

## **FINANCE COMMITTEE AGENDA**

**July 18, 2016 @ 5:15 pm**

### **1. Bids/Purchasing**

- a. Operations Vehicle – Airport – Darling’s Chevrolet - \$51,748
- b. Paving – City Wide – Lane Construction - \$1,657,222
- c. Flowmeter Contract – WWTP - ADS Environmental - \$111,480
- d. Request to Piggyback on State Contract - Police Patrol Vehicles – Fleet Maintenance – Quirk Auto - \$55,190

### **2. Personal Property Tax Settlements**

### **3. Executive Session – 1 MRSA Section 405 (6)(C) – Property Disposition**

### **4. Open Session - Property Disposition Recommendation**

### **5. Executive Session – 36 MRSA Section 841 (2) – Hardship Abatement**

### **6. Open Session – Hardship Abatement Decision**



## CITY OF BANGOR AWARD RECOMMENDATION

**BID ITEMS:** Operations Vehicle

**DEPARTMENT:** Airport

**BUDGET AMOUNT:** 60,000      **AMOUNT OF AWARD:** 51,748

**ACCOUNT NUMBER:** 8504-91001100

**VENDOR(S) RECOMMENDED:** Darling's Chevrolet

**Past Experience with Vendor :**  Excellent  Good  Fair  
 Poor  None

**OTHER COMMENTS:**

The recommendation is to award the bid to the low bidder, Darling's Chevrolet, in the amount of \$51,748.

**City of Bangor Bid Tabulation**

**Bid No.: Vehicle- B1A**

**Bid Opening: 7/13/16**

			<b>Darling's Automall Ellsworth, ME</b>	<b>Darling's Chevrolet Ellsworth, ME</b>
			Option 1	Option 2
<b>Item</b>	<b>Description</b>	<b>Qty.</b>	<b>Total Price</b>	<b>Total Price</b>
1	Vehicle	1	\$60,085.00	\$51,748.00
	Year/Make/Model		2016 GMC Yukon XL SLE	2017 Chevy Suburban LS
	Vehicle presently available in stock on your property?		In stock- would need to be painted	No
	Earliest Delivery:		2-3 weeks	12-14 wks



City of Bangor Bid Tabulation  
RFP No. P16-028: Paving Program FY 17  
Bid Opening: 7/16/16

Item	Description	Qty.	Unit	B & B Paving, Inc. Hermon, ME		Hopkins Landscaping LLC Hermon, ME		Lane Construction Bangor, ME		
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	
A-1	HMA 9.5 mm Surface	16,986	Ton	60.57	1,028,842.02	64.00	1,087,104.00	59.00	1,002,174.00	
A-2	HMA 19.0 mm Binder	653	Ton	56.05	36,600.65	64.00	41,792.00	57.00	37,221.00	
A-3	Bituminous Tack	4,539	Gal	5.00	22,695.00	5.00	22,695.00	5.00	22,695.00	
A-4	Milling	53,498	Sq. Yd.	2.50	133,745.00	1.50	80,247.00	1.50	80,247.00	
A-5	Reclaim	4,544	Sq. Yd.	2.50	11,360.00	1.90	8,633.60	1.70	7,724.80	
						<b>1,233,242.67</b>		<b>1,240,471.60</b>		<b>1,150,061.80</b>
<b>Community Development Streets</b>										
B-1	HMA 9.5 mm Surface	728	Ton	63.50	46,228.00	66.00	48,048.00	63.00	45,864.00	
B-2	Bituminous Tack	186	Gal	5.00	930.00	5.00	930.00	5.50	1,023.00	
B-3	Milling	4,444	Sq. Yd.	4.50	19,998.00	1.95	8,665.80	1.50	6,666.00	
						<b>67,156.00</b>		<b>57,643.80</b>		<b>53,553.00</b>
<b>Parking Lots</b>										
C-1	Reclaim	32,800	Sq. Yd.	2.00	65,600.00	1.60	52,480.00	1.70	55,760.00	
C-2	19 MM HMA	4,375	Tons	66.05	288,968.75	60.00	262,500.00	50.00	218,750.00	
C-3	9.5 MM HMA	3,009	Tons	70.57	212,345.13	65.00	195,585.00	58.00	174,522.00	
C-4	Tach	915	Gal	5.00	4,575.00	5.00	4,575.00	5.00	4,575.00	
						<b>571,488.88</b>		<b>515,140.00</b>		<b>453,607.00</b>
<b>TOTAL:</b>						<b>1,871,887.55</b>		<b>1,813,255.40</b>		<b>1,657,221.80</b>

MEMO

JUNE 23, 2016

TO: DEBBIE CYR  
FR: ANDY RUDZINSKI  
CC: CHIP SWAN  
AMANDA SOUCIER  
PERALIE BURBANK  
JOHN THERIAULT  
RHONDA FRASER

**RE: ADS Environmental, Inc., Flowmeter Contract for FY2017**

Since 2010, the /city has contracted with ADS Environmental, Inc. (ADS) for monitoring and analyzing flow data from our combined sewer overflow structures and various other points in the sewer collection system. This contract includes monitoring, analyzing the data and providing a monthly report for ten locations. The monthly report is uploaded to the Cloud after staff review for availability to USEPA. This contract also includes a comprehensive service schedule to ensure meters are working properly. We continue to maintain a good working relationship with ADS and recommend the City continue this contract for another year. The quote is unchanged from 2015 at \$111,480 and we have budgeted for this service in FY 2017.

