

City of Biddeford
Finance Committee
December 18, 2018 5:00 PM Council Chambers

- 1. Call to order**
- 2. Approval of the Minutes**
 - 2.1. December 4, 2018 Finance Committee Meeting Minutes
[12-04-2018 Finance Committee Minutes.rtf](#)
- 3. Signing of the expenditure warrant**
- 4. Discussion/Approval**
 - 4.1. Recommendation/Purchase of Two(2) Plow Trucks/Whited Peterbuilt of Maine
[12-18-2018 Purchase 2 Plow Trucks-Peterbilt-ORDER.docx](#)
[12-18-2018 Purchase 2 Plow Trucks-BIDS.doc](#)
 - 4.2. Recommendation/Main Street Improvement Project, Phase 2
[12-18-2018 Main St Improvements Phase 2-ORDER.doc](#)
[12-18-2018 Main St Improvements Phase 2-MEMO.doc](#)
[12-18-2018 Main St Improvements Phase 2-FUNDING.pdf](#)
[12-18-2018 Main St Improvements Phase 2-BID REQUEST.pdf](#)
[12-18-2018 Main St Improvements Phase 2-MAP.pdf](#)
 - 4.3. Consideration/Installation of Portable Toilet in Downtown
[12-18-2018 Porta-Potty Quote-Affordable.pdf](#)
 - 4.4. Wastewater Revenue Discussion
[12-18-2018 Wastewater Fund- MEMO.pdf](#)
- 5. Other Business**
- 6. Adjournment**

City of Biddeford
Finance Committee Meeting Minutes
December 4, 2018

The meeting was called to order at 5:30 pm by the Chair, Council President John McCurry.

Present: Chair, Council President John McCurry, Mayor Alan Casavant, Councilor Stephen St. Cyr, Councilor Mike Ready, City Manager James Bennett, and City Clerk Carmen Morris.

Adjustment to the Agenda

No adjustments to the agenda.

Approval of Minutes

Motion by Councilor Ready to approve the Minutes of November 20, 2018 as printed, seconded by Councilor St. Cyr.

Vote: unanimous.

Motion carried 4-0.

The expenditure warrant was not available for review and signature.

Discussion/Approval

REVISED: Consideration/Purchase of One Ton Dump Truck w/Plow/Arundel Ford

Motion by Councilor Ready to recommend the the purchase of the One Ton Dump Truck with Plow from Arundel Ford for an amount not to exdceed \$50,800.00, seconded by Councilor St. Cyr

Discussion: Assistant Public Works Director, Carl Marcotte, explained this is being brought back to the Finance Committee because the truck that had been originally approved in July is no longer available. They stopped the production on that particular model. Carl went to the second lowest bidder from the July bids which is comparable, as well as a loss of \$2000.00 on the trade-in value of the truck being traded in. Delivery of the truck is due in February.

Vote: unanimous.

Motion carried 4-0.

Other Business

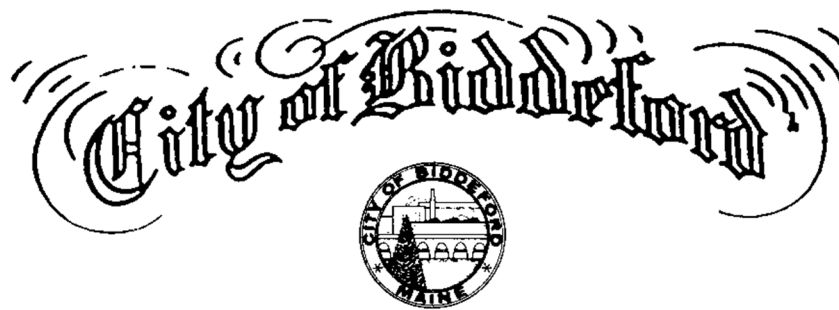
Councilor St. Cyr would like an update on the audit report. A date has not yet been set up for the audit review with the Council and School Committee.

Motion to adjourn made by Councilor Ready, seconded by Councilor St. Cyr.

Vote: unanimous.

Motion carried 4-0.

Adjourned at 5:37 pm.



