over the last year have been Stimulus Funds. We have used to date a little over \$50,000. We have an outline of all the expenditures we have spent. We, also, have the remaining amount of Stimulus money that we have available. What we would like to do or what we proposed to you, the community, Budget Advisory Board, and School Committee is to use the existing money that we have in our budget. If you look under the bottom proposal, we have money that we use for the portable lease, which is \$25,100, and then we have an expiring bond that we paid off this year for \$24,852. What we would like to do is use that existing money. We calculated how much of a bond we could get with \$49,952 and it came up with \$350,000. As a Facilities Committee, we met and discussed what we could get now and we felt that

by looking at the priorities we could get more out of \$350,000 now versus \$49,000 a year over the next few years.

Mr. Green said the priorities; the engineers did some priorities and the Facilities Committee put together a list of short-term long-term goals. The main priority is to change the main entrance to the high school to make it handicap accessible. Right now, the main entrance to the high school is not secure; it is not well monitored and it is not handicap accessible. For those who need to enter the building after hours usually have to call to make appointments. We felt that with the money we have available and using some of the ADA funds that we had budgeted this year and what we could use for next year, we would be able to change the main entrance of the building. Engineers are working on some drafts of what that would look like.

Mr. Green said the other piece they said if you are going to change the main entrance of the building at the same time you are going to be putting an entrance on the front side or the north side of the building, that you would probably want to update the siding and windows, which is part of the long-term, but also the short-term, if you did it in stages. We felt that those two, the Facilities Committee recommended to the School Committee, that those were our first priorities in that order. That is what we would like to attempt to renovate on the high school first.

Mr. Green said the gymnasium roof, because of the loss of energy we are heating and reheating the air that escapes through that roof the engineers are looking at what that would look like if we did re-do the roof by adding insulation. The one piece they are still investigating is, whether or not, if there is no heat escaping through the roof that we have to make sure the roof is strong enough to hold a lot of snow so they are still doing that research. The roof has had some additional supports added over the years, and the engineers felt that it was going to be structurally sound, but they are still trying to determine that.

Mr. Green said as members of the Facilities Committee, who are here, can attest to is that there are obviously a number of renovations that could be done. We have a list of short-term priorities we felt that right now the market at least on bids for contractors is really competitive and you can get a lot more for your money right now versus waiting. So that's why we are coming to you and requesting that we use that money to go out to a bond to try and get as much done to the high school as we can.

Mr. Green said, this also means, for those who may have questions, moving the guidance and administrative offices from the second floor down to the bottom floor down where the main entrance is so that when people come in there would be a receptionist there. We would really be able to control people coming in and out of the building. We would be removing the portables so that side of the building and all those doors would be locked throughout the school day. There would be one main entrance to the building. The other piece would be to move the art room from underneath the gymnasium to the classroom located next to the existing art room so using our Stimulus money, existing budgeted money, and, hopefully, with the bond we should be able to get a good chunk of that work done for the next school year. Some of you may have some questions. On the back of that handout is a time-line for our bond proposal.

Councilor Larochelle said being on the Facilities Committee, it would be nice if you would explain that list of concerns that they had, I mean, if the Facilities Committee recommendations move forward with this, it's not just taking one or two of the concerns, I mean, most likely we will be addressing probably 60% to 70% of the concerns with doing the upgrades we hope to do with the monies.

Mr. Green said, yes, I think the Facilities Committee has done a really nice job of looking at the concerns that were identified in the NEASC report. We feel that the gym obviously is probably the last piece, the biggest piece, but it really can't be renovated, because of the way it's designed and built, but by moving the art room the Committee and myself feel that that is probably the last really

big piece and by using the money to do all this, secure the building, move the art room, probably, it may not get us off probation, but we are pretty confident that we would not lose our accreditation and that was our ultimate goal.

Councilor Bowie said I have a couple of questions. Looking at your schedule, because what's before us tonight is to post a Public Hearing, right, which is being requested for February 2nd, correct? Mr. Green said yes. Councilor Bowie said I am just wondering, and I am looking more for Council's opinion. The schedule that is laid out here says that we would have a Public Hearing on February 2. Then we would, also, take our final action on February 2, which means, at least in my mind, that you don't have a lot of time to take in everything that the public has given you before you have to make a final decision on whether or not we are going to go to bond. I did some research and last year we actually held our election for last year's bond on April 21, which was still in support of telling the Bond Council that we would go forward with the bond. We submitted all the applications and everything like we are going forward in February. Then based on the vote, we tell them the next day or two that we are going to go forward with that application and not to pull it back so they would go out to bond all the money with everybody else that applied for bonds with municipality approval. I am wondering from Council, do you feel you would like some time to deliberate between the Public Hearing and when you actually have to take a final action.

Councilor Larochelle said, sticking to February 2, does that allow the bond to be put through quicker than it would be than if you actually waited or is there a certain time frame when that bond would be going through.

Councilor Bowie said the bond is going to go to the Bond Council and go out for their, I believe they go out and get interest rates and stuff like that. Mr. Eldridge said the application has to be in by February 7 so that all has to be at the bond bank. They do not set the rates until after this, because they have to sell the bonds and they won't know what the interest rates are, that is my understanding of how it works. There is a deadline for when the bond bank needs to have the question answered if you are going to move forward or not.

Mr. Green said Cathy Messmer is not here this evening, but there is a schedule. I believe this schedule is created to meet all those deadlines. I do not have the bond bank schedule but I do know that we have been provided that information and she has been researching it so I am assuming that we created this schedule to try to keep in line with that timeframe.

Councilor Bowie said I am just wondering if there is an extra week or so that we would allow Council some time to digest everything, even if we had to call another special meeting to meet all the schedules that would allow you the opportunity to digest stuff before you actually made your final vote. If Council does not want to do that, that is fine, I am just throwing that out there based on the schedule. I know Council sometimes does not like to be given a bunch of information and then have to react at that moment on it; they like to have some time to digest it.

Councilor Pomelow said if the information is due to the bond bank by February 7 that is a Sunday so it would really be due by Friday the 5th, by close of business.

Councilor Bowie said, right, but the bond application. You can submit all the bond applications you want, but the bond bank needs to know based on all the applications that are submitted by, I believe it is towards the end of April, whether or not you are committed to go forward with that application so they don't go out to price until the 26th or 27th of April.

Councilor Larochelle said is this going to hold back any timeframes as far as; I realize that we are not going to have a final determination until it actually goes to vote. That is going to be the final determination regardless of what we actually say yes or no on. I feel that the information that, of course, I have a little bit more information on it so I do not think the information as far as what we are going to be looking at is going to change; it all depends on what there is going to be for

comments. Going through the meeting the other night, there were well over 100 people in attendance, and 99.9% of all the people were in favor of moving forward with it so after sitting through that meeting I don't assume that there is going to be many differences of opinion, but there may. I would have no problem with voting on February 2, but I would leave that up to everybody else.

Councilor Crafts said I would echo what Fern said, I was at that meeting, and I was very impressed with the Committee and what they proposed. The public certainly was well onboard with it. As long as it does not hold things up, let's move forward if we can. Councilor Bowie said I just wanted to give the Council the opportunity, that's all.

Mr. Green said I just wanted to say that since the informational meeting I have not received any feedback based on the surveys we handed out. The two questions that people asked, were why is the north side of the building a priority, because they thought it was the siding, but it is really the main entrance that is the main priority on that north side. The other piece is, what does the renovated building look like. They want to see what the renovated building will look like; they want to see the big picture and the engineers are just not ready for that yet. Those questions came up that night and those were the questions I was approached with after the meeting. There has not been, as Mr. Larochelle said, there did not seem to be too many comments from the community regarding questions about the bond proposal.

Councilor Bowie said is this approach, based on your educational needs, buys you five or six years based on your current student population with your re-shuffling of classes and everything before some additional space may be required.

Mr. Green said, yes, that question actually came up is that if you move or get rid of the portables, what do you do internally? We would have staff share classrooms. We currently do that with at least two members of staff. It would obviously be additional. Band and Chorus, which is in one of the two portables, two classrooms, would be moved to the stage area in the gym, so that would take care of at least one portable. We have to find space for two other classrooms and we would have to look at scheduling. That same question was brought up tonight at the Budget Advisory Board meeting and I explained it the same way. We feel that the savings of \$25,000 a year on the portables is well worth, considering what we are going to get, is worth the inconvenience of having some members of the staff having to share a classroom. It's just a scheduling piece. They just may have to teach in multiple classrooms, but that is nothing we have not already done.

Mrs. Austin said this probably will not be a popular move with NEASC, asking additional staff to share, but I think the Facilities Committee feels this is something that we have to do in order to move forward and move upward in a timeline with short-term and long-term goals. It will be a little bit of a pain in the beginning, but we will get there.

