July 23, 2019

19-18 Wksp.

Item #1: Roll Call

A Workshop meeting of the Caribou City Council was held 6:00 p.m. on Tuesday, July 23, 2019 in Council Chambers with the following members present: Mayor R. Mark Goughan, David Martin, and Hugh A. Kirkpatrick. Joan L. Theriault, Nicole L. Cote, and Thomas Ayer. Deputy Mayor Jody R. Smith was absent and excused.

Dennis L. Marker, City Manager was present.

Department Managers and Staff: Penny Thompson (Tax Assessor), Kenneth G. Murchison (Zoning Administrator), Christina Kane-Gibson (Events and Marketing), Michael Gahagan (Police Chief), Scott Susi (Fire Chief), and Hope Shafer (Library Director).

Item #2: Pledge of Allegiance

The Mayor led the Pledge of Allegiance.

Item #3: Public Forum

No Public Input.

Item #4: Work Session Items for Discussion

a. Financing Consideration for a New Public Safety Facility

The Council and representatives of Public Facilities Investment Corporation (PFIC) held a video conference call. PFIC specializes in the development and tax-exempt leaseback financing of public safety and correctional facilities for cities, counties, and states. Since 1969, they have be involved in over 200 public and private projects in 96 cities in 36 states. PFIC is a 501(c)(3). PFIC's Jeffrey Tamkin answered several questions from the Council, Police Chief, and Fire Chief. (Exhibit A – Presentation of Comprehensive Development Services for the Caribou Public Safety Project July 23, 2019)

Discussion. City Manager answered several questions from the Council. It appears that the maximum grant from USDA is $50,000. Funding discussion, including grants, earmarks, USDA loan, and Maine Bond Bank.

Both the Mayor and Councilor Theriault having been hearing from others in the community that the "need" is for a police station.

The Mayor wants a new police station on the next Council agenda.

b. Marketing & Branding Options

Events and Marketing Director Christina Kane-Gibson provided a PowerPoint on branding (Exhibit B). She led a discussion on branding and asked Councilors to share.

- The place to raise your kids
- Lifestyle

- Prepare a list of day trips out of Caribou
- Night sky – smells – open areas
- Friendly

Ms. Kane-Gibson asked the Councilors to complete her handout:

- What do you want people to know about Caribou?
- What are your marketing goals?

Ms. Kane-Gibson asked the Council what they want with a branding campaign. She will take what the Councilors offer and will use it to craft a strategy. The Mayor spoke about his marketing vision and its use of video. Councilor Cote suggested recognizing a business at each meeting.

c. Fire/Ems Services to Surrounding Communities

The City Manager went through a PowerPoint presentation.

- Caribou is the largest of the communities served with 67% of the total population
- Caribou generates almost 90% of the service calls
- Caribou spends the most on these services with it being $2.1 million
- Caribou is only one of two communities served that generates revenue with Caribou earning nearly $1.5 million. The other is Washburn/Wade and is a result of their providing fire services to Perham.
- Caribou's cost per person is approximately $91.00 with the overall average being $81.36.
- Based on calls, Caribou's average cost per call is $345.00

Chief Susi commented that the department is staffed for the City only and isn't staffed for the outside communities. Transfers runs are what occupies the department's time as they do one to two runs a day. The Chief referred to it as the "new normal" and the biggest generator of revenue as they account for about $900,000 of their revenue.

The workshop closed at 8:10 p.m.

Jayne R. Farrin, Secretary

Presentation of Comprehensive Development Services for the Caribou Public Safety Project

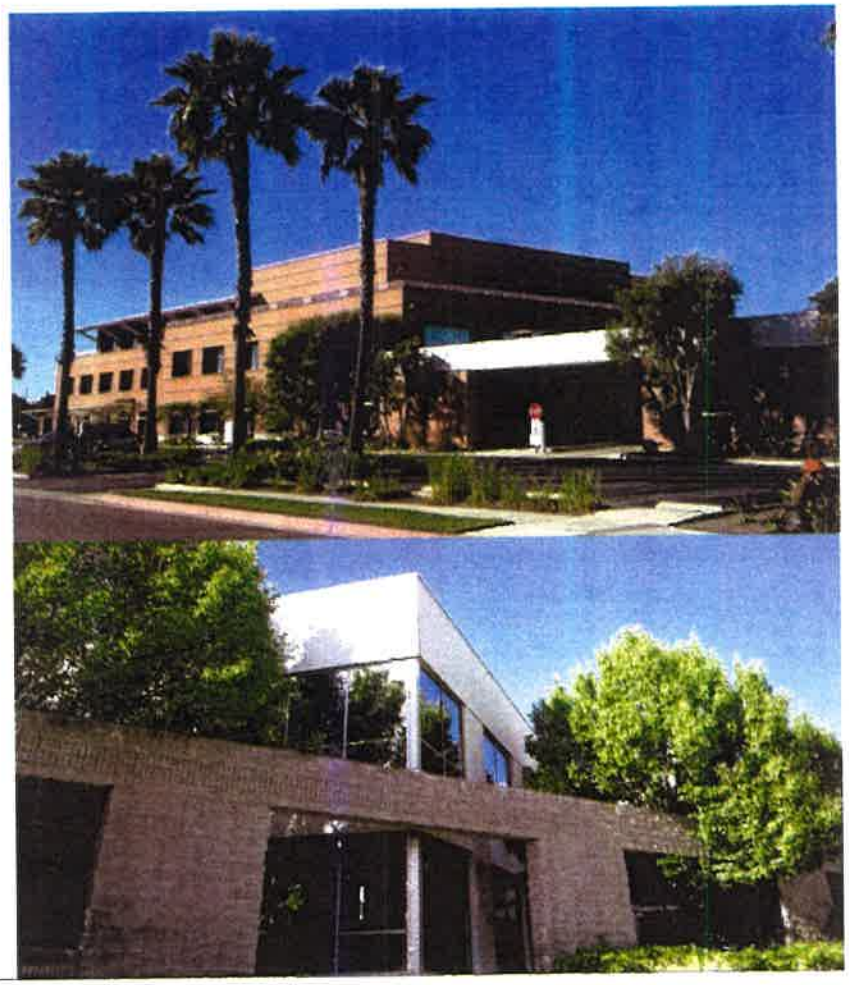
July 23, 2019

PFIC

Exhibit A

PFIC CORPORATE BACKGROUND

- Founded in 1969
- Over 200 public and private projects in 96 cities in 36 States.
- Specializing in the development and tax-exempt leaseback financing of public safety and correctional facilities for cities, counties, and states.
- Comprehensive programs transfer the design, construction, and financing risk from the public to the private sector.
- Expedites the development and financing process to lock in today's construction costs and interest rates.



PFIC

PFIC DEVELOPMENT SERVICES

- Provide a comprehensive / turnkey program including:
  - Pre-Planning / Feasibility Analysis / Site Location
  - Design / Engineering
  - Construction
  - Financing (tax-exempt, taxable, direct purchases, availability payments, concessions, etc.)
- Ground-Up Development, Renovation/Redevelopment of Existing Facilities, Asset Monetization

LEASEBACK FINANCING HIGHLIGHTS

- Tax-exempt rates – mirrors the City's borrowing rates
- Up to 35 year terms – subject to annual appropriation
- Short-term, financing available – structured around potential grants or bond issues
- 100% of project cost
- Lease payment never increases – flat for life of the term
- No lease payments during design and construction
- City can prepay the lease at cost at any time
- Can fully fund furniture, fixtures, equipment and technology
- Can be structured around current City revenues/cashflows
- Additional revenues retained by City

We continually review all available financing options/sources to ensure we are providing the most cost effective financing structure that meets Caribou's financial needs.

