

MANAGER'S REPORT
City Council Meeting
Tuesday, November 17, 2009
Council Chambers 7 p.m.

To: Mayor Walter Ash and Honorable Members of Belfast City Council

From: Joseph J. Slocum

Date: Friday, November 13, 2009

Non Agenda Items:

1. Welcome newly elected Council Members, Michael Hurley Ward 4 and Eric Sanders Ward 3

2. What a great Veteran's Day Parade on Wednesday. The Veterans and their families, the high school band, the horses, the floats and the marchers did a great job. Our country is currently fighting two wars and everyone wishes there was peace- especially the Veterans, active duty personnel and their families. Veterans and their families have made sacrifices, are making sacrifices and continue to make sacrifices for our country and for every one of us every day. With all our worries and all our distractions it was great to see people take a moment out of their busy lives to remember honor and to "never forget". I hope next years parade sees even greater support from the community.

Agenda Items:

11.B Request by Habitat for Humanity to alter land use regulations to accommodate affordable housing in Belfast.

This past year First Baptist Church helped to organize a local office for Habitat for Humanity. They are in the process of acquiring property to build a house on and seek some relaxation of existing land use standards so that they can get more than one house on this property.

I understand that the land is being donated by the Unity Foundation, which is just another great example of the many wonderful things they have done for the greater Belfast Community. Those benefits include significant financial contributions to the YMCA, the Hutchinson Center, the Library, Waterfall Arts, Chamber of Commerce, Waldo County Hospital etc. The City and the region are so fortunate to have them provide this critical support to our social, cultural, educational, recreational and economic development needs.

There is a letter from Larry Jones explaining their request along with a short memo addressing the request from City Planner Wayne Marshall. Representatives from Habitat for Humanity.

11.C Discussion on participating in a "Start up Agreement" with the MDOT Gateway One Program.

This is a follow up of the special work session held last night, Thursday, November 12, 2009. There are attached materials and both Steve Ryan- Belfast representative to Gateway One and Stacy Benjamin-consultant to Gateway One will be present at the meeting to answer questions.

11.D Discussion and Update on the Coastal Walkway Project.

We have just signed the contract with the State enabling the City to proceed. All of our decisions and plans must be pre-approved by the State. There are 3 components to this project:

#1 a temporary walking and biking path through the Stinson Property over the existing rail line (1,000 feet),

#2 a permanent 10 to 12 foot wide hiking and biking walkway from Thompson's Wharf to and through Heritage Park (1,650 feet) (over the Rail line) and finally,

#3 some way to connect the end of the walkway at Heritage Park to the existing waterfront walkway along Steamboat Landing (length to be determined).

We will be unable to secure a permanent easement through either the Consumers Fuel property or the French and Webb property. Without a permanent easement the State will not allow any money to be spent to pay for informal agreements that can be revoked at any time.

Therefore, in order to connect the walkway at Steamboat Landing with the proposed permanent walkway at Heritage Park we may have to pursue connectivity along Front Street.

It was recently suggested that we consider constructing a sidewalk along Front Street from the Boathouse to Heritage Park. If the bushes blocking the water view along Front were cut or changed then a see through fence along the retaining wall could be installed and there may be enough room for a walkway between the existing trees and the retaining wall, leaving a wide grass esplanade to the Eastern side of Front Street. We would have to come up with something creative as such a walk way would pass behind the French and Webb Building and the driveways into Consumer Fuels. This new walkway would offer open views of the water and Steamboat Landing It is a suggestion that we may want to consider.

There is about \$450,000 for this project. The State could charge as much \$10,000 to administer this project from their end. This sounds like a lot of money it is not – in fact if we construct an asphalt walkway and put in underground electric and some lighting along the way I seriously doubt that this will be enough. This is not a casual path. It will have to be designed to handle the commercial vehicle loads that will need to cross over it at both public and private waterfront locations.

My questions:

1. What are the time line expectations of the City Council? In my opinion if we can't make all decisions and have them approved by the State by late January then this will not be done by next 4th of July. It is possible that we can do this in phases.

2. The management of this project will depend upon both timetable and level of priority. We may have to hire a project manager if we fast track and are unwilling to delay some other priorities.
3. If we fast track should we schedule joint work sessions with Committees? Will the Council retain direct oversight of this project?

