

TOWN OF KENNEBUNK
BOARD OF SELECTMEN MINUTES

March 12, 2019 – 5:30 P.M.

1. Call to Order

On Tuesday, March 12, 2019, at approximately 5:30 p.m., in Room 301 of the Town Hall, Richard Morin, Chairman of the Board of Selectmen for the Town of Kennebunk, called to order the Board of Selectmen. Present were Selectmen L. Blake Baldwin, Richard Morin, Edward Karytko, Wayne Berry, William Ward, Jr. and Christopher Cluff.

Also present was Town Manager Michael Pardue.

Absent was Selectman Shiloh Schulte. Schulte arrived at 5:55 p.m. during the executive session.

2. Executive Session

- a. Discuss Matters of Litigation with the Town Manager, Finance Director, Director of Community Development and Town's Legal Counsel - Title 1 MRSA Sec. 405(6)(E).
- b. Discuss an Economic Development Matter with the Town Manager, Finance Director and Director of Community Development regarding an economic development matter where premature disclosure of the same would prejudice the competitive bargaining position of the Town relative to the same - Title 1 MRSA Sec. 405(6)(C)

**At approximately 5:30 p.m., a motion was made to enter into executive session, with the Town Manager, Finance Director, Director of Community Development, pursuant to Title 1 MRSA Sec. 405(6)(E), to consult with Legal Counsel regarding Matters of Litigation and
to with the Town Manager, Finance Director and Director of Community Development, pursuant to Title 1 MRSA Sec. 405(6)(C), to discuss an economic development matter.**

MOVED: Karytko
SECONDED: Cluff
VOTE: 6 in favor, 0 opposed, 1 absent (Schulte).

At approximately 6:54 p.m., a motion was made to exit executive session.

MOVED: Karytko
SECONDED: Cluff
VOTE: 7 in favor, 0 opposed. The motion passed.

Upon exiting executive session, the Board had nothing to report; however noted that the executive session (Article 2b) would be discussed at the end of the meeting.

The Regular Meeting of the Board of Selectmen began with the Pledge of Allegiance.

3. Pledge of Allegiance, Approval of Minutes, Items to be Signed

The Pledge of Allegiance was recited at approximately 6:56 p.m.

- a. *I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.*
- b. Approval of Minutes:
 - February 26, 2019 Regular Meeting
 - January 29, 2019 Special Meeting (joint budget meeting w/ Budget Board)
 - January 31, 2019 Special Meeting (joint budget meeting w/ Budget Board)
 - February 2, 2019 Special Meeting (joint budget meeting w/ Budget Board)
 - February 5, 2019 Special Meeting (joint budget meeting w/ Budget Board)
 - February 7, 2019 Special Meeting (joint budget meeting w/ Budget Board)

A motion was made to approve the minutes for the February 26, 2019 Regular Meeting and the five Budget Meetings of January 29, 2019, January 31, 2019, February 2, 2019, February 5, 2019 and February 7, 2019.

MOVED: Karytko

SECONDED: Schulte

VOTE: 6 in favor, 0 opposed, 1 abstention (Cluff). The motion passed.

- c. Items to be Signed - none

4. Public Hearings

- a. Municipal Officers of the Town of Kennebunk will hold a Public Hearing to act on the following:

**The repeal of the Skateboard Ordinance
(2-4.3 of the Town of Kennebunk Non-Zoning Ordinances)**

Additional information is available in the Town Clerk's Office.

Town Manager's Note (not part of the public hearing notice):

Changes to this Ordinance can be approved at this public hearing and does not require a Town Meeting vote.

A motion was made to repeal Section 2-4.3 Skateboard Ordinance of the Kennebunk Town Ordinances (non-zoning).

MOVED: Karytko

SECONDED: Schulte

VOTE: 7 in favor, 0 opposed. The motion passed.

5. Public Comments – none

6. Acknowledgements/Announcements

- a. Accept the Following Donation – The Town recently received \$100.00 from Lynn McCarthy for the Kennebunk Medical Loan Closet.