Mr. Green said the six years that you were talking about, for those who may not know, we anticipate an enrollment spike if numbers remain the same. The fifth grade class, ever since we built LCS, the kindergarten classes that have been coming in have been right around 100 if not more and the fifth graders when they are juniors that would be when we would have to look, if numbers stay the same or if it increased, that's when we would have some space issues. That was brought up to the Facilities Committee, School Committee, and the Budget Advisory Board this evening. We anticipate if numbers stay the same that it would be about six years and then we would have to look at, and, hopefully, by then we would have our building application submitted and part of that renovation is a four-room addition onto the existing new portion. We figured we would have the State pay for that, hopefully, and use the money that we have for other things.

Councilor Larochelle just one thing to add, one of the things we have heard with the Facilities Committee is a lot of people have been saying why haven't a lot of things been done in the past. Well, this is our moving forward. This is the start of doing something. I hope that people are on

board and they can, if this goes through, see some changes to the outside of the building, so when you drive by you will actually see something being done. People have asked for something to happen. Hopefully, this is the start of it. Hopefully, people support it and living within our means and kind of pay-as-you-go, this is all done with money that is already there and they are not asking for anything over and beyond what is there, so that is pretty impressive. There will be some sacrifice. It is not all done easily. These schools have been working hard to make this happen. I give them credit for that.

Councilor Bowie said I noticed in your bond schedule, you really don't even need the first \$49,000 the first year. It is actually not this upcoming fiscal budget, but the one after that when you actually need that money. Mrs. Austin said 2011-2012.

Councilor Bowie said is that a Public Hearing we want to have here or do we want to have it at the high school. Mr. Green said I think at the high school just because we got a 100 or so people at the last one. Councilor Bowie said that is a normal meeting for the Council so we would use your facility to do the Public Hearing. We could host that at say 6:00 PM or something and then we could directly go into our meeting from there so we could make it a light agenda so we do not keep everybody up at the school.

Mr. Green said I believe we already have that scheduled. Councilor Bowie said, all right, so we will do that at the high school at 6:00 PM. That should give everybody a chance to get home from work, get out, and have time to discuss everything. Does that seem reasonable to Council?

VOTE (2010-12) Councilor Cote, seconded by Councilor Crafts moved to set the Public Hearing for February 2, 2010 at the Lisbon High School at 6:00 PM.

PUBLIC COMMENTS: None.

Order passed - Vote 7-0.

APPEALS BOARD RESIGNATION

Mr. Eldridge said you have one Appeals Board resignation. Robert Ireton-Hewitt has resigned because he is relocating to Florida.

VOTE (2010-13) Councilor Cote, seconded by Councilor Larochelle moved to accept the resignation of Robert S. Ireton-Hewitt from the Appeals Board.

PUBLIC COMMENTS:

Councilor Bowie said how many openings do we currently have on the Appeals Board. Mr. Eldridge said we have two. Councilor Bowie said this will be the second one, so we will continue to post. Mr. Eldridge said we are still looking for the Assessing Board; we have four currently and we need five and two alternates. Those have not been filled yet.

Order passed - Vote 7-0.

WEATHERIZATION BIDS

Mr. Eldridge said you had requested some more specific data along with the costs of these two proposals, plus the certificate of liability insurance and Worker's Compensation. One of them provided that and the other one provided an update on the price, because he had just given us the

hourly rate. I am glad we did that, because his price went through the roof. The other gentleman did say that everything he is doing would cover all the vents.

Councilor Bowie said he said that, but he did not put it in writing, right. He didn't adjust that. Mr. Eldridge said he did not change his price. Councilor Bowie said, right, he didn't change his price, but he didn't put any wording in his contract that says he is going to insulate the vent, which I think is a key piece of the whole process.

Councilor Larochelle said I would feel comfortable if he actually prior to starting, if we do agree upon the price, that we put that in writing before he started. Instead of holding us back any further, if we were to make a motion to accept it, it would only be under the circumstances that he wrote his contract to actually represent exactly what needs to be done. Councilor Crafts said I agree. Councilor Bowie said I would be okay with that.

Councilor Pomelow said and what about a clause for a warranty. Mr. Eldridge said he does have a warranty. The manufacturer warrantees materials and that came with a brochure. He gave a one year.

Councilor Larochelle said where he did mention a cost per square foot for debris and clean-up; will he be removing much from up there? Mr. Eldridge said he wouldn't be removing anything. He is just blowing in 12 inches of insulation and is covering over some of the vent areas that we are proposing. Councilor Larochelle said so there really should not be any cost there.

Councilor Bowie said, but I think that the way that is written, Fern, is he is just telling us that the whole price is costed at 0.82 cents per square foot, not for the removal of debris. The removal of the debris is just another task within his efforts, that whatever mess he makes he is going to clean up.

Councilor Larochelle said, okay, where it was listed as a different number so I kind of thought that it kind of went along with it. It just looked like an unseen number, that's all. Unseen numbers can run into tens of thousands, sometimes. Councilor Bowie said yes.

Mr. Eldridge said we want him to include language that it covers vents. Councilor Bowie said, right, and the reason I think we need to do that is, Mr. Churchill's estimate went from about \$16,000 to \$29,000. This individual is not changing his estimate from \$17,315 and he is verbally telling us he is going to do that, it seems like, I mean, they both probably know their work, but I do not know why one would go up like that. Councilor Crafts said probably that is because he gave us a quote for 6 inches and we told him we wanted it to match up to 12. Councilor Bowie said, yes, he did increase that to 12. Councilor Crafts said, exactly, to cover the extra material. Councilor Bowie said so we will add that disclaimer into this contract and a warranty for 1 year on his workmanship. Mr. Eldridge said yes. Councilor Bowie said with that understanding is Council okay with approving it for \$17,315.

Councilor Larochelle said we still have the funds available for this, it's not new monies. Mr. Eldridge said, no, it is money we budgeted for.

VOTE (2010-14) Councilor Larochelle, seconded by Councilor Cote moved to accept the bid from D. D. Dyer for \$17,315 with the understanding that the contract is changed to represent the idea that the complete work will be done, insulating the venting, and warranted.

PUBLIC COMMENTS: None.

Order passed - Vote7-0.

COMMITTEE LIAISONS

Mr. Eldridge said last year you changed and appointed members of Council to committees. You should have received this following the last meeting on the nights and times they meet.

Councilor Larochelle said do we know which ones are open at this point in time.

Councilor Bowie said, well, I do not know, we can go through; like I can tell you I am representing the Technology Committee, Commercial Revolving Loan Fund, and the one that is not on here is the Community Policing Advisory Group.

Councilor Bowie said, Fern, I think you were on the Recreation Committee.

Mr. Eldridge said, Roger, I think you did the Planning Board. Councilor Cote said and the Board of Appeals. Councilor Bowie said so Roger has the Planning Board and the Board of Appeals.

Councilor Larochelle said I actually sit on the Audit Committee. Councilor Bowie said, all right, so Fern is on the Audit Committee.

Councilor Bowie said do we have anybody on the Trails Commission? I do not think so, so the Trail Commission's open. The Water Commissioners is open.

Councilor Bowie said MTM Board? Councilor Crafts said I was on the board. Councilor Bowie said so that one is open and then the School Committee is open. Councilor Crafts said I will go back on it, if I can make it, on the MTM Board.

Councilor Larochelle said I will take the School Committee because it kind of follows along with the Facilities Committee. Councilor Bowie said okay.

Councilor Mason said I will do the Trails Commission.

Councilor Bowie said Library Governing Board, Conservation Commission; those are open.

Councilor Pomelow said I can take the Library Governing Board.

Councilor Bowie said the Budget Advisory Board is open. Mr. Eldridge said do we really need one for that. Councilor Bowie said probably not. Mr. Eldridge said they deal with pretty much the same things as the Council. Councilor Cote said they deal with the Council on pretty much a regular basis.

Councilor Bowie said the Ethics Panel is open. Councilor Crafts said do we need one there. Councilor Bowie said, right, so I would not think we would necessarily need to have one there.

Councilor Lunt said I can do the Conservation Commission that's on Tuesday.

Councilor Bowie said the Water Commissioner's Board is the only left? Anybody interested? Councilor Cote said I would do it. Councilor Lunt said want to trade. I will take Planning Board if you take Water Commissioners. Councilor Bowie said, okay, so Roger said he would do Water Commissioners. Mr. Eldridge said do you want to take your name off one of the other ones and have Mark serve. Councilor Lunt said I could do Planning Board if you want. I was on it for three years and I know what they do. Councilor Cote said that is why I had taken the Board of Appeals. Councilor Bowie said, all right, so we will put Mark on the Planning Board.

