

April 13, 2015

15-12

A regular meeting of the Caribou City Council was held 6:00 p.m. on Monday April 13, 2015 in Council Chambers with following members present: Mayor Gary Aiken, Deputy Mayor David Martin, Philip McDonough II, Joan L. Theriault, Shane McDougall, Tiffany J. Stewart, and Jody R. Smith.

Austin Bless, City Manager was present.

Department Managers: Penny G. Thompson, Tax Assessor; Michael Gahagan, Police Chief; Gary Marquis, Supt. of Parks & Recreation; and Scott Susi, Fire Chief.

Members of the Maine Elks Association: Thomas Callahan, State President; James Ferland, Past State President; Gregory Daniel, Past State President; Alan Harding, President Presque Isle Elks; Mike LaFrance, Past Lodge President; Curtis Lewin, Drug Awareness District Chair; and Rachel Murchison, Lodge Chaplain.

Members of the Police Chief Michael W. Gahagan's family.

Joshua Archer, representing the Aroostook Republican; and Time Warner covered the meeting.

Prior to Public Input:

Each year, the BPO Elks present the Enrique S. Camarena Award to a member of the law enforcement community who best exemplifies the qualities and principles for which DEA Agent Camarena, in 1985, gave his life. Nominees should be involved in their communities in efforts to make them drug-free.

James Ferland, Past State President, announced that Police Chief Michael W. Gahagan has been selected as Maine's 2015 Enrique "Kiki" Camarena Award Nominee and his name has been submitted to the National Organization for their consideration.

Congratulatory remarks were given by Mayor Aiken, City Manager Bless, and Elk members.

Council Agenda Item #1: Public Input

Paul R. Camping, Secession Committee, requested and received permission to speak under Agenda Item #6 Petition on Secession.

Milo Haney requested reimbursement of \$735.00 for attorney fees plus the interest that he incurred while disputing his 2012 personal property taxes.

Council Agenda Item #2: Declaration of Conflicts of Interest from the City Council regarding any agenda item.

None.

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

- a) March 23, 2015 Council Meeting
- b) March 30, 2015 Special Council Meeting
- c) April 7, 2015 Council/Nylander Meeting

Motion made by P. McDonough, seconded by J. Theriault, to approve the minutes of the March 23, 2015 Council Meeting, March 30, 2015 Special Council Meeting, and April 7, 2015 Council/Nylander Meeting as presented. (6 yes) So voted.

Council Agenda Item #4: Consent Agenda

- a) March 2015 Police Department Report
- b) March 2015 Fire Department Report
- c) March 2015 Library Department Report
- d) Approval of Quit Claim Deeds
 - 1. Aroostook Cold Storage LLC – Map 28 Lot 78
 - 2. Danielle McLaughlin – Map 34 Lot 167
- e) Approval of Licenses
 - 1. Liquor License & Special Amusement Permit
 - I. Caribou Country Club
 - 2. Rubbish Haulers Licenses
 - I. Pine Tree Waste
 - II. McNeal's Trucking
 - 3. Taxi Licenses
 - I. Lori Hodsdson dba Town Taxi

Motion made by P. McDonough, seconded by J. Smith to approve the Consent Agenda with Business Items A-E as presented. (6 yes) So voted.

Council Agenda Item #5: Public Hearing on CDBG Application

City Manager Bless stated that the City is working with Virtual Managed Solution (VMS) in developing a CDBG application that if approved, would assist VMS in adding 100 new jobs. The CDBG application is for \$367,833, which is half of the total project costs of \$735,666. The other half of the funds would come from other sources. Manager Bless noted that VMS has outstanding taxes of \$17,430. Manager Bless also stated he thinks this is a good project and the impacts would be very beneficial for Caribou.

6:32 p.m. Public Hearing opened.

CB Smith, CEO of VMS, spoke about the opportunities ahead for VMS with addition of a new client that would require hiring additional employees. Currently VMS employs twenty-five. This opportunity would allow the interjection of \$3.2 million in payroll into the local economy. Mr. Smith stated that VMS is not in the position to come in and pay all outstanding taxes, but he stated that VMS is working on getting them paid.

