

A regular meeting of the Caribou City Council was held 7:00 p.m. on Wednesday, June 27, 2012 in Council Chambers with the following members present: Mayor Kenneth G. Murchison, Jr., Deputy Mayor David Martin, Mary Kate Barbosa, John R. Boone, Philip McDonough II, Gary Aiken, and Bryan Thompson.

Steven R. Buck, City Manager; Michael Gahagan, Police Chief; Elizabeth O'Bar, Assessor, Scott Susi, Fire Chief; and Michael Shrewsbury, Community Development Director were present.

Attending: Priscilla Haney, Milo Haney, Ralph D'Angelo, Rosella Bouchard, Scott Doody, Keith Gagnon, Kathy Coty, Gerald Coty, Sheila Caron, Stephen Richards, Robert Lagasse, Marlene Griffeth, Robert A. Griffeth, Sherry Alward, Freeman Cote, Kurt Tracy, Russell Levesque, Steven Arey, Lendal Johnson, Beverly A. Labbe, Wil Labbe, Eric Flaherty, Dan Randazzo, Dwayne H. Blackwell, James Bacon, Dana Haney, Dan Richards, John Haney, Claude Lamothe, Wayne Griffeth, Louise Lavoie, Patrick Labbe, Patty Blackstone, Sonia Labbe, Sam Blackstone, Vicki Cote, Charles Green, Michael Caron, Paul Theriault, Joan Theriault, Rich Newland, Francis Damboise, Kenneth Osga, Ryan Corrigan, Josh Goodale, Zachary Smith, Gloria J. Kidney, James Cushman, Doris Cushman, Wilfred martin, Mark Goughan, Donald Goughan, Paul R. Camping, James Harris, Pat Mahoney, John Dionne, Eric Cassidy, Jeff Martin, and Donna Labbe.

Natalie Bazinet, representing the Aroostook Republican and Time Warner covered the meeting.

Council Agenda Item #1: Public Input

- ❖ Doug Morrell speaking for Citizens for Responsible City Management requested that the Council not set the mil rate until you go back and aggressively reduce the budget. He noted that for 2013, the City will be starting a new process where the expense side will have to be passed by December 31st; additionally, Mr. Morrell commented that everything needs to be on the table for possible elimination. Citizens for Responsible City Management is offering to work with the Council to help make these difficult decisions. Mr. Morrell expressed that it is not a pretty picture what is happening in Caribou. He closed his remarks wanting to know if the Council would forgo setting the mil rate and further cut the budget.

Mayor Murchison stated that this is not a question and answer period. He explained that the Council will listen to the budget presentation, decide, and then move on.

- ❖ Paul Camping of 710 Grimes Road commented that he is retired and lives along with his wife on a fixed income. They own two properties in Caribou. He feels the budget could be reduced more before the mil rate is set, but if the Council accepts the budget then he hopes that the Council will set the lowest possible mil rate. Mr. Camping noted that in three years his taxes have increased by 25% or \$658.00; furthermore, he offered that Caribou does not have a revenue problem but rather a spending problem.
- ❖ Milo Haney commented that he has own a business in Caribou for 38 years. Mr. Haney stated that he does not think the Council should set the mil rate this evening. On another topic, Mr. Haney questioned whether the City of Caribou makes any money plowing the roads in Connor. He does not agree with taking care of other towns when Caribou has a hard time taking care of its own.

- ❖ James Bacon of 173 Washburn Street commented that he owns a body shop and other properties in Caribou. He stated that he owns about \$500,000 in property in Caribou and pays about \$11,000 a year in taxes. He offered that he, like other business owners, is struggling and hopes that the Council will look hard at the budget.
- ❖ Wilfred Martin asked questions regarding mil rates, budgets, and abatements.

Mayor Murchison stated that this is not a question and answer period.

Mr. Martin asked whether the public will be able to speak when the Council is voting on setting the mil rate.

Mayor Murchison stated that the Public Hearing has already been held on the Budget.

