

Council Agenda Item #1: Roll Call

The Caribou City Council held a regular meeting Monday, June 24, 2019 at 6:00 p.m. in Council Chambers with the following members present: Mayor R. Mark Goughan, Deputy Mayor Jody R. Smith, David Martin, Joan Theriault, Hugh Kirkpatrick, and Thomas Ayer. Nicole L. Cote was absent and excused.

Dennis L. Marker, City Manager was present.

Department Managers and Staff: Kenneth G. Murchison (Zoning Administrator), Gary Marquis (Supt. of Parks & Recreation), Hope Shafer (Library Director), Christina Kane-Gibson (Events and Marketing), Dave Ouellette (Public Works Director), and Michael Gahagan (Police Chief).

Christopher Bouchard of the Aroostook Republican, Spectrum, and YouTube covered the meeting.

Council Agenda Item #2: Pledge of Allegiance

The Mayor led the Pledge of Allegiance.

Council Agenda Item #3: Public Forum

There wasn't any public input.

Council Agenda Item #4: Minutes

a. Special Council Meeting held June 17, 2019

Councilor Ayer noted that a correction needed to be made to the minutes. The correction: Change who made the motion and the second to approve the submission of a 2019 CDBG 2019 Public Service Grant from "T. Ayer, seconded by H. Kirkpatrick" to "H. Kirkpatrick, seconded by T. Ayer".

Motion made by J. Smith, seconded by J. Theriault, to approve June 17, 2019 Special Council Meeting minutes as corrected. (6 yes)

Council Agenda Item #5: Financials – May 2019

Manager Marker reviewed the May 2019 Financial Report:

- Airport expenses: A fuel purchase was made sooner than expected.
- Contributions expenses: The \$4,600 are for one-time expenses.
- Revenues: Waiting for tax commitment
- Code Enforcement: Permits fees are coming in sooner than expected.
- Airport: Fuel sales have been larger than anticipated.
- Overall revenues are approximately at 20% collected, but this will change once the tax commitment takes place.

The Mayor noted that Account 082 Ambulance Bad Debt Allowance from the Detailed Summary Report is at 49%. He stated that at the beginning of the year the amount was larger and that he found the current number to be interesting.

Motion made by J. Theriault, seconded by D. Martin, to accept the May 2019 Financials as presented. (4 yes, 2 no, Mayor Goughan, T. Ayer) So voted.

Council Agenda Item #6: Bid Openings, Awards, and Appointments

a. 153 River Road Bid Responses

The City didn't receive any bids for the mobile home located at 153 River Road, so at this time the City may dispose of the unit or put it back out to bid. The Manager recommends demolition and adding the expense to the road project expenses.

Motion made by J. Theriault, seconded by D. Martin, to have the Public Works Department demolish the mobile home located at 153 River Road. (6 yes) So voted.

Council Agenda Item #7: Public Hearings and Possible Action Items

There weren't any Public Hearings and Possible Action Items.

Council Agenda Item #8: New Business

a. Discussion and Possible Action Regarding Liquor Licenses

i. Renewal of The Par & Grill license at 118 Bennett Drive

Motion made by H. Kirkpatrick, seconded by T. Ayer, to approve the renewal of the liquor license for Chris Richards d/b/a The Par & Grill Restaurant, LLC as presented. (6 yes) So voted.

ii. Extension of Northern Maine Brewing Company License for outside sales
– July 26

Motion made by H. Kirkpatrick, seconded by J. Theriault to approve the Request for Extension of License on Premise for Northern Maine Brewing Company, LLC for July 26, 2019 as presented. (6 yes) So voted.

iii. Extension of Northern Maine Brewing Company License for outside sales
August 3

Motion made by H. Kirkpatrick, seconded by J. Theriault to approve the Request for Extension of License on Premise for Northern Maine Brewing Company, LLC for August 3, 2019 as presented. (6 yes) So voted.