A motion was made to accept the donation from Lynn McCarthy and send a letter of thanks for this donation.

MOVED: Karytko

SECONDED: Cluff

VOTE: 7 in favor, 0 opposed. The motion passed.

- b. Information from the Town Clerk’s Office Regarding the June 11th Election – Nomination papers are now available for the following positions:

Board of Selectmen	(2) 3-year terms
RSU 21 Directors	(2) 3-year terms
Trustee Kennebunk Light & Power District	(1) 5-year term
Trustees Kennebunk Sewer District	(2) 3-year terms

Nomination papers must be returned by 4:30 p.m. on Friday, April 12th. A minimum of 25 signatures is required (not more than 100 signatures). FMI, please contact the Town Clerk’s Office at 604-1326.

The Town Clerk noted that as of this afternoon, Blake Baldwin has taken out papers for Board of Selectmen, and the two incumbents for the Trustees of the Kennebunk Sewer District, Arnie Reim and Wayne Brockway, have taken papers for those two positions.

7. Time Sensitive Business & Staff Presentations

- a. Candidate(s) to Appear for Appointment Consideration to Town Committees – The following resident was in attendance at tonight’s meeting to discuss his interest in joining the following committee:

- **Bicentennial Committee** - Vacancies: (1) Alternate 2019
 - Dana Pearson

Cluff noted that the Chair of the Bicentennial Committee wishes to strongly endorse this candidate.

A motion was made to appoint Dana Pearson as an Alternate Member of the Bicentennial Committee, with a term expiring in 2019.

MOVED: Cluff

SECONDED: Karytko

VOTE: 7 in favor, 0 opposed. The motion passed.

- b. Award the Portable Toilet Bid – The Town received two bids for the rental and service of portable toilets for 2019, 2020 and 2021. Portable toilets are located at the 3 beaches (Gooch’s Beach, Mothers Beach, Parsons Beach), 8 parks and other town facilities, and the school athletic fields (for Parks & Recreation summer activities) at the high school and middle school. Portable toilets are in place, depending on the location, beginning April 4 (although most are placed in May, June and July) through October.

The three-year bid prices recently received were significantly higher (more than doubled in price) than for the previous three-year bid period (2016, 2017, 2018), while the service requirements and quantity remained only slightly changed.

2019, 2020, 2021 Bids Received (opened 3/5/19):

<u>Bidders</u>	<u>Bid Price</u>	<u>Hourly Rate For on-call pumping</u>
A-1 Environmental Service, Inc.	\$35,212.00 (2019)	\$100.00/hr.
Moody, ME	\$36,271.00 (2020)	
	\$37,360.00 (2021)	

Low bidder:

Blow Brothers, Inc.	\$32,755.41 (2019)	\$75.00/hr.
Old Orchard Beach, ME	\$34,384.05 (2020)	
	\$36,012.70 (2021)	

→ **3/7/19 re-negotiated bid price w/ low bidder:**

Blow Brothers, Inc.	\$29,629.18 (2019)	\$75.00/hr.
Old Orchard Beach, ME	\$30,239.82 (2020)	
	\$30,850.47 (2021)	

In 2018, the last year of a three-year contract, Blow Brothers, Inc. provided this same service to the Town at a cost of \$15,734.56. The renegotiated price for 2019 of \$29,629.18 reflects a price increase of 88.3%.

In the proposed FY 2019-20 budget, \$16,000.00 has been earmarked for the rental and servicing of portable toilets. This budget request was based on the most recent costs incurred by the Town for this commodity.

As this is an essential service provided by the Town, the Town Manager, Finance Director and Division Directors will work collaboratively to adjust other services to compensate for the 88.3% cost increase.

A discussion ensued. Cluff asked about procedure (if they should have tried to negotiate a price with A-1 too). Pardue responded by saying that the bid they recommended was the initial low bid (the one made by Blow Brothers, Inc.), and they asked if they could revise their price any lower for us.

