

**LEWISTON CITY COUNCIL AGENDA
CITY COUNCIL CHAMBERS
FEBRUARY 7, 2017**

6:00 p.m. Executive Session – Pursuant to MRSA Title 1, section 405 (6)(A) to discuss a personnel matter regarding an appointment to the School Committee - 30 minutes

6:30 p.m. Executive Session – Regarding consultation with the City Attorney – 30 minutes

7:00 p.m. Regular Meeting

Pledge of Allegiance to the Flag
Moment of Silence

Lewiston Youth Advisory Council Update

Public Comment period – Any member of the public may make comments regarding issues pertaining to Lewiston City Government (maximum time limit is 15 minutes for all comments)

ALL ROLL CALL VOTES FOR THIS MEETING WILL BEGIN WITH THE COUNCILOR OF WARD 4.

REGULAR BUSINESS:

1. Confirmation of Mayor Macdonald's Nomination of Luke Jensen to Fill the Vacant Ward 5 Position on the School Committee.
2. Public Hearing on the renewal application for a Special Amusement Permit for Live Entertainment for the Franco American Heritage Center, 46 Cedar Street.
3. Public Hearing on the renewal application for a Special Amusement Permit for Live Entertainment for The Cage, 97-99 Ash Street.
4. Public Hearing for the Fiscal Year 2018 Lewiston Capital Improvement Program.
5. Resolve transferring funds within the General Fund to allow expedited hiring of Deputy City Administrator.
6. Order approving the Second Extension of the Option to purchase Bates Mill #5 (The Weave Shed) with Bates Mill, LLC until February 28, 2018 and Authorizing the City Administrator to execute the document to effect that extension.
7. Resolve Accepting the City of Lewiston Comprehensive Annual Financial Report for the Year ended June 30, 2016.
8. Update from the Lewiston School Committee Representative.
9. Reports and Updates.
10. Any other City Business Councilors or others may have relating to Lewiston City Government.
11. Executive Session to discuss Disposition of Property of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.
12. Executive Session to discuss Acquisition of Property of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.
13. Executive Session to discuss labor negotiations regarding the International Association of Firefighters, Local 785.

LEWISTON CITY COUNCIL

MEETING OF FEBRUARY 7, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 6:00pm

SUBJECT:

Executive Session pursuant to MRSA Title 1, section 405(6)(A) to discuss a personnel matter regarding an appointment to the School Committee.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

Entering into executive session is permitted and defined under Maine State Statutes.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To enter into an Executive Session pursuant to MRSA Title 1, section 405(6)(A) to discuss a personnel matter regarding an appointment to the School Committee.

LEWISTON CITY COUNCIL
MEETING OF FEBRUARY 7, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 6:30pm

SUBJECT:

Executive Session regarding consultation with the City Attorney.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings. Discussing a legal matter with the City Attorney is a topic permitted under the statutes.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The state statutes outline the issues that will be discussed in executive session.

EATBKmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To enter into an Executive Session pursuant to MRSA Title 1, section 405(6)(E) to discuss a legal matter with the City Attorney.

LEWISTON CITY COUNCIL
MEETING OF FEBRUARY 7, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 1

SUBJECT:

Confirmation of Mayor Macdonald's Nomination of Luke Jensen to Fill the Vacant Ward 5 Position on the School Committee.

INFORMATION:

The School Committee has notified the Mayor that the Ward 5 position on the Committee is vacant. The Mayor has nominated Luke Jensen of 45 Sylvan Avenue to fill this position. In accordance with the City Charter, the appointment is subject to the consent of the City Council.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

Appointments to boards and committees are under the purview of the elected officials.

EA/B/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To approve the Mayor's nomination and to appoint Luke Jensen to fill the vacant Ward 5 position on the Lewiston School Committee.

LEWISTON CITY COUNCIL

MEETING OF FEBRUARY 7, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 2

SUBJECT:

Public Hearing on the renewal application for a Special Amusement Permit for Live Entertainment for the Franco American Heritage Center, 46 Cedar Street.

INFORMATION:

We have received a renewal application for a Special Amusement Permit for Live Entertainment from the Franco American Heritage Center, 46 Cedar Street.

The Police Department has reviewed and approved the application.

There was no reference to this business or property address in the Council Constituent Concern log, as maintained by the Administrator's Office.

The business owner has been notified of the public hearing and requested to attend.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/ikmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To grant a Special Amusement Permit for Live Entertainment to the Franco American Heritage Center, 46 Cedar Street.

**CITY OF LEWISTON
APPLICATION FOR SPECIAL AMUSEMENT PERMIT**

Date of Application: 01.24.17

Expiration Date: 2-17-2018

- Class A - \$125.00 - restaurants with entertainment, which **does not have dancing**
- Class B - \$125.00 - lounges/bars with entertainment, which **does not have dancing**
- Class C - \$150.00 - either restaurants or lounges/bars with entertainment, including dancing
- Class D - \$150.00 - function halls with entertainment, including dancing
- Class E - \$150.00 - dance hall or nightclub that admits persons under the age of 21
- Class F - \$150.00 - "chem-free" dance hall or nightclub for patrons aged 18 yrs and older, with no liquor

Renewal Applicants: Has any or all ownership changed in the 12 months? Yes No

****PLEASE PRINT****

Business Name: FRANCO AMERICAN HERITAGE Business Phone: 783-1585

Location Address: 46 CEDAR St LEWISTON, ME 04240

(If new business, what was formerly in this location: _____)

Mailing Address: Same

Email address: francocenter.org

Contact Person: EDMONO L GAY Phone: 783-1585

Owner of Business: _____ Date of Birth: _____

Address of Owner: _____

Manager of Establishment: _____ Date of Birth: _____

Owner of Premises (landlord): _____

Address of Premises Owner: _____

Does the issuance of this license directly or indirectly benefit any City employee(s)? Yes No
If yes, list the name(s) of employee(s) and department(s): _____

Have any of the applicants, including the corporation if applicable, ever held a business license with the City of Lewiston? Yes No If yes, please list business name(s) and location(s): _____

Have applicant, partners, associates, or corporate officers ever been arrested, indicted, or convicted for any violation of the law? ____ Yes No If yes, please explain: _____

CORPORATION APPLICANTS: Please attach a list of all principal officers, date of birth & town of residence

Corporation Name: FRANCO AMERICAN HERITAGE CENTER

Corporation Mailing Address: 46 CEDAR ST.

Contact Person: EDMOND L. GRAY Phone: 783-1585

Do you permit dancing on premises? Yes ____ No (If yes, you must first obtain a dance hall permit from the State Fire Marshall's Office) If yes, do you permit dancing or entertainment after 1:00 AM? ____ Yes No

What is the distance to the nearest residential dwelling unit both inside and outside the building from where the entertainment will take place? _____

Please describe the type of proposed entertainment:

- dancing
- music by DJ
- live band/singers
- stand up comedian
- karaoke
- magician
- piano player
- other, please list Classic concerts.
- other, please list _____

If new applicant, what is your opening date?: _____

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above licensee and further agrees that any misstatement of material fact may result in refusal of license or revocation if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto.

I/We hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/We hereby waive any rights to privacy with respect thereto.

Signature: Edmond Gray Title: Director of operations Date: 01/24/17

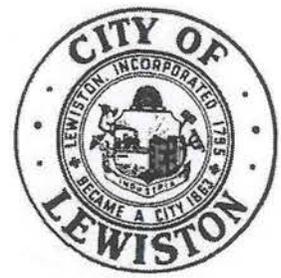
Printed Name: EDMOND L GRAY

Hearing Date: 2/7/2017



POLICE DEPARTMENT

Brian O'Malley
Chief of Police (Interim)



TO: Kelly Brooks, Deputy City Clerk

FR: Lt. Adam D. Higgins, Support Services

DT: January 4, 2017

RE: Liquor License/Special Amusement Permit – **Franco-American Heritage Center**

We have reviewed Liquor License/Special Amusement Permit Application and have no objections to the following establishment;

Franco American Heritage Center
46 Cedar St.



