

**SPECIAL COUNCIL MEETING  
GARDINER CITY COUNCIL**

**Wednesday, July 9, 2008**

**City Council Chambers**

**7 p.m. Business Meeting**

**1. CALL TO ORDER**

All members of Council were present. The Council meeting was called to order by Mayor Andrew MacLean at 7:08pm

**2. ROLL CALL**

Andrew MacLean, Chuck LeBlanc, Martha Mentall, Michael Giberson, Richard Nickless, Richard Rambo, Phil Hart, Jeffrey Kobrock, Bryan Blanchard

**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.)**

There were no members of the public that spoke. The Mayor closed the public hearing.

**4. CONSENT AGENDA**

**4.1 Consideration of Warrants**

Week 49	PR#72919-72988 AP#14877-14878	\$23,651.23 \$200.00
Week 50	PR#75893-75961 AP#15083-15229	\$21,140.48 \$457,265.53
Week 51	PR#75965-76043 AP#15230-15231	\$24,340.07 \$8,468.72
Week 52	PR#76046-76114 AP#15241-15454	\$23,857.20 \$325,640.75

Councilor Hart made a motion to accept the warrants. Councilor Nickless made a second. There was a unanimous vote to approve the warrants.

**4.2 Consideration of Councilor LeBlanc signing Warrants**

Councilor Nickless made a motion to have Councilor LeBlanc sign warrants. Councilor Rambo made a second. There was a unanimous vote to approve Councilor LeBlanc to sign the warrants.

#### **4.3 Consideration of Minutes, 6/4 & 6/8**

Councilor Rambo spoke regarding the 6/4/08 discussion in item 6.3. He asked that Mayor Maclean's comment be removed from the minutes regarding discussion and motions. Mayor MacLean asked Council if they would like to discuss this further. No one spoke, so there was a unanimous vote to approve.

### **5. OLD BUSINESS**

#### **5.1 Consideration of First Reading of Resolution 08-14, Establishing Appropriations and Directing the Levy of Taxes for City Services**

Mayor MacLean asked Jeff Kobrock to present on ways to cut the budget. The Mayor said that after Jeff Kobrock's presentation, there will be a discussion. The Mayor said that he hopes to accomplish first reading tonight, because we have passed the end of the fiscal year and we already know the choices before us.

Jeff Kobrock spoke and did a presentation. Jeff said that the City is looking at a goal of \$185,000. Jeff asked the management team to find 8 percent in their functional areas which may mean loss of staff or services. Jeff showed a slide of the 80% technology budget. There is concern about the abatement budget and said that it may be too tight. Jeff displayed the public safety budget worksheet which showed the elimination of safety officer, fire, rescue and funding for the Conservation Committee.

Discussion of overtime in all departments. The individual department managers give a quick presentation on how they plan to reduce costs also about the service impact of using the Sheriff's office to cover shifts.

Office Manager Deirdre Berglund spoke and said that in order to avoid a layoff the front office would consider 4 nine hour days. She stated that longer days with a three day weekend would provide an energy savings for the City. She mentioned that the State of Maine offices and other municipalities are looking at this type of program to provide a gas savings for their employees by changing to a 4 day workweek. In order to avoid a layoff, each employee could give up one and a half hours each week in order

to implement a schedule. Dee said that other than a few adjustments to accounts, her department would need to consider cutting an actual full time position.

Anne Davis from the Library presented her budget plan. She stated that the Library would eliminate student aids and high school students help. She would eliminate one day each week for the archivists. Anne mentioned that the book budget shouldn't be cut. She said that the library will lose opportunities to buy new books, because they can only be bought in certain time windows.

Chief of Police Jim Toman mentioned the expensive hiring process that he went through this year. Jim said training for the police is a must. He also stated that the community liaison officer would have to cut back on his materials.

Jason Simcock of Planning and Development spoke of the TIF program. He mentioned that a contract planner was his biggest reduction, but it will create more of a burden on Code Enforcement than himself. He said that the contract planner is needed because it is a constant effort to maintain the land use ordinance.

The Chief of the Fire Department Mark Kimball said that the budget is tight already. He said that the fire department really can't afford to lose anyone. If they eliminate positions, there will an increase in overtime costs. He said that losing staff will cause a loss of revenue to the City, because Gardiner would lose about 35 calls per year.