Schulte said that, given the significant increase in price, and if this is going to be the case going forward, they should probably be thinking over the next three years if it would be more financially sound in the long run to put some permanent or semi-permanent structures in at some of these locations where they do this every year. He then wondered if that is a bad idea for the maintenance cost. To Schulte's thought, Pardue said he thinks it's worthy of exploration. He noted that they currently use 40 portable toilets throughout the community. He said they'd have to look at several permanent or semi-permanent structures.

Karytko asked Pardue if there was a reason for the large increase in price. To that, Pardue said he thinks there was a merger acquisition of Blow Brothers, Inc. He also suggested that perhaps Blow Brothers, Inc. was in a losing proposition the last three years with the Town.

Sharon Staz, from the public, offered comments. She said she hopes that with the increase in prices that there would be better watch dogging of those portable facilities. She also brought up the possibility of using compostable toilets. She said she would encourage that they take this time to look at such. Pardue asked Staz, as Chair of the Energy Efficiency Advisory Committee, if she would conduct this research; she replied yes.

Karytko asked how often these portable toilets are serviced. In response to Karytko, Pardue said that during the peak of the season the ones at the beach are serviced daily. He added that many others are serviced daily or multiple times per week.

A motion was made to award the 3-year Portable Toilet bid to Blow Brothers, Inc. at the re-negotiated price as shown above.

MOVED: Karytko
SECONDED: Cluff
VOTE: 7 in favor, 0 opposed. The motion passed.

8. Old Business – none

9. New Business

- a. Discuss Funding of Kennebunk Development Corp. (KDC) – Selectman Karytko requests the Board have a discussion regarding the continued funding of the KDC.

A lengthy discussion ensued. Starting the discussion, Karytko said he had a concern about whether they should be funding the KDC.

Some questions of procedure were discussed too. John Costin, from the public, said, for example, that it is his understanding that the budget that goes to voters for approval—expenditures are grouped in large amounts for assessment and appropriation and the subcategories within those amounts for specific purposes are really used by both the Selectmen and the Budget Board for budgetary purposes only. He said he thinks that if the Board were to be of the mind not to spend \$5,000 of the larger TIF funds amount (which was approved by the Budget Board and the Board of Selectmen) the Board would not have to reconsider the motion for TIF expenditures. He clarified that the Selectmen and the Budget Board approved a total figure for TIF funds, and he thinks that vote is separate from the discussion and decision of whether to appropriate \$5,000 for the Kennebunk Development Corporation.

Tom Wellman, Budget Board Chair and member of the KDC, spoke. He said there are certain items that the Budget Board voted on and he said he thinks the Selectmen would need a good reason for not spending it that way. He said the Selectmen have the right to move money around. He said he doesn't think that has to do with whether they think the KDC should be funded or not.

Baldwin said he thinks the point is they're getting tied up over a procedural issue when really what they want to have is a policy discussion.

Morin said he would take the following stance: we fund this this year, with some understandings going forward.

Dave Moravick, Treasurer and Vice-President of the Kennebunk Development Corporation (he is a non-resident of Kennebunk), spoke. He said he has been serving on the Kennebunk Development Corporation "since the beginning." He noted that the Kennebunk Development Corporation does make loans; they have also met with proposals on properties such as the William Arthur building. He said that what they do people usually don't see or hear about because a lot of it is confidential. He noted, too, that the Economic Development Committee is a Town Committee and therefore are subject to the Freedom of Information Act, whereas the Kennebunk Development Corporation is a separate non-profit, a 501 (c)(3) and don't fall under that guise. He noted the business they conduct with various people. He also noted the following about the \$5,000 that's allocated: about \$2,200 is insurance cost and the balance of that they like to keep as a reserve in case something comes up and they need legal advice as they enter into some of these non-disclosure agreements and if they don't use it, it gets rolled into the money available for the micro loan fund.