171 Park St • Lewiston, Maine • 04240 • Phone 207-513-3137 • Fax 207-795-9007
www.lewistonpd.org



Professionalism

Integrity

Compassion

Dedication

Pride

Dependability

LEWISTON CITY COUNCIL

MEETING OF FEBRUARY 7, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 3

SUBJECT:

Public Hearing on the renewal application for a Special Amusement Permit for Live Entertainment for The Cage, 97-99 Ash Street.

INFORMATION:

We have received a renewal application for a Special Amusement Permit for Live Entertainment from The Cage, 97-99 Ash Street.

The Police Department has reviewed and approved the application.

There was no reference to this business or property address in the Council Constituent Concern log, as maintained by the Administrator's Office.

The business owner has been notified of the public hearing and requested to attend.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/KMM

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To grant a Special Amusement Permit for Live Entertainment to The Cage, 97-99 Ash Street.

**CITY OF LEWISTON
APPLICATION FOR SPECIAL AMUSEMENT PERMIT**

Date of Application: ~~12-18-17~~ 1-17-17

Expiration Date: 2-16-2018

- Class A - \$125.00 - restaurants with entertainment, which **does not have dancing**
- Class B - \$125.00 - lounges/bars with entertainment, which **does not have dancing**
- Class C - \$150.00 - either restaurants or lounges/bars with entertainment, including dancing
- Class D - \$150.00 - function halls with entertainment, including dancing
- Class E - \$150.00 - dance hall or nightclub that admits persons under the age of 21
- Class F - \$150.00 - "chem-free" dance hall or nightclub for patrons aged 18 yrs and older, with no liquor

Renewal Applicants: Has any or all ownership changed in the 12 months? Yes No

****PLEASE PRINT****

Business Name: The Cage ~~Inc~~ **Business Phone:** 783-0665

Location Address: 97-99 Ash St. Lewiston, Maine 04240

(If new business, what was formerly in this location: _____)

Mailing Address: 97 Ash St. Lewiston, Maine 04240

Email address: _____

Contact Person: Randall J. Collins **Phone:** 576-3668

Owner of Business: The Cage Inc. **Date of Birth:** _____

Address of Owner: 97 Ash St. Lewiston, Maine 04240

Manager of Establishment: Randall Collins **Date of Birth:** 2-24-52

Owner of Premises (landlord): RDP Inc.

Address of Premises Owner: 97 Ash St. Lewiston, Maine 04240

Does the issuance of this license directly or indirectly benefit any City employee(s)? Yes No
If yes, list the name(s) of employee(s) and department(s): _____

Have any of the applicants, including the corporation if applicable, ever held a business license with the City of Lewiston? Yes No If yes, please list business name(s) and location(s): _____

The Cage Inc. 97 Ash St. Lewiston, Maine 04240

Have applicant, partners, associates, or corporate officers ever been arrested, indicted, or convicted for any violation of the law? Yes No If yes, please explain: _____

CORPORATION APPLICANTS: Please attach a list of all principal officers, date of birth & town of residence

Corporation Name: The Cogs Inc.

Corporation Mailing Address: 97 Ash St. Lewiston, Maine 04240

Contact Person: Randall J. Collins Phone: 576-3668

Do you permit dancing on premises? Yes No (If yes, you must first obtain a dance hall permit from the State Fire Marshall's Office) If yes, do you permit dancing or entertainment after 1:00 AM? Yes No

What is the distance to the nearest residential dwelling unit both inside and outside the building from where the entertainment will take place? Above bar

Please describe the type of proposed entertainment:

- dancing
- stand up comedian
- piano player
- music by DJ
- karaoke
- other, please list _____
- live band/singers
- magician
- other, please list _____

If new applicant, what is your opening date?: _____

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above licensee and further agrees that any misstatement of material fact may result in refusal of license or revocation if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto.

I/We hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/We hereby waive any rights to privacy with respect thereto.

Signature: Randall J. Collins Title: President Date: 12-25-16

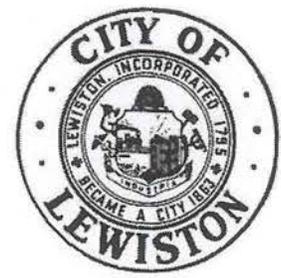
Printed Name: Randall J. Collins

Hearing Date: 2-7-17



POLICE DEPARTMENT

Brian O'Malley
Chief of Police (Interim)



TO: Kelly Brooks, Deputy City Clerk

FR: Lt. Adam D. Higgins, Support Services

DT: January 4, 2017

RE: Liquor License/Special Amusement Permit – **The Cage**

We have reviewed Liquor License/Special Amusement Permit Application and have no objections to the following establishment;

The Cage
99 Ash St.



171 Park St • Lewiston, Maine • 04240 • Phone 207-513-3137 • Fax 207-795-9007
www.lewistonpd.org



Professionalism

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Dedication

Pride

Dependability

LEWISTON CITY COUNCIL

MEETING OF FEBRUARY 7, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 4

SUBJECT:

Public Hearing for the Fiscal Year 2018 Lewiston Capital Improvement Program.

INFORMATION: The municipal Capital Improvement Program (LCIP) is required by State Law and the City Charter. The LCIP is an important and necessary planning tool for the City's consideration in financial and development issues. It is a working document, and adoption does not constitute approval and/or funding of the various projects within the program. Each project will require funding approval from the City Council at a later date. The complete LCIP booklet was distributed to Council around January 15 for review. Prior to acting on the City's five year capital plan, the Council must hold a public hearing on it. In addition to the public hearing, the Council will also receive comments on the plan from the Finance Committee and the Planning Board.

This agenda item is for a Public Hearing to receive citizen input and comment regarding the contents of the Plan. Adoption of the LCIP is scheduled for a future City Council meeting.

Copies of the Plan are available on the City's website by using the Financial Reports link on the Finance Department's home page. The City Administrator's Message summarizing the plan and a spreadsheet with all proposed projects is attached.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

Receiving input from the residents is an important part of the LCIP process.

EAR/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To conduct a public hearing to receive citizen input and comment regarding the Fiscal Year 2018 Lewiston Capital Improvement Program.

(No action or vote is required by the City Council.)



EXECUTIVE DEPARTMENT

Edward A. Barrett, City Administrator
Phil Nadeau, Deputy City Administrator

December 29, 2016

Honorable Mayor Robert E. Macdonald
Lewiston City Council Members
City Building
Lewiston, Maine 04240

RE: Proposed FY2018 Capital Improvement Program

Dear Mayor and Councilors:

The proposed FY2018 Lewiston Capital Improvement Program (LCIP) is hereby submitted for your review in accordance with the provisions of the City Charter.

The purpose of developing and annually updating a five-year capital plan is to ensure that policy makers are aware of both current and future capital needs and can take these into account during the annual budget process. It assists in setting priorities for addressing the City's infrastructure needs and in planning for and managing the City's overall debt.

At the same time, a capital plan is not and cannot be carved in stone. It must be a living and flexible document that, while informing judgments, does not predetermine them. While the plan serves as a guide to decision making, other factors must be weighed and balanced. These include: the overall economic and fiscal climate; the City's debt position; the availability of non-city funding sources; unexpected emergencies or development opportunities; public requests or expectations; and the ability of the City's operating budget to directly fund projects through normal City revenues.

