

**TOWN OF OLD ORCHARD BEACH  
TOWN COUNCIL MEETING  
TUESDAY, JUNE 30, 2009 - 7:00 P.M.  
TOWN HALL CHAMBERS**

A Town Council Meeting of the Old Orchard Beach Town Council was held on Tuesday, June 30, 2009 in the Town Hall Chamber. The Chairman opened the meeting at 7:10 p.m.

**Pledge to the Flag and Roll Call:**

**Present:** Chair Sharri MacDonald  
Vice Chair Robin Dayton  
Councilor Mike Tousignant  
Councilor Shawn O'Neill  
Councilor Laura Bolduc  
Town Manager Steve Gunty  
Assistant Town Manager V. Louise Reid

**ACKNOWLEDGEMENTS:**

**COUNCILOR DAYTON:** I would like to express to all those who supported and attended the Ballpark Fundraiser at the Lindbergh's Landing this past Saturday. It was a fabulous event and our thanks to Paul Golzbein, owner of the Pier, and his staff who made this so successful for the work that we are doing in the Ballpark. To the Ballpark Committee my personal thanks for the fabulous job that you do everyday.

**COUNCILOR TOUSIGNANT:** On behalf of Nancy and Bob Kelley, thanks to everyone who participated in the Christopher Cash Race. This is an event that brings so much support to the efforts of Bob and Nancy to raise money for the scholarship program in memory of Chris.

**ACCEPTANCE OF MINUTES:** Special Town Council Minutes of June 4, 2009; Town Council Budget Workshop Minutes of June 15, 2009; Town Council Meeting Minutes of June 16, 2009; Special Town Council Meeting of June 23, 2009; and Town Council Budget Workshop Minutes of June 23, 2009.

**MOTION:** Councilor Dayton motioned and Councilor Tousignant seconded to approve the following Minutes as read.

**VOTE:** Unanimous.

**BUSINESS LICENSES:** Christopher & Donna Bridges (205-6-6-6), 6 Imperial Street, Unit 6, one year round rental; Natural High RV Resort LLC dba/ Fern Park Cabins (206-10-6), 74 Saco Avenue, sixteen seasonal rentals; Jeffrey B. Thompson (206-31-15), 26 Staples Street, three year round rentals; Jim Albert dba/Planet Terry's (211-9-17), 213 Saco Avenue, Ice Cream Stand, Victualers, one year round rental; Tedford & Carolyn Armistead (301-3-1-304), 189 East Grand Avenue, Unit 304, one seasonal

rental; Sonia Biggar (301-3-1-306), 189 East Grand Avenue, Unit 306, one year round rental; Rheaume, Berthiaume LLC (304-2-7), 6 Walnut Street, one seasonal rental; Marc A. Medoff (305-3-9-107), 5 Boisvert Street, Unit 107, one year round rental; Annemarie Serrecchia dba/Lucy the Peacedog (306-4-3A), 19 A East Grand Avenue, Victualers, Bookstore; Patrick Slattery (310-7-2), 64 West Grand Avenue, Units 1 & 6, two seasonal rentals; SJS, Inc., dba/Hogan's Place (315-15-2), 126 West Grand Avenue, Victualers, Grocery; Manuel & Kathryn Fonseca (316-13-19), 11 Pearl Avenue, one seasonal rental; and Jeanette A. Good (318-8-6-24), 146 West Grand Avenue, Unit 24, one year round rental.

**MOTION:** Councilor Dayton motioned and Councilor Bolduc seconded to approve the Business Licenses as read.

**VOTE:** Unanimous

**SPECIAL AMUSEMENT PERMIT:** Alouette OOB Oceanfront Resorts Inc. dba/Alouette Beach Resort (303-1-11), 91 East Grand Avenue, Acoustic Guitar, Inside; and The Lobster Garden dba/The Sunset Bar and Grill (307-1-6), 4 & 6 Fernald Street, Radio, Outside and Inside.

**MOTION:** Councilor Dayton motioned and Councilor Tousignant seconded to Approve the Special Amusement Permits as read.

**VOTE:** Unanimous.

**NEW BUSINESS:**

**# 5227 Discussion with Action: Adoption of the FY 2010 Municipal Budget.**

Councilor O'Neill questioned the fact that the budget is not set in stone because the RSU budget has not been set. He spoke of what he considered a time consuming budget approach of going line by line. He raised the issue of the Rescue Building Fund and the fact that the Council should have amended the Rescue Billing Reserve Fund Use (Policy 97-2) which states:

Each fiscal year the Rescue billing Reserve Fund may be drawn upon to the amount of Fifty Thousand Dollars (\$50,000) to be transferred to the Town's General Fund, Revenue side, Account 10700-00596, for that fiscal year. In the event that the rescue billing collection amount dramatically rises or declines, this policy would need to be amended to either appropriate additional funds to the general fund or cut back if collection billing declines.

