

August 10, 2015

15-19

A regular meeting of the Caribou City Council was held 6:00 p.m. on Monday August 10, 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; and Wanda Raymond, Finance Director.

Joshua Archer, representing the Aroostook Republican covered the meeting.

Council Agenda Item #1: Public Input

None.

Council Agenda Item #2: Audit Presentation – Felch and Company

Felch and Company representative Gisele McDonald stated that the City received a clean report. Ms. McDonald gave a summarized overview of the 2014 Audit. According to Exhibit A Statement of Net Position, the City's governmental activities assets are \$22,001,744 with total liabilities of \$1,485,955 for a total net position or net equity of \$20,515,789. The business type activities of the Ambulance Department are recorded as a separate proprietary fund of the City. At the end of 2014, this fund had total assets of \$1,203,318 and total liabilities of \$143,321 with a net position or net equity of \$1,059,997.

Exhibit B shows the City's governmental total expenses were \$12,535,216 with an additional Ambulance Department expense of \$1,774,291 for a total for the City of \$14,309,507.

Supplement 1 shows a budgetary comparison for both the General Fund and Ambulance Service. The City budgeted revenues of \$11,083,769 for the General Fund and actually collected \$11,205,315. The City budgeted expenses at \$11,442,922 with actual expenses coming in at \$11,299,062. The actual excess of revenues over expenditures to be \$93,747. There were various transfers to other funds resulting in a net decrease in the Fund Balance by \$456,793. The Fund Balance at the end of 2014 was \$2,796,439.

Felch didn't note any internal control issues. Airport and Housing program are in compliance.

For the future, Mayor Aiken requested the Audit Report pages be numbered.

Council Agenda Item #3: Declaration of Conflicts of Interest from the City Council regarding any agenda item.

None.

Council Agenda Item #4: Consider authorizing the minutes of the following meeting:

a) July 13, 2015

Motion made by S. McDougall, seconded by D. Martin, to approve the minutes of the July 13, 2015 Council Meeting as presented. (6 yes) So voted.

Council Agenda Item #5: Consent Agenda

- a) July 2015 Fire Department Report
- b) July 2015 Library Department Report
- c) June 2015 Financials
- d) Nylander Board Appointment
  1. Gail Hagelstein – term ending 12/31/2016
- e) Approval of Licenses
  1. Caribou Bowladrome and Sports Inn  
Special Amusement and Liquor License applications
  2. Great Wall dba Jade Palace Restaurant  
Special Amusement and Liquor License applications
- f) Writing Off Bad Debt
  1. \$20,000 bad debt – Facilities, Inc.
- g) CDBG Advisory Committee
  1. Designate the Caribou Economic Growth Council (CEGC) as the CDBG Advisory Committee

Motion made by P. McDonough, seconded by D. Martin, to approve Consent Agenda Items with business items A-G as presented. (6 yes) So voted.

Council Agenda Item #6: Steve Nasiff – Nasiff Land LLC

Mr. Nasiff stated that recently a change had been done with the note for the property and that he continues to be the owner. He is here today with a timeline to make it an empty lot. Mr. Nasiff has learned there are uses for the estimated 270 truckloads of cement materials located on the Caribou property. Mr. Nasiff presented a timeline for the property cleanup:

- 1) Asbestos will be removed during the first half of September
- 2) Construction budget (buildings being knocked down) during the second half of September
- 3) Then a sorting process to remove items like steel
- 4) Once the site is cleaned there may be some interest in the property.

He stated that the property should be a clean and commercial site within 30 to 40 days from the start.

Mr. Nasiff objects to the City ordinance that prohibits the burying of materials on site. He wants to bring the buildings down and have the okay, if needed, to bury on-site. There was a discussion concerning the definition of debris.

Motion made by D. Martin, seconded by P. McDonough, to follow the 2014 order that was accepted and voted by the Council pursuant to MRSA Title 17 § 2851. (6 yes) So voted.