Chuck Applebee said that Public Works would need to reduce the amount of street paving needed to be done next year.

Councilor Martha Mentall spoke and said that she thinks that City services would be cut too much with Jeff Kobrock's proposed budget. Martha said that times are bad for everyone, and we can't have the City turn into a dump because we need to keep the mill rate down.

Councilor Richard Nickless stated that this exercise was necessary to see where we were at. \$185,000 was too deep of a cut for the City, and said he doesn't want to see positions go out the window. After looking at the big

picture, we really don't have much to cut. He thinks the initial picture to cut \$100,000 seems more reasonable.

Councilor Phi Hart said that there is a really fine balance that we need to look at and a lot of people in the community that cannot afford the taxes. The Council knew going into this that City services need to be cut. The public needs to know what services will need to be cut before it happens. He said that this is a lot to digest. He thinks that there should have been more information about what the cuts would be before deciding. It is a grim picture, but all businesses everywhere need to make cuts because of the economy, and said that there is a lot to look at here. Phil mentioned that there isn't anything in the budget on how to reduce energy and fuel costs. He asked Chief Toman how many officers are on duty during the day? The Chief said that this depends on the day of the week and what staffing levels are. Phil asked which shifts have more activities? The Chief said the Sheriffs department and State Police could not efficiently handle what they do in a day. He also stated that the only shift that they could consider cutting is a portion of is the night shift. He mentioned that the night shift does the housekeeping and administrative work. He stated that the most violent crimes will happen in the middle of the night. Jim said that State Police and Sheriffs have a difficult time covering now, focusing on communities that don't have law enforcement. He said county taxes would go through the roof if they needed to help cities more. Mayor MacLean reminded Councilor Hart that the Council asked the City Manager to come up with these cuts. He gave everyone what they asked for.

Jeff Kobrock said that there are a number of ways that he could have come up with a plan. He asked the managers of the services to come up with a plan and meet a goal. He stated that Council needs to realize that the people that manage these services have thought really hard about this. It's important to understand the process involved here. Jeff said that fuel and energy will be looked at in the future.

Councilor Hart said that nothing proposed was significant. It was a lot of little things to make up the \$185,000. He said maybe he is the only one that will fight for the people in the community. He is concerned about the elderly and their taxes. Mayor MacLean said they are still at the discussion phase and are not making final decisions tonight. The rest of the Council needs to speak.

Councilor Giberson wants to know with this cut, how does this actually translate into actual tax cuts for residents? Jeff Kobrock said that it actually only saved him personally when he did a rough calculation at the high side \$90.00 and on the low side about \$40.00. Mike said that it just doesn't make sense to cut all the services.

Councilor Rich Rambo said that he understands Councilor Hart's concerns with the citizens, but unfortunately the whole United States is going through the tough economy. He doesn't agree with this approach. He doesn't know where this leaves him. He doesn't know if he can support this cut.

Councilor Bryan Blanchard spoke and mentioned that 82% of property holders are going to see increases, and 18% are going to see decreases. He's interested to see if the 82% equals the 18%. He finds it counter-intuitive, and said that he would like to see that particular equation. He is concerned about the amount of money that is going to the county and the school district. He said they need to look and find out what will go to the county and what will go to the school district.

Councilor Mentall said that she was going to mention the school budget. There was no restraint in adding hundreds of thousands of dollars. We are compelled to support the school budget. Tax bills should say in money, not mill rate. It should state what their tax money is going towards in detail. It will teach the community to be a little more restrained.

Mayor MacLean asked Jeff and Dee if the tax bills could be printed this way, and Jeff said that they will talk about it later tonight.

George Trask said that Council is not being responsible; times like this you don't touch the police or fire department. He said look at the realistic things that can be cut.

Mayor MacLean said he is trying to distinguish between the budget discussion and the reval. Jeff said we are raising revenues. The reval should be raising money exactly the same as last year. Jeff said that if we had done the reval, and adopted the exact same budget, our mill rate would have been in the 14's.

