



**APRIL 4, 2016  
7:00 P.M.**

**AGENDA  
REGULAR COUNCIL MEETING  
City Council Chambers, 2<sup>nd</sup> Floor  
265 Main Street-Old Town, Maine**

- I. CALL TO ORDER** (Please turn off or silent cell phones)
- II. FLAG SALUTE**
- III. ROLL CALL**
- IV. Approval of the Minutes of the March 7, 2016 Regular Council Meeting.**
- V. PETITIONS, COMMUNICATIONS AND CITIZENS' REQUESTS**
- VI. REPORTS**
  - A. Council President**
  - B. Standing Committees (Finance, Public, Administrative & Economic Services; Landfill, Legislative, Sewer, Airport & Housing sub-committees)**
  - C. City Councilors**
  - D. City Attorney**
  - E. Special Committees**
  - F. School Board Liaison**
  - G. City Manager**
- VII. CONSENT AGENDA (New Business items 1, 2, 3, 4, 5 & 6)**

Suggested motion: Resolved, the Old Town City Council hereby approves the Suggested motions under New Business items 1, 2, 3, 4, 5 & 6 as presented.  
(Councilor McLeod)
- VIII. PUBLIC HEARINGS AND SECOND READING OF ORDINANCES**

## **IX. OLD BUSINESS**

## **X. NEW BUSINESS**

1. The City Council will consider accepting an after deadline redemption on foreclosed property for George Kisamatakis, located at 14 Heald Street for payment of 2016 Real Estate Taxes and Sewer fees in the total amount of \$1,726.86.

Suggested motion: Resolved, the Old Town City Council hereby accepts an after deadline redemption on foreclosed property for George Kisamatakis, located at 14 Heald Street for payment of 2016 RE taxes in the amount of \$704.48 and 2013 to present Sewer fees in the amount of \$872.38 for a total amount of \$1,726.86 which includes interest, lien costs and late redemption fee and further authorize the City Manager to execute a Municipal Quit-Claim Deed.

2. The City Council will consider accepting an after deadline redemption on foreclosed property for Gary & Mary Karam, located at 14 Free Street for payment of 2013 through 2016 Real Estate Taxes in the total amount of \$7,176.06.

Suggested motion: Resolved, the Old Town City Council hereby accepts an after deadline redemption on foreclosed property for Gary & Mary Karam, located at 14 Free Street for payment of 2013 through 2016 RE taxes in the amount of \$7,176.06 which includes interest, lien costs and late redemption fee and further authorize the City Manager to execute a Municipal Quit-Claim Deed.

3. The City Council will consider accepting an after deadline redemption on foreclosed property for Patricia Gotay, located at 104 Veazie Street for payment of 2013 through 2016 Real Estate Taxes and 2013 through 2015 Sewer fees in the total amount of \$10,679.36.

Suggested motion: Resolved, the Old Town City Council hereby accepts an after deadline redemption on foreclosed property for Patricia Gotay, located at 104 Veazie Street for payment of 2013 through 2016 RE taxes in the amount of \$8,166.37 and 2013 through 2015 Sewer fees in the amount of \$2,512.99 for a total amount of \$10,679.36 which includes interest, lien costs and late redemption fee and further authorize the City Manager to execute a Municipal Quit-Claim Deed.

4. The City Council will consider approval of an application from Fred Nickerson on behalf of Old Town Cub Scout Pack 76 for a Minor Event Permit for Cub Scout Activities to be held at Sewall Park and to allow overnight camping and to waive the \$25.00 fee. The Cub Scouts will do a service project cleaning up the area.

Suggested motion: Resolved, the Old Town City Council hereby approves an application from Fred Nickerson on behalf of Old Town Cub Scout Pack 76 for a Minor Event Permit for Cub Scout Activities to be held at Sewall Park on June 11, 2016 to June 12, 2016 and to allow overnight camping and to waive the \$25.00 fee.

5. The City Council will consider approval of a renewal application for a Malt, Vinous & Beverage Cart Liquor License for Joseph Perdue, d/b/a Hidden Meadows Golf Course, 240 W. Old Town Road.

Suggested motion: Resolved, the Old Town City Council hereby approves a renewal application for a Malt, Vinous and Beverage Cart Liquor License for Joseph Perdue, d/b/a Hidden Meadows Golf Course, 240 W. Old Town Road.