Under our charter and procedures, this plan is also submitted to the Planning Board and the Finance Committee for their review, comments, and recommendations. The Council is required to hold a public hearing on this plan and to adopt it as it may be changed or modified at least four months prior to the end of the current fiscal year.

In addition to various summaries, each project is described and justified in the attached project detail sheets. Potential sources of funding are suggested such as federal or state grants, our operating budget, or general obligation bonds.

While a five-year time frame is appropriate for planning purposes, the focus of immediate attention will be on those projects scheduled for the coming fiscal year and, more specifically, those requiring either operating support or debt authorization. A summary of such projects can be found below.

OVERALL SUMMARY

The five-year capital plan calls for approximately \$117.9 million in projects of which \$98 million are supported by City resources including our various operating budgets or general obligation or enterprise revenue supported bonds. The following chart summarizes the proposed use of local resources for the first year of the plan (FY2018) and the total over the full five year period:

AREA	FY2018	FY2018-FY2022
City Bond Issue	17,227,885	57,303,885
City Operating Budget	601,400	1,671,025
School Bond Issue	702,000	1,602,000
Water Bond Issue	1,995,000	15,585,000
Water Operating Budget	412,250	1,984,250
Sewer Operating Budget	220,250	682,250
Sewer Bond Issue	2,305,000	10,730,000
Sewer Impact Fees	55,000	137,500
Storm Water Operating Budget	124,500	425,900
Storm Water Bond Issue	1,740,000	7,853,000
TOTAL	25,383,285	97,977,910

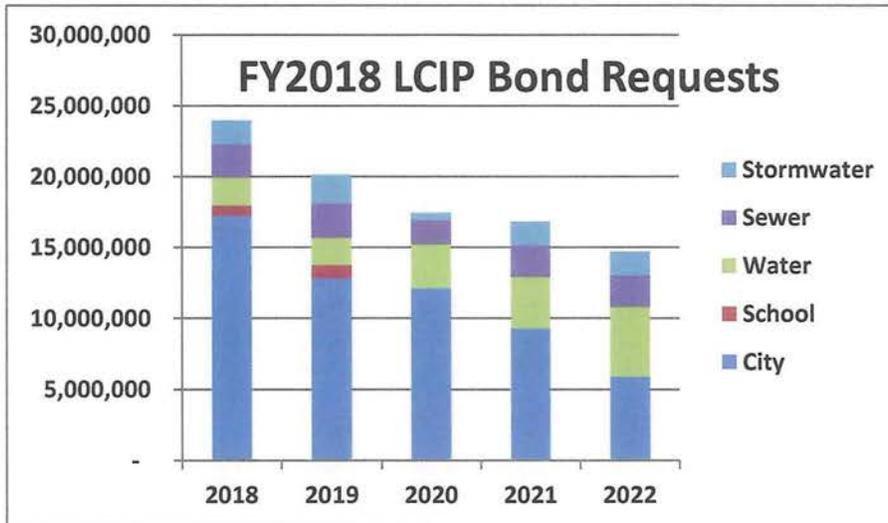
Significant changes include an increase of \$9.8 million in the size of the proposed City bond issue from last year's proposed \$7.5 million. This increase is attributed to the second phase of the Lincoln Street parking garage totaling \$10.7 million¹. The proposed School bond portion declined by \$2.3 million as FY2017's LCIP included the Farwell Elementary School classroom expansion project. The FY2018 proposed utility bond request of \$6,040,000 trails last year's request by just under a half million dollars.

PROPOSED BOND ISSUES

The following chart and accompanying graph summarizes the amount of bonded debt proposed for the City's General Fund and each of its Enterprise Funds over the next five years.

Fund	2018	2019	2020	2021	2022	Total
City	17,227,885	12,817,500	12,108,000	9,278,500	5,872,000	57,303,885
School	702,000	900,000				1,602,000
Water	1,995,000	1,955,000	3,090,000	3,625,000	4,920,000	15,585,000
Sewer	2,305,000	2,385,000	1,675,000	2,190,000	2,175,000	10,730,000
Storm Water	<u>1,740,000</u>	<u>2,086,000</u>	<u>577,000</u>	<u>1,725,000</u>	<u>1,725,000</u>	<u>7,853,000</u>
TOTAL	23,969,885	20,143,500	17,450,000	16,818,500	14,692,000	93,073,885

¹ Note that this project is dependent upon the redevelopment of Mill 5 moving forward. Without this project, FY 18's proposed bond issue would be slightly smaller than the FY 17 proposal. Additionally, in accordance with the City ordinance, any single purpose bond authorization for an individual project that exceeds 15% of the property tax levy of the preceding fiscal year (\$7,846,914) must be approved by the voters at a regular or special election prior to issuance.



OVERALL FISCAL AND ECONOMIC CLIMATE

During and subsequent to the recent great recession, capital funding financed by our operating budget declined. In recent years, we have taken some modest steps to increase the operating capital budget. This progress was reversed in FY14 as a result of a significant additional reduction in state revenue sharing and minimal capital funding has been provided by the operating budget since then. Projects that should be funded through current revenues continue to be proposed for either bond funding or the use of fund balance. This includes equipment replacement, annual street paving, and proposed funding for some smaller projects.

While pressure remains on the City's operating budget due to the after effects of the economic downturn and the continuing state raids on local funding, staff will closely evaluate the potential to fund all or portions of some of the proposed bond projects through the operating budget. Funding recurring and on-going capital expenses from operations should continue to be our long-term goal.

DEBT POSTURE

At the present time, the City's outstanding issued and authorized debt for all funds and purposes is \$201,614,604. The following chart provides greater detail by fund and purpose:

Outstanding Debt Issued & Authorized as of 12/31/16	
City	\$43,810,381
Pension	4,950,000
School	38,888,138 ²
Water	19,645,547
Sewer	14,178,937
Storm Water	11,088,213
TIF Special Revenue	1,984,258
Authorized, Unissued Debt	<u>67,069,130</u>
Total	\$201,614,604

² Of this amount, \$16,553,000 in debt associated with new school construction is paid by the State.

While considered manageable by bond rating agencies, we should continue to work toward reducing tax supported debt. The current year's debt service budget of approximately \$7,862,252, while reduced from its high of \$9,553,599 in FY10, represents approximately 19% of the City's operating budget exclusive of schools and county tax. The City Council has consistently reaffirmed our goal of reducing this percentage over time to a more sustainable level. This will be a major challenge given continuing economic constraints on our operating budget and past and potential reductions in state and federal funding.

While significant strategic investments have been required to address major changes occurring in the local economy in recent decades, these investments have come at a cost, and we must carefully manage our debt position moving forward. Our current approach to debt management involves a four part strategy. First, we should strive to move certain capital expenditures back into our operating budget or find other sources to fund them. Generally, those projects that are on-going or fairly predictable from year to year should be supported by annual revenues. This includes such items as street overlay and fleet replacement. Second, we have closely monitored capital markets and refinanced outstanding bonds at lower interest rates whenever possible. Given the extent of the refinancings over the past few years, this option is just about exhausted. Third, the City has eliminated its past budgetary practice of using one-time revenues and fund balance to support our operating budget and has adopted a fund balance policy. Under that policy, once certain targets are met, preference is given to using amounts over the target for capital expenditures, relieving the need to borrow. Earlier this year, the City Council approved the use of approximately \$2 million from fund balance for one time capital items and other costs. Finally, in 2011, the Council lowered the amount of debt that can be authorized in any one year from 97% of the average amount of principal retired over the last three years to 80%. To exceed this amount, an affirmative vote of five Councilors is required. Over time, these approaches have and will continue to allow the city to gradually reduce its outstanding debt and the percentage of the operating budget devoted to debt service.