Councilor O'Neill indicated he could not vote for the budget until this reserve fund has been amended. He also indicated he felt the municipal side of the budget had been adversely affected as a result of the desire to fund the School Budget. A lack of respect for the staff was mentioned as having through the budget process. Chair MacDonald also indicated that there was a conscientious effort by this Council to address the budget in a fair and concise way and although not fully appreciated by staff the state of economy laid heavily upon the Council's responsibility to reduce the budget. She indicated she could not

support an increase in the budget. She did say that she would have preferred a cut in the tax rate but has agreed to vote in favor of applying the overages into an account to support the demands of next year's increases due to the lowing of anticipated State funding. The Chair also mentioned some of the issues addressed in the budget including:

- The Tax Rate is comprised of two components: Municipal and Education. The reductions or increases to each are combined to achieve the Overall Property Tax Rate. The cumulative changes made throughout the Budget process have resulted in a reduction of \$0.18 to the Tax Rate...i.e. 18 cents per \$1,000 of Assessed Value (note: difference from Manager's projection of \$0.19 reduction is due to the \$20,000 vehicle insurance savings that was already reflected in the Finance Director's spreadsheets)
- It must be noted that to achieve this reduced mil rate, the Municipal portion of the Budget was disproportionately impacted, shown as follows:

**MUNICIPAL TAX RATE = \$0.59 REDUCTION**  
**EDUCATION TAX RATE = \$0.41 INCREASE**  
**Total Tax Rate reduction = \$0.18 Decrease**

- Should the Council wish to convert the \$0.18 tax rate reduction achieved into a Budget Overlay instead, which is a commonly accepted budgeting and financial practice, for purposes of Fund Balance replenishment, the result would yield a flat tax rate, i.e. the same tax rate as last year, and would generate \$257,143 in tax revenue for the Town. This approach is endorsed by the Town Finance Director.

The Town Manager expressed appreciation to the Town Council for their concentrated effort on the budget and indicated that the process will go smoother in the future.

**MOTION:** Councilor Dayton motioned and Councilor Bolduc seconded to adopt the FY2010 Municipal Budget in the amount of \$25,094,807; with the municipal budget at \$15,121,207; and the RSU budget at \$9,973,600.

**VOTE:** Yea: Councilors Bolduc, Tousignant, Dayton and Chair MacDonald  
Nea: Councilor O'Neill

# 5228 Discussion with Action: Set due dates of 9/11/09 and 3/5/10 for taxes for FY 2010.

**MOTION:** Councilor Dayton motioned and Councilor Bolduc seconded to set due dates of 9/11/09 and 3/5/10 for taxes for 2010.

**VOTE:** Unanimous.

# 5229 Discussion with Action: Set interest rate of 7% for delinquent taxes.

**TOWN MANAGER:** Municipalities may, by vote determine the rate of interest that shall apply to taxes that become delinquent during taxable year 2009 until those taxes are paid in full. The maximum rate of interest that can be charged per 36 M.R.S.A. Section 505(4) since that rate is at least 2% lower than the rate set by the Treasurer for the previous year, the maximum rate allowed per 36 M.R.S.A. Section 505(4-A) is 9.00 percent.

**Councilor O'Neill indicated that he felt the interest rate should be the 9% and that there will be some who will not pay their taxes in a timely manner because the rate is lower than that which has been charged before. The Chair indicated she felt that with the economic times the way they are that the rate should be lowered.**

**MOTION: Councilor Tousignant motioned and Councilor Dayton seconded to set interest rate of 7% for delinquent taxes.**

**VOTE: Yea: Councilors Tousignant, Bolduc, Dayton and Chair MacDonald.  
Nea: Councilor O'Neill**

**# 5230 Discussion with Action: Authorize the Tax Collector and Treasurer to Accept Prepayments of Taxes before Commitment, at an interest rate of 0%, pursuant to 36 M.R.S.A., Section 506.**

**MOTION: Councilor Dayton motioned and Councilor O'Neill seconded to Authorize the Tax Collector and Treasurer to Accept Prepayments of Taxes before Commitment, at an interest rate of 0%, pursuant to 36 M.R.S.A., Section 506.**

