

**METHUEN CITY COUNCIL REGULAR MEETING
GREAT HALL, SEARLES BUILDING
APRIL 22, 2008 - 7:00 p.m.**

Chairman Lahey called the regular meeting of the Methuen City Council, scheduled for April 22, 2008 to order at with six members present.
Councilors Willette, Leone and Zanni were absent.

ACCEPTANCE OF AGENDA

MOTION BY: Councilor Cronin seconded by Councilor Giordano, to accept the April 22, 2008 agenda.

UPON VOTE: UNANIMOUS

INVOCATION/PLEDGE OF ALLEGIANCE

Rev. Sharon Holt of First Baptist Church gave the Invocation. Everyone remained standing for the Pledge of Allegiance

ACCEPTANCE OF MINUTES

MOTION BY: Councilor Cronin seconded by Councilor Pappalardo to waive the reading and accept the minutes of April 7, 2008 –regular meeting.

UPON VOTE: UNANIMOUS

CORRESPONDENCE/PROCLAMATIONS

Thomas Hargreaves Veterans Director presented an American Flag that had flown over Iraq donated and on behalf of Sergeant First Class Marcos Manciea to the Mayor and City of Methuen.

Mayor William M. Manzi presented an Official Mayoral Citation to the North Regional Theatre Workshop in recognition of celebrating their 30th season providing quality musical theater entertainment to communities North of Boston.

Because of a previous commitment Representative Linda Dean Campbell was unable to attend the Council meeting. In her absence Mayor Manzi presented and Official Statehouse Citation signed by Representative Campbell and Speaker of the House Representative DiMasi to honor the North Regional Theatre Workshop.

PUBLIC PARTICIPATION

Jack Burke 49 Canobieola Road spoke on TR-08-25 and TR-08-26. Resolutions accepting portions of various roads in the city as part of sub-divisions. Mr. Burke read part of the Master Plan (pg 79) regarding sidewalks (attached). Mr. Burke drove out to Birch Hill and Maple Ridge Road and noticed there are no sidewalks. When he read the minutes from Community Development board for the last six months, he did not notice that sidewalks had been waived and he did not notice that they had accepted any money into the city sidewalk fund. Mr. Burke is asking why is the city accepting portions of roads when the entire complex has not been completed and why is the city accepting roads when no sidewalks have been built and no mitigation funds given to the city to create sidewalks at a future date. Mr. Burke is of the opinion that the city should not accept these roads. Mr. Burke also spoke on TR-08-29 authorizing an Order of Taking portion of Winchester Street. Mr. Burke has read the proposal from Dracut regarding the sewer system and did not read in the document where the city would have to take land to construct the system. It is apparent that the city (or State) already owns the land. He asked council why is the city taking this land, how much is the city paying, when will Dracut pay back for the taking of the land and is the deed going to be registered against the sewer enterprise fund from which the funds were taken. Mr. Burke questioned why attachments A and B were not attached to the resolution.

PUBLIC SERVICE

GRANTS: None

LICENSES:

Flea Market Application – Methuen ranger Band, Methuen MA.

MOTION BY: Councilor Cronin seconded by Councilor Pappalardo to approve.

UPON VOTE: UNANIMOUS

CONTRACTS None

OTHER OFFICERS AND COMMITTEE REPORTS

OLD BUSINESS

RESOLUTIONS.

TR-08-22 Resolution Accepting a Gift for the City of Methuen's Police department – 1997 Toyota Runner

MOTION BY: Councilor Cronin seconded by Councilor Pappalardo to adopt.

UPON VOTE: UNANIMOUS

TR-08-24 Resolution Authorizing Expenditure from the Edwin J. Castle Fund

MOTION BY: Councilor Cronin seconded by Councilor Kannan to adopt.

UPON VOTE: UNANIMOUS

TR-08-25 Resolution Accepting a Portion of Birch Hill Estates and Maple Ridge Road

MOTION BY: Councilor Cronin seconded by Councilor Kannan to adopt.

Councilor Cronin stated that sometimes arrangements are made between Community Development and the Developer to allow sidewalks on one side or waive them in lieu of a contribution. Councilor Cronin asked Mayor Manzi how this particular sub-division document was approved.