PFIC PROJECT EXAMPLE

- Montrose County, CO
  Detention Center
  Renovation & Expansion
- Under development
- 16 Mental Health Beds
- 16 Max Beds to comply with Federal Admin Segregation requirements
- Expanded Intake/Medical
- 30 Bed Community Corrections Facility
- 64 Bed Medium Security Pod

PFIC

OTHER PUBLIC FACILITY EXPERIENCE

City Hall/Police Station - McFarland, CA

Municipal Services Complex – Yukon, OK

Regional Sports Complex – Yukon, OK

Palmdale Youth Library – Palmdale, CA

Putnam County Business Park – Putnam County, FL

Dekalb County Fire & Rescue – Dekalb County, GA

Mendocino Coast Health District – Ft. Bragg, CA

North County Cemetery District – San Diego County, CA

DEVELOPMENT STEPS

1. Determine design scope and programming needs – all in collaboration with Caribou Fire and Police officers, the City of Caribou, and community stakeholders.

    - We can use Port City Architects or bid out to qualified firms.
    - Analyze current operations, future space needs, and expected population growth.
    - Identify site location, layouts, design, and development options to maximize efficiency and cost effectiveness.
    - Interview key staff and stakeholders to determine facility needs.
    - Ensure project programming and design meets the needs of the Police/Fire station while remaining within budget of the City.

2. Actual design of project commences.

    - Monitor estimated construction costs and subsequent lease payments.
    - Identify value engineering or additional alternative options if the estimated cost is lower or higher than the project budget.

DEVELOPMENT STEPS

3. General contractor provides guaranteed maximum price for the construction of the Project.
    - Can be negotiated, or bid out to qualified firms.
    - We ensure local trades and subcontractors are utilized to reduce costs and keep funds within the community.
4. PFIC ground leases the site for up to 35 years on an unsubordinated basis.
5. PFIC provides leaseback financing for 100% of the Project cost at tax-exempt rates through its non-profit, 501c3 development entity or City's preferred entity.
6. Upon expiration of the lease or prepayment of the financing by the City, title to the project transfers to Caribou.

PROGRAM/COMMUNITY BENEFITS

- Integrated project delivery brings all participants together early in a collaborative process to maximize value for the City.
- Expedited development schedule saves City money by locking in construction costs and interest rates before they continue to increase.
- Transfers design, construction, and financing risk to the private sector.
- City has complete control of the development process with minimal impact on staffing.

PROGRAM/COMMUNITY BENEFITS

- Development experience and budget control prevents the project from being "overdesigned".

- Provides an alternative source of tax-exempt funds through an annual appropriation lease that is generally not subject to voter approval.

- Enables the City and PFIC to focus on their core competencies: PFIC in designing, building and financing facilities and the City in public safety, administration and community service.

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PFIC

City of Caribou
Branding & Marketing

TONIGHT!

Goals, Strategy & Implementation

Exhibit B

May/June 2019:

HIGH LEVEL DISCUSSION: BIG PICTURE

Future Work Sessions:

TONIGHT!

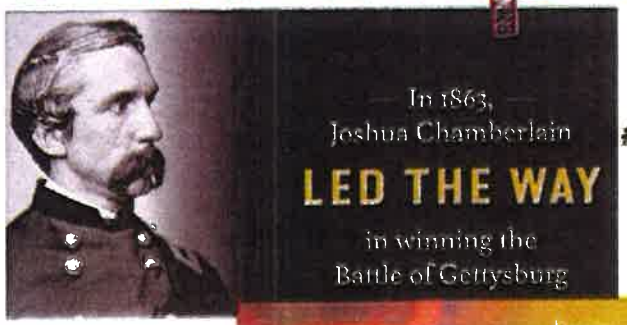
IDENTIFY CAMPAIGN GOALS

2. CAMPAIGN IMAGERY, STRATEGY, BUDGET...

3. IMPLEMENTATION PLAN & PHASES

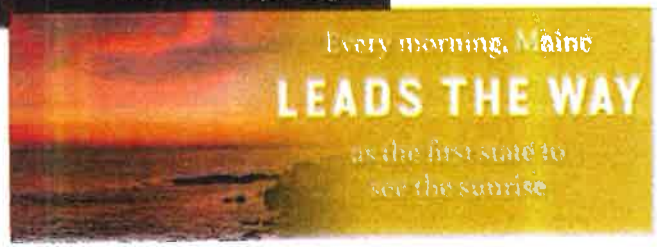
Campaign Examples:

MAINE OFFICE OF TOURISM
#MAINETHING



DIRIGO
#LEADINGTHEWAY

1820 2016
MAINE200
LEADING THE WAY



TECHNICALLY, CARIBOU'S CAMPAIGN WILL BE A RE-BRAND:

Rebranding a [company's] goals, message, and culture is hard --

A successful campaign requires more than a revamped logo. It demands a vision that inspires [customers], investors, and others to see the [company] in a new light. www.businessinsider.com

*** IN MY OPINION, OUR BIGGEST BRANDING ISSUE IS OUR LOGO. WITH NO MENTION OF CARIBOU OR MAINE... COHESION IS ALSO A PROBLEM.**

What is Branding?

THE PROMOTION OF A PARTICULAR PRODUCT OR COMPANY BY MEANS OF ADVERTISING AND DISTINCTIVE DESIGN.

CARIBOU'S BUILT IN BRANDING:

ICONIC NAME/IMAGERY
UNRIVALED SENSE OF COMMUNITY
SENSE OF PLACE: HOME
QUALITY OF LIFE

WHAT WE WANT PEOPLE TO KNOW:

BIZ FRIENDLY
PROGRESSIVE
DIVERSE
ETC... YOU TELL ME!

WHAT DO WE WANT PEOPLE TO KNOW ABOUT CARIBOU?

YOU TELL ME:

WHAT ARE YOUR MARKETING GOALS?

THE MOST NORTHEASTERN CITY IN THE UNITED STATES

Now What?

IT'S IMPORTANT FOR US TO ENSURE THAT THE CREATIVE AND TACTICS ARE TIED TO STRATEGY, GOALS AND MESSAGE.

I WILL TAKE YOUR RESPONSES AND MY NOTES TO ESTABLISH OUR GOALS AND MESSAGE.