**VOTE: Unanimous.**

**# 5231 Discussion with Action: Set % for Sewer Rate for FY 2010 to Reflect the Percentage of the Tax Bill Used for the Operation of the Waste Water Treatment Plant.**

**The Chair indicated that the sewer rate would be 9.4%. The question was raised by Councilor Bolduc as to why the sewer rate is put on the tax bills and suggested if it would be on the tax bills then other department percentages should appear as well. Councilor O'Neill indicated that this was not the time to add that request to the agenda item. Councilor Bolduc withdrew her motion. Councilor Dayton mentioned that she has encouraged the passage of a sewer user fee and that has not happened and she encouraged further discussion on the issue.**

**MOTION: Councilor O'Neill motioned and Councilor Dayton seconded to Set 9.4% for Sewer Rate for FY 2010 to Reflect the Percentage of the Tax Bill Used for the Operation of the Waste Water Treatment Plant.**

**VOTE: Unanimous.**

**# 5232 Discussion with Action: Authorize and Direct the Tax Collector and Treasurer, Pursuant to 36 M.R.S.A., Section 906, to Apply any Tax Payment Received from an Individual as Payment for any Property Tax Against Outstanding or Delinquent Taxes due on said Property in Chronological Order Beginning with the Oldest Unpaid Tax Bill Provided, However, that No Such Payment May Be Applied to any Tax for which an Abatement Application or Appeal is pending Unless Approved in Writing by the Taxpayer.**

**MOTION:** Councilor O'Neill motioned and Councilor Dayton Authorize and Direct the Tax Collector and Treasurer, Pursuant to 36 M.R.S.A., Section 906, to Apply any Tax Payment Received from an Individual as Payment for any Property Tax Against Outstanding or Delinquent Taxes due on said Property in Chronological Order Beginning with the Oldest Unpaid Tax Bill Provided, However, that No Such Payment May Be Applied to any Tax for which an Abatement Application or Appeal is pending Unless Approved in Writing by the Taxpayer.

**VOTE:** Unanimous.

**# 5233 Discussion with Action:** Authorize and Direct the Assessor to Prepare a Perfect List of All Taxes of the Municipality and to Commit the same to the Tax Collector.

**MOTION:** Councilor O'Neill motioned and Councilor Dayton seconded to Authorize and Direct the Assessor to Prepare a Perfect List of All Taxes of the Municipality and to Commit the same to the Tax Collector.

**VOTE:** Unanimous.

**# 5234 Discussion with Action:** Approve the Liquor License Renewals for Alouette OOB Oceanfront Resorts Inc. dba/Alouette Beach Resort (303-1-11), 91 East Grand Avenue, m-v in a Hotel; and The Lobster Garden dba/The Sunset Bar and Grill (307-1-6), 4 & 6 Fernald Street, s-m-v in a Restaurant.

**MOTION:** Councilor Dayton motioned and Councilor Tousignant seconded to Approve the Liquor License Renewals as read.

**VOTE:** Unanimous.

**# 5235 Discussion with Action:** Accept a bid for Repairs to the Loranger School Roof from Account Number 10012-20120 – Teachers Summer Salary – School Booked, with a balance of \$ 339,479.71.

**PETER LINCOLN:** The Old Orchard Beach School Department accepted sealed bid proposals for the re-roofing of the gymnasium and lockers rooms and for the replacement of roof deck above the locker rooms at the Loranger Middle School in accordance with drawings and specifications prepared by Lincoln/Haney Engineering Associates who also prepared the RFP which was made available at four locations including Brunswick, Maine, Bangor, Maine, Scarborough, Maine and Auburn, Maine. Each bid was to be accompanied by a bid bond in the amount of 5% of the Total Base Bid. A 100% Performance Bond as well as a 100% Labor and Material Payment Bond were required. The Contractor agreed to prepare and complete the entire construction between July 1, 2009 and August 28, 2009 with Substantial completion by August 21, 2009.

Bids were opened on Thursday, June 25, 2009 at 1:00 and the following were received and those making the bids were available at the opening of the bids for any questions raised by the School Department:

Delta Roofing \$111,500  
Roof Systems 129,300  
Kevin Smith 95,900

### Legal Advertisement

#### NOTICE TO CONTRACTORS (PUBLIC SCHOOL PROJECTS) SHORT FORM

Sealed bids, in envelopes plainly marked: Loranger Middle School Re-Roofing Project and addressed to: Superintendent of Schools, Old Orchard Beach School Department, 28 Jameson Hill Road, Old Orchard Beach, ME 04530, will be received at the Superintendent's office until Thursday, June 25, 2009 at 1:00 p.m. at which time and place bids will be opened and read aloud. Proposals must be accompanied by a 5% Bid Bond. The successful bidder will be required to provide 100% Performance Bond and 100% Payment Bond.

