

July 7, 2015

15-17

A workshop meeting of the Caribou City Council was held 6:00 p.m. on Tuesday, July 7, 2015 in Council Chambers with following members present: Mayor Gary Aiken, Deputy Mayor David Martin, Joan L. Theriault, Shane McDougall, Tiffany J. Stewart, and Jody R. Smith. Philip J. McDonough II was absent and excused.

Austin Bleess, City Manager was present.

Department Managers: Penny G. Thompson, Tax Assessor; Michael Gahagan, Police Chief; David Ouellette, Public Works Director, and Scott Susi, Fire Chief.

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

Caribou Secession Committee (CSC) Members, Paul Camping, Milo Haney, Doug Morrell, Freeman Wright, and Maynard St. Peter.

State Senator Peter Edgecomb and Representative Carol McElwee.

No one objected to limiting the meeting to no more than three hours.

Item #1: Discussion on Secession with Secession Committee

A joint meeting of the City Council and the Secession Committee where they further discussed the eight problems identified by the CSC in their official report and presented at the June 11, 2015 Secession Hearing.

**1. The "City Council-City Manager" form of government is inappropriate for the citizen of rural Caribou.**

CSC Discussion points:

- In 1967, Caribou changed from a Town Meeting to a City Council form of government.
- Lyndon would have a Town Meeting form of government, participation would be encouraged and everyone would get to vote on spending.
- CSC member St. Peter stated the Town form of government is the only way for them to gain control for what they need for themselves. He commented that City Departments are overstaffed, over budgeted, and overcompensated. Mr. St. Peter stated that it would take a referendum vote of the community to change from the City Council to a Town Meeting form of government.
- Discussion on the topic of wards and whether this would be best for Caribou.
- The Mayor would like additional information about Caribou's government before 1967 and the number of individuals that showed up and voted. He wants what is beneficial for the citizens.
- There was discussion concerning the RSU and the voter turnout.

- 2. The City Charter contains provisions that are unlawful, unconstitutional and violate the civil rights of every citizens in Caribou.**
- 3. The City Council has refused to implement zero-based budgeting.**

CSC Discussion points:

- Whether a section of the City's charter, Article VIII Ordinance Initiative and Referendum and Article II City Council Sec. 2.01(b) Eligibility, is illegal or unconstitutional.
- Article VIII is the reason why the CSC moved to secede under state law.
- Discussion as to whether you can circulate a petition under the current charter.
- Discussion as to whether the CSC should go through legal means to settle whether Article VIII and Article II City Council Sec. 2.01(b) Eligibility are illegal or unconstitutional.
- Discussion as to how to make changes to the Charter and what is an amendment versus revision.
- Zero-Based Budgeting.
- CSC would only want a Charter Commission if they had a seat at the table which would be three of the five CSC members.
- Make-up of the City Personnel Committee.
- Caribou's current budgeting practices.
- Discussion as to how Caribou currently prepares its budget.

#### **4. Work force**

CSC Discussion points:

- Discussion on number of employees and salary amounts.
- Contracting and privatization of services.
- Assistant City Manager position & Human Resources.
- Discussion about area communities and the services that they offer and receive and the number of employees in the area communities.
- Chamber of Commerce and the hiring of an Event Coordinator.
- CSC envisions a town government with three or four people working – one person wearing many hats – in Gray, Maine, one person wears 12 hats.
- Members of the CSC offered that they have made suggestions to the City in the past and that the council should "take them out and dust them off".
- Comparison between Town of Fort Kent and the City with road costs including snow removal.

#### **5. Ambulance Department Profits Unproven**

CSC Discussion Points:

- Mr. St. Peter stated that the hospital should manage and operate the ambulance service – this is their role and function – it is in their by-laws.
- CSC Representative Morrell stated providing ambulance service is too much of a risk for the City.
- Whether we operate the service or not, the City needs to provide ambulance service.