2018.143

IN BOARD OF CITY COUNCIL....DECEMBER 18, 2018

BE IT ORDERED, that the City Manager be authorized to purchase two (2) 2020 Peterbuilt plow trucks as per bid of December 7, 2018 (the "Equipment") from Whited Peterbuilt (the "Vendor") and may pay the Vendor an amount not to exceed \$434,744.00 (before discounts valued at \$85,000.00) for the Equipment as follows:

1. The City of Biddeford expects to incur debt to reimburse expenditures to pay the cost of the Equipment;
2. The City of Biddeford reasonably expects that the maximum principal amount of the debt, including for reimbursement purposes, is \$434,744.00;
3. The City Manager, on behalf of the City of Biddeford, is authorized to enter into a lease purchase, loan or other financing agreement for the Equipment provided that (a) the principal amount of such agreement will not exceed \$434,744.00, (b) the term of such agreement will not exceed one hundred and twenty (120) months and (c) any obligation of the City of Biddeford to make lease or loan payments pursuant to such agreement is subject to annual appropriation by the City Council of the City of Biddeford;
4. The City Manager is authorized to advance money from the General Fund of the City for payment of the costs of the Equipment; and
5. The City Manager, on behalf of the City of Biddeford, is authorized to negotiate, enter into, execute, deliver and cause to be performed, and to approve, any and all agreements, instruments, certificates and other documents, and to grant security interests in the Equipment, upon such terms, conditions, limitations and undertakings, which the City Manager determines are necessary and proper for the acquisition and financing of the Equipment, provided that any lease purchase, loan or other financing agreement will be countersigned by both the Mayor and the Treasurer of the City of Biddeford. Without limiting the foregoing, the City Manager, on behalf of the City of Biddeford, in connection with the acquisition of the Equipment, is authorized to sell, transfer, trade in or otherwise dispose of any equipment, which the City Manager determines is no longer useful to the City of Biddeford.

NOTE: The Finance Committee will review this item on December 18, 2018 and vote to recommend it to the City Council for approval. The purchase of this item is included in the FY19 CIP budget

Bid Opening for Two Single Axle Plow Trucks

Present: Carl Marcotte – Public Works
Kara Cote – Public Works
Pat Murphy – N.E. Kenworth
Rob Cyr - Peterbuilt

Larry Cobb – N.E. Kenworth
Brian Hallowell – Freightliner
Travis Baker – HP Fairfield
Jason Lamprecht – Daigle & Houghton
Eric Benziger – O' Connor

Bids for 2 plow trucks were opened at the Public Works Department on December 7, 2018. Staff is recommending the low bid from Whited Peterbuilt with trade in the amount of \$349,744.00. These trucks have been approved in the FY-19 CIP budget line 21204-60925, one truck as a lease and the other being paid from the TIF.

<u>Whited Peterbuilt</u>	Peterbuilt	\$434,744.00
	2 Trade In's	\$85,000.00
	Total:	\$349,744.00

<u>Freightliner</u>	Western Star	\$425,825.00
	2 Trade In's	\$48,500.00
	Total:	\$377,325.00

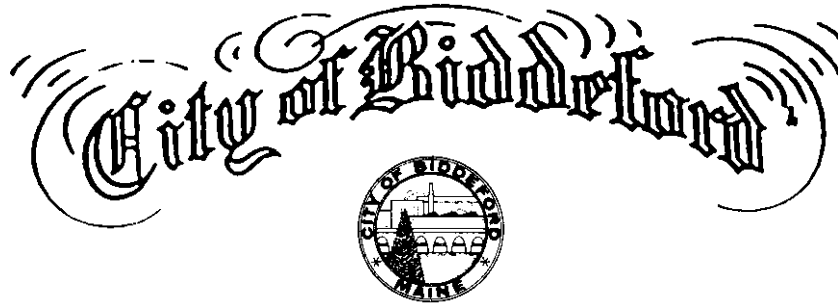
	114 Freightliner	\$420,497.00
	2 Trade In's	\$48,500.00
	Total:	\$371,997.00

	108 Freightliner	\$412,425.00
	2 Trade In's	\$48,500.00
	Total:	\$363,925.00

<u>Daigle & Houghton</u>	International	\$417,662.00
	2 Trade In's	\$47,000.00
	Total:	\$370,662.00

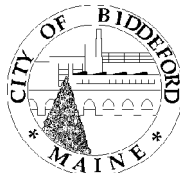
	Western Star	\$419,662.00
	2 Trade In's	\$47,000.00
	Total:	\$372,662.00

<u>New England Kenworth</u>	Kenworth	\$427,526.00
	2 Trade In's	\$44,200.00
	Total:	\$383,326.00



2018.144 **IN BOARD OF CITY COUNCIL....DECEMBER 18, 2018**
BE IT ORDERED, that the City Manager be authorized to sign a unit cost contract with J Pratt Inc. of Hebron, Maine for the construction of the Main Street Sidewalk Reconstruction Project 2018, Phase II as per the bids opened on November 13, 2018, in the bid amount of \$1,416,247.00, and to expend additional funds for project support costs for a total projected project cost of \$1,500,000, funding for this work to be as outlined in the memo from James A. Bennett, titled "Next Phase on Main Street Improvements (Funding Sources)" dated December 11, 2018.