Mayor Manzi stated that Birch Hill has been in abeyance for a long time because of some geo-technical problems in one section of the sub-division. Unfortunately the City had to defer some city services to these residents based on a non-acceptance. The section before us is complete to the satisfaction of the planning board. Relative to sidewalks the Mayor stated he would have to go back to see what the arrangement was. Unless waived, every developer is required to follow the sub-division control regulations. Mayor Manzi is unsure of the sidewalk issue but will research the minutes. We are accepting a portion of Birch Hill because the second portion will have additional work done, the city is not prepared to do that yet and the geo-technical work has not been done to satisfaction to date.

Councilor Cronin asked if there is money in the bond issue being held? If sidewalks are required is there sufficient money to construct the sidewalks.

Mayor Manzi said he has not released that section of the bond dealing with the issues that are left but cannot tell Councilor Cronin that the sidewalks would be one of them. The Mayor feels that issue has been resolved but he does not know (at this time) how. If asked before the meeting he would have had the information for Council. He will get the information to Council but is sure it is to the satisfaction of the Board.

Frank Russo, city engineer stated he does not know whether under the original approval if sidewalks were waived. If sidewalks were still required he would have made note of that requirement, that the sidewalks had not been completed and the bond money should be withheld. Mr. Russo does know that bond money has not been held for sidewalks and that would lead him to believe that sidewalks were not required as part of the sub-division. The only money remaining is money that would take care of the geo-technical problem that is out there.

Mayor Manzi stated that the Birch Hill portion is the more imperative of the two because people have been waiting and the city has been dealing with this issue for a long time. Maple Ridge is also very important but Birch Hill has been waiting a very long time. The board is required to follow sub-division control, if they did waive the sidewalks (in this case) for other considerations he does not recall. This goes back a long way and the Mayor would ask the Council's consideration to vote Birch Hill. It is in the east district and they have been waiting a long time. Maple Ridge could possibly wait (he is not sure of the sidewalk issues) but Birch Hill is somewhat of an issue.

Councilor Quinn asked if they are waiting for services (of the City)?

Mayor Manzi stated they are waiting for services.

Councilor Giordano asked how many units are involved?

Mr. Russo said there are 25-30 homes with 5-7 in the middle section (inclusive with Maple).

Councilor Giordano asked why the sidewalks were omitted?

Mr. Russo stated this was seven years ago. He recalls a sewer line being extended on Old Ferry Road in such a way that we eliminated a pumping station. Mr. Russo is not sure if that was the consideration for waiving the sidewalks.

Mayor Manzi is sure there was some consideration and he will get it to Council as soon as they research it.

Councilor Pappalardo asked why were the services held.

Mayor Manzi stated that the city cannot provide services on unaccepted streets. It is up to the developer and he is still there. The Mayor is not holding the services up but he is not authorized to perform services on unaccepted streets.

Councilor Pappalardo asked if the developer has not finished the sub-division, is that why he is still there?

Mayor Manzi stated that the portion that he is asking for approval is done. The second portion is 95% finished. There is an agreement regarding the geo-technical issues that will be done and that (second) portion will be before Council shortly. These people have waited a long time and that is the issue, seven years is a long time. The Mayor believes there was consideration with the issue of sidewalks.

Mayor Manzi stated that regarding sidewalks or other sub-divisions control requirements he leaves it to the boards. He does not read every sub-division petition to see what has been waived or not waived. If the board sends something up (to him) that is sub standard the engineering department will represent the Mayor and suggest to him that he not send it up. He does look to Mr. Russo to look at those issues.

Mr. Russo stated if he had been asked he would have had the information relative to the sidewalks. Thinking back he thinks there was a contribution of money to the city for a sidewalk fund in the neighborhood of \$18,000 to \$20,000 dollars.

Mayor Manzi said this is all speculation. He will provide what the consideration was (tomorrow) from the records and send it to the full Council. Anything additional if requested before the (council) meetings will be provided.

Councilor Cronin asked if the surrounding neighborhoods have sidewalks?

Mr. Russo answered "no"

Councilor Pappalardo asked if Arrowwoods have sidewalks. She does know that some of (Arrowwoods) does have sidewalks.

Mr. Russo said that the main road of Arrowwoods have sidewalks. Not the side streets. Councilor Pappalardo asked if sidewalks are to be put in at Arrowwoods?