Council Agenda Item #7: Ordinance Regarding Sale of Municipal Property

7:12 p.m. Public Hearing opened.

Hugh Kirkpatrick – Mr. Kirkpatrick offered comments regarding the sale of two municipal lots. He started his remarks with a brief history of Caribou's urban renewal plan and the move from on-street to

off-street parking. Mr. Kirkpatrick handed out copies of an urban renewal handout dated 1969, which promoted “free off-street” parking. He stated that buildings were built because of the promise of “free off-street” parking. Mr. Kirkpatrick stated that the continuance of the off-street parking is vital to economic viability of the Caribou Urban Renewal plan. The Urban Renewal plan adopted on June 19, 1969 by the City Council included five objectives with the third objective to provide the project area off-street parking and eliminate on-street parking. Mr. Kirkpatrick questions the legal opinion received from Maine Municipal Association concerning the City’s obligations under the Urban Renewal plan expired June 25, 1994. Mr. Kirkpatrick states that the City will not see any savings in the Public Works Department by the selling of the parking lots. This evening, he hopes that the Council will be convinced not to sell any parking lots. If asked, he is certain the business community will be pleased to join the Council to explore appropriate ways to reduce the cost of municipal government.

Cheryl St. Peter – owner of a building in the downtown mall area - asked the Council several questions: 1) will abutters be given the option of “first refusal” to purchase a lot? 2) will the Council consider splitting up the lots and selling individual spaces? 3) what would be the definition of an abutter, if abutters were given “first refusal”? 4) if abutters are given “first refusal” how would the Council determine who to sell to? 5) if abutters are not given “first refusal” then what factors would the Council use to determine who to sell to? 6) does the Council fully recognize the negative consequences of the loss of public access to free parking and negative business atmosphere? And 7) has the City checked with the United States Housing and Urban Development to determine whether the 1969 Urban Renewal plan and the underlining legal statute which states that any changes to the plan requires agreement to the proposed revisions from all affected redevelopers?

Patrick Bennett – building owner – Mr. Bennett stated that Mrs. St. Peter asked some very good questions and is curious to know the answers during the Council’s discussion. He complimented Mr. Kirkpatrick for his summary of the plan. If the Urban Renewal parking lots are sold then nearly all downtown public parking will be eliminated. Mr. Bennett spoke about the parking lots being assets of the City and if they are sold there would be costs to the public at-large including the loss of free public parking. If parking is wiped away, Mr. Bennett stated that buildings will become landlocked. This could be seen as a “taking” which could result into a cost for the City and reduction of property tax valuations. He wonders if the public assets of the parking lots are sold what other public assets might be considered for sale by future City Councils. He cautions the Council to move slowly and wisely.

Marla Raymond – owner of the building and business Healing Hearts located on the corner of Prospect and Hershel Streets – Ms. Raymond purchased this building because of the free public parking at the Hershel Street lot. Since then this lot has been sold and no longer are her twelve employees able to park there. She has had clients miss their appointments because they were unable to locate parking. She urged the Council not to sell any more parking lots.

Debbie Sutherland – owner of Brambleberry Market – The business is five years old. This is the third time in five years that subject of parking lots has come up. She is concerned that her rent could go up if the building owners purchase the parking lot. She requested that the Councilors consider before voting on any issue whether their vote would help the future of Caribou, whether it is business friendly, does the vote promote and encourage people to open a business in Caribou, will the vote support the

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Manager and the positive plans he has for Caribou's future, and how does this vote affect the positive events that could be held in the future.

Clara Ann Floyd – representing Maine Dance Academy – Ms. Floyd read an email from Colleen DuPlissie – Ms. DuPlissie wrote that her taxes had more than doubled since she purchased the building in 2004. Availability of public parking large enough to accommodate her 300 students was one of the reasons she acquired the building and located her business in Caribou. She stated that we need our City to back small businesses.