The Mayor asked if applications for the "Request for Extension of License on Premise" were required to go before the Council. The City Clerk responded that it probably could be delegated as other type of liquor licenses have been. Currently the Clerk's Office approves Off Catering Permits and the Police Chief approves BYOBs.

b. Discussion Regarding Thursdays on Sweden Street Vendor Policy

The Mayor noted the proposed policy is a First Read item, but he questioned if there would be any problems during the next four weeks without the policy. The City Manager noted that the policy is a First Read item, but he asked for the Council's consideration of adopting the policy if there aren't any problems with the proposed policy. The City will be holding another Thursday on Sweden (TOS) Street event before the next scheduled Council Meeting. It was stated by the Mayor that he has no objections to action being taken by the Council tonight, if there aren't any objections by Councilors.

The proposed policy for vendor wares at TOS Street: No weapons, no adult themed items, and no drug related items.

Motion made by J. Smith, seconded by J. Theriault, to adopt the proposed Thursdays on Sweden Street Vendor Policy as present which prohibits the sale of weapons, adult themed items, and drug related items. (5 yes, 1 no, H. Kirkpatrick) So voted.

c. Discussion Regarding Request for Fixed Base Operator Services at the Airport

This is a First Read item. The City Manager reviewed the proposed Request for FBO Services for the Airport. He pointed out that staff wants additional direction from the Council on FBO priorities and the weighing factors for FBO selection (page 7 of the proposed RFQ). This has been reviewed with the Citizen's Airport Advisory Committee.

Motion made by H. Kirkpatrick, seconded by J. Smith, to table action on the proposed Request for Fixed Based Operator Services for the Airport. (3 yes, J. Theriault, H. Kirkpatrick, J. Smith, 3 no, D. Martin, T. Ayer, Mayor Goughan) Motion failed.

Councilor Theriault commented that she is confused as she thought this was a First Read only with discussion this evening, so there would be time to think about it, and if it goes on the next agenda then Council would decide. There was discussion among the Councilors.

Motion made by D. Martin, seconded by T. Ayer, to send the proposed Request for Fixed Based Operator Services for the Airport out to bid as presented. (5 yes, 1 no, Mayor Goughan) So voted.

d. Discussion Regarding Flora Dale Long Term Lease Agreement

This is a First Read item. The City Manager reviewed the proposed lease between the City and the owner of Burger Boy. The terms include the following:

Expiration: Renews year to year with 180-day notice for cancellation,

Lease Rate: Pay taxes as if privately owned (\$66 in 2019) and maintain the property,

Uses Allowed: General recreation purposed. Any improvement must have City approval,

Liability: Lessee shall maintain liability insurance and list the City as an additional insured.

Discussion. Councilor Ayer wants to make sure the Lessee is protected from future Councils. The City Manager suggested a provision could be added so if the City terminates the lease the Lessee could be compensated for the assessed improvements. Councilor Ayer expressed his frustrations with deeds for tax acquired properties.

e. Discussion Regarding 2019 Mil Rate

The City Charter requires the City Council to adopt a new mil rate before July 1st. The City Manager stated that there is still time to consider this a First Read and call a Special Council meeting for later this week. The Mayor interrupted the Manager to comment that three or four weeks ago he was told that it didn't need to be done by the first of July. It was mentioned that in 2017 it wasn't done before July 1st because necessary information from the State wasn't received before that date. There was discussion as to whether setting the mil rate could be done in August or not. Discussion. The City Manager continued with his report and the recommended mil rate of 0.0257 which is a two mil increase from the current 0.0237. Manager Marker reviewed a summary of several factors contributing to the recommend rate:

- The taxable real estate valuation dropped by \$592,000
- The taxable personal property valuation dropped by \$1,189,900
- The exempt business personal property under the BETE program increased by \$1,980,000 which means businesses are getting more tax relief, but the flip side is that the City only receives 53% of that value back from the state.
- The County appropriation increased by \$17,472
- The RSU 39 appropriation increased by \$297,627
- The Municipal appropriation increased by \$338,734
- The recommended rate assumes the Council will apply \$392,000 of the 2017 lapsed appropriations toward mil rate reduction as provided for in the City Charter
- The recommended rate assumes that the City receives the budgeted revenue sharing amount of \$580,000, which would result in an \$115,056 overlay. The budgeted overlay for 2019 was \$120,000. (Note: The recently passed state budget will generate over \$250,000 in additional revenue sharing, which is not accounted for in the mil rate calculation.)
- The recommended rate assumes no City expense budget reductions are made.

