

Town of Kennebunkport
Board of Selectmen & Budget Board Meeting
September 11, 2023
6:00 PM

MINUTES

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

Budget Board members attending: April Dufoe, Michelle Powell, Robert Wester, Allan Evelyn, Ki Leffler, Rick Wakeland, Dan Beard, Charles Tremblay, David James, and Dimitri Michaud (initially via Zoom, later in person).

1. Call to Order.

Chairman Weston called the Board of Selectmen meeting to order at 6:00 PM.
Budget Board Chair April Dufoe opened the Budget Board meeting at 6:00 PM.

2. Discussion of November warrant articles.

a. Question 3 – Authorization for bond to construct Town Hall.

Town Manager Laurie Smith reviewed the Town Hall background, including the history and current square footage of the 6 Elm Street building. She also described the Village Parcel visioning process and the Town Hall public process over the past four years. Voters approved funds for a design and engineering firm in June of 2022. Sebago and Grant Hayes were retained to do this work.

A committee was formed, and many floor plans were considered to right-size the project, which was brought to the Selectmen in July 2020. Ultimately, the committee agreed upon a single-story design of approximately 12,600 sq. Laurie described the layout, appearance, and function of the final design in some detail, with the building located near the North Street entrance to the Village Parcel.

Sebago's estimate for the total cost of the project is approximately \$8.8 million, including a 15% construction contingency amount of \$1.1 million. The Selectmen formed a subcommittee to develop cost-reduction options. They recommended the sale of the 6 Elm Street property, use of reserves, fundraising, and additional property sales for a reduction of \$3 million, resulting in the need to bond \$5.8 million.

Chairman Weston announced that the Town has just received a \$500,000 anonymous donation with no contingencies for the construction of the new Town Hall, giving the fundraising a big head start.

One of the cost reduction options is to sell two Town-owned properties: a one-acre parcel on Beachwood Avenue and the eight-acre “McCabe” property on School Street next to Parson’s Field and Consolidated School. There were several questions and discussions among the Boards regarding Town-owned properties.

As it applies to other properties acquired by the Town from failure to pay taxes, State law prevents the Town from making from the sale more than the amount of taxes owed, with the remainder going to the former owners of the property. This effectively negates any significant proceeds the Town would earn from such sales.

Selling part of the Village Parcel is a possibility to defray the cost of the bond taken for the purchase of that property but would not be applied to building a new Town Hall. In addition, the Town is in the process of conducting a survey of the public as to what they would like to see happen with the Village Parcel. It would be premature to make the decision to sell part of the Parcel without analyzing the survey results first.

Laurie Smith went on to present the tax impact on the mil rate for bonds in various amounts for a new Town Hall. She also described debt retirements that are happening in FY26 – FY29. In addition, she summarized the Capital Improvement Plan (CIP) with cost estimates for larger projects anticipated in the next several years, as well as CIP funding sources. She provided estimates of projected utility costs for the new construction as compared to what we’re currently paying at the existing Elm St. location. Lastly, she presented the proposed construction timeline for the new Town Hall if the warrant article is approved by the voters in November.

Dan Beard questioned the need to build a new, large meeting room for Town meetings instead of renting existing rooms (e.g., the Legion Hall, the libraries). Laurie Smith and Board members responded that this would not be a practical solution as this would greatly complicate the scheduling of Town meetings. Also, the meeting audio/video cable broadcast and streaming equipment is not mobile and could not be moved between a variety of meeting locations. The meeting room will also be used for voting. There are many State regulations governing aspects of voting spaces involving physical security, ADA compliance and the like. The State would not permit voting in a variety of changing third-party spaces.

Members of both Boards had extensive discussions regarding whether to place the sale of the McCabe property in the same warrant article as that allowing the Selectmen to authorize a bond for the Town Hall. April Dufoe recommended that the Budget Board first take a vote to indicate support for the Question 3 warrant article as written.

Motion by David James, seconded by Allan Evelyn, to approve the Question 3 warrant article as written. **Voted:** 5-4-1. **Motion passed.**

After more discussion about separating out the question of the McCabe property sale, Laurie Smith said that the Select Board was looking for positive feedback from the Budget Board about how to proceed, and this divided vote was not positive. She asked what might bring the group to a more positive resolution. More discussion ensued.

Motion by April Dufoe, seconded by Ki Leffler, to approve the Question 3 warrant article as written, with the one exception to move the proposal to sell the McCabe property to a separate warrant article. **Voted:** 8-2. **Motion passed.**

Motion by Selectman Dykstra, seconded by Selectman Matthews-Bull, to accept the Budget Board proposal to move the proposal to sell the McCabe property to a separate warrant article. **Voted:** 4-1 (Selectman Gilbert opposed). **Motion passed.**

Wayne Burbank had questions about the new Town Hall project, the Village Parcel, the possible purchase of a house next to the existing Town Hall on Elm St., the McCabe property, and the reserve fund balance that Laurie Smith and the Selectmen answered.

b. Question 4 – Authorization to use reserve funds for the Cape Porpoise Pier project.

Laurie Smith briefly ran through the presentation made by our engineer at the last Board of Selectmen meeting. She explained that the pilings and foundation of the pier have been deteriorating badly for over 50 years, and the Harbormaster's office is in danger of flooding. She described the elements of the reconstructed pier, bait shed, and Harbormaster's office. Over time, the projected cost of the project has risen markedly from \$2.4 million to \$4.5 million today. But even with EDA grants and DOT funding, we're still facing a funding shortfall of \$1.1 million. Alternate bid items were identified for possible later funding: the south float system, jib crane & solar panels. Removing these items from the project brings the funding gap down to \$707,000. That figure is being rounded up to a request for \$710,000.

If the additional funding is approved, the timeline for the project is to put out for bid in February 2024, with a bid deadline of March 2024. This would provide the selected contractor with time to obtain the required construction materials and to schedule the project for the winter of 2024.

Motion by David James, seconded by Allan Evelyn, to approve the Question 4 warrant article as written. **Voted:** 10-0. **Motion passed.**

3. Adjournment.

Motion by Dan Beard, seconded by Robert Wester, to adjourn the Budget Board meeting. **Voted:** 10-0. **Motion passed.**

Motion by Selectman Matthews-Bull, seconded by Selectman Daggett, to adjourn the Board of Selectmen meeting. **Voted:** 5-0. **Motion passed.**

The meeting adjourned at 8:04 PM.

Submitted by,
Dave Powell,
Technology Specialist