

June 27, 2011

11-12

A regular meeting of the Caribou City Council was held 7:00 p.m. on Monday, June 27, 2011 in Council Chambers with the following members present: Mayor Kenneth G. Murchison, Jr., David Martin, John R. Boone, Mary Kate Barbosa, R. Mark Goughan, and Miles R. Williams. Deputy Mayor Christopher A. R. Bell was absent and excused.

Steven R. Buck, City Manager and Michael Shrewsberry, Community Development Director.

Also attending the meeting were Troy Haney of Spud Speedway, Bud Ayer, and James Cyr.

Barbara Scott, representing the Aroostook Republican, and Time Warner covered the meeting

Council Agenda Item #1: Public Input. No Public Input.

Council Agenda Item #2: Consider authorizing the minutes of the June 13, 2011 Council meeting.

Motion made by D. Martin, seconded by MK Barbosa, to accept the minutes of the June 13, 2011 Council Meeting as presented. (5 yes, 1 abstention, M. Williams) So voted.

Council Agenda Item #3: Consider authorizing a Resolution in support of a USDA Grant for \$15,000 to promote the Caribou Farmers Market and enhance said facilities.

Community Development Director Michael Shrewsberry provided additional information. Letters of support have been received from Caribou Chamber of Commerce, Cary Medical Center, and Senator Susan Collins. If awarded, the grant will be used to help organize the site, provide amenities for the vendors, and deal with traffic and pedestrian safety issues. (See Exhibit A)

Motion made by M. Williams, seconded by D. Martin, to authorize Resolution in support of a \$15,000.00 Grant Application to the USDA, funding to promote the Caribou Farmers' Market and sales of locally grown produce to area residents. (5 yes, 1 abstention, M. Goughan) So voted.

Council Agenda Item #4: Consider authorizing amendments to the 2011 Municipal Budget prior to tax commitment.

Manager Buck reviewed the proposed amendments to the 2011 Municipal Budget.

- Ambulance Revenue – increase run volume projections by additional 10% or \$145,998.00 in revenues with adjustments being made to Bad Debt by \$10,362.17 and Contractual Allowances by \$17,592.54.
- General Government Legal Line – increase of \$3,500.00 to cover 2010 expenses paid in 2011.
- Chamber of Commerce – reduction of \$3,676.00.
- State Revenue Sharing – reduction of \$108,000.00.
- FEMA Reimbursement – increase of \$6,461.00 for a storm event that occurred December 12, 2010.
- Library – reduction of \$5,071.00 for decrease in operating hours and man-hours.

If the Council accepts the proposed amendments without adjusting State Revenue Sharing the net adjustment to Municipal Budget would be \$129,751.29. If the Council accepts the proposed amendments, including a reduction of \$108,000.00 in State Revenue Sharing, the net adjustment to Municipal Budget would be \$21,751.29. The Council reviewed the 2011 Municipal Tax Rate Calculation Form to consider the effect of the proposed amendments.

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Councilor M. Goughan commented that he was fine with the proposed amendments and would not support a change to the proposed reduction in State Revenue Sharing.

Motion made by D. Martin, seconded by M. Williams, to accept the proposed adjustments to the 2011 Municipal Budget prior to tax commitment except for State Revenue Sharing which will be set at \$966,000 or reduction of \$54,000. (4 yes, 2 no, M. Goughan and J. Boone) So voted.

Council Agenda Item #5: Consider setting a Mil Rate for the commitment of the 2011 Property Taxes.

Manager Buck presented information regarding the 2011 Municipal Tax Rate Calculation.

- For 2011, the City of Caribou's local taxable real estate valuation is \$258,871,100 and the personal property valuation is \$15,154,000.
- The reimbursement for the Business Equipment Tax Exemptions program (BETE) has been reduced from 80% to 70%.
- In 2010, the State reduced the Homestead Exemption from \$13,000 to \$10,000 and with the City's Assessment Ratio of 83% the exemption will be \$8,300 for those taxpayers that qualify.
- The 2011 County Tax payment is \$356,051 and \$3,092,769 is the City's share of RSU #39's budget. As approved by the City Council, the Municipal Appropriation, including Gymnasium Debt Service, is \$8,972,425.88.
- On September 15th, the City will make the 5th of 5 payments on Referendum approved Debt Service for the Gymnasium construction. This last payment equals .76 of a Mil.
- 2010 Lapsed Appropriations was \$10,000.00 as compared to \$103,338.00 in 2010.
- 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 \$26.05 per thousand and the maximum Mil Rate as defined in MRSA Title 36 could be \$27.35 per thousand.
- This year it will be necessary to do a specific vote to override LD 1 Property Tax Levy because of the reduction in Municipal Revenue Sharing. Since 2008, the City had carried forward excess capacity. Next year the City will pick up capacity because of this year's reduction in Municipal Revenue Sharing.
- The State Planning Office – 2011 Municipal Property Tax Levy Limit Worksheet was reviewed line by line. The City will exceed the LD 1 limit by \$21,840.00.
- A Mil Rate of 26.10 will provide an Overlay of \$14,178.00.