Mr. Russo stated that would be part of the bond that would have been released. If the bond was released then it was not required. He believes on Arrowwoods it is only one side.

Councilor Pappalardo is asking for that additional information regarding Arrowwoods. Mayor Manzi said that he will provide the information (on the second part) but it could be that the board waived some section of the sub-division. Sub division control requires them (sidewalks) unless they are waived.

UPON VOTE: UNANIMOUS

TR-08-26 Resolution Accepting a Portion of Arrowwoods Estates p Phase IV (station 58 + 10 to 76+ 53) and Beechwood Drive station 0+00to 5+10)

MOTION BY: Councilor Cronin seconded by Councilor Pappalardo to adopt.

Councilor Pappalardo is asking that Council receive the information requested on both resolutions.

Mayor Manzi will include what was waived and what was not and what the considerations were for both.

UPON VOTE: UNANIMOUS

ORDINANCES None

CONSIDERATION OF APPOINTMENTS

Constable (remove from the table)

Giovanni Bloise-Freyre –
20 Bradford Street, Bradford MA

Term to Expire
03/01/11

(Reappointment)

MOTION BY: Councilor Cronin seconded by Councilor Quinn to remove from the table.

UPON VOTE: UNANIMOUS

MOTION BY: Councilor Giordano seconded by Councilor Quinn to approve

UPON VOTE: UNANIMOUS

Community Development Board

James Hajjar, 52 Arrowwood St., Methuen, MA

Term to Expire
12/31/09

MOTION BY: Councilor Cronin seconded by Councilor Pappalardo to approve.

UPON VOTE: UNANIMOUS

Historical Commission – Alternates

Meaghann M. Jackson, 4 Rivers Edge Pl., Methuen, MA

Term to Expire
12/31/10

Stephen E. Barbin, 620 Prospect St., Methuen, MA

12/21/10

MOTION BY: Councilor Cronin seconded by Councilor Kannan to approve.

UPON VOTE: UNANIMOUS

NEW BUSINESS
RESOLUTIONS

1. TR-08-27 Resolution Establishing Fiscal Year 2008 (fourth quarter billing cycle).
Water Charges as Proposed by the department of Public Works.

MOTION BY: Councilor Giordano seconded by Councilor Kannan to adopt.

MOTION BY: Councilor Cronin, seconded by Councilor Pappalardo to amend TR-08-27 to add a six tier to be known as the Business Fee and should be \$3.25 per 100 cubic feet and also in the Residential fee of five thousand one and over be reduced from \$3.25 to \$3.00. Councilor Cronin feels the commercial (business) rate should be established at a (little bit) higher rate than the residents. The residential rate should not be the same as the commercial rate. Councilor Cronin stated that businesses have the opportunity to write off or charge against the business the water bills. Residents do not. This is a tax advantage for the business if they can write it off. Residents cannot therefore residents should not pay a commercial rate. Drop the fifth tier (highest end) of the residential rate down to \$3.00 dollars even and insert a commercial rate of \$3.25 for five thousand one and over.

Mr. Russo asked for a clarification of the amended rates.

Councilor Cronin stated \$3.00 dollars for residential and businesses rate would be a straight \$3.25 for five thousand one and over. Councilor Cronin has no intention of touching the other rates (tiers)

Mayor Manzi stated the calculation is not what was recommended but the engineer needs to calculate the flows with the commercial and would it make up for the slight decrease in the top rate. That needs to be calculated. We cannot say if the numbers will work until it is calculated.

Mr. Russo asked if we would keep the tier system as is. 0 to 1,000 to 2,000 to 3,000 to 5,000.

Councilor Cronin said "yes". At the time when Councilor Cronin met with the Mayor he had asked that a six tier to be looked at. It was never presented.

Mr. Russo stated that he does have a copy of (Clr Cronin) six-tier proposal and when he plugged in the numbers it (actually) raised the numbers. It raised \$1.50 to \$1.51. All were raised by one cent on each tier and the last tier went to \$3.27.

Councilor Cronin stated that was not the motion. He is not interested in changing the lower tiers.

Councilor Lahey suggested that Council would be having a public hearing on these water/sewer rates. He will support the amendment in order to get a first read on these water rates and that will give us time to see if the numbers will work out.

