

Town of Kennebunkport
Board of Selectmen Meeting
January 11, 2024
5:00 PM
Village Fire Station (32 North Street)

MINUTES

Selectmen attending: Mike Weston, Sheila Matthews-Bull, Allen Daggett, Jon Dykstra, Marybeth Gilbert.

1. Call To Order.

Chairman Weston called the meeting to order at 5:00 PM.

2. 5 PM - Executive Session per MRSA 1, §405-6E to consult with town attorney regarding pending litigation.

Motion by Selectman Matthews-Bull, seconded by Selectman Daggett, to enter Executive Session per MRSA 1, §405-6E to consult with town attorney regarding pending litigation. **Voted:** 5-0. **Motion passed.**

The Selectmen entered Executive Session.

Motion by Selectman Matthews-Bull, seconded by Selectman Daggett, to exit Executive Session per MRSA 1, §405-6E to consult with town attorney regarding pending litigation. **Voted:** 5-0. **Motion passed.**

The Selectmen resumed the regular meeting at 6:22 pm.

3. ESTIMATED 6 PM - Approve the December 28, 2023, selectmen meeting minutes.

Motion by Selectman Daggett, seconded by Selectman Dykstra, to approve the December 28, 2023, selectmen meeting minutes. **Voted:** 5-0. **Motion passed.**

4. 4. Public Forum (This is an opportunity for anyone who wants to address the Board of Selectmen with any issue that is not on the agenda.)

Craig Sanford, Police Chief, informed the Board of damage he and Chris Simeoni, Public Works Director, had seen because of the January 10th storm, presenting some slides with pictures, in preparation for a FEMA declaration. Affected areas included Wandby Beach, Ocean Avenue, the sidewalk near the Bush compound, Kings Highway,

Dyke Road, Head of the Harbor on Pier Road, Langsford Road, Dock Square, and the Causeway on Pier Road. He urged the public not to drive around barricades blocking flooded roads and asked that they not be near the shoreline during the upcoming storm this weekend.

No motion was necessary. No motion was taken.

5. Consider the following Special Amusement applications:

- **The Boathouse @ Kennebunkport LLC d/b/a The Boathouse, 21 Ocean Avenue**
- **Cape Arundel Inn LLC d/b/a Cape Arundel Inn, 208 Ocean Avenue**
- **Hidden Pond LLC d/b/a Hidden Pond, 354 Goose Rocks Road**
- **Ivy One LLC d/b/a The Clubhouse @ Cape Arundel Inn**
- **The Kennebunkport Inn LLC d/b/a The Kennebunkport Inn, 1 Dock Square**
- **Lodge on the Cove LLC d/b/a Lodge on the Cove, 29 S. Main Street**
- **Tides Beach Club LLC d/b/a Tides Beach Club, 930 Kings Highway**
- **Yachtsman Hospitality LLC d/b/a Yachtsman Hotel & Marine Club, 57 Ocean Avenue**

Motion by Selectman Matthews-Bull, seconded by Selectman Dykstra, to approve the Special Amusement Applications. **Voted: 5-0. Motion passed.**

6. Annual Investment presentation by H.M. Payson.

Daniel Lay, H.M. Payson representative, made a slide presentation to the Board about the Town's Endowment Fund investments for our four firehouses. They are not Operational Funds. The current value at year end is about \$1.8 million, about 75% of which is managed equity investments with the remainder being bonds, cash and other short-term instruments. The return for the previous year was 13.94%. While this is an underperformance in comparison to the "Magnificent Seven" companies, 2023 was nonetheless a very good year and Payson takes a more conservative approach which has paid off long term. The Inception (2/28/2015) to date Gross Return was projected at 7.54%, but the actual has exceeded that at 8.29%. We started out with about \$1.1 million and now have a valuation of about \$1.83 million.

Nicole Evangelista, Finance Director, added that the 4% annual payout to the four fire companies in December 2023 amounted to a total of \$50,438, with \$8,070 going to Wildwood, \$18,158 to the Village Fire Station, and \$12,105 each to Atlantic and Goose Rocks.

No motion was necessary. No motion was taken.

7. Presentation of Capital Improvement Plan.

Laurie Smith, Town Manager, reminded the Board that the CIP is a plan, not a budget. It is a multi-year financial plan that identifies capital projects and acquisitions, along with funding sources and operational costs. In the plan one will see the total cost for an item at the time of purchase, while in the budget only the portion of the total set aside for the item in that one fiscal year would be seen. The five-year CIP is just shy of \$32.5 million and includes equipment, buildings, and infrastructure.

The FY25 CIP is \$13.4 million, with \$9 million of that being for Administration which includes the cost of a new Town Hall. \$143,000 is for Fire, \$105,000 for Parks & Recreation, \$70,000 for Police, \$1.273 million for Public Works, \$2.45 million for Special Projects, and \$330,000 for Wastewater. The FY25 CIP Funding Sources are \$6 million in Bonds, \$1.2 million in Grants, \$3 million in Reserves, and \$3.181 million in the Capital Budget. The five year, FY25-FY29 CIP is \$32.5 million, including the larger items of a new Town Hall, pump station rebuilds, streets and public works as well as Ocean Avenue and Head of the Harbor resiliency projects.