6. The City Council will consider accepting donations from the Old Town Community Food Drive.

Suggested motion: Resolved, the Old Town City Council hereby accepts \$2,511.58 in donations collected for the 3<sup>rd</sup> Annual Old Town Community Food Drive and further authorizes the Finance Director to disperse the funds in equal amounts of \$837.19 to benefit the Holy Family Parish Food Pantry, Crossroads Ministries and the St. Anne's Penobscot Nation Food Pantry.

7. The City Council will consider changes to the existing Business Loan Program and creation of a new Business Equipment Loan Program.

Suggested motion: Resolved, the Old Town City Council hereby approves the amended Business Loan Program and the creation of the Business Equipment Loan Program as recommended by the LLC and presented by the Economic Development Director. The Council further authorizes the City Manager to sign the necessary participation agreements and related documents with local lenders.

(Councilor Roach)

8. The City Council will consider new Sewer rates (5% increase) for the 2016-2017 Fiscal year as recommended by the Citizens Sewer Advisory Board. This increase is necessary to help cover the costs of replacement of three aging pump stations.

Suggested motion: Resolved, the Old Town City Council hereby approves the 5% Sewer rate increase for the 2016-2017 Fiscal Year (Effective July 1, 2016) as recommended by the Citizens Sewer Advisory Board and presented in Attachment #1.

(Councilor May)

9. The City Council will consider entering into an Agreement with Stantec for Scope of Work for release and sale of 3 lots of airport property.

Suggested motion: Resolved, the Old Town City Council hereby approves entering into an Agreement with Stantec in the amount of \$27, 880.00 for Scope of Work for release and sale of 3 lots of airport property. Funds are to come from Airport Hangar Reserve Account #03560.

(Councilor Peterson)

10. The City Council will consider authorizing the Public Works Director to move forward and complete paving on more city streets as presented in Attachment #2.

Suggested motion: Resolved, the Old Town City Council hereby authorizes the Public Works Director to move forward and complete paving on city streets as presented in Attachment #2.

(Councilor McLeod)

11. The City Council will consider authorizing the City Manager to take all necessary actions to purchase land and building from Chellis & Neddine Sanborn located at 2001 Bennoch Road in the total amount of \$140,811.60.

Suggested motion: Resolved, the Old Town City Council hereby authorizes the City Manager to take all necessary actions to purchase land and building from Chellis & Neddine Sanborn, located at 2001 Bennoch Road in the total amount of \$140,811.60. The Council further authorizes the Finance Director to transfer the funds from Fund Balance Account #03800 to Account #1200-0299 Other Contractual Services to complete the transaction.

(Councilor Nuttall)

12. The City Council will consider going into Executive Session for the purpose of discussing an economic development issue relating to the Expera mill.

Suggested motion: Resolved, the Old Town City Council hereby approves going into Executive Session pursuant to Title 1, M.R.S.A., §405(6)(C) for the purpose of discussing an economic development issue relating to the Expera mill.

(Councilor May)

## **XI. ADJOURNMENT**



## REGULAR COUNCIL MEETING – March 8, 2016

Council convened March 8, 2015 in the Old Town City Council Chambers at 265 Main Street.

Councilors present: President David Mahan, Jan Klitch, Carol May, Linda McLeod, John Nuttall, Eric Roach and Stan Peterson.

Administration present: Bill Mayo, Erik Stumpf, Shannon Meister, Lance Farrar, Steve O'Malley, John Rouleau, Travis Roy, Scott Wilcox and Ron Harriman.

Others present: Sophie Wilson, George Aronson and fifteen citizens in the audience.

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Council President Mahan called the meeting to order at 7:00 p.m.

Councilor Klitch, seconded by Councilor May, moved to approve the Minutes of the January 4, 2016 and February 1, 2016 Regular Meetings and the January 6, 2016 Special Meeting. Approved all in favor, 7-0.

### REPORTS

President Mahan:-praised and thanked all those involved with the food drive.

Councilor Roach:- reported the Annual Food Drive received donations of 20,097 pounds of food and money that will be credited to Good Shepard for local food banks.