Wayne Marshall has laid out the significant steps that lay ahead. I also met with the Parks and Recreation Commission in a joint meeting with the Hiking Biking and Pedestrian Committee to let them know that we would be seeking direction from the Council on the matters we identified and are presented by Wayne below:

“OUTLINE OF MAJOR STEPS - COASTAL WALKWAY PROJECT

BACKGROUND:

- 1) In 2006, City used services of Milone & MacBroom, an engineering firm, to prepare preliminary engineering plans to construct the section of the coastal walkway from the Stinson property (Thompson’s Wharf property line) through Heritage Park to the Consumer Fuels (Red Barn buildings) property line; about 1,600 feet in length. The cost estimate for this work was about \$380,000. This City constructed walkway was intended to connect to the 1,000 feet of walkway that developers of the former Stinson Seafood property were supposed to construct as part of that project. This walkway would provide a direct pedestrian and bicycle connection between the downtown and harbor area and the Belfast Footbridge.
- 2) In May 2008, the City Council allocated up to \$200,000 in City Capital Improvement Project Funds to assist in constructing the walkway. In May, 2008, the City pursued grant funds through the Municipal Investment Trust Fund program to match the City grant monies. This grant was not funded. In June 2008, the City pursued FY 2010 – 2011 MDOT Quality Community Grant monies for the project. MDOT chose to award the City \$250,000 in grant monies.
- 3) MDOT monies were formally awarded to the City on October 27, 2009 with the issuance of a contract and a Notice to Proceed. Main components of contract are as follows. Also reference the attached project map. (MAP IN PACKET and available on web site)
 - 3.1 City must construct a permanent walkway that is 10’ – 12’ in width for the 1,600’ of walkway from Thompson’s Wharf through Heritage Park. Walkway is to include amenities such as lighting, fencing, signage, stormwater and such.
 - 3.2 City is to construct a temporary stone-dust walkway along the former railroad right-of-way for the 1,000’ of walkway through the Stinson property.
 - 3.3 City is to provide a connection between the Heritage Park area and the existing sidewalk through Steamboat Landing. Some flexibility regarding how construction of this connection would occur.
 - 3.4 City has 18 months (about April 2011) to demonstrate substantial progress in completing this work.

3.5 City must comply with all MDOT requirements regarding the spending of both MDOT and City monies.

WHAT IS NEEDED NOW & FUTURE WORK

1) Overall Direction on How Project Should Proceed – November 17th Council decision. There are several overall decisions needed, including:

1.1 Defining how high of a priority this project is for the Council? For example, if it is a high priority, work on this project may mean that other work will be considered a lesser priority and may be delayed.

1.2 What role will the Council play in this project? To date, all major decisions regarding this project have been made by the Council. For example, the presentation from Milone and MacBroom was made directly to the Council. Does the Council want to continue in such a capacity?

1.3 To what degree should the City seek input from other Committees? Parks & Recreation; Pedestrian, Hiking & Biking; Harbor Committee: others.

1.4 Preferred construction material for the permanent section of the walkway. City Manager and Staff recommend an asphalt surface for the 10' – 12' wide walkway.

1.5 Outline approach regarding how to construct connectivity to Steamboat Landing area. City does not have any ownership of access to the existing sidewalk from the Miller Street area. Will need decision on the approach selected by early January at the latest.

2) Selection of an Engineering Firm – November 17th decision. Management is recommending the Council allow staff to negotiate a sole source contract with Olver Associates to prepare Final Engineering for the project. This approach will allow project engineering to begin immediately. MDOT will accept City selecting Olver Associates because the City selected the firm through a past competitive process. If Olver Associates is not chosen, City will need to prepare and issue a competitive request for proposal for engineering services, and then issue a contract. Process likely would take 3 months.

3) Survey of Right-of-Way – Fall 2009. City needs to survey and provide permanent monumentation for its right-of-way interest through the Stinson property and from Belfast Boatyard to the Weathervane property. City needs to document its ownership interest to MDOT (deeds and survey map). Selection of Olver Associates would allow this work to proceed at this time. If Olver Associates is not selected, this work may be delayed until spring 2010 (depends on snowfall).

4) Contact with Abutting Property Owners – Fall 2009. City staff consults with abutting property owners regarding project construction and schedule and to identify any specific issues that should be considered in project approach and schedule.

5) City approves Final Engineering Plan – Target date of February 1 (if this is a fast track project). City needs to submit final engineering plan for review by MDOT prior to seeking bids on the work. Also, will ask MDOT to visit site to review proposed project approach. Engineer will need time to make

adjustments to Plan. If Final Engineering Plan approved, our engineer will prepare construction bid documents.

6) City solicits Construction Bids. Formal bid process conducted in compliance with MDOT specifications. Bids advertised, bidders meeting, opening and evaluation of bids, and award of bids. City must submit bid package to MDOT for review. Council makes selection of contractor. Bid package will need to identify an anticipated schedule for completing project work.

7) Project Construction. Contractor will perform construction in accordance with engineering plans and contract entered with firm. City submits contract to MDOT for review.

8) Inspection of Project Construction. City needs to hire services to inspect project construction to ensure all project work is completed in accordance with project specifications.

9) Final Construction Report to MDOT. City prepared final construction report. Need to keep all records for 5+ years. City must maintain walkway for minimum period of 20 years. “

11.E Update on possibility of Private Sector financial support for Performance/Community Center.

