

**SPECIAL COUNCIL MEETING
GARDINER CITY COUNCIL
Wednesday, June 18, 2008
City Council Chambers**

6 p.m. Business Meeting

1. CALL TO ORDER

2. ROLL CALL

In attendance: Mayor Andrew MacLean, Michael Giberson, Phil Hart, Rich Rambo, Martha Mentall, Chuck LeBlanc, Rich Nickless, & Bryan Blanchard

Mayor MacLean asked the Council to introduce themselves to the public. City Clerk acknowledged that the numbering was off on the agenda.

3. PETITIONS, COMMUNICATIONS, RESOLUTIONS, & PUBLIC HEARINGS

3.1. Consideration of Comments from the Public on Issues that Do Not Appear Elsewhere on the Agenda (Please limit comments to five minutes.)

No one from the public had comments.

3.2 Public Hearing on Liquor License Application for The Robinson House

Public Hearing opened at 6:10 pm. No members of the public had comment. Mayor MacLean closed the public meeting @ 6:11pm.

5. CONSENT AGENDA

5.1 Consideration of Liquor License Application for The Robinson House

5.2 An Order 08-20 Authorizing the Issuance of Certain Victualers License

5.3 Consideration of Appointing David Gilman to Gardiner Water District Board of Trustees

Councilor Hart asked if Mayor MacLean knew Mr. Gilman and the Mayor said no, he had not yet met him, but he came highly recommended.

5.4 Consideration of 08-21 Authorizing the Issuance of Misc. Licenses for The Robinson House

Motion to Accept Consent Agenda: Councilor LeBlanc, Second by:

Councilor Rambo

Vote: Unanimous

6. NEW BUSINESS

6.1. Consideration of First Reading of Resolution 08-14, Establishing Appropriations and Directing the Levy of Taxes for City Services

Jeff gave a presentation which explained how the data was obtained and what it means. It showed a ratio of the assessed value and the sales value of homes. What the slide tells us is that 2007 was a slightly more active market than 2006. Adjustments have been made to reflect this. The 94% is reflective of there being very little data for 2008. Jeff broke the data out by neighborhood and explained that they are trying to restore equity. Councilor Rambo said he was not really sure what he was supposed to do with the information. He said he had his meeting with the appraiser today and they told him that they had to go back to 2006 because there were not enough sales in 2007. He said he still doesn't understand the information. Councilor Blanchard said the 2008 data must be based on 5 sales. He said he was told that there were only 5 sales in 2008. Jeff said he feels that Vision has done due diligence in establishing a fair market price. Councilor Mentall disagreed and said she feels they should not have gone back to 2006 but rather have taken the information from the last half of 2007 and the first half of 2008. Councilor Mentall said usually you can put your home in the paper for sale at over the market value and sell it but today you cannot do that. Jeff said we have had sales over market value recently. Councilor Hart said he knows someone who sold two homes lately one in Gardiner and one in South Gardiner and he lost money on both. Mayor MacLean asked that the Council allow Jeff to continue his presentation and then have further discussion. As proposed 18 % of the population will see an increase of less than \$200, 32% will see an increase between \$200-500, and 32% will see an

increase greater than \$500. If the budget is cut by \$ 300,000 the pie chart changes slightly, and again if the budget is cut \$600,000 it changes the proportion of the chart. Jeff showed the reval information on his own home and used it as an example of how budget cuts will impact his taxes. Jeff said what is happening is we are swimming upstream against certain unchangeable factors such as the school budget and the county debt which we have little control over. We are seeing a shift between the residential portion of the tax values and the commercial portion. Councilor Rambo asked if he understood correctly that commercial values and personal property values had dropped and were being made up by residential and Jeff said yes. Councilor Rambo said he would like to discuss it further after the presentation.

Mayor MacLean asked for comments from the public at this time. Mr. Harvey Devane of School Street asked if the city had looked at the mil rate compared to last year. He wanted to know if you add the school budget, county debt and the new reval all together what would the mil rate have been. Jeff said it would have been approximately 14%. Mr Devane said he wasn't complaining about it he just wants to understand. He asked if the commercial properties had been built without TIF would that have impacted the reval. Charlie Batchelder spoke and said he has been waiting for years for a reval and he feels it doesn't matter whether it is high or low it is relative to all the others. He feels appreciative of the reval and the information. He said he feels pretty good because his neighbor the Mayor took quite a hit as well. Maryann Johnson of School Street said she had pulled information about houses similar to hers and her house was valued \$100,000 less than similar homes. She said there were quite a number of inaccuracies in the reval. She wondered if we had looked at the discrepancies in the data. Richard Cunningham of South Gardiner said he wondered why the assessors were given old maps. Jeff said that part of the reval process is to update the information and as a result we will have new tax maps. Part of the whole process is collecting and verifying our data so that we can get it right. Cunningham said there was more property assessed to him than is actually his. Jeff asked if he had come to a hearing meeting and he said yes and Jeff said that will be looked at. Mr. Devane asked about how adjustments will be made; if they will happen as we go or at the end. Mrs. Cunningham asked if there is a second hearing process if she isn't happy with the outcome of the first meeting. Jeff said yes there is an abatement process and then appeals. She further asked what the City will do with all the extra money they will raise. George Trask asked if the budget had been passed yet and Jeff said no. George asked if they could cut the city