The Project involves a new 9,700 s.f. fully adhered EPDM roof membrane with insulation to replace an existing uninsulated EPDM membrane at the gymnasium (Base Bid) and 2,800 s.f. of new metal roof deck with a fully adhered EPDM roof membrane and insulation to replace existing Insulrock roof plank and a gravel surfaced, built-up coal tar roof membrane at the locker rooms. Construction is scheduled to take place between July 1, 2009 and August 28, 2009. A mandatory pre-bid meeting will be held at the site on Thursday, June 18, 2009 at 1:00 p.m. The School is located at 148 Saco Avenue, Old Orchard Beach, Maine.

Bids shall be submitted on the form provided in the bid documents. The Old Orchard Beach City Council reserves the right to waive all formalities and to reject any and all bids or to accept any bid.

Copies of the bid documents may be obtained at the office of Lincoln/Haney Engineering Associates, Inc., 6 Federal Street, Brunswick, Maine 04011, (207) 729-1061. Documents may be purchased at the Pre-Bid meeting by reserving in advance. The cost of documents is \$25.00 per set with an additional fee of \$5.00 per set for postage if documents are to be mailed. Fees are non-refundable.

Documents may be examined at: Lincoln/Haney Engineering, Brunswick, ME; HRH Northern New England, 31 Court Street, Auburn, ME; Construction Summary of Maine, 2331 Congress Street, Portland, ME.; and F.W. Dodge Corp., 224 Gorham Road, Scarborough, ME.

### SECTION 2-A

#### NOTICE TO CONTRACTORS

Notice is hereby given that the Old Orchard Beach School Department will accept sealed proposals for the re-roofing of the gymnasium and lockers rooms and for the replacement of roof deck above the locker rooms at the Loranger Middle School in accordance with Drawings

and Specifications prepared by Lincoln/Haney Engineering Associates, Inc. and described in general as:

**LORANGER MIDDLE SCHOOL STRUCTURAL IMPROVEMENTS and RE-ROOFING, OLD ORCHARD BEACH, MAINE**

Sealed bids will be received at the office of the Superintendent of Schools, 28 Jameson Hill Road, Old Orchard Beach, Maine 04064 until 1:00 p.m on Thursday, June 25, 2009 at which time and place bids will be opened and read aloud. Bids received after that time will not be accepted. Bids shall be submitted in sealed envelopes, plainly marked with the title of the project. Interested parties are invited to attend.

A MANDATORY PRE-BID conference will be held at the Loranger Middle School on Thursday, June 18, 2009 at 1:00 p.m. Bids submitted by Contractors not attending the Pre-Bid meeting will not be accepted. Loranger Middle School is located at 148 Saco Avenue in Old Orchard Beach, Maine.

Copies of the Contract Documents may be obtained from Lincoln/Haney Engineering Associates, Inc. and at the Pre-Bid Meeting for a fee of \$25.00 per set with an additional fee of \$5.00 per set for postage and handling. Fees are non-refundable.

Contract Documents may be examined at:

Lincoln/Haney Engineering Associates, Inc.  
6 Federal Street  
Brunswick, Maine, 04011  
207-729-1061  
Construction Summary of Maine  
2331 Congress Street  
Bangor, Maine

F.W. Dodge Corporation  
225 Gorham Road  
Scarborough, Maine

HRH Northern New England  
31 Court Street  
Auburn, Maine

Each bid shall be accompanied by a Bid Bond in the amount of 5% of the Total Base Bid. The successful bidder must furnish a 100% Performance Bond as well as a 100% Labor and Material Payment Bond. The Contractor must be prepared to complete the entire construction between July 1, 2009 and August 28, 2009 with Substantial Completion by August 21, 2009.

The Old Orchard Beach City Council reserves the right to reject any or all bids, to waive any irregularity in the bids and in the bidding, to accept any Bid that it may deem to be in its best interest, to negotiate the Contract Price with any bidder and to omit any item or items deemed advisable for its best interest.

The Council was told that the bid was expected to be in the area of \$130,000 so that the \$95,900 bid is an excellent bid and no doubt was that low because of the economic situation. Councilor Dayton indicated her disappointment that a local contractor was not provided the opportunity to bid.