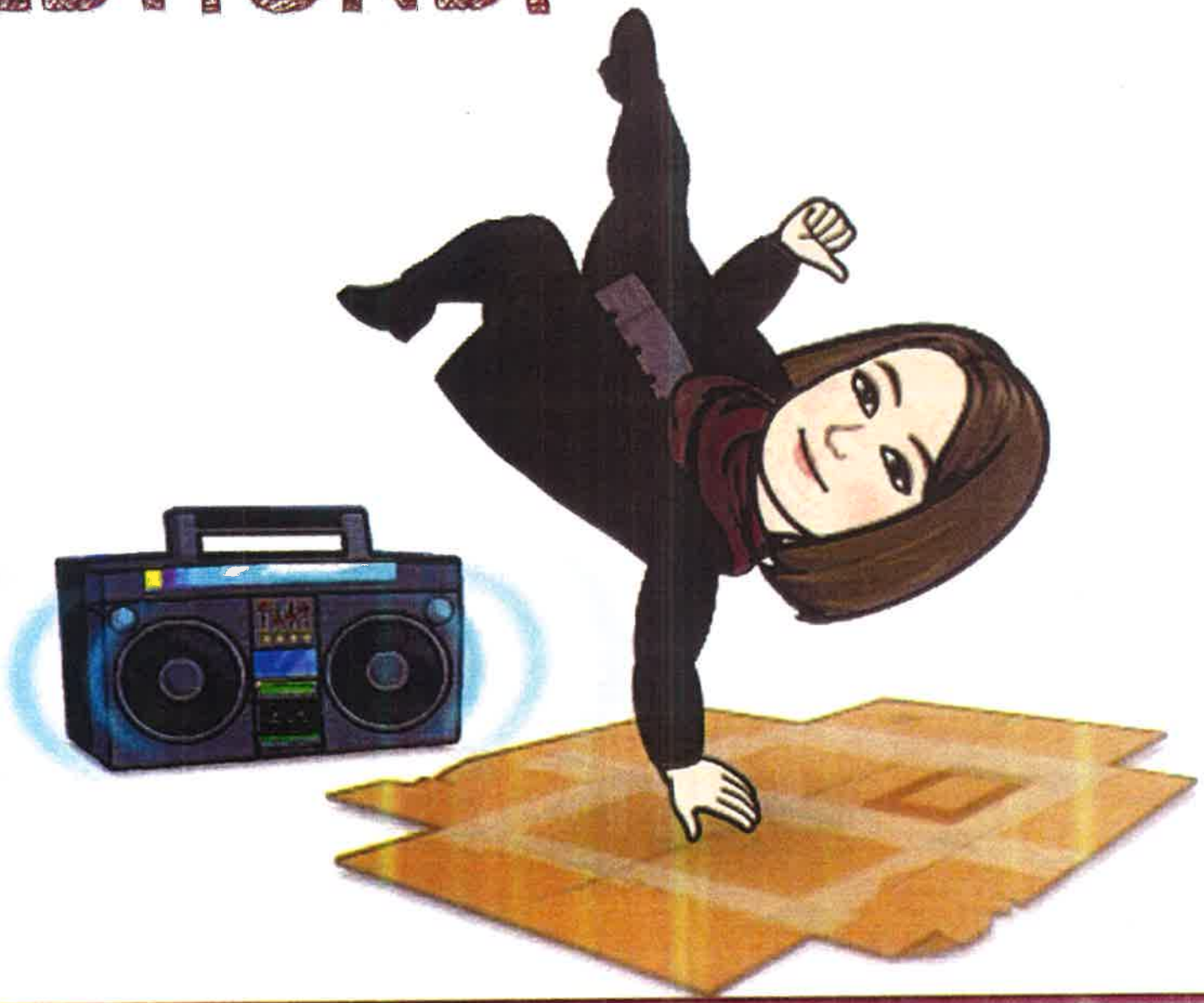
ONCE APPROVED:

MY JOB: MAKE THE MESSAGE TANGIBLE, CRAFT THE STRATEGY AND CREATIVE

NEXT WORK SESSION(S):

-REVIEW/EDIT/ENHANCE THE SRATEGY
-BUILD THE CAMPAIGN BUDGET & IDENTIFY ANTICIPATED ROI
-OUTLINE PHASES & IMPLEMENT PHASE 1

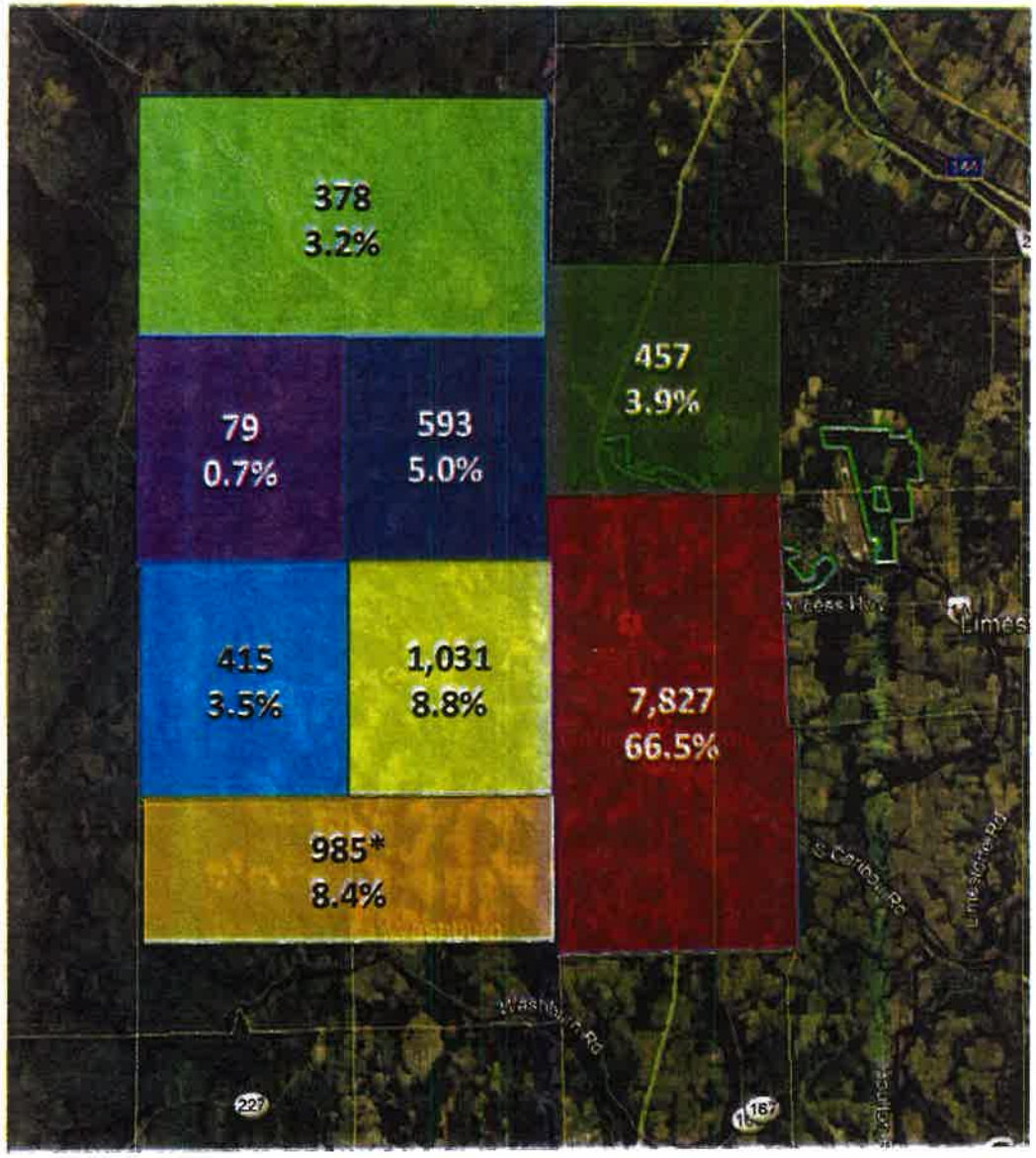
QUESTIONS?