Please contact me if you have any questions of concerns. I intend to attend the Finance Committee meeting.



481 MAINE AVE.  
BANGOR, MAINE 04401  
TEL: 207/992-4662

PUBLIC SERVICES DEPARTMENT – POLICE DEPARTMENT  
Eric J. Willett, Equipment Manager

To: Finance Committee  
From: Eric Willett  
Subject: Request to Piggyback on State Contract - Police Patrol Vehicles  
Date: July 14, 2016

In the proposed FY 17 budget there is \$72,000 to purchase 2 new patrol vehicles for the Police Department. These are to replace the aging fleet of patrol vehicles that are currently in use. The new vehicles quoted are 2016 Ford Interceptor AWD utility vehicles.

Quirk Auto, located in Augusta, currently has the State contract to purchase police vehicles. Staff recommendation is to utilize the State contract to replace two patrol vehicles. The State pricing is \$55,190 for both of the new units. After final set up of lights, radios, and cage units these 2 vehicles should still be under budget.



73 Harlow Street  
Bangor, Maine 04401

Treasury Department  
David W. Little  
Tax Collector/Deputy Treasurer

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Email: david.little@bangormaine.gov

To: Members of the Finance Committee  
From: David Little, Tax Collector/Deputy Treasurer  
Date: July 18, 2016  
Re: Personal Property Settlements

City staff has had recent discussions with four businesses regarding personal property taxes and proposals to payoff outstanding balances. A summary of the discussions and staff recommendations are as follows:

- The Treasury and Legal Departments recently met with a representative for AVG Acquisitions Inc. to discuss a payoff settlement of their personal property taxes. AVG has outstanding personal property taxes going back to 2004 and with interest, a balance due of over \$166,000. They requested the City review the account and negotiate a settlement to clear the account and move forward. During the review it was noticed that AVG had not filed the yearly required personal property declaration form which lists out the equipment owned by the company. When businesses fail to submit this form the Assessing Department has a long standing practice to increase the taxable assessed value by an "equipment replacement" factor until such time a business provides an actual listing of equipment. This increase raised the assessed taxable value from \$241,400 in 2004 to \$704,400 in 2016. AVG was asked to provide a current listing which produced a new taxable value of \$154,200 for fiscal year 2017.

Staff reviewed the information and in light of the significant decrease in the taxable value and the historic difficulties in the enforcement and collection of personal property tax, calculated a payoff of \$87,003.68 to clear the tax years 2004 through 2016. Staff feels that this amount is a fair settlement and more accurately represents the taxes and interest that would have been due had AVG declared yearly. AVG has agreed to the payoff pending Committee approval.

- Staff received a similar request from Ferris Music Service Inc.; from the 1998 through 2006 tax years the business had not paid the tax or declared the equipment and as a result the taxable value was increased each year. New staff at the business submitted a declaration which took effect during the 2007 tax year and again the listing dropped the taxable value a significant amount. Since that time, payment of the annual tax bill has been sent in on time but per City policy the payments were applied to the oldest tax, which was at the higher undeclared taxable value. Most of the payments went toward the accrued interest which has kept the business continually multiple years past due. Currently, including interest, there is a past due balance of approximately \$11,600 and Ferris has proposed a payoff settlement of \$7,500. Upon review, staff feels that this proposal is fair and reasonable in light of Ferris making every tax bill payment since 2005 and the issue of clearing the account is directly related to the higher interest rates on years with higher undeclared assessments. Staff recommends approval.
- The City was also approached by Deborah Nadeau, the owner of Hair Sensation. The business had not declared or paid taxes going back to 1998. A declaration was made for the 2015 tax year which again significantly lowered the taxable assessed value. Ms. Nadeau made a proposal of a settlement payoff of \$4,750.16. The City has an outstanding balance, including interest of approximately \$8,100. Again, upon

review and the difficulties with personal property collection, staff feels that this proposal is fair and reasonable and recommend approval.

- Another account looking to cleanup past due balances is Virtues Hair Salon, owned by Nicholas Winchester. Mr. Winchester purchased the property in late 2013 and was unaware that the previous owner failed to pay the taxes or declare the personal property equipment. This City would typically create a new account when a business is sold however the City was not made aware of the sale. Mr. Winchester paid the 2014 and 2015 tax bills but his payments were applied to the oldest unpaid taxes of the prior owner. Mr. Winchester has indicated that he and the prior owner would like to bring the account current but would like the City to make some consideration on the balance due. Upon receipt of a new declaration form the taxable assessed value was again lowered significantly. Whereas this new taxable value is a more accurate representation of the equipment within the business during the previous non-declared years, staff recalculated and determined that \$1,288.18, including interest, is a closer representation of the amount that would actually be due as opposed to the \$3,345.25 reflected on the account. With your approval, staff will propose to Mr. Winchester and the prior owner a payoff of \$1,288.18 to clear the past due balances.

Staff is currently reviewing all personal property accounts in a manner similar to the reviews of the real estate accounts taken place over the past couple years. Throughout the review process, staff will return to the Committee with recommendations, proposals and options as to how to best deal with these accounts.