Unfortunately, reducing our outstanding debt will not result in an immediate significant reduction in the City's debt service payment schedule. The City makes equal annual principal payments, resulting in a declining payment schedule over time as principal is paid off. This approach requires higher payments in the early years after debt is issued. The Finance Director has also made a strategic decision to amortize the City's debt at a rapid pace, which results in higher annual principal payments but reduces overall debt burden and interest cost over the term of the issue.

The City's General Fund debt service requirements for the current year and the next five fiscal years, exclusive of authorized but as yet unissued debt are:

FISCAL YEAR	PRINCIPAL AND INTEREST PAYMENT
FY17 (Current)	\$7,752,069
FY18	7,916,335
FY19	7,462,171
FY20	7,046,455
FY21	6,804,904
FY22	4,649,413

Given these required payments and the additional borrowing that will occur over this time, annual principal is likely to continue to increase throughout this period; however, we anticipate the City will experience a reduction in interest.

Due to a printing error, the copier printed a blank numbered page. No information is missing from this memo however.

ENTERPRISE FUNDS

The majority of the projects in our water, sewer, and storm water funds are directly related to either addressing old and deteriorating infrastructure or responding to state and federal mandates related to clean water. In all of these utilities, debt service costs are a major factor driving future rate increases. In order to better plan for and manage such increases, we continue to develop multi-year revenue and expense projections to ensure that policy makers are aware of the impact of capital projects on the financial stability and rates of these utilities.

PROPOSED FY2018 CAPITAL IMPROVEMENT PROGRAM

Recognizing that one of the major purposes of a capital plan is to inform the public and the City's annual budget process, this section briefly summarizes the projects identified for potential funding through local resources (our operating budgets or by issuing bonds) during FY2018.

PROJECT	TOTAL COST	CITY RESOURCES
AIRPORT:		
Instrument Landing System Relocation & Upgrade	150,000	3,875
Taxiway B Reconstruction	611,000	15,275
Airport Landside Terminal Parking Lot	25,000	
	786,000	19,150
EMERGENCY 9-1-1:		
Radio Replacement Project	570,000	35,000
Virtualization Hardware Refresh	143,000	71,500
	713,000	106,500
TRANSIT COMMITTEE:		
Bus/Bus Equipment/Midlife Overhauls	400,000	40,000
CITY CLERK:		
Voting Booth Replacement (Year 2)	18,000	18,000
ECONOMIC & COMMUNITY DEVELOPMENT:		
Acquisition/Demolition	200,000	200,000
Canal Ownership Projects	22,000	22,000
Riverfront Island Implementation	320,000	320,000
Lincoln Street Garage Phase II	10,700,000	10,700,000
	11,242,000	11,242,000
LIBRARY:		
Elevator Control Replacement for Second Elevator	32,000	32,000
MIS DEPARTMENT:		
Camera System Upgrade	150,000	150,000
FIRE DEPARTMENT:		
Central Fire Station Generator	59,885	57,885
Fire Support Vehicles	128,000	128,000
Central Fire Station Roof Replacement Project	165,000	165,000
Sabattus Street Fire Station Replacement Project	315,000	315,000
	667,885	665,885
PUBLIC WORKS - BUILDINGS:		
Recreation Dept. Armory Lighting Replacement Program	50,000	41,000
City Hall Building Second Floor Interior Restoration Project	104,000	104,000
	154,000	145,000

PUBLIC WORKS - HIGHWAY:

Sidewalk Maintenance & Rehabilitation	301,000	301,000
Street Crosswalk Evaluation & Implementation Plan	175,000	175,000
Street Maintenance Program	2,732,000	2,732,000
	<u>3,208,000</u>	<u>3,208,000</u>

PUBLIC WORKS - MDOT PROJECTS:

MDOT 5 WIN 022532.00 Sabattus St. Highway Preservation Paving	550,000	
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PUBLIC WORKS - ATRC:

MDOT 4 River Road Highway Reconstruction	1,350,000	
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PUBLIC WORKS - OPEN SPACES:

Kennedy Park Master Plan	339,000	339,000
Marcotte Park Playground	410,850	75,000
Veteran's Park Improvements & Jet Pedestal	50,000	50,000
Hudson Bus Property Soccer Field	300,000	300,000
	<u>1,099,850</u>	<u>764,000</u>

PUBLIC WORKS - MUNICIPAL GARAGE:

Municipal Garage Vehicle & Equipment Replacement	1,422,500	1,422,500
Fleet Tracking System	16,250	16,250
	<u>1,438,750</u>	<u>1,438,750</u>

SCHOOL DEPARTMENT:

LHS Parking Lot Expansion	240,000	240,000
Montello Electrical Upgrade & Library Air Conditioning	462,000	462,000
	<u>702,000</u>	<u>702,000</u>

PUBLIC WORKS - WATER DIVISION:

Distribution Water Main Replacement/Rehabilitation	1,995,000	1,995,000
Equipment Replacement Program	46,000	46,000
Lake Auburn Watershed Protection Commission Land Acquisition	60,000	30,000
Fleet Tracking System	16,250	16,250
Meter Program	320,000	320,000
	<u>2,437,250</u>	<u>2,407,250</u>

PUBLIC WORKS - SEWER DIVISION:

Rehabilitation of Old Sanitary Sewer Mains	1,000,000	1,000,000
Equipment Replacement Program	164,000	164,000
Collection System Inspection & Rehabilitation	600,000	600,000
Fleet Tracking System	16,250	16,250
Pump Station Replacement	205,000	205,000
CSO Separation - Various Areas	500,000	500,000
CSO Permanent Metering with SCADA	15,000	15,000
CSO Storage in Franklin Pasture for Gully Brook CSO Area	25,000	25,000
	<u>2,525,250</u>	<u>2,525,250</u>

PUBLIC WORKS - STORM WATER DIVISION

Culvert Replacement Program	210,000	210,000
Fleet Tracking System	16,250	16,250
Storm Drains for Road Rehabilitation Projects	68,250	68,250
Jepson Brook Channel Upgrades	1,030,000	1,030,000
CSO Separation - Various Areas	500,000	500,000
CSO Permanent Metering with SCADA	15,000	15,000
CSO Storage in Franklin Pasture for Gully Brook CSO Area	25,000	25,000
	<u>1,864,500</u>	<u>1,864,500</u>

PUBLIC WORKS - SEWER IMPACT FEES:

Criticality & Risk Assessment of Collection System	55,000	55,000
Total	<u>29,393,485</u>	<u>25,383,285</u>

FY2018 MUNICIPAL BOND PROJECTS

The following general fund projects are proposed for bond funding in FY2018:

<u>PROJECT</u>	<u>AMOUNT</u>
CITY:	
Virtualization Hardware Refresh	71,500
Riverfront Island Implementation	320,000
Lincoln Street Garage Phase II	10,700,000
Camera System Upgrade	150,000
Central Fire Station Generator	57,885
Central Fire Station Roof Replacement Project	165,000
Sabattus Street Fire Station Replacement Project	315,000
City Hall Building Second Floor Interior Restoration Project	104,000
Sidewalk Maintenance & Rehabilitation	301,000
Street Crosswalk Evaluation & Implementation Plan	175,000
Street Maintenance Program	2,732,000
Kennedy Park Master Plan	339,000
Marcotte Park Playground	75,000
Hudson Bus Property Soccer Field	300,000
Municipal Garage Vehicle & Equipment Replacement	<u>1,422,500</u>
	17,227,885
SCHOOL:	
LHS Parking Lot Expansion	240,000
Montello Electrical Upgrade & Library Air Conditioning	<u>462,000</u>
	702,000
Total General Fund Requests	<u><u>17,929,885</u></u>

Given the proposed bond projects, the 80% limit of \$7,851,560 would be exceeded by \$10,078,325.³

As we move through the budget process, it is my hope that we will be able to bring the proposed amount of borrowing closer to the 80% limit. This can be accomplished by deferring projects and/or funding some of them from either the City's operating budget or unallocated fund balance. Toward this end, the goal of reducing next year's bond issue should remain in our minds as we work on the FY2018 operating budget.