Councilor Quinn stated that Council has to be careful. We want to entice business to Methuen and by doing this it is a slap on the wrist. People want their taxes lower but in order to lower taxes we have to entice businesses. If we do this how can we look to new commercial business to come here to help lower our taxes. We have to be very careful. She will vote this for first read but she is very leery of this because it will not entice businesses to Methuen and we may not be able to lower taxes in the coming years for the residents if we continue to do this.

Councilor Lahey asked Mr. Russo to come back to Council with the six tiers and a breakdown as to how it will work. How it will affect the lower end, higher end. A breakdown of the impact on the commercial and to what degree.

Councilor Kannan asked Mr. Russo what the commercial rate is presently.

Mr. Russo stated we are under the flat rate system at \$2.83. Residents is \$2.32

Councilor Cronin stated the \$2.83 is for any homeowner that uses over 5,000

Mr. Russo stated that right now we are under a flat rate system. There is no commercial rate.

Councilor Lahey asked when we go to a five tier there is no commercial rate?

Mr. Russo said that businesses use eighty per cent of their flow at the top rate.

Councilor Lahey stated (under the tier rate) the commercial rate is not any higher than the residential rate.

Mr. Russo agreed.

Mayor Manzi stated the old five-tier system that we moved away from was the same in that sense. Under that (old) system there was no commercial rate and that was the way that system worked.

Councilor Cronin said that based on Mr. Russo's comment he is not raising the commercial rate at all. He is leaving it at \$3.25. He is only bringing down the residential rate twenty-five cents.

Councilor Lahey said that is why he would like to have the figures to see how much it would impact the other grades under that.

UPON VOTE: (as amended): UNANIMOUS

2 TR-08- 28 Resolution Establishing Fiscal Year 2009 Water Charges as Proposed by the Department of Public Works.

MOTION BY: Councilor Giordano seconded by Councilor Kannan to adopt.

Councilor Lahey asked Mr. Russo to work out the figures for the 2009 using the same six-tier formula (methodology)

Mr. Russo asked if they still want the outside irrigation also?

Councilor Cronin said "yes".

Councilor Cronin stated it was never his intention to vote the 2009 rate at this time.

There has been a lot of discussion on whether we would adopt the 2008 rate for the last quarter of this year and the first billing period of next year. Councilor Cronin wants to make sure the Mayor is agreeing to the 2008 rates. If we had dropped the 2009 rates for the first quarter, that's the rate. If it does not go anywhere we can only bill on the next three quarters back to the last rate and that becomes the rate. It has not been his intention to adopt the 2009 rate until the second, third or fourth quarter if it passes again. This needs a lot more work; this is a significant increase in money to the homeowners. This needs more than just a second read.

Councilor Lahey stated that Council was all-aware that we were all going to take a hit in the second year. If we do what we did last year and use the old rate from 07 into 08 we will have to make up some money this time.

Councilor Cronin stated if we adopt the rates that we just passed for first read, those become the rates we will fall back on for the first quarter.

Councilor Lahey noted that based on their figures wouldn't that leave us short going into the next year?

Councilor Cronin stated he would vote against the 2009 rate at this time. To insure that for the first billing cycle it will be the 2008 rate. If we vote the 2009 rate for the first period (first quarter next year) it becomes the rate forever, until the next year.

Councilor Lahey asked Mr. Russo if Council votes the 2008 rate for the first quarter of 2009 do we run into the same situation we did when we used the old rate for the first quarter last year?

Mr. Russo stated, "yes we do". Short.

Councilor Lahey remembers last time we did not get hit because we used money from somewhere else. Do we have the money to use from somewhere else?

Mr. Russo said that what he is doing for the fourth quarter is using \$250,000 from retained earnings. What he will propose for next year is \$500,000 dollars from retained earnings. We would have to use five hundred plus whatever we are short on the first quarter.

Councilor Lahey said if we accept the 2008 rate on the tier system we will still be short for 2008 that we will have to make up from reserve.

Mr. Russo stated \$250,000 dollars.

Councilor Lahey said that is without making up from the first quarter way back when.

Mr. Russo said correct. We would have to raise the flat fee (now) to raise that \$250,000.