Council Agenda Item #2: Updates from City Administration

The City Manager provided updated information on a variety of topics including:

- Audit - The draft is expected to be received Thursday, June 28th. The City Manager will then prepare the Management Discussion and Analysis.
- NMDC - Is offering a Pilot Program that will provide assistance to individuals that are looking to start a new business in Caribou. Applications are available on NMDC's website.
- Limestone Ambulance – Chiefs Susi and Gahagan met today with Limestone representatives where they continue to discuss a cooperative agreement where Caribou would provide ambulance and enhanced fire district protection services for the region. The cooperative agreement would provide for the hiring of three Firefighter II/Paramedic positions for Caribou Fire & Ambulance Service and three firefighters for Fire District One. The agreement would cover ambulance and fire services for Caswell, Limestone, and Loring Development Authority. The cost of the three Firefighter II/Paramedic position will be covered by the increased Ambulance revenues.
- Board of Assessors – The Board met last evening and they received about one hour of public comments. They voted to accept and approve the revaluation numbers provided by RJD Appraisal. During the hearing process, 355 property owners owning a total of 815 parcels meet with RJD Appraisal. The Manager outlined the abatement process.
- Farmers' Market – The Mayor reminded the public that the Farmers' Market is now open on Wednesdays from 3 to 6 and Saturdays from 8:30 to noon.

Council Agenda Item #3: Consider authorizing the minutes of the following meetings:

- A. June 11, 2012 Council Meeting

Motion made by P. McDonough, seconded by D. Martin, to approve the minutes of the June 11, 2012 Council meeting as presented. (6 yes, 1 abstention, B. Thompson) So voted.

Council Agenda Item #4: Public Hearing to receive written and verbal input on the application of Scott B. Cormier d/b/a Dieselz Pub for a Hotel Optional Food Liquor License located at 30 Access Highway, Crown Park Inn.

June 27, 2012

12-16 Pg. 3

7:27 p.m. Public Hearing Opened.

The City Manager reported that Mr. Cormier was unable to attend this Public Hearing. Chief Gahagan recommends disapproval of the application or tabling pending the receipt of a signed release form from the applicant so the Chief may complete his review of the applicant's qualifications.

7:31 p.m. Public Hearing Closed

Council Agenda Item #5: Consider acting upon the first time application of Scott B. Cormier d/b/a Dieselz Pub for a Hotel Optional Food Liquor License located at 30 Access Highway, Crown Park Inn.

Motion made by P. McDonough, seconded by MK Barbosa, to table until the Police Chief obtains a signed release of information form and is able to complete the necessary background check. (7 yes) So voted.

Council Agenda Item #6: Consider acting upon Licenses or Permits for the following:

A. Special Entertainment Permit for Scott B. Cormier d/b/a Dieselz Pub located at 30 Access Highway, Crown Park Inn.

No Action was taken and was tabled.

B. Restaurant Class Liquor License for Chris Richards d/b/a The Par & Grill

Motion made by D. Martin, seconded by P. McDonough, to approve the Restaurant Class Liquor License for Chris Richards d/b/a The Par & Grill. (7 yes) So voted.

C. Special Entertainment Permit for Chris Richards d/b/a The Par & Grill

Motion made by P. McDonough, seconded by MK Barbosa, to approve the Special Entertainment Permit for Chris Richards d/b/a The Par & Grill. (7 yes) So voted.

Council Agenda Item #7: Consider an updated Engineered Proposal from Trane for Energy Savings in Municipal Facilities.

Trane representative Mark Power stated that since the last Council Meeting, Trane has been fine tuning the project. Trane considered the comments of the Council, gone back to vendors to tighten up pricing, and have been able to reduce the overall Project cost. Mr. Power stressed that this is a totally self-funded project. A PowerPoint presentation was shown to update the Council and the Public with the scope of the project. Since the last Council Meeting, the projected cost of the project has been reduced by approximately \$73,000 so the revised total project cost is \$986,268. If the City moves forward with this project, Trane guarantees the year one savings for the City to be \$77,274. Mr. Power answered several questions from the Council. The City would need to sign a contract by early to mid July for the City to receive boilers in November. Councilor McDonough asked whether this project needed to be voted on by the citizens. Manager Buck answered that it does not need to go to vote because it is a lease payment. Councilor McDonough suggested looking locally for financing.

Motion made by D. Martin, seconded by MK Barbosa, to accept Trane's Engineered Proposal for Energy Savings. (7 yes) So voted.

Council Agenda Item #8: Consider authorizing amendments to the 2012 Municipal Budget prior to tax commitment.

Manager Buck reviewed the proposed amendments to the 2012 Municipal Budget.

- Fee for Brush Removal Tag Program – reduction of \$10,000.00.
- Adjustment of Revenue Sharing – increase by \$23,800.00.