CONCLUSION

The LCIP is an important planning tool to assist policy makers as they consider financial and development issues. However, the LCIP is only a "tool," not a funded budget.

³ Note that this includes the early payment of the Colisee bond in FY2015. The additional principal payment equals \$3,475,000.

The City Council has the final authority over which projects are funded and which are not. In these economic times and given the City's overall debt and fiscal posture, it may be difficult to either afford or fully fund all of the scheduled LCIP projects, including those proposed for inclusion in the General Fund operating budget. As a result, these projects will require that we carefully prioritize what must and should be done. These are issues that will be fully discussed and evaluated during the upcoming budget process.

I would like to express my thanks to the members of City staff who contributed to developing this plan, especially our department directors, our Finance Director Heather Hunter, and Norm Beauparlant, our Director of Budget and Purchasing. Without their efforts, this document could not have been produced in a timely fashion.

I look forward to the opportunity of reviewing this plan with you, the Planning Board, and the Finance Committee over the coming months.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Edward A. Barrett". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Edward A. Barrett
City Administrator

FY 2018 Lewiston Capital Improvement Project Summary
by Department/Agency

PROJECT	PAGE	FY2018		FY2019		FY2020		FY2021		FY2022	
AIRPORT:											
Instrument Landing System Relocation & Upgrade	13	142,250	F/S	555,250	F/S						
		3,875	Other	34,875	Other						
		3,875	COB	34,875	COB						
Construction of New Fuel Farm	14					712,500	F/S				
						18,750	Other				
						18,750	COB				
Reconstruction of Runway 4-22	15			5,700,000	F/S						
				150,000	Other						
				150,000	CBI						
Taxiway B Reconstruction	16	580,450	F/S								
		15,275	Other								
		15,275	COB								
Airport Landside Terminal Parking Lot	17	25,000	Other	175,000	Other	150,000	Other				
Fixed Base Operation Aircraft Parking Ramp Reconstruction	18					200,000	Other				
						200,000	CBI				
Airport Wildlife Control Equipment - Tractor	19			150,000	Other						
				150,000	CBI						
EMERGENCY 9-1-1:											
Radio Replacement Project	20	535,000	Other	511,000	Other	1,500,000	Other				
		35,000	COB	511,000	CBI	1,500,000	CBI				
Virtualization Hardware Refresh	21	71,500	Other	68,500	Other						
		71,500	CBI	68,500	CBI						
TRANSIT COMMITTEE:											
Bus/Bus Equipment/Midlife Overhauls	22	320,000	F/S	320,000	F/S	360,000	F/S	360,000	F/S	360,000	F/S
		40,000	Other	40,000	Other	45,000	Other	45,000	Other	45,000	Other
		40,000	COB	40,000	COB	45,000	COB	45,000	COB	45,000	COB
ASSESSING:											
City-Wide Revaluation										114,000	CBI
CITY CLERK:											
Voting Booth Replacement (Year 2)	24	18,000	COB								
ECONOMIC & COMMUNITY DEVELOPMENT:											
Acquisition/Demolition	25	200,000	COB	200,000	COB	200,000	COB	200,000	COB	200,000	COB
Canal Ownership Projects	26	22,000	COB	100,000	CBI	100,000	CBI	100,000	CBI	100,000	CBI
Riverfront Island Implementation	27	320,000	CBI	450,000	CBI	450,000	CBI	450,000	CBI	450,000	CBI
Lincoln Street Garage Phase II	28	10,700,000	CBI								
LIBRARY:											
Elevator Control Replacement for Second Elevator	29	32,000	COB								
MIS DEPARTMENT:											
Camera System Upgrade	30	150,000	CBI								
FIRE DEPARTMENT:											
Central Fire Station Generator	31	57,885	CBI								
		2,000	Other								
Fire Pumper/Aerial Replacement	32			950,000	CBI						
Fire Support Vehicles	33	128,000	COB								
Central Fire Station Roof Replacement Project	35	165,000	CBI								
Sabattus Street Fire Station Replacement Project	36	315,000	CBI	3,300,000	CBI						
Lisbon Street Fire Station Replacement Project	37					110,000	CBI	3,300,000	CBI		

FY 2018 Lewiston Capital Improvement Project Summary
by Department/Agency

PROJECT	PAGE	FY2018		FY2019		FY2020		FY2021		FY2022	
Main Street Fire Station Replacement Project	38									110,000	CBI
POLICE DEPARTMENT:											
Police Building Expansion Project	39			50,000	CBI	2,500,000	CBI				
PUBLIC WORKS - BUILDINGS:											
Recreation Dept. Armory Light Replacement Program	40	41,000	COB	41,000	COB						
		9,000	Other	9,000	Other						
City Hall Building Second Floor Interior Restoration Project	41	104,000	CBI								
Public Works Building Roof Membrane Replacement Project	42					340,000	CBI				
City Hall Building Window Replacement Project	43							500,000	CBI		
City Hall Building Exterior Rehabilitation Project	44									200,000	CBI
Armory Balcony Seat Replacement	45									90,000	CBI
Armory Building Exterior Rehabilitation Project	46									140,000	CBI
PUBLIC WORKS - HIGHWAY:											
Birch Street Road & Sidewalk Rehabilitation	47					925,000	CBI				
Canal Street Project	48			800,000	CBI						
Sidewalk Maintenance & Rehabilitation	49	301,000	CBI	393,000	CBI	343,000	CBI	346,000	CBI	300,000	CBI
Street Crosswalk Evaluation & Implementation Plan	51	175,000	CBI								
Street Maintenance Program	52	2,732,000	CBI	2,792,000	CBI	2,659,000	CBI	2,759,000	CBI	2,767,000	CBI
PUBLIC WORKS - MDOT PROJECTS:											
MDOT East Avenue - Homefield Street to Fairlawn Avenue	56			720,000	F/S						
				80,000	CBI						
MDOT Stetson Road - Main St. to College St. Rehabilitation Project	57			810,000	F/S						
				90,000	CBI						
MDOT WIN 011599.30 River Road Highway Reconstruction	58			1,000,000	F/S						
				175,000	CBI						
MDOT 5 WIN 022532.00 Sabattus St. Highway Preservation Paving	59	550,000	F/S								
PUBLIC WORKS - ATRC:											
MDOT 4 River Road Highway Reconstruction	60	1,350,000	F/S								
PUBLIC WORKS - STREET LIGHTING:											
Replace Mercury Street Lighting	61			395,000	CBI	395,000	CBI				
PUBLIC WORKS - SOLID WASTE:											
Landfill Intermediate Cover	62			250,000	CBI						
Truck Scale Replacement/Scale Management Upgrades	63			150,000	CBI						
PUBLIC WORKS - OPEN SPACES:											
Kennedy Park Master Plan	64	339,000	CBI	403,000	CBI	451,000	CBI	498,500	CBI	355,000	CBI
Marcotte Park Playground	71	12,500	CD	12,500	CD						
		323,350	Other	323,350	Other						
		75,000	CBI	75,000	CBI						
Randal Road Field Upgrades	72			175,000	CBI	820,000	CBI				
Veteran's Park Improvements & Jet Pedestal	73	50,000	COB								
Hudson Bus Property Soccer Field	74	300,000	CBI								
PUBLIC WORKS - MUNICIPAL GARAGE:											
Municipal Garage Vehicle & Equipment Replacement	75	1,422,500	CBI	1,310,000	CBI	1,315,000	CBI	1,325,000	CBI	1,246,000	CBI
Fleet Tracking System	79	16,250	COB								
		16,250	WOB								
		16,250	SOB								
		16,250	SWOB								
PUBLIC WORKS - COMBINED SEWER OVERFLOW:											
CSO Separation - Various Areas	80	500,000	SBI					500,000	SWBI	500,000	SWBI