The FY25-FY29 CIP for Administration includes \$9 million as a placeholder for a new Town Hall, as well as much smaller amounts for records preservation and replacement of the 2017 codes vehicle in FY27. Tracey O'Roak, Town Clerk, made a presentation regarding records preservation. As the second oldest town in Maine, Kennebunkport has records going back to the late 1600s and it's important to preserve them. State law requires that certain types of paper records be preserved.

Jay Everett, Fire Chief, explained the FY25-FY29 CIP for the Fire Department. There are not many expenses in FY25, but we're planning \$1.75 million for the renovation of the Village Fire Station for per diem firefighter office and bunk space in FY26, assuming that a new Town Hall with Community Room has been constructed in that same time frame. The ten-year replacement of the SCBA air packs comes in FY27 for \$355,000 with funds that have been set aside each year. In FY29 the replacement of the generator at the Village Fire Station is anticipated for \$75,000, as the current one was installed when the building was constructed in 2001. He anticipates the replacement of the ladder truck in a year, with the replacement of one of the fire engines in two years. In FY25 the annual replacement of 7 to 8 sets of PPE is anticipated for a cost of \$23,000 as well as the replacement of the chief's vehicle for \$90,000. The 2014 F-150 truck he currently uses would be repurposed as a utility vehicle (e.g. for picking up deployed fire hoses) for the rest of its useful life. In addition, there have been issues getting the truck bay doors at the Village Fire Station to close completely. It is a problem with the electronics in the motors for which replacement parts are no longer available. Replacement of the overhead door motors is anticipated at a cost of \$30,000 in FY25.

Stephanie Simpson, Director of Parks and Recreation, informed the Board that in FY25 she is planning to do survey and engineering work to improve the drainage at Parsons Field (\$30,000) and resurfacing of the tennis/pickleball courts at Rotary Park (\$75,000). In FY26, replacement of the bus (\$130,000) along with planned improvements at Rotary Park (\$85,000) and Parson's Field site reconstruction (\$200,000) are planned. Other projects that are part of the ten-year master plan are projected to take place in later years. There may be grant money available to help fund these projects, which we will apply for as we get closer to their planned implementation.

Laurie Smith went over the Pier CIP for Cape Porpoise and Government Wharf piers. The #2 pier hoist is planned for replacement in FY26 (\$10,000). The add alternate items for the Cape Porpoise Pier reconstruction project are scheduled in FY27 at a cost of \$400,000.

Craig Sanford, Police Chief, informed the Board that there are exterior repairs (e.g. siding, doors) that need to be made in FY25 (\$15,000). Also in FY25 is the planned cycled replacement of a police cruiser. The Chief made a comparison of gas vs. hybrid and has learned that other departments have had repair issues with hybrids as well as a long lead time (18 months to 2 years) for new hybrid cruiser orders. He recommends that we stick with a gas vehicle for this next cruiser replacement. The Chief also anticipates the requirement to replace the 20-year-old Central Square software system with the new version in the next 3-5 years and recommends putting aside \$60,000 for that purchase. Though he has been told the upgrade will be much more expensive, he is working with a consortium of law enforcement agencies in York County to get a discount on the upgrade for all with the possibility of obtaining Federal grant funds. He is also anticipating the need to replace the flooring in the Public Safety building (Police & Health Departments). Some discussion by the Board followed regarding the appropriate roles of hybrid vehicles and the possibility of moving up the timeline for purchasing hybrids to take the long ordering to delivery time into consideration.

Chris Simeoni, Public Works Director, said that in FY25 he's proposing to repair and reconstruct roads (\$868,000) and sidewalks (\$95,000), and replace the 2007 trackless (\$220,000) and 21-year-old Truck #8 (\$90,000). In FY26 he plans to replace the garage repair lift (\$27,000) as it does not have the capacity to lift many of the larger, heavier trucks we currently have. In future years, replacements of more roads, sideways, and trucks are anticipated. The amounts anticipated in the CIP do not reflect the costs of resiliency projects such as Ocean Avenue and Head of the Harbor. He described specific road improvement projects recommended for FY25-FY29.

Chairman Weston inquired about damage to the sewer infrastructure during the latest storm. Chris responded that there was no damage. Eric Labelle, Principal Engineer, added that the plant is rated to accept 700,000 gallons a day, hydraulically able to process up to 1.8 million gallons. By utilizing a few "tricks of the trade", opening up

aeration tanks onsite, they were able to handle 2 million gallons. Selectmen Dykstra & Gilbert emphasized that it was important to educate residents that their sump pumps should not be tied into the sewer system as this creates the serious issue of excess water that must be processed by the wastewater treatment plant.