Mr. Eldridge said we will let every committee chairman know these people have been paired with a liaison. Councilor Bowie said very good and maybe you could just update this and give it back to the Council with our names on it; that would be great.

Councilor Larochelle said while we are talking about the committees and the Facilities Committee has two members one from the Council that were a part of that; Norma is no longer a Councilor. I'm not sure, but at some point in time, it doesn't appear that it need be right off, but we need to look at a second person and kind of roll with that this year since there will be some changes in that area. Times have changed, maybe it would be nice to, when that new finance person comes on board to actually meet the Audit Committee and make sure our directions are going in the right way, so there is no confusion. Councilor Bowie said I would be willing to participate on that. Councilor Larochelle said because I know last year at the end of that there were some questions about the functions of some of the committees.

Councilor Larochelle said the other one would be about the Facilities Committee with Norma being more or less taking on the citizen's role in I don't know if whether or not we need to have a second person officially put on to that or what. I know that committee is going to be running to an end pretty soon and another committee is going to take over, but Laurie mentioned one time that she might be possibly interested in doing it so I wasn't sure if that would be what the Council would want to do at this point in time. Councilor Bowie said when do you meet? Councilor Larochelle said they actually meet tomorrow. I will not be able to be there tomorrow. Councilor Bowie said during the day or in the evening. Kathi Yergin said at night, 5:30 PM.

Councilor Cote said what are the expectations of the Council members to attend these meetings? Are we expected to be at every meeting? Councilor Bowie said, no, I don't think we need to be at every meeting. I think the thought, originally, when we started this a few years ago was to just understand what the committee is doing, kind of try to participate a little bit, just to listen in and to see what's going on. If you hear something of interest you can report it back to the Council and help keep the Council up-to-date, because we don't always hear from committees every other meeting or whatever. It's just a way to keep our communications open with them, but attending every meeting is not a requirement. It is just do what you can, be supportive of them, and be of some assistance when you can. Sometimes they have questions that come up and maybe we can bring them back to Steve to try to get things going. Councilor Cote said, basically, being a liaison. Councilor Bowie said so did I hear Laurie wanted to be on the Facilities Committee. Councilor Pomelow said yes.

SET THE INTEREST RATE ON TAXES

Mr. Eldridge said every year the Treasurer of the State of Maine sends out a recommended tax rate, not to exceed whatever they give you, this year it's 7%. I think last year it was 9% and you had set it at 7%.

Councilor Bowie said it has been set at 7% the past couple of years, right. Because it was 10%, I think, two years ago and then it went to 9% and both of those times, we had set it to 7% and so now they are saying the maximum is 7%. I'm not sure what Council wants to do with this. Do you want to entertain the 7%?

Councilor Cote said why did we go with 7% when it was 9%. Councilor Bowie said for many years we always set it at whatever the State recommended. Then, I think, two years ago, based on the way the economy was going and concern, that we would lower that slightly from what the State was, because I think some of the Councilors felt 10% was maybe too excessive for not paying your taxes on time so that was when we agreed to set it at 7%. Actually, it was Councilor Crafts idea and thoughts to go do that.

Councilor Cote said under the circumstances with times as hard as they are at this time is that something we should be looking to maybe lower a couple of points. Councilor Bowie said you certainly could, but this is part of our revenue stream, right, and what we have to be careful of is that there are some people who cannot pay it because of where they are at. If you look, through the

people who do not pay their taxes there are, also, a very large number of people who can afford to pay their taxes, but they tend to hold off and be late. It's kind of giving them a free ride and we have accounted for some of this revenue to help offset additional increases in our normal taxes.

Councilor Larochelle said in years past some of this discussion was the idea that we want to reward the people who do pay on time. The people that can't for a definite hardship actually come in and speak to the town and we have been always able to wave or work with those interest rates, so it is not a definite, you know, your at a loss because you can't pay us and it will cost you more. This is more set for people to benefit the idea of, you know, paying on time and making sure that they are not using their money to make money somewhere else versus paying their taxes. I think 7% is fair. It is better than when it was 10%. Then again, if there is someone with a hardship that comes in to speak to Steve, we will work with him or her.

Councilor Bowie said I am not sure if we can do this or not, but I know in other states I have seen this, like my parents get their tax bill in Florida. It has four payments, like if you get it in October and you pay it in November it gives you one value. If you pay in December, it is more. If you pay it in January it is more so I do not know if they have already accounted for this percentage in how they are saying what your tax bill will be, but it is like, if you pay early, you get a benefit. I don't know if we could even think about it or not. I'm not suggesting that we do that this year, but if we could think about saying, you know, what, maybe if you paid on March 15 or in the month of March, you could get a 2% or 3% discount or something like that. If you paid the next month, then it might be a different number and kind of graduate it that way. It is something to think about.

Councilor Crafts said, I think, if we used the revenue for that incentive, because you want more cash flow earlier it would increase your cash flow and use the interest that you are collecting to give back to reward and people, right. It gives them an incentive to increase their cash flow.

Councilor Bowie said, right, so if there is some mechanism we could work out, thinking about how that might work out. Councilor Crafts said I'm thinking that's an accounting nightmare. Mr. Eldridge said in Greene they used to offer a discount if you paid early. You actually have to raise the revenue to offset that. Councilor Crafts said, yes, that is probably why I would not do it. Mr. Eldridge said in the town meeting format that never went away, they still do it. Those who are good payers always pay early to get a break. Councilor Bowie said, anyway, that was just a thought, but right now before us, we have to set the interest rate for delinquent taxes.

VOTE (2010-16) Councilor Crafts, seconded by Councilor Pomelow moved to set the interest rate at 7% for delinquent taxes.

PUBLIC COMMENTS: None

Order passed - Vote 7-0.

LAND APPRAISAL CONTRACT

Item taken up under Other Business after Item (A) Assessing Presentation below.

OTHER BUSINESS

A. ASSESSING PRESENTATION

Mr. Eldridge said Pat is going to give you a presentation about our way of getting our value back up to 100%. You have directed me this past year to find a mechanism. You tried to put it before the people each time at a cost of about \$320,000. The public just will not spend that kind of money for

numerous reasons. We have come up with an idea and a plan that Pat thinks that we can get this done and it sounds reasonable.

Mr. Dow presented a power point presentation. He said first, the town's assessment ratio is 56% that has cost the town loss of revenue. The residents have lost homestead exemption value, veterans' exemption value, and it is because there has not been a re-val since about 1988. There has been a lot of new construction without permits. There has been a huge change in the value of real estate in the State of Maine since 1995.

Mr. Dow said what we have here is the requirement by the State to have our assessment ratio at 70% or more to a maximum of 110%. By going to 70%, we will not lose the tree growth reimbursement, for instance. The assessment ratio and the quality rating go hand in hand. Over the last few years you can see how the assessment ratio has dropped; 67%, 63%, and 56%. At that rate, it is going to be hard to get anybody anything. These are revenue losses. If you look at the tree growth revenue, in 2006 the town received \$30,000. This year we have received \$295.00. Now, this isn't a hard remedy. We can fix this, this year, by getting our land only up to snuff. If we look at a full re-val, a term I do not like, I like equalization, the reason being that what we are doing is attempting to improve the fairness of equity of the taxpayer's value. We go there from 56%; we have to get up to 100% eventually. A town this size should run from \$300,000 to \$500,000 by one of the major companies coming in and doing it all at once in one year. They are big companies; they are in the business for a profit. They have large offices to support, staff to support. I think this \$320,000 bid is probably as low as you would see from one of the major companies. I feel that in-house equalization can be done significantly lower using some contract help and the town staff.

Mr. Dow said one of the processes is land valuation. One is to list and measure the various structures. One is to deal with the commercial and personal property values. The assessment ratio is what we need to move to get our reimbursements back and to get more fairness and equity for the public's homestead line, veteran's exemptions.

Mr. Dow said the sales ratio is what you are assessed at versus what it sells for; is what it sold for the fair market value? Well, we do not know. What the assessors job is, is to somewhat investigate each sale to determine whether it is inter-family, a foreclosure, or a number of other items that might cause it not to be the so-called arm's length sale. The other thing is that, Joe is a good bargainer and Charlie is not, and they buy two houses exactly alike and one is seriously higher or lower than the other is. When we do an assessment ratio, we go through and make sure that the sales are in fact arm's length, then we toss out the top 15% and the bottom 15%, or 20% if that is what you wish, most assessors use 15% on each end that gets rid of the oddball sales. It gives you the center 70% of the market and you make a statistical average; that gives you your assessment ratio. He said the problem with that is, you cannot have half of your sales at 100% of the market and the other half at 50% and call yourself 75. The State does not like that. It has to have a relatively close margin either side of the center median price.