Mayor Manzi stated as we swing into the next budget cycle City Council will be presented with a water budget. We are telling you that we estimate that this is what you will need to fund the budget. Because we are at the start of the fiscal cycle in July Council can vote the rate they want but if the numbers do not add up he (Mayor) will shut the system. He will not run the system in deficit and he will close the system. Council can pick the revenue numbers they want and fund it and he will spend that amount of money till the system has to close and the city will close it.

Councilor Kannan asked Mr. Russo what is the next bill to come out?

Mr. Russo stated the fourth quarter bill normally would be out in May (12-15) depending on the outcome of the proceedings. This year it will be a week or two later.

Councilor Kannan asked once we collect the money for the 2008 that we just amended do we not have a rate for the next bill (2009) going out.

Mr. Russo stated "correct".

Councilor Kannan said the 2009 (rates) are for the new bill.

Mayor Manzi said the new bonding.

Councilor Kannan said obviously there is a price in mind that we need and that is why the 2009 rates went up.

Mr. Russo stated "correct" next years budget is estimated to be 6.6 million dollars.

Councilor Kannan asked if both rates (2008-2009) are on for the public hearing in order for people to come in and know that one bill is ...(inaudible).....because right now we do not have a rate. Next year it will be a whole new rate all new money that needs to be raised and we need a figure in mind to do that.

Mr. Russo said that he wants to pass this rate at this point and time so the public is aware of what the rate will be as of July 1st in order for them to use their water accordingly.

Councilor Kannan said if this works and the money works (and we will know that at the public hearing) and fits the bills that we have to pay when will that bill go out?

Mr. Russo said the (new) bill would go out around the middle of August.

Councilor Pappalardo stated she would vote this for first read and see what happens at the public hearing.

UPON VOTE: 5-Yes 1-No (Clr Cronin)

3. TR-08-29 Resolution Authorizing Order of taking – A Portion of Winchester Street Methuen MA.

MOTION BY: Councilor Kannan seconded by Councilor Quinn to adopt for first read. Councilor Cronin asked for an explanation of this resolution.

City Solicitor Peter McQuillan stated that the City accepted Winchester Street in 1947. It is our roadway and it is a paper street. We did accept it; we accepted the roadbed from Lowell Street to Austin Street in 1950. The purpose of this is a confirmatory taking. We are confirming our ownership for the purpose of laying down a pipeline pursuant to the agreement we have with Dracut. We have to certify the title as ours being current. The award is zero; we own the property therefore there is no award going from the city to the owner of the property being taken. This is called a confirmatory taking. To confirm the title we have had since 1947 for the purpose of certifying title for the service of the installation of the pipeline.

Councilor Cronin said this is a dirt path. This is to dig it up and put a sewer line in. We will not be building in a road.

Solicitor McQuillan stated, “correct”.

Councilor Pappalardo said this is the Dracut project, is Dracut paying all of this? Did they hire Andover Consultants to do this? The City had nothing to do with this?

Mr. Russo stated “yes” they paid for the plan and everything else.

Councilor Pappalardo asked if the City has received any payments (for the study) from Dracut to date?

Mr. Russo stated we had received one payment of \$125,000 dollars within a week’s time after approval.

Councilor Pappalardo asked when the second payment is due?

Mr. Russo stated July.

UPON VOTE: 5-Yes 1- No (Clr Pappalardo)

Chairman Lahey stated he would be setting a Public Hearing for the 2008 and 2009 water/sewer rates for May 1st, 2008. Council will be notified.

ORDINANCES None

METHUEN CITY COUNCIL REGULAR MEETING

ANY OTHER BUSINESS FOR THE GOOD AND WELFARE OF THE COMMUNITY

REQUEST OF COUNCIL

Councilor Giordano requested that Council set three dates to split East, West and Central districts (as requested in a letter by Councilor Cronin) to deal with the proposed changes to the Comprehensive Zoning Ordinance on April 29. Councilor Giordano anticipates a four to six hour meeting.

Chairman Lahey stated that could happen but he will wait to see what the impact of the April 29th meeting will be and then separate the districts for meetings.

ADJOURN

MOTION BY: Councilor Giordano seconded by Councilor Pappalardo to adjourn

UPON VOTE: UNANIMOUS

Meeting was adjourned at 7:50 pm

Diane Lasonde
Council Secretary

I do hereby certify that at a meeting of which a quorum was present, the foregoing minutes was adopted by the Methuen City Council by a unanimous vote on May 5,2008.