

## **FINANCE COMMITTEE AGENDA**

**June 15, 2015 @ 5:15 pm**

### **1. Consent Agenda**

- a. Resolve 15-204, Accepting and Appropriating \$1,379,967 in Federal and \$76,555 in State AIP 67 Funding for ASR (concrete) Mitigation, Trench Drains and Rehab of GA Ramp

### **2. Bids/Purchasing**

- a. Building 487 Demolition – Community & Econ Development – J.E. Butler, LLC \$136,920
- b. Odlin Rd Force Main Installation – WWTP – Lou Silver Inc, \$102,500
- c. Sewer System Maintenance & Repairs – WWTP – Eastwood Contractors

### **3. Workout Agreement – 190 Union Street**

### **4. Request to Take Possession of Multiple Properties with Matured Tax Liens**

### **5. Overview of Property Tax Process**

### **6. Workout Agreement Update**

### **7. Outstanding Taxes**



Assigned to Councilor Graham



# CITY OF BANGOR

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**(TITLE)** Resolve, Accepting and appropriating a grant in the amount of \$1,379,967 from the Federal Aviation Administration and \$76,655 from the Maine Department of Transportation under the Airport Improvement Plan (AIP) program, grant # 67 for ASR (concrete) mitigation at gates 4 and 6; and trench drains and rehabilitation of the south entrance to the general aviation ramp at Bangor International Airport (BGR).

WHEREAS, The City's applications to the Federal Aviation Administration and the Maine Department of Transportation for Airport Improvement Project grant funds for this project at Bangor International Airport have been accepted, and the Federal Aviation Administration and the State of Maine have agreed to provide the funding; and

WHEREAS, This project is included in the airports FAA approved five-year Capital Improvement Plan (CIP); and

WHEREAS, Federal funds will cover 90% of the cost of the project with an additional 5.0% coming from the State of Maine and 5.0% from the Airport.

*BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BANGOR, THAT*

The City Manager is hereby authorized to accept the grants from the Federal Aviation Administration and the Maine Department of Transportation in the amount of \$1,456,622 under the Airport Improvement Plan (AIP) program, grant # 67 for ASR mitigation at gates 4 and 6 trench drains and rehabilitation of the south entrance to the general aviation ramp at Bangor International Airport (BGR); and

BE IT FURTHER RESOLVED THAT

There is hereby appropriated within the Airport Fund the amount of \$1,456,622 recognizing this federal grant fund to be used for this project. The City Finance Director is hereby authorized to place this amount within the appropriate accounts.



## **CITY OF BANGOR** **AWARD RECOMMENDATION**

**BID ITEM(S):** Building 487 Demolition

**DEPARTMENT:** Comm/Econ Development

**BUDGET REFERENCE:**

**Requisition No.:** \_\_\_\_\_ **Account Number:** 8725-73020400/Balance CDBG

**Budgeted Amount:** \$147,000 **Available Balance:** \$ 147,000

**Total Amount of Award Recommended:** \$ \$136,920

**Vendor Recommended:** J.E, Butler, LLC

**Bid Opening Date:** 4/29/2015

**Past Experience with Vendor:**  Excellent  Good  Fair  Poor  No Prior Experience  
If no experience, references checked or other method of vendor reliability established \_\_\_\_.

**OTHER COMMENTS:**

Staff recommendation is to award the contract to J.E. Butler, LLC, the low responsive bidder in the amount of \$136,920. The tonnage estimation by the low bidder seemed inappropriate and there was concern they clearly didn't understand the magnitude of the demolition work and disposal of contaminated materials. Because this project is funded by the Maine DECD Brownfields Revolving Loan Fund with a grant of \$103,500, a requirement of the project is that the demo firm have a generic Quality Assurance Project Plan (QAPP) on file with the Maine Department of Environmental Protection. No responding firms had such a QAPP. However, our relationship with Credere Associates, who are overseeing our Brownfields program and have done all the initial site investigation on Building 487, can fulfill the QAPP, oversight, and reporting role in the project. Staff recommendation is to reduce J.E. Butler LLC.'s bid amount by \$1,400 because he will not be doing any environmental sampling and reporting, and we will contract with Credere Associates LLC. to complete that work in coordination with the City's environmental staff. Both Butler and Credere support this approach.