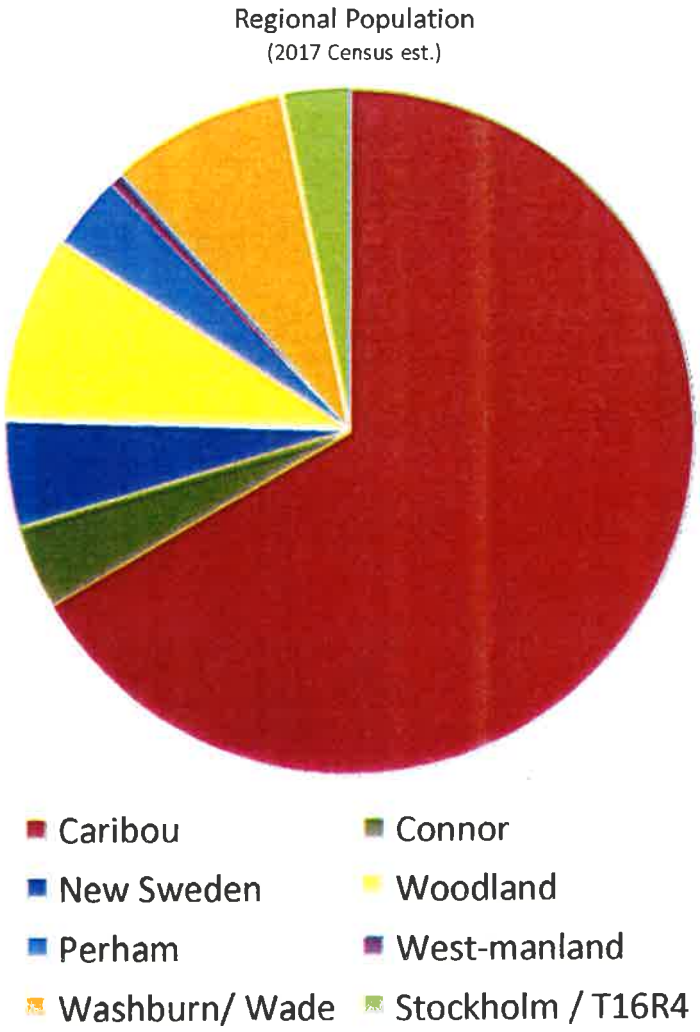


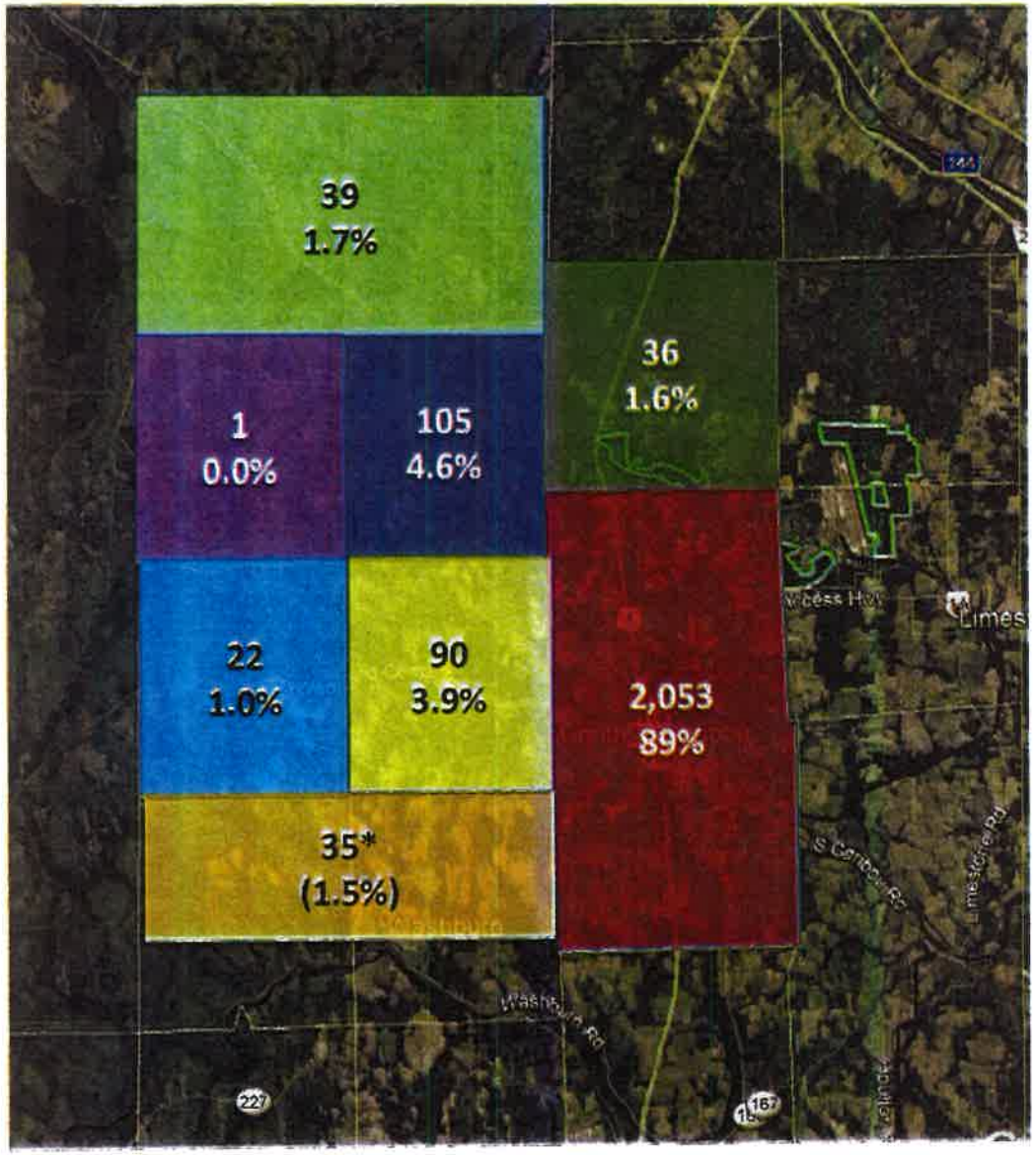
Fire/EMS Services in the Caribou Region

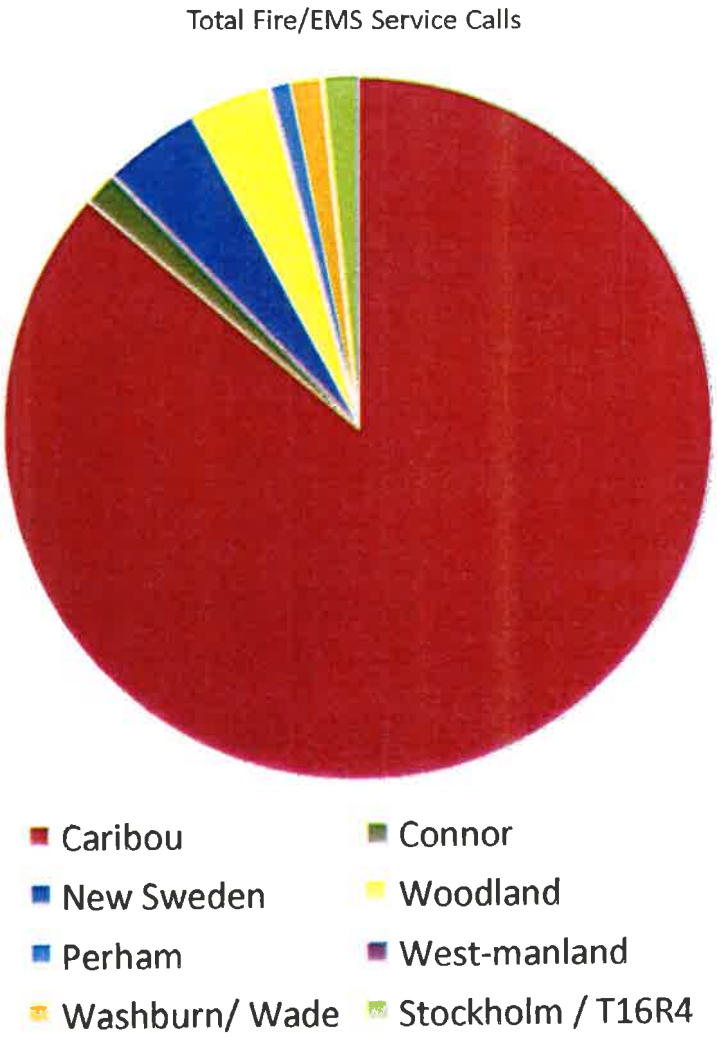
A Comparison of Cost per person in the communities serviced by Caribou Fire/EMS Department

