

City of Biddeford
Finance Committee

August 04, 2020 5:00 PM Please click the link below to join the webinar:
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- 1. Call to order**
- 2. Approval of the Minutes**
 - 2.1. Finance Committee Meeting Minutes....July 21, 2020
[7-21-2020 Finance Committee Minutes.rtf](#)
- 3. Signing of the expenditure warrant**
 - 3.1. Expenditure Warrant for July 28, 2020
- 4. Discussion/Approval**
 - 4.1. Approval/Sewer User Fees
[20200804 Finance Brief - Sewer User Fees](#)
[20200804 Sewer User Fees - DRAFT ORDER 2020.67](#)
[20200218 Sewer User Fee Summary Table - FY2021](#)
[20200218 Finance Committee Minutes - Sewer User Fees](#)
[20200121 Finance Committee Minutes - Sewer User Fees](#)
- 5. Other Business**
- 6. Adjournment**

City of Biddeford
Finance Committee Meeting Minutes
July 21, 2020

(Due to COVID-19, the meeting was held virtually via ZOOM)

The meeting was called to order at 5:00 p.m. by the Chair, Councilor John McCurry.

Present: Chair, Council President, John McCurry; Mayor Alan Casavant; Councilor Stephen St. Cyr, Councilor Mike Ready, City Manager, James Bennett; Chief Operating Officer, Brian Phinney; City Clerk, Carmen Morris; and Interim Finance Director, Gerry Matherne.

Adjustment to the Agenda

No adjustments to the agenda.

Approval of Minutes of June 16, 2020.

Motion by Councilor Ready to approve the minutes as printed, seconded by Councilor St. Cyr.

Vote: unanimous.

Motion carries 4-0.

Expenditure Warrant: June 23, 2020; June 30, 2020; July 7, 2020; July 14, 2020

The warrants were emailed to the Finance Committee members for their review.

Motion by Councilor Ready to approve all the warrants, seconded by Mayor Casavant.

Vote: unanimous

Motion carries 4-0.

Discussion/Approval

Authorization/Purchase of Portable Message Boards/Grant Funds

Motion by Councilor Ready to recommend the purchase of the portable message boards using grant funds, seconded by Councilor St. Cyr.

(It should be noted that Councilor St. Cyr experienced technical difficulties and left the meeting.)

Discussion: The City Council approves/authorizes the purchase of 4 portable message boards from K & K Systems for an estimated \$70,000.00. Funding will come from the Bureau of Justice and Administration Grant. There is no cost to the City for this purchase.

Councilor St. Cyr asked where they would site these boards.

COO, Brian Phinney, noted they would be anywhere we needed them.

Vote: unanimous.

Motion carries 3-0.

Approval/Citrix Upgrade

Motion by Councilor Ready to recommend the Citrix Upgrade, seconded by Mayor Casavant.

Discussion: Not to exceed \$25,180.00 as quoted by Systems Engineer. Funding is scheduled in FY20 CIP, Carry Forward funds will be used.

Vote: unanimous.

Motion carries 4-0.

Approval/3 Lincoln Street Site Development Stormwater Infrastructure

Motion by Councilor Ready to recommend the release of payment for the 3 Lincoln Street Site Development Stormwater Infrastructure in the amount of \$545,988.00, seconded by Mayor Casavant.

(Councilor St. Cyr re-joined the meeting at 5:15 pm).

Discussion: Councilor Ready had questions of who the Biddeford River Walk Community 1, LLC is. Brian noted they are the entity established with constructing and managing the garage.

Councilor Ready also had questions on the amounts. Brian gave an explanation on the amounts being paid.

Councilor McCurry asked about the closing on the garage. The City Manager answered it had to go to Council first. Councilor McCurry asked what other costs might be seen coming with getting this garage off the ground. Jim noted there is a contingency if something comes up.

Vote: unanimous.

Motion carries 4-0.

Approval/St. Louis Field Improvements

Motion by Councilor Ready to table this item to the Capital Projects Committee, seconded by Councilor St. Cyr.