The Council that was seated on October 20th asked that we put this on this agenda to see whether we had heard from any private group of citizens who wished to raise money for this project and/or possibly run it.

No group has stepped forward since October 20th.

While there were no definitive votes taken at the October 20th meeting, there appeared to be some general support for the idea that the City might consider providing some financial support (% to be determined) to purchase a building if a group of private sector people stepped forward and raised money for some contribution toward purchase (% to be determined) and also raised the money for the renovations that would be needed and who would undertake the responsibility for actually running the facility with some level of ongoing financial support from the City in the years ahead.

The present Council has two new members who are working diligently to get up to speed on a broad variety of issues. We put this item on your agenda for reporting purposes only and we are not asking for any specific action at this meeting. If we do hear from the private sector on these issues we will certainly let you know.

11.F Update on Energy Efficiency Grant. (Delune)

The Council previously authorized the Energy and Climate Committee to apply for one or more Energy Efficiency Grants, which are due November 18th. Committee Members have fine-tuned their request and may seek some additional confirmation at your meeting. Council Member Marina Delune will provide the Update.

11.G Discussion and possible action on Commercial Parking Standards. (Baker)

Following a Council workshop on economic development this summer, some questions were raised about the level of parking called under Belfast Zoning performance standards for commercial applications. The Council had some follow up discussions with some members of the Planning Board and referred the matter to the Board for their recommendations. The Planning Board has been working on this.

11.H Consideration of Economic Development issues: An Economic Development Plan, a possible Economic Development Director.

I am not seeking Council action on these items other than to inquire whether they should be the subject of a future work session. I offer the following for your consideration:

The world changes and whether we like it or not Belfast changes too. Belfast City Council, responding to the dynamics of today recently supported the creation of a full time Economic Development position and they asked me to help draft a job description for this meeting. As noted, we have two new Council members who were not part of those discussions. In discussion with the last Council, we identified the strong need to clarify our ECONOMIC DEVELOPMENT PLAN before we look for the right description and the right person to help us pursue it.

The term “Economic Development” covers a very broad spectrum of activity. To some it means having beautiful Park resources, events, cultural amenities and natural resources preservation. To others it means having favorable land use regulations. And still to others it is more direct – targeting existing economic resources for enhancement or going after entirely new ones altogether. In many communities, much like Belfast itself- there are political sentiments that want to manage the impact of economic development in the Community and they compete with other local sentiments that are concerned that too much management or control inhibits local economic growth. Where they agree is in their genuine care over the welfare of their community. Managers of those communities- like this one - hopes for balances to be struck and consensuses to be formed. We are all guided by the majority will of our elected representatives of the day.

The Belfast in the fall of 2009 is not the Belfast of any year past. The unique challenges the City faces today, during the worst national and international recession since the great depression, suggest that general or overarching policies for encouraging Economic Development may need to yield to a more specific, prioritized and targeted efforts.

With this in mind, I suggest that we specify and prioritize our economic development goals for the next 2 years. Based upon Council direction, I have spent considerably more on time on bricks and mortar issues and other management issues in the last 45 days and considerably less time on Economic Development issues. Time constrains my ability to be in both places simultaneously. If this Council does pursue an Economic Development Director then I recommend that we draw up a job description that relates directly back to your Economic Development Plans for the next two years. From a good plan we can draw a good description and get the right person to clearly pursue your goals.

I am attaching a summary of various Belfast Economic Development statements dating back to 1994 for your review. We do not begin to identify, clarify or prioritize an Economic Development Plan, short or long term, with a blank piece of paper. We have access to a series of written economic improvement strategies in recent years. This summary is an outline of what I understand them to say. The original works are available to all for review in their entirety.

I offer these summaries for the sole purpose of assisting the City Council with shaping a Belfast Economic strategy that is pertinent and relevant to your sense of today. Cut this draft in half, triple it or tear it up altogether and draft something entirely new that you believe will best serve the City's Economic Development interests over the next 24 months.

From time to time, as a Manager I should make a recommendation. The Council I often note has the more difficult responsibility of making decisions and the Economic Development Plan we embrace should carry the support of your majority.

I would pursue an Economic Development Plan that focuses 80% of our time working to preserve and grow our existing economic assets and the remainder on attracting new ones. I would target the many economies we have in manufacturing, health, downtown, tourism and entertainment, arts and cultural, education, agriculture, construction, retail, information and high tech, service sector etc. U would do what we could to first help them survive and secondly, to help them grow. This is a short-term strategy that may provide the greatest short-term benefits. Economic Developer's call this "Asset Based" development approach because it is based upon an inventory on what you already have- what is already operational – so that you can use its talent and experience to help it prosper.