Ward noted a concern of his: he said the address for the organization is 1 Summer Street, saying Moravick indicates that by being a 501 (c)(3) the Kennebunk Development Corporation is outside the scope of the Freedom of Information Act, yet they are addressed to the Town Hall. In response to Ward, Moravick said that is in the process of being changed (the address). He said he thinks the Kennebunk Development Corporation is a worthwhile organization for the Town to have.

Morin asked what the financial balances are today. In response to Morin, Moravick noted \$18,672 in the Music of Main; \$1,710 for the skateboard park. He said they put in a request for funds they hadn't received—they were

funded \$5,000 per year but they never received those funds. He said right now they have \$58,289.90, of which they've allocated \$40,000 for the loan fund; they keep an expense reserve for legal expenses, about \$5,000; they have a community development reserve in case there's any consulting or things they need; and they keep a 10% reserve for their loans (about \$4,000).

Ward asked if the KDC is ever outwardly trying to attract new business. In response to Ward, Moravick said one thing they talked about at their last meeting is that perhaps they should do a little more marketing to let people know they are available for that.

Karytko said he doesn't think he's ever doubted the good work the KDC does; he's just looking at it from a taxpayer's perspective and saying these are taxpayer dollars and wondering: is it appropriate that they fund an organization they have absolutely no control over? Moravick then said they should be reporting annually to the Selectmen as far as what their allocation goes forward, which hasn't previously happened.

Morin asked Moravick if he could review the Biddeford-Saco results (there was a one-page report). Morin then said the Southern Maine Finance Agency reports that they had a busy season. He then went over the report, saying they have remarkable results. Morin said it's troublesome to him that the Town has put \$70,000 into this organization and have not seen a written report or any statistical information to justify a \$70,000 investment. He also questioned who is raising the money. After a response by Moravick, Morin said he's alleging that the Kennebunk Development Corporation's record-keeping is a bit on the lax side. Morin said, too, that the Kennebunk Development Corporation took their meeting quantity down from four times a year to once a year, saying he's having a hard time understanding the legitimacy of an organization that meets once a year.

Baldwin said the KDC is an organization that's never hit full stride. He also said he wonders if they give this another year and ask these people to come back with a better idea of what we hope to accomplish. He said, too, that he believes there is value in the organization if they can figure out how to deploy it properly, how they can make it useful. He said the original idea was to use it for economic development that the Town itself couldn't be involved in at that moment in time.

To Baldwin's comment, Schulte asked how that differs from the Southern Maine Finance Corporation. He said it sounds like the Southern Maine Finance Corporation does a lot in Kennebunk. To that, Baldwin said the advantage they have is they have a dedicated organization that could take up specific projects that Southern Maine Finance Agency might not be interested in, or not put the kind of effort into.

Discussion continued. For instance, Moravick said that Southern Maine Finance Agency are basically financing; they don't do any real kind of development business (that's all up to the respective towns). He said the Kennebunk Development Corporation's mission is to support the growth and business community in Kennebunk.

Discussion continued. For instance, Ward asked if there are any reasonable goals and objectives that they could make known with regard to the KDC. To that, Moravick said they could discuss that, but it's very difficult (they are a volunteer organization). He did say, however, he thinks they should have some goals.

Bob Georgitis, Chair of the EDC and KDC, made comments, speaking of things the KDC worked on. He made further comment, speaking of the benefit of having a development corporation, as well as the downside. He said he thinks there is a value of the KDC to the Town but they can't demonstrate how much of a value it's going to be until it happens.

Karytko wondered what the KDC would do if they didn't have the \$5,000. Georgitis then said if they didn't get the contribution from the Town, they would have to go out and do some more fundraising.

Morin noted that it was said that the money hadn't been collected for 6 years, so apparently they didn't miss it.

John Costin, from the public, made comments. He said that with some frequency this Corporation comes in front of the Selectmen and says they have "almost got it, a little more time, a little more money" (that kind of thing). He noted that the Chair of the Corporation finally presented some financials which raised "a lot more questions than they answered." He made further comment, questioning the finances of the Corporation. He said he would recommend to the Selectmen that the money they've promised not be turned over to the Corporation.