Manager Mayo: 1) Union meetings are being held with Police and Fire; 2) looking into excise tax exempt for veterans; 3) Jim Katsiaficas and Dennis St. Peter from CES are working on the Juniper Ridge Application for review next week; 4) looking into Health Insurance options

### CONSENT AGENDA

Councilor Nuttall, seconded by Councilor Klitch, Resolved, the Old Town City Council hereby approves the Suggested motions under New Business items 4, 5, 6, 7, 8, 9 & 10 as presented and as follows:

Item #4: Resolved, the Old Town City Council hereby accepts the low bid from Streets Landscape & Lawn Care, Inc. in the amount of \$7,200.00 for the demolition of the two story section of the airport terminal building. Funds are to come from the Airport Hangar Reserve Account #03560.

AIRPORT  
Bid accepted from  
Streets Lanscaping  
for demolition at  
airport terminal bldg

**Item #5:** Resolved, the Old Town City Council hereby approves renewing the DS200 Voting System User Agreement with the Department of Secretary of State through December 2019 and authorize the City Clerk to execute said Agreement.

**ELECTIONS**  
Renewal of DS200  
Voting System user  
Agreement

**Item #6:** Resolved, the Old Town City Council hereby approves a renewal application for a Malt Liquor License for Clark Cardimino, d/b/a Old Town Bowling Center, 156 Center Street.

**LICENSES**  
Liquor Lic/ Old Town  
Bowling Center/  
Approved

**Item #7:** Resolved, the Old Town City Council hereby approves a Construction Over-limit Permit for the Maine Department of Transportation Hot Mix Asphalt Overlay for a section of highway under construction located on Route 16, beginning in Alton 3.2 miles south of the Alton/Lagrange town line and extending southeasterly 5.89 miles; ending .05 miles south of the Alton/Old Town Town line (near the bridge over I-95. Project No.: STP-2257(800).

**MDOT**  
Construction Over-  
limit Permit for  
Asphalt Overlay  
Approved

**Item # 8:** Resolved, the Old Town City Council hereby accepts an after deadline redemption on foreclosed property for Joseph Fournier, Jr. located at 92 Front Street for payment of 2012 to 2016 Real Estate Taxes in the total amount of \$9,991.33 which includes interest, lien costs and late redemption fee and further authorize the City Manager to execute a Municipal Quit-Claim Deed.

**FORECLOSED PROPERTY**  
Late redemption for  
Joseph Fournier, Jr.  
Accepted

**Item #9:** Resolved, the Old Town City Council hereby abates Personal Property taxes due to inability to collect as presented in Attachment #2 and as follows:

**ABATEMENTS**  
Several Personal  
Properties Approved

<b>Assessed owner</b>	<b>Year</b>	<b>Amount</b>	<b>Type</b>
Bonita & Amanda Hill	2015	\$ 276.88	PP
Aaron Madden	2013	\$ 371.93	PP
Robin Case	2015	\$ 12.48	PP
Magos Inc.,	2012	\$ 170.19	PP
Carl Marquis	2014	\$ 200.73	PP

**Item #10:** Resolved, the Old Town City Council hereby re-appoints Travis Folsom to the Old Town Water District Board of Trustees, term to expire 3/31/2019.

**OLD TOWN WATER DIST**  
Re-appointment of  
Travis Folsom Approved

**Consent Agenda items unanimously approved, 7-0.**

**PUBLIC HEARINGS**

The City Council conducted a Public Hearing on an application to the State of Maine CDBG program for a Micro-Enterprise Assistance Program in the amount of \$150,000. The purpose of the grant application is to improve downtown building facades. This will require a City match of \$30,000 if awarded.

**PUBLIC HEARING**  
State of Maine  
CDBG program/Micro-  
Enterprise Assist.  
Program/ improve  
downtown

Economic Development Director Ron Harriman stated that the area being looked at for restoration is the one block section from Center Street to Middle Street, the facade of the buildings on Main Street and the corresponding back side of the buildings on Water Street. The fund is being allocated to five grant applications and fifteen letters of intent have been submitted. If Old Town is successful he will be notified in May and the work will take place the last half of 2016 and through 2017.

Council President Mahan closed the hearing at 7:12 p.m.

**NEW BUSINESS**

The City Council discussed MRC/Fiberight.