Maynard St. Peter stated that the outstanding taxes should be paid before this is approved. Mr. St. Peter asked if the City's economic development program was being used as a funding source for the other half of the project. CB Smith replied that the City's economic development program was not being used. Mr. St. Peter asked how many jobs \$3.2 million would bring to the community and Mr. Smith stated between 50 and 70. Additional questions were asked about whether the new employees would be residents of Caribou or the surrounding communities and what would this project add in taxes to the City. Mr. Smith commented that many of the new employees could be former ATX employees. VMS plans to do some minimum upgrades to the building. The City is more likely to see an increase in the personal property valuation because of equipment being added.

April 13, 2015

15-12 Pg. 3

Duane Walton, NMDC Director of Business Finance, stated that he is working to assist VMS with the other necessary funding. Mr. Walton has worked with CB Smith and VMS since the beginning. In addition to adding jobs, VMS plans to pay employees more than typical service centers do.

Jan Murchison was told the CDBG application is due April 24th. Mrs. Murchison questioned what the conditions would be regarding the back taxes.

Steve Boody, partner at VMS, stated that regular payments are being made on the back taxes. Mr. Boody stated the projected \$3.2 million in payroll is new money to the County and will be spent by employees in the Caribou area.

Ken Murchison, a member of the Caribou Business Investment Group (B.I.G.) congratulated CB Smith and VMS for being named the 2015 Veteran Small Business Owner of the Year. Mr. Murchison applauded the City for working on a grant application to help VMS; furthermore, it sends a message that Caribou is open for business.

CB Smith stated that having to pay the taxes in full before that application is submitted will kill the project.

Mark Goughan spoke in support of the City moving ahead with CDBG application.

Councilor Martin spoke in support of the CDBG application.

If the grant is approved, the City serves as fiscal agent as the award is made to the City and then the City forwards the money to the vendors. Documentation of jobs creation is a necessary part of the grant process.

CB Smith stated that the scope of the grant application has been scaled back from \$735,666 to \$645,000 and 100 jobs to 50 to 70 jobs.

The application is due on April 24th, and it is anticipated the grant awards will be announced no sooner than July 1. If the City is awarded the grant, funds would not be available until the September-October timeframe.

CB Smith stated that he like the idea of having a plan to pay the back taxes. He stated he would commit to making regular payments during the time of the application and award process, and if the taxes are still are not current, then the tax balance will be added to his other loan package.

6:55 p.m. Public Hearing closed.

Motion made by J. Smith, seconded by D. Martin, to move forward with the CDBG Application process contingent on a plan for the payment of back taxes is made between CB Smith and Manager Bless. (6 yes) So voted.

Council Agenda Item #6: Petition on Secession

Paul R. Camping, Caribou Secession Committee (CSC) spokesperson and resident of 710 Grimes Road, formally requested a public hearing as called for in the CSC's petition. Mr. Camping outlined the purpose of the public hearing and the committee's request that the hearing be classified as a legislative public hearing rather than a quasi-judicial public hearing. The CSC provided the Mayor and City

April 13, 2015

15-12 Pg. 4

Manager a list of items that are needed from the City so that the committee can prepare the required Tax Impact Statement. Mr. Camping referred to the City Manager's memo that suggest dates and potential locations for the public hearing. The CSC would prefer the public hearing to be held Saturday, May 23rd at 7:00 p.m. at the RSU#39 Caribou Performing Arts Center rather than a Tuesday or Thursday at the City of Caribou's Wellness Center as outlined by Manager Bless in his memo.

The CSC provided an outline for their suggested format for the running of the public hearing. The Mayor stated his surprise that the CSC requested that the hearing be held Saturday evening of Memorial Day week-end. Maynard St. Peter stated that date was selected so it would allow the CSC time to complete their work, people work during the week and are available on week-ends, and the suggested time was to accommodate the residents of north Caribou that attend church Saturday evenings. Mr. St. Peter offered to pay the fee to use the Caribou Performing Arts Center.

The Mayor suggested that Council wait to set the public hearing date until the CSC receives the requested information and they have determined that the Tax Impact Statement will be ready. Mr. Camping stated that in a "perfect world" the CSC would have the report completed one week prior to the public hearing.