budget by 3% and cut services so that people can pay their taxes and pay their bills and buy groceries. He said he has suggestions on where to make cuts. Councilor Nickless said he has several concerns, but he will expound on the one concern. He thinks people are not really calculating the reval information accurately, and he would like to know what recourse people have. Jeff said that is what the abatement process is for. Councilor Nickless asked what the abatement process is. Jeff said you file an appeal and provide information to state your case and it goes to court. Councilor Nickless asked if people have to pay their taxes while they are in the abatement process and Jeff said no but they are encouraged to continue paying so they do not incur interest. If abatement is granted they would be reimbursed. Councilor Rambo said what we are talking about are two separate issues with regards to the reval and the budget. He said he has very significant concerns. He sees many issues and was wondering what recourse the Council has, can they scrap the reval or do they have to move forward with it. Jeff said we went through a very appropriate selection process in choosing Vision Appraisal and followed all the applicable processes and to scrap it now would be wasteful. Jeff said the Assessor is the one with that authority. Councilor Rambo said so we spent \$300,000 but have no authority? Councilor Rambo said he knows that Vision came highly recommended but they are not from this area, they are an out of state firm and he feels it is the Assessors job to help them translate that to local market values. Councilor Blanchard feels they should apply a deflation rate to the data. Councilor Hart said his problem with this is the value they put on is higher than what they are really worth. He would be more than willing to sell his house for the amount they have it valued at but he can't. He said in talking to people the appraisers have people having bedrooms in their attics where there aren't any. He said he heard that the Assessor said that some neighborhoods had been under assessed for a long time and that they were going to raise those values across the board. He feels the data is flawed and doesn't understand where they came up with the formula. He said somewhere along the line they have assessed homes over market value. Councilor Mentall said her assessment included 5 gas fired fireplaces when in fact she has five fireplaces that are just regular fireplaces. She feels that this is just the worst time for a reval. Councilor Hart told Charlie Batchelder if he thinks the county taxes are high this year, wait until next year if we go ahead with this reval process. The Mayor asked if anyone else from the public had comments. No one did at this time. Charlie said he thought the graphs were helpful. He feels the reval will make things fair with those whose taxes have not been what they should be for years. Harvey DeVane said the only reason the state is involved in

revals is because they don't trust municipalities. He said they are influenced by what we decide on. George Trask said he feels we have squandered the money we spent on this. He feels this was a very flawed process. Mayor MacLean said we all accept that the Constitution demands that we do a reval every ten years and it is just the luck of the draw ours came at a very unfortunate time. He feels we followed due process and Vision Appraisal was selected to do the reval. Jeff has made it clear that there is a process in place for residents who have concerns with their reval and trends will be looked at. The Mayor suggested a workshop next week with Curt or someone from Vision present to answer questions. The Mayor feels it does not accomplish anything to keep beating our heads against the wall tonight. He said for those who are suggesting that we put this off it will go stale and we will have to do the whole thing over again and municipalities who try to avoid this issue are punished for doing so. Councilor Blanchard wanted to know if in the Council's opinion the Assessor had made an error in his methodology, do they have any options? The Mayor said his understanding is that we are not Assessing professionals and do not legally have authority over this data. Councilors Blanchard and Rambo suggest maybe hiring a new assessor to look at the data. Councilor LeBlanc said he does not agree at all. If in fact the data is flawed, a new set of eyes doesn't fix that. It is still the same data. The Mayor asked for any further comments regarding the reval. None were made.

6.2. Consideration of Order 08-15, Establishing Appropriations for the Enterprise Accounts

The Mayor explained the value of continuing with a first reading of the budget. Councilor LeBlanc stated that he feels that they should be asking the City Manager to cut the budget now before we have a first reading. Jeff showed where some cuts could be made and broke out the information. Jeff told the Council that they just need to give him a directive to make cuts and he will come back with a revised budget. Councilor Rambo said he recognizes that this is a deplorable economy but he tends to be an optimist. This is an election year and he feels that after November things will improve. He said that being said, he still feels we need to cut the budget as close to the bone as possible. Looking at the budget as proposed he can see many ways to cut for a year, for example no new cruisers for Police this year. Councilor Nickless said he would have a tough time voting for a budget that increases taxes. He said he is aware of how difficult it is for everyone right now. He also said he would like to cut out overtime in all departments. Councilor LeBlanc said he would like to look at utilizing