The City Manager noted that the City could see additional revenue sharing of \$250,000. In the expense budget, the City could eliminate the \$50,000 in the local senior homestead exemption and remove \$40,000 from the loader purchase. Manager Marker suggested that the City could with budget adjustments reduce the increase to one mil. He noted that the Council could take a week to “chew” on it or postpone it into August as this is Council prerogative. Discussion. Councilor Theriault noted that County and RSU 39 increases are on them and asked the Manager if there was some way to keep the City’s mil rate the same. Councilor Kirkpatrick stated that 0.84 of the two-mil increase is the County and RSU 39. He would support a 0.84 mil increase. Discussion. Councilor Smith pointed out that Aroostook Waste Solution – GL494 has a balance of \$348,163 and he suggested using those funds and zero out the account and when the new revenue sharing of \$250,000 is received to return it to GL494. Discussion.

Council consensus: The setting of the mil rate will be on the July 22nd agenda and there isn’t to be a mil increase on the City’s portion of the mil rate.

Councilor Ayer requested a weekly update on this.

f. Discussion Regarding Loan Servicing Agreement with NMDC

This is a First Read only. Discussion. The City Manager is to get a clarification of 1% fee mentioned in Section 1.1.E.3. NMDC doesn’t have a record that the City has ever had a loan service agreement with them.

g. Discussion Regarding Revolving Loan Fund Request #2019-01

This is a First Read only. The City Manager recommends that discussion on Revolving Loan Fund Request #2019-01 be held in executive session later in the meeting. The request is coming from Business Investment Group (BIG).

Council Agenda Item #9: Old Business & Adoption of Ordinances and Resolutions

a. Discussion Regarding River Road Reconstruction Project

Long-Term Fix: The engineering firm DuBois & King have determined that the failure of the River Road is a result of rotational landslide activities cause by multiple factors. This means the problems goes even deeper than anticipated. They are recommending

additional study be conducted including additional 12 borings that would go to a greater depth than was done with the original four borings. They want to see next spring time readings so that would mean that there wouldn't be a final decision or a recommended long-term fix for the River Road until next spring. The current \$150,000 contract with DuBois & King doesn't include these additional borings. So far, the City has paid them just a little over \$100,000. Discussion. Councilor Ayer stressed that this has gone on way too long and this has got to be fixed. Originally DuBois & King thought the movement on the road was much more surficial and shallow type of movement. Now for them to guarantee the plans and the road, they need more information so the additional borings are needed.

Short-Term Fix #1 – Fill in the hole again. Public Works would tear down and haul off existing homes. The cost of the materials would be approximately \$4,000.

Short-Term Fix #2 – Relocate the road. Public Works would tear down and haul off existing homes. Public Works would cut in a temporary road. This would include a cutting depth near 16-inches and filling in the path with 8-inches of gravel, 6-inches of asphalt millings, and then a 1.5-inches asphalt overlay. The cost of the materials would be approximately \$35,000.

Short-Term Fix #3 – Relocate the power and expand current driving lanes. Public Works would tear down and haul off existing homes. Have EMERA cut and remove their power lines within the disturbed bounds of the project. Public Works would expand the existing travel lanes with rebuilt shoulders. Cost for this option is estimated at about \$15,000.

Discussion. Director Ouellette requested direction from the Council concerning the River Road houses owned by the City. If Council wants Public Works to demolish the house, he needs to know this, so he can work it into their summer work schedule. Director Ouellette stated that he can build a temporary road while the City waits for DuBois & King and the right solution to the problem. Discussion.