Rambo said that he has made clear his concerns, and the reval meeting helped him understand the process. He said that Gardiner is not the first

City to encounter this. Councilor Blanchard explained that this should balance, or there is something wrong with the reval.

The Mayor said that he knows Councilor Blanchard has made an information request, but is it fair to say that the amount in 82% of the properties have gone up in value, or is the revenue generated going up 82%? Same with the 18%. Bryan said that you create a new set of property values. They come up with new assessed values based on what the equity is. Based on that sum, you can apply a millage rate. Jeff said that the entire value of the community increased 35%. Bryan said that you can set a mill rate on that if it was done right. Jeff said no.

Councilor Rambo stated that he is trying to get an idea on where we are on the budget. He said that we may need to table the reval tonight.

Councilor LeBlanc said that Rambo brought up a good point, and he was a part of the phasing in on the Portland reval years back. Are there any legalities on how soon after we need to implement the reval? Jeff said that we need to be in compliance. Jeff said that if we don't implement it now, we are not in compliance. Bryan said that being out of compliance has no teeth to it. He said that what would happen if Council chose not to implement this year because of the economy? Why do we have to press on. Jeff said that the results of the reval are now public, and we have given the public information to file for an abatement. Bryan said that he's not sure that we have, but Jeff said that we have. Bryan said that Council has not accepted the reval. Jeff said that it would be very difficult to explain to any person how that information is not valid enough to grant an abatement.

Rich Kinderlan spoke and said that he is one of the 18% whose taxes will be reduced. He works for the City. He said that if the reval was scrapped he would lose his reduction, and he would incur and increase as so would many others. He said that the 65% does have teeth to him. He feels his property is more in line with others and hopes that Council continues to do their due diligence. He thanked the Council.

Recess - 10 minute recess

Jason took one last crack at explaining the process. Andy will then ask who wants to implement the reval, and if not, there needs to be some very specific direction on what needs to be done. Then we will go back to the

budget. Andy would like to accomplish first reading on the budget. Bryan asked if the budget could be discussed first. Andy said yes. Bryan said that he thought most people believed that meeting a \$185,000 reduction would be difficult, and most agreed that the 8% across the board was not a good idea. Bryan asked if the budget could be read, and leave to the manager a reduction of \$50,000 instead. Also, does the manager know of any rainy day funds or carry-overs that could be used. Jeff said as long as Council comes up with a firm bottom line he will agree to do this. Jeff said that those are agreements between the City and other parties which cannot be changed.

Councilor Nickless said that he has an issue with two new positions approved for police and fire, this would reduce overtime. This didn't happen, and when you don't fill a position, you should have salary savings. Because of the overtime, there was no savings. Councilor Nickless was not thinking of overtime for the central office. Nickless would like to see results of the poll before the reading. Leblanc said that he likes Blanchard's idea and would like to see some of the savings teased out. He agreed that the \$185,000 would be too devastating to the City. He said that there were probably some savings there that wouldn't hurt too much. Council needs to show the taxpayers that they turned every stone that they could. Councilor Leblanc said that he would like to take advantage of some of the suggestions made. Mayor MacLean asked if Council was prepared to go around the table one more time to come up with a dollar amount. The all agreed to do this.

Rambo – He said that a lot of people are going to get a tax bill with a higher value and a higher tax amount, and in many cases the tax bill value will be more than what someone could sell their property for. He thinks that the budget could be reduced by \$50-75,000. Councilor Nickless said that he thinks there could be reasonable cuts without effecting services. He's willing to go with a percent and a half. Mentall – you have to accept the reval, and people with one to high or too low, they have a method of recourse that they can take. Taxes are going to stay basically the same. The mill rate is changing. People who's values are more in line will stay about the same.

Councilor Hart thinks that \$50-\$100 would be reasonable. Maybe there are some fees we could increase in the front office. He also thinks that if downtown thinks the downtown manager is so valuable, then maybe the downtown businesses need to pay an extra fee. Councilor Leblanc wants to

remove 50,000 without cutting positions and he will vote the affirmative. Same for Councilor Giberson. Councilor Blanchard said to look for surplus funds and try to cut back in any way that they can. He commented on the school budget again.