Chris continued, describing special projects including the resiliency construction on Ocean Avenue Wandby area (FY25, \$2.42 million), and at the Head of the Harbor (FY28, \$3.5 million). Also in FY25 is the replacement of 20 more streetlights (\$50,000). Laurie added that we hope to be able to find Federal grants to help pay for these resiliency projects. In Dock Square, \$300,000 has been designated for resiliency design in FY28. The challenge is a coordinated response to an area with both public infrastructure and private property. Three options being considered are to stop the flood waters (tidal gates), elevate the buildings or relocate.

Eric informed the Board that some of the pump stations experienced problems in this latest storm with equipment underwater. We need to upgrade Pump Station #12 (Goose Rocks Beach Main) in FY25 as it experienced a major failure this year. FY25 will also see the upgrade of the PLCs and SCADA system and improvements for four pump stations that were underwater in the latest storm. Larger pump stations that are older, but not troublesome are being pushed out to later years for upgrades.

Nicole described a chart depicting current and future debt. Current debt includes bonds for the Police building, Parks & Recreation building, the Seawall, Village Parcel, Radio Tower and two Wastewater bonds. Future debt would be bonds for a new Town Hall, Village Fire Station upgrade, Head of the Harbor project, and two for Wastewater upgrades. Laurie then displayed a chart showing capital expenses from FY20 thru the proposed FY25 budget. The proposed FY25 budget is \$3.2 million minus \$200,000 from the Capital Fund Balance, netting \$2.98 million, which would be much greater than previous years because of the resiliency projects that have been proposed.

No motion was necessary. No motion was taken.

8. Authorize sewer commitment for prorated properties.

Chris Simeoni explained that there are nine properties that have come online over the past year with a prorated sewer rate.

Motion by Selectman Dykstra, seconded by Selectman Matthews-Bull, to commit the nine properties for a total of \$2,182.61. **Voted: 5-0. Motion passed.**

9. Accept a \$230.00 donation from the Church on The Cape towards the emergency fuel fund.

Motion by Selectman Matthews-Bull, seconded by Selectman Dykstra, to accept a \$230.00 donation from the Church on The Cape towards the emergency fuel fund.

Voted: 5-0. Motion passed.

10. Accept a \$3,346.00 donation from the Kennebunkport Village Fire Department towards the general needs account.

Motion by Selectman Matthews-Bull, seconded by Selectman Daggett, to accept a \$3,346.00 donation from the Kennebunkport Village Fire Department towards the general needs account. **Voted: 5-0. Motion passed.**

11. Other Business.

Selectman Gilbert asked about increasing the liquor license fee as a source of increased revenue generation. Laurie responded that staff was looking into this and would present a recommendation to the Board.

Selectman Gilbert also inquired if large boulders could be put in front of some of the public rights of way at Goose Rocks Beach to resist sand being pushed into the roadway by storm waves. Chris responded that there are boulders that were set aside after the Mat Lanigan bridge reconstruction that could be used for this purpose as well as for the Cape Porpoise pier reconstruction. Selectman Dykstra added that remediation strategies need to be examined as this is an existential problem for Kings Highway that demands serious attention.

Selectman Dykstra said he had flown his drone over Goose Rocks Beach today and that the dune loss from this storm was more severe than the storm in March 2018. He could see the carbon line from the 1947 fires, indicating that more than 80 years of dune had been washed away.

Chairman Weston expressed his thanks to the highway department for their efforts during the storm. From his property he saw the worst flooding in his 23 years in Kennebunkport on Pier Road.

Laurie thanked Police, Fire and Public Works for all their efforts dealing with a variety of issues – flooded basements, road hazards, power outages, etc. While we were fully staffed and able to deal with these issues in this storm, with the increasing frequency of storms and the small staff that we have, she is worried about the Town's ability to meet the needs of residents in the future. She asked Chris for an update on Colony Beach, noting that there had been damage to the parking area last year, reducing its effective size. Chris added that the most recent storm has washed away the remaining parking area, and he has closed the area to parking. At this point Laurie & Chris feel that it would

not be economically feasible to rebuild the parking area as proposed last year. To do so would be another expensive project involving federally and privately owned land.

Laurie also mentioned that the no-cost leases for two electric vehicles from Hyundai are coming due in March 2024. We could purchase the vehicles for \$22,000 each or obtain three-year leases for two new electric vehicles with less than 10,000 miles per year for \$5,500 per year. The Board indicated that they would support the leasing of two new electric vehicles. Laurie said she would come back to them with specifics.

12. Approve the January 11, 2024, Treasurer's Warrant.

Motion by Selectman Mathews-Bull, seconded by Selectman Daggett, to approve the January 11, 2024, Treasurer's Warrant. **Voted: 5-0. Motion passed.**

13. Adjournment.

Motion by Selectman Mathews-Bull, seconded by Selectman Daggett, to adjourn. **Voted: 5-0. Motion passed.** The meeting adjourned at 8:27 PM.

Submitted by,
Dave Powell,
Technology Specialist