Motion made by J. Theriault, seconded by D. Martin, to give Director Ouellette and the Public Works Department permission to demolish the three City owned houses on the River Road. (3 yes, J. Theriault, D. Martin, J. Smith, 3 no, H. Kirkpatrick, T. Ayer, Mayor Goughan) Motion failed.

Motion made by H. Kirkpatrick to put the three houses up for bid. Motion died for the lack of a second.

Motion made by T. Ayer, seconded by J. Theriault, to give Director Ouellette and the Public Works Department permission to demolish the three City owned houses on the River Road. (4 yes, T. Ayer, J. Theriault, J. Smith, D. Martin, 2 no, H. Kirkpatrick, Mayor Goughan) So voted.

Council Agenda Item #10: City Manager's Report

See attached Exhibit A.

Council Agenda Item #11: Reports and Discussion by Mayor and Council Members

Councilor Ayer thanked the Downtown Team for painting the light posts located in the downtown area. He asked if something could be done with the cages around the trees. He would like to see the fence at the Airport tidied up a bit, plus what is happening with the white building? The Manager stated that a demo permit needs to be acquired for the white building.

Councilor Kirkpatrick stated the High Street Reconstruction Project has started. Director Ouellette commented that the City's project is to start within two weeks following the completion of the MDOT project.

Council Agenda Item #12: Reports of Officers, Staff, Boards and Committees

No reports were given.

Council Agenda Item #13: Executive Session (May be called to discuss matters identified under Maine Revised Statutes, Title 1, §405(6))

a. Economic Development activities under §405(6)(C)

8:00 p.m. Motion made by T. Ayer, seconded by J. Theriault, to move into executive session under MRSA Title 1 §405(6)(C) to discuss economic development activities. (5 yes, H. Kirkpatrick recused himself and left Council Chambers) So voted.

9:17 p.m. Returned from Executive Session.

No action was taken.

b. Personnel Matter under §405(6)(A)

9:17 p.m. Motion made by J. Smith, seconded by J. Theriault, to move into executive session under MRSA Title 1 §405(6)(A) to discuss a personnel matter. (5 yes) So voted

9:22 p.m. Returned from Executive Session.

No action was taken.

c. Consultation with City Legal Counsel regarding pending litigation under §405(6)(E)

Councilor Kirkpatrick rejoined the Council.

9:22 p.m. Motion made by J. Smith, seconded by T. Ayer, to move into executive session under MRSA Title 1 §405(6)(E) for a consultation with City Legal Counsel regarding pending litigation. (6 yes) So voted.

9:53 p.m. Returned from Executive Session.

Motion made by J. Smith, seconded T. Ayer to adjourn. Mayor Goughan asked that the Council have further discussion on Agenda Item 8.g Loan request 2019-01. T. Ayer withdrew his second.

Councilor Kirkpatrick recused himself from taking part in the discussion. Councilor Martin expressed a desire to give the applicant a final answer and not leave the matter up in the air.

Motion made by D. Martin, seconded by T. Ayer, to provide a \$650,000 loan to the Business Investment Group (BIG).

Councilor Theriault shared concerns about the funding going toward a business that would not be operating in Caribou, there are not sufficient details about the operation nor are all the parties involved in the transaction known. Council Ayer noted that he trusted the analysis of BIG. Mayor Goughan opined that a good investment today is still a good investment tomorrow and that he felt that such things should not have been dropped in the Council's lap at the last minute. Mayor Goughan called for a vote.

(2 yes, D. Martin, T. Ayer, 3 no, J. Theriault, J. Smith, Mayor Goughan) Motion failed.

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Council Agenda Item #14: Next Meetings(s): July 22 Regular Meeting, July 23 Special Workshop

Council Agenda Item #15: Adjournment

Motion made by J. Smith, seconded by T. Ayer, to adjourn the meeting at 9:57 p.m. (6 yes) So voted.