Mr. Dow said the two parts to value are the land and the structures so you have to have the land values along that same general percentile as the structures so that when you look at a sale you come up with, say, \$100,000 for a particular house and it sits on a \$30,000 lot. If that lot were to sell without the house, would it sell for \$30,000? You try to keep it within that same range so that when a sale is just land you can tell whether that is a fair market also. We sometimes wonder how do you get land sales from general everyday land and building sales. Our computer program is excellent at figuring out the cost of a building. It does not know much about land, but if you take the cost of the building, subtract that from the total price, you have a price for the land, the residual land value. We have to do that on condominiums anyway, because State law requires that we put a land value in their taxes; but condominiums do not own land. Therefore, we do a residual land value for condominiums and we do the same in these quality creations.

Mr. Dow said people ask what is taxable property. There are many urban myths out there. Taxable property consists of real property and business personal property. Real property is land, buildings, pieces, and parts thereof of those buildings or additions to the land. Personal property is not today your TV and your lawnmower. It is business equipment; that is what the Legislature intends even though the law does not read that way. The State recommends highly that we stick to personal property being business personal property. It is anything that the business needs or has in possession. It can be parts of a building, for instance, a computer center may have a halon floor, which is a static-free floor. It is not necessary for the building, it is only necessary for the business so it is picked up as personal property. It may have a specialized air filtration system for that same computer room, again, it is part of the building, but it is personal property. Your favorite pub has a bar, it is built in, walk in coolers, it is built in; those are business personal property. They are necessary for the business not to support the building.

Mr. Dow said we need to get all this done over the next two year period. The process we would like to see, we purchased the Trio assessing system last spring and that provided us with the values for buildings; it's built in so what we now need is to get the land comparative to sales brought to the prices that it should be for this day and time. Now, we have put out bids asking for people to do a land valuation for this coming tax year; the commitment in August.

Mr. Dow said we have had bids that range from roughly \$8,000 to \$120,000. The \$120,000 man wants to do a Rolls Royce job, which is admirable, but I think we can do just as well with the \$8,000 bid, because what this person is going to do is create value for various neighborhoods. This is the new way of assessing land. It is not so much a square foot town-wide. It is not so much a front foot town-wide. Each neighborhood has a desirability factor, each area. What is desirable in 2010 may not be desirable in 2020, or may not have been desirable in 1990. Residual values from a subdivision give you good numbers in a subdivision, but they do not give you anything for raw land, open land, farm space. That is all based on what is now determined as a percent of acre value. You have a base lot, let's say \$50,000 in a given area, and if you have a half acre lot or a 3 acre lot or a quarter acre lot, it may only be \$51,000, \$50,000, \$42,000, something like that; it is all very close together. It is not \$50,000 for an acre, \$25,000 for a half acre. That is not the way it works anymore. We have got zoning. We have regulations from the State, for instance, on septic systems. If you have a legal lot today, whether it is in a subdivision or in a village complex, like we have in both ends of town, you can have some extremely small lots that have the same value as the lot just up the street that is half or three quarters of an acre. I have been doing some data entry here for the last three months. We have some lots in this town that are tiny. Subtract the value of the house from what the sale price of the lot is and they are still selling for \$30,000 or 40,000. Yet, our current land values are further out of whack than our 56%. That is why land is first; it is the worst.

Mr. Dow said if we can get the land done this year, the appraiser will provide us with a list of prices for various areas, and my staff and I will apply it; that is where the savings comes in. We will then, if you agree, start the process of doing the buildings and the commercial work. The land value will be applied for the commitment date of 2010. The buildings and commercial work will be applied to the 2011 commitment so by 2011, we will have everything up to snuff and we will have a much fairer more equitable tax situation than you have had in 20 years.

Mr. Dow said the land value in itself would bring us up to about 70%. We can make other adjustments. We will guarantee to be at least at 70% for the commitment of 2010. That gets us back our missing money from the tree growth, veterans, homestead, etc. The list and measure will be started this summer. It will be done probably by October. Then, it will take me and my staff time to go out and make sure this is correct data. It will, also, take time to send out new valuation notices so people know what those numbers are going to be. It gives those people a chance to come in and say, Pat, why is it this and not that. We will meet with the owners, we will discuss the new values, we will make adjustments that are necessary, and by August 2011, we will be between 95% and 100% of market value. Depending on the economy, I would probably aim for 95% versus 100%

simply because if the market continues to sink we will not be above the 110% mark and have to make some foolish adjustment.

Mr. Dow said the gentleman who made the \$8,000 bid is considered one of the top men in the State. I think he is trying to keep working in a bad economy. I think he is hoping to get some further work down the road and, therefore, we have a great offer. The next bid to his was \$25,000. The list and measure, again, because the economy is down I am hoping to get every house done. A list and measure is literally an inspection of the property. You measure up the building, the shed, the deck, the garage, whatever, the barn. There is an inside inspection. Everything is based on our new Trio assessment program. The right questions asked, put into the machine so that we have the correct data. We actually have a program that is very adjustable and very fair, but we have to have the right data to put into it. The program is only as good as the data we put in.

Mr. Dow said as far as the commercial properties, we could expect some disagreements and that is why we have some money in there for select commercial and personal property appraisals. We were told that a few moments ago we are still short of people on the Board of Assessment Review. We do not want to be going to the County Commissioners. We need our own local Board of Assessment Review. We have to get this filled and get them onboard. The Board of Assessment Review is a jury. If I say the price is X, and Mr. X says the price is Y, they listen to the presentations and they make a decision. That decision may be appealed by the owner or by the town. If it is commercial and it is over \$1 million, it will go directly to the State so there is nothing we can do about it anyway.

Mr. Dow said, basically, what it comes down to is for about \$80,000 we can get the town up to snuff. That money will be paid back in two years on the reimbursement from the tree growth that you have lost already and this is over the long haul. For the \$80,000 spent over a two-year period, for the next 10 years you are going to be getting that tree growth reimbursement money, we are going to be getting that homestead reimbursement, and we are going to be getting that veteran's reimbursement. Our mil rate right now is one of the highest in the State. The average mil rate is in the low teens. If we bring it down, we will be like everybody else. We know that the budget is going to be tough, because the times are tough. The State is not helping the way they used to, but if everything stayed the same, with a town value back up where it belongs at 95% or so, the mil rate in this town could be low to mid teens. As time changes, we know the economy is going to come back, it always does and it can drop again.

Mr. Dow said we would get probably \$40,000 to \$45,000 in tree growth reimbursement if we do this land thing this year because for the first time since its inception the State has raised the values on tree growth land. Soft wood only went up 25%. Mixed went up 72%, I believe. Hard wood went up 90%. If we were only getting \$30,000 before we should certainly see a substantial increase in that and folks that will pay for this.

Councilor Larochelle said a couple of different things, going back to tree growth which I know you mentioned quite a bit, and we had a lot of discussion on it where it went from 15 to 30, which we figured was a really bad mess up by the State that year, then we went back to our previous year of 15, which had nothing to do with our valuation, that is basically the State's dollars of how they equate it and the idea that we went from 30 down to 200 isn't to do with our valuations that's State calculations, because I actually thought this year that Dale may take away all the tree growth. But, again, just the idea of going from 15 down to 30 in a couple of year period that really didn't have anything to do with our town valuations, that had more to do with how the State did their calculations, correct?

Mr. Dow said the reason they calculated it that way is, because we weren't up to 70%. In tree growth for every 1% below 70% you are, they withhold 10% of your reimbursement so one year you were down 5% below 70%, you lost 50% of your reimbursement. After that, you were below the numbers.

Councilor Larochelle said we were trying to figure out that year, also, because our valuation dropped, but we got twice as much and then the next year we did not drop as much and we lost a lot more. At that point, we thought that it was because of the way they were doing the calculations, the State, of what they allowed us.

Mr. Dow said they said, oh look, they are down below 70%. How much? If you were, I think that first year you were down 5% that is why it went from 30 to 15, because that is 5% below 70% is 50% of your reimbursement.

Councilor Larochelle said then how did it go from 15 to 30 the year before it dropped, I guess, is the question we had that year. It doubled one year and we actually dropped the valuations, but yet we doubled the money we got, which I guess, what we were trying to figure out that year was whether we would have to pay it back or not.

Mr. Dow said probably because it was listed at 100% and it was not. Whenever we have any sort of giveaway, whether it is homestead, veterans, blind, tree growth, all those things have to be adjusted to your percent of market so this year's homestead was only \$7,280 when people at 100% were getting \$13,000. The reimbursement comes in the sense, when homestead first started, they did not reimburse anybody. They said, you give everybody \$7,000 off and live with it. Some towns actually had to raise taxes to cover the loss of homestead. Then a few years later, they jumped it to \$13,000. The reimbursement is only on the \$6,000. State law says and they forgot to put the language in so that they do have to reimburse us for that, but State law says that when they create a problem that causes towns to lose money, they have to reimburse up to or at least 50% of the loss. By jumping it \$6,000, the 50% is \$3,000 so the 1,900 homestead exemptions that we have in town, multiplied by \$3,000 gives you roughly your reimbursement if you were at 100%. Because we are at 56%, we are getting roughly \$1,500 instead of \$3,000 for homestead exemption.