June 27, 2012

12-16 Pg. 4

- Contractual Allowances – increase by \$36,436.04.
- Tri-Community Landfill MSW Fees – increase by \$10,099.00.

The proposed amendments amount to a net increase of \$32,735.04. With acceptance of the proposed amendments the Net Municipal Commitment would be \$3,774,026.29 which is a decrease of \$157,852.70 when compared to 2011.

Motion made by D. Martin, seconded by MK Barbosa, to accept proposed amendments to the 2012 Municipal Budget prior to tax commitment. (7 yes) So voted.

Council Agenda Item #9: Consider setting a Mil Rate for the commitment of the 2012 Property Taxes.

Manager Buck presented information regarding the 2012 Municipal Tax Rate Calculation.

- For 2012, the City of Caribou's local taxable real estate valuation is \$453,206,300 and the personal property valuation is \$18,305,900.
- The reimbursement for the Business Equipment Tax Exemptions program (BETE) has been reduced from 70% to 60%.
- In 2010, the State reduced the Homestead Exemption from \$13,000 to \$10,000. In 2011 the City's Assessment Ratio was 83% so the exemption was \$8,300. In 2012 the Exemption will be restored to \$10,000 because of Caribou's Assessment Ratio of 100%.
- The 2012 County Tax payment is \$364,644 which is an increase of \$8,592. The City's share of the RSU #39's budget is \$3,212,918 which is an increase of \$121,149. For 2012 the adjusted Budget is \$8,958,823.45.
- The City of Caribou has no Debt Service expense.
- The City anticipates receiving \$4,298,778.17 in Other Revenues outside of taxation.
- All the numbers to calculate the Mil Rate have been set or decided up to this point by a majority vote of the City Council.
- The minimum Mil Rate necessary to support the previously set budgets is \$19.32 per thousand and the maximum Mil Rate as defined in MRSA Title 36 could be \$20.28 per thousand.

Management is recommending an Overlay of \$25,000. If the Mil Rate is set at \$19.32 then the Overlay will be \$987.02. The Manager provided information on Overlay amounts for several different Mil Rates. Since 2011 several parcels have been removed off from the tax rolls; including railroad land and Mic Mac property.

Motion made by P. McDonough, seconded by G. Aiken, to set the 2012 Mil Rate at 19.32 for the commitment of the 2012 Property taxes. (7 yes) So voted.

Council Agenda Item #10: Consider setting the date of Commitment for the 2012 Property Taxes to be committed to the Tax Collector as July 1, 2012, pursuant to MRSA Title 36, §505 (1).

Motion made by P. McDonough, seconded by G. Aiken, to set the 2012 Tax Commitment Date as July 1, 2012 for the Board of Assessors to commit the same to the Tax Collector. (7 yes) So voted.

Council Agenda Item #11: Consider establishing a date that the 2012 Property Taxes will be due and payable, pursuant to MRSA Title 36, §505 (2). Recommend July 2, 2012.

Motion made by D. Martin, seconded by P. McDonough, to make the 2012 Property Taxes due and payable as of July 1, 2012. (7 yes) So voted.

June 27, 2012

12-16 Pg 5

Council Agenda Item #12: Consider establishing a date for interest to begin accruing on any delinquent 2012 Property Taxes, pursuant to MRSA Title 36, §505 (4)
(Recommend Monday, October 1, 2012)

Motion made by MK Barbosa, seconded by P. McDonough, to set the date for interest to being accruing on any delinquent 2012 Property Taxes as October 1, 2012. (7 yes) So voted.

Council Agenda Item #13: Consider establishing a Rate of Interest to be charged on delinquent 2012 Property Taxes, pursuant to MRSA Title 36, §505(4).
(Recommend State Rate of 7.00%)

Motion made by D. Martin, seconded by P. McDonough, to Set the Rate of Interest for Delinquent 2012 Property Taxes at the maximum rate set by the State pursuant to MSRA Title 36, §505(4), Treasurer of State recommendation of 7%. (7 yes) So voted.

Council Agenda Item #14: Consider establishing a Rate of Interest for the Overpayment and or Abatement of property taxes for 2012, pursuant to MRSA Title 36 § 506-A.
(Recommend 4% less than 7% or 3%)

Motion made by D. Martin, seconded by P. McDonough, to set the Rate of Interest for the Overpayment and or Abatement of property taxes for 2012 as 4% less than the State rate of 7% for delinquent taxes, or 3% pursuant to MRSA Title 36 § 506-A. (7 yes) So voted.