Vote: 3-1; Mayor Casavant opposed.

Councilors McCurry, Ready and St. Cyr in favor.

Motion carries 3-1.

Approval/Carry Forward Funds from FY20 Social Services Budget to FY21

Motion by Councilor Ready to approve the FY20 carry forward of \$4,000.00 to the FY21 social Service Budget, seconded by Councilor St. Cyr.

Vote: unanimous.

Motion carries 4-0.

Approval/Carry Forward Funds from FY20 to FY21 Budget

Motion by Councilor Ready to approve the carry forward of FY20 dedicated accounts to the FY21 Budget, seconded by Councilor St. Cyr.

Discussion: Councilor McCurry explained the carry forward is \$469,954.00:

Park Improvement for St. Louis Field	\$200,000.00
IT projects & equipment	\$82,000.00
Financial Software Data Verification	\$30,000.00
Down Payments on Vehicles ordered	\$20,454.00
Mechanics Park River Wall Repair	\$50,000.00
Public Works Infrastructure Improvements	\$75,000.00
Cemetery Improvements	\$5,000.00
Fire Department Vests	\$7,500.00

The City Manager gave a brief explanation of each carry forward item.

Vote: unanimous.

Motion carries 4-0.

Other Business

Mayor Casavant noted he requested the St. Louis Field Improvements item because he has received calls from many constituents who feel this issue needs to be addressed.

Councilor McCurry explained this item should move along quickly and agrees.

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

Vote: unanimous.

Motion carried 4-0.

Adjourned at 5:32 p.m.



Finance Committee

Meeting Date: August 4, 2020

Meeting Time: 5:00 pm

Agenda Item No: 4.1

Item Description: Approval/Sewer User Fees

Submitted by: Brian S. Phinney, COO

Supporting Information/Documentation:

DRAFT Council Order 2020.67) Approval/FY21 Sewer User Fees

20200121 Finance Committee Minutes – January 21, 2020

20200218 Finance Committee Minutes – February 18, 2020

20200218 Sewer User Fees – Finance Committee - February 18, 2020

Key Terms:

N/A

Executive Summary:

The Finance Committee reviewed the proposed sewer user fees for FY20 in January and February 2020. The sewer user fees included the creation of new billing categories for multiunit residential facilities and rate increases. As part of the review, the Finance Committee authorize an expenditure for Maine Water to create the new billing codes to facilitate usable data downloads. The new billing codes are now in place. Adoption of the billing codes and increases will allow billing to occur. The new categories and fees are considered in the FY21 budget.

Detailed Review:

The minutes for the January 21, 2020 Finance Committee meeting (attached) provide history on the deficit within the wastewater fund and justification for creation of a new billing category for multiunit facilities. The minutes from the February 18, 2020 Finance Committee meeting reflect creation of a new category within Munis for billing purposes. As background, the City receives billing data from Maine Water on usage. The City uses the data to prepare invoice for sewer use. The data that Maine Water provides integrates directly with Munis, the City's accounting and billing software, thus Maine Water's data needs to be provided in a format compatible with the City's billing codes. The billing codes are now in place and available. Adopting the sewer use fee schedule will complete the process.

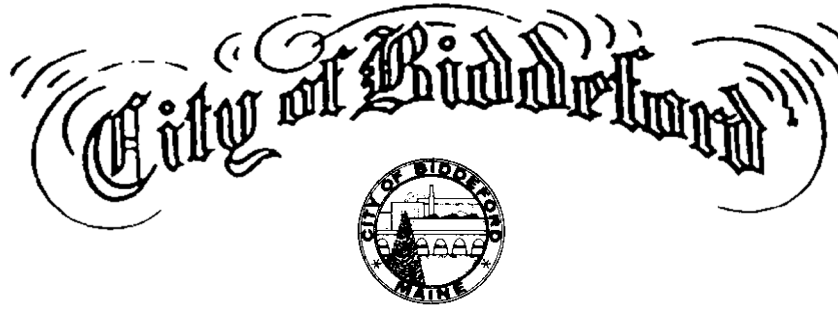
This item will be presented to the City Council for adoption at the August 4th meeting.