As the contract amount exceeds \$100,000, it will require City Council approval.



***CITY OF BANGOR***  
**AWARD RECOMMENDATION**

**BID ITEM(S):** Odlin Rd Force Main Installation

**DEPARTMENT:** Engineering

**BUDGET REFERENCE:**

**Requisition No.:** \_\_\_\_\_ **Account Number:** 8061-91008700

**Budgeted Amount:** \$128,000 **Available Balance:** \$ 128,000

**Total Amount of Award Recommended:** \$ 102,500

**Vendor Recommended:** Lou Silver Inc

**Bid Opening Date:** 6/10/2015

**Past Experience with Vendor:**  Excellent  Good  Fair  Poor  No Prior Experience  
**If no experience, references checked or other method of vendor reliability established** \_\_\_\_\_.

**OTHER COMMENTS:** This is a time sensitive project that must be completed prior to August 1, 2015, in advance of an MDOT paving project scheduled to take place beginning on that date. Lou Silver Inc included a written statement with the bid regarding schedule. The proposal is to begin during the first week of July and estimate that the entire project would take 2-3 weeks to complete, weather permitting, allowing them to meet the August 1 deadline. Staff recommendation is to award the contract to Lou Silver Inc, the low bidder.

As this contract exceeds \$100,000 it will require Council approval.



## ***CITY OF BANGOR*** **AWARD RECOMMENDATION**

**BID ITEM(S):**            Sewer System Maintenance & Repairs (3 Year Contract)

**DEPARTMENT:**            WWTP/Engineering

**BUDGET REFERENCE:**            **Account Number:** To Be Established (FY 16)

**Budgeted Amount:** \$600,000            **Available Balance:** \$ 125,000

**Total Amount of Award Recommended:** \$ 494,900 (Estimate over 3 years )

**Vendor Recommended:**    Eastwood Contractors

**Bid Opening Date:**    6/10/2015

**Past Experience with Vendor:**  **Excellent**     **Good**     **Fair**     **Poor**     **No Prior Experience**  
**If no experience, references checked or other method of vendor reliability established**     .

**OTHER COMMENTS:** The City has begun an annual program to address small/spot sewer maintenance issues both known and those that may arise during the year. This award would designate one contractor for this work for the next three years (as with all City contracts it would include a provision to terminate for convenience). The pricing reflected above is based on estimated quantities for small/spot projects over the next three years. No work would be undertaken without direction by the Engineering/WWTP Maintenance Department and all work completed under this contract will be based on the unit costs supplied in the response

The prior bid item was recommended to be awarded to Lou Silver Inc, the sole bidder, and must be completed by August 1, 2015. Lou Silver Inc. also has two additional contracts with the City that are currently behind schedule and need to be completed by the end of August of this year. The Sewer System Maintenance and Repair contract contains one repair project with an August 1, 2015 deadline, and Lou Silver's crews are currently working on contracts that will not be finished until the end of July or August. Eastwood Contractors, Inc., is currently working on a project in the same area of the proposed repair within this RFP that has the August 1 deadline, and will be working there until August 1 on a contract for the Bangor Water District and a contract (Hammond Street Sewer Rehabilitation) for the City of Bangor. They are nearly complete with the contract for the Bangor Water District and will begin the Hammond Street project next week. Based on the current workloads of each of these companies, past performances on City projects, and the need to meet deadlines, staff recommendation is to award the contract to Eastwood Contractors.

This recommendation will require Council action as it is in excess of \$100,000.