NOTE: The Finance Committee will review this item at their December 18, 2018 meeting.
The Capital Projects Committee has been provided a copy of the Project Information for their review.



City of Biddeford, Maine

TO: Finance Committee and City Council

FROM: Tom Milligan, P.E. City Engineer

DATE: December 11, 2018

SUBJECT: Main Street Sidewalk Reconstruction Project 2018, Phase II, City Goal 2018-37

Cc: Alan Casavant, Mayor; James Bennett, City Manager; John McCurry, Council President; Jeff Demers, Director of Public Works; Matt Eddy Economic Development Director; Greg Tansley, City Planner; John Malloy, Staff Engineer

The City of Biddeford requested bids by public advertisement in the Biddeford Journal Tribune for the above named project. The bid advertisement was also posted on the City of Biddeford's Web Site. The bids were opened on November 13, 2018.

The project work area is on Main Street from Adams Street to Elm Street. A location map is enclosed.

The project is Phase II of the previous completed Phase I of the Main Street Sidewalk Improvement work. Phase 1 work included removal of the old sidewalk, installing new underground utility conduit, installing new energy efficient LED lighting, and landscaping elements. The Phase I work is complete.

Phase II work will include installation new concrete sidewalks, installation of crosswalks and bump outs, installation of new underground utility conduits and the installation of LED street lighting.

Two (2) construction firms reviewed the plans and specifications for the work. One (1) firms submitted a bid for the project. J Pratt Inc. of Hebron, Maine submitted a bid in the amount of \$1,416,247.00. Based on a review of their bid, and prior satisfactory work within the City on Phase I of the Main Street Sidewalks and Street Improvement Project 2016 and on the Lincoln Street Improvement work, J Pratt Inc. appears to be well qualified to perform the work. Therefore, Staff recommends that J Pratt Inc. be awarded the contract work.

The Total Project cost is projected to be \$1,500,000 which includes the construction work, inspection work, engineering design and an allowance for contingency.

The contract is a unit cost contract and only those items supplied and installed will be paid. Funding for the work will come from various sources as is presented in the City Manager's memo attached under separate cover.

The project work will begin in late March with the goal to have the work completed this Spring and early Summer.

Therefore, staff is respectfully requesting both the Finance Committee and City Council review and take action on the project at their December 18, 2018 meeting. Capital Projects Committee has been provided with information and has been invited to review the project as part of the Finance Committee's review.

City of Biddeford, Maine



The Office of
City Manager

James A. Bennett

Email: jbennett@biddefordmaine.org

MEMORANDUM

TO:	Honorable Mayor Casavant Honorable City Council
FROM:	James A. Bennett, City Manager
DATE:	December 11, 2018
RE:	Next Phase on Main St Improvements (Funding Sources)

On Tuesday night, you will be asked to authorize the next phase of the Main St improvements. The project will continue the design that was done along Main St from the Lincoln/Adams Streets intersection all the way to Route 1. Given the Council's approval, the project will be completed in Summer of 2019.

I am pleased to report that staff has developed a plan to pay for the improvements with minimum increase the original CIP funds (property tax dollars). As you can imagine, the costs have increased beyond the estimate that was developed for the project a year ago.

The project, including inspection and contingency, is projected to be \$1,500,000. More details are found in Tom's memo that accompanies this package. This memo is strictly limited to the various sources of the funding for the project. They are as follows:

1. 2018 PACTS allocation:	\$141,750
2. 2019 PACTS allocation:	\$126,750
3. FY19 CIP:	\$250,000
4. Initial TIF allocation:	\$400,000
5. Rollover funding Main St:	\$ 60,000
6. Water, Main, Hill intersection allocation: ⁱ	\$230,000
7. FY18 CIP Match funds: ⁱⁱ	\$114,800
8. Additional allocation from CIP:	\$ 27,204
9. Reallocation of assigned funds:	
a. Close out of charter commission:	\$12,490
b. Reduce grant matching funds: ⁱⁱⁱ	\$77,006
c. Sidewalk construction funds: ^{iv}	<u>\$60,000</u>
Subtotal	<u>\$149,496</u>
Totals	\$1,500,000

ⁱ Main St project was originally to include CDBG funding; timing issues prevent using those funds. Recommend switching the TIF funding for the intersection work with the same CDBG funds. No impact on either project.