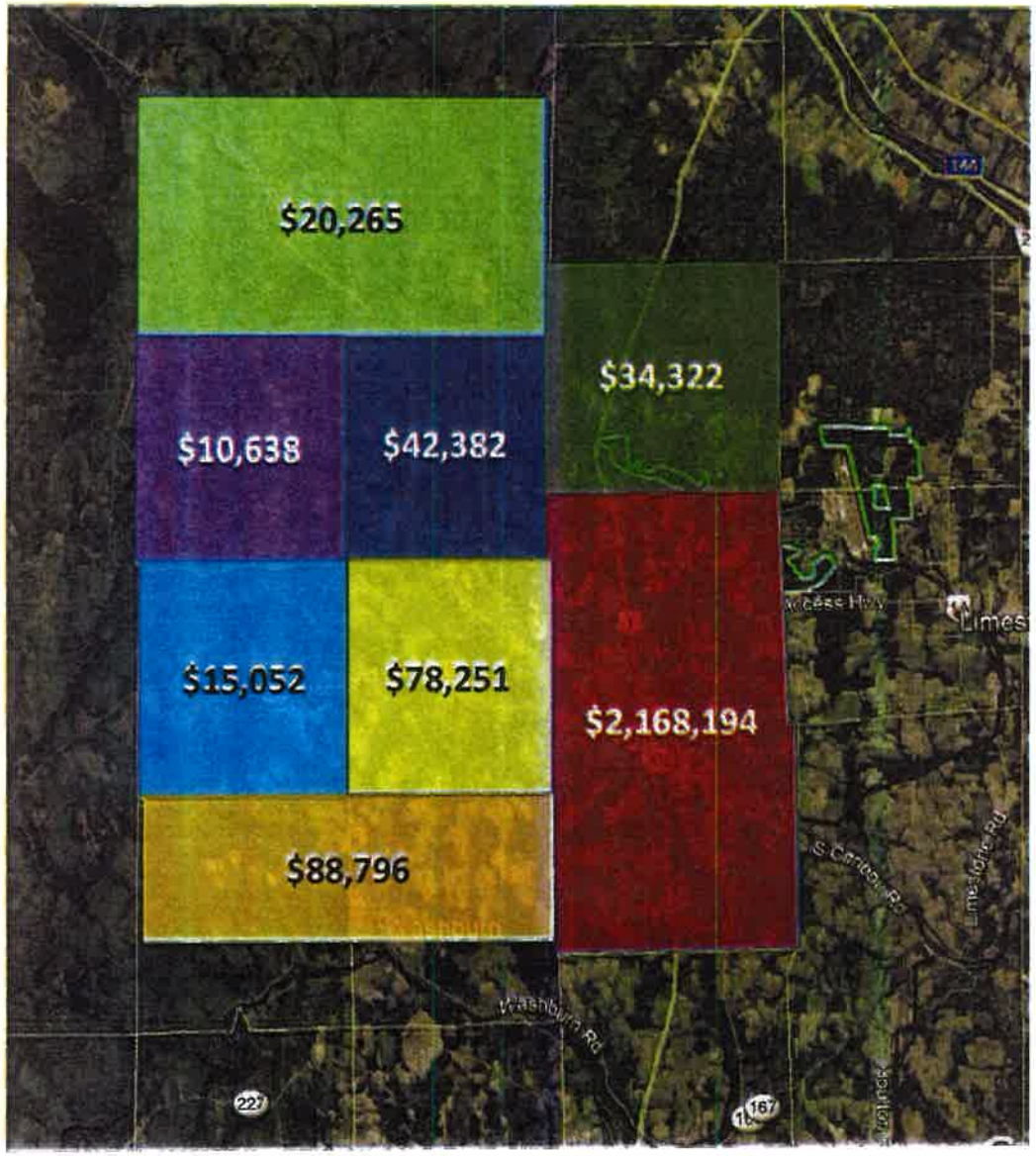
Exhibit C

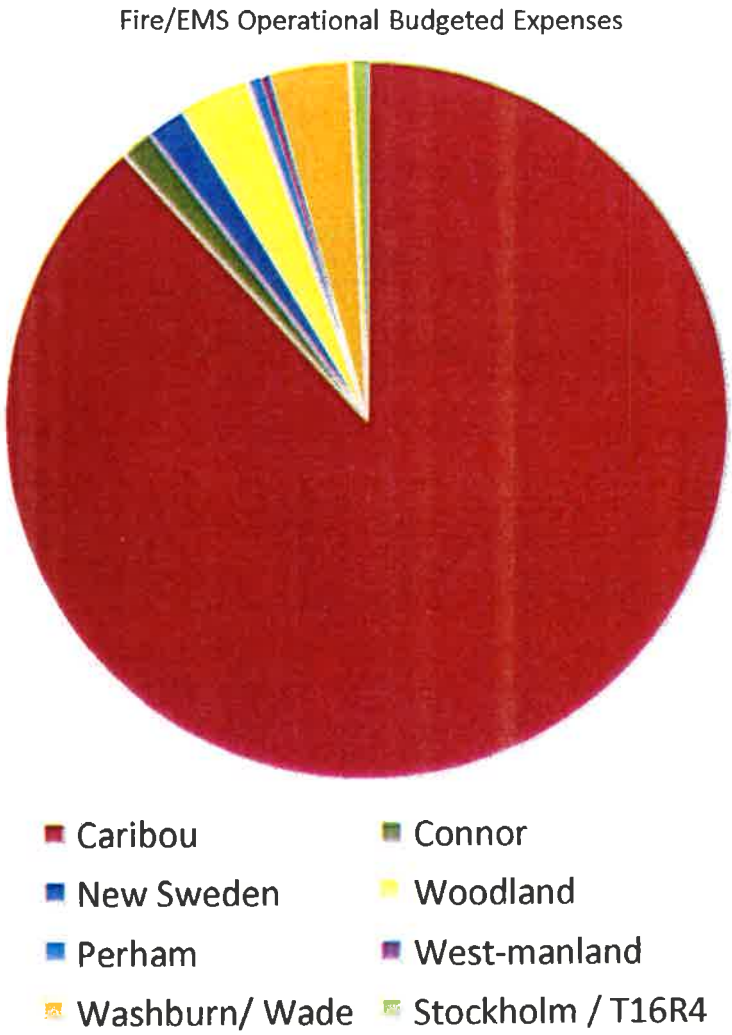

378
3.2%
457
3.9%
79
0.7%
593
5.0%
415
3.5%
1,031
8.8%
7,827
66.5%
985*
8.4%
Washburn Rd
Limestone Rd