City of Bangor Bid Tabulation

Bid No. B15-015: Demolition of Building 487

Bid Opening: April 29, 2015

			<b>JARR Management, Inc. Augusta, ME</b>	<b>J. E. Butler, LLC. Brewer, ME</b>	<b>Thomas DiCenzo, Inc. Hermon, ME</b>
<b>Item</b>	<b>Description</b>	<b>Quantity</b>	<b>Total Price</b>	<b>Total Price</b>	<b>Total Price</b>
1	All personnel, labor and materials necessary for the complete demolition, disposal and backfill of Building 487 as stated in this Request for Bids.	1	\$96,400.00	\$138,320.00	\$267,131.00
Number of days to complete the work upon receipt of a purchase order:			<u>  30  </u> Days	<u>  60  </u> Days	<u>          </u> Days
<b>Total Bid Price:</b>			<b>\$96,400.00</b>	<b>\$138,320.00</b>	<b>\$267,131.00</b>

**City of Bangor Bid Tabulation**

**RFP No.: P15-012: Odlin Road Force Main Installation**

**Bid Opening: 6/10/15**

				<b>Lou Silver, Inc. Orono, ME</b>	
<b>Item</b>	<b>Description</b>	<b>Qty.</b>	<b>Unit</b>	<b>Unit</b>	<b>Total</b>
				<b>Price</b>	<b>Price</b>
1	Mobilization (not to exceed 3% of total project bid)	1	LS	\$2,000.00	\$2,000.00
2	Traffic Control	1	LS	\$5,000.00	\$5,000.00
3	Flagging Hours	300	FHR	\$1.00	\$300.00
4	Test Pits	1	EA	\$500.00	\$500.00
5	Rock Removal	10	CY	\$50.00	\$500.00
6	Modify Existing Manhole to Accept New Pipe	1	EA	\$1,400.00	\$1,400.00
7	8-inch Diameter Ductile Iron Force Main	613	LF	\$100.00	\$61,300.00
8	H.M.A. Paving	210	TON	\$150.00	\$31,500.00
<b>Total Bid Amount</b>					<b>\$102,500.00</b>

**City of Bangor Bid Tabulation**  
**Proposal No.: P15-013 Sewer System Repair/ Maintenance**  
**Bid Opening: 06-10-2015**

Item	Description	Qty.	Unit	R. F. Jordan & Sons Construction, Inc.* Ellsworth, ME		Eastwood Contractors, Inc. Brewer, ME		Lou Silver, Inc Orono, ME	
				Unit	Total	Unit	Total	Unit	Total
				Price	Price	Price	Price	Price	Price
1	6" Sewer Service Pipe	300	LF	94.00	28,200.00	110.00	33,000.00	75.00	22,500.00
2	8" Sewer Main Pipe	1000	LF	131.00	131,000.00	150.00	150,000.00	100.00	100,000.00
3	12" Sewer Main Pipe	100	LF	150.00	15,000.00	155.00	15,500.00	120.00	12,000.00
4	15" Sewer Main Pipe	100	LF	160.00	16,000.00	160.00	16,000.00	200.00	20,000.00
5	18" Sewer Main Pipe	100	LF	232.00	23,200.00	165.00	16,500.00	300.00	30,000.00
6	24" Sewer Main Pipe	100	LF	286.00	28,600.00	185.00	18,500.00	350.00	35,000.00
7	8" SCH 80 Sewer Force Main Pipe	210	LF	172.00	36,120.00	100.00	21,000.00	125.00	26,250.00
8	8" Ductile Iron Sewer Main Pipe	100	LF	232.00	23,200.00	100.00	10,000.00	140.00	14,000.00
9	Ton of Paving	500	TON	280.00	140,000.00	140.00	70,000.00	150.00	75,000.00
10	Loaming and Seeding	100	CY	55.00	5,500.00	35.00	3,500.00	30.00	3,000.00
11	Concrete Pad Replacement	100	CT	550.00	55,000.00	130.00	13,000.00	150.00	15,000.00
12	4' Diameter Manhole Replacement	5	EA	4,800.00	24,000.00	5,500.00	27,500.00	4,000.00	20,000.00
13	5' Diameter Manhole Replacement	5	EA	8,500.00	42,500.00	6,000.00	30,000.00	5,500.00	27,500.00
14	Precast Doghouse Manhole Replacement	5	EA	7,850.00	39,250.00	7,500.00	37,500.00	4,750.00	23,750.00
15	Precast Concrete Structures (+10' of depth)	20	VF	710.00	14,200.00	800.00	16,000.00	500.00	10,000.00
16	Test Pit as Specified by City	5	EA	820.00	4,100.00	1,000.00	5,000.00	500.00	2,500.00
17	Traffic Control	100	HR	23.00	2,300.00	29.00	2,900.00	25.00	2,500.00
18	Excavation Support for Pipe Bursting or other Trenchless Services	6	EA	1,560.00	9,360.00	1,500.00	9,000.00	3,500.00	21,000.00
<b>Total</b>					<b>\$637,530.00</b>		<b>\$494,900.00</b>		<b>\$460,000.00</b>