Funding Source:

No funding source required. Sewer user fees are a revenue.

Staff Recommendation:

Adopt the sewer user fee schedule first presented to the Finance Committee in January/February 2020. Invoicing to commence at the next regular billing cycle for each category.



2020.67

IN BOARD OF CITY COUNCIL...AUGUST 4, 2020

WHEREAS, City ordinance declares it necessary and conducive to the protection of the public health, safety, welfare and convenience of the City to collect charges, referred to as sewer user fees, from all users who contribute wastewater to the City's treatment works; and,

WHEREAS, the sewer user fees are collected and deposited in a non-lapsing fund known as the "Sewer System Operation, Maintenance Replacement Fund and Debt Retirement Fund"; and,

WHEREAS, the proceeds of such fees so derived are used for the purpose of operating and maintaining the public wastewater treatment works and providing for future needs; and,

WHEREAS, the City Council is authorized to review and, if necessary, revise the sewer fees used as the basis for sewer fee billing; and,

WHEREAS, the creation of a new category covering multiunit facilities was reviewed and authorized by the Finance Committee on February 18, 2020; and,

WHEREAS, the new category is now in place allowing for data downloads from Maine Water relative to sewer user fees used as the basis for sewer use fee calculations;

NOW THEREFORE BE IT ORDERED, that the following rate structure be adopted:

Code	Svc	Type	Frequency	MinVolume (100 CF)	MAXVolume (100 CF)	Proposed Budgeted Rate	Proposed Budgeted Min Charge
30ResidentialMon1	30	Residential	Mon	-	392		\$ 18.43
30ResidentialMon2	30	Residential	Mon	393	1,666	\$ 6.39	
30ResidentialMon3	30	Residential	Mon	1,667	Unlimited	\$ 6.71	
30MultiUnitMon1	30	Residential	Mon	-	392		\$ 19.82
30MultiUnitMon2	30	Residential	Mon	393	1,666	\$ 6.88	
30MultiUnitMon3	30	Residential	Mon	1,667	Unlimited	\$ 7.22	
40ResidentialQtr1	40	Residential	Qtr	-	1,175		\$ 55.22
40ResidentialQtr2	40	Residential	Qtr	1,176	5,000	\$ 6.39	
40ResidentialQtr3	40	Residential	Qtr	5,001	Unlimited	\$ 6.71	
40MultiUnitQtr1	40	Residential	Qtr	-	1,175		\$ 59.38
40MultiUnitQtr2	40	Residential	Qtr	1,176	5,000	\$ 6.88	
40MultiUnitQtr3	40	Residential	Qtr	5,001	Unlimited	\$ 7.22	
50CommercialMon1	50	Commercial	Mon	-	425		\$ 30.72
50CommercialMon2	50	Commercial	Mon	426	1,667	\$ 7.23	
50CommercialMon3	50	Commercial	Mon	1,668	4,167	\$ 7.99	
50CommercialMon4	50	Commercial	Mon	4,168	Unlimited	\$ 8.64	
50MultiUnitMon1	50	Commercial	Mon	-	425		\$ 30.72
50MultiUnitMon2	50	Commercial	Mon	426	1,667	\$ 7.23	
50MultiUnitMon3	50	Commercial	Mon	1,668	4,167	\$ 7.99	
50MultiUnitMon4	50	Commercial	Mon	4,168	Unlimited	\$ 8.64	
60CommercialQtr1	60	Commercial	Qtr	-	1,275		\$ 92.16
60CommercialQtr2	60	Commercial	Qtr	1,276	5,000	\$ 7.23	
60CommercialQtr3	60	Commercial	Qtr	5,001	12,500	\$ 7.99	
60CommercialQtr4	60	Commercial	Qtr	12,501	Unlimited	\$ 8.64	
60MultiUnitQtr1	60	Commercial	Qtr	-	1,275		\$ 92.16
60MultiUnitQtr2	60	Commercial	Qtr	1,276	5,000	\$ 7.23	
60MultiUnitQtr3	60	Commercial	Qtr	5,001	12,500	\$ 7.99	
60MultiUnitQtr4	60	Commercial	Qtr	12,501	Unlimited	\$ 8.64	

