

**SPECIAL COUNCIL MEETING
GARDINER CITY COUNCIL**

Wednesday, June 25, 2008

City Council Chambers

Boys & Girls Club

5:30 p.m. Executive Session

6:00 p.m. Workshop - Revaluation

7 p.m. Business Meeting

1. CALL TO ORDER – 5:31p.m. (Executive Session)

2. ROLL CALL – Councilor Blanchard not present

3. EXECUTIVE SESSION - per MRSA, Legal Advice 1 M.R.S.A. § 405(6)(E)

4. RECESS TO WORKSHOP – Revaluation

Nancy Rines – Kennebec County Treasurer, explained the county tax – see attachment

Councilor Rich Rambo spoke about the reval. He mentioned “the perfect storm” scenario and talked about the Kennebec Journal article on the front page today. From April 2008 to April 2007 median house price dropped 23.1%. Councilor Rambo also mentioned his experience in the real estate market. He said that the median house price should get factored into the 400 meetings that vision had, and that no one ever plans or expected the market to be this way and the reval to happen at the same time. He feels the citizens have their backs against the wall. He just wants the reval to be fair. Councilor Rambo wants to see the impact of the 400 meetings.

Councilor Richard Nickless mentioned that there should be a couple more weeks of informal hearings. Curt Lebel, the city’s Tax Assessor, said that he will have some time to meet with people. Councilor Nickless said that Gardiner is faced with not too many choices, and it would be nice if they would have started the informal meetings earlier. He said that Council could ask for another reval, but it would be a waste of the \$265,000 already spent. Curt Lebel said that they will not get a better result by doing this. Councilor Nickless said that the city needs to give everyone a chance to meet with the assessors. Curt said that they are actually ahead of schedule with the informal meetings. Councilor Nickless said that he doesn’t think that the public thinks that. Curt said that he has to use the data put forth. There is very little that he can do when he has a quality report of 7.

Councilor Martha Mentall said that she agrees with Rambo, it's a bad time to do a reval, especially with the school budget. She thinks that they could lower everyone's value, and increase the mill rate. Councilor Mentall said that the city is really at a point of no return with this. There isn't much that can be done.

Councilor Chuck LeBlanc asked Vision if they noticed any neighborhoods that need to be looked at again. Vision said that they did find a couple neighborhoods that they need to look at. One of the gentlemen from Vision said that the individuals that came in brought a lot of land issues, and mobile homes need to be looked at again. He said that he told Curt Lebel and Dot Morang that they could schedule appointments Thursday and Friday, and they only had one. Councilor Mentall said that on the letter it mentioned that people could write, and that is what she did. Councilor LeBlanc said that he was hearing that a number of folks were feeling that they didn't have the opportunity to make an appointment, so it was good that they gave people a chance at this meeting to make an appointment.

Councilor Michael Giberson thanked the Curt Lebel and Vision, and said that they did a great job with the reval.

Councilor Phil Hart said that his problem is that a lot of things that happen in Maine are impacted late, and other states are ahead of us. He then asked, "why should taxpayers of Gardiner pay 125%?" Curt Lebel said that taxpayers are not paying 125%. Curt said that they should be able to make adjustments with the market as years go by, and 80% of the houses have not been looked at since 1997. Things have changed dramatically since then.

Councilor Rambo asked Curt Lebel if he has the software and the database. Curt said yes. Councilor Rambo then asked Curt if it is unreasonable to suggest that they lower the valuations to 80%. Councilor Rambo mentioned the housing market and the changes, and said that a lot of people feel that Vision is really off the mark this year. Could we do another adjustment next year to get it to 95%? Curt said that taxpayers almost never talk about their values. It's always the taxes that they are going to pay.

Jason Simcock of Planning and Development spoke and asked if anyone has any concerns with the reval to please contact Curt Lebel or himself. Jason mentioned that out of 180 people that were here, only 25 made appointments with Curt. He also said that the article in the Kennebec Journal on Saturday didn't help. He said he was at a meeting at KVCOG in Waterville, and said that they are getting an influx of people moving to the surrounding towns.

Mayor Andy MacLean commended Vision and Curt on they way that they handled the evening. He said that this is a very sensitive issue and they did a great job. Another aspect in helping the citizens deal with this reval is to make sure that everyone understands their rights in relation to the reval.

Peter Giampetruzzi spoke and asked if anyone has been appointed to the Board of Assessment. He would like to be a part of this.