\*Math Error Found In Proposal & Corrected



73 Harlow Street  
Bangor, Maine 04401

Treasury Department  
David W. Little  
Tax Collector/Deputy Treasurer

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To: Members of the Finance Committee  
From: David Little, Tax Collector/Deputy Treasurer  
Date: June 15, 2015  
Re: Workout Agreement – Kristin Marshall – 190 Union Street – RE 7403

As requested by the Committee during the June 1<sup>st</sup> meeting I have had a follow up meeting with Kristin Marshall, the sole listed owner of 190 Union Street and her husband Richard Boyington regarding the outstanding taxes for the property.

A workout agreement was first presented to the Committee on May 18, 2015 which indicated that the City would receive a \$3,000 down payment. This provision was apparently a miscommunication between City staff and the taxpayers. They have indicated that they are unable to pay such a down payment.

Their proposal for a workout agreement would call for payments of \$250.00 per month, while paying new tax or utility charges as they come due. The outstanding balance due to the City is approximately \$26,465. It is anticipated that the payments outside of the agreement would be approximately \$1,000 in September and March for the taxes and approximately \$200 each quarter for the sewer and stormwater charges.

The taxpayers have indicated that they believe they can comply with these requirements. They are very interested in redeeming their property and would like the opportunity to try.

We did discuss that the quarterly sewer bills appears high for a 2 person home and I advised them to look for any leaky or running fixtures which might allow for an abatement and lower future bills. I also provided an application to apply for a Hardship Abatement. A Hardship Abatement is limited to the 3 most recent years of taxes so the taxpayer would still require a workout agreement. If the abatement is approved once the application process is completed, the agreement would be modified to reflect the new remaining balance due.

If the Committee approves the workout agreement it would follow the City's current structure and be scheduled for a 12 month period and if all payments and terms are met a new 12 month agreement would be signed. This would continue until the account was current. Treasury staff tracks the incoming payments and verifies that the payments outside of the agreement are being made on time. If any payment is not made a letter is sent to the taxpayer indicating that they are in breach of the agreement and that immediate payment is required.

The agreement states that the City is not waiving any of our rights to enforce the mature liens upon a breach of the agreement.

Staff recommends approval.

Pc: Debbie Cyr, Finance Director



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To: Members of the Finance Committee  
From: David Little, Tax Collector/Deputy Treasurer  
Date: June 15, 2015  
Re: Request to Take Possession of Multiple Properties with Matured Tax Liens

The following properties were identified by staff as part of the matured tax lien project. They are all currently vacant and have multiple years of outstanding taxes. Our attempts to secure payment from the taxpayers have been unsuccessful. Staff recommends the City take possession of the properties by virtue of a matured tax lien.

- 3 Charles Street has 7 years of outstanding taxes which total approximately \$24,204 and is assessed for \$125,900. There are also 5 outstanding stormwater bills totaling \$38.
- 130 Thirteenth Street has 3 years of outstanding taxes which total approximately \$3,500 and is assessed for \$54,700. There are also 5 outstanding stormwater bills totaling \$38.
- 45 Patten Street has 3 years of outstanding taxes which total approximately \$4,220 and is assessed for \$70,200. There are also 5 outstanding stormwater bills totaling \$38.
- 5 Grove Street Court has 7 years of outstanding taxes which total approximately \$9,585 and is assessed for \$67,700. There are also unpaid sewer liens and outstanding stormwater charges totaling \$1,026.
- 65 Curve Street has 3 years of outstanding taxes which total approximately \$1,573 and is assessed for \$21,900. There are also unpaid sewer liens and outstanding stormwater charges totaling \$872.