Motion made by J. Smith, seconded by T. Stewart, to table setting the public hearing date to April 27, 2015 Council Meeting. (6 yes) So voted.

Council Agenda Item #7: Connor Snowplowing Contract

Motion made by P. McDonough, seconded by S. McDougall, to approve the Snow Removal Contract with the Aroostook County Commissioners for the Unorganized Territory of Connor. (6 yes) So voted.

Council Agenda Item #8: Downtown Paving Project Bids

Motion made by S. McDougall, seconded by P. McDonough, to accept the low bid of \$186,444 from Trombley Industries of Limestone. (6 yes) So voted.

Council Agenda Item #9: Parks and Recreation Vehicle

Motion made by P. McDonough, seconded by J. Smith, to accept Griffeth Ford Lincoln's Option #2 for a new 2015 F250 for a price of \$26,900. (6 yes) So voted.

Council Agenda Item #10: Nylander Museum Ordinance

Councilor McDonough introduced Ordinance No. 7, 2015, an Ordinance amending Chapter 15, Section 15-101, Nylander Museum, Short Title: An ordinance regarding the Nylander Board of Trustees.

Public Hearing to be held April 27, 2015.

Council Agenda Item #11: Personal Property for Caribou Hydraulic

Motion made by J. Smith, seconded by J. Theriault, to abate \$1,403.32 in personal property taxes. (6 yes) So voted.

Council Agenda Item #12: Other Business

1. Council recognized the attendance of Boy Scout Troop #~~186~~ 184*. By attending a Council meeting, the Scouts are completing one of the requirements for one of their citizenship merit badges. **amended per vote of the Council April 27, 2015.*
2. Motion made by J. Smith, seconded by P. McDonough, to forgive interest of \$201.29 for Milo Haney's personal property taxes contingent that Mr. Haney pays the remaining personal property taxes in full within 30 days. (6 yes) So voted.
3. The Mayor will schedule an Investment Committee meeting.
4. The Council voted in February to mark City vehicles with the City logo. Councilor Theriault commented that the vehicles have been lettered but the logo hasn't been added. There was Council discussion concerning what is appropriate markings for a City vehicle. Manager Bless stated that the logo can be added.
5. The Mayor commented on the unkempt appearance around Tri-Community's two recycling sites. The City Manager will contact Mark Draper.

Council Agenda Item #13: Executive Session pursuant to 1 MRSA §405(6)(E) to discuss a legal issue.

7:42 p.m. Time In. Motion made by P. McDonough, seconded by J. Theriault, to move to Executive Session with City Manager Bless and Police Chief Gahagan pursuant to 1 MRSA §405(6)(E) to discuss a legal issue. (6 yes) So voted.

7:55 p.m. Time Out. Motion made by D. Martin, seconded by P. McDonough, to move out of Executive Session. (6 yes) So voted.

Motion by D. Martin, seconded by J. Smith, to approve the proposed settlement negotiated at a judicial settlement conference in Nichols v. City of Caribou and to approve the Consent Decree in the consolidated cases of United States of America v. City of Caribou and Nichols v. City of Caribou. The City Manager is authorized and directed to sign the decree and any other documents that may be required to comply with the decree and any provision therein. (6 yes) So voted.

Council Agenda Item #14: Executive Session pursuant to 1 MRSA §405(6)(D) to discuss economic development.

7:56 p.m. Time In. Motion made by P. McDonough, seconded by J. Theriault, to move to Executive Session with City Manager Bless pursuant to 1 MRSA §405(6)(D) to discuss economic development. (6 yes) So voted.

8:07 p.m. Time Out. Motion made by P. McDonough, seconded by J. Smith to move out of Executive Session. (6 yes) So voted.

Motion made by D. Martin, seconded by S. McDougall, to allow the City Manager to bid on property going for auction. (5 yes, 1 no, P. McDonough) So voted.

Motion made by P. McDonough, seconded by J. Smith, to adjourn the meeting. (6 yes) So voted.

April 13, 2015

15.-12 Pg. 6

Upcoming Meeting Dates:

Regular City Council Meeting April 27, 2015 at 6:00 p.m.

Regular City Council Meeting May 11, 2015 at 6:00 p.m.

Jayne R. Farrin, Secretary