Fiscal Year 2021 Proposed Sewer Rates

Assumptions

Data	Increase
Residential	2.3%
Residential/MultiUnit	10.0%
Commercial	2.8%
Commercial/MultiUnit	2.8%
Total	0.0%

\$ 44,609.87	Difference from 0% increase	
\$ 61,777.04	Difference from 0% increase	\$ 106,386.91
\$ 47,098.15	Difference from 0% increase	
\$ 518.60	Difference from 0% increase	\$ 47,616.75
\$ 154,003.67	Difference from 0% increase	

Current Rates and Proposed New Rates

Code	Svc	Type	Frequency	MinVolume (100 CF)	MAXVolume (100 CF)	Current Rate	Current Min Charge	Proposed Budgeted Rate	Proposed Budgeted Min Charge	Increase	Increase per 100
30ResidentialMon1	30	Residential	Mon	-	392		\$ 18.02		\$ 18.43	\$ 0.41	\$ 0.10
30ResidentialMon2	30	Residential	Mon	393	1,666	\$ 6.25		\$ 6.39		\$ 0.14	
30ResidentialMon3	30	Residential	Mon	1,667	1,000,000,000	\$ 6.56		\$ 6.71		\$ 0.15	
30MultiUnitMon1	30	Residential	Mon	-	392		\$ 18.02		\$ 19.82	\$ 1.80	\$ 0.45
30MultiUnitMon2	30	Residential	Mon	393	1,666	\$ 6.25		\$ 6.88		\$ 0.63	
30MultiUnitMon3	30	Residential	Mon	1,667	1,000,000,000	\$ 6.56		\$ 7.22		\$ 0.66	
40ResidentialQtr1	40	Residential	Qtr	-	1,175		\$ 54.18		\$ 55.43	\$ 1.25	\$ 0.10
40ResidentialQtr2	40	Residential	Qtr	1,176	5,000	\$ 6.25		\$ 6.39		\$ 0.14	
40ResidentialQtr3	40	Residential	Qtr	5,001	1,000,000,000	\$ 6.56		\$ 6.71		\$ 0.15	
40MultiUnitQtr1	40	Residential	Qtr	-	1,175		\$ 54.18		\$ 59.60	\$ 5.42	\$ 0.45
40MultiUnitQtr2	40	Residential	Qtr	1,176	5,000	\$ 6.25		\$ 6.88		\$ 0.63	
40MultiUnitQtr3	40	Residential	Qtr	5,001	1,000,000,000	\$ 6.56		\$ 7.22		\$ 0.66	
50CommercialMon1	50	Commercial	Mon	-	425		\$ 29.88		\$ 30.72	\$ 0.84	\$ 0.21
50CommercialMon2	50	Commercial	Mon	426	1,667	\$ 7.03		\$ 7.23		\$ 0.20	
50CommercialMon3	50	Commercial	Mon	1,668	4,167	\$ 7.77		\$ 7.99		\$ 0.22	
50CommercialMon4	50	Commercial	Mon	4,168	1,000,000,000	\$ 8.40		\$ 8.64		\$ 0.24	
50MultiUnitMon1	50	Commercial	Mon	-	425		\$ 29.88		\$ 30.72	\$ 0.84	\$ 0.21
50MultiUnitMon2	50	Commercial	Mon	426	1,667	\$ 7.03		\$ 7.23		\$ 0.20	
50MultiUnitMon3	50	Commercial	Mon	1,668	4,167	\$ 7.77		\$ 7.99		\$ 0.22	
50MultiUnitMon4	50	Commercial	Mon	4,168	1,000,000,000	\$ 8.40		\$ 8.64		\$ 0.24	
60CommercialQtr1	60	Commercial	Qtr	-	1,275		\$ 89.65		\$ 92.16	\$ 2.51	\$ 0.21
60CommercialQtr2	60	Commercial	Qtr	1,276	5,000	\$ 7.03		\$ 7.23		\$ 0.20	
60CommercialQtr3	60	Commercial	Qtr	5,001	12,500	\$ 7.77		\$ 7.99		\$ 0.22	
60CommercialQtr4	60	Commercial	Qtr	12,501	1,000,000,000	\$ 8.40		\$ 8.64		\$ 0.24	
60MultiUnitQtr1	60	Commercial	Qtr	-	1,275		\$ 89.65		\$ 92.16	\$ 2.51	\$ 0.21
60MultiUnitQtr2	60	Commercial	Qtr	1,276	5,000	\$ 7.03		\$ 7.23		\$ 0.20	
60MultiUnitQtr3	60	Commercial	Qtr	5,001	12,500	\$ 7.77		\$ 7.99		\$ 0.22	
60MultiUnitQtr4	60	Commercial	Qtr	12,501	1,000,000,000	\$ 8.40		\$ 8.64		\$ 0.24	