Based on preliminary reviews of the properties it is anticipated that 3 Charles Street, 130 Thirteenth Street and 45 Patten Street are possible rehab projects while 5 Grove Street Court and 65 Curve appear to need demolition. Once acquired, staff will perform a more thorough inspection to determine the best course of disposal for each property.



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To: Members of the Finance Committee  
From: David Little, Tax Collector/Deputy Treasurer  
Date: June 15, 2015  
Re: Overview of Property Tax Process

The following timeline has been prepared to give the Committee an overview of the tax process and the procedures currently implemented by City staff in regards to tax collection.

- **By Statute** - April 1<sup>st</sup> of each year sets the ownership and valuation of all real and tangible property. The April first date allows for consistency through the tax process. Even if a property is sold or torn down on April 2<sup>nd</sup> the owner as of April 1<sup>st</sup> is still responsible for the assessed taxes.
- **By Practice** – The City normally commits the taxes during the second week in July. This commitment takes the ownership and values as of April 1<sup>st</sup> from the Assessing records and inputs them into the Billing software on the Treasury side. The Treasury Office calculates the tax bills, creates the new tax year, applies the taxes to the accounts within the collection software and prepares the print files for the Commitment Books.
- **By Practice** – Although not required by Statute the Treasury Office extracts the billing information and prepares the tax bills for in house printing and mailing by the end of July or early August. These bills are mailed to the owner as of April 1<sup>st</sup>. The City sends one tax bill a year with two payment stubs for the September and March installments. The tax bills do not contain prior due amounts.
- **By Practice** – After the March installment has gone by, staff prepares a “Past Due Reminder Statement” which is mailed to any taxpayer whose account is still outstanding. These notices are mailed to the owner as of the April 1<sup>st</sup> and include all years outstanding.
- **By Statute** – After 8 months but before 12 months from the commitment date the City is required to mail by Certified Mail, Return Receipt Requested a 30 Day Demand Notice indicating that there are outstanding taxes and failure to pay those taxes will result in a lien being placed against the property. These notices are required to be mailed to the taxpayer named on the commitment book but we also send a courtesy copy to any new owners. This is normally done during May.
- **By Statute** – after the 30 days the City has 10 days to prepare and file a tax lien at the Registry of Deeds. The 10 days is designed to allow a municipality to research all interested parties and send them a copy of the lien. Although the liens are filed and valid, historically staff has not been able to perform the research and comply with the notification requirement. The penalty for not providing this notice is that if the lien matures the interested party would have an additional 90 days to pay the taxes once they receive notice. Staff is currently working on procedures to come into compliance with this requirement.
- **By Statute** – The tax lien takes 18 months to mature from the date it was filed. 30 to 45 days before the maturity date the City is required to mail by Certified Mail, Return Receipt Requested a notice to the taxpayer and any interested party that if the tax lien matures the City will own the property. These notices typically go out in October or November and the liens normally mature in December. A courtesy copy of the notice is also sent to any new owners.

Other procedures we implement to increase collection are:

- **By Statute** – Holding City Accounts Payable checks made out to a taxpayer who is delinquent. This method is not as effective as in prior years as the majority of checks that were held were for General Assistance payments made out landlords. The prevailing legal opinion is that these payments are not for the benefit of the landlord and therefore should not be withheld.
- **By Practice** – City Ordinances require that an applicant be current on charges due to the City when applying for a business license. The license for any applicant that has past due balances is denied until payment is received or a workout agreement is in place. This process is fairly effective but does have some limitations such as businesses being sold without taxes being paid, leased buildings or equipment, and breached agreements.