Tom Wellman spoke, accusing Morin of being a part of all this. He said that Morin is a member of the Kennebunk Development Corporation. Morin then said the three meetings he went to there was no information provided (he said he has never seen financials with regard to the Kennebunk Development Corporation).

Cluff said he agrees they should get more information but how the Kennebunk Development Corporation runs their business is really none of their business (other than the fact that they either give them money or they don't).

Discussion continued with no Board of Selectmen action taken.

- b. Discuss Funding Full-Time Economic Development Director Position – Selectman Karytko requests the Board have a philosophical discussion regarding the funding of a full-time Economic Development Director position.

Karytko wondered is if there is going to be enough payback from the investment (investing in an Economic Development Director). To that, Pardue said it's not just about bricks and mortar; it's about relationship building, developing relationships with our current businesses, those that we hope to bring in, and, very importantly, business retention. Another thing he noted is that an Economic Development Director can actively market on the Town's behalf. Pardue cited that an Economic Development Director would also pursue grants and enhanced broadband.

Baldwin said the number one thing they hear from the surveys of people in this Town is that they want to keep Kennebunk the way it is. He said that in order to do that, it will cost more money every year from now on. He said to keep the community the way it is, they either have to raise taxes, lower services or find new sources of revenue. He said he doesn't think they need to be futitarian, a word meaning a lack of hope in the future, he said.

Karytko asked the question of where new businesses would be put in Town?

Ward said eventually they have to realize that they can't just be little, tiny houses (School Budget would go up, for instance, posing problems). He added that they don't have a lot of people in Town between the ages of 20 and 40 because of a lack of jobs for those people. So, said Ward, there are a lot of reasons why they still want to develop some kind of business activity in this Town, just to maintain the viability of this Town. He offered further comment. Another thing he said is that he doesn't know what value to put on something such as relationship-building.

Discussion continued. For instance, Karytko expressed skepticism that an Economic Development Director could prevent a company from leaving the area in a certain circumstance.

Schulte said that if it is fundamentally worthwhile for the Town to have a relationship with existing businesses and for someone in the Town to try to bring new businesses into the Town, then they need someone in that position. To that, Karytko asked if that is possible. He brought up the scenario in which the Economic

Development Director only brings in one business to locate Downtown, after three years, and Karytko wonders if it is worth hundreds of thousands of dollars for such a Director (by way of his salary) to get one business Downtown. Karytko also argued that Kennebunk is a bedroom community to Portland and Portsmouth.

Discussion continued. Baldwin said if they really want to alleviate the burden on Town residents, commercial business is “the way to go.”

Karytko cited an article in the Journal Tribune that referenced Biddeford, in which it was stated that with new businesses in Town, young people are moving in; the price of apartments and houses are going up; people who are in apartments now can’t afford to live there; there’s an unintended consequence to a lot of things.

Morin said all of this conversation led him to a conclusion: that they should be embracing this with more energy than they currently are. He said that if all of this is at risk, doing nothing ensures that it continues to dissipate and go away. Morin also noted that he doesn’t think they have to put it on the payroll; he thinks they could authorize a contract for a period of time—try it, see what happens. He also spoke about bringing in business like a hotel, which would bring in money.

Bob Georgitis, from the public, spoke. He said all the communities are facing the same thing: the cost of housing is going up. He also said they have become a destination for certain types of businesses; they need to go out and try to pull in those other ones and to retain the businesses they have here; they’ve lost some since he’s lived in this Town. He added that there are people willing to volunteer and contribute time, but they can’t do it alone and they need the help of professional staff.

Morin said he doesn’t disagree that they are predominately a bedroom community, but they don’t have 10, 11 or 12 financial institutions because we have nothing to offer; they’re here for a reason.

Karytko mentioned, too, that if this conversation gets everybody working together and starting to create some sort of movement and results, he “couldn’t be happier.”