City of Biddeford
Finance Committee Meeting Minutes
February 18, 2020

The meeting was called to order at 5:00 p.m. by the Chair, Councilor John McCurry.

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

Adjustment to the Agenda

No adjustments to the agenda.

Approval of Minutes of February 4, 2020.

Motion by Councilor Ready to approve the minutes of February 4, 2020 as printed, seconded by Councilor St. Cyr.

Vote: unanimous.

Motion carried 4-0.

The expenditure warrant was available for review and signature.

Discussion/Approval

A. Approval/Wastewater User Fees

Finance Director, Cheryl Fournier talked to Maine Water Company to create a new category and was quoted \$675.00. The expenditure will come from the Sewer Department Expense.

Motion by Councilor Ready to approve the new User Rate Fees for FY2021, seconded by Councilor St. Cyr.

Discussion: Councilor McCurry is not sure about this at this point

Vote: 3-1: Councilor McCurry opposed.

Motion carried 3-1.

B. Authorize/Contract for 3 Lincoln Park Design Plan/Richardson & Associates Landscape Architects

Motion by Councilor St. Cyr to recommend the Contract with Richardson & Associates Landscape Architects for the 3 Lincoln Park Design Plan, seconded by Mayor Casavant.

Discussion: Councilor Ready was looking for more information and asked the DDC for an RFQ.

City Manager explained they moved the money to create the budget item. The general rule is to ask a firm for a request of qualifications and we do not go through a bid.

Councilor McCurry explained this item is also on the Council Agenda.

Planning & Development Director, Mat Eddy explained that they received five proposals that were submitted and reviewed by the DDC. Two of the companies were interviewed by the DDC and Richardson & Associates was selected. Since we developed a contract with a specific work program based on the \$15,000.00 that was approved to move forward with the project. Funding is coming from the Route 111 Mill Redevelopment TIF.

Councilor McCurry has concerns about the total cost and would like to see the whole picture.

The City Manager explained how the green space would be designed on the project. There are some concerns about the design and what the space would be used for.

Councilor Ready would support sending it to the Council and noted Council had not directed the DDC to do an RFQ for the project.

Vote: unanimous.
Motion carried 4-0.

Other Business

Councilor St. Cyr asked if a presentation will be made prior to budget season in regards to Financing. The City Manager explained everything will be explained during his budget presentation on March 5th.

Councilor McCurry noted in the audit there is about \$36,000.00 in personal property not paid, and asked to get a list of those who have not paid and how much has been paid in personal property. Also, how does the City cover the unpaid property taxes? James Bennett explained that the City budgets for the current year taxes. We do not budget for the prior year taxes and prior year leans.