There was discussion among the Councilors regarding the 2011 Municipal Property Tax Levy Limit Worksheet and it being necessary to vote to exceed the LD 1 Tax Levy Limit – one time.

Motion made by D. Martin, seconded by M. Williams to set the 2011 Mil Rate at 26.10 for the commitment of the 2011 Property taxes. (5 yes, 1 no, M. Goughan) So voted.

Mayor Murchison noted that the Charter Commission's Preliminary Report includes several changes to the budgeting process and that many issues will be addressed earlier in the budget cycle.

Councilor M. Goughan explained that he will vote in favor of exceeding the LD1 Property Tax Levy Limit even though he voted against the budget.

Motion made by D. Martin, seconded by M. Williams to exceed, one time override, LD 1 Property Tax Levy Limit by \$20,358.15 due to the estimated decrease in State Revenue Sharing. (6 yes) So voted.

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Council Agenda Item #6: Consider setting the date of Commitment for the 2011 Property Taxes to be committed to the Tax Collector as July 1, 2011, pursuant to MRSA Title 36, §505 (1).

Motion made by J. Boone, seconded by MK Barbosa, to set the 2011 Tax Commitment Date as July 1, 2011 for the Board of Assessors to commit the same to the Tax Collector. (6 yes) So voted.

Council Agenda Item #7: Consider establishing a date that the 2011 Property Taxes will be due and payable, pursuant to MRSA Title 36, §505 (2). Recommend July 1, 2011.

Motion made by M. Williams, seconded by D. Martin, to make the 2011 Property Taxes due and payable as of July 1, 2011. (6 yes) So voted.

Council Agenda Item #8: Consider establishing a date for interest to begin accruing on any delinquent 2011 Property Taxes, pursuant to MRSA Title 36, §505 (4)

Motion made by D. Martin, seconded by J. Boone, to set the date for interest to begin accruing on any delinquent 2011 Property Taxes as Thursday, October 6, 2011, pursuant to MRSA Title 36, §505 (4). (6 yes) So voted.

Council Agenda Item #9: Consider establishing a Rate of Interest to be charged on delinquent 2011 Property Taxes, pursuant to MRSA Title 36, §505(4).

Motion made by M. Williams, seconded by D. Martin, to set the Rate of Interest for Delinquent 2011 Property Taxes at the maximum rate set by the State pursuant to MRSA Title 36, §505(4), Treasurer of State recommendation of 7%. (6 yes) So voted.

Council Agenda Item #10: Consider establishing a Rate of Interest for the Overpayment and or Abatement of property taxes for 2011, pursuant to MRSA Title 36 § 506-A.

Motion made by D. Martin, seconded by M. Williams, to set the Rate of Interest for the Overpayment and or Abatement of property taxes for 2011 as 4% less than the State rate of 7% for delinquent taxes, or 3% pursuant to MRSA Title 36 § 506-A. (6 yes) So voted.

Council Agenda Item #11: Consider processing requests for Licenses for the following:

a. Special Amusement Permit renewal for Spud Speedway, Inc., 209 Thompson Road
Troy Haney offered additional information on the Feed the County Concert Event, including the handling of traffic. Mr. Haney is agreeable with Chief Gahagan's recommendations.

Motion made by D. Martin, seconded by M. Williams, to approve the Special Amusement Permit of Spud Speedway, Inc. for the Feed the County Concert Event providing that the following stipulations are met: facility parking and traffic patterns prior to and post Event are approved by Caribou Public Safety, Spud Speedway will hire one Ambulance and two EMT's for the duration of the Event from the opening of parking to disbursement of patrons post concert, and hire additional Caribou officers to total one officer per one thousand tickets sold with a minimum of three officers hired. (6 yes) So voted.

b. License for Incorporated Civic Organization, Limestone Snow Hawks at Spud Speedway on August 20, 2011

Motion made by D. Martin, seconded by MK Barbosa, to approve the license for Incorporated Civic Organization, Limestone Snow Hawks at Spud Speedway on August 20, 2011 providing the following

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stipulation is met: Three Caribou police officers will be hired for the tent, one to oversee ID checks, one in the tent, and one to oversee patrons. (5 yes, 1 abstention, M. Williams) So voted.

- c. B.Y.O.B. Permit for Lindsey R. Beaupre for September 10th at the Lister-Knowlton VFW Post 9389, 253 Van Buren Road

Motion made by D. Martin, seconded by MK Barbosa, to approve the B.Y.O.B Permit for Lindsey R. Beaupre for September 10th at the Lister-Knowlton VFW Post 9389, 253 Van Buren Road. (5 yes, 1 abstention, M. Williams) So voted.

- d. B.Y.O.B. Permit for John P. Cyr for July 2nd at the Lister-Knowlton VFW Post 9389, 253 Van Buren Road

Motion made by D. Martin, seconded by MK Barbosa, to approve the B.Y.O.B. Permit for John P. Cyr for July 2nd at the Lister-Knowlton VFW Post 9389, 253 Van Buren Road. (5 yes, 1 abstention, M. Williams) So voted.

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

This business is an active participant in the server training program.