Councilor Larochelle said so within that first year we go from, just doing our properties at 70%, you are figuring for what we have for soft wood, hard wood, and mixed, it would be over \$40,000 reimbursement for tree growth the first year. Mr. Dow said if we were at \$30,000 three years ago. Councilor Larochelle said, well, we think that was a messed up number. Mr. Dow said I think that was the 100% value. I do not know what happened in the past. Councilor Larochelle said, yes, it was just consistent in the teens and then it jumped to twice as much, so we were somewhat concerned. Mr. Dow said with as large a jump as they have given us for tree growth, there has to be more. Councilor Larochelle said tree growth. That was a question I had, because we were trying to calculate it out through those years and it was very confusing how they could double it one year and whether we had to write a check back because we got too much.

Councilor Larochelle said the biggest concern I think most people have, is if you are a taxpayer in Lisbon Falls who has been here for thirty years and you have a house and you are paying taxes along that line, and you haven't done any changes to your house, I mean, you haven't done an addition that wasn't permitted, you haven't upgraded your house, and your house say right now you are paying taxes on \$60,000, whether it is worth \$100,000 or not doesn't make any difference, you are paying taxes on a \$60,000 house and right now you say we are at 56% valuation, so when you get to 100% valuation on that house, the way the mil rate works is that if a person hasn't done anything, at the end of the day the person really shouldn't be paying any more in taxes in a sense, because if a percentage of what their tax base was, and the house hasn't changed, then it is just a percentage of how things have increased so the mil rate should go down just as much. The person who is going to be affected the most is the person who has a house that has done many changes to that, which has not been equated in their tax. I think that is the biggest concern for most people who have been in town for a long period, is that they say their house is only \$52,000 or \$56,000 and we are going to bring it to \$100,000. Every time we have a meeting, we talk about not raising taxes on people, because they cannot afford it, which is still a concern. We saw Lewiston/Auburn do a revaluation, it came in great, then the next thing you know there were people getting their heads

chopped off because of the increases. I guess, could you explain the difference between how the mil rate versus revaluation works.

Mr. Dow said first, everybody should pay the same percent of value for their taxes. The people who are not making out well now are generally people with low income. The elderly on fixed income, social security, young couples just starting out who haven't developed their job skills enough to be high paid, people in low end jobs; those are the people who are paying more in their taxes than they should. They are being assessed at higher value than their properties compared to people with good incomes that are putting on additions, doing upkeep and not getting charged for it. We have had a number of sales in this town, even in this down economy. We have good data to work from. We should not have any problem in making this a fair and equitable solution. The people who are going to make out the best are the people who have the least advocacy, to be honest.

Mr. Dow said that right now we have had, just for an example, a sale of a mobile home park. For commercial property, there are three ways of determining value. There is replacement cost, in other words, what it would cost to build and depreciate for age. There is sales analysis between like sales and there is something called the income approach. If we did an income approach on mobile home parks, the value would be way beyond what it would probably be fair market value right now. So, that is a tough one to use, but we just had a sale here in town of a large park. Right now it is being assessed at approximately \$6,200 per site and the sale price was over \$20,000 per site. Now, those types of businesses like that will come up in their value depending on how much the increase in value is over, or compared to the change in the mil rate will determine whether they pay more taxes or less. Statistically, in a town that does an equalization, you have a third of the town goes up, a third of the town stays the same, and a third of the town goes down, however, that is generally. Almost every town in Maine has a waterfront, other than rivers. The rivers here in town do not seem to affect the property value a lot.

Mr. Dow said in that other scenario you have most of your one third going up on the waterfront, because waterfront appreciates so much faster than any other kind of land. In this situation, I would expect more like 40% will stay the same, 40% will go down, and only 20% will go up, because we do not have that waterfront effect. There are not that many totally out of whack properties. What we have is an adjustment. Land is the worst as I said before land is the worst. Buildings have been adjusted over time. Unfortunately, people with new buildings have paid a higher percentage of the value in taxes than people with older buildings; that is not right either. Just because a house is new does not mean they should be at 85% while the rest of the town is at 50%. Just because a house is old, it should not be at 50% when the rest of the town is at 70%. We have to make a fair and equitable process. The public has to know that they are getting a fair deal. My job isn't to protect the town's value, as much as I know the Councilors would like that, but if I look at a piece of property and it comes out lower than what it has been, then that is what it is. The assessor has no axe to grind other than to do a good job. We can do that. We can make it fair. We can make it clean. We can get our reimbursement back.

Mr. Dow said the other thing is, if you want to fight the State and your numbers are bad on your State municipal valuation, you have no leg to stand on. You give me a chance to put this town back in order where it belongs and you will be able to stand up to the State and say these numbers are good and they are going to say, yes they are, and therefore you won't lose your revenue sharing or your funding and so on.

Councilor Lunt said the part time staff you talked about hiring, were those going to be people trained in assessing or what kind of people would those be? Mr. Dow said best scenario, they would be people that were assessors like I was a few years ago, semi-retired that come in to do the job. Worst case scenario, give me four kids from the Muskie Institute and give me four days to train them and they will do a good job. They may get some credit hours for it and we can get a good job done at a low price.

Councilor Larochelle said if we go for it, even with the land part of it, I guess my concern would be whether it goes really high or low rather or not once the valuation is done, does Council look at it and respond to it before it becomes a part of the tax base for the year. That would be one of my biggest concerns at a time when we are trying to generate business in Lisbon, especially looking at commercial land, and I am not saying we would not want to be fair, but we would hate to promote something that would create too much controversy, also. It would be nice to see what the numbers are after we do the valuation before we actually implement them or not, or if we can implement them in a stage, or if it has to be done all at once. After watching, what Lewiston did, having to go through all that, and having to throw it out the window and start all over again, because? I should not say throw it out the window, but there were major concerns after that and I don't think their process went quite the way they thought initially it was going to. It would be nice to see where the town would actually rest when the valuation process is done before we implement it.

Mr. Dow said as far as your commercial and trying to establish business here, you have the TIF certificate application and you have other incentives tax wise. Personal property, there is a thing called Better and Bette reimbursement programs and exemption programs for businesses. I have had out of state companies say you are the only state that does this, but we are doing it and it is a way to sell business.

Councilor Larochelle said TIFs I do understand. One concern I do have is regarding businesses that have already been established, actually having concerns with that same process. People that do like self-storage that have lots of units that if for some reason their taxes were to go up overnight by a quarter, we would probably have very upset people, but again it just one of those things. I didn't know if once we were done this valuation if once we said yes we are going to implement the idea of going forth to do the valuations that automatically when they were done it actually goes through as being the tax rate.

Mr. Dow said I work for you. You tell me not to implement it; it is not going to be implemented. Councilor Larochelle said it would be nice to know what the result would be.

Councilor Bowie said we would be able to see that through the process. We will be able to say we are not going to implement it. I think one of the things we have to be careful about in comparing Lewiston and Auburn and some of those things is the other piece of this whole process is that, Auburn when they did theirs, their expenses were skyrocketing. They were doing all this building and everything, right. Your ability to lower your mil rate, but then you have all this additional expense with no real great revenue increases, right, that cause you to increase that, right, and I think that also happened in Lewiston, right. I have said this a number of times, if we are going to do something like this we have to be very aware of when's debt dropping off, when can we keep things as low as we can, and not increase our expenses so that when you do, do this increase in your assessing ration your mil rate goes down and it stays down. You could help everybody out in that perspective, right, in keeping them down. The other thing, I think, we should do is if some of this shocks people, I have had this discussion with Steve, we need to communicate with them, we need to work with them, just like we do with property taxes, right. You know your taxes aren't going to triple all of a sudden, right, we will phase into it. We have the ability to do all of those things. We have the ability to phase some of this stuff in over time so that you still gradually get where you want to go and do not throw the work away.

Councilor Crafts said the bottom line is if you are going to do this and it is fair and equitable, the public realizes that we are not revaluating the town to create more revenue, but we are revaluating the town to get our revenue from the State that we deserve, but that we want to make it fair and equitable. This is what you have to convince the town. If they think you are doing this to raise revenue, then I will not be visiting you while everybody else is, Steve.

Mr. Dow said I think that you will find in Auburn they also through in a couple of pet projects that drove the taxes up.