The procedures we have in place have allowed us to maintain a very good overall collection rate. While individual account balances can be significant they represent a very small percentage of the overall commitment.

Below is an analysis of the combined current outstanding balances for real estate and personal property by year, the number of accounts with outstanding balances per year and how the outstanding balance compares to the overall commitment. Overall the combined collection rate for taxes is 99.5%

Combined Real Estate & Personal Property Tax Analysis  
June 11, 2015

Tax Year	Total Combined Commitment	Total Combined Accounts	Outstanding Commitment	Outstanding Accounts	Percentage of Commitment Outstanding	Percentage of Total Collected
1996	27,896,917.15	unknown	239.48	1	0.001%	99.999%
1997	31,488,670.08	unknown	2,092.39	12	0.007%	99.993%
1998	32,641,968.93	unknown	4,146.48	21	0.013%	99.987%
1999	32,653,028.38	unknown	14,294.11	26	0.044%	99.956%
2000	34,070,621.78	unknown	16,574.52	26	0.049%	99.951%
2001	35,327,116.10	unknown	20,578.80	30	0.058%	99.942%
2002	36,935,443.55	13216	29,934.64	35	0.081%	99.919%
2003	39,122,770.73	13231	35,277.52	51	0.090%	99.910%
2004	39,909,242.18	13224	49,311.00	61	0.124%	99.876%
2005	40,516,709.84	13195	38,182.98	70	0.094%	99.906%
2006	41,148,296.21	13195	61,591.26	83	0.150%	99.850%
2007	42,040,810.16	13386	54,610.32	110	0.130%	99.870%
2008	44,136,269.33	13501	66,930.83	176	0.152%	99.848%
2009	47,291,815.28	13552	101,124.52	211	0.214%	99.786%
2010	48,776,704.21	13552	171,839.53	244	0.352%	99.648%
2011	48,417,502.49	13545	177,673.82	302	0.367%	99.633%
2012	48,561,433.74	13581	192,320.43	343	0.396%	99.604%
2013	49,769,983.84	13627	216,422.36	406	0.435%	99.565%
2014	53,131,093.80	13609	595,961.71	699	1.122%	98.878%
2015	55,835,786.28	12833	2,064,690.00	1569	3.698%	96.302%
	829,672,184.06		3,913,796.70		0.472%	99.528%



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To: Members of the Finance Committee  
From: David Little, Tax Collector/Deputy Treasurer  
Date: June 15, 2015  
Re: Workout Agreement Update

As requested by the Committee the following is an update of the currently active workout agreements the City has with various taxpayers. Depending on the tax situation the taxpayer may enter into one of three different agreements. Those are:

- Non-Matured - If the taxpayer does not have a matured lien for either taxes or utility they can enter into a non-matured agreement. This agreement allows for a structured monthly payment and upon completion any liens would be discharged. In the event of a breach the City has no enforcement power under these agreements whereas the liens are not matured. On occasion, a taxpayer may enter into a non-matured agreement and during the term of the agreement the liens may mature. When this happens the City has the option to take possession of the property in the event of breach.
- Matured – This agreement is for accounts that already have a matured tax or utility lien when first entered into. Currently staff discusses with the taxpayer what they feel they can afford to pay and staff makes a recommendation to the Finance Committee for approval. If approved, staff drafts and enters into the agreement for structured payments and upon completion the City issues a quit claim deed. Upon a breach the City has the option to take possession of the property.

The basic structure of the non-matured and matured agreement is very similar with each agreement being modified as needed for the terms of the agreement. A copy of the default matured agreement is attached. Staff typically limits the length of an agreement to no longer than 12 months with the ability to extend the agreement for another 12 months if needed and all other terms have been met.

- For License Approval – City ordinances require that any applicant for a business license be current on all charges they may owe to the City. Before a license is approved, staff reviews the real estate, personal property and utility accounts for outstanding taxes. If found, the ordinance allows for an 18 month agreement to pay the charges. Unless the charges include a matured lien the City has limited enforcement authority. Historically the City has not revoked a license or attempted to close a business for non-payment of taxes or utility charges.