Motion made by D. Martin, seconded by MK Barbosa, to approve the Restaurant Class Liquor License for Chris Richards d/b/a The Par & Grill. (5 yes, 1 abstention, M. Williams) So voted.

- f. Special Amusement Permit for Chris Richards d/b/a The Par & Grill

Motion made by D. Martin, seconded by MK Barbosa, to approve the Special Amusement Permit for Chris Richards d/b/a The Par & Grill. (6 yes) So voted.

- g. Bottle Club Registration for Lister-Knowlton VFW Post #9389, 253 Van Buren Road

Motion made by D. Martin, seconded by MK Barbosa, to approve the Bottle Club Registration for the Lister-Knowlton VFW Post #9389, 253 Van Buren Road. (5 yes, 1 abstention, M. Williams) So voted.

- h. First time application by Scott Walker d/b/a (TBD) for a Lunch Wagon Permit

The Lunch Wagon Permit is needed when a business wants to park within the public way.

Motion made by M. Williams, seconded by D. Martin, to approve the Lunch Wagon permit for Scott and Ted Walker d/b/a The Guys with the Fries. (6 yes) So voted.

Council Agenda Item #12: Consider bids on tax acquired property Tax Map 30 Lot 162A, 20 Elm Street.

Two bids were received:

- \$8,100.00 Healthy Food Products, Inc.
- \$7,750.00 Paul Powers, BJJ Powers LLC

Motion made by D. Martin, seconded by M. Williams, to accept the bid of \$8,100.00 from Healthy Foods Products, Inc. for property Tax Map 30 Lot 162A, 20 Elm Street. (6 yes) So voted.

Council Agenda Item #13: Updates

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

- During the month of May, the State collected \$20 million over its projections. It is appears that the State will end its year on June 30th with a surplus.
- Charter Commission held its second Public Hearing on June 14th at CPAC. The Commission will meet sometime before the first of August to review public comments. The Commission will submit its revised Preliminary Report for legal review no later than August 5th. The Commission has allowed 30 days for legal review process and another 30 days to produce its Final Report. The Commission will submit to the City Council its Final Report and the format to present to the voters no later than September 26th. The Council must hold at least one Public Hearing prior to the November 8th election.
- Tri-Community Landfill – The dedicated leachate pipeline is on track for an early fall completion.
- Chamber of Commerce – Operations have been transferred to the City of Caribou. Renovations to the Nylander Museum are still pending negotiations for an acceptable price schedule for the work. Scope of work is to include electrical upgrades, lobby walls sheetrocked, and replacing damaged front doors and skylight. Michael Shrewsbury is working with Efficiency Maine to upgrade work space lighting as well as the museum lighting through a grant application. The Chamber of Commerce will be paying for the remodeling of the space to be occupied by them and the City will pay for the lighting and heating upgrades recommended by Efficiency Maine.
- Public Works Retirement – Long term employee, Leo Hebert, retired after 37 years of service. The Department held a luncheon in his honor. He will be missed by the Department. Currently the City is advertising two openings in Public Works due to this retirement plus an employee left to work elsewhere.
- Storm Damage and Roads – The FEMA threshold has not been met for storm damages that occurred June 8th and 9th. The Public Works' summer schedule has been pushed back three weeks as the Department has been busy handling repairs to damaged areas.
- Caribou Connector – Construction continues on Routes 89 and 1 with major earth moving occurring activities along the length of the corridor. A media event, with a photo opportunity and tour of the corridor, has been scheduled for June 28th. Administration continues to work with Larry's Construction and obtaining a negotiated settlement. The former CCC&I will donate two lots in the light industrial park for new facilities for Larry's Construction.
- Airport – On June 28th, Soderberg Construction will be given a Notice to Proceed for the on-site obstruction removal process. The contract period is for 45 days. LED lighting project is complete.

Council Agenda Item #14: Other Business

- a. First Read: Informational Package pertaining to the Let's Move initiative and pending Proclamation consideration for July
- b. First Read: Fiscal Agent Agreement with the State of Maine Department of Conservation for repairs to the Bangor and Aroostook Multi-use Trails

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- c. Other – Councilor Goughan asked about Homestead Exemptions and how the \$8,300.00 exemption amount was determined. The Manager explained that it is determined by the City’s ratio of full value. Councilor Goughan offered a comment regarding the State and how programs, such as this, are started and then the State whittles it away. He stated that one of the problems the Council faces is labor cost. When he was elected to the Council, the City’s labor expense represented 49% of the budget and now it is nearly 55%. Councilor Goughan is disappointed with tonight’s vote.

Meeting Dates previously set:

- Cary/Council Meeting June 29, 2011 at 5:00 p.m., Chan Center, Cary
- Teamster’s Mediation July 12 & 13, 2011 All Day Council Chambers – Teamster’s Mediation may be rescheduled.
- Council Meeting July 18, 2011 at 7:00 p.m. Council Chambers
- Other Committee Meetings as set

A Council Workshop follows adjournment of this meeting.

Council Agenda Item #15: Adjourn

Motion made by M. Williams, seconded by D. Martin, to adjourn the meeting.

Meeting adjourned at 9:12 p.m.

Jayne R. Farrin, Secretary