5. RECONVENE TO BUSINESS MEETING- 9:52pm

6. PETITIONS, COMMUNICATIONS, RESOLUTIONS, & PUBLIC HEARINGS

6.1. Consideration of Comments from the Public on Issues that Do Not Appear Elsewhere on the Agenda (Please limit comments to five minutes.) – no one spoke

**6.2 Public Hearing of 2009 Municipal Budget
Any comments - none**

7. OLD BUSINESS

7.1 Consideration of First Reading of Resolution 08-14, Establishing Appropriations and Directing the Levy of Taxes for City Services
Councilor Rambo made a motion to table; seconded by Councilor Nickless made a second to the motion; Vote: Unanimous

7.2 Consideration of Order 08-15, Establishing Appropriations for the Enterprise Accounts - Tabled

7.3 Consideration of 08-16 Authorizing Lease Purchases - Tabled

8. NEW BUSINESS

8.1 Consideration of Order 08-22, Extending Fiscal Year 2008
Councilor Rambo made a motion; Councilor Nickless made a second to the motion; Vote: Unanimous

8.1.a. Consideration of authorizing city manager to pursue land use
Councilor Mentall made a motion; Councilor Rambo made a second to the motion; Vote: Unanimous

8.2 Consideration of Resolution 08-23 Preserve America Grant
Jason Simcock explained the Preserve America Grant. He said that this would be targeted towards bringing more people into the downtown Gardiner area. The city would be applying for \$50,000 grant with a 1:1 match. The focus would be on using downtown

TIF money to go towards the match. Jason said that he would be working with Main Street Gardiner to apply for the grant.

Councilor Nickless made a motion; Councilor Mentall made a second to the motion;
Vote: Unanimous vote

9. CITY MANAGER REPORT

Jeff Kobrock, City Manager spoke and said at the last meeting the vote for financing the Libby Hill project failed. Jason Simcock and Jeff did some research, and realized that they have a very serious series of events unfolding. Jeff Kobrock stated that the contractor is working right now, but there is no method to pay them. He said that the work continues as the bill continues to rise. They may need to ask the contractor to stop which will bring another set of problems. Jeff said that the City would be breaking the contract with them. Jason said that we have invested \$195,000 already, and the contract is under 3.5 million. Jeff mentioned that the project started June 11th of last year. There is a 270 day contract period, with an average \$90 to \$100 thousand dollars each week. If we stop the project, there will be increased costs. Jason said that there are 143 calendar days left of the contract. Jeff said that every day is critical, which will increase overall costs for equipment, labor and materials. He said that we would have to renegotiate the amount with the contractor if we decide to stop, and the contractor will charge delay charges. Jeff said that on a 3.5 million dollar project, this will cost the city thousands of dollars. This will have serious consequences for marketing also. He said that the only positive by suspending the project now is that it will stop costs immediately. There will be a question about the city's ability to pay. He said that the next meeting is July 16th. It will very costly to alter at this point. Jason said that the city has already received the first invoice for \$183,000. Mayor Andy MacLean said that he doesn't want to discourage questions, but it is what it is. Jeff said that he and Jason will be making decisions on what he has just presented. It will be a very serious decision, and they will really have to do their homework. Councilor Nickless stated that he needs to leave, and the council has his 100% support on the project.

10. COUNCIL DISCUSSION

Councilor Rambo asked if the million dollar infrastructure can be used. Is the money in hand? Jason Simcock said that the money is received after the grant project is complete. Jeff Kobrock mentioned that the grant requires a match, and as you go through the process and if the match hasn't been met, then we can't cover costs. Councilor Mentall asked Jeff Kobrock how soon if the project was stopped could they start again? Jeff said probably about two weeks. Councilor Hart asked how much money is in the TIF fund. Jeff Kobrock doesn't know off the top of his head, but it's not something that could be used for this project. Mayor MacLean mentioned that he heard a lot of nice comments about Gardiner Day. It was a great day.

Mayor MacLean said that he addressed the comments that the City is overstaffed and over serviced, but then he received an email about the weeds popping up through the sidewalks.

Mayor MacLean mentioned his schedule. He suggested taking two weeks off from Council Meetings. He said that they should at least take one week off. Mayor MacLean asked for comments. Councilor Rambo agreed on the one week, but has concerns about waiting two weeks. They need to get through the budget process. It was then decided by all that Council will meet on July 9th to discuss the budget. The Council will also meet on July 16th to discuss the Libby Hill Project.

11. ADJOURNMENT – 10:19pm

DRAFT