The other 20% of our efforts should be spent trying to attract entirely new economies to our Community, which is a long-term strategy that is more likely to bring long-term benefits. Pursuing the development of renewable energy, for example, could have the potential to bring everything from research, to investment, to renewable energy generation, to clean manufacturing jobs that are highly (costly) energy dependent. Retail growth would fall under the 80% focus.

These are busy times and there are many things to think about so this issue might warrant a work session. The Council had been meeting on the 5th Tuesdays in Economic development work sessions. The next one would be December 29th, which appears to be a bad time for a meeting. Perhaps we could schedule something sooner. I look forward to your thoughts at the meeting.

11.1 Update on 2009-2010 Budget, Surplus and Capital Projects

Budget

You have a budget summary in your packet.

We are 35% through the year and some lines have spent less than 35% and some lines have spent more. After going through each line we do not see cause for alarm. Many of the budget lines which exceed 35% are seasonal in nature and do not lend themselves to 12 equal payment responsibilities. On the revenue side of the page we have been advised to anticipate about \$20,000 less in local road assistance

that was originally represented by the state. We are all hearing that State Revenues are down but the implication for the municipalities is less than clear because this money is received normally in unequal payments. At 35% through the year we have only received 22% of what we anticipated to get for the entire fiscal year.

Savings

We look for this all the time. We looked for more competitive Property and Casualty rates through a lot of done by the City Clerk, which should yield about a \$20,000 savings. We also hope to save some money in Health Care Cost based upon a much improved experience rating. City employees and families are incurring fewer medical cost.

One potential savings issue is also a very strong customer service issue. I do think the City Hall should seriously consider being open only 4 days a week- offering early morning and early evening hours to working individuals and families. The fact is that 8 to 5 do not work for working people and they get to work late or need to leave early to transact business here every day. There are also many online services- even car registration renewals, which can be done by our citizens without ever coming to the building. This is something I would not test- I would just do. The Town of Hampden did it and it is working out great. Think about it- 7:30 to 6:00 or 6:30 Mon - Thurs?

Capital Projects, Capital Reserves and Surplus

There are 4 potential sources of municipal money.

1. Budgeted appropriations- needs Council approval over \$4,000
2. Capital Reserves money- needs Council approval to spend \$1
3. Capital Project money- -needs Council approval to spend over \$4,000
4. Surplus- needs Council approval to spend \$1

I hope to have a handout, which summarizes all of our Capital Projects and all of our Capital Reserves.

The Capital Reserves are amounts of money set aside for specific purchases- like a Fire truck or specific facilities- such as parks- where we anticipate that we will have a capital expense at some time but are not sure when. This money stays in "Reserve" until that anticipated expense is actually needed and the Council specifically votes to remove the money from that individual reserve for expenditure.

The Capital Projects are specifically authorized projects and have specific funds, which can be spent at any time to fulfill the project. Some projects can be accomplished and closed out when done. Some projects can be ongoing for years- such as landfill monitoring. A Capital Project never ends or closes without a specific vote of the Council. We do have projects that can be closed out and they should be closed out with their remaining balances to be added to surplus, as the money would no longer be designated for a particular use.

The handout shows the Reserves on the Left and the Projects on the Right. I have made recommendations in RED INK on these Capital Reserves and Capital Projects that fall into three areas:

A- Move any "general" Capital Project money to a Capital Reserve for that same Department. There should not be any "General" Projects.

B- Close out some Capital Projects- This could yield \$200,000 to 300,000 to surplus. If it's done it should be off the list.

C- Combine Some Capital Projects Energy Initiative, Energy Audit and Climate Control Projects etc

When you are ready I hope that you will make decisions on these recommendations. For all outstanding projects I think we should identify which are priorities and also your expectations of when you hope to see them accomplished.

Surplus

Presently we have about a \$3,000,000 surplus. We maintain a surplus for many reasons:

a. to have immediate money to address an unanticipated expense- last good example was \$325,000 for repair of the Library Roof

b. to support Cash flow

c. to help fund annually chosen Capital Projects-

d. to cover the City's needs if we should have an unanticipated drop in revenue based upon general economic conditions

There is likely \$200,000 to \$300,000 that could be added to our total surplus from Capital Projects that can be closed out. Different people have different feelings about what is an appropriate amount. Every year we usually add something to it and every year we spend some of it. I can get you a more detailed History if you would like to set a policy on the level of City surplus. I am comfortable where we are but I am not comfortable if we really feel that this number is just too high. If the majority feels that way then we should set a number and then decide how best to deal with what we have in excess of that number.

That is it for this week. I do look at a new Council like it's a new year and I encourage the members to do the same. I hope between now and mid January we can set a course that keeps us all on the same page. There will never be enough time to do all that we want to so I will ask the Council frequently this year where our priorities are and make an effort to provide you with updates on both accomplishments as well as set backs. Have a safe, seasonably warm and enjoyable weekend.