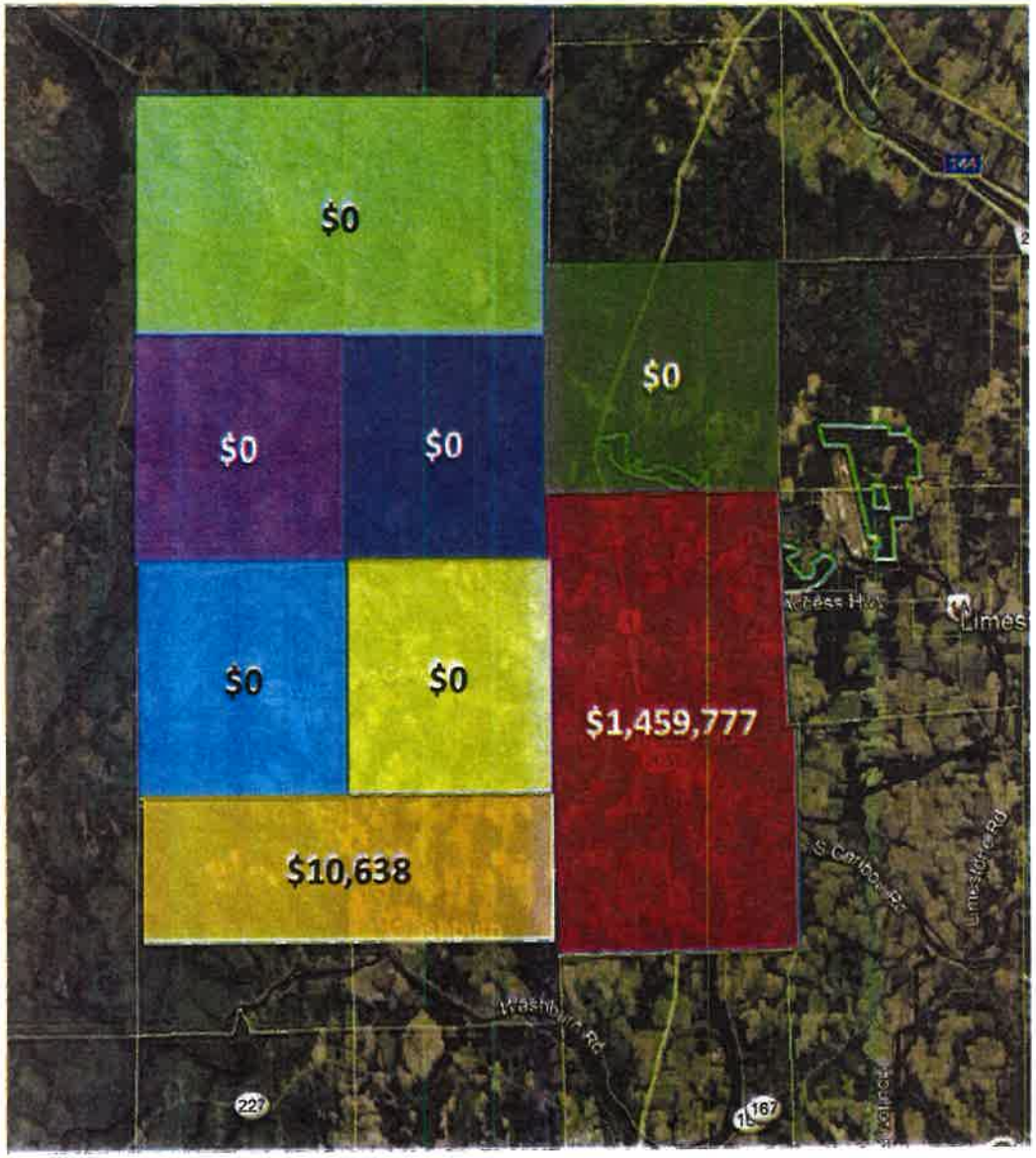

Regional Population
(2017 Census est.)
Caribou
New Sweden
Perham
Washburn/ Wade
Connor
Woodland
West-manland
Stockholm / T16R4


39
1.7%
36
1.6%
1
0.0%
105
4.6%
22
1.0%
90
3.9%
2,053
89%
35*
(1.5%)
Limes
Washburn Rd
S Caribou Rd
227
167

