



# Town Manager's Report to the Town Council

Town of Winslow - In the heart of Central Maine representing People, Pride and Progress.

Submitted by:  
Michael W. Heavener  
May 6, 2009

## BUDGET ADJUSTMENTS & ISSUES

Since the first reading of the proposed budget for FY 2010, the School Department has reported a projected increase in school revenues of **\$147,597**. As a result of this increase I have made the following adjustments in the proposed budget that will be reflected in the second reading of the budget:

- 1) Use of fund balance reduced to **\$368,000**.
- 2) Estimated taxable valuation reduced to **\$559,730,069**, which represents an increase of only 2% over the current fiscal year.
- 3) Net appropriations reduced by **\$82,653** to **\$8,675,688**.

Our projected MIL Rate remains at **\$15.50**.

As you know the Governor's Office is projecting an additional \$570 million revenue shortfall in the State's budget over the next three years. As a result the Governor is proposing additional cuts in the following two programs that if approved will have a negative impact on our revenues at the municipal level in the coming fiscal year:

- 1) An additional 5% cut to municipal revenue sharing, which would bring the total reduction to 15%. The additional 5% reduction would result in an additional revenue shortfall for us of **\$49,000**.
- 2) An additional 5% cut to Tree Growth reimbursement, which would bring the total reduction to 15%. The additional 5% reduction would result in an additional revenue shortfall for us of **\$950**.

We should keep these proposed cuts in mind as we conduct the second reading of the budget.

## FORMER TOWN GARAGE

The School Department has expressed an interest in using our former town garage as a school bus garage for our newly formed AOS. I have asked them to prepare a proposal for Town Council consideration, which will likely occur at the June Council meeting.

## BIZIER LAND ACQUISITION REQUEST

At the April Town Council meeting Shannon Bizier offered to give the town a right-of-way over her property in exchange for the town conveying to her 0.05 acres of Town Forest Land so that a structure on her property meets setback requirements. The goal was to have this exchange prepared for the upcoming council meeting, however Ms. Bizier has asked that the exchange be pushed back until next month's meeting, which I have done.

## LETTER OF CREDIT EXPIRING

In 2007 the Town Council accepted a Irrevocable Standby Letter of Credit from Rock Ridge Estates, Inc. in the amount of \$50,000 that insured South Ridge Drive Extension would ultimately be paved and accepted as a town street. The letter of credit allowed the CEO to issue building permits on South Ridge Dr. Ext.

TD Banknorth has notified the town that the letter of credit will be expiring on June 1, 2009 and that it will **NOT** be renewed. I have contacted the Developer, John Jabar, and he has assured me that arrangements were being made to complete the street this year.

It is my understanding that the town has not drawn on a letter of credit in the past unless the street has already been accepted by the town, which is not the case here.

**RESOLUTION #16-2009**

In your council packet is Resolution #16-2009, which will authorize me to sign a Settlement Agreement with Maine Hydro (FPLE).

The agreement involves the town paying half (1/2) of the sewer line relocation costs. Relocation of our sewer line was necessary following the removal of the dam. Our share of the costs equals \$114,997.44.

In exchange, FPLE agrees to the following:

- 1) They will convey to the town all of the Fort Halifax Winslow Lands (*excluding the land the Power House sits on*), which includes the newly emerged land owned by FPLE.
- 2) They will pay Sebago Technics \$46,376.65 for services provided from August 30, 2008 through October 31, 2008.
- 3) They will pay \$5,000 to the Kennebec County EMA for the Town's use of the command trailer.

It is important to point out that approximately 83 parcels of land abut the land that has emerged since the lowering of the Sebasticook River. Of the 83 parcels, approximately 73 parcels abut the newly emerged land that will be conveyed to the town if the agreement is accepted. In addition, the value of the land that could be conveyed to the town most likely exceeds our share of the sewer line costs.

**RESOLUTION #19-2009**

In your packet is Resolution #19-2009, which will authorize me to submit a Hazard Mitigation Grant to the Federal Emergency Management Agency totaling \$678,825, which requires a 25% local match of \$169,706. The purpose of the grant is to provide us with enough funding to acquire the six (6) homes at the top of the Dallaire Street Riverbank Slope and then to demolish those homes.

In addition, we will restore the location to "Green Space" and will not allow future development there. This will eliminate the potential for loss of life and property if the slope should fail. Also, by removing the homes we will reduce the weight on the top of the slope, which should lessen the likelihood of the slope failing.

Our share of the 25% match is broken down as follows:

In-kind = \$39,198.00

Cash = \$130,508.00

**OFFER FOR INDUSTRIAL PARK LOT**

Wunderlich Properties, LLC currently owns Lot #2 in our Industrial Park and they would like to acquire lot #4, which abuts their existing lot. They are offering the town \$48,000 for the lot. We will discuss this offer further at your meeting on Monday.