FY 2018 Lewiston Capital Improvement Project Summary
by Department/Agency

PROJECT	PAGE	FY2018	FY2019	FY2020	FY2021	FY2022
CBI (City Bond Issue)		13,432,000	6,892,000	6,084,000	6,059,000	2,767,000
SCBI (School Bond Issue)						
WBI (Water Bond Issue)		1,995,000	1,955,000	2,840,000	2,425,000	4,920,000
SBI (Sewer Bond Issue)		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
SWBI (Storm Water Bond Issue)						
sub-total		16,427,000	9,847,000	9,924,000	9,484,000	8,687,000
15yr						
CBI (City Bond Issue)		974,000	1,803,000	3,221,000	1,448,500	805,000
SCBI (School Bond Issue)		462,000	900,000			
WBI (Water Bond Issue)					1,200,000	
SBI (Sewer Bond Issue)		1,100,000	1,260,000	550,000	1,050,000	1,050,000
SWBI (Storm Water Bond Issue)		1,530,000	1,800,000	577,000	1,725,000	1,725,000
sub-total		4,066,000	5,763,000	4,348,000	5,423,500	3,580,000
10yr						
CBI (City Bond Issue)		1,888,500	2,984,000	2,703,000	1,671,000	1,856,000
SCBI (School Bond Issue)		240,000				
WBI (Water Bond Issue)						
SBI (Sewer Bond Issue)		205,000	125,000	125,000	140,000	125,000
SWBI (Storm Water Bond Issue)		210,000	286,000			
sub-total		2,543,500	3,395,000	2,828,000	1,811,000	1,981,000
5yr						
CBI (City Bond Issue)		933,385	1,138,500	100,000	100,000	444,000
SCBI (School Bond Issue)						
WBI (Water Bond Issue)				250,000		
SBI (Sewer Bond Issue)						
SWBI (Storm Water Bond Issue)						
sub-total		933,385	1,138,500	350,000	100,000	444,000
Total		23,969,885	20,143,500	17,450,000	16,818,500	14,692,000

LEWISTON CITY COUNCIL

MEETING OF FEBRUARY 7, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 5

SUBJECT:

Resolve transferring funds within the General Fund to allow expedited hiring of Deputy City Administrator.

INFORMATION:

Phil Nadeau, the City's current Deputy City Administrator, has announced that he will retire on June 30, 2017. Phil has been an essential member of the City's management team with responsibilities ranging from labor relations to leadership roles with the Lewiston Auburn Transit Committee and the Lewiston Auburn Water Pollution Control Authority. Given his scheduled retirement and the pending vacancies in some other key management positions, it would be helpful to hire his replacement several months in advance to allow Phil the opportunity to work closely with the new Deputy and assist in bringing that individual up to speed. The attached resolve will transfer the necessary funds within the General Fund to allow this to occur.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To approve the Resolve transferring funds within the General Fund to allow expedited hiring of Deputy City Administrator.



COUNCIL RESOLVE

Resolve, Transferring Funds Within the General Fund to Allow Expedited Hiring of Deputy City Administrator.

Whereas, the current Deputy City Administrator has announced that he will retire on June 30, 2017; and

Whereas, several other management team members will also be retiring over this period; and

Whereas, given the current Deputy Administrator's responsibilities and range of activities, it would be beneficial for a new Deputy Administrator to be brought on board to work with the retiring Deputy for a period of time; and

Whereas, in order to provide for this overlap, additional funding is required;

Now, therefore, be it resolved by the City Council of the City of Lewiston that

The amount of \$31,950 is hereby transferred from General Fund Account Number 4971-411000 (Salary Reserve) to the appropriate accounts within the City Administrator's Budget to allow for hiring a Deputy City Administrator in advance of the current Deputy's retirement.

LEWISTON CITY COUNCIL

MEETING OF FEBRUARY 7, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 6

SUBJECT:

Order approving the Second Extension of the Option to purchase Bates Mill #5 (The Weave Shed) with Bates Mill, LLC until February 28, 2018 and Authorizing the City Administrator to execute the document to effect that extension.

INFORMATION:

The City owns the Bates Mill #5 mill building which has been vacant for many years. Grow L + A is a local non-profit citizens group with goals for promoting sustainable and socially responsible development and they have been working to redevelop Mill 5 rather than have it demolished. They have been working with Bates Mill LLC regarding engineering and architecture work as well as other related structural design work regarding the building. There have been some discussions with potential building tenants and more time is needed to continue the dialogs and securing financing for redevelopment. The Resolve is seeking Council permission for city staff to continue negotiating with Bates Mill LLC regarding the transfer of title to Bates Mill #5.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

ERB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To adopt the Order approving the Second Extension of the Option to purchase Bates Mill #5 (The Weave Shed) with Bates Mill, LLC until February 28, 2018 and Authorizing the City Administrator to execute the document to effect that extension.



COUNCIL ORDER

ORDER, Approving the Second Extension of the Option to Purchase Bates Mill #5 (The Weave Shed) with Bates Mill, LLC until February 28, 2018 and Authorizing the City Administrator to Execute the Document to Effect that Extension.

Whereas, the City of Lewiston owns Bates Mill #5, which is located at 15 Canal Street; and

Whereas, the City entered into an Option Agreement with Bates Mill, LLC dated February 18, 2015, in which the City granted Bates Mill, LLC an exclusive option to Purchase the Real Estate for an Initial Term ending February 18, 2016, which was extended until February 18, 2017 by an Extension of Option Agreement dated February 9, 2016; and

Whereas, the Seller has continued to make steady progress in developing plans for redevelopment of the building including engineering studies, architectural plans, and moving through the historic preservation tax credit process; and

Whereas, these efforts have continued to generate tenant interest in the project, with active lease negotiations underway with several tenants; and

Whereas, the City has applied for a Federal Brownfield Grant that, if awarded, will be used to mitigate remaining environmental issues in Bates Mill #5; and

Whereas, under the terms of the Brownfield Program, the city must own Bates Mill #5 at the time the environmental mitigation work is done and the timing of award and funding in the Brownfield grant cycle will result in mitigation work not beginning until approximately January 2018; and

Now, therefore, be it Ordered by the City Council of the City of Lewiston that

The Second Extension of the Option Agreement with Bates Mill, LLC for the purchase of Bates Mill #5 is approved and the City Administrator is authorized to execute the Agreement on behalf of the City.

Economic and Community Development

Lincoln Jeffers

Director



To: Honorable Mayor and Members of the City Council
From: Lincoln Jeffers
RE: Extension of Option to Purchase Bates Weave Shed #5
Date: February 2, 2017

Bates Mill, LLC's Option to purchase Bates Weave Shed #5 (BM5) expires on February 18, 2017. This memo provides the background and reasoning for my recommendation that the City Council extend that option until February 28, 2018.

Background

Since February 2015, Tom Platz has invested more than \$600,000 in soft costs moving development of the building forward, including architectural design work specific to tenant articulated needs, structural engineering analysis, traffic engineering, and historic preservation consultant fees. With the investments of other private sector partners and/or tenants in the project, more than \$787,000 has been invested in evaluating and planning for the redevelopment of the building. Lease negotiations are underway in earnest with several tenants. Despite all of this activity and momentum, the project is not ready to go forward.