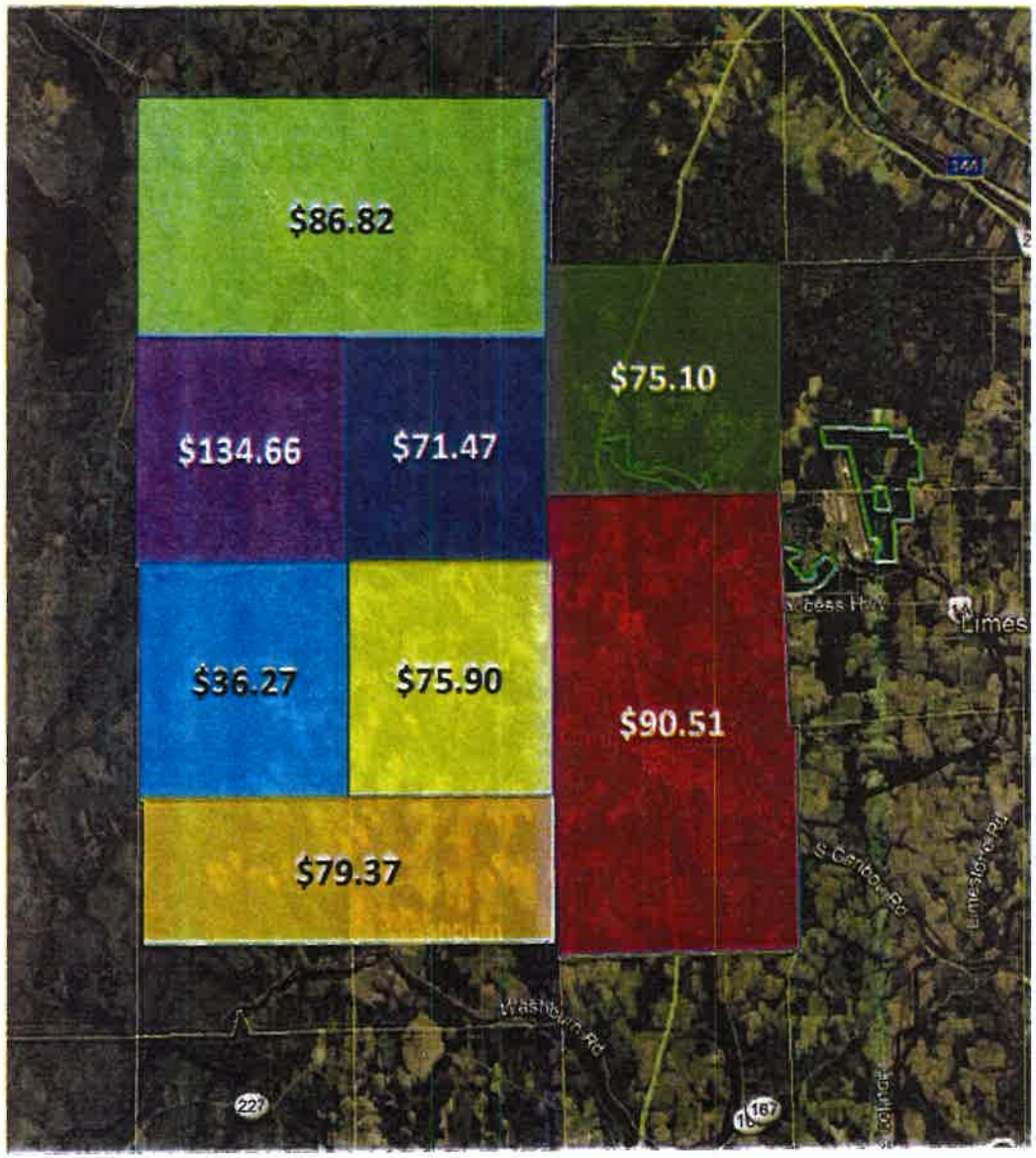

Total Fire/EMS Service Calls
Caribou
Connor
New Sweden
Woodland
Perham
West-manland
Washburn/ Wade
Stockholm / T16R4


$20,265
$10,638
$42,382
$34,322
$15,052
$78,251
$2,168,194
$88,796
Washburn Rd
S Caribou Rd
Limestone Rd
227
167

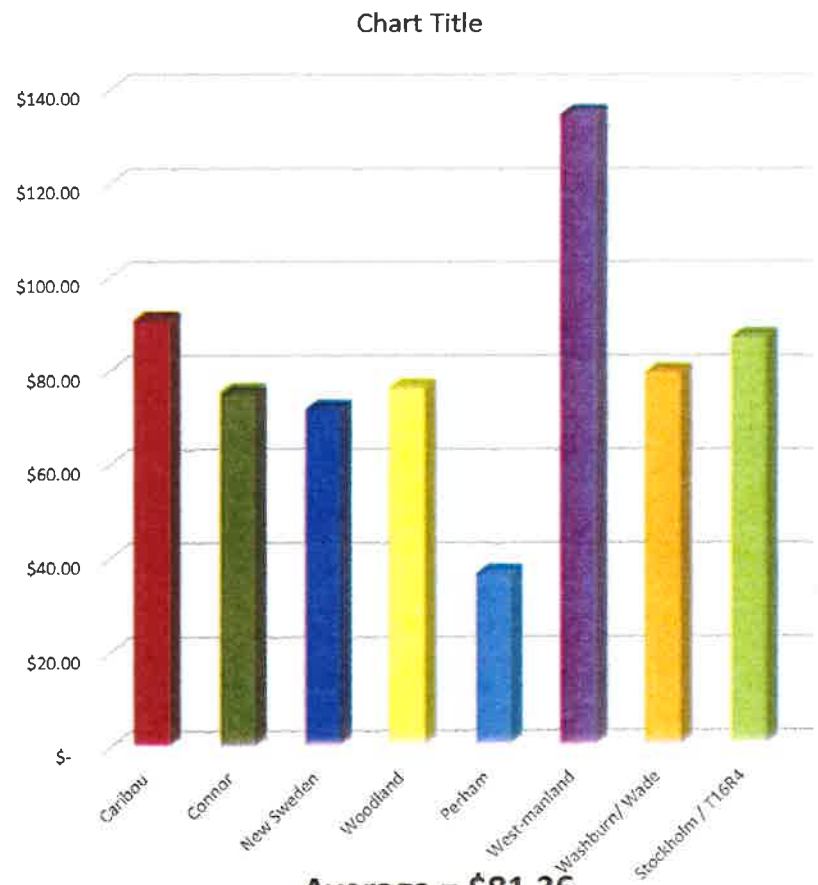

Fire/EMS Operational Budgeted Expenses
Caribou
Connor
New Sweden
Woodland
Perham
West-manland
Washburn/ Wade
Stockholm / T16R4