Councilor Larochelle said the hardest thing is that most of the taxpayers in Lisbon that is what they have seen from Lewiston/Auburn what was on TV. They did not hear Pat give his actual presentation on how this works. It is important to establish that if someone has a house, they have been here for a long time, and their house is still the same house it was valued at years ago we were at 100%, and then when we go back to 100% and the mil rates changes their taxes should stay pretty equal. That is important for people to know, we are not spending money to increase money.

Mr. Dow said the only people whose taxes are going to go up are those people who have done work that we don't know about and increased value or where something outside their control drives a value up, such as, becoming very desirable. You probably remember the Old Port 45 years ago. You could not have given a piece of property away, and now you cannot touch it with a golden ruler. Those things change value. I have no control over that, nobody does. Councilor Crafts said its market driven.

Councilor Larochelle said the idea of having someone come into town to actually look at these areas and determine what is desirable and not, that's all based on selling value of houses so it isn't someone goes in, it's based on the history of the past four houses sold in that area and the market value is \$180,000 versus \$250,000. Pretty much the price is directed in the direction of what is desirable and what is not.

Mr. Dow said it is all statistics. Mr. Eldridge said, and the benefit like what we have said before, at this particular time, because the economy is so bad the bubble of those high prices on homes is gone. I really do believe, and Pat and I have had this discussion, that some of these values may already be at 100% or very close because the bubble is gone. Mr. Dow said 56% is not a good number, because some people are at 30% and some are at 70%. Equity is the key to the whole thing.

LAND APPRAISAL CONTRACT

Item taken up out of order.

Mr. Eldridge said we had three people who were actually going to submit a bid, but one of them had some health issues and chose not to. I have worked with Bill Van Tuinen and he does big commercial properties, hydro-plants, paper mills, and he has staff he works with and he is very good at what he does. Councilor Bowie said did he do non-commercial properties. Mr. Eldridge said yes he does. I am sure he is looking forward to it. That is why he gave us the price he did.

Councilor Bowie said are you looking for Council to approve this contract tonight. Mr. Eldridge said yes. Councilor Bowie said what the value of this contract is.

Councilor Larochelle said its \$8,000. Mr. Eldridge said where did Pat go. Councilor Lunt said he walked out he is gone. Mr. Eldridge said not to exceed \$7,800 is the way I would put it. He said he could do it between \$3,000 and \$7,800. I do not know how he can do it for that, but I know the quality of his work and the quality of work is there. If you were going to vote on this, I would say not to exceed the \$7,800.

Councilor Crafts said what if he starts working on this, he gets 30% of it done, and he is at \$7,800. Mr. Eldridge said no, he would have to sign a contract that states that he will have to complete all the land valuations. We are going to do the data entry.

Councilor Cote said we were looking at a revaluation of the town and we were looking to spend \$320,000 dollars to do it and somebody comes in and says they are going to do it for \$8,000; it says run buddy run! This stinks. I do not like it.

Councilor Larochelle said I do not think that what that \$8,000 is giving us is a very small portion of what actually that \$320,000 is; the \$320,000 would have been someone coming in and we sit back and pretty much take the information when they are all completed. I think the fair figure you are looking at is thinking that you are going to sublet it for \$320,000 or you are going to do it in-house for \$80,000. That is pretty much the number difference; it is not so much the \$8,000 verses the \$320,000. Again, I think it is fairly reasonable and beyond reasonable the idea that you can get the town done for \$8,000, I mean I spent \$3,000 last year appraising a two and half acres spot.

Councilor Bowie said I think this is a different approach than what we have always talked about in the past. This is to give you an idea of what properties are worth in the village area, subdivisions, and rural farmland area. It's not to go look at everybody's land and determine each land's value based on the building, which is what the \$300,000 to \$500,000 approach is. That's where these companies come in and they go look at everybody's individual house and everybody's property and they go look at the deed records and all this other stuff and they go through all this analysis work and come up with here is the price of your building and here is the price of your land. This is to get us into a grouping mechanism that is fair and equitable based on the symmetry of our town.

Councilor Larochelle said boundaries of land do not change. Mr. Eldridge said let me just explain what he does. For this land valuation process, he does not go out and visit every piece of property. He sits down and goes through it; most of it is computer work. He does evaluations on what's been selling in these types of areas so when he is doing valuations he is not going back and forth looking at property. We have the property sizes already. We know what we have for sizes. We know what we have for a half acre in this area and what we have for a half acre in another area. All he is going to do is assign a value to a specific region for a specific size lot and we will do all the data entry. Before we do that, Pat will review with him all his data, but it is like a person sitting at his computer all the time and researching what sale of property has been for just land.

Councilor Crafts said so what do we do, so we hire him, and how does he get paid? Does he get paid as he is completing the work? Say we get a quarter of the way through and we are not happy with his work, do we get out of the rest of the contract. With Roger's concern, if we keep our self in the position where we can say we are not happy, right, at that point, in the process, he goes down the street and we do not pay the rest of the work so if we had a contract like that then we can control the situation a little bit better.

Mr. Eldridge said like any project we do like this we put together a contract deal, our attorney looks it over, and everybody agrees upon the terms. If the terms do not work, then we do not do the contract. It is as simple as that.

Councilor Bowie said so is that something you should go put together and then bring that to the Council to vote on.

Councilor Lunt said have other towns done it this way. You know, splitting up the land versus the buildings. Mr. Eldridge said I could not tell you. This is upon Pat's recommendation. Pat has been in this business for a long time and has been doing this kind of work prior to coming here part time in retirement. Milbridge is the town that he just finished up. We are talking 4,000 parcels in Lisbon. Milbridge is a very small community with maybe 900 parcels so it is not the same. I would have to ask Pat. I have confidence he knows what he is doing.

Councilor Bowie said it seems reasonable because you have both pieces that make up your total valuation.

Councilor Lunt said, you know, if somebody goes to court to dispute this then there is one valuation on their building and another on the land. Mr. Eldridge said it has always been done that way. Councilor Bowie said, but that is how you tax bill is, right? Councilor Lunt said but normally they

come out, look at the whole parcel at once, and make one observation. One from 1988 and one estimated from today or something.

Councilor Crafts said that is why he said this is going to be a process. If a person is not satisfied with their valuation, they could appeal it and go before a board and present evidence that it is not fair and equitable so long as we have a process in place that's going to make the landowner happy in the end. You know what I am saying.

Councilor Bowie said one thing that bothers me is that we have properties that have sold, new homes in town, especially at the Lisbon end of town, and these parcels of land were valued at the going prices today and now we are going to be using that information sitting at a computer and looking at the whole town. I just do not see that we are going to do anything good by this. Somebody has to look at this stuff and you are not going to do this for \$8,000.

Councilor Mason said we had a workshop here last week, we talked about the comprehensive plan, and we talked about parts of the comprehensive plan being looked at and being changed. I know we have talked about that in revitalization quite a bit, because there are some areas of town that are kind of, not quite sure if that's what they meant or that's what it should be, so couldn't that come into play; changing some zoning areas and what things are considered as. Isn't that possible. The other thing is where are the desirable properties he is talking about? Do we have a large amount of those properties or do we just have a small amount. I would be curious to know that. Those factors might affect it, and it is something that we need to look at.

Councilor Larochelle said it would be interesting, I mean, for the money that would be spent compared to the \$320,000 that's why I mentioned the idea that it would be nice to look at what the end project looks like. Then, sit back and look at the numbers and see how this looks because it just may make perfectly good sense on paper once it is all done. I guess my concern, initially, when I was thinking about it is that you actually have a piece of farmland that is valued very little for frontage, but it's a lot of acreage. Then within a year or two you actually have a half a dozen quarter million dollar homes put on it so, of course, the valuation of that piece of property goes up quite a bit. It is desirable at that point because they are beautiful homes. The property that is right next door is the same amount of acreage now, is that acres desirable, too, because it is in that same zone. I would be curious, too, to see how that is actually broken up. I mean, for the money being spent to actually get an overview of the town the \$8,000 to me is still a very reasonable amount of money to at least start the process to see what direction we are going in. We may be able to do that process and then feel that there is enough information that we may need to expand that a little bit more. I do not know, but I think we need to move in some direction so I do not think that we ought to just say it is not a good idea. It's kind of a neat idea. Land does not change size. You cannot add on to land. The boundaries are there so the idea of coming up with some type of value in comparative, if nothing else what we do get is a result we can compare to towns around us and see if it actually makes sense or if it doesn't. However, you can only do that if you have the data to compare so right now we do not have any data to compare.

Councilor Cote said you are not going to collect that kind of data for \$8,000. Councilor Larochelle said you could actually. It is actually nothing more than, I mean, if you want to sell your house today within 15 minutes you could go online and get what the average selling price in the area is in your town. I think the data is there to come up with some valuation that way. I could not believe, when I was going to sell my house, how quickly you can get raw data as far as what's selling in the neighborhood and what the land prices were. There is a lot of information out there on the computer if you have the resource to do it so if you actually have all the town maps and actually have those resources, I think, you can over time put together an accurate map. Whether it is a map, we like or not, I don't know.