Recent news articles have highlighted significant changes in the leadership at Central Maine Medical Center. Profitable in 2015, it lost an undisclosed amount of money in 2016. The new CEO, Jeff Brickman, has hired a national consulting firm he has worked with in the past to evaluate CMMC operations and help him develop a "transformational plan." CMMC provided notice to Tom Platz today that the organization is no longer considering tenancy at BM 5. Changes in Medicaid and Medicare reimbursement rates for the services that were going to be relocated to BM5 made the project financially unfeasible for CMMC.

While the loss of CMMC as a significant tenant is a setback, it is not a showstopper. The YMCA remains strongly committed to the project. Its feasibility studies justify and support that commitment. The possibility of being a part of the redevelopment of BM5 is attractive to and has sparked interest from a wide range of potential tenants. Grand Rounds, a San Francisco based health care services company, was first attracted to Lewiston as a possible site for expansion because of BM5. As it turns out, BM5 could not be redeveloped quickly enough to meet Grand Rounds expansion needs, but they still chose to expand in Lewiston. They will take occupancy of the top floor of Bates Mill #6

later this month. They currently employ 40 people and have plans to expand to 150 or more employees within the next five years.

Tom Platz has been hard at work and continues to build momentum to secure leases for enough square footage to make the project bankable.

Brownfield Grant Requires Longer City Ownership

As the City has moved forward with our work on this project, several issues have come to light. Previously conducted environmental assessment work on the Bates Mill complex identified environmental issues in the complex. Many of the identified issues have been mitigated. Some remain at BM5, including asbestos abatement and PCB contamination on a portion of the floor in the hydroelectric generating room. The City Council recently authorized the City applying for a \$200,000 Brownfield Clean-Up Grant to mitigate these issues, which we did in December. We will hear whether we were successful in our application in spring 2017. If we are awarded a grant, the money will become available sometime in fall 2017. The earliest the mitigation work could be bid and awarded is early winter, with work possibly beginning in January 2018. Under the terms of the Brownfield Grant, *the City must own BM5 when the work is being done.* Municipalities are eligible recipients of federal Brownfield grant awards. Private individuals or companies are not eligible. *Whether the building is redeveloped or demolished, the environmental issues in the building must be mitigated.*

To also be bankable, the project must have a clean bill of health.

Rather than pulling the plug on a \$60+million project that has already had more than \$700,000 in private capital invested at risk to bring to fruition, I recommend extending the option until February 28, 2018. The City will be in no worse position than it currently is regarding ownership of the facility, and the upside potential for jobs, tax base expansion, and community image from the redevelopment of BM5 is enormous.

Other Considerations

City staff is working to secure federal funding that will reduce the public debt needed to support this project. Last year, the city applied for a \$250,000 Northern Border Regional Grant to help reduce the debt the city will incur if we move forward with partnering on the BM5 project. We were not successful in our grant application, but NBRC representatives have been in touch and strongly encouraged the City to apply for funding again. They also shared that the size of grant awards may be increased in this next grant cycle. City staff has also had an initial meeting with the regional director for the Economic Development Administration to develop an application for up to a \$2 million grant that could be used for public infrastructure to support redevelopment of BM5.

For BM 5 to be redeveloped, a public/private partnership will need to be created. As has been previously discussed in public sessions, the proposed partnership will entail the city building parking to support redevelopment of BM5, improve drainage, curbing, and other improvements to Mill Street, and support a connecting bridge from Phase II of the Lincoln Street Garage into BM5. The new

tax base generated by redevelopment of BM5 and new parking revenues will be used to pay the city's debt service associated with the parking, street, and bridge improvements.

Before the City conveys BM5 to Bates Mill, LLC, a Joint Development Agreement and a Tax Increment Financing Agreement will need to be negotiated and approved by the City Council. Negotiations on those agreements present opportunities to amend and improve upon the Bates Mill Parking Agreement associated with the 2003 Bates Mill Sale Agreement. The details of the public/private partnership and the contractual obligations of both parties will become clearer as redevelopment plans and commitments move forward.

Summary

The redevelopment of the rest of the Bates Mill complex, broadly regarded as an enormous success that sparked and supported the downtown development that followed, has been in process for more than 20 years. To date, approximately 420,000 s.f. have been redeveloped to Class A standards. The physical layout of the rest of the Bates campus allows redevelopment efforts to move forward in 10,000 s.f. and larger increments. At 350,000 s.f. BM5 is that much more challenging to develop the critical mass to be bankable. Projects of this scale, scope, and complexity take time. Tom Platz has been hard at work for the last several years to develop that needed critical mass, while at the same time attracting and meeting the needs of Grand Rounds, a significant new employer in Lewiston.

Whether BM5 is redeveloped or demolished, the environmental conditions within it must be mitigated. The city has applied for federal Brownfield funding for that mitigation. If successful in our grant application, the time line for grant award and funding will not permit clean up activity to begin until approximately a year from now. Staff recommends extending Bates Mill, LLC's Option to purchase until February 28th, 2018, giving them the time to continue in their redevelopment efforts and to secure tenants. During that time, the legal documents associated with the public/private partnership will also be negotiated and brought to the Council for Action.

EXTENSION OF OPTION AGREEMENT

THIS EXTENSION OF OPTION AGREEMENT is made as of this __ day of February, 2017, by and between the **CITY OF LEWISTON**, a Maine municipal corporation with its mailing address of 27 Pine Street, Lewiston, ME 04240, hereinafter referred to as the "Seller", and **BATES MILL, LLC**, a Maine limited liability company with its mailing address of 2 Great Fall Plaza, Auburn, ME 04210, hereinafter referred to as "Buyer."

RECITALS

A. Seller is the owner of the land and buildings and improvements thereon known as Bates Mill # 5 and which is described in **Exhibit A** (hereinafter referred to as the "Real Estate").

B. Seller and Buyer are parties to an Option Agreement dated February 18, 2015, pursuant to which the Seller granted the Buyer an exclusive option to Purchase the Real Estate for an Initial Term ending February 18, 2016; which was extended until February 18, 2017 by an Extension of Option Agreement dated February 9, 2016 (the "Option").

C. The Buyer has provided Seller evidence of the possible development of the Real Estate, and is continuing to prepare plans to develop the Real Estate.

D. The Buyer and the Seller wish to extend the Term of the Option to allow the Buyer additional time to prepare plans for redeveloping the Real Estate.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and undertakings hereinafter expressed, the parties agree as follows:

Section 1: Extension of Option. The Option is hereby extended for a Renewal Term beginning at five o'clock (5:00) p.m., prevailing time, February 18, 2017, and continuing through five o'clock (5:00) p.m., prevailing time, February 28, 2018 (the "Second Renewal Term"). The Option may be further extended beyond the Second Renewal Term, at the sole discretion of the Seller, based upon Buyer's providing Seller evidence of possible development of the Real Estate, including but not limited to architectural plans, cost estimates, financing and tenant commitments.

Section 2: All other Terms of Option to Remain. All other terms and conditions of the Option are hereby restated and reaffirmed by reference as if they were stated herein, except that the deadline for executing a Joint Development Agreement stated in Section 10.1 of the Option is extended from July 31, 2015, to the end of this Second Renewal Term.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the day and year first above written.