2018
Revenues for Fire/EMS Services

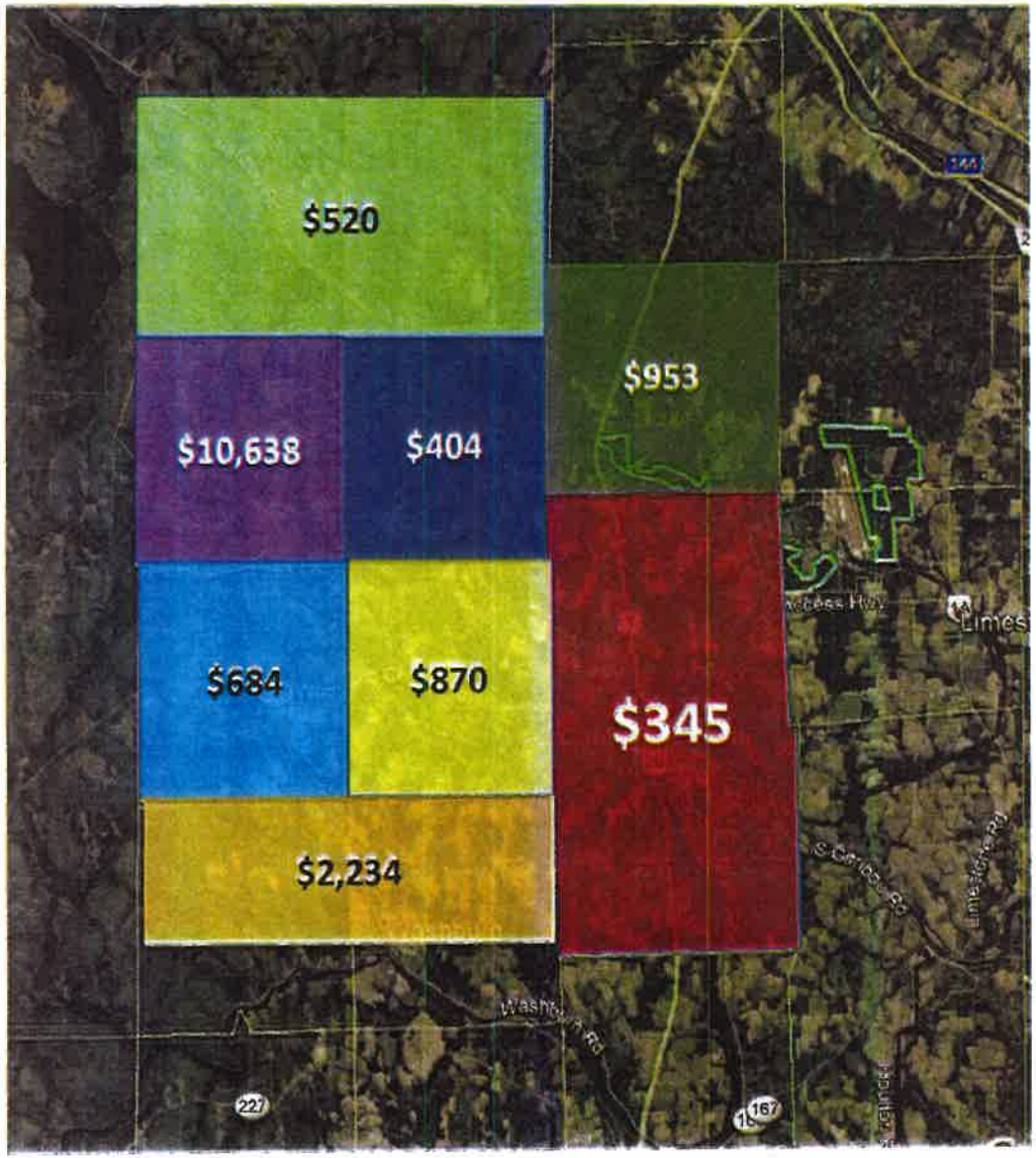


2018 Net Cost Per Population

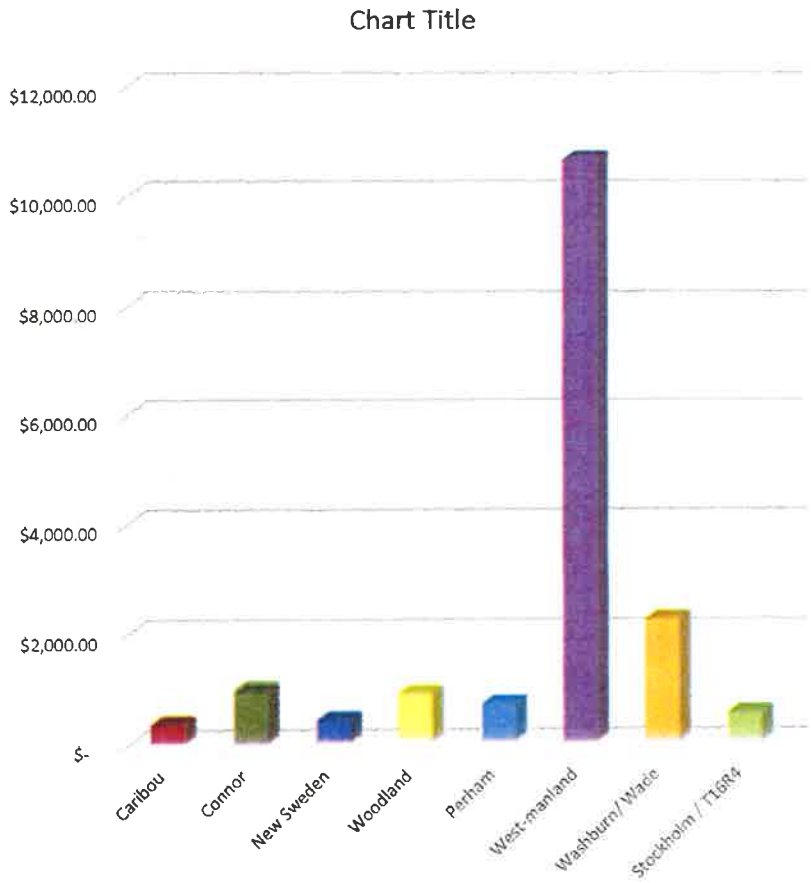


Average = $81.36

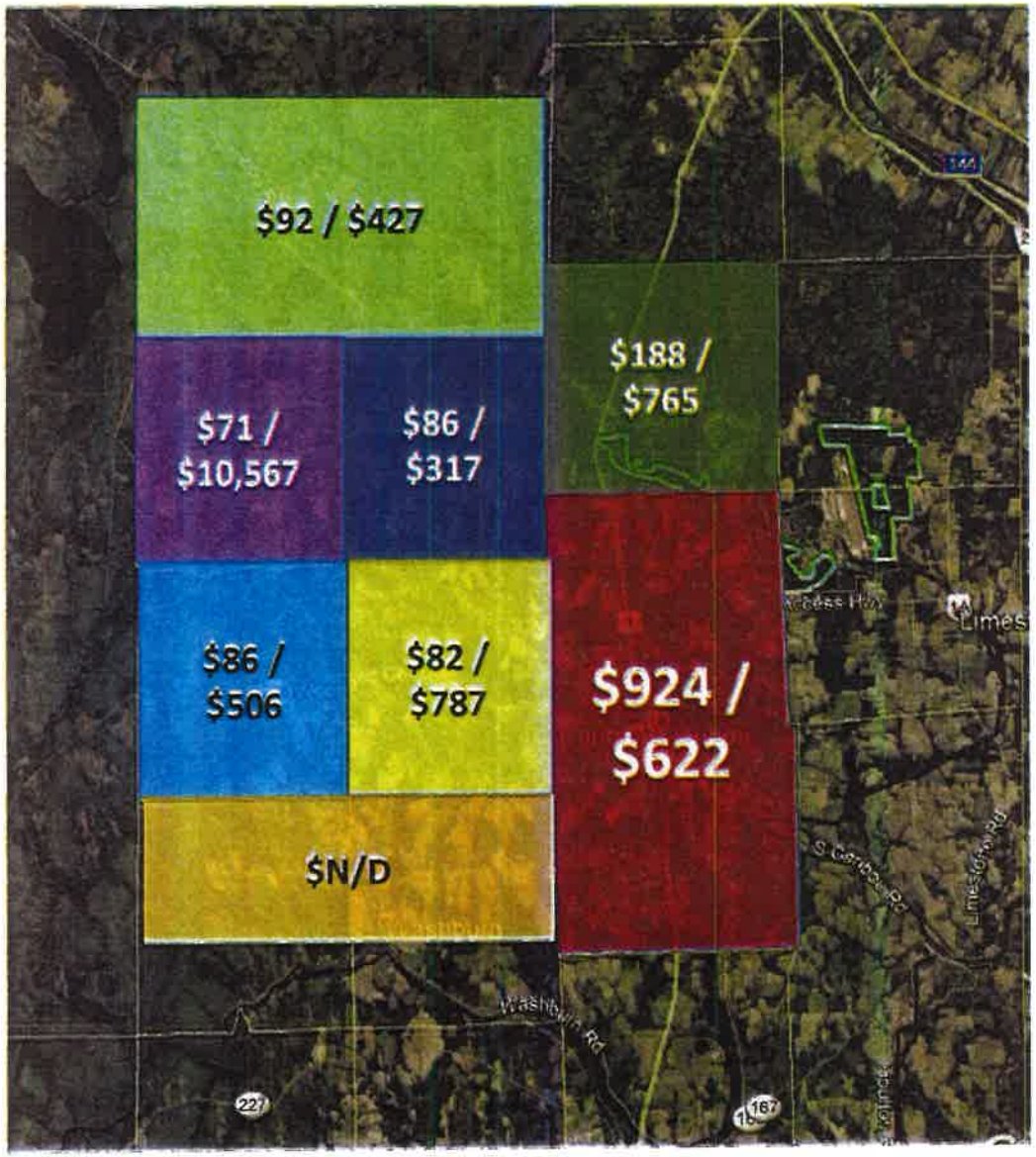
Majority of Perham's Cost are to Washburn for Fire



2018 Net Cost for Services / Call



Average = $81.36



2018 Caribou's Cost / Call

(Before revenues for surrounding communities)

Calculated Average Cost Per Call / **Calculated Revenue Per Call**