Council Agenda Item #15: Consider authorization of a Winter Roads Maintenance Contract with the County of Aroostook for certain roads in Connor Township.

The language used in the proposed Contract is the same as previous Winter Roads Maintenance Contracts for Connor; furthermore, it covers the same roads and the same number of lane miles. The new Contract does include a 2.5% increase for year two and another 2.5% for year three.

Councilor Aiken wants to see a clause added that would protect the City from spikes in fuel cost and materials.

Councilor Martin asked if the City of Caribou has received all moneys due from the County for the Connor Fire Protection Agreement. Manager Buck stated that the City has not received full payment and this issue could be resolved if the Council would sit down with the County Commissioners.

Motion made by D. Martin, seconded by P. McDonough, to table the authorization of the contract until the City can further investigate adding clauses to cover fuel and material increases. (7 yes) So voted.

Council Agenda Item #16: Consider implementing a Contract for Services with Maine Municipal Association for Management Search Services.

Motion made by P. McDonough, seconded by MK Barbosa, to authorize the Purchase of Service Agreement with the Maine Municipal Association to conduct a comprehensive search for a new City Manager. (7 yes) So voted.

Council Agenda Item #17: Consider placing to Bid certain tax acquired properties and setting minimum bid prices.

Motion made by D. Martin to put the six parcels out to bid for 110% of land value. Motion died for a lack of a second.

June 27, 2012

12-16 Pg 6

Motion made by D. Martin, seconded by P. McDonough, to place the six parcels out to bid with a minimum bid of 110% of land valuation. (7 yes) So voted.

Council Agenda Item #18: Consider setting a Public Hearing date to address the intersection of Wright & Bradley Streets by amending Code Chapter 12, Section 12-502 Direction of Flow and Section 12-701 Townway Stop Designations.

Motion made by P. McDonough, seconded by D. Martin, to set a Public Hearing date of July 16, 2012 to consider modifications to Wright and Bradley Street to resolve traffic migration and safety issues at said intersection. (7 yes) So voted.

Council Agenda Item #18a: Consider authorizing the receipt of donation of land from Caribou Children's Discovery Museum.

Motion made by P. McDonough, seconded by D. Martin, authorize the receipt of donation of land from Caribou Children's Discovery Museum on Glenn Street. (7 yes) So voted.

Council Agenda Item #19: Issue a Response to the Grievance filed by employees on April 24, 2012.

There was discussion among the Councilors as to whether or not employees could file a Grievance regarding the process of Council.

Motion made by D. Martin, seconded by MK Barbosa, to issue the response dated June 27th in reply to concerns expressed by the employees on April 24, 2012. (5 yes, 2 no, G. Aiken, P. McDonough) So voted.

Council Agenda Item #20: Consider setting a Summer Meeting Schedule of one meeting per month for July and August. (July 16th & August 13th)

The Council decided to hold a regular meeting with the Public Hearing on July 16th with a workshop on July 23rd. They will decide at the July 16th meeting the meeting dates for August. At the July 23rd Workshop, Manager Buck recommends the Council discuss the Manager Search process and budgetary items.

Council Agenda Item #21: Other Business

a. Letter for Toys for Tots – Rudy St. Peter

The local coordinator Rudy St. Peter notified the City of a fund raiser being held September 2, 2012 for Toys for Tots. The City of Caribou does not participate in this program as Caribou runs its own local independent program.

b. Report of the Investment Committee

The Committee recommends at this time to do nothing with the Maine Pers Program until such time as the investment opportunities are at least 2.5% yield. The Finance Director has confirmed that these moneys can be withdrawn at any time.

c. Other

Councilor Thompson reported that the Economic Growth Council would like to meet with the Council and if possible with Manager Buck. It was decided to meet at the Lions Building on July 10th at 7:00 a.m. Manager Buck praised the work done by members of this Council.

Councilors Aiken, Martin, and McDonough noted a few intersections that are dangerous because of hedges or bushes blocking visibility.

June 27, 2012

12-16 Pg. 7

Meeting Dates previously set:

- Elected Officials Workshop July 25, 2012 at NMDC in Caribou Registration at 4:00PM Training from 4:30 – 8:30PM via video conference

Council Agenda Item #22: Adjourn

Motion made by P McDonough, seconded by D. Martin to adjourn the meeting. (7 yes) So voted.

Meeting adjourned at 9:57 p.m.

Jayne R. Farrin, Secretary