Betsy Smith, Chair of the Lower Village Committee and member of the Comprehensive Plan Committee, said that, having written the climate change chapter of the Comprehensive Plan, if for no other reason she thinks this Town’s got to look at diversifying away from the summer hospitality industry. She said a better diversified economy, one that runs 12 months a year, would make a huge difference.

Sharon Staz, from the public, offered comments.

c. Discuss Any Other Business

10. Board of Selectmen Comments

a. Subcommittee Reports

b. Individual Selectmen Comments

Selectman Ward:

- The first two items of the Planning Board’s packet last night are going to be sent to us to be reviewed in our next meeting; so, it might be a good idea to take a look at those first two items. Also in that packet is a working progress that the committee is doing regarding wetland mitigation. That was a very interesting Planning Board meeting last night.

- Thanks to the Highway Department and the Police and Fire for all their hard-work during these messy storms this winter

Selectman Baldwin:

- John Kotsonis really stepped up and assumed leadership of the Zamboni drivers and I think made a big difference in our ability to provide shiny, smooth ice as long as we did. I wanted to tip my hat to John, Will, Eric, Gary, Ron and Shawn.

Selectman Karytko:

- If you have used or tattered flags, drop them off at the American Legion on Water Street
- Eyeglasses, cell phones, hearing aids, there's a box by the Town Clerk's Office, that goes to the Lions Club.
- West Kennebunk Village Committee Meetings are now held on the 2nd Thursday of the month instead of the first Thursday of the month like they were before.
- Energy Efficiency Committee is working diligently on a number of things. There is a program whereby you can have an insert put in your windows, and it's by Window Dressers; further information is on the Town's website.

Selectman Schulte, Selectman Berry:

- None

Selectman Cluff:

- Last weekend, on Sunday, most of us probably had the opportunity to watch the funeral of Captain Joel Barnes. One of the highlights of the ceremony, for me, was that our Fire Chief was able to participate in that and I think represented our community very well; it was a great honor coming from our community to do that. Also, I noticed that in the procession that our Rec bus was also donated to use and I think that was also a great showing of support from our community. Thanks to the Manager for supporting those efforts.

Selectman Morin:

- Repeated the comment of gratitude for the Public Works Department; we've had some funky snowstorms and they managed to stay ahead of them pretty well. It's a very commendable job keeping our roads clear. Bryan does a great job with his crew; the crew has done a lot of good work, so I appreciate that.

11. Town Manager Announcements

- a. Selectmen Outreach Session – **Saturday, March 16** from 8:30-10:30 a.m., 3rd floor of the Town Hall.
- b. Waterhouse Center – **Sunday, March 17** was the last day the ice-skating surface was open to the public.
- c. Proposed FY2019-20 Budget – View the supporting detailed budget documents presented at the budget meetings at www.kennebunkmaine.us/budget.

12. Executive Session

(Continued from Article 2b)

Discuss an Economic Development Matter with the Town Manager, Finance Director and Director of Community Development regarding an economic development matter where premature disclosure of the same would prejudice the competitive bargaining position of the Town relative to the same - Title 1 MRS.A Sec. 405(6)(C)

At approximately 8:42 p.m., a motion was made to enter into executive session, with the Town Manager, Finance Director and Director of Community Development, pursuant to Title 1 MRSA Sec. 405(6)(C), to discuss an economic development matter.

MOVED: Cluff
SECONDED: Karytko
VOTE: 7 in favor, 0 opposed. The motion passed.

At approximately 8:55 p.m., a motion was made to exit executive session.


MOVED: Cluff
SECONDED: Karytko
VOTE: 7 in favor, 0 opposed. The motion passed.

Upon exiting executive session, the Board had nothing to report.

13. Adjournment

At approximately 8:55 p.m., a motion was made to adjourn the meeting.

MOVED: Cluff
SECONDED: Karytko
VOTE: 7 in favor, 0 opposed. The motion passed.


L. Blake Browning
Vice Chair.
Christopher Cluff, Secretary
Kennebunk Board of Selectmen

Date: 3/26/19