County services more. He is in favor of cutting the budget by 3.05% and would support cutting areas like paving. Councilor Blanchard wanted to go on record that he does not want to cut positions in the City. Councilor Nickless agrees. Audience member Dennis Doiron agrees with Councilor Blanchard about what happened with the school board budget. He said his take on it is that over the last ten years the City and its employees have worked very hard to reduce the tax burden on its citizens. Last year's budget only increased the tax burden by about \$8000. He said he does not think the \$105,000 is that much. He feels the budget has been stretched as tight as can be. He feels it is too bad that the reval came at this time. He said he would be very cautious about making these cuts, because you can get yourself into a bad cycle where you have equipment breaking down, etc. He does not agree with the new school budget but doesn't think the taxpayers should bear the burden of that. George Trask said he agreed with a lot of what Dennis said and he hates to have to cut positions but he thinks if you have an opening then cut that position and he would favor not paving. Mayor MacLean asked the Council if there was a dollar amount on the table that the Council wants Jeff to cut off the budget. The Council recommends cutting by \$185,000.

Motion by: Councilor Rambo to table the budget, Second by: Councilor LeBlanc, Vote Unanimous

6.3. Consideration of Order [08-16](#) Authorizing FY09 Lease Purchases

6.4 Consideration of Second Reading of Order [08-18](#) Ordinance Amendment [07-20](#) Title 25, Chapter 5, Section 2605, A (55) No Parking

Motion by: Councilor Mentall, Second by: Councilor Rambo, Vote: Unanimous

6.5 Consideration of Second Reading of Order [08-19](#) for Libby Hill Phase 2 General Obligation Bond

Councilor Hart said he would like to table this item until they have decided on the budget. Mayor MacLean asked what the impact of that would be and Jeff said the contractor is already working. Councilor Mentall asked how that was possible and Jeff explained that the Council had voted to move forward on the project. Councilor Rambo asked what the real world impact would be and Jeff said the contractor could stop working but he wasn't sure what the long term impact would be because we have signed a contract.

Councilor LeBlanc asked what would be accomplished by delaying. Jeff answered nothing.

Councilor Hart made a motion to table this item, Second by: Councilor Mentall, Vote: 6-2 against tabling. motion fails.

Councilor Hart said he would not support it tonight. He thinks it is a good project but needs to look at the budget. Councilor Mentall agreed. The Mayor asked what impact waiting would have on the budget. Jeff explained that by waiting we aren't going to save any money because it is TIF money and we can't use TIF money for City Services anyway. The Mayor announced that Jason is working on scheduling a ground breaking ceremony at Libby Hill with Susan Collins for July. Councilor Rambo said this is not the time to slow down the process. Mayor MacLean reminded everyone that we will have so much on our plate until and through July that he feels it would be bad to postpone this any further.

Motion to move forward with Libby Hill project by Councilor Rambo, seconded by Councilor LeBlanc. Vote: 6-2 fails due to Mayor being one of the votes.

7. CITY MANAGER REPORT

City Manager passed.

8. COUNCIL DISCUSSION

Councilor Blanchard said he is still working on the school budget issue. He said the missive that was sent to the districts from the commission misinterpreted the law and legal council advised them to not follow that missive. He was astounded to learn that if the voters had not approved the budget they would have had to go with last years budget which would still have netted them \$800,000 more than this years. Enrollment is down in classes at the high school and he said he is not done with this issue yet. Mayor MacLean reassured Councilor Blanchard that he will revisit this issue at some point in the future. Councilor Giberson asked the other Councilors if they know anyone whose taxes went down. He felt it was interesting that no one knew anyone whose had gone down. He said his taxes downtown had gone up a lot. Councilor LeBlanc said he wanted to the Council and City Manager to think about utilizing the Sheriff's department more, instead of paying overtime when a shift is available. He knows that the service isn't as good as what we have at home but feels we are already paying for the service.

Councilor Hart said he thinks the County assumes Gardiner will pick up the problem. He thinks we would have to work closer with the County to achieve that. He isn't sure how you would handle that. Councilor LeBlanc said what he thinks you would have to do is notify dispatch that we have no coverage of certain shifts and they would have to cover. Councilor Mentall passed. Councilor Nickless passed. Councilor Rambo said his appointment with Vision was appropriate and pleasant.

Motion to adjourn to Executive session: Councilor Rambo, Second by:
Councilor Hart, Vote: Unanimous
Business meeting adjourned at 9:30pm.

9. EXECUTIVE SESSION Discussion of confidential records 1
M.R.S.A. § 405(6)(F)

Respectfully submitted,
Kathy Cutler
Council Clerk