Jayne R. Farrin, Secretary

River Road	See staff memo in Council packet
High Street	Work continues. During work in front of the library, a major water leak was identified between the main and the city's meter. Currently a temporary connection has been installed to supply water to the library. Trombleys has indicated a willingness to help fix the line when they are unable to work on the storm drain system (e.g. rain day or weekend). Ken Murchison and I walked the site on Friday. There is still much material that should be hauled from the site. The contractor has placed it in strategic areas to create reduce potential safety hazards, but more remains than necessary. Ken will follow up with McGillan on this. Also, we received a check for \$25,443 for recycled metals from the project. These funds have been placed in the Nasiff Cleanup reserve account to be applied toward additional clean up measures.
Birdseye Cleanup	Ken is getting bids for demolition on the 8 homes recently tested for asbestos. In the past, Public Works has hauled materials from these projects to help reduce costs. This may be necessary to complete all the demolition work on these properties this year.
Blight Cleanup	We received an official "the lights are now yours" from EMERA.
LED Light Study	Need to schedule a personnel committee meeting to review available information.
Wage and Classification Policy.	Need additional direction from the City Council on this.
Senior Homestead Tax Exemption P	Fire/EMS - Met with Chief Susi to review the contract. He is working on a revised call-back policy before we meet with the union.
Union Negotiations.	Police & Sergeants - Sent invitation to negotiate to the officers. Waiting to hear back on a date.
Pellet Furnace Systems	Mr. Kevin Adams has reported that he's found the circuit boards we need, but would have to buy a case of 20 at \$400/each (\$8,000). He's trying to locate some individual ones for sale. The new circuit boards would enable a system analysis on the individual boilers.
Flora Dale Park	See Council packet for update
Hilltop Senior Living	Project continues to move forward. The developers are currently working on additional financing. They recently reimbursed the city \$8,000 in consultant fees to get the TIF established. This was a requirement of the TIF development agreement. Machias bank has provided a loan to the developers and the city was given notice that Machias has been granted a collateral assignment in the event of default on the loan. Had a successful fly by the pound event. The committee met on June 20 to review positive elements and opportunities for improvements.
Airport	Met with the FAA and DOT to review the capital improvement plan. They understand the city's desire to have another revenue generating project. Due to funding strings a new hangar will have to wait until 2024 but additional site design and preparation work can be done ahead of that. CAP is drafting an agreement for consideration by the City to use our terminal building. The private firm interesting in financing the building construction is available to discuss options during the July 23 special meeting.
Public Safety Building	Site work continues.
Teague Park	Gary was able to transplant trees from the old Teague Park to the Sincok Park. No residence came to the neighborhood open house to discuss the new park design. One letter was received indicating a concern for the immediate neighbor to the north. That neighbor had already been contacted by Gary personally and expressed little concern about the proposal. The appraiser indicates the report will be completed this week with a value being reported by Wednesday, the 26th.
Sincok Park	Received a phone call from a commercial broker, indicating that they have a couple interested buyers for the building when the city is ready to put it out on the market. Sleepers has been notified that they have until July 1 to confine their materials to the designated 2,000 square feet within the building or the city will increase rent requirements.
60 Access Highway	Consultant waited until the legislature took final action on bills affecting franchise contracts. A final contract has been sent to Spectrum for their consideration. We are now waiting to hear back from them. The Legislature mandated that all areas having 15 units per mile be served by broadband services. Spectrum is arguing that the state can't dictate a service matter already handled by federal communications.
Cable Franchise Renewal	Dunkin Brands has completed the city's site plan and building permit review processes. It is our understanding that they are now working with the Caribou Utilities District to resolve concerns about a sewer line that would run underneath the store.
Dunkin Donuts	The Planning Board discussed major changes recommended by the myself during their last meeting. The changes includes some reorganization, clarifications, current law compliance, and process revisions. The Planning Board was supportive of the direction of the process changes and the work done so far.
Title 13 ReWrite	