- The Mayor stated that he will look into whether the hospital is mandated to run an ambulance service.
- CSC questions why \$175,000 was appropriated to the Ambulance Service Reserve account if the service makes a profit. The Mayor stated that Ambulance Service Revenues go into the General Fund to reduce taxes.
- Discussion about the City's Comprehensive Plan.
- In the audit the Ambulance Service is reported as a Proprietary Fund.
- Mr. St. Peter stated the City has received back \$3.4 million back from an investment and the Council chose not to give back \$400,000 to the people to lower the mil rate. The City chose to pass the RSU #39's \$39,000 increase on to the taxpayers.
- Service surveys show that people are happy with City services.

**6. Excessively High Taxation Negatively Impacts the Rural Real Estate Market – Depreciating Home Values and Eroding Equity**

CSC Discussion Points:

- Discussion on whether houses assessed for over \$200,000 are selling in Caribou and how long houses are on the market.
- Mr. St. Peter wants to see houses assessed for what they are selling for.
- Discussion of a petition that took place in 2002.
- Mr. St. Peter wants to see concessions from the Council.
- Councilor Stewart offered her reasons for moving to Caribou by listing the services she was looking for while selecting a place to live.
- Mr. St. Peter stated that the Caribou Police Department has an excellent response time but he also thinks that they have more than what they need to do the job.
- Mr. Morrell and Mr. St. Peter discussed the State's valuation of the City. In Mr. Morrell's opinion, he feels Caribou across the board is overvalued by 25%.
- The CSC plans to continue using Caribou's current valuation number even after separating from the City.
- Discussion centered on "paying for only the services you need" and City's brush removal pickup.
- The territory will be able to operate at a mil rate of 15.9 according to Mr. St. Peter.
- There will be a volunteer fire department in the territory.
- Councilor Martin asked to what the mil rate would have to be for Caribou to stay Caribou. Mr. St. Peter stated that everyone at the table has a different philosophy on that, but in his opinion it would have to be around 18 mils. It would take around a \$2 million cut to get it to 18 mils and approximately \$2.6 million to get to a 15.9 mil.

With 12 minutes remaining, the CSC wants to know if Items 7 & 8 are a problem and, if so, what does the City have for a solution.

**7. Overfunding of the Capital Expense Budget**

- The Mayor does not believe the Capital Expense Budget is overfunded.
- Councilor Martin thinks it is wise to save up money and not have to pay interest.

**8. The City has a Strong Bias Against Rural Territory Residents**

- The Mayor strongly disagrees with this premise.

CSC Representative Camping stated "So here it is, we serve, we exist for the benefit of Caribou and you don't want to let us to secede because you don't want to lose our revenue, and that is a bias right there. Its institutional discrimination and a bias. The only thing you are concerned about is losing the revenue. That is why you are opposing secession and we are done here."

The Mayor stated "The only reason I am opposing secession is that I don't think it is in the best interest for all the citizens." Mr. Camping stated "Stop protecting us from ourselves, okay, we are adults just like you are, we have the right to shape our own destiny and that is what we are doing." Mr. St. Peter stated "We are just going through the process here, okay, and the process says this is something we have to do to get to the legislature, okay, by the time we get to the legislature, they will be fairly well informed of our plans and by the time we have to go to the referendum, they will be fully aware."

In Territory, the Sheriff's Department and the State Police will provide police coverage.

Mr. Morrell noted how Caribou ends up will depend on the reaction of the Council.

Mr. Camping stated "So, are you going to meet with us again and provide solutions to our problems or are we done?"

The Mayor asked the Council if they had any solutions to the problems. Councilor Martin stated "I don't think I have any solutions that they agree with."

Manager Bless noted the next step for the committee is to take this to the State Legislature, then referendum, then Council and after that the two sides would have to sit down.

Mr. St. Peter stated ". . . at this stage of the game we are not going to give in to anything here . . ."

Councilor Smith stated that the bottom line is lower taxes.

Meeting was adjourned at 9:00 p.m.

Jayne R. Farrin, Secretary