**MRC/FIBERRIGHT  
Discussions**

Orono Town Manager Sophie Wilson, and member of the Board of Directors for MRC, gave an overview on the history of MRC and what it can offer the City of Old Town. George Aronson, Tech Advisor for MRC, answered questions from the audience as well.

The City Council considered accepting a proposal from Veolia for Professional Services to draft a long term Capital Improvement Plan and Operation and Maintenance for Old Town Fuel and Fiber Mill Wastewater Treatment Plant.

Councilor May, seconded by Councilor Klitch, Resolved, the Old Town City Council hereby accepts the proposal from Veolia North American in the amount of \$28,500 Professional Services to draft a long term Capital Improvement Plan and Operation and Maintenance for Old Town Fuel and FiberMill Wastewater Treatment Plant. Funds are to come from Account #03800 Unappropriated Fund Balance. **Approved all in favor, 7-0.**

**CAPITAL IMPROVEMENT  
Professional Service:  
Veolia North America  
Plans to operate &  
maintain Old Town Fu  
and Fibermill Waste  
Treatment Plant  
Approved**

The City Council considered amending the City’s Safety Loss Control Manual as recommended by the Safety Committee and proposed in Attachment #1.

**SAFETY LOSS CONTROL  
MANUAL  
Amendments Approved**

Councilor Roach, seconded by Councilor McLeod, Resolved, the Old Town City Council hereby approves amending the City’s Safety Loss Control Manual as recommended by the Safety Committee and proposed in Attachment #1. **Approved all in favor, 7-0.**

Councilor May, seconded by Councilor Nuttall, moved to adjourn at 8:27 p.m. **Approved all in favor, 7-0.**

Adjourned,

Shannon M. Meister, CCM  
Deputy Clerk-Old Town, ME



TO: Bill Mayo, City Manager  
FR: Ron Harriman, Economic Development Director  
RE: Business Loan Programs  
Date: March 30, 2016

I have been working with local lenders and the LLC to make changes to the existing Business Loan Program and to create an easy-to-use loan program to assist business owners to purchase new equipment. The goals are: to create programs that send a strong message that Old Town is serious about business attraction and retention; to have a loan program that is within our means and available long-term; to partner with and not compete with local lenders; and to provide adequate safeguards to minimize chances of default.

The basics of the two recommended programs are as follows:

### **Business Loan Program**

1. Partners with local Old Town lenders. Two lenders have expressed interest in participating with the City. They are Penobscot Federal Credit Union and Camden Bank.
2. Lenders will use their application and underwriting requirements.
3. Lenders will be responsible for monthly billing and collection.
4. The loan program is designed to meet needs of low-risk applicants who may not fully meet the lender's collateral or debt-to-income requirements, etc.
5. The lender will process and service loans.
6. The City (LLC) will also need to approve all loans.
7. The LLC will seek to limit loans to \$20,000 but may increase to the current \$50,000 limit if circumstances warrant.
8. The term on loans will be reduced from 15 years to 10 years.
9. Loans will be written at a competitive interest rate.
10. As principle is paid down, funds will be returned to the City periodically.
11. Old Town loan funds shall not exceed 50% of the total funds needed by the applicant.
12. Loans delinquent after 90 days will be turned over the City attorney for collection.

### **Business Equipment Loan Program**

1. \$30,000 is proposed to create a Business Loan Program to assist new or existing businesses with the purchase of new equipment. Available funds are provided to each participating lender.
2. Borrowers must meet all of lenders' eligibility requirements.
3. City's funds are used only to reduce the interest rate of the loan.
4. A single business or applicant may receive up to \$5,000 in interest subsidy.
5. Subsidy is available for up to three years.
6. The City will need to verify that applicant is an approved business and eligible for the program.
7. A five-year agreement with lenders is proposed.
8. This program will send a strong message to businesses that Old Town is business friendly and creates a meaningful financial assistance program at relatively low cost.
9. The City's attorney will approve participation agreements between the City and lenders.

I'll plan to attend the City Council meeting on April 4th to review the proposed changes and to respond to any questions.

**ATTACHMENT #1**

**POLLUTION CONTROL RATE INCREASE (5%)**

The Pollution Control Facility currently charges \$5.92 per 100 cubic feet (750 gallons) with a minimum charge of 1200 CF. for a minimum bill of \$71.00 per quarter. (3 months)

A 5% increase would mean an increase of \$0.30 per 100 CF. or \$3.60 per 1200 CF. The minimum quarterly bill would increase from \$71.00 to \$74.60. The minimum annual sewer fee would increase from \$284.00 to \$298.40.