ⁱⁱ Match funds for PACTS intersection improvement at Adams/Main St.

ⁱⁱⁱ Originally allocated as a fund of \$100,000. Additional funds came from close out of engineering escrow account for other projects.

^{iv} \$71,884.86 exists in this account created by payments for sidewalk improvements/construction waivers.

Notice of Request for Bids Main Street Sidewalk Improvement Extension Project Phase II

Notice is hereby given that the City of Biddeford is requesting sealed bids for Main Street Sidewalk Improvement Extension Project Phase II. Bids must be received by the Engineering Department at 205 Main Street Biddeford Maine, 04005 by 2:00 p.m. on November 13, 2018

Work associated with this project will generally include: removal of sidewalk and replacement with new concrete sidewalk, cobblestone bumpouts, concrete paver crosswalks, removal and installation of street trees, installation of utility conduit, light poles and bases.

Bids shall be submitted on the bid form and shall state the unit prices for the work required and the total costs of the project, including all needed operations and incidentals. Phase I of the project shall be substantially completed by July 1, 2019 and final closeout by July 15, 2019

Interested parties may examine the bid documents and specifications in person from HEB Engineers, 103 Main Street, Suite 6 Bridgton, ME 04009 Tel: 207-803-8265. They may also be viewed on the City of Biddeford's engineering website: www.biddefordmaine.org/2308/Engineering

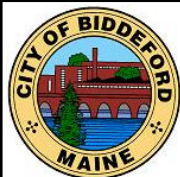
Copies of the bid documents and specifications may be purchased from their office.

To be considered an eligible bidder, the bidder must have purchased a legal set of bid documents.

All bids will be required to remain valid for a period of sixty (60) days.

10

The City of Biddeford reserves the right to accept or reject any or all bids, to waive any technical or legal deficiencies and to negotiate the contract price with any Bidder in what it alone considers to be in the best interest of the City or omit any item(s) deemed advisable for the interest of the city.



The City of Biddeford, Maine
 Engineering Department - GIS Mapping
 205 Main Street · P.O. Box 586 · Biddeford, Maine 04005-0586
 Tel. 207 284-9118 · Fax 207 286-9388

**MAIN STREET SIDEWALK
 PHASE II - PROJECT AREA**



Morris, Carmen

From: McCurry, John
Sent: Monday, December 10, 2018 5:20 PM
To: Bennett, James; Fournier, Cheryl; Morris, Carmen; Phinney, Brian
Cc: Casavant, Alan; St.Cyr, Stephen; Ready, Michael; McCurry, John; Walsh, Carl; Demer, Jeff; Beaupre, Roger P.
Subject: Fwd: Portable Toilet

Please see below

I would like this to be added to the next finance agenda. To discuss a location, service levels and funding. I could pick a location but I would like staff to make a recommendation. I think this will help with the current problems we have in the parks and planters.

Let me know if you have any questions.

Thanks

John

Sent from my iPad

Begin forwarded message:

From: "Demers, Jeff" <Jeff.Demers@Biddefordmaine.org>
Date: December 7, 2018 at 2:05:01 PM EST
To: "McCurry, John" <John.McCurry@Biddefordmaine.org>
Subject: FW: Portable Toilet

Good afternoon John;

Please see the attached quote per our discussion on Wednesday for (1) Handicap toilet. I will send the other quote when it comes in.

Have a great weekend.

Regards,
Jeff

From: Nancy Loeffler <affordablenancy@gmail.com>
Sent: Friday, December 7, 2018 1:31 PM
To: Demers, Jeff <Jeff.Demers@Biddefordmaine.org>
Subject: Portable Toilet

Hello Jeff

As per your request, the following is the price for the Handicap toilet, you inquired about.

The price is as follows: \$187x $FED=203.92$ (FED =fuel,environmental,disposal fee)

this price includes delivery, pick up 1 x a week cleaning, 28 day billing cycle.
Additional cleanings are: \$60 per cleaning.

If you would like to reserve the unit, please give me a call. We accept all major credit cards for payment.