Currently the City has seven active workout agreements and three pending. Of the active agreements, three are for license approvals, two are non-matured and two are matured. All three pending would be matured agreements. One license approval, both non-matured and one matured agreement are up to date and current. The other matured agreement has not made the May installment has been sent a notification letter.

One license approval agreement expires this month and while they have been making monthly payments they have not paid more recent taxes or sewer charges. This is a common situation for this taxpayer. They have entered into multiple license approval agreements but have been consistently one year behind.

The other license approval is in full breach. The taxpayer made a down payment and one monthly installment which was returned by the bank. The City has received monthly payments from the taxpayer's mortgage holder which appears to be an attempt to protect their interest in the property.

Pc: Debbie Cyr, Finance Director

# City of Bangor, Maine

## Workout Agreement (Matured Real Estate Taxes)

# COPY

Agreement between the City of Bangor (hereinafter "The City") and XXXXXXXXXX (hereinafter "Taxpayer") regarding the following described property: - RE# XXXX – XXXXXXXXXX, Bangor, Maine, and further described at the Penobscot Registry of Deeds (hereinafter "PRD"), Volume XXXX, Pg. XXX.

There are outstanding balances due to The City which may include Real Estate taxes, including matured and unmatured tax liens, Personal Property taxes, Sewer or Stormwater charges, including matured and unmatured sewer or stormwater liens, outstanding invoices and/or other charges and fees.

The Taxpayer desires to have the City convey the title of the subject premises to the Taxpayer. The Finance Committee of the City of Bangor has authorized the Finance Director and/or the Tax Collector to enter into agreements with Taxpayers who desire the City to convey property to them. The condition of such agreement calls for payment of all outstanding taxes, debts and fees.

Now, therefore, in consideration of the mutual promises contained herein, the parties agree as follows:

### **TITLE:**

The City will hold title to the subject property until the Taxpayer completes their obligations pursuant to the terms and conditions of this agreement.

### **POSSESSION:**

The City agrees to permit the Taxpayer to remain in possession of the subject premises during the term of this agreement unless this agreement is breached. The City will continue to assess and charge the Taxpayer any and all taxes or sewer fees that come due after the execution of this agreement.

### **DEED:**

Once the Taxpayer has completed their obligations under this agreement then The City, upon verification with the City Code Enforcement Office that there are no outstanding code violations and upon payment of a \$70.00 fee for administrative and filing costs, will convey title of the subject property to the Taxpayer by municipal quitclaim deed. The City Code Enforcement Office may require a full inspection of the subject property before verifying the status of any code violations. Tax or sewer liens that have not matured and are paid in full during the term of this agreement shall be discharged, with said discharge being filed in the PRD.

### **TERM:**

The term of this agreement will be for XX months with the first monthly installment due within thirty (30) days from the execution of the agreement. During the term of the agreement all balances unpaid will continue to accrue interest at the rates established for each particular fiscal year covered in the agreement.

The City will continue to follow all normal collection processes on outstanding balances including Demand Notices, Lien filings and Foreclosure Notices as required by State Statute. Such processes will add additional fees and costs which shall be considered due and payable under this agreement.

As of XXXXXXXX the total balance outstanding totals \$XXXXXXX. The Taxpayer agrees to pay monthly installments of no less than XXXXXX. The Taxpayer shall pay XXXXXXXX installments of XXXXXX

commencing in XXXX of XXXX and continuing to XXXXX of XXXX. The final payment in XXXXXX of XXXX shall include any and all remaining balances. The City Tax Collector shall determine the manner in which the payments are distributed and applied to the appropriate balances.

The installment payment of \$XXXX is the minimum required; payments may be made in excess of this amount or additional payments may be made at any time.

During the term of this agreement the Taxpayer shall pay all taxes, sewer charges or other fees due to the City as they become due and payable.

If three monthly payments are missed throughout this agreement it will be considered null and void. The City may pursue any and all methods of collecting any outstanding balances.