This is what the average Old Town Sewer user who pays the minimum quarterly fee would expect to see when a 5% rate increase is approved.

2015-2016	Current Rate	\$71.00 per quarter	\$284.00 per year
2016-2017	5% Increase	\$74.60 per quarter	\$298.40 per year

# Memo

**To:** Old Town City Council  
**From:** David Smith  
**cc:**  
**Date:** February 12, 2016  
**Re:** Sewer Rate Increase

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The Pollution Control Facility is requesting a rate increase. This increase is needed to help cover the cost of upcoming projects. One of the main projects is the replacement of three aging pump stations. The Sewer Advisory Board has requested that the Pollution Control Facility seek a 5% rate increase for the fiscal year 2017. When the costs for the upcoming projects: Elm St. Area, pump station replacement, and the Stillwater Bridge replacement become finalized and a realistic budget is put together the Sewer Advisory Board will seek additional rate increases.

Sincerely,

David Smith

Pollution Control

Location	Length in feet	width in feet	9.5 mm Mix	19.0mm Mix	12.5mm Mix	work performed	structures	work remaining
Perkins Ave. ( Meadow ln. to jefferson)	950	30	174			Shim		1in overlay
Perkins Ave.(5 <sup>th</sup> . St to Meadow ln.)	1056	30	193			Shim	3 MH	1in overlay
Center St, (Main St to Stillwater Ave)			0			Shim	9 MH	done
Kirkland Rd., (Bennoch Rd to Poplar St)			0			Shim/ 1"overlay	n/a	done
Brunswick St. ( main St to Stillwater Ave)	750	30	137			Shim		1in overlay
Woodland Avenue (Poplar St to Lakeside Ln)			0				n/a	
Shirley St (Center St to Middle St)	494	16	48			Shim	1 MH	1in overlay
Summer St, (6 <sup>th</sup> St to 7 <sup>th</sup> St)	220	21	28			Shim	1 MH	1in overlay
Sargent dr (gilman falls to sewall)	1590	24	233			Shim		1in overlay
Stillwater Ave. (Center St to Main St)			0			Shim	8 MH	done
Prentiss St. (Rasle St to Hilliard St)	1378	20	168			Shim	5 MH	1in overlay
No. Main St, (4 <sup>th</sup> St to Stillwater Ave)			0			Shim	5 MH	done
5 <sup>th</sup> St, (Perkins Ave to Oak St)	1200	24	176			Shim	3 MH	1in overlay
Public works garage			0				n/a	
Parking lot repairs			0				n/a	
Elm St. (Center St. to Stillwater Ave.)	700	26	333			reconstruction	2016	3in (after sewer project)
Brunswick St. (Oak St. to Bowdin Ave.)	4710	28	804			Shim	8MH	1in overlay
Spring St. ( Franklin St to Gated fence)			0			reconstruction	n/a	done
College Ave Ext. (Stillwater ave , 1600 If North			0			reconstruction	n/a	done
HIGHLAND AVE. (Brunswick to Hamel Ln)	808	22	108			Shim		1in overlay
Oak St ( 7th. St to Jefferson St.)	1286	30	235			Shim		1in overlay (after sewer project)
<b>Total</b>			<b>2639</b>					

Estimated Cost **\$178,132**

all paving is shim and overlay of 1 in. with the exception of spring st college ave ext. and elm st.

2016 Proposed Additional Paving Schedule

Location	Length in feet	width in feet	work remaining	
Bennoch Rd, Compact to Kirkland	4699	24	Mill 1.5", 1.5" surface pavement	
Bennoch Rd, Stillwater To Orono line	1162	24	Mill 1.5", 1.5" surface pavement	
Bennoch, Kirkland to Stillwater	3010	24	1.5" surface overlay	Milling \$30,299, Paving \$131,495
Woodland Rt	2429	22	1.5" overlay	\$33,002
Woodland Left	5280	22	2" Binder, 1.5" surface	\$143,487
Lincoln, Abbott to Jefferson	3355	22	Mill 1.5", 1.5" surface pavement	Milling \$6711, Paving \$18,656

**\$363,650**