Thank you,
Nancy
Affordable
610-553-6020



City of Biddeford

Finance Department - (207) 284-9333

205 Main Street, P O Box 586

Biddeford, ME 04005

Fax (207) 571-0667

Cheryl Fournier, Finance Director

December 12, 2018

To: Finance Committee

From: Cheryl Fournier, Finance Director

Re: Wastewater Fund

Upon me starting with the City, it was requested that I look into the Wastewater Fund after the bonding agency gave a comment regarding operating income. As I dug into the possible issues, it has become apparent that this is not an easy explanation. I will try to pull it apart in pieces to help you understand.

First, I noticed the City has not met the budgeted revenue for the past 10 years. This appears to be a normal budgeting practice in the past. This table shows the last 10 years history of sewer user fees.

<u>FY</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
2018	3,877,739	3,342,274	(535,465)
2017	3,604,291	3,539,857	(64,434)
2016	3,601,977	3,338,827	(263,150)
2015	3,537,302	3,093,780	(443,522)
2014	3,497,467	3,120,305	(377,162)
2013	3,744,099	3,441,897	(302,202)
2012	3,750,983	3,373,526	(377,457)
2011	3,750,983	3,249,186	(501,797)
2010	3,739,157	3,480,456	(258,701)
2009	4,198,685	3,513,398	(685,287)

I believe fiscal year 2017 was abnormal due to the water company changing meters, and that allowed for retroactive income getting posted. For example, Phoenix Management invoice of over \$100,000 was posting in fiscal year 2017, but the abatement for half was posted in fiscal year 2018. That is just one example of adjustments posted in fiscal year 2018.

While researching the revenue, I found the report that hadn't been run in a few years. This report was used to create the budget. I noticed that the adjustment bills show up as positive amounts. See below, the first line is a credit, but notice how the usage is a positive number. The second line is a normal bill. The budgets have been built including the credited bills as positive usage amounts. This would make the budget higher than actual receipts. In fiscal year 2018, we budgeted around 600,000 units; however, realistically over the last five years we are closer to 500,000. The average bill amount per unit is \$6.92, which comes to \$692,000 (100,000 units times \$6.92).

<u>Acct. #</u>	<u>bill_year</u>	<u>Read Date</u>	<u>Bill #</u>	<u>Bill Amt.</u>	<u>Usage</u>	<u>Code</u>	<u>Bill Usage</u>
016091	2018	11/03/2017		-2,560.84	83,077	S50	83,077
012627	2018	12/05/2017	353682	6,382.08	83,100	50	83,100

The actual usage numbers are as follows, and if I used the current sewer rates to estimate the current value of the usage. Remember the estimated revenue is using the current sewer rates.

<u>FY</u>	<u>Usage</u>	<u>Est. Revenue</u>
2018	500,489.44	\$ 3,485,265
2017	499,210.01	\$ 3,470,710
2016	498,435.35	\$ 3,474,130
2015	487,256.93	\$ 3,342,317
2014	475,955.56	\$ 3,271,388

My estimated actual revenue for fiscal year 2019 will be \$3,520,117 (1% increase on \$3,485,265) less \$35,000 of adjustments to bring us to \$3,485,117. This is \$392,622 below budget.

The reason this hadn't been noticed is during the CAFR process, the City needs to show the financials as a business-type instead of a governmental-type. The difference between the two types of financials are:

- Principal portion of debt is moved to the balance sheet (reducing expense)
- Depreciation expense is posted to the income statement (increasing expense)
- Fixed Assets purchased are moved to the balance sheet (reducing expense)
- Some smaller adjustments are also made

Prior to 2015, the three big items were netting to a smaller number. One of the bonds was paid off, which then highlighted the difference between the two accounting types. Now the depreciation is almost double the amount of the principal debt payment, which highlights that there was a problem. The future budgets should be completed in compliance with the auditors reporting.

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Government Actual (Governmental-type)	(202,537)	3,368,535	1,352,609	1,831,612	1,010,173
Enterprise Actual (Business- type)	(638,353)	1,386,231	427,549	1,291,291	248,815
Net Difference	435,816	1,982,304	925,060	540,321	761,358
Units Projected	582,638	611,058	611,058	611,058	611,058
Actual Units	475,956	487,257	498,435	499,210	500,489
Credits x 2	38,474	39,376	45,366	128,659	85,679
Total Units per report	514,430	526,632	543,802	627,869	586,168
Impact on Revenue Projection	267,923	274,200	315,918	895,941	596,643
Budget Revenue	3,497,467	3,537,302	3,601,977	3,604,291	3,877,739
Actual Revenue	3,120,305	3,093,780	3,338,827	3,539,857	3,342,274
Variance	377,162	443,522	263,150	64,434	535,465