**MOTION:** Councilor Tousignant motioned and Councilor O'Neill seconded to Accept a bid in the amount of \$95,900 from Kevin Smith for Repairs to the Loranger School Roof from Account Number 10012-20120 – Teachers Summer Salary – School Booked, with a balance of \$ 339,479.71.

**VOTE: Yea: Councilors Tousignant, O'Neill, Bolduc and Chair MacDonald  
Nea: Councilor Dayton**

**# 5236 Discussion with Action: Approve Stipend for Andrea Berlin in the amount of \$2,500 for management of the Memorial Park from Account Number 20118-50350 – Contingency, with a balance of \$16,020.21.**

**Councilor O'Neill questioned why the Town Manager could not have just approved this amount under his signing authority. It was explained that taking it out of the Contingency fund required it coming before the Council. Councilor Dayton indicated that Andrea has for the past ten years being the spear head of the Memorial Park and has brought in thousands of dollars in grants and that this would in effect permit her to buy the type of computer that is needed for Andrea Berlin to do the type of work required in the grant preparation.**

**MOTION: Councilor Dayton motioned and Councilor Tousignant seconded to Approve Stipend for Andrea Berlin in the amount of \$2,500 for management of the Memorial Park from Account Number 20118-50350 – Contingency, with a balance of \$16,020.21.**

**VOTE: Unanimous.**

**# 5237 Discussion with Action: Approve Client Services Agreement with Lebel and Harriman, LLP, for human resources consulting.**

**Councilor O'Neill questioned no information being provided and the fact that the cost and the account numbers where this funding would come from was not listed in the Commentary. The Chair explained that a meeting with Council is required to determine the extent of the human resource consulting.**

**MOTION: Councilor Bolduc motioned and Councilor Dayton seconded to Approve Client Services Agreement with Lebel and Harriman, LLP, for human resources consulting.**

**VOTE: Yea: Councilors Bolduc, Tousignant, Dayton and Chair MacDonald.  
Nea: Councilor O'Neill**

**GOOD AND WELFARE:**

**Mr. William Danton spoke at length about the dire economical conditions and the very poor weather that is producing lack of business opportunities at this time and he encouraged the Council and staff to start looking outside the box to develop a friendly atmosphere in the town by taking away some of the stiff ordinances that are required to be enforced and making it even more difficult for business owners to survive in the current economical environment.**

**Mr. David Spellman from the Grand Victorian also indicated the difficulty that individuals and business people are having with the summer rentals. He encouraged the Council to produce more resources within the business community for both those who are running businesses and those who are trying to work in the business.**

**Councilor Bolduc expressed get well wishes to Superintendent Jack Turcotte who has been hospitalized.**

**Councilor O'Neill presented to the Council a very large packet of material and six video tapes of materials that had been made available to the Council and also to the citizens regarding the bond issues. He indicated that so much of the allegations that were made by Council members were false and that the material will be left in the Town Clerk's office for those who wish to see what had been produced and given to the public and the Council.**

**Councilor Tousignant encouraged staff to be understanding of the difficult environment we are in from an economical standpoints and also mentioned the need for an events coordinator to move forward activities involving town businesses and extending the seasons.**

**The Chair encouraged citizens and business people alike to consider filling out applications for consideration on a committee to review and make changes to the ordinances.**

**Councilor Dayton indicated that although she understands that importance of making and updating the ordinances she felt the comprehensive plan was more important and that the attention should be give to updating this document which is very old and outdated.**

**#5238 Executive Session for the purpose of consulting with the Town's attorney concerning legal rights and duties of the Council, pursuant to 1 M.R.S.A. Section 405(6)(E).**

**MOTION: Councilor Tousignant motioned and Councilor Dayton seconded to Enter into Executive Session for the purpose of consulting with the Town's attorney concerning legal rights and duties of the Council, pursuant to 1 M.R.S.A. Section 405(6)(E).**

**VOTE: Unanimous.**

**MOTION: Councilor Tousignant motioned and Councilor Dayton seconded to close the Executive Session.**

**VOTE: Unanimous.**

**ADJOURNMENT:**

**MOTION: Councilor Dayton motioned and Councilor Tousignant seconded to adjourn the meeting.**

**VOTE: Unanimous.**

**Respectfully Submitted,**

**V. Louise Reid  
Town Council Secretary**

**I, V. Louise Reid, Secretary to the Town Council of Old Orchard Beach, Maine, do hereby certify that the foregoing document consisting of ten (10) pages is a true copy of the original Minutes of the Town Council Meeting of June 30, 2009.**

**V. Louise Reid**