Mayor said that he thinks that the budget that was originally asked for should be passed. The City has been through an agonizing process, and if they were not dealing with the reval and the economy, we would be happy with the budget. We would have the first and second reading done. He realized blending the reval with the budget and has a desperate impact on the people. He said that he has had the feeling because of the difficult issues that they have forgotten the roles and responsibilities of the City. The Mayor takes a strict clinical view in the roles, and the bottom line is something that he could hold his head up high and present it to the public. He didn't see anything there that he was interested in supporting. He said that he can't really calculate the impact to those on the City staff, and doesn't think this is worth it.

Motion by Councilor Mentall to move to first reading of the budget adopt a \$50,000 decrease from the proposed budget, Second by Councilor Nickless Unanimous vote.

Mayor MacLean directed everyone back to the reval and asked Jason to speak. He mentioned there was another round of informal hearings after the public meeting. The information is still being compiled. People are scared because the economy is tough. He said that when we actually sit them down, most of them have been relieved. He thinks that people are mixing the budget issues with the reval, and people are making more of this than what needs to be. He told Councilors to encourage the public to go through the process.

Jeff said that we can't wait, we need direction in the next week. Councilor Rambo asked if we plugged in a different percentage, would that work. Jeff said by doing that, you don't achieve anything. The mill rate will rise to meet revenue requirements. Councilor LeBlanc asked Jeff about the homestead exemptions on the values. The letters did not include the exemptions. Councilor Rambo still wants the info that Bryan is looking for.

Councilor Nickless said that there aren't too many choices. The City has spent \$265,000 to do it, and there is no guarantee that a second one would

come out with better results. No one is happy with it, but there is really not much that can be done.

Councilor Blanchard said that there is something that no one is addressing here, and it is the percentage of value that is being taxed. Councilor Nickless said that he is not clear on this either. He said that Council needs to accept that this is not popular, and taxes are going to go up. Let's accept it and move forward.

Councilor Hart said he's going by his own experience and doesn't think that homes should be assessed for more than they can sell on the market. He thinks the system is flawed. He also thinks the state numbers are incorrect for Gardiner. He asked Jeff to show him the two numbers.

Councilor Leblanc said he isn't so sure there is a choice to accept or decline. Council needs to just approve it. If they don't, the City will have to get rid of the assessor too. The tinkering will be done through the abatement process.

Councilor Giberson said that he feels that there are many flaws in every system, and a reputable outfit was hired for this process. He thinks we should go ahead with the reval.

Bryan said that the main purpose is to establish equity values, and right now the economy is bad. We have no idea what the values of the equities are. If a taxpayer asks him why he let this reval go through, he doesn't want to answer because we had to. He said the market is stuck in neutral right now.

Ralph Clark spoke and said that the people in town have told Council that the reval is wrong. He feels that Council is abandoning the issue before the answers come through.

Andy said that it's close to 11:00, and we are beating a dead horse. Jeff has a little bit of homework to do. Martha mentioned that someone should take a look at the natural gas option.

Pamela Cartonio spoke and said that there were many mistakes made in her valuation.

## **5.2 Consideration of Order 08-15, Establishing Appropriations for the Enterprise Accounts**

**Motion to table by Councilor Rambo, Second by Councilor Nickless,**

Discussion – order formally de-funds Boys & Girls Accounts, a contract for services will be looked at from the Boys & Girls club at the next couple of meetings. Phil asked Jeff why more was paid. Jeff said that it was discussed at the last meeting.

Unanimous vote

## **5.3 Consideration of 08-16 Authorizing Lease Purchases**

Rambo made a motion to table item 5.3 until next scheduled meeting  
Nickless Unanimous vote.

## **7. CITY MANAGER REPORT**

He mentioned the Eaton Peabody letter on everyone's desk regarding the Wlodylo matter. They spent a lot of money while trying to get coverage. Another firm was hired to represent Eric Stumpfel.

Jeff spoke about the new tax bill insert with summary information. It breaks out the taxes to be raised, and the budget information. The other side will talk about City information.

## **8. COUNCIL DISCUSSION**

Councilor Leblanc asked about the negative implications on Libby Hill. Jeff said that the contractor continues to work. It will be on the next agenda.

## **9. ADJOURNMENT 11:11p.m.**