Councilor Crafts said I think we need to see the contract. We certainly cannot vote on something we do not know what the terms are. Councilor Larochelle said I agree. Councilor Mason said I would

like to see the breakdown of how he does it more or less. Mr. Eldridge said I can schedule him to come to one of your meetings and we will get the contract drafted up and have him make a presentation.

Councilor Cote said Fern brought up a very good point though. That is if you take a complex of new homes that are \$170,000 homes and they are sitting on half or three quarter acre lots that half three-acre lot in that setting is worth more then that half three acre lot out on the side of the town with a broken old home that is falling down. These are things that you cannot go into a computer and find this information out.

Councilor Bowie said Pat just explained that to us, you know, he said we have some real small pieces of property in town, but when you look at how they sell their property is worth the same as a half acre lot or whatever. Councilor Larochelle said it would be nice to see a map to show how the different prices are around town. Councilor Lunt said then you can see how many neighborhoods there are going to be once it is divided so it would be nice to see. Mr. Eldridge said then you can just look at what is going on, on just Upland Road and in that area. There are some nice homes built there, it's a very desirable place to be, and once you get water run out there it will be more desirable so it's different compared to something way out on Route 9.

Councilor Crafts said that is why we are going to have the software; we are going to have a system in place, so this is an on-going process. Just like, he talked about the Portland area that was worth nothing and now it was, so if you have a person who has this beautiful piece of farmland that has a low value and all of a sudden, he develops it, then you have the data entry and the system in place to adjust to that. This is an on-going process year after year. Councilor Bowie said absolutely. Councilor Crafts said you could have one area that could go down in value and another end of town all of a sudden go up in value and you have to constantly be adjusting that, but if you do not have the system and help in place for data entry then you never can adjust it. That is why we are in the problem we are in now, but we are going to put a system in place and that is going to be for on-going adjustments.

Councilor Cote said I agree with you, Dale, you do have to adjust as you go, but the thing of it is at this particular time we are going to collect an awful lot of data and an \$8,000 figure to collect this data and be accurate, I think is, you know, Santa Claus left last month. Councilor Crafts said it isn't \$8,000, its \$82,000. That is only one portion of the information, Roger, its \$82,000. Councilor Cote said, but the \$320,000 to the \$82,000 is a considerable drop.

Councilor Bowie said so we will schedule this individual to come in and have a contract structured and have him come in and talk to us about what he does and how he does it.

Councilor Pomelow said I think it would be good when he does the presentation to have him take a sample of some of the different districts and what that valuation is going to look like to take some of that fear factor out of it. Then, based on that, we can make a determination on whether we want to go forward. People are going to be really concerned about what that is going to look like. Maybe taking the properties, Roger, and trying to make a comparison with the information that he uses, and how he is going to come up with that determination so that we can be well versed on whether we want to do that. Councilor Crafts said, and, what has he got for references. Councilor Lunt said I think the thing we have to be careful of is neighborhoods we have not had a lot of good sales and it maybe hard to get a good value for and if you had one house sell then you would not know if that is the average or whatever. Mr. Eldridge said they will do the outlying area. It will not just be in Lisbon. It will include Topsham, Bowdoin, Bowdoinham, and within this region.

PUBLIC COMMENTS:

Michelle Swatsworth-Turmelle said it would have been a great opportunity to have had public comment while Pat was still here. I can honestly tell you that when he was giving his presentation

you didn't really look up to see that a lot of us had questions, or at least a few of us, while Pat was still here, because I would have loved to have had an opportunity to have asked him something. While he was giving his presentation, I can tell you, the very first thing I wrote down that came to breast in my concerns was that \$8,000. I will tell you why. I understand that we went from \$350,000 to \$82,000 by doing it in house, however, of the bids that he asked for doing the land appraisal portion only \$7,800 was the lowest. The next closest competitive bid was over \$20,000. That is a huge gap. I am not talking about the difference of doing it in total out of house versus in house. That's a huge gap just for that one portion and I guess where I am raising an issue is, one, are we talking a firm or are we talking about a person who does it independently, but someone independently what's their relationship to anybody here. Let alone, do we know what his references are? Do we know what his work has been? Have we talked to other towns that he has done assessing for to know what the product is at the end result that you are getting so that we know that \$8,000 isn't buying us essentially land in Florida that I would like to sell you as prime real estate that we know is swampland. I want to know whether its \$8,000 or \$20,000. I understand the reasoning for doing it and I am one of those who pulled my permits, but I have spent three years renovating my home so I know I am going to get hit on the reassessment based on the value from the last one and my taxes are going to go up. I understand that and I don't have an issue with that. What I have an issue with is you get what you pay for and when he said \$7,800 the very next thing he said was \$20,000 plus was the next closest competitive rate and that set out in my mind a red flag right away. I'm sorry, but how could that not stick out right away as something like, wait a minute, how can one guy say \$7,800 and somebody else's bid, who is competitive in the market, was over \$20,000. How can we do it for such a less amount? I get that it's mainly computer work, but the quality, quantity, and what you get is what you spend. I just want to know how much research are we doing, why not have the lowest three people who put out bids come in and do presentations and provide references you can go back to and then pick. Even if it is the middle of the road., you have done your homework and you have something better to present us for what we are paying for. I mean, immediately, even before Roger ever brought it up, it was the very first thing that stuck out in my mind.

Mr. Eldridge said the two bids we have here one is \$7,800 and the other one is \$25,000. We had one person who was going to bid and he chose not to and he was going to bid \$35,000 so there isn't that much of a difference, but I think Bill Van Tuinen, as well as Mr. Caldwell, have been in this business and they have done a lot of municipal work. Pat and I both know these individuals and we can certainly get you references if you need them. Bill Van Tuinen has been around for a long time and he does quality work, I am sure of that.

Mrs. Swatsworth-Turmelle said, right, and you just said that the \$35,000 would have been the next one if they had submitted. I understand \$25,000 to \$35,000 is not that big of a gap, but \$7,800 to \$25,000 is a huge gap. I mean, you are talking four times basically the price, well not quite, three times the price for what's suppose to be the same amount of work and for what's supposed to be the same quality of work and the same end result. I do not understand why there is such a huge gap. I am not questioning somebody's ability to do the job, but those numbers have to stick out for somebody to say why is there such a great difference in the price if \$7,800 is one and the next available one that came in was \$25,000. That is a big difference. That is a huge gap.

Councilor Lunt said I think we want to make sure that Mr. Van Tuinen is on the same page so there is no miscommunication. Councilor Bowie said Council has now asked that we pull together a contract and bring the individual in to discuss and review that. I think we are trying to address all the concerns you are bringing up.

Mrs. Swatsworth-Turmelle said is there a way now for the two that did submit them, can they? Councilor Bowie said you could bring in as many people as this Council wants. I don't have a problem with that. Typically, we usually look at the lowest bidder and validate what that person is going to do and the qualifications they have and if that meets Council's decisions then we can go forward. If you want to bring in another one, you can bring in another one.

Mrs. Swatsworth-Turmelle said was the lowest bidder the last person who did our roof. It is just an example, I'm just saying you get what you pay for, and here we are putting more money into the roof again. Councilor Bowie said I do not know if that was the lowest bidder who did this building. Mrs. Swatsworth-Turmelle said, well, you said we tend to go I am just saying what you had said is that you tend to go with. Councilor Bowie said, well, we do tend to go with the lowest bidder. Mrs. Swatsworth-Turmelle said sometimes the lowest isn't always the best. Councilor Crafts said that is why we are looking for the contract to find a way to exit out of it if the quality is not there. Mrs. Swatsworth-Turmelle said, right, but what I am talking about is, if we went with the lowest bid the last time then look at the age of the building and look at what we are in right now, that is all.

Mr. Eldridge said just to clarify on the building, the building was put out to a general contractor, and he hired all the subcontractors. This Council or Selectmen did not hire the subcontractors. The general contractor did that; they submitted a price that was opted for acceptance. Mrs. Swatsworth-Turmelle said, right, no I am not insinuating that the Town Council had anything to do. I am just saying that sometimes the lowest bid is exactly what I said, you get what you pay for so that is just my concern is that I don't want us to see us spend more money down the road to get what we wanted as an end result.

Councilor Cote said look at what we are doing at the Town garage. We are on our second contract to fix the I-beam over the door. He said this is the kind of issue that is a problem. Councilor Bowie said, and I understand that, but in the same time, we put things in place where we could opt out and we could validate and we could monitor that quality, which is what we should be doing as good stewards. Councilor Mason said you would consider us irresponsible if we did not take the lowest bid, so you cannot win.