Councilor Ready asked for an update on how personal property tax is assessed, and what is the Assessor's Office procedure for ensuring all businesses are being assessed.

Councilor McCurry asked for a list of all the non-profits in the City, the valuation of them, and what PILOT program is in place.

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

Vote: unanimous.
Motion carried 4-0.
Adjourned at 5:20 p.m.

City of Biddeford
Finance Committee Meeting Minutes
January 21, 2020

The meeting was called to order at 5:00 p.m. by the Chair, Councilor John McCurry.

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

Adjustment to the Agenda

No adjustments to the agenda.

Approval of Minutes of January 7, 2020.

Motion by Councilor Ready to approve the minutes as printed, seconded by Councilor St. Cyr.

Vote: unanimous.

Motion carried 4-0.

The expenditure warrant was available for review and signature.

Discussion/Approval

Authorization/Appropriation of Funds for Summer Weekly Music Events in Mechanics Park

Motion by Councilor Ready to recommend the appropriation of funds for the Summer Weekly Music Events in Mechanics Park, seconded by Councilor St. Cyr.

Discussion: Councilor Ready asked about the private sponsorship. Councilor McCurry noted it is not the same, this is brought forward by Councilor Lessard to have another night of music in the Park. Councilor St. Cyr noted there is other money and is not in support it coming out of the Contingency Fund.

City Manager, Jim Bennett, explained the item noting this would be an augmentation to do a similar approach to what the City did with the flowers. He recommended they treat this the same way they treated the money for the intern and the summer help and not authorize the money to be spent. Authorize it to go into a Reserve Account.

Vote: all opposed.

Motion failed.

Sewer Rates Discussion/Presentation

Finance Director, Cheryl Fournier, gave a presentation with a little history on how the City got to the sewer rates and wanted to discuss now on the process and roll it the Council to make a decision. For about 10 years we were not meeting the budget expectations due to the double counting of the units for backouts, which was one of the biggest pieces. Wastewater owes the General Fund about \$2.6 million down about \$600,000.00 from FY18 which is a positive trend.

We did a 7.5% increase in the FY2020 budget. We discussed we would need a total of 12% and do it in a 2 year period. The intern did a lot of the auditing over the summer. Cheryl went over how many residential and commercial properties are connected to our sewer system, noting that changes every day. Some are billed quarterly and others are monthly. The monthly are mostly commercial properties. The rate increases on average about .5 to 2% increase every year in usage. She did only a .5 and noted we might be above .5 this year. Commercial rates are about 12% higher than residential rates. We estimated we needed \$170,000.00 worth of addition revenue in this FY2020 budget. One big question was the multi-units, only 18 of the 2,284 multi-units are considered commercial the rest are residential rates. The usage of residential units is higher and we don't know why (20 to 24 % more). With the increases it keeps the residential multi-units at 5% below the commercial rate. The average increase to a single-family home is approximately \$7.84 a year.

The Committee discussed what revenue would come back to the City. Cheryl explained revenue is estimated at just over \$3.9 million and we are working on expenses right now. She feels comfortable we will meet our current budget which is a plus.

The Finance Committee requested a formal fee structure be put together and brought back to the Committee for consideration before going to Council. The City Manager wanted to double check because some may require new categories being created beyond what the Water Company has. They will report at the next meeting. Cheryl would like to start working with the Water Company for it to be implemented on whatever date they decide on.

Other Business

Discussion Options for Financial Statements

Finance Director, Cheryl Fournier, explained the delay in getting the monthly financials out is getting the information from the School Department. She suggested putting together a shorter financial report which would not include the School Department Financials. This would allow the Committee to focus on the City Financials, which is what they have control over.

The Committee is concerned that they get only part of the City's Financial information. But Jim explained their legal role concerned with the School Budget. That is all controlled by the School Committee..

Councilor Ready would still like to see the data from the School Department every month, he agrees that the City Financial should not be held up.

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

Vote: unanimous.

Motion carried 4-0.

Adjourned at 5:40 p.m.