BATES MILL, LLC

Witness

By: Thomas H. Platz
Its: Manager

CITY OF LEWISTON, MAINE

Witness

By: Edward Barrett
Its: City Administrator

EXHIBIT A

MILL 5 (WEAVE SHED) & MILL STREET

(Parcel I-E, Weave Shed - 15 Canal Street and Main Street): Beginning at a stone bound set in the ground in the division line between land of the Union Water Power Company and the line of said Franklin Company marking the southeasterly corner or angle in the lot conveyed by the Franklin Company to Joseph LeBlanc by deed numbered 985, dated November 13, 1892, and recorded in said Registry of Deeds, Book 75, Page 617, said point of beginning being one hundred (100) feet southerly from the southerly line of Main Street as now located, measured at a right angle from said Main Street and ten (10) feet westerly from the westerly line of the Main Canal of the Union Water Power Company; thence southwesterly in a straight line parallel to and one hundred feet (100) feet southerly from the southerly line of Main Street, three hundred ninety-nine and one-tenth (399.1) feet to a stone bound in the easterly line of land deeded to the Maine Central Railroad Company by the Franklin Company by deed dated August 26, 1881, and recorded in said Registry of Deeds, Book 104, Page 576; thence southerly by the easterly line of said Maine Central Railroad Company's land four hundred forty and four tenths (440.04) feet to a stone bound in said line at the corner of land now owned by the Union Water Power Company; thence easterly by the northerly line of said Union Water Power Company's land three hundred twenty-eight and forty-five hundredths (328.45) feet to a stone bound ten (10) feet westerly from said Main Canal of Union Water Power Company, marking the most southeasterly corner of the lot herein described and conveyed; thence northerly by land of the Union Water Power Company on a line parallel to and ten (10) feet westerly from said Main Canal six hundred and forty-eight and forty hundredths (648.40) feet to the point of beginning.

(Parcel I-F, 85 Main Street): Beginning at a point in the southeasterly line of Main Street at the northeasterly corner of a lot of land conveyed by the Franklin Company to the Maine Central Railroad Company by deed dated August 26, 1881, and recorded in said Registry of Deeds, Book 104, Page 576; thence northeasterly by Main Street ten (10) feet; thence at a right angle with said street southeasterly eighty-eight (88) feet; thence at a right angle northeasterly thirty-eight (38) feet; thence at a right angle southeasterly twelve (12) feet to the northwesterly line of lot of land conveyed by the Franklin Company to the Bates Manufacturing Company by deed dated August 1, 1910, and recorded in said Registry of Deeds, Book 257, Page 219; thence southwesterly at a right angle and on the line of said Bates Manufacturing Company land about one hundred twenty (120) feet to land of the Maine Central Railroad Company above referred to; thence northerly by the easterly line of said Railroad Company's land about one hundred twenty-three (123) feet to the point of beginning on said Main Street.

(Parcel I-G, 85 Main Street): Commencing at an iron pin in the southeasterly line of Main Street; at the westerly corner of land conveyed by the Franklin Company to Barbara McInnis by deed of said Franklin Company, bearing No. 964; said point of commencement is about three hundred forty-nine and one-tenth (349.1) feet southwesterly from a stone bound located at the intersection of the westerly line of the Union Water Power Company's land (on the westerly side of the Main Canal) and the southeasterly line of said Main Street; thence running southeasterly, at a right angle and by the southwesterly line of said McInnis land, eighty-eight (88) feet to said McInnis southerly corner; thence southwesterly at a right angle about thirty-eight (38) feet to a

point; thence at right angles northerly about eighty-eight (88) feet to Main Street; thence northeasterly along the southeasterly line of Main Street about thirty-eight (38) feet to the point of beginning.

(Parcel MCCR-1, 85 Main Street): Beginning at a point on the southerly sideline of Main Street, said point being the northeasterly corner of the first parcel of land conveyed by Maine Central Railroad Company to Lewis Annacone and Nelmo Frateschi by deed dated February 5, 1946, recorded in said Registry of Deeds, Book 575, Page 16; thence easterly in said southerly sideline of Main Street a distance of fifty (50) feet, more or less, to the northwesterly corner of Parcel I-F herein; thence southerly in the westerly sideline of said land of Parcel I-F and Parcel I-E herein a distance of five hundred ninety-five and one-half (595.5) feet to land now or formerly of the Union Water Power Company, presently occupied by Cross Canal Number One, so-called; thence westerly by said land of said Union Water Power Company a distance of sixty-seven and thirty-six hundredths (67.36) feet to a point marking the southeasterly corner of Parcel No. 3 conveyed by Maine Central Railroad Company to Carman-Thompson Company by deed dated September 23, 1983, recorded in said Registry of Deeds, Book 1696, Page 132; thence northerly in the easterly sideline of said Parcel No. 3, a distance of forty (40) feet to a point marking the northeasterly corner of said Parcel No. 3, said point being the southeasterly corner of Parcel No. 1 of said deed by Maine Central Railroad to Carman-Thompson Company; thence northerly in the easterly sideline of said Parcel No. 1 a distance of three hundred ninety-five (395) feet, more or less, to an iron pipe marking the northeasterly corner of said Parcel No. 1, said iron pipe also lying in the southerly sideline of said Annacone land; thence easterly in said southerly sideline of said Annacone land a distance of twelve (12) feet, more or less, to a point marking the southeasterly corner of said Annacone land; thence northerly in the easterly sideline of said Annacone land a distance of one hundred fifty-nine and eighteen hundredths (159.18) feet, more or less, to the point of beginning meaning and intending to convey 36,990 square feet, more or less.

Being a portion of the same premises described in a Judgment to Confirm and Establish Title on behalf of the City of Lewiston against Bates Fabrics, Inc., et al., dated June 6, 1994, and recorded in said Registry of Deeds in Book 3315, Page 160.

LEWISTON CITY COUNCIL

MEETING OF FEBRUARY 7, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 7

SUBJECT:

Resolve Accepting the City of Lewiston's Comprehensive Annual Financial Report for the Year ended June 30, 2016.

INFORMATION:

The City's Comprehensive Annual Financial Report, as prepared by the City Finance Director, and the Independent Auditor's report on it prepared by RHR Smith & Company were recently presented to the City Council at a workshop. In the audit firm's opinion, the City's financial statements present fairly, in all material respects, the City's financial position. The attached Resolve would accept the report. Please note that the complete report, along with those of prior years, can be found on the City's web site at <http://www.ci.lewiston.me.us/index.aspx?nid=133>.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/1/1/11

REQUESTED ACTION:	1	2	3	4	5	6	7	M
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To adopt the Resolve Accepting the City of Lewiston's Comprehensive Annual Financial Report for the Year Ended June 30, 2016.



COUNCIL RESOLVE

Resolve, Accepting the City of Lewiston's Comprehensive Annual Financial Report for the Year Ended June 30, 2016.

Be It Resolved by the City Council of the City of Lewiston

that the City of Lewiston's Comprehensive Annual Financial Report, including its General Purpose Financial Statements for the year ended June 30, 2016 as prepared by the City Finance Director and the Independent Auditor's Report thereon prepared by RHR Smith & Company, is hereby accepted in its entirety.

LEWISTON CITY COUNCIL
MEETING OF FEBRUARY 7, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 11

SUBJECT:

Executive Session to discuss Disposition of Property of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EATBkmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To enter into an Executive Session, pursuant to MRSA Title 1, section 405(6)(c), to discuss Disposition of Property, of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

LEWISTON CITY COUNCIL
MEETING OF FEBRUARY 7, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 12

SUBJECT:

Executive Session to discuss Acquisition of Property of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EBB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To enter into an Executive Session, pursuant to MRSA Title 1, section 405(6)(c), to discuss Acquisition of Property, of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

LEWISTON CITY COUNCIL

MEETING OF FEBRUARY 7, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 13

SUBJECT:

Executive Session to discuss labor negotiations regarding the International Association of Firefighters, Local 785.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To enter into an Executive Session pursuant to MRSA Title 1, section 405 (6) (D) to discuss Labor Negotiations regarding the International Association of Firefighters, Local 785.