Dorothy Fitzgerald said I have been chomping at the bit, even before Roger and Lori spoke up, I agree with both of them. This person, who ever is doing this land revaluation, is going to be sitting in front of a computer where, here in town, east overshoe or something? In order to be fair and do an equitable valuation you cannot sit behind a desk. That person or persons or that firm would have to come into town, drive around the town, get a feel of the community, get a feel of the various neighborhoods in a community, and get a feel of the difference in Lisbon and Lisbon Falls. You can't sit behind a desk and know a community.

Councilor Bowie said I personally do not think, I mean, I hope we did not insinuate that the person is only going to sit behind a computer. I think we said most of the work was going to be done through computer work. I would envision that this individual will look through the town, see our different things, he has to do comparisons to other communities, so I do not think they are going to do this in a vacuum, but we were going to find out when we bring the individual in to review his contract with him and understand all that. I think we are hearing what you people are asking for, we are trying to get to that point, and we are going to schedule another meeting to have someone come in. He is going to discuss his approach, how he does it, and we are going to have a contract that we will decide whether or not we are going to move forward. Mrs. Fitzgerald said listening to your comments and the Town Manager's comments and my understanding was that this person is going to come in and this is all computer work. Councilor Bowie said I am sorry you took it that way. It was not intended, I mean, all of us as Councilors discussed this and we have come to a Council agreement of how we are going to move forward, which is to bring the individual in, listen to them tell us how they are going to potentially do some comparisons, and have a contract in place. Mrs. Fitzgerald said I would like to know just what their method is, thank you.

B. TOWN MANAGER'S REPORT & FINANCE REPORT

Mr. Eldridge said they have completed the Public Works Garage. They are tearing down the scaffolding today. The I-beam is all replaced and bricked up; nice job. The Community Track Committee met last Monday. Everybody has kind of laid out what they want this whole recreation

sports facility to look like. We have all agreed that we would like to have some CAD students in the Technology Department at the school to do this work for us to see if we can get some volunteers. Also, once that is done the committee will ask some art students to do some renditions so people get to visualize what the project will look like. Then we can start to look at the budget. I have already done a preliminary budget just for the track, but it will be a whole comprehensive plan involving both the school and town. I am looking forward to that; it has been a fun committee to work with.

Mr. Eldridge said the February 2 meeting I had planned to have Twila give a tour, but since we have a public hearing we will reschedule that one. January 26 Ryan because of his foot wasn't able to come to this meeting so if we could meet next Tuesday, January 26, at 6:00 PM you will get to see the Economic Development presentation as part of the on-going orientation. I have given her a half an hour just to give a presentation and briefly ask questions, and then we will go right into the lighting workshop here.

Councilor Bowie said that is a workshop with Rosie for an Economic Development overview and we will have an additional workshop on the lighting.

Mr. Eldridge said on the Finance Director position we got 29 applicants. We interviewed four last Thursday and we narrowed it down to two people out of the four that we talked to. I offered it to one, but that has to come with the Council's blessing. That's something we need to talk about, but we are not going to get to that tonight so I am hoping that prior to or after the workshops on the 26 we can schedule a regular executive session so we can talk about that position.

Councilor Cote said why were only four out of 29 interviewed. Mr. Eldridge said because some of them we could not afford. There was a whole checklist of things that we looked at, education, salary requirements, experience, and through a process of elimination we narrowed it down to what I thought was the best four that we could afford that had the experience and education that we are looking for.

Councilor Bowie said so on the 26th along with the lighting and Economic Development we will have an executive session for discussing the Finance Director position.

Mr. Eldridge said we will move on to the Finance Report. Nothing that stands out here; our excise tax is not quite, where it should be. We expected that with the economy. Hopefully, we will meet our budget, but I am not sure we will. Again, revenue sharing is down. It's only at 40%, which should be higher than that. The state changed their numbers on us, which they seem to do on a regular basis lately on everything. We had anticipated a million dollars in revenue sharing. They have said we will probably do about \$860,000 so we are a bit off there. Again, that is a crapshoot if the economy picks up before the end of the year we might make it. Otherwise, there is nothing outstanding on the revenue side.

Councilor Pomelow said that in my professional world we have been advised that the state will be out of money by April 15, which means that we will go from April 15 to June 30 with no revenue from the state. Is that the same on the town side? Mr. Eldridge said we have not heard that. Councilor Crafts said you heard that from that meeting with the senator. Councilor Pomelow said yes. Councilor Crafts said, well, she is on the appropriations committee so she probably has a pretty good clue on that; more than I would. Mr. Eldridge said I would anticipate that we are not done hearing about cuts in revenue on the school or town side; it is just that we do not have anything in writing. Councilor Pomelow said that is probably just something to keep in mind. Councilor Bowie said, unfortunately, that is not a good thing to keep in mind.

Mr. Eldridge said on the expense line everything is within where it should be. There are some if you look may appear to be higher, but when you get into the detail like on Technology that's at 83% and some of that is because of software costs. We have already paid out our software expenses for licenses. Same thing with Mark's revenue side; on recreation it is already met pretty close to what

you anticipated that is because a lot of his money comes in after July when the biggest numbers of programs are running. I think we are where we need to be. The Department Heads are doing a good job and keeping their budgets on track. Councilor Bowie said questions on expenditures. Okay next item, please.

AUDIENCE PARTICIPATION

Mark Sherbach said I live at 42 Davis Street in Lisbon Falls. I have a couple of items of concern unrelated to anything that has been said here at this meeting this evening. They are more personal in nature. I was speaking to Councilor Dale last week and he suggested I come here this evening and address them to you. I will be brief.

He said the first item is the next section of the trail to be built. A portion of it will be abutting my property and my property is situated so that if you were on the football field down at the south end my house is about 180 yards behind that goal post. There is a little strip of greenery that separates my home from the field and that little strip of greenery is owned by the Town of Lisbon. I guess what I am doing here tonight is seeing if I could get a little consideration to have that trail be closer to the playing field than to my property. The great reason being is that my home is very close to that line. My kitchen window and one of my main entry doors is probably 20 feet from my line so if the trail came right up to my fence that trail would be literally 10' to -20' feet out from my kitchen window and front door. There is room there to give just a little bit of a buffer. It would not cost anything except a little consideration so that is what I am doing here tonight. Since I had spoken to Dale, the Trail Commission has sent me an invitation to attend their meeting to express any ideas or concerns I have so I will be attending or addressing them, also.

He said the second item is I have a drilled well on my property and it has salt in it. When I was here in September, you folks brought up the issue that there were some polluted wells up on Route 9 that has salt in them and they are going to be provided with a new source of water and I thought, well, shoot, I want to get on that list. I presented my well water results to the Town Manager, Ryan Leighton has seen them, and by looking at Ariel photographs, they determined that the source of pollution was not off Davis Street and Blethen Street. My house sits 600' feet off from there. I will tell you that I am only a few hundred yards in a straight line as the crow flies from a pile of salt at the Public Works Garage. The Town Manager did not feel that, that would be a source of pollution in my well. If you look at the town tax map there is a line drawn on there that shows where my property sits on top of one of the town aquifers, a source of water for our town. I think that aquifer goes down my corner where Davis Street is, up like under the Midtown, up under the town garage, up towards the Big Dipper. That is about the size of it and I am kind of down on one corner of it. There is a source of pollution coming from somewhere. I can't tell you where, but that was my guess and my concern so there is a source of pollution. I went to the Town's Water Department and he said that the Ann Street well, which is probably half a mile from my house, also, has salt in the well. They are able to get around it by diluting the water from there with the other sources of water that are available in town. I just want to bring that to your attention and, sure, I would love to get on the list for a new source of water supply that was paid for by someone other than me, but another concern really is that we may have a source of pollution that is not being dealt with. Councilor Bowie said can we look into it. Mr. Eldridge said I will look into it. Councilor Bowie said okay.

APPOINTMENTS - NONE

COUNCILOR COMMUNICATIONS

Councilor Bowie said I see that Public Works is busy again, unfortunately, but they seem to be doing a good job. Everybody's all set for now.

EXECUTIVE SESSION

VOTE (2010-18) Councilor Pomelow, seconded by Councilor Larochelle moved to go into executive session at 9:02 PM per 1 MRSA Section 405 (6) (A) Personnel Matters - Town Manager's Review. **Order passed - Vote 7-0.**

The Council Secretary was dismissed. The Council returned to regular session at 10:25 PM.

ADJOURNMENT

VOTE (2010-19) Councilor Pomelow, seconded by Councilor Larochelle moved to adjourn at 10:25 PM. **Order passed - Vote 7-0.**

Respectfully Submitted,

Twila D. Lycette, Council Secretary
Town Clerk, Lifetime CCM/MMC