William Tasker – 15 Superior Drive – Executive Director of the Caribou Area Chamber of Commerce – Mr. Tasker opposes the ordinance as it is written.

Sam Collins – stated that the Council is taking a short term viewpoint on how to reduce taxes. Mr. Collins stated that if the Council sells an asset of the City that there could be unintended consequences that are not thought of today. He requested that the Council reflect and to think about 5, 10, or 15 years down the road and not only about today.

Kurt St. Peter – stated that the money he pays in taxes is over \$17,000 each year. He stated that he feels trapped as he debates the purchasing of a parking lot. He encouraged the Council to think before selling more parking lots.

Mayor Aiken wonders what would happen with parking if another 200 people start work in the downtown.

Patrick Bennett stated that the City needs to take ownership of this because the City encouraged Sitel to locate downtown knowing that it would be a large employer and would put pressure on parking. Mr. Bennett stated that the answer to not enough parking is not to sell more parking.

8:23 p.m. Public Hearing closed.

Motion made by J. Smith, seconded by D. Martin, to adopt Ordinance No. 10, 2015 Series, An Ordinance regarding the Sale of Municipal Property as presented. (4 yes, J. Smith, D. Martin, P. McDonough, G. Aiken, 3 no, J. Theriault, T. Stewart, S. McDougall) So voted.

Council Agenda Item #8: Authorizing Sale of American Legion Parking Lot

Motion made by D. Martin, seconded by P. McDonough, to authorize the sale of the American Legion Parking Lot to the American Legion for \$1.00. (4 yes, J. Smith, D. Martin, P. McDonough, G. Aiken, 3 no, J. Theriault, T. Stewart, S. McDougall) So voted.

Council Agenda Item #9: CDBG Grant for VMS

Motion made by J. Smith, seconded by J. Theriault, to drop the Memorandum of Understanding (MOU) between the City of Caribou and Virtual Managed Solutions (VMS). (6 yes) So voted.

Council Agenda Item #10: Authorizing Sale of Tax Acquired Property

Motion made by J. Smith, seconded by D. Martin, to accept the high bids of \$1,600 for 211 Ogren Road and \$750 for 20 Hillcrest Street from David Schmid. (6 yes) So voted.

Council Agenda Item #11: Approving Transfer of Forfeited Funds

Motion made by J. Smith, seconded by D. Martin, to approve transfer of \$345 to the Caribou Police Department from a criminal forfeiture case. (6 yes) So voted.

Council Agenda Item #12: Abatement of Personal Property Taxes

Motion made by S. McDougall, seconded by P. McDonough, to abate personal property taxes for:  
Jerel Morris, account number 541, tax amount \$21.23, tax year 2012  
Quo Vadis Preparatory School, account number 548, tax amount \$51.25, tax year 2013.  
(6 yes) So voted.

Council Agenda Item #13: Other Business

- a. Councilor McDonough requested information concerning the progress being made for the site and plans for the new school.
- b. Councilor Smith wants to know if the American Legion will pay for the town way.

Council Agenda Item #14: Executive Session pursuant to 1 MRSA 405(6)(A) to discuss personnel matters

8:42 p.m. Time in. Motion made by P. McDonough, seconded by T. Stewart, to move to executive session pursuant to 1 MRSA 405(6)(A) to discuss personnel matters. (6 yes) So voted.

9:00 p.m. Time out. Motion made by S. McDougall, seconded by J. Smith, to move out of executive session. (6 yes) So voted.

No action taken.

Motion made by J. Smith, seconded by J. Theriault, to adjourn the meeting.

Upcoming Meeting Dates:

Regular City Council Meeting September 14, 2015, 2015 at 6:00 p.m.

Regular City Council Meeting October 13, 2015 at 6:00 p.m.

2016 Budget Public Forums October 19, 20, 21, 2015 at 6:00 p.m.

Jayne R. Farrin, Secretary