

FINANCE COMMITTEE MINUTES

June 16, 2014 at 6:27pm

Council Members: Civiello, Gallant, Nealley, Blanchette, Graham

Staff Members: Cyr, Conlow, Caruso, Little, Higgins, Dawes, Courtney, Nicklas, Birch, Drew

Others: Stillwater Enterprises, Habitat for Humanity

1. Consent Agenda

- a. Council Resolve 14-205, Appropriating AIP #61 in the Amount of \$694,068 in FAA Funding, \$38,559 in MDOT funding and the Local Share of \$38,559
- b. Council Resolve 14-206, Appropriating AIP #62 in the Amount of \$449,347 in FAA Funding, \$24,964 in MDOT Funding and the Local Share of \$24,964
- c. Council Resolve 14-207, Appropriating AIP #63 in the Amount of \$306,163 in FAA Funding, \$17,009 in MDOT Funding and the Local Share of \$17,009
- d. Quitclaim Deed – 21 E Street Birch Hill Estates
- e. Quitclaim Deed – 116 Birch Hill Estates

Councilor Nealley moved, Councilor Durgin seconded, so approved.

2. Bids/Purchasing

- a. Command Vehicle – Fire – Quirk Ford – State Contract - \$38,000

Finance Director Deb Cyr explained this is a request to piggy back on the State Contract. Staff recommendation is to award the contract to Quirk Ford in the amount of \$38,000.

This will be funded by Homeland Security Grant Funding.

Councilor Durgin moved, Councilor Graham seconded, so approved.

- b. Phone Carrier Service – City Wide – Fairpoint - \$57,474/year

Finance Director Cyr explained this will cover all phone service other than e911. We received 4 responses to the RFP and the City's IT Director, Jeff Courtney, and a consultant went over all responses and the recommendation is to award the contract to Fairpoint, who was low bidder, in the amount of \$57,474 a year.

Councilors discussed the needs of the City, costs and concerns.

Councilor Nealley moved, Councilor Durgin seconded, approved.

3. Personal Property Tax Settlement – 108 Florida Avenue

Treasurer Little explained that Stillwater Enterprises has not been current on their taxes and have not submitted a Declaration Form from 2011-2014. The back taxes owed is \$14,160.10. Stillwater Enterprises asked if the City would accept \$9,000 tomorrow and if not approved, they would have to work out a payment plan for the \$14,160.10. Staff recommendation is to not take the \$9,000 pay off.

Councilors discussed the possibilities of pay off, agreements and what options would work best including adjustments, etc.

Councilor Durgin suggested the amount of \$11,454.49 which is the principal owed without the interest, but Councilor Blanchette is very leery of waiving the interest because it will set precedence for future issues.

Councilor Gallant feels that we should be there for the small businesses in need that have shown good business sense. He feels that the \$9,000 is a great offer and it should be something we take into consideration. City Manager feels that we should enforce the terms of the lease. Seemed that Councilors are at odds with this subject and the majority thinks that we should keep in line with what the Ordinance says.

Councilor Graham moved to accept \$11,454.49 which is the principal owed and forgo the interest, Councilor Durgin seconded, passed 3-2.

4. Request to Write off Taxes – 172 Fifth Street

Treasurer Little stated there is an outstanding amount of \$3,240.54 for this property. Habitat for Humanity is the current owner but was not responsible for the back taxes because they were not the owner at this point. There is confusion on how this even happened. Spokesperson for Habitat for Humanity stated the steps they followed and the counseling the new owners received and their responsibilities with this property.

Councilor Nealley moved to waive half of what's owed with the other half being the responsibility of Habitat for Humanity, this motion was not seconded.

City Manager Conlow backs staff recommendation on this even with the awkward nature of this situation.

Councilor Durgin moved, Councilor Nealley seconded, so approved.

5. Real Estate Taxes Adjustment – 179 & 185 Indiana Avenue

Treasurer Little explained these two properties are being leased by Penobscot Community Health Center and we are asking the Committee to adjust off the 2012 and 2013 tax years that are on the books and the City Assessor will prepare the abatement for the 2014 tax year.

Councilor Graham asked at what point does this grandfathered 1986 agreement end? City Manager Conlow stated that there is a new pilot agreement to start April 1, 2015 where they will pay 30% of their assessed value.

Councilor Durgin moved, Councilor Graham seconded, so approved.

6. Review of Department Fees

Assistant City Solicitor Nicklas explained that a review was done on all fees that are charged from all the departments and is here to get direction. First are there fees that aren't still appropriate to be charged, seconded if the amount is reasonable or not and thirdly if there are any fees that we should be charging for that we are not. In excess of 200 fees have been identified. In many cases, it was identified that the City is doing a lot of work in response for citizens requests and fees are created to offset the cost of this work. Once Asst. City Solicitor Nicklas gets an idea of where the Committee stands on these fees, he will then go back and rewrite Ordinance to reflect the consensus on each fee.

The Committee went through each fee one by one.

7. City Assessor's Update

Asst. Assessor Philip Drew gave a power point presentation on the assessing issues of the City. This presentation can be found on the City's website on the City Assessor's page.

Councilors thanked Ben Birch and Philip Drew of the Assessing Department for all their hard work.

8. Executive Session – Hardship Abatement - 36 MRSA Section 841(2)

Councilor Nealley moved to go into Executive Session, Councilor Durgin, so approved.

9. Open Session – Hardship Abatement

Adjourned at 8:59pm.