**PAYMENTS:**

The taxpayer will be provided a payment booklet with payment stubs for each monthly payment. Payments can be made by cash, check, and debit card in the Treasury Office; if the payment is made by one of these methods the payment stub must accompany the payment. Payment may also be made by credit card through Official Payments; Official Payments will charge a fee to do this. The number for Official Payments is 1-877-671-6046 and you can also pay online at [www.officialpayments.com](http://www.officialpayments.com).

**FUNDS DUE TAXPAYER:**

The Taxpayer agrees that The City may apply any funds due to the Taxpayer from The City during the term of this Agreement to The Taxpayer's debt in a manner to be determined by The City.

**WAIVER:**

The City by execution of this Agreement does not waive its rights pursuant to 36 MRSA Section 941 et seq. to assess taxes on the subject property, record liens against it and foreclose on said liens. Further, by execution of this Agreement, The City does not subordinate its position to any mortgage holder or other party-in-interest to the subject property.

**BREACH:**

Failure of The Taxpayer to comply with any term or condition of this agreement shall be deemed a breach of this Agreement. The City shall use any and all methods available to insure collection of the outstanding debt up to and including taking possession of the subject property. Failure of The City to complain on any action or non-action of the Taxpayer, no matter how long the same may continue, shall not be deemed a waiver at any time of the provisions of this Agreement. Further, no waiver at any time of any provisions of this Agreement shall be construed as a waiver of any other provision of this Agreement. A waiver at any time of the provisions of this Agreement shall not be construed at any subsequent time as a waiver of the same provision.

Dated: XX XXX

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David W. Little  
Tax Collector/Deputy Treasurer

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**COPY**



73 Harlow Street  
Bangor, Maine 04401

Treasury Department  
David W. Little  
Tax Collector/Deputy Treasurer

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To: Members of the Finance Committee  
From: David Little, Tax Collector/Deputy Treasurer  
Date: June 15, 2015  
Re: Outstanding Taxes

Below is an analysis of the combined current outstanding balances for real estate and personal property by year, the number of accounts with outstanding balances per year and how the outstanding balance compares to the overall commitment. Overall the combined collection rate for taxes is 99.5%

Combined Real Estate & Personal Property Tax Analysis  
June 11, 2015

Tax Year	Total Combined Commitment	Total Combined Accounts	Outstanding Commitment	Outstanding Accounts	Percentage of Commitment Outstanding	Percentage of Total Collected
1996	27,896,917.15	unknown	239.48	1	0.001%	99.999%
1997	31,488,670.08	unknown	2,092.39	12	0.007%	99.993%
1998	32,641,968.93	unknown	4,146.48	21	0.013%	99.987%
1999	32,653,028.38	unknown	14,294.11	26	0.044%	99.956%
2000	34,070,621.78	unknown	16,574.52	26	0.049%	99.951%
2001	35,327,116.10	unknown	20,578.80	30	0.058%	99.942%
2002	36,935,443.55	13216	29,934.64	35	0.081%	99.919%
2003	39,122,770.73	13231	35,277.52	51	0.090%	99.910%
2004	39,909,242.18	13224	49,311.00	61	0.124%	99.876%
2005	40,516,709.84	13195	38,182.98	70	0.094%	99.906%
2006	41,148,296.21	13195	61,591.26	83	0.150%	99.850%
2007	42,040,810.16	13386	54,610.32	110	0.130%	99.870%
2008	44,136,269.33	13501	66,930.83	176	0.152%	99.848%
2009	47,291,815.28	13552	101,124.52	211	0.214%	99.786%
2010	48,776,704.21	13552	171,839.53	244	0.352%	99.648%
2011	48,417,502.49	13545	177,673.82	302	0.367%	99.633%
2012	48,561,433.74	13581	192,320.43	343	0.396%	99.604%
2013	49,769,983.84	13627	216,422.36	406	0.435%	99.565%
2014	53,131,093.80	13609	595,961.71	699	1.122%	98.878%
2015	55,835,786.28	12833	2,064,690.00	1569	3.698%	96.302%
	829,672,184.06		3,913,796.70		0.472%	99.528%